Swisscom FY 2021 results
Analyst and investor presentation
February 3rd, 2022
Welcome and agenda

Achievements 2021
Urs Schaeppi, CEO Swisscom

Swisscom 2025
Urs Schaeppi, CEO Swisscom

#1 in Switzerland
Urs Schaeppi, CEO Swisscom

Leading challenger in Italy
Alberto Calcagno, CEO Fastweb

Rock-solid financials
Eugen Stermetz, CFO Swisscom

Wrap-up
Urs Schaeppi, CEO Swisscom

Q&A
All
Achievements 2021

Urs Schaeppi, CEO Swisscom
2021 in a nutshell
Strong operational performance and financial results

Highest NPS and best converged network in Switzerland

Several test wins confirming Swisscom’s undisputed leadership in best customer experience

Outstanding ICT position. Leading in Cloud and Managed Security

Successful challenger with growing RGUs and EBITDA (+5%)

Sound financial results also thanks to solid execution in management of indirect costs

Climate neutral operations since 2020

New CO₂ ambitions 2025 to be 1st net zero Telco
Market performance in Switzerland and Italy
Overall solid operational results with a strong focus on value customers

**Swisscom Switzerland**

<table>
<thead>
<tr>
<th>Reported net adds in k</th>
<th>RGUs in k</th>
<th>Market share</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 20</td>
<td>2,037</td>
<td>50%</td>
</tr>
<tr>
<td>Q1</td>
<td>-6</td>
<td>Broadband</td>
</tr>
<tr>
<td>Q2</td>
<td>+3</td>
<td></td>
</tr>
<tr>
<td>Q3</td>
<td>+7</td>
<td></td>
</tr>
<tr>
<td>Q4</td>
<td>-15</td>
<td></td>
</tr>
</tbody>
</table>

| FY 20                  | 1,592     | 37%          |
| Q1                     | -7        | TV           |
| Q2                     | +4        |              |
| Q3                     | +3        |              |
| Q4                     | +7        |              |

| FY 20                  | 4,980     | 56%          |
| Q1                     | +1        | Postpaid     |
| Q2                     | +19       |              |
| Q3                     | +50       |              |
| Q4                     | +58       |              |

1) Underlying FY net adds
- BB -1k as Q1 21 extraordinary impacted by Swisscom Casa phase-out (-5k B2C)
- Postpaid +144k as Q1 2021 extraordinary impacted by 2G switch-off (-4k B2C and -12k B2B)

2) Market share as per 30.09.2021

**Fastweb**

<table>
<thead>
<tr>
<th>Fastweb</th>
<th>Mobile</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 20</td>
<td>2,472</td>
</tr>
<tr>
<td>BB</td>
<td>16%</td>
</tr>
<tr>
<td>TV</td>
<td>3%</td>
</tr>
<tr>
<td>Postpaid</td>
<td>56%</td>
</tr>
</tbody>
</table>

| FY 20                  | 2,750       |
| BB                     | +18         |
| TV                     | +9          |
| Postpaid               | -6          |

1) Underlying FY net adds
- BB -1k as Q1 21 extraordinary impacted by Swisscom Casa phase-out (-5k B2C)
- Postpaid +144k as Q1 2021 extraordinary impacted by 2G switch-off (-4k B2C and -12k B2B)
2) Market share as per 30.09.2021
**Financial results 2021**

Underlying EBITDA increased thanks to strong operational results and lower indirect costs

<table>
<thead>
<tr>
<th></th>
<th>in CHF mn</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net revenue</strong></td>
<td>11'183</td>
</tr>
<tr>
<td></td>
<td>(+83, +0.7% YOY)</td>
</tr>
<tr>
<td><strong>EBITDA</strong></td>
<td>4'478</td>
</tr>
<tr>
<td></td>
<td>(+96, +2.2% YOY)</td>
</tr>
<tr>
<td><strong>Net income</strong></td>
<td>1'833</td>
</tr>
<tr>
<td></td>
<td>(+305, +20.0% YOY)</td>
</tr>
<tr>
<td><strong>CAPEX</strong></td>
<td>2'286</td>
</tr>
<tr>
<td></td>
<td>(+57, +2.6% YOY)</td>
</tr>
<tr>
<td><strong>OpFCF proxy</strong></td>
<td>1'891</td>
</tr>
<tr>
<td></td>
<td>(+38, +2.1% YOY)</td>
</tr>
<tr>
<td><strong>Net debt</strong></td>
<td>7'706</td>
</tr>
<tr>
<td></td>
<td>(-500, -6.1% YOY)</td>
</tr>
</tbody>
</table>

1) Including lease liabilities, Net debt/EBITDA as per 31.12.2021: 1.7x (−0.2x YOY), 2) Consists of adjustments for provisions (regulatory litigations (Q2: CHF -22mn; Q3: CHF -30mn) and restructuring (Q4: CHF -14mn)), positive currency effects of CHF +7mn (Q1: CHF +4mn, Q2: CHF +7mn, Q3: CHF +1mn, Q4: CHF -5mn ) and effects from an adjustment of pension liabilities (Q2: CHF +60mn)
Swisscom 2025
Urs Schaeppi, CEO Swisscom
Swisscom uniquely positioned ...  
Steady investments reflected in best customer experience and strong shareholder return

Attractive UBB footprint

#1 NPS

Leading service revenue shares

Strong TSR track record

>100 Mbps coverage

in %

NPS comparison

Mobile market share

of service revenues in %

Total Shareholder Return

for 2011-2021 and in CHF

1) EU commission report 'BB coverage in EU 2020', 2) Exane BNP Paribas broker report 'STAMP 2021' and NPS data collection by OMK, 3) Credit Suisse European Telecoms Factsheet (Aug 21), 4) Bloomberg
... in an environment with continuous challenges
Swisscom's business and ecosystem impacted on several dimensions

**Market**
- Ongoing service revenue pressure in Switzerland
- Increasing competitive dynamics in the Italian broadband market
- Substantial growth opportunities in IT business
- Continuous efficiency gains key

**Customers**
- Price sensitivity up
- Requirements changing
  - Simple offerings
  - Stable solutions
  - Instant 24/7 services
- Raising expectations for digital experience

**Stakeholders**
- ESG relevance increasing
- Higher number of cyber attacks
- Regulatory environment hard to predict
- Tough war for talents in Switzerland
Swisscom with solid strategy and ambitious goals 2025 …
... to empower the digital future

#1 in Switzerland
- Market leader in Telco services
- Switzerland’s digital backbone
- No. 1 in customer experience
- Key player in IT business with growth potential

Leading challenger in Italy
- Largest converged UBB network
- Consistent growth with market share gains
- No. 1 in reputation

Rock-solid financials
- Sound profitability
- Strong cashflows
- Attractive dividend
- Strong balance sheet

Committed to corporate responsibility
- Trusted corporate citizen
- Net-zero emissions and positive CO₂ contributions
- Digital wellbeing and inclusion
- Inspiring and diverse workplace

Outstanding in innovation & reliability
- Highly innovative products and services
- Digital leader
- Revenue growth in non-core business
- Most resilient and secure networks and services
Defend market shares in Switzerland through differentiation and expand market position in Italy through an ambitious growth plan.

Consequent execution on efficiency measures. Continuous focus on costs.

Find solutions supported by regulation and politics. Including optimising and implementing best net strategy.

Manage transformation successfully. 'Level up' in Switzerland and 'Tu sei futuro' at Fastweb.

Push digital momentum (digital shift, digital first proposition) and further develop Fastweb into an 'infrastructured OTT'.
Achievements 2021
Swisscom Switzerland with outstanding results - commercially and operationally

**B2C**

Several test wins
- connect shop, connect app, PC Tipp hotline

NPS leadership increased
- Launch blue Play

Growing Smart Home:
- c. +80% connected HHs

2nd/3rd brands
- with record months

Low churn levels

Leading market shares
- across all segments

**B2B**

Strong NPS development

Several partner awards
- affirming innovation leadership

Launch of new customer portal

Successful ICT acquisitions

Positive momentum in order intake

Financially sound with 42% EBITDA margin

**Infra**

Win of all w-tests in Switzerland

Completion of 2G phase-out

5G coverage of 99%

UBB extension with 72% of all HHs with >200Mbps

Network reliability boosted

New access agreement with Salt

2nd/3rd brands with record months

Leading market shares across all segments

Achievements 2021
Swisscom Switzerland with outstanding results - commercially and operationally

**B2C**

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Financials 2021
Net revenue flat. Reported EBITDA impacted by provisions and FCF additionally by higher CAPEX

Net revenue

<table>
<thead>
<tr>
<th></th>
<th>Q4 21</th>
<th>FY 21</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net revenue</td>
<td>CHF 68mn</td>
<td>CHF 210mn</td>
</tr>
<tr>
<td></td>
<td>(+30mn YOY)</td>
<td>(+105mn YOY)</td>
</tr>
<tr>
<td>EBITDA</td>
<td>CHF 23221</td>
<td>CHF 1'579</td>
</tr>
<tr>
<td></td>
<td>(-11)</td>
<td>(-56)</td>
</tr>
</tbody>
</table>

