2025 Annual Report

Swisscom Finance B.V.

Contents

Report of the Management Board

The Management Board is pleased to present the set of financial statements of Swisscom Finance B.V. ("the Company") for the financial year ended 31 December 2025. The Company was incorporated on 5 March 2020 as a wholly owned subsidiary of Swisscom AG, Ittigen Bern (Switzerland). The Company is a a private company with limited liability (besloten vennootschap met beperkte aansprakelijkheid) incorporated under laws of the Netherlands with its seat in Rotterdam, the Netherlands, its registered office address at Beursplein 37, 3011AA Rotterdam, the Netherlands.

The main purpose of the Company is to act as a finance company for Swisscom AG, raising funds in the international capital market to finance Swisscom AG's activities and investment plan. The activity of the Company is therefore determined in accordance with the business plan and overall strategy defined for Swisscom AG, its debt maturity schedule and Swisscom AG's financial policy. The Consolidated Financial Statements of Swisscom AG can be consulted on www.swisscom.ch/investor.

Management Board

The Management Board of Swisscom Finance B.V. comprises the following members:

- Carmen Wäfler
- Thomas Ackermann
- Edsel Ramon Steba
- Anouk Nap-Verharen

Business activities during the year

In 2025, the Company issued three bonds in the amount of EUR 1,600 million (CHF 1,488 million) under the current EMNT program in the amount of EUR 10 billion. A first 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 bond of EUR 400 million (CHF 372 million) with a coupon based on 3-month Euribor plus a margin of 0.37% and a maturity of two years and a third bond of EUR 700 million (CHF 652 million) with a coupon of 3.625% and a maturity of 12 years. The bonds are listed on the Luxembourg Stock Exchange. The proceeds raised by the Company were passed through to Swisscom AG as loans. The interest of the loans to Swisscom AG will be the interest on the issued bonds plus a margin. The issuance of bonds and loans to Swisscom AG increased the Company's assets and liabilities.

As per the end of 2025, all existing loan receivable contracts were with Swisscom AG only. The Company evaluated the financial position of Swisscom AG and their ability to repay the notional and interest to the Company. As a result of the assessment, as in the previous year, no impairment loss was recognised for the loans to Swisscom AG.

The Company made a net profit of CHF 5,013 thousand (prior year: CHF 3,611 thousand), which is mainly attributable to the interest rate difference from financing activities. In 2025, net interest income amounted to CHF 7,789 thousand (prior year: CHF 4,896 thousand). Cash flow from operating activities amounted to CHF –31,055 thousand (prior year: CHF +42,028 thousand). Reason for the deviation year-on-year is different interest payments on financial liabilities and financial assets. In 2024, the Company raised financing with annual interest payments, which were invested in short-term investments with third parties until the end of 2024. Interest income on these investments were already received in 2024, while the interest expense on the debt issued was only partially paid until the end of 2024. At the end of 2024, intercompany loans were granted to Swisscom AG. These loans have the same maturities as the debt issued. In 2025, interest expense on the debt issued in 2024 had to be paid on an annual basis, while the interest income on the granted intercompany loans was only paid on a pro rata basis.

Risk Management

In the ordinary course of its business the Company is exposed to several financial risks. The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance. These include among others, currency risks, interest rate risks, credit risks and liquidity risks. These risks are managed and monitored in accordance with the Swisscom Group Treasury Policy, which describes objectives, responsibilities and management of treasury risks.

The main financial risks arising from the Company's financial instruments are currency risk, interest rate risk and liquidity risk. Additionally, there is a limited credit and counterparty default risk. Management of these risks is performed in accordance with Swisscom AG Group financial risk management policy. The currency risk is mitigated by means of raising the funds in the same currency as the corresponding financing provided to the borrowers. Interest rates on bonds and loans are fixed. The interest rate risks of the Company are limited or close to zero, because the assets and liabilities are naturally hedged given the bonds and loans have matching nominal amounts and fixed interest rates. The maturity dates of the Company's funding do match with maturity dates of the corresponding loans provided by the Company to Swisscom AG. In addition, the timing of payment schedules of the financial assets corresponds to that of the financial liabilities.

The operational activities of the Company are performed by a small team of experienced staff. In addition, procedures for mitigating the risks relating to the operational activities are in place. Furthermore, the Company participates in the Swisscom AG Internal Control System (ICS). The Swisscom AG ICS encompasses the following internal control components: control environment, assessment of accounting risks, control activities, monitoring controls, information and communication. The accounting unit of Swisscom AG, which reports to the CFO of Swisscom AG, manages and monitors the ICS. The internal audit department of Swisscom AG periodically reviews the functioning and effectiveness of the ICS. Significant shortcomings in the ICS identified during these monitoring and review activities are reported together with the corrective measures in a status report to the Audit Committee of Swisscom AG twice a year and to the Board of Directors of Swisscom AG on an annual basis. Should the ICS risk assessment change significantly, the Chairman of the Audit Committee of Swisscom AG is informed without delay. Corrective measures to remedy the shortcomings are monitored by the accounting unit of Swisscom AG. The Audit Committee of Swisscom AG assesses the performance and effectiveness of the ICS on the basis of the periodic reporting.

The Company has access to various resources within the Swisscom Group, e.g. the departments Group Compliance, Accounting, Legal and Tax, in order to mitigate the identified risks. Furthermore, the Management Board has access to a network of external legal and tax advisors in order to mitigate possible risks and uncertainties.

Future business developments and financing

The Management Board will maintain and update the existing EMTN program. The Company may issue further bonds under the EMTN program in 2026 and thus also grant new loans to Swisscom AG. This will depend on the financing requirements of Swisscom AG. In addition, a bond in the amount of EUR 500 million will mature in 2026. With the maturity of the bond, an intercompany loan from Swisscom AG will also become due. The bond that is due will be repaid with the funds received from the repayment of the intercompany loan.

The financial result of the Company is expected to remain positive as a result of the interest margin and no increase of credit risk is expected. The Management Board also expects net positive cash flow for the year ending 31 December 2026 as well as in the foreseeable future. There are no events after the reporting date that should be taken into account for the financial statements.

Compliance and integrity

Acting with Integrity, Compliance and honesty is an essential prerequisite for the success of the Swisscom Group. For this reason, compliance with national and international laws and regulations, internal rules and guidelines and voluntary commitments is among the Company's most important principles The focus of the Company's compliance organization is on preventing corruption, fraud, breaches of trust and money laundering and thereby reducing the risk of unlawful actions. The Swisscom Group's Code of Conduct is mandatory throughout the Group, and thus also within the Company. It is the main tool for reinforcing awareness of good conduct, ethical principles and an integrity culture among the employees and providing them assistance, as well as suitable contacts in case of uncertainty. The full text of the Code of Conduct can be found on www.swisscom.ch. Next to the Swisscom Group's Code of Conduct, other Group policies and guidelines on specific compliance issues have been implemented within the Company. Where laws and regulations have been violated, the Swisscom Group Whistleblower System is a reporting tool for taking appropriate actions where misconduct is proven.

