



# Swisscom Group Annual Report 2025



## About this annual report

The Swisscom Group Annual Report 2025 details the Swisscom Group's financial and non-financial performance in an integrated format, which includes, for the first time, the Group's consolidated sustainability statements. The report covers the calendar year from 1 January 2025 to 31 December 2025. Swisscom Ltd is the parent company incorporated under Swiss law. Its registered shares are publicly traded on the SIX Swiss Exchange.

The consolidated financial statements in this annual report are prepared in accordance with IFRS Accounting Standards. The information on corporate governance is presented in line with the SIX Swiss Exchange Directive. The sustainability statements align with key non-financial reporting frameworks and regulations, including the Swiss Code of Obligations and the Corporate Sustainability Reporting Directive (CSRD) to ensure compliance with European regulations.

The Swisscom Group Annual Report 2025 is published in English, German, French and Italian, with the exception of the Sustainability Statements and Financial Statements, which are only published in English. In case of any inconsistencies, the English version shall prevail.



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# Key figures

Revenue in billion CHF

**15.0**

-2.0%<sup>1</sup>

EBITDAaL in billion CHF

**5.0**

-1.2%<sup>1</sup>

Capital expenditure in billion CHF

**3.1**

-1.6%<sup>1</sup>

Operating free cash flow in billion CHF

**1.9**

-0.5%<sup>1</sup>

Net income in billion CHF

**1.3**

-17.6%

Net debt to EBITDA ratio

**2.4**

0.0<sup>1</sup>

Employees in thousand FTE

**23.3**

-2.4%

Dividend per share in CHF

**26**

+4

<sup>1</sup> Pro forma



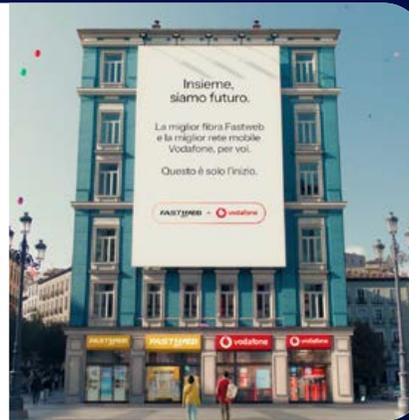
# Highlights 2025

## Setting a new cybersecurity standard

Swisscom has ushered in a new era of cybersecurity with 'beem', which offers business customers in Switzerland greater protection against cyber threats. Protection is no longer provided primarily on devices or at company sites, but directly through the network. With this innovative solution, Swisscom is setting a new standard.

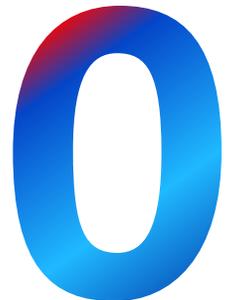
## Successful integration process

Following the completion of the Vodafone Italia acquisition, Fastweb + Vodafone has successfully launched itself on the Italian market. The integration is progressing according to plan, enabling Swisscom to realise the first expected synergy effects.



## Group-wide sustainability strategy and values

Swisscom has adopted its first Group-wide sustainability strategy covering both Switzerland and Italy. The Group is committed to reducing carbon emissions to net zero by 2035. Alongside this, Swisscom has introduced shared corporate values for the entire Group: 'Spark Passion', 'Aim High', and 'Stand True'.



## Best networks and service

The mobile networks in Switzerland and Italy were recognised as the best in their respective countries. In Switzerland, Swisscom won all service tests (hotline, app and shop) in the residential customer segment and has the best hotline in the business customer segment.

## Strong brands

A strong brand that people can identify with is crucial for business success. This is why Swisscom has strengthened its brand positioning in Switzerland. The claim 'Discover your possibilities' encourages people to experience for themselves what new technology makes possible. In Italy, the new corporate brand Fastweb + Vodafone was launched, with the claim 'Insieme, siamo futuro' confidently setting the course for a shared and successful path forward.





# What did 'Innovators of Trust' mean in 2025?



## An AI that I can trust

Swisscom and Fastweb + Vodafone are innovative and reliable partners shaping the digital future in Switzerland and Italy. However, the development of new AI solutions is just as important as the responsible use of the new technologies.

## The backbone of the digital future

Switzerland's telecommunications infrastructure ranks among the best in the world. Investments of around CHF 1.7 billion are significantly expanding this digital backbone, strengthening both the economy and society.



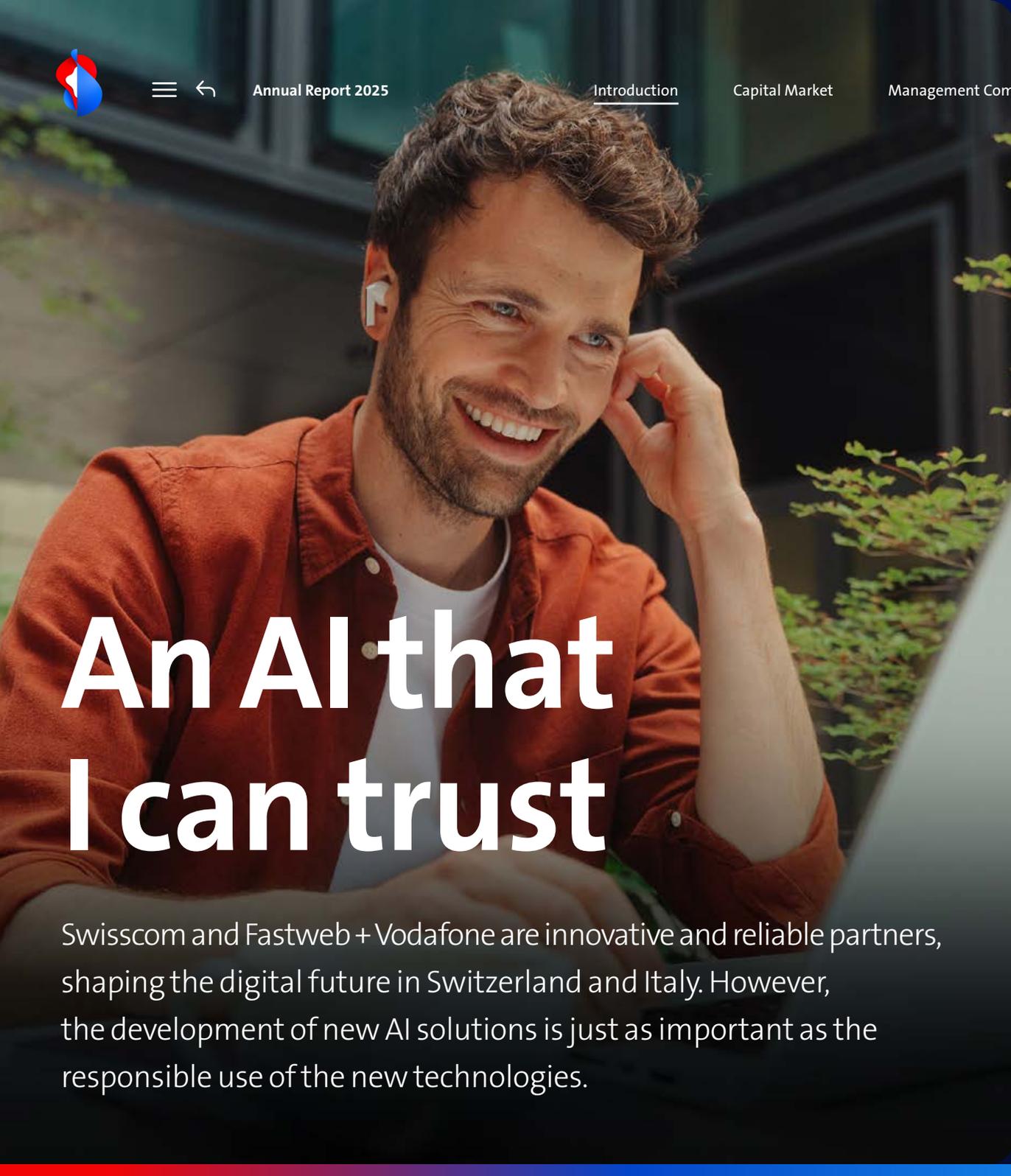
## A new leading player in Italy

Fastweb + Vodafone has been part of the Swisscom Group for a year now. Guided by its claim 'Insieme, siamo futuro', the new market player is already generating added value for customers in Italy.

## Together towards net zero

The Swisscom Group is advancing the decarbonisation of its supply chains with the goal of reducing carbon emissions to net zero by 2035. The greatest potential for reduction lies in emissions generated outside the organisation itself.





# An AI that I can trust

Swisscom and Fastweb + Vodafone are innovative and reliable partners, shaping the digital future in Switzerland and Italy. However, the development of new AI solutions is just as important as the responsible use of the new technologies.

The Swisscom Group places a clear focus on delivering trustworthy artificial intelligence (AI) solutions for its clients. Sovereign cloud solutions and AI infrastructure are particularly vital in times of geopolitical tensions.

### Platform for Switzerland

The Swisscom-developed 'Swiss AI Platform', for example, ensures that all data is stored and processed within Switzerland, so companies can retain full control over their data throughout the entire processing chain. Swisscom's new AI assistant 'myAI' also exemplifies this approach. Developed in Switzerland and for Switzerland, the assistant offers a broad range of features—from text and image generation to data analysis—and integrates seamlessly with the 'My Swisscom App'. Meeting stringent standards of data protection and transparency, 'myAI' stands out from comparable international platforms. Within just six months, it has attracted more than 67,000 registered users.

### Platform for Italy

Fastweb + Vodafone reinforces its leading role in Italy's digital transformation. With the launch of the 'FastwebAI Suite'—a platform of generative AI-based services and tools designed for businesses and public authorities—the company has set a new benchmark in the Italian telecommunications market. The 'FastwebAI Suite' offers end-to-end solutions built on sovereign infrastructures located in Italy and includes an AI platform that integrates secure, compliant generative AI and AI agents. Fastweb + Vodafone is also among the first companies to sign the EU's European Code of Conduct for General-Purpose AI Models.

### Digital inclusion

Developers of innovative AI solutions carry a responsibility to society. In 2025, Swisscom and Fastweb + Vodafone once again empowered people in Switzerland and Italy to navigate the digital world with greater knowledge and security. Through a range of initiatives—including educational programmes, hackathons, and technical assistance—they reinforced their joint commitment to reducing digital exclusion.

# 67,000

myAI accounts were created in just six months

# 2 mn

yearly contacts are aimed to be reached through media literacy programmes by 2030



# The backbone of the digital future

Switzerland's telecommunications infrastructure ranks among the best in the world. Investments of around CHF 1.7 billion are significantly expanding this digital backbone, strengthening both the economy and society.

Swisscom is systematically modernising its fixed and mobile communications infrastructure across Switzerland. Guided by its 2035 vision—offering gigabit bandwidths to everyone through fibre optics, mobile and satellite—Swisscom is building a powerful and reliable telecommunications network designed for the future. This infrastructure will underpin Swisscom's long-term success and create the foundation for Switzerland's digital progress.

### Decommissioning of the copper network

As of the end of 2025, 56% of Switzerland's population and businesses were connected to a fibre-optic network (Fibre to the Home – FTTH). Swisscom aims to expand coverage to between 75% and 80% by 2030. This continuous rollout will enable Swisscom to gradually phase out its copper network over the coming years, with complete decommissioning planned after 2035.

### Next-generation technology

As of the end of 2025, Swisscom's 5G network already covered around 99% of Switzerland's population, with approximately 89% having access to 5G+ technology. Swisscom is continuing to expand its antenna sites both outdoors and indoors to enhance capacity and performance. By 2030, the ambition is to reach about 95% population coverage with 5G+. Swisscom is also preparing for the next generation of mobile technology – 6G – which is expected to deliver more autonomous, higher-quality and differentiated networks tailored to evolving customer needs.

# 56%

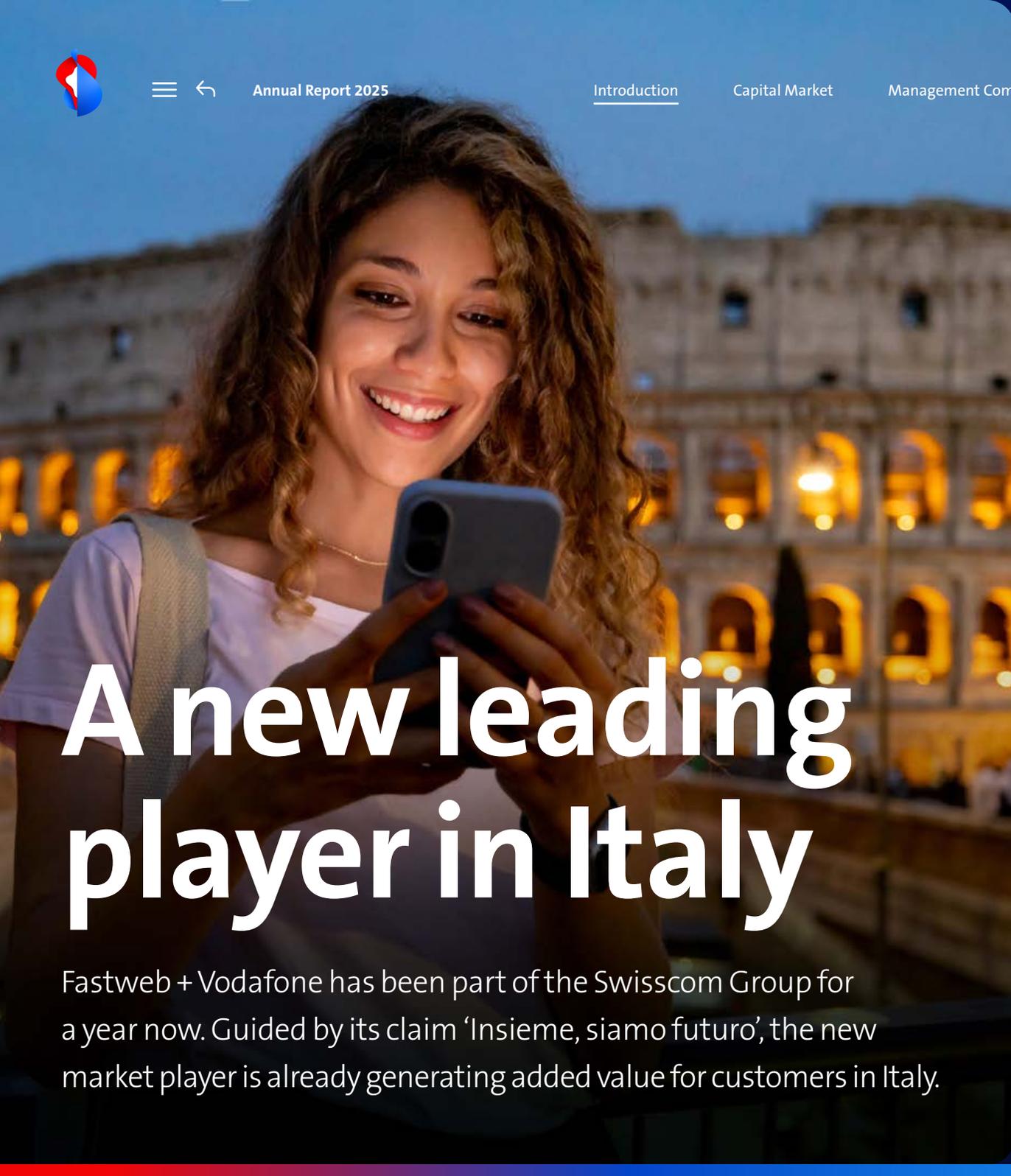
of Swiss households and businesses have FTTH coverage

# 89%

of the Swiss population have 5G+ coverage

# CHF 1.7 bn

invested in network expansion in Switzerland



# A new leading player in Italy

Fastweb + Vodafone has been part of the Swisscom Group for a year now. Guided by its claim 'Insieme, siamo futuro', the new market player is already generating added value for customers in Italy.

The successful acquisition of Vodafone Italia on 31 December 2024 marked the emergence of a new leader in the Italian telecommunications market and significantly expanded the scale of the Swisscom Group. Following the transaction, Fastweb + Vodafone's share of Group revenue increased from 25% to 46%, further strengthening the Swisscom Group as a whole. Fastweb and Vodafone Italia were legally merged on 1 January 2026.

### The best of both worlds

The launch of the first joint Fastweb + Vodafone product portfolio for residential customers represented more than a symbolic milestone in the integration process. The portfolio combines the best of Fastweb's fixed network and Vodafone Italia's mobile connectivity as well as energy and digital services. This comprehensive offer for families marks the first step towards a new ecosystem designed to simplify everyday life, create trust, and build lasting relationships. The services of both the Fastweb and Vodafone commercial brands are now available in all sales outlets in Italy.

The migration of Fastweb's mobile customers to the Vodafone Italia mobile network has been almost completed, extending access to the country's highest-performing mobile network to the entire customer base.

### Robust networks for the digital transformation

Robust networks are a key prerequisite for successfully realising Italy's digital transformation. As of the end of 2025, Fastweb + Vodafone covered 56% of households and businesses in Italy with FTTH, while its mobile network reached 89% of the population with 5G. Fastweb + Vodafone operates Italy's best fixed and mobile 5G network, providing the foundation for a future-ready digital society.

# 56%

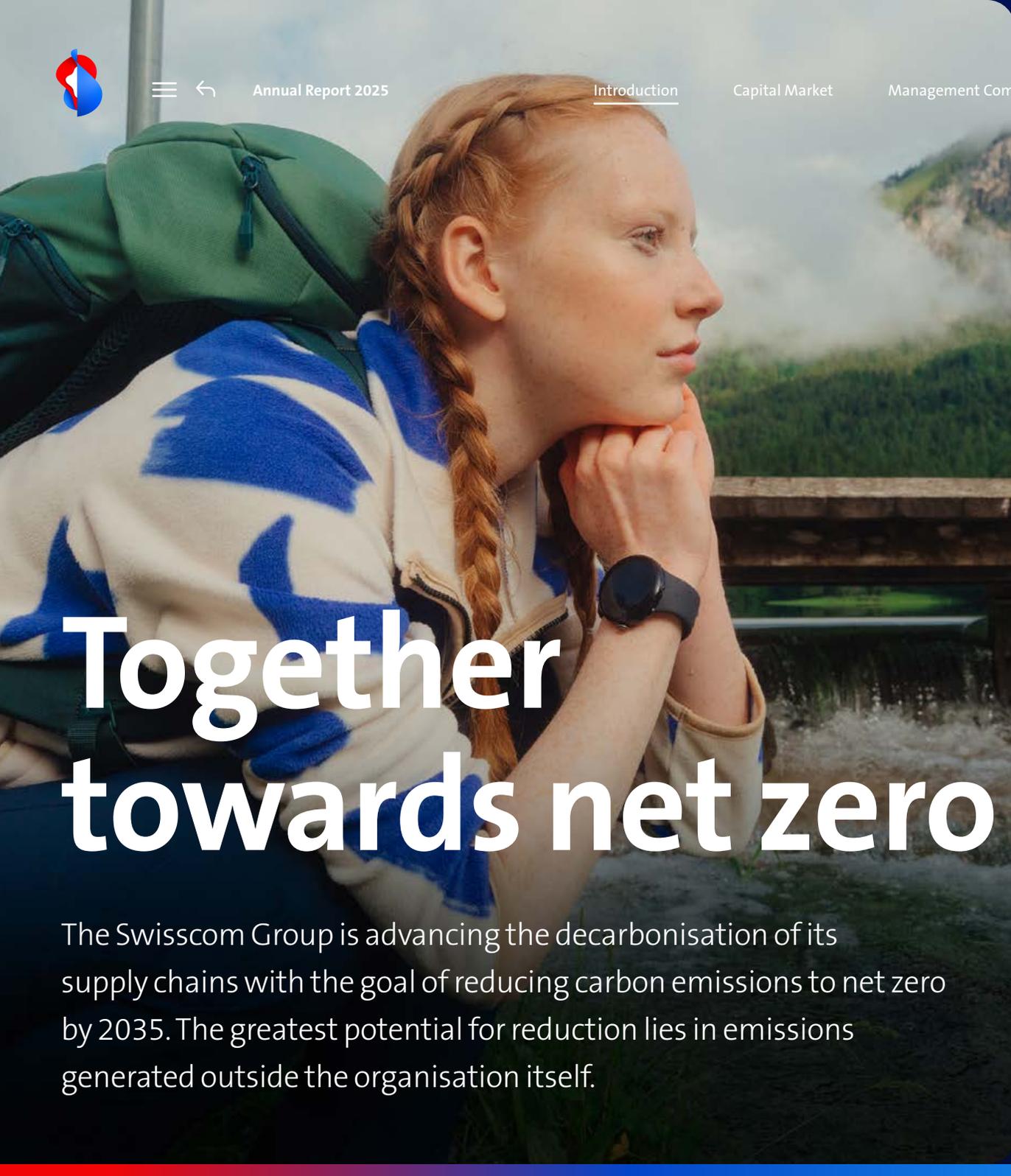
of Italian households and businesses have FTTH coverage

# 89%

of the Italian population have 5G coverage

# CHF 1.4 bn

invested in network expansion in Italy



# Together towards net zero

The Swisscom Group is advancing the decarbonisation of its supply chains with the goal of reducing carbon emissions to net zero by 2035. The greatest potential for reduction lies in emissions generated outside the organisation itself.

More than 97% of the Swisscom Group's emissions stem from its upstream and downstream supply chains. These include raw material production, suppliers, transport and energy as well as sales, utilisation, maintenance and disposal. As the upstream supply chain is largely shaped by international producers and suppliers, achieving meaningful reductions will require coordinated global action. This prompted Swisscom and Fastweb + Vodafone to join around 30 telecommunications companies worldwide in committing to the Joint Alliance for Corporate Social Responsibility (JAC).

### Cooperation beyond competition

Under the motto of 'Cooperation beyond competition', the telecommunications industry is joining forces to encourage suppliers to rethink their methods and provide climate-friendly solutions. Swisscom requires its strategically important suppliers to report their carbon footprint through the Carbon Disclosure Project. For supply partners with larger carbon footprints, tailored programmes are in place in which suppliers analyse the sources of their emissions together with Swisscom and jointly develop targeted action plans to reduce them.

### Direct impact on the circular economy

Through simplified, more compact designs and the economical use of materials, Swisscom's product development aims to drive tangible progress in the downstream supply chain. Unlike third-party products such as mobile phones—where the influence on design and energy efficiency is limited—Swisscom and Fastweb + Vodafone's own devices, such as internet boxes, have a direct impact on the circular economy. Reducing material use in production and energy consumption during operation results in measurable benefits for the climate and the preservation of natural resources. Swisscom aims to cut the carbon footprint of each product generation by 10% by 2030.





# Innovation and trust are the key to tomorrow's success

## Dear shareholders,

The Swisscom Group can look back on an exciting year that has set the course for the future. It started with the successful acquisition of Vodafone Italia, which not only makes Swisscom larger as a Group, but stronger as well. The transaction was an important step towards achieving the strategic goal of further profitable growth in Italy. Fastweb + Vodafone is now the second-largest telecommunications provider in Italy with excellent market opportunities based on the complementary high-quality mobile and fixed infrastructures. Effective 1 January 2026, the merger of Fastweb and Vodafone Italia was also completed legally.

The challenging integration process is progressing according to plan, allowing us to realise the first expected synergy effects. As a result of this development, Swisscom will propose an increase in the dividend from the current CHF 22 to CHF 26 per share for the 2025 financial year at the Annual General Meeting in March 2026.



From left: Christoph Aeschlimann, Group CEO, Michael Rechsteiner, Chair of the Board of Directors.



### Strong corporate culture

Several initiatives in 2025 reflect the new understanding of the Group. That includes the Group-wide values we defined for the first time: ‘Spark Passion’, ‘Aim High’ and ‘Stand True’ serve as guiding principles that shape Swisscom’s identity, culture and conduct. They set out what we all stand for and what makes us and our culture strong. Another example is our first Group-wide sustainability strategy that covers both Switzerland and Italy. It reaffirms the entire Group’s commitment to be one of the most sustainable telecommunications companies in the world.



## The Swisscom Group is an innovative and reliable partner shaping the digital future.

Christoph Aeschlimann, Group CEO

### Innovators of Trust

The Swisscom Group is an innovative and reliable partner shaping the digital future in Switzerland and Italy. As ‘Innovators of Trust’, we focus on secure, transparent solutions that empower individuals, businesses and society to leverage the opportunities of new technology.

That includes ‘beem’, our innovative new offering for business customers in Switzerland, which is ushering in a new era of cybersecurity. Protection is no longer primarily provided on devices or at

company sites, but via the network. By directly integrating cybersecurity into its network, Swisscom is setting a new standard.

In the field of artificial intelligence (AI), we place great emphasis on solutions that clients can trust. ‘myAI’, Swisscom’s new AI assistant, was developed in Switzerland, for Switzerland. It offers features ranging from text and image generation to data analysis. ‘myAI’ meets rigorous data protection and transparency requirements, setting it apart from comparable international platforms.

Sovereign cloud solutions and AI infrastructures are key in times of geopolitical tensions. Swisscom’s ‘Swiss AI Platform’ offers companies a powerful infrastructure for trusted AI applications. Developed by Swisscom, the platform ensures that data is stored and processed in Switzerland, so companies can retain complete control of their data across the entire processing chain.

Fastweb + Vodafone, for its part, underlined its leading role in Italy’s digital transformation by launching ‘FastwebAI Suite’, a platform of generative AI-based services and tools for businesses and public authorities. The ‘FastwebAI Suite’ offers end-to-end solutions based on sovereign infrastructures located in Italy.

For the Swisscom Group, innovation and trust are the key to tomorrow’s success.

### Commitment to Switzerland unchanged

Despite our stronger foothold in Italy, our commitment to Switzerland and its people remains unchanged. We are pressing ahead with the expansion of the network. The country will continue to have one of the world’s best network infrastructures. Swisscom aims to increase fibre-optic coverage to between 75% and 80% by 2030, and by 2035, we aim to offer gigabit connectivity to everyone through fibre optics, mobile and satellite. In mobile communications, Swisscom currently covers around 99% of the Swiss population with 5G and around 89% with 5G+ technology.



## Despite our stronger foothold in Italy, our commitment to Switzerland remains unchanged.

Michael Rechsteiner, Chair of the Board of Directors

### Increase in revenue

Consistent, long-term value creation is a central component of our Group targets. The Swisscom Group achieved solid financial results in 2025, with the acquisition of Vodafone Italia leading to a significant increase in revenue. With revenue of CHF 15,048 million and an operating result (EBITDA after lease expense) of CHF 4,984 million, net income totalled CHF 1,270 million.

The Swisscom share price increased to CHF 575.50 (+14.1%) in the year under review. The total shareholder return (TSR) from share price appreciation and distribution was +18.4%.

Looking ahead to 2026, Swisscom expects revenue between CHF 14.7 billion and CHF 14.9 billion, EBITDA after lease expense (EBITDAaL) between CHF 5.0 billion and CHF 5.1 billion, and capital expenditure between CHF 3.0 billion and CHF 3.1 billion, of which between CHF 1.6 billion and CHF 1.7 billion in Switzerland. Subject to achieving its targets, Swisscom plans to propose another increase in the dividend to CHF 27 per share for the 2026 financial year at the 2027 Annual General Meeting.

### Many thanks

With tireless commitment, we have succeeded in consolidating our course for a successful Swisscom Group in 2025. We would like to thank all our colleagues – in Switzerland and Italy as well as Rotterdam and Riga – who work for our customers day in, day out, with great passion and expertise. Many thanks also to you, our shareholders, for your trust, loyalty and support.

Kind regards,

Michael Rechsteiner  
Chair of the Board of Directors

Christoph Aeschlimann  
Group CEO



# Capital Market

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## Swisscom share

In CHF million, except where indicated

		31.12.2025	31.12.2024
Shares issued	thousand	51,802	51,802
Market capitalisation		29,812	26,134
Closing price	CHF	575.50	504.50
Change from previous year	%	14.1	(0.3)
Dividend paid per share	CHF	22.00	22.00
Dividend return	%	4.4	4.3
Total shareholder return (TSR)	%	18.4	4.1
TSR over the last five years	%	48.1	27.3

Shares in Swisscom are publicly traded on the SIX Swiss Exchange and are listed in the Swiss Market Index, which comprises the largest and most liquid stocks traded on the Swiss stock exchange. Swisscom shares are also traded on the US over-the-counter market in the form of American Depositary Receipts (ADRs) under the ticker SCMWY.

In 2025, the total shareholder return (TSR) for Swisscom shares amounted to 18.4% with a share price increase of 14.1% and a dividend yield of 4.3%. The TSR in the reporting year is slightly higher than the return for the benchmark index SMI (+18.0%) and the STOXX Europe Telcos Index (+16.5%). Over the past five years, the TSR for Swisscom

shares amounts to 48.1%, outperforming the SMI (+44.1%) but coming in lower than the STOXX Europe Telcos (+54.7%).

[Shareprice](#)

### Ownership structure

Swisscom has 51.8 million issued shares. The majority shareholder is the Swiss Confederation, which is obligated by current law to hold the majority of the capital and voting rights. As at 31 December 2025, the ownership structure is as follows:

In thousand	Number	Share in %
Swiss Confederation	26,394	51.0
Natural persons	5,376	10.4
Institutions	7,990	15.4
Unregistered shares	12,042	23.2
<b>Total shares issued</b>	<b>51,802</b>	<b>100.0</b>

## Dividend policy

Swisscom pursues a policy of high, sustainable and growing dividends in line with free cash flow evolution. In April 2025, Swisscom paid an ordinary dividend for the 2024 financial year of CHF 22 per share, corresponding to a total distribution of CHF 1,140 million. For the 2025 financial year, the Board of Directors is proposing a dividend of CHF 26 per share to the Annual General Meeting on 25 March 2026. Based on the share price at year-end 2025, this would result in a dividend yield of 4.5%. Since its IPO in 1998, Swisscom has paid an overall total of CHF 40 billion to shareholders.

## Financing strategy

Swisscom primarily relies on the free cash flow generated from its business operations. To cover additional financing requirements, the company has access to the capital market for bond issuance, as well as credit lines and liquidity reserves. Swisscom's financing policy is to raise and invest funds centrally to meet the Group's projected funding needs. Group Treasury takes into account the maturity profile of the debt portfolio, market conditions and projected cash flows to manage refinancing risk.

### Share performance 2025

In CHF





### Credit ratings

Swisscom is rated A– (stable outlook) by S&P Global and A2 (stable outlook) by Moody's, and aims to maintain its credit ratings within the single A range. Swisscom has retained one of the highest ratings among European telecommunications companies, supported by a clear plan to reduce net debt and leverage.

### Financing activities

In 2025, Swisscom, once again, had unrestricted access to the financial markets. Swisscom issued financing instruments of CHF 1.8 billion and repaid debt of CHF 2.7 billion in the financial year 2025 as follows:

In currency million	Duration	Interest rate	Issuance	Repayment
Bond in EUR	2025–2027	3m Euribor +0.37%	400	
Bond in EUR	2025–2032	3.125%	500	
Bond in CHF	2025–2033	0.85%	150	
Bond in CHF	2025–2037	1.20%	200	
Bond in EUR	2025–2037	3.625%	700	
Bond in EUR	2015–2025	1.75%		500
Bank loans in EUR	2024–2025	various		1,050
Bank loans in CHF	2024–2027	Comp. SARON +0.60%		756
Bank loans in CHF	2024–2029	Comp. SARON +0.70%		530

### Financing portfolio

As of 31 December 2025, the financing portfolio is as follows:

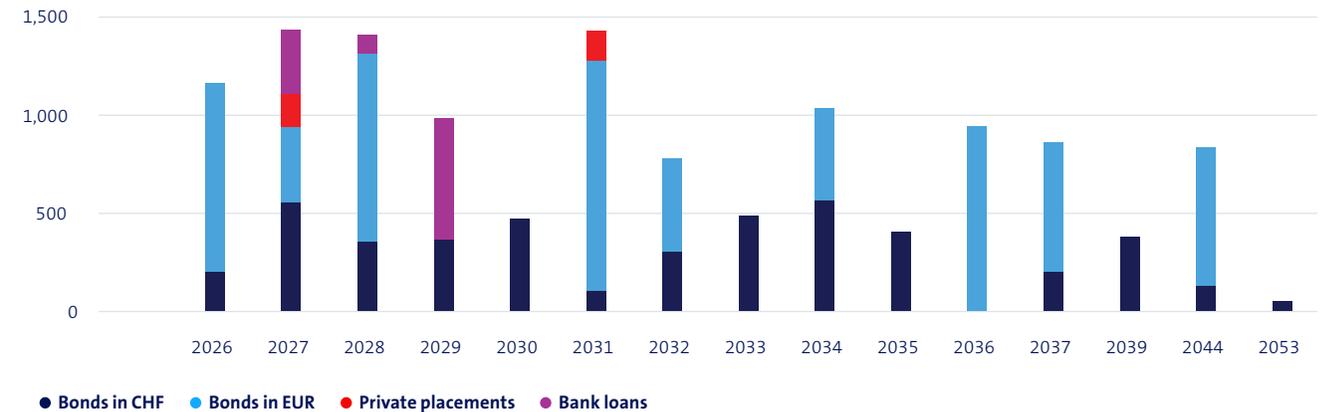
In CHF million	Notional amount	In %
Bonds in CHF	4,510	35.9
Bonds in EUR	6,656	52.9
Private placements	320	2.6
Bank loans	1,087	8.6
<b>Total</b>	<b>12,573</b>	<b>100.0</b>

Of the financing portfolio, 59% is denominated in CHF and 41% in EUR. At the end of 2025, Swisscom's average interest rate expense (excluding leases) amounted to 1.86%. With 94% of financial debt subject to fixed interest rates, Swisscom's financing structure offers considerable protection against potential interest rate increases. The average remaining term to maturity was 5.23 years.

### Credit lines

Swisscom has two confirmed credit lines amounting to CHF 1,700 million maturing in 2029, and CHF 1,200 million maturing in 2028. The CHF 1,700 million facility is a sustainability-linked loan, under which the credit margin is tied to Swisscom's achievement of defined sustainability targets. As in the previous year, none of the credit lines had been used by year end.

**Maturity profile of financing portfolio**  
In CHF million, as of 31 December 2025





# Management Commentary

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# Business model

## What we depend on

### Human resources

- > Own workforce
- > Modern and innovative working environment
- > Social partnerships

### Tangible and intangible resources

- > Mobile sites
- > Mobile and fibre-optic network
- > Data centres, cloud platforms
- > Shops
- > Spectrum (mobile phone licences)
- > Brands

### Partners and suppliers

- > Suppliers
- > Strategic partnerships

### Financial resources

- > Equity
- > Net debt

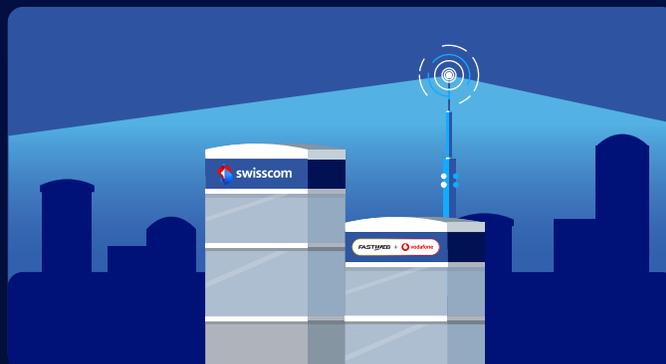
## Our business in Switzerland and Italy



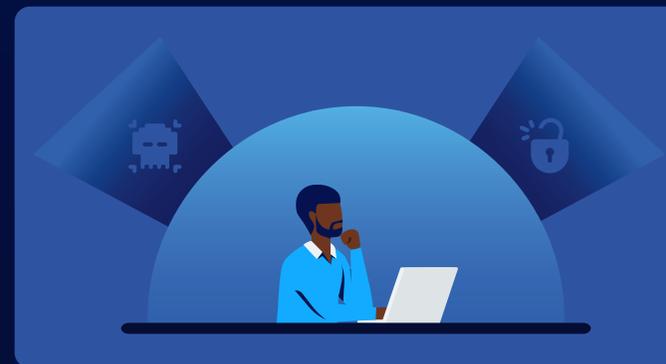
Telecommunications services like broadband, TV and mobile that offer an excellent customer journey.



Tailored IT service solutions for efficient business.



Network, IT and infrastructure that are future-proof and robust.



Trusted, reliable innovator for digital customer experience.

## The value we create

### Society and environment

- > Leading society through the digital transformation
- > Contributions to the public sector (taxes, levies, concessions)
- > Contributions to climate goals (carbon reduction)
- > Jobs and apprenticeships

### Network infrastructure

- > Fibre-optic coverage in Switzerland and Italy
- > Mobile coverage in Switzerland and Italy
- > Best network and services

### Employees

- > Employment conditions
- > Professional development

### Customers

- > Companion in the digital world
- > Innovative products
- > Customer service
- > Customer satisfaction

### Investors

- > Dividends
- > Total shareholder return
- > Interest payments



# Group overview

The Swisscom Group mainly comprises Swisscom Switzerland, the leading ICT provider in Switzerland, and Fastweb + Vodafone, the second-largest telecommunications provider in Italy. Swisscom provides advanced, innovative products in the areas of mobile communications, broadband, TV and comprehensive IT services to residential, business and wholesale customers. The Group operates robust, secure infrastructure in both countries, which it is continually expanding. Swisscom is also one of the world’s most sustainable telecommunications providers and has set itself the target of reducing greenhouse gas emissions across the Group to net zero by 2035. It employs a total of 23,300 people in full-time equivalent positions. In the year under review, the Swisscom Group generated revenue of CHF 15.0 billion and an operating income after lease expense (EBITDAaL) of CHF 5.0 billion.

## Acquisition of Vodafone Italia

On 31 December 2024, Swisscom successfully completed the acquisition of Vodafone Italia. The existing Italian subsidiary Fastweb and Vodafone Italia bring together complementary, high-quality mobile and fixed network infrastructure and practical expertise to establish a leading convergent provider on the Italian market. With extensive synergies and a more efficient cost structure, Fastweb + Vodafone is expected to generate considerable added value for all stakeholders – through sustainable investments in the Italian telecommunications market, innovative, convergent services at competitive prices, and improved offerings and customer experiences in all market segments. For the Swisscom Group, the acquisition of Vodafone Italia is a significant step towards realising its strategic goal of profitable growth in Italy. The improved positioning in Italy will also strengthen the

Swisscom Group as a whole. As of 1 January 2026, the legal entities Fastweb and Vodafone Italia were legally merged, becoming a single corporate entity under the name Fastweb S.p.A. The merged company continues to operate on the market under the corporate brand Fastweb + Vodafone.

## Organisation and structure

Swisscom Ltd, a company governed by Swiss law with its registered office in Ittigen (Canton of Berne, Switzerland), is the holding company responsible for the strategic and financial management of the Swisscom Group. It is listed on the SIX Swiss Exchange (securities no.: 874251; ISIN: CH0008742519; ticker symbol: SCMN).

The Swiss Confederation holds 51% of the issued share capital of Swisscom Ltd. Under the Telecommunications Enterprise Act (TEA), the Confederation is required to hold the majority of the share capital and voting rights in Swisscom Ltd. Every four years, the Swiss Federal Council defines the strategic goals that the Confederation aims to achieve.

- [See Federal Council Goals for Swisscom 2022–2025 \(DE\)](#)
- [See Federal Council Goals for Swisscom 2026–2029 \(DE\)](#)

The Board of Directors of Swisscom Ltd consists of ten members, with Michael Rechsteiner as Chair since March 2021. It is responsible for the strategic and financial management of the Swisscom Group and for monitoring executive management. As Swisscom’s highest governing body, it has decision-making powers except for those powers granted to the Annual General Meeting under law. The Board of Directors of

Swisscom Ltd delegates day-to-day business management to the Group CEO. Since June 2022, this position has been held by Christoph Aeschlimann. Swisscom amended its operational Group structure on 1 April 2025 to reflect the acquisition of Vodafone Italia. A leaner and more efficient Group Executive Committee consisting of the Group

CEO, Group CFO, Head of Group Strategy & Business Development (Group CSO) and Head of Group Human Resources (Group CPO) oversees the Group, while business in Switzerland and Italy is managed by an Executive Committee for each country.

### Swisscom Group organigram





### Executive Committee Swisscom Switzerland



Standing from left to right: Martin Vögeli (Security & Corporate Affairs), Mark Düsener (IT, Network & Infrastructure), Christoph Aeschlimann (CEO), Isa Müller-Wegner (Strategy & Business Development), Dirk Wierzbitzki (Residential Customers); seated from left to right: Urs Lehner (Business Customers), Klementina Pejic (Human Resources), Eugen Stermetz (Finance), Myriam Käser (Communications & Corporate Responsibility).

### Executive Committee Fastweb + Vodafone



Standing from left to right: Lisa Di Feliciano (Communication & Sustainability), John de Keijzer a.i. (IT), Fabrizio Casati (Wholesale), Max Gasparroni (Technology & Security), Peter Grueter (Finance), Augusto Di Genova (B2B), Alessandro Magnino (Strategy & Transformation); seated from left to right: Walter Renna (CEO), Anita Carra (Brand & B2C Marketing), Silvia Cassano (Human Resources), Federico Negri (B2C Commercial), Elenia Cerchi (Legal & Regulatory).



## Swisscom brands

The Swisscom brand is one of the strongest and most successful brands in the world and a key asset for business success. In 2025, Swisscom rose from third place to become the world’s strongest telecommunications brand. According to Brand Finance, this achievement reflects its strong performance in the areas of familiarity, reputation, consideration and recommendation in Switzerland. The Swisscom brand represents the entire Group. Swisscom combines trust and technology leadership – an aspiration reflected in the Group’s ‘Innovators of Trust’ vision.

Swisscom’s identity and role as a quality Swiss brand is decisively shaped by its deep roots in Swiss history and society. The company strengthened its brand positioning in Switzerland in 2025. Its slogan of ‘Discover your possibilities’ is an invitation to explore the potential of new technologies and take active advantage of the opportunities offered by digitalisation.

In the retail market, the Swisscom brand is complemented by the strong secondary brand Wingo, which differentiates itself through smart offers at fair prices. The third-party brands Migros Mobile and Coop Mobile complete the portfolio and ensure a broad presence in the lower price segment of the retail sector. Swisscom owns additional brands associated with other focus areas and business segments, such as cablex and localsearch (Swisscom Directories Ltd). The Swisscom brand is valued at over CHF 5 billion, making it one of the most valuable Swiss brands.

Following the acquisition of Vodafone Italia, Fastweb + Vodafone established itself as a new corporate brand in Italy. Its slogan of ‘Insieme, siamo futuro’ confidently points the way to a shared and successful future. While Fastweb + Vodafone acts as the corporate brand, customers interact with the commercial brands Fastweb and Vodafone and the secondary brand ho.

## Swisscom Group



### Main commercial brand Switzerland



### Corporate brand Italy



### Product family Switzerland



### Main commercial brands Italy



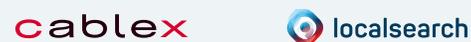
### Secondary and tertiary brands Switzerland



### Secondary brand Italy



### Other brands Switzerland (excerpt)



## Operating segments

The Swisscom Group reporting is divided into the following operating segments:

### Swisscom Group

Switzerland

Italy

Others

The Switzerland and Italy segments are each broken down into Residential Customers, Business Customers, Wholesale, and Infrastructure & Support Functions. The Residential Customers division provides telecommunications services such as mobile communications, fixed network telephony, broadband and, in Switzerland, TV to residential customers. The Business Customers division focuses on telecommunications services and IT service solutions for large corporate, public administration and SME customers. In the field of business ICT infrastructure, Swisscom covers the entire range from individual products to end-to-end solutions. The Wholesale division makes network infrastructure available to other telecommunications providers. The Infrastructure & Support Functions division plans, operates and maintains the network and IT infrastructure. Group-wide functions come under Infrastructure & Support Functions in the Switzerland segment.

The Others segment mainly comprises cablex Ltd (network construction and maintenance), Swisscom Broadcast Ltd (broadcasting services) and Swisscom Directories Ltd (localsearch). It also encompasses Digital Trust (electronic signatures, digital certificates and other trust services).



# Business environment and strategy

## Economic environment

		2023	2024	2025
Change in GDP Switzerland	%	1.3	0.9	1.4 <sup>1</sup>
Change in GDP Italy	%	0.7	0.5	0.5 <sup>2</sup>
Inflation rate Switzerland	%	2.1	1.1	0.3
Inflation rate Italy	%	5.7	1.4	1.2
Yield on Swiss government bonds (10 years)	%	0.66	0.32	0.33
Closing rate CHF/EUR	CHF	0.93	0.94	0.93
Closing rate CHF/USD	CHF	0.84	0.91	0.79

1 Forecast SECO.

2 Forecast Istat.

### Key economic factors

#### Economic growth and inflation

In Switzerland, macroeconomic development is affected by global trade policy uncertainties and geopolitical risks. Swiss economic growth remains subdued and is expected to weaken slightly in 2026, while inflation has decreased further since 2024. Italy continues to experience subdued economic growth and historically low inflation rates. These economic trends are unlikely to significantly impact short-term customer demand for telecommunications services in either country. However, both Switzerland and Italy have seen a notable decline in demand and postponement of IT service projects by business customers. Despite the challenging economic environment, Swisscom's strong market position and resilient telecommunications

business are expected to provide stability, though the IT services business may face headwinds from macroeconomic trends.

#### Interest rates

Interest rates have an impact on financing costs and, in the context of the consolidated financial statements, the carrying amounts of several balance sheet items such as provisions for asset retirement costs and pension liabilities, as well as the impairment test of cash-generating units that include goodwill. Swisscom's average interest cost of financial liabilities (excluding lease liabilities) was 1.9% at the end of 2025. Swisscom's financing structure offers considerable protection against interest rate increases, with 94% of financial debt bearing fixed interest rates.

#### Exchange rates

Currency effects impact the consolidated financial statements both through transactions made in foreign currencies and through the translation of the financial statements of foreign subsidiaries. Transaction risks mainly relate to the purchase of handsets, technical equipment, licences and services. In the Swiss core business, payments in foreign currencies exceed inflows in these currencies. The largest net transaction risk is in the US dollar (USD). Transaction risks are partly hedged by forward currency contracts. Hedge accounting is applied in the consolidated financial statements.

Among the foreign subsidiaries, the primary currency translation risk relates to Fastweb + Vodafone in Italy, which had net assets amounting to EUR 11 billion in the consolidated financial statements at the end of 2025. Differences from the currency translation of the balance sheet are recognised directly in equity. A portion of the financial liabilities in EUR is treated as a currency hedge of Fastweb + Vodafone's net assets for accounting purposes in accordance with IFRS Accounting Standards.

## Legal environment

### Legal and regulatory framework in Switzerland

Swisscom Ltd is a public limited company with special status under Swiss law. In addition to company law, corporate governance is primarily regulated by the Telecommunications Enterprise Act (TEA). As a listed company, Swisscom is also subject to capital market law. The legal framework for Swisscom's business activities is affected by the legislation listed below.

### Telecommunications Enterprise Act and relationship with the Swiss Confederation (Telekommunikationsunternehmungsgesetz)

The Telecommunications Enterprise Act (TEA) requires the Swiss Confederation to hold a majority of the capital and voting rights in Swisscom. A decision to relinquish the federal majority would have to be made through a corresponding amendment to the law, which would be subject to an optional referendum. Every four years, the Swiss Federal Council defines the goals that the Swiss Confederation as principal shareholder aims to achieve. Goals for the period 2022 to 2025 included strategic, financial and human resources policy objectives as well as targets relating to partnerships and investments. The Federal Council also expects Swisscom, within the scope of its financial capabilities, to pursue a sustainable corporate strategy that respects ethical principles with a focus on reducing greenhouse gas emissions. On 19 November 2025, the Federal Council endorsed the goals for the period 2026 to 2029.

🔗 See Federal Council Goals for Swisscom 2022–2025 (DE)

🔗 See Federal Council Goals for Swisscom 2026–2029 (DE)

### Telecommunications Act

The Telecommunications Act (TCA; Fernmeldegesetz) and the associated ordinances regulate network access, international roaming, open internet, universal service obligation, the use of radio frequencies, and the security of installations and operations.

🔗 See Fernmeldegesetz (FMG)



### Network access

Cost-based and non-discriminatory network access regulation is limited to fixed network telephony and copper-based local loops with the associated services (co-location). Access to fibre-optic lines is granted on commercial terms.

### Universal service provision for telecommunications services

Swisscom has held the licence for universal service provision for many years. Swisscom was awarded the universal service licence for the period from 2024 to 2031. It includes fixed network telephony and internet access at a download speed of 80 Mbps. Swisscom ensures universal service provision without third-party funding.

Under Swiss law, the Confederation must hold a majority of the capital and voting rights in Swisscom.

### Ordinance on Protection against Non-ionising Radiation

The Ordinance on Protection against Non-ionising Radiation (ONIR) regulates immissions and thus the transmission power of mobile antennas. Swiss thresholds are much stricter than the exposure limits recommended by the World Health Organization (WHO).

### Cartel Act

The Federal Act on Cartels and other Restraints of Competition (CartA) is highly relevant to Swisscom, primarily due to its market position. The law allows for the imposition of direct sanctions for unlawful conduct by companies that are dominant in their markets. Swisscom has established measures and processes to prevent violations of the law. In the area of compliance, Swisscom pursues a zero-tolerance strategy. The Competition Commission (COMCO) has classified Swisscom as dominant in a wide range of markets. In one proceeding related to the roll-out of the fibre-optic network, COMCO classified Swisscom as market-dominating and its conduct as unlawful, and imposed direct financial sanctions. The status of the proceedings and the potential financial effects are set out in the notes to the → [consolidated financial statements](#).

### Radio and Television Act

Switzerland's Federal Act on Radio and Television (RTVA) governs the production, presentation, transmission and reception of radio and television programmes. It is primarily on account of blue TV that Swisscom is affected by the rules on the transmission and broadcasting of media programming. The various privileges (known as the 'must carry' provisions) applicable to certain broadcasters are relevant to Swisscom.

### Legal and regulatory environment in Italy

The business activities of Fastweb + Vodafone are governed by Italian and EU telecommunications legislation. The Italian Communications Regulatory Authority AGCOM generally sets the prices for wholesale access on the basis of market analysis.

### Legal framework

The regulatory framework is primarily defined by the Electronic Communications Code, which implements the European Electronic Communications Code. These instruments regulate key aspects such as the definition of companies with significant market power, the spectrum and authorisation regime, and consumer transparency obligations.

### Competition and regulatory obligations

Electronic communications operators in Italy are subject to ex ante regulation. Fastweb + Vodafone operates under symmetrical regulatory obligations relating to access to civil infrastructure and building verticals. Mobile and fixed termination rates are defined at the European level by an EU Delegated Regulation.

### Spectrum management and electromagnetic compliance

Holders of mobile phone licences (spectrum) must comply with the obligations set out in their mandates and additional national and local provisions. These include regulations, which sets limits for electromagnetic fields, as well as other applicable sector-specific measures.

### Additional regulatory instruments

Beyond the sector-specific telecommunications framework, operators must comply with further regulations applicable to large corporations, including data protection (General Data Protection Regulation, GDPR), cybersecurity, lawful interception and mandatory services (Electronic Communications Code), AGCOM regulations (Italian Communications Regulatory Authority), and competition law.

### EU regulatory context

The EU Foreign Subsidies Regulation (FSR) is also relevant for Swisscom. It may affect Swiss companies that generate revenue, conduct mergers and acquisitions, or participate in public tenders within the EU. The FSR grants the European Commission investigative powers regarding subsidies granted by non-EU countries.





## Market for telecommunications and IT

### Swiss market trends

#### Telecommunications market

The Swiss telecommunications market includes mobile communications, fixed network telephony, broadband, TV and other digital services based on telecommunications infrastructure. In line with the previous year, the revenue volume was around CHF 11 billion. The market is highly competitive, with regional and national providers operating alongside international companies. Services are offered on modern, highly effective infrastructure with uninterrupted availability. Swisscom continuously invests in the expansion of its network infrastructure to further increase performance and coverage and expand its technological lead. Numerous first-place rankings in tests confirm the high quality of Swisscom's network infrastructure.

The telecommunications market is increasingly saturated, leading to fierce competition. The aggressive promotions of market players shape competition and result in high price pressure in the market. In addition to the main brands, the providers' secondary and tertiary

brands address the needs of different customer segments. In the last few years, providers have increasingly launched convergent bundled packages that combine mobile communications and fixed network services (broadband, fixed network telephony, TV) with the intention of increasing customer loyalty.

#### Mobile communications market

Switzerland has three separate, wide-area mobile networks on which the operators of those networks sell their own products and services. Numerous market players also offer their own mobile services as MVNOs (mobile virtual network operators) on these networks. Swisscom makes its mobile communications network available to selected third-party providers so that they can offer proprietary products and services to their customers via the Swisscom network. The number of mobile lines continues to rise slowly in Switzerland and was at around 12.5 million SIM cards at the end of 2025. The proportion of mobile users with postpaid subscriptions is also rising (around 89% of all mobile lines), while the number of prepaid SIM cards continues to fall. Swisscom's market share in the highly competitive postpaid market is around 51% and thus slightly lower than in the previous year. Mobile operators target various customer segments through multiple brands, with secondary and tertiary brands that meet specific needs gaining in importance.

#### Fixed network market

Close to 100% of Switzerland is covered by fixed broadband networks. The fixed network infrastructure is increasingly based on fibre-optic networks, predominantly created by telecommunications providers, as well as local utility companies at the regional level. There are also copper-based networks operated by telecommunications providers and coaxial networks operated by cable providers. A large part of this network infrastructure is available to other local, national and international market players as a wholesale service, allowing them to offer their own products and services on it. The broadband market continues to grow slightly – at the end of 2025, there were more than 4 million fixed network broadband connections in Switzerland. This increase is mainly driven by the growing number of households in Switzerland. Swisscom's market share in the broadband market is around 46% and thus slightly lower than in the previous year.

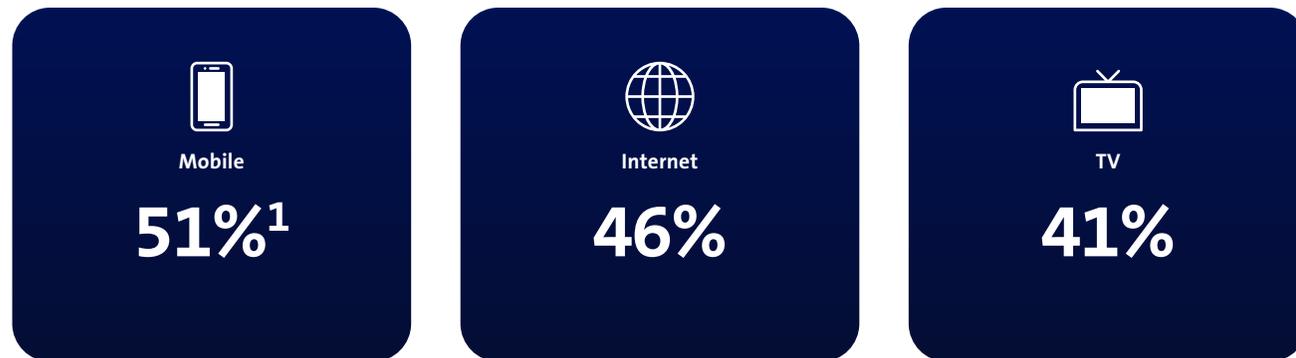
The Swiss TV market is characterised by a varied range of offerings provided by established national market participants. Other national and international companies also have a market presence, including TV and streaming services that use existing broadband or mobile connections, regardless of the internet provider. The traditional pay TV market is gradually declining, driven by a shift in consumer behaviour towards streaming services and video platforms.

#### IT services market

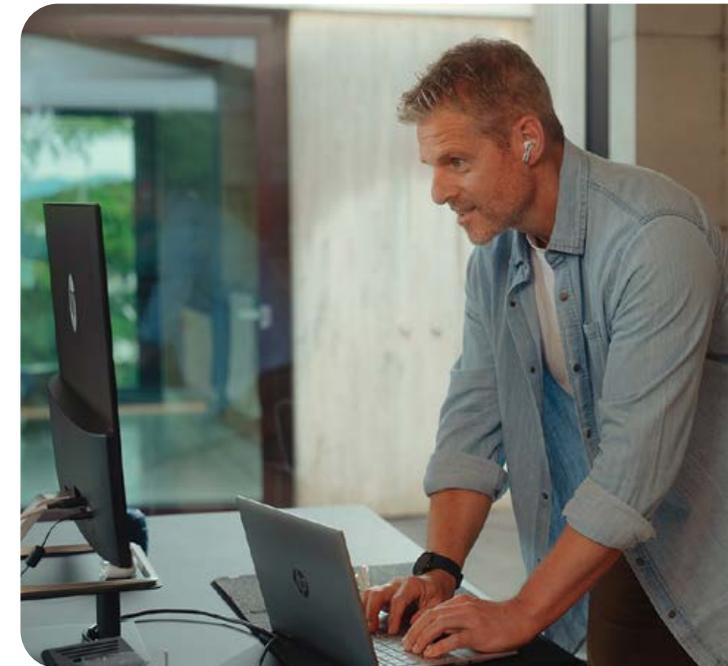
In 2025, the IT services market (IT services and software) generated revenue of around CHF 25 billion, which represents moderate growth. For the coming years, Swisscom assumes that the market will continue to grow due to increasing digitalisation, although current uncertainties (global situation and economic outlook) may adversely affect growth and lead to a shift in project focus towards efficiency and cost savings. While business on legacy systems is expected to decline, Swisscom anticipates growth in areas such as cloud, security, Internet of Things (IoT) and business applications. This comes from the increasing number of business-driven ICT projects as well as the demand for digital business solutions and new working models. Swisscom has observed an increasing willingness among companies to procure services externally in response to rising complexity

as well as a shift to hybrid cloud arrangements, despite the limited availability of qualified specialists. Increasing threats in the area of IT security are also driving growth. Here, customers generally expect services customised to their individual sector and business processes along with appropriate advice. Swisscom has maintained its position in a fiercely competitive, changing market environment, mainly due to positive trends in the growth areas of security, cloud and business applications. Swisscom's market revenue increased in these areas, although there has also been seen a shift towards the major global cloud providers (hyperscalers).

### Market shares Switzerland



<sup>1</sup>Postpaid





### Italian market trends

#### Mobile communications market

The Italian mobile communications market remains one of Europe's most competitive markets with over 110 million active SIM cards, including 79 million human SIMs. This represents a penetration rate of 135% of the population (AGCOM/ISTAT). By the end of 2025, total revenue in this market was approximately EUR 11 billion (–3% compared to the previous year), which confirms the pressure on margins driven by ongoing price competition. The consumer market experienced particularly fierce competition, with the aggressive pricing strategy of a new market entrant forcing other players to lower prices and introduce secondary brands. At the end of 2025, Fastweb + Vodafone represented around 26% of the human SIM market, across both residential and business customers.

#### Fixed network market

With total revenue (including wholesale) of around EUR 17 billion (+8% compared to the previous year), the Italian fixed network market remains the fourth largest in Europe. Although the overall broadband customer base in homes and offices has remained stable overall, ultra-broadband (UBB) connections continue to expand

(+4.4% compared to the previous year). There are around 19 million lines in the market, distributed among the four major national players and a growing number of new entrants that are increasingly focusing on fibre to the x (FTTx) technologies. UBB now reaches 71% of Italian households, which is still below the EU average of around 82% (DESI indicators). Several structural factors explain this slower adoption rate:

- › Persistently low levels of digital literacy; over 6% of the population never access the internet.
- › Fibre to the curb (FTTC) offers high performance in Italy due to the physical architecture of the legacy network.
- › A relatively weak ecosystem of online services and applications reduces the perceived need for very high-speed access; many users remain satisfied with FTTC speeds up to 200 Mbps, which is adequate for typical over-the-top (OTT) streaming usage.
- › The strong penetration of mobile broadband, supported by competitive pricing, generous data bundles and performance that outstrips fixed network lines in some cases.

Following recent market consolidation, Fastweb + Vodafone accounts for approximately 30% of the fixed network broadband market, across both residential and business segments.

#### IT services market

The Italian IT services market (IT services and software) reached a total value of around EUR 26.7 billion in the year under review, making it the most dynamic area of the Italian digital economy according to the Anitec-Assinform report 'Il Digitale in Italia 2025'. Growth was primarily driven by IT services, which amounted to EUR 17.3 billion (+7.4% compared to the previous year), thanks to projects in the areas of cloud (including hybrid models), cybersecurity, application modernisation and managed services. The software segment reached around EUR 9.4 billion (+3.9% compared to the previous year), supported by the adoption of business application platforms, data-driven solutions and tools that enable new work models.

The outlook remains positive as demand is increasingly fuelled by cloud migration initiatives, the need to raise security levels and, above all, the introduction of artificial intelligence (AI) and generative AI solutions into business processes.

#### Change in the market structure

Following major transactions completed in 2024 – including Swisscom's acquisition of Vodafone Italia, the sale of Fastweb's stake in FiberCop and TIM's network divestment to the US investment firm KKR – the Italian telecommunications market continued to evolve in 2025, driven by further consolidation and strategic realignment. In the year under review, Poste Italiane strengthened its position by acquiring a significant stake in TIM, becoming its main shareholder and reinforcing the Italian state's role in the management of national network assets. These developments confirm the ongoing trend towards greater integration among operators, institutional investors and public entities that aim to ensure stability, competitiveness and national control over strategic communication networks.

### Market shares Italy





## Group goals and strategy

### General conditions

The Swisscom Group operates in a dynamic environment. Geopolitical and economic conditions are marked by a high degree of uncertainty. Wars in Ukraine and the Middle East, strained relations between China and the USA, and economic tensions in tariffs and trade relations in general are shaping the environment and reducing the visibility of future economic development and supply chains, where bottlenecks may arise. Swisscom constantly monitors global changes to identify relevant developments in good time, so it can take appropriate action and increase its resilience.

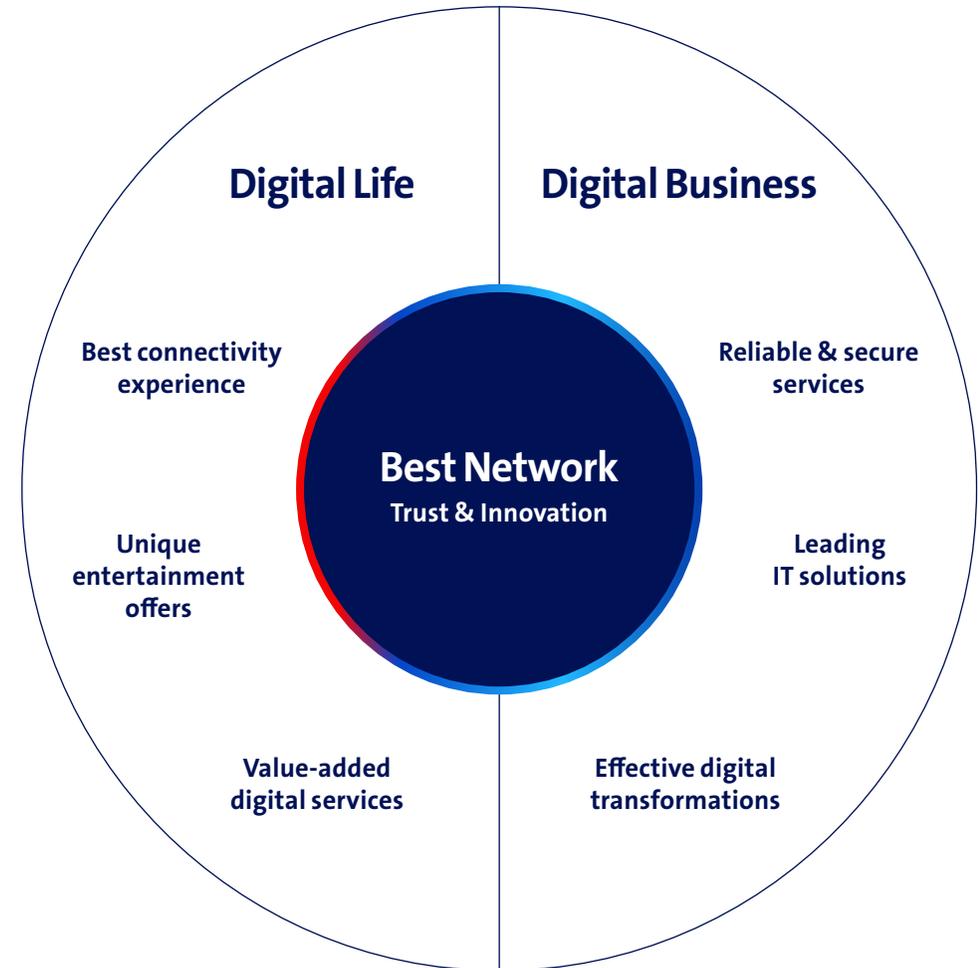
The digital transformation is making inroads into more and more areas of our lives, and Swisscom is seeing a lasting change in customer behaviour. Swisscom offers its customers optimal support in every respect thanks to a wide range of products and services and its reliable, sustainable networks with national and international recognition. This applies to both residential customers in their digital lives and business customers in their digital business activities.

Customers expect high-performance, stable networks, a seamless, personalised customer experience, and transparent sustainability efforts, and these expectations will continue to rise. Business customers are increasingly driving the digital transformation through business-oriented IT initiatives. Security and compliance are also becoming more important as critical business enablers for business customers. Hybrid ICT environments are increasingly becoming the standard, and globally standardised technologies with delivery as a service (DaaS) models are expanding their dominance of the IT market.

Business and society are constantly changing, driven by technological progress, new forms of work and demographic change. These changes have an impact on Swisscom's activities. For a leading ICT company, the latest technologies are crucial in a number of areas, including expansion of communications networks. Developments in the field of artificial intelligence (AI) are also becoming more important, and Swisscom is using them to further optimise its service and consequently the customer experience, and to give customers secure access to high-performance AI infrastructure for trustworthy AI applications.

The telecommunications market, and thus a significant part of Swisscom's core business, is characterised by intense competition and high price pressure. The overall market for connectivity services in Switzerland continues to decline slightly, while market revenue in Italy has seen slight growth. The market for IT services in Switzerland and Italy continues to grow moderately.

### Swisscom Group customer proposition





### Group goals and strategy

To ensure that the Swisscom Group can continue to develop successfully in a challenging market environment and open up the opportunities of the digital transformation to its customers, it pursues the purpose of 'Empowering the Digital Future' and the vision of 'Innovators of Trust: The most trusted tech innovator creating unique customer experiences with positive impact for society'. Innovation and trust are core values of Swisscom and central to successful technological and social development. Swisscom is already addressing relevant and promising future topics. It has set the following Group goals and Group strategy.

### Group goals

As a 'Trusted Leader in Digital Life and Business', Swisscom aims to be the number one choice for customers by delivering the best networks and driving growth in the IT services business. As a leading digital company, Swisscom brings advanced products and services to the market based on resilient, secure networks that fulfil its claim of being 'Outstanding in Innovation and Reliability'. It systematically develops new growth areas in both its Digital Business and Trust Services divisions. Swisscom also positions itself as a leader in AI adoption, providing its customers with trusted, high-performance AI services. Swisscom is characterised by great stability, living up to its goal of having 'Rock-solid Financials'. Safeguarding profitability and cash flow is essential to its ability to continue distributing an attractive dividend. As a 'Pioneer in Sustainability', Swisscom pursues ambitious goals with regard to its responsibility to the environment and society. Its main goals are to reduce or completely avoid carbon emissions, to be a responsible corporate citizen with strong governance and compliance, and to work towards a digital society in which everyone in Switzerland can participate. In the year under review, Swisscom adopted

a Group-wide sustainability strategy that covers both Switzerland and Italy. Through its goal of 'High-performing Teams', Swisscom is driving the further development of its corporate culture, with a focus on the challenges posed by the shortage of skilled labour. AI will play an important role in transforming the workforce. Swisscom wants employees to consciously develop and experience a positive, motivating corporate culture, and an inspiring management culture is key. Swisscom wants employees to see it as a 'Great Place to Work' and as an attractive employer.

### Group strategy

The Swisscom Group strategy is based on four pillars; two relate to relationships with customers, while the other two focus on the company itself and its own operations. Through 'Delight customers', Swisscom aims to inspire its customers with unique experiences every day. With the pillar 'Innovate for growth', it also wants to help its customers take full advantage of the potential of the digital transformation with new digital products and services. 'Achieve more with less' relates to targeted digitalisation, the use of AI and the simplification of processes, through which Swisscom aims to optimise and automate its operations. Swisscom is aware that its success depends to a large extent on its employees and on providing optimal working conditions. Under 'Perform together', it attaches particular importance to the continuous development and optimal cooperation of its employees. Here, it focuses on topics such as performance culture, further training and diversity.

### Swisscom Group strategy



#### Delight customers

Create unique customer experiences every day



#### Innovate for growth

Deliver digital products and services of the future



#### Achieve more with less

Drive transformation at pace with AI, digitalisation and simplification



#### Perform together

Develop ourselves and our collaboration relentlessly



# Infrastructure

## Infrastructure in Switzerland

### Network infrastructure

Swisscom's network infrastructure in Switzerland is among the best in the world – and Swisscom's annual capital expenditure in Switzerland of around CHF 1.7 billion is a key contributing factor. Rural regions in particular benefit from this expenditure: according to the EU study 'Broadband Coverage in Europe 2024', these areas enjoy 99.8% availability of broadband of at least 30 Mbps – significantly higher than the EU average of 94.8%. Swisscom's networks also consistently achieve first-place rankings in independent tests conducted by specialist magazines such as connect and CHIP.

Thanks to bandwidths in the gigabit range, the entire Swiss population will continue to enjoy state-of-the-art, top-quality digital services in the future. To achieve this, Swisscom is further expanding its existing fixed network and mobile communications infrastructure in all Swiss municipalities.

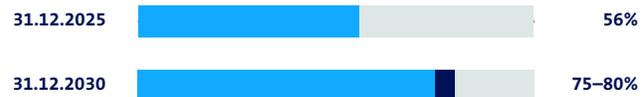
**Mobile telephony:** Swisscom currently reaches 99% of the Swiss population with a basic version of 5G and around 89% with 5G+ technology. Swisscom is also continuously expanding its antenna sites – both at external sites and in buildings. Around 95% of the population will be able to use 5G+ by the end of 2030.

#### Population with 5G+ coverage



**Fibre-optic network:** At present, 56% of the population and businesses already have fibre-optic access (Fibre to the Home – FTTH). Swisscom aims to increase fibre-optic coverage to between 75% and 80% by 2030, and extend gigabit connectivity to all through fibre optics, mobile and satellite by 2035. The ongoing fibre-optic expansion will also allow Swisscom to gradually decommission the copper access network in the coming years before taking it completely out of service after 2035.

#### Population with FTTH coverage



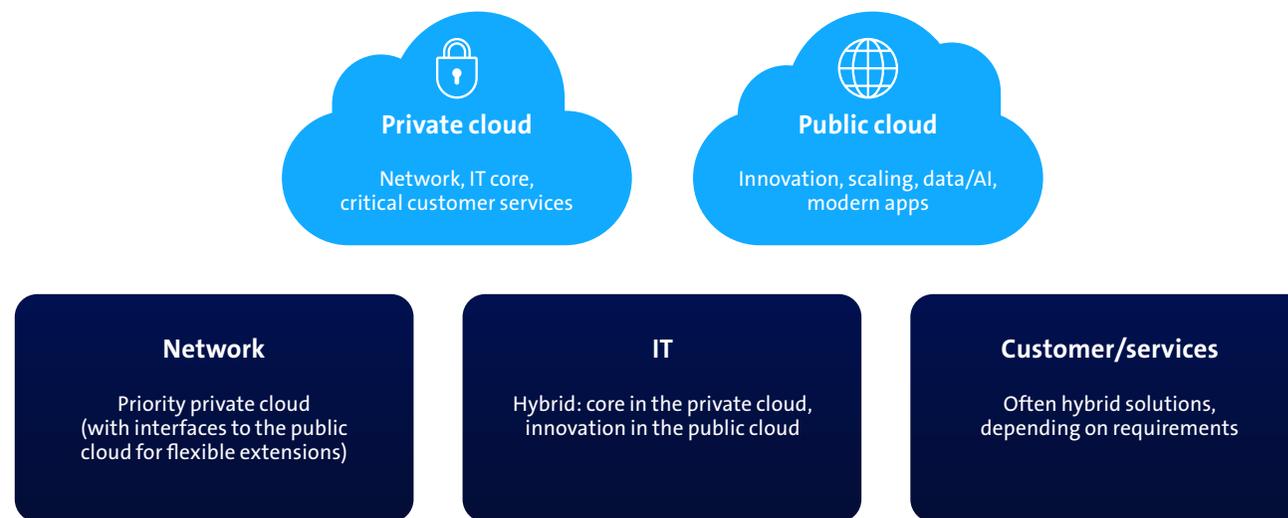
### Mobile frequencies (spectrum)

Transmission of mobile signals requires the availability of suitable frequencies. In Switzerland, these frequencies are allocated on a technology-neutral basis and any mobile communications technology can be transmitted on the available frequencies. In 2012, the Federal Communications Commission (ComCom) allocated the frequencies 800 MHz, 900 MHz, 1,800 MHz, 2,100 MHz and 2,600 MHz. Swisscom currently uses these frequencies to provide services for its customers via 4G and 3G technologies. In February 2019, further mobile radio frequencies were allocated in Switzerland, primarily used for transmission via 5G. These are the frequencies 700 MHz, 1,400 MHz, 2,600 MHz and 3,500 MHz. Swisscom always uses frequencies within the legal limits, which in Switzerland are ten times stricter than those recommended by the World Health Organization (WHO) in sensitive areas such as homes, schools, hospitals and permanent workplaces. Swisscom's 3G network was discontinued at the end of 2025, with remaining phase-out activities completed shortly thereafter.

### IT infrastructure and platforms

Swisscom pursues a hybrid cloud strategy that combines services from public cloud providers such as AWS with its own private cloud infrastructure. This infrastructure comprises six high-availability data centres with tens of thousands of servers in Switzerland, in which Swisscom runs both customer solutions and virtualised network and IT functions for its own services. Increasing virtualisation enables efficient, stable and secure operations – supported by established quality and security management. The combination of tried-and-tested infrastructure, innovation and strong partners is a further guarantor of Swisscom's technological sustainability.

### IT infrastructure and platforms





## Infrastructure in Italy

### Network infrastructure

Fastweb + Vodafone is a leading convergent infrastructure operator in Italy, with long-standing expertise in both fixed and mobile networks. By the end of 2025, the company's FTTH (Fibre to the Home) coverage reached 56% of Italian households and businesses, while its 5G network covered approximately 89% of the population, with independent benchmarks confirming its status as a top-performing network in Italy. Looking ahead, Fastweb + Vodafone intends to continue investing in both fixed and mobile infrastructures as a core pillar of its strategy, aiming to reach almost 90% of the population with FTTH and 95% with 5G coverage by 2030 to deliver high-quality connectivity across Italy. At the beginning of 2026, Fastweb + Vodafone and TIM reached a preliminary agreement to launch a cooperation for the development of mobile access networks through a Radio Access Network (RAN). This is intended to accelerate the expansion of 5G in Italy avoiding duplications in rural and less dense areas. The project is still subject to approval by the Ministry of Enterprises and Made in Italy (MIMIT), the Italian Competition Authority (AGCM), and the Authority for Communications Guarantees (AGCOM).

### Population with 5G coverage



### Mobile frequencies (spectrum)

Fastweb + Vodafone operates a comprehensive spectrum portfolio which supports a solid, high-performance nationwide mobile coverage on all technologies, including 4G and 5G services. The company holds licences in the 700 MHz, 800 MHz, 900 MHz, 1,400 MHz, 1,800 MHz, 2,100 MHz, 2,600 MHz, 3.4–3.8 GHz and 26.5–27.5 GHz bandwidths. These spectrum licences form the basis for providing 4G and 5G mobile services to customers by combining wide coverage with high-speed performance. For utmost protection of public health, all mobile services are provided in full compliance with Italian national regulations on electromagnetic emissions, which are among the most stringent in Europe.

### Population with FTTH coverage



### IT infrastructure and platforms

Fastweb + Vodafone is a trusted digital partner for major corporate customers and public authorities, delivering an extensive range of ICT services including cloud, cybersecurity, IoT, customised 5G mobile private network (MPN) and artificial intelligence (AI) solutions. Leveraging on high-performing proprietary fixed and mobile infrastructures, as well as ten data centres located in Italy, Fastweb + Vodafone provides multi-cloud service platforms and advanced managed ICT services to support the digital transformation of enterprises and public administrations.

In 2025, Fastweb + Vodafone further strengthened its commitment to innovation and technology by approving significant investments aimed at delivering best-in-class network performances and next-generation cloud, cybersecurity and AI services. Seamlessly integrated into Fastweb + Vodafone's infrastructure ecosystem stands FastwebAI Factory, the NVIDIA DGX SuperPOD AI supercomputer located near Milan which provides the computing backbone for cloudbased AI services and runs FastwebMIIA, the first Italian large language model, trained in Italian using only national, high-quality, secure data, in full compliance with national and EU privacy and copyright regulations. Fastweb + Vodafone is also deploying a nationwide network of mini data centres in order to offer edge-computing solutions and support the development of next generation applications.





# Financial management system

The Swisscom Group has implemented a financial management system to effectively manage the Group's finances. This management system forms the basis for Group-wide unified planning and monitoring of financial performance, allocation of financial resources and variable performance compensation, as well as both internal

(management reporting) and external (annual report, analyst presentations) financial reporting. Uniform accounting principles are applied across the Group, based on IFRS Accounting Standards and the definition of key performance indicators (KPIs) for financial performance and financial position.

## Key performance indicators for financial performance

Key performance indicator	Definition
Revenue	Revenue is defined according to IFRS Accounting Standards.
EBITDA after lease expense (EBITDAaL)	EBITDAaL is measured based on operating income before depreciation and amortisation (EBITDA) less lease expense. Treating lease expense as operating costs leads to more relevant management metrics due to industry-specific lease relationships (towers, connection lines) and improves comparability with other telecommunications companies.
Capital expenditure (CAPEX)	CAPEX refers to investments in property, plant and equipment, and intangible assets. Investments in financial assets and participations, as well as additions of rights-of-use assets from lease arrangements, are not included in CAPEX.
Operating free cash flow (OpFCF)	OpFCF is derived from EBITDAaL less CAPEX. It does not include changes in operating net working capital or payments of income taxes and interest.

Key financial performance indicators are adjusted for one-off income and expenses. The definition of adjustments and how they are reconciled to the consolidated accounts are presented in the section on alternative performance measures (APM). Another important key indicator for assessing the overall financial performance of the Swisscom Group is consolidated net income.

## Key performance indicators for financial position

Key performance indicator	Definition
Net debt	Net debt is calculated as financial liabilities (primarily bonds and bank loans) less cash and cash equivalents and short-term financial assets. Lease liabilities are part of the financial liabilities.
EBITDA	Operating income before depreciation and amortisation. Lease expense is not included in EBITDA.

A strong balance sheet – as measured by relative indebtedness and credit rating – is a pillar of Swisscom's financial strategy. Relative indebtedness corresponds to the ratio of net debt to operating income before depreciation and amortisation (EBITDA). For calculation purposes, lease liabilities are included in net debt, and lease expenses are not

deducted from operating income before depreciation and amortisation. While this treatment differs from the key indicator for financial performance (EBITDAaL), it corresponds to the method used by rating agencies – and by the Swiss Federal Council in its goals for Swisscom – to calculate relative indebtedness (with additional adjustments).

## Financial targets and achievement of targets in 2025

Financial targets	2025 targets	2025 reported
Revenue	CHF 15.0–15.2 bn	CHF 15,048 mn
EBITDA after lease expense (EBITDAaL)	~CHF 5.0 bn	CHF 4,984 mn
Capital expenditure	CHF 3.1–3.2 bn	CHF 3,064 mn
Operating free cash flow	CHF 1.8–1.9 bn	CHF 1,920 mn

Overall, Swisscom achieved its targets for the financial year 2025. Further information can be found in the chapter → [financial review](#).



# Employees

## New human resources operating model

The Swisscom Group's human resources organisation has implemented a new operating model aligned with the Group-wide governance adjustment as of 1 April 2025. The aim of the new structure is to strengthen Group Human Resources as a strategic partner for Group-wide and country-specific issues and to bring human resources activities for Switzerland and Italy together under one roof.

The new structure is divided into the following units: the Group-wide 'Employee Journeys' that are responsible for end-to-end processes in the fields of 'Rewards & Recognition', 'Organisation & People Development', 'Talent & Performance Development' and 'Digital & Analytics'. The country-specific units in Switzerland and in Italy are responsible for talent acquisition, human resources operational services, business partnering and the implementation of all human resources processes.

The new human resources operating model aims to create strong business and employee experiences and to put people at the centre of all activities. It represents an integrated human resources organisation that combines Group-wide standardisation, ambition and efficiency with local proximity and alignment with business needs. It also reflects the Group-wide values introduced in the year under review to serve as guiding principles for Swisscom's identity, culture and conduct: 'Spark Passion', 'Aim High' and 'Stand True'.

## Employees in Switzerland

People are key to Swisscom's success. Swisscom ensures that its leaders and employees are equipped with the right skills for today and tomorrow, and that they are empowered to contribute to Swisscom's success and to drive digital transformation in Switzerland. Swisscom's vision is to cultivate an environment where trust, transparency and inclusivity are lived experiences. Swisscom promotes open dialogue, constructive feedback and cross-functional collaboration at all levels in a climate where new ideas flourish and people's voices are heard. A motivating and engaging workplace lies at the heart of Swisscom's strategy. This includes continuous investment in learning and career development, robust recognition and reward systems, wellbeing initiatives and flexible working models tailored to various employee needs.

Swisscom plays a pioneering role in flexible, hybrid working in Switzerland and offers various working models that support work-life balance. To promote collaboration in the teams and the culture, employees work at least two days a week on site at Swisscom's premises. Employees appreciate this flexibility, which saves on commuting time and improves their work-life balance while also enabling regular face-to-face meetings in the office and informal social interaction.

### Rewards and recognition

Swisscom aims to offer competitive, attractive reward programmes to all employees. The salary system comprises a basic salary, a variable performance component, bonuses and attractive benefits. The basic salary is determined by role, individual performance and the job market. The variable performance component is determined by

overarching objectives such as financial parameters as well as business transformation topics in the areas of operating performance, customer satisfaction, growth and sustainability. Details on remuneration paid to members of the Group Executive Committee are provided in the → [Remuneration Report](#).

With effect from April 2025, Swisscom and its social partners agreed to increase salaries for employees who are subject to the Collective Employment Agreement (CEA) by 1.3% of the total payroll. Some of the salary increases were general in nature and some were individual, taking the salary band into account. Likewise, 1.3% of the total payroll was made available for individual salary adjustments at the management level.

The salary system is structured to ensure equal salaries for equivalent tasks and services. Employees' salaries are adjusted within the scope of the annual salary review. Swisscom also reviews the salary structure for differences between men's and women's wages using the federal government's equal pay tool (Logib). Previous reviews have only revealed minor pay discrepancies that are below the tolerance threshold set by the Federal Office for Gender Equality.

### Collective Employment Agreement (CEA)

The employees of Swisscom are employed under private law based on the Code of Obligations, with their terms and conditions of employment exceeding the minimum standards defined in the Code. Swisscom management employees in Switzerland are subject to the general terms and conditions of employment for managers, while all other employees are engaged on the basis of Swisscom's Collective Employment Agreement (CEA).

Swisscom is committed to constructive dialogue with its social partners, syndicom and transfair, as well as the employee representatives, which are granted rights of co-determination to varying degrees. The CEA and the social plan are negotiated by Swisscom Ltd and its social partners and are applicable to employees of Swisscom Ltd. Subsidiaries, such as Swisscom (Switzerland) Ltd, adopt the CEA by means of affiliation agreements, which may include business- or sector-specific adjustments. The renegotiated agreement has been in force since 1 January 2024 and has further improved working conditions. The CEA's scope of application was expanded to further subsidiaries in the IT business as of 1 January 2026, aligned with Swisscom's CEA by means of company-specific regulations. The subsidiaries cablex Ltd and Swisscom Directories Ltd (localsearch) negotiate their own CEA with the social partners. Under the Telecommunications Enterprise Act (TEA), Swisscom is obligated to draw up a collective employment agreement in consultation with employee representatives. In the event of dispute, an arbitration commission is convened to support the social partners in developing solutions.

### Social plan

The objective of the social plan is to facilitate socially acceptable restructuring measures and prevent job cuts. Responsibility for implementing the social plan lies with the subsidiary Worklink Ltd, which provides skill assessments, career advice and coaching as well as placement in temporary external and internal work assignments. In 2025, 69% of employees affected by personnel reduction measures had found new positions before the social plan programme ended (previous year: 88%). Employees with management contracts also benefit from an arrangement that supports them with their professional reorientation in the event of restructuring.



## Organisation, people and culture development

Swisscom focuses on sustainable organisational development and the alignment of human resources initiatives with business needs. During the year under review, organisational efforts were aimed at flattening hierarchies, supporting agile methodologies across the enterprise and ensuring that the entire organisation is configured to provide optimal support to business strategy execution. In the area of culture development, Swisscom focused on developing new Group values ('Spark Passion', 'Aim High' and 'Stand True'), identified by listening to employees' views and aligning all Swisscom units. The Group values will form a sound guide for its work together.

Swisscom is committed to ensuring that its employees and managers are equipped with all the skills they need to succeed in their roles and to remain employable in the market. Swisscom offers numerous internal learning programmes that allow all employees, including leaders, to continuously evolve. One key focal area in 2025 was training in AI and transformation. Senior managers took part in a comprehensive learning programme, giving them insights that they can apply in their own divisions. All employees participated in AI training programmes to prepare them for the rapid technology change and familiarise them with new technologies and the responsible use of AI. Swisscom offers a wide range of on-site and digital learning content via the training and development platform. Swisscom grants five training and development days to each employee per year, excluding training for their current roles. Employees spent an average of 3.8 days on learning in the year under review.

## Employee satisfaction

In 2026, Swisscom will introduce a quarterly employee survey to replace the previous annual engagement survey, with the aim of fostering a more agile and responsive feedback culture. Based on the latest technology, the new survey is anonymous, quantitative and designed for ease of use. Results are instantly accessible via dashboards, enabling teams and their leaders to engage in timely discussions and take targeted action. This change meant that the Pulse survey was not conducted in autumn 2025, and consequently there are no values available for the year under review. Swisscom aims to keep its engagement scores at a high level and to continuously develop its culture to sustain its ability to adapt, innovate and attract top talent.

## Employee development and performance management

In 2025, Swisscom implemented a new performance management process by integrating individual performance management with skill evaluation and development. This ensures that all employees benefit from the focused development of skills that are required today and for the future. Structured goal-setting using OKRs (objectives and key results) and quarterly development plans link individual performance directly to strategic business outcomes and support ongoing engagement.

Swisscom has dedicated professional teams for attracting talent on the market. The 'Talent Acquisition & Employer Branding' teams position Swisscom as one of the top ICT employers in Switzerland. Swisscom also invests in internal talent identification and development, prioritising career growth, recognition and personalised development. Swisscom has established a structured process to identify and develop talented employees across the organisation and to build up a strong internal talent pipeline, and it fills over 75% of management positions internally. Employees on this track benefit from tailored learning paths, mentorship opportunities and stretch assignments – ensuring that they can expand their skills and contribute to the collective success of Swisscom.

Swisscom uses workforce analytics to identify top performers, predict and mitigate turnover, and design targeted retention strategies. The company recognises and rewards excellence promptly, promotes internal mobility and regularly communicates career pathways across the organisation. Swisscom operates DevOps centres in Riga and Rotterdam with a total of 659 employees (FTE) to boost competitiveness and cost optimisation in the face of sustained pressure on revenue and profitability. This sourcing strategy also gives Swisscom flexible access to qualified specialists and helps promote the company's innovative capacities. These activities not only build a thriving talent pipeline and prepare future leaders but also drive business results, innovation and a high-performing, inclusive culture that sets Swisscom apart in the tech sector.

## Apprenticeships and internships

Swisscom is committed to training young people and providing them with a lasting positive experience in their working lives. It trains 753 apprentices in a variety of professions in Switzerland, making it one of the largest providers of ICT apprenticeships in the country. Following a successful pilot phase for a recruitment process under the motto 'Putting people before paper', the new selection approach was fully integrated into day-to-day work. This process enables Swisscom to find the right apprentices for its vocational training programme more efficiently and effectively.

In August 2024, Swisscom launched a pilot project in which apprentices are familiarised with the foundations of application and software development at the start of their training. Following this successful pilot phase, a total of 46 apprentices in Berne and Zurich have taken part in the onboarding programme since August 2025. The programme lasts between six and nine months and is aimed at integrating apprentices into the labour market quickly, and it is closely aligned with employer demand while also meeting statutory requirements.

## Diversity, equity and inclusion

Swisscom takes its social responsibility seriously and is committed to equal treatment for all employees. It is convinced that the diversity of its entire workforce is what makes Swisscom a successful and innovative company. This is driven by relationships based on trust and respect, in which employees meet each other on an equal footing. Further information on diversity can be found in the section → 'Sustainability Statements'.





## Employees in Italy

Fastweb + Vodafone has been part of the Swisscom Group for a year now, guided by the claim 'Insieme, siamo futuro' and a shared vision of a united and successful future. Accordingly, 2025 was largely shaped by a single priority: integrating the corporate cultures of Fastweb and Vodafone Italia. It is Fastweb + Vodafone's goal to be an innovative, distinctive and inclusive employer and a driver of Italy's digital transformation. To achieve this goal and to create a unified corporate culture, Fastweb + Vodafone launched numerous initiatives and programmes for their employees in 2025.

### Principles

At Fastweb + Vodafone, employees enjoy an informal and welcoming work environment with a climate of collaboration and respect. It is an environment that values openness and curiosity among employees, encourages innovative ideas and generates a tangible impact for customers and the employees themselves. Talent development is a central element of the people strategy. Individuals are inspired to take charge of their own growth through innovative programmes and professional pathways designed to support development and change. At Fastweb + Vodafone, goal-oriented work, smart working methods, autonomy and trust are key principles of the organisational culture. Employees set ambitious challenges for themselves and tackle them together with courage and responsibility.

### Telecommunications National Collective Labour Agreement

In Italy, the Telecommunications National Collective Labour Agreement (CCNL) governs working conditions for employees and relations between Fastweb + Vodafone and the unions. The agreement regulates such things as weekly working hours, holiday entitlement, as well as maternity and parental leave.

### Secondary trade union agreements

Both Fastweb and Vodafone Italia have secondary trade union agreements on issues such as remote working, profit-sharing plans (PDR), meal vouchers and short weeks. With the merger of Fastweb and Vodafone Italia legally completed on 1 January 2026, the next step will be to start negotiations on harmonising conditions in the new company.

### Talent acquisition

Fastweb + Vodafone aims to be an employer of choice in the digital and technology sectors by strengthening its reputation, innovation and inclusion efforts, with a target of top 10 in the telco/ICT market. In 2025, strategic partnerships with top Italian universities including the Polytechnic University of Milan, Bocconi University, Università Cattolica, Università Federico II and Sapienza University were established with dedicated initiatives such as the 5G academy, company visits and business cases, and with scholarships such as Girls@PoliMI and Ingenio al Femminile. Fastweb + Vodafone aims to expand collaboration with academic institutions in 2026.

