Highlights 2020

Urs Schaeppi, CEO Swisscom
Key achievements
Another solid year with various highlights along our strategic priorities

Leading networks
Best customer experience
Unique market position in ICT
Fastweb with sustainable growth
ESG focus pays off

Win of all Swiss w- network tests
Introduction of 10Gbps services
NPS leadership extended
blue launch
Leading in Cloud and managed Security
Growing Solutions
4.5% stake in FiberCop
ICT capabilities strengthened
#1 in ESG out of 198 telecoms
1st EURO green bond

1 Source: ISG research, 2 Source: Sustainalytics
Successful management of Covid-19 crisis
Pandemic with limited impacts (so far) and basis for acceleration of sector-specific opportunities

Resilient Swisscom in 2020

- Performing networks
- Customer assistance enhanced
- Business with limited impacts
- Hybrid working modes the new normal

Positive impulses for the future

- Digital transformation
- Revision of cost base
- New customer needs and behaviours
- Industry revival
Market performance in Switzerland and Italy
Stable Swiss RGU base and leading across all segments. Fastweb's market position further strengthened

Swisscom Switzerland

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Net adds in k</th>
<th>RGUs in k</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1</td>
<td>-5</td>
<td>2,043</td>
</tr>
<tr>
<td>Q2</td>
<td>-5</td>
<td>1,554</td>
</tr>
<tr>
<td>Q3</td>
<td>-3</td>
<td>4,852</td>
</tr>
<tr>
<td>Q4</td>
<td>-2</td>
<td></td>
</tr>
</tbody>
</table>

FY 20

Market Share

- Broadband: 53% (+0.4pp YOY)
- TV: 37% (+0.4pp YOY)
- Mobile: 3% (+1pp YOY)

Fastweb

Net adds in k |
- Broadband: +22
- TV: +33
- Mobile: +51

RGUs in k |
- Broadband: 2,747
- TV: 1,961
- Mobile: 1,961

Market shares as per Q3 2020
Key financials in a nutshell
Solid underlying performance thanks to disciplined cost management in Switzerland and Fastweb growth

Net revenue
CHF 11'100mn (-3.1% YOY)

EBITDA
CHF 4'382mn (+0.6% YOY)

EBITDAaL 1)
CHF 4'082mn (+0.4% YOY)

CAPEX
CHF 2'229mn (-8.6% YOY) 2)

OpFCF proxy
CHF 1'853mn (+14.0% YOY)

Net debt 5)
CHF 8'206mn (-6.6% YOY)

FY20 EBITDA

81% Domestic

19% Fastweb

CHF 4'382mn

EBITDA development

Underlying performance +0

4'382

Group FY 19

Restructuring costs 3)

Swisscom

Fastweb

Others

One-offs 4)

Group FY 20

1) EBITDA after lease expense (depreciation right of use assets of CHF -255mn and interest expense leases of CHF -45mn). 2) prior year includes spectrum CAPEX of CHF 196mn
3) restructuring cost in 2019 4) consists of FX impact of CHF -32mn, 5) including lease liabilities of CHF 1'988mn

1 EBITDA after lease expense (depreciation right of use assets of CHF -255mn and interest expense leases of CHF -45mn). 2) prior year includes spectrum CAPEX of CHF 196mn
3) restructuring cost in 2019 4) consists of FX impact of CHF -32mn, 5) including lease liabilities of CHF 1'988mn
Strategy update

Urs Schaeppi, CEO Swisscom
The environment in a nutshell
Telco revenues under pressure but digitalisation brings opportunities for growth and efficiency

**Sector**
- High CAPEX intensity
- Monetisation challenging: non-stop service revenue pressure
- Market size and share key
- Digitalisation: unlock value from digitalisation and efficiency gains

**Switzerland**
- Economic environment robust
- A mature market with a clear value focus but price/quality sensitivity up
- In-market consolidation in 2020
- Network competition high
- ICT with promising outlook

**Italy**
- A price-sensitive market with limited customer loyalty
- New operators keeping competitive dynamics high
- Network cooperation's due to high fibre investments
- ICT growth opportunities
Swisscom with a strong foundation for the future

- **Market leader in Switzerland** for residential customers, SMEs and major corporations
- **Strongest brand and consumer confidence** in Switzerland
- **Technology leader and innovation pioneer** that actively takes opportunities to inspire customers
- **Successful challenger in Italy** with growing free cashflows
- **Well positioned for growth** in Switzerland with ICT and Italy with Fastweb
- **More than 20 years of focus on sustainability** to do more for people, the environment and Switzerland
Swisscom strategy with proven pillars
#ready to take the chances of a networked future - in Switzerland as #1 and in Italy as attacker

- Best network
- Innovative products
- Best service

- Efficient operations
- Digital transformation
- Smart investments

- Maximise core growth in IT
- Focused growth

- Best access
- OTT-like customer experience
- Foster growth

Best customer experience
Operational excellence
Fastweb
New growth

#ready
Swisscom's #ready roadmap for 2021 and beyond
Swisscom's ingredients to carry on successful operations and take future (digital) opportunities

#ready to defend leading market shares in Switzerland

#ready to shape innovation and develop the infinite solutions of tomorrow

#ready to drive transformation as key enabler for the future

#ready with strong commitments to corporate responsibility

#ready to stimulate growth - in core, IT and adjacent businesses both in Switzerland and Italy

#ready to deliver predictable shareholder remuneration while keeping healthy financial profile

#ready to shape innovation and develop the infinite solutions of tomorrow

#ready to drive transformation as key enabler for the future

#ready with strong commitments to corporate responsibility

#ready to stimulate growth - in core, IT and adjacent businesses both in Switzerland and Italy

#ready to deliver predictable shareholder remuneration while keeping healthy financial profile
The building blocks of Swisscom's innovation
Innovation key to stimulate best customer experience and new growth

**Analytics and artificial intelligence**
Development of artificial intelligence and analytics capabilities

**Security**
Development of best-in-class security services

**Network and infrastructure**
Growth through better customer experience, differentiation and process efficiency

**Internet of things**
Best IoT platform and E2E solution provider

**Entertainment**
Best offering on a connected entertainment ecosystem

**Digital business**
Internet services based on data driven software platforms

**Digital Swisscom**
Simplicity and efficiency through digital process standardisations and clear product portfolio
Swisscom with strong commitment to corporate responsibility
2025 targets along SDG* set for people, environment and Switzerland

**#ready to support people**

- Support **2 million people**

<table>
<thead>
<tr>
<th>2’000</th>
<th>Target 2025</th>
</tr>
</thead>
</table>

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

**#ready to protect the environment**

- Limit own CO₂ emissions by 2025 to 300k tonnes
  - Total CO₂ savings of 800k tonnes

<table>
<thead>
<tr>
<th>580</th>
<th>895</th>
<th>500</th>
<th>800</th>
</tr>
</thead>
<tbody>
<tr>
<td>315</td>
<td>300</td>
<td>500</td>
<td>800</td>
</tr>
</tbody>
</table>

- Current status
- Target 2025

**#ready for Switzerland**

- 50-60% coverage of homes with UBB of **10Gbps**
- In addition 30-40% coverage of homes with UBB up to **500Mbps**

* Sustainable Development Goals from the United Nations
Swisscom Switzerland

Urs Schaeppi, CEO Swisscom
## Achievements 2020
Successful network upgrades and operational performance in Switzerland

### Networks
- >80 Mbps in 82% HHs, 10Gbps in 32%
- 96% 5G coverage, 5G+ >500 communities
- 5G demo of 1.2Gbps on a train
- 2G sunset since Jan 2021
- inOne with unbroken success
- FMC penetration growing
- Leading market shares
- Steady blended ARPUs

### B2C
- One B2B transformation on track
- NPS leadership extended
- Cloud business growing
- Slightly lighter order entry due to Covid-19
**Financials 2020**

Service revenue evolution in line with expectations, solid EBITDA supported by indirect cost savings

### Net revenue

<table>
<thead>
<tr>
<th>Year</th>
<th>Service Revenue</th>
<th>Solutions B2B</th>
<th>Others</th>
<th>Net revenue (YOY changes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q4 2020</td>
<td>8'275</td>
<td>1'550</td>
<td>2'127</td>
<td>-3.5%</td>
</tr>
<tr>
<td>FY 2020</td>
<td>5'667</td>
<td>1'058</td>
<td>1'406</td>
<td>-3.3%</td>
</tr>
</tbody>
</table>

### EBITDA

<table>
<thead>
<tr>
<th>Year</th>
<th>EBITDA (YOY changes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q4 2020</td>
<td>3'527 (+1.2%)</td>
</tr>
<tr>
<td>FY 2020</td>
<td>3'297 (+37)</td>
</tr>
</tbody>
</table>

### OpFCF proxy

<table>
<thead>
<tr>
<th>Year</th>
<th>EBITDAaL (YOY changes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q4 2020</td>
<td>744 (+58)</td>
</tr>
<tr>
<td>FY 2020</td>
<td>1'698 (+199)</td>
</tr>
</tbody>
</table>

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1) FY with outbound roaming impacts of CHF -64mn (Q1 CHF -5mn, Q2 CHF -22mn, Q3 CHF -20mn, Q4 CHF -17mn), l/a Covid-19 CHF -42mn
2) Reported EBITDA, 3) consists of depreciation right of use assets and interest expense leases, 4) EBITDA minus lease expense, 5) prior year includes spectrum licence expense (CHF -196mn)
The roadmap of the best network: #ready in 2021 and beyond

- **FTTH as the long-term sustainable infra**: Double FTTH footprint to 60% by 2025
- **Vision of one simple convergent reliable network**: Powered by consolidation, new technologies and virtualisation
- **Winner of all mobile network tests in CH**: Swisscom with the largest 5G coverage
- **Efficient fibre-network expansion**: Execute own fibre plan and reuse FTTS infrastructure
**Swisscom with the best network experience in Switzerland**

A multi-technology approach differentiating by best performance, best coverage and highest reliability