The fraud risk of the Company is considered limited, given its role as a financing entity within the Swisscom Group and the absence of operational or commercial activities. The Company's transactions are limited in number, highly standardized and mainly relate to bond issuances and back-to-back loans to Swisscom AG, resulting in predictable and transparent cash flows. Payments are executed through Swisscom Group treasury systems and are subject to automated controls, segregation of duties and the four-eyes principle. No instances of internal fraud were identified during the financial year that had a material impact on the financial statements on the Company.

Climate change

The Company's exposure to climate change is mainly through potential impacts of climate change to the Swisscom Group. Swisscom AG is committed to the environment and is today one of the most sustainable telecommunications companies in the world. Swisscom AG is aiming for the net-zero target by 2035 in accordance with the Science Based Targets initiative (SBTi). No significant direct impacts are expected for the Company's financial position. For more information on Swisscom AG's sustainability see www.swisscom.ch/responsibility.

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, 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. It is believed that high-quality, trustworthy sustainability reporting is a prerequisite for effective planning, monitoring and management of sustainability issues across the Group, and will help Swisscom meet its strategic sustainability targets.

Events after the reporting date

No events have occurred since 31 December 2025 which would make the present financial position materially different from that shown in the statement of financial position as of that date or which would require adjustment to or disclosure in the financial statements.

Management representation

The members of the Management Board confirm that, to the best of their knowledge:

- the financial statements give a true and fair view, in all material respects, of the assets, the liabilities, the financial position and profit and loss of the Company;
- the annual report gives a true and fair view, in all material respects, of the Company as per 31 December 2025 and the business activities during 2025;
- there are no special events that should be taken into accounts for the financial statements; and
- the annual report describes the material risks that the Company is facing.

5 February 2026

The members of the Management Board,

Carmen Wäfler	Thomas Ackermann
Edsel Ramon Steba	Anouk Nap-Verharen

Report of the Supervisory Board

The Supervisory Board of Swisscom Finance B.V. comprises the following members:
- Peter Burkhalter (Swisscom)
- Stefan Zahler (Swisscom)

The Supervisory Board met in February 2025. During this meeting the Management Board presented the business results for the year 2025. The Supervisory Board approved the financial statements 2024 and appointed PricewaterhouseCoopers Accountants N.V., Amsterdam as the Company's independent auditor for the year 2026.

In the reporting period, the Company did issue new bonds in the amount of EUR 1.6 billion (CHF 1.5 billion) under the existing EMTN programm and passed through the raised funds as loans to Swisscom AG. The interest on the loans to Swisscom AG will be the interest on the issued bonds plus a margin. In 2026, new financings are expected and investments will continue in 2026.

The Company's exposure to climate change is mainly through potential impacts of climate change to the Swisscom Group. No significant direct impacts are expected for the Company's financial position The Supervisory Board notes that the Swisscom Group is preparing a consolidated Sustainability Statements on a voluntary basis for the first time in 2025. The Sustainability Statements will meet the requirements of the Corporate Sustainability Reporting Directive (CSRD) and European Sustainability Reporting Standards (ESRS). The Company's Supervisory Board is unbalanced since less than 30% of its members are female. The Company's Supervisory Board members have been appointed based on qualifications and availability, irrespective of gender. In order to create more balance, the Boards will take these regulations into account to the extent possible with respect to future appointments of Board members.

The financial statements for the financial year ended 31 December 2025 as presented by the Management Board have been audited by PricewaterhouseCoopers Accountants N.V. The independent auditor's report is included in this report. The Supervisory Board has authorized the financial statements for the financial year ended 31 December 2025 of Swisscom Finance B.V. for issue by the Management Board on 5 February 2026 for approval of the General Meeting of Shareholders. The Supervisory Board recommends that the General Meeting of Shareholders adopts the financial statements 2025.

The Supervisory Board takes this opportunity to express its appreciation for the performance of the Management Board during the financial year ended 31 December 2025.

5 February 2026

The members of the Supervisory Board,

Peter Burkhalter Stefan Zahler

Statement of profit or loss

For the year ended 31 December

In CHF thousand	Note	2025	2024
Income statement			
Interest income	5	181,083	94,875
Interest expense	5	(173,294)	(89,979)
Net interest income		**7,789**	**4,896**
Other income		–	667
Other expenses	7	(915)	(757)
Foreign exchange gains and losses, net		(135)	43
Profit before income taxes		**6,739**	**4,849**
Income taxes	8	(1,726)	(1,238)
Net profit		**5,013**	**3,611**
Attributable to non-controlling interests		–	–
Attributable to equity holders of the Company		5,013	3,611

The following notes form an integral part of these financial statements.

Statement of comprehensive income

For the year ended 31 December

In CHF thousand	Note	2025	2024
Comprehensive income			
Net profit		5,013	3,611
Other comprehensive income		–	–
Total comprehensive income		**5,013**	**3,611**
Attributable to non-controlling interests		–	–
Attributable to equity holders of the Company		5,013	3,611

The following notes form an integral part of these financial statements.

Statement of financial position

(before profit appropriation)

In CHF thousand	Note	31.12.2025	31.12.2024
Assets			
Financial assets	1	5,635,552	4,666,928
Total non-current assets		**5,635,552**	**4,666,928**
Financial assets	1	523,820	33,733
Other assets		7	7,261
Cash and cash equivalents	2	11,007	9,452
Total current assets		**534,834**	**50,446**
Total assets		**6,170,386**	**4,717,374**
Liabilities and equity			
Issued capital	3	105	105
Capital reserves	3	2,001	2,001
Retained earnings	3	4,514	903
Undivided result	3	5,013	3,611
Total equity		**11,633**	**6,620**
Financial liabilities	4	5,637,272	4,666,383
Total non-current liabilities		**5,637,272**	**4,666,383**
Financial liabilities	4	519,431	43,670
Income tax liabilities	8	2,034	660
Other liabilities		16	41
Total current liabilities		**521,481**	**44,371**
Total liabilities		**6,158,753**	**4,710,754**
Total liabilities and equity		**6,170,386**	**4,717,374**

The following notes form an integral part of these financial statements.

Statement of cash flows

For the year ended 31 December

In CHF thousand	Note	2025	2024
Profit before income taxes		6,739	4,849
Adjustments for:			
Interest income	5	(181,083)	(94,875)
Interest expense	5	173,294	89,979
Foreign exchange gains and losses, net		135	(43)
Change in other assets		7,254	(578)
Change in other liabilities		(25)	3
Interest received		118,967	87,094
Interest paid		(155,991)	(43,802)
Income taxes paid		(345)	(599)
Cash flow generated from operations		**(31,055)**	**42,028**
Issuance of financial assets	1	(1,476,717)	(4,231,865)
Repayment of financial assets	2	32,834	–
Cash flow from investing activities		**(1,443,883)**	**(4,231,865)**
Issuance of financial liabilities	4	1,476,706	4,389,549
Cash flow from financing activities		**1,476,706**	**4,389,549**
Net increase in cash and cash equivalents		**1,768**	**199,712**
Cash and cash equivalents at beginning of period		9,452	2,572
Effects of exchange rate changes on cash and cash equivalents		(213)	(192,832)
Cash and cash equivalents at end of period		**11,007**	**9,452**

The following notes form an integral part of these financial statements.