### Learning

Fastweb + Vodafone has a unified training model to prepare the organisation for future challenges. A modular approach puts people at the centre, promoting individual talent while building a shared organisational identity and investing in the workforce to transform challenges into opportunities for collective success. The focus is on developing essential skills through three key initiatives:

- › **ILEX programme:** internal experts share practical knowledge using real company examples in an active learning environment.
- › **Comprehensive learning catalogue:** continuously updated courses on both soft skills (communication, public speaking, time management) and technical competencies (big data, AI), all aligned with the strategic priorities of Fastweb + Vodafone.
- › **Fastweb Digital Academy:** employees acquire in-demand digital skills to meet evolving workplace demands.

In 2025, employees of Fastweb + Vodafone had spent a total of 112,096 hours in training, or a total of 14,012 training days – an average of 1.92 training days per employee.

### Employee satisfaction

Fastweb + Vodafone's listening strategy includes the transparent analysis and sharing of employee survey results, which feed into targeted actions to improve organisational wellbeing and foster collaboration. To support the integration process, regular Pulse surveys were introduced to monitor the workplace climate, collect feedback to identify new actions and measure awareness of corporate values.

### Wellbeing

At Fastweb + Vodafone, people come first. There is a strong focus on physical and mental wellbeing and on a healthy work-life balance, with numerous innovative free services that simplify daily life and promote passions and interests.

### Diversity, equity and inclusion

Fastweb + Vodafone promotes a safe and inclusive environment where people can proudly express their uniqueness and appreciate the value of coexistence. Diversity, equity and inclusion is a cornerstone of the company's strategy with clear and measurable objectives in 2025:

- › Involving at least 50% of employees in initiatives that support the values of diversity, equity and inclusion.
- › Bridging the digital skills gap and raising awareness through FDA courses and STEP open workshops.

Both Fastweb and Vodafone Italia obtained UNI PDR 125:2022 gender equality certification in October 2025. The company is also working on extending the diversity and inclusion certification ISO30415/2021 to the entire organisation and implementing a unified version of the culture and inclusion policy. There is a particular focus on disability, intergenerational issues, harassment and violence in the workplace, and the promotion of inclusive language. Further information on diversity can be found in the section → 'Sustainability Statements'.



# Products and services

## Switzerland segment

### Residential customers

Switzerland's residential customer division creates customer experiences that last – with a strong brand, ease of use, and products and services that are relevant for every phase of life. In a highly competitive market, Swisscom appeals to a broad target group through differentiated messaging in the premium segment as the clear quality leader with a focus on value retention, and through secondary and tertiary brands with offers for price-sensitive customers.

As the market leader in the Swiss telecommunications market, Swisscom consistently develops its core business, tapping into new growth areas and ensuring sustainable value creation – with quality, responsibility and innovation. Dirk Wierzbitzki, Head of Residential Customers: 'Our number one priority is clear: to convince customers to come and to stay – with strong, tangible differentiation through quality. This is the only way to create genuine loyalty and sustainable success.'

### Offers for every phase of life

Internet at home, mobile or blue TV – Swisscom creates relevant offers for every phase of life for over 2.6 million customers. With a target group-oriented multi-brand approach, data-driven marketing and a strong presence in all channels, Swisscom wins new customers and secures the loyalty of its existing customer base. Key to this is excellent service at all touchpoints: personal, empathetic and digital-first – recognised once again in 2025 with multiple awards from industry magazine connect.

### 2025 highlights

- › **Customer satisfaction as a differentiator:** Swisscom was the only provider to increase its net promoter score (NPS) again. Swisscom customers are satisfied, which is also reflected in the low number of customers who turn away from the company (churn rate).
- › **Excellent network, excellent service:** The specialist magazine connect once again awarded Swisscom top marks in 2025: shops, hotlines (mobile and fixed) and the app are described as 'outstanding'.
- › **1 million customers:** Wingo, Coop Mobile and Migros Mobile jointly celebrated an important milestone by reaching the one million post-paid customer mark.
- › **Migros Mobile relaunch:** M-Budget Mobile was relaunched as Migros Mobile. This brand change not only modernises its image, it also creates a product offering more closely tailored to customers in the budget segment – with an attractive price, 5G as standard and straightforward tariff structures.
- › **'myAI':** Swisscom's new 'myAI' service is an AI assistant developed in and for Switzerland with functions including text creation and data analysis as well as image generation and other creative applications. Hosted on AWS, 'myAI' prioritises data protection and transparency, with a clear focus on the needs of the Swiss population. 'myAI' has reached 67,000 registered subscribers within just six months.

### Business customers

**Combining technological excellence with industry knowledge** 'We help you to enable, drive and protect your business': as one of the leading ICT partners in Switzerland, Swisscom helps businesses navigate the opportunities of the digital world and is the point of

contact for around 250,000 SME customers and over 2,500 enterprise customers. It offers everything from integrated communication solutions, IT infrastructure, security and cloud services to a range of workplace and other software solutions, IoT and artificial intelligence (AI). Swisscom also provides comprehensive outsourcing services for companies in the financial and healthcare and public sectors. Swisscom has a consistently high recommendation rate among its business customers, who particularly value its quality, reliability and cooperative approach. 'We are shaping the digital future of the Swiss economy – with innovation, responsibility and a clear focus on customer benefit,' says Urs Lehner, Head of Swisscom Business Customers.

**'beem': unique cybersecurity solution for business customers** Swisscom is setting new standards worldwide with 'beem', the new cybersecurity solution specially developed for business customers of all sizes. The solution is integrated into the heart of Swisscom's core network, so all connected devices are protected around the clock, no matter where they are. All data traffic in the 'beemNet' undergoes numerous security checks to prevent cyber attacks and block harmful content.

**AI and the Swiss economy** Swisscom has built its own AI supercomputers in Switzerland in collaboration with NVIDIA. Through the 'Swiss AI Platform', Swisscom offers a secure range of AI-supported services that are operated on this state-of-the-art infrastructure in Switzerland. The solution guarantees that all data is processed and stored in Switzerland. A one-stop shop for AI, the platform offers everything from consulting to operations from a single source. Ongoing developments include GenAI Studio, which was launched in the year under review. This gives companies easy access to generative AI services on the 'Swiss AI Platform' via application programming interfaces (APIs), allowing them to compile and customise AI solutions according to their company-specific requirements.

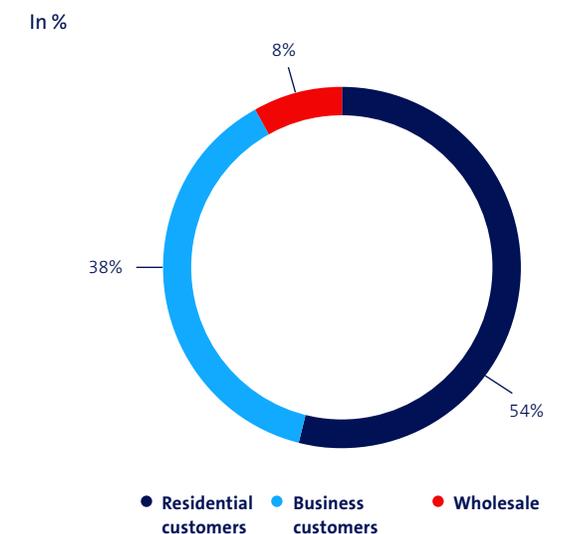
Swisscom's SME chatbot is also hosted securely in Switzerland, ensuring that data protection and security comply with local regulations. This Swiss AI assistant was developed specifically for SMEs, which often lack the resources to develop AI solutions themselves. The chatbot interacts

seamlessly with the company's own information and is available online via a self-service interface. The chatbot assistant increases productivity through targeted knowledge management, from searching through internal documents to querying huge external databases.

### Wholesale

The Wholesale division offers domestic and foreign telecommunications providers a wide range of wholesale services for their own use, refinement or resale based on copper, fibre-optic or mobile networks. These network services are available in various value-added stages and bandwidths – including regulated services such as interconnection (network connection). Categories include broadband connections, leased lines, network connections, mobile virtual network operators (MVNOs), IP peering, co-location (site sharing) and cable ducts. Swisscom is also responsible for wholesale voice connections and roaming contracts.

### Revenue mix Switzerland





## Italy segment

### Residential customers

In the residential customer segment, Fastweb + Vodafone significantly enhanced its offering in the first half of 2025 with innovative solutions that address growing needs for security, connectivity and service integration.

The new 'Fastweb Protect' service, developed in partnership with Wallife, marks a major step forward in digital protection for individuals and small businesses. It shields users from threats such as phishing, malware and identity theft, combining advanced digital identity protection tools with insurance coverage against online fraud and financial loss.

In the mobile segment, Fastweb achieved a key milestone by activating customers on the Vodafone Italia network, enabling download speeds up to 2 Gbps and upload speeds up to 200 Mbps on 5G. Customers can activate SIM and eSIM cards in Fastweb + Vodafone shops, while physical SIMs on the Vodafone Italia network also carry the new Fastweb + Vodafone corporate brand.

The collaboration evolved further with the launch of the first joint Fastweb + Vodafone portfolio, structured around three service tiers. The bundle allows customers to flexibly combine mobile, fixed network connectivity and energy services and benefit from annual discounts of up to EUR 180, creating a fully integrated ecosystem for Italian households. The partnership also extends the energy offer to Vodafone's existing customer base, further expanding the Fastweb + Vodafone convergent proposition. The products and services of both brands are available in all sales outlets in Italy.

In the year under review, Fastweb introduced 'Seven', a state-of-the-art modem featuring the WiFi 7 standard, which delivers faster speeds and lower latency through 2.5 Gbps ethernet ports and multi-link operation (MLO) technology. Designed with sustainability in mind, Seven is made from 95% recycled plastic and offers an 'Eco' mode that

reduces energy consumption by up to 50%. For larger homes, the solution comes with Seven Booster, a WiFi 7 extender that ensures seamless coverage in every room.

### Business customers

In the business customer segment, Fastweb + Vodafone consolidated its leadership in technological innovation with the launch of the 'FastwebAI Suite', a comprehensive platform of generative artificial intelligence (AI) solutions designed for businesses and public authorities. Built entirely on Italian infrastructure and fully compliant with the EU AI Act and other privacy and copyright regulations, the suite is powered by the NVIDIA DGX SuperPOD supercomputer, the Italian language model 'FastwebMIIA', and advanced cloud, edge and cybersecurity technologies.

The 'FastwebAI Suite' includes several complementary modules. The 'FastwebAI Factory' provides on-demand computing power for the most demanding applications; 'FastwebAI Work' enhances productivity through virtual assistants and creative generation tools; 'FastwebAI Agents' enables the creation and management of autonomous agents for process automation; and 'FastwebAI Custom' delivers modular, tailored solutions to meet specific customer needs.

To promote innovation and creativity in AI, Fastweb + Vodafone staged the first FastwebAI hackathon, a 24-hour event where participants leveraged the 'FastwebAI Suite's capabilities and the computing power of the Fastweb + Vodafone supercomputer to develop new ideas and explore the frontiers of generative AI.

In cybersecurity, Fastweb + Vodafone further expanded its offering in the year under review to include three advanced services: offensive security that provides proactive threat prevention; social engineering as a service – phishing simulation for evaluating human risk exposure; and a vulnerability assessment that allows businesses to identify and address critical vulnerabilities across customer infrastructures.

### Wholesale

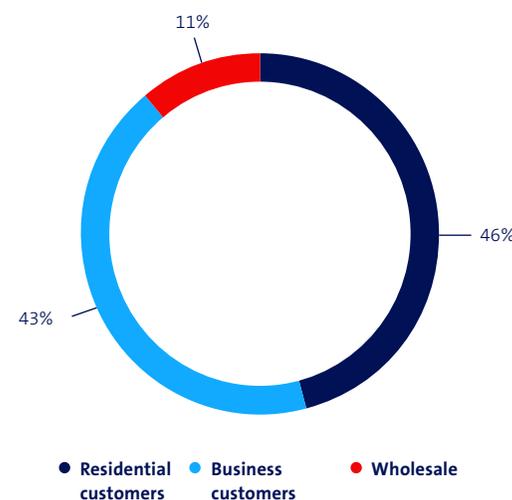
In the wholesale segment, Fastweb + Vodafone entered into a collaboration with Unitirreno to establish an underwater fibre-optic cable connecting Mazara del Vallo, Rome, Olbia and Genoa. The partnership also includes a commercial agreement through which Fastweb + Vodafone supports Unitirreno in marketing underwater fibre-optic capacity via its sales network.

A new strategic deal between CoopVoce and Vodafone Italia was also finalised in the year under review, enabling the migration of all CoopVoce SIMs to Vodafone's network by the end of 2025, giving customers access to VoLTE and 5G services. In addition, Fastweb entered into a partnership with Eolo that allows shared use of the 26 GHz band, improving national coverage and accelerating network roll-out. Under the agreement, Fastweb will also acquire fixed wireless access (FWA) connectivity from Eolo.

In June 2025, Fastweb + Vodafone reached the milestone of 1 million wholesale access points.

### Revenue mix Italy

In %



## Others segment

### localsearch (Swisscom Directories Ltd)

localsearch (Swisscom Directories Ltd) helps Swiss micro-enterprises, which make up 90% of all SMEs, achieve sustainable success in the digital world – with personalised, demand-oriented on-site advice and an attractive price-performance ratio. These simple, effective digital solutions enable SMEs to gain visibility online, attract new customers and retain them in the long term. Through local.ch, localsearch also manages and markets Switzerland's leading digital booking platform.

### Swisscom Broadcast Ltd

Swisscom Broadcast Ltd builds radio networks for broadcasting, security and professional mobile radio networks and makes around 430 transmitter sites available for shared use. It also supports its customers through temporary ICT, streaming, content delivery and edge security as well as event management and broadcasting services. The company's safety and security solutions range from video security, drones as a service and drone detection to customer insights drawn from sensors and data.

### cablex Ltd

A leading company for technical infrastructure and service in Switzerland, cablex offers pioneering, sustainable solutions with services including high-performance ICT and network infrastructures for maximum bandwidth, as well as road and tunnel construction. cablex also develops secure, efficient infrastructures to meet the demands of smart, highly flexible energy networks, with nationwide on-site service to ensure top-class customer experiences. cablex is expanding its market presence through network infrastructure services for the German market.



# Innovation and development

## Driving business with security, trust, AI and innovation

The digital transformation presents a significant opportunity for the Swisscom Group. As technology advances, especially in the field of artificial intelligence (AI), it is crucial that the public accepts the societal shift towards digitalisation. Swisscom strongly believes that trust in secure services and the proper handling of sensitive data is essential. Swisscom’s ability to bring trustworthy innovations to market for its customers is vital for its own success and the success of its customers. Trust in new technologies will become an increasingly important factor, which is why Swisscom aims to be recognised as ‘Innovators of Trust’. This vision of being ‘The most trusted tech innovator creating unique customer experiences with positive impact for society’ is at the heart Swisscom’s purpose: ‘Empowering the digital future’. Innovative strength and trust are core values for Swisscom and are central to successful technological and social development. Swisscom is already focusing intensively on relevant and promising future topics.

Swisscom’s approach to innovation is based on four strategic key pillars. ‘Delight customers’: striving every day to provide customers with the best products and services. ‘Innovate for growth’: driving growth by developing advanced products and services. ‘Achieve more with less’: supporting forward-looking solutions to make internal processes more efficient – through process digitalization. For instance ‘Perform together’: using innovation to position Swisscom as the best ICT employer, attracting and retaining top talent. These pillars are guided by its core values ‘Spark Passion’, ‘Aim High’, and ‘Stand True’. Swisscom fosters a culture of innovation by empowering employees

to develop and implement their own ideas, exemplified by its employee-driven intrapreneurship programme ‘Kickbox’.

### Strong partnerships to boost Switzerland’s innovation landscape

Swisscom pursues an open innovation approach, which involves targeted collaboration with partners, start-ups, universities and customers. One example is its participation in ‘Kickstart’, one of Europe’s leading open innovation platforms. Despite its strong roots in Switzerland, Swisscom remains closely linked to a global ecosystem of innovation, leveraging various connections. These networks and partnerships help Swisscom stay up to date, allow it to test new technologies and business models early with start-ups, and ultimately increase the speed of the innovation process.

Through strategic partnerships with top universities such as ETH Zurich and École Polytechnique Fédérale de Lausanne (EPFL), Swisscom fosters research in AI, cybersecurity, and next-generation connectivity. Swisscom Ventures plays a key role in closing the growth-stage funding gap for Swiss start-ups, enabling them to scale globally. The investment team is proud to have backed many of the leading start-ups in Switzerland and internationally. By investing in cutting-edge technologies and nurturing the start-up ecosystem, Swisscom helps create a vibrant environment where science-driven innovation translates into sustainable economic growth and societal benefit.

To further strengthen its commitment to the advancement of artificial intelligence (AI) in Switzerland, Swisscom has joined the Swiss National AI Institute (SNAI) established by ETH Zurich and EPFL. This

collaboration accelerates the development of innovative, reliable and trustworthy AI products and services for the Swiss economy and boosts Swiss sovereignty in the field of AI.

One result of this collaboration is ‘Apertus’, a public multilingual large language model (LLM) that was launched in September 2025. It serves as a basis on which developers and organisations can build future applications such as chatbots, translation systems and digital learning tools. Swisscom is proud to be among the first to use this pioneering language model on its sovereign ‘Swiss AI Platform’.

## Key innovation fields

Swisscom’s innovation efforts focus on seven innovation fields. The focus for 2025 was on advances in the fields of security, trust, digital services and AI, data and automation.

### Security

#### Cybersecurity challenges

Companies and the general public face a wide range of cybersecurity threats. Hackers use a variety of attack techniques to steal sensitive data and cause financial damage. Phishing attacks rely on sophisticated methods that go beyond emails and increasingly include phone calls and mobile messages. An increase in fraudulent activities in legal grey areas and in the social environment illustrates the adaptability of attackers, who also exploit technological vulnerabilities. At the same time, distributed denial of service (DDoS) attacks and malware remain a constant threat to the business continuity and data integrity of organisations, particularly in the form of ransomware.

#### Swisscom’s beam solution

Swisscom beam is a pioneering cybersecurity solution that integrates protection directly into Swisscom’s network infrastructure, marking the world’s first sovereign SASE (Secure Access Service Edge)

connectivity service. Unlike traditional device-specific security, beam offers seamless safety that extends across mobile networks and entire company premises, ensuring comprehensive protection for all devices connected at those locations, including mobile phones, PCs, tablets and IoT. With secure gateways and transparent incident reporting, beam provides end-to-end encryption and innovative authentication without passwords. This revolutionary model enables business customers from small office/home office (SOHO) to large enterprises to securely access data and applications, regardless of their location. Swisscom beam sets unprecedented global standards for comprehensive protection. Swisscom also offers businesses of all sizes comprehensive protection against cyber security threats, strengthening their resilience.

### Post-quantum security

The emergence of quantum computing introduces potential risks to today’s encryption standards, which underpin global data security and concepts for digital trust. Anticipating these technological developments, Swisscom is actively investing in post-quantum security to ensure that its infrastructure, platforms and services remain protected against future vulnerabilities. In addition to strengthening its internal IT, Swisscom now offers dedicated services for business customers, supporting them in their transition toward quantum-resistant solutions. These initiatives underline Swisscom’s commitment to long-term resilience, innovation leadership, and maintenance of trust in an increasingly complex digital environment.

### Trust

Swisscom’s Digital Trust portfolio focuses on products and services that ensure the authenticity and legal validity of information in the digital space. This includes ‘Swisscom Sign’, which is based on the qualified electronic signature (QES). Under Swiss law, the QES has the same validity as a handwritten signature. ‘Swisscom Sign’ is available to all smartphone users, even if they are not Swisscom customers, while it also allows business customers from SMEs to large corporations to easily sign contracts and other documents electronically at any time,



with full legal validity. More than 85,000 users have registered for 'Swisscom Sign' to date.

Together with its subsidiaries ajila AG and Innovative Web AG (i-Web), Swisscom is further offering solutions to digitalise interactions between businesses or authorities and their customers. These solutions target the entire customer journey, from web portals, digital forms, document creation and signing to processing and integration into specialised systems. The subsidiary Swisscom Trust Services AG, one of Switzerland's three accredited trust service providers (TSPs), contributes infrastructure and certificate services to Swisscom's digital trust portfolio and partners.

### AI, data and automation

Modern telecommunications companies need artificial intelligence (AI) to operate networks efficiently, proactively detect disruptions and continuously improve service quality. At the same time, AI powers personalised customer experiences such as intelligent chatbots, relevant product recommendations and automated support processes.

Swisscom currently uses AI in numerous areas – in customer service, in new products and services, and for the constant optimisation of network quality. Through AI-supported speech recognition on the hotline, in the service chatbot and with personalised product recommendations, the focus is always on improving the customer experience and resolving issues simply and completely.

### Switzerland

In 2025, the use of the chatbot SAM led to a significant increase in customer satisfaction, with the net promoter score (NPS) rising from 7 points (June 2024) to 36 points (June 2025). At the same time, the automation rate in customer service increased from 22% to 53%, which significantly boosted the efficiency of customer interactions and contributed to cost optimisation.

In spring 2025, Swisscom launched the AI chatbot 'myAI' to its residential customers based on Anthropic's language model 'Claude Sonnet 3.5', which is operated in Switzerland. The chatbot added new features later in the year, such as file upload, web search and image generation, along with a new subscription structure ('myAI Free' and 'myAI Pro'). 'myAI' has attracted over 67,000 active users since its launch.

### Italy

In June 2025, Fastweb + Vodafone launched the 'FastwebAI Suite', a comprehensive end-to-end artificial intelligence (AI) service built on Italian infrastructure to ensure data sovereignty and full compliance with European regulations. The suite enables businesses to access advanced AI computing power, enterprise-grade AI tools, and integrated security capabilities within a unified platform. It also incorporates Fastweb's Italian language model 'FastwebMIIA', developed in partnership with leading Italian publishing houses and content providers.

In October 2025, Fastweb + Vodafone successfully completed a trial on its commercial 5G network, achieving a peak download speed of 2.5 Gbps. This breakthrough paves the way for 5G Advanced, the next evolution of mobile technology that will further enhance network performance, maximise spectrum efficiency, and enable advanced applications powered by AI and machine learning (ML).

### The importance of security grows as cybercrime escalates



**+54%**

#### Cyber incidents

Every second company fell victim to cybercrime in 2024.



**+32%**

#### Operational interruptions

One-third of the affected companies experienced disruption in their operations.



**+73%**

#### Significant damages

Three-quarters of these companies suffered significant financial damage.

Figures 2024 Switzerland and worldwide.

CISCO Cybersecurity Readiness Index, Cyber Study digitalswitzerland and The State of Data Security (Forrester).



# Risk management

## Assessment of the overall risk situation

Swisscom faces challenges in its core business due to intense competition that has led to a decline in revenue. To address risks posed by disruptive megatrends such as rapid technological change and evolving customer expectations, Swisscom conducts comprehensive analyses of market environments and competitor activities. These insights inform strategic decisions and drive a fundamental transformation of the business model. Swisscom is focused on enhancing operational efficiency through process optimisation and investing in new technologies like artificial intelligence (AI) to fortify the core business against external pressures and ensure sustainable growth. The geopolitical landscape still poses hurdles, particularly in the area of supply chain management. Swisscom is actively monitoring global events and adapting its strategies to ensure continuity and resilience. Swisscom's wide range of business activities, coupled with the complexity of the applicable regulations, calls for effective risk and compliance management systems.

Major risks that require attention by the Group Executive Committee and the Board of Directors are described below. Further risks with environmental, social and governance (ESG) dimensions can be found in the section → 'Sustainability Statements'.

## Enterprise Risk Management system

The Enterprise Risk Management system is based on the principles, framework and process of the ISO 31000 standard for risk management. As a key element of responsible corporate governance, its aim is not to

completely avoid risks but rather to provide scope for more conscious risk-taking, supported by comprehensive knowledge of risks and their interactions. The Board of Directors determines the Groups's risk appetite, and this is then applied within the organisation. The Group Risk Management department creates transparency that supports Swisscom in operating within the specified risk appetite.

The Board of Directors and the Group CEO have set out their expectations for managers and employees of the Swisscom Group in a Code of Conduct (take responsibility, follow the rules, show integrity and report breaches) and this serves as the basis of a healthy risk culture.

Swisscom's assurance functions are designed to support management and at the same time reduce its workload. Group Risk Management's aim is to establish proactive risk management that identifies risks early on and manages them actively, consistently and comprehensively to boost trust in Swisscom and its reputation. Group Risk Management collaborates closely with the whole organisation to achieve this aim.

## Risk management process

The key risk management activities are establishing and monitoring the context, assessing risks, handling risks, monitoring the implementation of measures, and reporting. Defining and monitoring the context assists in classifying Swisscom's strategic and operational focus. Changes in the market environment are identified and analysed. The identification and analysis of risks and the choice of risk strategy are determined in the assessment, ensuring that the risks are systematically identified across the Swisscom Group with a bottom-up and top-down approach and analysed with respect to potential impacts on the company.

Risks are divided into four main risk categories: strategy, compliance, operations and finance. Quantitative impacts are reported in financial terms. Qualitative impacts are reported with possible consequences for reputation, compliance or operations, including the potential for business interruptions. Measures are defined and implementation monitored in line with the risk strategy. A key step of the process is

systematically recording risks in a central system that provides the Board of Directors and Group Executive Committee with regular, comprehensive risk profile updates for better oversight and decision-making.

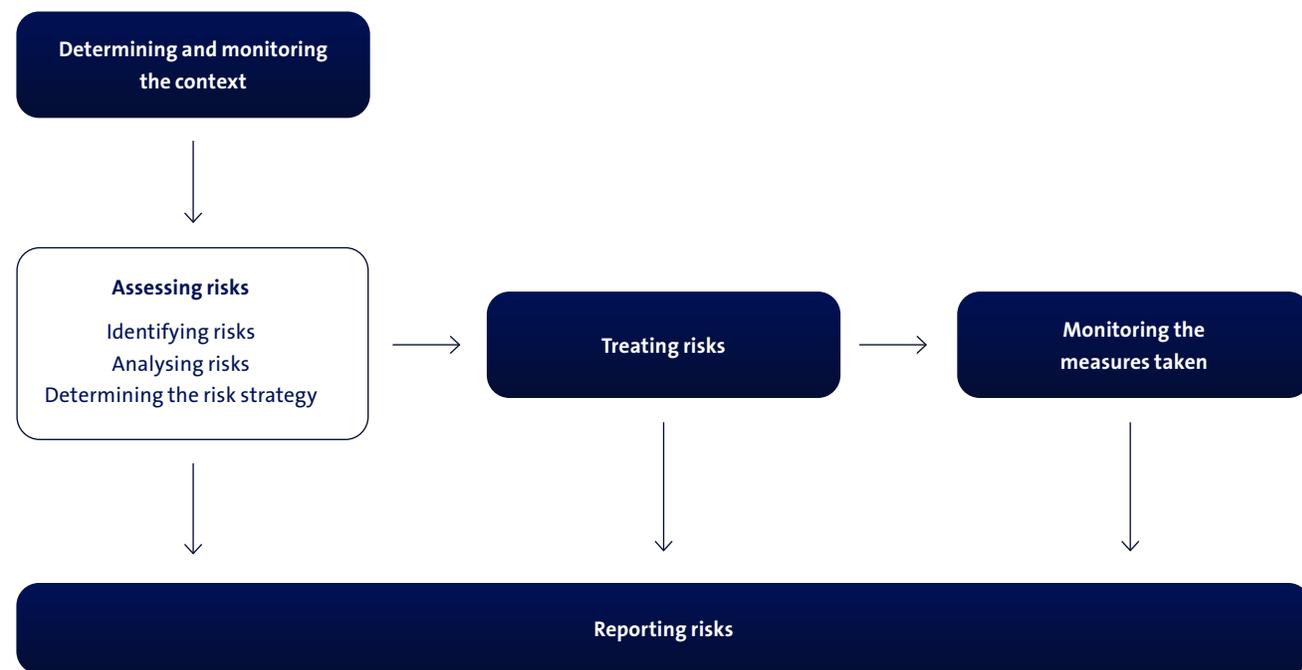
Swisscom's structured risk management process supports the effective management of the company and the achievement of its corporate goals. To facilitate improvements to company management, risks are reported at various levels.

- › Group Risk Management reports all material risks to the Group Executive Committee, the Board of Directors Audit Committee and the Board of Directors of Swisscom Ltd each quarter.
- › The strategic subsidiaries report material risks to Group Risk Management twice a year and to their Board of Directors at least once a year.

- › All other subsidiaries report their material risks to Group Risk Management once a year and to their Board of Directors at least once a year.
- › The Head of Group Risk Management has exclusive and unhindered access to the Board of Directors Audit Committee of Swisscom Ltd once a year.

## Progress and outlook

In the year under review, the subsidiaries of the Swisscom Group optimised their bottom-up risk management through adjustments and held workshops to aid risk identification. Risk management is continuously improving, with various approaches to integrating AI in risk management currently being implemented.





## Key risks

Group Risk Management and subject-matter specialists assess key risks. Measures are defined and tracked by business owners, overseen by management.

Risk	Explanation of the risk	Measures	Trend
<b>Dynamic market environment and regulation in Switzerland</b>	Infrastructure providers, promotional campaigns by market players, and service providers without their own network reinforce competitive dynamics. Megatrends such as connectivity, individualisation and demographic change have a long-term impact on Swisscom's activities. Regulations entail uncertainties that may adversely affect its financial performance and financial position. Excessively high political demands could fundamentally call the current system of competition into question.	Swisscom tackles this challenge by means of transformation of the company and constant innovation. Swisscom conducts a comprehensive external environment analysis each year in order to identify disruptions at an early stage. This serves to identify coming trends and developments to determine potential disruptive scenarios. Regular analyses of the economic and regulatory environment and customer analyses help Swisscom to respond to relevant changes at an early stage. Swisscom responds effectively to market-driven change by consistently focusing on customer needs, such as addressing the needs of different customer segments through secondary and third-party brands and adjusting processes and organisation.	→
<b>Intense competition and regulation in Italy</b>	Competitive dynamics in the Italian telecommunications market are intensifying due to aggressive promotional campaigns by operators and service providers without their own networks, potentially impacting revenue. Additionally, regulatory changes in Italy and Europe pose challenges for companies like Fastweb + Vodafone, which could affect their revenue growth forecasts.	Fastweb + Vodafone responds to these dynamics with continuous adjustments to services, organisation, processes and partnerships. The acquisition of Vodafone Italia at the end of 2024 created a leading convergent provider in the Italian market in the form of Fastweb + Vodafone, which is much more resilient to external risks as a result of the expected synergy effects. In addition, changes in the legal and regulatory environment may have a negative impact on business activities and enterprise value.	→
<b>Geopolitical development</b>	Geopolitical developments entail risks such as exchange rate fluctuations, inflation, tariffs, shortages of goods, ban of suppliers, delays in deliveries, higher transport costs and general recession.	Swisscom pursues an effective hedging strategy to minimise risk of loss due to fluctuating foreign exchange rates. Swisscom constantly analyses the geopolitical situation and continuously reviews measures in order to respond appropriately to geopolitical changes and implements them in a targeted manner.	↑
<b>Business disruption</b>	Swisscom's services are heavily dependent on technical infrastructure such as communications networks and IT platforms. Any major business interruption harbours both financial risks and significant reputational risks. Causes include natural disasters, human error, hardware or software failures due to complex IT architecture, cyberattacks, power outages, power shortages and the increasing interdependence of modern technologies.	The threat situation remains tense and is increasing in some areas due to technological and geopolitical developments. Swisscom constantly monitors the threat situation and implements effective measures for permanent risk mitigation. This includes continuously investing in prevention and responsiveness, e.g. reducing the complex IT architecture. Swisscom relies on built-in redundancy, contingency plans, deputising arrangements, alternative locations, careful selection of suppliers and other targeted measures to continuously deliver the expected services.	→

↑ Upstream   → Horizontal   ↓ Downstream



Risk	Explanation of the risk	Measures	Trend
<b>Expansion of the broadband network</b>	Customer demand for broadband access is growing in parallel with the rising popularity of devices and IP-based services such as smartphones, TV and OTT. To meet current and future customer needs and maintain its market share, Swisscom is in intense competition with cable companies and other network operators.	The network expansion needed requires major capital expenditure. When expanding the network, Swisscom is guided by population density and customer requirements to reduce financial risks and optimise coverage. Swisscom enters into strategic partnerships to support its network expansion. Material risks arise if the network has to be built at a higher price than planned or revenue expected in the long term does not materialise. Swisscom adapts the broadband expansion of the access network to changing conditions and technical opportunities on an ongoing basis to minimise these risks.	↓
<b>Public concern related to electromagnetic radiation</b>	The lack of acceptance of mobile communications and 5G by some impedes network construction, particularly in the case of modernisation work or when searching for new sites for mobile network installations. Swisscom, as a major telecommunications provider in Switzerland, has been at the centre of discussions and actions regarding these concerns. In the year under review, claims were again made that electromagnetic radiation (e.g. from mobile antennas or mobile handsets) is potentially harmful to health.	Switzerland has adopted a comprehensive approach to managing non-ionising radiation through its Ordinance on Protection against Non-Ionising Radiation (ONIR). At locations where people stay for long periods of time (e.g. homes, schools, permanent workplaces and playgrounds) limits that are ten times stricter than those recommended by the World Health Organization (WHO) apply. According to the ONIR monitoring by the government, the median exposure is below 1% of the WHO's limit value. Ongoing measures to raise awareness regarding mobile communications, including information platforms such as Chance5G, remain important.	→

↑ Upstream   → Horizontal   ↓ Downstream



# Financial review

## Alternative performance measures

Swisscom uses key indicators as defined in the International Accounting Standards (IFRS) in its financial reporting, along with selected alternative performance measures (APMs). These alternative

measures provide useful information on the Group's financial position and serve financial management and control purposes. As these measures are not defined under the IFRS, calculations may differ from the published APMs of other companies, which may in turn limit comparability across companies.

Key performance indicator	Swisscom definition
<b>Adjustments</b>	Significant items that, due to their exceptional nature, cannot be considered part of the Swisscom Group's ongoing performance, such as restructuring costs, pension cost (IAS 19 reconciliation) and significant positions in connection with legal cases or other non-recurring items. In addition, significant mergers and acquisitions and the nonretroactive application of changes to IFRS accounting principles and standards may affect comparability with the previous year.
<b>At constant exchange rates</b>	Key performance measures considering currency effects (figures for 2025 are translated at the 2024 exchange rate to eliminate the currency effect).
<b>EBITDA after lease expense (EBITDAaL)</b>	Operating income before depreciation and amortisation less lease expense (excl. depreciation of indefeasible rights of use (IRU) which are classified as leases under IFRS 16).
<b>Capital expenditure</b>	Purchase of property, plant and equipment and intangible assets and payments for indefeasible rights of use (IRU) which are classified as leases under IFRS 16. In general, IRUs are paid in full at the beginning of use.
<b>Operating free cash flow</b>	Operating income before depreciation and amortisation (EBITDA) less investments in property, plant and equipment and intangible assets as well as payments for indefeasible rights of use (IRU) and lease expense. Lease expense includes interest expense on lease liabilities and depreciation of right-of-use assets excluding depreciation of right-of-use assets for IRUs as well as impairments of right-of-use assets.
<b>Free cash flow</b>	Cash flows from operating and investing activities excluding cash flows from the purchase and sale of subsidiaries and purchase of and proceeds from equity-accounted investees and other financial assets.
<b>Net debt</b>	Financial liabilities and lease liabilities less cash and cash equivalents, listed debt instruments and derivative financial instruments.

## Reconciliation of alternative performance measures

### Adjustments of key performance indicators

In CHF million	2025	2024	Change	Change at constant exchange rates
<b>Revenue, reported</b>	<b>15,048</b>	<b>11,017</b>	<b>36.6%</b>	<b>37.5%</b>
Pro forma revenue Vodafone Italia	–	4,341		
<b>Revenue, pro forma</b>	<b>15,048</b>	<b>15,358</b>	<b>–2.0%</b>	<b>–1.3%</b>
<b>EBITDA after lease expense (EBITDAaL), reported</b>	<b>4,984</b>	<b>4,064</b>	<b>22.6%</b>	<b>23.3%</b>
Pro forma EBITDAaL Vodafone Italia	–	980		
<b>EBITDAaL, pro forma</b>	<b>4,984</b>	<b>5,044</b>	<b>–1.2%</b>	<b>–0.7%</b>
Provisions for legal proceedings Switzerland	(90)	(24)		
Provisions for contractual risks Switzerland	52	–		
Restructuring costs Switzerland	27	13		
Transaction cost for the acquisition of Vodafone Italia	–	60		
Integration cost of Vodafone Italy	102	167		
Provisions for contractual risks Italy	8	–		
Restructuring costs Others	15	1		
Pension cost (IAS 19 reconciliation)	12	(25)		
<b>EBITDAaL, adjusted</b>	<b>5,110</b>	<b>5,236</b>	<b>–2.4%</b>	<b>–1.9%</b>
<b>Capital expenditure, reported</b>	<b>3,064</b>	<b>2,312</b>	<b>32.5%</b>	<b>33.3%</b>
Pro forma capital expenditure Vodafone Italia	–	803		
<b>Capital expenditure, pro forma</b>	<b>3,064</b>	<b>3,115</b>	<b>–1.6%</b>	<b>–1.0%</b>
INWIT mobile sites consolidation	(37)	(68)		
Intergration capital expenditure Vodafone Italia	(101)	–		
<b>Capital expenditure, adjusted</b>	<b>2,926</b>	<b>3,047</b>	<b>–4.0%</b>	<b>–3.3%</b>
<b>Operating free cash flow, reported</b>	<b>1,920</b>	<b>1,752</b>	<b>9.6%</b>	<b>9.6%</b>
Pro forma operating free cash flow Vodafone Italia	–	177		
<b>Operating free cash flow, pro forma</b>	<b>1,920</b>	<b>1,929</b>	<b>–0.5%</b>	<b>–0.1%</b>
EBITDAaL adjustments	126	192		
Capital expenditure adjustments	138	68		
<b>Operating free cash flow, adjusted</b>	<b>2,184</b>	<b>2,189</b>	<b>–0.2%</b>	<b>0.1%</b>

**Reconciliation to the consolidated financial statements**

In CHF million	2025	2024	Change
<b>EBITDA after lease expense (EBITDAaL)</b>			
Operating income before depreciation and amortisation	6,617	4,767	1,850
Depreciation of right-of-use assets	(1,578)	(671)	(907)
Depreciation of indefeasible rights of use (IRU)	50	18	32
Interest expense on lease liabilities	(105)	(50)	(55)
<b>EBITDA after lease expense (EBITDAaL)</b>	<b>4,984</b>	<b>4,064</b>	<b>920</b>
<b>Capital expenditure</b>			
Purchase of property, plant and equipment and intangible assets	3,008	2,288	720
Payments for indefeasible rights of use (IRU)	56	24	32
<b>Capital expenditure</b>	<b>3,064</b>	<b>2,312</b>	<b>752</b>
<b>Operating free cash flow</b>			
Cash flow from operating activities	6,012	4,387	1,625
Purchase of property, plant and equipment and intangible assets	(3,008)	(2,288)	(720)
Payments for indefeasible rights of use (IRU)	(56)	(24)	(32)
Depreciation of right-of-use assets	(1,578)	(671)	(907)
Depreciation of indefeasible rights of use (IRU)	50	18	32
Proceeds from finance leases	(95)	(80)	(15)
Change in deferred gain from the sale and leaseback of real estate	3	4	(1)
Change in operating assets and liabilities	(118)	9	(127)
Change in provisions	121	(26)	147
Change in defined benefit obligations	(17)	5	(22)
Gain on sale of property, plant and equipment	23	26	(3)
Loss on sale of property, plant and equipment	(3)	–	(3)
Expense for share-based payments	(1)	(1)	–
Revenue from finance leases	84	87	(3)
Interest received	(11)	(102)	91
Interest payments on financial liabilities	235	112	123
Dividends received	(1)	(1)	–
Income taxes paid	280	297	(17)
<b>Operating free cash flow</b>	<b>1,920</b>	<b>1,752</b>	<b>168</b>

**Reconciliation to the consolidated financial statements**

In CHF million	2025	2024	Change
<b>Free cash flow</b>			
Cash flow from operating activities	6,012	4,387	1,625
Cash flow used in investing activities	(3,523)	(9,279)	5,756
Repayment of lease liabilities	(1,558)	(677)	(881)
Acquisition of subsidiaries, net of cash and cash equivalents acquired	34	7,372	(7,338)
Proceeds from sale of subsidiaries, net of cash and cash equivalents acquired	(2)	(2)	–
Purchase of other financial assets	500	2,020	(1,520)
Proceeds from other financial assets	(31)	(2,386)	2,355
Other cash flows	1	2	(1)
<b>Free cash flow</b>	<b>1,433</b>	<b>1,437</b>	<b>(4)</b>



## KPIs Group

In CHF million, except where indicated		2025	2024	Change	in %
<b>Financial data, pro forma<sup>1</sup></b>					
Revenue		15,048	15,358	(310)	-2.0%
EBITDA after lease expense (EBITDAaL)		4,984	5,044	(60)	-1.2%
Capital expenditure		3,064	3,115	(51)	-1.6%
Operating free cash flow		1,920	1,929	(9)	-0.5%
<b>Financial data, reported<sup>2</sup></b>					
Revenue		15,048	11,017	4,031	36.6%
EBITDA after lease expense (EBITDAaL)		4,984	4,064	920	22.6%
Capital expenditure		3,064	2,312	752	32.5%
Operating free cash flow		1,920	1,752	168	9.6%
Free cash flow		1,433	1,437	(4)	-0.3%
Net income		1,270	1,541	(271)	-17.6%
Equity		12,238	12,154	84	0.7%
Net debt		15,633	16,187	(554)	-3.4%
<b>Operational data</b>					
Mobile postpaid access lines Switzerland	thousand	5,645	5,460	185	3.4%
Broadband access lines retail Switzerland	thousand	1,938	1,967	(29)	-1.5%
TV access lines Switzerland	thousand	1,462	1,493	(31)	-2.1%
Fixed telephony access lines Switzerland	thousand	1,045	1,137	(92)	-8.1%
Access lines wholesale Switzerland	thousand	768	731	37	5.1%
Mobile access lines Italy	thousand	20,054	20,216	(162)	-0.8%
Broadband access lines retail Italy	thousand	5,732	5,916	(184)	-3.1%
Broadband access lines wholesale Italy	thousand	1,126	905	221	24.4%
<b>Swisscom share</b>					
Shares issued	thousand	51,802	51,802	–	0.0%
Market capitalisation		29,812	26,134	3,678	14.1%
Closing price	CHF	575.50	504.50	71.00	14.1%
Dividend per share	CHF	26.00 <sup>3</sup>	22.00	4.00	18.2%
<b>Employees</b>					
Full-time equivalent employees	number	23,266	23,839	(573)	-2.4%
Average number of full-time equivalent employees	number	23,545	19,918	3,627	18.2%

<sup>1</sup> 2024 figures: Pro forma figures as if Vodafone Italia were consolidated from 1 January 2024 and harmonised accounting policies were applied (unaudited).

<sup>2</sup> Swisscom uses alternative performance measures. The definition and reconciliation with the values in accordance with the IFRS Accounting Standards are presented in this chapter in the section on 'Alternative performance measures'.

<sup>3</sup> In accordance with the proposal of the Board of Directors to the Annual General Meeting.

## KPIs segments

In CHF million		2025	2024	Change	In %
<b>Revenue</b>					
Switzerland		7,868	7,976	(108)	-1.4%
Italy		6,831	7,013 <sup>1</sup>	(182)	-2.6%
Others		1,042	1,111	(69)	-6.2%
Elimination		(693)	(742)	49	-6.6%
<b>Revenue, pro forma</b>		<b>15,048</b>	<b>15,358</b>	<b>(310)</b>	<b>-2.0%</b>
Vodafone Italia		–	(4,341)	4,341	-100.0%
<b>Revenue, reported</b>		<b>15,048</b>	<b>11,017</b>	<b>4,031</b>	<b>36.6%</b>
<b>EBITDA after lease expense (EBITDAaL)</b>					
Switzerland		3,362	3,329	33	1.0%
Italy		1,580	1,603 <sup>1</sup>	(23)	-1.4%
Others		101	136	(35)	-25.7%
Elimination		(59)	(24)	(35)	145.8%
<b>EBITDAaL, pro forma</b>		<b>4,984</b>	<b>5,044</b>	<b>(60)</b>	<b>-1.2%</b>
Vodafone Italia		–	(980)	980	-100.0%
<b>EBITDAaL, reported</b>		<b>4,984</b>	<b>4,064</b>	<b>920</b>	<b>22.6%</b>
<b>Capital expenditure</b>					
Switzerland		(1,692)	(1,725)	33	-1.9%
Italy		(1,384)	(1,400) <sup>1</sup>	16	-1.1%
Others		(35)	(39)	4	-10.3%
Elimination		47	49	(2)	-4.1%
<b>Capital expenditure, pro forma</b>		<b>(3,064)</b>	<b>(3,115)</b>	<b>51</b>	<b>-1.6%</b>
Vodafone Italia		–	803	(803)	-100.0%
<b>Capital expenditure, reported</b>		<b>(3,064)</b>	<b>(2,312)</b>	<b>(752)</b>	<b>32.5%</b>
<b>Operating free cash flow</b>					
Switzerland		1,670	1,604	66	4.1%
Italy		196	203 <sup>1</sup>	(7)	-3.4%
Others		66	97	(31)	-32.0%
Elimination		(12)	25	(37)	
<b>Operating free cash flow, pro forma</b>		<b>1,920</b>	<b>1,929</b>	<b>(9)</b>	<b>-0.5%</b>
Vodafone Italia		–	(177)	177	-100.0%
<b>Operating free cash flow, reported</b>		<b>1,920</b>	<b>1,752</b>	<b>168</b>	<b>9.6%</b>

<sup>1</sup> Pro forma.



Swisscom acquired Vodafone Italia at the end of 2024. Segment reporting is based on the segments Switzerland, Italy and Others. The 2024 figures for revenue, operating income before depreciation and amortisation after lease expense (EBITDAaL), capital expenditure and operating free cash flow are presented pro forma or as if Vodafone Italia were consolidated from 1 January 2024 and harmonised accounting policies were applied (on an unaudited basis).

## Summary

Swisscom achieved its financial targets for the 2025 financial year and will propose an increase in the dividend from CHF 22 to CHF 26 per share at the Annual General Meeting on 25 March 2026. For the financial year 2025, the Switzerland segment (52%) and the Italy segment (45%) contributing the most to the Group's revenue of CHF 15.0 billion. Of the operating income after lease expense (EBITDAaL) of CHF 5.0 billion, Switzerland accounting for 67% and Italy had a share of 32%.

Group revenue decreased by 2.0% year-on-year to CHF 15,048 million. Operating income before depreciation and amortisation after lease expense (EBITDAaL) fell by 1.2% to CHF 4,984 million. With a substantial share of this attributable to the Italy segment, revenue and EBITDAaL development were influenced by the performance of the EUR exchange rate. In 2025, the EUR average exchange rate fell by 1.5% year-on-year. This resulted in negative exchange differences on revenue of CHF 105 million and on EBITDAaL of CHF 26 million. Based on a constant EUR exchange rate, revenue in 2025 decreased by 1.3% or CHF 205 million. Revenue fell by 1.4% for Switzerland and by 1.1% (in EUR) for Italy.

EBITDAaL development was also affected by non-recurring items. These items were connected with the integration of Vodafone Italia, restructuring costs, legal and other provisions and the reconciliation of pension cost. Without these non-recurring items and with a constant EUR exchange rate, this resulted in a drop in EBITDAaL of CHF 100 million (–1.9%). Of this drop, CHF 27 million (–0.8%) is

attributable to the Switzerland segment and CHF 54 million (–3.1%) to the Italy segment. Net income fell by CHF 271 million (–17.6%) compared to the previous year to CHF 1,270 million. The decrease in net income is mainly due to costs related to the acquisition of Vodafone Italia.

Capital expenditure for the Swisscom Group decreased by 1.6% to CHF 3,064 million. Capital expenditure for Switzerland decreased by 1.9% and remained relatively stable for Italy (in EUR +0.4%). In 2025, capital expenditure for Italy included EUR 39 million for the consolidation of mobile sites on the INWIT network (prior year: EUR 71 million) and EUR 108 million in integration capital expenditure. Without these non-recurring items and with a constant EUR exchange rate, capital expenditure for the Group decreased by 3.3% and for Italy by 5.0%.

Operating free cash flow decreased by CHF 9 million or 0.5% year-on-year to CHF 1,920 million. Without the non-recurring items set out above and with a constant EUR exchange rate, operating free cash flow remained stable (+0.1%). The decrease in capital expenditure offset the decrease in EBITDAaL. Free cash flow of CHF 1,433 million remained relatively stable year-on-year (–0.3%). The proposed dividend of CHF 26 per share for the 2025 financial year is fully financed by the free cash flow generated in 2025.

The number of Swisscom employees decreased year-on-year by 573 FTEs or 2.4% to 23,266 FTEs. The decrease in the Italy segment amounts to 72 FTEs (–1.0%), caused by reductions at Vodafone Italia. In the Switzerland segment, headcount decreased by 384 FTEs or 2.9% to 12,935 FTEs following personnel reductions in the areas of customer care and IT business.

For 2026, Swisscom expects revenue of CHF 14.7–14.9 billion, EBITDAaL of CHF 5.0–5.1 billion, capital expenditures of CHF 3.0–3.1 billion and an operating free cash flow of around CHF 2.0 billion. Subject to achieving its targets, Swisscom plans to propose the payment of an increased dividend of CHF 27 per share for the 2026 financial year at the 2027 Annual General Meeting.

## Switzerland

In CHF million, except where indicated	2025	2024	Change	in %
<b>Financial data</b>				
Residential customer	4,313	4,337	(24)	–0.6%
Business customer	2,977	3,057	(80)	–2.6%
Wholesale customer	518	514	4	0.8%
Other	15	16	(1)	–6.3%
<b>External revenue</b>	<b>7,823</b>	<b>7,924</b>	<b>(101)</b>	<b>–1.3%</b>
Intersegment revenue	45	52	(7)	–13.5%
<b>Revenue</b>	<b>7,868</b>	<b>7,976</b>	<b>(108)</b>	<b>–1.4%</b>
Direct costs	(1,620)	(1,643)	23	–1.4%
Indirect costs	(2,886)	(3,004)	118	–3.9%
<b>Operating expense</b>	<b>(4,506)</b>	<b>(4,647)</b>	<b>141</b>	<b>–3.0%</b>
<b>EBITDA after lease expense (EBITDAaL)</b>	<b>3,362</b>	<b>3,329</b>	<b>33</b>	<b>1.0%</b>
Capital expenditure	(1,692)	(1,725)	33	–1.9%
<b>Operating free cash flow</b>	<b>1,670</b>	<b>1,604</b>	<b>66</b>	<b>4.1%</b>
<b>Operational data in thousand and headcount in FTEs</b>				
Mobile postpaid access lines	5,645	5,460	185	3.4%
Broadband access lines retail	1,938	1,967	(29)	–1.5%
TV access lines	1,462	1,493	(31)	–2.1%
Fixed telephony access lines	1,045	1,137	(92)	–8.1%
Access lines wholesale	768	731	37	5.1%
Full-time equivalent employees	12,935	13,319	(384)	–2.9%

Switzerland's revenue decreased by CHF 108 million to CHF 7,868 million (–1.4%). Revenue from residential customers dropped by CHF 24 million to CHF 4,313 million (–0.6%). This decrease is mainly due to a decline in telecommunications services (CHF –52 million or –1.4%). Revenue from the sale of merchandise increased by CHF 26 million, driven by increased sales of smartphones. In the business customer area, revenue dropped by CHF 80 million to CHF 2,977 million (–2.6%). Telecommunications services declined by CHF 70 million (–4.7%) and hardware and software sales fell by CHF 35 million (–9.9%). In contrast, revenue from IT services increased

by CHF 24 million (+2.0%) to CHF 1,215 million. In an intense market environment, there was a reduction in the number of broadband connections (–1.5%) and TV lines (–2.1%), and an increase in mobile communication connections (+1.7%). In mobile communications, the customer structure changed due to an increase in postpaid lines (+185,000) and a decrease in prepaid lines (–78,000). The share of secondary and third-party brands in the residential customers area rose from 34% to 36%. The number of connections for fixed telephony access lines dropped to 1,045 thousand (–8.1%) due to the rise in mobile telephony.



The operating expense decreased by CHF 141 million to CHF 4,506 million (–3.0%). Direct costs fell by CHF 23 million or 1.4%, driven by a drop in subscriber acquisition and retention costs. Indirect costs decreased by CHF 118 million (–3.9%) and by CHF 58 million on an adjusted basis. In telecommunications, cost savings of CHF 53 million were realised through efficiency improvement measures. Headcount decreased by 2.9% year-on-year to 12,935 FTEs following personnel reductions in customer care and IT business. Operating income before depreciation and amortisation after lease expense (EBITDAaL) increased by 1.0% to CHF 3,362 million. Adjusted for non-recurring items, EBITDAaL decreased by 0.8%. Cost-cutting measures partly compensated for the decline in revenue from telecommunications services.

Capital expenditure decreased by CHF 33 million to CHF 1,692 million (–1.9%) despite a slight increase in investments aimed at growing fibre-optics in the fixed access network. Investments in IT were lower as the previous year included non-recurring investments for telco cloud assets and licences. Swisscom is continuing to systematically modernise its fixed network and mobile communications infrastructure in all Swiss municipalities. As at the end of 2025, Swisscom covered 89% of the population with 5G+ and around 56% of Swiss households and businesses with optical fibre. Swisscom plans to increase fibre-optic coverage (FTTH) to around 60% by the end of 2026, and to 75–80% by the end of 2030 in Switzerland.

## Italy

In EUR million, except where indicated	2025	2024	Change	in %
<b>Financial data</b>				
Residential customers	3,328	3,428	(100)	–2.9%
Business customers	3,237	3,253	(16)	–0.5%
Wholesale	722	685	37	5.4%
<b>External revenue</b>	<b>7,287</b>	<b>7,366</b>	<b>(79)</b>	<b>–1.1%</b>
Intersegment revenue	4	6	(2)	–33.3%
<b>Revenue</b>	<b>7,291</b>	<b>7,372</b>	<b>(81)</b>	<b>–1.1%</b>
Direct costs	(3,402)	(3,392)	(10)	0.3%
Indirect costs	(2,202)	(2,294)	92	–4.0%
<b>Operating expense</b>	<b>(5,604)</b>	<b>(5,686)</b>	<b>82</b>	<b>–1.4%</b>
<b>EBITDA after lease expense (EBITDAaL)</b>	<b>1,687</b>	<b>1,686</b>	<b>1</b>	<b>0.1%</b>
Capital expenditure	(1,478)	(1,472)	(6)	0.4%
<b>Operating free cash flow</b>	<b>209</b>	<b>214</b>	<b>(5)</b>	<b>–2.3%</b>
<b>Operational data in thousand and headcount in FTEs</b>				
Mobile access lines	20,054	20,216	(162)	–0.8%
Broadband access lines retail	5,732	5,916	(184)	–3.1%
Broadband access lines wholesale	1,126	905	221	24.4%
Full-time equivalent employees	7,179	7,251	(72)	–1.0%

Revenue of the Italy segment decreased year-on-year by EUR 81 million to EUR 7,291 million (–1.1%). Revenue from residential customers decreased by EUR 100 million to EUR 3,328 million (–2.9%). The decline in revenue from telecommunications services of EUR 160 million (–5.0%) due to a lower customer base was not fully offset. Revenue from business customers decreased by EUR 16 million to EUR 3,237 million (–0.5%), mainly driven by the lower revenue from telecommunications services. Revenue from wholesale business increased by EUR 37 million to EUR 722 million (+5.4%). Higher revenue from the increase in wholesale broadband access lines was partially offset by lower non-core revenue. Competition in the Italian markets remained fierce. The number of mobile access lines decreased slightly

to 20.1 million (–0.8%). The increase in the mobile business customers base (+276,000) did not fully offset the decline in the residential customer base (–438,000). The customer base in the broadband business dropped by 184,000 to 5.7 million (–3.1%). The challenging market environment led to a decrease in the residential customer base of 162,000 and in the business customer base of 22,000 (–1.9%). The number of wholesale broadband access lines provided to other operators rose by 221,000 to 1.1 million (+24.4%).

Operating expenses decreased by EUR 82 million to EUR 5,604 million (–1.4%). For the 2025 financial year, operating expenses included integration costs for Vodafone Italia in the amount of EUR 109 million (prior year: EUR 176 million) and provisions for contractual risks in the amount of EUR 9 million. Adjusted for these non-recurring items, the operating income before depreciation and amortisation after lease expense (EBITDAaL) decreased by EUR 57 million (–3.1%), mainly driven by the decline in telecommunications services revenue which was partly offset by cost savings from initial synergy effects in the amount of EUR 95 million. For example, the migration of Fastweb's mobile SIMs to the Vodafone Italia network has been almost completed.

Capital expenditure remained almost stable at EUR 1,478 million (+0.4%). For the 2025 financial year, capital expenditure included EUR 39 million for the consolidation of mobile sites on the INWIT network (prior year: EUR 71 million) and EUR 108 million in integration capital expenditure. Adjusted for these items, capital expenditure decreased by EUR 70 million or 5.0%, largely due to lower investments in the mobile network and higher investments in IT projects in the previous year. As of the end of 2025, Fastweb + Vodafone covered 56% of households and businesses in Italy with optical fibre. The mobile network reaches 89% of the population with 5G (+11%). Fastweb + Vodafone plans to increase fibre-optic coverage (FTTH) to around 65% by the end of 2026, and to roughly 90% by the end of 2030.



## Others

In CHF million, except where indicated	2025	2024	Change	in %
<b>Financial data</b>				
<b>External revenue</b>	<b>398</b>	<b>427</b>	<b>(29)</b>	<b>-6.8%</b>
Intersegment revenue	644	684	(40)	-5.8%
<b>Revenue</b>	<b>1,042</b>	<b>1,111</b>	<b>(69)</b>	<b>-6.2%</b>
Direct costs	(91)	(89)	(2)	2.2%
Indirect costs	(850)	(886)	36	-4.1%
<b>Operating expense</b>	<b>(941)</b>	<b>(975)</b>	<b>34</b>	<b>-3.5%</b>
<b>EBITDA after lease expense (EBITDAaL)</b>	<b>101</b>	<b>136</b>	<b>(35)</b>	<b>-25.7%</b>
Capital expenditure	(35)	(39)	4	-10.3%
<b>Operating free cash flow</b>	<b>66</b>	<b>97</b>	<b>(31)</b>	<b>-32.0%</b>
<b>Headcount in FTEs</b>				
Full-time equivalent employees	3,152	3,269	(117)	-3.6%

Revenue in the Others segment decreased by 6.2% or CHF 69 million year-on-year to CHF 1,042 million, due to lower revenue for cablex construction services and lower broadcasting revenue. For the 2025 financial year, operating expenses included restructuring costs in the amount of CHF 15 million (prior year: CHF 1 million). Adjusted for this non-recurring item the operating result before depreciation and amortisation after lease expense (EBITDAaL) decreased by 15.3% or CHF 21 million to CHF 116 million mainly due to the fall in revenue. The adjusted profit margin decreased to 11.1% (prior year: 12.3%).

### Reconciliation of pension cost and intersegment elimination

The elimination column in the segment reporting includes the elimination of interim profits from transactions between Group companies and the pension cost reconciliation. Ordinary employer contributions are recognised as pension cost in operating expense of the segments. The difference between these costs and the pension cost determined in accordance with IAS 19 'Employee Benefits' is presented in the elimination column. The elimination column in the segment reporting of CHF -59 million (prior year: CHF -24 million) includes expense of CHF 12 million (prior year: income of CHF 25 million) representing the IAS 19 pension cost reconciliation adjustment.

## Depreciation and amortisation, non-operating results

In CHF million, except where indicated	2025	2024	Change	in %
<b>EBITDA after lease expense (EBITDAaL), reported</b>	<b>4,984</b>	<b>4,064</b>	<b>920</b>	<b>22.6%</b>
Lease expense	1,633	703	930	132.3%
<b>EBITDA</b>	<b>6,617</b>	<b>4,767</b>	<b>1,850</b>	<b>38.8%</b>
Depreciation, amortisation of property, plant and equipment and intangible assets	(3,114)	(2,143)	(971)	45.3%
Depreciation of right-of-use assets	(1,578)	(671)	(907)	135.2%
<b>Operating income (EBIT)</b>	<b>1,925</b>	<b>1,953</b>	<b>(28)</b>	<b>-1.4%</b>
Net interest expense on financial assets and liabilities	(234)	(34)	(200)	588.2%
Interest expense on lease liabilities	(105)	(50)	(55)	110.0%
Other financial result	(19)	(6)	(13)	216.7%
Result of equity-accounted investees	-	(2)	2	-100.0%
<b>Income before income taxes</b>	<b>1,567</b>	<b>1,861</b>	<b>(294)</b>	<b>-15.8%</b>
Income tax expense	(297)	(320)	23	-7.2%
<b>Net income</b>	<b>1,270</b>	<b>1,541</b>	<b>(271)</b>	<b>-17.6%</b>
Earnings per share (in CHF)	24.54	29.77	(5.23)	-17.6%

Net income fell by CHF 271 million compared to the previous year to CHF 1,270 million (-17.6%). This decrease in net income is mainly due to costs related to the acquisition of Vodafone Italia. Higher EBIT contributions from Switzerland (CHF +37 million, including CHF +60 million in one-off items) and from Italy (CHF +205 million, including CHF +57 million in one-off items) were offset by amortisation of intangible assets (CHF -236 million) recognised within the purchase price allocation of Vodafone Italia and the pension reconciliation (CHF -37 million).

In addition, net interest expense on debt (CHF -200 million) and on lease liabilities (CHF -55 million) was higher, mainly due to the acquisition of Vodafone Italia. Income tax expense amounted to CHF 297 million (previous year: CHF 320 million), which corresponds to an effective income tax rate of 19.0% (previous year: 17.2%).



## Income tax expense

The following overview of income taxes is divided by country rather than segment:

In CHF million, except where indicated	Switzerland	Italy	Other countries	Total
<b>2025 financial year</b>				
Income before income taxes	1,768	(203)	2	1,567
Income tax expense	316	(21)	2	297
Effective income tax rate	17.9%	10.3%	100.0%	19.0%
Income taxes paid	264	15	1	280
<b>2024 financial year</b>				
Income before income taxes	1,862	(14)	13	1,861
Income tax expense	310	2	8	320
Effective income tax rate	16.6%	-14.3%	61.5%	17.2%
Income taxes paid	245	50	2	297

The effective income tax rate was 19.0% (prior year: 17.2%). This increase is mainly due to additional income tax expense for previous years amounting to CHF 28 million resulting from tax assessments by tax authorities. Adjusted for this item, the effective income tax rate would amount to 17.2%. Swisscom anticipates a future effective consolidated tax rate of between 17% and 18%. Income taxes paid decreased to CHF 280 million (prior year: CHF 297 million) as a result of lower income tax expense.

## Cash flows

In CHF million	2025	2024	Change
<b>Operating free cash flow, reported</b>	<b>1,920</b>	<b>1,752</b>	<b>168</b>
Change in net working capital	10	13	(3)
Change in defined benefit obligations	17	(5)	22
Net interest payments on financial assets and liabilities	(224)	(10)	(214)
Income taxes paid	(280)	(297)	17
Other operating cash flows	(10)	(16)	6
<b>Free cash flow</b>	<b>1,433</b>	<b>1,437</b>	<b>(4)</b>
Dividends paid to equity holders of Swisscom Ltd	(1,140)	(1,140)	–
Acquisition of Vodafone Italia	–	(9,309)	9,309
Acquisition and disposal of other Group companies	2	(12)	14
Proceeds from sale of FiberCop	–	423	(423)
Change in accounting policies	–	(232)	232
Other changes <sup>1</sup>	259	(170)	429
<b>Decrease (increase) in net debt</b>	<b>554</b>	<b>(9,003)</b>	<b>9,580</b>

<sup>1</sup> Includes foreign currency effects, fair value adjustments and non-cash changes in net debt positions.

Operating free cash flow rose by CHF 168 million to CHF 1,920 million (+9.6%). Of the operating free cash flow, CHF 1,670 million (CHF +66 million) was attributable to the Switzerland segment and CHF 196 million (CHF +170 million) to the Italy segment. Higher net interest payments due to the acquisition of Vodafone Italia at the end of 2024 offset the higher operating free cash flow. As a result, free cash flow remained almost stable at CHF 1,433 million (-0.3%). The free cash flow financed the dividend totalling CHF 1,140 million. Net debt decreased by CHF 554 million (-3.4%) to CHF 15,633 million. In the net debt reconciliation, other changes of CHF 259 million includes non-cash changes in the lease liabilities of CHF 236 million.

In 2024, Fastweb sold its 4.5% share in FiberCop for a purchase price of EUR 439 million (CHF 423 million). The acquisition of Vodafone Italia increased net debt by CHF 9,309 million. This includes the purchase price of EUR 8.0 billion (CHF 7.5 billion), lease liabilities of EUR 1.8 billion (CHF 1.7 billion) and other net debt positions of net EUR 0.1 billion (CHF 0.1 billion).



## Capital expenditure

In CHF million	2025	2024	Change	in %
Mobile network	259	268	(9)	-3.4%
Fixed access network	723	713	10	1.4%
Backbone and infrastructure	121	118	3	2.5%
IT	470	504	(34)	-6.7%
Other	119	122	(3)	-2.5%
<b>Switzerland</b>	<b>1,692</b>	<b>1,725</b>	<b>(33)</b>	<b>-1.9%</b>
Mobile network	316	344	(28)	-8.1%
Fixed access network	118	104	14	13.5%
Backbone and infrastructure	145	131	14	10.7%
IT	188	242	(54)	-22.3%
Other	617	579	38	6.6%
<b>Italy</b>	<b>1,384</b>	<b>1,400</b>	<b>(16)</b>	<b>-1.1%</b>
Others	35	39	(4)	-10.3%
Elimination (interim profits)	(47)	(49)	2	-4.1%
<b>Capital expenditure</b>	<b>3,064</b>	<b>3,115</b>	<b>(51)</b>	<b>-1.6%</b>
Capital expenditure as % of revenue	20.4	20.3		

Capital expenditure of the Swisscom Group remained nearly stable at CHF 3,064 million (-1.6%). In the 2025 financial year, capital expenditure in Italy included CHF 37 million for the consolidation of mobile sites on the INWIT network (prior year: CHF 68 million) and CHF 101 million in integration capital expenditure. Adjusted for these items and at a constant EUR exchange rate, capital expenditure decreased by CHF 102 million or 3.3%.

Capital expenditure for Switzerland dropped by 1.9% or CHF 33 million to CHF 1,692 million driven by lower capital expenditure for IT as the previous year included non-recurring investments for telco cloud assets and licences.

Capital expenditure for Italy remained almost stable at CHF 1,384 million (-1.1%). Adjusted for one-off items and at a constant EUR exchange rate, capital expenditure decreased by CHF 67 million (-5.0%) mainly due to lower investments in the mobile network and higher investments in IT projects in the previous year.

## Net asset position

In CHF million	31.12.2025	31.12.2024	Change
Trade receivables	2,494	2,886	(392)
Receivables from finance leases	170	182	(12)
Trade payables	(2,386)	(2,647)	261
Provisions	(1,587)	(1,689)	102
Deferred gain on sale and leaseback of real estate	(74)	(77)	3
Other operating assets and liabilities, net	(113)	(144)	31
<b>Net working capital</b>	<b>(1,496)</b>	<b>(1,489)</b>	<b>(7)</b>
Property, plant and equipment	13,663	13,454	209
Intangible assets	5,682	6,049	(367)
Goodwill	6,575	6,596	(21)
Right-of-use assets	3,949	4,215	(266)
<b>Net operating assets</b>	<b>28,373</b>	<b>28,825</b>	<b>(452)</b>
Net debt	(15,633)	(16,187)	554
Defined benefit obligations	(50)	(55)	5
Income tax assets and liabilities, net	(759)	(735)	(24)
Equity-accounted investees and other financial assets	307	306	1
<b>Equity</b>	<b>12,238</b>	<b>12,154</b>	<b>84</b>
Equity ratio in %	34.0	32.1	

### Operating assets

Net operating assets decreased by CHF 0.5 billion to CHF 28.4 billion compared with year-end 2024. This decrease is mainly a result of lower intangible assets of CHF 0.4 billion. The decline in intangible assets is primarily due to the amortisation of intangible assets recognised within the purchase price allocation of Vodafone Italia. The net working capital remained stable at CHF 1.5 billion compared to the previous year. Of the total goodwill of CHF 6.6 billion, the majority is attributable to the Switzerland segment (CHF 4.3 billion). This goodwill arose primarily in 2007 in connection with the repurchase of the

25% stake in Swisscom Mobile Ltd that had been sold to the Vodafone Group in 2001. The valuation risk of this goodwill item is very low. The carrying amount of the goodwill for the Italy segment is CHF 1.9 billion. In total, the carrying amount of the net assets of Italy in the consolidated statements of Swisscom amounted to around EUR 11 billion (CHF 10 billion).



## Post-employment benefits

As at 31 December 2025, provisions for defined benefit obligations according to the IFRS Accounting Standard (IFRS) amounted to CHF 50 million (prior year: CHF 55 million). According to Swiss accounting standards (Swiss GAAP ARR), the Swiss pension fund has a surplus amount of CHF 2.0 billion and a coverage ratio of 121% as per the provisional financial statements for 2025 (prior year: 118%). Due to different assumptions and methods, the valuation according to IFRS results in a surplus of only CHF 0.6 billion. Due to specific IFRS regulations, most of the surplus was not capitalised. The pension cost in accordance with IFRS in 2025 was CHF 9 million lower than regulatory employer contributions. Because the interest rate relevant for IFRS measurement has fallen, the IFRS pension cost in 2025 rose by CHF 34 million compared with 2024.

## Equity

Equity increased by CHF 0.1 billion to CHF 12.2 billion. The net income of CHF 1,270 million was higher than the dividend payment of CHF 1,140 million. The equity ratio increased to 34.0% compared with the end of 2024. On 26 March 2025, the Annual General Meeting of Swisscom Ltd approved the payment of a dividend of CHF 22 gross per share. A total dividend amount of CHF 1,140 million was paid out on 1 April 2025. In 2025, Swisscom achieved its financial targets and will propose to the Annual General Meeting an increased dividend per share of CHF 26 for the financial year 2025.

The determination of distributable reserves is based on the financial statements of Swisscom Ltd (separate financial statements in accordance with the Swiss Code of Obligations). In the 2025 annual financial statements, equity in Swisscom Ltd amounted to CHF 7.9 billion. The difference compared to the equity reported in the consolidated financial statements according to IFRS Accounting Standards is mainly due to earnings retained by subsidiaries and differing accounting methods.

## Net debt

In CHF million	31.12.2025	31.12.2024	Change
Debenture bonds	11,139	9,832	1,307
Bank loans	1,103	3,394	(2,291)
Private placements	322	322	–
Other financial liabilities	425	612	(187)
Lease liabilities	3,729	3,965	(236)
<b>Financial liabilities and lease liabilities</b>	<b>16,718</b>	<b>18,125</b>	<b>(1,407)</b>
Cash and cash equivalents	(258)	(1,523)	1,265
Term deposits	(480)	–	(480)
Listed debt instruments	(229)	(271)	42
Other financial assets	(118)	(144)	26
<b>Net debt</b>	<b>15,633</b>	<b>16,187</b>	<b>(554)</b>
Net debt/EBITDA ratio	2.4	2.4 <sup>1</sup>	

### 1 Pro forma.

In the year under review, Swisscom met its target of maintaining a single-A credit rating. In 2024, net debt increased as a result of the acquisition of Vodafone Italia by CHF 9.3 billion. The net debt/EBITDA ratio amounted to 2.4 (prior year: 2.4 on a pro forma basis), so that the net debt/EBITDA ratio was within the limits on net debt set by the Federal Council in the financial targets of 2.4.

In recent years, Swisscom has taken advantage of favourable capital market conditions with a view to optimising the interest and maturity structure of the Group's financial liabilities. In 2025, Swisscom issued debenture bonds of CHF 1.8 billion and repaid existing debt of CHF 2.7 billion. At the end of 2025, the proportion of fixed-interest-bearing financial liabilities was 94%, the average interest cost of all financial liabilities was 1.86% and the average remaining term to maturity was 5.23 years. Swisscom also has two credit lines totalling CHF 2.9 billion, which have not been used. In 2026, bonds totalling CHF 1.2 billion will become due for repayment.





## Statement of added value

In CHF million	2025				2024			
	Switzerland	Italy	Other countries	Total	Switzerland	Italy	Other countries	Total
<b>Added value</b>								
External revenue	8,208	6,827	13	15,048	8,344	2,666	7	11,017
Intercompany revenue and expense, net	(82)	4	78	–	(80)	6	74	–
Operating expense <sup>1</sup>	(2,365)	(4,520)	(26)	(6,911)	(2,362)	(1,582)	(21)	(3,965)
Depreciation and amortisation <sup>2</sup>	(1,518)	(1,382)	(1)	(2,901)	(1,558)	(564)	(11)	(2,133)
<b>Operating added value</b>	<b>4,243</b>	<b>929</b>	<b>64</b>	<b>5,236</b>	<b>4,344</b>	<b>526</b>	<b>49</b>	<b>4,919</b>
Other non-operating result <sup>3</sup>				(501)				(303)
<b>Added value</b>				<b>4,735</b>				<b>4,616</b>
<b>Allocation of added value</b>								
Employees <sup>4</sup>	2,392	557	61	3,010	2,453	268	53	2,774
Public sector <sup>5</sup>	294	8	3	305	363	25	–	388
Shareholders (dividends)				1,140				1,140
Third-party lenders (net interest expense)				234				34
Company (retained earnings) <sup>6</sup>				46				280
<b>Added value</b>				<b>4,735</b>				<b>4,616</b>

1 Operating expense: excluding personnel expense and taxes and one-off items recognised in operating result.

2 Depreciation and amortisation: excluding impairment losses and amortisation of acquisition-related intangible assets such as customer relationships.

3 Other non-operating result: financial result excluding net interest expense, result of equity-accounted investees, impairment losses, amortisation of acquisition-related intangible assets and one-off items recognised in operating result.

4 Employees: excluding termination benefits and IAS 19 pension cost reconciliation.

5 Public sector: current income tax expense and taxes recognised in operating result. Excluding payments for VAT and mobile phone licences.

6 Company: including deferred income taxes and IAS 19 pension cost reconciliation recognised in income statement.

The statement of added value complements the traditional financial statements and shows how revenue, after deducting purchased goods and services, is transformed into 'wealth created'. It illustrates how the value added is distributed to employees, the public, investors and how much is reinvested in the company (retained earnings and depreciation and amortisation). The statement of value added is broken down for Switzerland, Italy, and other countries.

In 2025, Swisscom generated an operating value added of CHF 5.2 billion (2024: CHF 4.9 billion). Of this, CHF 4.2 billion or 81% was generated in Switzerland and CHF 0.9 billion or 18% in Italy. Of the total added value, CHF 3.0 billion or 63% were distributed to employees and CHF 1.1 billion or 24% to shareholders. The purchased goods and services (operating expenses, depreciation and amortisation) of CHF 3.9 billion in Switzerland demonstrate the importance of Swisscom for the Swiss economy.



# Financial outlook

Key figures	Financial year 2025			Outlook 2026		
	Group in CHF million	Switzerland in CHF million	Italy in EUR million	Group in CHF billion	Switzerland in CHF billion	Italy in EUR billion
Revenue	15,048	7,868	7,291	14.7–14.9	7.7–7.8	~7.2
EBITDAaL	4,984	3,362	1,687	5.0–5.1	~3.3	1.8–1.9
Capital expenditure	3,064	1,692	1,478	3.0–3.1	1.6–1.7	~1.5
Operating free cash flow	1,920	1,670	209	~2.0	1.6–1.7	0.3–0.4
Net debt/EBITDA ratio	2.4x			~2.3x		
Dividend per share (in CHF)	26 <sup>1</sup>			27		

<sup>1</sup> In accordance with the proposal of the Board of Directors to the Annual General Meeting.

The Swisscom Group includes the segments Switzerland, Italy and Other (not shown in the list above). For 2026, an exchange rate CHF/EUR of 0.92 (2025: 0.937) has been used.

In 2026, EBITDAaL for the Italy segment includes integration costs of around EUR 50 million and other positive non-recurring items of around EUR 75 million. Capital expenditure for Italy in 2026 takes into account expenditure for the integration of the acquired Vodafone Italia, amounting to EUR 200 million. The guidance for the operating free cash of EUR 0.3 to EUR 0.4 billion for Italy includes the effects mentioned above.

For the financial year 2026, the Swisscom Group's EBITDAaL contains a lease expense of around CHF 1.6 billion. The net debt/EBITDA ratio at the end of 2026 is expected to be around 2.3x. This guidance excludes the prolongation of existing or the conclusion of new tower agreement(s) for the Italy segment. Assuming that the INWIT tower contract is extended for a further eight years (2028–2036) on the same terms as the current contract, the net debt/EBITDA ratio would increase by around 0.3x.

Subject to achieving its targets, Swisscom plans to propose an increase in the dividend from CHF 26 to CHF 27 per share for the 2026 financial year at the 2027 Annual General Meeting.



# Corporate Governance

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# 1 General principles

In performing their duties and activities, the Board of Directors and the Group Executive Committee of Swisscom are guided by the objective of sustainable business management. They incorporate the interests of Swisscom shareholders, customers, employees and other stakeholders into their decisions and take a holistic approach in striving for economic, social and environmental objectives. The Board of Directors is committed to effective, transparent corporate governance, with clearly assigned responsibilities and drawing on recognised standards. Swisscom is guided in this by the recommendations of the 2024 Swiss Code of Best Practice for Corporate Governance issued by economiesuisse, the umbrella organisation for Swiss business.

Specialist divisions at Swisscom are in ongoing dialogue with investors, proxy advisors and other stakeholder groups, giving the Board of Directors early insights into emerging trends and allowing it to adjust its corporate governance to reflect new requirements as necessary.

Swisscom's principles and rules around corporate governance are primarily set out in the company's Articles of Incorporation and Organisational Regulation. Of particular importance is the Code of Conduct approved by the Board of Directors. This sets forth Swisscom's explicit commitment to absolute integrity and compliance with the law and all other external and internal rules and regulations. Swisscom expects its employees to take responsibility for their actions, show consideration for people, society and the environment, comply with applicable rules, act with integrity, and report any violations of the Code of Conduct.

The latest versions of these documents as well as their earlier, unamended and superseded versions can be viewed online on the Swisscom website under [Guiding principles](#).

# 2 Group structure and shareholders

## 2.1 Group structure

### Operational Group structure

Swisscom completed the acquisition of Vodafone Italia on 31 December 2024. With the effect from 1 April 2025, the Board of Directors amended the operational Group structure to reflect the significance of Italian operations within the Swisscom Group.

Swisscom Ltd is a holding company that bears responsibility for the overall management of the Swisscom Group. The Board of Directors of Swisscom Ltd sets out rules governing the assignment of powers

and responsibilities to ensure sound strategic and financial management of the Group. The Board of Directors of Swisscom Ltd has delegated management of the Group to the Group Chief Executive Officer (Group CEO). The Group CEO, the Head of Group Finance (Group CFO), the Head of Group Human Resources (Group CPO) and the Head of Group Strategy & Business Development (Group CSO) together form the Group Executive Committee.

Business activities are carried out by the Group companies. The strategic subsidiaries are Swisscom (Switzerland) Ltd and Fastweb S.p.A. in Italy (merged with Vodafone Italia S.p.A. effective 1 January 2026). The Board of Directors of Swisscom Ltd appoints the boards, CEOs and individual executive committee roles of the strategic companies,

who are elected via the relevant statutory bodies. The Board of Directors of Swisscom (Switzerland) Ltd comprises the Group CEO as Chair, the Group CFO and the Group CSO. The nine-member Executive Committee headed by Christoph Aeschlimann is responsible for the executive management of Swisscom (Switzerland) Ltd. The Board of Directors of Fastweb S.p.A. comprises the members of the Group Executive Committee along with two external members (since 26 January 2026 one external member, Luigi Ferraris) and the Delegate of the Board of Directors, Walter Renna, to whom executive management of the company has been delegated, with support from the twelve-strong Executive Committee of Fastweb S.p.A. All other Swisscom Group companies are assigned to the Group Strategy & Business Development division or a business division of Swisscom (Switzerland) Ltd or Fastweb S.p.A. for management purposes. A list of subsidiaries, including company name, registered office, percentage of shares held and share capital, is provided in [→ Note 5.5 to the consolidated financial statements](#).

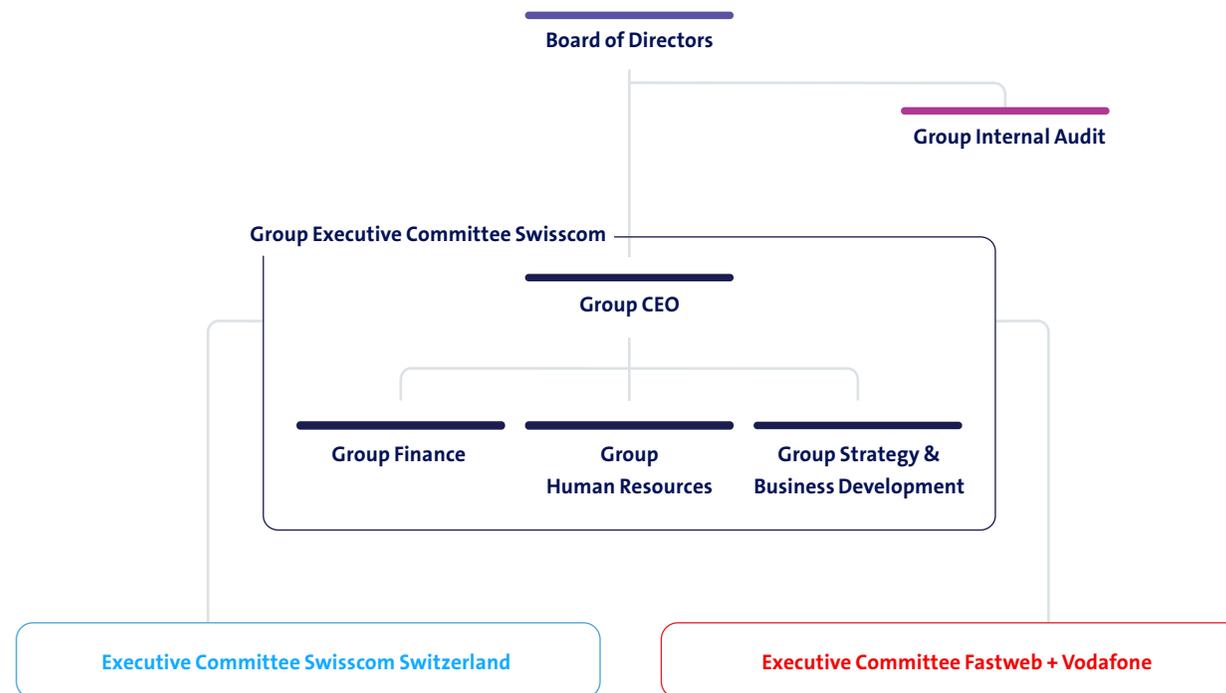
For financial reporting purposes, Swisscom Ltd and Swisscom's subsidiaries are allocated to the segments Switzerland, Italy or Others. Further information on segment reporting can be found in the [→ Management Commentary](#).

### Listed company

Swisscom Ltd is a company governed by Swiss law with registered office in Ittigen (Canton of Berne, Switzerland). It is listed in the International Reporting regulatory standard of the SIX Swiss Exchange Standard for Equity Securities (securities no.: 874251; ISIN: CH0008742519; ticker symbol SCMN).

Swisscom is traded on the over-the-counter (OTC) market in the United States under a Level 1 programme (ticker symbol: SCMWY; ISIN: US8710131082; CUSIP: 871013108). Since 30 January 2026, Deutsche Bank Trust Company Americas (Deutsche Bank) has been responsible for the issuance and redemption of the Depositary Shares (ADS) (previously: Bank of New York Mellon). ADSs are American securities that represent Swisscom shares, documented by American Depositary Receipts (ADRs), with ten ADSs corresponding to one share.

Swisscom Group operational structure





As of 31 December 2025, the market capitalisation of Swisscom Ltd was CHF 29,812 million. There are no other listed companies in the Swisscom Group.

## 2.2 Major shareholders

Under Article 120 of the Financial Market Infrastructure Act (FinMIA), shareholdings of any person or group that is subject to the disclosure obligation must be disclosed when they reach or exceed certain percentages – beginning with 3% of the voting rights – or subsequently fall below this threshold, irrespective of whether the shareholder can exercise voting rights. Swisscom is obligated to report such disclosure of third party shareholdings to SIX Exchange Regulations.

The shareholding notifications can be viewed on the SIX Exchange Regulation [SIX Exchange Regulation](#) site.

No notifications were received in the reporting year. According to earlier notifications, the following shareholders hold over 3% of voting rights:

- > 2024 notification: UBS Fund Management (Switzerland) Ltd 3.46%
- > 2017 notification: BlackRock Inc., New York 3.44%

Under the Telecommunications Enterprise Act (TEA), the Swiss Confederation holds the majority of the share capital and voting rights of Swisscom Ltd; as of 31 December 2025, its stake was 50.95% – unchanged from the previous year. The Federal Council defines the goals that the Confederation aims to achieve as majority shareholder of the company in four-year cycles. The Federal Department of the Environment, Transport, Energy and Communications (DETEC) and the Federal Department of Finance (FDF) generally conduct stakeholder talks with the Chair of the Board of Directors, the Group CEO, the Group CFO and the representative of the Confederation three times a year, led by the Head of DETEC. The Head of Group Security & Corporate Affairs also participates in their capacity as Secretary of the Board. The participants use these talks to assess progress against goals, while

the Federal Council assesses overall goal achievement after the close of each financial year.

[See Federal Council Goals for Swisscom 2022–2025 \(DE\)](#)

[See Federal Council Goals for Swisscom 2026–2029 \(DE\)](#)

## 2.3 Cross-shareholdings

There are no cross-shareholdings between Swisscom Ltd and other public limited companies.

# 3 Capital structure

## 3.1 Capital

The share capital of Swisscom Ltd has remained unchanged since 2009 at a total of CHF 51,801,943. There is no capital band and no authorised or conditional share capital. Information concerning equity can be found in the [annual financial statements of Swisscom Ltd](#).

## 3.2 Shares, participation certificates and profit-sharing certificates

All shares issued by Swisscom Ltd are fully paid-up registered shares with a par value of CHF 1. Each share entitles the holder to one vote. Shareholders may only exercise their voting rights if their shares have been entered with voting rights in the share register of Swisscom Ltd. All registered shares, with the exception of treasury shares held by Swisscom, are eligible for a dividend. There are no preferential rights.

Swisscom Ltd does not issue registered shares in certificate form; instead, they are held as book-entry securities in the depository holdings of SIX SIS AG, up to a maximum limit determined by the Swiss Confederation. Shareholders may request confirmation of their registered shares at any time but they are not entitled to receipt of printed share certificates.

The rights of ADR holders (such as the right to issue instructions for the exercise of voting rights and the right to dividends) are listed in the deposit agreement. Deutsch Bank (The Bank of New York Mellon Corporation until 29 January 2026), which acts as the ADR depository, is listed as the shareholder in the share register. As such, ADR holders are unable to directly enforce or exercise shareholder rights. Deutsche Bank exercises the voting rights as instructed by ADR holders and abstains in the absence of instructions.

Swisscom Ltd has not issued participation or profit-sharing certificates.

Further information on shareholding is available in Section [→ 7 Shareholders participation rights](#) and in the [→ Capital Market](#).

## 3.3 Limitations on transferability and nominee registrations

Swisscom shares are freely transferable and, the voting rights of shares that are duly entered in the share register in accordance with the Articles of Association are subject to no restrictions. Article 4.5.1 of the Articles of Incorporation states that the Board of Directors may refuse to recognise a purchaser of shares as a shareholder if their total holding (including any previously registered voting shares) exceeds 5% of all shares. For shares in excess of the limit, the purchaser is entered in the share register as a shareholder or beneficial holder without voting rights. The other statutory provisions on transfer restrictions are described in Section 7.1 of this Corporate Governance Report, [→ Voting right restrictions and proxies](#).

[See Guiding Principles](#)

To facilitate trading of shares on the stock exchange, Article 4.6 of the Articles of Incorporation states that the Board of Directors may permit fiduciary registration of registered shares with voting rights in excess of the 5% threshold for trustees and nominees who disclose their fiduciary status. These fiduciaries must provide evidence of proper business conduct (such as supervision by a market supervisory authority) and act on behalf of one or more mutually unrelated parties, and be able to provide names, addresses and holdings of the beneficial owners of the shares. This provision of the Articles of Incorporation, which may only be changed by a majority of the voting shares represented at the Annual General Meeting.

[See Guiding Principles](#)

Trustees and nominees must apply for entry as shareholders with voting rights and acknowledge the entry restrictions and disclosure obligations as binding. Trustees and nominees that are related by capital or voting rights either contractually or through common management or other means are treated as a single shareholder (trustee or nominee).

## 3.4 Convertible bonds, debenture bonds and options

Swisscom has no convertible bonds outstanding. Details of debenture bonds are given in [→ Note 2.2 to the consolidated financial statements](#).

Swisscom does not issue options on registered shares of Swisscom Ltd to its employees.



## 4 Board of Directors

### 4.1 Members of the Board of Directors

The Annual General Meeting re-elected all members of the Board of Directors proposed for re-election on 26 March 2025. To reflect the importance of operations in Italy, it also appointed new member Laura Cioli, an Italian citizen who brings extensive knowledge of the Italian market to the Board. The Federal Council re-appointed Fritz Zurbrügg to the Board of Directors as representative of the Confederation for another year. This brings the Board of Directors to a temporary total of ten members. As of 31 December 2025, the Board of Directors comprised the following non-executive members.

Name	Nationality	Year of birth	Function	Taking office at the Annual General Meeting
Michael Rechsteiner <sup>1</sup>	Switzerland	1963	Chair	2019
Roland Abt	Switzerland	1957	Member, Chair of the Audit Committee	2016
Monique Bourquin	Switzerland	1966	Member, Chair of the Compensation Committee	2023
Laura Cioli <sup>2</sup>	Italy	1963	Member	2025
Guus Dekkers	Netherlands	1965	Member	2021
Frank Esser	Germany	1958	Vice Chair, Chair of the Strategy & Investments Committee	2014
Sandra Lathion-Zweifel	Switzerland	1976	Member, representative of the employees	2019
Anna Mossberg	Sweden	1972	Member	2018
Daniel Münger	Switzerland, Italy	1961	Member, representative of the employees	2024
Fritz Zurbrügg <sup>3</sup>	Switzerland	1960	Member, representative of the Confederation	2023

<sup>1</sup> Chair since 31 March 2021.

<sup>2</sup> Elected to the Board of Directors on 26 March 2025.

<sup>3</sup> Designated by the Swiss Confederation.





## 4.2 Education, professional activities and affiliations

The summary below includes key details of the careers and qualifications of each member of the Board of Directors, while their external mandates are disclosed in the Remuneration Report. The Board members are obligated to consult the Chair of the Board of Directors prior to accepting new mandates or upon changes in their professional career. The Chair consults the Vice Chair then informs the Board of Directors about these changes and any potential conflicts of interest. Members of the Board attend an annual internal training session on stock exchange regulations and dealing with affiliations. Details on the regulation of external mandates, in particular how mandates are defined and the number of mandates permitted, are set out in Article 9.3 of the Articles of Incorporation. At present, no member exceeds the limits for external mandates defined by the Articles of Incorporation.