EBITDA

<table>
<thead>
<tr>
<th></th>
<th>Q4 21</th>
<th>FY 21</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net revenue</td>
<td>CHF 777</td>
<td>CHF 719</td>
</tr>
<tr>
<td></td>
<td>(-11)</td>
<td>(-11)</td>
</tr>
<tr>
<td>EBITDA</td>
<td>CHF 3'453</td>
<td>CHF 3'221</td>
</tr>
<tr>
<td></td>
<td>(-4%)</td>
<td>(-13%)</td>
</tr>
</tbody>
</table>

OpFCF proxy

<table>
<thead>
<tr>
<th></th>
<th>FY 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBITDAaL^4</td>
<td>CHF 719</td>
</tr>
<tr>
<td>CAPEX</td>
<td>CHF -517</td>
</tr>
<tr>
<td>OpFCF proxy</td>
<td>CHF 202</td>
</tr>
</tbody>
</table>

1) Q4 2021: CHF 68mn (CHF +30mn YOY), FY 2021: CHF 210mn (CHF +105mn YOY), 2) Reported EBITDA includes exceptional effects of CHF -61mn YOY, underlying EBITDA up by CHF +48mn (+1.4% YOY), 3) Consists of depreciation of right-of-use assets and interest expense leases, 4) EBITDA minus lease expense
Corporate responsibility: new CO₂ ambitions 2025
Swisscom since 2020 fully climate-neutral and continues to be an industry front-runner

**Own direct CO₂ emissions (scope 1-2)**
From fuel, thermal energy consumption and purchased electricity

- Reduction of **direct CO₂ emissions** by 90% until 2025
  - 100% renewable energy since 2010
  - Replacement of fossil heating energy with heat pumps and decrease of heating intensity per square meter
  - Start **electrification** of Swisscom’s vehicle fleet
  - Further increase **energy efficiency**
  - Remaining emissions offset

**Own indirect emissions (scope 3)**
From supply chains, transport, waste disposal, business travel

- **Indirect CO₂ emissions** (mainly within supply chain) systematically recorded since 2013
  - Reduction by 29% as of 2020 thanks to improvements within supply chain and increased energy efficiency of customer devices
  - **Target 2025**: decrease of further 25%
  - Remaining emissions offset

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1) Compared to 1990, 2) Scope 2 with 100% renewable energy since 2010 (solar energy and guarantee of origin), 3) Since 2020
Corporate responsibility: results 2021
Swisscom continues to assume responsibility

Ready for people
Status 2021
• 71'806 schoolchildren, teachers, parents and senior citizens were trained in the use of digital media
• Youth media protection with inclusion of all user groups and security aspects
• New offers for SMEs planned

Ready for the environment
Status 2021 (in kt)
• 87 own photovoltaic systems have generated ~3 GWh of electricity and reduced the power consumption of a mobile radio system by 10-15%
• Efficiency measures helped to avoid 22 GWh of electricity consumption

Ready for Switzerland
Status 2021
• Strong contribution to build a resilient infrastructure and promote sustainable economic growth
• Higher bandwidths through modernisation of existing network and expansion

1) People trained per year to use digital media and improved working conditions for employees in our supply chains,
2) CO₂ emissions 2020: 315 kt reported, 295 kt restated (in 2021),
3)>200 Mbps coverage
Strategy
Proven settings for Swisscom Switzerland

Best customer experience
- #1 in NPS
  - Best products
  - Best services
  - Best infrastructure

Operational excellence
- Cost savings
  - Digital leader
  - Lean IT and networks
  - Smart investments

New growth
- Revenue growth
  - Maximise core
  - Grow in Solutions
  - Focused growth in adjacent businesses
Empowering the digital future in B2C

Maximise customer value with attractive inOne and convergent offerings

Increase share of wallet through best digital experience with VAS and Smart Life

Empower digital channels and develop shops towards phygital

Inspire with exciting entertainment by leveraging blue and launching blue 2

Attract new subs with wingo and smart promotional behaviour
Maximise customer value in saturated markets
Convince with quality and network differentiation to upgrade customers

Ongoing growth with inOne and giga-tariffs
• More4More strategy with giga-tariffs
e.g. +25% BB L tariffs with 10Gbps offerings in 2021
• Continuous Pre2Post migration in mobile
  (+67k in 2021 – net effect)

Leverage the best network
• Winner of connect w- network test
• Winner of connect 10 Gbps test
• Ookla test winner for best w- network

Differentiated access with E2E connectivity solutions
• New WLAN extender for best connectivity in every corner
• Launch of internet 5G booster enabling speeds up to 1 Gbps
• TV experience further enhanced cementing Swisscom’s leadership in home entertainment

Status

<table>
<thead>
<tr>
<th>inOne home</th>
<th>inOne mobile</th>
</tr>
</thead>
<tbody>
<tr>
<td>% of B2C broadband RGUs</td>
<td>% of B2C postpaid RGUs</td>
</tr>
<tr>
<td>2020</td>
<td>2021</td>
</tr>
<tr>
<td>fixed</td>
<td>mobile</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>inOne RGUs increase in k</th>
</tr>
</thead>
<tbody>
<tr>
<td>5'092</td>
</tr>
<tr>
<td>1'876</td>
</tr>
<tr>
<td>3'216</td>
</tr>
<tr>
<td>2020</td>
</tr>
<tr>
<td>5'300</td>
</tr>
<tr>
<td>1'871</td>
</tr>
<tr>
<td>3'429</td>
</tr>
<tr>
<td>2021</td>
</tr>
</tbody>
</table>
Lead in FMC+ experience to protect the core
Defend ARPU and keep churn low

- Extend convergence story towards best digital experience
e.g. strengthening of VAS & Security offerings in 2021
- Wide benefits towards all HH members
e.g. integration of data packages for kids generation
- FMC+ with positive effects on NPS and churn

FY ARPUs in CHF (YOY)

<table>
<thead>
<tr>
<th>Wireless blended</th>
<th>Postpaid value</th>
<th>Wireline blended</th>
<th>BB/TV/Voice bundle</th>
</tr>
</thead>
<tbody>
<tr>
<td>36 (-0)</td>
<td>54 (-3)</td>
<td>37 (+0)</td>
<td>88 (+1)</td>
</tr>
</tbody>
</table>

Churn rates Q1–Q4 and FY

<table>
<thead>
<tr>
<th>Q1</th>
<th>Q2</th>
<th>Q3</th>
<th>Q4</th>
<th>FY</th>
</tr>
</thead>
<tbody>
<tr>
<td>11.0%</td>
<td>9.0%</td>
<td>7.0%</td>
<td>5.0%</td>
<td>9.3% (+0.4pp)</td>
</tr>
</tbody>
</table>

Status

- FM converged postpaid value subs1 as per 31.12.2021
  - 41% stable YOY
- FM converged broadband subs1 as per 31.12.2021
  - 46% stable YOY

Status

1) Postpaid value own brand 53% (+2pp YOY) and BB own brand 48% (+0pp YOY)
Outstanding entertainment is key to keep and attract customers
Strong attachment rate and NPS

1 Aggregator role to strengthen competitiveness

- Smart partnership - all from 1 single source
  - DAZN, Play Suisse, Netflix, sky, prime video, My Sports, YouTube

<table>
<thead>
<tr>
<th>Exclusive content</th>
<th>Best user experience</th>
<th>Lever pay TV</th>
</tr>
</thead>
<tbody>
<tr>
<td>• New exclusive offerings</td>
<td>• New TV box</td>
<td>• Especially in sport offerings</td>
</tr>
<tr>
<td>• Best sport experience (home of football)</td>
<td>• Additional storage</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Several updates</td>
<td></td>
</tr>
</tbody>
</table>

2 Scaling & monetising TV

- blue TV as OTT offerings
  - LGs, Apple TV
  - Quickline, Net+
  - wingo
  - Sunrise TV box

3 Strengthening entertainment proposition

- blue Play
  - Thousands of movies & series, included from now onwards

- blue Sports
  - Launch of sport centre with new features (e.g. match-highlights)

- blue Music
  - From 2022 onwards: Swisscom blue Music incl. events

Status

High attachment rate TV to broadband

>85% attachment to BB access

NPS TV lead increased

+16pp advantage to main competitor

blue Sports gross adds

+77%

1) For M tariffs onwards
Best digital experience driving growth in Smart Life and VAS …
... and protecting core business

1. **Up- and cross-selling**
   - **VAS with revenue growth in 2021.** Several new services: 1) security with cyber identity security and extension of customer base; 2) new MyCloud paid services with high pickup success
   - **Smart Home growth:** c. +70% in revenues and c. +80% connected HH with one or more devices activated in Home App
   - **Smart Home users with Ø 3.8 devices/HH.** Swisscom with leading brand share

2. **New growth areas**
   - **Grow with collaborations**
   - **Extend App penetration and usage** (MySwiscom & Smart Home) as entry gate for Smart Life and VAS
   - **Invest selectively** in VAS and Smart Life to extend leadership in FMC+

### Security & Services revenues

<table>
<thead>
<tr>
<th>Year</th>
<th>Indexed Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>100</td>
</tr>
<tr>
<td>2018</td>
<td>142</td>
</tr>
<tr>
<td>2019</td>
<td>172</td>
</tr>
<tr>
<td>2020</td>
<td>189</td>
</tr>
<tr>
<td>2021</td>
<td>196</td>
</tr>
</tbody>
</table>