Statement of changes in equity

In CHF thousand	Share capital	Capital reserves	Retained earnings	Undivided result	Total equity
Transaction with owners in their capacity as owners					
Balance at 1 January 2024	**105**	**2,001**	**686**	**217**	**3,009**
Net profit	–	–	–	3,611	3,611
Other comprehensive income	–	–	–	–	–
Total comprehensive income	**–**	**–**	**–**	**3,611**	**3,611**
Profit appropriation	–	–	217	(217)	–
Balance at 31 December 2024	**105**	**2,001**	**903**	**3,611**	**6,620**
Net profit	–	–	–	5,013	5,013
Other comprehensive income	–	–	–	–	–
Total comprehensive income	**–**	**–**	**–**	**5,013**	**5,013**
Profit appropriation	–	–	3,611	(3,611)	–
Balance at 31 December 2025	**105**	**2,001**	**4,514**	**5,013**	**11,633**

Notes to the financial statements

General information

Swisscom Finance B.V. (hereafter "the Company") is a financing company of Swisscom AG, Ittigen (Berne), Switzerland. The Company was incorporated on 5 March 2020. Its principal activities consist of the issuance of debt instruments and funding of the Swisscom Group. The Company has its registered office at Beursplein 37, 3011AA Rotterdam, the Netherlands, registered under number 77555104 with the Dutch trade register "Kamer van Koophandel" and is a 100% subsidiary of Swisscom AG, which is also the ultimate parent of the Company. The Company's financial statements are included in the consolidated financial statements of Swisscom AG, which are publicly available on www.swisscom.ch.

Basis of preparation

The financial statements have been prepared under the historical cost convention, unless a standard or interpretation prescribes another measurement basis for a particular line item, in which case this is explicitly stated in the accounting policies. In our opinion, the financial statements of Swisscom Finance B.V. ('the Company') give a true and fair view of the financial position of the Company as at 31 December 2025, and of its result and its cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the EU and the relevant provisions of Part 9 of Book 2 of the Dutch Civil Code. All IFRS Accounting Standards issued by the International Accounting Standards Board (hereafter "IASB") adopted by the European Commission for use in the EU and effective at the time of preparing these financial statements have been applied by the Company. The financial statements include the financial year ended 31 December 2025. The functional and presentation currency of the Swisscom Group is Swiss Franc (CHF). The Company decided in line with IAS 21 to use the same functional and presentation currency as the Swisscom Group, which is CHF. All values are rounded to the nearest thousand except when indicated otherwise.

The Company has made an assessment of its ability to continue as a going concern and has concluded that there is not a risk of going concern for a foreseeable future, at least 12 months from the date of authorisation for issue of these financial statements. The Company's ability to continue as a going concern is dependent on the development of the financial performance of Swisscom AG, to which loans have been issued. The Company's Management Board evaluated the financial position of Swisscom AG and its ability to repay the notional and interest to the Company. The Company has not identified events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. The Company will continue to monitor its solvency and liquidity position. Management Board believes that there is no going concern risk as there isn't a material uncertainty for the Company for the next 12 months from the date of authorisation for issue of these financial statements.

IFRS, amendments to IFRS and Interpretations which are to be applied for the first time in the financial year

In 2025, the following standards and amendments to standards were applicable to the Company for the first time:

- **Amendments to IAS 21:** Lack of exchangeability

The new and amended standards and interpretations do not have a material impact on the results or financial position of the Company.

Amendments to IFRS, whose application is not yet mandatory

The following amendments to IFRS published up to the end of 2025 are mandatory for annual periods beginning on or after 1 January 2026:

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 in Financial Statements	1 January 2027
IFRS 19	Subsidiaries without Public Accountability: Disclosures	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. The company will apply the new standard from the 2027 financial year and is currently assessing the impact, particularly with regard to the structure of the financial statements. The company is also assessing the impact on the way in which the information is grouped in the financial statements.

The other new or amended standards are not expected to have a material impact on the company's financial statements.

Accounting policies

The material principles on recognition and measurement outlined below were applied uniformly to all accounting periods presented in these financial statements.

Financial instruments

Financial instruments are recognized as soon as the Company becomes a party to the contractual regulations of the financial instrument. However, in the case of regular way purchase or sale, the settlement date is relevant for the initial recognition and derecognition. This is the day on which the asset is delivered to or by the Company. In general, financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company currently has a right to offset the recognized amounts and intends to settle on a net basis. Transferred financial assets are derecognized in full if substantially all the risks and rewards of ownership are transferred or if some of the risks and rewards of ownership are transferred (risk sharing) and the acquirer has both the legal and the practical ability to sell the assets to a third party. If, in cases where risk is shared, the acquirer is unable to sell the assets to a third party, the assets will continue to be recognized to the extent the maximum risk retained. Financial liabilities are derecognized when the obligation specified in the contract expires or if there is a substantial modification of the terms of the contract.

The Company has not yet made use of the option to designate financial instruments upon initial recognition as at fair value through profit or loss. Financial assets include demand deposits and loans to Swisscom AG and interest receivables. They are measured at fair value upon initial recognition and subsequently measured at amortized cost. The fair values recognized in the statement of financial position are generally based on market prices of the financial assets. If these are not available, the fair value is determined using standard valuation models based on current market parameters.

For the classification and measurement of demand deposits and loans to Swisscom AG, the respective business model for managing the loans and whether the instruments have the characteristics of a standard loan, i.e., whether the cash flows are solely payments of principal and interest, is relevant. If the assets have these characteristics and if the business model is to hold to collect the asset's contractual cash flows, they are measured at amortized cost. This is computed using the effective interest method. The calculation takes into account any premium or discount on acquisition and includes transaction costs and fees that are an integral part of the effective interest rate. The Company follows an expected credit losses approach for measuring impairment. The loss allowance is determined at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. Otherwise, the loss allowance is calculated at an amount equal to twelve-month expected credit losses. In this case, losses incurred later than twelve months after the reporting date would therefore not be considered. When a loss allowance for expected credit losses is being determined, the historical probability of default supplemented by the relevant future parameters for the credit risk is used as the basis for the calculation. For all loans to Swisscom AG, publicly available market data related to the Swisscom AG debt portfolio is used to determine the loss allowance for expected credit losses.

Financial liabilities include bonds, interest liabilities and other liabilities. They are measured at fair value on initial recognition and subsequently measured at amortized cost. For all financial liabilities not subsequently measured at fair value through profit or loss, the transaction costs directly attributable to the acquisition are also a component of the carrying amount. Subsequent to initial recognition all non-derivative financial liabilities are measured at amortized cost using the effective interest method. Financial liabilities are derecognized when the obligation under the liability is discharged, cancelled or expires.

The Company does not use or hold derivative financial instruments.