🔗 See Guiding Principles

→ See Remuneration Report

The members of the Board of Directors are required to arrange their personal and business affairs in a way that minimises conflicts of interest, and to take all necessary actions to achieve this. Members must report any conflicts of interest that arise to the Chair and/or Vice Chair immediately, for the attention of the Board of Directors. To safeguard the interests of the company, the Board of Directors responds to conflicting interests among its members with measures commensurate with the severity of the conflict. It considers whether to exclude members subject to conflict of interest from resolutions and/or prior discussion, or whether a double resolution with and without the member in question is sufficient.



**Michael Rechsteiner**

Master of Science in Mechanical Engineering, ETH Zurich;  
Executive MBA, University of St.Gallen (HSG)

### Career history

1990–2000 various roles at ABB Kraftwerke AG, most recently General Manager of ABB Power Generation Asia, Kuala Lumpur, Malaysia; 2000–2002 Head of Power Plants, Vice President Project Execution, Alstom Power; 2003–2007 COO, Sultex; 2007–2015 various roles at Alstom Power, most recently CEO and Senior Vice President Power Services; 2015–2017 General Electric (GE) Officer and Vice President of Global Product Lines at GE Power Services; April 2017–March 2021 managerial responsibility for GE Power Services Europe and CEO of GE Gas Power Europe; April 2021–April 2022 external advisor to General Electric (Switzerland) GmbH; since March 2021 Chair of the Board of Directors of Swisscom Ltd

For information on his external mandates, see  
→ mandates in the Remuneration Report.



**Roland Abt**

PhD in Business Administration, University of St.Gallen (HSG)

### Career history

1985–1987 CFO of a group of companies with operations in the areas of IT and real estate; 1987–1996 Eternit Group (later Nueva Group); 1987–1991 Head of Controlling, 1991–1993 CEO, Industrias Plycem, Venezuela, 1993–1996 Division Manager, Fibre Cement Activities; 1996–2016 Georg Fischer Group: 1996–1997 CFO, GF Piping Systems, 1997–2004 CFO, Agie Charmilles Group (currently GF Machining Solutions), 2004–2016 CFO, Georg Fischer AG, and member of the Group Executive Board

For information on his external mandates, see  
→ mandates in the Remuneration Report.



**Monique Bourquin**

Degree in Business Administration (lic. oec.),  
University of St.Gallen (HSG)

**Career history**

1990–1994 Strategy and Corporate Finance Consultant, PricewaterhouseCoopers Switzerland; 1994–1997 Marketing and Sales, Unilever AG (formerly Knorr Nahrungsmittel AG); 1997–1999 Head of Key Account Management (Sales), Rivella AG; 1999–2002 Country Manager (Marketing & Sales), Mövenpick Schweiz AG; 2002–2007 Head of Sales, Executive Board Member, Unilever Schweiz GmbH; 2008–2012 CEO, Executive Board Member, Unilever Schweiz GmbH incl. Oswald GmbH; 2012–2016 CFO DACH Region, Executive Board Member, Unilever Deutschland GmbH

For information on her external mandates, see  
→ [mandates in the Remuneration Report](#).



**Laura Cioli**

Degree in Electrical Engineering, University of Bologna,  
MBA, SDA Bocconi School of Management, Milan

**Career history**

1991–1998 Partner, Bain & Company, Italy; 1999–2006 Executive Director, Vodafone Italia, Milan; 2006–2008 Senior Vice President, ENI Gas & Power, Milan; 2008–2012 Chief Operating Officer, Sky Italia, Milan; 2013–2015 CEO, CartaSi (now Nexi), Milan; 2015–2016 CEO, RCS Media Group, Milan; 2018–2020 CEO, GEDI Gruppo Editoriale, Rome; 2022–January 2025 CEO, Sirti Group, Milan

For information on her external mandates, see  
→ [mandates in the Remuneration Report](#).



**Guus Dekkers**

Master's in Computer Science, Radboud University  
Nijmegen; MBA, Rotterdam School of Management (RSM)

**Career history**

1990–2001 Volkswagen AG, Wolfsburg, various roles, primarily in the area of business process optimisations; 2002–2005 Head of Information Technology Europe & International and Vice President, Johnson Controls Automotive; 2005–2007 CIO and Vice President, Siemens VDO Automotive AG, Germany; 2008–2016 CIO, Airbus Group, France; since April 2018 CTO and member of the Executive Committee, Tesco PLC, London

For information on his external mandates, see  
→ [mandates in the Remuneration Report](#).



**Frank Esser**

Degree in Business Administration,  
Doctorate in Economics (Dr. rer. pol.)

**Career history**

1988–2000 Mannesmann Deutschland, most recently from 1996 member of the Executive Board of Mannesmann Eurokom; 2000–2012 Société française du radiotéléphone (SFR); 2000–2002 COO, 2002–2012 CEO, in this role from 2005–2012 also a member of the Group Executive Board of the Vivendi Group

For information on his external mandates, see  
→ [mandates in the Remuneration Report](#).



**Sandra Lathion-Zweifel**

Degree in Law (lic. iur.), attorney-at-law; Master of Law, University of Zurich; Master of Laws (LL.M., Columbia University, New York; trader's licence from SIX Swiss Exchange

**Career history**

2005–2010 Mergers & acquisitions lawyer, Lenz & Staehelin law firm, Zurich; 2010–2014 Head of Legal & Compliance Financial Products, Credit Suisse AG, Zurich; 2014–2018 Head of department in the Asset Management division of the Swiss Financial Market Supervisory Authority (FINMA); 2018–2019 Counsel for Banking & Finance, Lenz & Staehelin law firm, Geneva

For information on her external mandates, see → [mandates in the Remuneration Report](#).



**Anna Mossberg**

Executive MBA for Growing Companies, Stanford Business School, Palo Alto; Executive MBA, IE University, Madrid; Master of Science in Industrial Engineering and Management, Luleå University of Technology

**Career history**

1996–2010 Telia: various roles, including Vice President and Head of Business & Product Management, Head of Internet, Consumer Segment, Director Data Services, Product & Services; 2010 CEO, Bahnhof AB, Stockholm; 2012–2014 Senior Vice President Strategy and Portfolio Management, Deutsche Telekom; 2015–2018 member of the Management Team, Google Ltd, Sweden; 2021–2022 Managing Director, Silo AI, Sweden

For information on her external mandates, see → [mandates in the Remuneration Report](#).



**Daniel Münger**

Certified NPO Manager

**Career history**

1983–1995 Various roles at PTT companies in cable installation and as a telecommunications specialist; 1996–2001 Various roles at the Swiss Metalworkers' and Watchmakers' Union (SMUV) and the Union of Construction and Industry (GBI); 2002–2023 syndicom: 2002–2009 Regional Director of the Communications Union (now syndicom); 2010–2014 Central Secretary of the ICT Sector; 2015–2016 Head of the Logistics Sector and member of the Management Board; 2016–2023 Chair

For information on his external mandates, see → [mandates in the Remuneration Report](#).



**Fritz Zurbrügg**

Doctorate in Economics (Dr. rer. pol.)

**Career history**

1992–1994 Economist, International Monetary Fund (IMF); 1994–1998 Head of IMF and International Financing Section, Swiss Federal Finance Administration (FFA); 1998–2006 Senior Advisor and Executive Director of the Swiss Constituency, IMF Washington, DC; 2006–2012 FFA: 2006–2010 Head of the Fiscal Policy, Fiscal Equalisation and Financial Statistics Division, 2010–2012 Director of the FFA; 2012–2022 Swiss National Bank (SNB): 2012–2015 member of the Governing Board, 2015–2022 Vice Chair of the Governing Board

For information on his external mandates, see → [mandates in the Remuneration Report](#).



### 4.3 Composition of the Board of Directors

The Board of Directors regularly reviews its composition and plans appointments to committee positions each year to ensure that it possesses the necessary competencies. All members of the Board of Directors have comprehensive expertise and broad experience in relevant areas.

The Board of Directors complies with the gender representation requirements for boards of directors of listed companies as set out in Swiss company law.

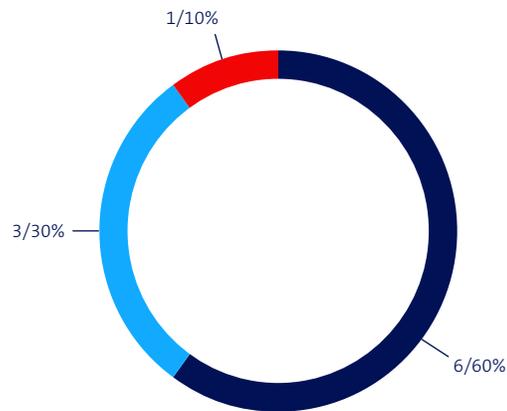
The following diagrams detail the competencies, terms of office, nationality, age and gender of Board members as of 31 December 2025.

#### Board of Directors by career, experience, skills and knowledge

	Telecommu- nication, IT, media and/or entertainment market	Innovation, technology and/or digitalisation	Residential customers (B2C)	Business customers (B2B)	Finance and/or risk management	Strategy, M&A, private equity and/or trans- formation	Human capital	Regulatory, legal and/or compliance	Sustainability	International business experience	CEO/CFO	BoD member in listed company
Michael Rechtsteiner		●		●	●	●	●		●	●	●	●
Roland Abt				●	●	●	●	●		●	●	●
Monique Bourquin			●		●	●	●			●	●	●
Laura Cioli	●	●	●	●	●	●	●			●	●	●
Guus Dekkers	●	●	●	●		●	●			●		
Frank Esser	●	●	●	●	●	●	●			●	●	●
Sandra Lathion-Zweifel					●	●	●	●	●			●
Anna Mossberg	●	●	●	●	●	●	●		●	●	●	●
Daniel Münger							●					
Fritz Zurbrügg					●							

#### Board of Directors by length of term of office

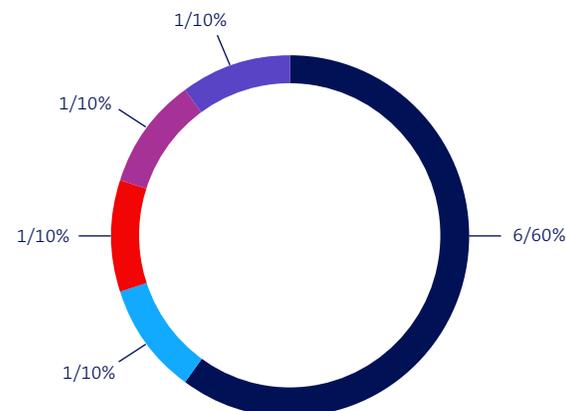
In number of members and %



● ≤ 5 years ● 6–10 years ● > 10 years

#### Board of Directors by nationality

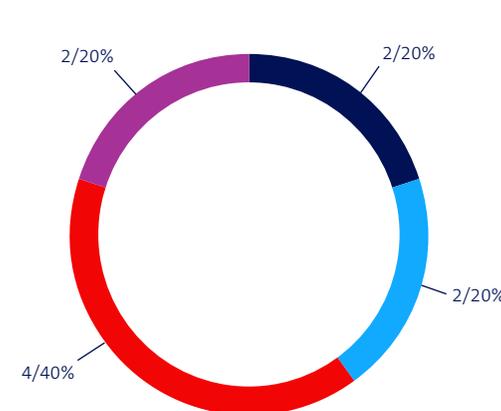
In number of members and % (including one dual citizen of CH/IT)



● Switzerland ● Netherlands ● Sweden ● Germany ● Italy

#### Board of Directors by age

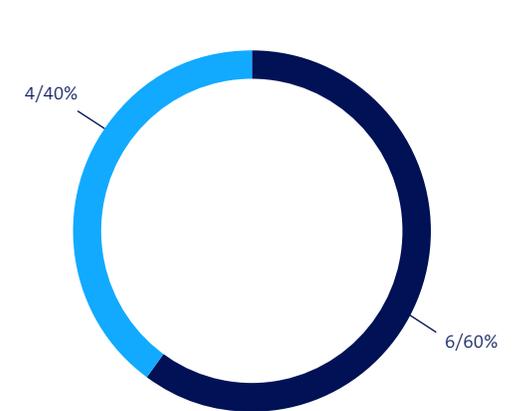
In number of members and %



● < 55 ● 55–60 ● 61–65 ● > 65

#### Board of Directors by gender

In number of members and %



● Male ● Female



#### 4.4 Independence

In assessing the independence of its members, the Board of Directors applies the criteria set out in the Swiss Code of Best Practice for Corporate Governance published by *economiesuisse*. Independent members are non-executive members of the Board of Directors who

- › have not sat on the Executive Committee in the previous three years (if ever);
- › have not served as auditor-in-charge of the external auditor in the previous two years (if ever); and
- › have only comparatively minor business relations with the company (if any).

The criterion of term of office cannot be used in assessing the independence of members of the Board of Directors. Based on the criteria above, all members of the Board of Directors are considered independent. The Swiss Confederation, represented on the Board of Directors by Fritz Zurbrügg, holds the majority of the capital and voting rights in Swisscom in accordance with the Telecommunications Enterprise Act (TEA). The Swiss Confederation and Swisscom maintain customer and supplier relationships; details are provided in → [Note 6.2 to the consolidated financial statements](#).

#### 4.5 Election and term of office

Under the Articles of Incorporation, the Board of Directors comprises between seven and nine members, but can also be increased temporarily, if necessary, while the Swiss Confederation is entitled to appoint two representatives to the Board of Directors. At present, there is one appointed representative. The TEA states that employees must have appropriate representation on the Board of Directors of Swisscom Ltd, while the Articles of Incorporation further stipulate that the Board of Directors must include two employee representatives. Employees are entitled to make proposals to the Board of Directors for the nomination of the employee representatives. Employee representatives Daniel Münger and Sandra Lathion-Zweifel were nominated by the syndicom trade union and transfair staff association, respectively. The employee representatives are proposed by the Board of Directors and elected by the Annual General Meeting, as are the other members of the Board with the exception of the representative of the Swiss Confederation, who is appointed by the Federal Council.

The Annual General Meeting elects the members and the Chair of the Board of Directors as well as the members of the Compensation Committee individually for a term of one year. The term of office expires at the conclusion of the following Annual General Meeting, with re-election permitted. If no Chair is appointed, the Board of Directors nominates a Chair from among its members. Similarly, if the Compensation Committee falls below the minimum of three members, the Board appoints one or more additional members to the Compensation Committee to serve until the conclusion of the next Annual General Meeting. In all other respects, the Board of Directors constitutes itself.

Flexible arrangements allow shareholders to extend the maximum term of office in exceptional cases, although members are required to retire from the Board of Directors at the age of 70. The maximum term of office and age limit for the representative of the Swiss Confederation are determined by the Federal Council.

#### 4.6 Succession planning

The Board of Directors regularly reviews its members' qualifications, abilities and experience to ensure that they remain aligned with its requirements. It is proactive in searching for potential new members to make sure it has the necessary expertise and diversity, and can nominate new members as needed. The Board provides a requirements profile of the preferred qualifications, skills and experience to the ad-hoc Nomination Committee, which evaluates potential candidates and in turn makes recommendations to the Board of Directors. The Board then submits a motion to the Annual General Meeting proposing new members.

#### 4.7 Ongoing development and continuing education

The Board of Directors attaches great importance to the ongoing development and continuing education of Board members. Each November, the members complete a self-assessment questionnaire on the performance of the Board and the Chair, as well as the composition, organisation and working methods of the Board, responsibilities under the Organisational Regulation, and the priorities and goals for the coming year. The Board of Directors discusses the results in February and sets goals and measures for the current year. In 2022, the Board of Directors commissioned a comprehensive external assessment to gain an objective view of the Board in itself and in comparison with its peers. The Chair has an annual one-on-one discussion with each member of the Board during which opportunities for further individual development are also discussed. The committees have a comparable annual self-assessment and goal-setting process.

Board meetings address training topics as required, and occasional study trips give Board members first-hand experience of companies as well as emerging technologies, innovations and business trends. Board members can also engage with new topics and upcoming challenges on 'company experience days', usually held three times a year. Most Board members take regular advantage of these opportunities. In addition, the members of the Board of Directors attend the Swisscom Group's annual management meeting whenever possible. New Board members attend a two-day introductory course that provides an overview of the Group's management and strategy, business and current challenges along with induction and training courses relevant to their roles.



## 4.8 Chair of the Board of Directors

Since 31 March 2021, Michael Rechsteiner has held the office of Chair, the tasks and responsibilities of which are defined in the Organisational Regulation. In the event that the Chair of the Board of Directors is unavailable or is subject to a potential conflict of interest, the Vice Chair, Frank Esser, assumes the Chair's responsibilities.

[See Guiding Principles](#)

## 4.9 Internal organisation and working methods

The Board of Directors is responsible for the strategic and financial management of Swisscom and for oversight of the company's management which it has delegated to the Group CEO. As the highest governing body of the company, it holds decision-making powers with the exception of those powers granted to the Annual General Meeting by law.

The Chair – or in their absence the Vice Chair – generally convenes the Board of Directors monthly (except January, April, July and October) for a one- to two-day meeting, with further ad-hoc meetings convened as business requires. The respective chairs of the Board and the committees set the agenda for meetings. Any Board member may request the inclusion of additional agenda items. To allow for preparation, Board members receive agendas and documentation usually ten days prior to the meeting. The Group CEO, the Group CFO and the Head of Group Security & Corporate Affairs always attend meetings of the Board of Directors as guests. At ordinary meetings of the Board, the Chair and the Group CEO report on the general course of business and major business transactions, events and measures. Depending on the issues under discussion, the Board may also invite members of the Group Executive Committee, the executive committees and senior employees of Swisscom, as well as auditors and other internal and external experts, to any of its meetings. The Board of Directors did not call on any external advisors during the reporting year.

The duties, responsibilities and working methods of the Board of Directors, as well as its handling of conflicts of interest, are defined in the Organisational Regulation and in the regulations governing the standing committees.

[See Guiding Principles](#)

The following table gives an overview of Board meetings and circular resolutions in 2025. Individual meetings were held by video conference.

	Meetings	Ad-hoc meetings	Circular resolutions
<b>Total</b>	<b>9</b>	<b>1</b>	<b>–</b>
Average duration (in hours)	06:15	01:40	–
<b>Participation:</b>			
Michael Rechsteiner, Chair	9	1	–
Roland Abt	9	1	–
Monique Bourquin	9	1	–
Laura Cioli <sup>1</sup>	7	1	–
Guus Dekkers	9	1	–
Frank Esser, Vice Chair	9	1	–
Sandra Lathion-Zweifel	9	1	–
Anna Mossberg	9	–	–
Daniel Münger	9	1	–
Fritz Zurbrügg	9	1	–

<sup>1</sup> Elected to the Board of Directors on 26 March 2025.



### 4.10 Committees of the Board of Directors

The Board of Directors has delegated individual tasks to committees.



1 Chair of committee.  
 2 Elected to the Board of Directors on 26 March 2025.  
 3 No voting rights.

As of 31 December 2025, the Board of Directors has three standing committees (Strategy & Investments, Audit, and Compensation) and one ad-hoc committee (Nomination). It may appoint further ad-hoc committees as required. The standing committees consist of between three and six members, depending on their respective regulations. Each member of the Board of Directors generally sits on at least one of the standing committees. Subject to appointment by the Compensation Committee (without voting rights), the Chair of the Board of Directors is a member of all the standing committees, while the committees themselves are chaired by other members who report on their meetings to the Board of Directors. Members of the Board of Directors receive copies of minutes from meetings of the Strategy & Investments Committee and the Audit Committee as a matter of

course, and from the Compensation Committee and Nomination Committee upon request.

#### Strategy & Investments Committee

The Strategy & Investments Committee addresses the areas of corporate policy, strategy, transactions and investments on behalf of the Board of Directors. Business may include the establishment and dissolution of subsidiaries, the acquisition or disposal of significant shareholdings, and the development and termination of strategic alliances. The Committee also has an advisory role in major investments and divestments. The Strategy & Investments Committee has ultimate decision-making authority on regulations and directives concerning mergers and acquisitions and corporate capital ventures.

The Regulation of the Strategy & Investments Committee sets out the Committee's activities and responsibilities.

[See Guiding Principles](#)

The Strategy & Investments Committee is convened by the Chair or at the request of a Committee member as often as business requires, but generally meets for one half-day meeting per quarter. The Group CEO, the Group CFO, the Head of Group Strategy & Business Development

and the Head of Group Security & Corporate Affairs always participate in Strategy & Investments Committee meetings. Meetings in 2025 were also attended by members of the executive committees of strategic Group companies and project managers where the agenda so demanded. The Strategy & Investments Committee did not call on any external advisors during the reporting year.

The following table gives an overview of the Strategy & Investments Committee's meetings and circular resolutions in 2025.

	Meetings	Ad-hoc meetings	Circular resolutions
<b>Total</b>	<b>4</b>	<b>1</b>	<b>–</b>
Average duration (in hours)	03:00	00:55	–
<b>Participation:</b>			
Frank Esser, Chair	4	1	–
Laura Cioli <sup>2</sup>	3	1	–
Guus Dekkers	4	1	–
Anna Mossberg	3	1	–
Daniel Münger	4	1	–
Michael Rechsteiner	4	1	–

1 Elected to the Board of Directors on 26 March 2025.

#### Audit Committee

In 2025, the Audit & ESG Reporting Committee was renamed as the Audit Committee, although its duties relating to sustainability remain unchanged. It handles all business relating to financial management (accounting, financial controlling, financial planning, tax strategy and financing), assurance (risk management, internal control system, compliance, internal audit), security, external audit and both financial and non-financial reporting. It also handles Board of Directors business that calls for specific financial expertise (such as dividend policy and financing plans). The Audit Committee is the most important controlling instrument of the Board of Directors and is responsible for monitoring Group-wide assurance. As well as deciding on business

within its own purview, it formulates positions on business within the decision-making authority of the Board of Directors. Details of the Committee's activities and responsibilities are set out in the Regulation of the Audit Committee.

[See Guiding Principles](#)

The Audit Committee is composed of four independent members. The Chair of the Committee is an expert in the financial field, and the majority of the members bring expertise in finance and accounting. The Audit Committee is convened by the Chair or at the request of a Committee member as often as business requires, but no less than



once per quarter, with one additional meeting in December. The Group CEO, Group CFO, Head of Group Security & Corporate Affairs, Head of Accounting, Head of Group Internal Audit and the external auditors always attend meetings, which usually last between three and six hours. In 2025, members of the executive committees and Swisscom management also attended where the agenda demanded. The Audit Committee can also involve independent third parties such as lawyers, public accountants and tax experts as required, although it did not invite any external consultants to meetings during the reporting year.

Beyond meetings, the Chair of the Audit Committee also liaises closely with the heads of Group Internal Audit and Accounting and the representatives of Swisscom's external auditors. The Chair and individual members of the Committee also meet once a year with the internal supervisory bodies of Fastweb S.p.A. and Vodafone Italia S.p.A. to discuss challenges facing the companies.

The following table gives an overview of the Audit Committee's meetings and circular resolutions in 2025.

	Meetings	Ad-hoc meetings	Circular resolutions
<b>Total</b>	<b>5</b>	<b>1</b>	<b>–</b>
Average duration (in hours)	03:45	00:30	–
<b>Participation:</b>			
Roland Abt, Chair <sup>1</sup>	5	1	–
Sandra Lathion-Zweifel	5	1	–
Michael Rechsteiner	5	1	–
Fritz Zurbrügg	5	1	–

<sup>1</sup> Financial expert.

### Compensation Committee

For information on the Compensation Committee, refer to the → [Remuneration Report](#).

### Nomination Committee

The Nomination Committee is formed on an ad-hoc basis to prepare the election of new members to the Board of Directors and the Group Executive Committee, the CEO and other specific functions of the executive committees of Swisscom (Switzerland) Ltd and Fastweb S.p.A. The Committee is chaired by the Chair of the Board of Directors, with other members chosen on a case-by-case basis. The Committee presents candidates to the Board of Directors based on the Board's requirements profile, but has no further decision-making authority. The Board of Directors appoints the members of the Group Executive Committee and decides upon the motion to be proposed to the Annual General Meeting for the election of members to the Board of Directors.

The Nomination Committee is convened by the Chair or at the request of a Committee member as often as business requires.

One ad-hoc Nomination Committee was constituted in the 2025 financial year and was convened for a meeting of 3 hours and 15 minutes with the members Michael Rechsteiner (Chair), Roland Abt, Monique Bourquin and Sandra Lathion-Zweifel.

### 4.11 Assignment of duties

The Telecommunications Enterprise Act (TEA) defines the non-transferable, irrevocable duties of the Board of Directors of Swisscom Ltd with reference to the Swiss Code of Obligations, in particular Article 716a, which sets out the responsibilities of governing bodies in limited companies. The Board of Directors is responsible for the overall management of the company, decides on the appointment and removal of members of the Group Executive Committee and determines the strategic, organisational, financial planning and accounting guidelines for Swisscom, including tax and sustainability strategies. Here, it considers the goals that the Swiss Confederation, as majority shareholder, aims to achieve. As defined by the TEA, the Federal Council formulates these goals in four-year cycles; having set goals for the period 2022–2025 in 2021, it issued goals for the period 2026–2029 on 19 November 2025.

↗ [See Federal Council Goals for Swisscom 2022–2025 \(DE\)](#)

↗ [See Federal Council Goals for Swisscom 2026–2029 \(DE\)](#)

The Board of Directors has delegated day-to-day business management to the Group CEO in accordance with the TEA and the Articles of Incorporation. In addition to the duties assigned to it by law, the Board of Directors decides on business transactions of major importance to the Group, including the acquisition or disposal of companies or assets with a financial exposure in excess of CHF 20 million, and investments or divestments with a financial exposure in excess of CHF 75 million. The Board of Directors also has overall responsibility for sustainability issues, for which it approves the sustainability strategy (part of the corporate strategy) and monitors its implementation. The Organisational Regulation and its Annex 2, the Business and Accountability Regulation define the division of powers between the Board of

Directors and the Group CEO. Sustainability governance is described in the → [Sustainability Statements](#).

↗ [See Guiding Principles](#)

### 4.12 Reporting and controlling instruments of the Board of Directors with relation to the Group Executive Committee

The Board of Directors receives comprehensive briefings so it can fulfil its tasks and responsibilities. The Chair and the Group CEO meet to discuss overarching issues concerning Swisscom Ltd and its Group companies at least once a month. The Chair also meets in person with each member of the Group Executive Committee at least once a year for an in-depth discussion.

At each ordinary meeting of the Board of Directors, the Group CEO provides detailed information on the course of business, major projects and events, and any measures adopted. The Board of Directors receives a monthly written report that includes all key performance indicators relating to the Group and the segments, and a quarterly report on the course of business, financial position, results of operations and risk position of the Group and the segments, as well as projections for operational and financial developments for the ongoing financial year. Management reporting is governed by the same policies as external financial reporting and also includes key non-financial information required for controlling and steering purposes. Every member of the Board of Directors is entitled to request information on matters relating to the Group at any time unless such information represents a breach of confidentiality or conflict of interest. The Group CEO informs the Board of Directors immediately of any exceptional events.

The Board of Directors is responsible for establishing and monitoring Group-wide assurance functions, including risk management, the internal control system, compliance and internal audits (Group Internal Audit).



## Risk management

The Board of Directors seeks to protect the company's enterprise value by implementing Group-wide risk management under a corporate culture that promotes the conscious handling of risks. The Swisscom Group has implemented a centralised risk management system based on ISO standard 31000 that takes account of both external and internal events through comprehensive reporting and documentation, reviewed periodically by an external auditor. Its objective is to identify, assess and address significant risks and opportunities in good time. The central Risk Management unit reports to the Head of Group Security & Corporate Affairs and works closely with the Controlling and Strategy departments, other assurance functions and line functions. Swisscom uses a risk strategy to assess its risk profile in terms of probability and the quantitative and qualitative severity of occurrence with reference to key performance indicators, and reviews this risk profile on a quarterly basis. In April and December, the Head of Risk Management provides the Board of Directors and the Audit Committee with information on significant risks, potential impact and the status of the corresponding measures. Significant new risks are reported to the Chair of the Board of Directors and the Chair of the Audit Committee without delay. Once a year, the Head of Risk Management consults with the Committee (without management involvement).

The risk factors are described in the 'Risk management' section of the → [Management Commentary](#).

## Internal control system for financial reporting

The internal control system (ICS) ensures the reliability of financial and non-financial reporting. Its objective is to prevent, identify and correct substantial errors in the sustainability statements, the remuneration report and the consolidated financial statements of the Swisscom Group as well as the financial statements of the Group companies. The ICS encompasses the components of control environment, accounting risk assessment, control activities, monitoring controls, information and communication. The Group Accounting unit, which reports to the Group CFO, manages and monitors the ICS, with periodic reviews of the function and effectiveness of the ICS by Group Internal Audit. Group Internal Audit notifies the Audit Committee of any significant shortcomings and corrective actions twice a year and the Board of Directors on an annual basis. Significant changes in the ICS risk assessment are reported to the Chair of the Audit Committee without delay, with Group Accounting responsible for monitoring corrective measures. The Audit Committee assesses the performance and effectiveness of the ICS based on the periodic reporting.

## Compliance management

The Group-wide central compliance management system (CMS) is designed to prevent compliance violations and protect the Swisscom Group, its executive bodies and employees from legal and regulatory sanctions, financial losses and reputational damage.

The CMS covers the following legal areas:

- › Anti-corruption
- › Money laundering and financing of terrorism
- › Data protection and Secrecy Protection
- › Antitrust law
- › Telecommunications law
- › Stock exchange law

In 2025, Swisscom enhanced its CMS in line with the ISO 37301 standard. The Group's dedicated compliance functions as well as the compliance officers and compliance managers of the business divisions and fully consolidated subsidiaries support the line in the ongoing implementation of the CMS in specific legal areas.

External auditors conduct an overall review adequacy and effectiveness of CMS every four years. External auditors also conduct specific audits related to money laundering law on an annual or biannual basis.

Once a year, the Head of Group Compliance reports to the Audit Committee and the Board of Directors on its activities, compliance risk assessment and target achievement, and on an ad-hoc basis to the Chair of the Audit Committee and to the Chair of the Board of Directors in the event of significant changes in compliance risks or (potentially) major compliance violations.

Further information on data protection governance can be found in the → [Sustainability Statements](#).

🔗 [See Guiding Principles](#)

## Internal auditing

Internal auditing is the responsibility of Group Internal Audit, which supports the Board of Directors and Audit Committee in fulfilling their statutory and regulatory supervisory and controlling obligations. Group Internal Audit also supports management and the assurance functions by highlighting opportunities for improving business processes and controls. It documents audit findings and monitors the implementation of measures.

Group Internal Audit is responsible for planning and conducting audits throughout the Group with maximum independence and in compliance with professional auditing standards. It is under the direct control of the Chair of the Board of Directors and reports to the Audit Committee. At an administrative level, Group Internal Audit reports to the Head of Group Security & Corporate Affairs. Once a year, the Head of Group Internal Audit consults with the Audit Committee (without management involvement).

Group Internal Audit liaises closely with the external auditors, who have unrestricted access to Group Internal Audit's reports and documentation. Based on a risk analysis and in close coordination with the external auditors, Group Internal Audit prepares an annual audit plan and presents it to the Audit Committee for approval. The Audit Committee can also commission ad-hoc audits, which may be prompted by anonymous information it receives through its whistleblowing platform concerning areas such as external reporting and financial reporting. At least once a quarter, Group Internal Audit briefs the Audit Committee on audit findings, whistleblowing notifications and implementation of the audit plan. The Head of Group Internal Audit took part in all five meetings of the Audit Committee in 2025.



## 5 Group Executive Committee

### 5.1 Members of the Group Executive Committee

Under the Articles of Incorporation, the Group Executive Committee comprises one or more members, who are appointed by the Board of Directors but cannot sit on the Board at the same time, with temporary exemptions permitted only in exceptional cases. The Board of Directors has delegated responsibility for overall executive management of Swisscom Ltd to the Group CEO, who may in turn delegate powers to subordinates, primarily to other members of the Group Executive Committee and the executive boards of the subsidiaries. As of 1 April 2025, the Board of Directors reduced the

Group Executive Committee to Christoph Aeschlimann (Group CEO), Eugen Stermetz (Group CFO), Isa Müller-Wegner (Group CSO) and Klementina Pejic (Group CPO), who manage the Swisscom Group as a whole, with specific business in Switzerland and Italy managed by their respective executive committees. The Executive Committee for Swisscom Switzerland consists of the nine members of the Swisscom Group Executive Committee prior to April 2025, ensuring stability and continuity for the Swiss business in the future.

→ See section 2.1 Group structure

An overview of the composition of the Group Executive Committee as of 31 December 2025 and key details of the careers and qualifications of the members are provided below.

Name	Nationality	Year of birth	Function	Appointed to the Group Executive Committee in
Christoph Aeschlimann <sup>1</sup>	Switzerland	1977	Group CEO	February 2019
Isa Müller-Wegner	Switzerland, Germany	1977	Head of Group Strategy & Business Development, Group CSO	June 2023
Klementina Pejic	Germany	1974	Head of Group Human Resources, Group CPO	February 2021
Eugen Stermetz	Austria	1972	Head of Group Finance, Group CFO	March 2021

<sup>1</sup> Since June 2022 Group CEO.



**Christoph Aeschlimann**

Degree in Computer Science (Dipl. Ing.),  
École polytechnique fédérale de Lausanne (EPFL);  
MBA, McGill University (Canada)

**Career history**

2001–2004 Software Development Manager, Odyssey Asset Management Systems; 2006–2007 Business Unit Manager, Zühlke Group; 2007–2011 Odyssey Financial Technologies; 2007–2008 Area Services Manager, 2008–2011 Senior Account Manager EMEA; 2011–2012 Head of Switzerland and General Manager D-A-CH & CIS, BSB; 2012–2018 ERNI Group; 2012–2014 Business Area Manager, 2014–2017 Managing Director Switzerland, 2017–2018 CEO; since February 2019 Swisscom Ltd: 2019–June 2023 Head of IT, Network & Infrastructure and member of the Swisscom Group Executive Committee, since June 2022 Group CEO and Chair of the Group Executive Committee

For information on his external mandates, see  
→ [mandates in the Remuneration Report](#).



**Isa Müller-Wegner**

MBA, Harvard Business School; MA PPE, Oxford University

**Career history**

1999–2002 Consultant, Arthur D. Little, London; 2002–2003 Business Strategist for Television, British Broadcasting Corporation, London; 2005–2007 Consultant, Bain & Company, London; 2007–2014 Principal, Bain & Company, Zurich; 2014–2019 eBay International Inc., Zurich; 2014–2015 Head of EMEA Strategy, 2015–2017 COO Emerging European Countries, 2017–2019 General Manager Emerging European Markets; 2019–2023 Executive Vice President, Bain Capital Private Equity, London; since June 2023 Swisscom Ltd: Group CSO and member of the Group Executive Committee

For information on his external mandates, see  
→ [mandates in the Remuneration Report](#).



**Klementina Pejic**

MBA, Dortmund University of Applied Sciences and Arts;  
École Supérieure des Sciences Économiques  
et Commerciales ESSEC, Cergy-Pontoise,  
International Business MA

**Career history**

2001–2002 Consultant, Watson Wyatt AG, Zurich;  
2003–2020 Clariant International AG: 2003–2004 Divisional HR Manager, 2005–2007 Global HR Business Partner, 2008–2009 Head Management Development Europe, 2010–2011 Head Global Talent Management, 2012–2013 Head Senior Management Development, 2014–2017 Head SMD & People Excellence, 2018–January 2021 Head Human Resources; since February 2021 Swisscom Ltd: Group CPO and member of the Group Executive Committee

For information on his external mandates, see  
→ [mandates in the Remuneration Report](#).



**Eugen Stermetz**

Degree in Business Administration (lic. oec.),  
University of St. Gallen;  
PhD in Social and Economic Sciences (Dr. rer. soc. oec.),  
Vienna University of Economics and Business

**Career history**

1996–2000 Boston Consulting Group, Munich and Vienna;  
2001–2005 CFO, Igeneon AG, Vienna; 2006–2008 CFO and Managing Director, F-star GmbH, Vienna; 2009–2011 CFO and member of the Executive Board, SVOX AG, Zurich; since 2012 Swisscom Ltd: until 2017 CFO Participations, 2017–2018 CFO Participations and Head of Mergers & Acquisitions, 2018–February 2021 Group Treasurer (Treasury, Insurance and Mergers & Acquisitions), since March 2021 Group CFO and member of the Group Executive Committee

For information on his external mandates, see  
→ [mandates in the Remuneration Report](#).



## 5.2 Affiliations

External mandates of the members of the Group Executive Committee are disclosed in the Remuneration Report. Members of the Group Executive Committee require the approval of the Chair of the Board of Directors before accepting new mandates or other duties outside the Swisscom Group. Details on the regulation of external mandates, in particular how mandates are defined and the number of mandates permitted, are set out in Article 9.3 of the Articles of Incorporation. None of the members of the Group Executive Committee exceeds the set limits for mandates, and they only conduct other significant external activities at the instruction of Swisscom.

[See Guiding Principles](#)

→ See section 5 Group Executive Committee

The members of the Group Executive Committee are required to arrange their personal and business affairs in such a way as to minimise potential conflicts of interest, and to take any actions necessary to achieve this. Members must report any conflicts of interest that arise to the Group CEO and/or the Chair of the Board of Directors immediately. To safeguard the interests of the company, the Group CEO/Chair of the Board responds to conflicting interests among its members with measures commensurate with the severity of the conflict.

## 5.3 Management agreements

Neither Swisscom Ltd nor any of the Group companies included in the scope of consolidation have entered into management agreements with third parties.

# 6 Remuneration, shareholdings and loans

Information on the remuneration of the Board of Directors and the Group Executive Committee of Swisscom Ltd is provided in the separate → [Remuneration Report](#).

# 7 Shareholders' participation rights

## 7.1 Voting right restrictions and proxies

Each registered share entitles the holder to one vote. Voting rights can only be exercised if such rights are entered in the share register of Swisscom Ltd. The Board of Directors may refuse to recognise a purchaser of shares as a shareholder or beneficial holder with voting rights if their total holding (including any previously registered shares) exceeds 5% of all shares registered in the Register of Commerce. The purchaser is entered in the share register as a shareholder or beneficial holder without voting rights for any shares in excess of this limit. This restriction on voting rights also applies to registered shares purchased through subscription, options or conversion rights. The share limit applies to related entities in accordance with Article 4.5.1 of the Articles of Incorporation.

[See Guiding Principles](#)

The 5% voting right restriction does not apply to the Swiss Confederation, which holds the majority of the capital and voting rights in Swisscom Ltd under the terms of the Telecommunications Enterprise Act (TEA). Further information on voting right restrictions is set out in Article 4.5 of the Articles of Incorporation.

[See Guiding Principles](#)

The restrictions on voting rights provided for in the Articles of Incorporation may be lifted by the majority of the votes of the Annual General Meeting.

During the year under review, the Board of Directors did not recognise any acquirers of shares holding more than 5% of shares as a shareholder or beneficial holder with voting rights, did not reject requests for recognition or registration, and did not remove shareholders with voting rights from the share register due to the provision of false data.

## 7.2 Statutory quorum requirements

The Annual General Meeting of Swisscom Ltd elects and adopts resolutions by an absolute majority of votes represented. In addition to the quorum requirements set out in the Swiss Code of Obligations, a two-thirds majority of voting shares represented is required in the following cases:

- › Introduction of restrictions on voting rights
- › Change in the Articles of Incorporation concerning special decision quorums

## 7.3 Convocation of the Annual General Meeting and agenda items

The Board of Directors may order that the Annual General Meeting be held at a venue (physical event), electronically (virtual event) or as a physical event in which shareholders who are not physically present may exercise their rights electronically (hybrid event).

The Board of Directors convenes the Annual General Meeting with at least 20 calendar days' notice by means of an announcement in the Swiss Official Gazette of Commerce. The meeting can also be convened by letter or electronic notice to the shareholders listed in the share register. One or more shareholders who together represent at least 5% of the share capital may demand in writing that an extraordinary

general meeting be convened, stipulating the topic or proposal or, in the case of elections, providing the names of the proposed candidates.

The Board of Directors is responsible for defining the agenda. Holders of shares with a par value of at least CHF 40,000 may request that an item be placed on the agenda. This request must be submitted in writing to the Board of Directors at least 45 days prior to the Annual General Meeting, stating the agenda item and the proposal (Article 6.4.3 of the Articles of Incorporation).

[See Guiding Principles](#)

## 7.4 Representation at the Annual General Meeting

Shareholders may be represented at the Annual General Meeting by their legal representative, a representative of their choice or by the independent proxy elected appointed by the Annual General Meeting. The law firm Reber Rechtsanwälte, Zurich, was appointed as independent proxy for the period ending with the conclusion of the Annual General Meeting in March 2026.

Power of attorney may be granted in writing or electronically via the shareholder portal operated by Computershare Switzerland Ltd. Shareholders who opt for representation by the independent proxy may issue instructions for each agenda item as well as any unannounced agenda items and motions using the forms prepared by the Board of Directors, and indicate whether they wish to vote in line with or contrary to the Board of Directors or to abstain. The independent proxy must cast the votes entrusted to it according to the shareholders' instructions, or abstain in the absence of instructions (Article 6.7.4 of the Articles of Incorporation).

[See Guiding Principles](#)



## 7.5 Entry in the share register

Shareholders entered in the share register with voting rights are entitled to vote at the Annual General Meeting. At its own discretion, the Board of Directors defines a cut-off date for determining voting entitlements, which is normally three business days before the meeting; this date is communicated with the invitation and in the financial calendar on the Swisscom website. Changes to the share register can be made at any time, regardless of the cut-off date. Shareholders entered in the share register with voting rights as of 5 p.m. on 20 March 2025 were entitled to vote at the Annual General Meeting of 26 March 2025. Shareholders entered in the share register with voting rights as of 5 p.m. on 19 March 2026 will be entitled to vote at the Annual General Meeting of 25 March 2026.

## 8 Change of control and defensive measures

Under the terms of the Telecommunications Enterprise Act (TEA) and the Articles of Incorporation, the Swiss Confederation must hold the majority of the capital and voting rights in Swisscom Ltd. As such, there is no obligation to submit a takeover bid as defined in the Financial Market Infrastructure Act, as this would contradict the TEA.

Details on change of control clauses are set out in the [→ Remuneration Report](#).

## 9 Auditor

### 9.1 Selection process, duration of mandate and term of office of the auditor-in-charge

The statutory auditor is appointed annually by the Annual General Meeting upon proposal by the Board of Directors under policies defined by the Audit Committee, with re-election permitted. The statutory auditor's tenure is limited to 20 years and a new invitation to tender for this mandate is issued every 10 to 14 years at a minimum. The Swiss Code of Obligations limits the term of office for the auditor-in-charge to seven years. PricewaterhouseCoopers (PwC), Zurich, has held the mandate since the 2019 financial year and Petra Schwick has been the auditor-in-charge since 2023.

### 9.2 Audit fees and additional fees

In CHF thousand	2025	2024
Audit fees	6,604	3,860
Additional fees	1,752	919
<b>Fees to auditors</b>	<b>8,356</b>	<b>4,779</b>
Additional fees in % of audit fees	27%	24%

Additional fees were charged in 2025 for services related to transaction consultancy, consultancy on the remuneration system, ISAE assurance reports for IT outsourcing contracts, comfort letters for bonds issuance, procedures for financing agreements, audits in connection with tender submissions or tax conformity and a benchmark analysis for the energy business. The audit fees for 2025 include assurance services for the sustainability statements under the European CSRD/ESRS regulations in the amount of CHF 157,000 (prior year: CHF 99,000).

### 9.3 Supervision of auditors

The Audit Committee verifies the qualifications, independence and state supervision of the statutory auditors on behalf of the Board of Directors. It also assesses the performance and remuneration of the auditors against criteria such as the competence and availability of the audit team, the audit process, and reporting and communication. The Audit Committee is responsible for enforcing the statutory term limit for the auditor-in-charge and for reviewing and issuing new invitations to tender for the audit mandate. It approves the integrated strategic audit plan, which includes the annual audit plan of both the internal and external auditors, as well as the fee for the auditing services provided to the Group and Group companies each year.

To ensure independence, the Audit Committee has set out principles for awarding additional services to the auditors, including a list of prohibited services. The Audit Committee must approve any additional service mandates subject to fees in excess of CHF 300,000. The Group CFO reports to the Audit Committee quarterly and the auditors annually on current mandates being performed by the auditors, broken down according to audit services and additional services, and on their independence.

The statutory auditors, represented by the auditor-in-charge and their deputy, usually attend all Audit Committee meetings. They inform the Committee about execution and results of their work, in particular the audit of the annual financial statements. They submit a written report each year to the Board of Directors and the Audit Committee on the audit of the annual financial statements, as well as their findings with regard to accounting and the internal control system. Once a year, the auditor-in-charge consults with the Audit Committee (without management involvement). Finally, the Chair of the Audit Committee liaises closely with the auditor-in-charge outside of Committee meetings and regularly reports to the Board of Directors.

Representatives of PwC, the statutory auditors, attended all meetings of the Audit Committee in 2025, as did the Head of Group Internal Audit. Neither the representatives of the statutory auditor nor the Head of Group Internal Audit attended meetings of the full Board of Directors in 2025.



## 10 Information policy

Swisscom maintains an open, active information policy with regard to its shareholders, the general public and the capital markets. It uses the following media for this purpose:

Information	Frequency	Source
Notifications to shareholders	if required	Swiss Official Gazette of Commerce <a href="http://www.shab.ch">www.shab.ch</a> or by letter or electronically (at the discretion of the Board of Directors)
Swisscom website	continuously	<a href="http://www.swisscom.ch">www.swisscom.ch</a>
Interim reports	quarterly	<a href="http://www.swisscom.ch/financialreports">www.swisscom.ch/financialreports</a>
Annual Report (incl. Management Commentary, Corporate Governance Report, Remuneration Report, Sustainability Statements, Consolidated Financial Statements, condensed Financial Statements of Swisscom Ltd)	yearly	<a href="http://www.swisscom.ch/financialreports">www.swisscom.ch/financialreports</a>
Complete financial statements of Swisscom Ltd	yearly	<a href="http://www.swisscom.ch/financialreports">www.swisscom.ch/financialreports</a>
Analyst presentations on financial results	quarterly	<a href="http://www.swisscom.ch/financialreports">www.swisscom.ch/financialreports</a>
Press releases	if required	<a href="http://www.swisscom.ch/adhoc">www.swisscom.ch/adhoc</a>
Ad-hoc press releases (push link)	if required	<a href="http://www.swisscom.ch/adhoc">www.swisscom.ch/adhoc</a>
Ad-hoc news subscription (pull link)		<a href="http://www.swisscom.com/adhoc-subscribe">www.swisscom.com/adhoc-subscribe</a>
Minutes of the General Meetings	yearly	<a href="http://www.swisscom.ch/generalmeeting">www.swisscom.ch/generalmeeting</a>

Swisscom's investor relations specialists can be contacted via the website or by e-mail, telephone or post. Swisscom's website, contact details and the address of its headquarters are listed in the → [publishing details](#).

## 11 Financial calendar

Event	Date
Annual General Meeting for the 2025 financial year in Zurich Oerlikon	25 March 2026
Publication of results and interim report 1st quarter 2026	07 May 2026
Publication of results and interim report 2nd quarter 2026	06 August 2026
Publication of results and interim report 3rd quarter 2026	05 November 2026
Publication of annual results and annual report 2026	11 February 2027
Annual results press conference 2026	11 February 2027

The detailed financial calendar is published on the Swisscom website under 'Investors' and is updated on a regular basis.

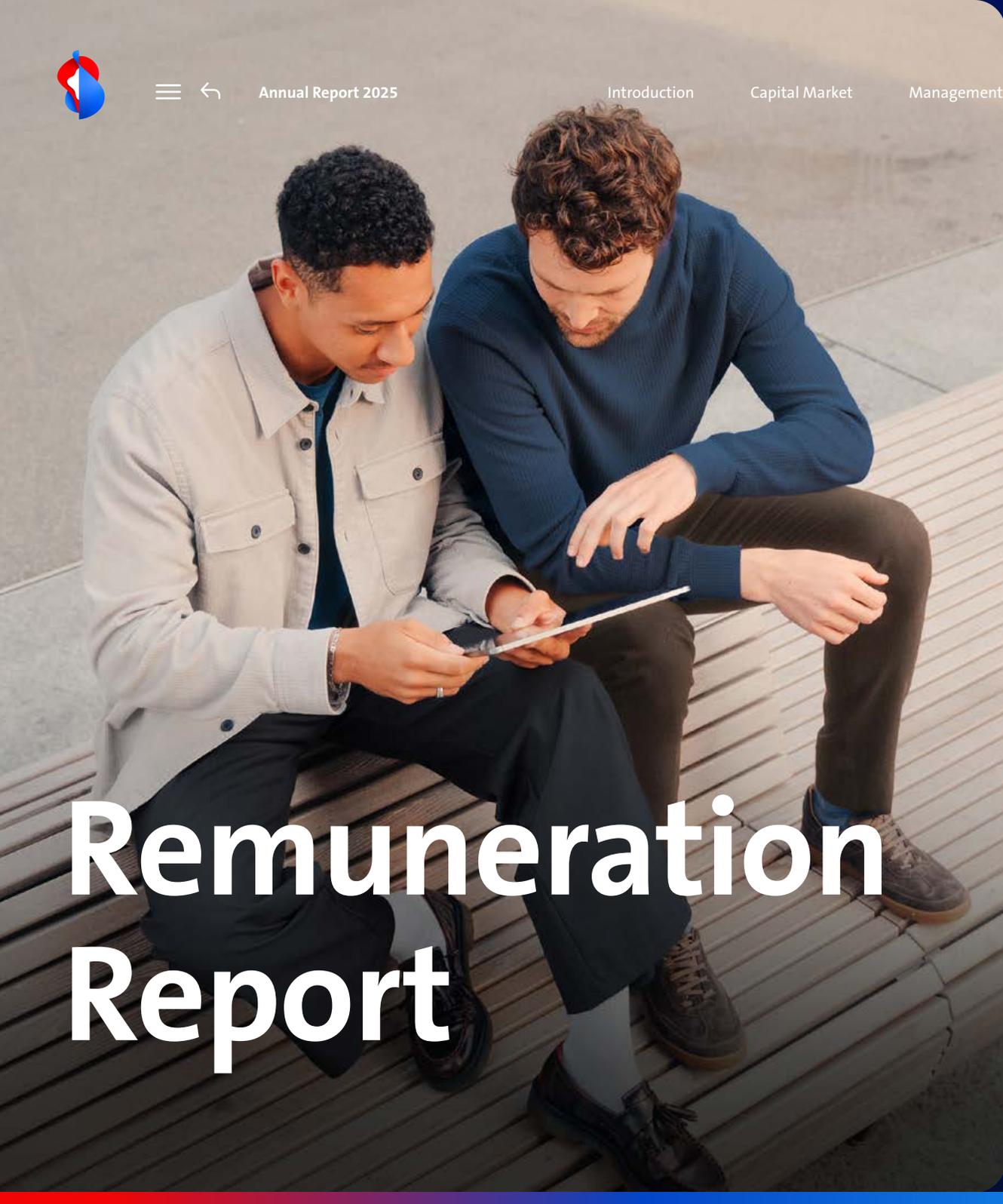
[See Financial calendar](#)

The clearing unit imposes extraordinary trading blackout periods on a list of individuals with relevant insider knowledge on an ad-hoc basis as other unpublished price-sensitive information arises. The clearing unit maintains corresponding insider lists. The extraordinary trading blackout period ends 24 hours after the price-sensitive information is made public or as specified by the clearing unit. The clearing unit informs employees of trading blackout periods by e-mail.

## 12 Trading blackout periods

To prevent insider trading by its Board of Directors, the Group Executive Committee or employees, Swisscom has defined measures, including ordinary and extraordinary trading blackout periods. Setting trading blackout periods is the responsibility of the internal clearing unit, which is made up of the Group CFO, the Head of Investor Relations and a specialist from the Legal division. The four ordinary trading blackout periods prior to the announcement of the company's figures apply to all employees and executives (insiders) who become aware of the unpublished company figures, for which the clearing unit maintains an insider list. Unless otherwise advised, the ordinary blackout period lasts for around four weeks and ends 24 hours after the company figures are made public. The clearing unit informs insiders of upcoming trading blackout periods by e-mail, and details are also available on the intranet.

The clearing unit makes decisions on exceptions to the ordinary and extraordinary trading blackout periods on a case-by-case basis. No exceptions were granted in the year under review.



# Remuneration Report

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# Letter from the Chair of the Compensation Committee

## Dear shareholders,

The Swisscom Group achieved solid financial results in 2025, with the acquisition of Vodafone Italia leading to a significant increase in revenue. With revenue of CHF 15,048 million and an operating result (EBITDAaL) of CHF 4,984 million, net income totalled CHF 1,270 million. The challenging process of integrating Vodafone Italia is progressing according to plan, allowing us to realise the first expected synergy effects. As a result of this development, Swisscom will propose an increase in the dividend from the current CHF 22 per share to CHF 26 per share for the 2025 financial year at the Annual General Meeting in March 2026.

As 'Innovators of Trust', we focus on secure, transparent solutions that empower individuals, businesses and society to leverage the opportunities of new technology. Our innovative new 'beem' offering, for instance, is ushering in a new era of cybersecurity for business customers in Switzerland. By directly integrating cybersecurity into its network, Swisscom is setting a new standard. In 2025, we also launched 'myAI', the AI assistant developed in Switzerland, for Switzerland with features ranging from text and image generation to data analysis.

Despite our stronger foothold in Italy, our commitment to Switzerland and its people remains unchanged. We are pressing ahead with the expansion of the network. The country will continue to enjoy one of the world's best network infrastructures.

The Compensation Committee reviewed the Group Executive Committee's remuneration system in 2025, looking for ways to bring it more in line with market standards, with greater orientation towards long-term performance management and value generation for shareholders. While the market relevance of long-term incentive components is proven, Swisscom's current remuneration framework and governance does not presently provide the flexibility required to introduce such elements. Nonetheless, the minimum shareholding requirement supports the long-term focus of remuneration, and the Compensation Committee proposed to the Board of Directors that the existing remuneration model be retained for 2026. In addition to financial performance – a key determinant of overall target achievement – the current model also includes targets related to business transformation. Group Executive Committee members will continue to receive a variable performance component, paid out in cash and blocked shares. This approach brings remuneration of the Group Executive Committee in line with strategy execution and allows for compensation of sustainable performance while also reflecting Swisscom's responsibility to the positive development of society and the protection of the environment.

Swisscom can look back on a successful 2025. Not only did it secure a good financial result, it also achieved strong progress in business transformation, as the Board of Directors found in their assessment. This resulted in an overall target achievement of 112% for the members of the Group Executive Committee. In the reporting year, the Board of Directors also approved an extraordinary RSU grant for the members of the Group Executive Committee to support long-term retention and acknowledge the leadership team's significant additional efforts in connection with the integration of Vodafone Italia. The Board believes strong, stable management is essential for the successful execution of Swisscom's strategic priorities and for realising the value creation potential of this major acquisition. Despite this grant, the total remuneration of the Group CEO and the members of the Group Executive Committee remains substantially below the first quartile of the market benchmark for comparable positions. The total remuneration for the members of the Board of Directors and the Group Executive Committee for the 2025 financial year is within the range approved by the 2025 Annual General Meeting.

Once again this year, you, the shareholders, will have an opportunity to decide on Swisscom's remuneration principles and system in the consultative vote on the Remuneration Report at the Annual General Meeting in March 2026. You will also be voting on the maximum total remuneration for the Board of Directors and the Group Executive Committee for the 2027 financial year. The proposed maximum remuneration for 2027 amounts to CHF 2.6 million for the Board of Directors and CHF 5.9 million for the Group Executive Committee.

The Compensation Committee will continue to fulfil its responsibilities by conducting further reviews of the remuneration strategy and system in the coming year. Our goal is to align Swisscom's principles with the interests of shareholders and other stakeholders and reward performance both appropriately and sustainably. We look forward to your support and thank you for your trust.

Kind regards,

Monique Bourquin, Chair of the Compensation Committee



# 1 Governance

## 1.1 General principles

The Remuneration Report is based on sections 3.5 and 5 of the Annex to the Corporate Governance Directive issued by the SIX Swiss Exchange and Articles 734–734f of the Swiss Code of Obligations. Swisscom is also guided by the recommendations of the Swiss Code of Best Practice for Corporate Governance issued by *economiesuisse*, the umbrella organisation for the Swiss business sector.

Swisscom’s internal principles for determining remuneration levels are primarily set out in the Articles of Incorporation, the Organisational Regulation and the Regulation of the Compensation Committee. The latest versions of these documents as well as their earlier and superseded versions can be viewed online on the Swisscom website under [☞ Guiding Principles](#).

[☞ See supplement to the Swiss Civil Code](#)

As in previous years, the Remuneration Report will be put to a consultative vote at the Annual General Meeting on 25 March 2026.

## 1.2 Division of responsibilities between the Annual General Meeting, the Board of Directors and the Compensation Committee

The Annual General Meeting, at the request of the Board of Directors, approves the maximum total amounts for the remuneration of the Board of Directors and the Group Executive Committee for the following financial year. Details of the relevant rules and the consequences of rejection by the Annual General Meeting are set out in Articles 6.7.13 and 6.7.14 of the Articles of Incorporation. Article 8.2.2 of the Articles of Incorporation also defines the requirements and maximum levels for additional amounts paid to new members of the Group Executive Committee who are appointed during a period for which the Annual General Meeting has already approved remuneration. In addition, the

Articles of Incorporation contain the following provisions relating to the remuneration policy:

- › Remuneration of the Board of Directors (Articles 7.4 and 9.1)
- › Compensation Committee (Article 7.5)
- › Remuneration of the Group Executive Committee (Articles 8.2 and 9.1)
- › Contracts of the Board of Directors and the Group Executive Committee (Article 9.2)
- › Number of external mandates for the Board of Directors and Group Executive Committee (Article 9.3)

The Board of Directors approves the personnel and remuneration policy for the Group, as well as the general terms and conditions of employment and the remuneration strategy for members of the Group Executive Committee. It determines the remuneration for the Board itself and decides on the remuneration of the Group CEO and the total remuneration of the Group Executive Committee, taking into account the maximum amounts approved by the Annual General Meeting.

The Compensation Committee handles all business of the Board of Directors concerning remuneration, submits relevant proposals to the Board and, within the framework of the approved total remuneration, has the authority to determine the remuneration of the individual Group Executive Committee members (with the exception of the Group CEO). It plans succession for the Board of Directors, the Group Executive Committee and the executive committees of the strategic subsidiaries, and discusses talent management and culture development within the Group. The Group CEO and other members of the Group Executive Committee do not participate in meetings at which changes to their remuneration are discussed or decided.

The Committee’s decision-making powers are governed by the Articles of Incorporation, the Organisational Regulation and the Regulation of the Compensation Committee.

[☞ See Guiding Principles](#)

The table below shows the division of responsibilities between the Annual General Meeting, the Board of Directors and the Compensation Committee.

Subject	Remuneration Committee	Board of Directors	Annual General Meeting
Maximum total amounts for remuneration of the Board of Directors (BoD) and Group Executive Committee (Group ExCo)	P <sup>1</sup>	R <sup>2</sup>	A <sup>3</sup>
Additional amount for the remuneration of newly appointed members of the Group ExCo (Articles of Incorporation)	P	R	A
Personnel and remuneration policy	P	A <sup>4</sup>	–
Remuneration Policies for the BoD and Group ExCo	P	A <sup>4</sup>	–
Principles of plans for the BoD and Group ExCo (Articles of Incorporation)	P	R	A
Principles underlying retirement benefit plans and social security payments	P	A	–
Equity and performance-related remuneration plans of the Group	P	A <sup>4</sup>	–
General terms of employment of the Group ExCo	P	A <sup>4</sup>	–
Definition of performance targets for the variable performance-related salary component of Group ExCo and ExCo of strategic Group companies	P	A <sup>4</sup>	–
Definition of achievement of targets for the variable performance-related salary component of Group ExCo and ExCo of strategic Group companies	P	A <sup>5</sup>	–
Remuneration of the BoD	P	A <sup>5</sup>	–
Remuneration of the Group CEO	P	A <sup>5</sup>	–
Total remuneration of the Group ExCo	P	A <sup>5</sup>	–
Remuneration of the members of the Group ExCo (excl. Group CEO)	A <sup>6</sup>	–	–
Remuneration Report	P	R	A <sup>7</sup>

- 1 P stands for preparation and proposal to the Board of Directors.
- 2 R stands for request to the Annual General Meeting.
- 3 A stands for approval.
- 4 In the framework of the Articles of Incorporation.
- 5 In the framework of the maximum total remuneration defined by the Annual General Meeting.
- 6 In the framework of the total remuneration defined by the Board of Directors.
- 7 Consultative vote.



### 1.3 Election, composition and working methods of the Compensation Committee

The Compensation Committee consists of three to six members who are elected individually each year by the Annual General Meeting. If the Committee falls below the minimum of three members, the Board of Directors nominates a member or members from among its number until the conclusion of the next Annual General Meeting. The Board of Directors appoints the Chair of the Compensation Committee, which constitutes itself. If elected to the Compensation Committee by the Annual General Meeting, the Chair of the Board of Directors has no voting rights. The Chair of the Board of Directors recuses themselves when changes in their own remuneration are discussed or decided upon. The Group CEO, Group CPO, Group Head of Rewards & Recognition and Head of Group Security & Corporate Affairs in their capacity as Secretary of the Board attend the meetings in an advisory capacity. Agenda items that exclusively concern the Board of Directors are discussed without the Group CEO and Group CPO present, who also recuse themselves if their own remuneration is under discussion. Other members of the Board of Directors, auditors or internal and external experts may be called upon to attend the meetings in an advisory capacity. Minutes are kept of the meetings, which are provided to the members of the Committee and to other members of the Board of Directors on request. The Chair of the Compensation Committee reports to the Board of Directors on Committee activities. The meetings of the Compensation Committee are generally held in February, June and December, with further meetings convened as required. The Compensation Committee did not request the presence of external consulting companies during the year under review.

These details are governed by Article 7.5 of the Articles of Incorporation, the Organisational Regulation and the Regulation of the Compensation Committee.

[See Guiding Principles](#)

The members of the Compensation Committee neither work nor have worked for Swisscom in an executive capacity, and have no significant commercial links with Swisscom Ltd or the Swisscom Group. There are customer and supplier relationships between the Swiss Confederation and Swisscom, details of which are provided in Note 6.2 to the consolidated financial statements → [Note 6.2 to the consolidated financial statements](#).

The following table gives an overview of the composition of the Compensation Committee, Committee meetings and circular resolutions in 2025.

	Meetings	Ad-hoc meetings	Circular resolutions
<b>Total</b>	<b>3</b>	<b>3</b>	<b>–</b>
Average duration (in hours)	02:35	00:55	–
<b>Participation:</b>			
Monique Bourquin, Chair	3	3	–
Roland Abt	3	3	–
Frank Esser	3	3	–
Michael Rechsteiner <sup>1</sup>	3	3	–
Fritz Zurbrügg	3	3	–

<sup>1</sup> Participation without voting rights.



## 2 Remuneration of the Board of Directors

### 2.1 General principles

Remuneration of the Board of Directors is designed to attract and retain experienced, motivated individuals and is commensurate with the activities and level of responsibility of each member. It also seeks to align the interests of the members of the Board of Directors with those of the shareholders. The basic principles for remuneration of the Board of Directors and the allocation of shares are set out in articles 7.4 and 9.1 of the Articles of Incorporation.

[See Guiding Principles](#)

The remuneration consists of a fixed director's fee based on the member's role (base fee plus functional allowances), statutory and regulatory employer contributions to social security and the occupational pension scheme, as well as any additional benefits. There is no variable performance-related remuneration. The members of the Board of Directors receive part of their fees in shares and must comply with minimum shareholding requirements to ensure they have a personal stake in the performance of Swisscom's shares.

Remuneration is normally reviewed in December for the following year. The Board of Directors compares its remuneration with that of companies listed in the Swiss Market Index (SMI), excluding companies with revenue in excess of CHF 20 billion as well as companies in the pharmaceuticals and financial sectors. Remuneration for the 2025 reporting year was reviewed in December 2024 based on an external benchmark study conducted by PwC in spring 2024. The peer group in the benchmark study includes the following companies in the indices SMI and SMI MID (excluding the pharmaceuticals and financial sectors): ABB, Adecco, BKW, Geberit, Givaudan, Holcim, Kuehne+Nagel, Lonza, Richemont, Schindler, SGS, Sika and Sonova. This peer group had a median market capitalisation of CHF 26 billion, median revenue of CHF 11 billion and a median headcount of 34,000 employees. The benchmark study confirmed that the remuneration package for the Board of Directors was in the lowest quartile.

### 2.2 Remuneration components

#### Director's fee

The director's fee is made up of a base fee and allowances as compensation for individual roles. The following amounts are paid per year.

In CHF	2025 gross	2024 gross
<b>Base fee per member</b>	<b>146,000</b>	<b>146,000</b>
<b>Functional allowances<sup>1</sup></b>		
Chair	308,000	308,000
Vice Chair	25,000	25,000
Audit Committee, Chair	61,000	61,000
Audit Committee, Member	17,000	17,000
Strategy & Investments Committee, Chair	25,000	25,000
Strategy & Investments Committee, Member	17,000	17,000
Compensation Committee, Chair	25,000	25,000
Compensation Committee, Member	15,000	15,000

<sup>1</sup> No functional allowance is paid for participation in ad-hoc committees appointed on a case-by-case basis.

Under the Management Incentive Plan, the members of the Board of Directors receive one third of their director's fee in the form of shares, with members who resign at the Annual General Meeting receiving a cash reimbursement on a pro-rata basis. Shares are allocated by tax value, rounded up to whole shares, and blocked for sale for three years. This sales restriction also applies to members who leave the company during the blocking period. The shares, which are allocated on a pro-rata basis in March or April and December of the reporting year, are recognised at market value on the date of allocation. The share-based remuneration is augmented by a factor of 1.19 to reflect the difference between the tax value and the market value. In March and December 2025, a total of 1,498 shares was allocated to the members of the Board of Directors (prior year: 1,513 shares) with a tax value of CHF 439

(March) and CHF 484 (December) per share (prior year: CHF 446/CHF 427, respectively). Their market value was CHF 523 (March) and CHF 577 (December) (prior year: CHF 531/CHF 509, respectively).

#### Contributions to social security and occupational pension, and additional benefits

Swisscom pays the statutory and regulatory employer contributions to social security and the occupational pension plan on top of the fee. These contributions are disclosed separately and are included in the total remuneration.

Where required by law, the individual members of the Board of Directors are insured against the economic consequences of old age, death and disability; the base fee is covered through the comPlan pension plan (see [www.pk-complan.ch](http://www.pk-complan.ch) for the regulations) and functional allowances under the 1e plan with VZ Sammelstiftung. The reported pension benefits cover all savings, guarantee and risk contributions that the employer pays to the pension plan.

The disclosure of benefits in kind and expenses is based on tax treatment. Swisscom does not offer significant benefits in kind. Out-of-pocket expenses are reimbursed on a lump-sum basis in accordance with expense reimbursement rules approved by the tax authorities, and other expenses are reimbursed on an actual cost basis. They are not included in the reported remuneration.



### 2.3 Total remuneration (audited)

The total remuneration paid to the individual members of the Board of Directors for the 2024 and 2025 financial years is presented in the tables below, broken down into individual components. The higher remuneration in 2025 is due in particular to the expansion of the

Board of Directors from nine to ten members as of 26 March 2025. The total remuneration is within the maximum of CHF 2.7 million approved by the 2025 Annual General Meeting.

2025, in CHF thousand	Base fee and functional allowances				Total 2025
	Cash remuneration	Share-based remuneration <sup>1</sup>	Employer contributions to pension plan	Employer contributions to social security	
Michael Rechsteiner, Chair	335	200	64	28	627
Roland Abt	159	96	–	12	267
Monique Bourquin	124	75	29	12	240
Laura Cioli <sup>2</sup>	83	50	20	8	161
Guus Dekkers <sup>3</sup>	109	65	–	23	197
Frank Esser <sup>4</sup>	152	91	–	–	243
Sandra Lathion-Zweifel	109	65	22	10	206
Anna Mossberg <sup>5</sup>	109	65	–	34	208
Daniel Münger	109	65	26	10	210
Fritz Zurbrügg	119	71	26	9	225
<b>Total remuneration to members of the Board of Directors</b>	<b>1,408</b>	<b>843</b>	<b>187</b>	<b>146</b>	<b>2,584</b>

- 1 The shares are reported at market value and are blocked from sale for three years.
- 2 Elected to the Board of Directors on 26 March 2025.
- 3 Subject to social security contributions in Great Britain.
- 4 Subject to social security contributions in Germany. No employer contributions are paid.
- 5 Subject to social security contributions in Sweden.

2024, in CHF thousand	Base fee and functional allowances				Total 2024
	Cash remuneration	Share-based remuneration <sup>1</sup>	Employer contributions to pension plan	Employer contributions to social security	
Michael Rechsteiner, Chair	335	200	64	28	627
Roland Abt	159	95	–	12	266
Monique Bourquin	124	74	29	11	238
Alain Carrupt <sup>2</sup>	39	–	–	2	41
Guus Dekkers <sup>3</sup>	109	65	–	21	195
Frank Esser <sup>4</sup>	152	91	–	–	243
Sandra Lathion-Zweifel	109	65	22	10	206
Anna Mossberg <sup>5</sup>	109	65	–	34	208
Daniel Münger <sup>6</sup>	83	50	20	8	161
Fritz Zurbrügg	119	71	28	11	229
<b>Total remuneration to members of the Board of Directors</b>	<b>1,338</b>	<b>776</b>	<b>163</b>	<b>137</b>	<b>2,414</b>

- 1 The shares are reported at market value and are blocked from sale for three years.
- 2 Left the Board of Directors on 27 March 2024. In the year of departure, the remuneration is paid out fully in cash.
- 3 Subject to social security contributions in Great Britain.
- 4 Subject to social security contributions in Germany. No employer contributions are paid.
- 5 Subject to social security contributions in Sweden.
- 6 Elected to the Board of Directors on 27 March 2024.



## 2.4 Minimum shareholding requirement

The members of the Board of Directors are required to maintain a minimum shareholding equivalent to their annual director's fee (base fee plus functional allowances). The required shareholding is generally built up within four years from the start of their term or assumption of a new role through remuneration paid in shares and, if necessary, share purchases on the market, taking internal and legal trading restrictions into consideration. The Compensation Committee reviews compliance with the shareholding requirement annually. Any member whose shareholding falls below the minimum due to a drop in the share price is required to make up the difference by the next review. In justified cases, such as personal hardship or legal obligations, the Chair of the Board of Directors may approve individual exceptions.

## 2.5 Shareholdings of the members of the Board of Directors (audited)

Blocked and non-blocked shares held by members of the Board of Directors and/or related parties as of 31 December in 2024 and 2025 are shown in the table below. None of the individuals who are subject to the disclosure obligation holds voting shares exceeding 0.1% of the share capital.

Number	31.12.2025	31.12.2024
Michael Rechsteiner	2,069	1,713
Roland Abt	1,632	1,462
Monique Bourquin	468	335
Laura Cioli <sup>1</sup>	87	n.a.
Guus Dekkers	639	523
Frank Esser	1,837	1,675
Sandra Lathion-Zweifel	858	742
Anna Mossberg	966	850
Daniel Münger	214	98
Fritz Zurbrügg	371	245
<b>Total shares held by the members of the Board of Directors</b>	<b>9,141</b>	<b>7,643</b>

<sup>1</sup> Elected to the Board of Directors on 26 March 2025.

# 3 Remuneration of the Group Executive Committee

## 3.1 General principles

Swisscom's remuneration policy as it applies to the Group Executive Committee is designed to attract and retain highly skilled, motivated specialists and executives and give them an incentive to achieve sustainable growth of company value. It is systematic and transparent with a long-term orientation, based on the following principles:

- › Total remuneration should be competitive, in line with the market as well as the internal salary structure.
- › Remuneration is based on performance in line with the results achieved by Swisscom.
- › Direct financial participation in the performance of Swisscom shares aligns the interests of management with the interests of shareholders.

The remuneration of the Group Executive Committee is a balanced combination of fixed and variable components. The fixed components include base salary, fringe benefits (primarily car allowance) and retirement benefits, while the variable remuneration consists of a performance-related component paid in both cash and shares.

The members of the Group Executive Committee are required to hold a minimum number of shares to give them a stake in the medium-term performance of Swisscom shares and align their interests with those of shareholders. To meet the minimum shareholding requirements, Group Executive Committee members have the option of receiving up to 50% of their variable performance-related component in shares.

The basic principles of performance-related remuneration and the equity participation plans of the Group Executive Committee are set out in Article 9.1 of the Articles of Incorporation.

[See Guiding Principles](#)

The remuneration of the respective Group Executive Committee members is determined on a discretionary basis taking into consideration the external market value of their role, the internal salary structure and individual performance.

To assess the market value of individual roles, Swisscom relies on cross-sector comparisons with Swiss companies as well as international sector comparisons. These two comparative perspectives provide an optimal view of the talent market relevant to Swisscom for executive positions. In reviewing the remuneration of the Group Executive Committee for 2025, Swisscom consulted a benchmark study by PwC that had been commissioned by the Board of Directors in 2024.

The peer group in the benchmark study consists of the following companies in the indices SMI and SMI MID (excluding the pharmaceuticals and financial sectors): ABB, Adecco, BKW, Geberit, Givaudan, Holcim, Kuehne+Nagel, Lonza, Richemont, Schindler, SGS, Sika and Sonova. The peer group had a median market capitalisation of CHF 26 billion, median revenue of CHF 11 billion and a median headcount of 34,000 employees. Both studies showed that the remuneration for the Group Executive Committee roles was in the lowest quartile of the relevant peer groups.

The Compensation Committee generally reviews the individual remuneration paid to members of the Group Executive Committee every three years of employment. In the year under review, the Board of Directors decided to adjust the Group CEO's remuneration, reflecting market benchmarks, the CEO's experience and performance, and maintaining consistency with inflation and salary developments applicable to employees in Switzerland during the same period.



### 3.2 Remuneration components

#### Base salary

The base salary is the remuneration paid according to the role, qualifications and performance of the individual member of the Group Executive Committee. It is based on a discretionary decision considering the external market value of the role and the salary structure for the Group's executive management. The base salary is paid in cash.

#### Variable performance-related component

The members of the Group Executive Committee are entitled to a variable performance-related salary component that represents 70% of their base salary if objectives are achieved in full (target bonus). The performance-related component depends on target attainment, as determined by the Compensation Committee, taking into account the performance evaluation by the Group CEO. If targets are exceeded, the performance-related bonus may not exceed 130% of the target bonus. The maximum performance-related salary component is thus limited to 91% of the base salary. This ensures that the performance-related

salary component does not exceed the annual base salary, even once the market value of the share component is taken into account.

#### Targets and target achievement for the variable performance-related component

The targets for the members of the Group Executive Committee consist of financial targets as well as topics relating to business transformation. The target structure reflects long-term, strategic considerations such as strengthening the core business by offering the best customer experiences and the best infrastructure, realising new growth opportunities, and continuously developing operational excellence.

#### Financial targets

The Board of Directors adopts the financial targets for the variable performance-related component each December for the coming year following a proposal by the Compensation Committee. In the year under review, the targets were adjusted slightly to ensure alignment with the Group strategy. Financial targets include revenue and operating free cash flow as before, but now also include earnings before interest, taxes, depreciation and amortisation after leases (EBITDAaL). This measure is used for internal financial controlling and in financial reporting, replacing the target of EBITDA margin (EBITDA as a percentage of revenue).

Under the new Group structure, all members of the Group Executive Committee are assessed solely against Swisscom Group targets, without separate Fastweb targets that applied in the previous year. The targets are based on the Swisscom Group budget figures for the reporting year. For the Italy segment, the budget figures were drawn from the forecast after the first quarter of 2025 due to the acquisition of Vodafone Italia as of 31 December 2024.

Overall target achievement also depends on the achievement of the minimum EBITDAaL requirement, referred to as the 'EBITDAaL threshold', which the Board of Directors sets each year with reference to the Group EBITDAaL target. Provided the EBITDAaL threshold is reached, overall target achievement is based on financial target achievement and performance evaluation in topics related to business transformation (0% to 130%). If the EBITDAaL threshold is not reached, overall target achievement for the members of the Group Executive Committee is 0% and they do not receive a variable performance-related salary component.

#### Remuneration system

Remuneration components and their influencing factors



#### Determination of target achievement

As the decisive basis for the payment of the performance-related component





The Compensation Committee determines achievement of financial targets with a scale for over- and underachievement of each target ranging from 0% to 200%, adjusted for deviations resulting from special effects such as exchange rate fluctuations, corporate transactions, mergers and acquisitions. Achievement of the financial targets is determined according to the weighting of the individual targets and cannot exceed 200% overall.

**Weighting of financial targets**

Financial targets	Weighting
Revenue	30%
EBITDAaL	30%
Operating free cash flow	40%

**Business transformation**

The topics relevant to Swisscom's long-term success are summarised under the term 'business transformation'. These topics help align remuneration with shareholder interests as they form the basis for comprehensively assessing Swisscom's performance, which is geared towards the long term. Under the new Group structure, the Board of Directors has divided the business transformation topics into the segments Switzerland and Italy.

Switzerland retains the topics of customers, growth and sustainability, but no longer considers the dimension of operating performance. For the topic of customers, residential and business customer satisfaction is measured by the net promoter score, a recognised indicator of customer loyalty. Growth is measured by innovation indicators and revenue increase in specific growth areas, along with the new measure of profitability growth in the B2B IT business. The dimension of sustainability includes indicators on employee satisfaction and diversity and the new measure of succession planning, as well as CO<sub>2</sub> reduction and energy efficiency, reflecting Swisscom's responsibility to the positive development of society and protection of the environment. Further information on Swisscom's contribution to society and the environment can be found in the → [Sustainability Statements](#).

For Italy, progress in the integration of Vodafone Italia is measured by performance against synergy targets and integration milestones.

The Compensation Committee uses key figures and deviations from the multi-year average or the previous year to determine performance

in the business transformation topics. It assesses overall business transformation performance at its own discretion on a scale of +/- 0 to 20 percentage points, with Switzerland and Italy considered with equal weighting.

**Business transformation topics**

Securing long-term success





### Overall target achievement

Overall target achievement is calculated based on achievement of financial targets, modified by the assessment of the business transformation performance. To ensure that the resulting overall target achievement adequately reflects the performance of the Group Executive Committee and reflects shareholders' interests in long-term value creation, the Compensation Committee may, in exceptional situations, adjust the overall target achievement to reflect actual management performance, taking into account such factors such as currency fluctuations, extraordinary financial effects and unforeseen market developments. The overall target achievement is limited to a maximum of 130%. Based on the overall target achievement, the Compensation Committee submits a proposal to the Board of Directors to approve the amount of the performance-related component to be paid to the Group Executive Committee and the Group CEO.

### Payment of the variable performance-related salary component

The variable performance-related component for a given financial year is paid in March or April of the following year, with 25% paid in the form of Swisscom shares under the Management Incentive Plan, although members may opt to increase this proportion up to a maximum of 50%. The remaining portion of the performance-related component is paid in cash. Group Executive Committee members who leave during the year generally receive the full performance-related component for the current year paid in cash. Members must decide on the share component no later than November of the reporting year, after publication of the third quarter results. The shares are allocated based on their tax value, rounded up to whole shares, and blocked from sale for three years. This sales restriction also applies if the employment relationship is terminated during the blocking period. The share-based remuneration disclosed in the year under review is augmented by a factor of 1.19 to reflect the difference between the market value and the tax value. The market value is determined at the date of allocation, which will be in March 2026 for the year under review.

In March 2025, the nine members of the Group Executive Committee at that time received a total of 2,842 shares (prior year: 1,694 shares) with a tax value of CHF 439 (prior year: CHF 446) per share and a market value of CHF 523 (prior year: CHF 531) per share for the 2024 financial year.

### Restricted share plan

The restricted share plan supports the recruitment and retention of employees in key positions and may also serve as a remuneration instrument for members of the Group Executive Committee. Where appropriate, the Board of Directors may grant part of the remuneration in the form of restricted share units (RSUs).

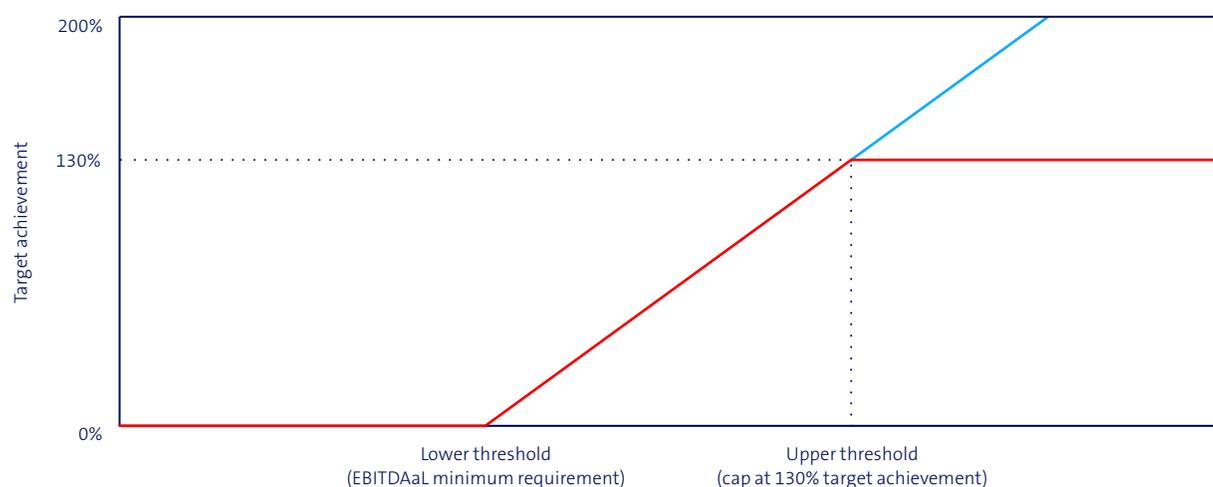
Each RSU entitles the holder, after a three-year vesting period, to receive one Swisscom share free of charge, supplemented by an amount reflecting the dividends paid on Swisscom shares during the vesting period ('dividend equivalents'). The transfer of shares is subject to the recipient being an ongoing employment relationship without pending termination at the end of the vesting period.

### Pension fund and fringe benefits

The members of the Group Executive Committee, like all eligible employees in Switzerland, are insured against the financial consequences of old age, death and disability through the comPlan pension plan (for pension fund regulations, see [www.pk-complan.ch](http://www.pk-complan.ch)). Pension benefits cover all savings, guarantee and risk contributions that the employer pays to the pension plan as well as the pro-rata costs of the AHV bridging pension paid by comPlan in the event of early retirement and the premium for the term life insurance concluded for Swisscom management staff in Switzerland. Further information is provided in → [Note 4.3 to the consolidated financial statements](#).

The disclosure of fringe benefits, benefits in kind and expenses is based on their tax treatment. The members of the Group Executive Committee are entitled to a car allowance. Out-of-pocket expenses are reimbursed on a lump-sum basis in accordance with expense reimbursement rules approved by the tax authorities, and other expenses are reimbursed on an actual cost basis. They are not included in the reported remuneration.

### Thresholds for overall target achievement



In the year under review, the Board of Directors granted RSUs to the Group Executive Committee members for the first time to foster long-term retention as well as to acknowledge and compensate the substantial additional efforts required in connection with the integration of Vodafone Italia. The Board of Directors believes that management continuity and sustained engagement are crucial for the successful implementation of the corporate strategy and the realisation of the value creation potential of the Vodafone Italia acquisition.

When determining the scope of this extraordinary RSU grant, the Board of Directors also considered market benchmarks for total remuneration applicable to comparable Group management functions. In December 2025, a total of 945 RSUs were granted to Group Executive Committee members at a market value of CHF 573.



### 3.3 Total remuneration

The following table shows the total remuneration paid to the members of the Group Executive Committee for the 2024 and 2025 financial years, broken down into individual components and including the highest amount paid to a single member. In the year under review, the total remuneration for the Group Executive Committee was CHF 7.15 million (previous year: CHF 10.5 million), which is within the maximum total amount of CHF 7.2 million approved by the Annual General Meeting for 2025. The decrease in the total remuneration is mainly attributable to the reduction of the Group Executive Committee from nine to four members as of 1 April 2025. The highest remuneration was paid to the Group CEO, Christoph Aeschlimann. This is 13% higher than the previous year, which is primarily due to the exceptional grant of restricted share units that will vest in 2028, subject to service conditions being met. The variable performance-related component for members of the Group Executive Committee (CHF 2.3 million in total) was around 83% of the base salary (CHF 2.8 million in total).

#### Remuneration of the Group Executive Committee (audited)

In CHF thousand	Total Group Executive Committee 2025 <sup>5</sup>	Total Group Executive Committee 2024 <sup>6</sup>	Thereof Christoph Aeschlimann 2025	Thereof Christoph Aeschlimann 2024
Fixed base salary paid in cash	2,793	4,330	915	882
Variable performance-related remuneration paid in cash	1,454	2,226	359	361
Variable performance-related remuneration paid in shares <sup>1</sup>	861	1,570	427	430
Restricted share units (RSUs) <sup>2</sup>	541	–	210	–
Fringe benefits	133	220	25	24
Employer contributions to social security <sup>3</sup>	480	708	162	145
Retirement benefits	646	1,079	134	130
<b>Total remuneration to members of the Group Executive Committee</b>	<b>6,908</b>	<b>10,133</b>	<b>2,232</b>	<b>1,972</b>
Benefits paid to former members of the Group Executive Committee <sup>4</sup>	243	331	–	–
<b>Total remuneration paid to Group Executive Committee, incl. benefits paid to former members</b>	<b>7,151</b>	<b>10,464</b>	<b>2,232</b>	<b>1,972</b>

<sup>1</sup> The shares are reported at market value and are blocked from sale for three years.

<sup>2</sup> RSUs are reported based on market value at grant date and have a vesting period of three years.

<sup>3</sup> Employer contributions to social security (OASI, DI, EO and FZ, incl. administration costs, and daily sickness benefits and accident insurance) are included in the total remuneration.

<sup>4</sup> Remuneration paid to fulfil contractual obligations during the notice period to a former member of Group Executive Committee who resigned in 2024. The amount in 2025 reflects remuneration paid until 31. March 2025 before the reduction of the Group Executive Committee to four members.

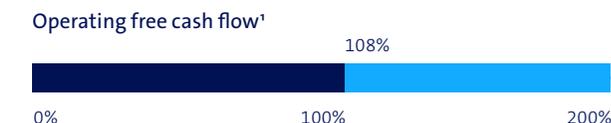
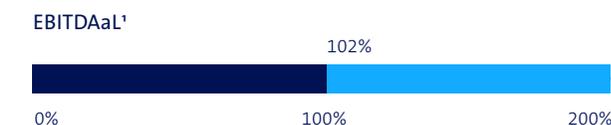
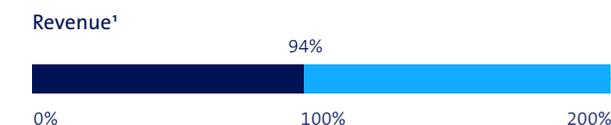
<sup>5</sup> Nine Group Executive Committee members until 31 March 2025; four Group Executive Committee members from 1 April 2025.

<sup>6</sup> Nine members of the Group Executive Committee.

#### Achievement of targets for the variable performance-related salary component in 2025 (not audited)

Overall, the Swisscom Group achieved its financial targets in the year under review. The achievement of the individual financial targets is shown in the table below. After weighting of the individual targets, this results in financial target achievement of 102% for the Group CEO and the other members of the Group Executive Committee.

#### Financial target achievement



<sup>1</sup> Adjusted for items which do not reflect management performance in comparison to the budget figures on which targets are based, particularly accounting effects mainly in connection with the acquisition of Vodafone Italia.

The Compensation Committee assessed performance in the different business transformation topics on the basis of defined key performance indicators and deviations from the multi-year average and the previous year, respectively. The assessment of the individual topics is summarised in the following overview.



**Business transformation performance**

Segment	Dimension	Topic	KPIs	Board of Directors Compensation Committee assessment	
Switzerland	Customers	Customer satisfaction	<ul style="list-style-type: none"> <li>&gt; Net promoter score for B2C and B2B (SMEs and large customers)</li> </ul>	Swisscom outperformed the NPS targets in both of the B2B customer segments. In the B2C segment, the NPS is maintained at a high level with extended lead over competition, and churn rates remain low. Swisscom also won all the relevant sales and service tests.	
	Growth	Growth and innovation	<ul style="list-style-type: none"> <li>&gt; Revenue growth in growth areas</li> <li>&gt; Profitability growth in B2B IT business</li> <li>&gt; External perception of innovation according to caliber</li> </ul>	Overall revenue growth was solid in most growth areas but did not fully meet the ambitious expectations. Profitability in the IT business improved year over year, although further progress is required to reach targeted levels. Swisscom continues to lead the field in terms of reputation for innovation compared to its competitors.	
	Sustainability	Employees	<ul style="list-style-type: none"> <li>&gt; eNPS employee survey</li> <li>&gt; Workplace perception caliber (internal)</li> <li>&gt; Diversity (generation, gender, origin, inclusion)</li> <li>&gt; Succession planning</li> </ul>	Swisscom achieved strong people results across all dimensions. Employer attractiveness remained consistently high, supported by a strong employer NPS. All key diversity KPIs show positive development. Notable progress was achieved in talent management and succession planning, reinforcing leadership continuity through strengthened talent pipelines and targeted development initiatives.	
		Environment	<ul style="list-style-type: none"> <li>&gt; Scopes 1–3 CO<sub>2</sub> reduction</li> <li>&gt; Scope 4 CO<sub>2</sub> reduction</li> <li>&gt; Increase in energy efficiency</li> </ul>	Swisscom achieved or exceeded all defined environmental targets for 2025 and remains firmly on track toward the 2035 net zero ambition. Performance on key sustainability indicators was slightly ahead of expectations.	
Italy	Integration Vodafone Italia	Integration milestones	<ul style="list-style-type: none"> <li>&gt; Migration of Fastweb mobile customer base</li> <li>&gt; Realisation of savings from Vodafone Group disentanglement</li> <li>&gt; Joint NewCo offering B2C/B2B</li> <li>&gt; New organisation structure and nomination of N2/N3 leaders</li> <li>&gt; Decision on future brand</li> </ul>	All defined integration milestones were fully achieved or are on track for completion. Overall post-merger integration and synergy delivery are fully on track, with 2025 synergy targets progressing in line with expectations and integration costs managed within budget. These results reflect excellent execution and effective post-merger integration management.	



Based on the assessment of the individual topics, the Compensation Committee assessed business transformation performance at +10 percentage points on a scale of +/- 0 to 20 percentage points. The EBITDAaL threshold was reached and the overall target achievement – financial target achievement and business transformation performance – was 112% of the target bonus for the Group CEO and the other members of the Group Executive Committee. For the members of the Swiss Executive Committee who were part of the Group Executive Committee until March 31, the overall target achievement amounted to 107%, based on the achievement of financial targets for Switzerland and assessment of business transformation performance in Switzerland.