The best fully converged network as a differentiator

<table>
<thead>
<tr>
<th>Best Performance</th>
<th>Best Coverage</th>
<th>Highest Reliability</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Ultrabroadband everywhere</strong></td>
<td>2020 status</td>
<td>2021 target</td>
</tr>
<tr>
<td></td>
<td>82% 80Mbps</td>
<td>90% 80Mbps</td>
</tr>
<tr>
<td></td>
<td>32% 10Gbps</td>
<td>39% 10Gbps</td>
</tr>
<tr>
<td><strong>5G everywhere</strong></td>
<td>4G+ 99%</td>
<td>5G 99%</td>
</tr>
<tr>
<td></td>
<td>5G 96%</td>
<td>5G+ extend full speed</td>
</tr>
<tr>
<td></td>
<td>5G+ &gt;500 communities</td>
<td></td>
</tr>
<tr>
<td><strong>All services virtualised</strong></td>
<td>First critical workloads</td>
<td>Most workloads</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>One unified network</strong></td>
<td>All IP completion</td>
<td>2G phaseout</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Copper phaseout in fiber areas</td>
</tr>
</tbody>
</table>
On track with UBB rollout plan making Switzerland gigabit ready
Penetration and ARPU uplift after fibre upgrade

Maximum bandwidth nationwide

- 90% homes with >80Mbps by 2021 to satisfy the ever-growing demand for bandwidth
- Double FTTH footprint until 2025 as long-term sustainable infrastructure
- XGS.PON technology with 10Gbps - 50Gbps possible as demonstrated in Swisscom labs

Hybrid fibre upgrade with positive effects

- ARPU stabilisation (+3 CHF after local upgrade)
- Defend market leadership (penetration uplift after local upgrade of 2-4pp)

Local B2C own brand penetration after copper to FTTx upgrade
Swisscom as infrastructure player invests in own fibre
Open to cooperation if it makes sense

Efficient fibre-network expansion

- Swisscom with **fibre investments of CHF ~500-600mn p.a.**
- P2MP topology allows **reuse of existing FTTS infra**
- Unit costs well below P2P topology
- **Additional ~20% cost potential** through synergies with communal construction and new technologies
- **Vertical on-demand**

Opportunistic approach to cooperation

- **Swisscom invests in fibre on its own**
- Open to cooperation with favourable **economics** and assuming partners are ready to invest
- **No whole-buy by Swisscom on 3rd-party FTTH networks**
Winner of all Swiss mobile tests in 2020 including 5G
Undisputed mobile leadership and #ready for tomorrow with the best 5G network

#1 mobile network as usual

- Swisscom mobile network prevailed in all benchmark tests – in all test categories

Largest 5G coverage in Switzerland

- 96% of population covered by 5G, >500 communities with 5G+ (3.6GHz TDD)
- Gigabit speeds on 20% sites, based on completely fiberized backhaul (5.5k macros)
- Strict Swiss EMF regulation unchanged – all operators working with authorities on a relief – more 5G power due to 2G sunset

- World-class quality among European networks:
  - #3 in Europe (connect*)
  - #1 Global in upload speed (Ookla)

Our vision: one simple convergent network powered by cloud, FTTH and 5G
Equipping our network for the new decade

Convergence on all levels

- Consolidation of network platforms (ambition 2025: -70% vs. 2019)
- Rigorous thin-out of platforms and applications to reduce number of IT & network vendors (ambition 2025: -60% vs. 2019)
- "Simplicity is prerequisite for reliability": reaching unprecedented levels of stability
- Network function virtualisation according to life cycles and minimal transition cost
- Phaseout of legacy access platforms (2G, 3G, copper lines where FTTH)
B2C roadmap to be #ready in 2021 and beyond

- **Value base management**
  Maximise customer value by continuously refreshing inOne and increasing convergence penetration

- **Compelling entertainment experience**
  Foster blue as next entertainment chapter and embark on new market opportunities

- **Market competitiveness**
  Push 2\textsuperscript{nd} brand Wingo to defend market shares

- **Multi-touchpoint evolution**
  Modernisation of shops, online first and digital marketing to stimulate NPS and sales success

- **Smart and secure living**
  Generate revenues with smart life and security solutions beyond connectivity
Maximise customer value by refreshing inOne
Further development of inOne value proposition to penetrate own customer base further

inOne Home 2020

- Keep competitive edge by continuous strengthening of broadband position through **bandwidth extension**. Offering with **10Gbps available for 30% of customer base** already (~50% with up to 500Mbps)
- **Non-stop development of entertainment offering**: launch of new TV X tariff (including Netflix) and blue

inOne Mobile 2020

- **Repositioning of youth offers**: price-performance adjustments with more data volume improving ARPU and customer satisfaction in youth segment
- **inOne momentum unbroken** and increasing penetration further
Driving convergence strategy to the next level
Growing FMC penetration positively impacts life-time value of customer base

Leverage successful convergence story further

- **Strengthen market resiliency** migrating customers to convergent offers
- FMC subs with **significantly lower churn** and **higher NPS** but at some cost
- Swisscom drives **convergence play around fixed-mobile** to increase share of wallet and life-time value

### Churn rates p.a.

- Postpaid value churn: 8.2% (8.2% YOY)
- Broadband churn: 8.8% (8.8% YOY)
- FM churn: 6.9% (6.9% YOY)

### ARPUs in CHF (YOY)

- Wireless blended: 36 (-2)
- Postpaid value: 56 (-4)
- Wireline blended: 37 (-0)
- BB/TV/Voice bundle: 85 (-1)

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FM converged postpaid value subs

- 41% (+ 1pp YOY)

FM converged broadband subs

- 46% (+ 1pp YOY)
With blue the very best from the world of entertainment
New Swisscom brand and OTT solution to cement household value and grow market share (37%) further

Launch of new entertainment platform in Q3 …

blue TV via Swisscom Box or Swisscom blue TV app
• Easy-to-use
• Over 300 channels with replay and recording
• Integrated apps on Box: Netflix, Sky, Amazon Prime, DAZN, Twitch, PlaySuisse (etc.)
• blue+ with sports, movies or series as package or pay-per-view
• Access to MySports
• Live gaming and eSports, music, smart home

blue Sports with exclusive content rights

… enabling best-ever sales and subs growth

blue Sports gross adds

118k blue OTT subs

new subs since launch
migrated subs

+25%

0 5000 10000
Sept Oct Nov Dec
2019 2020
Successful Smart Life strategy with solid growth in 2020
Position Swisscom as innovative industry leader and increase stickiness of broadband customers

Highlights 2020 and outlook

• Rollout to all Swisscom Shops
• Launch of new Smart Switch, interlinked with Swisscom Home App
• Smart Life revenues up by +50%
• Outlook: push Smart Life products via targeted promotions and introduce installment payments to lower entry barrier

Top seller breakdown

• All devices manageable via Swisscom Home App

# connected devices with Swisscom Home App (in k)

<table>
<thead>
<tr>
<th>Year</th>
<th>Connected Devices</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>115</td>
</tr>
<tr>
<td>2020</td>
<td>340</td>
</tr>
</tbody>
</table>

# Monthly Active User Home App (in k)

<table>
<thead>
<tr>
<th>Year</th>
<th>Active Users</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>180</td>
</tr>
<tr>
<td>2020</td>
<td>250</td>
</tr>
</tbody>
</table>

- myStrom WiFi Switch
- myStrom WiFi Bulb
- Philips Filament Classic
- Gigaset Devices
- Sonos One SL
- Philips Hue Go
- Others
**VAS growth by focusing on Security & Services**
Continuously maximise top-line contributions by expanding security portfolio

**Doubled down on security story in 2020**

- Swisscom with **New Easy Travel Insurance** solution. Flexible booking (CHF 1/day) possible
- Introduction of **Easy Cyber Insurance** enabling legal protection when surfing
- **A next VAS chapter under evaluation** to offer Swisscom customers other carefree experiences

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**Security and protection services**
- Smart phone protection, internet security, cyber insurance, travel insurance

**Support services**
- Paid services for customers’ private infrastructure and software

**Cloud and mail offerings**
- myCloud with backup solutions and bluewin mail with paid-offers

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**Security & Services revenues growing**
[indexed]

- 2016: 100
- 2017: 120
- 2018: 165
- 2019: 210
- 2020: 220
- 2021: (Projected)
Attacker brand Wingo further strengthened to maximise customer base
Push Wingo as 2\textsuperscript{nd} brand to defend B2C market shares

**wingo**

**Substantial growth in 2020**

- **Portfolio extension**: expanded Wingo portfolio and introduced several new tariffs to target a variety of customers groups
- **Go-to-market**: since August, Wingo available in 120 brick-and-mortar stores at Mobilezone - though online will remain most important channel
- **Promotions**: successful promotions launched to generate significant net adds with low cannibalisation of Swisscom Own brand

**Increase of competitiveness**

- Slight customer growth with 3\textsuperscript{rd} brands **M-Budget Mobile** and **Coop Mobile**
- With 3\textsuperscript{rd} party brands Swisscom serves the channels melectronics, Post, Fust and Interdiscount

**2\textsuperscript{nd}/3\textsuperscript{rd} brands**

- **postpaid value subs** (+62k net adds in 2020)
  - 18% CB share (+2pp YOY)
- **broadband subs** (+14k net adds in 2020)
  - 4% CB share (+1pp YOY)
Boost sales performance by optimised omni-channel approach
Digital sales and service channels increasingly important for Swisscom

<table>
<thead>
<tr>
<th>Channel</th>
<th>Current role</th>
<th>Future role</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shops ¹</td>
<td>• Main sales channel</td>
<td>• Extra focus on inspiration, experience and tailored services</td>
</tr>
<tr>
<td></td>
<td>• Important service touch point</td>
<td></td>
</tr>
<tr>
<td>Call centre ²</td>
<td>• Main channel for service requests</td>
<td>• Focus on complex and emotional customer requirements</td>
</tr>
<tr>
<td></td>
<td>• Increasingly relevant for sales</td>
<td>• Key for cross-/upselling</td>
</tr>
<tr>
<td>Online / App ³</td>
<td>• Important for information and advice but with potential in care and sales</td>
<td>• MySwisscom App increasingly important for sales</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Push digital self-service</td>
</tr>
<tr>
<td>Customer field services</td>
<td>• Main focus on providing service and support</td>
<td>• Reduce on-site visits</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Stronger focus on lead generation</td>
</tr>
</tbody>
</table>

Achievements 2020

- Optimisation of online sales journey leading to increase of digital sales share
- New MySwisscom App driving digital self-service and sales: >1mn users
- Modernisation of shops with more focus on inspiration & experience

Channel share change (2020 in p.p.)