Cash and cash equivalents

Cash and cash-equivalents, which include the balance from bank accounts, are generally measured at amortized cost. Cash is cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value. Investments normally only qualify as cash equivalent if they have a short maturity of three months or less from the date of acquisition.

Equity

Ordinary shares are classified as equity. When new shares are issued, they are recorded in share capital at their par value. The excess of the issue price over the par value is recorded to the capital reserves. Incremental costs directly attributable to the issue of new ordinary shares are shown in equity as a deduction, net of tax, from the proceeds and recorded to the capital reserves. Dividend distribution to the Company's shareholders is recognized as a liability in the Company's financial statements in the period in which the dividends are approved by the Company's shareholders.

Interest income and expense

Interest income (expense) is recognized as it accrues, using the effective interest method. Interest expense includes the amortization of the paid transaction costs as well as the paid discount and received premium of the financial instrument.

Other income

Other income includes charges to Swisscom AG in connection with financing costs.

Other expenses

Other expenses include service, audit and consultancy fees and are recognized at cost.

Income taxes

The tax expense for the period comprises of current income tax. Current income tax is recognized in the statement of comprehensive income based on the applicable enacted income tax rate for the year applied to the current year statutory profit before tax. No deferred taxes are recognized.

Foreign currency translation

Foreign-currency transactions are translated into the functional currency at the exchange rate at the date of transaction. At reporting dates, monetary items are translated at the closing rate, and non-monetary items are translated at the exchange rate at the date of transaction. Exchange rate differences are recognized in foreign exchange gains and losses, net in statement of comprehensive income.

The exchange rates of significant currencies are as follows:

Currency	2025	2024
Closing rate		
1 EUR	0.931	0.941
Average rate		
1 EUR	0.937	0.951

Statement of cash flows

The statement of cash flows has been prepared using the indirect method. The cash items disclosed in the statement of cash flows comprise of cash at banks and of deposits with a maturity less than three months. Cash flows denominated in foreign currencies have been translated at average estimated exchange rates. Exchange differences affecting cash items are shown separately in the Statement of cash flows. Interest paid and received, and income taxes are included in cash from operating activities. Dividends paid are recognized as cash used in financing activities.

Significant judgements and estimates

The preparation of financial statements in conformity with EU-IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company’s accounting policies. The area involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are the estimates relating to impairment losses as disclosed in Note 6. The determination of the Swiss Franc (CHF) as the functional currency is considered as a significant judgement.

Disclosures

1 Financial assets

In CHF thousand	2025	2024
Balance at beginning of period	**4,700,661**	**460,278**
Issuance of loans	1,476,717	4,198,948
Issuance of demand deposits	–	32,917
Repayment of demand deposits	(32,834)	–
Interest income	180,820	3,343
Interest received	(118,703)	(2,243)
Foreign currency translation adjustments	(47,289)	7,418
Balance at 31 December	**6,159,372**	**4,700,661**
Loans to Swisscom AG	6,100,173	4,666,928
Demand deposits to Swisscom AG	–	32,917
Accrued interest income	59,199	816
Total financial assets	**6,159,372**	**4,700,661**
Thereof current financial assets	523,820	33,733
Thereof non-current financial assets	5,635,552	4,666,928

In 2025, the Company issued new bonds in the amount of EUR 1,600 million (CHF 1,488 million) and passed through the raised funds as loans to Swisscom AG. The interest on the loans to Swisscom AG are the interest on the issued bonds issued in 2025 plus a margin of 0.10%. The trances and maturities of the loans correspond the bonds issued in 2025 (see Note 4).

In connection with the acquisition of Vodafone Italia, the Company granted Swisscom AG loans of EUR 4,463 million (CHF 4,199 million) as at 31 December 2024. The interest on the loans to Swisscom AG are the interest on the issued bonds issued in 2024 plus a margin of 0.10%. The trances and maturities of the loans correspond the bonds issued in 2024 (see Note 4).

In 2020, the Company granted Swisscom AG a loan of EUR 500 million (CHF 520 million). The interest rate amounts to 0.61% and the loan has a maturity of 8.5 years.

2 Cash and cash equivalents

As of 31 December 2025, cash and cash equivalents amount to CHF 11,007 thousand (prior year: CHF 9,452 thousand). This includes current bank accounts of CHF 580 thousand (prior year: CHF 1,519 thousand) and demand deposits with Swisscom AG of CHF 10,427 thousand (prior year: CHF 2,357 thousand). In 2024, cash and cash equivalents also included demand deposits with third parties of CHF 5,576 thousand. Cash and cash equivalents are at free disposal of the Company.

3 Equity

The issued, authorized and outstanding share capital is unchanged and amounts to EUR 100 thousand (CHF 105 thousand) and consists of 100,000 shares of common stock at a par value of EUR 1. All shares are fully paid and are held by Swisscom AG. The capital reserve comprises additional paid-in capital on the issue of the shares. The retained earnings comprise the accumulated net profits of the Company.

4 Financial liabilities

In CHF thousand	2025	2024
Balance at beginning of period	**4,710,053**	**459,790**
Issuance of bonds	1,476,706	4,389,549
Interest expense	173,294	89,979
Interest paid	(155,991)	(43,802)
Foreign currency translation adjustments	(47,359)	(185,463)
Balance at 31 December	**6,156,703**	**4,710,053**
Bonds	6,101,568	4,666,383
Accrued interest expense	55,135	43,670
Total financial liabilities	**6,156,703**	**4,710,053**
Thereof current financial liabilities	519,431	43,670
Thereof non-current financial liabilities	5,637,272	4,666,383

Overview of bonds issued

In EUR million	Maturity	Notional amount	Coupon
Bond in EUR	2024–2026	500	3.50%
Bond in EUR	2025–2027	400	Euribor +0.37%
Bond in EUR	2020–2028	500	0.37%
Bond in EUR	2024–2028	500	3.50%
Bond in EUR	2024–2031	1,250	3.50%
Bond in EUR	2025–2032	500	3.13%
Bond in EUR	2024–2034	500	3.25%
Bond in EUR	2024–2036	1,000	3.62%
Bond in EUR	2025–2037	700	3.62%
Bond in EUR	2024–2044	750	3.88%
Total bonds in EUR		**6,600**	

In 2024, the Company established a EMTN program in the amount of EUR 10 billion and subsequently issued bonds in the international market. The Company will maintain and update the existing EMTN program in order to issue further bonds.

In 2025, the Company issued three bonds in the amount of EUR 1,600 million (CHF 1,488 million) under the current EMNT program (details see above). The bonds are listed on the Luxembourg Stock Exchange. The proceeds raised by the Company were passed through to Swisscom AG as loans. The interest on the loans to Swisscom AG are the interest on the issued bonds plus a margin of 0.10%.