### 3.4 Minimum shareholding requirement

The members of the Group Executive Committee are required to hold a minimum number of Swisscom shares, corresponding to two years' base salary for the Group CEO and one year's base salary for the other members of the Group Executive Committee. Members build up the required shareholding over four allocation periods with the blocked share component of their variable remuneration and, if necessary, share purchases on the open market, taking internal trading restrictions into consideration. The Compensation Committee reviews compliance with the shareholding requirement annually. Any member whose shareholding falls below the minimum requirement due to a drop in the share price or a salary adjustment must make up the difference by the next review. In justified cases, such as personal hardship or legal obligations, the Chair of the Board of Directors may approve individual exceptions.

### 3.5 Shareholdings of the members of the Group Executive Committee (audited)

Blocked and non-blocked shares, as well as restricted share units held by members of the Group Executive Committee and/or related parties as of 31 December 2024 and 2025 are shown in the table below.

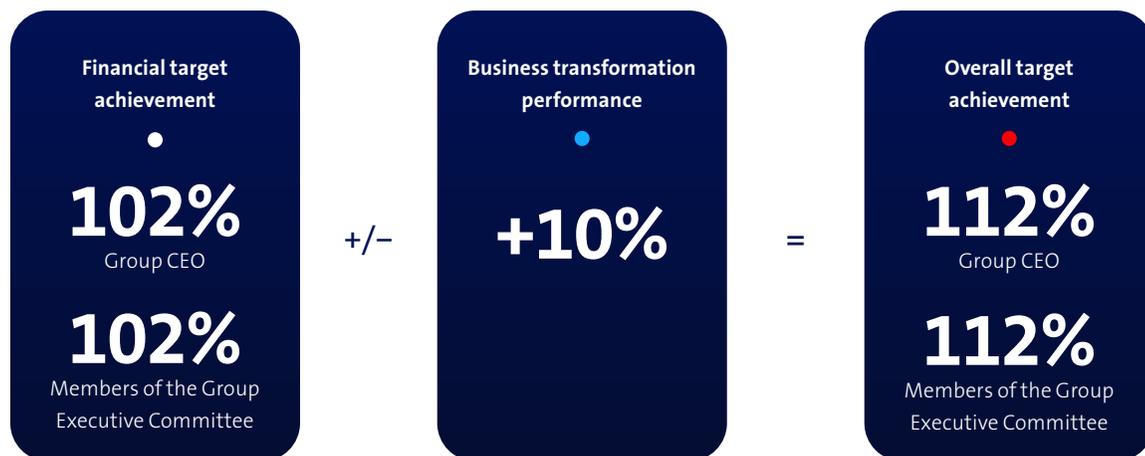
None of the persons subject to the disclosure requirement held voting shares exceeding 0.1% of the share capital.

Number	31.12.2025		31.12.2024	
	Shares	RSUs <sup>1</sup>	Shares	RSUs
Christoph Aeschlimann (Group CEO)	2,506	367	1,682	–
Isa Müller-Wegner	559	193	120	–
Klementina Pejic	921	175	655	–
Eugen Stermetz	1,026	210	569	–
Former members	n/a	n/a	4,622 <sup>2</sup>	–
<b>Total shares and RSUs held by the members of the Group Executive Committee</b>	<b>5,012</b>	<b>945</b>	<b>7,648</b>	<b>–</b>

<sup>1</sup> In 2025, restricted share units (RSUs) were granted to the Group Executive Committee for the first time.

<sup>2</sup> Mark Düsener (195), Myriam Käser (–), Urs Lehner (1,642), Martin Vögeli (799) und Dirk Wierzbitzki (1,986).

#### Overall target achievement



### 3.6 Employment contracts

The employment contracts of the members of the Group Executive Committee are subject to a twelve-month notice period. No termination benefits apply beyond the salary payable for a maximum of twelve months. The contracts do not contain non-competition or change of control clauses.

### 3.7 Clawback and malus

Employment contracts for the members of the Group Executive Committee contain a clawback and malus clause under which Swisscom may forfeit or reclaim any remuneration that has been unlawfully awarded or paid. In the event of revision of the consolidated or annual financial statements, or serious violations of laws, regulations, contractual duties of care or internal directives, the Board of Directors may reduce the variable performance-related component of members' remuneration, waive payment or reclaim payments already made.



## 4 Other remuneration (audited)

### 4.1 Additional remuneration

Swisscom may pay remuneration to members of the Board of Directors for assignments in Group companies and external assignments undertaken by order of Swisscom (Article 8.2 of the Articles of Incorporation). No such remuneration was paid in the year under review.

[See Guiding Principles](#)

The members of the Group Executive Committee are not entitled to separate remuneration for any directorships they hold either within or outside the Swisscom Group.

### 4.2 Remuneration for former members of the Board of Directors or Group Executive Committee and their related parties

There was no non-market-standard remuneration paid to former members of the Board of Directors or Group Executive Committee or their closely related parties in the year under review.

### 4.3 Loans and credits granted

Swisscom Ltd has no statutory basis for the granting of loans, credit facilities or pension benefits outside occupational pension plans to the members of the Board of Directors and Group Executive Committee.

In the 2025 financial year, Swisscom did not grant any collateral, loans, advances or credit facilities of any kind to former or current members of the Board of Directors or the Group Executive Committee or their related parties, and there are no corresponding receivables outstanding.

## 5 Activities at other companies (audited)

### 5.1 Board of Directors

As of 31 December 2025, the members of the Board of Directors and the Group Executive Committee held external mandates or conducted other significant activities at other companies as follows:

#### Michael Rechsteiner

##### Mandates in listed companies

Member of the Board of Directors, the Audit, Risk & Compliance Committee and the Human Capital & ESG Committee of Sandoz Group AG, Risch

##### Mandates in non-listed companies

–

##### Mandates in interest groups, associations, institutions and foundations, and employee retirement benefit foundations

Member of the Board of Trustees of the ETH Foundation, Zurich

##### Mandates by order of Swisscom

Until September 2025, member of the Board of Directors and the Board Committee of economiesuisse

##### Other significant activities

–

#### Roland Abt

##### Mandates in listed companies

Member of the Board of Directors and Chair of the Audit Committee of Bystronic AG (formerly Conzzeta AG), Zurich

##### Mandates in non-listed companies

Mandates in Aargau Verkehr (AVA): Chair of the Board of Directors of Aargau Verkehr AG, Aarau, and Chair of the Board of Directors of Limmat Bus AG, Dietikon; Chair of the Board of Directors of Eisenbergwerk Gonzen AG, Sargans

##### Mandates in interest groups, associations, institutions and foundations, and employee retirement benefit foundations

President of the Board of Trustees of Fürsorgestiftung Conzzeta, Zurich; President of the Board of Trustees of Pensionskasse Conzzeta, Zurich

##### Other significant activities

–

#### Monique Bourquin

##### Mandates in listed companies

Member of the Board of Directors, the Market Committee, the Compensation Committee and the Agricultural Council of Emmi AG, Lucerne; member of the Board of Directors and Chair of the Compensation Committee of Chocoladefabriken Lindt & Sprüngli AG, Kilchberg

##### Mandates in non-listed companies

Member of the Board of Directors of Kambly Holding AG, Trubschachen; member of the Board of Directors of W. Kündig & Cie AG, Zurich; President of the Board of the Swiss branded goods association Promarca, Berne; Rivella mandates: member of the Board of Directors of Rivella AG, Rothrist, member of the Board of Directors of Miroma AG, Rothrist; Chair of the Management Board of Euqinom GmbH, Rüdlingen; Managing Director of Estarog GmbH, Rüdlingen

##### Other significant activities

Member of the Advisory Board of the Foundation of Swiss Board Institute, Geneva; member of the Foundation Board of Schweizerische Stiftung für technische Entwicklungszusammenarbeit (Swiss Foundation for Technical Cooperation) Swisscontact, Zurich

#### Laura Cioli

##### Mandates in listed companies

Member of the Board of Directors, the Remuneration Committee and ESG Committee of Sofina S.A., Brussels, Belgium; until October 2025, Member of the Board of Directors, the Risks Committee and Appointments Committee of Mediobanca – Banca di Credito Finanziario S.p.A., Milan, Italy

##### Mandates in non-listed companies

–

##### Other significant activities

–

#### Guus Dekkers

##### Mandates in listed companies

CTO and member of the Executive Committee, Tesco PLC, London

##### Mandates in non-listed companies

–

##### Other significant activities

Member of the Advisory Board of the Fraunhofer Institute for Secure Information Technology SIT, Darmstadt; member of the Advisory Board of the National Research Center for Applied Cybersecurity ATHENE, Darmstadt

#### Frank Esser

##### Mandates in listed companies

Chair of the Board of Directors of SES S.A., Luxembourg

##### Mandates in non-listed companies

–

##### Other significant activities

–

**Sandra Lathion-Zweifel****Mandates in listed companies**

–

**Mandates in non-listed companies**

Member of the Board of Directors and the Audit Committee and Chair of the Nomination and Remuneration Committee of the Raiffeisen Switzerland Cooperative, St. Gallen

**Other significant activities**

Member of the Advisory Board of the CMTA – The Capital Markets and Technology Association, Geneva; member of the Executive Board of swissVR, Rotkreuz; member of the Advisory Board of the Lucerne Dialogue Association – European Economic Forum, Lucerne

**Anna Mossberg****Mandates in listed companies**

Member of the Board of Directors, Remuneration & Sustainability Committee and Audit Committee of Swedbank AB, Stockholm; member of the Board of Directors of Volvo Cars AB, Gothenburg

**Mandates in non-listed companies**

Member of the Board of Directors, the Nomination and Compensation Committee of Ringier AG, Zofingen; member of the Board of Directors of the Marshall Group, Stockholm until June 2025

**Other significant activities**

Member of the Advisory Board of Axcel Management A/S, Copenhagen until May 2025; member of the Strategic Advisory Board of the Boards Impact Forum

**Daniel Münger****Mandates in listed companies**

–

**Mandates in non-listed companies**

–

**Other significant activities**

Tripartite Federal Commission for Measures Accompanying the Free Movement of Persons (TPK FlaM) until December 2025

**Fritz Zurbrügg****Mandates in listed companies**

–

**Mandates in non-listed companies**

–

**Other significant activities**

–

**5.2 Group Executive Committee**

As of 31 December 2025, the members of the Group Executive Committee held external mandates or performed other significant activities at other companies as follows:

**Christoph Aeschlimann****Mandates by order of Swisscom**

Member of the Board of Directors of Association Suisse des Télécommunications (asut), Berne; member of the Board of Trustees of the Swiss Entrepreneurs Foundation, Berne; member of the Board of the IMD Foundation, Lausanne; Chair of the Board of Trustees of DeepTech Nation Switzerland Foundation, Zurich; since September 2025 member of the Board of Directors and the Board Committee of economiesuisse

**Other significant activities**

Member of the Steering Committee of digitalswitzerland, Zurich; member of the Advisory Board of the Geneva School of Economics and Management at the University of Geneva; member of the Board of the Economic Society of the Canton of Berne (VWG Bern); member of the Board of the Swiss-American Chamber of Commerce, Zurich; since May 2025 member of the Digital Advisory Board of Deutsche Telekom; since June 2025 member of the Advisory Board of Venture Foundation, Windisch

**Isa Müller-Wegner****Mandates by order of Swisscom**

–

**Other significant activities**

Member of the Advisory Board of the Swiss Diversity Association, Zurich

**Klementina Pejic****Mandates by order of Swisscom**

Member of the Board of Trustees of the comPlan pension fund, Berne

**Other significant activities**

Member of the Institute Council of the international institute of management in technology (iimt) at the University of Fribourg; member of the Executive Board of the Swiss Employers' Association, Zurich; since October 2025 member of the ES Advisory Board of the University of St.Gallen

**Eugen Stermetz****Mandates by order of Swisscom**

–

**Other significant activities**

–

**6 Gender representation (audited)**

There are four women on the Board of Directors of Swisscom Ltd, a proportion of 40%. The proportion of women on the Group Executive Committee is 50%. As at 31 December 2025, Swisscom was therefore compliant with the legal requirements regarding gender representation on the Board of Directors and the Group Executive Committee.



## Report of the statutory auditor to the General Meeting of Swisscom Ltd, Ittigen

### Opinion

We have audited the remuneration report of Swisscom Ltd (the Company) for the year ended 31 December 2025. The audit was limited to the information pursuant to article 734a-734f of the Swiss Code of Obligations (CO) in the tables marked 'audited' on pages 70 to 83 of the remuneration report.

In our opinion, the information pursuant to article 734a-734f CO in the remuneration report (pages 70 to 83) complies with Swiss law and the Company's articles of incorporation.

### Basis for opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the 'Auditor's responsibilities for the audit of the remuneration report' section of our report. We are independent of the Company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the tables marked 'audited' in the

remuneration report, the consolidated financial statements, the financial statements and our auditor's reports thereon.

Our opinion on the remuneration report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the remuneration report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the audited financial information in the remuneration report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Board of Directors' responsibilities for the remuneration report

The Board of Directors is responsible for the preparation of a remuneration report in accordance with the provisions of Swiss law and the Company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the preparation of a remuneration report that is free from material misstatement, whether due to fraud or error. It is also charged with structuring the remuneration principles and specifying the individual remuneration components.

### Auditor's responsibilities for the audit of the remuneration report

Our objectives are to obtain reasonable assurance about whether the information pursuant to article 734a-734f CO is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the

PricewaterhouseCoopers AG, Birchstrasse 160, 8050 Zurich  
+41 58 792 44 00



aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this remuneration report.

As part of an audit in accordance with Swiss law and SA-CH, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement in the remuneration report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.

We communicate with the Board of Directors or its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors or its relevant committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

PricewaterhouseCoopers AG

Petra Schwick  
Licensed audit expert  
Auditor in charge

Arsim Arslani  
Licensed audit expert

Zurich, 11 February 2026



# Sustainability Statements

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# The big picture

The digital transformation is rapidly changing society and the economy, with connectivity and data volumes increasing in response to changing customer needs. Environmental and social considerations are vital in meeting regulatory demands, reducing operational risks, attracting sustainability-conscious investors and customers, and staying resilient in a world increasingly impacted by climate change.

## The primary ambition of the Swisscom Group

As Switzerland's leading ICT company and as a market leader in Italy with Fastweb + Vodafone, the Swisscom Group aims to seize the opportunities of the digital transformation to advance the prosperity of the two countries while promoting sustainable development. Following the successful acquisition of Vodafone Italia on 31 December 2024, Swisscom adopted its first Group-wide sustainability strategy in the year under review, which covers the businesses in both Switzerland and Italy. As an 'Innovator of Trust', Swisscom Group takes climate action, aims to be a pioneer in energy efficiency and commits to fair supply chains. It promotes digital literacy, inclusion, data security and ethics, and invests in reliable, high-performance ICT infrastructure. The Swisscom Group has always considered environmental impact, social aspects and governance in its corporate decisions.

## Transparency through new reporting standards

With large enterprises adopting the Corporate Sustainability Reporting Directive (CSRD) and European Sustainability Reporting Standards (ESRS), the requirements for transparency and comparability in corporate sustainability reporting are increasing. Responding to developments at the European level, the Swisscom Group has decided to draw up consolidated Sustainability Statements by implementing new reporting requirements on a voluntary basis for the first time in 2025. Hereby, only partial ESRS compliance was pursued,

considering ongoing regulatory changes on European level. The Group believes that high-quality, trustworthy sustainability reporting is a prerequisite for effective planning, monitoring and management of sustainability issues and helps to meet strategic sustainability targets.

This report reflects an overall view of the Swisscom Group as well as country-specific conditions:

- › **Swisscom Group** refers to Swisscom Ltd and its fully consolidated subsidiaries; based on the Group's consolidated financial statements.
- › **Swisscom** covers the segments 'Switzerland' and 'Others' in the financial statements. The majority is made up of activities in Switzerland along with some activities outside Switzerland and Italy (3% FTE; 0.1% revenue).
- › **Fastweb + Vodafone** refers to the 'Italy' segment of the financial statements and represents activities across Italy.

The operating segments are described in greater detail in the financial statements.

- **Operating segments**
- **Basis of preparation**





## ESG ratings and awards

The Swisscom Group's corporate responsibility performance is assessed according to standardised ESG criteria, ensuring that its activities around environmental, social and governance issues are transparent and comparable.

■ ESG rating ■ ESG award

### Swisscom

**Platinum – Top 1% (86/100)**  
EcoVadis sustainability ratings global supply chains 2025  
[EcoVadis](#)

**ESG risk rating of 17.2 (low)**  
Sustainalytics ESG risk rating  
[Sustainalytics](#)

**1st place (91.2/100)**  
Ethos study on digital responsibility 2023  
[Ethos](#)

**Top 500**  
TIME & Statista World's Most Sustainable Companies 2025  
[TIME](#)

**Top 500**  
World's Best Companies in Sustainable Growth 2026  
[TIME](#)

**AA leader in sustainability index**  
MSCI ESG rating  
[MSCI](#)

**Leader (8.7/10)**  
Global Child Forum 2025  
[Global Child Forum](#)

**7th place out of 800 companies**  
Statista & Financial Times Europe's Diversity Leaders 2026  
[FT-Statista](#)

**1st place (Technology category)**  
Swiss Sustainability Reporting Excellence Awards 2025  
[PwCSwitzerland](#)

**Europe's Climate Leaders 2025**  
Europe's Climate Leaders 2025  
[Europe's Climate Leaders](#)

**Climate change rating A**  
Carbon Disclosure Project  
[CDP scores](#)

**ESG Leader**  
ZKB ESG analysis 2023  
[ZKB](#)

**The world's most sustainable ICT company**  
World Finance Sustainability Award 2025  
[World Finance](#)

**Most Sustainable Telecommunications Company**  
International Investor Award 2025  
[International Investor Magazine](#)

**Schindler Supplier Award for Sustainability 2023**  
Awarded on Schindler Supplier Day

### Fastweb

**Platinum – Top 1% (86/100)**  
EcoVadis sustainability ratings global supply chains 2025  
[EcoVadis](#)

**Europe's Climate Leaders**  
Financial Times and Statista 2025  
[FT-Statista](#)

**Italy's best employers for women**  
Corriere della sera and Statista 2026  
[Statista](#)

**Standard Ethics EE+ (very strong)**  
Standard Ethics Sustainability Rating 2025  
[Standard Ethics](#)

**Europe's Diversity Leaders**  
Financial Times and Statista 2025  
[FT-Statista](#)

**Best Workplace Italia**  
Great Place to Work 2025  
Company > 1,000 employees  
[Greatplacetowork.it](#)

**Top 10 most inclusive Italian brands**  
Diversity Brand Summit  
[Diversitybrandsummit.it](#)  
[Ansa.it](#)

### Vodafone Italia

**Sustainability Leader**  
Sole24Ore and Statista 2025  
[Ilsole24ore.com](#)



# Swisscom Group's contribution to the SDGs

The Swisscom Group's sustainability strategy is also determined by the United Nations' 2030 Agenda with its 17 Sustainable Development Goals (SDGs). This overview underlines its contribution to the SDGs by addressing material topics described across the Sustainability Statements.

## Environment



- › Promoting energy efficiency with innovative data centres and proprietary products.
- › Meeting 100% of energy demand through renewable sources.



- › Digital transformation of public authorities and solutions such as smart electricity and water meters that provide consumption data in real time.



- › Promoting the circular economy and second-life programmes such as Mobile Aid.
- › Avoiding waste and recycling valuable raw materials.



- › Reducing CO<sub>2</sub> emissions (Scope 1, 2 and 3) and committing to a target of net zero for the entire Group by 2035.
- › Helping customers avoid emissions – for instance, through decarbonisation solutions for companies.



- › Promoting biodiversity – for instance, through employee cultivation of bees.
- › Supporting innovative ICT solutions in agriculture that use fewer resources.

## People



- › Promoting the health of employees through numerous programmes.
- › Strengthening media skills and digital inclusion within society with courses and lesson modules.



- › Investing in training and development to widen the career options of employees.
- › Advancing Swiss education by providing free internet access and media literacy offerings to schools.



- › Empowering women to get into management and ICT professions in general.
- › Promoting flexible working models for better work-life balance.
- › Offering attractive jobs and working conditions.

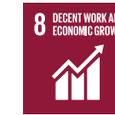


- › Supporting the Swiss business community through investments in networks and infrastructure.



- › Employing candidates with health challenges and refugee backgrounds.
- › Developing accessible products and services.

## Conduct



- › Promoting intrapreneurship and other sustainable business models, through the Swisscom StartUp Challenge, for instance.
- › Pressing for fair working conditions and labour rights in ICT supply chains.



- › Providing and expanding dependable, efficient ICT infrastructure.
- › Developing innovative, energy-efficient and resource-conserving branded products.



- › Acting in accordance with ethical principles and clear standards.
- › Implementing guidelines and training for employees, especially in the area of data ethics.



- › Supporting the UN Development Goals and the principles of the UN Global Compact.
- › Committing to fairness and sustainability in the supply chain through membership of bodies such as the Joint Alliance for CSR and the Global Sustainability Initiative.



# Pioneer in sustainability – Swisscom Group Sustainability Strategy 2030

Positively impacting society by leading with responsibility and innovation

The Swisscom Group Sustainability Strategy 2030 sets forth three pillars of commitment while addressing country-specific priorities in Switzerland and Italy across twelve topics of relevance to the Swisscom Group. This strategy allows Swisscom and Fastweb + Vodafone to leverage complementary strengths, support each other's development and drive meaningful progress in sustainability. In 2022, Fastweb underlined its commitment to sustainability by attaining the status of 'benefit company', a designation under Italian law denoting a for-profit company that prioritises public benefit. Each year, it defines common benefit goals that have a measurable impact.

Top twelve priorities

## Environment



### Commitment for the planet

Swisscom achieves net zero by 2035 and further supports its customers' climate ambitions, while contributing to nature.

Reach net zero emissions by 2035

→ Climate change (E1)

Empower customers to achieve net zero through digital solutions

→ Avoided emissions (E1)

Lead in energy efficiency with 100% renewables

→ Climate change (E1)

Preserve natural resources through circular economy

→ Circular economy (E5)

## Social



### Commitment for the community

Swisscom takes responsibility for the digital society by empowering everyone in the digital world and being an employer of choice where talent thrives.

Cultivate a diverse workplace

→ Diversity, equity and inclusion (S1)

Develop, retain and attract talents to meet present and future capability needs

→ Training and skills development (S1)

Foster well-being and social impact

→ Diversity, equity and inclusion (S1)

Inspire digital confidence through media literacy

→ Media literacy (S4)

## Governance



### Commitment as a responsible leader

Swisscom is a trusted corporate citizen that upholds the highest standards in governance, security and ethics.

Live values through integrity and ethics

→ Business conduct (G1)

Drive innovation with responsible AI

→ Data protection, security and ethics (S4)

Ensure fair supply chains with global partners

→ Workers in the value chain (S2)

Ensure robust ESG governance/reporting

→ Corporate responsibility governance (ESRS 2)



### Table of targets

KPIs of the Group Sustainability Strategy 2030	2025	Status	Target 2030
<b>1. Commitment for the planet</b>			
<b>Reach net zero emissions by 2035</b>		🟡	
Scope 1 + 2 CO <sub>2</sub> emissions reduction (% tonnes vs. 2018)	-67%		-80%
Scope 3 CO <sub>2</sub> emissions reduction (% tonnes vs. 2018)	-39%		-60%
Scope 1-3 CO <sub>2</sub> emissions reduction (% tonnes vs. 2018)	-40%		-60.7%
<b>Empower customers to achieve net zero through digital solutions</b>		🟡	
CO <sub>2</sub> savings in tonnes (avoided emissions)	3,792,000		4,000,000
<b>Lead in energy efficiency with 100% renewables</b>		🟡	
Energy efficiency gain until 2034 (Switzerland   Italy)	3.6%   1.6%		34%   4.7%
100% renewable electricity (market-based)	100%		100%
Own renewable energy production (MWh)	6,484		11,500
<b>Preserve natural resources through circular economy</b>		🟡	
Product carbon footprint reduction of -10% per generation	achieved		-10%
Mobile phone take-back rate (Switzerland)	34%		50%
Home network take-back rate (Switzerland)	67%		70%
Branded devices reuse rate (Italy)	79%		75%
<b>KPIs of the Group Sustainability Strategy 2030</b>			
<b>2. Commitment for the community</b>			
<b>Cultivate a diverse workplace</b>		🟡	
Women in management (Switzerland   Italy)	20%   36%		22%   30%
<b>Develop, retain and attract talents to meet present and future capability needs</b>		🟡	
TOP 3 ICT employee rating in Switzerland	TOP 4		TOP 3
TOP 10 employee rating in Italy	new		TOP 10
Employee recommendation (Switzerland) and promotion (Italy) score	new		70   70
Internally staffed management positions (Switzerland   Italy)	75%   99.7%		75%   75%
Talent retention rate (Switzerland   Italy)	95%   new		95%   95%

KPIs of the Group Sustainability Strategy 2030	2025	Status	Target 2030
<b>Foster well-being and social impact</b>			
Bright Sky app users	316,042		500,000
Safe Space training (number of store staff)	342		1,350
<b>Inspire digital confidence through media literacy</b>			
Visitors in media literacy courses (thousand)	294		280
Media literacy contacts (thousand)	2,940		2,000
Visitors in digital academy courses (thousand)	158		105
<b>KPIs of the Group Sustainability Strategy 2030</b>			
<b>3. Commitment as a responsible leader</b>			
<b>Live values through integrity and ethics and drive innovation with responsible AI</b>		🟡	
Employees trained and sensitised on ethics (Switzerland   Italy)	93%   98%		95%
Employees trained and sensitised on cyber security (Switzerland   Italy)	97%   95%		95%
AI risk assessment quota	100%		100%
Return of acceptance report	100%		100%
<b>Ensure fair supply chains with global partners</b>		🟡	
Factory workers reached via JAC supply chain audits	230,432		250,000
Corrective actions implemented	100%		100%
ESG maturity improvement in supplier development programme	24.5%		25%
Ecovadis assessment of strategic suppliers	63%		90%
<b>Ensure robust ESG governance/reporting</b>		🟡	
Obtain limited assurance on Sustainability Statements	light		limited

Status = target achievement in reference to target year. Further information can be found in the individual topic chapters.

- 🟡 Target in progress
- 🟢 Target achieved
- 🔴 Target exceeded



# Double materiality assessment

The Swisscom Groups's activities are interrelated with its social, ecological and economic environment. At regular intervals, the Group identifies material sustainability issues for its stakeholders and for the company to ensure its strategic focus is in line with current developments. In 2025, Swisscom Group conducted its first double materiality assessment (DMA) in line with European Sustainability Reporting Standards (ESRS), which consider both impact materiality and financial materiality.

## Determining material topics

The DMA process involves extensive due diligence, designed to map impacts, risks and opportunities (IROs) across the entire value chain. With its dual focus on Switzerland and Italy, Swisscom Group conducted DMAs for each country using the same methodology, laying the foundation for subsequent consolidation. The IROs for each ESRS topical standard were assessed by internal subject-matter experts in Switzerland and Italy based on the double materiality approach and the two main criteria of *likelihood* and *severity*.

- › **Impact materiality:** This factor assesses how the Group's actions affect people and the planet. The severity is defined by *scale*, *scope* and *irremediability*, with scores from 1 to 5. The average impact scores are then multiplied by the probability value. Where the impact concerns potential human rights violations, severity takes precedence over probability.
- › **Financial materiality:** This factor addresses the impact of sustainability issues on the Group's financial performance and future viability. Swisscom Group has adopted the Enterprise Risk Management (ERM) framework to classify the severity of sustainability-related risks and opportunities based on financial, legal, operational and reputational impacts and their probability of occurrence.

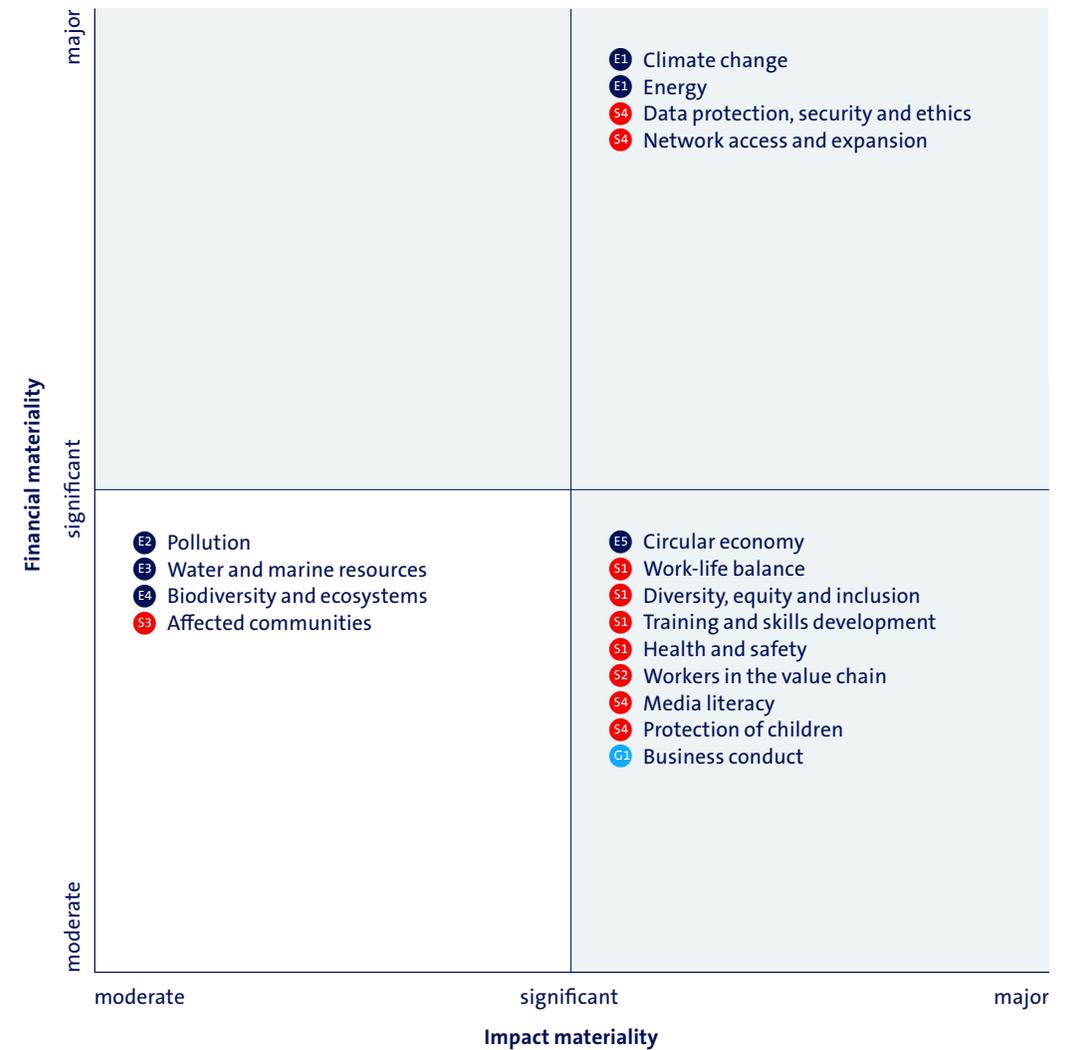
The assessment was informed by peer benchmarks and industry trends, publicly available scientific evidence and internal information. Interests of external stakeholders were incorporated through ongoing engagement. Interim results of the DMA were validated in workshops with functional units including Investor Relations, Group Accounting and Enterprise Risk Management, and finally by the management boards.

## Changes compared to 2024

The specific structure of the ESRS topical standards means that Swisscom and Fastweb + Vodafone's defined material topics differ from those in the previous materiality assessment. With the ERM framework adopted for the assessment of financial materiality, only a handful of topics were assessed as material due to higher overall thresholds. This allows comparison of ESG risks with other types of risks and opportunities across the Group.

In defining material topics, Swisscom Group considers impact materiality and financial materiality.

Materiality matrix



● Environmental ● Social ● Governance

■ material □ non-material



### Impact beyond reporting thresholds

While reporting thresholds aid in focusing and channeling resources, the Swisscom Group acknowledges the importance of topics beyond

the Sustainability Statements and publishes detailed information on meaningful actions on its websites.

#### Non-material and further topics

<b>Biodiversity</b>	Swisscom promotes a series of targeted measures, contributing to maintaining and strengthening biodiversity and the preservation of natural ecosystems	<a href="#">More information</a>
<b>Water</b>	Swisscom preserves water wherever possible across its own operations, where it is mostly needed for the sanitary facilities in office buildings and for cooling some data centres.	<a href="#">More information</a>
<b>Green bonds</b>	Swisscom's Green Bond Framework is based on the principles of the International Capital Market Association (ICMA) and meets investors' needs.	<a href="#">More information</a>
<b>Accessibility</b>	Swisscom attaches great importance to products and services being accessible for everyone and adheres to the Swiss Disability Discrimination Act (DDA).	<a href="#">More information</a>
<b>Political engagement</b>	Swisscom represents its interests through memberships, public hearings and events, and plays a constructive part in the political process.	<a href="#">More information</a>
<b>Radiation and electromagnetic fields</b>	When operating the mobile communications systems, Swisscom ensures compliance with the national environmental and health-related requirements and the cantonal and communal building standards at all times.	<a href="#">More information</a>
<b>Social engagement and corporate giving</b>	Swisscom attempts to ensure that relevant institutions complement the Group's strategy in terms of their professional competence. In addition to sponsorship activities, donations are made to charitable causes and trustworthy partner organisations.	<a href="#">More information</a>

#### SBM-1

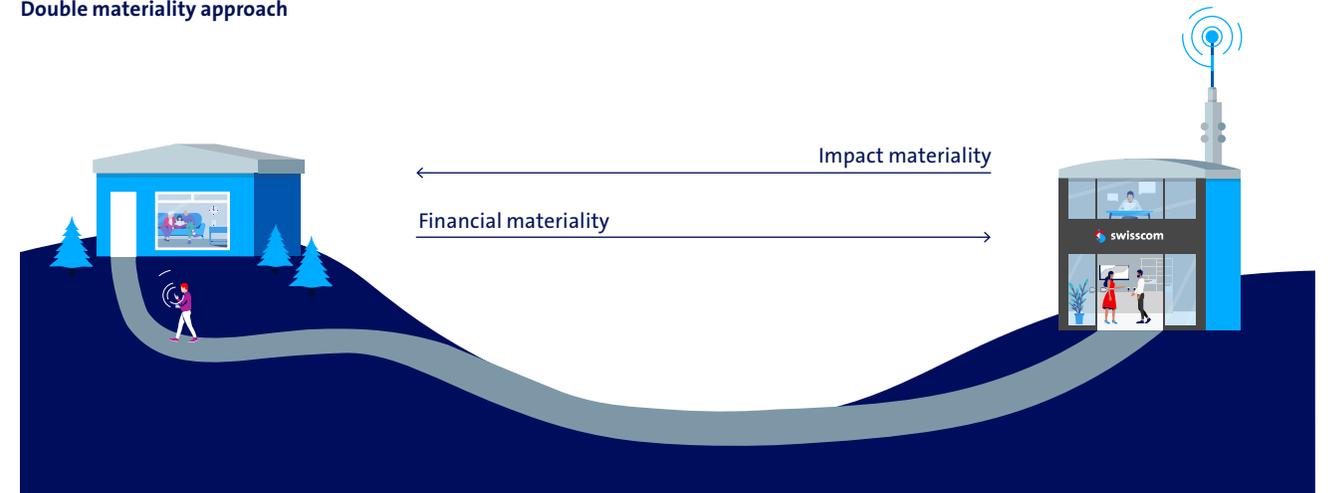
## Business model and value chain

The Swisscom Group provides its residential, business and whole-sale customers with a broad portfolio of products and services in the areas of mobile communication, broadband, TV and IT services in Switzerland and Italy. On behalf of the Swiss Confederation, it ensures universal service provision and provides all sections of the Swiss population with a basic range of telecommunications services.

[→ Business model](#)

The Group's value chain encompasses different activities and resources as well as direct and indirect business relationships. Its upstream supply chain primarily involves procurement from a range of suppliers. Own business activities and operating segments depend on a combination of resources and infrastructures, including vehicle fleets, energy supply and human resources. Downstream, Swisscom Group offers a broad portfolio of products and services to customers and society. Impacts, risks and opportunities arise across the entire value chain with both impact materiality and financial materiality, related to a range of stakeholders. The next page offers an overview of the Swisscom Group's value chain.

### Double materiality approach





# Value chain

## Upstream (supply chain)

## Own business

## Downstream



**Tier 1 supplier** Swisscom Group’s purchasing departments in Switzerland and Italy source materials from various business partners in the procurement clusters of network infrastructure, hardware, software, services and general goods.

**Tier 2+ supplier** The indirect nature of business relationships in the global ICT value chains means that impacts on workers and the environment are often hidden at lower levels in areas such as raw material extraction, component manufacturing, assembly and integration.

**Inbound logistics** In the upstream value chain, logistics includes packaging, moving, storing and distributing materials and products.

**Main resources and infrastructures** Swisscom Group’s business activities and operating segments depend on a combination of different resources and infrastructures:

- › Provision and maintenance of **network infrastructure** (fixed, wireless)
- › Provision and maintenance of **broadcasting infrastructure**
- › Operation of **data centres, IT infrastructure and platforms**
- › Management of **offices, cinemas and technical facilities**
- › Sale of services and provision of customer care in **stores, call centres and online channels**

Broadcasting infrastructure and cinemas are only relevant to Switzerland.

The Group operates its own **service and construction fleet** in Switzerland and Italy. The Swisscom Group relies on **energy supply**.

**Human resources** form the foundation of value creation.

**Product and service usage** The Group delivers a wide portfolio of products and services to residential, business and wholesale customers, complemented by sales through third-party and franchise channels.

It provides society with telecommunications services and fosters the transition to a safe digital society through security and media literacy programmes.

**Waste, disposal and recycling** The Group manages waste, including hazardous and electronic waste, through recycling and disposal processes, and refurbishes end-of-life products.

**Outbound logistics** The downstream distribution network includes management, storage and delivery of products and equipment to end customers.

### Material topics

- **E1** Climate change
- **E5** Circular economy
- **S2** Workers in the value chain
- **G1** Business conduct

- **E1** Climate change
- **E1** Energy
- **E5** Circular economy
- **S1** Work-life balance
- **S1** Diversity, equity and inclusion
- **S1** Training and skills development
- **S1** Health and safety
- **G1** Business conduct

- **E1** Climate change
- **E5** Circular economy
- **S4** Data protection, security and ethics
- **S4** Network access and expansion
- **S4** Media literacy and protection of children
- **G1** Business conduct

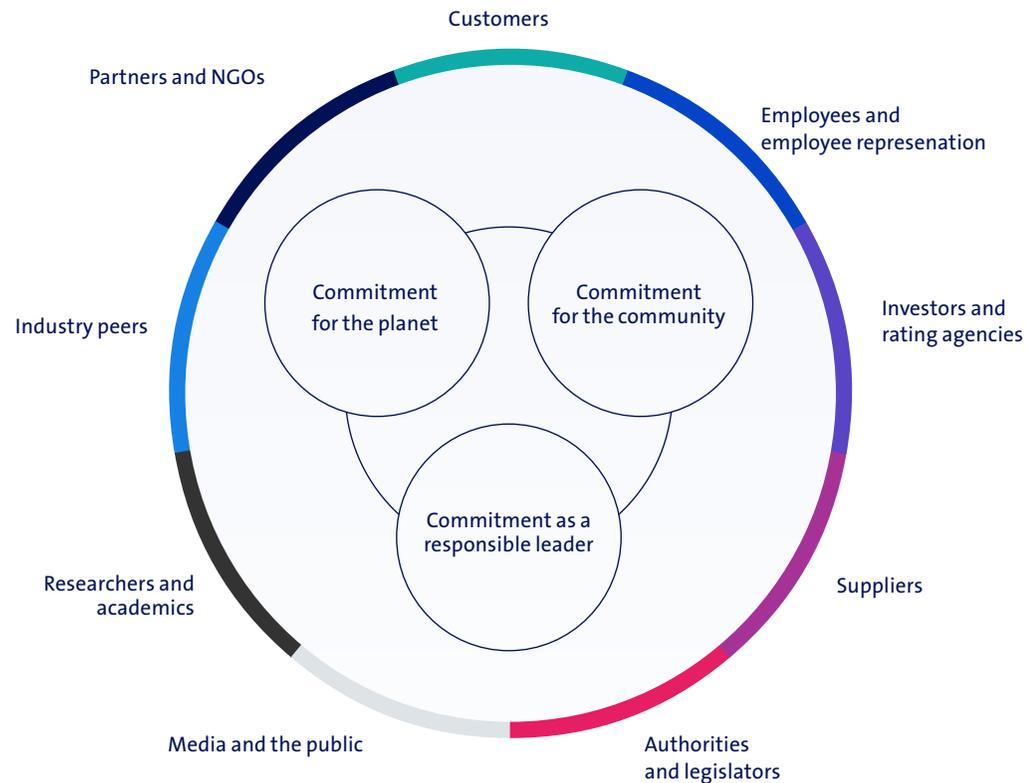


# Stakeholders

The Swisscom Group maintains ongoing dialogue with external stakeholders in Switzerland and Italy to keep up to date with their perspectives, concerns and expectations with respect to sustainability issues. This dialogue uses different formats and channels throughout the

year, typically maintained by specialist departments. Insights inform day-to-day work streams, the double materiality assessment and the Group Sustainability Strategy, which are discussed and validated by management.

## Stakeholder environment



## Customers

### Purpose of engagement

Swisscom engages with customers to identify expectations that influence its business, including their perception of its sustainability practices. Fastweb + Vodafone focuses on strengthening digital channels, ensuring high quality standards, enhancing the clarity and transparency of services, and empowering consumers to better understand their rights.

### Form of engagement (examples)

Recurring customer surveys, customer associations, reputation tracking, various communication channels e.g. website, hotline, newsletter, social media, MySwisscom and MyFastweb apps

### Topics with greatest materiality

- > Climate change (E1)
- > Circular economy (E5)
- > Data protection, security and ethics (S4)
- > Media literacy and protection of children (S4)
- > Network access and expansion (S4)

## Employees and their representatives

Swisscom Group interacts with its employees through a variety of formats to understand interests and concerns and to improve the quality of working life, foster active engagement and promote the corporate culture.

CEO coffee talk, management roadshows, intranet, surveys, employee associations and representatives, community events

- > Own workforce (S1)

## Investors, analysts, rating agencies, proxy advisors

Swisscom engages with capital market players to understand expectations around sustainability performance and strategy and how they influence investment decisions and ratings. Fastweb + Vodafone focuses on transparency in corporate governance and strategic management in dialogue with the financial community.

Annual general meetings, investor conferences, bilateral exchanges, roadshows, official communications, systematic ESG rating feedback

- > Climate change (E1)
- > Circular economy (E5)
- > Own workforce (S1)
- > Data protection, security and ethics (S4)
- > Corporate responsibility governance (ESRS 2)



## Suppliers

## Authorities and legislators

## Media and the public

## Research and academics

## Industry peers

## Partners and NGOs

### Purpose of engagement

The procurement functions of Swisscom and Fastweb + Vodafone are responsible for supplier management, which includes collaboration on sustainability issues and ethical values. The Swisscom Group conducts annual supplier audits as part of the Joint Alliance for CSR (JAC).

Swisscom plays a constructive part in legislative and regulatory processes through intensive dialogue with authorities, political parties and public associations. Fastweb + Vodafone uses its technical expertise to actively contribute to the development of regulatory proposals.

Swisscom and Fastweb + Vodafone monitor and engage with the media and the public to understand the discourse on material issues and how it may shape reputational and regulatory risks. They ensure transparent communication regarding strategies, initiatives and results.

Swisscom and Fastweb + Vodafone collaborate with researchers and academic institutions to gather science-based insights on long-term environmental and social impacts and to facilitate knowledge-sharing.

Swisscom and Fastweb + Vodafone are in dialogue with industry peers for benchmarking and capturing of systemic risks and opportunities relevant to the sector.

Swisscom collaborates with NGOs and civil society partners to assess its societal and environmental impacts and gather insights on emerging issues. Fastweb + Vodafone aims to support civil society through numerous initiatives in the environmental, social and economic fields.

### Form of engagement (examples)

Supplier qualification process and management platforms, carbon reduction programme, JAC conferences and supplier audits, Save the Children remediation project

Specialist industry workshops and working groups, public consultation procedures, projects and exchanges; VEK, Swisscleantech, Swico, BFE, BAFU, Federal Office for Cyber Security, Computer Security Incident Response Team, Swiss Security Association, European Telecommunications Industry Association (ETIS), Forum of Incident Response and Security Teams (FIRST) and Global Security Management Association (GSMA)

News subscriptions, press releases, press conferences, website, events e.g. Sustainable Switzerland

Topical discussions, joint projects (studies) and events with institutions such as Bern University of Applied Sciences, ETH Zurich, École polytechnique fédérale de Lausanne (EPFL), University of Zurich, University of Palermo, Luiss Guido Carli University

Regular working groups with JAC and asut, bilateral exchanges, ASSTEL, Clusit, BIF, ECTA, ITU, Confindustria, Assolombarda

Recurring exchanges, collaboration and membership or organisations such as myclimate, WWF, CEO4Climate, Kinderschutz Schweiz, Association of Swiss Teachers, Swiss Association of the Deaf, SOS Children's Villages Switzerland, Save the Children, Allianz digitale Inklusion Schweiz, Verband für nachhaltiges Wirtschaften (OEBU), Syndicom, Transfair, Réalise

### Topics with greatest materiality

- › Climate change (E1)
- › Circular economy (E5)
- › Workers in the value chain (S2)

- › Data protection, security and ethics (S4)
- › Network access and expansion (S4)
- › Climate change (E1)
- › Circular economy (E5)

- › All topical standards

- › Climate change (E1)

- › Climate change (E1)
- › Circular economy (E5)
- › Workers in the value chain (S2)
- › Customers and end users (S4)

- › Climate change (E1)
- › Circular economy (E5)
- › Data protection, security and ethics (S4)
- › Media literacy and protection of children (S4)



# Corporate responsibility governance

The Swisscom Group's corporate responsibility governance is coordinated with all line units and roles are clearly defined.

## GOV-1; GOV-2 Board of Directors of Swisscom Ltd ✓

The Board of Directors approves the Group Sustainability Strategy and material non-financial matters for the Group. It monitors the implementation of measures and issues the supply chain policy for conflict minerals and suspected child labour in products and services. Each year, it determines targets and key performance indicators (KPIs) for the coming year. It receives information on strategy implementation through quarterly reporting as well as orally in December. The Board of Directors submits the Annual Report to the Annual General Meeting for approval. The Board of Directors conducts examinations of important issues through its committees, including the Audit Committee.

## Audit Committee ✓

The Audit Committee, among others, handles issues relating to financial and non-financial management, reporting and external audits. In particular, it monitors the implementation of strategies defined for material sustainability issues and evaluates the effectiveness of the defined measures (including monitoring of KPIs), decides on applicable reporting regulations and on the audit, and monitors compliance with due diligence obligations in relation to people and the environment (including the supply chain policy). The Audit Committee receives information on the most important KPIs in quarterly Group management reports and discusses overall sustainability issues in three of its five annual meetings. Details of the roles are set out in the [Organisational Regulation](#).

## Group CEO ✓

The Board of Directors has delegated responsibility for implementing the Group Sustainability Strategy to the Group CEO, who can in turn delegate competencies to subordinate units. The Group CEO reports back twice a year to the Board of Directors and the Audit Committee on progress towards achievement of the targets.

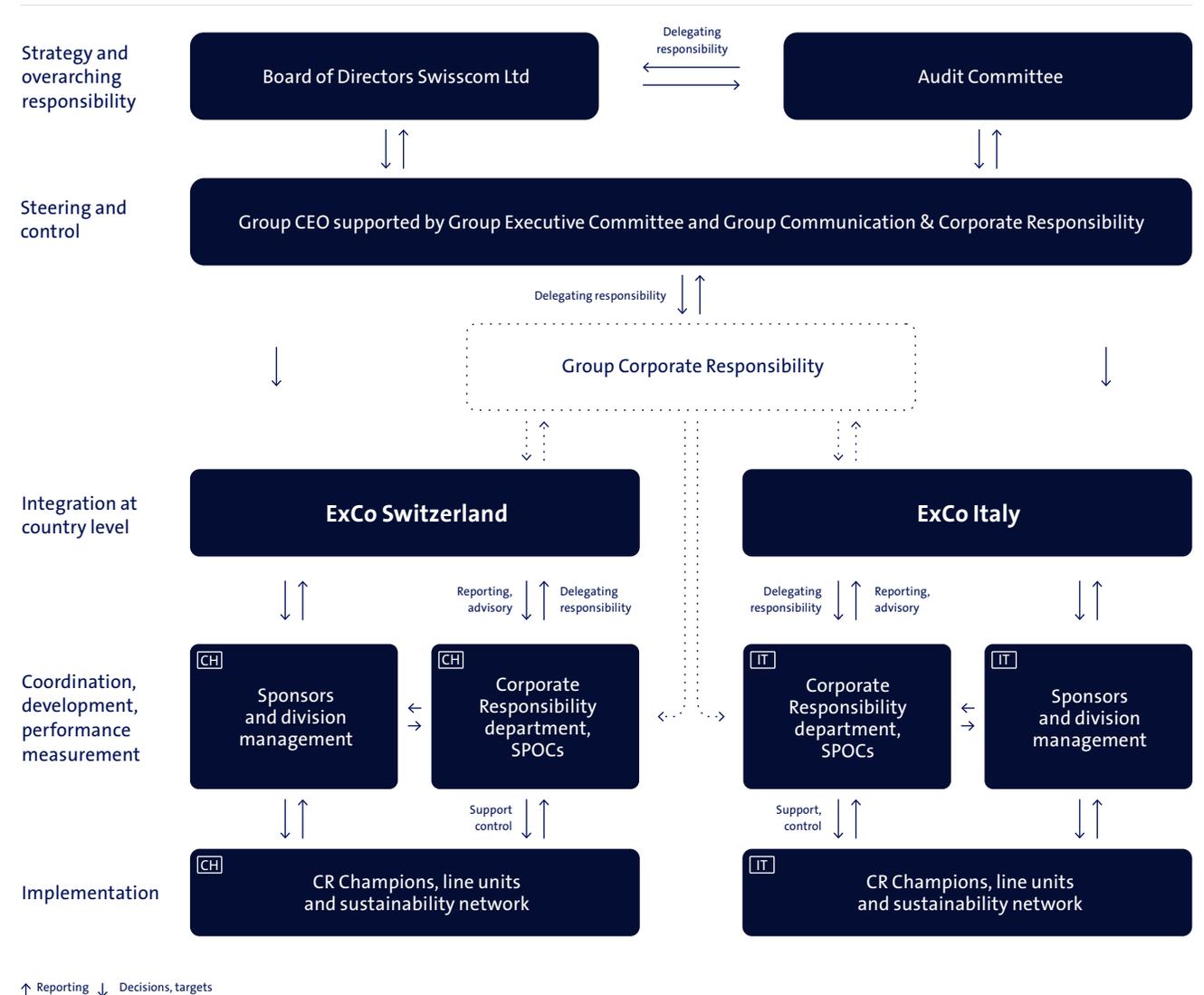
The Group CEO, supported by the other members of the Group Executive Committee and the Head of Group Communications & Corporate Responsibility, defines the targets and measures for implementation of the Group Sustainability Strategy for the Executive Committees of Switzerland and Italy. At least twice a year, the Group Executive Committee discusses ongoing implementation of the defined measures. The Ethics Working Group addresses corporate ethics issues as required.

Information on sustainability-related expertise of management bodies can be found in the [Corporate Governance](#) section.

## Group Communications & Corporate Responsibility

Group Communications & Responsibility (GCR) oversees communications and corporate responsibility at the Group level and its head is a guest at Group Executive Committee meetings.

GCR includes the **Group Corporate Responsibility team**, which is responsible for coordinating the sustainability agenda at the Group level under the lead of the Head of Sustainability. As a Group function, the division provides expertise for decision-making and supports the Group CEO, management boards and subsidiaries in matters related to sustainability. This includes the development and implementation of





the Group Sustainability Strategy, including target setting, actions and involvement of stakeholders. Group Corporate Responsibility reports regularly to the Board of Directors, Group Executive Committee and the Executive Committees of Switzerland and Italy.

### Country Executive Committee (Switzerland and Italy)

Each country has an Executive Committee and its members are **sponsors** for the strategic action areas of their divisions. Together with **division management**, they are responsible for implementing the Group Sustainability Strategy in the line units.

### Corporate Responsibility department (Switzerland and Italy)

Switzerland and Italy both have a Corporate Responsibility department at the country level to ensure the implementation of the Group Sustainability Strategy and appropriate performance measurement. They provide expertise to enable subsidiaries and business units to meet sustainability targets. For each business unit (e.g. B2C), single points of contact (SPOCs) are nominated; these are the contacts for division management and the CR Champions across business units in coordinating the sustainability agenda. The Corporate Responsibility departments in Switzerland and Italy collaborate closely on sustainability issues to leverage synergies.

### SPOCs, CR Champions, line units and the Sustainability Network

Each business unit has a **CR Champion** who shares responsibility for operational implementation of measures with **line units** (related to individual products or services, for instance) and reports to the sponsors and SPOCs of the Corporate Responsibility teams on the progress of implementation. Regular Sustainability Network meetings raise awareness of sustainability issues and are open to all employees.

Further information regarding Swisscom Group's corporate responsibility governance and its ESG framework is provided on the [website](#).

### GOV-3 Sustainability-related incentive schemes ✓

The members of the Group Executive Committee are entitled to a variable performance-related salary component, determined in part by sustainability indicators based on employee satisfaction, diversity, CO<sub>2</sub> reduction and energy efficiency improvements. Further details on sustainability-related performance metrics are available in the Remuneration Report.

→ [Remuneration Report](#)

### GOV-5 Risk management and internal controls

The Double Materiality Assessment includes application of the Enterprise Risk Management (ERM) framework to allow comparison of ESG risks with other type of risks of the Group, with the results reviewed by Enterprise Risk Management. While the experts responsible for critical elements (first line) are generally responsible for managing risks in their division, overarching keys risks are reported to Enterprise Risk Management.

Fastweb + Vodafone reports regularly to the Group, with material risks included in its quarterly and annual risk reports to the Internal Control Committee and the Board of Directors. At the Group level, risks can be proactively included in the quarterly risk reports to the Board of Directors.

The Group uses the dual control principle, plausibility and completeness checks, and other methods to mitigate the risk of misstatement. It aims to holistically embed sustainability data into the Group's Internal Control System.

### Strategic goals of the Swiss Federal Council

Based on the Telecommunications Act (TCA), the Federal Council defines the strategic objectives that the Confederation, as the majority shareholder of Swisscom, aims to achieve in the next four years. The Confederation's expectations for the period ended 2025 were that Swisscom, within the scope of its economic capabilities, would pursue a sustainable corporate strategy that respects ethical principles, with a focus on the reduction of greenhouse gas emissions, and that accommodates the requirements of different regions of Switzerland.

[More details on strategic goals](#)



# Environment

As part of Swisscom's commitment to the planet, the Group aims to achieve net zero by 2035 and further support its customers' climate ambitions, while contributing to the preservation natural resources.

# A

Swisscom once again obtained the climate change rating A from the Carbon Disclosure Project (CDP).

# 40%

reduction in the Swisscom Group's total CO<sub>2</sub> emissions since the baseline year 2018.

# 120

million CHF was raised by sustainable start ups in Swisscom's portfolio, contributing also to avoided emissions.





# Climate change (E1)

Climate change remains one of the greatest challenges of our time, with demands on companies continuing to grow. The Swisscom Group acknowledges its responsibility to reduce its carbon footprint and invest in climate-friendly technologies. It aims to be a pioneer in climate protection through innovative approaches. Its efforts focus on emission reduction across the entire value chain while promoting clean energy and limiting customers' emissions.

Material impacts, risks and opportunities	Value chain	Time horizon	Type
<b>Mitigating climate change</b>			
<b>GHG emissions</b> Impact on global warming through direct and indirect emissions across own operations as well as the entire value chain (Scope 1 – 3).	↑ (Op) ↓	🕒	⊖
<b>Climate contribution</b> Investments in climate projects that avoid or remove emissions play an important part in of Swisscom's beyond value chain mitigation (BVCM) efforts in Switzerland.	↑ ↓	🕒	⊕
<b>Avoided emissions</b> CO <sub>2</sub> avoidance is a significant lever of the ICT industry in combating climate change. The Group develops, offers and invests in digital services that allow customers to reduce emissions.	(Op) ↓	🕒	⊕
<b>Climate-related physical risks</b> With climate change progressing, the Group potential faces a heightened risk exposure of infrastructures to natural hazards, leading to repair, maintenance or insurance costs.	(Op)	●	⚠️
<b>Energy</b>			
<b>Energy consumption</b> The operation of the network, data centres and products and services provided to customers require large volumes of energy which contribute to global warming as Scope 2 emissions.	(Op)	🕒	⊖
<b>Increase of energy consumption and energy prices</b> Rising energy consumption across operations can lead to increasing costs. The financial impact is highly dependent on market prices of energy sources and costs from carbon offsets such as power purchasing agreements (PPAs).	(Op)	🕒	⚠️
<b>Energy efficiency</b> Energy savings and efficiency improvements can lead to significant cost savings and reputational benefits. This topic is of key importance to the Group's transition plan and Sustainability Strategy 2030.	(Op)	🕒	🔄

- Value chain**
- ↑ Upstream
- (Op) Own operations
- ↓ Downstream
- Type**
- ⊖ Negative impact
- ⊕ Positive impact
- ⚠️ Risk
- 🔄 Opportunity
- Time horizon**
- 🕒 Short-term
- 🕒 Mid-term
- Long-term





E1-1

# Transition plan for net zero 2035 ✓

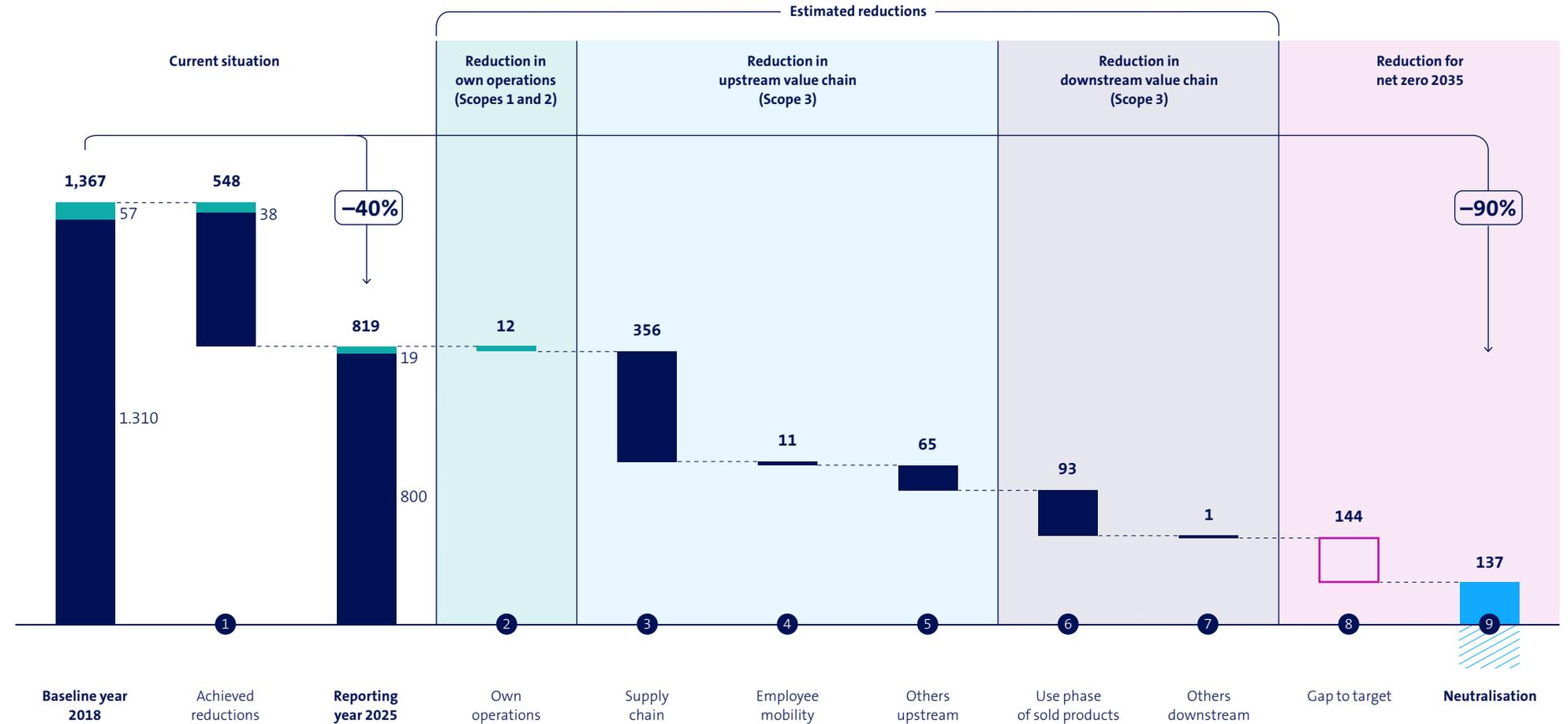
The Swisscom Group sees climate change mitigation as a decisive factor for future business success and resilience and provides stakeholders with information on its transition to low-carbon operations. Following the acquisition of Vodafone Italia, the Group recalculated its GHG emissions for the period 2018–2025 and reconfirmed its net zero 2035 target as a Group.

Swisscom Group’s net zero 2035 target is aligned with the 1.5°C pathway set out in the Paris Agreement and exceeds the ICT sector trajectories defined in the Science Based Targets initiative (SBTi) guidance for ICT companies. For the development of its net zero transition plan in 2025, it calculated different science-based scenarios to better understand uncertainties in technology adoption and market developments, which are set out in the → [methodological note](#).

The transition plan outlines scheduled reduction measures along with potential opportunities, while considering country-specific decarbonisation levers, external factors and industry trends. Looking forward, data centre energy consumption is expected to increase substantially by 2035, driven by global adoption of emerging technologies such as artificial intelligence (AI) and the Internet of Things (IoT). Concurrently, electricity grids in the operating countries (Switzerland and Italy) as well as the sourcing countries are expected to undergo significant decarbonisation in the coming years. These external influences have been factored into the assumptions underpinning forecast emissions reductions.

The transition plan was approved by the Board of Directors in the last quarter of 2025.

CO<sub>2</sub>eq emissions in kilotonnes



● Scope 1 + 2 ● Scope 3



## Decarbonisation levers

The eight levers of key importance to the Swisscom Group are described in detail in the sections on actions (E1-3).

### 1 Achieved reductions | 2018–2025

Between 2018 and 2025, the Swisscom Group achieved emissions reductions of 52% for Scope 1 emissions, 90% for Scope 2 emissions (market-based) and 39% for Scope 3 emissions, resulting in a total reduction of 40% across all scopes (market-based). In total, Swisscom reduced its emissions by 547,775 tonnes of CO<sub>2</sub> between 2018 and 2025.

### 2 Own operations and purchased energy | Scope 1 and 2

The Swisscom Group intends to reduce its emissions in Scope 1 and 2 by 80% by 2030 and 90% by 2035 through a variety of measures such as the phase-out of fossil fuels in its fleet and for the heating of its buildings. The use of free cooling, or new cooling systems that use natural refrigerants where free cooling is unfeasible, will reduce emissions caused by refrigerant losses to a minimum. The expansion of photovoltaic (PV) systems and use of 100% green electricity will further contribute to the attainment of targets. While Swisscom aims to use district heating to a greater degree in the future, it expects the mix to become greener, leading to a stable effect on emissions by 2035.

### 3 Supply chain | Scope 3, cat. 1

While the Group and its peers are progressing well with Scope 1 and 2 emissions, Scope 3 presents a significant challenge for the whole telecommunications sector. To model its decarbonisation path, Swisscom Group has integrated science-based climate targets disclosed by its key suppliers into its net zero transition plan. The Group depends on collaboration with suppliers and international telecommunications peers and coordinates its efforts through the Joint Alliance for CSR (JAC) to accelerate change in the global ICT industry. In 2025, it also addressed the issues of supply chain transparency and effective governance, sustainability-linked procurement strategies, and robust accountability at the business unit level in its efforts to decarbonise its supply chains.

### 4 Employee mobility | Scope 3, cat. 6 and 7

The Group consistently encourages its employees to use public transport. In both Switzerland and Italy, there has been progress in the shift towards fossil-free motorised transport, further reducing emissions from employee commuting. In the area of business travel, Swisscom expects a significant decrease in flight-related emissions, driven by its policy of avoiding all non-essential air travel as well as the ongoing decarbonisation of the aviation sector, in particular through the increased use of sustainable aviation fuels (SAF).

### 5 Other upstream categories | Scope 3, cat. 2, 3, 4, 5 and 8

Emissions in the majority of upstream categories are expected to decline, driven by physical consolidation and more sustainable operations in buildings and logistics. However, category 3 is expected to increase due to emissions from the supply of renewable energy to customers in Italy. These upstream emissions are attributed to the renewable energy supplier according to relevant reporting rules.

### 6 Use phase of sold products | Scope 3, cat. 11

As well as enhancing the efficiency of end products through its suppliers, Swisscom is investing in its branded product development. One key focal area is improving the efficiency of products and solutions during the usage phase, with the aim of reducing downstream emissions.

### 7 Other downstream categories | Scope 3, cat. 12, 14 and 15

Finally, the Swisscom Group is committed to reducing its emissions in all other relevant downstream categories, particularly in disposal of sold products as well as the decarbonisation of franchises.

### 8 Gap to target

The Swisscom Group acknowledges that even under optimistic assumptions of global developments and with all planned reduction measures in place, it still faces a residual gap of around 10% in reaching its net zero 2035 target. However, in a world shaped by rapid technological change, geopolitical uncertainty and the evolving energy transition, such gaps are an inherent part of the journey for any pioneering company. The Group remains firmly committed to its net zero 2035 target and will continue to lead by example – by driving

innovation, setting clear carbon targets for its business units, accelerating the transition to renewable energy, and leveraging digital and AI-driven solutions to close the gap.

### 9 Neutralisation of residual emissions

To achieve net zero by 2035, Swisscom Group will neutralise any remaining emissions – up to a maximum of 10% of total emissions of 2018 – through durable carbon dioxide removals in line with the SBTi and other internationally recognised standards.

### Swisscom's near-term SBTi targets

With a reduction of 40% across all scopes since 2018, the Group is well on track to reach its 2030 near-term targets across all scopes. However, this is heavily dependent on the target attainment of its suppliers as well as the continuous decarbonisation of energy grids worldwide.

The Swisscom Group is committed to net zero by 2035.





E1-2

## Policies ✓

Following the acquisition of Vodafone Italia, the Swisscom Group updated its environmental policy in 2025, reaffirming its commitment to environmental sustainability in line with the ISO 14001 standard. This policy lays the foundation for management of environment-related impacts, risks and opportunities throughout the value chain while meeting legal requirements and stakeholder expectations. Key aspects of the policy include energy efficiency and renewable energies, Swisscom’s pioneering role in international climate protection, efficient use of natural resources and promotion of environmentally friendly products and services.

In Switzerland and Italy, Swisscom and Fastweb + Vodafone have adopted supplier codes of conduct that define economic, environmental and social principles to which they expect direct suppliers and subcontractors to adhere.

→ [Policy overview](#)

E1-3

## Reducing Scope 1 emissions ✓

In the baseline year of 2018, Swisscom Group’s emissions in Scope 1 came from heating, emergency power, loss of refrigerants and its fleet. The Group’s energy consumption remains the most important internal lever for reducing direct emissions. It primarily uses electricity to operate fixed, mobile and broadcast infrastructures, with comparatively minor energy volumes required for operational mobility and heating office buildings. In 2025, the Swisscom Group achieved a Scope 1 reduction of 19.2% compared to 2024 and a total reduction of 51.8% compared to 2018 (baseline year). Hence, the Group is well on track to achieving its SBTi near-term target.

### Actions in Switzerland

Swisscom achieved a Scope 1 reduction of 25.7% compared to 2024 and total reduction of 52.1% compared to 2018 (baseline year) by means of the following measures.

#### Replacement of fossil-fuel heating systems

Since 2016, Swisscom has been systematically replacing heating systems with climate-friendly alternatives based on heat pumps, biomass (wood), district heating and, where feasible, heat recovery from internal operations. An additional 13 heating systems were replaced in the reporting year, bringing the total number of renovated systems to 142 by the end of 2025. By 2035, all heating systems in Swisscom-owned buildings will operate in a climate-friendly way, reducing direct emissions from heating to an absolute minimum.

#### Use of waste heat

Several years ago, Swisscom committed to making optimal use of waste heat. Swisscom is continuously on the lookout for further partnerships for reusing waste heat through district heating networks and internal upgrades.

#### Procurement of eco-friendly heating oil

Swisscom is committed to purchasing eco-friendly heating oil with lower sulphur content for its properties, which reduces carbon emissions from heating systems that still run on fossil fuels.

#### Reducing the climate impact of refrigerants

In 2015, Swisscom switched to exclusive use of hydrofluoroolefins (HFOs) with a global warming potential (GWP) of 1 wherever feasible. It is committed to the use of natural refrigerants for new installations and aims to replace all systems with a GWP greater than 6 by 2035, except for installations that operate below 12 kW, and to use direct free-cooling ventilation wherever possible. Swisscom uses rainwater to enhance cooling efficiency during hot conditions.

#### Electrification of the vehicle fleet

In 2025, Swisscom transitioned its passenger fleet almost fully from fossil-fuel to electric vehicles. The next step will involve the phasing out of fossil fuels in commercial vehicles.

#### Actions in Italy

Fastweb + Vodafone achieved a Scope 1 reduction of 11.9% compared to 2024 and total reduction of 51.5% compared to 2018 (baseline year) by means of the following measures.

#### Decarbonising heating and cooling systems

Fastweb + Vodafone is actively working on the replacement of its heating systems with electric alternatives and other low-carbon solutions, and the natural gas boiler at its Milan Caracciolo office was decommissioned in the reporting year. This initiative is part of a broader plan aimed at gradually reducing natural gas consumption through replacement by heating systems powered by electricity. Both companies are also committed to reducing the environmental impact associated with the use of refrigerant gases.

#### Electrification of the vehicle fleet

Fastweb + Vodafone is investing in the electrification of its fleet through the introduction of hybrid and fully electric vehicles, supported by an updated fleet list that prioritises green models and

provides co-financing incentives to encourage more sustainable choices. It has also expanded the ‘Recharge Anywhere’ service and installed new wallboxes at NeXXt’s Milan headquarters.

52%

of total emissions reduction in Scope 1 since the baseline year 2018.

19%

of total emission reduction in Scope 1 from previous year.





E1-3

## Reducing Scope 2 emissions ✓

In the baseline year of 2018, the bulk of Swisscom Group's Scope 2 emissions came from electricity use (98%, location-based), which remains a major decarbonisation lever to this day. The Group uses 100% renewable electricity, so its market-based emissions from electricity are zero, with remaining market-based emissions in Scope 2 arising from the use of district heating.

### Actions in Switzerland

The network infrastructure accounts for around two-thirds of Swisscom's total electrical energy consumption. Despite reduction measures, electrical energy consumption increased in the reporting year, particularly driven by continuous expansion of the mobile network. Nevertheless, approximately 17.1 GWh (2024: 15.5 GWh) of energy was saved by means of the following measures:

- › Use of latest-generation antenna-integrated radio (AIR) units and modernisation of passive radio units and basebands in the mobile network.
- › Modernisation of racks, power supply units, backup batteries in mobile sites.
- › Activation of further software-saving features in the 4G and 5G radio access network (RAN).
- › Replacement of air conditioning systems with free-cooling units; a further 600 mobile sites are set to be modified by the end of 2026.
- › Switch to fibre-optic networks (Fibre to the Home; FTTH) and phasing out of copper lines.
- › Shutdown of older network and transport platforms and general space reduction in central offices.
- › Highly virtualised servers and clouds.
- › Ongoing savings in buildings through the switch to LED lighting, smart solutions and other operational improvements.
- › Innovative data centres with energy-efficient servers, cloud infrastructure and high power usage effectiveness (PUE) values.

### Use of 100% renewable electricity

For the non-renewable portion of its electricity, Swisscom purchases renewable energy certificates (RECs), which largely comprise wind energy. The electricity mix therefore comprises 100% renewable and carbon-free (Scope 2) sources.

### Electricity generation from internal PV systems

Swisscom is committed to increasing its own production of renewable electricity, with the deployment of 42 new PV systems initiated in the reporting year. A total of 174 PV systems with a capacity of 7.2 MWp have been installed to date. Electricity from these systems is primarily consumed by Swisscom itself, with any surplus fed into the grid.

### Renewable district heating

Swisscom has been purchasing renewable district heating since 2019 and is committed to exploring new connections to local district heating networks on an ongoing basis, wherever possible.

### Actions in Italy

Fastweb + Vodafone is certified under the ISO 50001 standard (energy management systems) and takes a structured approach to managing and reducing its energy consumption through a number of key actions:

- › Decommissioning of obsolete technologies and network optimisation, with a site-by-site evaluation of replaceable network technologies or compatible equipment, with a compression and optimisation process that helps to reduce energy impact.
- › Software optimisation and dynamic features to reduce mobile network consumption.
- › Energy monitoring using PUE and other indicators to assess the efficiency of data centres and telecommunications exchanges, as well as electrical losses and the effectiveness of cooling systems.
- › Fastweb + Vodafone continued to invest in infrastructure efficiency improvements in 2025, including changes to ICT/network equipment. In the area of facilities, measures included the revamping of mechanical and electrical systems, use of free cooling and other state-of-the-art technologies in new sites, the procurement of high-efficiency equipment and switching lighting to LED.

### Use of 100% renewable electricity

Fastweb + Vodafone is committed to clean energy and purchases 100% of its direct electricity consumption from renewable sources, as documented by RECs. It also signs long-term Power Purchase Agreements (PPAs) based on a renewable energy plant located in Italy and on-site generation initiatives.

### Electricity generation from internal PV systems

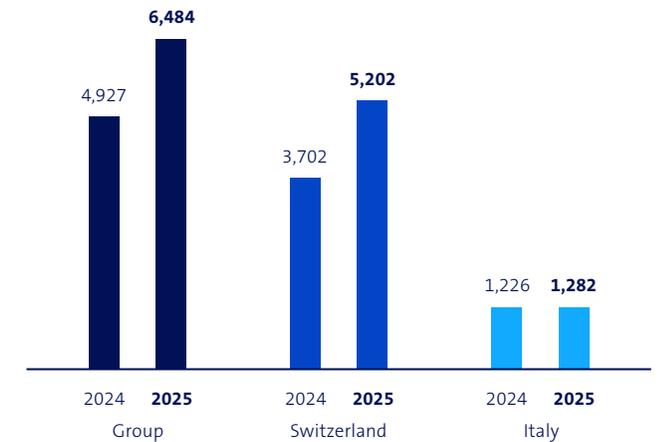
Fastweb operates 27 photovoltaic (PV) systems, with a total installed capacity of 530 kWp. Vodafone Italia operates 10 photovoltaic systems at core sites, delivering over 220 kW of capacity, along with 149 new solar installations across its radio network sites, resulting in a total capacity of 358 kWp.



## PV push programme

In 2025, the Swisscom Group installed 42 new PV systems in Switzerland and 47 in Italy, boosting its own renewable energy production. Almost all of this energy is used to run own infrastructure.

Renewable energy production at the Group level in MWh





E1-3

## Reducing Scope 3 emissions ✓

More than 97% of the Swisscom Group's emissions (market-based) are attributable to Scope 3, making this the greatest lever for decarbonisation. For the purposes of reduction measures, these indirect emissions are broken down into three main areas: supply chain, employee mobility and circular economy. In the reporting year, Scope 3 emissions decreased by 9%, due to a variety of factors: emissions reductions achieved by suppliers, increased efficiency of CPE's in terms of material and electricity usage, the decarbonisation of energy grids especially in Switzerland and lower expenses in Italy. With this reduction, the Group is well on track to reach its SBTi near-term targets for Scope 3.

In 2025, Swisscom Group achieved a Scope 3 emission reduction of 9% compared to 2024 and a total of 39% compared to its SBTi baseline year 2018.

### Upstream value chain

#### Actions at Group level

Mitigating efforts can only be achieved through long-term collaboration, which is why the Swisscom Group is an active member of the Joint Alliance for CSR (JAC). Under the motto of 'Cooperation beyond

competition', telecommunications companies are working together as an industry to decarbonise supply chains.

#### Decarbonisation of the supply chain (category 1)

- › **Supplier Engagement Programme (SEP):** In 2025, key suppliers were broken down into five climate maturity levels based on their CDP reports. Each supplier received a scorecard outlining specific areas for improvement, accompanied by invitations to participate in yearly carbon-reduction webinars (basic/advanced, products/services). The SEP is scaled up to the telecommunications sector level through the JAC. In 2025 the best performing suppliers in the SEP were awarded with gold, silver and bronze medals.
- › **Joint carbon-reduction programmes (CRP):** The Swisscom Group works continuously with key suppliers on joint carbon-reduction programmes (CRPs) to implement → circular economy concepts. Swisscom reduces the carbon footprint of branded products and the volume of purchased goods through the reduction of material input and increase of secondary, refurbished material components to reduce overall Scope 3 emissions.
- › **Tier one project:** The production of integrated circuits (ICs) is one of the most important levers in the telecommunications sector. ICs account for more than 50% of the carbon footprint of the average smartphone or server. Since IC manufacturers are not direct suppliers, the Swisscom Group collaborates with peers and selected direct suppliers together in working groups to understand the IC manufacturing hotspots and consider measures to reduce carbon emissions.

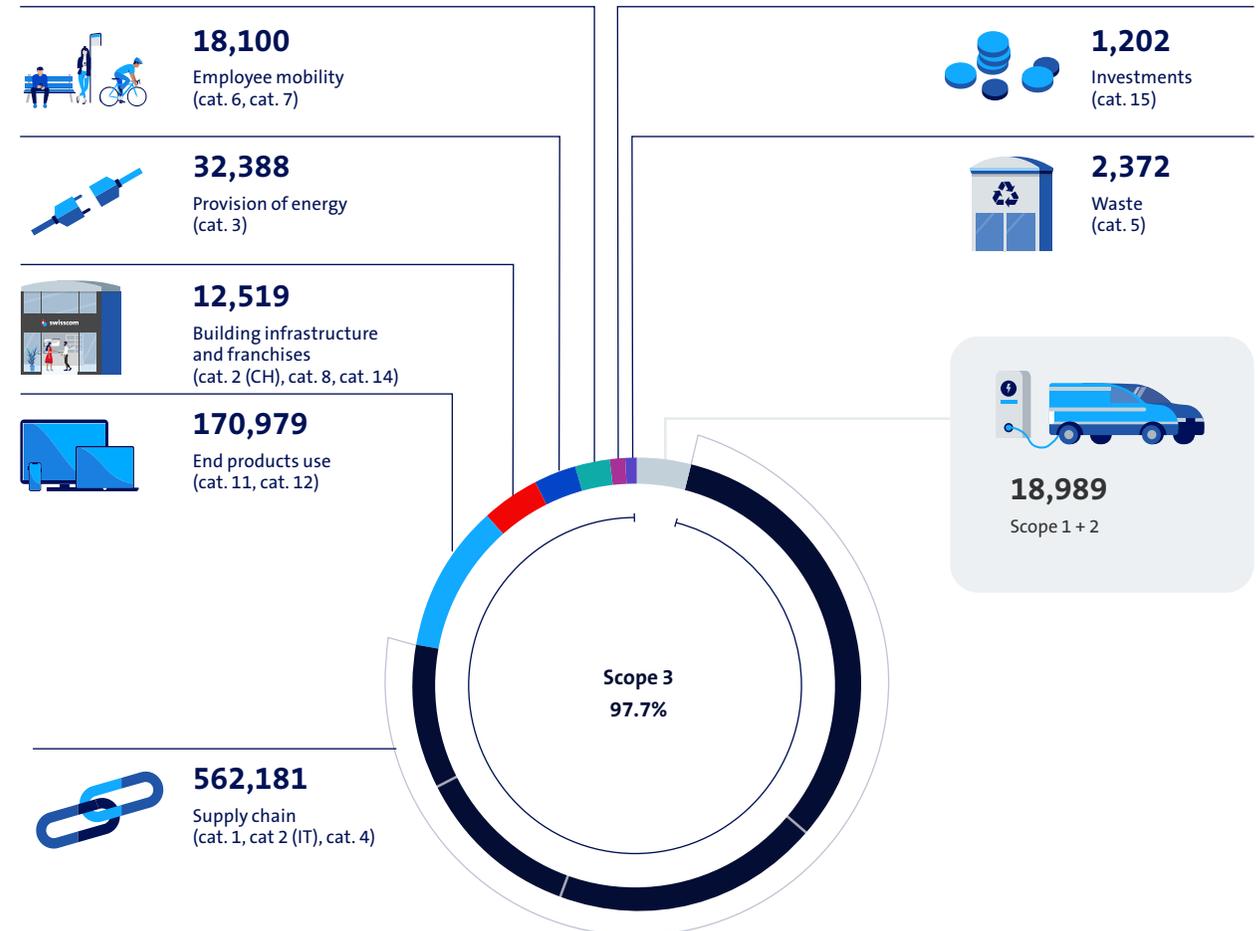
#### Actions in Switzerland

#### Decarbonisation of the supply chain (category 1)

In 2025, Swisscom purchased goods and services with CO<sub>2</sub> relevance to a value of over CHF 3.3 billion, working with over 3,000 suppliers in more than 150 commodity groups. Over 80% of indirect emissions are generated in the production and delivery of purchased network infrastructure, IT, traded goods and services. Swisscom's procurement team ensures due diligence and compliance with regulations.

#### Grouped Scope 3 emissions

in tonnes CO<sub>2</sub>-eq.





- › **From spend- to activity-based calculations:** Strategically important suppliers are required to report their carbon footprint via the Carbon Disclosure Project (CDP) every year. In 2025, 139 suppliers (2024: 146) submitted their carbon disclosures, representing approximately 54% of Swisscom's total procurement volume in Switzerland. Relevant emission factors are defined at category level based on spend. For greater transparency and impact of its decarbonisation measures, Swisscom is transitioning to a hybrid methodology that incorporates spend and activity. Relevant suppliers are expected to submit a carbon footprint for their products. In 2025, key categories such as wireless and fixed lines, which are responsible for 15% of Swisscom's emissions from purchased goods and services, are reported using this more precise methodology.
- › **Integration of ESG into the digital procurement process:** Swisscom's digital procurement processes incorporate environmental, social and governance (ESG) criteria in various stages including risk analysis, sourcing, supplier onboarding, contracting, assessment and development. These criteria are reflected in the awarding of contracts, based on a structured risk segmentation approach.
- › **Purchaser training and awareness-raising:** Supply chain management is one of the most important interfaces to our suppliers. In 2025, Swisscom trained purchasers and raised awareness through educational webinars on ESG Supplier Management.
- › **CO<sub>2</sub> as a KPI for additional orders:** In certain product groups with high emission intensity, Swisscom introduced an ESG bonus model in the reporting year, based on Supplier Engagement Programme performance. Suppliers who perform well in decarbonisation are eligible to increase their share of awarded business.

#### Decarbonisation of employee mobility (categories 6 and 7)

- › **Commuter transport:** Swisscom strives to minimise commuting by allowing employees a high degree of flexibility in their choice of work location, including work from home. It actively encourages the use of public transportation through financial incentives while disincentivising private car use.
- › **Business travel:** The significant rise in online meetings means that business travel is avoided wherever possible. As of 2025, all flights now require approval from a member of the Group Executive

Committee, a policy that aims to minimise business travel to the absolute necessary and significantly lower related emissions.

- › **Internal learning opportunities:** In 2025, Swisscom launched the SustainABILITY initiative in collaboration with Deedster. SustainABILITY is a three-year programme that consists of learning pathways and a playful app that aim to give employees knowledge and inspiration around sustainability.

#### Decarbonisation of other upstream categories

While emissions from the provision of energy (category 3) are directly influenced by the energy consumption described in Scope 1 and 2, Swisscom actively reduces all other relevant upstream emissions through a wide variety of measures such as reducing office space (categories 2 and 8), working with logistics partners that are focused on sustainable transportation (category 4), and reducing waste generated in operations.

#### Actions in Italy

##### Decarbonisation of the supply chain (category 1)

In line with the Group's transition plan, the same sustainability levers apply in Italian operations through supplier engagement and specific contractual agreements. As described in → **Supplier Management (G1)**, current and future suppliers are required to adhere to the supplier code of conduct and undergo an ESG performance assessment through EcoVadis. In 2025, this assessment involved a total of 368 suppliers registered in the vendor list, of which 120 were classified as 'strategic' according to the defined evaluation scale. These actions and initiatives will be complemented by specific contractual clauses for suppliers.

##### Decarbonisation of employee mobility (categories 6 and 7)

In 2025, Fastweb + Vodafone conducted a mobility survey with a 42.46% participation rate to update the home-to-work travel plan and design tailored initiatives. The mobility company portal now includes a benefits section that offers vouchers for discounted mobility services by leading sector players. The portal will be gradually extended to all Vodafone Italia personnel.

#### Decarbonisation of other upstream categories

Actions here focus on reducing material inputs and promoting the use of secondary and refurbished components to implement → **circular economy practices** and reduce the carbon footprint of branded products.

#### Downstream value chain

##### Actions in Switzerland

##### Decarbonisation of the use of sold products (category 11)

Emissions from the use phase of sold products make up the most significant share of the downstream value chain emissions. This gives Swisscom a direct lever through its branded devices such as the TV-Box, Internet-Box and routers, under the principles of → **circular design**. Swisscom aims to reduce the energy consumption of these end devices and provide customers with information about energy-saving options. The new TV-Box 5, launched in 2023, requires 35% less electricity than its predecessor. The Internet-Box 5, launched in 2025, provides fibre-optic customers with time-switching and other energy-saving options.

##### Decarbonisation of other categories

The recycling system in Switzerland covers all products, with a 60% recycling rate for electronic products. In other words, 60% of the material offered for recycling can be reused for secondary resources. The emissions from end-of-life treatment of sold products (category 12) are minimal, and directly dependent on the number of devices fed into the recycling process. Furthermore, Swisscom actively invests in start-ups to promote technology in Switzerland and emissions in category 15 will increase as these investments grow.

##### Actions in Italy

##### Decarbonisation of the use of sold products (category 11)

In the use phase, the strategy is to address the emissions associated with end devices, such as modems and internet boxes. 'Seven', a new Internet-Box designed with a strong focus on sustainability, was launched in Italy in 2025. The device incorporates an 'Eco' mode that enables users to monitor energy consumption and reduce it by up to 50%.

#### Decarbonisation of other categories

Downstream initiatives focus on promoting more sustainable customer interaction and product life cycles, including the digitalisation of processes such as customer services and equipment installation, and the introduction of digital receipts in flagship stores. End-of-life electronic devices are refurbished or sent to authorised partners that specialise in the disposal of waste electrical and electronic equipment (WEEE).

# 48%

of the Group's total spend is SBTi-aligned.

# ESG

criteria are incorporated into digital procurement processes in Switzerland and Italy as well as through supplier codes of conduct.



E1-4

## Targets ✓

The Group's emissions targets are anchored in the Group Sustainability Strategy 2030. It aims to reduce absolute total greenhouse gas emissions by 60.7% by 2030 and by 90% by 2035 (taking 2018 as the baseline year) and to neutralise the residual 10%. With a total reduction of 40% as of 2025, Swisscom is currently well on track to reach its 2030 near-term targets across all scopes. Compared to the previous year, the Group achieved a 9% reduction of its total emissions (market-based), thereof -14% in Switzerland and -5% in Italy.

The Swisscom Group is aiming for an absolute emission reduction of 60.7% by 2030 and 90% by 2035, compared to the 2018 baseline year.

### Scope 1 emissions

The Swisscom Group aims to achieve an 80% reduction in Scope 1 and 2 emissions by 2030 and 90% reduction by 2035. As of 2025, Swisscom Group achieved a reduction of 67% in Scope 1 and 2 compared to the baseline year 2018 and is therefore well on track to achieve its SBTi targets.

For Scope 1 only, the Group has reduced its emissions by 51.8% compared to 2018. By 2035, direct emissions from Swisscom's fleet will be reduced to zero, mainly through the electrification of commercial vehicles, marking a significant step towards sustainable mobility and the reduction of emissions from company transport. By 2030, the vehicle fleet in Switzerland will be fully electric while the fleet in Italy is expected to consist of 70% hybrid vehicles and 30% fully electric vehicles.

### Scope 2 emissions

Despite increases in data traffic, by 2034 the Swisscom Group aims to reduce its electricity consumption by increasing energy efficiency to 34% in Switzerland and 4.7% in Italy<sup>3</sup>. As of 2025, the interim target in Switzerland was exceeded with an increase of 3.6% especially due to a high energy reduction in the fleet. Also in Italy, the interim target was exceeded with 1.6%. At present, 6.5 GWh of electricity is produced internally. By 2030, Swisscom plans to produce 11.5 GWh internally, which represents 1.2% of its total energy demand.

For the non-renewable proportion of purchased electricity, Swisscom Group adopted a market-based approach in 2010 in Switzerland and in 2015 in Italy. Through the procurement of renewable energy certificates (RECs) and the use of Power Purchase Agreements (PPAs), the Group has reduced the direct emissions of its electricity consumption to zero. In accordance with the GHG Protocol's Scope 2 guidance, Scope 2 emissions are reported both before and after the procurement of RECs and PPAs (location-based or market-based).

### Scope 3 emissions

The Swisscom Group commits to reduce absolute Scope 3 emissions by 60% by 2030 as an SBTi near-term target. The Group aims to reduce overall emissions by 90% by 2035, of which Scope 3 emissions represent the majority. As of 2025, Swisscom Group achieved a Scope 3 emission reduction of 9% compared to 2024 and a total of 39% compared to its SBTi baseline year of 2018. With this achieved reduction, the Group is well on track to reach its SBTi near-term target.

### GHG reduction targets<sup>1</sup>

	Baseline year	Target 2030	Target 2035	2025
Scope 1 and 2	2018	-80%	n/a	-67%
Scope 3	2018	-60%	n/a	-39%
Scope 1-3	2018	-60.7%	-90%	-40%

<sup>1</sup> Targets are aligned to SBTi and refer to a market-based approach regarding Scope 2 emissions.

### Energy efficiency targets<sup>1</sup>

	Baseline year	Target 2034	Change in % from previous year	2025
Energy efficiency Switzerland (according to EnAW <sup>2</sup> )	2024	34%	3.6%	3.6%
Energy efficiency Italy <sup>3</sup>	2024	4.7%	1.6%	1.6%

<sup>1</sup> Through savings measures over total energy consumption.

<sup>2</sup> Swisscom has been concluding agreements on objectives with the Energy Agency for Industry (EnAW) since 2013.

<sup>3</sup> Fastweb + Vodafone currently report on electricity efficiency only rather than overall energy efficiency due to pending calculations.

### Energy production target

	Target 2030	2025
Renewable energy production	MWh 11,500	6,484



E1-5

## Energy consumption and mix

Responsible energy management is a cornerstone of the Swisscom Group's commitment to sustainable development. In recognition of the critical role of energy in its business operations and the world-wide rise in electricity demand, the Group is intensifying its efforts in Switzerland and Italy to improve energy efficiency, expand its own renewable energy generation, and foster innovative solutions to boost its performance and uphold its pioneering role in sustainable energy management.