- Shops -8
- Call centre +5
- Online / App +3

¹ Own, franchise and 3rd party shops 2. incl. direct marketing 3. Swisscom portal, customer centre and MySwisscom App
B2B roadmap to be #ready in 2021 and beyond

**One B2B transformation**
Develop B2B framework further to lever benefits along the full value chain

**Value differentiation**
Defend premium Telco position by pushing innovation and services

**Stimulate growth in Cloud and Security**
Leverage leading position in Solutions to capture ICT growth

**Smart ICT for SMEs**
Establish convergent offerings with strong focus on customer needs

**Omni-channel approach**
Ensure #1 NPS position through best E2E one-stop-shop experiences
One B2B transformation on track
Boost customer proximity and operational efficiency reached in 2020 – roadmap continues in 2021+

The market environment

- High price competition in Telco business
- 5G and IoT with future business opportunities
- ICT market growing but strongly fragmented and very international
- Journey to the Cloud impacting further market dynamics

One B2B to excite, realise and grow

- Integrated business model with high execution responsibilities
- Strong customer proximity with best sales and service excellence
- Max efficiency through process automation and standardisation
- One portfolio with modular B2B products
Service revenue impacted by competition and price pressure

Hold leading position in a challenging market with strong value proposition

Strong market position successfully defended ...

- In wireless pressure due to competitive RFPs, but # of RGUs with 2.5mn stable

2G phaseout with structural effects as per Q1 2021

... but at cost of declining service revenue / ARPU

Wireless service revenue
Wireline service revenue
Wireless ARPU

Attractive modular offerings

- Wireless
- Fixed

Push value differentiation further

Convergent ICT proposition

- Smart ICT

Protect market share & revenue

Technology leadership

- 5G Campus
- IoT System Solutions

Pursue future opportunities
5G and IoT offer new business opportunities in Telco segment
Swisscom as full service provider perfectly positioned to combine 5G with IoT, cloud and analytics

5G Campus for performance sensitive applications

Mobile Private Network

Sample use cases

Health Care: reliable secure coverage
Industry: low latency and full coverage
Construction: high bandwidth on sites

Sample use cases

Health Care: smart tracking and monitoring
Industry: process digitisation
Buildings: building utilisation

IoT system solutions
Swisscom participates in a growing IT solutions market in Switzerland
Security, Cloud and Data Center remain fastest growing market segments

Growing ICT market in Switzerland: 8.5bn with CAGR ~4%

<table>
<thead>
<tr>
<th></th>
<th>2020, in CHF mn</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>500 1'000 1'500 2'000 CAGR 20-24</td>
</tr>
<tr>
<td>Business Applications</td>
<td>moderate</td>
</tr>
<tr>
<td>Cloud &amp; Data Center</td>
<td>strong</td>
</tr>
<tr>
<td>SAP</td>
<td>moderate</td>
</tr>
<tr>
<td>Banking</td>
<td>moderate</td>
</tr>
<tr>
<td>Workplace &amp; UCC</td>
<td>declining</td>
</tr>
<tr>
<td>Security</td>
<td>strong</td>
</tr>
<tr>
<td>Health</td>
<td>moderate</td>
</tr>
</tbody>
</table>

strong: 5-10%; moderate: 0-5%; declining: <0%

Market trends

- Increasing dynamics from international competition
- Continuous workload shift to the Cloud and to Cloud-based SaaS applications
- Security as primary concern for IT executives
- Covid-19 a future digitalisation multiplier, despite temporary delays of investments

Swisscom initiatives (samples)

- Ensure growth in promising areas
- Consistent focus on customer needs
- Establish convergent offerings

Hybrid Cloud-based ICT offerings
Managed security services and SOC
Smart ICT for SME

1 PAC 2020, addressable market
2 Software as a Service, 3 Security Operations Center
Offering E2E customer solutions as key to winning in growing segments
Swisscom as trusted and established IT partner with ability to benefit from market growth

Hybrid cloud solutions with vertical E2E offerings

- Combining Swisscom **private cloud** with strategic **GPC**\(^1\) partnerships for journey to the cloud
- Leveraging **Swisscom customer relationships** and positioning as reliable partner with Swiss market insights

Managed security services & **SOC**\(^2\)

- Strong and **increasing demand** for **MSS**\(^3\) due to **increased cyber risk** and **shortage of talents**
- Swisscom with 200+ specialists as trusted Swiss partner, leveraging network and customer insights

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1. Global Public Cloud
2. Security Operations Center; 3. Managed Security Services
Lever Swisscom's strong market position in SME
Convergent ICT offering to support digital transformation and increase share of wallet

Smart ICT solutions for SMEs ...

... serving all customers needs

- **One-stop shop** with a complete and perfectly tailored package
- **Integrated all-in-one solution** from a single source
- **Customised Cloud outsourcing** depending on customers demand
- **Local support** providing appropriate technical expertise and advice
- **Transparent costs** enabling SMEs to plan their outgoings with no need for own investments
Best B2B service as baseline for Swisscom's value approach
Omnichannel approach to ensure highest customer satisfaction in the Swisscom ecosystem

One B2B customer service
Ensure consistent cross-segment customer experience

Online interaction push
Increase share of online interactions with extended capabilities

High partner satisfaction
Leverage multiplication effect of partner satisfaction into mid-market

One B2B portal
Unified customer centre for standardised transactions

#1 NPS
Operational excellence roadmap to be #ready in 2021 and beyond

Cost control essential
Keep high discipline and transformation spirit to realise cost targets

Boost operational efficiency further
Key to remain competitive, reduce complexity and compensate top-line pressure

Simplify network and IT architecture
Consolidate platforms and simplify systems to increase efficiency further

Benefit from new ways of working
Move to more agile, collaborative and remote working
Operational excellence as top management priority
Swisscom lowered indirect cost base in Switzerland by CHF >0.4bn over the last 4 years

Solid track record on (indirect) cost program

- 2020 marks another year outperforming target of CHF 100mn
- Cumulative net savings of CHF 439mn in 4 years

Swisscom Switzerland with lower FTE basis

- FTE number of Swisscom Switzerland constantly decreasing
- At YE 2020, Swisscom Switzerland with 12'591 FTEs
Way forward with three focus areas ...

... to realise further annual net (indirect cost) savings of CHF ~100mn

**Network and IT**
- Simplify infrastructure setup
- Drive efficiency in network and IT ahead
- Push digital transformation
- Future-proof IT framework

**Operational efficiency**
- Reduce complexity
- Less is more
- Digital customer experience
- FTE management

**New ways of working**
- Agile workforce
- Collaborative
- Hybrid working models
Fastweb

Alberto Calcagno, CEO Fastweb
Achievements 2020

Strong performance despite a challenging 2020, laying solid foundations to confirm future growth

Distinct commercial and operational performance

- Full year guidance achieved
- Growth across all business segments
- Further market share increase in Enterprise to approx. 34% ¹
- NPS leadership in wireline confirmed

Unique growth story

Over the last 5 years Fastweb the only established Italian player to grow ²

Execution of ‘infrastructure-OTT’ strategy

- UBB infrastructure
  - 5G FWA rollout on track: c. 200 active sites
  - 5G mobile rollout on track: c. 700 active sites
  - FiberCop: FlashFiber continues and in 2021 FiberCop to take up operations

- OTT platform
  - Cloud company Cutaway merge completed
  - 5G FWA service launched
  - 7Layers purchase of 70% shares completed and strong collaboration implemented

¹ Source EY 2020, based on 2019 constant market perimeter
Operational performance 2020
Distinctive commercial approach and effective customer base management are paying off

**B2C operational KPIs**

**Broadband subs**
- in k (YOY change)
  - 2'704 (+4%) 30.9.20
  - 2'747 (+4%) 31.12.20

**UBB subs**
- in k (YOY change)
  - 1'914 (+18%) 30.9.20
  - 2'011 (+18%) 31.12.20

**Mobile subs**
- in k (YOY change)
  - 1'889 (+14%) 30.9.20
  - 1'961 (+12%) 31.12.20

**B2B and Wholesale operational KPIs**

**Enterprise Revenues**
- in EUR mn
  - FY 2019: 862
  - FY 2020: 907
  - +5%

**Wholesale UBB lines**
- in k
  - FY 2019: 117
  - FY 2020: 158
  - +35%

- NPS further increasing by 15pp to 79%
- New contracts
- Wholesale UBB lines +35% YOY driven by execution of new agreements
- Doubling revenues generated by wholesale UBB business

- Steady YOY BB CB growth of 4%
- +9pp YOY UBB penetration over broadband customer base
- +12% YOY mobile customer base growth
- FMC penetration over wireline customer base at 34%

- FMC penetration over wireline customer base at 34%
Financial results 2020
FY guidance achieved - Fastweb the only Italian operator steadily growing since years

Net revenue in EUR mn (YOY)

<table>
<thead>
<tr>
<th></th>
<th>Q4 2020</th>
<th>FY 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consumer</td>
<td>630 (-0.6%)</td>
<td>1'133 (+29)</td>
</tr>
<tr>
<td>Enterprise</td>
<td>907 (+45)</td>
<td>264 (+12)</td>
</tr>
<tr>
<td>Wholesale</td>
<td>2'304 (+3.9%)</td>
<td>264 (+12)</td>
</tr>
</tbody>
</table>

EBITDA in EUR mn (YOY)