In March 2024, Swisscom AG has entered into binding agreements with Vodafone Group Plc to acquire 100% of Vodafone Italia for EUR 8 billion on a debt and cash free basis. The transaction consideration was 100% cash and was fully debt-financed. Closing of the transaction occurred on 31 December 2024. Swisscom AG financed part of the purchase price with bonds in EUR issued by the Company. In 2024, the Company issued six bonds totaling EUR 4,500 million (CHF 4,390 million), which are guaranteed by Swisscom AG under the EMTN program on the international capital market (details see above). The bonds are listed on the Luxembourg Stock Exchange. The proceeds raised by the Company were initially invested in demand deposits and were passed through to Swisscom AG as loans upon closing of the Vodafone Italia transaction at the end of 2024. The interest on the loans to Swisscom AG are the interest on the issued bonds plus a margin of 0.10%.

In 2020, the Company issued a prospectus relating to the issuance of the EUR 500,000 thousand (CHF 519,229 thousand) bond guaranteed by Swisscom AG, with a 0.375% coupon and 8.5 years maturity. The bond is listed on Euronext Dublin. The proceeds were passed on to Swisscom AG by means of an at arm's length loan agreement.

5 Net interest income

In CHF thousand	2025	2024
Interest income	181,083	94,875
Interest expense	(173,294)	(89,979)
Net interest income	**7,789**	**4,896**

Interest income of CHF 181,083 thousand (prior year: CHF 94,875 thousand) mainly has been earned from cash and cash equivalents (current year: CHF 263 thousand; prior year: CHF 86 thousand), demand deposits with third parties (current year: nil; prior year: CHF 91,446 thousand) and from the loans with Swisscom AG (current year: CHF 180,820 thousand; prior year: CHF 3,343 thousand). The interest margin between the issued bonds and the loans to Swisscom AG was defined at 0.10% and is considered at arm's length.

6 Financial risk management and other disclosures on capital management

The Company is exposed to interest rate risks, credit risks, currency rate risks and liquidity risks. Management of these risks is performed in accordance with Swisscom AG Group financial risk management policy, with the objective of containing the potential adverse effects thereof on the financial situation of the Company.

Interest rate risks

The Company mitigates its interest rate risks by matching the interest duration and the maturity dates of the issued bond and the corresponding loans provided by the Company. In addition, interest rates on bonds and loans are fixed. The interest rate risks of the Company are limited or close to zero, because the assets and liabilities are naturally hedged given the bonds and loans have matching nominal amounts and fixed interest rates.

Credit risks

The Company is exposed to credit risks from loans and receivables to its sole shareholder Swisscom AG and deposits to financial institutions. The maximum exposure to credit and counterparty default risk is generally represented by the carrying amounts of the financial assets that are carried in the statement of financial position. Investment in financial assets concerns granted loans and demand deposits to Swisscom AG. Given its credit rating, the Company does not expect this entity to fail to meet its obligations. Except for this loan, there are at the reporting date no significant concentrations of risk. The Company follows an expected credit losses ("ECL") approach for measuring impairment. Based upon historical performance and forward-looking information the loans granted by the Company to Swisscom AG are considered to be low risk and therefore expected credit losses can be assessed under stage 1 of the general model being a 12-month expected credit loss. An assessment is performed in order to identify any subsequent credit deterioration of a counterparty to the loans which might lead to change the ECL from a 12-month PD ("probability of default") to a lifetime PD (stage 2). This assessment consists mainly of assessing the financial performance of the counterparties and checking if the capital repayments and interest payments are current and in line with the relevant loan agreement. The calculation of PD is based upon a "short-cut" approach: according to this approach it is assumed that the Company uses a PD which is based upon actual market information, more specific, the average 1-year PD of single A issued EUR bonds adjusted with an appropriate credit spread as of 31 December 2024 and 2025. Swisscom AG has ratings from Standard & Poor's (A–, outlook stable) and Moody's (A2, outlook stable). Finally, for the calculation of the LGD ("loss given default"), the Company uses the potential recovery rates considering available market data. The method described above of calculating the ECL for the loans to Swisscom AG resulted in an amount for the current (CHF 2,094 thousand) and for the prior period (CHF 2,300 thousand).

The expected credit loss (ECL) is sensitive to the assumptions of probability of default (PD) and loss given default (LGD). Due to deteriorated economic conditions, Swisscom AG's creditworthiness may decrease, and its financial situation may be impaired. If the PD had been 50 basis points higher (lower) at 31 December 2025, the profit or loss before income taxes and the equity would have been CHF 3,080 thousand (prior year: CHF 2,350 thousand) lower (higher). If the LGD had been 1,000 basis points higher (lower) at 31 December 2025, the profit or loss before income taxes and the equity would have been CHF 2,094 thousand (prior year: CHF 2,300 thousand) lower (higher).

Currency rate risks

The Company mitigates its currency rate risks by means of raising the funds in the same currency as the corresponding financing provided to the borrowers. As of the reporting date, the Company's assets as well as the liabilities are all denominated in EUR. The currency rate risks of the Company are limited or close to zero, because the assets and liabilities are naturally hedged given the bonds and loans have matching nominal amounts in the same foreign currency. Therefore, sensitivity analysis is not disclosed.

Liquidity risks

The Company is exposed to the risk, that it may not be able to repay the issued bonds at maturity. The Company mitigates its liquidity risks by matching the timing of payment schedules of the granted intercompany loans to Swisscom AG with that of the issued bonds. In addition, the bonds issued are guaranteed by Swisscom AG.

Contractual maturities including estimated interest payable (updated at year-end)

In CHF thousand	Carrying amount	Contractual payments	Due within 1 year	Due within 1 to 2 years	Due within 3 to 5 years	Due after 5 years
31.12.2025						
Financial liabilities	6,156,703	7,883,872	664,437	550,184	1,416,549	5,252,702
Other liabilities	16	16	16	–	–	–
Total	**6,156,719**	**7,883,888**	**664,453**	**550,184**	**1,416,549**	**5,252,702**
31.12.2024						
Financial liabilities	4,710,053	5,885,630	187,284	586,354	1,252,679	3,859,313
Other liabilities	41	41	41	–	–	–
Total	**4,710,094**	**5,885,671**	**187,325**	**586,354**	**1,252,679**	**3,859,313**

Valuation category and fair value of financial instruments

Fair values are allocated to one of the following three hierarchical levels:

Level 1:

Exchange-quoted prices in active markets for identical assets or liabilities.

Level 2:

Other factors which are observable on markets for assets and liabilities, either directly or indirectly.

Level 3:

Factors that are not based on observable market data.

The fair value of publicly traded debt instruments of Level 1 is based upon their listed prices as of the reporting date. The fair value of Level 2 financial assets and liabilities which are not quoted on exchanges are computed on the basis of future maturing payments discounted at market interest rates. The fair value of Level 3 financial instruments is determined on the basis of a computational model. The fair values of financial assets and financial liabilities are summarized in the following table. Not included therein are cash and cash equivalents, accrued interest income and expense as well as other liabilities whose carrying amount corresponds to a reasonable estimation of their fair value.