In MWh	2023 <sup>1</sup>	2024	2025			% change from previous year
			Switzerland	Italy	Group	
<b>Total energy consumption related to own operations</b>	<b>677,145</b>	<b>971,355</b>	<b>527,031</b>	<b>411,284</b>	<b>938,315</b>	<b>-3%</b>
<b>Total energy consumption from fossil sources</b>	<b>139,570</b>	<b>161,679</b>	<b>45,431</b>	<b>86,420</b>	<b>131,850</b>	<b>-18%</b>
Fuel consumption from coal and coal products						
Fuel consumption from crude oil and petroleum products	47,854	63,277	26,916	21,230	48,145	
Fuel consumption from natural gas	4,912	6,219	4,231	1,461	5,692	
Fuel consumption from other fossil sources	–	–	–	–	–	
Purchased electricity, heat, steam or cooling from fossil sources	86,804	92,182	14,284	63,729	78,013	
% of fossil sources from total	21%	17%	9%	21%	14%	
<b>Total energy consumption from nuclear sources</b>	<b>113,465</b>	<b>117,777</b>	<b>114,445</b>	<b>–</b>	<b>114,445</b>	<b>-3%</b>
% of nuclear sources from total	17%	12%	22%	0%	12%	
<b>Total energy consumption from renewable sources</b>	<b>424,111</b>	<b>691,899</b>	<b>367,155</b>	<b>324,864</b>	<b>692,019</b>	<b>0%</b>
Fuel consumption from renewable sources	–	–	–	–	–	
Purchased electricity, heat, steam and cooling from renewable sources	420,561	686,972	362,046	323,583	685,628	
Consumption of self-generated non-fuel renewable energy	3,549	4,927	5,110	1,282	6,391	
% of renewable sources from total	63%	71%	70%	79%	74%	
<b>Total energy production</b>	<b>3,733</b>	<b>4,927</b>	<b>5,202</b>	<b>1,282</b>	<b>6,484</b>	<b>32%</b>
Renewable energy production	3,733	4,927	5,202	1,282	6,484	
Non-renewable energy production	–	–	–	–	–	

<sup>1</sup> 2023 data excludes Vodafone Italia.



### Energy intensity

The Swisscom Group reports energy intensity KPIs based on data volume and revenue. The reference parameter of data volume (from transmitted IP data) establishes a direct link between network

performance and energy use. Measuring energy intensity in relation to revenue provides insights into progress in reducing energy consumption in line with economic performance.

Group	2025
Energy intensity on revenue (CHF) <sup>1</sup>	114.9
Energy intensity on data volume (TB)	42.8

<sup>1</sup> Revenue aligned with financial statements (Group, in CHF thousand).

### PUE value

The value of power usage effectiveness (PUE) represents the total power consumed by a data centre relative to the power consumed by

its IT infrastructure. Swisscom's most innovative Swiss data centre is in Berne Wankdorf. It is cooled with circulating air and rainwater, and contributes waste heat to the city of Berne's heating network.

	2023	2024	2025
PUE value Switzerland	1.31	1.30	1.31
PUE value Italy	1.71	1.70	1.58

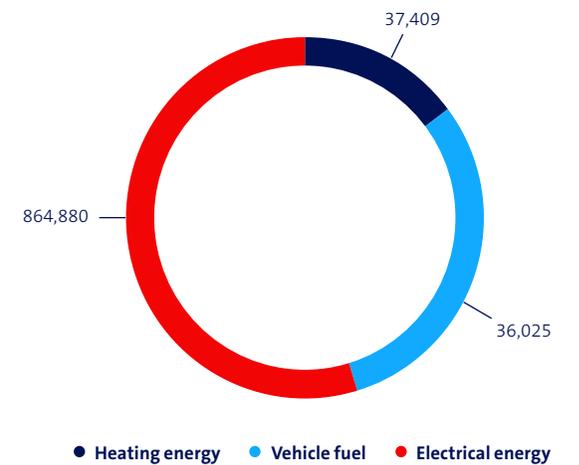
# 114.9

Energy intensity by revenue (MWh/CHF thousand)

# 42.8

Energy intensity by data volume (MWh/TB)

Total energy mix  
At the Group level in MWh





E1-6

## GHG emissions ✓

The Swisscom Group's greenhouse gas inventory is based on current GHG standards and is verified annually in Switzerland and Italy by an independent audit in accordance with ISO 14064-3.

In tCO <sub>2</sub> eq	Baseline year 2018	2023	2024	2025			Change in % from previous year	Change in % from baseline year
				Italy	Switzerland	Group		
<b>Scope 1 GHG emissions</b>								
Gross Scope 1 GHG emissions	34,618	23,529	20,652	8,563	8,124	16,688	-19.2%	-51.8%
In % from regulated emission trading schemes	-	-	-	-	-	-	-	-
<b>Scope 2 GHG emissions</b>								
Gross location-based Scope 2 GHG emissions	552,985	182,038	139,246	95,070	32,401	127,470	-8.5%	-76.9%
Gross market-based Scope 2 GHG emissions	22,344	5,877	2,690	1,400	901	2,302	-14.4%	-89.7%
<b>Scope 3 GHG emissions</b>								
Total Gross Scope 3 GHG emissions	1,309,542	938,483	878,260	466,979	332,761	799,740	-8.9%	-38.9%
1 Purchased goods and services	809,156	564,696	518,204	204,960	273,208	478,168	-7.7%	-40.9%
2 Capital goods	64,859	68,835	69,614	77,592	2,056	79,648	14.4% <sup>1</sup>	22.8%
3 Fuel and energy-related activities	40,727	33,090	31,390	23,682	8,707	32,388	3.2%	-20.5%
4 Upstream transportation and distribution	9,232	8,512	8,398	5,552	868	6,420	-23.5%	-30.5%
5 Waste generated in operations	2,662	1,970	2,042	130	2,242	2,372	16.2%	-10.9%
6 Business traveling	5,973	1,869	4,937	1,358	3,421	4,778	-3.2%	-20.0%
7 Employee commuting	23,292	10,866	10,500	8,923	4,399	13,322	26.9% <sup>2</sup>	-42.8%
8 Upstream leased assets	9,674	6,741	6,212	-	6,016	6,016	-3.2%	-37.8%
9 Downstream transportation	1,799	-	-	-	-	-	-	-100.0%
10 Processing of sold products	-	-	-	-	-	-	-	-
11 Use of sold products	326,327	227,307	212,697	139,108	30,477	169,585	-20.3%	-48.0%
12 End-of-life treatment of sold products	10,108	8,814	8,576	1,227	166	1,394	-83.7% <sup>3</sup>	-86.2%
13 Downstream leased assets	-	-	-	-	-	-	-	-
14 Franchises	5,668	4,686	4,489	4,447	-	4,447	-0.9%	-21.5%
15 Investments	64	1,097	1,202	-	1,202	1,202	-	1,784.6%
<b>Total GHG emissions</b>								
<b>Total GHG emissions (location-based)</b>	<b>1,897,146</b>	<b>1,144,050</b>	<b>1,038,158</b>	<b>570,612</b>	<b>373,286</b>	<b>943,898</b>	<b>-9.1%</b>	<b>-50.2%</b>
<b>Total GHG emissions (market-based)</b>	<b>1,366,504</b>	<b>967,889</b>	<b>901,602</b>	<b>476,942</b>	<b>341,787</b>	<b>818,730</b>	<b>-9.2%</b>	<b>-40.1%</b>

<sup>1</sup> Due to an increase of CapEx in Italy, especially in network infrastructure.

<sup>2</sup> Increase due to harmonisation of methodologies between Fastweb and Vodafone Italia.

<sup>3</sup> Decrease as the majority of Vodafone Italia's waste was sent to recovery/recycling and not to incineration as the years before.



### GHG emission reduction instruments

Group (t)	2025
<b>Scope 1</b>	
Biogenic emissions from the combustion or bio-degradation of biomass not included in Scope 1	418
<b>Scope 2</b>	
Biogenic emissions from combustion or bio-degradation of biomass not included in Scope 2	349
Type and percentage of contractual instruments	
% of market-based emissions linked to purchased bundled electricity; Power Purchase Agreements (PPAs)	66%
% of contractual instruments used for sale and purchase of bundled energy	–
% of contractual instruments used for sale and purchase of unbundled energy; Renewable Energy Certificates (RECs)	31%
<b>Scope 3</b>	
% of Scope 3 emissions calculated using primary data	43%
Biogenic emissions from combustion or bio-degradation of biomass not included in Scope 3	–

### GHG emission intensity

Group	Unit	2025
GHG emissions intensity, location-based	Total CO <sub>2</sub> /revenue <sup>1</sup>	63
GHG emissions intensity, market-based	Total CO <sub>2</sub> /revenue <sup>1</sup>	54
GHG emissions intensity, energy	Scope 1 + 2/TJ	6

<sup>1</sup> Revenue aligned with financial statements (Group; in CHF million).

### E1-7

## Beyond value chain mitigation (BVCM) ✓

Swisscom has set itself the target of reducing its emissions by 90% by 2035, with the residual 10% to be neutralised through high-quality carbon dioxide removal certificates. Alongside its ambitious net zero target, Swisscom is taking further responsibility for its ongoing direct emissions (Scope 1 and 2) now rather than later. In Switzerland, Swisscom has been investing in climate projects since 2020, making a positive contribution to the global climate, and it sees this as an essential lever for reaching targets set under the Paris Agreement. Swisscom predominantly follows the SBTi guidelines and anticipates a revision in 2026. Swisscom takes responsibility for ongoing emissions under the beyond value chain mitigation (BVCM) project in three ways.

Swisscom takes responsibility for its ongoing direct emissions today, looking beyond its own value chain while helping to scale up the CDR market.



**Equity investments**

Venture investments to scale up CDR market players



**Carbon removals**

Procurement of CDR certificates to stimulate demand



**Impact projects**

Contributions to nature protection and pilot projects for maximum impact



### Swisscom’s three-pillar BVCM approach

Over the coming decade, Swisscom intends to make additional contributions beyond its value chain. In line with the Climate and Innovation Act in Switzerland, the company aims to invest in the carbon dioxide removal (CDR) market, as the world will depend on the scaling up of technologies for neutralisation of emissions that cannot be prevented.

To support the scaling of the carbon dioxide removal market, Swisscom is now pursuing a ‘money-for-tonne’ approach, investing a fixed amount for every tonne of CO<sub>2</sub> of its own direct Scope 1 and 2 emissions over the next ten years. Swisscom starts with a fictive CO<sub>2</sub> price of CHF 120 per tonne of CO<sub>2</sub>, based on the Swiss CO<sub>2</sub> levy, and will gradually increase this amount until 2034. Swisscom acknowledges the evolving nature of BVCM and CDR and commits to iterative policy refinement as standards, measurement methods and market integrity mature.

Swisscom’s approach is based on three pillars and aims to promote the market on both the supply and demand sides:

- › **Equity investments:** The first pillar boosts the supply side of the carbon dioxide removal (CDR) market through direct investments in scalable CDR market players (minority interest).
- › **Carbon removals:** The second pillar is a commitment to purchase high-quality carbon dioxide removal (CDR) certificates to support available solutions and boost the development of durable options for the future. This will result in an SBTi-compliant portfolio of carbon removal certificates guided by principles set forth by the VCMi, SBTi and Oxford frameworks.
- › **Impact projects:** The third pillar focuses on contributions to projects and organisations that further push the overall development of the CDR market, including research and development as well as projects aimed at preserving and enhancing natural ecosystems.

In 2025, Swisscom undertook the first investments in pillars one and three. These initial investments included a venture investment in a CDR marketplace and co-funding for two pilot projects in Switzerland:

- › **Equity investment:** CEEZER, a leading digital CDR marketplace to plan, procure and manage carbon credits.

- › **Impact project:** CITru, the first pilot project for an underground geological carbon dioxide injection in Trüllikon (ZH), Switzerland
- › **Impact project:** PATH, a demonstration project by the Empa and Eawag that explores the development of asphalt from captured carbon dioxide, with measurable benefits for surrounding ecosystems.

Criteria for project selection include additionality, innovation, credibility, research and pilot potential, impact on the carbon dioxide removal (CDR) market and scalability.

[More information on BCVM](#)

### Fourth pillar (previous projects)

Prior to adopting its ‘money-for-tonne’ approach, Swisscom made a significant impact through climate protection projects. Using a ‘tonne-for-tonne’ approach to Scope 1 and 2 as well as product-related Scope 3 emissions, Swisscom supported eight avoidance and removal projects in accordance with the Gold Standard, the Verified Carbon Standard (VCS) and the Plan Vivo Standard. Swisscom’s portfolio prioritised geographical and methodological diversity, focusing on projects in low- and middle-income countries most affected by climate change.

A total of 115,659 tonnes of CO<sub>2</sub> worth of avoidance and removal credits were retired in 2025.

The following carbon credits were retired from previous projects in 2025:

- › Solar power plant, Chile (avoidance): 80,859 t CO<sub>2</sub>
- › Solar project, Kenya (avoidance): 14,800 t CO<sub>2</sub>
- › Reforestation, Ghana (nature-based removal): 20,000 t CO<sub>2</sub>

In total, 115,659 tonnes of CO<sub>2</sub> worth of avoidance and removal credits were retired during the reporting year 2025. Since the adoption of the tonne-for-tonne approach in 2022, Swisscom has facilitated the avoidance of 609,000 t CO<sub>2</sub> and the removal of 185,000 t CO<sub>2</sub> globally. These high-quality climate protection projects also contributed to the achievement of the United Nations’ Sustainable Development Goals (SDGs) by positively impacting local communities and ecosystems in these regions.

### CO<sub>2</sub> contribution

In t CO <sub>2</sub> eq	2025
<b>Total GHG removals and storage</b>	<b>115,659</b>
Total GHG removals from own operations	–
Total GHG removals in the upstream and downstream value chain	–
<b>Total amount of carbon credits cancelled</b>	<b>115,659</b>
In % of reduction projects	83%
In % of removal projects	17%
In % for recognised quality standard <sup>1</sup>	100%
In % issued from projects in European Union	–
In % that qualifies as corresponding adjustment (Art. 6 Paris Agreement)	–
<b>Total amount of carbon credits planned to be cancelled in future</b>	<b>–</b>
In % of reduction projects	–
In % of removal projects	–
In % for recognised quality standard	–
In % issued from projects in European Union	–
In % that qualifies as corresponding adjustment (Art. 6 Paris Agreement)	–

<sup>1</sup> Gold Standard, Verified Carbon Standard (VCS).

Swisscom also aims to have a positive impact on climate and nature in Switzerland. In collaboration with Foundation myclimate, it has supported the Hochstamm Suisse project over recent years to help farms plant and maintain standard trees. These trees are expected to capture about 10,000 tonnes of CO<sub>2</sub> in the coming years and are a valuable asset for the protection and retention of local biodiversity.

Comprehensive details of the retired certificates for each reporting year are available in past sustainability impact reports.



ENTITY-SPECIFIC

## Avoided emissions ✓

Various studies indicate that the ICT industry's greatest opportunities for advancing climate protection lie in enabling customers to reduce their emissions through digital services. One such study is digital-switzerland's 2024 [report](#) 'Smart and Green – Digital Pathways to Net Zero', which shows that up to 20% of the reduction of greenhouse gases that Switzerland needs by 2030 can be achieved using sustainable digital technologies in mobility, buildings, agriculture, industry and energy systems.

Avoided emissions are defined as the reduction in GHG impact of a solution compared to an alternative reference scenario in which the solution is not used. In 2014, Swisscom began recording the amount that its customers have saved in greenhouse gas emissions by using ICT services from Swisscom (avoided emissions). The Swisscom Group updated and published its Group-wide [avoided emissions methodology](#) in 2025. It is based on the latest developments in the field, in particular guidance from the [World Business Council for Sustainable Development \(WBCSD\)](#) as well as the Intergovernmental Panel on Climate Change (IPCC) and the World Resources Institute (WRI).

This methodology was extended to Italy and independently validated by the Foundation myclimate in the reporting year. At Group level, Swisscom is also actively engaged in the development of the [EU Green Digital Coalition](#) and committed to integrating its recommendations into its future methodology.

### MDR-P Policies

The Group's commitment to enabling the reduction of customer emissions is anchored in its environmental policy.

[→ Policy overview](#)

### MDR-A Actions

Emissions that Swisscom Group helps its customers to avoid are broken down into eight distinct categories that are relevant for corporate customers in Switzerland and Italy, which includes cities and local authorities.

#### Work smart solutions

Customers can cut down on travel through communicating by video and audio (working from home) and exchanging data remotely. Savings in this area have dropped off after increasing during the COVID-19 pandemic.

#### IoT solutions

The Internet of Things (IoT) enables data-driven control of devices, buildings and vehicles in real time, making systems more resource-efficient. Swisscom holds competitions such as the IoT Climate Award and the StartUp Challenge to find and promote IoT companies with climate-friendly [services](#).

#### Virtualisation and centralisation of data centres

Swisscom's cloud and hosting services allow customers to outsource storage to highly efficient data centres, largely operated with virtualised servers, rather than maintaining their own infrastructure.

#### Extending the service life of electronic devices

Swisscom refurbishes used yet still functional mobile phones, laptops, tablets, routers and TV-Boxes. Mobile phones are reused as low-cost

devices in Switzerland or in emerging countries. These efforts are detailed in the section on [→ Circular Economy \(E5\)](#).

#### Paper savings

Electronic invoicing, electronic processing of transactions through the platform Conextrade and e-signatures as an alternative to ink all help save paper. Over the last few years, the percentage of paperless invoices has increased to over 72%, with more than 2.1 million customers receiving their monthly bills exclusively in digital form.

#### Router energy efficiency

The routers that Fastweb offers for customer premises are demonstrably more energy efficient than the standard defined in the EU's current Code of Conduct on Energy Consumption of Broadband Equipment, allowing customers to save electricity.

#### Data-driven sustainability

In early 2025, Swisscom published its Sustainability Software Radar with an overview of around 280 tools in the areas of carbon management, ESG management, supply chain management and risk management. Over the past three years, Swisscom has used this knowledge to help around 30 Swiss companies select intelligent software solutions with a view to net-zero emissions and ESG reporting with its [sustainability services](#). These solutions enable the automated collection of emissions from a variety of data sources, processing of measurement results for data-based decisions, and forecasting and tracking of the reduction measures taken over several decades. Swisscom has implemented Sweep – one of the world's leading solutions in carbon and ESG management – at a handful of companies that together manage approximately 3 million tonnes of CO<sub>2</sub> through their Scope 1–3 GHG reporting. As regulations on non-financial reporting and climate protection tighten in Switzerland and Europe, companies are increasingly required to professionalise their CO<sub>2</sub> and ESG management. In 2025, Swisscom developed a minimum viable product (MVP) for a platform that allows SMEs to easily measure and exchange carbon footprints and plan pathways to net zero to meet supply chain requirements and the net-zero mandate for companies under Swiss law.

Swisscom also offers mobility [analysis](#) in cooperation with partner 42hacks, a data-driven sustainability service that uses anonymised mobility data from the Swisscom mobile network and other sources to model the modal split and CO<sub>2</sub> emissions. Companies, cities, local authorities and events can use this data to optimise their commuting and transport planning.

#### Investments in start-ups with a focus on sustainability

Through its Swisscom Ventures unit, Swisscom makes targeted investments in start-ups with products that help solve urgent sustainability issues, most notably the climate crisis, but also other Sustainable Development Goals (SDGs) such as biodiversity. In 2025, Swisscom invested in the startup Mondra, which offers a platform that allows retailers and their supply chains in the food industry to use digital twins of products to reduce CO<sub>2</sub> emissions and supply chain risks. This solution was successfully implemented in the UK and the Netherlands and is now being tested for implementation in Switzerland. To date, Swisscom has invested in a total of nine start-ups with a focus on sustainability, which together raised a total of CHF 120 million in 2025.



## Decarbonisation platform

Swisscom developed and tested a minimum viable product of a platform that allows SMEs to measure CO<sub>2</sub>, plan reduction measures intelligently and share this information with other companies.



**MDR-T  
Target**

The Swisscom Group has set a target of 4 million tonnes of avoided CO<sub>2</sub> emissions by 2030. While this target is ambitious, it is close to the avoided emissions achieved in 2025; however, emissions savings through work smart services will drop with the increase of vehicle electrification. This drop must be offset by greater avoided emissions from services like IoT, efficient data centres, new services and successful investments in start-ups.

The Group helped its customers avoid 3.8 million tonnes of CO<sub>2</sub> in the reporting year.

Through all these climate protection solutions, Swisscom Group and its customers avoided a total of 3,792,000 tonnes of CO<sub>2</sub>eq emissions in the reporting year. The value can't be compared to the previous year, as for the first time avoided emissions were calculated on a Group level with the contribution from Fastweb + Vodafone. For Switzerland standalone, there was a decrease of around 3% of the avoided emissions from the previous year. This includes a recalculation of the values for 2023 and 2024 with conservative factors used for 2025, taking into account the uncertainty in some of the calculations of avoided emissions. This recalculation overcompensated the growth in IoT and Venture.

Service Group (kt CO <sub>2</sub> eq)	Services	Positive impact on				2023 <sup>2</sup>	2024 <sup>2</sup>	2025		
		Traffic	Buildings	Resources	Energy			Switzerland	Italy	Group
Total work smart	Total					883	882	803	1,331	2,134
	UCC/MCC1 <sup>1</sup>	x				476	499	501	740	1,241
	Home office	x				407	379	299	591	851
	Streaming services	x				–	4	3	–	3
IoT solutions		x	x			130	164	190	1,350	1,540
Total data centre services	Total					27	30	30	16	46
	Hosting				x	25	28	26	16	42
	Housing				x	2	2	4	–	4
Circular economy (return programmes)				x		6	7	8	–	8
Investments in sustainable start-ups		x	x	x	x	15	38	56	–	56
Others						1	2	4	4	8
<b>Total avoided emissions</b>						<b>1,062</b>	<b>1,122</b>	<b>1,091</b>	<b>2,701</b>	<b>3,792</b>

1 Unified Communication and Collaboration/Managed Communications & Collaboration.  
 2 Data refers to Swisscom only. In 2025, avoided emissions were calculated on group level for the first time.



SBM-3, IRO-1

## Climate resilience analysis

The Swisscom Group recognises the increasing global impact of climate change on national economies and the ICT industry. It is aware that climate change can affect its infrastructure, products, services and business activities, and the critical role of resilience in mitigating these effects. The Group last conducted a climate risk analysis in 2025, aligned with the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD).

### Risk analysis and critical assumptions

In 2025, Swisscom Group created a digital twin of its infrastructure portfolio to holistically analyse climate-related physical risks. Using risk scores that represent relative changes, the model quantifies future risk exposure by combining risk scores with data on present hazards. The underlying data originate from global models and express changes in the frequency and intensity of risks. By providing insights into various hazard layers (e.g. flood zones), a digital twin assists in mapping regional exposure and the estimated impact on sites in different scenarios. The future risk analysis was based on three representative concentration pathways (RCPs) – RCP2.6, RCP4.5 and RCP8.5 – covering a wide range of scenarios for future concentrations of greenhouse gases in the atmosphere in the years 2030, 2050 and 2080, including a climate scenario in which global warming is kept to 1.5°C as well as a high-emissions scenario.

The risk modelling covered the Swisscom Group’s most important sites in Switzerland and Italy, including network and antenna infrastructure, data centres, offices, operations buildings and central offices, and incorporated qualitative expert interviews regarding the resilience of critical elements.

→ Scenarios and risks covered

### Results and resilience

Risk modeling allows the Group to compare the current risk exposures of its infrastructure portfolio to future scenarios in light of progressing climate change. In the chart, several physical risks that reveal a *high* to *very high* exposure according to global models are presented.

The climate system is highly complex and challenging to fully capture in any model. While the sheer number of sites exposed cannot be directly linked to actual material property damage or business interruption, risk modelling indicates trends and enables detailed investigation of exposed sites, as well as the evaluation of resilience and adaptation strategies. The Group aims to get a more in-depth view of its exposure and resilience in the coming years by connecting the dots of tool evaluations, current and future on-site risk analysis, and qualitative assessments.

Swisscom is already taking action to strengthen its resilience against potential climate-related hazards.

In general, the Swisscom Group is assumed to be less vulnerable to certain climate risks such as drought or extreme precipitation, as the business model is not merely dependent on those factors. For example, the underground fibre network has been little impacted in the face of earthquakes, flooding and other hazard incidents in the past. Nevertheless, the Group conducts regular geological inspections to aid early identification and mitigation of climate risks and has insurance coverage for buildings and infrastructure. It aims to largely replace the copper access network – which is already exposed and less resilient

to, for example, heat – with optical fibre in Switzerland. Furthermore, resilience is strengthened through redundancies and various business continuity plans. Swisscom has set up emergency batteries, stationary diesel generators and other reserve power supply systems that can be activated in the unlikely event of power outage. As global temperatures rise and climate events intensify, increasing costs for maintenance and cooling of offices and data centres can be expected.

### Transition risks

Through its 2035 net zero target and sustainability action plans, Swisscom Group has set ambitious climate objectives that are already

lowering the carbon intensity of operations, reducing transition risks across the Group. Most of the transition risks and opportunities that the Group has identified fall short of the materiality threshold of the double materiality assessment. Swisscom’s Legal department constantly monitors regulatory developments to allow prompt, effective responses to new requirements. Any future legal requirements such as carbon regulations and taxation depend heavily on deliberations at the political level as well as advances in green technologies, which may also affect energy market prices for renewable and non-renewable energy. Swisscom monitors these trends to act accordingly.

Risk type	Description	Current exposure (in % sites)	Exposure by 2050 (RCP 8.5)
Fluvial flood	Risk of flooding from fluvial (river) floods, caused by prolonged, extreme rainfall and change in mean return period for peak discharge. The exposure is determined based on current flood zones, combined with projected future changes.	7%	similar exposure
Pluvial flood	Risk of flooding from pluvial (surface) floods, caused by change in mean return period of extreme precipitation (rainfall).	3%	similar exposure
Storm	Risk of storm damage resulting from changes in maximum wind speed; daily or expected over specific return periods. This risk represents extreme conditions rather than average winds.	9%	similar exposure
Heat wave	Heat waves are multiple consecutive hot days with temperatures above normal for that time of year and location. Changes in the average number of heatwave days can lead to increased cooling cost or reduced productivity.	20%	rising exposure
Landslide	While remote sites in steep mountain areas are typically more exposed, future predictions underlie high uncertainty, as the exposure depends on a combination of various factors such as heavy rainfall, extreme weather conditions or earthquakes.	17%	highly uncertain



### Climate-related risks across the supply chain

The Swisscom Group faces climate-related risks associated with the production processes of suppliers in third countries and logistics in Switzerland and Italy. Physical climate risks may increase transport or production costs, delay customer deliveries or major projects such as network expansion, or lead to higher capital expenditure in redundancy efforts (such as alternative suppliers or increased inventory). Delays and disruptions in the supply chain could affect the cost of customer service, lead to loss of market share or damage the reputation as a reliable provider.

To analyse its supply chain risks, a focus was set on procurement clusters with physical supply chains and high expenditure and thus the greatest financial impact; this primarily relates to hardware and infrastructure components. In 2025, Swisscom's total procurement expenditure in Switzerland amounted to around CHF 3.3 billion, broken down into four main clusters:

Supply chain cluster	Expenditure 2025 (CH)
Hardware (HW) <sup>1</sup>	23%
Infrastructure (IF) <sup>2</sup>	24%
Software	11%
Services and general goods	42%

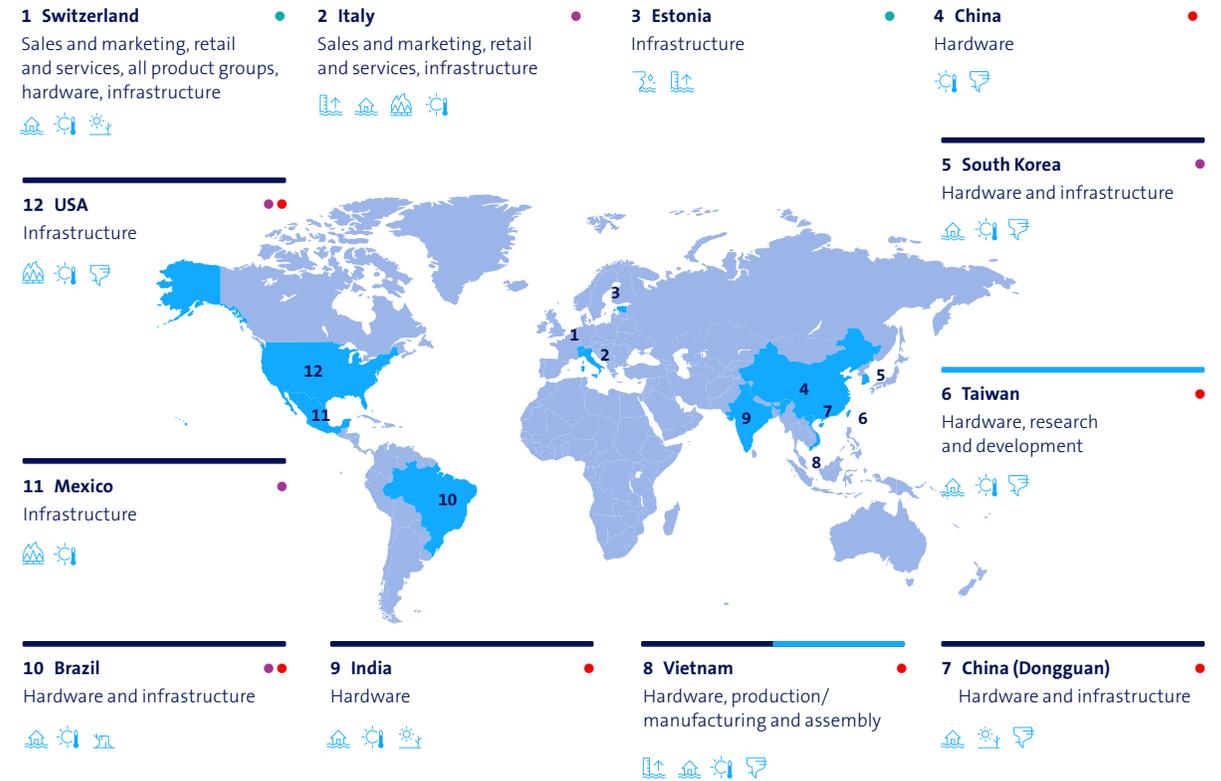
1 Mobile devices, branded devices, hardware for networks and data centres  
2 Network construction, maintenance components, energy procurement

This world map shows the most important areas of origin in the supply chain and the associated material risks according to IPCC data. Although Swisscom and Fastweb + Vodafone have different suppliers and expenditure profiles, critical components for the ICT industry are generally sourced from the same geographic regions, which means that Swiss and Italian operations are exposed to similar industry risks.

### Mitigation and limitation

ICT supply chains are generally intransparent, which makes it difficult to quantify climate-related risks. In the lower levels of the supply chain (tier 2+), a lack of supplier sites, differing methods of data collection and less stringent reporting standards lead to inconsistent data and blind spots. In addition, climate-related IPCC data can only be applied at the country level, which results in a high degree of imprecision. Swisscom's purchasing managers seek to diversify the supplier portfolio and work with key suppliers to ensure they have taken measures to maintain their business operations and incorporate upstream risks. By monitoring and mapping critical supply chains through supply chain risk management (SCRM 360°), Swisscom works to improve risk prediction to enable prompt, effective corrective action. As an active member of the Joint Alliance for CSR (JAC), the Group works with other telecommunications companies to develop solutions that increase transparency in the ICT supply chain.

### Physical risks in the supply chain



- Low to moderate** > Low immediate climate risks, primarily increasing in the long term if temperature increase exceeds 2°C.
- Moderate to high** > Some immediate climate risks that are highly likely to increase if temperature increase reaches or exceeds 2°C.
- High to severe** > Particularly prone to immediate climate risks that are likely to worsen significantly as global warming advances.
- Swisscom products:** Swisscom-branded products (e.g. devices for home use and telecommunications equipment) that are sold to end users.
- Products from suppliers:** Finished components that are purchased from third-party suppliers and are a material part of Swisscom's business activities.
- Coastal erosion**
- Rise in sea level**
- Flooding**
- Forest fires**
- Heatwaves**
- Drought**
- Deforestation**
- Tropical storms**



# Resource use and circular economy (E5)

As a network operator and supplier of end user devices, the Swisscom Group plays a key role in the shift to a circular economy. The resources that the Group and its suppliers use are finite and in some cases scarce. Swisscom intends to reduce or stabilise consumption across the entire value chain. Circular economy initiatives and conscious waste management within Swisscom's sphere of influence promote resource efficiency and extend product lifespans.

## Material impacts, risks and opportunities

### Outflows of resources

**Availability of scarce resources** Procurement and deployment of products and components that include scarce resources can lead indirectly to resource depletion as part of a global ICT industry.

Value chain Time horizon Type

↑ ○ -

**Circular economy principles** The Group has established take back, refurbishment and second life programmes for its products to reduce the usage of critical materials and extend product lifespans.

↓ ○ +

### Waste

**Waste** The Group generates waste through construction, the products it sells and the resources it uses in daily operations, including electronics and packaging.

Ⓜ ↓ ○ -

#### Value chain

- ↑ Upstream
- Ⓜ Own operations
- ↓ Downstream

#### Type

- Negative impact
- + Positive impact
- Ⓜ Risk
- Opportunity

#### Time horizon

- Short-term
- Mid-term
- Long-term





E5-1

## Policies ✓

The Swisscom Group’s environmental policy sets out its commitment to resource efficiency, circularity and waste management. It supports the transition away from virgin resources by promoting reuse and integrating recycled materials wherever possible, particularly in branded products and network infrastructure. The Group is committed to sustainable sourcing through procurement criteria that prioritise renewable and resource-efficient materials and collaboration with suppliers that share its environmental goals.

→ [Policy overview](#)

E5-2

## Actions on circular economy

Circular economy principles are vital in reducing global emissions, which is why dedicated programmes are in place in both Switzerland and Italy. The Group sources electronic equipment and devices globally that contain virgin materials. While it cannot control their production, it supports the circular economy by extending product lifespans and reducing demand for new devices. For Swisscom’s branded products, it implements circular economy practices.

### Actions in Switzerland

#### Circular design

Swisscom has a lever regarding the circular design of branded products, such as the Internet-Box and TV-Box, with new products released every three to four years on average. With each new product generation, Swisscom works hand-in-hand with direct upstream suppliers to improve the material consumption, energy use and durability of its branded products. By reducing the carbon footprint of its products, Swisscom lowers its overall Scope 3 emissions from procured materials, downstream usage of products and waste; for further details see the section on → [Climate Change \(E1\)](#). In 2025,

Swisscom launched a number of new products, including the WLAN-Box 5, WLAN-Box 5 Pro and the Internet-Box 5, which comes with time-switching and other energy-saving options, plastic-free packaging and TÜV Green Product certification.

In developing branded products, Swisscom ensures that parts are interchangeable wherever possible. While it engages with the manufacturers of other procured and resold products through supplier development programmes, it has limited influence on the reparability of these products (see manufacturers’ reports). In 2025, Swisscom continued collaborating with suppliers on improving the sustainability of branded products following the launch of the new products. This opens up options for improvements in the life cycle or regarding future generations of appliances.

#### Buyback

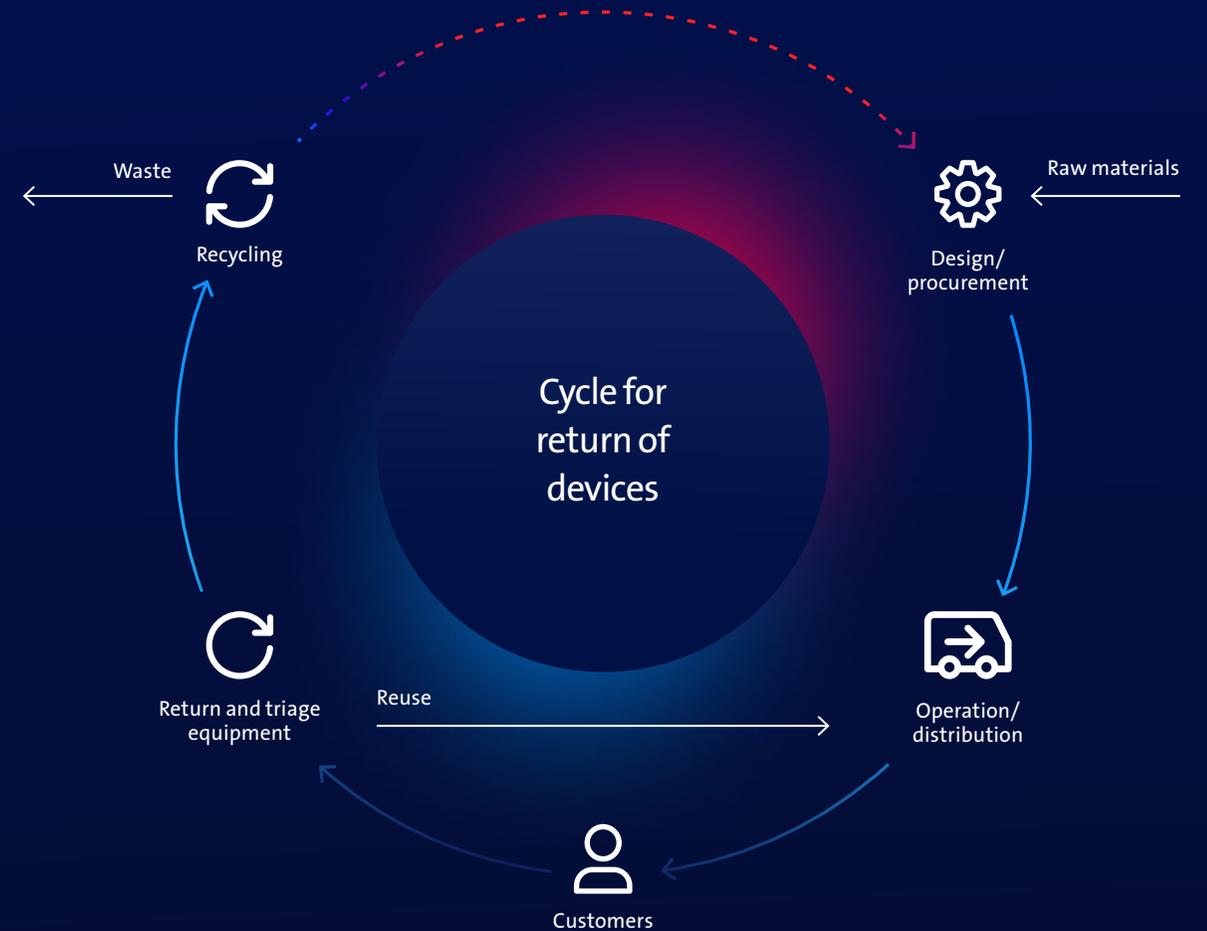
Swisscom’s ‘Buyback’ programme allows consumers to sell mobile phones back to Swisscom for refurbishment, recycling or resale. This programme aims to reduce the demand for new devices. In 2025, the full integration of Swisscom Buyback into customer processes had a positive impact on demand for this service.

#### Mobile Aid

Under the ‘Mobile Aid’ programme, Swisscom collects used mobile phones from individuals and companies, erases all data, and either sells the devices on the second-hand market or recycles them if they are beyond repair. All of the proceeds from resale and recycling are donated to Swisscom’s NGO partner [SOS Children’s Villages](#). Swisscom accepts used phones in all its shops, and in 2025 it staged a major collection campaign on ‘Good Deeds Day’, working with SOS Children’s Villages to collect a total of 11,000 disused devices for Mobile Aid in over 30 Coop shops with the assistance of 100 volunteers.

#### Repair

All Swisscom shops offer repairs, most of which relate to cracked displays or battery and software problems. However, there has been a sharp decline in customers taking advantage of this service. By using





certified specialists and original parts, Swisscom ensures that the manufacturer's warranty remains valid.

### Branded products

The 'Take me back' programme enables the easy return of TV- and Internet-Boxes via mailbox pickup, to promote targeted reverse logistics and maximise the number of devices refurbished and reused as replacements. When customers terminate services or require replacements, Swisscom issues targeted notifications encouraging the return of devices. For phase out products, Swisscom recommends certified disposal through Switzerland's nationwide recycling system to ensure responsible resource management.

### Recycling

All products and materials that cannot be reused, repaired or resold are recycled, including smartphones, branded products and IT hardware equipment – from network infrastructure to server chassis. As a member of [Swico Recycling](#), Swisscom supports the development of a solidarity-based recycling system across Switzerland.

Swisscom regularly reviews the prescribed safety measures for batteries and emergency power systems to prevent environmental damage. Batteries are recycled or disposed of at the end of their service life and emergency power systems are only used during power outages and in brief annual test runs.

### Resale of network components

Whenever Swisscom dismantles networks, it investigates options for the resale of valuable components. It also promotes a 'second life' platform for network components in cooperation with the Joint Alliance for CSR (JAC).

### Circular economy collaboration

Swisscom promotes innovation in the field of the circular economy with partners such as SOS Children's Villages, Thommen AG, ISS and the Swico Innovation Fund. In the reporting year, Swisscom was a jury member for the Berne Upcycling Challenge staged by Bern University of Applied Sciences (BFH) and it is a member of the Sounding Board

for the BFH's Master of Science in Circular Innovation and Sustainability. Swisscom is also committed to industry-wide collaboration as a member of the JAC circular economy working group.

### Actions in Italy

#### Circular design

In 2025, Fastweb + Vodafone launched the new Wi-Fi 7 dual-band modem that combines performance and sustainability, with 95% recycled plastic casing and plastic-free packaging made of 85% recycled cardboard. In 'Eco' mode, the modem uses up to 50% less energy at nighttime and/or when the home is unoccupied.

Fastweb + Vodafone aims to reduce the environmental impact associated with the production and management of physical SIM cards. It is gradually replacing traditional plastic SIM cards with the new 'Eco-SIM' made from recycled plastic, while increasing use of eSIMs (embedded SIMs). The protective film on eSIM cards is biodegradable and the cardboard packaging is FSC-certified.

#### Mobile return

The trade-in programme developed in collaboration with partner Recommerce allows customers to return their used smartphones for refurbishment or material recovery. The aim of this initiative is to promote mindful and sustainable use of technology through device reuse and extension of product lifespan to reduce the impact on environmental resources, CO<sub>2</sub> emissions and electronic waste disposal.

#### Branded modem regeneration

In 2025, Fastweb + Vodafone strengthened its commitment to modem regeneration, extending device lifespan and reducing electronic waste. Used modems are processed in special technical assistance centres, with materials (metals, plastics, rare earths) recovered from non-reusable modems, contributing to the circular economy and reducing the use of virgin resources. A total of 47,800 devices, representing 79% of the modems processed, were refurbished and reintroduced on the market.

### Circular economy collaboration

In Italy, Fastweb + Vodafone collaborates with the Erion consortium to ensure the responsible collection, recycling and management of electronic equipment, batteries and accumulators, in compliance with national and European regulations. Through partnerships with the Bollate prison in Milan and Rebibbia women's prison in Rome, indoor fixed-wireline access (FWA) antennas and smartphones are refurbished while obsolete fixed network devices are disposed of responsibly.

### E5-3

## Targets ✓

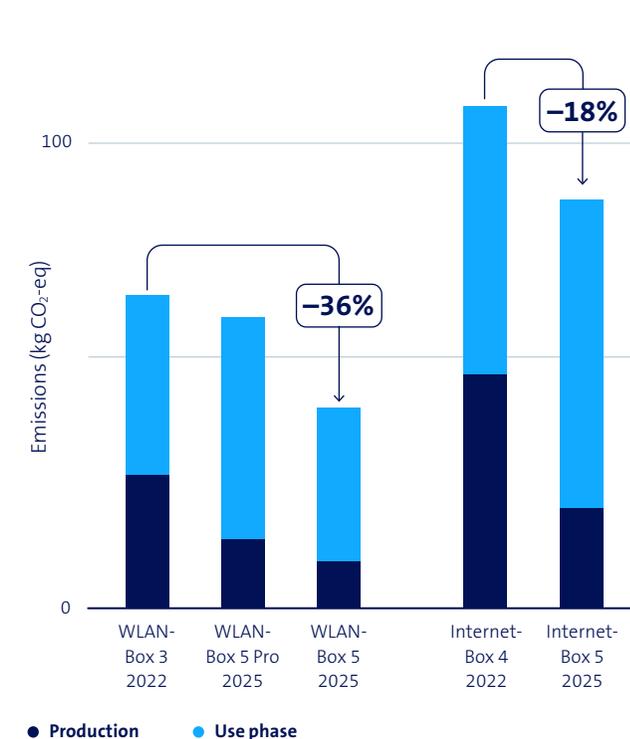
The Group's circular economy targets are anchored in the Group Sustainability Strategy 2030 and contribute to its overarching net zero goal.

### Product carbon footprint reduction (Group)

Swisscom leverages circular practices within the production of its branded products. Improvements are measured through product carbon footprints (PCF). Thoughtful product design drives circularity by ensuring durability, reparability, modularity, use of recycled materials and software support, which extends product life and reduces emissions. By 2030, the Swisscom Group aims to reduce the PCF of each generation of its branded products – including TV-Boxes, WLAN-Boxes and Internet-Boxes – by 10% to minimise the emissions produced across the life cycle. This target applies to the 2030 product generation and aligns with the typical three-year product development cycle.

In 2025, Swisscom launched the new WLAN-Box 5, WLAN-Box 5 Pro and Internet-Box 5, which were produced with significantly lower CO<sub>2</sub> footprints than predecessor models. The overall footprint of the WLAN-Box 5 is 43 kg CO<sub>2</sub>, 36% lower than its predecessor, the WLAN-Box 3. The Internet-Box 5 reduced its predecessor's footprint by 18% to reach 88 kg CO<sub>2</sub>. Progress was primarily achieved in the production phase of these products (see bar chart).

### Product carbon footprint (PCF) reduction





### Mobile phone take-back rate (Switzerland)

To prolong the life cycle of devices and reduce the number of unused mobile devices, Swisscom is aiming for a 50% rate of used mobile phones collected through take-back programmes by 2030. Collected mobile devices are donated, resold or recycled under the Buyback and Mobile Aid programmes. This target is determined by the ratio of phones returned to phones sold. In 2025, the take-back rate for smartphones was 34% thanks to the increasing success of the Swisscom Buyback programme and a successful Mobile Aid campaign on Good Deeds Day.

### Home network take-back rate (Switzerland)

To extend product lifespans and reduce virgin materials used, Swisscom aims for a home network refurbishment rate (i.e. the rate

of functioning devices returned to Swisscom) of 70% by 2030. When customers terminate services or require replacements, Swisscom issues targeted notifications, encouraging the return for the reuse or resell. For products in phase-out, certified disposal through the nationwide recycling system is recommended. Swisscom is currently on track, with a take-back rate of 67% in 2025.

### Branded devices reuse rate (Italy)

Fastweb + Vodafone aims to achieve a 75% reuse rate by 2030 for its own branded devices (internet box). This KPI expresses the rate of returned devices that can be regenerated for resale to extend product lifespans and reduce use of virgin materials. In 2025, a rate of 79% was achieved, currently only covering Fastweb data.

### Mobile phone take-back rate

Switzerland	2023	2024	2025	Target 2030
Total number of smartphones taken back (number)	192,000	215,000	213,000	–
thereof repairs	43,000	29,000	22,000	–
thereof returned to Mobile Aid	85,000	98,000	93,000	–
thereof buy-backs	64,000	88,000	98,000	–
<b>Take-back quota (%)</b>	<b>25%</b>	<b>34%</b>	<b>34%</b>	<b>50%</b>

### Home network take-back rate

Switzerland	2023	2024	2025	Target 2030
Total own brand products taken back (number)	96,400	101,100	191,000	–
thereof internet boxes (number)	53,200	62,700	109,000	–
thereof TV boxes (number)	43,200	38,400	82,000	–
<b>Take-back quota (%)</b>	<b>-</b>	<b>-</b>	<b>67%</b>	<b>70%</b>

### Reuse rate for branded devices

Italy	2023	2024	2025	Target 2030
<b>Reuse rate (%)<sup>1</sup></b>	<b>70%</b>	<b>75%</b>	<b>79%</b>	<b>75%</b>

<sup>1</sup> Data currently only refers to Fastweb.

# 34%

Mobile phones take-back quota, determined by the ratio of phones returned to phones sold.

# 79%

Reuse rate for branded devices, determined by returned devices that can be regenerated for resale.



E5-5

## Outflows of resources and waste ✓

### Outflow of resources

Swisscom Group's primary resource outflows arise from electronic equipment and network infrastructure, as it sources all equipment from suppliers and doesn't operate manufacturing sites of its own. Apart from branded products, these are standard products from global distributors with production and packaging practices that are outside of the Group's control. By influencing direct key suppliers of branded products, Swisscom Group promotes circular economy principles and incentivises customers through circular business models.

### Waste management

Swisscom's material waste streams encompass network, operational and hazardous (electronic) waste. It collaborates with partner companies to ensure proper recycling and reuse of products, guided by a comprehensive waste disposal concept that recognises that 'junk' can be worth its weight in gold if handled correctly.

In Switzerland, the following waste streams are material:

- › **Network waste:** Dismantling of network infrastructure produces tonnes of copper cables that can be partly recovered through efficient recycling. Swisscom's expert disposal partner Thommen AG ensures simpler handling, security, transparency and reporting, while keeping most of the added value in Switzerland. Reusable materials such as copper, gold, silver, palladium, iron and aluminium are recovered. Switzerland's national recycling programme Swico guarantees recycling of end-user products.
- › **Operational waste:** Swisscom's facility department is responsible for the management of operational waste (including residual waste), which is sorted into waste streams, collected at site level and handled by a contracted waste management partner. With most materials now recycled, the volume of waste is declining.

› **Hazardous waste:** The increasing demand for electronic products along with their reduced lifespans have made electronic waste a significant concern, as it contains toxic materials and produces harmful chemicals if handled improperly. This waste is also handled by specialised partners.

In Italy, Fastweb + Vodafone manages a variety of waste streams that reflect the complexity of its operational activities, dominated by waste from electrical and electronic equipment (WEEE) and bulky waste (primarily furniture), along with packaging materials such as paper, cardboard, wood and composites. Other waste types include

construction and demolition debris, batteries and accumulators, as well as differentiated waste fractions excluding packaging, filtering materials and miscellaneous residual waste.

Sorted waste streams are collected and transported by licensed companies to authorised facilities, with most waste processed at recycling plants by type. Fastweb + Vodafone has adopted measures for the responsible management of electronic waste by transferring fixed and mobile network devices that are no longer suitable for sale to authorised partners that specialise in the disposal of WEEE.

Group (t)	2025
<b>Total waste generated</b>	<b>12,575</b>
Total hazardous waste	1,431
Total radioactive waste	–
Total waste non-recycled	3,202
% of non-recycled waste of total	25%

Group (t)	2025	
	Hazardous waste	Non-hazardous waste
<b>Total waste directed to disposal</b>	<b>285</b>	<b>1,065</b>
by waste treatment type		
Thermal-based disposal	3	616
Landfill	2	448
Other disposal operations	280	2
<b>Total waste diverted from disposal</b>	<b>1,145</b>	<b>10,079</b>
by recovery operation type		
due to preparation for reuse	–	–
due to recycling	65	9,307
due to other recovery operations	1,080	772
<b>Total waste with unknown final destination</b>	<b>–</b>	<b>–</b>





# Social

Swisscom takes responsibility for digital society by empowering everyone in the digital world and being an employer of choice where talent thrives. The Group upholds the highest standards in security and ethics and works with global partners to ensure fair supply chains.

# 294

thousand visitors to courses (offline/online) on media usage and digitalisation in Switzerland and Italy.



# DEI

Diversity, equity and inclusion remains a priority topic in Swisscom Group's sustainability strategy with a portfolio of targeted actions implemented.

# 230

thousand workers in the value chain were reached via supply chain audits under the JAC initiative.



# Own workforce (S1)

Employees are at the heart of successful business operations. The Group commits to employee well-being by offering attractive working conditions and health services and promoting diversity, equity and inclusion. To remain competitive, the Group supports professional growth for all by adopting training and development programmes.

Material impacts, risks and opportunities	Value chain	Time horizon	Type
<b>Working conditions</b>			
<b>Work-life balance</b> By offering attractive working conditions and flexible working models that support work-life balance, the Group boosts employee satisfaction.	(pp)	Short-term	+
<b>Mental and physical health</b> Physical and mental health issues can impact employees greatly if the Group lacks due diligence regarding its holistic safety management system and employee wellbeing.	(pp)	Short-term	-
<b>Equal treatment and opportunities for all</b>			
<b>Gender equality</b> Gender discrimination in access to professional growth, and pay disparities for equal work remain material topics across the economy. This includes the attraction of more women to ICT careers and ensuring remuneration free of gender bias.	(pp)	Short-term	-
<b>Training and skills development</b> The Group has a variety of training and development programmes to support professional growth and effective leadership of employees.	(pp)	Short-term	+
<b>Measures against violence and harassment</b>			
<b>Personal integrity</b> Discrimination and disrespect in all its forms can lead to fear, stress and a hostile work environment for employees.	(pp)	Short-term	-
<b>Diversity</b> The promotion of a diverse culture in terms of gender, age, origin, language, physical and mental disabilities and refugee backgrounds is a strategic topic for the Group.	(pp)	Short-term	+

**Value chain**

- Upstream
- (pp) Own operations
- Downstream

**Type**

- Negative impact
- Positive impact
- Risk
- Opportunity

**Time horizon**

- Short-term
- Mid-term
- Long-term





S1-1 Policies ✓

The Swisscom Group’s human rights policy sets forth the overarching commitment to respect human rights across operations and the value chain, including towards its employees. The Swisscom Group operates primarily in Switzerland and Italy with strict national regulations that strongly uphold human and labour rights. Expectations for suppliers are detailed in supplier codes of conduct.

The Swisscom Group operates a security and safety management system that includes information security, safety in the workplace and other aspects of physical security. The Group safety policy focuses on protection of physical and mental integrity, fulfilment of legal safety requirements, and targeted training in safety issues. Fastweb and Vodafone Italia have both adopted health and safety management policies.

Under its personal integrity policy, Swisscom commits to a zero-tolerance position on bullying, harassment, violence and discrimination of all forms; applying to both internal and external stakeholders. Fastweb + Vodafone has numerous policies in place to ensure an equal, inclusive and safe work environment, including the cultural and inclusion policy, the domestic violence and abuse policy, the social responsibility policy and the code of ethics.

→ Policy overview

S1-2 Engagement with employees ✓

Using a wide range of communication activities, Swisscom promotes a culture that encourages dialogue between the Executive Committee, Management and all employees. The Executive Committee regularly answers employee questions in online coffee talks, roadshows across the country and other formats. Swisscom’s intranet encourages input from employees. Regular employee surveys allow for personal perspectives on Swisscom’s organisation, which gives Swisscom the opportunity to adjust its people strategy. Under its DEI agenda, Swisscom promotes

engagement and solicits insights on sensitive issues. Group Human Resources has overall responsibility for employee engagement and the people strategy. In addition, the Group CEO and the Group Chief People Officer are in regular dialogue with the Works Council to explain Swisscom’s vision and rationale for strategic and operational decisions, while the members of the Works Council provide input to ensure greater alignment within the organisation.

In Italy, several initiatives have been launched to boost employee engagement during the merger. The first pillar, ‘Information, Onboarding and Engagement’, brings together initiatives to provide information on integration activities. The second pillar, ‘Cultural Inventory’, focuses on surveys that capture the perspectives of employees to better understand the cultural characteristics of both organisations. There have been pulse surveys to determine the internal climate, while the Executive Committee and the Integration Lead also commissioned a risk assessment survey to identify key critical issues that require close monitoring during this year of transition. The third pillar, ‘Culture and Change Action Plan’, translates survey insights into concrete activities and workshops designed to foster cultural integration and support change management. Finally, Fastweb + Vodafone has established the ‘Culture Agents’ community, which comprises a highly diverse selection of around 50 individuals from across the country who assist management in boosting cultural integration at the local level.

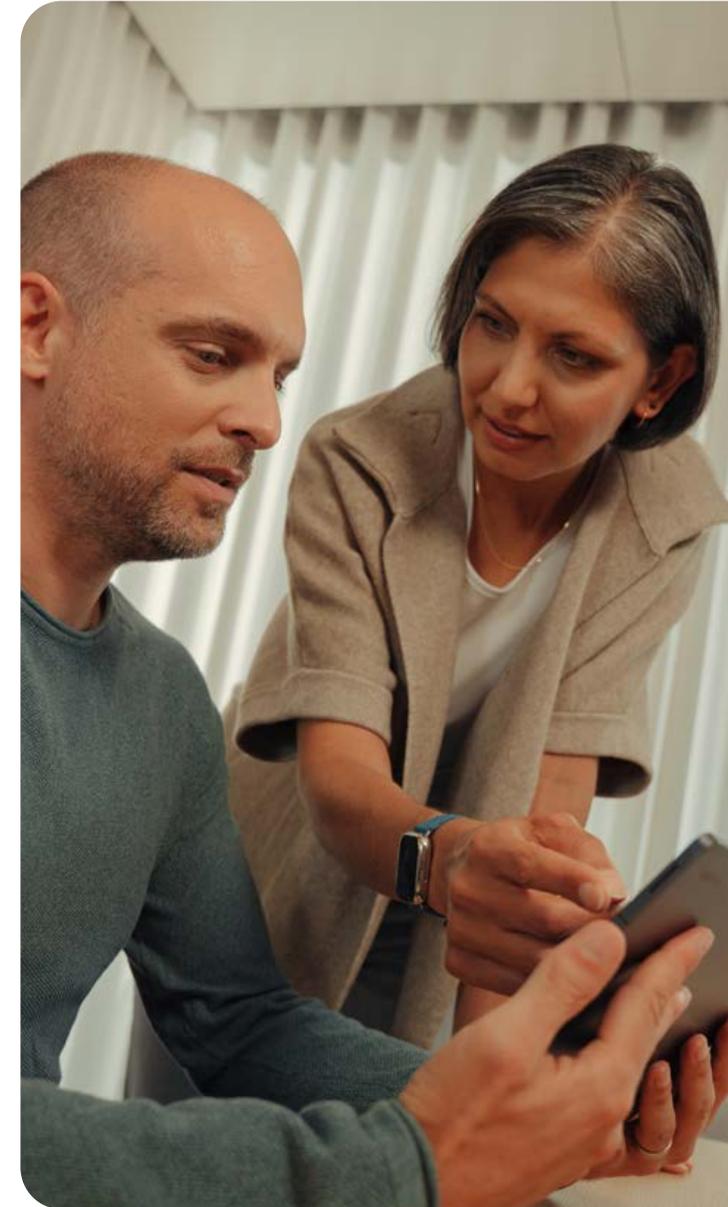
Employee representatives (Works Council) field requests and concerns from employees, which they discuss with management. The council has a total of 53 members in Switzerland, 131 at Fastweb + Vodafone in Italy and 11 in the Netherlands. The Group adheres to local labour, union and workforce agreements in each operating market. In Italy the employee representatives (RSU, Rappresentanze Sindacali Unitarie) are elected by all employees and play a fundamental role in Italy’s industrial relations system. The RSUs function as trade union representation, protecting workers’ rights as well as promoting the application of the national collective agreement (CCNL) and company agreements, including bargaining, negotiations with management (e.g. on performance bonuses), working hours, company welfare and smart working.

S1-3 Channels for raising concerns ✓

In Switzerland, employees are encouraged to report all infringements of personal integrity, harassment, alleged legal or financial impropriety and other concerns to their manager. In addition, they have three channels for sharing concerns: the HR channel, personal consultation through Care Gate, and Swisscom’s whistleblowing channel. All channels are accessible via the intranet. In the event of harassment and other incidents, the employee’s manager determines an appropriate response, with the involvement of specialists or Group Human Resources in severe cases. Upon receiving a formal complaint, HR Advisory launches an official investigation, under which individuals involved in the alleged violation receive notification of the complaint and are required to submit a statement, which is generally not retractable. As a neutral specialist function at Swisscom, Care Gate provides confidential consultation on any concerns related to health, well-being, performance and social issues.

In Italy, Fastweb + Vodafone enables reporting through three dedicated channels: an inbox (ethics@fastweb.it) for violations of the principles of social responsibility (standard SA8000), a dedicated platform for harassment, discrimination, legal violations and breaches of Legislative Decree 231/2001, and a postal mailbox. Under its code of ethics, Fastweb + Vodafone also provides a dedicated inbox for reporting non-compliance with company policies and any unlawful behaviour related to discrimination, human rights violations, labour issues, health and safety, or the work environment. All reports are processed in accordance with the established policy and timelines, with the processing time depending on the availability of information and the complexity of the case. However, complainants can expect feedback no later than three months after submission.

→ Whistleblowing (G1)





S1-4

## Working conditions and work-life balance ✓

The Group aims to be a highly attractive employer, and it pursues a strategy of acquiring, promoting and retaining the best talent.

### Actions in Switzerland

#### Conditions of employment, salary and fringe benefits

Under its collective employment agreements (CEAs), Swisscom offers managers and employees attractive employment conditions including salaries in line with market standards, attractive benefits packages and a very generous comPlan pension fund. Swisscom believes that all employees should participate in the company's success, regardless of employment level or role, and it offers fringe benefits that include discounts on Swisscom services and public transportation.

#### Flexible working models

Swisscom mandates a 40-hour work week for most employees, while market conditions in selected subsidiaries require a 41- or 42-hour week. Within this framework, Swisscom encourages flexibility of schedule and place of work and allows home office up to three days a week. The collective employment agreement offers attractive conditions such as a flexible working hour, generous maternity, paternity and adoption leave, including parental leave for same-sex couples. All employees have at least 28 days of annual leave, while employees aged 50 and over have 30 days. Managers receive five 'flex days' each year in addition to their annual leave. Employees aged 60 and over can register for a partial retirement model, which enables a gradual transition over a period of 18 to 24 months. Swisscom offers job-sharing and part-time positions. In 2025, it was certified as a 'family-friendly company' for the third time in a row and had its 'Family Score' label from Pro Familia Switzerland renewed for a further three years.

### Corporate culture

Volunteering is an important part of Swisscom's culture. Give2Grow allows all employees to dedicate one day a year to a charitable or ecological project. Under the Move programme, employees come together for sporting and creative activities, with a major sports event and get-together for all employees every two years under the banner of Swisscom Games.

### Actions in Italy

#### Conditions of employment, salary and fringe benefits

Both Fastweb and Vodafone Italy share a commitment to providing complementary pension plans to ensure long-term financial security for their employees. They also both maintain welfare platforms which provide a broad selection of services, benefits and discounts. One concrete example is the 'Fastweb Energia Flex Dipendenti' promotion, an energy plan exclusively reserved for employees.

#### Flexible working models

Fastweb + Vodafone promotes smart and flexible working arrangements to support work-life balance for caregivers. New parents receive four months' fully paid leave on top of their statutory parental leave and benefit from family support programmes, with particular emphasis on parenting assistance. The companies share initiatives for employees during and after parental leave, including dedicated 'Welcome Back to Work' and 'Back to Work Program' services designed to reintegrate parents returning to the workplace. Both organisations provide financial support for childcare and family needs through vouchers, allowances and salary integration mechanisms.

### Corporate culture

The ConnAction Days were created to promote the integration of Fastweb and Vodafone Italia and their distinctive identities. The programme was developed in a collaborative design process with 120 employees from Milan, Rome and Naples who shared their experiences and ideas. Under the ConnAction Days programme, employees have three volunteer days each year: one fixed date for the entire company and two at the employee's discretion. Fastweb + Vodafone also takes part in the Swisscom Games.

S1-6 | S1-15

## Characteristics of employees ✓

Split by gender	Headcount (year end)	Headcount (average)	In % (average)
Male	16,450	16,692	69%
Female	7,576	7,656	31%
Other	–	–	–
<b>Total employees</b>	<b>24,026</b>	<b>24,348</b>	<b>100%</b>

Split by country	Headcount (year end)	Headcount (average)	In % (average)
Switzerland	16,061	16,382	67%
Italy	7,300	7,331	30%
Netherlands	427	424	2%
Latvia	232	204	1%
USA	6	8	0.03%
<b>Total employees</b>	<b>24,026</b>	<b>24,348</b>	<b>100%</b>

Split by contract types (average)	Male	Female	Total
Permanent employees	15,916	7,299	23,215
Temporary employees	776	357	1,133
Non-guaranteed hours employees	–	–	–

Employee turnover	Switzerland	Italy	Group
Employee turnover rate (%)	10.9%	3.2%	8.6%

Family-related leave	Switzerland	Italy	Group
Employees entitled to take family-related leave	100%	100%	100%
Employees that took family-related leave	3%	5%	4%
thereof men	75%	13%	50%
thereof women	25%	87%	50%



S1-4

## Health and safety ✓

The Swisscom Group promotes a prevention culture to proactively care for the well-being of its employees. Protecting the physical and mental integrity of customers, employees and partners in buildings, on sites and in the provision of work is of key importance.

### Actions in Switzerland

#### Mental health

Swisscom is active in raising awareness of health and well-being topics and offers courses on mental health and prevention as well as early detection and other voluntary health checks for employees who are exempted from recording their working time. Care Gate serves as an internal anonymous contact and advice service that supports all employees in difficult situations, and employee surveys include questions on stress. Swisscom's 'Fit for Work & Life' training programme offers apprentices sessions on mental health and finances as well as bullying and sexual harassment.

#### Physical health

Occupational health and safety is regulated by a safety system certified by the Federal Coordination Commission for Occupational Safety (FCOS). The most recent certification (comparable with the ISO 45001:2018 standard) was issued in 2021 with validity until mid-2026, and the recertification process is already under way. In line with legal requirements, company divisions continuously monitor specific aspects of [physical safety](#) in all activities of Swisscom employees and commissioned third parties in Swisscom buildings (including construction sites). In addition to standard measures for raising awareness of health risks, employees with particularly high exposure to hazards receive targeted training. Hazard identification, assessment and prevention are central elements of the safety system, enforced through regular inspections.

### Actions in Italy

#### Mental health

Fastweb + Vodafone offers free counseling services for employees and their families, along with a mindfulness programme which offers a three-stage path to mental well-being. Vodafone Italia has an employee assistance programme (EAP), which provides free, anonymous psychological support around the clock, as well as a social care service for employees and their families. During the post-merger transition, the two companies also staged four optional webinars with a consultant to help employees manage change and uncertainty.

#### Physical health

Fastweb and Vodafone Italia are both certified under ISO 45001 and committed to protecting employee health and safety through a comprehensive management system. Vodafone Italia has adopted the EMF Management Framework, which determines how the company manages potential health and safety risks related to electromagnetic fields (EMF), in compliance with the 'Radiofrequency Electromagnetic Fields – Risk Management' global policy standard and national EMF regulations. Both companies have dedicated occupational health service functions with a coordinating doctor and access to medical care. Risk prevention is supported by annual inspections and mandatory training in compliance with Legislative Decree 81/08. As well as monitoring emergency preparedness, regular assessments gauge risks related to stress and technostress to promote a healthier working environment.

All employees of Fastweb and Vodafone Italia benefit from protection and healthcare services. Fastweb offers free insurance coverage for life, disability and occupational risks, together with a UniSalute health plan, while Vodafone Italia provides healthcare assistance along with life and disability insurance coverage. Training programmes promote prevention in areas such as safe driving, technical safety, contractor monitoring, smart working safety and ISO 45001 Lead Auditor training, ensuring continuous improvement of the occupational health and safety management system.

S1-14

## Metrics on health and safety ✓

Accidents and illness	Switzerland	Italy	Group
Workforce covered by health and safety management system	100%	100%	100%
<b>Number of fatalities (number)</b>			
Fatalities as result of work-related injuries and ill health (own workforce)	–	–	–
Fatalities as result of work-related injuries and ill health (other workers on sites)	–	–	–
<b>Work-related accidents and illness (number)</b>			
Cases of work-related accidents of employees	273	35	308
Rate of work-related accidents	9.1	2.5	6.9
Cases of work-related ill health of employees	–	–	–
Number of days lost to work-related accidents, ill health and fatalities	2,714	481	3,195





S1-4

## Diversity, equity and inclusion ✓

The Group stands for a culture that values differences and rejects all forms of discrimination and exclusion. It believes that diversity promotes innovation and configures processes in recruitment, development, talent management and leadership culture in a way that counteracts stereotypes. Swisscom still faces the challenge of increasing the proportion of women in management positions as the percentage of qualified women in the IT sector remains low and postings for technical positions don't attract enough applications from women.

### Actions in Switzerland

#### Unconscious bias programme

Unconscious bias programmes are proven tools to reduce prejudice and discrimination, foster diversity and promote an inclusive workplace culture. The mandatory unconscious bias (UB) e-learning programme achieved a completion rate of 73% – a key measure within diversity and inclusion efforts.

#### Language and origin

Switzerland's four national languages and extensive cultural diversity are not just distinguishing characteristics of the country, they are also great assets. Employees from around 100 countries work together to make Swisscom a success. They contribute a great deal of linguistic diversity, and English is becoming an increasingly important common language. In 2025, Swisscom launched the campaign 'Salut Ticino, Ciao Romandie' to raise awareness of Switzerland's linguistic and cultural diversity. By embracing regional differences, Swisscom ensures that communication and collaboration reflect the multilingual reality of its workforce and customer base.

#### Community building

Swisscom is committed to supporting stakeholder communities that are affected by its activities, including employees with concerns about diversity. Internal networks, such as WoMen's Empowerment,

Neurodiversity and Proud@Swisscom, together boast over 1,800 participants. Joint networking events and talks bring committed employees together and make a significant contribution to an inclusive corporate culture.

#### Senior professionals

Swisscom piloted the 'Senior Professionals: Life in Progress' project in the year under review, taking a preventative approach to promote the health, performance and motivation of employees aged 50 and over.

#### Inclusion of people with disabilities and migration background

At least 1% of jobs at Swisscom are reserved for employees with physical or intellectual disabilities and for the social integration of refugees. Swisscom works with organisations such as Compasso and Powercoders and has employed 13 people with refugee backgrounds as interns.

#### Young female talent

Swisscom is proactive in getting young female talent interested in technical professions through initiatives such as Digital Days for Girls and the new Future Female Leaders programme, which complements the regular talent development track with content tailored specifically to women. This includes:

- › **On-site training** on topics such as power dynamics, negotiating and confidence.
- › **Regular business insights** into Swisscom's growth areas like new business and innovation, artificial intelligence (AI) and cyber security.
- › **Additional career events** featuring practical advice for internal career development, including dos and don'ts, CV checks, fireside chats with experienced leaders and networking opportunities.

### Actions in Italy

#### Gender equality

Fastweb + Vodafone considers gender equality a key principle and is certified under UNI/PdR 125:2022 and, in the case of Vodafone Italia, ISO 30415:2021. Transparent, merit-based policies ensure equal pay. The company supports parents with paid leave, flexible arrangements, reintegration programmes and scholarships, and benefits such as nursery vouchers, home care and psychological assistance. Fastweb's

'Your Evolution' programme promotes women in the workforce to improve the gender balance at all levels. Vodafone Italia runs initiatives such as the 'Free from Discrimination' project, which ensures fair and transparent compensation for all.

#### Inclusion and cultural participation

In 2025, Fastweb + Vodafone took part in the Rome and Milan Pride parades and provided fibre connectivity for live streaming at Milan Pride. The company runs training and cultural projects on discrimination and has inclusive policies that recognise all family models. Both companies also support mentoring initiatives (such as Fondazione Ortygia's YEP programme) and collaborates with networks including ValoreD, Associazione PARI and Fondazione Libellula to foster a culture of inclusion.

#### Protection and social support

Through the Bright Sky app, support is provided to victims of domestic violence. Vodafone Italia has a dedicated policy that grants paid leave and access to psychological assistance. It promotes inclusion through initiatives such as the 'Allies Against Violence' programme, which helps managers and employees recognise signs of domestic violence and provide support to colleagues and customers in vulnerable situations.

#### DEI recognition and leadership

Fastweb has been recognised as a Great Place to Work® and ranked among the Best Workplaces™ Italy 2025. Vodafone Italia is included in the Fortune Best D&I Index. The Diversity Brand Summit also listed Fastweb among the Top 10 most inclusive Italian brands. Both companies actively participate in '4 Weeks 4 Inclusion', the largest inter-company marathon in Italy with a diversity and inclusion theme.

# 20%

of managers were female in 2025 in Switzerland.

# 36%

of managers were female in 2025 in Italy.

# 73%

of employees in Switzerland completed the unconscious bias e-learning programme in 2025.

# 316k

users were recorded on the Bright Sky app in 2025.



S1-9 | S1-12

Metrics on diversity, equity and inclusion ✓

	Switzerland		Italy		Group	
	Headcount (average)	In %	Headcount (average)	In %	Headcount (average)	In %
<b>Diversity in top management level<sup>1</sup></b>						
Total	52	100%	15	100%	66	100%
thereof male	42	81%	10	66%	52	78%
thereof female	10	19%	5	34%	15	23%
<b>Diversity by age</b>						
Employees under 30 years old	2,876	18%	194	2%	3,255	13%
Employees between 30 and 50 years old	8,397	51%	3,843	49%	12,678	51%
Employees over 50 years old	5,109	31%	3,294	48%	8,415	36%

<sup>1</sup> Refers to job level according to ESRS definition.

	Switzerland	Italy	Group
Inclusion of people with disabilities			
Employees with disabilities (%)	1.2%	5.4%	2.5%

ENTITY-SPECIFIC

Strategic targets by 2030

		2023	2024	2025	Target 2030
Women in management (%) <sup>1</sup>	CH	14.4%	15.1%	20%	22%
Women in management (%) <sup>2</sup>	IT	n/a <sup>2</sup>	n/a <sup>2</sup>	36%	30%
Bright Sky app users (number)	IT	220,763	304,989	316,042	500,000
Store staff trained in Safe Space (number)	IT	-	-	342	1,350

<sup>1</sup> Change of methodology in 2025: KPI newly refers to women in team leading functions, irrespective of job level.

<sup>2</sup> This KPI has been collected by Fastweb and Vodafone Italia separately.





S1-4

## Training and skills development ✓

To successfully utilise the opportunities that arise from digital transformation, the Group continuously develops the skills of its employees, preparing them for current and potential future changes in their jobs.

### Actions in Switzerland

#### Transformation and skills development

Swisscom offers a wide range of learning initiatives across the organisation. All leaders participate in dedicated programmes each year to equip them with skills required to lead and motivate their teams and to drive the cultural transformation and technological changes. In addition, all employees have access to a variety of learning programmes related to behaviour, product skills, and technical and digital skills as well other capability building programmes on the internal learning platform. They can also access external learning platforms that offer new digital learning formats on an ongoing basis.

#### Career starters

Swisscom is committed to training and developing the next generation and invests a lot of effort in the identification and guidance of 753 apprentices each year, each of whom is coached by an expert throughout the apprentice programme. Swisscom trains apprentices in seven professions through an innovative, skills-based training model. Apprentices independently seek out 'qualification projects' to work on in all areas of Swisscom and quickly learn to take on responsibility.

#### Training, development and education

Under the CEA, employees are entitled to five working days per calendar year for training and further education. Employees can access internal training courses and on-the-job development as well as external education and training days. The internal digital learning platform SKILLup offers time-independent study and programmes tailored to employees and aims to establish this culture of learning across the company. The internal leadership training launched in 2024, which is mandatory for all leaders, is continuing, with new in-depth practical measures added.

#### Talent development

It is people who make Swisscom successful, now and in the future, and in the face of fierce competition in today's labour market, attracting, developing and retaining talent is one of Swisscom's core goals. Individuals with the potential for further development are nominated and re-validated annually based on their performance and defined potential criteria, and benefit from personalised development support. Succession planning and talent development programmes create placement opportunities for internal talent. Swisscom hires highly skilled people from the market to strengthen its workforce and provides attractive development options internally. The target is to fill a minimum of 75% of vacancies for management positions internally.

### Actions in Italy

#### Professional training

Fastweb + Vodafone offers a wide range of training and development initiatives, including managerial training to promote new values and cultural integration, and English language courses through the Speexx platform. Fastweb offers training programmes focused on artificial intelligence (AI), as well as behavioural training on power skills designed to enhance transversal competencies. Through corporate licenses, employees have access to a broad range of content, supported by a collaboration with LinkedIn Learning. The ILEX (Internal Learning Experience) project allows employees to share specialist professional or technical knowledge with colleagues.

Vodafone Italia lets employees design their own development pathways through the 'Grow your Learning' portal, a digital library of on-demand courses from Skillsoft and Harvard University, as well as specific leadership and management training for colleagues in managerial roles.

#### Training on gender-based violence

Fastweb + Vodafone employees are encouraged to use and disseminate the Bright Sky app, a free tool that provides information, training modules and practical resources around domestic violence and support victims and those close to them. The app also offers a nationwide directory of support services, as well as questionnaires that challenge misconceptions about gender-based violence.

#### Talent attraction and acquisition

Fastweb + Vodafone has succeeded in significantly boosting its reputation and attractiveness to position itself as an 'employer of choice'. The focus here is on the development of critical business skills, the engagement of young professionals, women's empowerment – particularly in STEM disciplines – and the cultivation of digital skills with social impact.

In Italy, 45 initiatives, partnerships, master's programmes and academies in collaboration with universities, educational institutions and associations have reached more than 2,700 students, with the direct

S1-13

## Metrics on training ✓

	Switzerland	Italy	Group
Employees that participated in regular performance reviews (%)	69%	n/a <sup>1</sup>	n/a <sup>1</sup>
Average number of training hours per employee	30.5	15.3	25.4

<sup>1</sup> Data has not been collected to date.

### ENTITY-SPECIFIC

#### Strategic targets by 2030

To attract, develop and retain top talent in the market, Swisscom and Fastweb + Vodafone compete against international tech players and position themselves as top employees in the ICT field. The

involvement of 59 employees. Communication is central here, with 30 pieces of online content published to enhance brand awareness and reputation.

HR and the Brand & Communication team have a joint communication strategy under which they highlight social ambassadors and other individuals who represent the brand and its values. This strategy involves the entire corporate population, aligned with the company's main innovation streams: big data, artificial intelligence (AI), 5G, marketing, sales and digital skills.

target is to achieve a **TOP 3 ICT employee rating** in Switzerland, and a **TOP 10 employee rating** in Italy by 2030. The Group also strives for an **employee recommendation/promotion** score of 70 in both countries.

New KPIs		2023	2024	2025	Target 2030
Internally staffed management positions (%)	CH	–	–	75%	75%
Internally staffed management positions (%)	IT	–	–	99.7% <sup>1</sup>	75%
Talent retention rate (%)	CH	–	–	95%	95%
Talent retention rate (%)	IT	–	–	new <sup>2</sup>	95%

<sup>1</sup> Overachievement due to merger in Italy in 2025, with new management positions primarily filled by candidates from both merging entities.

<sup>2</sup> No talent management process established in Italy so far.



S1-5

**Targets** ✓

The effectiveness of actions is measured against targets set under the Group Sustainability Strategy 2030 and management reporting. Group Human Resources and relevant (country) departments are responsible for target setting and monitoring, incorporating stakeholder interests as part of the ongoing engagement process.

S1-16

**Remuneration metrics** ✓

The remuneration policy is designed to attract and retain qualified and motivated employees and to reward them in line with their contribution to the Group's long-term success. The salary system is based on the non-discriminatory principles of market competitiveness, performance orientation and transparency. It is designed to ensure equal pay for equal work.

The unadjusted pay gap does not consider factors like job type, experience or education, so it is not a reliable measure for assessing equal pay for equal work. A significant portion of the gap can be attributed to the underrepresentation of women in higher and senior management positions. The Group is addressing this situation with actions outlined in this chapter. Adjusted pay gaps offer more meaningful insights into wage differences.

	Group
Unadjusted gender pay gap	17.3%
Annual total remuneration ratio	15.3

**Actions in Switzerland**

Swisscom has been reviewing equal pay annually since 2011 using [Logib](#), the equal pay analysis tool developed by the Swiss Federal Office for Gender Equality, which considers criteria such as education, age, seniority, skills and position. In 2021, Swisscom also implemented requirements of the revised Gender Equality Act and was successfully audited by an independent external auditor. The last analysis for larger Swisscom Group companies in 2025 resulted in adjusted pay gaps of between **2.3 – 3.0%**. Factors beyond the Logib analysis, such as relevant work experience and specific educational requirements, account for another part of the pay gap. Swisscom takes annual measures, such as awareness-raising among line managers and specific in-depth analysis to reveal bias in salary decision-making.

**Actions in Italy**

Both Fastweb and Vodafone Italia have been certified under UNI PdR 125:2022, the Italian reference standard that attests to corporate commitment in promoting gender equality. Both companies comply with the requirement limiting the gender pay gap to **less than 10%** for the same job level and equal skills.

S1-17

**Incidents of discrimination** ✓

Incident reports submitted to the Group whistleblowing channel are anonymous, which makes it impossible to verify whether they are submitted by employees. In Switzerland, incidents submitted through Care Gate cannot be traced back if the employee insists on confidentiality. Reports filed through Swisscom's HR Advisory portal are investigated and taken up with the individuals concerned. Employees can also submit complaints to trade unions and employee representatives, and these are generally shared with Swisscom Group Human Resources on an anonymous basis for further clarification.

In the year under review, 15 complaints were filed across the Group's channels provided, of which two were classified as incidents of discrimination.





# Workers in the value chain (s2)

The Swisscom Group is committed to responsible sourcing across its supply chain by implementing a holistic due diligence system. Upholding human rights remains a complex challenge with global dimensions, so Swisscom works with industry peers to advance sector-wide progress. It also engages with strategic suppliers through targeted training, knowledge-sharing and long-term development programmes that promote responsible business standards.

Material impacts, risks and opportunities	Value chain	Time horizon	Type
<b>Working conditions</b>			
<b>Working conditions</b> As a player in a global ICT industry, Swisscom has an indirect impact on workers in the supply chain. Especially workers in lower tiers are likely exposed to poor working conditions such as low wages, long working hours and mental and physical health risks.	↑	🕒	⊖
<b>Other labour-related rights</b>			
<b>Labour-related rights</b> As a player in a global ICT industry, Swisscom's business activities have an indirect impact on workers in the supply chain. Especially in lower tiers, there is a likely presence of labour rights violations, including child and forced labour.	↑	🕒	⊖

- Value chain**
  - ↑ Upstream
  - 🏢 Own operations
  - ↓ Downstream
- Type**
  - ⊖ Negative impact
  - ⊕ Positive impact
  - 🚫 Risk
  - 🎯 Opportunity
- Time horizon**
  - 🕒 Short-term
  - 🕒 Mid-term
  - 🕒 Long-term





Adverse impacts on workers can arise throughout the value chains of the products and services that the Swisscom Group provides. Many of its direct suppliers are located in Switzerland or the European Union, where strong legal frameworks and democratic institutions provide robust protection for human and labour rights. However, a substantial proportion of suppliers operate in countries with heightened systemic risks, for example in the mining of minerals essential for electronic components. The Group works continuously to increase its insight and influence in these areas, cooperating with industry peers to address the complex challenge of human rights enforcement in global ICT supply chains.

**S2-1**  
**Human rights due diligence (HRDD) ✓**

Swisscom maintains a human rights due diligence (HRDD) system, in line with the UN's Guiding Principles on Business and Human Rights (UNGPs) and the OECD Guidelines for Multinational Enterprises. In this framework, Swisscom continuously works to establish and develop processes to proactively identify, prevent, and mitigate adverse impacts across the value chain. Wherever Swisscom identifies that it has directly caused or indirectly contributed to adverse human rights impacts, it engages in appropriate remediation processes in cooperation with affected rightsholders. The responsibility for implementing HRDD lies with the strategic procurement divisions at the country level.

Swisscom identifies human rights risks with a saliency-based approach, focusing on risks related to working conditions and labour-related risks in areas such as:

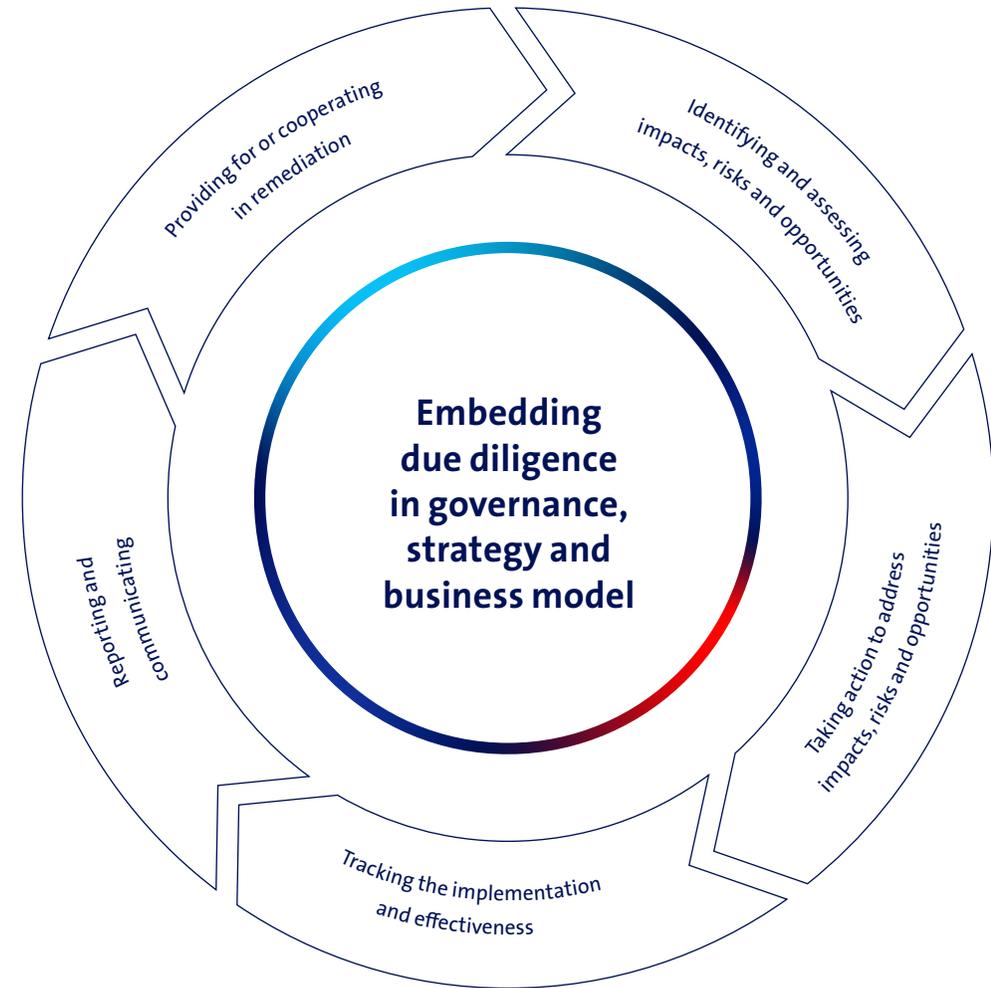
- › Health and safety
- › Working hours and fair wages
- › Discrimination and harassment
- › Diversity and inclusion
- › Freedom of association and collective bargaining
- › Child labour, forced labour and modern slavery

**S2-1**  
**Policies ✓**

The Swisscom Group's human rights policy was updated in 2025 and formalises the commitment to respect human rights across its entire value chain in line with national regulations and international frameworks. This policy also sets out the principles and management system for human rights due diligence (HRDD).

In Switzerland and Italy, the Group extends these commitments to its business partners by requiring suppliers to adhere to ethical business practices through its supplier code of conduct. Contract addenda cover labour rights (including freedom of speech and association and the right to collective bargaining), general working conditions (such as fair remuneration and working hours) as well as due diligence around human rights risks (including child labour, forced labour and modern slavery and conflict minerals). Swisscom Group's policies in this area are guided by the Universal Declaration of Human Rights, ILO conventions and the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct. In Italy, Fastweb + Vodafone has additionally adopted a code of ethics and a social responsibility policy, in accordance with the SA8000:2014 standard and international frameworks.

→ [Policy overview](#)





**SBM-3 | S2-2**  
**Engagement of value chain workers**

Swisscom Group’s value chain includes numerous workers who perform activities related to the production, assembly, maintenance and delivery of its products and services, yet who are not directly employed by the Swisscom Group.

The global ICT value chain is complex and geographically dispersed, with the potential for adverse impacts on marginalised groups such as women, children and migrant workers lying in the lower supply chain (tier 2+). The greatest exposure relates to workers involved in raw material extraction and processing, electronics manufacturing and service, and logistics processes, with a particular concentration of risk in China, Taiwan, Vietnam, Malaysia and other Asian countries, as well as Africa and Latin America.

While there is no direct engagement between Swisscom Group and workers in the lower-tier supply chain, insights gathered from JAC factory audits, the Supplier Development Programme and other channels are crucial for understanding adverse impacts and taking action.

**S2-3**  
**Channels for raising concerns**

Through supplier codes of conduct, Swisscom and Fastweb + Vodafone expect suppliers to offer grievance mechanisms and report all infringements. The Group applies a rigorous approach that includes systematic monitoring of its suppliers; critical violations of the code of conduct result in corrective measures in close dialogue with relevant suppliers, following an internal escalation process. If no cooperation for improvement can be established, termination of the supplier agreement will be initiated as last resort.

The Group has a whistleblowing channel for reporting infringements of human rights and other issues, which is available to all stakeholders. Moreover, it implements remediation processes in alignment with the

UNGP Guidelines and the SA8000 standard, with a particular focus on child labour and forced labour.

Swisscom additionally provides an external grievance mechanism directed specifically at rightsholders in the supply chain. The Group implements a strict non-retaliation policy, ensuring anonymity and whistleblower protection. To increase accessibility to particularly remote and vulnerable stakeholders (such as children and migrants), a hotline and a web portal are provided, both offered in local languages. There have been no grievances submitted since the launch in 2023.

The indirect relationship between the Group and lower-tier suppliers means that effectively communicating the existence of the channel is a challenge. Potential complainants are often unaware that Swisscom is the end customer. Swisscom has begun working within the Joint Alliance for CSR (JAC) to develop shared approaches for improving awareness, accessibility and effectiveness of grievance mechanisms.

**S2-4**  
**Actions on fair supply chains**

**Supply chain risk management system**

Swisscom’s procurement processes operate under a holistic risk management system that addresses financial, logistical, quality and supply security risks alongside ESG risks. Swisscom’s supplier qualification process goes beyond regulatory compliance and covers working conditions, SA8000 certification, human rights and anti-corruption policies. In Switzerland, ESG risk considerations are integrated into requests for quotation (RFQs) as weighting in the evaluation and award process. In Italy, Fastweb + Vodafone has implemented a social responsibility management system related to workers’ rights and workplace well-being, in compliance with leading international guidelines and the SA8000:2014 standard. All suppliers are evaluated against the technical and professional requirements set out in Legislative Decree 81/08 (‘Consolidated Law on Health and Safety in the Workplace’).

→ Supplier management (G1)

**Risk assessment and fair purchasing practices**

- › **EcoVadis risk assessment:** In Italy and Switzerland, the Group periodically evaluates suppliers through the EcoVadis platform using a risk assessment that considers the supplier’s sector and country of origin. This process enables continuous monitoring of partner performance in the area of labour practices and human rights and the implementation of remedial actions. Swisscom achieved an EcoVadis score of 89/100 for sustainable procurement.
- › **ESG in tender and award mechanisms:** Swisscom regularly reviews supplier HRDD performance and external risk exposure, which includes checks for potential human rights-related incidents in RFQ processes in relation to high-risk commodities and major tenders. These measures enhance transparency and accountability across the supplier base and ensure that sourcing decisions reflect sustainability criteria.