- EBITDAaL growth confirmed +5% YOY, in line with prior year and FY guidance
- YoY increase driven by higher gross margin on all business units

<table>
<thead>
<tr>
<th></th>
<th>Q4 2020</th>
<th>FY 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBITDA 1)</td>
<td>784 (+5%)</td>
<td>732 (+32)</td>
</tr>
<tr>
<td>Lease expense 2)</td>
<td>52 (+2)</td>
<td>13 (+1)</td>
</tr>
</tbody>
</table>

OpFCF proxy in EUR mn (YOY)

- CAPEX -2% vs. prior year
- OpFCF proxy improving +44mn YOY

<table>
<thead>
<tr>
<th></th>
<th>Q4 2020</th>
<th>FY 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBITDAaL 3)</td>
<td>203</td>
<td>732 (+32)</td>
</tr>
<tr>
<td>CAPEX</td>
<td>-177</td>
<td>-587 (+12)</td>
</tr>
<tr>
<td>OpFCF proxy</td>
<td>26</td>
<td>145 (+44)</td>
</tr>
</tbody>
</table>
Fastweb roadmap to be #ready in 2021 and beyond

Provide the best performance everywhere
Leverage 5G FWA, FiberCop and 5G mobile

A leading UBB provider in B2C
Enabling unparalleled customer experience to fuel growth

Profit from new opportunities in B2B
Tapping into new opportunities to extend share of wallet of established CB

Boost Wholesale business
Accelerate UBB volume business and further growth in core services
Provide the best network performance everywhere
#ready to deploy the largest UBB footprint in Italy

- **Self-financed deployment**
- **Stable CAPEX envelope of approx. EUR 600mn over time with different wireline/mobile mix**
  
  1) 90/10 in 2020 -> 60/40 in 2025

- **80% of Fastweb customers connected through a UBB service in 2021**

1) 100 = Infrastructure CAPEX
'NeXXt generation 2025' initiative to cement UBB leadership

#ready to differentiate in B2C

Fastweb with a new market approach

- Addressing all customer needs in wireline, mobile and convergence
- Leveraging the power of Fastweb infrastructure
Launch of several services in 2021 to build new competitive advantages

**#ready** to stimulate growth in B2C

**NeXXt Mobile**

- Launching 5G mobile service in top cities and progressively nationwide

**NeXXt FTTH**

- The first provider to **more-than-double** FTTH speed
- From 1Gbps per family to **1Gbps per person**

**Ultra FWA**

- Today only 20% of Italian families with 1Gbps connectivity
- The 1st provider to bring real UBB service in mid/low density areas
- The first service enabling a truly ‘OTT’ customer experience

**#NCP**

Offering maximum transparency and simplicity to old and new customers

- No extra charges
- No hidden costs
- No migration costs
- No contract obligation
Benefit from new opportunities in B2B

#ready to push on ICT/Security VAS and to open a new frontier of growth with 5G mobile service

### FASTWEB

Uniquely positioned to leverage existing assets/capabilities in B2B to increase share of wallet

- **Unparalleled wireline CB**
  (c. 34% overall market share¹, 43% market share in PA, 33/40 FTSE MIB companies served by Fastweb)

- **Strong legitimacy**
  Highest NPS in the market

- **500+ professionals**
  Dedicated to Enterprise/PAs

---

**ICT and Security VAS**

Enhanced capability to address higher volumes of opportunities/lower dependency from 3rd parties/scalability of service platforms

- **VAS orderbook:** from >50% to c. 70% in mid-term

---

**The Enterprise mobile market**

- **EUR 1.0bn**
  (voice/data)²
- **Growing market**
- **Oligopolistic situation with two leading players**
- **Experiencing new usages enabled by 5G**

**Open up a new frontier of growth within easy reach for Fastweb,**
**service launch end 2021, 10% market share target long term**

---

¹ Source EY 2020, market share includes voice, data and VAS/ICT addressed by Telco’s
² Excluding M2M
Boost wholesale business

*ready* to accelerate UBB volume business and further grow in core services

**Already a leading provider in the wholesale B2B market**

- EUR ~260mn revenues
- 15% market share
- Backhauling to >10k BTS o/w +2.0k in 2020

---

**One-stop-shop strategy**

Single access platform to all national infrastructures (Fastweb/TIM/OF) allowing economies of scale and cost reduction

---

**Push on short term opportunities and get ready for new mid-term growth drivers**

- **Scale-up UBB volume business**
  Target 0.4mn CB in 2021

- **Scale-up backhauling business**
  Target 2k BTS in 2021

- **Tap in the MVNO market**
  Target to launch mobile wholesale service in 2022

---

1) Data services only, internal estimates
Wrap-up and guidance
#ready to grow likewise in 2021

On track to deploy the largest proprietary UBB footprint in Italy and to provide the best performance everywhere

Expanding in ICT and launching 5G mobile to stimulate further growth in B2B

Launching a unique B2C proposition to support further growth and to fend off increasing competition in wireline

Further boost wholesale business

Guidance 2021
• Revenues +5% YOY
• EBITDAaL +5% YOY
• CAPEX stable
Group financials

Mario Rossi, CFO Swisscom
Group revenue and changes by segments

Top-line evolution (with Swisscom Switzerland down and Fastweb up) in line with original guidance

High promotional activity and ongoing brand shift led to pressure on service revenue. Acceleration after Q1 mainly due to roaming (12m CHF -28mn) primarily due to Covid-19

Q2-Q3 with softer IFRS15 revenue adjustments and Q4 with lower hardware sales and entertainment revenue

Q4 with lower price pressure and higher traffic volume. Lower roaming revenue (12m CHF -36mn) primarily due to Covid-19

Solutions with revenue growth CHF +9mn (mostly Cloud services) but overcompensated by lower hardware sales

Increase in MVNO and UBB services partly compensated by lower inbound roaming (12m CHF -25mn) driven by Covid-19

FY positive, Q4 impacted by extraordinary wholesale contributions in 2019

1) Consists of currency impacts (CHF -94mn)
Service revenue development
Overall trend unchanged but with different segmental dynamics

<table>
<thead>
<tr>
<th></th>
<th>YOY change 2019</th>
<th>YOY change 2020</th>
<th>Δ</th>
</tr>
</thead>
<tbody>
<tr>
<td>B2B</td>
<td>-106</td>
<td>-164</td>
<td>-58</td>
</tr>
<tr>
<td>B2C</td>
<td>-184</td>
<td>-121</td>
<td>+63</td>
</tr>
<tr>
<td>Total</td>
<td>-290</td>
<td>-285</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2019/18</th>
<th>2020/19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fixed voice lines</td>
<td>-21</td>
<td>-16</td>
</tr>
<tr>
<td>FM convergence</td>
<td>-52</td>
<td>-29</td>
</tr>
<tr>
<td>Change RGU mix</td>
<td>-25</td>
<td>-91</td>
</tr>
<tr>
<td>Roaming *</td>
<td>-8</td>
<td>-28</td>
</tr>
<tr>
<td>Price pressure</td>
<td>-163</td>
<td>-85</td>
</tr>
<tr>
<td>Roaming *</td>
<td>-21</td>
<td>-36</td>
</tr>
</tbody>
</table>

* change in dynamics primarily due to Covid-19

- Competitive pressure in B2C up due to higher price sensitivity and promotional intensity, B2B with softer price pressure in 2020
- Short-term no trend reversal expected
OPEX Swisscom Switzerland

Operational excellence initiatives with expected impacts lowering indirect costs on a recurring basis

1. Q1 with lower retention and acquisition costs primarily in wireless, Q4 up due to exchange of former generation of TV boxes
2. Mostly impacted by lower roaming outpayments (driven by Covid-19), Q4 up due to higher national interconnection volume
3. Q4 with lower purchase cost alongside with lower hardware sales, lower handset repair cost and less stock adjustments
4. Operational excellence leads to an FTE reduction at Swisscom Switzerland of -464 YOY
5. Q4 with lower costs for marketing and customer projects in B2B

1) excluding restructuring cost of CHF 62mn (Q4-2019)
Group EBITDA and changes by segments
Satisfying underlying results thanks to strong cost management in Switzerland and growing Fastweb

Q3 with improved result due to lower OPEX for sport events (Covid-19), Q4 impacted by higher SAC/SRC

Softer price pressure and continuous management of cost base influenced also Q4 positively

Increase is supported by lower cost for IT and support functions. Q2 and Q3 weaker due to lower roaming inbound revenue (Covid-19). Q4 with higher cost savings YOY

Steady increase throughout the year

Q4 impacted by higher intercompany profit elimination and higher pension cost (non-cash)

1) Restructuring Swisscom Switzerland (CHF 62mn) and Other segments (release of CHF -6mn)
2) Consists of currency impacts (CHF -32mn)
**EBITDA dynamics of Swisscom Switzerland**

Covid-19 with some service revenue but nil margin impact. FY EBITDA slightly better than expected

### Service revenue evolution

<table>
<thead>
<tr>
<th></th>
<th></th>
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<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1 19</td>
<td>-6</td>
<td>-15</td>
<td>-32</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q2 19</td>
<td>-6</td>
<td>-14</td>
<td>-8</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q3 19</td>
<td>-5</td>
<td>-12</td>
<td>-16</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q4 19</td>
<td>-4</td>
<td>-11</td>
<td>-10</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q1 20</td>
<td>-4</td>
<td>-10</td>
<td>-18</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q2 20</td>
<td>-4</td>
<td>-7</td>
<td>-29</td>
<td>-10</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q3 20</td>
<td>-4</td>
<td>-7</td>
<td>-21</td>
<td>-10</td>
<td></td>
<td>-10</td>
</tr>
<tr>
<td>Q4 20</td>
<td>-5</td>
<td>-23</td>
<td>-8</td>
<td>-10</td>
<td></td>
<td>-9</td>
</tr>
</tbody>
</table>