Carrying amounts and fair values of financial assets and financial liabilities are as follows:

	31.12.2025		
In CHF thousand	Carrying amount	Fair Value	Level
Financial assets			
Loans to Swisscom AG	6,100,173	6,206,853	2
Demand deposits to Swisscom AG	–	–	2
At amortised cost	**6,100,173**	**6,206,853**	
Financial liabilities			
Bonds	6,101,568	6,138,930	1
At amortised cost	**6,101,568**	**6,138,930**	

In CHF thousand	31.12.2024 Carrying amount	Fair Value	Level
Financial assets			
Loans to Swisscom AG	4,666,928	4,809,612	2
Demand deposits to Swisscom AG	32,917	32,825	2
At amortised cost	**4,699,845**	**4,842,437**	
Financial liabilities			
Bonds	4,666,383	4,796,754	1
At amortised cost	**4,666,383**	**4,796,754**	

Capital management
The overriding aim of the Company's capital management is to match amounts, return and maturities of its financial assets with its financial liabilities in order to ensure its capability to repay its debt.

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern in order to provide returns for the shareholders and to maintain an optimum capital structure to reduce equity cost.

7 Other expenses

In CHF thousand	2025	2024
Audit fees	47	38
Service and consultancy fees	136	205
Miscellaneous expenses	732	514
Total other expenses	**915**	**757**

The Company has no employees and no remuneration is paid to the Members of the Management Board and Supervisory Board for 2024 and 2025.

Fees charged by external independent auditors
In 2025, the following amounts of audit fees were expensed:

In CHF thousand	PwC Netherlands	Other PwC network firms
Audit of the financial statements	47	–
Other audit services	–	5
Tax services	–	–
Other non-audit services	–	–
Audit fees	**47**	**5**

The fees listed above relate to the procedures applied to the Company by accounting firms and external auditors as referred to in Section 1, subsection 1 of the Audit Firms Supervision Act ('Wet toezicht accountantsorganisaties Wta') as well as the invoiced fees of the entire network to which the accounting organization belongs. These fees relate to the audit of the 2025 financial statements, regardless of whether the work was performed during the financial year.

In 2024, the following amounts of audit fees were expensed:

In CHF thousand	PwC Netherlands	Other PwC network firms
Audit of the financial statements	38	8
Other audit services	–	5
Tax services	–	–
Other non-audit services	–	–
Audit fees	**38**	**13**

8 Income taxes

In CHF thousand	2025	2024
Current income taxes	1,726	1,238
Total income taxes recognised in statement of comprehensive income	**1,726**	1,238

In 2025, the Company paid income taxes of CHF 345 thousand (prior year: CHF 599 thousand). In 2024 and 2025, no deferred taxes were recognized. In 2024 and 2025, the applicable tax rate was 19.0% for the first EUR 200 thousand (CHF 186 thousand) and then 25.8% for above EUR 200 thousand (CHF 186 thousand).

The following table shows the reconciliation of the applicable tax to the effective tax rate:

In CHF thousand	2025	2024
Profit before income taxes	**6,739**	**4,849**
Applicable income tax rate for the first tranche of EUR 200 thousand	19.0%	19.0%
Applicable income tax rate for the tranche over EUR 200 thousand	25.8%	25.8%
Income tax expense at the applicable income tax rate	**1,726**	1,238
Reconciliation to reported income tax expense		
Effect of use of different income tax rates	–	–
Total income tax expense	**1,726**	**1,238**
Effective income tax rate	25.6%	25.5%

Global minimum tax

The Company falls under the scope of application of the OECD minimum tax. The global minimum tax regulations provide for payment of an additional tax to account for the difference between the effective GloBE (Global Anti Base Erosion) tax rate per country and the minimum rate of 15%. The Netherlands enacted new legislation introducing the global minimum tax that entered into force on 1 January 2024. The Company has assessed the global minimum taxation on the basis of the applicable tax laws, the effective tax rates of the Netherlands and information on the Company. Based on the assessment, the effective tax rate of the Company according to the minimum taxation rules is above 15%. The Company therefore does not expect to pay any additional income taxes under the global minimum taxation.

9 Segment information

The Company has one main operating segment being the finance vehicle of the Swisscom Group. Refer to Notes 1 and 4 analysis of interest income and receivables by counterparty.

10 Related parties

Since the principal activity of the Company is the provision of financial services to the Swisscom Group, related party transactions relate to the lending activities of the Company with Swisscom AG. The Company paid no guarantee fees to Swisscom AG. All material transactions of the Company with related parties are disclosed in Notes 1, 2, 4 and 5. The Company had no transactions with its directors during the financial periods 2024 and 2025.

11 Commitments and contingencies

As of 31 December 2024 and 2025, there are no commitments and contingencies that have not been taken into account in the statement of financial position.

12 Proposed appropriation of result

The Board proposes to add the profit of CHF 5,013 thousand of the financial year ended 31 December 2025 to retained earnings.

13 Events after the reporting date

The financial statements of the Company for the financial year ended 31 December 2025 were authorized for issue by the Management Board on 5 February 2026.

The Management Board:

Carmen Wäfler

Thomas Ackermann

Edsel Ramon Steba

Anouk Nap-Verharen

The Supervisory Board:

Peter Burkhalter

Stefan Zahler

Other Information

Profit appropriation according to the Articles of Association

According to article 18 of the Articles of Association, the net result of the financial year ended 31 December 2025 is at the disposal of the General Meeting of Shareholders.

Independent Auditor's Report

The company is required by Dutch law to have its annual financial statements audited. We refer to the Independent Auditor's Report as set out on the next pages.

Independent auditor’s report

To: the general meeting and the supervisory board of Swisscom Finance B.V.

Report on the audit of the financial statements 2025

Our opinion

In our opinion, the financial statements of Swisscom Finance B.V. (‘the Company’) give a true and fair view of the financial position of the Company as at 31 December 2025, and of its result and its cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the European Union (‘EU’) and with Part 9 of Book 2 of the Dutch Civil Code.

What we have audited

We have audited the accompanying financial statements 2025 of Swisscom Finance B.V., Rotterdam.

The financial statements comprise:

- the statement of financial position as at 31 December 2025;
- the following statements for 2025: the statement of profit or loss, the statement of comprehensive income, changes in equity and cash flows; and
- the notes to the financial statements, including material accounting policy information and other explanatory information.

The financial reporting framework applied in the preparation of the financial statements is IFRS Accounting Standards as adopted by the EU and the relevant provisions of Part 9 of Book 2 of the Dutch Civil Code.

The basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. We have further described our responsibilities under those standards in the section 'Our responsibilities for the audit of the financial statements' of our report.

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

Independence

We are independent of Swisscom Finance B.V. in accordance with the European Union Regulation on specific requirements regarding statutory audit of public-interest entities, the 'Wet toezicht accountantsorganisaties' (Wta, Audit firms supervision act), the 'Verordening inzake de onafhankelijkheid van accountants bij assuranceopdrachten' (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the 'Verordening gedrags- en beroepsregels accountants' (VGBA, Dutch Code of Ethics).

Our audit approach

We designed our audit procedures with respect to the key audit matters, fraud and going concern, and the matters resulting from that, in the context of our audit of the financial statements as a whole and in forming our opinion thereon. Therefore, we do not provide separate opinions or conclusions on information in support of our opinion, such as our findings and observations related to individual key audit matters and the audit approach to address fraud risks and going concern.