### Smart Life

- **Close to 400k devices** activated in Home App
- **Smart Home** with c. +80% connected HH
Attack from all sides with multi-brand strategy
Record year for wingo and 3rd brands ready to attack

- 2nd brand with record growth (and limited cannibalisation effects)
- Further develop wingo position as convergent player (e.g. blue TV launched) in order to stimulate ARPU within young and price-sensitive segments
- 3rd brands: strengthen positioning to exploit full market potential (e.g. additional targeted offers such as family options or roaming/international usage)

2nd/3rd brands postpaid value subs
23% CB share (+4 YOY)

2nd/3rd brands broadband subs
5% CB share (+1 YOY)
Smart promotional behaviour key to successfully address market dynamics
Swisscom: focus on convergence and value. wingo: defend market share

**Own brand: focus on convergence and value, not on growth at any price**

- **Focus on convergence** – promotions mainly as a cross-selling tool to boost convergence, rather than to acquire new standalone customers
- **Link promotions to top tariffs** – high stickiness for top tariffs also after promotion phase, leading to better ARPU evolution
- **Value promotions for existing customers** – free upgrade offers for up to 12 months to improve loyalty and drive ARPU

**2nd/3rd brands: defend market share in more price-sensitive segments**

- **Every day promotion** – regularly changing promotions to participate in growth in increasing price sensitive customer segments
- **Counter attacks** – matching competitor promotions and price attacks to defend market share with limited cannibalisation
Digital push with best omni-channel experience
Consistent shift to online while keeping best experience across all channels

Sales and care with successful shift to online …

- **W- eSales close to 10%**, broadband growing towards 20%
- **Workload shift to online already at 60%**
- **MySwisscom App rated as #1 carrier App by connect test**
- **Online channels with improving NPS**

... while assisted channels stay at the heart of Swisscom’s omni-channel approach

- **Majority** of own brand sales in physical shops (own, franchise, third)
- **Cross- and upsell** potential highest in shops
- **NPS in shops** highest of all channels
- **Online education of customers** highly relevant to strengthen omni-channel approach
- **Shops** with new **digitalised** concept (close to 50% of all shops remodelled until YE 2022)

1) Of own brand
Empowering the digital future in B2B

- **Push value differentiation** through attractive modular Telco offerings
- **Foster new business opportunities** thanks to 5G in combination with IoT, cloud and analytics
- **Extend ICT leadership in corporate segment** with organic growth, selective acquisitions and strong partnerships
- **Lever strong market position in SME** with strengthened capabilities and best convergent ICT Solutions
- **Cement #1 NPS market position** by driving digital transformation and best omnichannel experience
Service revenue impacted by continuous price pressure

Hold leading position in a challenging market with strong value proposition

- Attractive modular offerings
- Technology leadership and innovative solutions to generate new business
- Convergent ICT proposition to protect market share and revenue
- Value oriented pricing approach to maximise value
- Cement NPS leadership
- Customer migration towards software defined offerings
- Continuous efficiency improvements to maintain Telco margin

Service revenue trend unchanged

<table>
<thead>
<tr>
<th>Year</th>
<th>W+</th>
<th>W-1</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>1'721</td>
<td>822</td>
<td>1'637</td>
</tr>
<tr>
<td>2021</td>
<td>1'637</td>
<td>771</td>
<td>866</td>
</tr>
</tbody>
</table>

- Covid-19 tailwind led to better YOY evolution (than originally anticipated)
- W- ARPU of CHF 31, YOY decline of CHF -2 driven by continuous price pressure
- W+ primarily impacted by lower voice volume due to technology shift

Solid evolution of underlying products

<table>
<thead>
<tr>
<th>Year</th>
<th>2G</th>
<th>3G</th>
<th>4G</th>
<th>5G</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>2'515</td>
<td>1'861</td>
<td>654</td>
<td>628</td>
</tr>
<tr>
<td>2021</td>
<td>2'498</td>
<td>1'870</td>
<td>628</td>
<td>628</td>
</tr>
</tbody>
</table>

- RGU base stable without 2G sunset effect of -12k postpaid RGUs in Q1 2021

1) Including business numbers
New business potential through 5G and IoT in wireless
Proven ability to combine IoT, 5G, cloud and analytics’ capabilities

Growth potential with selected 5G use cases

<table>
<thead>
<tr>
<th>Critical communication</th>
<th>Prioritised voice, data and push-to-talk services for critical use cases</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mobile private networks</td>
<td>Connect smart assets or prioritise highly available connectivity</td>
</tr>
<tr>
<td>FWA</td>
<td>Temporary, location independent WAN/LAN solutions</td>
</tr>
</tbody>
</table>

IoT rollout as another growth driver

<table>
<thead>
<tr>
<th>Grow subs base</th>
<th>Land and expand customer specific use cases</th>
</tr>
</thead>
<tbody>
<tr>
<td>Differentiated system competence</td>
<td>Increase win-rate/retention and prevent price erosion with unique competencies</td>
</tr>
<tr>
<td>Selective hardware bundling</td>
<td>Speed-up execution with standardised hardware-connectivity bundles</td>
</tr>
</tbody>
</table>

Microsoft global IoT award for successful customer project

• Successful combination of state-of-the-art technologies to create measurable benefits on rail construction sites
  • 5G/4G private mobile network, connecting devices and machines
  • Local cloud on railway carriage pre-processing large data volumes
  • Edge-IoT: AI models analyse and provide immediate on-site results
  • Customized localization and tracking
  • Machine monitoring based on Azure

28
Extending ICT portfolio in corporate segment
Organic and inorganic initiatives combined with strong partnerships cementing Swisscom leading position

Corporate Solutions
Vertical IT Solutions
Business Applications
SAP
Cloud
Workplace & UCC
Security
Enterprise Mobile Solutions
Networking & Voice Solutions
IoT

Initiatives supporting ongoing IT solution growth

- Acquisition of JLS to strengthen digital communication, customer specific applications and address digital signage needs
- Acquisition of Webtiser to extend SAP implementation practice with SAP e-commerce capabilities
- Strengthened hybrid ICT offering, by advancing AWS partnership and pursuing strong market development with MS Azure
- New generation of enterprise workspace offering, fully cloud enabled, operation system agnostic and cutting-edge process
- Strengthened TDR/SOC\(^1\) services, while expanding managed services portfolio and security consulting

Positive evolution of Solutions order intake
(2021 with CHF +0.1bn new business)

---

1) TDR: Threat Detection & Response, SOC: Security Operations Center
Lever Swisscom's strong market position in SME
Acquisition of MTF to enhance capabilities and penetrate SME-market with ICT solutions

**SME Solutions**
- Internet, landline, TV
- Mobile
- Security
- Cloud
- New ways of working
- Application ecosystem

**Initiatives for profitable growth in SME segment**

**Strengthen capabilities to address market needs**
- Attractive proposition
- IT sales capabilities
- Performing IT-partner ecosystem
- Scalable operating and service model

**MTF**
- Comprehensive IT capabilities ranging from infrastructure to application offerings
- Extensive service offering
- SME specific operating model
- Strong local presence
- Trusted SME partner

- **Support Digitalization journey** of Swiss SME
- **Protect service revenue** with converged offering
- **Leverage customer relationships** and trusted Swisscom brand for additional growth

**Provide SaaS ecosystem for SMEs**
- Relevant portfolio
Cementing #1 NPS market position with best-in-class omnichannel experience
Digital transformation as basis for high and increasing customer satisfaction

Key results 2021
- Launch of MySwisscom business portal and migration of corporate customers to new portal completed
- Self-service online share for corporate customers increased to >60%
- High touchpoint satisfaction and 1st contact resolution

Outlook 2022+
- One B2B portal: start migration of SME customers and partners to new unified customer centre for standardised transactions
- Further increase online share for corporate and mid-market customers
- Extend high touchpoint satisfaction rate

NPS Corporates
NPS SMEs

+6.1pp vs 2020
+4.2pp vs 2020

Hold strong position
Further increase NPS
Empowering the digital future in infrastructure

Best mobile net in Switzerland
proven by numerous key test wins for many years

Reduce IT & network complexity
to improve efficiency, cost base and reliability

Continuous fibre-optic investments
to make Switzerland gigabit ready and future-proof

Ensure long-term value generation in wholesale
through strengthened competitiveness and partnership-based cooperations

Reliable and secure networks
key to be a trustworthy and value-oriented operator
Ambitious targets to transform our IT & network infrastructure
Swisscom heavily invests in networks and technology stack simplification and modernisation

<table>
<thead>
<tr>
<th>Wireless</th>
<th>2021</th>
<th>2025 ambition</th>
</tr>
</thead>
<tbody>
<tr>
<td>LTE</td>
<td>99%</td>
<td>-</td>
</tr>
<tr>
<td>5G</td>
<td>99%</td>
<td>-</td>
</tr>
<tr>
<td>5G+</td>
<td>62%</td>
<td>nationwide</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Wireline</th>
<th>2021</th>
<th>2025 ambition</th>
</tr>
</thead>
<tbody>
<tr>
<td>&gt;80 Mbps</td>
<td>88%</td>
<td>~95%</td>
</tr>
<tr>
<td>&gt;200 Mbps</td>
<td>72%</td>
<td>~85%</td>
</tr>
<tr>
<td>&gt;1-10 Gbps</td>
<td>33%</td>
<td>~60%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>IT &amp; Networks</th>
<th>2021</th>
<th>2025 ambition</th>
</tr>
</thead>
<tbody>
<tr>
<td>IT apps phase-outs</td>
<td>-6%</td>
<td>-25%</td>
</tr>
<tr>
<td>Network phase-outs</td>
<td>-14%</td>
<td>-60%</td>
</tr>
<tr>
<td>Transform apps cloud native</td>
<td>Substantial shift to AWS cloud</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Reliable &amp; secure networks</th>
<th>2021</th>
<th>2025 ambition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Escalated major incidents</td>
<td>-62%</td>
<td>zero</td>
</tr>
<tr>
<td>Meantime to restore-service</td>
<td>-13%</td>
<td>-50%</td>
</tr>
</tbody>
</table>