### EBITDA dynamics

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Service revenue</th>
<th>Indirect cost</th>
<th>Device decoupling</th>
<th>SAC/SRC</th>
<th>Wholesale</th>
<th>Others</th>
<th>EBITDA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q4 2020</td>
<td>-59</td>
<td>+41</td>
<td>+33</td>
<td>-23</td>
<td>-12</td>
<td>-5</td>
<td></td>
</tr>
<tr>
<td>FY 2020</td>
<td>-285</td>
<td>+129</td>
<td>+66</td>
<td>+19</td>
<td>+13</td>
<td>+39</td>
<td>-19</td>
</tr>
</tbody>
</table>

1) Excluding restructuring cost (CHF 62mn in 2019)

* B2C with FY impact of CHF -28mn, t/o Covid-19 CHF -18mn
* B2B with FY impact of CHF -36mn, t/o Covid-19 CHF -24mn
## Net income

Net income impacted by higher tax expenses due to deferred tax liability adjustments in prior year

### In CHF mn

<table>
<thead>
<tr>
<th>FY 2020</th>
<th>EBITDA reported</th>
<th>Depreciation of PPE and intangibles</th>
<th>Depreciation right of use - PPE and intangibles</th>
<th>EBIT</th>
<th>Net interest</th>
<th>Interest leasing</th>
<th>Other financial result</th>
<th>Affiliated companies</th>
<th>Tax expenses</th>
<th>Net income</th>
<th>Swisscom Shareholders</th>
<th>Minorsities</th>
<th>Net income Swisscom Shareholders</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>4'382</td>
<td>-2'149</td>
<td>-286</td>
<td>1'947</td>
<td>-69</td>
<td>-45</td>
<td>-38</td>
<td>4</td>
<td>-271</td>
<td>1'528</td>
<td>2</td>
<td>1'530</td>
<td>29.54</td>
</tr>
<tr>
<td>Prior Year</td>
<td>4'358</td>
<td>-2'166</td>
<td>-282</td>
<td>1'910</td>
<td>-62</td>
<td>-42</td>
<td>-54</td>
<td>-28</td>
<td>-55</td>
<td>1'669</td>
<td>3</td>
<td>1'672</td>
<td>15.1%</td>
</tr>
</tbody>
</table>

- Swisscom expects a long-term corporate tax rate of 19%
Capital expenditures
Continuous investments in high quality network

<table>
<thead>
<tr>
<th></th>
<th>Q4 2020</th>
<th>FY 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Group CAPEX</strong> 1)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Swisscom Switzerland</td>
<td>CHF 413 mn</td>
<td>CHF 1'599 mn</td>
</tr>
<tr>
<td></td>
<td>(-5.5% YOY)</td>
<td>(+2.2% YOY)</td>
</tr>
<tr>
<td>Fastweb 2)</td>
<td>CHF 190 mn</td>
<td>CHF 629 mn</td>
</tr>
<tr>
<td></td>
<td>(+10.5% YOY)</td>
<td>(-5.7% YOY)</td>
</tr>
<tr>
<td>Other</td>
<td>CHF -6 mn</td>
<td>CHF 1 mn</td>
</tr>
<tr>
<td></td>
<td>(Q4 19: CHF -4mn)</td>
<td>(FY 19: CHF 10mn)</td>
</tr>
</tbody>
</table>

1) Excluding prior year spectrum CAPEX of CHF 196 mn

- FTTx rollout and upgrading of mobile network in Switzerland, slightly higher compared to prior year
- Ongoing investments in network infrastructure keep Fastweb’s CAPEX on a high level, but lower compared to previous year
Free cash flow
Reported FCF up by CHF +361mn, excluding spectrum CAPEX up by CHF +165mn

- FCF excluding spectrum CAPEX higher than prior year driven by lower income taxes paid and change in NWC
Swisscom committed to sound financial profile
Well balanced and diversified maturity profile

**Net debt development** (in CHF mn)

- **Net debt incl. lease liabilities 2019**: 8'785
- **FCF**: 1'140
- **Dividends**: 29
- **M&A**: -42
- **Other effects**: 
- **Net debt incl. lease liabilities 2020**: 8'206

**Debt maturity profile** as per YE 2020

- **2021**: 540
- **2022**: 500
- **2023**: 250
- **2024**: 662
- **2025**: 546
- **2026**: 740
- **2027**: 550
- **2028**: 984
- **2029**: 360
- **>2030**: 1'305

**Debt mix**

- **88% fixed**
- **12% floating**

**Leverage**

- 1.9x
- 1.5x IFRS16 adjusted

**Ratings**

- S&P: A Stable
- Moody’s: A2 Stable

**Debt mix**

- Ø interest rate of 0.9%
- Debt portfolio duration of 5.82 years
- CHF 2bn (unused) committed credit lines

---

1) excl. short-term money market borrowings
Guidance FY 2021
Net revenue of CHF ~11.1bn, EBITDA of CHF ~4.3bn and CAPEX of CHF ~2.3bn

<table>
<thead>
<tr>
<th>in CHF mn</th>
<th>2020 reported</th>
<th>Expected YOY change</th>
<th>Expected YOY change</th>
<th>2021 outlook</th>
<th>Splits into:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Swisscom w/o Fastweb</td>
<td>Fastweb in EUR mn</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue</td>
<td>11'100</td>
<td>&lt; 0</td>
<td>&gt; 0</td>
<td>~11'100</td>
<td>CHF ~8.5bn for Swisscom w/o Fastweb + EUR ~2.4bn for Fastweb</td>
</tr>
<tr>
<td>EBITDA</td>
<td>4'382</td>
<td>&lt; 0</td>
<td>&gt; 0</td>
<td>~4'300</td>
<td>CHF ~3.4bn for Swisscom w/o Fastweb + EUR ~0.8bn for Fastweb</td>
</tr>
<tr>
<td>CAPEX</td>
<td>2'229</td>
<td>&gt; 0</td>
<td>0</td>
<td>~2'300</td>
<td>CHF &gt;1.6bn for Swisscom w/o Fastweb + EUR ~0.6bn for Fastweb</td>
</tr>
</tbody>
</table>

Upon meeting its targets, Swisscom plans to propose again a dividend of CHF 22/share (payable in 2022)

1 EBITDAaL 2021 outlook for Swisscom: CHF ~4.0bn
2 For consolidation purposes, CHF/EUR of 1.07 has been used (vs. 1.07 for fiscal year 2020)
Wrap-up

Urs Schaeppi, CEO Swisscom
Thank you Mario and welcome Eugen
New Swisscom CFO from March 1st, 2021

**Mario Rossi** (1960)
- More than 22 years in different management functions at Swisscom
- **Swisscom CFO since 2013**
- Stepping down as per end of February 2021
- **Thank you Mario** and the very best for your future

**Eugen Stermetz** (1972)
- 25 years of management experience
- **Since 2012 in senior financial roles at Swisscom**, among others heading M&A and Treasury
- Prior to Swisscom, CFO in IT and biotech/pharma and management consultant at BCG
- **Welcome Eugen as Swisscom CFO** and member of the group executive board from 1 March 2021
Final remarks
#ready for 2021 and beyond

Deliver on leading position in Switzerland outperforming in network, sales and service

Strong commitment to operational excellence

Enable a predictable shareholder remuneration

Push Fastweb in its next chapter of growth

Execute new growth ambitions
Q&A
Appendix
Swisscom strategy with proven pillar 'best customer experience'
Cement premium brand positioning with inspiring products & services on leading infrastructure in Switzerland

#Key beliefs

**Best infrastructure**
- Extend network leadership by rolling-out fibre and 5G
- Maximise (indoor) coverage
- Reliability and security key

**Best service**
- Further expand NPS lead by pushing personalised local and digital services
- Foster multi-touchpoint experience

**Innovative products**
- Reinforce FMC offerings
- Push smart life services
- Drive entertainment further
- Develop 5G Campus and Edge Cloud Solutions
Swisscom strategy with proven pillar 'operational excellence'
Reduce complexity, drive digitisation and be #ready for a more agile business environment

#Key beliefs

**Efficient operations**
- Simplicity essential – for channels, portfolios and processes
- Enhance agile operating model
- Platform consolidations
- Smart E2E operations

**Digital transformation**
- Online first
- Process automation
- Maximise business support

**Smart investments**
- Lean portfolio management
- Reduction in unit costs
- Increase building capacity
- Global sourcing with international delivery partners
Swisscom strategy with proven pillar 'new growth in Switzerland'
Maximise core business, grow in IT and adjacent businesses along a clear path

#Key beliefs

Core business
- Grow with 2\textsuperscript{nd} and 3\textsuperscript{rd} brands to defend leading market shares
- Stimulate growth with entertainment and smart products
- Drive VAS to the next level

IT business
- Penetrate the SME market with smart ICT
- Grow Solutions business with cloud, security, IoT, consulting and banking services

Focused growth in adjacent businesses
- Fintech
- Trust services
- Directory and marketing services for SMEs
- Venturing
Swisscom strategy with proven pillar 'Fastweb'
Trusted infrastructure-OTT player with strong UBB and 5G footprint

#Key beliefs

Position

- Market share growth
- Increase own UBB footprint with 5G mobile and 5G FWA

Products

- 'NeXXt generation 2025' initiative in B2C
- Launch of mobile Enterprise offerings

ICT & wholesale

- Benefit from scale in UBB business
- ICT, Cloud & Security
- Push backhauling business
Market shares
Stable position in Switzerland, strengthened in Italy

**Broadband**
- 30.1% Newco
- 12.4% Other cable
- 2.9% Salt
- 2.0% ISP’s

**TV**
- 29.8% Newco
- 25.9% Other cable
- 5.2% digital satellite and antenna
- 2.7% Salt

**Postpaid**
- 57.1%
- 27.7% Newco (incl. other cable)

**Market shares as per Q3 2020**

**Broadband**
- 16% Fastweb
- 14% W3
- 17% TIM
- 11% Others

**Mobile**
- 27% TIM
- 24% Vodafone
- 29% W3
- 9% Other
- 8% Iliad

**Other**
# Key financials

Reported and underlying revenue and EBITDA

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2020</th>
<th>Change Q/Q, FY</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Q1</td>
<td>Q2</td>
<td>Q3</td>
</tr>
<tr>
<td>Revenue, reported</td>
<td>2'860</td>
<td>2'803</td>
<td>2'793</td>
</tr>
<tr>
<td>Currency effect</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Underlying change</td>
<td></td>
<td></td>
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<tr>
<td>EBITDA, reported</td>
<td>1'119</td>
<td>1'121</td>
<td>1'120</td>
</tr>
<tr>
<td>Adjustment effect IFRS16</td>
<td>5</td>
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<td>Restructuring</td>
<td>56</td>
<td>56</td>
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<tr>
<td>Currency effect</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Underlying change</td>
<td></td>
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</tbody>
</table>
Swisscom Switzerland
Wireless ARPU and IFRS15 adjustments