Overview and context

The Company's main activity is the financing of Swisscom AG group companies, through bond offerings on the international capital markets. The repayment of the bonds to the investors is guaranteed by Swisscom AG as disclosed in note 4 to the financial statements. We paid specific attention to the areas of focus driven by the operations of the Company and in particular the issuance of the bonds, as set out below.

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we considered where the management board made important judgements, for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. We also considered climate-related risks.

In paragraph ‘Significant judgements and estimates’ of the financial statements, the Company describes the areas of judgement in applying accounting policies and the key sources of estimation uncertainty. Given the significant estimation uncertainty and the related higher inherent risks of material misstatement in the measurement of expected credit losses, we considered these matters as key audit matters as set out in the section ‘Key audit matters’ of this report. Furthermore, we identified the existence of the loans issued including the issuance of the new loans during the year as key audit matter because of the significance of the new issuance and the importance of the existence for users of the financial statements.

The Company assessed the possible effects of climate change on its financial position, refer to the section 'Climate change' in the report of the management board. We discussed the Company’s assessment and governance thereof with the management board and evaluated the potential impact on the financial position including underlying assumptions and estimates. Given the nature of the Company’s activities, the impact of climate change is not considered a key audit matter.

We ensured that the audit team included the appropriate skills and competences, which are needed for the audit of a finance company.

Materiality

The scope of our audit was influenced by the application of materiality, which is further explained in the section ‘Our responsibilities for the audit of the financial statements’.

Based on our professional judgement we determined certain quantitative thresholds for materiality, including the overall materiality for the financial statements as a whole as set out below. These, together with qualitative considerations, helped us to determine the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and to evaluate the effect of identified misstatements, both individually and in aggregate, on the financial statements as a whole and on our opinion.

Based on our professional judgement, we determined the materiality for the financial statements as a whole at CHF 61.7 million (2024:CHF 47.2 million). As a basis for our judgement, we used 1% of total assets. We used total assets as the primary benchmark, a generally accepted auditing practice, based on our analysis of the common information needs of the stakeholders in these types of entities. Inherent to the nature of the Company's business, the amounts in the statement of financial position are large in proportion to the income statement line items such as other expenses and income taxes. Based on qualitative considerations, we performed audit procedures on those income statement line items, applying a benchmark of 10% of the total expenses (excluding interest expenses).

We also take misstatements and/or possible misstatements into account that, in our judgement, are material for qualitative reasons.

We agreed with the supervisory board that we would report to them any misstatement identified during our audit above CHF 3 million (2024: CHF 2.3 million) as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons. The increase in quantitative threshold is driven by the increase of the total assets due to the issuance of the bonds.

Audit approach fraud risks

We identified and assessed the risks of material misstatements in the financial statements due to fraud. During our audit we obtained an understanding of Swisscom Finance B.V. and its environment and the components of the internal control system. This included the management board's risk assessment process, the management board's process for responding to the risks of fraud and monitoring the internal control system and how the supervisory board exercised oversight, as well as the outcomes. We refer to section 'Compliance and integrity' of the management report for management's fraud risk assessment.

We evaluated the design and implementation of relevant aspects of the internal control system with respect to the risks of material misstatements due to fraud and in particular the fraud risk assessment, as well as the code of conduct, whistleblower procedures, among other things. We evaluated the design and the implementation of internal controls designed to mitigate fraud risks.

We performed inquiries with a selection of members of the management board and the supervisory board to evaluate their fraud awareness, the internal control environment in relation to fraud, the 'tone at the top' and entity-level controls. As part of these procedures, we have requested the head of group accounting to fill in our fraud questionnaire and discussed the outcomes of this questionnaire.

We asked members of the management board and the supervisory board whether they were aware of any actual or suspected fraud. This did not result in signals of actual or suspected fraud that may lead to a material misstatement.

As part of our process of identifying fraud risks, we evaluated fraud risk factors with respect to financial reporting fraud, misappropriation of assets and bribery and corruption. We evaluated whether these factors indicate that a risk of material misstatement due to fraud exists.

We identified the following fraud risk and performed the following specific procedures:

Identified fraud risk	Our audit work and observations
The risk of management override of controls The management board is in a unique position to perpetrate fraud because of the management board's ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively. That is why, in all our audits, we pay attention to the risk of management override of controls in:	We evaluated the design and implementation of the internal control system in the processes of generating and processing journal entries and making estimates. We also paid specific attention to the access safeguards in the IT system relating to access and change management. We performed our audit procedures primarily substantive based. We selected journal entries based on risk criteria and conducted specific audit procedures for these entries. These procedures include, amongst others, inspection of the entries to source documentation.

Identified fraud risk	Our audit work and observations
• The appropriateness of journal entries and other adjustments made in the preparation of the financial statements. • Estimates. • Significant transactions, if any, outside the normal course of business for the entity. We pay particular attention to tendencies due to possible bias of the management board.	We also performed specific audit procedures related to important estimates of the management board including the measurement of expected credit losses and the valuation of loans issued to the group company. We refer to the key audit matters for the audit procedures performed. We specifically paid attention to the inherent risk of bias of the management board in estimates. We did not identify any significant transactions outside the normal course of business. Our audit procedures did not lead to specific indications of fraud or suspicions of fraud with respect to management override of controls.

We incorporated an element of unpredictability in our audit. During the audit, we remained alert to indications of fraud. Furthermore, we considered the outcome of our other audit procedures and evaluated whether any findings were indicative of fraud.

Audit approach going concern

As disclosed in section 'Basis of preparation' on page 11 of the financial statements the management board performed its assessment of the Company's ability to continue as a going concern for at least 12 months from the date of preparation of the financial statements and has not identified events or conditions that may cast significant doubt on the Company's ability to continue as a going concern (hereafter: going-concern risks).

Our procedures to evaluate the management board's going-concern assessment included, amongst others:

- considering whether the management board's going-concern assessment included all relevant information of which we were aware as a result of our audit and inquiring with the management board regarding the management board's most important assumptions underlying its going-concern assessment;

- evaluating the financial position of the Company, the counterparty of the 'loans to group company' (including the financial position of the guarantor to the bonds issued on capital markets) and their ability to repay the notional and interest to the Company, by assessing observable data from rating agencies, developments in credit spreads, current financial data (such as recent financial information and cash flows), the groups most recent financing plan and other publicly available data, and by discussing and obtaining information from the group auditor;
- performing inquiries of the management board as to its knowledge of going-concern risks beyond the period of the management board's assessment.

Our procedures did not result in outcomes contrary to the management board's assumptions and judgements used in the application of the going-concern assumption.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the financial statements. We have communicated the key audit matters to the supervisory board. The key audit matters are not a comprehensive reflection of all matters identified by our audit and that we discussed. In this section, we described the key audit matters and included a summary of the audit procedures we performed on those matters.

Due to the nature of the Company, key audit matters do not change significantly year over year. As compared to last year there have been no changes in key audit matters.