1) Pop coverage, 2) Coverage of marketable HH/SME connections, 3) Subject to review depending on regulatory developments, 4) Compared to 2019 baseline, 5) Compared to 2020 baseline
Winner of all Swiss mobile tests in 2021 including 5G
Undisputed mobile leadership and #ready for tomorrow with the best 5G network

Undisputed #1 in mobile

Swisscom wins connect for the twelfth time in first place with the rating outstanding in the categories 'voice', 'data' and 'crowd'

Swisscom wins the CHIP mobile network test 2021 for the sixth time in a row in all five categories: 'internet', 'telephony', 'availability', 'long-distance' and '5G'

Swisscom wins the Ookla mobile test for the sixth time in the categories 'best mobile coverage' and 'fastest mobile network'

Swisscom's factors of permanent success

- **Continuous investments** (steady annual CAPEX envelope of CHF ~0.3bn)
- **Best frequency portfolio and efficient technology allocation** (2G frequencies replaced for 3G and 4G)
- **Strong network partner**: 1 single and very reliable, innovative network vendor (Ericsson)
- **Leadership in # of sites** (6k macro, 2x of competition)

High investments despite regulatory barriers

- **Increasing data demand** (+20% avg. data growth/year) keeps investment need high
- **Despite regulatory relief** (on 5G radiation measurement) **unchanged strict EMF restrictions** hamper better spectrum usage
- **5G+ rollout on track but unchanged public concerns** make site permission process tough
Making Switzerland Gigabit-ready
Swisscom targets a fibre-optic HH coverage of ~60% by 2025 – enabled by efficient P2MP approach

Swisscom's fibre strategy and roadmap

- **FTTH rollout 2009-2015** (together with utilities): 30% HH coverage (on P2P topology)
- **FTTS push until 2022** to cover 90% of HH with >80 Mbps and remain competitive against cable
- **In 2021** we have started the next FTTH push (based on P2MP topology) and are upgrading the FTTS turf with fibre on the last mile

Swisscom's FTTH-rollout approach

- **P2MP** stands for the most efficient and common fibre-optic rollout approach internationally
- As a result, innovations and future developments are fully focused on P2MP technology

P2MP is cost-effective and best practice. Feeder fibres can be reused from FTTS

P2P dominant in early FTTH rollouts

Source: Nokia, Altman Solon

FTTH (P2P)  30%  90%  95%
FTTS  60%

FTTH (<10Gbps)  FTTS (<500Mbps)
COMCO investigating Swisscom's P2MP fibre-optic rollout
Swisscom in discussions with COMCO to find an agreement on P2MP

- Continue with P2MP
- Provide virtual L1 access
- Restart fibre partnership with Salt

Decision to be expected over the next months

FTTH investigation into P2PM topology
Appeal to FAC on precautionary measures
FAC decision on precautionary measures
Appeal to Federal Court
FTTH investigation still pending

Competitions commission (COMCO)
Federal Administrative Court (FAC)
Swisscom

Range of possible outcomes

Best case
Agreement with COMCO
- Continue with P2MP
- Provide virtual L1 access
- Restart fibre partnership with Salt

Worst case
No agreement with COMCO
- Switch to smart P2P
- Fight for P2MP
- Adapt fibre partnership with Salt
Way forward to accomplish the FTTH rollout
Dividend policy unaffected by outcome of fibre discussions

Swisscom in discussions with COMCO
- Aim to find an agreement on a L1 offering (based on FANS technology) - discussions ongoing
- A decision expected over the next months (probably in Q2 or later)

P2MP rollout continues
- No marketing in the new P2MP turf
- Network elements can be reused in case of shift to P2P

Range of possible outcomes for rollout 2022-2025

<table>
<thead>
<tr>
<th>Topology</th>
<th>P2MP</th>
<th>P2P</th>
</tr>
</thead>
<tbody>
<tr>
<td>Coverage target 2025</td>
<td>~60%</td>
<td>~50%</td>
</tr>
<tr>
<td>New FTTH HHs in mn (in % coverage)</td>
<td>+1.5 (+30%)</td>
<td>+1.0 (+20%)</td>
</tr>
<tr>
<td>Avg. cost/HH connection in CHF</td>
<td>c. 1.5-1.6k</td>
<td>c. 2.0k</td>
</tr>
<tr>
<td>Financing</td>
<td>FCF</td>
<td>FCF</td>
</tr>
<tr>
<td>Dividend policy</td>
<td>unchanged</td>
<td>unchanged</td>
</tr>
</tbody>
</table>

1) Avg. cost for the upgrade of FTTS connections, 2) Higher avg. cost/HH connection of c. 30% due to extra feeder investments
Reduce IT and network complexity for operational excellence
We simplify - consistently and everywhere

Phase-out legacy technology
• Prepare 3G phase out by 2025
• Accelerated copper phase-out until 2030, by actively migrating customers in FTTH areas

Consolidate / simplify networks
• Radical consolidation and modernisation of network platforms
• Increase standardisation

Phase-out / cloudify applications
• Phase out 25% of applications
• Transform majority of remaining workload to cloud-native

Access phase-out roadmap

2G
3G
CU
Reduce 3G devices
Migrate to fibre (region-by-region)

Reduction of network platforms

Reduction of IT applications

<table>
<thead>
<tr>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>Ambition</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Baseline

Ambition

2019
2020
2021

-60%
Strategic initiatives for best operations ...

- **People & culture**
  - Separate *task force* mandated to prevent major disruptions
  - As a result, *high awareness and value for reliable operations*

- **Processes**
  - From 2022, *all service management processes will be harmonised* and simplified within Swisscom

- **Tools & monitoring**
  - We *invested* substantially in E2E monitoring capabilities
  - In addition, large efforts to better inventory our IT landscape

- **Major infrastructure projects**
  - *Simplification* and *consolidation* of networks, applications and platforms *increase operational reliability*

... and strong improvements

<table>
<thead>
<tr>
<th>Metric</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Escalated major incidents</td>
<td></td>
<td></td>
<td>-62%</td>
</tr>
<tr>
<td>B2B major incidents</td>
<td></td>
<td></td>
<td>-11%</td>
</tr>
<tr>
<td>Customer satisfaction NPS</td>
<td>stable</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mean time to restore-service</td>
<td></td>
<td></td>
<td>-13%</td>
</tr>
</tbody>
</table>
Secure wholesale value contribution

Focus on core business with new access products and new access agreements

**Access products**

- Broadband connectivity services (BBCS) on all copper & fibre technologies
- Access line optical (ALO) on P2P FTTH
- PON-trees in fibre partnerships on P2MP FTTH
- Alternative L1 access option for P2MP under evaluation

**Access agreements**

**NEW**
- Fibre partnership with Salt
- Access agreement with Sunrise upc
- Several other access agreements with other operators

*Strengthened competitiveness and partnership-based cooperations ensure long-term value for Swisscom*
Empowering the digital future in operational excellence

**Strong execution on cost saving ambitions**
Cumulative savings of > CHF 600mn since 2016

**Simplification key**
to increase operational efficiency and optimise networks and IT platforms

**Drive digitalisation**
through pushing online sales and care, continuous process automation and cloud-transformation

**Cost control as top priority**
to compensate service revenue decline and remain competitive in Switzerland
Strong execution on cost saving targets for many years
Cost control remains essential

• Strong track record
  • Cumulative net savings of CHF 608mn over 6 years
  • Indirect cost base down by CHF ~100mn p.a. on average

• In this context the FTE number of Swisscom Switzerland came down consequently as well
  • -2.7k FTEs in total (2016-21)
Simplicity is core to increase efficiency throughout the whole organisation
Push operational efficiency to the next level and optimise networks and IT platforms

**Operational efficiency**
- Streamline product portfolios
- Improve processes and quality by increased first-time-right
- Renegotiate purchasing contracts
- Shift sales and care to online

**Network / IT optimisations**
- Network phase-outs
- Reduction of IT platforms
- Consolidation of IT infrastructure
- Cloud-native transformation of applications, operations and development

**Data and analytics**
- Drive process efficiency to the next level
- Optimise operations through smart E2E monitoring
- AI-based network maintenance
- Push robotic process automation

**Lean / agile organisation**
- Workforce insourcing (DevOps centres in Riga and Rotterdam)
- Reduce number of suppliers
- Review outsourcing and nearshoring options
- Lever new ways of working and optimise office space
Operational excellence
Swisscom targets to lower indirect Telco-related costs by CHF -100mn in 2022