Swisscom Switzerland

<table>
<thead>
<tr>
<th></th>
<th>Blended (reported)</th>
<th>Blended (IFRS15)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1 19</td>
<td>38</td>
<td>35</td>
</tr>
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<td>38</td>
<td>35</td>
</tr>
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<td>Q3</td>
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<td>36</td>
</tr>
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<td>Q4</td>
<td>37</td>
<td>35</td>
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<td>Q1 20</td>
<td>36</td>
<td>35</td>
</tr>
<tr>
<td>Q2</td>
<td>35</td>
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<td>35</td>
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<td>Q4</td>
<td>35</td>
<td>34</td>
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Postpaid (reported)

<table>
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<th>Postpaid (IFRS15)</th>
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<tr>
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<td>50</td>
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<tr>
<td>Q2</td>
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</tr>
<tr>
<td>Q3</td>
<td>49</td>
</tr>
<tr>
<td>Q4</td>
<td>48</td>
</tr>
<tr>
<td>Q1 20</td>
<td>47</td>
</tr>
<tr>
<td>Q2</td>
<td>45</td>
</tr>
<tr>
<td>Q3</td>
<td>45</td>
</tr>
<tr>
<td>Q4</td>
<td>44</td>
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</table>

Residential Customers

<table>
<thead>
<tr>
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<th>Residential Customers</th>
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<tbody>
<tr>
<td>Q1 19</td>
<td>38</td>
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<tr>
<td>Q2</td>
<td>38</td>
</tr>
<tr>
<td>Q3</td>
<td>38</td>
</tr>
<tr>
<td>Q4</td>
<td>38</td>
</tr>
<tr>
<td>Q1 20</td>
<td>37</td>
</tr>
<tr>
<td>Q2</td>
<td>36</td>
</tr>
<tr>
<td>Q3</td>
<td>36</td>
</tr>
<tr>
<td>Q4</td>
<td>35</td>
</tr>
</tbody>
</table>

Residential Customers

<table>
<thead>
<tr>
<th></th>
<th>Residential Customers</th>
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</thead>
<tbody>
<tr>
<td>Q1 19</td>
<td>58</td>
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<tr>
<td>Q2</td>
<td>53</td>
</tr>
<tr>
<td>Q3</td>
<td>57</td>
</tr>
<tr>
<td>Q4</td>
<td>57</td>
</tr>
<tr>
<td>Q1 20</td>
<td>56</td>
</tr>
<tr>
<td>Q2</td>
<td>51</td>
</tr>
<tr>
<td>Q3</td>
<td>51</td>
</tr>
<tr>
<td>Q4</td>
<td>51</td>
</tr>
</tbody>
</table>
Residential Customers  
Segment reporting as per 31.12.2020

Net revenue decreased driven by lower service revenue.

Service revenue decreased (-4.0%) due to higher discount volumes (inOne), brand shift and lower roaming volumes (Covid-19).

Contribution margin 2 decreased by 2.5%, half of the service revenue decrease could by compensated on that level.

<table>
<thead>
<tr>
<th></th>
<th>Q4 2020</th>
<th>Q4/Q4</th>
<th>31.12.2020</th>
<th>YoY</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net revenue in MCHF</strong> 1)</td>
<td>1'186</td>
<td>-4.4%</td>
<td>4'564</td>
<td>-3.6%</td>
</tr>
<tr>
<td>Direct costs in MCHF</td>
<td></td>
<td></td>
<td>-1'088</td>
<td>-7.0%</td>
</tr>
<tr>
<td>Indirect costs in MCHF 2)</td>
<td></td>
<td></td>
<td>-775</td>
<td>-2.6%</td>
</tr>
<tr>
<td><strong>Contribution margin 2 in MCHF</strong></td>
<td>630</td>
<td>-5.3%</td>
<td>2'701</td>
<td>-2.5%</td>
</tr>
<tr>
<td><strong>Contribution margin 2 in %</strong></td>
<td></td>
<td></td>
<td>59.2%</td>
<td></td>
</tr>
<tr>
<td>Depreciation &amp; amortisation in MCHF</td>
<td>-17</td>
<td>-5.6%</td>
<td>-72</td>
<td>-18.2%</td>
</tr>
<tr>
<td>Lease expense in MCHF</td>
<td>-10</td>
<td>-9.1%</td>
<td>-43</td>
<td>-10.4%</td>
</tr>
<tr>
<td><strong>Segment result in MCHF</strong></td>
<td>603</td>
<td>-5.2%</td>
<td>2'586</td>
<td>-1.8%</td>
</tr>
<tr>
<td>CAPEX in MCHF</td>
<td></td>
<td></td>
<td>-27</td>
<td>-15.6%</td>
</tr>
<tr>
<td>FTE’s</td>
<td>-49</td>
<td>-50.0%</td>
<td>3'088</td>
<td>-7.6%</td>
</tr>
<tr>
<td>Broadband lines in '000 3)</td>
<td></td>
<td></td>
<td>1'746</td>
<td>-0.6%</td>
</tr>
<tr>
<td>Voice lines in '000 3)</td>
<td>-22</td>
<td>-5.5%</td>
<td>1'235</td>
<td>-5.5%</td>
</tr>
<tr>
<td>Wireless customers Prepaid in '000 3)</td>
<td>-60</td>
<td>-12.2%</td>
<td>1'372</td>
<td>-5.5%</td>
</tr>
<tr>
<td>Wireless customers Postpaid in '000 3)</td>
<td>+29</td>
<td>2.1%</td>
<td>2'991</td>
<td>2.1%</td>
</tr>
<tr>
<td>Blended wireless ARPU in CHF</td>
<td>36</td>
<td>-5.3%</td>
<td>36</td>
<td>-5.3%</td>
</tr>
<tr>
<td>TV subs in '000 3)</td>
<td></td>
<td></td>
<td>1'489</td>
<td>-0.1%</td>
</tr>
</tbody>
</table>

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

### Subscriptions (in k)

- **Q4 19**: 4'492
- **Q3 20**: 4'394
- **Q4 20**: 4'363

YoY: -129

- Postpaid value: 2'930, 2'962, 2'991 (YoY +61)
- Postpaid volume*: 2'732, 2'734, 2'746 (YoY +38)
- Total: 1'938, 2'228, 2'45

YoY: -39

### ARPU (in CHF)

- **Q4 19**: 38%
- **Q3 20**: 37%
- **Q4 20**: 36%

YoY: -129

- Blended ARPU: 65, 56, 64 (YoY +61)
- Non-metered share: 51, 52, 63 (YoY +3)

### Service Revenue (in CHF mn)

- **Q4 19**: 513
- **Q3 20**: 485
- **Q4 20**: 474

YoY: -39

- W- revenue standalone: 311, 284, 269
- W- revenue in FM bundles: 202, 201, 205

* consists of data and multi SIM cards
Residential Customers
Wireline performance

**Subscriptions (in k)**

<table>
<thead>
<tr>
<th></th>
<th>Q4 19</th>
<th>Q3 20</th>
<th>Q4 20</th>
</tr>
</thead>
<tbody>
<tr>
<td>voice</td>
<td>4'555</td>
<td>4'490</td>
<td>4'470</td>
</tr>
<tr>
<td>broadband</td>
<td>1'491</td>
<td>1'486</td>
<td>1'489</td>
</tr>
<tr>
<td>TV</td>
<td>1'757</td>
<td>1'747</td>
<td>1'746</td>
</tr>
<tr>
<td></td>
<td>1'307</td>
<td>1'257</td>
<td>1'235</td>
</tr>
</tbody>
</table>

**ARPU and ARPH (in CHF)**

<table>
<thead>
<tr>
<th></th>
<th>Q4 19</th>
<th>Q3 20</th>
<th>Q4 20</th>
</tr>
</thead>
<tbody>
<tr>
<td>blended ARPU</td>
<td>37</td>
<td>37</td>
<td>37</td>
</tr>
<tr>
<td>non-metered share</td>
<td>90%</td>
<td>91%</td>
<td>90%</td>
</tr>
<tr>
<td>YoY</td>
<td>-85</td>
<td>-2</td>
<td>-11</td>
</tr>
<tr>
<td></td>
<td>-72</td>
<td>-2</td>
<td>-3</td>
</tr>
</tbody>
</table>

**Service Revenue (in CHF mn)**

<table>
<thead>
<tr>
<th></th>
<th>Q4 19</th>
<th>Q3 20</th>
<th>Q4 20</th>
</tr>
</thead>
<tbody>
<tr>
<td>w+ revenue standalone</td>
<td>508</td>
<td>500</td>
<td>507</td>
</tr>
<tr>
<td>w+ revenue in fixed-only bundles</td>
<td>253</td>
<td>241</td>
<td>243</td>
</tr>
<tr>
<td>w+ revenue in FM bundles</td>
<td>230</td>
<td>236</td>
<td>242</td>
</tr>
<tr>
<td>YoY</td>
<td>-1</td>
<td>-3</td>
<td>-10</td>
</tr>
<tr>
<td></td>
<td>+12</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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

*Fixed RGUs per household*
Residential Customers
Performance of fixed and FM bundles

Subscriptions and Bundles (in k)