**Yearly factory audits in the JAC alliance**

As a member of the Joint Alliance for CSR (JAC), Swisscom Group has been conducting on-site audits of suppliers and subcontractors

since 2010. It selects audit subjects based on commodity, country and industry risk profiles, focusing on areas of the supply chain with heightened risk exposure. Swisscom Group works collaboratively with its direct suppliers to gain visibility into lower tiers. Where infringements are identified, it assists suppliers in implementing a corrective action plan (CAP) to improve working conditions and update management systems.

On-site factory audits incorporate the following risk categories:

- › Child labour and juvenile workers
- › Forced labour
- › Health and safety
- › Freedom of association
- › Discrimination
- › Disciplinary practices
- › Working hours
- › Wages and compensation
- › Environment
- › Business ethics

	Total score	Environment	Labour and human rights	Ethics	Sustainable procurement	Average improvement (vs. initial assessment) <sup>1</sup>
Swisscom portfolio (306)	65.9	69.3	66.9	64.6	59.7	+20.1
Fastweb + Vodafone (368)	61.6	61.0	64.8	61.6	50.2	+14.4
All telcos on EcoVadis (756)	55.0	55.8	57.2	54.2	46.8	+19.7
All companies on EcoVadis (150,000)	49.4	50.0	46.7	52.1	40.9	+15.8

<sup>1</sup> 92% of suppliers in the Swisscom portfolio and 76% of Fastweb EcoVadis suppliers have undergone at least one reassessment since their initial assessment. Of all the companies rated on the EcoVadis platform, this is the case for 54%.



In 2025, the bulk of audits related to Asian producers from the commodity groups of battery equipment, server infrastructure and ICT hardware. A total of 151 audits were conducted within the JAC network across 31 different countries, which revealed 794 instances of non-compliance. The five audits that Swisscom Group contributed revealed 22 instances of non-compliance, of which 17 were corrected through Corrective Action measures (CAPs). Five CAP processes are still ongoing and will be finalised in Q1 of 2026. In 2025, 10% of all non-compliances were classified as priority findings, 59% as major, and 31% as minor. The largest categories for infringements were health and safety (50%), working hours (15%), and wages and compensation (7%), followed by issues in the areas of environmental management (12%) and business ethics (10%).

## Swisscom works with industry peers to advance sector-wide progress and engages with strategic suppliers through development programmes.

### Supplier Development Programme

Where audit findings, risk assessments or other sources reveal elevated risks to people or the environment, Swisscom implements targeted development measures that extend beyond the tier 1 supplier level. Swisscom collaborates with strategically important suppliers and their subcontractors through its Supplier Development Programme (SDP) to promote a sustainable cultural transformation by enabling them to adopt best-practice procedures and implement tailored action plans. Over the past four years, the programme has

been engaging with 16 suppliers, leading to measurable improvements in working hours, remuneration, diversity and inclusion, worker well-being, and occupational health and safety. In 2025, the programme was extended to five sub-suppliers of Swisscom’s branded products.

### Protecting children’s rights

- › **Combatting child labour:** Swisscom treats the combatting of child labour as a focal issue of its HRDD efforts and consistently enforces the SA 8000 standard among suppliers. Compliance with international regulations regarding child labour is anchored in the supplier risk management system. Swisscom is a member of the [Global Child Forum \(GCF\)](#), an NGO that promotes children’s rights among the private sector worldwide. In the reporting year, Swisscom achieved a score of 8.7 in the GCF’s Children’s Rights Benchmark – well above the industry average (6.5).
- › **Supporting remediation:** Swisscom is committed to supporting the remediation of child labour in its value chain. Together with eight other telecommunications operators, it financially contributes to the [Child Action Remediation Hub](#), a joint initiative of Save the Children and the Centre for Child Rights and Business. The hub addresses child labour in small-scale cobalt mining in the Democratic Republic of the Congo. It supports long-term solutions that help children until the age of sixteen to return to education, access vocational training, employment opportunities, as well as providing housing, health and psychosocial support for affected children and their families.

### Conflict minerals and raw materials

The Group does not directly import or process conflict minerals or metals. Given the complexity of global ICT supply chains, full traceability of raw materials remains challenging. Under the JAC audit programme and the Supplier Development Programme, Swisscom supports suppliers in identifying gaps and risks, documenting material origins and taking corrective action. Swisscom employs AI tools (Prewave) to map key supply chains of its own-brand products up to tier 3.

### S2-5 Targets ✓

Under its Group Sustainability Strategy 2030, the Group has set targets to promote fairness in its supply chains as set out below. There

is no direct engagement of workers in the value chain in target setting. The effectiveness of the Group’s actions is tracked through internal performance reporting as well as regular industry dialogue, which provide valuable insights into systemic issues and help shape its fair supply chain agenda.

		2023	2024	2025	Target 2030
Factory workers reached via JAC supply chain audits (number)	Group	194,000	243,396	230,432	250,000
Corrective actions implemented (%) <sup>1</sup>	Group	–	–	100%	100%
ESG maturity improvement in supplier development programme (%)	CH	–	–	24.5%	25%
Ecovadis assessment of strategic suppliers (%)	IT	16%	54%	63%	90%

<sup>1</sup> Numbers relate to audits conducted by Swisscom Group as part of JAC and their respective programme timeline.





# Consumers and end users (S4)

The Swisscom Group is committed to supporting interest groups that acquire, consume and use its products and services but also those, ultimately profiting from its societal engagement in ensuring the information society remains secure and brings value to all. The Group places data security and protection at the core of its operations, drives innovation with responsible AI, and inspires digital confidence with media literacy offerings.

**Value chain**

- Upstream
- Own operations
- Downstream

**Type**

- Negative impact
- Positive impact
- Risk
- Opportunity

**Time horizon**

- Short-term
- Mid-term
- Long-term

Material impacts, risks and opportunities	Value chain	Time horizon	Type
<b>Information-related impacts</b>			
<b>Data protection and data security</b> The protection and security of data are central components of the Group's digital responsibility. It has strategies in place to protect personal and business data from unauthorised access, misuse and data breaches.	Downstream	Short-term	Positive impact
<b>Cyber attacks</b> Cyber attacks can lead to data theft and encryption of critical systems, resulting in significant reputational damage and impact on sales. Negative impact occur if the Group fails to identify, prevent and mitigate such risks.	Downstream	Mid-term	Risk
<b>Personal safety</b>			
<b>Media literacy</b> Through its action portfolio, the Group prepares people from different age groups and backgrounds for the opportunities and risks of the digital transformation and supports safe media usage.	Downstream	Short-term	Positive impact
<b>Youth protection</b> Swisscom protects young internet users by preventing access to harmful content and offering media literacy programmes that go well beyond mere compliance with legal provisions.	Downstream	Short-term	Positive impact
<b>Support for women against gender-based violence</b> Fastweb + Vodafone has initiatives to support women in the fight against gender-based violence and raise awareness to prevent it from happening in the first place.	Downstream	Short-term	Positive impact
<b>Social inclusion</b>			
<b>AI and ethics</b> Digital discrimination is a modern issue and can potentially occur through data and AI applications. The Swisscom Group promotes the ethical use of AI tools and has an AI governance in place to review concerns and moral impact beyond its legal obligation.	Downstream	Short-term	Positive impact
<b>Network access and expansion</b> By providing high-performance networks, the Group contributes significantly to the technological development and attractiveness of Switzerland and Italy and provides voice telephony and internet access to society. This universal service includes coverage in remote areas.	Downstream	Short-term	Positive impact





# Data protection, security and ethics

Data protection, security and ethics are firmly established in Swisscom Group’s culture and organisation under its digital strategy. To ensure optimal protection for customers, partners, employees and the Group, a comprehensive data governance management system is maintained to protect personal and business data from unauthorised access, misuse or breach. Through strict compliance with data protection requirements and continuous monitoring of existing risks, the Group places particular emphasis on preserving trust in digital services.

## S4-1 Policies

Swisscom Group has multiple policies and guidelines that govern the processing of personal data, both in general and in specific circumstances. The compliance directive and the data governance policy set out detailed data protection requirements. The security directive establishes the general requirements for data processing, and defines the structural and procedural organisation along with corresponding roles and responsibilities. The security policy provides a comprehensive framework for managing security across the Group at a strategic level and outlines requirements for information security, workplace safety and physical security. It incorporates the NIST cybersecurity framework and aligns with ISO/IEC 27001, ensuring compliance and continual improvement through regular updates and audits.

To ensure lawful, transparent, secure data processing in line with the EU General Data Protection Regulation (GDPR), Fastweb + Vodafone has implemented measures including the appointment of a Data Protection Officer (DPO) and the integration of data protection principles in internal processes and IT systems. The privacy and personal data protection policy defines the governance framework

for safeguarding data in compliance with the GDPR and other European regulations. It defines roles, responsibilities and procedures to ensure the security of confidential information, prevent unauthorised access and protect customer privacy. Fastweb + Vodafone’s code of ethics sets out clear principles of integrity and transparency in data management and customer privacy protection. It establishes rules for handling information and provides control mechanisms and sanctions in case of violation.

### → Policy overview

## S4-2 Stakeholder engagement

In Switzerland, Swisscom maintains close relationships with national and international authorities and privacy organisations through the Chief Security Officer and the Group Data Protection Officer (DPO) to exchange information on best practice, threats and security incidents. Swisscom partners with such bodies as the Verein Unternehmens-Datenschutz (VUD), National Cyber Security Centre (NCSC), Computer Emergency Response Team (CERT), the Swiss Security Association, ETIS, Forum of Incident Response and Security Teams (FIRST), and the GSMA. The DPO oversees compliance with the Swiss Federal Act on Data Protection (FADP) and serves as the primary point of contact for supervisory authorities.

In Italy, Fastweb + Vodafone collaborates with national authorities, consumer associations and industry networks to strengthen data privacy and security practices and enhance transparency, customer protection and trust in digital services. It reports all cybersecurity incidents to the National Cybersecurity Agency (ACN), and through the

DPO it cooperates with the Data Protection Authority, with the support of the Data Security function for document of breaches, and actively participates in the ETIS to share best practice in the areas of cybersecurity and data protection. These collaborations focus on GDPR compliance, the prevention of data breaches and the secure management of sensitive information. At the European level, Fastweb + Vodafone has reaffirmed its cooperation with the European AI Office.

## S4-3 Channels for raising concerns

Swisscom Group regularly engages in initiatives and projects aimed at ensuring data protection compliance in business products, services, software applications and processes. A comprehensive AI governance framework addresses potential compliance risks in connection with the use of AI and the provision of general AI models. A comprehensive monitoring and compliance review framework covers a series of key performance indicators (KPIs) for measuring data protection across its processing activities. Employees undergo the respective training.

Consumers and end users can flag security incidents and other data protection concerns through a variety of platforms in Switzerland and Italy, such as whistleblower hotlines, email, live chat and social media. Notifications are forwarded to appropriate internal experts as needed.

In Switzerland, Swisscom offers rewards for reporting vulnerabilities in its infrastructure or products under a [Bug Bounty programme](#). There is also a Computer Security Incident Response Team (CSIRT), which is ready to respond to security incidents around the clock, liaising with authorities and regulators where required. Swisscom’s Security

Operations Centre monitors Swisscom’s networks and systems for anomalies and attacks and takes appropriate action to ensure security.

In Italy, Fastweb + Vodafone has adopted a GDPR-compliant governance model based on three lines of defence that begins with the business units, which ensure day-to-day enforcement of security rules. The second line is led by the Data Governance function, which defines policies and controls, while the third line, Internal Audit, guarantees independence and oversight. This framework is augmented by periodic risk assessments, incident response protocols and independent audits, supervised by the DPO and dedicated privacy committees.

In specific cases, Fastweb + Vodafone notifies relevant stakeholders to address potential negative effects arising from privacy violations. The Italian subsidiaries report incidents every quarter as well as any critical or significant cases as they arise. In line with national requirements, incidents are reported to the Data Protection Agency, the police, PSNIC, CNAIPIC and CSIRT-ITA, as well as to customers, and to the media when required. Besides resolving the issue at hand, incident response also consists in updating assets with new tools and modifications to boost data security and prevent issues in the future.



S4-4

## Data protection

### Actions in Switzerland

#### Transparent data processing

Since 2023, Swisscom provides information about personal data that it processes in the context of its business activities in its terms and conditions, on the [website](#) and on the 'My Swisscom' app. Swisscom customers can opt out of specific types of data processing and request information on how their personal data is used.

#### Certification and beyond

Swisscom operates an Information Security Management System (ISMS) according to recognised standards (ISO/IEC 27001; annually [certified](#)) and maintains a data ethics framework that is designed to clarify ethical issues connected to the processing of data and the use of new technologies. Swisscom also operates a compliance management system (ISO 37301), embedding data protection compliance and continuous improvement across processes.

#### Targeted advertising

One of the reasons Swisscom processes personal data is to provide its customers with individualised, targeted advertising and offers, for which it creates customer segments or profiles. Customer data is made available to marketing companies in aggregated form for target group-based advertising. Customers may object to the receipt of advertising and the processing of their personal data for marketing purposes. Swisscom has taken technical and organisational measures to comply with applicable legal provisions, and there were no legal or administrative proceedings around customer data protection or confidentiality in the year under review. Swisscom complies with its legal obligations regarding the surveillance of postal and telecommunications traffic.

### Actions in Italy

#### Preventative data protection measures

Fastweb + Vodafone has a GDPR-compliant data protection governance model which is updated every two years, as well as a three-year cybersecurity plan, and it continuously monitors critical IT areas. It runs awareness campaigns along with phishing simulations that have reached 100% of employees. Together with the deployment of AI-based systems, this resulted in a 9.4% reduction in phishing attempts and an around 70% decrease in false positives in 2025, boosting resilience and customer trust.

Swisscom provides transparent information on personal data processing and allows customers to manage their preferences via the [My Swisscom app](#).

#### Certification and beyond

In Italy, Fastweb and Vodafone Italia have adopted a data protection and cybersecurity framework that is certified at the international level (ISO 27001, ISO 27701, ISO 22301, CSA STAR Level 2). In 2025, the ISO/IEC 42001 certification for AI management systems in anticipation of the EU AI Act was attained. These certifications boost consumer trust and confirm the commitment goes beyond mere regulatory compliance.





S4-4

## Data security

### Actions in Switzerland

#### Security portal

Security is integral to Swisscom's values and culture. Through its security portal, it offers effective [security solutions](#) for residential and business customers ranging from call filters and virus protection to security assessments, managed security services and immediate assistance in the event of hacker attacks.

#### Cyber attack prevention

To ensure utmost data security for employees, customers, partners and the company, Swisscom depends on state-of-the-art infrastructure and highly qualified security experts. With cybercrime threats increasing, Swisscom uses automation technologies and artificial intelligence (AI) to detect risks and attacks early on and initiate appropriate countermeasures. Cyber specialists in the Swisscom Security Operation Centre monitor the entire IT infrastructure around the clock.

#### Awareness-raising and training

As a complement to its technical security measures, Swisscom strives to promote a culture of security across the company and society through the [Swisscom Campus](#). It uses targeted measures to raise employee awareness around conscious, secure handling of data. The security awareness campaign [#bethstrongestlink](#) encourages all employees to do their bit to ensure Swisscom's security.

### Actions in Italy

#### Cyber attack prevention

Security operation centres in Milan and Bari monitor cyber attack threats around the clock, while also conducting vulnerability assessments and preventative mitigation through advanced security solutions, fraud management systems, multi-factor authentication, supplier risk audits and other measures. They are supported by a dedicated CNI team and work in close cooperation with Italian police cybercrime experts. Fastweb applies the principles of the CIA model,

ensuring that data remains confidential, accurate and continuously accessible, as well as the internationally recognised NIST framework, which underpins the European NIS2 directive. This directive imposes strict security and reporting standards on service providers. Fastweb applies a four-level classification system (C1–C4) to align the degree of protection with the sensitivity of the data.

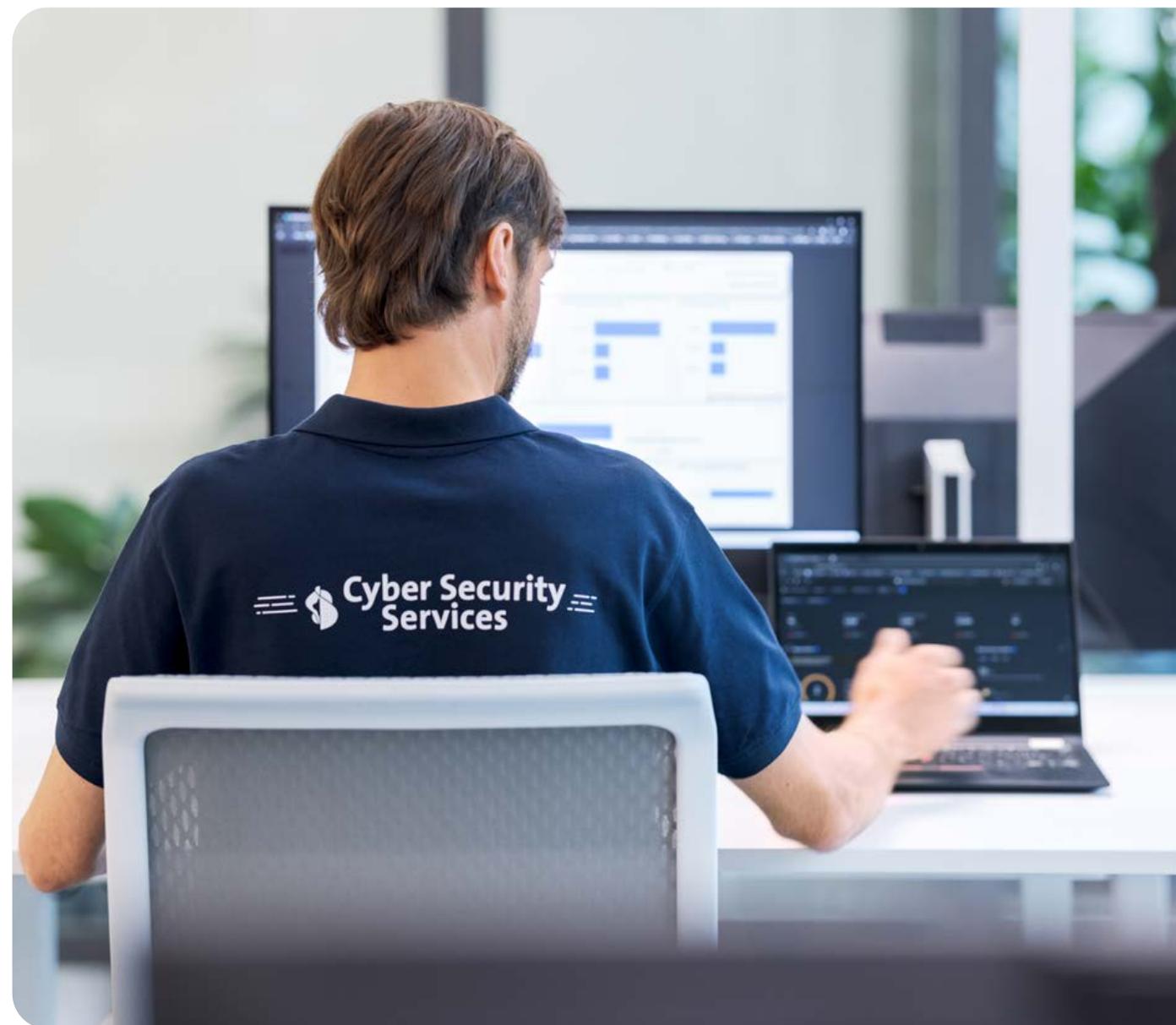
#### Awareness-raising and training

Fastweb + Vodafone targets all employees with awareness campaigns and training programmes, coordinated by the DPO. Vodafone Italia's 'Doing What's Right' campaign promotes ethical digital behaviour, while Fastweb's Digital Academy offers cybersecurity courses developed with universities and wireless experts 7Layers, free content on the CyberSecureCity.it portal, and e-learning programmes for employees of public authorities through the Syllabus platform.

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## Security operation centres in Milan and Bari monitor cyber attack threats around the clock, while also conducting vulnerability assessments and preventative mitigation.

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S4-4

## AI and ethics

Swisscom Group's corporate strategy is committed to ethical principles and respect for fundamental social values such as freedom, justice, equality and security. Data and AI ethics are anchored in the Sustainability Strategy 2030, forming a key part of the Group's digital responsibility.

### Actions in Switzerland

#### Ethics management

Swisscom promotes innovation within secure, transparent frameworks and has comprehensive ethics guidelines in place for the responsible use of AI and data. The Ethics Working Group uses a questionnaire to address specific cases relating to corporate ethics. Risk-based AI governance establishes clear guidelines for the responsible application of AI, taking legal, ethical and societal requirements into account. The AI Governance Assessment categorises and evaluates AI projects according to risk. High-risk systems undergo detailed evaluations for compliance, security and fairness, with final approval required from the Executive Committee. The aspect of fairness is assessed according to objective values (ethical principles) by the Data Ethics Board, comprising four cross-functional members and chaired by the Chief Communication Officer, who also holds responsibility for corporate ethics. This body reviews day-to-day and emerging scenarios in AI and data processing. In 2025, there were no high-risk AI systems that required review – a 100% success rate. A meeting was held to discuss the use of generative artificial intelligence (AI) in customer service, which had already been reviewed and recommended for revision in 2024.

#### Integration and training

To promote value-based behaviour and digital literacy, Swisscom rolled out an online ethics training programme based on compliance and the vision 'Innovator of Trust', which was mandatory for all employees, including part-time and external staff. New employees undergo this training as part of their onboarding process. In 2025, 93% of internal

staff successfully completed the training. Under the Swisscom-wide educational strategy, several courses are available on the online learning platform Skillup, aimed at boosting ethical and digital AI competencies among employees.

### Actions in Italy

#### Ethics management

Leading the way in responsible innovation, Fastweb + Vodafone has enhanced its AI governance by aligning with the EU's AI Act (2024/1689), establishing clear roles, responsibilities and processes across the entire AI life cycle. In 2025, it signed the EU's AI Code of Practice and attained ISO/IEC 42001 certification, two years ahead of regulatory deadlines. To promote safe and responsible AI adoption, Fastweb + Vodafone is also a member of the European Commission's AI Pact and a strategic partner of Cineca.

#### Integration and training

Fastweb + Vodafone places AI ethics at the heart of its training and awareness initiatives, empowering people to use technology responsibly. Fastweb's Digital Academy expanded in the reporting year to offer 298 live and 12 on-demand courses, including 'AI and Children: Instructions for Parents', and it provides programmes for employees of public authorities via the Syllabus platform. Vodafone Italia introduced broad-based initiatives such as 'ReadyForIT', in collaboration with Fondazione Accenture, as well as the LV8 app, which promotes youth inclusion and digital literacy. In 2025 it awarded 30 scholarships to help women under 29 pursue careers in AI and digital fields.

S4-5

## Targets

The Swisscom Group has set the targets below as part of its Group Sustainability Strategy 2030. Group functions and relevant (country)

departments are responsible for target setting, monitoring and stakeholder engagement.

In %, per year		2023	2024	2025	Target 2030
Employees trained and sensitised on ethics	CH	–	91%	93%	>95%
Employees trained and sensitised on ethics	IT	98%	98%	98%	>95%
Employees trained and sensitised on cyber security	CH	87%	89%	97%	>95%
Employees trained and sensitised on cyber security	IT	88%	94%	95%	>95%
AI risk assessment quota	CH	–	–	100%	100%
Return of acceptance report	IT	–	–	100%	100%





# Media literacy and protection of children

The Swisscom Group aims to responsibly accompany the digitalisation of society by raising awareness and offering training on the risks and opportunities of digital media use. Swisscom actively seeks solutions and designs its own branded products with the protection of young users in mind, in recognition of the particular dangers this target group faces.

## S4-1 Policies ✓

Swisscom Group's commitment to respect human rights of all individuals affected by its business – including customers, communities and children – is anchored in its human rights policy. This policy explicitly refers to digital inclusion, accessibility, children's rights and digital safety. The supplier code of conduct includes specific clauses on child labour. As a member of the [Swiss Telecommunications Association \(asut\)](#), Swisscom commits to supporting industry initiatives on the media protection of young adults. Beyond that, the Group follows all regulatory country-specific requirements that exclude the potential for child labour and instead focuses its actions on the supply chain where it is a latent or explicit risk.

→ [Policy overview](#)

## S4-2 Stakeholder engagement

Targets groups include children, young people, students, parents, grandparents, schools, teachers, the elderly and corporate employees. Besides offering various communication channels such as the website, social media, surveys and events, Swisscom Group maintains

relationships with NGOs, public authorities, parents and schools. In Switzerland, the youth media protection officer is Swisscom's representative on these issues. Swisscom launched a round table in the reporting year as a platform for various organisations (NGOs and government agencies) with the aim of promoting dialogue and potential cooperation. Ongoing engagement helps to gain external perspectives, increase reach, create synergies and challenge the effectiveness of the Group's strategy and activities.

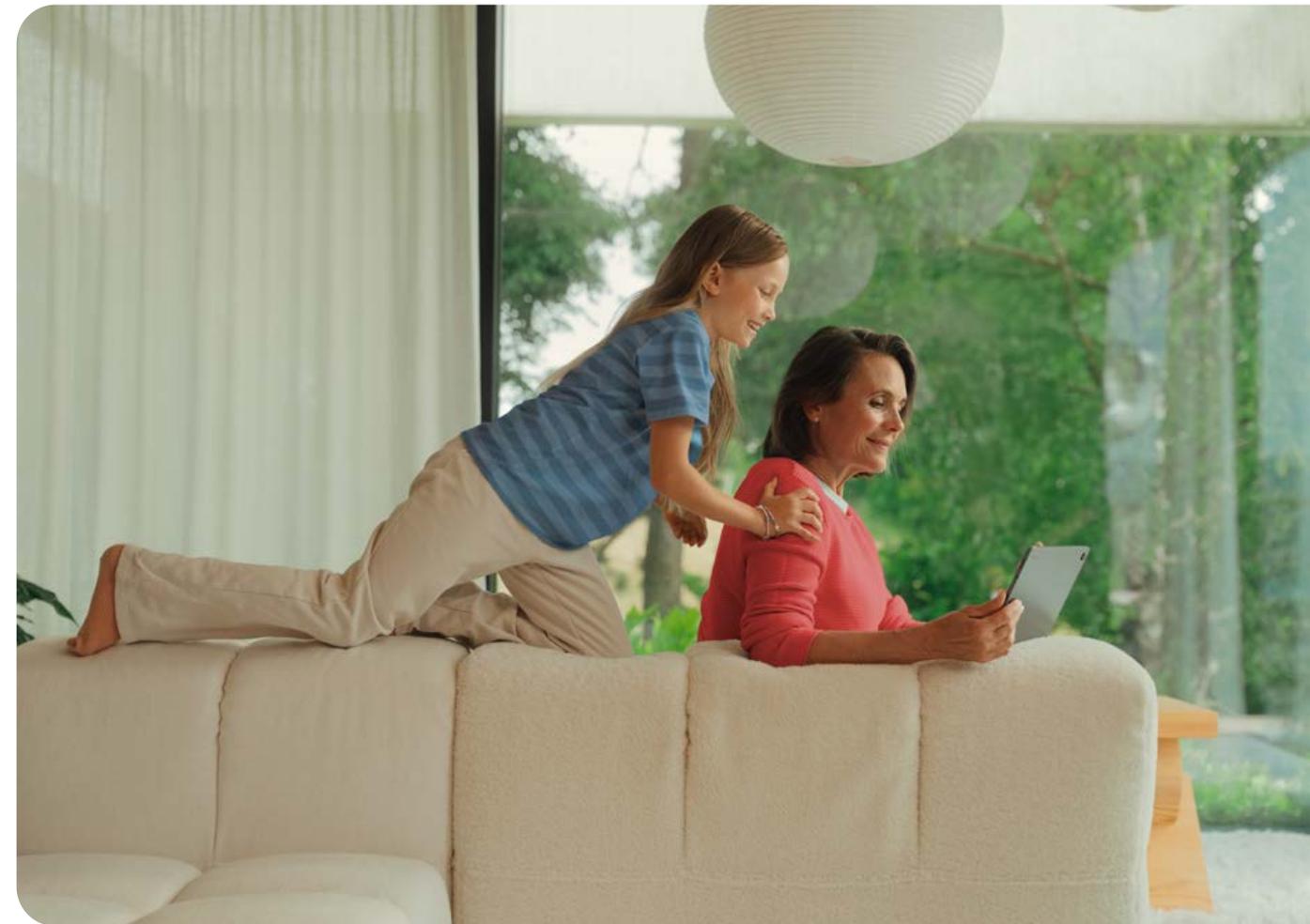
## JAMES Study

NGOs, public authorities and other proxies play an important role in engaging with youth. The Zurich University of Applied Sciences (ZHAW) conducts the biannual representative [JAMES study](#) on behalf of Swisscom, looking at the media usage and leisure habits of people between 12 and 19. The ninth edition will be published in 2026.

## S4-3 Channels for raising concerns

Consumers and end users can raise concerns and complaints through a variety of platforms in Switzerland and Italy, including telephone hotlines, email, live chats and social media. Reports are reviewed and forwarded to the appropriate internal experts as needed.

Swisscom promotes the anonymous reporting service [clickandstop.ch](#) and its efforts to stop sexualised violence against children online.





S4-4

## Promoting media literacy

Swisscom Group sees media literacy as a new cultural skill which is essential for leveraging the opportunities offered by new tools and digital media. It offers assistance for the various media realities on the journey to an information society.

### Actions in Switzerland

#### Digital inclusion

Swisscom seeks to make the opportunities of digital transformation accessible to everyone by advancing equal opportunities in the labour market, facilitating education and promoting social relationships in leisure time. It publishes guides on topics like digital inheritance, fake news and artificial intelligence (AI), which are available on the Swisscom Campus platform, and maintains a presence on social media and traditional media to raise awareness of these issues.

#### Data and internet security

Swisscom provides information on the risks of the internet and is conscientious in its efforts to protect the personal data of all its stakeholders. It targets adults in public and private spheres with 'Cyber Security', a campus guide for schools with an emphasis on their responsibilities around security. Swisscom also offers tips and support on social media and addresses employees with a major awareness programme.

#### Swisscom Campus and online parents' evening

Swisscom Campus has programmes for all target groups. In 2025, all content was translated into English and new information was provided for the following topics:

- › **Recognising unsuitable content:** The [site](#) provides information on digital content that is unsuitable for children and young people, the risks it poses and how parents can use educational and technical means to protect their children.
- › **Generative AI:** This Swisscom site showcases creative uses for generative AI in the areas of [text](#), [image](#), [video](#) and [everyday life](#), highlighting both opportunities and risks and providing practical tips for responsible use of this new technology.
- › **Cybersecurity:** The three Swisscom pages on cybersecurity explain why [digital security](#) affects us all, how to [protect yourself](#) and your data effectively, and the immediate measures that can help in the event of a [cyber incident](#).

Swisscom also hosted two hour-long online events during 2025, focusing on topics of interest to parents and guardians, which received around 245,144 views on blue TV and YouTube. The February event addressed the issue of inappropriate content (with reference to youth media protection), while in November the panel of experts looked at aspects of cybersecurity.

#### Engagement with schools

Swisscom has been involved in Swiss education for over 20 years through the 'Internet for Schools' initiative, which offers all public and private K12 schools a free internet connection and a security solution. It also promotes informed, responsible media use and runs over 800 courses each year for children of all ages, as well as parents and teachers, with teaching materials provided free of charge.

### Actions in Italy

#### Fastweb Digital Academy (FDA)

The [Fastweb Digital Academy \(FDA\)](#) offers free high-quality training courses, which are continuously updated and designed to be directly applicable to the real-world job market. They are available both live and on demand, covering key areas such as cybersecurity, digital

marketing, artificial intelligence (AI), data protection and digital creativity. Since its launch in 2016, the FDA has trained more than 1,139,299 participants, confirming its role as a national training hub.

Education projects involve a wide range of stakeholders. Save The Children took part in an in-person class focusing on essential skills like searching, filtering and evaluating information online. Training initiatives at Bollate prison offered inmates valuable skills to aid in their successful reintegration into society.

The FDA furthered its collaboration with Arci Servizio Civile (ASC Aps), Italy's largest civil service association, focusing on enhancing the digital skills of volunteer operators involved in the 'digital civil service'. The FDA provides tailored educational pathways for volunteers, equipping them with the skills they need to navigate the ongoing digital transformation, reduce the digital divide, and promote employability and social participation.

Finally, the FDA worked with public authorities through the Syllabus programme, which expanded in 2025 to include an AI e-learning course and a social media communication course. The FDA also provides specialist IT training for technicians of the Port Authority – Coast Guard.

In collaboration with Altis, the FDA conducted an analysis aimed at monitoring and measuring the social impact of its initiatives. The results clearly demonstrate the tangible and positive effects on participants' lives. The courses not only impart professional and digital skills, they also improve employability, confidence and motivation. The courses have a DigitAbility rating of 77.6%, indicating a high level of satisfaction and positive change among participants, and in 2025 the FDA received the 'Premio Impatto' (Impact Award) in the 'Profit' category, promoted by the 'CSR and Social Innovation' exhibition.

The FDA remains a driving force for personal and professional development, proving that investment in digital training can lead to a more inclusive, innovative and sustainable future. Beyond their educational value, these courses have generated a significant economic impact valued at over EUR 7 million.

#### LV8 learning app

LV8 is a digital learning app aimed at empowering youth aged 14 to 29 by helping them acquire certified digital skills, progressing from basic literacy to AI and coding. Launched in 2021, it was designed to reach young people who are not in education, employment or training (NEETs) through an engaging, mobile-based platform, promoting equal opportunities for youth and responsible participation in the digital society. The LV8 initiative has reached 26,264 students and 2,156 teachers in 244 schools and teacher training programmes across Italy.

The LV8 programme boasts superior results, scalability and inclusivity, with research by SDA Bocconi confirming the app's social impact, especially among NEETs (8.1%), women and girls (43.5%), and younger age groups. Through FDA courses and LV8, participants and users learn the most in-demand skills of today and receive Open Badges, which are recognised throughout the EU.

#### STEP FuturAbility District

Milan's [STEP FuturAbility District](#) is an immersive space dedicated to spreading digital knowledge via an emotional journey. Created as an interface to the future for the city and its people, it allows visitors to explore the impact of digital transition on sustainability and day-to-day life, covering topics such as social relationships, education and work. The STEP FuturAbility District brings the community closer to emerging technologies like artificial intelligence (AI), the Internet of Things (IoT), cloud computing and 5G.

This hub offers immersive educational experiences, including augmented reality (AR) installations, digital twin applications in healthcare, AI workshops and cultural initiatives like *'Tech si gira!'* to enhance digital literacy and public engagement with innovation. The STEP FuturAbility District confirms Fastweb's long-term commitment to providing young people with safe, responsible and inclusive access to digital technologies.

# 2 mn

yearly contacts to be reached through media literacy programmes until 2030



S4-4

## Protection of children

Swisscom considers the promotion of media skills to be the most promising way to protect young people from the risks of digital media. Technical protective measures can also protect children from inappropriate content such as pornographic and violent content.

### Actions in Switzerland

#### Media competencies

Swisscom teaches children, young people, parents, legal guardians and teachers to use smartphones, the internet and social media responsibly through actions such as:

- > Guides on 'sharenting', 'inappropriate and illegal content' and many other topics on the Swisscom Campus platform.
- > Courses at schools for pupils at all levels (up to secondary level I), parents' evenings and training and development modules for teachers.
- > Social media posts on Facebook, LinkedIn, Instagram and TikTok.
- > Articles in the parents' magazine Fritz und Fränzi.
- > Training course for teachers on the secure use of artificial intelligence (AI) in teaching and how it can add value.
- > Swisscom's second online parents' evening – on the topic of cybersecurity – has so far received around 123,421 views.

#### Secure products

Swisscom goes beyond legal requirements to protect young users from inappropriate content and other media-related risks (addiction, privacy, hate speech, cyberbullying, debt). It adds parental control features (e.g. on blue TV) that enable content restrictions on TV programmes and video-on-demand content. Paid services (including 0906 numbers) are barred to young people and parents can set browsing times via the internet router. In 2025, Swisscom gave sales staff updated advice on questions regarding the protection of young people.

#### Filtering software

Web content filters are never 100% secure, so filtering software is particularly useful in protecting children from inappropriate and disturbing content.

#### blue Security (formerly My Security)

Swisscom offers customers the [blueSecurity](#) app (formerly My Security) to protect their digital identities and prevent cybercrime. The app is a recommended add-on in the blue Kids Mobile phone subscription.

#### Fighting child pornography

Even before the Telecommunications Act (TCA Article 46a) made it a legal obligation, Swisscom was committed to blocking child pornography sites on its network. An interface created in collaboration with the Swiss Federal Police automatically tracks all changes.

#### Regulatory initiative of the Confederation

In 2022, the Swiss parliament passed the Act on the Protection of Minors in relation to Films and Video Games, and the associated ordinance was enacted by the Federal Council as of 1 January 2025. With a transition period of two years, industry members (cinemas, media libraries, VoD providers and the film industry) are required to submit an implementation plan to the Federal Social Insurance Office (FSIO). In 2025, the association Jugendschutz im Film took initial steps toward implementation with stakeholders.

#### Swiss Telecommunications Association (asut) industry initiative

Following the introduction of relevant legislation, [asut](#) updated its code of conduct governing youth media protection to incorporate the new legal provisions. As an industry organisation whose members include the largest VoD provider based in Switzerland, asut is a part of the mentioned talks.

#### Protecting children along the value chain

Swisscom is committed to protecting children along its value chain in areas where child labour is a latent risk. Initiatives are described in [chapter S2](#).

S4-5

## Targets ✓

The Group's greatest impact lies in courses and direct dialogue. By 2030, the following targets are aimed to be achieved yearly. In 2025, targets were exceeded, as the provision of courses for the public sector in Italy, planned for the end of December 2025, was brought forward by a few months and gained great response, resulting in almost 60,000 contacts (two hours of training). In Switzerland, engagement benefited from special effects in B2C communications, which led to a 150%

increase in social media impressions in particular. Normalisation is expected in 2026.

Group functions and relevant (country) departments are responsible for target setting and monitoring under the strategy process, with stakeholder interests indirectly incorporated in the context of the ongoing engagement process.

In thousand, per year		2023	2024	2025	Target 2030
Visitors in media literacy courses <sup>1</sup>	Group	–	–	294	280
Media literacy contacts	CH	2,029	2,211	2,940	2,000
Visitors in digital academy-courses	IT	–	–	158	105

<sup>1</sup> As the courses offered vary in intensity (duration), the values are normalised (90-minute course = 1).





# Network access and expansion

Day-to-day life is increasingly dependent on high-performance networks, which play a key role in rapidly expanding applications such as the Internet of Things (IoT). In future, many processes in which security is critical will be handled digitally. The continuous expansion of networks is therefore vital if the benefits of innovation are to be shared with residential customers, start-ups, small companies and large corporations.

## S4-1 Policies

While Swisscom has not adopted specific policies in this area, network access and expansion is of key importance for the Group's business strategies in Switzerland and Italy, with a focus on accessibility, reliability and responsibility towards society.

In Switzerland, Swisscom is responsible for providing basic telecommunications services under the current [universal service](#) licence. Where specific regions lack optimal services for technical or commercial reasons, the universal service provision guarantees all households and businesses a minimum of reliable, affordable telephony and internet services.

## S4-4 Actions

### Actions in Switzerland

#### Fixed and mobile network expansion

Swisscom is constantly developing its digital infrastructure to keep pace with the increasing demand for broadband in its fixed and mobile networks. Swisscom invests around CHF 1.7 billion per year in its infrastructure in Switzerland – primarily in networks – to give customers dependable access to mobile services and the internet.

#### Decommissioning the copper access network

Swisscom is gradually phasing out the copper access network over the coming years wherever there is alternative access to high-speed internet, and will retire it in full in the long term. This will result in energy savings roughly equivalent to the annual energy consumption of a town of 20,000.

#### Universal service provision

As part of the [universal service](#) provision, Swisscom offers households fixed-line and internet access with a free router on request. On 1 January 2024, it introduced subscriptions with speeds of 80 Mbit/s (download) and 8 Mbit/s (upload), in addition to the standard rates of 10 Mbit/s download and 1 Mbit/s upload. This increase in minimum bandwidth in the universal service provision is technology-neutral and in line with the political will for high-performance networks that are as affordable and available as possible. Swisscom also maintains [services](#) for people with disabilities.

## Actions in Italy

### Fixed and mobile network expansion

Fastweb + Vodafone strengthened the national digital infrastructure in 2024 in readiness for 5G Advanced, which will deliver ultra-fast connectivity and enable next-generation services. At the same time, it helped bridge the regional digital divide by extending coverage to rural areas and under-served municipalities, roads, railways, mountain areas and islands, while providing secure, high-speed connections to schools and laboratories. Mission-critical networks also enabled applications such as telemedicine and emergency management, and the ongoing infrastructure decarbonisation programme benefited from improved energy efficiency across RAN and Core, the use of renewable energy, circular models for CPE and AI-based efficiency solutions.

In the field of mobile telephony, the migration of Fastweb customers onto Vodafone Italia's access network has generated cost efficiencies while enhancing service quality and the overall customer experience. In parallel, the implementation of a fully cloud-native next-generation core with automated life cycle management is under way, and it will integrate both voice and data services for all customers. In both fixed and transport networks, the ambition is to achieve full integration by 2030. This includes consolidating the internet access layer, integrating and expanding both optical and IP core networks, optimising IP addressing and routing, reviewing the overall network architecture and redesigning key network access points (PoPs). The backhaul network has also been optimised through dual-vendor solutions for residential and small office/home office (SoHo) customers, dedicated routers for business clients and a simplified service model, reducing costs and the carbon footprint through equipment reuse and site optimisation.

Vodafone Italia was recognised by Ookla as Italy's fastest mobile network for the third consecutive year. The company also holds ISO 20000, ISO 22301 and CSA STAR Level 2 certification, a confirmation of its service quality, security and continuity.

## S4-5 Targets

Swisscom is expanding its 5G mobile service coverage and extending the fibre-optic network into homes and businesses. In Switzerland, 5G coverage is already at 99.9%, and Swisscom is focusing on 5G @ 3700 MHz, with the aim of 94–95% coverage of the population by 2030. Fibre network coverage (FTTH) is expected to reach 75–80%. In Italy, Fastweb + Vodafone aims to expand mobile 5G coverage to 96%, 5G coverage @ 3700 MHz to 88%, and connect over 70% of base transceiver stations (BTS) with fibre optics.

[→ More on network expansion](#)



## Best networks and service

Network access and expansion is of key importance for Swisscom Group's business strategies in Switzerland and Italy, with a focus on accessibility, reliability and responsibility towards society.



# Governance

The Swisscom Group is committed to responsible leadership as a trusted corporate citizen that upholds the highest standards in governance, compliance and collaboration with its suppliers.

# Zero

tolerance for compliance violation is vital to the Swisscom Group, supported by Fastweb + Vodafone's Model 231.

# 1%

Swisscom and Fastweb both obtained the Platinum – Top 1% EcoVadis Sustainability Rating.

# TOP

Swisscom was listed among the Top 500 of the world's best companies in sustainable growth 2026 by TIME and Statista.





# Business conduct (G1)

The Swisscom Group pursues a corporate strategy rooted in ethical principles, and considers the consequences of its actions for all stakeholder groups. It has zero tolerance for unlawful conduct and maintains a compliance management system to prevent corruption-related offences. As Swisscom Group's suppliers are essential in reaching environmental and social targets, these factors are gradually being integrated into procurement processes in Switzerland and Italy.

	Value chain	Time horizon	Type
<b>Material impacts, risks and opportunities</b>			
<b>Corporate culture</b>			
<b>Corporate culture</b>	Swisscom Group places great importance on integrity in its corporate culture. This includes zero tolerance for misconduct, as well as regular training and awareness-raising programmes.	(up)	Short-term
<b>Supplier management</b>			
<b>ESG violations by suppliers</b>	The greatest risk of adverse impacts in ICT supply chains lies at lower levels where Swisscom has little insight or influence. This includes environmental as well as social impacts such as health and safety, excessive working hours, low wages and human rights violations.	Up	Negative impact
<b>Active and passive corruption</b>			
<b>Anti-corruption</b>	The Swisscom Group is opposed to all forms of unethical business conduct, and is aware that infringements can damage markets and communities. Negative impacts can occur if the Group fails to prevent compliance violations through its central Compliance Management System (CMS).	(up)	Negative impact
<b>Infringements of Italian law</b>	Non-compliance with Legislative Decree 231/01 and Law 190/12 when committed in the interests of the company is a criminal liability.	(up)	Risk

- Value chain**
- Upstream
- Own operations
- Downstream
- Type**
- Negative impact
- Positive impact
- Risk
- Opportunity
- Time horizon**
- Short-term
- Mid-term
- Long-term





G1-1

## Corporate culture ✓

Swisscom Group conducts its business fairly, honestly and transparently, and is opposed to all forms of corruption. The Group's Board of Directors and the Group CEO have set out clear expectations regarding compliance and integrity in the code of conduct, including a zero-tolerance approach to compliance violation. As a matter of principle, employees are expected to act responsibly, and to consider society, the environment and the economy in their actions. Swisscom Group promotes strong governance by establishing accountability mechanisms at all levels, with clear roles and responsibilities attributed to functions. Data and AI ethics are a central part of the Group's commitment to digital responsibility and anchored in the Sustainability Strategy 2030.

To ensure compliance with regulations, Swisscom Group maintains a central group-wide Compliance Management System (CMS) in accordance with ISO 37301 as set out in the compliance policy. It covers the compliance culture, legal requirements, training, risk management, controls, monitoring, audits, internal investigations and reporting (channels). The adequacy and effectiveness of the CMS is assessed every four years by external auditors. Swisscom implements internal guidelines and policies through regular training across the Group.

→ [Policy overview](#)

G1-1 | G1-3 | G1-4

## Anti-corruption ✓

Swisscom Group's anti-corruption efforts are monitored in the central Group-wide compliance management system (CMS). The anti-corruption policy specifies the conduct expected of employees in the battle against corruption. The CMS uses context analysis to identify all applicable legal and contractual regulations and record them as compliance risk management (sub)categories in the governance, risk and compliance tool. The risks of business activities are then identified and ultimately eliminated or mitigated with appropriate measures (e.g. anti-corruption directives, training, control processes). The controls, monitoring and audits that the Group has implemented enable corruption risks to be detected. There are also options for reporting suspected cases to the responsible compliance functions or a whistleblowing channel.

Swisscom Group conducts its business fairly, honestly and transparently and is opposed to any form of corruption.

Compliance or Internal Audit functions (whistleblowing) investigate suspected violations of the code of conduct or anti-corruption policy internally, independently of management. The procedure for reporting to public authorities is set out in detail in the compliance policy and the Whistleblowing Directive.

The anti-corruption policy is sent to all employees who are required to read and accept it. All members of management and the Board of Directors must complete an e-learning course, which includes an exam. Employees who encounter members of public authorities or legislatures in the course of their work (lobbyists) receive additional in-depth training reflecting their heightened exposure to the risk of corruption. All training courses are held at least every three years. The last training courses in 2023 were successfully completed by 95% of the employees concerned. In Italy, 100% of functions-at-risk were covered by training programmes in 2025.

In Italy, the Model 231 of Fastweb and Vodafone Italy represent an additional comprehensive structure of rules and controls aimed at preventing offences set out in Legislative Decree 231/2001. The Anti-Corruption Officer reports periodically to the Board of Directors, the Independent Control Committee and the Board of Statutory Auditors on their activities and ensures proper functioning of the anti-corruption management system, which is ISO 37001-compliant and certified annually by an external auditor.

The code of conduct prohibits the offering of benefits to public officials, limits the value of gifts, and strictly regulates sponsorships and donations (excluding donations to political parties). Prevention relies on 'just-in-time' risk updates and the use of confidential whistleblowing channels compliant with Legislative Decree 24/2023 (Italy), which are also available to external stakeholders. The guidelines are shared internally through the intranet and training activities, and externally via the company's website. The Board of Directors of Fastweb receives information regarding the guidelines and major anti-corruption procedures and formally approves them.

In the year under review, there were no confirmed convictions for violation of anti-corruption and anti-bribery laws, and no fines were issued.

→ [Policy overview](#)

→ [Compliance Management System](#)

## Whistleblowing

An anonymous [whistleblowing channel](#) is available to all employees and external stakeholders of the Swisscom Group for reporting questionable incidents and practices, such as corruption, fraud, violations of laws and guidelines, and problematic accounting. It is committed to investigating potential business conduct incidents promptly, independently and objectively. In line with EU directives and Legislative Decree 24/2023, the whistleblowing policy guarantees confidentiality and impartiality and safeguards whistleblowers from retaliation or discrimination by Swisscom Ltd and the Group companies. In Italy, a digital platform allows for anonymous reporting of ethics violations and corporate misconduct. The entire framework is embedded within the CMS (ISO 37301), backed up by the ISO 37001-certified anti-corruption management system to increase integrity, transparency and stakeholder trust.

A certified reporting system features technical mechanisms to ensure that reports remain confidential. The channel is accessible to all stakeholders via Swisscom and Fastweb + Vodafone websites and intranet, and employees can find information about the whistleblower portal on the intranet, on the websites and in awareness campaigns. On behalf of the Board of Directors, Group Internal Audit processes reports in accordance with a defined process to guarantee utmost objectivity and independence. Whistleblowers can set up an anonymous mailbox to simplify processing while retaining confidentiality.

Where investigation reveals intentional wrongdoing or gross negligence on the part of the whistleblower, disciplinary action in line with the applicable legal provisions and internal rules are taken. In Italy, wrongdoing can be reported directly to the National Anti-Corruption Authority (ANAC) in cases expressly provided for by law (Article 6 of Legislative Decree 24).



G1-2

## Supplier management

The Swisscom Group's procurement teams in Switzerland and Italy ensure due diligence and compliance with procurement regulations and report to the Group CFO. Besides meeting the payment terms defined in the General Terms and Conditions (GTC), suppliers are required to comply with a range of environmental and social standards.

### Supplier risk management in Switzerland

The supply chain risk management (SCRM 360°) system takes a holistic approach to due diligence checks and embeds requirements for sustainable and fair procurement in contracts with suppliers and their subcontractors. Swisscom pursues a risk-based approach and currently, 61% of spend is covered by the supplier code of conduct. With the remaining expenditure, gap analyses are carried out and individual solutions are agreed with the suppliers.

Swisscom conducts supplier risk assessments based on EcoVadis's scoring for country and sector risk, with the aim of reducing ethical, social and environmental risks, as well as risks related to finance, logistics, quality and security of supply. The qualification of suppliers in each product group ensures ESG is an integral part of the procurement process. Swisscom is particularly vigilant in monitoring purchasing transactions with elevated risks (around 30% of spend) and procurements with the top 100 suppliers. Since 2023, strategic purchasing managers and the leadership team have received training in ESG in supplier management. By monitoring and mapping critical supply chains, Swisscom is working to improve risk forecasting and enable effective, prompt corrective action.

### Supplier risk management in Italy

Potential suppliers to Fastweb + Vodafone are required to complete a questionnaire that addresses the technical and professional requirements set out in Legislative Decree 81/2008 ('Consolidated Law on Health and Safety in the Workplace') as well as other topics, depending on the supplier's perceived risk level. To qualify, suppliers must agree to specific clauses related to environmental and social responsibility and compliance with applicable regulations. These include Model 231, anti-bribery, privacy, health and safety, and environmental regulations, as well as respect for human and labour rights. All suppliers are required to adhere to the principles of the code of ethics and the code of conduct for ethical and sustainable purchasing, and set out clear standards on human rights, working conditions (SA8000 standard), environmental protection (ISO 14001, EMAS), health and safety (ISO 45001), and anti-corruption (ISO 37001).

Fastweb + Vodafone requires its suppliers to undergo an EcoVadis ESG performance assessment and integrates the results into the procurement process. The assessment process highlights strengths and potential areas for improvement for which suppliers are required to submit an action plan, while specific additional measures are required for suppliers considered strategic in relation to ESG risk factors. In addition to document-based evaluations, Fastweb + Vodafone conducts on-site inspections of strategic suppliers involved in field operations (e.g. network construction sites) to ensure compliance with required standards, and promotes joint improvement plans in the event of performance shortfalls.

→ Workers in the value chain (S2)

### 360° risk management system

#### Integrated monitoring and management framework with % of spend covered

<b>Supplier code of conduct</b>	<b>ESG requirements contractually bound</b> to suppliers		<b>61%</b>
<b>AI supply chain Risk platform</b>	<b>Systematic assessment and monitoring of suppliers</b> and supply chains from over 300,000 data sources		<b>84%</b>
	Validated self-assessments with <b>sustainability ratings</b> for implementing social and environmental standards		<b>53%</b>
	<b>Transparent reporting</b> of spend-based CO <sub>2</sub> emissions by suppliers		<b>66%</b>
	Spend of suppliers with <b>validated science based climate targets</b> (Net Zero; near term)		<b>61% (27%)</b>

#### Focus

- > Risk commodity groups (hardware, batteries, gadgets etc.)
- > Top 100 suppliers (spend)
- > Proprietary products (TV- and Internet-box etc.)

**EcoVadis:**  
89/100 in sustainable procurement

Note: This framework only refers to Swisscom Switzerland Ltd as of today.



# Annex and methodological note

## Basis for preparation

The Sustainability Statements are prepared based on the requirements of the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS), while meeting the obligations of the Swiss Code of Obligation including the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). The EU Taxonomy is not considered. Due to the regulatory changes to the ESRS foreseen at European level, only partial ESRS compliance was pursued and selected parts of the Sustainability Statements are subject to limited assurance (marked with ✓ and detailed in the independent assurance report).

## Consolidation principles and boundaries

The Sustainability Statements pursue the same approach for consolidation principles as the Group's consolidated financial statements. The consolidated data relates to the parent company Swisscom Ltd and all subsidiaries under its control. Swisscom Group currently has no joint ventures. By publishing consolidated statements, Swisscom Ltd aims to exempt subsidiaries from individual sustainability reporting. This especially applies for foreign group companies subject to European sustainability reporting requirements (scheduled for adoption in 2027): Fastweb S.p.A., Vodafone Italia S.p.A., NGT International B.V., Swisscom Finance B.V. See an overview of all legal entities → [here](#).

All reported material data points were identified through the double materiality assessment (DMA), covering own business activities as well as the upstream and downstream value chain. Swisscom Group uses the DMA to evaluate all relevant topical standards including climate change, pollution, water and marine resources, biodiversity

and ecosystems, circular economy, own workforce, workers in the value chain, affected communities, consumers and end-users, and business conduct. Phase-in and voluntary requirements are not disclosed. No information has been withheld for intellectual property, know-how or innovation purposes. In some graphs and tables, rounding differences may occur.

## Time horizons

The Group has selected time horizons consistent with ESRS definitions: short-term (< one year), mid-term (< three years; financial planning horizon) and long-term (> five years). Differing time horizons in the climate resilience analysis are described in the corresponding section.

## Estimations and assumptions

The preparation of the Sustainability Statements required the use of estimates that may be materially different from actual results. Industry standards, trends, historical data and other relevant sources are used where exact data is not available; the estimates are periodically reviewed and updated. The report contains forward-looking statements which are based on current expectations and projections about future events and may differ from actual outcomes.

## Methodology on GHG emissions

### Scope 1 emissions

Scope 1 comprises all direct GHG emissions from sources owned or controlled by the Group, including stationary combustion (e.g. natural gas burned in boilers, emergency generators), mobile combustion (company vehicles), fugitive emissions (refrigerant losses) and fluorinated process gases. Reporting boundaries are based on the

operational control consolidation approach defined by ISO 14064-1:2018 and the GHG Protocol Corporate Standard. Primary data comes from fuel invoices, meter readings, the EnMoS energy monitoring system and vehicle logbooks. The inventory and associated calculations are subject to internal review and external assurance in line with ISO 14064 guidance. Emission factors are drawn from recognised national and international databases recommended by the standards and through the adoption of a life-cycle perspective.

Scope 1 emission factors include:

- › **Direct GHG emissions:** DEFRA (Fastweb, Vodafone Italia); ecoinvent life cycle inventory database (v3.11) (Group)
- › **Direct fugitive GHG emissions:** IPCC Sixth Assessment Report 2021 (assumed horizon of 100 years global warming potential (GWP100) reported in tonnes of CO<sub>2</sub>eq)

### Scope 2 emissions

Scope 2 emissions relate to indirect greenhouse gas emissions from purchased energy required for own operations, including purchased electricity and district heating. Figures are consolidated in line with the operational control model; the reporting boundary includes all sites for which the Group bears authority over energy use. Both location-based and market-based methods for quantifying electricity emissions are applied as prescribed by the GHG Protocol Scope 2 Guidance, reflecting national grid average factors and contractual instruments (e.g. certified renewable energy procurement). Allocation rules are applied to avoid double counting of Scope 1 emissions where energy products overlap (e.g. cogeneration fuel). Data is obtained from utility invoices and supplier statements; missing consumption data is estimated with technical proxies based on square meterage of occupied space. Fastweb and Vodafone Italia use ecoinvent 3.11 as a reference database, both for

location and residual mixes. Data quality is classified according to an internal scheme and subject to uncertainty evaluation and assurance procedures as for Scope 1.

Emission factors are derived from the IEA, national grids and supplier disclosures, consistent with Scope 1 methodology:

- › **Indirect GHG emissions from imported electricity:** Database of the Swiss Federal Administration, BAFU:2025, Federal Office for the Environment, 2025. (Swisscom); ecoinvent v3.11 (Fastweb, Vodafone Italia)
- › **Indirect GHG emissions from imported energy other than electricity:** Emissions from the Swiss district heating mix according to the GHG Protocol, Table 6, p. 13, Greenhouse Gas Emission Factors for the Building Sector V2.0, Intep Integrale Planung GmbH

## Scope 3 emissions

Scope 3 emissions adhere to the GHG Protocol Scope 3 Standard and its technical guidance. Some categories are excluded because they are non-relevant or immaterial relative to the overall GHG footprint. Fastweb and Vodafone Italia exclude the following Scope 3 categories: 3.9, 3.10 and 3.15. Data for Scope 3 emissions include a range of data sources available at company level and a variety of approaches: spend- and supplier-based estimates for purchased goods, services and transport; area-based calculations for infrastructure and leased assets; distance-based methods for travel categories; waste composition models; customer usage modelling; and finance-based models for venture investments. The sources of information include supplier records, company expenditure systems, travel agencies, surveys, investment records and other company databases. This data is reconciled, aggregated and subject to plausibility checks analogous to those for Scopes 1 and 2.

Swisscom incorporated emission factors as follows:

- › For outbound transport and distribution to customers, the relevant emission factors and emissions are determined by the respective logistics partner
- › For disposal of waste (cat. 5), relevant emission factors are calculated for the individual scopes by myclimate, based on ecoinvent version 3.11



- › Business travel (cat. 6) and employee commuting (cat. 7) correspond to mobitool v3.0, based on ecoinvent version 3.9
- › All other emission factors: ecoinvent version 3.11

Ecoinvent version 3.11 is used for all Scope 3 categories for Fastweb and Vodafone Italia. The USEEIO database is used for expenditures in category 3.1 adapted to better reflect temporal and geographical conditions.

### Changes in the reporting year due to recalculation

In the year under review, methods for calculating emissions were adapted to the current data basis:

- › **Scope 1:** No changes in the reporting year.
- › **Scope 2:** For market-based emissions, guarantees of origin are no longer used for district heating since there are currently none that meet all quality criteria demanded by the GHG Protocol.

### › Scope 3:

- › **Cat. 1:** Emissions for selected key commodity suppliers are now calculated using Product Carbon Footprints (PCFs). Changes to emissions data were corrected based on methodological adjustments and scope changes from supplier recalculations;
- › **Cat. 2:** Now includes building depreciation calculated over 60 years;
- › **Cat. 4:** Category 9 is no longer considered for suppliers, as transport emissions are already included in category 1;
- › **Cat. 5:** Civil engineering waste is now included;
- › **Cat. 6:** Now includes hotel nights and air travel for foreign subsidiaries;
- › **Cat. 7:** Usage of an adjusted mobility split;
- › **Cat. 8:** Now includes building depreciation over 60 years and an adjusted split for energy sources.

- › **Cat. 11 and 12:** Adjusted scope including sold B2B products and hardware sold by subsidiaries;
- › **Cat. 15:** Fastweb's Scope 1 and 2 are no longer being considered here, in order to avoid double counting. Emissions are now calculated and reported separately for Switzerland and Italy, and are being consolidated for the Group.

All adjustments were applied retrospectively up to and including 2018 to ensure comparability with the SBTi base year. As a result, the reported emission values may differ from those published in previous years. Swisscom Group reserves the right to regularly review and, if necessary, recalculate its greenhouse gas inventory and is committed to the transparent disclosure of recalculations.

### Data quality and uncertainty

Scope 1 and 2 emissions are subject to a quantitative uncertainty analysis; for Scope 3 the evaluation is purely qualitative as stipulated by the directive. Risks of incorrect data are documented. In quarterly or monthly collection cycles, central service providers compare current values with prior year and prior period values, query significant deviations and archive the raw data. The Group Corporate Responsibility team performs plausibility checks on a quarterly and annual basis, consolidates the data at the Group level, archives it and follows up with data suppliers on uncertainties.

Scope	Emission sources	Methodology	Data source	Uncertainty <sup>1</sup>	Data quality
Scope 1.1	Direct GHG emissions from stationary combustion	Fuels for heating own and rented buildings that are under operational control. Fuel for emergency power systems.	Heat consumption based on monthly determination of consumption in 120 buildings of focus and extrapolation to total area (Swisscom). Same approach for owned buildings and buildings in long-term leases (Fastweb, Vodafone Italia).	<30%	●
Scope 1.2	Direct GHG emissions from mobile combustion	Data on consumption in litres from January to November. For December data, an average l/km use is calculated based on the km driven.	Tank fuel data from lease providers and vehicle logbooks (Group).	<4%	●
Scope 1.4	Direct fugitive GHG emissions	Loss of refrigerants.	Data on refills (Group).	<6%	●
Scope 2.1	Indirect GHG emissions from imported electricity	Total electricity consumption.	Swenex measurements (Swisscom). Metered purchased electricity (Fastweb, Vodafone Italia).	<3%	●
Scope 2.2	Indirect GHG emissions from imported energy other than electricity	District heating and cooling.	Heat consumption based on monthly determination of consumption in 120 buildings of focus and extra-polation to total area.	<30%	●
Scope 3.1	Purchased goods and services including roaming and upstream transport to distribution centres	Spend-based calculation and emissions intensity by CDP (Swisscom). Mix of spend-based and mass-based, clustered per product/service type (Fastweb, Vodafone Italia).	Spend-based calculation and emissions intensity by CDP (Swisscom). Data extraction available from procurement software (Fastweb, Vodafone Italia).	Elevated	●
Scope 3.2	Capital goods (infrastructure emissions of own buildings)	Average emission factor per m <sup>3</sup> from UVEK/KBOB. Buildings are depreciated in terms of CO <sub>2</sub> emissions after 60 years and calculated with an average room height of 3 m (Swisscom). Spend-based data for infrastructure and assets (Fastweb, Vodafone Italia).	Average emission factor per m <sup>3</sup> from UVEK/KBOB. Assumptions: Buildings are depreciated in terms of CO <sub>2</sub> emissions after 60 years and calculated with an average room height of 3 m (Swisscom). Financial reports, procurement (Fastweb, Vodafone Italia).	Moderate	●
Scope 3.3	Provision of energy for Scope 1 and 2	Average data based on Scope 1 and 2 consumption.	Energy metering and bills.	Moderate	●

<sup>1</sup> According to Swisscom estimate.

● Data quality 1: Direct measurement of material or energy flows.

● Data quality 2: Calculation based on measured or balanced other flows and derived with assumptions.

● Data quality 3: Estimates, approximations or empirical values.



Scope	Emission sources	Methodology	Data source	Uncertainty <sup>1</sup>	Data quality
Scope 3.4	Upstream logistics	Inbound logistics: included in cat. 1 (Swisscom); estimated based on internal information about supplier country and mass-based data (Fastweb, Vodafone Italia). Outbound logistics: determined by the respective logistics partner (Swisscom); calculated based on customer delivery combining mass-based data and travelled distances (Fastweb, Vodafone Italia).	Supplier records: Logistics provider data from Fastlog, Die Post, Planzer, CDTI, 7 days and Thommen (Swisscom). Primary and secondary data provided by internal logistics teams (Fastweb, Vodafone Italia).	Elevated	●
Scope 3.5	Waste from operations and construction	Waste composition models; monthly measured waste volumes (Swisscom). Fastweb and Vodafone Italia refer to annual waste declaration.	Waste disposal contractors; internal waste management data.	Moderate	●
Scope 3.6	Business travel by employees	Distance-based calculation (Swisscom, Fastweb). Spend-based data (Vodafone Italia).	Travel agency reports; employee travel expense reports.	Moderate	●
Scope 3.7	Commuter travel by employees	Calculation is based on daily anonymous tracking of 3,000 employees. The amount of km not travelled by train is then calculated with the mobility split (Swisscom). Employee survey including distance travelled and mode of transport (Fastweb and Vodafone Italia).	Employee surveys; commuter transport data.	Moderate	●
Scope 3.8	Leased assets	Direct energy (Scope 1 + 2) within operational control and grey emissions at facilities without operational control. The average room height is 3.5 m due to a small number of blue cinemas (Swisscom). Scope 3.8 is not applicable in Italy.	Lease agreements; energy consumption data.	Elevated	●
Scope 3.9 and 3.10	Downstream transportation and processing of sold products	Excluded; no customer transport nor own production.	not applicable.	–	–
Scope 3.11	Use of products sold	Swisscom: Manufactured products are not applicable except for proprietary products in the broader sense. GHG emissions are calculated based on sold products that Swisscom purchases and resells (merchandise) in connection with a service (e.g., connectivity). The following exclusion principle applies: Any division or subsidiary whose products are estimated to be below a threshold value of 3% of current electricity consumption can either be excluded (high effort with little potential to influence CO <sub>2</sub> reduction) or added at a flat rate. Fastweb, Vodafone Italia: Energy use of sold products in the reporting year distinguished per product type.	Customer usage models; product specifications. Average energy usage from specific products and services is calculated by experts.	Elevated	●
Scope 3.12	Disposal of sold end devices	Waste composition models (Swisscom). Units of sold devices and end-of-life statistics (Fastweb and Vodafone Italia).	End-of-life treatment data; product take-back records.	Moderate	●
Scope 3.13	Downstream leased assets	Excluded (downstream leased assets make up <0.1% of the total inventory).	not applicable.	–	–
Scope 3.14	Franchises	Excluded for Swisscom (only a few franchises are integrated into cat. 8). Secondary data based on shops' surface areas (Fastweb, Vodafone Italia).	Energy use estimates based on surface areas in square metres of franchisees.	Moderate	●
Scope 3.15	Venture investments in start-ups	Finance-based models.	Investment records; financial statements.	Elevated	●

<sup>1</sup> According to Swisscom estimate.

● Data quality 1: Direct measurement of material or energy flows.

● Data quality 2: Calculation based on measured or balanced other flows and derived with assumptions.

● Data quality 3: Estimates, approximations or empirical values.



**Greenhouse gas inventory according to ISO 14064 (Swisscom)**

The following standards provide guidance for the greenhouse gas inventory and its verification:

- > **ISO 14064-1:2018:** Specification with guidance at organisation level for quantification and reporting of greenhouse gas emissions and removals
- > **ISO 14064-3:2019:** Specification with guidance for the validation and verification of greenhouse gas assertions

The latest ISO certifications are available online for [Swisscom](#) and [Fastweb + Vodafone](#).

A greenhouse gas inventory as defined by ISO 14064 includes emissions of carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>) and nitrous oxide (N<sub>2</sub>O) as well as emissions of synthetic gases such as hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulphur hexafluoride (SF<sub>6</sub>) and nitrogen trifluoride (NF<sub>3</sub>). This list incorporates the requirements of both the Kyoto Protocol and the GHG Protocol standard. Swisscom reports emissions within reporting boundaries in the aggregated form of CO<sub>2</sub> equivalents for CO<sub>2</sub>, CH<sub>4</sub> and N<sub>2</sub>O, with the individual greenhouse gases detailed in footnotes. HFC refrigerants within the consolidation boundaries are listed separately. The emission sources and their global warming potentials (GWP) are described below:

- > **CO<sub>2</sub>:** Combustion of fossil fuels (heating and mobility) or from processes for producing electricity. Biogenic CO<sub>2</sub> from biomass combustion – i.e. wood heating – remains marginal.
- > **CH<sub>4</sub>:** Combustion of fossil fuels (heating and mobility)
- > **N<sub>2</sub>O:** Combustion of fossil fuels (heating and mobility)
- > **HFC:** Loss of refrigerants from cooling systems
- > **PFC:** Loss of refrigerants from cooling systems and insulation agents. The emissions from fire extinguishers (e.g., halon) are negligible or non-existent.
- > **SF<sub>6</sub>:** Used as an insulation medium in electrical transformers and electrical switchboards. The installations are operated by the power utility companies.
- > **NF<sub>3</sub>:** Used in the production of LCD screens (displays). Swisscom does not engage in manufacturing activities.

The synthetic greenhouse gases SF<sub>6</sub> and NF<sub>3</sub> are excluded from the inventory, as they are not material within the reporting boundaries. Suppliers that use these gases must document them in their own inventories. Suppliers make this information available in aggregated form, expressed in terms of CO<sub>2</sub> equivalents. Emissions in the up- and downstream value chain are reported as CO<sub>2</sub> equivalents and include all relevant greenhouse gases.

Emission	Factor
<b>Combustion<sup>1</sup></b>	<b>GWP</b>
CO <sub>2</sub>	1
CH <sub>4</sub>	28
N <sub>2</sub> O	273
<b>Refrigerants</b>	<b>GWP</b>
R-22	1,960
R-134a	1,530
R-404a	4,730
R-407c	1,910
R-410a	2,088
R-422d	2,920
HFO-1234ze	1
<b>Processes outside the reporting boundaries</b>	<b>GWP</b>
SF <sub>6</sub>	17,400
NF <sub>3</sub>	24,300

<sup>1</sup> Acc. IPCC Sixth Assessment Report, 2021 – Chapter 7.

Swisscom only; in tonnes CO <sub>2</sub> eq.	GHG category	2023	2024	2025
<b>Category 1: direct GHG emissions and direct GHG removal</b>				
	Scope 1	12,481	10,927	8,124
<b>Category 2: indirect GHG emissions from imported energy</b>				
	Scope 2 <sup>1</sup>	48,342	42,997	32,401
	Scope 3, Cat. 3	11,135	11,046	8,707
<b>Category 3: indirect GHG emissions from transport</b>				
	Scope 3, Cat. 4	545	585	868
	Scope 3, Cat. 6	4,109	3,837	3,421
	Scope 3, Cat. 7	4,186	4,124	4,399
<b>Category 4: indirect GHG emissions from goods used by the organisation</b>				
	Scope 3, Cat. 1	339,082	306,193	273,208
	Scope 3, Cat. 2	2,455	2,421	2,056
	Scope 3, Cat. 5	1,864	1,959	2,242
	Scope 3, Cat. 8	6,371	6,212	6,016
<b>Category 5: indirect GHG emissions associated with the use of the organisation's products</b>				
	Scope 3, Cat. 11	45,144	47,681	30,477
	Scope 3, Cat. 12	137	127	166
	Scope 3, Cat. 15	1,097	1,202	1,202
<b>Category 6: indirect GHG emissions from other sources</b>				

<sup>1</sup> Location-based approach.

**Reference systems for target setting**

2018 was chosen as a baseline year, it was the most recent year unaffected by changes related to COVID-19. Reduction target setting incorporates the following standards:

- > **SBT initiative:** Guidance for ICT Companies Setting Science Based Targets (March 2020); SBTi Corporate Net-Zero Standard, Version 1.1 (February 2022)
- > **Intergovernmental Panel on Climate Change (IPCC):** IPCC Special Report Global Warming of 1.5°C (November 2018)



## Methodology for other indicators

### Net zero transition plan (E1)

The net zero transition plan covers all relevant emissions across Scope 1, Scope 2 and material Scope 3 categories, in accordance with the GHG Protocol. The baseline year and reference emissions provide the foundation for all reduction pathways. Existing measures (e.g., energy efficiency programmes, fleet electrification, supplier engagement initiatives) and further initiatives (e.g., dematerialisation, circular economy principles and leveraging AI for optimisation) were assessed for their expected impact on emissions reduction.

Swisscom Group modelled multiple scenarios to capture potential variations of external and internal factors:

- › **Grid decarbonisation:** Projections are based on the IEA Announced Pledges Scenario (APS), reflecting anticipated national and regional electricity mix changes.
- › **Supplier performance:** Assumptions include suppliers exceeding their current CO<sub>2</sub> targets through product-focused reductions, adoption of emerging technologies, and participation in targeted supplier development and carbon reduction programmes under the Joint Alliance for CSR (JAC).
- › **Macrotrends:** Broader macrotrends that could influence energy consumption and emissions trajectories were considered, including the growing demand for data centres and cloud computing services, as well as population and business growth.

Internal operational data, publicly available studies and recognised scenario analyses informed further assumptions, translated into quantitative projections. Progress towards near-term targets was analysed and integrated into scenario calculations to ensure alignment with the overall trajectory and to enable transparent monitoring. ICT-specific pathways from SBTi were applied as benchmarks to validate Swisscom Group's decarbonisation trajectory and ensure consistency with global best practices.

### Avoided emissions (E1)

The relevant emission factors calculated by myclimate for the individual scopes are based on ecoinvent version 3.10 and various external studies, as well as own data (see also published [methodology](#)). Swisscom Group follows the latest and most relevant climate science reference standards for avoided emissions such as the Net Carbon Impact Assessment Methodology of the European Green Digital Coalition (EGDC) and the Guidance on Avoided Emissions 2.0 from the World Business Council for Sustainable Development (WBCSD).

### Electricity consumption (E1)

Swenex provides data on Swisscom's electricity consumption in Switzerland, with reports on gross electricity consumption drawn from all electricity meter readings. Corrections are made by adding additional items, including electricity consumption for electric mobility when charging outside Swisscom buildings, consumption by broadcast stations abroad, proprietary photovoltaic systems and the telehousing metro service. Starting in 2025, this is deducted without taking the PUE value of the data centres into account, resulting in a smaller deduction.

The electricity consumption of Fastweb + Vodafone is based on billing data from electricity suppliers, which report the consumption recorded by the electricity meters. Corrections are made by adding supplementary items such as production from proprietary photovoltaic systems. In the energy table, only the direct use of energy is listed, while for the calculation of the energy intensity the direct and indirect consumption is used.

### Energy efficiency (E1)

› **Switzerland:** The energy efficiency methodology issued by the Energy Agency of the Swiss Private Sector (EnAW) is publicly available. The universal target agreement exempts Swisscom from cantonal requirements and fulfils the legal efficiency criteria of the Swiss Federal Office of Energy (SFOE). Efficiency is measured using the SFOE metric – overall impact of all savings measures in relation to total consumption – and reported annually using the official ZVM tool. Due to Swisscom's operations in the high electricity sector,

electricity is weighted as double in energy efficiency calculations. The EnAW energy efficiency is calculated from the base year 2024 with 538 GWh (90% electricity, 6% heating and 4% fuels).

- › **Italy:** Fastweb + Vodafone calculates electrical efficiency by considering only electricity consumption, as it constitutes 97% of the total. The efficiency is measured according to the metric used by Swisscom. The nominal annual savings are calculated through measurement and appropriate estimates. The total consumption accounts for consumption from energy supplier invoices, to which all indirect consumption in other operators' sites is added, and the consumption of customer equipment hosted in Fastweb+Vodafone data centres is deducted. The baseline for consumption is related to 2024, with 1069 GWh of electricity.

### Energy Intensity on data volume

To calculate energy intensity, sources of electricity, fuel, gas and district heating are considered. For electricity, both the amount used directly and that used indirectly to run the network are calculated. Using data volume as a reference parameter allows a direct link to be established between network performance and energy usage. Data volume is composed of transmitted IP data volumes.

### PUE value (E1)

Power usage effectiveness (PUE) is based on primary data from the energy management system EnMos, which includes all standalone data centres in Berne Wankdorf, Zollikofen, Zurich Herdern, Zurich Binz Olten and Lausanne. Data centres integrated into office buildings with lower power requirements are excluded due to the inability to isolate the energy consumption used explicitly for the data centre. For Fastweb + Vodafone, the PUE is calculated using data from monitoring systems and electricity billing data of nine data centres in Milan, Rome, Bologna and Naples. These sites represent the cluster with the highest ICT load and where AC-powered equipment constitutes more than half of the ICT load.

### Product carbon footprint (E5)

Swisscom calculated product-specific carbon footprints for all branded products in Switzerland, including older product

generations still on the market. The footprint is heavily influenced by weight, the circuit board and electronics. Baseline values for each product category were back-calculated using the year of the first product launch in each category (TV, internet). The target is based on the life cycle assessment (LCA) methodology, which uses weight-based metrics to determine emissions, and includes individual TÜV Süd-certified product carbon footprint calculations for new products, which are available on the website.

### Workers in value chain (S2)

The KPI 'Factory workers reached via JAC supply chain audits' refers to all JAC audits covering actual and potential risks in the ICT value chain. Due to procurement models via distributors, a lack of complete tier transparency, and the dynamic nature of the supplier landscape, it is not methodologically possible to limit the scope exclusively to current own suppliers.

### Media literacy (S4)

The measures Swisscom Group implements to achieve two million media literacy contacts a year generate different types and intensities of impact. For calibration purposes, a set of normalising coefficients are applied conservatively to input data. The baseline unit is a school intervention consisting of two lessons (90 minutes), of which we assume 60 minutes of effective instruction. While the avoidance of double counting within individual measures is ensured, individuals may interact with several offerings, which is why *contacts* are reported rather than *impacted people*.



### Own workforce (S1)

Individual disclosures under S1 have a limited coverage ratio in the year under review as certain data points are not (yet) collected by smaller group companies. The coverage ratio of training and skills development data (S1-13) amounts to 90.2%, while health and safety data (S1-14) covers 94.6% of total workforce. The S1-13 data does not consider apprentices, as their training hours would bias group numbers.

› **Gender pay gap:** The KPI is based on monthly gross wage and hourly rates determined according to target working hours per individual. Group and country pay gaps are weighted averages of the pay gaps of all applicable companies by average headcount.

› **Annual total remuneration ratio:** The KPI is based on gross wage from monthly payroll and by comparing wages for the highest paid individual in the respective country with the median annual total remuneration of all other employees in that country. The Group KPI is the weighted average of the country ratios by headcount.

› **Women in management (%):** While Swisscom updated its methodology in 2025, the former KPI is still reported due to its linkage to financial instruments. The latter is based on the total number of women with management contracts divided by the total number of employees with the same job levels and amounts to 16.2% in 2025. ✓

### Climate-related risks and scenarios (E1)

The following climate-related risks and scenarios were considered for the climate resilience analysis:

Risks covered by analysis	Source
<b>Physical risks</b> Risks of damage related to annual average temperature rise, heatwaves, drought, storm, precipitation and other extreme weather conditions.	UN Intergovernmental Panel on Climate Change (IPCC AR6)
<b>Transition risks</b> Policy/legal risks, technological risks, market risks and reputational risks were identified as part of the double materiality assessment on all topical standards.	Internal and external sources, IEA, NGFS, energy data of swiss producers/traders

Climate change scenarios	Estimated global warming by 2028–2100
RCP2.6 (SSP 1-2.6) The world gradually moves toward sustainability, prioritising inclusive development and environmental limits. Economic growth shifts towards well-being, with lower resource consumption and energy use.	1–1.8°C
RCP 4.5 (SSP 2-4.5) The world follows historical trends, with uneven development and slow progress on sustainability. Some environmental improvements occur but degradation continues and resource use declines gradually.	1.3–2.4°C
RCP 8.5 (SSP 5-8.5) This world relies on markets and innovation to drive rapid technological progress and human development. Economic growth accelerates with fossil fuel use and resource-intensive lifestyles.	3.3–5.7 °C

Representative Concentration Pathways (RCP); Shared Socioeconomic Pathway (SSP)

## Statement of due diligence

Due diligence is key to identifying and managing material impacts, risks and opportunities across the value chain. Below are the core elements of the due diligence process and the ways in which the Group embeds sustainability commitments into core operations:

### a) Embedding due diligence in governance, strategy and the business model

Corporate Responsibility Governance and incentive schemes (GOV-2; GOV-3), Double Materiality Assessment (SBM-3)

### b) Engaging with affected stakeholders in all key steps of the due diligence process

Stakeholder engagement (SBM-2), Double Materiality Assessment (IRO-1), engagement with own workforce (S1-2); workers in the value chain (S2-2), and consumers and end users (S4-2)

### c) Identifying and assessing adverse impacts

Double Materiality Assessment (IRO-1)

### d) Taking action to address adverse impacts

Actions in relation to material topics (E1-3, E1-7, E5-2, E5-5, S1-4, S2-4, S4-4, G1-2, G1-3)

### e) Tracking and communicating the effectiveness of efforts

Targets and metrics in relation to material topics (E1-4, E1-5, E1-6, E1-7, E5-3, E5-5, S1-5, S1-6, S1-9, S1-12, S1-13, S1-14, S1-16, S1-17, S2-5, S4-5)



## Policy overview

The Swisscom Group has adopted several policies that target material impacts, risks and opportunities. The corresponding minimum disclosure requirements (MDR-P) are set out below. Following the acquisition of Vodafone Italia by Swisscom through its subsidiary Fastweb, the two companies are working on aligning and harmonising their respective corporate policies.

Name	Key contents and consideration given to stakeholders	Scope of policy	Accountability	Third-party standards respected	Availability
<b>Environmental policy</b>	The Group's environmental policy embeds sustainability considerations and ambitions across the Group's decisions, operations and the entire value chain. It explicitly states the commitment to climate protection, covering biodiversity, soil, air and water, while promoting goods and services that conserve the environment. It highlights commitments towards energy efficiency and renewable energy, responsible supply chain management, international climate action and targeted training, as well as the assessments of environmental risks and opportunities.	Swisscom Ltd (Group)	Group CEO; Group Communication and Responsibility	ISO14001, Sustainable Development Goals, SBTi	Website, internally
<b>Supplier code of conduct (ESG contract addendum)</b>	The supplier code of conduct defines the economic, environmental and social principles to be adhered to by direct suppliers and subcontractors. Swisscom aims to expose any corporate risks in order to take action where necessary.	Swisscom (Switzerland) Ltd	Group Finance	Ten principles of the UN Global Compact, GHG Protocol, Paris Agreement, ILO Conventions, OECD Guidance for Responsible Business	Website, internally
<b>Human rights policy</b>	The Group's human rights policy sets out the human rights due diligence (HRDD) system and the commitment to respect and promote internationally recognised human rights towards all stakeholders, including employees, customers, workers in the value chain and members of local communities, including children. It explicitly addresses human trafficking, forced or compulsory and child labour.	Swisscom Ltd (Group)	Group CEO; Group Communication and Responsibility	Universal Declaration of Human Rights, Fundamental Conventions of the International Labour Organization (ILO), United Nations Guiding Principles on Business and Human Rights (UNGPs), OECD Guidelines for Multinational Enterprises on Responsible Business Conduct and more (see Annex 1 of policy)	Website, internally
<b>Code of conduct</b>	This code of conduct contains the minimum expectations of the Board of Directors and the CEO in regard to managers and employees of Swisscom Group. It contains an explicit commitment to integrity and compliance with the law, external and internal rules and regulations. The Group expects its employees to behave responsibly, show consideration for people, society and the environment, and report any violations of the code of conduct.	Swisscom Ltd (Group)	Board of Directors	n/a	Website, internally
<b>Personal integrity</b>	The directive aims to protect Swisscom employees from any form of violation to personal integrity, for example, discrimination, sexual harassment, bullying and violence in the workplace. It describes problematic and unacceptable behaviour, the responsibility of employers, line managers and employees, action to be taken if problems occur, the procedure in the event of violations and sets out any legal basis.	Swisscom (Switzerland) Ltd, Swisscom Broadcast Ltd, Swisscom Services Ltd, Swisscom Trust Services Ltd, Worklink Ltd, cablex Ltd, Swisscom RE Ltd	Group Human Resources	n/a	Website, internally
<b>Compliance policy</b>	The compliance policy sets out the Group-wide Compliance Management System (CMS) regarding strategic, operational, monitoring and supporting elements and procedures. It is designed with regard to all internal and external stakeholders, including customers, partners and society. Requirements for specific groups of addressees are detailed in specialised guidelines.	Swisscom Ltd (Group)	Group Security & Corporate Affairs	ISO 37301 standard	Internally



Name	Key contents and consideration given to stakeholders	Scope of policy	Accountability	Third-party standards respected	Availability
<b>Anti-corruption directive</b>	This directive sets out permissible or forbidden conduct in the course of professional activities. It is intended to protect employees, third parties involved and the entire Swisscom Group from criminal prosecution.	Swisscom Ltd (Group)	Group Security & Corporate Affairs	Swiss law, UK Bribery Act, U.S. Foreign Corrupt Practices Act applicable to business activities	Website, internally
<b>Security policy</b>	The security policy outlines the framework for maintaining security across the organisation on a tactical level, focusing on information security, workplace safety and physical security. It includes objectives, roles, procedures, standards and guidelines, ensuring compliance and continuous improvement through regular updates and audits. For subsidiaries domiciled abroad, the policy refers to the mandatory legal system and practice applicable.	Swisscom Ltd (Group)	Group Security & Corporate Affairs	ISO/IEC 27001	Internally
<b>Security directive</b>	The security directive sets out a comprehensive framework for managing security and detailing objectives, roles, and responsibilities at a strategic level. Its goal is to ensure the protection, detection, response and recovery of assets, aiming for effective security management and continuous improvement across all subsidiaries.	Swisscom Ltd (Group)	Group Security & Corporate Affairs	ISO/IEC 27001, NIST Cybersecurity Framework	Internally
<b>Policy action plan whistleblowing</b>	This policy provides guidelines for the submission, intake, audit and evaluation of notifications of misconduct submitted through the whistleblowing channel. It ensures that all concerns are addressed fairly, promptly and anonymously in compliance with relevant whistleblowing and data protection legislation.	Swisscom Ltd (Group)	Board of Directors	EU Directive 2019/1937	Internally
<b>Privacy and personal data protection policy</b>	This policy defines the governance framework for safeguarding data in compliance with the GDPR and European regulations. It defines roles, responsibilities and procedures to ensure the security of confidential information, prevent unauthorised access and protect customer privacy.	Fastweb + Vodafone	Legal & Regulatory Fastweb + Vodafone	EU General Data Protection Regulation (GDPR 2016/679),	Internally
<b>Code of ethics</b>	The code of ethics requires suppliers to commit to the protection of human rights, comply with labour regulations, and observe legal provisions on health and safety and environmental protection. It defines clear principles of integrity and transparency in data management and customer privacy. It establishes rules for handling information and provides control mechanisms and sanctions in case of violations.	Fastweb + Vodafone	Board of Directors Fastweb + Vodafone	Universal Declaration of Human Rights, Fundamental Conventions of the International Labour Organization (ILO), OECD Guidelines for Multinational Enterprises on Responsible Business Conduct	Website, internally
<b>Code of conduct for ethical and sustainable procurement</b>	This code of conduct defines stringent standards of sustainability, social responsibility and transparency for Fastweb + Vodafone suppliers, ensuring alignment with national and international regulations.	Fastweb + Vodafone	Finance Fastweb + Vodafone	Principles of SA8000 standard	Website, internally
<b>Social responsibility policy</b>	This policy prohibits child and forced labour, safeguards health and safety, promotes freedom of association, pay equity and non-discrimination, and is monitored by a dedicated Social Performance Team composed of both employee and management representatives. It defines a strong commitment to sustainable development and ethical management of the social impacts.	Fastweb, Vodafone Italia	Human Resources Fastweb + Vodafone	SA8000:2014 standard, Universal Declaration of Human Rights, Conventions of the International Labour Organization (ILO)	Internally
<b>Cultural and inclusion policy</b>	This policy is designed to foster an inclusive and safe working environment, valuing diversity in all its forms, such as gender, disability, age, sexual orientation and cultural background. It is committed to equal opportunities, pay equity, work-life balance and the prevention of discrimination.	Vodafone Italia	Human Resources Fastweb + Vodafone	n/a	Internally



Name	Key contents and consideration given to stakeholders	Scope of policy	Accountability	Third-party standards respected	Availability
<b>Diversity and inclusion policy</b>	This policy focuses on various dimensions of diversity, including gender, disability, generational differences, sexual orientation and gender identity, multiculturalism and intersectionality. Fastweb is committed to a safe and inclusive workplace without discrimination or harassment.	Fastweb	Human Resources Fastweb + Vodafone	n/a	Internally
<b>Domestic violence and abuse policy</b>	This policy provides support tools for all employees, regardless of gender, nationality, culture or social background. It establishes a principle of zero tolerance towards any form of violence or harassment, with disciplinary or legal measures applied to those responsible.	Vodafone Italia	Human Resources Fastweb + Vodafone	n/a	Internally
<b>Health and safety management policy</b>	This policy defines the commitment to health and safety in the workplace as a fundamental element of its technical and economic development.	Fastweb, Vodafone Italia	Human Resources Fastweb + Vodafone	ISO 45001	Internally
<b>Linee guida anticorruzione/ Anti-corruption Guidelines</b>	This document defines common principles and rules of conduct adopted by Fastweb and Vodafone Italia for the prevention of corruption.	Fastweb + Vodafone	Board of Directors Fastweb + Vodafone	n/a	Internally
<b>Modello 231</b>	The Modello 231 establishes behavioral rules for employees to prevent crimes under Legislative Decree 231, implementing a system of procedures and controls to minimise risks. Through activity mapping, 'sensitive processes' exposed to crime risks have been identified.	Fastweb, Vodafone Italia	Legal and Regulatory Fastweb + Vodafone	n/a	Website, internally
<b>Direttiva anticorruzione / Anti-corruption directive</b>	This directive establishes guidelines for managing gifts and event invitations, preventing corruption risks in compliance with internal regulations and the Group policy. It is part of the Anti-corruption Guidelines.	Fastweb + Vodafone	Board of Directors Fastweb + Vodafone	n/a	Internally



## Reporting standards and frameworks

### Non-financial disclosures (Swiss Code of Obligations)

The Sustainability Statements include disclosure requirements of non-financial matters stipulated by the Swiss Code of Obligation (Art. 964 CO).

	Section in Sustainability Statements	Section
<b>General information</b>		
Reporting scope	Basis of preparation	p. 148f.
Description of the business model	Business model and value chain	p. 93–94
	Business model (Management Commentary)	p. 17
Material non-financial matters (Impacts, risks and opportunities)	Double materiality assessment	p. 92
	IRO description in topical standards	
Due diligence	Due diligence	p. 153
Policies	Policy overview	p. 154–156
<b>Environmental matters</b>		
Transition plan	Transition plan for net zero 2035	p. 101–102
Actions, targets and KPIs	Climate change (E1)	p. 100–116
	Circular economy (E5)	p. 117–121
<b>Social matters</b>		
Actions, targets and KPIs	Own workforce (S1)	p. 123–130
	Workers in the value chain (S2)	p. 131–134
	Consumers and end users (S4)	p. 135–143
<b>Employee-related matters</b>		
Actions, targets and KPIs	Own workforce (S1)	p. 123–130
	Employees (Management Commentary)	p. 30–32
<b>Human rights</b>		
Actions, targets and KPIs	Workers in the value chain (S2)	p. 131–134;
	Conflict materials and child labour	p. 134
	Due diligence	p. 132
<b>Anti-corruption</b>		
Actions, targets and KPIs	Business conduct (G1)	p. 145–147

### Task force on Climate-related Financial Disclosures (TCFD)

The report reflects the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) in several sections as set out below.