Key audit matter	How our audit addressed the matter
Measurement of expected credit losses Note 1 and 6	We performed the following procedures to test the management board's assessment of the expected credit loss to support the valuation of the loans to Swisscom AG group companies: • We recalculated the amortised cost value of the 'loans to the group company' based on the effective interest method.

Key audit matter	How our audit addressed the matter
We considered the valuation of the loans to group companies, as disclosed in note 1 to the financial statements for a total amount of CHF 6.16 billion, to be a key audit matter. This is due to the size of the loan portfolio and the inherent complexity involved in estimating the expected credit losses (ECL), which requires significant judgement and involves estimation uncertainty. Measurement of ECL under IFRS 9 amongst other things, requires application of choices and judgements made, including the determination of the probability of default ('PD'), the loss given default ('LGD') and the exposure at default ('EAD'). ECL calculations must also take into account forward-looking information of macro-economic factors considering multiple scenarios. The management board monitors the need for changes in the methods, significant assumptions or the data used in making the accounting estimate by monitoring key performance indicators that may indicate unexpected or inconsistent performance. Mainly with respect to the PD and LGD used in the determination of the expected credit losses, the management boardhas applied significant judgement given the low default character of the Company's loan portfolio. As a result, there is limited internal historical data to support and back-test the PD and LGD. The management board has determined that all loans to group companies are categorised as stage 1 loans, hence only a 12-month expected credit loss ('ECL') has been recognised.	• With respect to the ECL calculation, we determined that the loans qualify as stage 1 loans by assessing the actual performance of the loans (i.e. no significant deterioration of credit risk). • We evaluated the financial position of the counterparties of loans to group companies by assessing observable data from rating agencies, developments in credit spreads, the latest available financial information and other publicly available data in order to assess if there are no adverse conditions present suggesting classifying the loans as stage 2 or stage 3 loans. • For the expected credit loss, we assessed that the impairment methodology and model applied by the Company were in accordance with the impairment requirements of IFRS 9. We assessed that the forward-looking information used by the client as part of the impairment methodology was appropriate considering the characteristics of the loan portfolio of Swisscom Finance B.V. • We assessed for a sample of financial instruments that the PD and LGD and the assumptions applied by the management board, are appropriate and were based upon data from external data source providers including indicators for potential management bias. • We have recalculated the impairment calculation of the management board. We found the management board's assessment to be adequate. Our procedures as set out above did not indicate material differences.

Key audit matter	How our audit addressed the matter
Existence of the loans to group companies including the issuance of new loans to the group company Note 1 We considered the existence of the loans to group companies, as disclosed in note 1 to the financial statements for a total amount of CHF 6,16 billion, to be a key audit matter. Significant auditor's attention is necessary because of the size of the loan portfolio and the importance of existence for users of the financial statements.	We performed the following procedures to support the existence of the loans to Swisscom AG group companies: • We confirmed the existence of the loans with the group companies with the group auditor integrally. • We compared interest receipts with bank statements. • For new issuance of loan in the current year, we agreed the issuance and other loan details to signed contracts. • We assessed the transfer pricing documentation for the new loans. Based on the procedures as set out above, we found no material differences.

Compliance with the requirements of the Regulatory Technical Standard of SBR, including the XBRL mark up, not audited

The audit includes the verification that the prepared financial statements comply with the legal provisions in Part 9 of Book 2 of the Dutch Civil Code. Our audit opinion is issued on the prepared financial statements and will be included in the digitally filed annual report. This means that compliance with all requirements of the Regulatory Technical Standard of the SBR domain Trade Register (including the applied eXtensible Business Reporting Language (XBRL) mark ups) was not subject to our audit.

Report on the other information included in the annual report

The annual report contains other information. This includes all information in the annual report in addition to the financial statements and our auditor's report thereon.

Based on the procedures performed as set out below, we conclude that the other information:

- is consistent with the financial statements and does not contain material misstatements; and
- contains all the information regarding the directors' report and the other information that is required by Part 9 of Book 2 of the Dutch Civil Code.

We have read the other information. Based on our knowledge and the understanding obtained in our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing our procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of such procedures was substantially less than the scope of those procedures performed in our audit of the financial statements.

The management board is responsible for the preparation of the other information, including the directors' report and the other information in accordance with Part 9 of Book 2 of the Dutch Civil Code.

Report on other legal and regulatory requirements

Our appointment

We were appointed as auditors of Swisscom Finance B.V. on 31 March 2020 by the supervisory board. This followed the passing of a resolution by the shareholders at the annual general meeting held on 31 March 2020. Our appointment has been renewed annually by shareholders and now represents a total period of uninterrupted engagement of 6 years.

No prohibited non-audit services

To the best of our knowledge and belief, we have not provided prohibited non-audit services as referred to in article 5(1) of the European Regulation on specific requirements regarding statutory audit of public-interest entities.

Services rendered

The services, in addition to the audit, that we have provided to the Company, for the period to which our statutory audit relates, are disclosed in note 7 to the financial statements.

Responsibilities for the financial statements and the audit

Responsibilities of the management board and the supervisory board for the financial statements

The management board is responsible for:

- the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as adopted by the EU and Part 9 of Book 2 of the Dutch Civil Code; and for
- such internal control as the management board determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the management board is responsible for assessing the Company's ability to continue as a going concern. Based on the financial reporting frameworks mentioned, the management board should prepare the financial statements using the going-concern basis of accounting unless the management board either intends to liquidate the Company or to cease operations or has no realistic alternative but to do so. The management board should disclose in the financial statements any event and circumstances that may cast significant doubt on the Company's ability to continue as a going concern.

The supervisory board is responsible for overseeing the Company's financial reporting process.

Our responsibilities for the audit of the financial statements

Our responsibility is to plan and perform an audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence to provide a basis for our opinion. Our objectives are to obtain reasonable assurance about whether the 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 but not absolute level of assurance and is not a guarantee that an audit conducted in accordance with the Dutch Standards on Auditing will always detect a material misstatement when it exists. Misstatements may arise due to fraud or error. They 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 the financial statements.

Materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgement and have maintained professional scepticism throughout the audit in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit consisted, among other things of the following:

- Identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining 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 intentional override of internal control.
- Obtaining 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.
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management board.
- Concluding on the appropriateness of the management board's use of the going-concern basis of accounting, and based on the audit evidence obtained, concluding whether a material uncertainty exists related to events and/or conditions that may cast significant doubt on the Company'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 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 and are made in the context of our opinion on the financial statements as a whole. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures, and evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the supervisory board 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. In this respect, we also issue an additional report to the audit committee in accordance with article 11 of the EU Regulation on specific requirements regarding statutory audit of public-interest entities. The information included in this additional report is consistent with our audit opinion in this auditor's report.

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

From the matters communicated with the supervisory board, we determine those matters that were of most significance in the audit of the 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.

Utrecht, 5 February 2026
PricewaterhouseCoopers Accountants N.V.

Original has been signed by:
T.M.B. van de Lagemaat RA