<table>
<thead>
<tr>
<th></th>
<th>Q4 19</th>
<th>Q3 20</th>
<th>Q4 20</th>
</tr>
</thead>
<tbody>
<tr>
<td>fixed-only bundles</td>
<td>787</td>
<td>798</td>
<td>802</td>
</tr>
<tr>
<td>FM bundles</td>
<td>964</td>
<td>940</td>
<td>935</td>
</tr>
<tr>
<td>RGUs in bundles</td>
<td>1'751</td>
<td>1'738</td>
<td>1'737</td>
</tr>
</tbody>
</table>

FM penetration (in %)

<table>
<thead>
<tr>
<th></th>
<th>Q4 19</th>
<th>Q3 20</th>
<th>Q4 20</th>
</tr>
</thead>
<tbody>
<tr>
<td>45%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>40%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>41%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>41%</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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

Service Revenue (in CHF mn)

<table>
<thead>
<tr>
<th></th>
<th>Q4 19</th>
<th>Q3 20</th>
<th>Q4 20</th>
</tr>
</thead>
<tbody>
<tr>
<td>blended ARPB</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ARPU per bundled RGU</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FMC converged postpaid value subs</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FMC converged BB subs</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>w+ revenue in fixed-only bundles</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>w+ revenue in FM bundles</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>w- revenue in FM bundles</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

YOY

- 4
- 14
- 29
+ 15
- 10
+ 12
+ 3

Year-over-Year

- 4
+ 5
- 10
+ 12
+ 3
**Business Customers**
Segment reporting as per 31.12.2020

Net revenue down -4.3%, decrease in service revenue (-6.6%) due to price erosion and lower roaming volume (Covid-19).

On the other hand, solutions revenue slightly up 0.9%. Increase realised in cloud services, new communication platforms and system integration, other products with decrease.

Hardware sales instead did not reach prior year volumes.

Contribution margin 2 down by 3.6%, more than half of the service revenue decline could be compensated by lower cost.

<table>
<thead>
<tr>
<th></th>
<th>Q4 2020</th>
<th>Q4/Q4</th>
<th>31.12.2020</th>
<th>YoY</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net revenue in MCHF 1)</strong></td>
<td>786</td>
<td>-3.4%</td>
<td>3'100</td>
<td>-4.3%</td>
</tr>
<tr>
<td>Direct costs in MCHF</td>
<td>-220</td>
<td>-1.3%</td>
<td>-818</td>
<td>-6.6%</td>
</tr>
<tr>
<td>Indirect costs in MCHF 2)</td>
<td>-236</td>
<td>-6.0%</td>
<td>-938</td>
<td>-3.3%</td>
</tr>
<tr>
<td><strong>Contribution margin 2 in MCHF</strong></td>
<td>330</td>
<td>-2.9%</td>
<td>1'344</td>
<td>-3.6%</td>
</tr>
<tr>
<td><strong>Contribution margin 2 in %</strong></td>
<td>42.0%</td>
<td></td>
<td>43.4%</td>
<td></td>
</tr>
<tr>
<td>Depreciation &amp; amortisation in MCHF</td>
<td>-19</td>
<td>-29.6%</td>
<td>-76</td>
<td>-14.6%</td>
</tr>
<tr>
<td>Lease expense in MCHF</td>
<td>-8</td>
<td>14.3%</td>
<td>-33</td>
<td>13.8%</td>
</tr>
<tr>
<td><strong>Segment result in MCHF</strong></td>
<td>303</td>
<td>-1.0%</td>
<td>1'235</td>
<td>-3.2%</td>
</tr>
<tr>
<td>CAPEX in MCHF</td>
<td>-13</td>
<td>44.4%</td>
<td>-40</td>
<td>-7.0%</td>
</tr>
<tr>
<td>FTE's</td>
<td>+12</td>
<td></td>
<td>4'917</td>
<td>-3.9%</td>
</tr>
<tr>
<td>Broadband lines in '000</td>
<td>-1</td>
<td></td>
<td>297</td>
<td>-1.3%</td>
</tr>
<tr>
<td>Voice lines in '000</td>
<td>-1</td>
<td></td>
<td>288</td>
<td>0.3%</td>
</tr>
<tr>
<td>Wireless customers in '000</td>
<td>+2</td>
<td></td>
<td>1'861</td>
<td>1.1%</td>
</tr>
<tr>
<td>Blended wireless ARPU in CHF</td>
<td>32</td>
<td>-11.1%</td>
<td>33</td>
<td>-10.8%</td>
</tr>
<tr>
<td>TV subs in '000</td>
<td>+0</td>
<td></td>
<td>65</td>
<td>1.6%</td>
</tr>
</tbody>
</table>

1) incl. intersegment revenues
2) incl. capitalised costs and other income
Business Customers
Subs and revenue performance

Subscriptions (in k)

Service Revenue (in CHF mn)

Solutions Revenue (in CHF mn)

* Consists of revenues from vertical businesses, digital solutions, cloud and network services and other solutions
Wholesale
Segment reporting as per 31.12.2020

Revenue from external customers up by 2.8%. Higher revenue from MVNO services as well as for connectivity services partly compensated by lower inbound roaming (Covid-19).

Contribution margin 2 up 2.5% YoY.

<table>
<thead>
<tr>
<th></th>
<th>Q4 2020</th>
<th>Q4/Q4</th>
<th>31.12.2020</th>
<th>YoY</th>
</tr>
</thead>
<tbody>
<tr>
<td>External revenue in MCHF</td>
<td>171</td>
<td>11.0%</td>
<td>661</td>
<td>2.8%</td>
</tr>
<tr>
<td>Intersegment revenue in MCHF</td>
<td>78</td>
<td>20.0%</td>
<td>315</td>
<td>-3.1%</td>
</tr>
<tr>
<td><strong>Net revenue in MCHF</strong></td>
<td><strong>249</strong></td>
<td><strong>13.7%</strong></td>
<td><strong>976</strong></td>
<td><strong>0.8%</strong></td>
</tr>
<tr>
<td>Direct costs in MCHF</td>
<td>-109</td>
<td>12.4%</td>
<td>-433</td>
<td>-2.0%</td>
</tr>
<tr>
<td>Indirect costs in MCHF 1)</td>
<td>-7</td>
<td>75.0%</td>
<td>-19</td>
<td>26.7%</td>
</tr>
<tr>
<td><strong>Contribution margin 2 in MCHF</strong></td>
<td><strong>133</strong></td>
<td><strong>12.7%</strong></td>
<td><strong>524</strong></td>
<td><strong>2.5%</strong></td>
</tr>
<tr>
<td><strong>Contribution margin 2 in %</strong></td>
<td>53.4%</td>
<td>53.7%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation &amp; amortisation in MCHF</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Lease expense in MCHF</td>
<td>-1</td>
<td>-1</td>
<td>-1</td>
<td>-</td>
</tr>
<tr>
<td><strong>Segment result in MCHF</strong></td>
<td><strong>132</strong></td>
<td>12.8%</td>
<td><strong>523</strong></td>
<td>2.5%</td>
</tr>
<tr>
<td>CAPEX in MCHF</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>FTE's</td>
<td>-2</td>
<td>-2</td>
<td>83</td>
<td>0.0%</td>
</tr>
<tr>
<td>Full access lines in ’000</td>
<td>-3</td>
<td></td>
<td>56</td>
<td>-20.0%</td>
</tr>
<tr>
<td>BB (wholesale) lines in ’000</td>
<td>+12</td>
<td></td>
<td>555</td>
<td>7.8%</td>
</tr>
</tbody>
</table>

1) incl. capitalised costs and other income
Wholesale portfolio
Access offerings

**Carrier Line Service Basic und Premium**
- Dedicated high-quality Point-to-Point Data Transmission, 2M to 10G symmetric

**Carrier Ethernet Service Basic und Premium**
- Layer 2 Service for low-cost and flexible Ethernet connections, 2M to 10G symmetric

**Low End Copper and Low End Fibre**
- Cost-efficient low-end-access, 2M to 1G symmetric

**Broadband Connectivity Service**
- Swiss-wide broadband access, 2M to 1G, asymmetric and symmetric

**Unbundled Line (TAL)**
**Access Line Optical (ALO)**
- Layer 1 line rental

---

**Monthly mass market prices**

<table>
<thead>
<tr>
<th>Service Description</th>
<th>Monthly Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>Broadband Connectivity Service BBCS, Layer 3, 20/4 Mbit/s</td>
<td>CHF 22</td>
</tr>
<tr>
<td>Broadband Connectivity Service BBCS, Layer 3, 50/10 Mbit/s</td>
<td>CHF 23</td>
</tr>
<tr>
<td>Broadband Connectivity Service BBCS, Layer 3, 100/20 Mbit/s</td>
<td>CHF 27</td>
</tr>
<tr>
<td>Unbundled Access Line TAL, Layer 1, Copper*</td>
<td>CHF 12.70</td>
</tr>
<tr>
<td>Access Line Optical¹ ALO, Layer 1, Fibre*</td>
<td>CHF 25</td>
</tr>
</tbody>
</table>

¹ From 1st October 2020 onwards
## IT, Network and Infrastructure

Segment reporting as per 31.12.2020

Contribution margin 2 improved by 12.5%. Prior year was charged by restructuring cost. On an adjusted basis, the contribution margin improved by 7.7% supported by lower cost for IT and other OPEX.