<table>
<thead>
<tr>
<th></th>
<th>ambitions 20-22</th>
<th>achievements</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>~100</td>
<td>-129</td>
</tr>
<tr>
<td>2021</td>
<td>~100</td>
<td>-119</td>
</tr>
<tr>
<td>2022</td>
<td>~100</td>
<td>-52</td>
</tr>
<tr>
<td>total</td>
<td>-300</td>
<td>-300</td>
</tr>
</tbody>
</table>

>80% of total 20-22 ambition of lowering indirect cost base by CHF -300mn already realised

Swisscom continues to reduce its indirect cost

- 2022 with c. CHF -100mn Telco-related costs
- 2023+: Telco-related costs to decrease in the same magnitude to address future service revenue pressure
Leading challenger in Italy

Alberto Calcagno, CEO Fastweb
Successful execution of 'infrastructure-OTT' strategy in 2021
Coupling superior infrastructure with flexible platforms

Solid operational momentum
• Increase in wireline RGUs
  – Preserving margins in retail
  – Boosting UBB lines in wholesale
• Strong growth in mobile: 2nd best market performer
• Strengthened position in Enterprise

Several successful launches
• 2.5 Gbps offer and new 5G FWA service
• NeXXt, 1st internet box in EU with Alexa integrated
• 5G mobile in Enterprise
• New data centre in Rome and Security operation centre in Bari
• Partnership agreement with AWS

Network rollout on track
• Outstanding UBB infrastructure with 89% coverage of families and business
• FiberCop set up completed, aiming to rollout fibre up to 56% of Italy by 2025
• 5G network now at c. 50% population coverage
Leading to another golden year
Strong performance - operationally, commercially and financially

Strong market performance
- Total Net RGUs +692k (+14% YOY)
  - Wireline: +181k (+6% YOY)
  - Retail +3k (+0% YOY)
  - Wholesale UBB lines +178k (+113% YOY)
  - Mobile +511k (+26% YOY)
- Enterprise Market share cemented at 34.5%
- Orderbook up +15% YOY to EUR 251 mn

FY guidance achieved
- +5% EBITDA
- +4% revenues
- 34 consecutive quarters of growth

NPS leadership in wireline
- Confirmed 2nd time in row
- 1st operator for broadband quality as per Netflix Index

Leading in sustainability
- Certificate of Standard Ethics for best ESG Telco in Italy
Financial results 2021
Continuous improvement of free cash flow contribution

Net revenue

<table>
<thead>
<tr>
<th>4Q 2021</th>
<th>FY 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>637 (+1%)</td>
<td>1'142 (+9)</td>
</tr>
</tbody>
</table>

2'392 (+4%) Net revenue
271 (+7) Wholesale¹
979 (+72) Enterprise

EBITDA

<table>
<thead>
<tr>
<th>4Q 2021</th>
<th>FY 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>224 (+4%)</td>
<td>826 (+5%)</td>
</tr>
<tr>
<td>14 (+1)</td>
<td>54 (+2)</td>
</tr>
<tr>
<td>210 (+7)</td>
<td>772 (+40)</td>
</tr>
</tbody>
</table>

• EBITDAaL growth confirmed +5% YOY, in line with prior year and with FY guidance

EBITDA²

<table>
<thead>
<tr>
<th>4Q 2021</th>
<th>210 (+7)</th>
</tr>
</thead>
<tbody>
<tr>
<td>CAPEX</td>
<td>-162 (+15)</td>
</tr>
<tr>
<td>OpFCF proxy</td>
<td>48 (+22)</td>
</tr>
</tbody>
</table>

OpFCF proxy

<table>
<thead>
<tr>
<th>FY 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>772 (+40)</td>
</tr>
<tr>
<td>CAPEX</td>
</tr>
<tr>
<td>OpFCF proxy</td>
</tr>
</tbody>
</table>

1) Including intercompany revenues, 2) Reported EBITDA, 3) Consists of depreciation of right-of-use assets and interest expense leases, 4) EBITDA minus lease expense; including income from regulatory litigations
Fastweb recipe for continuous growth delivery
Accelerate transition to a platform-based company differentiating by trust and inclusion

**Exploit growth areas**
Deliver consistent growth over time in all business segments:
- Consumer Wireline
- Mobile
- Enterprise
- Wholesale

**Expand own infrastructure and OTT platforms**
Exploit own NGN infrastructure and agile platforms, to provide best performance and services

**Differentiate through a new positioning**
«Tu sei futuro»
Provide everybody with tools, competencies and skills to build their future with trust
Consumer - wireline
UBB growth thanks to OTT capabilities, infrastructure differentiation and compelling FMC offerings

**Highlights 2021+**

- Unique “Nexxt” Internet Box
- Best UBB performance everywhere through FWA
- **NPS leadership** in wireline
- Push on **Fixed-Mobile convergence**
  - ARPU uplift: **+24%**
  - Share of **38%** (+4pp YOY)

**Consumer operational KPIs**

**Broadband subs in k (Y0Y)**

- Q4 20: 2'747
- Q4 21: 2'750
- +0.1%

**UBB subs (k) and penetration (YoY)**

- Q4 20: 2'011 (73% (+9pp))
- Q4 21: 2'243 (82% (+9pp))
- +11.5%

- • Customer base flat Y0Y
- • Strong UBB growth, with 93% of gross adds
- • UBB penetration increased +9pp YOY
Mobile - B2C and B2B
Deliver constant growth of mobile subs in B2C and enter B2B market

**Highlights 2021+**

- **2nd best performer** in the market by numerous subs acquired from other operators (mobile number portability)
- Extended real coverage on own 5G network, currently available in 1’000+ cities (c. 50% outdoor coverage)
- Expand **5G mobile service for B2B** leveraging Fastweb’s large and loyal customer base
- Accelerate migration from **4G to own 5G network**

<table>
<thead>
<tr>
<th>B2C operational KPIs</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Mobile subs</strong></td>
</tr>
<tr>
<td>Q4 20</td>
</tr>
<tr>
<td>1’961</td>
</tr>
<tr>
<td>Q4 21</td>
</tr>
<tr>
<td>2’472</td>
</tr>
<tr>
<td>+26%</td>
</tr>
</tbody>
</table>

- Mobile customer base up by **+26% YOY**

<table>
<thead>
<tr>
<th>Q4 20</th>
<th>Q4 21</th>
</tr>
</thead>
<tbody>
<tr>
<td>-24%</td>
<td></td>
</tr>
<tr>
<td>+45%</td>
<td></td>
</tr>
</tbody>
</table>

**Churn (YOO)**   **Data usage (Gbps/customer/month)**
Enterprise
Continuous expansion in Cloud & Security field to stimulate further growth

Highlights 2021+

Telco
- OTT-like process digitalisation from presale to delivery
- Fully customer-tailored infrastructure solutions
- Push on NeXXt Communication (cloud IP-PBX)

ICT - Cloud & Security
- Exploit recovery fund plan (PNRR) opportunities
- Continuously increase skills, capabilities, and service innovation leveraging on Cutaway and 7Layers competences
- Leverage on partnership with AWS
- Launch innovative services e.g. edge computing

B2B operational KPIs

Revenues in EUR mn (Y.O.Y)

Market share
- 34.5% overall share in Enterprise market
- 46.1% market share in PA sector

New contracts
- Ministoi della Giustizia
- Regione Siciliana
- enav

1) Source EY 2021, market share includes voice, data and VAS/ICT addressed by Telcos
Wholesale
Boost of UBB lines growth thanks to infrastructure light retail competitors

Highlights 2021+

- UBB lines growth driven by agreements and successful implementation with WindTre and Sky
- Future focus
  - Acquire strategic Telco customers and multi-utilities
  - One-stop-shop approach with an OTT like ease of use
  - Further extend own infrastructure footprint
  - Focus on P2P services for business customers

Operational KPIs

Revenues in EUR mn \(^1\) (Y.O.Y)

- Core up (EUR +27mn Y.O.Y): growth of wholesale lines and IRU-related revenue streams for fibre backhauling
- Other (with low marginality) down (EUR -20mn Y.O.Y): primarily due to Flashfiber construction peak in Q4 20

Wholesale lines (k)

- Lines increasing with +66k new connections in Q4 vs Q3

1) Including intercompany revenues
Own infrastructure evolution
Pursue UBB leadership through FTTH, 5G FWA and 5G Mobile

Own network coverage

Network evolution with stable CAPEX envelope of EUR ~0.6bn

<table>
<thead>
<tr>
<th>Year</th>
<th>FTTx (mn HHs &amp; companies)</th>
<th>5G FWA</th>
<th>5G Mobile (% outdoor cov.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2021</td>
<td>7.5</td>
<td>1.5</td>
<td>50%</td>
</tr>
<tr>
<td>2025</td>
<td>14.5</td>
<td>12</td>
<td>90%</td>
</tr>
</tbody>
</table>

5G FWA with Linkem
4.5% stake in FiberCop
5G Mobile with WindTre

FTTx: Up to 2.5 Gbps
5G FWA: Up to 1 Gbps
Mobile 5G
Empowering the digital future
New Fastweb Purpose: help everybody to build their future with trust

TU SEI FUTURO

CORE
Core Business Operations

FDA
Fastweb Digital Academy

STEP
Fastweb Purpose Experience

FUTURE WEEK

- Provide tools and infra to empower the digital future and create trust through transparency and quality of services
- Fastweb’s digital academy to foster both professional and basic skills
- Unique exhibition centre at Fastweb headquarters to engage the general public with their future
- Fastweb workforce dedicating one week of their time to FDA, STEP and sustainability activities