	Recommended disclosures	Section
<b>Governance</b>		
Disclose the organisation's governance around climate-related risks and opportunities.	a) Describe the Board's oversight of climate-related risks and opportunities.	p. 97–98
	b) Describe the role of management in assessing and managing climate-related risks and opportunities.	p. 97–98
<b>Strategy</b>		
Disclose the actual and potential impacts of climate-related risks and opportunities on the Swisscom Group's business, strategy and financial planning where such information is material.	a) Describe the climate-related risks and opportunities identified over the short, medium and long term.	p. 100; 115–116
	b) Describe the impact of climate-related risks and opportunities on the businesses, strategy and financial planning.	p. 100; 115–116
	c) Describe the resilience of the strategy, considering different climate-related scenarios, including a 2°C or lower scenario.	p. 115–116
<b>Risk management</b>		
Disclose how Swisscom Group identifies, assesses and manages climate-related risks.	a) Describe processes for identifying and assessing climate-related risks.	p. 92; 115
	b) Describe processes for managing climate-related risks.	p. 115–116
	c) Describe how processes for climate-related risks are integrated into the overall risk management.	p. 98
<b>Metrics and targets</b>		
Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	a) Disclose the metrics used to assess climate-related risks and opportunities.	p. 115
	b) Disclose Scope 1-3 GHG emissions and the related risks.	p. 100; 110
	c) Describe the targets used to manage climate-related risks and opportunities.	p. 107



## European Sustainability Reporting Standards (ESRS)

The reporting requirements of the ESRS are mapped out below.

Disclosure requirement		Section	Disclosure requirement		Section
<b>ESRS 2 General disclosures</b>					
BP-1	General basis for the preparation of sustainability statements	p. 148f.	E5-1	Policies related to resource use and circular economy	p. 118; 154-156
BP-2	Disclosures in relation to specific circumstances	p. 148f.	E5-2	Actions and resources related to resource use and circular economy	p. 118-119
GOV-1	The role of the administrative, management and supervisory bodies	p. 55-58; 65; 97-98	E5-3	Targets related to resource use and circular economy	p. 119-120
GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	p. 97-98	E5-4	Resource inflows	not material
GOV-3	Integration of sustainability-related performance in incentive schemes	p. 77f.; 98	E5-5	Resource outflows	p. 121
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GOV-5	Risk management and internal controls over sustainability reporting	p. 98	<b>S1 Own workforce</b>		
SBM-1	Strategy, business model and value chain	p.17; 93-94	S1-1	Policies related to own workforce	p. 124; 154-156
SBM-2	Interests and views of stakeholders	p. 95-96	S1-2	Processes for engaging with own workers and workers' representatives	p. 124
SBM-3	Material impacts, risks and opportunities, and their interaction with strategy and business model	p. 92; 100; 117; 123; 131; 135; 145	S1-3	Processes to remediate negative impacts and channels to raise concerns	p. 124
IRO-1	Description of processes to identify and assess material impacts, risks and opportunities	p. 92; 115	S1-4	Actions and resources related to own workforce	p. 125-129
IRO-2	Disclosure requirements in ESRS covered by the undertaking's sustainability statement	p. 158-159	S1-5	Targets related to own workforce	p. 128; 129; 130
<b>E1 Climate change</b>					
E1-1	Transition plan for climate change mitigation	p. 101-102	S1-6	Characteristics of the undertaking's employees	p. 125
E1-2	Policies related to climate change mitigation and adaptation	p. 103; 154-156	S1-7	Characteristics of non-employee workers in the undertaking's own workforce	not material
E1-3	Actions and resources related to climate change policies	p. 103-106	S1-8	Collective bargaining coverage and social dialogue	not material
E1-4	Targets related to climate change mitigation and adaptation	p. 107	S1-9	Diversity metrics	p. 128
E1-5	Energy consumption and mix	p. 108-109	S1-10	Adequate wages	not material
E1-6	Gross Scopes 1, 2, 3 and total GHG emissions	p. 110-111	S1-11	Social protection	not material
E1-7	GHG removals and GHG mitigation projects financed through carbon credits	p. 111-112	S1-12	Persons with disabilities	p. 128
E1-8	Internal carbon pricing	not material	S1-13	Training and skills development metrics	p. 129
E1-9	Anticipated financial effects from material, physical and transition risks and opportunities	phase-in	S1-14	Health and safety metrics	p. 126
Entity-specific	Avoided emissions	p. 113-114	S1-15	Work-life balance metrics	p. 125
			S1-16	Compensation metrics (gender pay gap and total compensation)	p. 130
			S1-17	Incidents, complaints and severe human rights impacts	p. 130



Disclosure requirement		Section
<b>S2 Workers in the value chain</b>		
S2-1	Policies related to value chain workers	p. 132; 154–156
S2-2	Processes for engaging with value chain workers about impacts	p. 133
S2-3	Processes to remediate negative impacts and channels for value chain workers to raise concerns	p. 133
S2-4	Actions and resources related to workers in the value chain	p. 133–134
S2-5	Targets related to workers in the value chain	p. 134
<b>S4 Consumers and end users</b>		
S4-1	Policies related to consumers and end users	p. 136; 140; 143; 154–156
S4-2	Processes for engaging with consumers and end users about impacts	p. 136; 140
S4-3	Processes to remediate negative impacts and channels for consumers and end users to raise concerns	p. 136; 140
S4-4	Actions and resources related to consumers and end users	p. 137–139; 141–142; 143
S4-5	Targets related to consumers and end-users	p. 139; 143; 143
Entity-specific	Data protection, security and AI ethics	p. 137–139
Entity-specific	Media literacy and protection of children	p. 140–142
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G1-1	Business conduct policies and corporate culture	p. 146; 154–156
G1-2	Management of relationships with suppliers	p. 147
G1-3	Prevention and detection of corruption and bribery	p. 146
G1-4	Confirmed incidents of corruption or bribery	p. 146
G1-5	Political influence and lobbying activities	not material
G1-6	Payment practices	not material



## Independent practitioner's limited assurance report on selected indicators in Swisscom Group's Sustainability Statements 2025 to the Board of Directors of Swisscom Ltd, Ittigen

We have been engaged by the Board of Directors to perform assurance procedures to provide limited assurance on the selected indicators in Swisscom Group's Sustainability Statements 2025 (including the GHG emissions) of Swisscom Ltd and its consolidated subsidiaries (hereafter "Swisscom Group") for the period from 1 January 2025 to 31 December 2025.

The selected indicators, as detailed in Appendix 1, in Swisscom Group's Sustainability Statements 2025 (including the GHG emissions) (hereafter "the selected indicators in Swisscom Group's Sustainability Statements 2025"), which are marked with the symbol "✓" were prepared by the Board of Directors of Swisscom Group based on the European Sustainability Reporting Standards ("ESRS") and Swisscom Group's own methodology (hereafter together the "suitable Criteria"). These suitable Criteria are explained in the section "Annex and methodological note–Basis of Preparation", included in Swisscom Group's Sustainability Statements 2025.

### Inherent limitations

The accuracy and completeness of the selected indicators in Swisscom Group's Sustainability Statements 2025 are subject to inherent limitations given their nature and methods for determining, calculating and estimating such data. In addition, the quantification of the selected indicators in Swisscom Group's Sustainability Statements 2025 is subject to inherent uncertainty because of incomplete scientific knowledge used to determine factors and the values needed to combine e.g. emissions of different gases. Our assurance report will therefore have to be read in connection with the suitable Criteria used by

Swisscom Ltd, its definitions and procedures in the section "Annex and methodological note–Basis of Preparation" for the selected indicators in Swisscom Group's Sustainability Statements 2025.

### Board of Directors' responsibility

The Board of Directors is responsible for preparing and presenting the Swisscom Group's Sustainability Statements 2025 in accordance with the suitable Criteria. This responsibility includes the design, implementation and maintenance of the internal control system related to the preparation and presentation of the Swisscom Group's Sustainability Statements 2025 that are free from material misstatement, whether due to fraud or error. Furthermore, the Board of Directors is responsible for the selection and application of the suitable Criteria and related record keeping.

### Independence and quality management

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour and relevant independence and ethical requirements as transposed in Switzerland by EXPERT-suisse.

PricewaterhouseCoopers AG applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

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### Practitioner's responsibility

Our responsibility is to perform a limited assurance engagement and to express a conclusion on the selected indicators in Swisscom Group's Sustainability Statements 2025. We conducted our engagement in accordance with the International Standard on Assurance Engagements ISAE 3000 (Revised) 'Assurance engagements other than audits or reviews of historical financial information' and the International Standard on Assurance Engagements 3410, Assurance Engagements on Greenhouse Gas Statements ('ISAE 3410'), issued by the International Auditing and Assurance Standards Board. Those standards require that we plan and perform our procedures to obtain limited assurance whether anything has come to our attention that causes us to believe that the selected indicators in Swisscom Group's Sustainability Statements 2025 were not prepared, in all material respects, in accordance with the suitable Criteria.

Based on risk and materiality considerations, we performed our procedures to obtain sufficient and appropriate assurance evidence. The procedures selected depend on the assurance practitioner's judgement. A limited assurance engagement under ISAE 3000 (Revised) and ISAE 3410 is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks. Consequently, the nature, timing and extent of procedures for gathering sufficient appropriate evidence are deliberately limited relative to a reasonable assurance engagement and therefore less assurance is obtained with a limited assurance engagement than for a reasonable assurance engagement.

We performed the following procedures, among others:

- Review of the Annex and methodological note—Basis of Preparation with regards to its applicability and consistency and suitability as the suitable Criteria;
- Inquiries of the relevant stakeholders for the selected indicators in Swisscom Group's Sustainability Statements 2025, as included in Appendix 1;
- Interviews with personnel responsible for the data collection and reporting processes at the selected Group site and at Corporate level to determine the understanding and application of Swisscom Group's own methodology and specified guidelines;
- Sample based inspection of relevant documents and testing of underlying data;

- Reconciliation of data collected with financial reporting data and other underlying records;
- Reperformance of relevant calculations;
- Analytical procedures on selected site-level, as well as Corporate level; and
- On-Site visits at Group sites in Switzerland and Italy. The selection was based on quantitative and qualitative criteria.
- Reading the other information in the Swisscom Group's Sustainability Statements 2025 and in the Annual Report to identify material inconsistencies, if any, with the selected indicators in Swisscom Group's Sustainability Statements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

### Conclusion

Based on the work we performed, nothing has come to our attention that causes us to believe that the selected indicators in Swisscom Group's Sustainability Statements 2025 (including the GHG emissions) of Swisscom Ltd for the period from 1 January 2025 to 31 December 2025 are not prepared, in all material respects, in accordance with the suitable Criteria.



### Emphasis of Matter – Compliance with ESRS

We draw attention to the paragraph list of disclosure requirements in the section “Annex and methodological note–Basis of Preparation» in Swisscom Group’s Sustainability Statements 2025 on page 148 where it is stated that Swisscom Group’s Sustainability Statements 2025 has been prepared with reference to specific ESRS Standards and contains only selected disclosures from the European Sustainability Reporting Standards (ESRS) and therefore is not in compliance with the ESRS. Our conclusion is not modified in respect of this matter.

### Other matter – comparative, retrospective and forward-looking information

Neither the comparative nor retrospective information on prior year data (i.e. 2024 and earlier) as at 31 December 2025 and for the period prior to 1 January to 31 December 2025 as well as forward-looking information included in Swisscom Group’s Sustainability Statements 2025 were subject to an assurance engagement. Our conclusion is not modified in respect of this matter.

### Intended users and purpose of the report

This report is prepared for, and only for, the Board of Directors of Swisscom Ltd, and solely for the purpose of reporting to them on the selected indicators in Swisscom Group’s Sustainability Statements 2025 and no other purpose. We do not, in giving our conclusion, accept or assume responsibility (legal or otherwise) or accept liability for, or in connection with, any other purpose for which our report including the conclusion may be used, or to any other person to whom our report is shown or into whose hands it may come, and no other persons shall be entitled to rely on our conclusion.

We permit the disclosure of our report, in full only and in combination with the suitable Criteria, to enable the Board of Directors to demonstrate that they have discharged their governance responsibilities by commissioning an independent assurance report over the selected indicators in Swisscom Group’s Sustainability Statements 2025, without assuming or accepting any responsibility or liability to any third parties on our part. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Board of Directors of Swisscom Ltd for our work or this report.

PricewaterhouseCoopers AG

Petra Schwick

Christine Blass

Zurich, 11 February 2026

Enclosure:

- Appendix 1 - selected indicators in Swisscom Group’s Sustainability Statements 2025

*The maintenance and integrity of Swisscom Ltd’s website and its content are the responsibility of the Board of Directors. The work we have performed as the independent assurance practitioner does not involve consideration of the maintenance and integrity of Swisscom Ltd’s website. Accordingly, we accept no responsibility for any changes that may have occurred to the reported selected indicators in Swisscom Group’s Sustainability Statements 2025 (including the GHG emissions) or the suitable Criteria since they were initially presented on the website.*



**Appendix 1 – selected indicators in Swisscom Group's Sustainability Statements 2025**

The following selected indicators in Swisscom Group's Sustainability Statements 2025 (including the GHG emissions) of Swisscom Ltd and its consolidated subsidiaries for the period from 1 January 2025 to 31 December 2025 are within the scope of the limited assurance engagement.

**Environmental**

Disclosure Requirement	Description of Disclosure Requirement	Page
<b>E1 – Climate Change</b>		
E1.GOV-3	Explanation of climate-related considerations that are factored into remuneration of members of administrative, management and supervisory bodies.	98
E1-1	Transition plan for climate change mitigation	101-102
E1-2	Policies related to climate change mitigation and adaptation	103
E1-3	Actions and resources in relation to climate change policies	103-106
E1-4	Targets related to climate change mitigation and adaptation	107
E1-5	Energy consumption and mix	108-109
E1-6	Gross Scopes 1, 2, 3 and Total GHG emissions	110-111
E1-7	GHG removals and GHG mitigation projects financed through carbon credits	111-112

Disclosure Requirement	Description of Disclosure Requirement	Page
<b>E5 – Resource Use and Circular Economy</b>		
E5-1	Policies related to resource use and circular economy	118
E5-3	Targets related to resource use and circular economy	119-120
E5-5	Resource Outflows	121



**Social**

Disclosure Requirement	Description of Disclosure Requirement	Page
<b>S1 – Own Workforce</b>		
S1-1	Policies related to own workforce	124
S1-2	Processes for engaging with own workers and workers’ representatives about impacts	124
S1-3	Processes to remediate negative impacts and channels for own workers to raise concerns	124
S1-4	Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	125-129
S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	130
S1-6	Characteristics of the undertaking’s employees	125
S1-9	Diversity metrics	128; 153
S1-12	Persons with disabilities	128
S1-13	Training and skills development metrics	129
S1-14	Health and safety metrics	126
S1-15	Work-life balance metrics	125
S1-16	Compensation metrics (pay gap and total compensation)	130
S1-17	Incidents, complaints and severe human rights impacts	130

Disclosure Requirement	Description of Disclosure Requirement	Page
<b>S2 – Workers in the Value Chain</b>		
S2-1	Policies related to value chain workers	132
S2-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	134
<b>S4 Consumers and End Users</b>		
S4-1	Policies related to Consumers and End-Users (Media Literacy)	140
S4-5	Disclosure of how consumers and end-users were engaged directly in setting targets (Media Literacy)	142

**Governance**

Disclosure Requirement	Description of Disclosure Requirement	Page
<b>G1 – Business Conduct</b>		
G1.GOV-1	Disclosure of role of administrative, management and supervisory bodies related to business conduct / Disclosure of expertise of administrative, management and supervisory bodies on business conduct matters	97
G1-1	Corporate culture and business conduct policies	146
G1-3	Prevention and Detection of Corruption or Bribery	146
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**Entity-Specific Disclosures**

<b>Disclosure Requirement</b>	<b>Description of Disclosure Requirement</b>	<b>Page</b>
<b>Entity-Specific Disclosures</b>		
Energy Efficiency	Energy efficiency Switzerland (according to EnAW)	107
PUE Value	PUE value Switzerland; PUE value Italy	109
Avoided Emissions	Avoided Emissions	113-114
Mobile phone take-back quota	Mobile phone take-back rate (Switzerland)	120
Home network take-back quota	Home network take-back rate (Switzerland)	120
Reuse rate	Reuse rate for branded devices (Italy)	120
Product Carbon Footprint	Product Carbon Footprint (PCF) reduction	119
Media Literacy	Visitors in media literacy courses	142
Media Literacy	Media literacy contacts	142
Media Literacy	Visitors in digital academy-courses	142



# Financial Statements

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# Consolidated statement of comprehensive income

In CHF million, except for per share amounts	Note	2025	2024 restated <sup>1</sup>
<b>Income statement</b>			
<b>Revenue</b>	1.1	<b>15,048</b>	<b>11,017</b>
Direct costs	1.2	(3,964)	(2,594)
Personnel expense	1.2, 4.1	(3,064)	(2,749)
Other operating expense	1.2	(2,353)	(1,674)
Capitalised self-constructed assets and other income	1.2	950	767
<b>Operating income before depreciation and amortisation</b>		<b>6,617</b>	<b>4,767</b>
Depreciation and amortisation of property, plant and equipment, intangible assets and goodwill	3.2, 3.3, 3.4	(3,114)	(2,143)
Depreciation of right-of-use assets	2.3	(1,578)	(671)
<b>Operating income</b>		<b>1,925</b>	<b>1,953</b>
Financial income	2.4	38	177
Financial expense	2.4	(396)	(267)
Result of equity-accounted investees	5.4	–	(2)
<b>Income before income taxes</b>		<b>1,567</b>	<b>1,861</b>
Income tax expense	6.1	(297)	(320)
<b>Net income</b>		<b>1,270</b>	<b>1,541</b>

In CHF million, except for per share amounts	Note	2025	2024 restated <sup>1</sup>
<b>Other comprehensive income</b>			
Actuarial gains and losses from defined benefit pension plans	2.1	16	(17)
Change in fair value of equity instruments	2.1, 6.3	(3)	163
<b>Items that will not be reclassified to income statement</b>		<b>13</b>	<b>146</b>
Foreign currency translation adjustments of foreign subsidiaries	2.1	(64)	5
Change in cash flow hedges	2.1	3	(11)
<b>Items that may be reclassified to income statement</b>		<b>(61)</b>	<b>(6)</b>
<b>Other comprehensive income</b>		<b>(48)</b>	<b>140</b>
<b>Comprehensive income</b>			
Net income		1,270	1,541
Other comprehensive income		(48)	140
<b>Comprehensive income</b>		<b>1,222</b>	<b>1,681</b>
<b>Share of net income and comprehensive income</b>			
Equity holders of Swisscom Ltd		1,271	1,542
Non-controlling interests		(1)	(1)
<b>Net income</b>		<b>1,270</b>	<b>1,541</b>
Equity holders of Swisscom Ltd		1,223	1,682
Non-controlling interests		(1)	(1)
<b>Comprehensive income</b>		<b>1,222</b>	<b>1,681</b>
<b>Earnings per share</b>			
<b>Basic and diluted earnings per share (in CHF)</b>	2.1	<b>24.54</b>	<b>29.77</b>

<sup>1</sup> See 'General information and changes in accounting policies' in the notes to the financial statements.



# Consolidated balance sheet

In CHF million	Note	31.12.2025	31.12.2024 restated <sup>1</sup>	1.1.2024 restated <sup>1</sup>
<b>Assets</b>				
Cash and cash equivalents		258	1,523	148
Trade receivables	3.1	2,494	2,886	2,143
Receivables from finance leases	2.3	34	47	46
Other operating assets	3.1	1,648	1,807	1,323
Other financial assets	2.5	598	66	50
Current income tax assets	6.1	96	82	1
Non-current assets held for sale		–	–	7
<b>Total current assets</b>		<b>5,128</b>	<b>6,411</b>	<b>3,718</b>
Property, plant and equipment	3.2	13,663	13,454	11,059
Intangible assets	3.3	5,682	6,049	1,737
Goodwill	3.4	6,575	6,596	5,172
Right-of-use assets	2.3	3,949	4,215	2,033
Equity-accounted investees	5.4	26	27	27
Receivables from finance leases	2.3	136	135	84
Other financial assets	2.5, 6.3	510	628	745
Defined benefit assets	4.3	–	–	11
Deferred tax assets	6.1	354	330	225
<b>Total non-current assets</b>		<b>30,895</b>	<b>31,434</b>	<b>21,093</b>
<b>Total assets</b>		<b>36,023</b>	<b>37,845</b>	<b>24,811</b>

In CHF million	Note	31.12.2025	31.12.2024 restated <sup>1</sup>	1.1.2024 restated <sup>1</sup>
<b>Liabilities and equity</b>				
Financial liabilities	2.2	1,216	1,660	718
Lease liabilities	2.3	898	835	340
Trade payables	3.1	2,386	2,647	1,560
Other operating liabilities	3.1	1,761	1,951	1,471
Provisions	3.5	179	221	115
Current income tax liabilities	6.1	308	286	203
<b>Total current liabilities</b>		<b>6,748</b>	<b>7,600</b>	<b>4,407</b>
Financial liabilities	2.2	11,773	12,500	4,947
Lease liabilities	2.3	2,831	3,130	1,688
Defined benefit obligations	4.3	50	55	21
Provisions	3.5	1,408	1,468	1,148
Deferred gain on sale and leaseback of real estate	2.3	74	77	81
Deferred tax liabilities	6.1	901	861	898
<b>Total non-current liabilities</b>		<b>17,037</b>	<b>18,091</b>	<b>8,783</b>
<b>Total liabilities</b>		<b>23,785</b>	<b>25,691</b>	<b>13,190</b>
Share capital		52	52	52
Capital reserves		136	136	136
Retained earnings	2.1	14,216	14,070	13,528
Foreign currency translation adjustments	2.1	(2,145)	(2,081)	(2,086)
Hedge reserves	2.1	(20)	(23)	(12)
<b>Equity attributable to equity holders of Swisscom Ltd</b>		<b>12,239</b>	<b>12,154</b>	<b>11,618</b>
Non-controlling interests		(1)	–	3
<b>Total equity</b>		<b>12,238</b>	<b>12,154</b>	<b>11,621</b>
<b>Total liabilities and equity</b>		<b>36,023</b>	<b>37,845</b>	<b>24,811</b>

<sup>1</sup> See 'General information and changes in accounting policies' in the notes to the financial statements.



# Consolidated statement of cash flows

In CHF million	Note	2025	2024 restated <sup>1</sup>
Net income		1,270	1,541
Income tax expense	6.1	297	320
Result of equity-accounted investees	5.4	–	2
Financial income	2.4	(38)	(177)
Financial expense	2.4	396	267
Depreciation, amortisation of property, plant and equipment, intangible assets and goodwill	3.2, 3.3, 3.4	3,114	2,143
Depreciation of right-of-use assets	2.3	1,578	671
Gain on sale of property, plant and equipment	1.2	(23)	(26)
Loss on sale of property, plant and equipment		3	–
Expense for share-based payments		1	1
Revenue from finance leases		(84)	(87)
Proceeds from finance leases		95	80
Change in deferred gain from the sale and leaseback of real estate	2.3	(3)	(4)
Change in operating assets and liabilities	3.1	118	(9)
Change in provisions	3.5	(121)	26
Change in defined benefit obligations	4.3	17	(5)
Interest received		11	102
Interest payments on financial liabilities	2.2	(235)	(112)
Interest payments on lease liabilities	2.3	(105)	(50)
Dividends received	5.4	1	1
Income taxes paid	6.1	(280)	(297)
<b>Cash flow from operating activities</b>		<b>6,012</b>	<b>4,387</b>

In CHF million	Note	2025	2024 restated <sup>1</sup>
Purchase of property, plant and equipment and intangible assets	3.2, 3.3	(3,008)	(2,288)
Proceeds from sale of property, plant and equipment and intangible assets		25	44
Acquisition of subsidiaries, net of cash and cash equivalents acquired	5.2	(34)	(7,372)
Proceeds from sale of subsidiaries, net of cash and cash equivalents sold	5.2	2	2
Acquisition of equity-accounted investees	5.2	–	(2)
Purchase of other financial assets	2.2	(500)	(2,020)
Proceeds from other financial assets	2.2, 6.3	31	2,386
Other cash flows from investing activities		(39)	(29)
<b>Cash flow used in investing activities</b>		<b>(3,523)</b>	<b>(9,279)</b>
Issuance of financial liabilities	2.2	1,830	8,881
Repayment of financial liabilities	2.2	(2,870)	(641)
Repayment of lease liabilities	2.3	(1,558)	(677)
Dividends paid to equity holders of Swisscom Ltd	2.1	(1,140)	(1,140)
Acquisition of non-controlling interests	5.2	–	(15)
Other cash flows from financing activities		(13)	1
<b>(Cash used in) cash flow from financing activities</b>		<b>(3,751)</b>	<b>6,409</b>
<b>(Net decrease) net increase in cash and cash equivalents</b>		<b>(1,262)</b>	<b>1,517</b>
Cash and cash equivalents at 1 January		1,523	148
Foreign currency translation adjustments in respect of cash and cash equivalents		(3)	(142)
<b>Cash and cash equivalents at 31 December</b>		<b>258</b>	<b>1,523</b>

<sup>1</sup> See 'General information and changes in accounting policies' in the notes to the financial statements.



# Consolidated statement of changes in equity

In CHF million	Share capital	Capital reserves	Retained earnings	Foreign currency translation adjustments	Hedging reserves	Equity attributable to equity holders of Swisscom	Non-controlling interests	Total equity
<b>Balance at 31 December 2023</b>	52	136	13,529	(2,086)	(12)	11,619	3	11,622
Change in accounting policies <sup>1</sup>	–	–	(1)	–	–	(1)	–	(1)
<b>Balance at 1 January 2024, restated</b>	52	136	13,528	(2,086)	(12)	11,618	3	11,621
Net income	–	–	1,542	–	–	1,542	(1)	1,541
Other comprehensive income	–	–	146	5	(11)	140	–	140
<b>Comprehensive income</b>	–	–	1,688	5	(11)	1,682	(1)	1,681
Dividends paid	–	–	(1,140)	–	–	(1,140)	–	(1,140)
Other changes	–	–	(6)	–	–	(6)	(2)	(8)
<b>Balance at 31 December 2024</b>	52	136	14,070	(2,081)	(23)	12,154	–	12,154
Net income	–	–	1,271	–	–	1,271	(1)	1,270
Other comprehensive income	–	–	13	(64)	3	(48)	–	(48)
<b>Comprehensive income</b>	–	–	1,284	(64)	3	1,223	(1)	1,222
Dividends paid	–	–	(1,140)	–	–	(1,140)	–	(1,140)
Other changes	–	–	2	–	–	2	–	2
<b>Balance at 31 December 2025</b>	52	136	14,216	(2,145)	(20)	12,239	(1)	12,238

<sup>1</sup> See 'General information and changes in accounting policies' in the notes to the financial statements.



# Notes to the consolidated financial statements

## General information and changes in accounting policies

### General disclosures

The Swisscom Group (hereinafter referred to as Swisscom) provides telecommunications services. It operates mainly in Switzerland and Italy. The consolidated financial statements for the year ended 31 December 2025 comprise Swisscom Ltd, as the holding company, and its subsidiaries. Swisscom Ltd is a public limited company with special status under Swiss law and has its registered office in Ittigen (Berne). Its address is: Swisscom Ltd, Alte Tiefenastrasse 6, 3048 Worblaufen. Swisscom is listed on the SIX Swiss Exchange. The number of issued shares is unchanged from the prior year and totals 51,801,943. The shares have a nominal value of CHF 1 and are fully paid-up. Each share entitles the holder to one vote. The majority shareholder of Swisscom Ltd remains, as in the prior year, the Swiss Confederation ('the Confederation'). The Confederation is obligated by current law to hold the majority of the capital and voting rights. The Board of Directors of Swisscom approved the issuance of these consolidated financial statements on 11 February 2026. No material events after the reporting date have occurred to date. The consolidated financial statements are subject to approval by the shareholders of Swisscom Ltd at its Annual General Meeting to be held on 25 March 2026.

### Acquisition of Vodafone Italia

Swisscom acquired Vodafone Italia at the end of 2024. In the consolidated financial statements as at 31 December 2024, the business combination was provisionally recognised, since not all the information required to determine the fair values of the acquired assets and liabilities was available when Swisscom's consolidated financial statements were prepared. The purchase price allocation was finalised as at 31 December 2025. Following the acquisition of Vodafone Italia, Swisscom changed its segment reporting and goodwill was reallocated accordingly. See Notes 1.1, 3.4 and 5.3.

### Basis of preparation

The consolidated financial statements of Swisscom have been prepared in accordance with the IFRS Accounting Standards, and in compliance with the provisions of Swiss law. The reporting period covers twelve months. The consolidated financial statements are presented in Swiss francs (CHF), which is the functional currency of Swisscom Ltd. Unless otherwise noted, all amounts are stated in millions of Swiss francs. The consolidated financial statements have been prepared on a historical cost basis, except where a standard or interpretation requires a different measurement basis for specific items, as disclosed in the related accounting policies. Material accounting policies relevant for understanding the consolidated financial statements are described in the respective notes to the financial statements.

### Significant judgements, estimates and assumptions in applying the accounting policies

The preparation of consolidated financial statements is dependent upon assumptions and estimates being made in applying the accounting policies, for which management can exercise a certain degree of judgement. In particular, this concerns the following positions:

Description	Further information
Leases	Note 2.3
Property, plant and equipment	Note 3.2
Intangible assets	Note 3.3
Goodwill	Note 3.4
Provisions for asset retirement obligations	Note 3.5
Defined benefit plans	Note 4.3
Income taxes	Note 6.1

### New and amended IFRS Accounting Standards and Interpretations

For the first time, Swisscom applied the amendments to IAS 21 ('The Effects of Changes in Foreign Exchange Rates': lack of exchangeability), which are effective for annual periods beginning on or after 1 January 2025. These amendments had no material impact on the results or financial position of Swisscom. Further information regarding the changes to IFRS Accounting Standards which must be applied in 2026 or later are set out in Note 6.4.

### Voluntary changes in accounting policies

Swisscom purchases various access lines from other network operators and uses these lines to connect its end customers. Until 31 December 2024, Swisscom classified some of these access lines as leases in accordance with IFRS 16 'Leases', with the exemption for low-value assets applied. Accordingly, no right-of-use assets or lease liabilities were recognised for these access lines, and the related costs were recognised as indirect costs within operating expenses. Following the acquisition of Vodafone Italia at the end of 2024, Swisscom changed its lease accounting policy across the Group. As a result, the exemption for low-value assets is no longer to be applied. This change results in a more relevant and better presentation of access line leases in the consolidated financial statements and increases comparability with the peer group from the telecommunications sector. The prior year's comparatives have been restated accordingly. For the financial year 2024, this change reduced direct costs by CHF 412 million and increased depreciation of right-of-use assets by CHF 410 million and interest expense on lease liabilities by CHF 2 million.

Based on recent changes in accounting standards, Swisscom has reviewed its revenue recognition policy for streaming services with a minimum purchase commitment. Until 31 December 2024, the minimum purchase commitment was considered as an indicator in assessing whether Swisscom acts as principal or agent. Accordingly, certain streaming service contracts were presented on a gross basis. Following the review, all streaming service contracts are recognised on a net basis from 2025 onwards. The prior year's comparatives have been restated accordingly. This change reduced both revenue and direct costs for the 2024 financial year by CHF 19 million each.



In addition, Swisscom has reviewed the classification and presentation of direct and indirect costs. The review primarily resulted in changes to the classification of allowances for receivables and contract assets. Starting from 2025, these allowances are presented as direct costs. Previously, these costs were reported within indirect costs. The change

improves the presentation of Swisscom's cost structure and supports management and planning of direct and indirect costs. The prior year's comparatives have been restated accordingly. The reclassification increased direct costs and reduced indirect costs for the 2024 financial year by CHF 53 million each.

### Effects of changes in accounting policies

In CHF million	1.1.2024 reported	1.1.2024 restated	31.12.2024 reported	31.12.2024 restated
<b>Balance sheet</b>				
Right-of-use assets	1,972	2,033	4,129	4,365
Trade payables	1,611	1,560	2,698	2,647
Lease liabilities	1,915	2,028	3,677	3,965
<b>Equity</b>	<b>11,622</b>	<b>11,621</b>	<b>12,155</b>	<b>12,154</b>

In CHF million	2024 reported	2024 restated
<b>Income statement</b>		
Revenue	11,036	11,017
Direct costs	(2,972)	(2,594)
Other operating expense	(1,727)	(1,674)
Depreciation of right-of-use assets	(261)	(671)
Interest expense on lease liabilities	(48)	(50)
Net income	1,541	1,541
Comprehensive income	1,681	1,681

### Earnings per share

Basic and diluted earnings per share (in CHF)	29.77	29.77
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### Cash flow statement

Cash flow from operating activities	3,977	4,387
Cash flow from financing activities	6,819	6,409

## 1 Operating performance

This chapter provides information on Swisscom's operating performance for the current and prior financial year. The segment reporting presented reflects the internal reporting structure used by management to assess performance, allocate resources and monitor results.

### 1.1 Segment information

#### General disclosures

Following the acquisition of Vodafone Italia at the end of 2024, Swisscom has adjusted its governance and organisational structure. A Group Executive Committee, led by the Group CEO, has been established to oversee Group-wide management. The business operations in Switzerland and Italy are each managed by a dedicated Executive Committee. Segment reporting has been aligned with this new organisational structure. Starting from the 2025 financial year, Swisscom has identified the segments Switzerland, Italy and Others.

### Swisscom Group

Switzerland

Italy

Others

The Switzerland and Italy segments are engaged in largely identical business activities, differing only in their regional scope. Residential customers are offered telecommunications services such as mobile communication, fixed-line telephony, broadband and TV. Business customers receive IT solutions in addition to telecommunications services, covering the entire spectrum of business ICT infrastructure from individual products to end-to-end solutions. In addition, the network infrastructure is made available to other telecommunications providers as wholesale services. Each segment includes its respective national telecommunications network and IT infrastructure. Group-wide functions are reported within the Switzerland segment.

From the 2025 financial year onwards, the EBITDA after lease expense (EBITDAaL) metric is used to measure and report on the financial performance of Swisscom and its operating segments. Following the acquisition of Vodafone Italia and the application of revised lease accounting principles from 2025 onwards, the significance of leases within Swisscom has increased substantially. Compared with the previously used EBITDA metric, EBITDAaL is considered a more reliable and relevant measure for financial management particularly – with respect to allocation of resources, performance assessment and communication with investors. The change also enhances comparability with other telecommunications providers.

Segment expense includes direct costs, personnel expense and other indirect costs. In the segment reporting, lease expense of CHF 874 million (prior year: CHF 412 million) is allocated to direct costs and to other indirect costs (current year: CHF 759 million; prior year: CHF 291 million). Segment expense includes the ordinary employer contributions as pension cost. The difference between these costs and pension cost determined in accordance with IAS 19 'Employee Benefits' is presented in the elimination column. The elimination column in the segment information of CHF –59 million (prior year: CHF –24 million) includes expense of CHF 12 million (prior year: income CHF 25 million), representing the IAS 19 pension cost reconciliation adjustment.

Capital expenditure comprises purchases of property, plant and equipment and intangible assets, as well as payments for indefeasible rights of use (IRU). IRUs are generally paid in full at the commencement of use and are classified as leases in accordance with IFRS 16 'Leases'. From an economic perspective, IRU payments are considered capital expenditure in the segment reporting. In 2025, capital expenditure includes IRU payments of CHF 57 million (prior year: CHF 24 million).



## Segment information 2025

2025, in CHF million	Switzerland	Italy	Others	Elimination	Total
Residential customers	4,313	3,118	–	–	7,431
Business customers	2,977	3,033	398	–	6,408
Wholesale customers	518	676	–	–	1,194
Other	15	–	–	–	15
<b>External revenue</b>	<b>7,823</b>	<b>6,827</b>	<b>398</b>	<b>–</b>	<b>15,048</b>
Intersegment revenue	45	4	644	(693)	–
<b>Revenue</b>	<b>7,868</b>	<b>6,831</b>	<b>1,042</b>	<b>(693)</b>	<b>15,048</b>
Direct costs	(1,620)	(3,188)	(91)	61	(4,838)
Personel expense	(2,125)	(510)	(417)	(12)	(3,064)
Other indirect costs	(761)	(1,553)	(433)	585	(2,162)
<b>EBITDA after lease expense (EBITDAaL)</b>	<b>3,362</b>	<b>1,580</b>	<b>101</b>	<b>(59)</b>	<b>4,984</b>
Lease expense					1,633
<b>Operating income before depreciation and amortisation (EBITDA)</b>					<b>6,617</b>
Depreciation and amortisation of property, plant and equipment and intangible assets					(3,114)
Depreciation of right-of-use assets					(1,578)
<b>Operating income (EBIT)</b>					<b>1,925</b>
Financial income					38
Financial expense					(396)
Result of equity-accounted investees					–
<b>Income before income taxes</b>					<b>1,567</b>
Income tax expense					(297)
<b>Net income</b>					<b>1,270</b>
EBITDA after lease expense (EBITDAaL)	3,362	1,580	101	(59)	4,984
Capital expenditure	(1,692)	(1,384)	(35)	47	(3,064)
<b>Operating free cash flow</b>	<b>1,670</b>	<b>196</b>	<b>66</b>	<b>(12)</b>	<b>1,920</b>

## Segment information 2024

2024, in CHF million, restated	Switzerland	Italy	Others	Elimination	Total
Residential customers	4,337	1,113	–	–	5,450
Business customers	3,057	1,188	427	–	4,672
Wholesale customers	514	365	–	–	879
Other	16	–	–	–	16
<b>External revenue</b>	<b>7,924</b>	<b>2,666</b>	<b>427</b>	<b>–</b>	<b>11,017</b>
Intersegment revenue	52	6	684	(742)	–
<b>Revenue</b>	<b>7,976</b>	<b>2,672</b>	<b>1,111</b>	<b>(742)</b>	<b>11,017</b>
Direct costs	(1,643)	(1,343)	(89)	68	(3,007)
Personel expense	(2,128)	(226)	(425)	30	(2,749)
Other indirect costs	(876)	(480)	(461)	620	(1,197)
<b>EBITDA after lease expense (EBITDAaL)</b>	<b>3,329</b>	<b>623</b>	<b>136</b>	<b>(24)</b>	<b>4,064</b>
Lease expense					703
<b>Operating income before depreciation and amortisation (EBITDA)</b>					<b>4,767</b>
Depreciation and amortisation of property, plant and equipment, intangible assets and goodwill					(2,143)
Depreciation of right-of-use assets					(671)
<b>Operating income (EBIT)</b>					<b>1,953</b>
Financial income					177
Financial expense					(267)
Result of equity-accounted investees					(2)
<b>Income before income taxes</b>					<b>1,861</b>
Income tax expense					(320)
<b>Net income</b>					<b>1,541</b>
EBITDA after lease expense (EBITDAaL)	3,329	623	136	(24)	4,064
Capital expenditure	(1,725)	(597)	(39)	49	(2,312)
<b>Operating free cash flow</b>	<b>1,604</b>	<b>26</b>	<b>97</b>	<b>25</b>	<b>1,752</b>



### Disclosure by geographical regions

In CHF million	2025		2024	
	Revenue	Non-current assets	Revenue	Non-current assets
Switzerland	8,208	16,925	8,344	16,843
Italy	6,827	12,961	2,666	13,488 <sup>1</sup>
Other countries	13	9	7	10
Not allocated	–	1,000	–	1,093
<b>Total</b>	<b>15,048</b>	<b>30,895</b>	<b>11,017</b>	<b>31,434</b>

<sup>1</sup> Incl. adjustments to the final purchase price allocation of Vodafone Italia. See Note 5.3.

### Disclosure by products and services

In CHF million	2025	2024
Telecommunications services	9,881	7,426
IT services	2,005	1,191
Wholesale services	1,194	879
Merchandise	1,272	801
Other	696	720
<b>Total revenue</b>	<b>15,048</b>	<b>11,017</b>

### Accounting policies

#### Telecommunications services

Telecommunications services primarily include mobile communications and fixed-network subscriptions, voice and data traffic, roaming and content delivery for residential and business customers. In addition, Swisscom sells equipment such as mobile phones, routers, TV boxes or accessories. Telecommunications services are frequently bundled into comprehensive service packages to enhance value and convenience for customers. When equipment such as mobile handsets or routers are sold as part of a bundled offering that includes a subscription, it is accounted for as a multi-element arrangement. The total transaction price for

such contracts is allocated among the identified performance obligations based on their relative standalone selling prices. The standalone selling price of each performance obligation in the contract is determined according to the prices that Swisscom would achieve by selling the same good or services on a standalone basis. Where standalone selling prices are not directly observable, estimation techniques are used.

Customer activation and connection fees that do not constitute separate performance obligations are considered part of the total transaction price. These fees are allocated to the distinct performance obligations within the customer contract and recognised as revenue over the minimum contract term. The same applies to

fees for installation and set-up activities that do not have an independent value for the customer.

Revenue is recognised when the respective performance obligations in the contract are delivered to the customer, provided that collectability of the consideration is probable. For service contracts, revenue is recognised over time the service is rendered. Revenue for hardware sales is generally recognised when the hardware is delivered to the end customer. Within Swisscom, there are various business models that include different types of routers and TV boxes. Some routers and TV boxes are sold to be used only for services provided by Swisscom, as they are only compatible with the Swisscom network and cannot be used with networks of other service providers. Consequently, these hardware sales are not regarded as separate performance obligations. Revenue from these sales is recognised on a straight-line basis over the contract term.

#### IT services

IT services mainly include integrated communications solutions, software sales, security and cloud services as well as the integration, operation and maintenance of IT infrastructure. IT infrastructure includes revenue from outsourcing contracts, which is recognised over time. The measure of progress or stage of completion of a contract is generally determined using the cost-to-cost method, which reflects the proportion of costs incurred to date relative to the total estimated costs at the reporting date. Transition projects associated with an outsourcing contract are not considered as separate performance obligations. Maintenance revenues are recognised on a straight-line basis over the term of the maintenance contracts. Variable consideration is only included in the transaction price if it is highly probable that no significant revenue reversals will occur in the future.

#### Wholesale services

Wholesale services primarily consist of the use of Swisscom's mobile and fixed network by other telecommunications service providers for leased lines and roaming. Revenue from leased

lines is recognised on a straight-line basis over the contract term, reflecting the continuous transfer of service to the customer over time. For roaming services, revenue is recognised when the service is provided, based on either traffic units or contractually agreed charges. When determining the fair value for the recognition of revenue and costs for individual roaming contracts that contain minimum commitments, Swisscom considers company-specific factors and market conditions in addition to the contractually agreed prices. Roaming services charged to other telecommunications service providers are reported on a gross basis.

#### Principal versus agent

When Swisscom acts as an intermediary between a supplier and a customer, it must determine whether it serves as the principal or as the agent. This decision depends on Swisscom's control over the good or service before it is transferred to the customer, which determines whether revenue is recognised on a gross or net basis. For Swisscom, this assessment is relevant for branded digital products like streaming services, software licences and cloud-based services that are acquired from third parties and sold within its product portfolio. Generally, Swisscom considers itself to be the principal when it bears primary responsibility for product acceptance, customer support and setting the sales price.



## 1.2 Operating expense

### Direct costs

In CHF million	2025	2024 <sup>1</sup>
Customer premises equipment and merchandise	1,476	988
Services purchased	1,105	677
Costs to obtain a contract	493	219
Costs to fulfil a contract	73	73
Network access costs	712	584
Allowances for receivables and contract assets	105	53
<b>Total direct costs</b>	<b>3,964</b>	<b>2,594</b>

<sup>1</sup> See 'General information and changes in accounting policies' in the notes to the financial statements.

### Indirect costs

In CHF million	2025	2024
Salary and social security expenses	2,946	2,686
Other personnel expense	118	63
<b>Total personnel expense<sup>1</sup></b>	<b>3,064</b>	<b>2,749</b>
Information technology cost	345	291
Maintenance expense	295	268
Energy costs	439	175
Advertising and selling expenses	225	160
Consultancy expenses and freelance workforce	117	112
Rent network capacities	98	136
Call centre services purchased	142	109
Administration expense	41	34
Miscellaneous operating expenses	651	389
<b>Total other operating expense</b>	<b>2,353</b>	<b>1,674</b>
Capitalised self-constructed tangible and intangible assets	(666)	(600)
Own work for capitalised contract costs	(31)	(37)
Gain on sale of property, plant and equipment	(23)	(27)
Miscellaneous income	(230)	(103)
<b>Total capitalised self-constructed assets and other income</b>	<b>(950)</b>	<b>(767)</b>
<b>Total indirect costs</b>	<b>4,467</b>	<b>3,656</b>

<sup>1</sup> See Note 4.1.

Capitalised self-constructed tangible and intangible assets include personnel costs incurred in the construction of technical installations, the development of network infrastructure and the creation of software for internal use.

## Accounting policies

### Costs to obtain a contract

Swisscom pays commissions to dealers for the acquisition and retention of customers. The commission payable is dependent on the type of subscription. Additionally, in the indirect sales channel, third-party retailers receive a commission that offsets the handset subsidy provided when a subscription is purchased at the same time. The associated costs are recognised as costs to obtain a contract. The capitalised costs to obtain a contract are amortised on a straight-line basis over the expected contract period. See Note 1.1.

### Costs to fulfil a contract

Within Swisscom, there are various business models and types of routers and TV boxes. Depending on the business model, the customer is required to purchase a router or TV box together with a broadband or TV subscription that can only be used for Swisscom services. The costs for routers and TV boxes are capitalised as costs to fulfil a contract as they relate directly to a customer contract and are incurred in order to fulfil the contract. The capitalised costs are amortised over the expected contract period. See Note 1.1.



## 2 Capital and financial risk management

The following chapter sets out the procedures and guidelines governing the active management of the capital structure and the financial risks to which Swisscom is exposed. Swisscom has a high level of financial stability. Ensuring profitability and cash flow, as well as long-term value creation, is fundamental to continue paying an attractive dividend. Swisscom also aims to maintain a strong balance sheet in the future.

of indebtedness is managed in line with the net debt to EBITDA threshold defined by the Swiss Federal Council within its financial targets. The Swiss Federal Council has set this limit at 2.4 times EBITDA. Temporary deviations from this threshold may occur. As at 31 December 2025, the net debt to EBITDA ratio is 2.4. Swisscom is rated A– (stable outlook) by S&P Global and A2 (stable outlook) by Moody's, and aims to maintain its credit ratings within the single A range.

### Net debt to EBITDA ratio

Net debt comprises financial liabilities and lease liabilities, less cash and cash equivalents, listed debt instruments and derivative financial instruments. EBITDA corresponds to the operating income before depreciation and amortisation, as disclosed in the income statement.

In CHF million	31.12.2025	31.12.2024
Debtenture bonds	11,139	9,832
Bank loans	1,103	3,394
Private placements	322	322
Other financial liabilities	425	612
Lease liabilities	3,729	3,965
<b>Total financial liabilities and lease liabilities</b>	<b>16,718</b>	<b>18,125</b>
Cash and cash equivalents	(258)	(1,523)
Term deposits	(480)	–
Listed debt instruments	(229)	(271)
Other financial assets	(118)	(144)
<b>Net debt</b>	<b>15,633</b>	<b>16,187</b>
EBITDA	6,617	4,767

### Dividend policy

Swisscom pursues a policy of high, sustainable and growing dividends in line with free cash flow evolution. Distributable reserves are determined based on the equity reported in the statutory financial statements of the parent company (Swisscom Ltd) rather than on the equity presented in the consolidated financial statements. As at 31 December 2025, the distributable reserves of Swisscom Ltd amounted to CHF 7,881 million. The Board of Directors proposes the dividend amount, which is subject to approval by the Annual General Meeting of Shareholders. Treasury shares are not entitled to a dividend.

### Dividends paid by Swisscom Ltd

In CHF million, except where indicated	2025	2024
Number of registered shares eligible for dividend (in millions of shares)	51.802	51.802
Ordinary dividend per share (in CHF)	22.00	22.00
<b>Dividends paid</b>	<b>1,140</b>	<b>1,140</b>

The Board of Directors will propose to the Annual General Meeting of Shareholders of Swisscom Ltd on 25 March 2026 the payment of an increased dividend of CHF 26 per share (prior year: CHF 22) for the 2025 financial year. This results in a total dividend payment of CHF 1,347 million (prior year: CHF 1,140 million). The dividend payment is scheduled for 31 March 2026.

### Earnings per share

In CHF million, except where indicated	2025	2024
Share of net income attributable to equity holders of Swisscom Ltd	1,271	1,542
Weighted average number of shares outstanding	51,801,499	51,801,712
<b>Basic and diluted earnings per share (in CHF)</b>	<b>24.54</b>	<b>29.77</b>



**Supplementary information on equity**

Development of retained earnings and other reserves as well as comprehensive income in 2025

In CHF million	Retained earnings	Foreign currency translation adjustments	Hedging reserves	Equity holders of Swisscom	Non-controlling interests	Total
<b>Balance at 1 January 2025, restated</b>	<b>14,070</b>	<b>(2,081)</b>	<b>(23)</b>	<b>11,966</b>	<b>–</b>	<b>11,966</b>
<b>Net income</b>	<b>1,271</b>	<b>–</b>	<b>–</b>	<b>1,271</b>	<b>(1)</b>	<b>1,270</b>
Actuarial gains and losses from defined benefit pension plans	19	–	–	19	–	19
Change in fair value of equity instruments	(3)	–	–	(3)	–	(3)
Income tax expense	(3)	–	–	(3)	–	(3)
<b>Items that will not be reclassified to income statement</b>	<b>13</b>	<b>–</b>	<b>–</b>	<b>13</b>	<b>–</b>	<b>13</b>
Foreign currency translation adjustments of foreign subsidiaries	–	(66)	–	(66)	–	(66)
Fair value losses of cash flow hedges transferred to income statement	–	–	5	5	–	5
Income tax expense	–	2	(2)	–	–	–
<b>Items that may be reclassified to income statement</b>	<b>–</b>	<b>(64)</b>	<b>3</b>	<b>(61)</b>	<b>–</b>	<b>(61)</b>
<b>Other comprehensive income</b>	<b>13</b>	<b>(64)</b>	<b>3</b>	<b>(48)</b>	<b>–</b>	<b>(48)</b>
<b>Comprehensive income</b>	<b>1,284</b>	<b>(64)</b>	<b>3</b>	<b>1,223</b>	<b>(1)</b>	<b>1,222</b>
Dividends paid	(1,140)	–	–	(1,140)	–	(1,140)
Other changes	2	–	–	2	–	2
<b>Balance at 31 December 2025</b>	<b>14,216</b>	<b>(2,145)</b>	<b>(20)</b>	<b>12,051</b>	<b>(1)</b>	<b>12,050</b>

Development of retained earnings and other reserves as well as comprehensive income in 2024

In CHF million	Retained earnings	Foreign currency translation adjustments	Hedging reserves	Equity holders of Swisscom	Non-controlling interests	Total
<b>Balance at 1 January 2024, restated</b>	<b>13,528</b>	<b>(2,086)</b>	<b>(12)</b>	<b>11,430</b>	<b>3</b>	<b>11,433</b>
<b>Net income</b>	<b>1,542</b>	<b>–</b>	<b>–</b>	<b>1,542</b>	<b>(1)</b>	<b>1,541</b>
Actuarial gains and losses from defined benefit pension plans	(21)	–	–	(21)	–	(21)
Change in fair value of equity instruments	163	–	–	163	–	163
Income tax expense	4	–	–	4	–	4
<b>Items that will not be reclassified to income statement</b>	<b>146</b>	<b>–</b>	<b>–</b>	<b>146</b>	<b>–</b>	<b>146</b>
Foreign currency translation adjustments of foreign subsidiaries	–	2	–	2	–	2
Fair value losses of cash flow hedges transferred to income statement	–	–	(19)	(19)	–	(19)
Income tax expense	–	3	8	11	–	11
<b>Items that may be reclassified to income statement</b>	<b>–</b>	<b>5</b>	<b>(11)</b>	<b>(6)</b>	<b>–</b>	<b>(6)</b>
<b>Other comprehensive income</b>	<b>146</b>	<b>5</b>	<b>(11)</b>	<b>140</b>	<b>–</b>	<b>140</b>
<b>Comprehensive income</b>	<b>1,688</b>	<b>5</b>	<b>(11)</b>	<b>1,682</b>	<b>(1)</b>	<b>1,681</b>
Dividends paid	(1,140)	–	–	(1,140)	–	(1,140)
Other changes	(6)	–	–	(6)	(2)	(8)
<b>Balance at 31 December 2024</b>	<b>14,070</b>	<b>(2,081)</b>	<b>(23)</b>	<b>11,966</b>	<b>–</b>	<b>11,966</b>



## 2.2 Financial liabilities

In CHF million	2025	2024
<b>Balance at 1 January</b>	<b>14,160</b>	<b>5,665</b>
Issuance of bank loans	3	3,245
Issuance of debenture bonds	1,827	5,634
Issuance of other financial liabilities	–	2
<b>Issuance of financial liabilities</b>	<b>1,830</b>	<b>8,881</b>
Repayment of bank loans	(2,266)	(141)
Repayment of debenture bonds	(467)	(500)
Repayment of other financial liabilities	(137)	–
<b>Repayment of financial liabilities</b>	<b>(2,870)</b>	<b>(641)</b>
Interest expense	244	150
Interest payments	(235)	(112)
Foreign currency translation adjustments	(95)	(140)
Change in fair value	(17)	134
Accrual of deferred purchase price margins from business combinations	(1)	3
Payments of deferred and contingent considerations from business combinations <sup>1</sup>	(33)	(2)
Business combinations	–	155
Other changes	6	67
<b>Balance at 31 December</b>	<b>12,989</b>	<b>14,160</b>
Bank loans	1,103	3,394
Debenture bonds	11,139	9,832
Private placements	322	322
Derivative financial instruments <sup>2</sup>	164	240
Other financial liabilities	261	372
<b>Total financial liabilities<sup>3</sup></b>	<b>12,989</b>	<b>14,160</b>
Thereof current financial liabilities	1,216	1,660
Thereof non-current financial liabilities	11,773	12,500

<sup>1</sup> Reported in the cash flow statement as cash flow used in investing activities. See Note 5.2.

<sup>2</sup> See Note 2.5.

<sup>3</sup> Excl. lease liabilities. See Note 2.3.

### Financing the acquisition of Vodafone Italia

At 31 December 2024, Swisscom acquired Vodafone Italia for EUR 8.0 billion on a cash and debt-free basis. The transaction was financed through the issuance of domestic Swiss bonds totalling CHF 1.2 billion, Eurobonds amounting to EUR 4.5 billion (CHF 4.2 billion) and syndicated bank loans of CHF 2.3 billion. Further information on the acquisition of Vodafone Italia is provided in Note 5.3.

### Bank loans

In CHF million	Duration	Par value in currency	Nominal interest rate	Effective interest rate	Carrying amount	
					31.12.2025	31.12.2024
Bank loans in EUR <sup>1</sup>	2024–2025	150	3.29%	0.22% <sup>5</sup>	–	141
Bank loans in EUR <sup>1</sup>	2024–2025	50	3.33%	0.36% <sup>5</sup>	–	47
Bank loans in EUR <sup>1</sup>	2024–2025	100	3.27%	0.30% <sup>5</sup>	–	94
Bank loans in EUR <sup>1</sup>	2024–2025	150	3.40%	0.31% <sup>5</sup>	–	141
Bank loans in EUR <sup>1</sup>	2024–2025	250	3.46%	0.47% <sup>5</sup>	–	236
Bank loans in EUR <sup>1</sup>	2024–2025	350	3.25%	–0.36% <sup>5</sup>	–	330
Bank loans in CHF <sup>3</sup>	2024–2027	384	Compounded SARON +0.60%	1.79% <sup>4</sup>	384	1,140
Bank loans in USD <sup>2</sup>	2009–2028	64	8.30%	4.62%	58	67
Bank loans in USD <sup>2</sup>	2009–2028	56	7.65%	4.63%	51	58
Bank loans in CHF	2024–2029	610	Compounded SARON +0.70%	1.89% <sup>4</sup>	610	1,140
<b>Total bank loans</b>					<b>1,103</b>	<b>3,394</b>

<sup>1</sup> Variable interest-bearing.

<sup>2</sup> Fixed interest-bearing.

<sup>3</sup> Fixed interest-bearing through interest rate swaps.

<sup>4</sup> After hedging with interest rate swap.

<sup>5</sup> After hedging with currency swap.

As at 31 December 2025, Swisscom had no outstanding short-term bank loans, whether on a weekly or monthly basis (prior year: EUR 1,050 million or CHF 989 million). During 2025, Swisscom repaid bank loans of EUR 1,050 million (CHF 989 million) and CHF 1,286 million. In the prior year, Swisscom repaid a bank loan of EUR 150 million (CHF 139 million). At the end of 2024, Swisscom took out two bank loans totalling CHF 2,280 million in connection with the financing

### Credit lines

Swisscom has two confirmed credit lines amounting to CHF 1,700 million maturing in 2029 and CHF 1,200 million maturing in 2028. The CHF 1,700 million facility is a sustainability-linked loan, under which the credit margin is tied to the achievement of defined sustainability targets by Swisscom. As of 31 December 2025, none of the credit lines had been used, as in the prior year.

of the acquisition of Vodafone Italia. The bank loans in USD are secured by financial assets in the amount of USD 149 million (CHF 118 million).



## Debtenture bonds

In CHF million	Duration	Par value in currency	Nominal interest rate	Effective interest rate	Carrying amount	
					31.12.2025	31.12.2024
Debtenture bond in EUR (ISIN: XS1288894691)	2015–2025	500	1.75%	1.55% <sup>4</sup>	–	468
Debtenture bond in CHF (ISIN: CH0247776138)	2014–2026	200	1.50%	1.47%	201	201
Debtenture bond in EUR (ISIN: XS1803247557)	2018–2026	500	1.13%	–0.71% <sup>3</sup>	465	471
Debtenture bond in EUR (ISIN: XSXS2827693446) <sup>1</sup>	2024–2026	500	3.50%	3.70%	474	479
Debtenture bond in CHF (ISIN: CH0344583783) <sup>2</sup>	2016–2027	200	0.37%	0.29% <sup>3</sup>	201	201
Debtenture bond in CHF (ISIN: CH0362748359)	2017–2027	350	0.37%	0.39%	351	351
Debtenture bond in EUR (ISIN: XS3099153051)	2025–2027	400	3m Euribor + 0.37%	1.58%	372	–
Debtenture bond in CHF (ISIN: CH0317921663)	2016–2028	200	0.37%	0.30%	201	201
Debtenture bond in CHF (ISIN: CH0437180935)	2018–2028	150	0.75%	0.72%	150	150
Debtenture bond in EUR (ISIN: XS2169243479)	2020–2028	500	0.37%	–1.22% <sup>3</sup>	464	468
Debtenture bond in EUR (ISIN: XS2827694170) <sup>1</sup>	2024–2028	500	3.50%	3.57%	470	475
Debtenture bond in CHF (ISIN: CH0254147504)	2014–2029	160	1.50%	1.47%	161	160
Debtenture bond in CHF (ISIN: CH0419040982)	2019–2029	200	0.50%	0.45%	201	201
Debtenture bond in CHF (ISIN: CH1248666930)	2023–2030	150	1.87%	1.91%	151	151
Debtenture bond in CHF (ISIN: CH1350727785)	2024–2030	315	1.65%	1.65%	317	317
Debtenture bond in CHF (ISIN: CH0515152467)	2020–2031	100	0.13%	0.15%	100	100
Debtenture bond in EUR (ISIN: XS2827696035) <sup>1</sup>	2024–2031	1,250	3.50%	3.60%	1,161	1,173
Debtenture bond in CHF (ISIN: CH0336352775)	2016–2032	300	0.13%	0.14%	300	300
Debtenture bond in EUR (ISIN: XS3071336526)	2025–2032	500	3.13%	1.09%	469	–
Debtenture bond in CHF (ISIN: CH0373476164)	2017/2019–2033	230	0.75%	0.66%	232	232
Debtenture bond in CHF (ISIN: CH1112455766)	2021–2033	100	0.25%	0.27%	100	100
Debtenture bond in CHF (ISIN: CH1471403761) <sup>2</sup>	2025–2033	150	0.85%	1.74% <sup>3</sup>	148	–
Debtenture bond in CHF (ISIN: CH0580291968)	2020–2034	100	0.24%	0.27%	100	100
Debtenture bond in CHF (ISIN: CH1350727793)	2024–2034	455	1.80%	1.82%	457	457
Debtenture bond in EUR (ISIN: XS2894869416) <sup>1</sup>	2024–2034	500	3.25%	3.37%	466	471

In CHF million	Duration	Par value in currency	Nominal interest rate	Effective interest rate	Carrying amount	
					31.12.2025	31.12.2024
Debtenture bond in CHF (ISIN: CH0268988182) <sup>2</sup>	2015/2018–2035	300	1.00%	0.60% <sup>3</sup>	305	309
Debtenture bond in CHF (ISIN: CH1361401875)	2024–2035	100	1.20%	1.19%	101	100
Debtenture bond in EUR (ISIN: XS2827697272) <sup>1</sup>	2024–2036	1,000	3.62%	3.76%	923	932
Debtenture bond in CHF (ISIN: CH1471403779) <sup>2</sup>	2025–2037	200	1.20%	1.83% <sup>3</sup>	196	–
Debtenture bond in EUR (ISIN: XS3231165716) <sup>2</sup>	2025–2037	700	3.63%	1.10% <sup>3</sup>	645	–
Debtenture bond in CHF (ISIN: CH1350727801)	2024–2039	375	2.00%	1.99%	376	376
Debtenture bond in CHF (ISIN: CH0494734335)	2019–2044	125	0.00%	0.00%	125	125
Debtenture bond in EUR (ISIN: XS2827708145) <sup>1</sup>	2024–2044	750	3.88%	3.98%	705	712
Debtenture bond in CHF (ISIN: CH1254751907)	2023–2053	50	2.19%	2.21%	51	51
<b>Total debtenture bonds</b>					<b>11,139</b>	<b>9,832</b>

<sup>1</sup> Designated for hedge accounting of net investments in foreign operations.

<sup>2</sup> Thereof CHF 700 million and EUR 194 million designated for fair value hedge accounting.

<sup>3</sup> After hedging with interest rate swap.

<sup>4</sup> After hedging with currency swap and taking hedge accounting into consideration.

In 2025, Swisscom issued five debtenture bonds. A first debtenture bond in the amount of EUR 500 million (CHF 464 million) with a coupon of 3.125% and a maturity of 7 years, a second debtenture bond of EUR 400 million (CHF 372 million) with a coupon based on the 3-month Euribor plus a margin of 0.37% and a maturity of two years, a third debtenture bond of CHF 150 million with a coupon of 0.85% and a maturity of 8 years, a fourth debtenture bond of CHF 200 million with a coupon of 1.2% and a maturity of 12 years, and a fifth debtenture bond of EUR 700 million (CHF 652 million) with a coupon of 3.625% and a maturity of

12 years. The raised funds were used to refinance existing debt. In 2025, Swisscom repaid a debtenture bond of EUR 500 million (CHF 467 million) upon maturity.

In 2024, Swisscom took out debtenture bonds of EUR 4,500 million (CHF 4,389 million) and CHF 1,145 million in connection with the financing of the acquisition of Vodafone Italia. In the same year, Swisscom also issued a green bond of CHF 100 million.



## Private placements

In CHF million	Duration	Par value in currency	Nominal interest rate	Effective interest rate	Carrying amount	
					31.12.2025	31.12.2024
Private placements in CHF	2022–2027	170	1.71%	1.71%	171	171
Private placements in CHF	2016–2031	150	0.56%	0.56%	151	151
<b>Total private placements</b>					<b>322</b>	<b>322</b>

The private placements may become immediately repayable if the Swiss Confederation's shareholding in Swisscom Ltd falls below one-third of the share capital, or if another shareholder can exercise control over Swisscom Ltd.

### Other financial liabilities

As at 31 December 2025, the carrying amount of other financial liabilities totalled CHF 261 million (prior year: CHF 372 million), mainly comprising loans. Financial liabilities of USD 105 million (CHF 83 million) are secured by financial assets in the amount of USD 146 million (CHF 116 million).

## 2.3 Leases

### Lessee

Swisscom's leases mainly comprise the rental of operating and office buildings as well as network infrastructure such as antenna sites and access lines. In addition, indefeasible rights of use (IRU) are classified as leases under IFRS 16 'Leases'. Generally, IRUs are paid in full upon commencement of use. There are no material lease commitments arising from leases entered into after the balance sheet date.

In 2001, Swisscom entered into two agreements for the sale of real estate and simultaneously concluded long-term leaseback arrangements for part of the property sold. Portions of these leaseback arrangements qualified as finance leases. The gain realised on the real estate sold, classified as finance leases, was deferred. As at 31 December 2025, the carrying amount of the deferred gains totalled CHF 74 million (prior year: CHF 77 million). The deferred gains are released to other income over the terms of the respective leases.

## Right-of-use assets

In CHF million	Land and buildings	Network infrastructure	Other leases	Total
<b>At cost</b>				
<b>Balance at 1 January 2024, restated</b>	1,682	1,899	68	3,649
Additions	115	561	24	700
Disposals	(6)	(395)	(10)	(411)
Business combinations	62	1,836	15	1,913 <sup>1</sup>
Change in accounting policies	–	232	–	232 <sup>2</sup>
Foreign currency translation adjustments	3	15	–	18
<b>Balance at 31 December 2024</b>	<b>1,856</b>	<b>4,148</b>	<b>97</b>	<b>6,101</b>
Additions	66	1,323	23	1,412
Disposals	(140)	(799)	(23)	(962)
Foreign currency translation adjustments	(1)	(53)	–	(54)
<b>Balance at 31 December 2025</b>	<b>1,781</b>	<b>4,619</b>	<b>97</b>	<b>6,497</b>
<b>Accumulated depreciation and impairment losses</b>				
<b>Balance at 1 January 2024, restated</b>	<b>(698)</b>	<b>(888)</b>	<b>(30)</b>	<b>(1,616)</b>
Depreciation	(132)	(526)	(13)	(671)
Disposals	6	393	10	409
Foreign currency translation adjustments	(1)	(7)	–	(8)
<b>Balance at 31 December 2024</b>	<b>(825)</b>	<b>(1,028)</b>	<b>(33)</b>	<b>(1,886)</b>
Depreciation	(142)	(1,406)	(23)	(1,571)
Impairment losses	(7)	–	–	(7)
Disposals	126	796	20	942
Foreign currency translation adjustments	–	(26)	–	(26)
<b>Balance at 31 December 2025</b>	<b>(848)</b>	<b>(1,664)</b>	<b>(36)</b>	<b>(2,548)</b>
<b>Net carrying amount</b>				
<b>Net carrying amount at 1 January 2024, restated</b>	<b>984</b>	<b>1,011</b>	<b>38</b>	<b>2,033</b>
<b>Net carrying amount at 31 December 2024</b>	<b>1,031</b>	<b>3,120</b>	<b>64</b>	<b>4,215</b>
<b>Net carrying amount at 31 December 2025</b>	<b>933</b>	<b>2,955</b>	<b>61</b>	<b>3,949</b>

<sup>1</sup> Incl. adjustments to the final purchase price allocation of Vodafone Italia. See Note 5.3.

<sup>2</sup> See 'General information and changes in accounting policies' in the notes to the financial statements.



**Lease liabilities**

In CHF million	2025	2024
<b>Balance at 1 January, restated</b>	<b>3,965</b>	<b>2,028</b>
Additions	1,412	700
Interest expense	105	50
Payments	(1,663)	(727)
Disposals	(65)	(1)
Business combinations	–	1,676 <sup>1</sup>
Change in accounting policies	–	232 <sup>2</sup>
Foreign currency translation adjustments	(25)	7
<b>Balance at 31 December</b>	<b>3,729</b>	<b>3,965</b>
Land and buildings	1,115	1,216
Network infrastructure	2,560	2,683
Other leases	54	66
<b>Total lease liabilities<sup>3</sup></b>	<b>3,729</b>	<b>3,965</b>
Thereof current lease liabilities	898	835
Thereof non-current lease liabilities	2,831	3,130

<sup>1</sup> Incl. adjustments to the final purchase price allocation of Vodafone Italia. See Note 5.3.

<sup>2</sup> See 'General information and changes in accounting policies' in the notes to the financial statements.

<sup>3</sup> Note 2.5 shows the maturity analysis for lease liabilities.

**Lessor**

Swisscom leases access lines to other telecommunications service providers, which are classified either as finance or operating leases. In addition, Swisscom leases space in operating buildings as well as at antenna sites, which are accounted for as operating leases.

**Future lease payments from finance lease receivables**

In CHF million	31.12.2025	31.12.2024
Within 1 year	73	70
Between 1 and 2 years	37	52
Between 2 and 3 years	12	11
Between 3 and 4 years	10	9
Between 4 and 5 years	9	8
After 5 years	29	32
<b>Total future payments from finance leases</b>	<b>170</b>	<b>182</b>
Future interest income	–	–
<b>Total receivables from finance leases</b>	<b>170</b>	<b>182</b>
Thereof current receivables from finance leases	34	47
Thereof non-current receivables from finance leases	136	135

**Future lease payments from operating leases**

In CHF million	31.12.2025	31.12.2024
Within 1 year	66	48
Between 1 and 2 years	51	45
Between 2 and 3 years	43	45
Between 3 and 4 years	44	44
Between 4 and 5 years	43	43
After 5 years	44	44
<b>Total future payments from operating leases</b>	<b>291</b>	<b>269</b>



**Income and expenses arising from leases**

In CHF million	2025	2024
<b>Revenue</b>		
Income from leases excluding subleases	242	164
Income from subleases	55	3
<b>Other income</b>		
Deferred gain on sale and leaseback of real estate	3	4
<b>Financial income</b>		
Interest income on finance lease	1	–
<b>Depreciation and impairment losses</b>		
Depreciation of right-of-use assets	(1,571)	(671)
Impairment losses on right-of-use assets	(7)	–
<b>Financial expense</b>		
Interest expense on lease liabilities	(105)	(50)

**Significant judgements or estimates**

When determining the lease term, management considers all facts and circumstances that provide an economic incentive to exercise renewal options or not exercise termination options. Renewal and termination options are included in the lease term only when it is reasonably certain that they will be exercised. This assessment is reviewed upon the occurrence of a significant event or change in circumstances within the lessee’s control that could affect the previous assessment.

**Accounting policies**

**Financial liabilities**

Financial liabilities are initially recognised at fair value, net of transaction costs directly attributable to the issue of the liability. Subsequently, they are measured at amortised cost using the effective interest method.

**Leases**

Swisscom’s leases primarily comprise the rental of operating and office buildings, network infrastructure (including antenna sites and access lines) and indefeasible rights of use (IRUs). As a lessee, Swisscom recognises a lease liability for future lease payments and a corresponding right-of-use asset for each lease when the underlying asset becomes available for use. The lease payments are divided into the repayment of the lease liability and the payment of interest expense. Interest expense is recognised over the lease term applying the effective interest method. The right-of-use asset is depreciated on a straight-line basis over the shorter of the asset’s useful life and the lease term. As a lessor, Swisscom distinguishes between finance and operating leases. A lease is classified as a finance lease when substantially all the risks and rewards incidental to ownership of the underlying asset are transferred to the lessee.

Unless implicitly specified in the lease, the interest rate used to measure the right-of-use assets and lease liabilities corresponds to Swisscom’s incremental borrowing rate. For certain network access leases, Swisscom applies the optional exemptions relating to the separation of lease and non-lease components; non-lease components are accounted for in accordance with other standards. Some leases for operating and office buildings include renewal and termination options that are considered in the initial measurement based on the respective building category. The rental of access lines includes the lease of fixed-network connections from other providers, with the lease term determined either by the customer relationship or the contractual terms of the fixed-network connection.

Lease contracts for antenna sites generally have an initial non-cancellable term of at least ten years and often include renewal and mutual termination options. For these leases, it is not reasonably certain that renewal options will be exercised; accordingly, they are not considered in the initial measurement of these leases. Given Swisscom’s planning horizon of a maximum of five years and ongoing technological developments, it is not possible to reliably estimate the amount of additional undiscounted payments that would arise from renewal options currently excluded from lease liabilities.



## 2.4 Financial result

In CHF million	2025	2024
Interest income on financial assets	10	116
Interest income on defined benefit obligations <sup>1</sup>	2	3
Foreign exchange gains	4	33
Interest and present-value adjustments on provisions <sup>2</sup>	–	10
Other financial income	22	15
<b>Total financial income</b>	<b>38</b>	<b>177</b>
Interest expense on financial liabilities	(244)	(150)
Interest expense on lease liabilities	(105)	(50)
Change in fair value of interest rate swaps	(2)	(10)
Interest and present-value adjustments on provisions <sup>2</sup>	(13)	–
Other financial expense	(32)	(57)
<b>Total financial expense</b>	<b>(396)</b>	<b>(267)</b>
<b>Financial income and financial expense, net</b>	<b>(358)</b>	<b>(90)</b>
Interest expense on lease liabilities	(105)	(50)
Net interest expense on financial assets and liabilities	(234)	(34)

<sup>1</sup> See Note 4.3.

<sup>2</sup> See Note 3.5.

## 2.5 Financial risk management

Swisscom is exposed to various financial risks arising from its operating and financing activities. The management of financial risk is conducted in accordance with established guidelines, with

the objective of limiting the potential adverse effects on Swisscom's financial position.

### Identified risks and measures implemented to mitigate these risks

Risk	Source	Risk mitigation
<b>Currency risks</b>	Swisscom is exposed to foreign exchange changes which can impact the Group's cash flows, financial result and equity.	<ul style="list-style-type: none"> <li>› Reduction in cash flow volatility by use of forward currency contracts/swaps and currency swaps and designation for hedge accounting (transaction risk)</li> <li>› Hedging of currency risk of foreign currency financing by use of currency swaps</li> <li>› Reduction in translation risk by foreign currency financing and designation for hedge accounting</li> </ul>
<b>Interest rate risk</b>	Interest rate risks result from changes in interest rates which can negatively impact cash flows and the financial position of Swisscom.	<ul style="list-style-type: none"> <li>› Use of interest rate swaps to manage fixed/variable share and duration of financial debt</li> </ul>
<b>Credit risks from operating business activities and financial transactions</b>	Through its operating business activities and derivative financial instruments and financial investments, Swisscom is exposed to the risk of default of a counterparty.	<ul style="list-style-type: none"> <li>› Guideline establishing minimum requirements for counterparties</li> <li>› Designated counterparty limits</li> <li>› Employment of netting agreements foreseen under ISDA (International Swaps and Derivatives Association)</li> <li>› Use of collateral agreements</li> </ul>
<b>Liquidity risk</b>	Prudent liquidity management involves the holding of adequate reserves of cash and cash equivalents, negotiable securities as well as the possibility of obtaining confirmed lines of credit.	<ul style="list-style-type: none"> <li>› Procedures and principles to ensure adequate liquidity</li> <li>› Two guaranteed bank credit lines totalling CHF 2,900 million</li> </ul>



## Currency risks

In relation to financial instruments, the following foreign currency risks and related hedging contracts existed as at 31 December 2024 and 2025.

In CHF million	31.12.2025		31.12.2024	
	EUR	USD	EUR	USD
Cash and cash equivalents	70	9	37	1
Trade receivables	6	8	12	7
Other financial assets	22	331	28	389
Financial liabilities	(6,685)	(195)	(6,755)	(224)
Trade payables	(50)	(38)	(61)	(35)
<b>Net exposure at carrying amounts</b>	<b>(6,637)</b>	<b>115</b>	<b>(6,739)</b>	<b>138</b>
Net exposure to forecasted cash flows in the next 12 months	(80)	(288)	(144)	(269)
<b>Net exposure before hedges</b>	<b>(6,717)</b>	<b>(173)</b>	<b>(6,883)</b>	<b>(131)</b>
Forward currency contracts	142	273	221	274
Foreign currency swaps	67	(20)	1,046	(30)
Currency swaps	2,421	–	1,412	–
<b>Hedges</b>	<b>2,630</b>	<b>253</b>	<b>2,679</b>	<b>244</b>
<b>Net exposure</b>	<b>(4,087)</b>	<b>80</b>	<b>(4,204)</b>	<b>113</b>

As at 31 December 2025, Swisscom had outstanding financial liabilities with a nominal value totalling EUR 4,500 million (CHF 4,217 million; prior year: EUR 4,500 million, CHF 4,235 million) designated as hedge instruments for net investments in foreign operations. In 2025, a gain of CHF 44 million (prior year: loss of CHF 46 million) arising from the measurement of financial liabilities was recognised in other comprehensive income within the line item for foreign currency translation adjustments of foreign subsidiaries. As at 31 December 2025, the cumulative positive foreign currency translation differences in equity resulting from financial liabilities which are designated for hedge accounting of net investments in foreign operations totalled CHF 436 million.

## Foreign currency sensitivity analysis

The following sensitivity analysis shows the impact on the income statement, assuming movements in the EUR/CHF and USD/

CHF exchange rates consistent with their implied volatility over the next twelve months. All other variables, including interest rates, are assumed to remain constant.

In CHF million	Income impact on balance sheet items	Hedges for balance sheet items <sup>1</sup>	Planned cash flows	Hedges for planned cash flows
<b>31.12.2025</b>				
EUR volatility 5.04%	335	(125)	4	(7)
USD volatility 7.32%	(8)	1	21	(20)
<b>31.12.2024</b>				
EUR volatility 5.86%	395	(144)	8	(13)
USD volatility 7.70%	(11)	2	21	(21)

<sup>1</sup> Without hedge accounting of net investments in foreign operations.

The volatility arising from balance sheet exposures and scheduled cash flows is partly offset by the volatility of the related hedging contracts.

**Interest rate risks****Structure of interest-bearing financial instruments at nominal values**

In CHF million	31.12.2025	31.12.2024
Fixed interest-bearing financial liabilities	11,278	10,360
Variable interest-bearing financial liabilities	1,366	3,268
<b>Total interest-bearing financial liabilities</b>	<b>12,644</b>	<b>13,628</b>
Fixed interest-bearing financial assets	(325)	(256)
Variable interest-bearing financial assets	(935)	(1,835)
<b>Total interest-bearing financial assets</b>	<b>(1,260)</b>	<b>(2,091)</b>
<b>Total interest-bearing financial assets and liabilities, net</b>	<b>11,384</b>	<b>11,537</b>
Variable interest-bearing	431	1,433
Fixed through interest rate swaps	(1,366)	(2,280)
Variable through interest rate swaps	822	821
Variable interest-bearing, net	(113)	(26)
Fixed interest-bearing	10,953	10,104
Fixed through interest rate swaps	1,366	2,280
Variable through interest rate swaps	(822)	(821)
<b>Fixed interest-bearing, net</b>	<b>11,497</b>	<b>11,563</b>
<b>Total interest-bearing financial assets and liabilities, net</b>	<b>11,384</b>	<b>11,537</b>

**Interest rate sensitivity analysis**

A change in interest rates by 100 basis points would have an impact of CHF 1 million on the income statement (prior year: none).

As at 31 December 2025, such a change would have increased equity by CHF 38 million, while a decrease of 100 basis points would have reduced equity by CHF 39 million (prior year: increase of CHF 58 million or decrease of CHF 61 million.).

**Credit risks****Credit risks from financial transactions**

The carrying amounts of cash and cash equivalents and other financial assets exposed to credit risk (excluding trade receivables, receivables from finance leases and contract assets) are as follows:

In CHF million	31.12.2025	31.12.2024
Cash and cash equivalents	258	1,523
Financial assets at amortised cost	906	489
Derivative financial instruments	19	29
Other assets valued at fair value	5	2
<b>Total carrying amount of financial assets</b>	<b>1,188</b>	<b>2,043</b>

The carrying amounts analysed by the S&P Global Ratings rating of the counterparties can be summarised as follows:

In CHF million	31.12.2025	31.12.2024
AAA	508	8
AA– to AA+	233	285
A– to A+	313	1,588
BBB– to BBB+	109	125
BB– to BB+	–	1
Without rating	25	36
<b>Total</b>	<b>1,188</b>	<b>2,043</b>

**Financial risks from operating activities**

Credit risks on trade receivables, contract assets and other receivables arise from Swisscom's operating activities. Credit risks from other receivables are insignificant. Swisscom allocates credit risks from operating activities to the operating segments Switzerland and Italy. The risk of default primarily depends on the specific characteristics of each customer, as well as on the credit quality of customer groups and the industry sector. Swisscom operates a receivables management system

designed to minimise credit losses. New customers are assessed for creditworthiness and maximum payment terms are defined for each customer group. Customers are classified into groups according to their creditworthiness for ongoing monitoring of default risks, distinguishing, among other factors, between residential and business customers. In addition, the ageing profile of receivables and the industry in which a business customer operates are taken into account.

**The split of trade receivables and contract assets by operating segment is as follows:**

In CHF million	31.12.2025	31.12.2024
<b>Notional amount</b>		
Switzerland	1,450	1,591
Italy	1,398	1,646
Others	132	147
<b>Total notional amount</b>	<b>2,980</b>	<b>3,384</b>
<b>Allowances</b>		
Switzerland	(42)	(51)
Italy	(226)	(252)
Others	(19)	(13)
<b>Total allowances for doubtful debts</b>	<b>(287)</b>	<b>(316)</b>
<b>Total notional amount less allowances for doubtful debts</b>	<b>2,693</b>	<b>3,068</b>

**As at 31 December 2025, the ageing of trade receivables and contract assets, including related loss allowances, is as follows:**

In CHF million	31.12.2025		
	Rate	Par value	Allowances
Not overdue	4.89%	2,248	(110)
Past due up to 3 months	6.15%	423	(26)
Past due 4 to 6 months	41.18%	85	(35)
Past due 7 to 12 months	46.73%	107	(50)
Past due over 1 year	56.41%	117	(66)
<b>Total</b>	<b>9.63%</b>	<b>2,980</b>	<b>(287)</b>

**As at 31 December 2024, the ageing of trade receivables and contract assets, including related loss allowances, is as follows:**

In CHF million	31.12.2024		
	Rate	Par value	Allowances
Not overdue	4.77%	2,623	(125)
Past due up to 3 months	7.02%	413	(29)
Past due 4 to 6 months	44.71%	85	(38)
Past due 7 to 12 months	52.38%	105	(55)
Past due over 1 year	43.67%	158	(69)
<b>Total</b>	<b>9.34%</b>	<b>3,384</b>	<b>(316)</b>

**Movements in loss allowances for trade receivables and contract assets are as follows:**

In CHF million	2025	2024
<b>Balance at 1 January</b>	<b>316</b>	<b>124</b>
Additions to allowances	109	64
Write-off of irrecoverable receivables subject to allowance	(131)	(78)
Release of unused allowances	(4)	(11)
Business combinations	–	219
Foreign currency translation adjustments	(3)	(2)
<b>Balance at 31 December</b>	<b>287</b>	<b>316</b>



**Liquidity risk**

Contractual maturities including estimated interest payable as at 31 December 2025

In CHF million	Carrying amount	Contractual payments	Due within 1 year	Due within 1 to 2 years	Due within 3 to 5 years	Due after 5 years
<b>31.12.2025</b>						
Bank loans	1,103	1,150	15	393	742	–
Debenture bonds	11,139	13,243	1,381	1,143	2,705	8,014
Private placements	322	331	4	174	2	151
Derivative financial instruments	164	11	9	(1)	17	(14)
Other financial liabilities	261	261	31	134	14	82
Lease liabilities	3,729	4,341	1,051	743	994	1,553
Trade payables	2,386	2,386	2,259	28	99	–
<b>Total</b>	<b>19,104</b>	<b>21,723</b>	<b>4,750</b>	<b>2,614</b>	<b>4,573</b>	<b>9,786</b>

Contractual maturities including estimated interest payable as at 31 December 2024

In CHF million	Carrying amount	Contractual payments	Due within 1 year	Due within 1 to 2 years	Due within 3 to 5 years	Due after 5 years
<b>31.12.2024</b>						
Bank loans	3,394	3,517	1,025	42	2,450	–
Debenture bonds	9,832	11,713	679	1,341	2,704	6,989
Private placements	322	335	4	4	175	152
Derivative financial instruments	240	324	94	40	92	98
Other financial liabilities	372	372	52	209	18	93
Lease liabilities	3,965	4,365	241	2,177	588	1,359
Trade payables	2,647	2,647	2,546	8	93	–
<b>Total</b>	<b>20,772</b>	<b>23,273</b>	<b>4,641</b>	<b>3,821</b>	<b>6,120</b>	<b>8,691</b>

**Derivative financial instruments**

In CHF million	Contract value		Positive fair value		Negative fair value	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024	31.12.2025	31.12.2024
Interest rate swaps in CHF	700	350	4	7	–	–
Currency swaps in EUR	180	471	–	–	(9)	(80)
<b>Total fair value hedges</b>	<b>880</b>	<b>821</b>	<b>4</b>	<b>7</b>	<b>(9)</b>	<b>(80)</b>
Forward currency contracts in USD	209	207	1	9	(1)	–
Forward currency contracts in EUR	142	183	–	1	(1)	(2)
Currency swaps in USD	5	2	–	–	–	–
Interest rate swaps in CHF	1,900	2,280	–	–	(40)	(61)
DC Eurobond hedges (unwound but not settled)	–	–	–	3	–	–
<b>Total cash flow hedges</b>	<b>2,256</b>	<b>2,672</b>	<b>1</b>	<b>13</b>	<b>(42)</b>	<b>(63)</b>
Interest rate swaps in CHF	490	20	11	–	(4)	(4)
Currency swaps in EUR	104	941	–	–	–	–
Currency swaps in USD	33	57	–	–	–	(1)
Currency swaps in EUR	2,241	1,057	–	7	(52)	(29)
Forward currency contracts in USD	64	67	–	2	(1)	–
Forward currency contracts in EUR	–	38	–	–	–	–
Electricity contracts in EUR	195	222	3	–	(56)	(63)
<b>Total other derivative financial instruments</b>	<b>3,127</b>	<b>2,402</b>	<b>14</b>	<b>9</b>	<b>(113)</b>	<b>(97)</b>
<b>Total derivative financial instruments</b>	<b>6,263</b>	<b>5,895</b>	<b>19</b>	<b>29</b>	<b>(164)</b>	<b>(240)</b>
Thereof current derivative financial instruments			1	2	(19)	(25)
Thereof non-current derivative financial instruments			18	27	(145)	(215)

Swisscom entered into interest rate and foreign currency swaps, designated as fair value hedges and cash flow hedges, in order to hedge interest rate and foreign currency risks of fixed interest-bearing finance denominated in CHF and EUR. In addition, forward contracts designated as cash flow hedges are used to hedge forecast purchases of goods and services in USD and EUR. Furthermore, derivative financial instruments include interest rate swaps which are not designated for hedge accounting purposes. In addition, derivative financial instruments exclusively comprise forward foreign currency transactions and foreign currency swaps in EUR and USD which serve to hedge

future transactions in connection with financing or the operating business activities of Swisscom, and which are not designated for hedge accounting purposes. Swisscom does not enter into derivative financial instruments for speculative purposes.



### Supplier finance arrangements

Swisscom participates in a supplier finance arrangement. Under these arrangements, a bank offers to make payments to the participating suppliers for invoices issued to Swisscom and receives the payment from Swisscom at a later point in time. The main purpose of this arrangement is to enable efficient payment processing and to put suppliers in a position to receive payments from the bank before the due date of the invoice.

In CHF million	31.12.2025	31.12.2024
<b>Carrying amount of liabilities under a supply finance arrangement</b>		
Disclosed under trade payables	168	171
Thereof suppliers have received payment from finance providers	168	166
<b>Range of payment due dates</b>		
Liabilities that are part of the arrangement	28–200 days	30–180 days
Comparable trade payables that are not part of the arrangement <sup>1</sup>	28–200 days	30–180 days

<sup>1</sup> Comparable trade payables are, for example, trade payables of the entity within the same line of business or jurisdiction as the liabilities disclosed under.

### Valuation category and fair value of financial instruments

The fair values of financial assets and the financial liabilities are summarised in the following table. Not included in the table are cash and cash equivalents, trade receivables and trade payables, as well as other receivables and liabilities, as their carrying amounts are considered to represent a reasonable estimate of their fair value.

#### Carrying amounts, fair values and valuation levels of financial assets and financial liabilities as at 31 December 2025

In CHF million	31.12.2025		
	Carrying amount	Fair value	Level
<b>Other financial assets</b>			
Listed debt instruments <sup>1</sup>	229	210	1
Other financial assets <sup>2</sup>	677	677	2
<b>At amortised cost</b>	<b>906</b>	<b>887</b>	
Equity instruments	12	12	1
Equity instruments	166	166	3
<b>Fair value through other comprehensive income</b>	<b>178</b>	<b>178</b>	
Loans	5	5	2
Derivative financial instruments	19	19	2
<b>Fair value through profit or loss</b>	<b>24</b>	<b>24</b>	
<b>Total other financial assets</b>	<b>1,108</b>	<b>1,089</b>	
<b>Financial liabilities</b>			
Bank loans	1,103	1,128	2
Debenture bonds	11,139	11,137	1
Private placements	322	324	2
Derivative financial instruments	164	164	2
Other financial liabilities	261	268	2
<b>Total financial liabilities</b>	<b>12,989</b>	<b>13,021</b>	

<sup>1</sup> Thereof USD 252 million (CHF 200 million) are US treasury bonds, which serve as collateral for bank loans of USD 138 million (CHF 109 million) and other financial liabilities of USD 104 million (CHF 82 million) from crossborder-lease-transactions.

<sup>2</sup> Thereof CHF 480 million are money market deposits with investment grade banks with a term between 3 to 6 months.



Carrying amounts, fair values and valuation levels of financial assets and financial liabilities as at 31 December 2024

In CHF million	31.12.2024		Level
	Carrying amount	Fair value	
<b>Other financial assets</b>			
Quoted debt instruments	271	238	1
Other financial assets	218	218	2
<b>At amortised cost</b>	<b>489</b>	<b>456</b>	
Equity instruments	7	7	1
Equity instruments	167	167	3
<b>At fair value through other comprehensive income</b>	<b>174</b>	<b>174</b>	
Loans	2	2	2
Derivative financial instruments	29	29	2
<b>Fair value through profit or loss</b>	<b>31</b>	<b>31</b>	
<b>Total other financial assets</b>	<b>694</b>	<b>661</b>	
<b>Financial liabilities</b>			
Bank loans	3,394	3,424	2
Debenture bonds	9,832	9,986	1
Private placements	322	326	2
Derivative financial instruments	240	240	2
Other financial liabilities	372	365	2
<b>Total financial liabilities</b>	<b>14,160</b>	<b>14,341</b>	

Financial assets amounting to CHF 234 million (prior year: CHF 277 million) are not freely available to Swisscom, as they serve as security for liabilities.