<table>
<thead>
<tr>
<th></th>
<th>Q4 2020</th>
<th>Q4/Q4</th>
<th>31.12.2020</th>
<th>YoY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net revenue in MCHF</td>
<td>21</td>
<td>5.0%</td>
<td>85</td>
<td>0.0%</td>
</tr>
<tr>
<td>Direct costs in MCHF</td>
<td>-3</td>
<td>0.0%</td>
<td>-12</td>
<td>9.1%</td>
</tr>
<tr>
<td>Workforce expenses in MCHF</td>
<td>-227</td>
<td>-13.4%</td>
<td>-824</td>
<td>-4.1%</td>
</tr>
<tr>
<td>Maintenance in MCHF</td>
<td>-51</td>
<td>0.0%</td>
<td>-198</td>
<td>0.0%</td>
</tr>
<tr>
<td>IT expenses in MCHF</td>
<td>-46</td>
<td>-6.1%</td>
<td>-153</td>
<td>-10.0%</td>
</tr>
<tr>
<td>Other OPEX in MCHF</td>
<td>-96</td>
<td>-29.4%</td>
<td>-381</td>
<td>-16.8%</td>
</tr>
<tr>
<td>Indirect costs in MCHF</td>
<td>-420</td>
<td>-15.7%</td>
<td>-1'556</td>
<td>-7.7%</td>
</tr>
<tr>
<td>Capitalised costs and other income in MCHF</td>
<td>109</td>
<td>7.9%</td>
<td>441</td>
<td>5.0%</td>
</tr>
<tr>
<td><strong>Contribution margin 2 in MCHF</strong></td>
<td><strong>-293</strong></td>
<td><strong>-22.9%</strong></td>
<td><strong>-1'042</strong></td>
<td><strong>-12.5%</strong></td>
</tr>
<tr>
<td>Depreciation &amp; amortisation in MCHF</td>
<td>-333</td>
<td>1.2%</td>
<td>-1'361</td>
<td>1.7%</td>
</tr>
<tr>
<td>Lease expense in MCHF</td>
<td>-37</td>
<td>-2.6%</td>
<td>-153</td>
<td>4.8%</td>
</tr>
<tr>
<td><strong>Segment result in MCHF</strong></td>
<td><strong>-663</strong></td>
<td><strong>-11.2%</strong></td>
<td><strong>-2'556</strong></td>
<td><strong>-4.4%</strong></td>
</tr>
<tr>
<td>CAPEX in MCHF</td>
<td>-392</td>
<td>-4.9%</td>
<td>-1'532</td>
<td>-9.1%</td>
</tr>
<tr>
<td>FTE's</td>
<td>+11</td>
<td></td>
<td>4'503</td>
<td>-0.2%</td>
</tr>
</tbody>
</table>
Consumer revenue up by 2.6% YoY driven by the increase in customer base.

Enterprise revenue up by 5.2% as revenues with the private sector and public administrations increased.

Wholesale revenue increased as well.

EBITDA up by 4.5% YoY driven by the revenue increase.

<table>
<thead>
<tr>
<th></th>
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<th>Q4/Q4</th>
<th>31.12.2020</th>
<th>YoY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consumer revenue in MEUR</td>
<td>289</td>
<td>1.4%</td>
<td>1'133</td>
<td>2.6%</td>
</tr>
<tr>
<td>Enterprise revenue in MEUR</td>
<td>246</td>
<td>4.7%</td>
<td>907</td>
<td>5.2%</td>
</tr>
<tr>
<td>Wholesale revenue in MEUR 1)</td>
<td>95</td>
<td>-16.7%</td>
<td>264</td>
<td>4.8%</td>
</tr>
<tr>
<td>Net revenue in MEUR 4)</td>
<td>630</td>
<td>-0.6%</td>
<td>2'304</td>
<td>3.9%</td>
</tr>
<tr>
<td>OPEX in MEUR 2)</td>
<td>-414</td>
<td>-3.0%</td>
<td>-1'520</td>
<td>3.5%</td>
</tr>
<tr>
<td>EBITDA in MEUR</td>
<td>216</td>
<td>4.3%</td>
<td>784</td>
<td>4.5%</td>
</tr>
<tr>
<td>EBITDA margin in %</td>
<td>34.3%</td>
<td></td>
<td>34.0%</td>
<td></td>
</tr>
<tr>
<td>Depreciation&amp; amortisation in MEUR</td>
<td>-145</td>
<td>0.0%</td>
<td>-577</td>
<td>3.0%</td>
</tr>
<tr>
<td>Lease expense in MEUR</td>
<td>-13</td>
<td>8.3%</td>
<td>-52</td>
<td>4.0%</td>
</tr>
<tr>
<td>Segment result in MEUR</td>
<td>58</td>
<td>16.0%</td>
<td>155</td>
<td>10.7%</td>
</tr>
<tr>
<td>CAPEX in MEUR</td>
<td>-177</td>
<td>13.5%</td>
<td>-587</td>
<td>-2.0%</td>
</tr>
<tr>
<td>FTE's</td>
<td>+69</td>
<td>13.5%</td>
<td>2'703</td>
<td>10.1%</td>
</tr>
<tr>
<td>BB customers in '000</td>
<td>+43</td>
<td></td>
<td>2'747</td>
<td>4.2%</td>
</tr>
<tr>
<td>Wireless customers in '000</td>
<td>+72</td>
<td></td>
<td>1'961</td>
<td>12.3%</td>
</tr>
<tr>
<td>In consolidated Swisscom accounts</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EBITDA in MCHF</td>
<td>232</td>
<td>1.8%</td>
<td>840</td>
<td>0.7%</td>
</tr>
<tr>
<td>CAPEX in MCHF</td>
<td>-190</td>
<td>10.5%</td>
<td>-629</td>
<td>-5.7%</td>
</tr>
</tbody>
</table>

1) incl. revenues to Swisscom companies
2) incl. capitalised costs and other income
Other

Segment reporting as per 31.12.2020

External revenue down by 12.6% YoY, as Cablex and Broadcast report lower revenue in 2020.

At Cablex relative high external revenue in prior year due to a customer project.

<table>
<thead>
<tr>
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<th>31.12.2020</th>
<th>YoY</th>
</tr>
</thead>
<tbody>
<tr>
<td>External revenue in MCHF</td>
<td>116</td>
<td>-7.9%</td>
<td>445</td>
<td>-12.6%</td>
</tr>
<tr>
<td><strong>Net revenue in MCHF</strong> 1)</td>
<td>261</td>
<td>-5.8%</td>
<td>1'020</td>
<td>-5.5%</td>
</tr>
<tr>
<td>OPEX in MCHF 2)</td>
<td>-214</td>
<td>-7.8%</td>
<td>-835</td>
<td>-6.2%</td>
</tr>
<tr>
<td><strong>EBITDA in MCHF</strong></td>
<td>47</td>
<td>4.4%</td>
<td>185</td>
<td>-2.1%</td>
</tr>
<tr>
<td>EBITDA margin in %</td>
<td>18.0%</td>
<td></td>
<td>18.1%</td>
<td></td>
</tr>
<tr>
<td>Depreciation &amp; amortisation in MCHF</td>
<td>-17</td>
<td>30.8%</td>
<td>-62</td>
<td>-1.6%</td>
</tr>
<tr>
<td>Lease expense in MCHF</td>
<td>-3</td>
<td>-25.0%</td>
<td>-12</td>
<td>-7.7%</td>
</tr>
<tr>
<td><strong>Segment result in MCHF</strong></td>
<td>27</td>
<td>-3.6%</td>
<td>111</td>
<td>-1.8%</td>
</tr>
<tr>
<td>CAPEX in MCHF</td>
<td>-14</td>
<td>-6.7%</td>
<td>-44</td>
<td>-6.4%</td>
</tr>
<tr>
<td>FTE's</td>
<td>-2</td>
<td></td>
<td>3'558</td>
<td>-1.3%</td>
</tr>
</tbody>
</table>

1) incl. intersegment revenues
2) incl. capitalised costs and other income
**Pension plan**  
Situation as per 31.12.2020

**Valuation differences between Swiss pension law and IFRS**

- Funding requirements are based on the actuarial valuation in accordance with Swiss pension law, IFRS not relevant
- Coverage ratio under Swiss pension law: 111.8%
- Key actuarial assumptions:

<table>
<thead>
<tr>
<th>Swiss pension law</th>
<th>IFRS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Discount rate</td>
<td>1.75% based on expected long-term asset return</td>
</tr>
</tbody>
</table>

**Evolution IFRS deficit in 2020**

- Net pension cost significantly higher than cash contributions
- High return on plan assets compensates effect of lower discount rate assumption
## Pension plan
Reported costs and outlook

<table>
<thead>
<tr>
<th>in CHF mn</th>
<th>2019 reported</th>
<th>2020 reported</th>
<th>Change 21/20</th>
<th>2021 estimated</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating pension cost (EBITDA)</td>
<td>325</td>
<td>338</td>
<td>-5</td>
<td>333</td>
</tr>
<tr>
<td>Net interest (financial result)</td>
<td>8</td>
<td>2</td>
<td>0</td>
<td>2</td>
</tr>
<tr>
<td>Total pension cost (P&amp;L)</td>
<td>333</td>
<td>340</td>
<td>-5</td>
<td>335</td>
</tr>
<tr>
<td>Company contributions (cash payments)</td>
<td>278</td>
<td>273</td>
<td>10</td>
<td>283</td>
</tr>
<tr>
<td>Operating pension cost less cash payments</td>
<td>47</td>
<td>65</td>
<td>-15</td>
<td>50</td>
</tr>
</tbody>
</table>

### Operating pension cost
- Costs recognized in EBITDA measured in accordance with IFRS
- Costs are highly sensitive to changes of discount rate assumption

### Cash payments
- Cash contributions are not based on IFRS actuarial valuation method
- Contributions are lower than IFRS pension cost
#ready for people ...

... to make our contribution to a changing society

Status 2020  
1,434,713

Goal 2025  
2,000,000

- Already enables over 1.4 million people yearly to capitalise on the opportunities of the networked world
- Measures contain: Training in media use, developing media skills, employees with audited suppliers, digital shift, technical measures
#ready for the environment ...
... to make our contribution to environmental protection

- Together with our customers we save more CO₂ than we emit
- The goal 2025 is a net difference of 500k tonnes CO₂
- This is equivalent to ~1% of the greenhouse gas emissions produced by Switzerland
- Strong contribution of our green portfolio in 2020 for sustained economic and environmental protection
#ready for Switzerland …
… to strengthen Switzerland's competitiveness and quality of life

- Reliable highspeed internet for all Swiss households and businesses
- Goal 2025: double FTTH coverage as a prerequisite for Switzerland's competitiveness

Status 2020: 75%
Goal 2025: 95%
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