GREEN

- Limit own impact on environment by reducing CO₂ emission
- Involve customers and vendors in sustainability initiatives
- Carbon-neutral by 2025, 25 years ahead of the EU’s objective
Wrap-up and guidance
Accelerate positive momentum and grow likewise in 2022

Deliver top-line growth over time
• Continue sustained RGU growth
  • Value-based approach in Consumer wireline with innovative products and services with superior quality
  • Grow on mobile B2C and B2B market exploiting 5G
  • Scale-up wholesale volume business
• Foster Cloud and Security business in Enterprise

Expand own infrastructure
• Continue infrastructure expansion
• Provide best performance everywhere, leveraging on FTTH, 5G FWA and 5G Mobile

Differentiate through new market positioning
• Helping everybody to build their future with trust
• Ambition to become the number 1 company in terms of reputation

Outlook 2022
• Revenue +5%
• EBITDA* +5%
• CAPEX stable

* Incl. income from regulatory contributions
Rock-solid financials

Eugen Stermetz, CFO Swisscom
Group revenue
Delivered. Swisscom’s top line spot-on guidance of CHF 11.2bn

1) Infrastructure & Support Functions, including intersegment revenue, 2) Other operating segments and intersegment elimination, 3) Consists of currency effects of CHF +19mn

Q4 decline driven by lower MVNO revenues, FY almost flat (CHF -3mn) thanks to BBCS growth and higher inbound revenues
Q4 with Consumer CHF -3mn (lower RGU growth and activation charges), Enterprise CHF +22mn (back to avg. level) and Wholesale CHF -12mn (Flashfiber construction peak in Q4 20)
Q4 with lower revenue contributions from cablex and localsearch
Swisscom Switzerland revenue
Service revenue decline of CHF -189mn: lower than expected, also thanks to Covid-19 tailwind

FY 21 revenue changes by business drivers

<table>
<thead>
<tr>
<th></th>
<th>B2C</th>
<th>B2B</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Service revenue</td>
<td>-189 (-3.3%)</td>
<td>-105 (-2.7%)</td>
<td>-84 (-4.9%)</td>
</tr>
<tr>
<td>Change</td>
<td>-50</td>
<td>+53</td>
<td>+50</td>
</tr>
<tr>
<td>YOY change</td>
<td>-3</td>
<td>-17</td>
<td>-17</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1</td>
<td>-32</td>
<td>-17</td>
</tr>
<tr>
<td>Q2</td>
<td>-50</td>
<td>-21</td>
</tr>
<tr>
<td>Q3</td>
<td>-42</td>
<td>-17</td>
</tr>
<tr>
<td>Q4</td>
<td>-40</td>
<td>-23</td>
</tr>
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</table>

Service revenue evolution and Q4 21 changes

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wireline -21</td>
<td>-72</td>
<td>-50</td>
</tr>
<tr>
<td>YOY change</td>
<td>-95</td>
<td>-50</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wireless -29</td>
<td>-65</td>
<td>-50</td>
</tr>
<tr>
<td>YOY change</td>
<td>-37</td>
<td>-43</td>
</tr>
</tbody>
</table>

1) IFRS15 revenue reconciliation within B2C, in connection with previously subsidised mobile subs (final effect in Q2 2021); 2) CHF +15mn commission from device insurance (Q3) and CHF +25mn from IFRS15 effects, including intersegment revenue; 3) Including business numbers
Group EBITDA

EBITDA up thanks to strong underlying results of Swisscom Switzerland (+1.4%) and Italy (+5.4%)

1) Including intersegment elimination Swisscom Switzerland, 2) Including other operating segments and intersegment elimination Group level, 3) Consists of adjustments for provisions (regulatory litigations (Q2: CHF -22mn; Q3: CHF -30mn) and restructuring (Q4: CHF -14mn)), positive currency effects of CHF +7mn (Q1: CHF +4mn, Q2: CHF +7mn, Q3: CHF +1mn, Q4: CHF -5mn ) and effects from an adjustment of pension liabilities (Q2: CHF +60mn)

1. Positive Q4 primarily thanks to lower SAC/SRC (CHF +9mn) and indirect cost savings (CHF +25mn)
2. Q4 impacted by higher accruals for project risks and bad debt
3. Q4 slightly negative: loss of MVNO not fully compensated by access business (BBCS) growth
4. Q4 with ordinary growth after Q3 outlier (impacted by income from regulatory litigations)
## Swisscom Switzerland EBITDA

Indirect cost savings on a recurring base of CHF 119mn

<table>
<thead>
<tr>
<th>Q1</th>
<th>Q2</th>
<th>Q3</th>
<th>Q4</th>
</tr>
</thead>
<tbody>
<tr>
<td>+15</td>
<td>+4</td>
<td>+10</td>
<td>-37</td>
</tr>
<tr>
<td>+13</td>
<td>+8</td>
<td>+8</td>
<td>-2</td>
</tr>
<tr>
<td>+15</td>
<td>+22</td>
<td>+15 +25 +28</td>
<td>-2</td>
</tr>
<tr>
<td>+9</td>
<td>+9</td>
<td>+9</td>
<td>-19 -10</td>
</tr>
</tbody>
</table>

### Breakdown

**FY 20 reported**

<table>
<thead>
<tr>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>SAC/SRC</td>
<td>Outpayments</td>
<td>Goods purchased &amp; others</td>
<td>Workforce</td>
</tr>
<tr>
<td>3'466</td>
<td>-17</td>
<td>-12</td>
<td>+6</td>
<td>-48</td>
</tr>
</tbody>
</table>

1. SAC/SRC in Q4 lower driven by device availability. H1 with higher cost due to Covid-19 impacts in prior year
2. Outpayments softer in Q4, higher roaming volumes over-compensated by positive price effects
3. Q3 impacted by lower costs for sport events (later start of football season) and assurance in 2020
4. FY savings of CHF +43mn with quarterly swings impacted by seasonal effects (e.g. vacation accruals)
5. Q4 with higher marketing costs and softer saving contributions of other costs

1) Goods purchased, services purchased and IFRS15 direct cost reconciliation, 2) Workforce expenses net of capitalized cost, 3) Other operating expenses net of other income, 4) Adjustments of provisions for regulatory litigations (Q2: CHF -22mn, Q3: CHF -30mn) and restructuring (Q4: CHF -9mn)
Capital expenditures
Continuous investments in critical infrastructure of the future

<table>
<thead>
<tr>
<th></th>
<th>Q4 21</th>
<th>FY 21</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Group CAPEX</strong></td>
<td>681 (+84, +14.1%)</td>
<td>2,286 (+57, +2.6%)</td>
</tr>
<tr>
<td><strong>Swisscom Switzerland</strong></td>
<td>517 (+104, +25.2%)</td>
<td>1,642 (+43, +2.7%)</td>
</tr>
<tr>
<td><strong>Fastweb</strong></td>
<td>170 (-20, -10.5%)</td>
<td>649 (+20, +3.2%)</td>
</tr>
<tr>
<td><strong>Other</strong></td>
<td>-6</td>
<td>-5</td>
</tr>
</tbody>
</table>

**Swisscom Switzerland FY 2021**

- **Copper access, backbone and transport infrastructure**: 26% (-1pp YOY)
- **Fibre**: 34% (+2pp YOY)
- **Wireless**: 20% (+1pp YOY)
- **IT systems, all-IP, CP equipment and other**: 20% (-2pp YOY)

- **Swisscom Switzerland**: increased YOY (+2.7%), primarily due to higher fibre investments (34% of Swiss envelope)
- **Fastweb**: CAPEX in EUR slightly up (+2.4% YOY), driven by customer projects (mainly CPE) and 5G

---

1) In local currency Q4 21: EUR 162mn (-8.5% YOY), FY 21: EUR 601mn (+2.4% YOY)
2) Including intersegment elimination
**Free cash flow**

Lower YOY primarily due to different evolution of net working capital

1. NWC in 2021 almost stable. In previous year NWC decreased due to advanced payments from corporate customers

2. Difference between net pension cost and employer contribution (cash payments) affected by a positive one-off effect on EBITDA (CHF +60mn) from the pension plan amendment in Q2

<table>
<thead>
<tr>
<th>In CHF mn</th>
<th>FY 21</th>
<th>FY 20</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBITDA</td>
<td>4'478</td>
<td>4'382</td>
</tr>
<tr>
<td>Lease expense</td>
<td>-301</td>
<td>-300</td>
</tr>
<tr>
<td>EBITDAaL</td>
<td>4'177</td>
<td>4'082</td>
</tr>
<tr>
<td>CAPEX</td>
<td>-2'286</td>
<td>-2'229</td>
</tr>
<tr>
<td>OpFCF proxy</td>
<td>1'891</td>
<td>1'853</td>
</tr>
<tr>
<td>Change in NWC</td>
<td>-19</td>
<td>+140</td>
</tr>
<tr>
<td>Pension</td>
<td>-9</td>
<td>-67</td>
</tr>
<tr>
<td>Net interest paid</td>
<td>-67</td>
<td>-69</td>
</tr>
<tr>
<td>Income taxes paid</td>
<td>-279</td>
<td>-309</td>
</tr>
<tr>
<td>Other cash flows</td>
<td>-4</td>
<td>+26</td>
</tr>
<tr>
<td>FCF 1</td>
<td>1'513</td>
<td>1'706</td>
</tr>
</tbody>
</table>