Accounting policies

Derivative financial instruments

Derivative financial instruments are initially recognised at fair value and are subsequently measured at fair value. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument and, if so, the nature of the item being hedged. At the inception of each hedging relationship, management designates and documents the hedge as either a fair value hedge (hedging the exposure to changes in the fair value of a recognised asset or liability) or a cash flow hedge (hedging exposure to variability in cash flows of a forecast transaction or a recognised item). Changes in the fair value of derivatives designated as hedging instruments in fair value hedges are recognised in the income statement. Changes in the fair value of derivatives designated as cash flow hedges are recognised in other comprehensive income and accumulated in the hedging reserve within equity. When the hedged forecast transaction results in the recognition of a financial asset or financial liability, the amount deferred in equity is reclassified to the income statement in the same period in which the underlying asset or liability affects earnings. For other hedged forecast transactions, the amounts accumulated in equity are reclassified to the income statement in the same period in which the hedged cash flows occur. Fair value changes of derivative financial instruments that are not designated as hedging instruments are immediately recognised in the income statement.

Supplier finance arrangements

Swisscom has not derecognised the original liabilities subject to supplier finance arrangements, as the conclusion of the arrangement does not result in a legal release from the existing obligation nor a significant modification of the original liability terms. From Swisscom's perspective, the arrangements do not significantly extend the payment periods beyond the conditions agreed with other, non-participating suppliers. Swisscom is not required to pay additional interest on the amounts owed to the suppliers to the financial institutions involved. Consequently,

amounts financed under these arrangements are presented within trade payables, as the nature and function of the liability remain consistent with other trade payables. However, Swisscom discloses the amounts broken down in the notes. All liabilities arising from supplier finance arrangements are classified as current items. Payments to the financial institutions are included in operating cash flow, since they continue to arise in the ordinary course of Swisscom's business and their main purpose remains the settlement of payables for the purchase of goods and services.

Fair values hierarchy

Fair values are classified into one of the following three levels:

- **Level 1:** quoted prices (unadjusted) in active markets for identical assets or liabilities;
- **Level 2:** inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices);
- **Level 3:** inputs that are not based on observable market data (unobservable inputs).

The fair value of publicly traded equity and debt instruments of level 1 financial assets is determined using their quoted market prices at the balance sheet date. The fair value of level 2 financial assets and liabilities that are not quoted in an active market is determined using valuation techniques based on discounted cash flow analyses, applying market-based interest rates. Level 3 financial assets consist of investments in various investment funds and individual companies. The fair value is determined using valuation models. Interest rate and currency swaps are measured by discounting expected future cash flows using prevailing market rates. Foreign currency forward contracts and swaps are valued with reference to forward exchange rates at the balance sheet date.



### 3 Operating assets and liabilities

The following chapter discloses information on the movement in net operating assets and liabilities as well as significant non-current tangible and intangible assets. In addition, it outlines the allocation of

goodwill to the respective cash-generating units and the results of the related impairment tests. Changes in provisions and contingent liabilities are also presented in this chapter.

#### 3.1 Net current operating assets

##### Change in operating assets and liabilities

In CHF million	1.1.2025	Operational changes	Other changes <sup>1</sup>	31.12.2025
<b>2025 financial year</b>				
Trade receivables	2,886	(378)	(14)	2,494
Other operating assets	1,807	(150)	(9)	1,648
Trade payables	(2,647)	242	19	(2,386)
Other operating liabilities	(1,951)	168	22	(1,761)
<b>Total operating assets and liabilities, net</b>	<b>95</b>	<b>(118)</b>	<b>18</b>	<b>(5)</b>

<sup>1</sup> Foreign currency translation.

In CHF million	1.1.2024	Operational changes	Other changes <sup>1</sup>	31.12.2024
<b>2024 financial year</b>				
Trade receivables	2,143	(84)	827	2,886
Other operating assets	1,323	(5)	489	1,807
Trade payables	(1,560)	77	(1,164)	(2,647)
Other operating liabilities	(1,471)	21	(501)	(1,951)
<b>Total operating assets and liabilities, net</b>	<b>435</b>	<b>9</b>	<b>(349)</b>	<b>95</b>

<sup>1</sup> Foreign currency translation and change in scope of consolidation.

##### Trade receivables

In CHF million	31.12.2025	31.12.2024
Billed revenue	2,460	2,764
Accrued revenue	321	438
Allowances	(287)	(316)
<b>Total trade receivables<sup>1</sup></b>	<b>2,494</b>	<b>2,886</b>

<sup>1</sup> Credit risks. See Note 2.5.

##### Other operating assets and liabilities

In CHF million	31.12.2025	31.12.2024
<b>Other operating assets</b>		
Contract assets	199	182
Contract costs	487	484
Other receivables	191	200
Inventories	189	271
Prepaid expenses	443	514
Advance payments made	34	46
Value-added taxes receivable	68	77
Other non-financial assets	37	33
<b>Total other operating assets</b>	<b>1,648</b>	<b>1,807</b>
<b>Other operating liabilities</b>		
Contract liabilities	1,115	1,258
Accruals for variable performance-related bonus	200	193
Value-added taxes payable	96	86
Accruals for annual holiday, overtime	63	60
Liabilities from collection activities	18	15
Miscellaneous liabilities	269	339
<b>Total other operating liabilities</b>	<b>1,761</b>	<b>1,951</b>



**Contract assets and liabilities**

In CHF million	31.12.2025	31.12.2024
<b>Contract assets</b>		
Switzerland	145	143
Italy	13	1
Others	41	38
<b>Total contract assets</b>	<b>199</b>	<b>182</b>
<b>Contract liabilities</b>		
Swisscom Switzerland	489	571
Italy	562	628
Others	64	59
<b>Total contract liabilities</b>	<b>1,115</b>	<b>1,258</b>

Contract assets in the Switzerland segment mainly relate to deferred revenue arising from bundled offerings in the mobile business. Under these arrangements, mobile handsets are sold at a subsidised price together with a mobile service contract. Due to the allocation of revenue between the handset (a pre-delivered component) and the service element, revenues are recognised earlier than the invoicing, resulting in the recognition of contract

assets. Contract liabilities mainly comprise deferred revenue from payments for prepaid cards and subscription fees relating to prepaid services.

**Contract costs**

Contract costs include deferred costs of obtaining and costs of fulfilling a contract, which are as follows:

In CHF million	31.12.2025	31.12.2024
<b>Costs to obtain a contract</b>		
Switzerland	28	32
Italy	308	282
Others	38	45
<b>Total costs to obtain a contract</b>	<b>374</b>	<b>359</b>
<b>Costs to fulfil a contract</b>		
Switzerland	79	89
Italy	34	36
<b>Total costs to fulfil a contract</b>	<b>113</b>	<b>125</b>
<b>Total contract costs</b>	<b>487</b>	<b>484</b>

**Accounting policies**

**Operating assets and liabilities**

Total operating assets and liabilities used in the normal course of business are disclosed as current items in the balance sheet.

**Trade receivables**

Trade receivables are measured at amortised cost less impairment losses. Impairment losses on trade receivables are recognised, depending on the nature of the underlying transaction, either on an individual basis or using a portfolio-based approach which reflects the anticipated credit default risk. For portfolio-based valuation allowances, financial assets are grouped by homogeneous credit risk characteristics and assessed collectively for expected credit losses. In determining impairment losses, Swisscom considers contractual payment terms, historical default rates, as well as current and forward-looking information relevant to credit risk. Impairment losses on trade receivables are recognised as direct costs.

Swisscom derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or when substantially all risks and rewards of the ownership are transferred to a third party. If Swisscom neither transfers nor retains substantially all risks and rewards but loses control over the asset, it likewise derecognises the asset. Upon derecognition, the difference between the carrying amount of the asset (or the derecognised portion) and the consideration received (including any new asset obtained less any new liability assumed), together with any cumulative gain or loss previously recognised in other comprehensive income, is recognised in the income statement.

Swisscom sold portfolios of trade receivables to an unconsolidated securitisation entity which, in turn issued securities to investors. Because Swisscom transferred substantially all risks and rewards of ownership of the receivables, the receivables were derecognised and gains or losses on disposal were recorded in the financial result. Swisscom holds an immaterial indirect interest in the unconsolidated securitisation entity, which represents the maximum exposure to loss from its investment.



### 3.2 Property, plant and equipment

In CHF million	Technical installations	Land, buildings and leasehold improvements	Other installations	Advances made and assets under construction	Total
<b>Cost of acquisition</b>					
<b>Balance at 1 January 2024</b>	<b>28,618</b>	<b>1,666</b>	<b>4,712</b>	<b>970</b>	<b>35,966</b>
Additions	950	18	188	476	1,632
Disposals	(103)	(14)	(105)	–	(222)
Adjustments to asset retirement costs	77	–	7	–	84
Reclassifications to non-current assets held for sale	–	5	–	–	5
Reclassifications	154	2	87	(243)	–
Business combinations <sup>1</sup>	1,775	146	64	33	2,018
Foreign currency translation adjustments	85	1	–	1	87
<b>Balance at 31 December 2024</b>	<b>31,556</b>	<b>1,824</b>	<b>4,953</b>	<b>1,237</b>	<b>39,570</b>
Additions	1,504	15	140	443	2,102
Disposals	(460)	(24)	(129)	–	(613)
Adjustments to asset retirement costs	15	–	2	–	17
Reclassifications	159	4	86	(249)	–
Foreign currency translation adjustments	(87)	(2)	(1)	(1)	(91)
<b>Balance at 31 December 2025</b>	<b>32,687</b>	<b>1,817</b>	<b>5,051</b>	<b>1,430</b>	<b>40,985</b>

In CHF million	Technical installations	Land, buildings and leasehold improvements	Other installations	Advances made and assets under construction	Total
<b>Accumulated depreciation and impairment losses</b>					
<b>Balance at 1 January 2024</b>	<b>(20,062)</b>	<b>(1,412)</b>	<b>(3,433)</b>	<b>–</b>	<b>(24,907)</b>
Depreciation	(1,050)	(16)	(299)	–	(1,365)
Impairment losses	(3)	–	(1)	–	(4)
Disposals	103	12	104	–	219
Reclassifications to non-current assets held for sale	–	(3)	–	–	(3)
Reclassifications	1	–	(1)	–	–
Foreign currency translation adjustments	(56)	–	–	–	(56)
<b>Balance at 31 December 2024</b>	<b>(21,067)</b>	<b>(1,419)</b>	<b>(3,630)</b>	<b>–</b>	<b>(26,116)</b>
Depreciation	(1,513)	(35)	(301)	–	(1,849)
Impairment losses	(4)	–	(6)	–	(10)
Disposals	456	19	129	–	604
Foreign currency translation adjustments	48	1	–	–	49
<b>Balance at 31 December 2025</b>	<b>(22,080)</b>	<b>(1,434)</b>	<b>(3,808)</b>	<b>–</b>	<b>(27,322)</b>
<b>Net carrying amount</b>					
<b>Net carrying amount at 1 January 2024</b>	<b>8,556</b>	<b>254</b>	<b>1,279</b>	<b>970</b>	<b>11,059</b>
<b>Net carrying amount at 31 December 2024</b>	<b>10,489</b>	<b>405</b>	<b>1,323</b>	<b>1,237</b>	<b>13,454</b>
<b>Net carrying amount at 31 December 2025</b>	<b>10,607</b>	<b>383</b>	<b>1,243</b>	<b>1,430</b>	<b>13,663</b>

<sup>1</sup> Incl. adjustments to the final purchase price allocation of Vodafone Italia. See Note 5.3.



### Commitments to future capital expenditure

As at 31 December 2025, firm contractual commitments to future capital expenditure on property, plant and equipment amounted to CHF 1,400 million (prior year: CHF 1,405 million).

### Non-cash investing and financing transactions

As a result of changes in the assumptions used in estimating asset retirement costs, the related provisions increased by CHF 17 million (prior year: increase of CHF 84 million). The adjustment was recognised as an increase in property, plant and equipment with no impact on the income statement. See Note 3.5.

### Significant judgements or estimates

Management estimates the useful economic lives and residual values of technical facilities, real estate and other installations and equipment based on the expected period during which the assets will generate economic benefits for Swisscom. The useful lives are reviewed annually, taking into account historical experience and forward-looking assessments of technological developments, economic and legal changes, as well as other external factors.

### Accounting policies

Property, plant and equipment is measured at historical cost less accumulated depreciation and impairment losses. Historical cost includes expenditure directly attributable to bringing the asset to the location and condition necessary for it to operate as intended by management, as well as estimated asset retirement costs. Borrowing costs are capitalised to the extent that they relate directly to the acquisition or construction of qualifying assets accordingly. Expenditure for the replacement, renewal or major refurbishment of property, plant and equipment is capitalised when it is probable that future economic benefits associated with the item will flow to Swisscom and the cost can be measured reliably. The carrying amount of replaced parts is derecognised. Depreciation is calculated using the straight-line method except for land, which is not depreciated.

The estimated useful lives for the main categories of property, plant and equipment are as follows:

Category	Years
Ducts <sup>1</sup>	40
Cables <sup>1</sup>	10 to 30
Transmission and switching equipment <sup>1</sup>	3 to 20
Other technical installations <sup>1</sup>	3 to 15
Buildings and leasehold improvements	6 to 40
Other installations	3 to 15

#### 1 Technical installations.

Where significant parts of an item of property, plant and equipment comprise individual components with different useful lives, each component is depreciated separately. The process for estimating useful lives considers the expected use by the company, anticipated wear and tear, technological developments and experience with similar assets. Leasehold improvements and installations in leased premises are depreciated on a straight-line basis over the shorter of their estimated useful lives and the expected lease term. Changes in useful lives and residual values are accounted for prospectively. When indicators of impairment exist, the recoverable amount of the asset is determined according to indications of what the value of an asset may be. The recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. If the recoverable amount is lower than the carrying amount, the asset is written down to its recoverable amount. An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains and losses on disposals are recognised in the income statement within other income or other operating expenses.

### 3.3 Intangible assets

In CHF million	Purchased software	Internally generated software	Licences	Brands and customer relationships	Other intangible assets	Total
<b>Cost of acquisition</b>						
<b>Balance at 1 January 2024</b>	<b>2,726</b>	<b>2,247</b>	<b>1,204</b>	<b>435</b>	<b>115</b>	<b>6,727</b>
Additions	247	276	125	–	22	670
Disposals	(53)	(34)	(120)	(64)	(17)	(288)
Reclassifications	7	29	–	–	(36)	–
Business combinations <sup>1</sup>	390	–	1,328	2,201	470	4,389
Foreign currency translation adjustments	28	3	4	4	–	39
<b>Balance at 31 December 2024</b>	<b>3,345</b>	<b>2,521</b>	<b>2,541</b>	<b>2,576</b>	<b>554</b>	<b>11,537</b>
Additions	476	267	130	–	64	937
Disposals	(1)	(33)	(107)	(15)	(1)	(157)
Reclassifications	80	2	–	–	(82)	–
Foreign currency translation adjustments	(27)	(2)	(17)	(26)	(5)	(77)
<b>Balance at 31 December 2025</b>	<b>3,873</b>	<b>2,755</b>	<b>2,547</b>	<b>2,535</b>	<b>530</b>	<b>12,240</b>
<b>Accumulated amortisation and impairment losses</b>						
<b>Balance at 1 January 2024</b>	<b>(2,251)</b>	<b>(1,697)</b>	<b>(616)</b>	<b>(352)</b>	<b>(74)</b>	<b>(4,990)</b>
Amortisation	(261)	(286)	(170)	(20)	(6)	(743)
Impairment losses	(1)	–	–	–	–	(1)
Disposals	53	34	110	64	17	278
Foreign currency translation adjustments	(24)	(3)	(1)	(4)	–	(32)
<b>Balance at 31 December 2024</b>	<b>(2,484)</b>	<b>(1,952)</b>	<b>(677)</b>	<b>(312)</b>	<b>(63)</b>	<b>(5,488)</b>
Amortisation	(511)	(295)	(215)	(197)	(35)	(1,253)
Impairment losses	(1)	(1)	–	–	–	(2)
Disposals	1	33	107	15	1	157
Reclassifications	(10)	8	2	–	–	–
Foreign currency translation adjustments	21	2	1	4	–	28
<b>Balance at 31 December 2025</b>	<b>(2,984)</b>	<b>(2,205)</b>	<b>(782)</b>	<b>(490)</b>	<b>(97)</b>	<b>(6,558)</b>
<b>Net carrying amount</b>						
<b>Net carrying amount at 1 January 2024</b>	<b>475</b>	<b>550</b>	<b>588</b>	<b>83</b>	<b>41</b>	<b>1,737</b>
<b>Net carrying amount at 31 December 2024</b>	<b>861</b>	<b>569</b>	<b>1,864</b>	<b>2,264</b>	<b>491</b>	<b>6,049</b>
<b>Net carrying amount at 31 December 2025</b>	<b>889</b>	<b>550</b>	<b>1,765</b>	<b>2,045</b>	<b>433</b>	<b>5,682</b>

<sup>1</sup> Incl. adjustments to the final purchase price allocation of Vodafone Italia. See Note 5.3.



### Other intangible assets

As at 31 December 2025, other intangible assets included advance payments and intangible assets under development of CHF 42 million (prior year: CHF 58 million).

### Commitments to future capital expenditure

As at 31 December 2025, firm contractual commitments to future capital investments in intangible assets aggregated CHF 57 million (prior year: CHF 57 million).

### Significant judgements or estimates

Management determines the useful lives and residual values of intangible assets based on the expected period during which the assets are anticipated to generate economic benefits for Swisscom. Useful lives are reviewed annually, considering historical experience and forward-looking assessments relating to technological developments, economic and legal changes, and other external factors.

### Accounting policies

Mobile phone licences, self-developed software and other intangible assets are measured at historical cost less accumulated amortisation. Intangible assets resulting from business combinations, such as mobile phone licences, brands and customer relationships, are recognised at cost, representing their fair value at the date of acquisition, less accumulated amortisation. Mobile phone licences are amortised over the shorter of the contractual licence period and the expected useful life, commencing when the related network is ready for operation, unless information becomes available that indicates the useful life should be revised. Changes in useful lives and residual values are accounted for prospectively.

Amortisation is calculated on a straight-line basis over the following estimated useful lives.

Category	Years
Software internally generated and purchased	3 to 10
Brands and customer relationships	5 to 17
Mobile phone licences	13 to 40
Other licences	2 to 10
Other intangible assets	2 to 10

Whenever indicators of impairment exist, the recoverable amount of the asset is determined as the higher of the fair value less costs to sell and the value in use. If the recoverable amount is less than the carrying amount, the asset's carrying value is reduced accordingly to the recoverable amount.

### 3.4 Goodwill

Swisscom allocates goodwill to the cash-generating units based on the business activities of the respective units. Goodwill arising from a business combination is allocated to those cash-generating units that are expected to benefit from the synergies of the business combination. Following the acquisition of Vodafone Italia at the end of 2024, Swisscom has revised its governance and organisational structure and, consequently, also its segment reporting effective from 2025. Segment reporting now comprises the segments Switzerland, Italy and Others. Accordingly, the goodwill arising from the Vodafone Italia acquisition has been allocated to the cash-generating unit Italy.

As at 31 December 2025, the goodwill recognised of CHF 6,575 million is allocated to the cash-generating units as follows:

In CHF million	Current cash-generating units		
	Switzerland	Italy	Others <sup>1</sup>
<b>Previous cash-generating units</b>			
Residential Customers Swisscom Switzerland	2,765	–	–
Business Customers Swisscom Switzerland	1,534	–	–
Wholesale Customers Swisscom Switzerland	46	–	–
Fastweb	–	471	–
Vodafone Italia	–	1,422	–
Others <sup>1</sup>	–	–	337
<b>Balance as at 31 December 2025</b>	<b>4,345</b>	<b>1,893</b>	<b>337</b>

<sup>1</sup> Comprises the cash-generating units Swisscom Directories, Ajila and i-Web.

The cash-generating units Italy and Others include impairment losses from previous years of CHF 1,188 million and CHF 30 million respectively.

### Impairment tests

In the fourth quarter of 2025, following the completion of business planning, goodwill amounts were tested for impairment. The recoverable amount of a cash-generating unit is determined based on its value in use, applying the discounted cash flow (DCF) method. Projected free cash flows were derived from management-approved business plans. A planning horizon of three years was used for the impairment test of the Switzerland cash-generating unit and a planning horizon of five years was used for the impairment test of the Italy cash-generating unit. Cash flows beyond the detailed planning period were extrapolated by calculating a terminal value based on normalised cash flows and a long-term growth rate. These growth rates are consistent with country or market expectations. Management's projections and assumptions are supported by external data sources. The discount rate is determined using the Capital Asset Pricing Model (CAPM), reflecting a weighted average of the cost of equity and the cost of debt. The risk-free interest rate is based on the yield of ten-year zero-coupon Swiss government bonds (abroad: German government bonds). For cash-generating units outside Switzerland, an additional country-specific risk premium was applied.

### Discount rates and long-term growth rates

Cash-generating unit	2025		
	WACC pre-tax	WACC post-tax	Long-term growth rate
Switzerland	4.75%	3.89%	0%
Italy	6.72%	5.51%	2.00%
Others	9.17–9.86%	7.50–8.64%	1.00%

### Results and sensitivity of impairment tests

As at the measurement date, the recoverable amount of all cash-generating units, determined based on their value in use, exceeded the carrying amounts used for the impairment test. Swisscom believes that



no reasonably foreseeable changes in the key assumptions would result in the carrying amount of any CGU exceeding its recoverable amount.

### Significant judgements or estimates

The allocation of goodwill to the cash-generating units and the determination of the recoverable amount involves the judgement of management. This judgement includes the estimation of future cash flows, the determination of the discount rate and the growth rate, all of which are based on past experience and current expectations regarding future developments.

## 3.5 Provisions and contingent liabilities

### Provisions

In CHF million	Asset retirement obligations	Legal proceedings	Other	Total
<b>Balance at 1 January 2025<sup>1</sup></b>	<b>1,071</b>	<b>268</b>	<b>350</b>	<b>1,689</b>
Additions to provisions	–	17	165	182
Adjustments recorded under property, plant and equipment	17	–	–	17
Adjustments recorded under indemnity assets	–	(11)	–	(11)
Interest and present-value adjustments	12	–	1	13
Release of unused provisions	(1)	(92)	(14)	(107)
Use of provisions	(28)	–	(165)	(193)
Foreign currency translation adjustments	(1)	(1)	(1)	(3)
<b>Balance at 31 December 2025</b>	<b>1,070</b>	<b>181</b>	<b>336</b>	<b>1,587<sup>2</sup></b>
Thereof current provisions	5	53	121	179
Thereof non-current provisions	1,065	128	215	1,408

<sup>1</sup> Incl. adjustments to the final purchase price allocation of Vodafone Italia. See Note 5.3.

<sup>2</sup> Provisions of CHF 78 million are covered by indemnity assets relating to the acquisition of Vodafone Italia. See Note 5.3.

### Provisions for asset retirement obligations

The provision for asset retirement obligations is determined based on estimated future cash outflows and discounted using an average discount rate of 1.23% (previous year: 0.86%). In 2025, adjustments resulting from reassessments in the amount of CHF 15 million were recognised as an adjustment to the carrying amount of property, plant and equipment, with no impact on the income statement.

### Accounting policies

For the purposes of the impairment test, goodwill is allocated to the cash-generating units. The impairment test is performed annually, and additionally whenever events or changes in circumstances indicate that goodwill may be impaired. An impairment loss is recognised when the recoverable amount of a cash-generating unit is lower than its carrying amount. The recoverable amount represents the higher of the fair value less costs to sell and the value in use.

Of this amount, CHF –10 million related to changes in discount rates and CHF 25 million to updates of the cost index and other assumptions applied in determining asset retirement costs. A 10% increase in the estimated asset retirement costs would result in an increase of CHF 118 million in the provision. A deferral of the retirement activities by ten years would increase the provision by CHF 48 million.

### Provisions for legal proceedings

Provisions for legal proceedings are recognised when Swisscom has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated. Swisscom has recognised provisions for regulatory, competition law and other legal proceedings based on legal assessments. Following a reassessment of these proceedings, provisions of CHF 92 million were released in 2025. The timing of any potential payments will depend on the issuance of legally binding rulings and decisions and is currently expected to occur within the next five years.

### Other provisions

Other provisions mainly comprise provisions for contractual risks and termination benefits. In 2025, Swisscom performed a risk assessment of certain commercial contracts and recognised other provisions totalling CHF 60 million. Any necessary payments relating to the non-current portion of these provisions are expected to occur within the next five years.

### Contingent liabilities for legal proceedings

The Competition Commission (COMCO) is conducting several proceedings against Swisscom. If a legally enforceable finding of market abuse is reached, COMCO might impose a penalty on Swisscom. In addition, claims under civil law might be asserted against Swisscom. Based on previous proceedings conducted by COMCO, further proceedings against Swisscom might be initiated.

### Significant judgements or estimates

The provisions for asset retirement obligations relate to the dismantling of telecommunications installations and transmitter stations as well as the restoration of sites owned by third parties to their original condition. The amount of these provisions depends primarily on estimates of future asset retirement costs and the expected timing of dismantlement. Provisions and contingent liabilities for legal proceedings primarily relate to regulatory and competition law proceedings. The legal and accounting assessment of these proceedings involves significant estimation uncertainties and judgement regarding the

probability of occurrence and the potential amount of any cash outflows. The recognised provisions represent management's best estimate of the obligation as at the reporting date. Possible obligations whose existence as at the reporting date cannot be determined, or for which the amount cannot be measured reliably, are presented as contingent liabilities.

### Accounting policies

Provisions are recognised when Swisscom has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount can be made. Where the effect of the time value of money is material, provisions are measured at the present value of the expected expenditure to settle the obligation.

### Provisions for asset retirement obligations

Swisscom is legally obligated to dismantle transmitter stations and telecommunications installations located on land owned by third parties upon decommissioning, and to restore such sites to their original condition. The estimated cost of asset retirement is capitalised as part of the costs of the related assets and is amortised over their useful lives. The provisions are measured at the present value of the expected future asset retirement costs and is presented under non-current provisions. When the provision is re-measured, any change in its present value is added to or deducted from the carrying amount of the related asset. A reduction in the asset's carrying amount is limited to its recoverable amount; any excess reduction is recognised immediately in the income statement.



## 4 Employees

This chapter provides information on employee headcount and personnel expense, the compensation paid to key management personnel and post-employment obligations.

### 4.1 Employee headcount and personnel expense

#### Employee headcount

In full-time equivalent	31.12.2025	31.12.2024	Change
Switzerland	12,935	13,319	-2.9%
Italy	7,179	7,251	-1.0%
Others	3,152	3,269	-3.6%
<b>Total employee headcount</b>	<b>23,266</b>	<b>23,839</b>	<b>-2.4%</b>
Average number of employees	23,545	19,918	

#### Personnel expense

In CHF million	2025	2024
Salary and wage costs	2,309	2,150
Social security expenses	323	272
Expense of defined benefit plans <sup>1</sup>	285	252
Expense of defined contribution plans	28	11
Expense for share-based payments	1	1
Termination benefits	56	14
Other personnel expense	62	49
<b>Total personnel expense</b>	<b>3,064</b>	<b>2,749</b>

<sup>1</sup> See Note 4.3.

### 4.2 Key management compensation

In CHF thousand	2025	2024
Current compensation	1,408	1,338
Share-based payments	843	776
Pension contributions	187	163
Social security contributions	146	137
<b>Total compensation to members of the Board of Directors</b>	<b>2,584</b>	<b>2,414</b>
Current compensation	4,380	6,776
Share-based payments	1,402	1,570
Benefits paid following retirement from Group Executive Committee	243	331
Pension contributions	646	1,079
Social security contributions	480	708
<b>Total compensation to members of the Group Executive Committee</b>	<b>7,151</b>	<b>10,464</b>
<b>Total compensation to members of the Board of Directors and of the Group Executive Committee</b>	<b>9,735</b>	<b>12,878</b>

Swisscom's key management personnel comprise the members of the Board of Directors of Swisscom Ltd and the Group Executive Committee. Compensation of the members of the Board of Directors consists of a fixed base salary and functional allowances. One-third of the total compensation is settled in equity shares. Compensation of the members of the Group Executive Committee includes a fixed basic salary paid in cash, a variable performance-related component settled in cash and shares, payments in kind and non-cash benefits, as well as pension and social security contributions. 25% of the variable performance-related component is settled in shares; members may elect to increase this proportion to 50%. The disclosure required under Articles 734–734f of the Swiss Code of Obligations is set out in the Remuneration Report chapter. Holdings of shares in Swisscom Ltd by members of the Board of Directors and the Group Executive Committee are disclosed in the notes to the separate financial statements of Swisscom Ltd.

### 4.3 Defined benefit plans

#### Pension plan comPlan (Switzerland)

The majority of employees in Switzerland are insured under Swisscom's pension plan, which provides benefits for old age, death and disability. The pension plan is implemented by the comPlan foundation. The supreme governing body of the pension fund is the Foundation Council, consisting of an equal number of employees and employer representatives. The pension plan is governed by the plan rules and by Swiss legal requirements for occupational pension schemes, which together are the formal terms of the plan. Each insured member maintains an individual retirement savings account. Savings contributions are credited annually to these accounts, and interest is applied at a rate determined each year by the Board of Trustees, taking into account the financial position of the pension fund and the statutory minimum interest rate. Employer and employee savings contributions are age and salary-related. In addition, the employer pays risk contributions to finance benefits in the event of death or disability.



The standard retirement age is 65. Employees are entitled to early retirement with a reduced old-age pension. The amount of the old-age pension corresponds to the balance of the individual retirement savings account at the date of retirement multiplied by the conversion rate specified in the plan regulations. Retirement benefits may alternatively be taken partly or fully as a lumpsum payment. In the case of early retirement, the employer finances a bridging pension in accordance with the Old-Age and Survivors' Insurance (OASI) scheme until the standard retirement age. Disability pensions are calculated as a percentage of the insured salary and are independent of the length of service.

The formal terms framework of the pension plan contains various provisions on risk sharing between an employee and employer. In the event of a funding shortfall, determined in accordance with the Swiss accounting standards for pension funds (Swiss GAAP APR 26), the Foundation Council must decide on appropriate measures to eliminate the funding deficit and restore financial equilibrium within a period of five to seven years. Such measures may include a reduction or suspension of interest credited to retirement savings accounts, a reduction in future benefits, the levying of restructuring contributions or a combination of these measures. Where a structural funding deficit arises due to interest-related underfunding, priority is given to remedying this situation by adapting future benefits. The employer restructuring contributions must, at a minimum, be equal to the sum of the employee restructuring contributions. Under the formal terms of the plan, the employer has no legal obligation to pay additional contributions to eliminate more than 50% of a funding shortfall. From past informal practice, Swisscom has a constructive obligation over and above the legal minimum to pay additional or restructuring contributions in the case of funding shortfalls and structural funding deficits. The upper limit of the employer's share of future benefit costs in accordance with IAS 19.87(c) is assumed to be at the level of the constructive obligation.

In accordance with the relevant Swiss accounting principles and standards (Swiss GAAP APR 26), the funding ratio of the comPlan pension fund was estimated at 122% as at 31 December 2025 (prior year: 118%). The difference compared with the measurement under IFRS Accounting Standards mainly reflects the use of a different discount rate and an alternative actuarial valuation method, which includes deferred recognition of future retirement benefit costs.

**Other plans**

Other pension plans exist for individual Swiss subsidiaries which are not affiliated with comPlan, and the Italian subsidiaries. From Swisscom's perspective, these plans are not material.

**Pension cost**

In CHF million	comPlan	Other plans	2025	comPlan	Other plans	2024
Current service cost	274	7	281	241	7	248
Administration expense	3	1	4	3	1	4
<b>Total recognised in personnel expense</b>	<b>277</b>	<b>8</b>	<b>285</b>	<b>244</b>	<b>8</b>	<b>252</b>
Interest expense on net defined benefit obligations	(2)	–	(2)	(3)	–	(3)
<b>Total recognised in financial income</b>	<b>(2)</b>	<b>–</b>	<b>(2)</b>	<b>(3)</b>	<b>–</b>	<b>(3)</b>
<b>Total expense of defined benefit plans recognised in income statement</b>	<b>275</b>	<b>8</b>	<b>283</b>	<b>241</b>	<b>8</b>	<b>249</b>

In CHF million	comPlan	Other plans	2025	comPlan	Other plans	2024
<b>Actuarial gains and losses from</b>						
Change of the demographical assumptions	(12)	–	(12)	(15)	–	(15)
Change of the financial assumptions	(87)	–	(87)	690	–	690
Experience adjustments to defined benefit obligations	(25)	(3)	(28)	249	1	250
Change in share of employee contribution (risk sharing)	379	–	379	(123)	–	(123)
Return on plan assets, excluding the part recognised in the financial result	(650)	–	(650)	(658)	–	(658)
Asset ceiling	379	–	379	(123)	–	(123)
<b>Total (income) expense of defined benefit plans recognised in other comprehensive income</b>	<b>(16)</b>	<b>(3)</b>	<b>(19)</b>	<b>20</b>	<b>1</b>	<b>21</b>



**Status of pension plans**

In CHF million	comPlan	Other plans	2025	comPlan	Other plans	2024
<b>Defined benefit obligations</b>						
<b>Balance at 1 January</b>	<b>12,597</b>	<b>93</b>	<b>12,690</b>	<b>11,788</b>	<b>52</b>	<b>11,840</b>
Current service cost	274	7	281	241	7	248
Interest cost on defined benefit obligations	120	–	120	173	–	173
Employee contributions	182	–	182	184	–	184
Benefits paid	(617)	(2)	(619)	(590)	–	(590)
Actuarial losses (gains)	255	(3)	252	801	1	802
Change in scope of consolidation	–	–	–	–	33	33
<b>Balance at 31 December</b>	<b>12,811</b>	<b>95</b>	<b>12,906</b>	<b>12,597</b>	<b>93</b>	<b>12,690</b>
<b>Plan assets</b>						
<b>Balance at 1 January</b>	<b>12,846</b>	<b>38</b>	<b>12,884</b>	<b>12,165</b>	<b>31</b>	<b>12,196</b>
Interest income on plan assets	124	–	124	182	–	182
Employer contributions	259	8	267	250	8	258
Employee contributions	182	–	182	184	–	184
Benefits paid	(617)	–	(617)	(590)	–	(590)
Return on plan assets, excluding the part recognised in the financial result	650	–	650	658	–	658
Administration expense	(3)	(1)	(4)	(3)	(1)	(4)
<b>Balance at 31 December</b>	<b>13,441</b>	<b>45</b>	<b>13,486</b>	<b>12,846</b>	<b>38</b>	<b>12,884</b>
<b>Net defined benefit obligations (assets)</b>						
Net defined benefit obligations (assets) before asset ceiling	(630)	50	(580)	(249)	55	(194)
Asset ceiling	630	–	630	249	–	249
<b>Net defined benefit obligations (assets) recognised at 31 December</b>	<b>–</b>	<b>50</b>	<b>50</b>	<b>–</b>	<b>55</b>	<b>55</b>
Thereof defined benefit assets	–	–	–	–	–	–
Thereof defined benefit obligations	–	50	50	–	55	55

**Movements in the recognised defined benefit obligations (assets)**

In CHF million	comPlan	Other plans	2025	comPlan	Other plans	2024
<b>Balance at 1 January</b>	<b>–</b>	<b>55</b>	<b>55</b>	<b>(11)</b>	<b>21</b>	<b>10</b>
Pension cost, net	275	8	283	241	8	249
Employer contributions and benefits paid	(259)	(10)	(269)	(250)	(8)	(258)
Change in scope of consolidation	–	–	–	–	33	33
(Income) expense of defined benefit plans, recognised in other comprehensive income	(16)	(3)	(19)	20	1	21
<b>Balance at 31 December</b>	<b>–</b>	<b>50</b>	<b>50</b>	<b>–</b>	<b>55</b>	<b>55</b>

The weighted average duration of the defined benefit obligations for comPlan is 13 years (prior year: 14 years).



**Breakdown of comPlan pension plan assets**

Category	Investment strategy	31.12.2025			31.12.2024		
		Quoted	Not quoted	Total	Quoted	Not quoted	Total
Government bonds Switzerland	5.0%	1.6%	3.1%	4.7%	1.8%	3.4%	5.2%
Corporate bonds Switzerland	8.0%	7.8%	0.0%	7.8%	7.6%	0.0%	7.6%
Government bonds developed markets, World	2.5%	2.4%	0.0%	2.4%	3.2%	0.0%	3.2%
Corporate bonds developed markets, World	9.0%	8.9%	0.0%	8.9%	9.0%	0.0%	9.0%
Government bonds emerging markets, World	4.0%	4.6%	0.0%	4.6%	6.2%	0.0%	6.2%
Private debt	6.0%	0.0%	5.2%	5.2%	0.0%	5.2%	5.2%
<b>Third-party debt instruments</b>	<b>34.5%</b>	<b>25.3%</b>	<b>8.3%</b>	<b>33.6%</b>	<b>27.8%</b>	<b>8.6%</b>	<b>36.4%</b>
Equity shares Switzerland	7.0%	8.2%	0.0%	8.2%	7.2%	0.0%	7.2%
Equity shares World	19.0%	20.7%	0.0%	20.7%	20.1%	0.0%	20.1%
Private markets	10.0%	0.0%	8.8%	8.8%	0.0%	9.4%	9.4%
<b>Equity instruments</b>	<b>36.0%</b>	<b>28.9%</b>	<b>8.8%</b>	<b>37.7%</b>	<b>27.3%</b>	<b>9.4%</b>	<b>36.7%</b>
Real estate Switzerland	17.0%	4.9%	12.4%	17.3%	5.4%	11.9%	17.3%
Real estate World	9.0%	0.0%	8.6%	8.6%	0.0%	7.2%	7.2%
Gold	2.0%	2.2%	0.0%	2.2%	2.1%	0.0%	2.1%
<b>Real value investments</b>	<b>28.0%</b>	<b>7.1%</b>	<b>21.0%</b>	<b>28.1%</b>	<b>7.5%</b>	<b>19.1%</b>	<b>26.6%</b>
Cash and cash equivalents	1.5%	0.0%	0.6%	0.6%	0.0%	0.3%	0.3%
<b>Total plan assets</b>	<b>100.0%</b>	<b>61.3%</b>	<b>38.7%</b>	<b>100.0%</b>	<b>62.6%</b>	<b>37.4%</b>	<b>100.0%</b>

The Foundation Council defines the investment strategy with bandwidths in accordance with the applicable legal framework. Within these guidelines, the Investment Committee determines how the investment strategy is implemented. The investment team, acting as a centre of expertise, coordinates all related activities and executes the respective decisions. The investment strategy aims to achieve the highest possible return on assets within the defined risk tolerance, thereby ensuring the plan's capacity to meet all its financial obligations. This objective is pursued through a broad diversification across asset classes, markets, currencies and industry sectors in both developed and emerging markets. The interest rate duration of the

interest-bearing assets is 7.8 years (prior year: 7.8 years), and their average credit rating is A- (prior year: A-). Within the overall portfolio, all foreign currency positions are hedged against the Swiss franc in accordance with a currency strategy to the extent necessary to maintain a predefined ratio of 16% unhedged foreign currencies. Based on this investment strategy, comPlan expects a value fluctuation reserve under Swiss GAAP FER 26 of approximately 18% of total assets.

**Additional information on plan assets**

As at 31 December 2025, plan assets included Swisscom Ltd shares and bonds with a fair value of CHF 7 million (prior year: CHF 12 million). The actual return on plan assets amounted to

CHF 774 million in 2025 (prior year: CHF 840 million). For 2026, Swisscom expects to pay statutory employer contributions to the pension funds totalling CHF 266 million.

**Assumptions underlying comPlan actuarial computations**

Assumptions	2025	2024
Discount rate	1.15%	0.98%
Expected rate of salary increases	1.33%	1.18%
Expected rate of pension increases	0.00%	0.00%
Capital withdrawal ratio	37%	34%
Interest on old-age savings accounts up to 5 years	5.38%	3.67%
Interest on old-age savings accounts after 5 years	1.11%	1.07%
Share of employee contribution to funding shortfall	40%	40%
Share of employee contribution to surplus	50%	50%
Life expectancy at age of 65 – men (number of years)	22.42	22.33
Life expectancy at age of 65 – women (number of years)	24.22	24.12

The discount rate is based upon CHF-denominated corporate bonds with an AA rating of domestic and foreign issuers and listed on the Swiss Exchange SIX. The assumption for salary increases is based on recent historical experience and incorporates long-term inflation expectations. No future pension increases are assumed, as comPlan does not currently hold sufficient fluctuation reserves under applicable pension legislation. The interest rate applied to individual savings accounts takes into consideration the BVG minimum interest rate applicable to the mandatory BVG portion of the plan. Life expectancy assumptions reflect projected future improvements in mortality in accordance with the Continuous Mortality Investigation (CMI) model and are based on observed mortality experience in Switzerland. Calculations are performed using a long-term annual rate of mortality improvement. Changes in the financial estimates resulted in an actuarial net loss of CHF 87 million in 2025. The decrease in the discount rate led to a loss of CHF 255 million, while adjustments to other financial assumptions — primarily the assumed rates of salary increase and interest credited to retirement savings accounts, resulted in a gain of CHF 168 million.

In the event of an interest-related funding shortfall, the risk-sharing mechanisms embedded in the regulatory framework governing the management of deficits are reflected in the financial assumptions in two steps. In the first step, it is assumed that pension benefits of future retirees will be reduced gradually over a ten-year period in order to eliminate the funding deficit. The assumption regarding the future conversion rate is based on a blended rate for the mandatory and non-mandatory portions. The current legal conversion rate is applied to the mandatory portion, while for the non-mandatory portion the conversion rate is determined using the discount rate applied in the valuation. In the second step, any residual deficit after the adjustment in the first step is distributed between the employer and the employees. The employer's legal and constructive obligation to make additional contributions remains unchanged and is assumed to be limited to 60% of the deficit. This reflects the applicable legal and regulatory provisions for addressing funding deficits and the measures previously approved by the Foundation Council and the employer. In case of a surplus under IFRS Accounting Standards, no restriction is applied to the employer's



share of a potential funding shortfall in the second step. Instead, the gross surplus is reduced by an employee contribution of 50%.

As at 31 December 2025, there was no interest-related funding shortfall and, accordingly, no assumption is made that pension

benefits will be reduced. Gross surpluses arose as at 31 December 2025. These have been reduced by employee contributions of CHF 630 million (prior year: CHF 248 million). The change in the share of employee contributions in the surplus is recognised in other comprehensive income.

**Sensitivity analysis comPlan**

**Sensitivity analysis 2025**

In CHF million	Defined benefit obligations		Current service cost	
	Increase assumption	Decrease assumption	Increase assumption	Decrease assumption
Discount rate (change +/-0.25%)	(367)	391	(13)	14
Expected rate of salary increases (change +/-0.5%)	69	(66)	3	(4)
Pension changes (change +0.5%/-0.0%)	545	–	14	–
Capital withdrawal ratio (change +/-5.0%)	(34)	34	(2)	2
Interest on old-age savings accounts (change +/-0.5%)	110	(105)	8	(7)
Share of employee contribution to funding shortfall (change +/-10%)	–	–	–	–
Share of employee contribution to surplus (change +/-10%)	126	(126)	–	–
Life expectancy at age of 65 (change +/-0.5 year)	178	(179)	3	(3)

**Sensitivity analysis 2024**

In CHF million	Defined benefit obligations		Current service cost	
	Increase assumption	Decrease assumption	Increase assumption	Decrease assumption
Discount rate (change +/-0.25%)	(366)	390	(14)	15
Expected rate of salary increases (change +/-0.5%)	38	(36)	4	(4)
Pension changes (change +0.5%/-0.0%)	638	–	19	–
Capital withdrawal ratio (change +/-5.0%)	(40)	40	(2)	2
Interest on old-age savings accounts (change +/-0.5%)	90	(85)	7	(7)
Share of employee contribution to funding shortfall (change +/-10%)	–	–	–	–
Share of employee contribution to surplus (change +/-10%)	50	(50)	–	–
Life expectancy at age of 65 (change +/-0.5 year)	174	(175)	3	(3)

Sensitivity analyses have been performed to illustrate the impact of changes in principal actuarial assumptions on the defined benefit obligations and current service cost. The actuarial assumptions were adjusted separately – by 0.5 percentage points and 0.5 years, respectively – while keeping all other assumptions constant. No sensitivity has been disclosed for a decrease in pension, as the reduction of current pensions is not permitted. The assumed gradual decline in conversion rates remains unchanged in the discount rate sensitivities presented.

**Significant judgements or estimates**

The measurement of post-employment retirement benefit obligations requires assumptions to be made regarding future service periods, salary and pension progression, interest credited to employees' savings accounts, the timing benefit payments and the employees' contribution to any funding shortfall. These assumptions are determined with reference to historical data and expected future trends. The present value of the defined benefit obligation is calculated using discount rates based on yields of Swiss franc-denominated corporate bonds from domestic and foreign issuers listed on the Swiss Exchange and carrying an AA rating. The discount rates are consistent with the expected timing of benefit payments.

**Accounting policies**

Actuarial calculations of pension expenses and the corresponding defined benefit obligations are performed using the projected unit credit method. Current service costs, past service costs arising from plan amendments or settlements, and administrative costs are recognised in the income statement as personnel expenses, while interest expense on net obligations is presented under finance costs. Actuarial gains and losses and the return on plan assets (excluding amounts included in net interest) are recognised in other comprehensive income. The assumptions underlying the measurement of net future benefits comply with the formal governing provisions of the respective pension plan. For the Swiss plans, these formal regulations comprise the rules of the pension fund and the relevant laws, ordinances and directives on occupational benefit plans, including the associated requirements regarding funding and measures to eliminate funding shortfall. Risk-sharing features set out in the regulatory framework are reflected in the financial assumptions. These features limit the employer's share of future benefit costs and require employees to participate through additional contributions if funding shortfalls arise. Where long-term disability benefits (disability pensions) provide a uniform level of benefits to all insured employees, irrespective of years of service, the cost of such benefits is recognised at the date on which the disability event occurs. Any net asset value arising from a defined benefit plan is recognised at the lower of the surplus and the present value of any economic benefit available in the form of refunds or reductions in future contributions – provided that the value fluctuation reserve set as a target by the Foundation Council has been exceeded.



## 5 Scope of consolidation

The following chapter provides an overview of the Group structure of Swisscom and includes disclosures relating to subsidiaries and associates. It also describes significant changes in the Group structure during the reporting period and explains the impact on the consolidated financial statements.

### 5.1 Group structure

Swisscom Ltd is the holding company of the Group. It primarily holds direct majority interests in Swisscom (Switzerland) Ltd,

In CHF million	2025	2024
Acquisition of Vodafone Italia	(20)	(7,360)
Acquisition of other business combinations less cash and cash equivalents acquired	–	(10)
Payments for deferred consideration from other business combinations	(14)	(2)
Proceeds from sale of subsidiaries, net of cash and cash equivalents sold	2	2
Acquisition of equity-accounted investees	–	(2)
Acquisition of non-controlling interests	–	(15)
<b>Total cash flow from the purchase and sale of shareholdings, net</b>	<b>(32)</b>	<b>(7,387)</b>

Except for the acquisition of Vodafone Italia in 2024, none of the other acquisitions or disposals of subsidiaries in 2024 and 2025 were individually material.

Blue Entertainment Ltd, Swisscom Broadcast Ltd and Swisscom Directories Ltd. Fastweb S.p.A. (Fastweb) is held directly through Swisscom (Switzerland) Ltd. The Vodafone Italia companies, which were acquired at the end of 2024, are held by Fastweb S.p.A. As at 1 January 2026, Vodafone Italia was merged with Fastweb. Swisscom Re Ltd is the Group's in-house reinsurance company. Swisscom raises financing in euros through Swisscom Finance B.V. in the Netherlands.

### 5.2 Changes in the scope of consolidation

Net cash flows arising from the acquisition and disposal of participations are as follows:

### 5.3 Acquisition of Vodafone Italia

In March 2024, Swisscom signed a sales and purchase agreement with Vodafone Group Plc for the acquisition of 100% of Vodafone Italia for a purchase price of EUR 8.0 billion (cash and debt-free). The closing of the transaction was on 31 December 2024. As at 1 January 2026, Vodafone Italia was merged with the Swisscom subsidiary Fastweb. The merger combines complementary mobile communications and fixed telephone network infrastructures with expertise and practical knowledge, as well as establishing a leading convergent provider on the Italian market. Thanks to economies of scale, an efficient cost structure and the anticipated high synergies, the merged company is expected to create considerable added value for all stakeholders through sustainable investments in the Italian telecommunications market, innovative, convergent services at competitive prices, and improved services and customer experiences in all market segments. The acquisition of Vodafone Italia is a significant step towards implementing Swisscom's strategic goal of achieving profitable growth in Italy.

Total purchase price for the acquisition of Vodafone Italia was EUR 7,921 million (CHF 7,454 million). The purchase price was subject to an adjustment of EUR 204 million (CHF 192 million) based on Vodafone Italia's final net financial position as at 31 December 2024. As part of the purchase price allocation, arrangements relating to contingent payments were analysed. These include payments relating to services provided by Vodafone Group and an indemnity clause in favour of Swisscom under the sales and purchase agreement (SPA). Both arrangements are part of the consideration transferred, payable in the future. The amount of such contingent consideration is variable and depends, among other factors, on the future business performance of Vodafone Italia. Swisscom estimates the potential net cash outflow to be EUR 125 million (CHF 118 million), of which EUR 21 million (CHF 20 million) was already paid in 2025.

The purchase price and the net cash flow from the transaction are as follows:

In million	EUR	CHF
Purchase price according to sales and purchase agreement	8,000	7,528
Purchase price adjustment	(204)	(192)
Contingent considerations	125	118
<b>Total purchase price</b>	<b>7,921</b>	<b>7,454</b>
Cash and cash equivalents acquired	(64)	(60)
Purchase price not paid, net	(15)	(14)
<b>Cash flow used in investing activities, net</b>	<b>7,842</b>	<b>7,380</b>
Thereof cash flow in 2024	7,821	7,360
Thereof cash flow in 2025	21	20

Costs of CHF 60 million for legal counsel, due diligence, levies and charges were incurred in connection with the transaction. These costs were recognised in other operating expense and presented in cash flow from operating activities.

The business combination was provisionally recognised in the consolidated financial statements as at 31 December 2024, since not all the information required to determine the fair values of the acquired assets and liabilities was available when Swisscom's consolidated financial statements were prepared. The reasons for this are the size and complexity of the transaction and the fact that the acquisition of Vodafone Italia took place on 31 December 2024. The purchase price allocation was completed as at 31 December 2025.



The provisional and final purchase price allocation is as follows:

In million	Reported as at 31.12.2024		Reported as at 31.12.2025	
	EUR	CHF	EUR	CHF
Cash and cash equivalents	64	60	64	60
Trade receivables	893	839	886	833
Other operating assets	450	425	511	481
Current income tax assets	74	69	73	69
Property, plant and equipment	2,192	2,063	2,142	2,016
Intangible assets	4,730	4,451	4,650	4,376
Right-of-use assets	2,115	1,990	2,033	1,913
Deferred tax assets	–	–	91	85
Other assets	35	34	55	52
Financial liabilities	(13)	(12)	(165)	(155)
Lease liabilities	(1,802)	(1,697)	(1,781)	(1,676)
Trade payables	(1,209)	(1,137)	(1,223)	(1,150)
Other operating liabilities	(556)	(523)	(546)	(513)
Provisions	(191)	(180)	(348)	(329)
Deferred tax liabilities	(25)	(23)	–	–
Other liabilities	(71)	(67)	(36)	(34)
<b>Identified assets and liabilities</b>	<b>6,686</b>	<b>6,292</b>	<b>6,406</b>	<b>6,028</b>
Goodwill	1,217	1,145	1,533	1,443
<b>Purchase consideration</b>	<b>7,903</b>	<b>7,437</b>	<b>7,939</b>	<b>7,471</b>
Thereof purchase price	7,885	7,420	7,921	7,454
Thereof cash flow hedge reserve reclassified	18	17	18	17

In the final purchase price allocation, fair values of customer relationships (EUR 2.1 billion; CHF 2.0 billion), mobile phone licences (EUR 1.4 billion; CHF 1.3 billion), and property, plant and equipment (EUR 2.1 billion; CHF 2.0 billion) were recognised. The acquired lease liabilities were measured at the present value of the remaining lease payments at the date of acquisition. The corresponding right-of-use assets were measured at an amount equal to the lease liabilities, adjusted to reflect the favourable lease terms compared with

market terms. The carrying amount of trade receivables amounted to EUR 886 million (CHF 834 million), comprising the gross amount of EUR 1,119 million (CHF 1,053 million) less allowances of EUR 233 million (CHF 219 million).

Goodwill mainly reflects expected synergies from combining the operations of Vodafone Italia and Fastweb, as well as intangible assets that do not qualify for separate recognition, such as employees. Swisscom

recognised an indemnification asset in connection with legal claims pending against Vodafone Italia. The claims are subject to an indemnification agreement whereby Vodafone Group Plc has agreed to compensate Swisscom for potential losses arising from these litigations. The indemnification asset relates to ongoing legal proceedings, which were known at the date of acquisition. The indemnification asset is initially recognised on the same basis as the related indemnified provision amounting to EUR 96 million (CHF 90 million) at the acquisition date. The fair value of the provisions for legal proceedings is determined based on estimated future cash flows considering the probability of favourable or unfavourable legal outcomes.

For the year ended 2024, the acquisition of Vodafone Italia had no significant impact on Swisscom's consolidated income statement, as the acquisition date was 31 December 2024. Vodafone Italia's revenue for the year was estimated at EUR 4.6 billion (CHF 4.3 billion). If the acquisition had taken place on 1 January 2024, Swisscom would have achieved an estimated revenue of CHF 15.3 billion.

## Accounting policies

### Consolidation

Subsidiaries are all companies over which Swisscom Ltd has control. Swisscom Ltd is deemed to have control when it has the power to direct the entity's relevant activities, is exposed or has rights to variable returns from its involvement with the entity, and has the ability to affect those returns through its power over the entity. Control is generally presumed when Swisscom Ltd, directly or indirectly, holds more than half of the voting rights or potential voting rights of an entity. Companies acquired or sold are included in consolidation from the date on which Swisscom obtains control, and excluded from the consolidation on the date control ceases. Intragroup balances, transactions, income and expenses, shareholdings and dividends, as well as unrealised gains and losses are fully eliminated. Non-controlling interests in subsidiaries are presented within equity, separately from the equity attributable to the shareholders of Swisscom Ltd. The share

of profit or loss and other comprehensive income attributable to non-controlling interests is presented separately in the consolidated income statement and statement of comprehensive income. Changes in ownership interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. When put options are granted to holders of non-controlling interests, a financial liability is disclosed. The reporting date of all consolidated subsidiaries is 31 December. There are no material restrictions on the ability of subsidiaries to transfer funds to Swisscom Ltd. Investments over which Swisscom exercises significant influence but does not have control are accounted for using the equity method. Significant influence is generally presumed when Swisscom directly or indirectly holds between 20% and 50% of the voting rights of an investee.

### Business combinations

Business combinations are accounted for using the acquisition method. The consideration transferred is measured at fair value at the acquisition date and comprises the cash paid, the fair value of assets transferred, liabilities incurred or assumed, and any equity instruments issued by Swisscom Ltd. Contingent consideration payable on future events under contractual arrangements is also measured at fair value at the acquisition date. Identifiable assets acquired and liabilities assumed that meet the recognition criteria are recognised at their respective fair values as at that date. The excess of the consideration transferred, together with any non-controlling interests and the fair value of any previously held equity interest over the fair value of the identifiable net assets acquired is recognised as goodwill.



## 5.4 Equity-accounted investees

In CHF million	2025	2024
<b>Balance at 1 January</b>	<b>27</b>	<b>27</b>
Additions	–	2
Dividends	(1)	(1)
Share of net results	–	(2)
Dilution gain	–	1
<b>Balance at 31 December</b>	<b>26</b>	<b>27</b>

### Selected key performance indicators for equity-accounted investees

In CHF million	2025	2024
<b>Income statement</b>		
Revenue	224	229
Operating expense	(212)	(224)
Operating income	12	5
<b>Net income</b>	<b>9</b>	<b>1</b>
<b>Other comprehensive income</b>	<b>–</b>	<b>–</b>
<b>Balance sheet at 31 December</b>		
Current assets	171	148
Non-current assets	12	12
Current liabilities	(86)	(72)
Non-current liabilities	(12)	(29)
<b>Equity</b>	<b>85</b>	<b>59</b>

## 5.5 Group companies

### Group companies in Switzerland

Registered name	Registered office	31.12.2025 Capital and voting rights share in %	31.12.2024 Capital and voting rights share in %	Share capital in million Currency	Segment <sup>4</sup>
<b>Switzerland</b>					
adapt solutions Ltd <sup>2</sup>	Lindau	100	100	0.1 CHF	CH
Ajila Ltd <sup>2</sup>	Sursee	90	90	0.1 CHF	OT
Artificialy Ltd <sup>2,3</sup>	Lugano	18	18	1.3 CHF	OT
autoSense Ltd <sup>2,3</sup>	Zurich	–	33	0.3 CHF	OT
Axcept Business Software Ltd <sup>1</sup>	Saint-Gall	100	100	0.3 CHF	CH
Blue Entertainment Ltd <sup>1</sup>	Zurich	100	100	0.5 CHF	CH
cablex Ltd <sup>2</sup>	Muri near Berne	100	100	5.0 CHF	OT
camptocamp SA <sup>1</sup>	Bussigny	53	53	0.5 CHF	CH
Credit Exchange Ltd <sup>2,3</sup>	Zurich	15	15	0.2 CHF	OT
ecmt Ltd <sup>2,3</sup>	Embrach	–	20	0.1 CHF	OT
Entertainment Programm Ltd <sup>2,3</sup>	Volketswil	33	33	0.6 CHF	CH
finnova ltd bankware <sup>2,3</sup>	Lenzburg	9	10	0.5 CHF	CH
Innovative Government Ltd <sup>1</sup>	Freienbach	90	90	0.1 CHF	OT
Innovative Web Ltd <sup>1</sup>	Freienbach	90	90	0.1 CHF	OT
itnetX (Switzerland) Ltd <sup>2</sup>	Rümlang	100	100	0.1 CHF	CH

<sup>1</sup> Participation directly held by Swisscom Ltd.

<sup>2</sup> Participation indirectly held by Swisscom Ltd.

<sup>3</sup> Investment is accounted for using the equity method. Through its representation on the Board of Directors of the company, Swisscom can exercise a significant influence.

<sup>4</sup> CH = Switzerland, IT = Italy, OT = Others



## Group companies in Switzerland (continuation)

Registered name	Registered office	31.12.2025 Capital and voting rights share in %	31.12.2024 Capital and voting rights share in %	Share capital in million Currency	Segment <sup>4</sup>
<b>Switzerland</b>					
JLS Digital Ltd <sup>2</sup>	Lucerne	100	100	1.3 CHF	CH
MTF Solutions Ltd <sup>1</sup>	Ittigen	100	100	0.2 CHF	CH
Parato Ltd <sup>2</sup>	Ittigen	51	51	0.1 CHF	CH
Provis Ltd <sup>2</sup>	Lindau	100	100	0.4 CHF	CH
Swisscom Broadcast Ltd <sup>1</sup>	Ittigen	100	100	25.0 CHF	OT
Swisscom Digital Technology Ltd <sup>1</sup>	Lausanne	100	100	0.1 CHF	CH
Swisscom Directories Ltd <sup>1</sup>	Zurich	100	100	2.2 CHF	OT
Swisscom Real Estate Ltd <sup>1</sup>	Ittigen	100	100	100.0 CHF	CH
Swisscom IT Services Finance Custom Solutions Ltd <sup>2</sup>	Olten	100	100	0.1 CHF	CH
Swisscom RE Ltd <sup>1</sup>	Ittigen	100	100	10.0 CHF	CH
Swisscom (Switzerland) Ltd <sup>1</sup>	Ittigen	100	100	1,000.0 CHF	CH
Swisscom Secure Vision Ltd <sup>1</sup>	Saint-Gall	100	100	0.1 CHF	OT
Swisscom Services Ltd <sup>2</sup>	Ittigen	100	100	0.1 CHF	CH
Swisscom Trust Services Ltd <sup>2</sup>	Zurich	100	100	1.0 CHF	OT
Swisscom Ventures Ltd <sup>2</sup>	Ittigen	100	100	2.0 CHF	OT
United Security Provider Ltd <sup>2</sup>	Berne	100	100	0.5 CHF	CH
Worklink Ltd <sup>1</sup>	Berne	100	100	0.5 CHF	CH

## Group companies in other countries

Registered name	Registered office	31.12.2025 Capital and voting rights share in %	31.12.2024 Capital and voting rights share in %	Share capital in million Currency	Segment <sup>4</sup>
<b>Germany</b>					
cablex Germany GmbH <sup>2</sup>	Stuttgart	100	100	– EUR	OT
Camptocamp Germany GmbH <sup>2</sup>	Munich	53	53	– EUR	CH
Swisscom Telco LLC <sup>2</sup>	Leipzig	100	100	– EUR	OT
<b>France</b>					
Camtocamp France SAS <sup>2</sup>	Le Bourget du Lac	53	53	– EUR	CH
SoftAtHome Ltd <sup>2,3</sup>	Colombes	10	10	6.5 EUR	CH
<b>Italy</b>					
7Layers S.r.l. <sup>2</sup>	Florence	100	100	0.2 EUR	IT
Fastweb S.p.A. <sup>2</sup>	Milan	100	100	41.3 EUR	IT
Swisscom Italia S.r.l. <sup>2</sup>	Milan	–	100	505.8 EUR	IT
VEI S.r.l. <sup>2</sup>	Ivrea	100	100	– EUR	IT
VND S.p.A. <sup>2</sup>	Corregio	100	100	0.1 EUR	IT
Vodafone Gestioni S.p.A. <sup>2</sup>	Milan	100	100	0.6 EUR	IT
Vodafone Italia S.p.A. <sup>2</sup>	Ivrea	100	100	2,305.1 EUR	IT
<b>Latvia</b>					
Swisscom DevOps Latvia SIA	Riga	100	100	– EUR	CH

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<sup>2</sup> Participation indirectly held by Swisscom Ltd.

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<sup>4</sup> CH = Switzerland, IT = Italy, OT = Others



**Group companies in other countries (continuation)**

Registered name	Registered office	31.12.2025 Capital and voting rights share in %	31.12.2024 Capital and voting rights share in %	Share capital in million Currency	Segment <sup>4</sup>
<b>Luxembourg</b>					
DTF GP S.A.R.L. <sup>2</sup>	Luxembourg	100	100	– EUR	OT
DTF GP II S.A.R.L. <sup>2</sup>	Luxembourg	100	100	– EUR	OT
Digital Transformation Fund Carried Partner SCSp <sup>3</sup>	Luxembourg	100	100	– EUR	OT
Digital Transformation Fund Initial Limited Partner SCSp <sup>3</sup>	Luxembourg	100	100	– EUR	OT
<b>Netherlands</b>					
NGT International B.V. <sup>2</sup>	Capelle a/d IJssel	100	100	– EUR	CH
Swisscom Finance B.V. <sup>1</sup>	Rotterdam	100	100	0.1 EUR	OT
<b>Austria</b>					
Swisscom IT Services Finance SE <sup>2</sup>	Vienna	100	100	3.3 EUR	OT
<b>Spain</b>					
Webtiser Spain Ltd <sup>2</sup>	Madrid	100	100	0.1 EUR	CH
<b>USA</b>					
Swisscom Cloud Lab Ltd <sup>2</sup>	Delaware	100	100	– USD	OT

1 Participation directly held by Swisscom Ltd.

2 Participation indirectly held by Swisscom Ltd.

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4 CH = Switzerland, IT = Italy, OT = Others

## 6 Other disclosures

This chapter contains additional information that is not already disclosed in other parts of the report, such as information on income taxes and related party transactions.

### 6.1 Income taxes

#### Income tax expense

In CHF million	2025	2024
Current income tax expense	260	380
Adjustments recognised for current tax of prior periods	28	(8)
Deferred income tax expense	9	(52)
<b>Total income tax expense recognised in income statement</b>	<b>297</b>	<b>320</b>

In addition, other comprehensive income includes current and deferred income taxes, which are as follows:

In CHF million	2025	2024
Foreign currency translation adjustments of foreign subsidiaries	(2)	(3)
Actuarial gains and losses from defined benefit pension plans	3	(4)
Change in fair value of equity instruments	–	–
Change in cash flow hedges	2	(8)
<b>Total income tax expense recognised in other comprehensive income</b>	<b>3</b>	<b>(15)</b>



### Analysis of income taxes

The applicable income tax rate used in the following analysis of income tax expense is calculated as the weighted average income tax rate based on the pre-tax income of each Group company. The

applicable tax rate changes from year to year due to changes in the mix of the Group company's pre-tax profits and changes in statutory tax rates.

In CHF million	2025	2024
<b>Income before income taxes</b>	<b>1,567</b>	<b>1,861</b>
Applicable income tax rate	16.2%	17.5%
<b>Income tax expense at the applicable income tax rate</b>	<b>254</b>	<b>326</b>
<b>Reconciliation to reported income tax expense</b>		
Effect of changes in tax laws	–	(15)
Effect of use of different income tax rates	27	23
Effect of non-recognition of tax loss carry-forwards	1	1
Effect of exclusively tax-deductible expenses and income	–	(12)
Effect of exclusively non-tax-deductible expenses and income	(13)	5
Effect of income tax of prior periods	28	(8)
<b>Total income tax expense</b>	<b>297</b>	<b>320</b>
Effective income tax rate	19.0%	17.2%

### Current income tax assets and liabilities

In CHF million	2025	2024
<b>Current income tax liabilities at 1 January, net</b>	<b>204</b>	<b>202</b>
Recognised in income statement	288	372
Recognised in other comprehensive income	–	(4)
Business combinations	–	(69)
Income taxes paid	(280)	(297)
<b>Current income tax liabilities at 31 December, net</b>	<b>212</b>	<b>204</b>
Thereof current income tax assets	(96)	(82)
Thereof current income tax liabilities	308	286

### Deferred income tax assets and liabilities

In CHF million	31.12.2025			31.12.2024		
	Assets	Liabilities	Net amount	Assets	Liabilities	Net amount
Property, plant and equipment	275	(646)	(371)	308	(644)	(336)
Intangible assets	1	(683)	(682)	4	(616)	(612)
Right-of-use assets	17	(199)	(182)	18	(206)	(188)
Lease liabilities	108	(18)	90	108	(29)	79
Provisions	225	(59)	166	234	(39)	195
Tax losses carry-forwards	473	–	473	323	–	323
Other	166	(207)	(41)	219	(211)	8
<b>Total tax assets (tax liabilities)</b>	<b>1,265</b>	<b>(1,812)</b>	<b>(547)</b>	<b>1,214</b>	<b>(1,745)</b>	<b>(531)</b>
Thereof deferred tax assets			354			330
Thereof deferred tax liabilities			(901)			(861)

Tax loss carry-forwards for which no deferred tax assets were recognised expire as follows:

In CHF million	31.12.2025 <sup>1</sup>	31.12.2024
Expiring within 1 year	1	–
Expiring within 2 to 7 years	18	16
No expiration	–	–
<b>Total unrecognised tax loss carry-forwards</b>	<b>19</b>	<b>16</b>



### Global minimum taxation

Swisscom is within the scope of the OECD Global Minimum Tax (Pillar Two). The global minimum tax framework requires payment of an additional tax to the extent that a jurisdiction's effective GloBE (Global Anti-Base Erosion) tax rate per country is below the minimum rate of 15%. In Switzerland and most other countries in which Swisscom operates, legislation implementing the global minimum tax became effective on 1 January 2024. Effective 1 January 2025, the Swiss government introduced the Income Inclusion Rule (IIR), which requires Switzerland to levy taxes on Pillar Two-qualifying profits not only in Switzerland but of subsidiaries in other jurisdictions not reaching the 15% minimum rate. Swisscom has assessed the impact of the new rules based on applicable tax laws, country-specific tax rates and information available for the Group companies. Based on this assessment, Swisscom qualifies for application of the transitional safe-harbour rules under the global minimum tax regime in each relevant jurisdiction. Accordingly, Swisscom does not expect to incur additional income taxes related to the global minimum tax. In accordance with the IAS 12 amendments, Swisscom applies the mandatory temporary exception from recognising deferred tax assets and liabilities related to Pillar Two topup taxes. Swisscom monitors ongoing developments regarding the minimum tax regulations and continuously evaluates their potential impact on Swisscom.

### Other disclosures

As at 31 December 2025, Swisscom recognised deferred taxes liabilities of CHF 6 million on the undistributed earnings of subsidiaries (prior year: none). Temporary differences relating to subsidiaries and equity-accounted investees, for which no deferred tax liabilities are recognised as at 31 December 2025, amounted to CHF 3,326 million (prior year: CHF 3,779 million).

### Significant judgements or estimates

The recognition of deferred tax assets arising from tax loss carryforwards is based on management's assessment of the probability that sufficient taxable profits will be available in future periods within the relevant legal entity or tax group to utilise these losses. In forming this assessment, management considers all available evidence, including historical profitability and approved business plans.

## Accounting policies

Income taxes comprise all current and deferred taxes that are based on income. Taxes that are not based on income, such as real estate and capital taxes, are presented within other operating expenses. Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be utilised against future taxable income. Deferred tax liabilities on undistributed earnings of subsidiaries are recognised only when a distribution is planned or expected to occur in the foreseeable future. When uncertainties in income tax treatments exist, amounts recognised in the consolidated financial statements correspond to those reflected in the filed tax returns only if it is probable that the tax authorities will accept the positions taken. Where acceptance is not probable, the related uncertainty is reflected in the measurement of the tax amounts by applying a best estimate of the expected outcome. If there are only a few possible outcomes, the most likely amount is used; if multiple outcomes are possible, the expected value is determined using a probability-weighted approach. Current and deferred tax assets and liabilities are offset when they relate to the same taxable entity and authority and when a legal right of offset exists.

## 6.2 Related parties

### Majority shareholder and equity-accounted investees

#### Majority shareholder

Pursuant to the Swiss Federal Telecommunications Enterprises Act (TEA), the Swiss Confederation ('the Confederation') is required to hold a majority of the share capital and voting rights of Swisscom. As at 31 December 2025, the Confederation, as majority shareholder, held 51% of the issued shares (prior year: 51%). Any reduction of the Confederation's ownership below a majority shareholding would require a change in law, which must be approved by the Swiss Parliament and would be subject to an optional referendum by Swiss voters. As majority shareholder, the Confederation has the power to control decisions of the Annual General Meeting of Shareholders, which are passed by an absolute majority of validly cast votes. This primarily concerns resolutions on dividend

distributions and the election of members of the Board of Directors. Swisscom provides telecommunications services to and purchases services from the Confederation. The term 'Confederation' includes its ministries, administrative bodies and other companies controlled by the Confederation (including, in particular Swiss Post, Swiss Federal Railways, RUAG and Skyguide). All transactions with the Confederation and its related entities are conducted within the framework of normal customer and supplier relationships and on terms equivalent to those applying to unrelated third parties. In addition, financing transactions are entered into with Swiss Post under market conditions.

#### Equity-accounted investees

Services provided to or received from equity-accounted investees are priced at market conditions. Details of these investments are presented in Note 5.4.

### Transactions and balances

In CHF million	Income	Expense	Receivables	Liabilities
<b>2025 financial year</b>				
Confederation	219	54	36	326
Equity-accounted investees	1	51	–	–
<b>Total 2025 / balance at 31 December 2025</b>	<b>220</b>	<b>105</b>	<b>36</b>	<b>326</b>

In CHF million	Income	Expense	Receivables	Liabilities
<b>2024 financial year</b>				
Confederation	225	63	38	329
Equity-accounted investees	1	51	6	2
<b>Total 2024 / balance at 31 December 2024</b>	<b>226</b>	<b>114</b>	<b>44</b>	<b>331</b>



### Occupational pension schemes and compensation payable to individuals in key positions

Transactions between Swisscom and the various pension funds are detailed in Note 4.3. Compensation paid to individuals in key positions is disclosed in Note 4.2.

### 6.3 Sale of shares in FiberCop in 2024

In June 2024, Fastweb signed a contract for the sale of its 4.5% stake in FiberCop to Optics Bidco S.A., a subsidiary of Kohlberg Kravis Roberts & Co. L.P. (KKR). KKR is thus acquiring all FiberCop shares held by Fastweb for an amount of EUR 439 million (CHF 423 million). The transaction was completed in July 2024. In Swisscom's consolidated financial statements, FiberCop was recognised at fair value through other comprehensive income and reported under other financial assets. The difference of EUR 189 million (CHF 181 million) between the purchase price and the previous carrying amount was recognised as income in other comprehensive income in the second quarter of 2024.

### 6.4 Other accounting policies

#### Foreign currency translation

Foreign currency transactions which are not denominated in the functional currency are translated into the functional currency using the exchange rate prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the closing exchange rate at the balance sheet date. Non-monetary items are translated at the exchange rate at the date of the transaction. Exchange differences arising upon translation are recognised in the income statement. The assets and liabilities of subsidiaries and equity-accounted investees with a functional currency different from Swisscom's presentation currency are translated at the exchange rates prevailing at the balance sheet date. The related income statements and cash flow statements are translated at average exchange rates for the period. Exchange differences resulting from the translation of net assets and income statements are recognised in other comprehensive income.

#### Significant foreign currency translation rates

Currency	Closing rate in CHF			Average rate in CHF	
	31.12.2025	31.12.2024	31.12.2023	2025	2024
1 EUR	0.931	0.941	0.985	0.937	0.951
1 USD	0.793	0.906	0.923	0.836	0.879

#### Amendments to IFRS Accounting Standards and Interpretations whose application is not yet mandatory

The following IFRS Accounting Standards and Interpretations published up to the end of 2025 are mandatory from the 2026 financial year onwards.

Standard	Name	Effective from
Amendments to IFRS 9	Adjustments to the classification and measurement of financial instruments	1 January 2026
Amendments to IFRS 7 and 9	Contracts relating to nature-based electricity	1 January 2026
IFRS 18	Presentation and disclosure of the financial statements	1 January 2027

IFRS 18 'Presentation and Disclosure in Financial Statements' will replace IAS 1 'Presentation of Financial Statements' and is to be applied retrospectively. Swisscom expects to apply the new standard from the 2027 financial year and is currently reviewing the impact in particular with regard to the structure of the consolidated financial statements and the additional disclosure requirements for management-defined performance measures (MPMs). In addition, Swisscom is reviewing the impact on the way in which information is grouped in the consolidated financial statements.

The other new or amended standards are not expected to have any material impact on Swisscom's consolidated financial statements.



## Report of the statutory auditor to the General Meeting of Swisscom Ltd, Ittigen

### Report on the audit of the consolidated financial statements

#### Opinion

We have audited the consolidated financial statements of Swisscom Ltd and its subsidiaries (the Group), which comprise the consolidated statement of comprehensive income for the year ended 31 December 2025, the consolidated balance sheet as at 31 December 2025, the consolidated statement of cash flows and the consolidated statement of changes in equity for the year then ended as well as notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements (pages 167 to 208) give a true and fair view of the consolidated financial position of the Group as at 31 December 2025 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards and comply with Swiss law.

#### Basis for opinion

We conducted our audit in accordance with Swiss law, International Standards on Auditing (ISA) and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the 'Auditor's responsibilities for the audit of the consolidated financial statements' section of our report. We are independent of the Group in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession that are relevant to audits of the financial statements of public interest entities, as well as the International Code of Ethics for Professional Accountants (including

International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code), as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Our audit approach



#### Overview

Overall group materiality: CHF 100 million

The entities addressed by our full scope audit work as well as specific scope audit contribute to 94% of the Group's revenue.

As key audit matters the following areas of focus have been identified:

- Goodwill Italy
- Revenue recognition – IT services with business customers
- Recoverability of technical installations and intangible assets Swisscom Switzerland
- Final Purchase Price Allocation for Vodafone Italia

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**Materiality**

The scope of our audit was influenced by our application of materiality. Our audit opinion aims to provide reasonable assurance that the consolidated financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall Group materiality for the consolidated financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate, on the consolidated financial statements as a whole.

<b>Overall group materiality</b>	CHF 100 million
<b>Benchmark applied</b>	EBITDA after lease expense (EBITDaL)
<b>Rationale for the materiality benchmark applied</b>	We chose EBITDaL as the benchmark because, in our view, it is the benchmark against which the performance of the Group is most commonly measured, and it is a generally accepted benchmark in the industry.

We agreed with the Audit Committee that we would report to them misstatements above CHF 5 million identified during our audit as well as any misstatements below that amount which, in our view, warranted reporting for qualitative reasons.

**Audit scope**

We designed our audit by determining materiality and assessing the risks of material misstatement in the consolidated financial statements. In particular, we considered where subjective judgements were made; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates.

**Key audit matters**

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



**Goodwill Italy**

**Key audit matter**

The impairment testing of goodwill relating to the cash-generating unit Italy was deemed a key audit matter for the following reasons:

- As at 31 December 2025, the goodwill relating to the cash-generating unit Italy amounted to CHF 1,893 million, which is a significant amount.
- In performing the annual impairment test of the goodwill Italy, management has considerable scope for judgement regarding the expected future cash flows, the discount rate (WACC) used and the forecasted growth including the terminal growth rate.

Please refer to note 3.4 ‘Goodwill’ (page 194) in the notes to the consolidated financial statements.

**How our audit addressed the key audit matter**

During our audit, we assessed the design of the controls implemented to assess the recoverability of the goodwill Italy. We assessed with regard to the impairment test whether a correct valuation method was used, the calculation was coherent and the assumptions made were appropriate.

In doing so, we challenged the input data and assumptions relating to the underlying cash flows of the impairment test.

Regarding the discount rate used, we analysed together with our own valuation specialists how it was derived and compared it with our own calculation.

Furthermore, we examined whether the information on impairment testing in the notes to the consolidated financial statements was disclosed correctly.

**Revenue recognition – IT services with business customers**

**Key audit matter**

For the 2025 financial year, Swisscom reports revenue of CHF 15,048 million of which CHF 2,005 million is generated with IT services. A significant portion of this revenue is related to IT services with business customers in Switzerland.

We consider the revenue recognition of IT services with business customers in Switzerland to be a key audit matter for the following reasons:

- The specific projects within the IT services are based on complex individual contracts that may include multiple performance obligations. The accounting treatment of these contracts requires management to estimate the expected transaction price and the timing of revenue recognition of the individual performance obligations.
- Ensuring a loss-free valuation of ongoing projects involves substantial management judgement, particularly regarding estimates of future project costs.

Please refer to note 1.1 ‘Segment information’ (page 172) in the notes to the consolidated financial statements.

**How our audit addressed the key audit matter**

We assessed the design and effectiveness of the controls implemented to ensure the correct recognition of revenue for IT services with business customers and evaluated whether management’s estimates are reasonable.

For selected contracts, we evaluated the accounting treatment applied by Swisscom. In particular, we assessed whether management’s estimates of the expected transaction price and the timing of revenue recognition for individual performance obligations were appropriate.

To address the significant scope for judgement when assessing future costs to ensure a loss-free valuation, we performed the following audit procedures:

- We obtained an understanding of the process implemented by management to assess future developments in the IT services and critically assessed that process.
- We discussed with Swisscom their expectations regarding the future development of individual projects and critically assessed those expectations on the basis of current developments.

Using a sample of projects, we compared Swisscom’s forecasts from the previous year with actual developments in the current financial year and analysed any variances.



**Recoverability of technical installations and intangible assets Swisscom Switzerland**

<b>Key audit matter</b>	<b>How our audit addressed the key audit matter</b>
<p>We consider the recoverability of technical installations and intangible assets of Swisscom Switzerland to be a key audit matter for the following reasons:</p> <ul style="list-style-type: none"> <li>As of 31 December 2025 Swisscom recognised a net carrying amount of CHF 10,607 million for technical installations and a net carrying amount of CHF 5,682 million for intangible assets.</li> <li>Management has significant scope for judgement when assessing and determining the useful life of technologies that are in use.</li> </ul> <p>Please refer to note 3.2 'Property, plant and equipment' (page 192) and note 3.3 'Intangible assets' (page 193) in the notes to the consolidated financial statements.</p>	<p>We assessed the design and effectiveness of the controls implemented to ensure the correct useful lives of technical installations and intangible assets.</p> <p>We discussed with management the estimates of the remaining useful lives of existing technologies and critically assessed these on the basis of current developments at Swisscom and other telecommunications companies.</p>

**Purchase Price Allocation for Vodafone Italia**

<b>Key audit matter</b>	<b>How our audit addressed the key audit matter</b>
<p>Swisscom acquired Vodafone Italia as of 31 December 2024 and completed the final purchase price allocation in 2025.</p> <p>We consider the purchase price allocation of the Vodafone Italia acquisition to be a key audit matter for the following reasons:</p> <ul style="list-style-type: none"> <li>The determination of the final purchase price allocation in relation to Vodafone Italia significantly impacts the 2025 income statement and the balance sheet as per 31 December 2025.</li> <li>In preparing the purchase price allocation, management applies significant judgement regarding the choice of valuation methods, input data and assumptions.</li> </ul> <p>Please refer to Note 5.3 'Acquisition of Vodafone Italia' (page 201) in the notes to the consolidated financial statements.</p>	<p>Our audit procedures included assessing the appropriateness of the accounting policies applied by management and compliance with the applicable accounting standards for business combinations.</p> <p>We involved our internal specialists in assessing the valuation methods, input data and assumptions used by management for the acquired assets and liabilities. We challenged the significant assumptions used to determine the fair value of the acquired assets and liabilities in the business combination.</p> <p>Finally, we reviewed the disclosure in the consolidated financial statements for the purchase price allocation for the acquisition of Vodafone Italia.</p>



### Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements, the consolidated financial statements, the remuneration report and our auditor's reports thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Board of Directors' responsibilities for the consolidated financial statements

The Board of Directors is responsible for the preparation of consolidated financial statements, that give a true and fair view in accordance with IFRS Accounting Standards and the provisions of Swiss law, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

### Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law, ISA and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Swiss law, ISA and SA-CH, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.



- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors or its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors or its relevant committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them regarding all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Board of Directors or its relevant committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on other legal and regulatory requirements

In accordance with article 728a para. 1 item 3 CO and PS-CH 890, we confirm the existence of an internal control system that has been designed, pursuant to the instructions of the Board of Directors, for the preparation of the consolidated financial statements.

We recommend that the consolidated financial statements submitted to you be approved.

PricewaterhouseCoopers AG

Petra Schwick  
Licensed audit expert  
Auditor in charge

Arsim Arslani  
Licensed audit expert

Zurich, 11 February 2026



# Financial statements of Swisscom Ltd

## Income statement

In CHF million	2025	2024
Other income	–	–
<b>Total operating income</b>	<b>–</b>	<b>–</b>
Personnel expense	(9)	(13)
Other operating expense	(5)	(5)
<b>Total operating expenses</b>	<b>(14)</b>	<b>(18)</b>
<b>Operating income</b>	<b>(14)</b>	<b>(18)</b>
Financial expense	(264)	(152)
Financial income	317	159
Income from participations	149	3,021
<b>Income before taxes</b>	<b>188</b>	<b>3,010</b>
Income tax expense	(8)	(7)
<b>Annual profit</b>	<b>180</b>	<b>3,003</b>

## Balance sheet

In CHF million	31.12.2025	31.12.2024
<b>Assets</b>		
Cash and cash equivalents	133	1,386
Financial assets	13,521	11,382
Participations	8,430	8,431
Accrued dividends receivable from subsidiaries	–	2,950
Other assets	82	94
<b>Total assets</b>	<b>22,166</b>	<b>24,243</b>
<b>Liabilities and equity</b>		
Interest-bearing liabilities	14,001	15,068
Other liabilities	222	272
<b>Total liabilities</b>	<b>14,223</b>	<b>15,340</b>
Share capital	52	52
Legal capital reserves/capital surplus reserves	21	21
Profit carried forward	7,690	5,827
Annual profit	180	3,003
<b>Total equity</b>	<b>7,943</b>	<b>8,903</b>
<b>Total liabilities and equity</b>	<b>22,166</b>	<b>24,243</b>



## General disclosures

This is a condensed version of the financial statements of Swisscom Ltd. The full version and the report of the statutory auditor can be viewed on the Swisscom website.

[See Financial Statements 2025](#)

Swisscom Ltd is a holding company under Swiss law. As at 31 December 2025, the Swiss Confederation, as majority shareholder, continued to hold 51.0% of the issued shares of Swisscom Ltd as in the prior year. The Telecommunications Enterprise Act (TEA) stipulates that the Swiss Confederation shall hold the majority of the share capital and voting rights of Swisscom Ltd.

The financial statements of Swisscom Ltd have been prepared in accordance with statutory requirements and the Articles of Incorporation. Distributable reserves are not determined on the basis of the equity as reported in the consolidated financial statements, but rather on the basis of equity as reported in the separate financial statements of Swisscom Ltd. Equity totalled CHF 7,943 million in the 2025 annual financial statements of Swisscom Ltd. Under Swiss company law, share capital and the part of the general reserves representing 20% of the share capital may not be distributed. On 31 December 2025, Swisscom Ltd held distributable reserves of CHF 7,881 million. The dividend is proposed by the Board of Directors and must be approved by Swisscom Ltd's Annual General Meeting of Shareholders on 25 March 2026. Treasury shares are not entitled to a dividend.

## Further disclosures

Information on the participation rights held by the members of the Board of Directors and the Group Executive Committee is disclosed in the Remuneration Report (sections 2.5 and 3.5).

As at 31 December 2025, guarantee obligations existed for Group companies in favour of third parties totalling CHF 234 million (prior year: CHF 235 million). In addition, Swisscom Ltd guarantees the debenture bonds issued by its subsidiary Swisscom Finance B.V. with a total notional amount of EUR 6,600 million (CHF 6,145 million). Furthermore, financial assets totalling CHF 118 million (prior year: CHF 140 million) were not freely available. These assets serve to secure commitments arising from bank loans.

## Proposed appropriation of retained earnings

The Board of Directors proposes to the Annual General Meeting of Shareholders to be held on 25 March 2026 that the available retained earnings of CHF 7,870 million for the financial year ended on 31 December 2025 be appropriated as follows:

In CHF million	31.12.2025
<b>Appropriation of retained earnings</b>	
Retained earnings from previous year	8,830
Ordinary dividend	(1,140)
<b>Balance carried forward from previous year</b>	<b>7,690</b>
Annual profit	180
<b>Retained earnings available to the Annual General Meeting</b>	<b>7,870</b>
Ordinary dividend of CHF 26.00 per share	(1,347)
<b>Balance to be carried forward</b>	<b>6,523</b>

If the proposal is approved, a dividend of CHF 26 per share will be paid to shareholders on 31 March 2026.



# Five-year review

In CHF million, except where indicated		2021	2022	2023	2024	2025
<b>Financial data Group</b>						
Revenue		11,183	11,051	11,072	11,017	15,048
EBITDA after lease expense (EBITDAaL)		4,177	4,120	4,334	4,064	4,984
Capital expenditure		2,286	2,309	2,292	2,312	3,064
Operating free cash flow		1,891	1,811	2,042	1,752	1,920
Free cash flow		1,513	1,349	1,480	1,437	1,433
EBITDA		4,478	4,406	4,622	4,767	6,617
EBIT		2,066	2,040	2,205	1,953	1,925
Net income		1,833	1,603	1,711	1,541	1,270
Earnings per share	CHF	35.37	30.93	33.03	29.77	24.54
Equity		10,813	11,171	11,622	12,154	12,238
Equity ratio	%	43.6	45.4	47.0	32.1	34.0
Net debt		7,706	7,374	7,071	16,187	15,633
<b>Swisscom share</b>						
Shares issued	million of shares	51.802	51.802	51.802	51.802	51.802
Market capitalisation		26,657	26,243	26,212	26,134	29,812
Closing price	CHF	514.60	506.60	506.00	504.50	575.50
Closing price highest	CHF	562.40	590.40	619.40	571.00	604.00
Closing price lowest	CHF	456.30	443.40	501.20	486.80	491.00
Dividend per share	CHF	22.00	22.00	22.00	22.00	26.00 <sup>1</sup>
Ratio payout/earnings per share	%	62.2	71.1	66.6	73.9	106.0

In CHF million, except where indicated		2021	2022	2023	2024	2025
<b>Employees</b>						
Full-time equivalent employees	number	18,905	19,157	19,729	23,839	23,266
Average number of full-time equivalent employees	number	19,099	19,046	19,461	19,918	23,545
<b>Information Switzerland</b>						
Revenue		8,233	8,209	8,147	7,976	7,868
EBITDA after lease expense (EBITDAaL)		3,221	3,265	3,484	3,329	3,362
Capital expenditure		1,642	1,698	1,690	1,725	1,692
Operating free cash flow		1,579	1,567	1,794	1,604	1,670
Mobile postpaid access lines	thousand	4,980	5,146	5,350	5,460	5,645
Broadband access lines retail	thousand	2,037	2,027	2,006	1,967	1,938
TV access lines	thousand	1,592	1,571	1,537	1,493	1,462
Fixed telephony access lines	thousand	1,424	1,322	1,226	1,137	1,045
Access lines wholesale	thousand	698	679	692	731	768
Full-time equivalent employees	number	12,889	12,822	13,263	13,319	12,935
<b>Information Italy</b>						
Revenue	EUR million	2,392	2,482	2,633	2,809	7,291
EBITDA after lease expense (EBITDAaL)	EUR million	772	797	743	656	1,687
Capital expenditure	EUR million	601	616	623	628	1,478
Operating free cash flow	EUR million	171	181	120	28	209
Mobile access lines	thousand	2,472	3,087	3,509	20,216	20,054
Broadband access lines retail	thousand	2,750	2,683	2,601	5,916	5,732
Broadband access lines wholesale	thousand	306	458	648	905	1,126
Full-time equivalent employees	number	2,753	3,039	3,157	7,251	7,179

<sup>1</sup> In accordance with the proposal of the Board of Directors to the Annual General Meeting.



# Publishing details

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The Swisscom Group Annual Report 2025 is published in English, German, French and Italian, with the exception of the Sustainability Statements and Financial Statements, which are only published in English. In case of any inconsistencies, the English version shall prevail.

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- English: [www.swisscom.ch/report2025](http://www.swisscom.ch/report2025)
- German: [www.swisscom.ch/bericht2025](http://www.swisscom.ch/bericht2025)
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- Italian: [www.swisscom.com/rapporto2025](http://www.swisscom.com/rapporto2025)

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## Forward-looking statements

This Annual Report contains forward-looking statements. In this Annual Report, such forward-looking statements include, without limitation, statements relating to our financial condition, results of operations and business and certain of our strategic plans and objectives.

Because these forward-looking statements are subject to risks and uncertainties, actual future results may differ materially from those expressed in or implied by the statements. Many of these risks and uncertainties relate to factors which are beyond Swisscom's ability to control or estimate precisely, such as future market conditions, currency fluctuations, the behaviour of other market participants, the actions of governmental regulators and other risk factors detailed in Swisscom's, Fastweb's and Vodafone Italia's (Fastweb + Vodafone) past and future filings and reports, including those filed with the U.S. Securities and Exchange Commission and in past and future filings, press releases, reports and other information posted on Swisscom Group companies' websites.

Readers are cautioned not to put undue reliance on forward-looking statements, which relate only to the date of this communication.

Swisscom disclaims any intention or obligation to update and revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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For the latest information, visit our [www.swisscom.ch](http://www.swisscom.ch)

## Key dates

**12 February 2026**  
2025 Annual Results and Annual Report

**25 March 2026**  
Annual General Meeting

**27 March 2026**  
Ex dividend date

**31 March 2026**  
Dividend payment date

**7 May 2026**  
2026 First-Quarter Results

**6 August 2026**  
2026 Second-Quarter Results

**5 November 2026**  
2026 Third-Quarter Results

**11 February 2027**  
2026 Annual Results and Annual Report