Δ

| Δ | +96 | -1 | +95 | -57 | +38 | -159 | -74 | +2 | +30 | -30 | -193 |

1) FCF excluding M&A effects (FY 20: CHF -29mn, FY 21: CHF +105mn)
Net income
EPS increased by +19.7% thanks to stronger EBIT (+6.1%) and positive one-off effects

1 Other financial result positively impacted by one-off gains of CHF 38mn from sale of BICS (22.4% Swisscom stake) and CHF 169mn from transfer of 20% stake in FlashFiber to FiberCop, recognised at fair value
2 Higher tax expenses YOY due to higher EBT. Future (normalised) tax rate expected to be around 19%

1) Tax rate FY 21: tax expenses of CHF 319mn / EBT of CHF 2'152mn = 14.8%, tax rate FY 20: tax expenses of CHF 271mn / EBT of CHF 1'799mn = 15.1%
Swisscom committed to sound financial profile
Well balanced and diversified maturity profile

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

- **Net debt incl. lease liabilities 2020**: 8'206
- **FCF**: -1'513
- **Dividends**: 1'140
- **M&A**: -105
- **Other effects**: -22
- **Net debt incl. lease liabilities 2021**: 7'706

**Debt maturity profile**

- **2022**: 500
- **2023**: 457
- **2024**: 655
- **2025**: 546
- **2026**: 717
- **2027**: 550
- **2028**: 966
- **2029**: 360
- **2030**: 250
- **2031**: 1'155

**Leverage**

- **1.7x (-0.2x YOY)**
- 1.4x IFRS16 adjusted

**Ratings**

- **S&P**: A stable
- **Moody’s**: A2 stable

**Debt mix**

- 88% fixed
- 12% floating

- Ø interest rate of **0.9%**
- Debt portfolio **duration** of **6.19 years**
- **CHF 2.2bn** (unused) committed credit lines

---

1) Excl. short-term money market borrowings
2) Adjusted leverage gap (set by the Government): 2.4x (including lease liabilities)
Guidance FY 2022
Net revenue of CHF 11.1-11.2bn, EBITDA of CHF ~4.4bn and CAPEX of CHF ~2.3bn

<table>
<thead>
<tr>
<th>in CHF bn</th>
<th>2021 reported</th>
<th>2022 outlook</th>
<th>Splits into:</th>
<th>Splits into:</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td>11.183</td>
<td>11.1-11.2</td>
<td>CHF 8.6bn for Switzerland</td>
<td>CHF 8.5-8.6bn for Switzerland</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>EUR 2.4bn for Fastweb</td>
<td>EUR ~2.5bn for Fastweb</td>
</tr>
<tr>
<td><strong>EBITDA</strong></td>
<td>4.478</td>
<td>~4.4</td>
<td>CHF 3.6bn for Switzerland</td>
<td>CHF ~3.5bn for Switzerland</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>EUR 0.8bn for Fastweb</td>
<td>EUR 0.8-0.9bn for Fastweb</td>
</tr>
<tr>
<td><strong>CAPEX</strong></td>
<td>2.286</td>
<td>~2.3</td>
<td>CHF 1.6bn for Switzerland</td>
<td>CHF ~1.7bn for Switzerland</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>EUR 0.6bn for Fastweb</td>
<td>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 2023)

---

1) EBITDAaL 2021: CHF 4.2bn, EBITDAaL guidance 2022: CHF ~4.1bn
2) Swisscom Group without Fastweb
3) For consolidation purposes, CHF/EUR of 1.04 has been used (vs. 1.08 for fiscal year 2021)
4) +5% YOY
Wrap-up

Urs Schaeppi, CEO Swisscom
Final remarks
Well positioned

- **Solid strategy and ambitious goals 2025** to empower the digital future
- **Clear priorities 2022** to deliver operationally and financially
- **Strong dividend commitment** to enable a predictable shareholder remuneration

Well positioned
Q&A
Ambitions 2025 - Swisscom Switzerland

#1 in Switzerland

**Clear market leader in Telco revenues**
- Digital 1st propositions
- 5G and hybrid ICT services
- New growth in adjacent businesses

**Switzerland's digital backbone**
- Best converged network
- Strong net reliability
- Net and IT consolidation

**Key player in ICT with substantial growth**
- ICT Solutions for SMEs
- Cloud and DC business
- Security and Applications

**Leading in customer experience**
- NPS leadership
- Push shift2online
- Touchpoint evolution

**Top employer**
- Best talents
- Future of work

**Ambitions 2025 - Swisscom Switzerland**

- Switzerland's digital backbone
- Clear market leader in Telco revenues
Ambitions 2025 - Fastweb

Leading challenger in Italy

Largest UBB convergent network
- Exploit NGN footprint
- Boost UBB wholesale business
- Grow in Mobile 5G for consumers and enterprises

Consistent growth with market share gains
- Digital operations with OTT-like capabilities
- Innovative B2C product portfolio on NeXXt digital platform
- Push on Cloud and Security platforms

#1 in reputation
Brand differentiation through
- Fastweb digital academy
- STEP immersive experience
- Green: net carbon zero by 2025
- Future week
Ambitions 2025 - financials

**Rock-solid financials**

**Sound profitability**
- Defend market shares while keeping pricing discipline high
- Consequent work on operational excellence in Telco business
- Improve ICT margins

**Reliable cashflows**
- Maximise cashflows in Switzerland and grow cashflows in Italy
- Work further on CAPEX efficiency
- Reasonable CAPEX/sales ratio
- Disciplined in M&A

**Strong balance sheet**
- Conservative leverage to keep financial headroom
- Well balanced maturity profile
- Comprehensive risk management

**Attractive dividend**
- Strong commitment to reliable and attractive shareholder remuneration
Ambitions 2025 - corporate responsibility

Committed to corporate responsibility

**Trusted corporate citizen**
- Improved working conditions in the supply chain
- Reduction of data breaches
- Foster business ethics

**Net-zero emissions and positive CO₂ contributions**
- Reduction of own CO₂ emissions to net zero (scope 1-3)
- Positive CO₂ contributions from customers (scope 4)

**Inspiring, diverse workplace**
- Improve employee satisfaction
- Revised diversity ambitions

**Digital wellbeing and inclusion**
- Training of digital media use
- Higher accessibility in processes
- Fastweb digital academy
Ambitions 2025 - innovation and reliability

Highly innovative products and services
- blue entertainment
- Smart life propositions
- 5G mobile private network
- Hybrid ICT services

Resilient and secure networks and services
- Outstanding network stability and reliability
- Secure connections and services

Outstanding in innovation and reliability

Digital leader
- E-sales and e-care with 360° interaction and top digital experience
- One online portal in B2B

Revenue growth in non-core businesses
- localsearch
- Trust services
- Digital assets
### Key financials
Reported and underlying revenue and EBITDA

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2021</th>
<th>Change Q/Q</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Q1</td>
<td>Q2</td>
<td>Q3</td>
</tr>
<tr>
<td><strong>Revenue, reported</strong></td>
<td>2'737</td>
<td>2'706</td>
<td>2'758</td>
</tr>
<tr>
<td>Currency effect</td>
<td>-13</td>
<td>-20</td>
<td>-2</td>
</tr>
<tr>
<td><strong>Underlying change</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>EBITDA, reported</strong></td>
<td>1'111</td>
<td>1'097</td>
<td>1'148</td>
</tr>
<tr>
<td>Provisions for regulatory litigations</td>
<td>22</td>
<td>30</td>
<td>52</td>
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<tr>
<td>Adjustment pension cost</td>
<td>-60</td>
<td>-60</td>
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<tr>
<td>Restructuring cost</td>
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<tr>
<td>Currency effect</td>
<td>-4</td>
<td>-7</td>
<td>-1</td>
</tr>
<tr>
<td><strong>Underlying change</strong></td>
<td></td>
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</tbody>
</table>
Swisscom Switzerland
Wireless ARPU and IFRS15 adjustments

Swisscom Switzerland

<table>
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<tr>
<th>Quarter</th>
<th>Q1 20</th>
<th>Q2</th>
<th>Q3</th>
<th>Q4</th>
<th>Q1 21</th>
<th>Q2</th>
<th>Q3</th>
<th>Q4</th>
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<tbody>
<tr>
<td>Blended (reported)</td>
<td>36</td>
<td>35</td>
<td>35</td>
<td>34</td>
<td>36</td>
<td>35</td>
<td>35</td>
<td>34</td>
</tr>
<tr>
<td>Blended (IFRS15)</td>
<td>34</td>
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<td>34</td>
<td>34</td>
<td>34</td>
<td>34</td>
<td>34</td>
<td>33</td>
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Residential Customers

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Q1 20</th>
<th>Q2</th>
<th>Q3</th>
<th>Q4</th>
<th>Q1 21</th>
<th>Q2</th>
<th>Q3</th>
<th>Q4</th>
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<tr>
<td>Blended (reported)</td>
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<td>35</td>
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<td>35</td>
<td>36</td>
<td>35</td>
<td>36</td>
<td>35</td>
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<tr>
<td>Blended (IFRS15)</td>
<td>35</td>
<td>35</td>
<td>36</td>
<td>35</td>
<td>36</td>
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</table>

Swisscom Switzerland

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Q1 20</th>
<th>Q2</th>
<th>Q3</th>
<th>Q4</th>
<th>Q1 21</th>
<th>Q2</th>
<th>Q3</th>
<th>Q4</th>
</tr>
</thead>
<tbody>
<tr>
<td>Postpaid (reported)</td>
<td>47</td>
<td>44</td>
<td>45</td>
<td>43</td>
<td>45</td>
<td>43</td>
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<td>Postpaid (IFRS15)</td>
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<td>43</td>
<td>42</td>
<td>43</td>
<td>42</td>
<td>42</td>
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Residential Customers

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Q1 20</th>
<th>Q2</th>
<th>Q3</th>
<th>Q4</th>
<th>Q1 21</th>
<th>Q2</th>
<th>Q3</th>
<th>Q4</th>
</tr>
</thead>
<tbody>
<tr>
<td>Postpaid (reported)</td>
<td>54</td>
<td>51</td>
<td>52</td>
<td>50</td>
<td>52</td>
<td>50</td>
<td>51</td>
<td>49</td>
</tr>
<tr>
<td>Postpaid (IFRS15)</td>
<td>50</td>
<td>49</td>
<td>50</td>
<td>49</td>
<td>50</td>
<td>49</td>
<td>50</td>
<td>48</td>
</tr>
</tbody>
</table>

77
Swisscom Switzerland: service revenue dynamics in Q4 and FY 2021
Reporting framework for service revenue dynamics from Q1 2022 onwards

**Q4 changes 2021**

**B2C** -27 (-2.8%)

- RGU: -8 (t/o -6 voice line cancellations)
- ARPU: -3

Wireline -11 (-2.2%)

**Wireless** -16 (-3.4%)

**B2B** -23 (-5.4%)

- RGU: -1
- ARPU: -9

Wireline -10 (-4.0%)

**Wireless** -13 (-6.4%)

**FY changes 2021**

**B2C** -105 (-2.7%)

- RGU: -36 (t/o -21 voice line cancellations)
- ARPU: +11

Wireline -25 (-1.2%)

**Wireless** -80 (-4.1%)

**B2B** -84 (-4.9%)

- RGU: -6
- ARPU: -28

Wireline -34 (-3.7%)

**Wireless** -50 (-6.1%)

1) Including business numbers
Residential Customers (B2C)
Segment reporting as per 31.12.2021

Net revenue increased primarily thanks to IFRS15 revenue reconciliation (CHF +75mn), higher hardware sales (CHF +23mn) and other revenues; however service revenue declined (CHF -105mn).

Service revenue decreased (-2.7%) due to higher discount volumes, brand shift and further voice line losses.

Contribution margin 2 increased by +2.7% thanks to indirect cost savings.

<table>
<thead>
<tr>
<th></th>
<th>Q4 2021</th>
<th>Q4/Q4</th>
<th>31.12.2021</th>
<th>YoY</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net revenue in MCHF 1)</strong></td>
<td>1'169</td>
<td>-1.3%</td>
<td>4'592</td>
<td>0.7%</td>
</tr>
<tr>
<td>Direct costs in MCHF</td>
<td>-314</td>
<td>-7.1%</td>
<td>-1'135</td>
<td>4.3%</td>
</tr>
<tr>
<td>Indirect costs in MCHF 2)</td>
<td>-192</td>
<td>-11.5%</td>
<td>-686</td>
<td>-11.4%</td>
</tr>
<tr>
<td>Contribution margin 2 in MCHF</td>
<td>663</td>
<td>5.4%</td>
<td>2'771</td>
<td>2.7%</td>
</tr>
<tr>
<td><strong>Contribution margin 2 in %</strong></td>
<td>56.7%</td>
<td>60.3%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation &amp; amortisation in MCHF</td>
<td>-16</td>
<td>-5.9%</td>
<td>-55</td>
<td>-22.5%</td>
</tr>
<tr>
<td>Lease expense in MCHF</td>
<td>-10</td>
<td>0.0%</td>
<td>-40</td>
<td>-7.0%</td>
</tr>
<tr>
<td><strong>Segment result in MCHF</strong></td>
<td>637</td>
<td>5.8%</td>
<td>2'676</td>
<td>3.6%</td>
</tr>
<tr>
<td>CAPEX in MCHF</td>
<td>-24</td>
<td>200.0%</td>
<td>-40</td>
<td>48.1%</td>
</tr>
<tr>
<td>FTE’s</td>
<td>-80</td>
<td>2'875</td>
<td>-6.7%</td>
<td></td>
</tr>
<tr>
<td>Broadband lines in ’000 3)</td>
<td>+7</td>
<td></td>
<td>1’743</td>
<td>-0.2%</td>
</tr>
<tr>
<td>Voice lines in ’000 3)</td>
<td>-12</td>
<td></td>
<td>1’159</td>
<td>-6.2%</td>
</tr>
<tr>
<td>Wireless customers Prepaid in ’000</td>
<td>-71</td>
<td></td>
<td>1’197</td>
<td>-12.8%</td>
</tr>
<tr>
<td>Wireless customers Postpaid in ’000 3)</td>
<td>+47</td>
<td></td>
<td>3’110</td>
<td>4.0%</td>
</tr>
<tr>
<td>Blended wireless ARPU in CHF</td>
<td>35</td>
<td>-2.8%</td>
<td>36</td>
<td>0.0%</td>
</tr>
<tr>
<td>TV subs in ’000 3)</td>
<td>+7</td>
<td></td>
<td>1’523</td>
<td>0.3%</td>
</tr>
</tbody>
</table>

1) incl. intersegment revenues  
2) incl. capitalised costs and other income  
3) sum of single play and bundles
Business Customers (B2B)
Segment reporting as per 31.12.2021

Net revenue decreased YOY by -1.4% primarily driven by lower service revenue of CHF -84mn and hardware sales (CHF -7mn).

On the other hand, Solutions revenue grew by CHF +53mn (+5.0% YOY).

Contribution margin 2 decreased (-4.5%). The decline in service revenue was partly compensated by growth in Solutions revenue.

<table>
<thead>
<tr>
<th></th>
<th>Q4 2021</th>
<th>Q4/Q4</th>
<th>31.12.2021</th>
<th>YoY</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net revenue in MCHF</strong> 1)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Direct costs in MCHF</td>
<td>773</td>
<td>-1.5%</td>
<td>3'058</td>
<td>-1.4%</td>
</tr>
<tr>
<td>Indirect costs in MCHF 2)</td>
<td>-222</td>
<td>2.8%</td>
<td>-821</td>
<td>1.4%</td>
</tr>
<tr>
<td><strong>Contribution margin 2 in MCHF</strong></td>
<td>299</td>
<td>-9.9%</td>
<td>1'287</td>
<td>-4.5%</td>
</tr>
<tr>
<td><strong>Contribution margin 2 in %</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation &amp; amortisation in MCHF</td>
<td>-17</td>
<td>-15.0%</td>
<td>-67</td>
<td>-13.0%</td>
</tr>
<tr>
<td>Lease expense in MCHF</td>
<td>-7</td>
<td>-12.5%</td>
<td>-31</td>
<td>-6.1%</td>
</tr>
<tr>
<td><strong>Segment result in MCHF</strong></td>
<td>275</td>
<td>-9.5%</td>
<td>1'189</td>
<td>-4.0%</td>
</tr>
<tr>
<td>CAPEX in MCHF</td>
<td>-12</td>
<td>-7.7%</td>
<td>-42</td>
<td>5.0%</td>
</tr>
<tr>
<td>FTE's</td>
<td>-18</td>
<td></td>
<td>5'045</td>
<td>2.3%</td>
</tr>
</tbody>
</table>

- Broadband lines in '000: +0, 294, -1.0%
- Voice lines in '000: -5, 265, -8.0%
- Wireless customers in '000: +11, 1'870, 0.5%
- Blended wireless ARPU in CHF: 30, -6.3%, 31, -6.1%
- TV subs in '000: +0, 69, 0.0%

1) incl. intersegment revenues
2) incl. capitalised costs and other income
Wholesale
Segment reporting as per 31.12.2021

Revenue from external customers down by +0.5%.

MVNO revenue decreased, inbound roaming revenue increased (volume driven).

Contribution margin 2 nearly stable (+0.2%).

<table>
<thead>
<tr>
<th></th>
<th>Q4 2021</th>
<th>Q4/Q4 31.12.2021</th>
<th>YoY</th>
</tr>
</thead>
<tbody>
<tr>
<td>External revenue in MCHF</td>
<td>160</td>
<td>-6.4%</td>
<td>658</td>
</tr>
<tr>
<td>Intersegment revenue in MCHF</td>
<td>72</td>
<td>-7.7%</td>
<td>313</td>
</tr>
<tr>
<td><strong>Net revenue in MCHF</strong></td>
<td><strong>232</strong></td>
<td><strong>-6.8%</strong></td>
<td><strong>971</strong></td>
</tr>
<tr>
<td>Direct costs in MCHF</td>
<td>-100</td>
<td>-8.3%</td>
<td>-426</td>
</tr>
<tr>
<td>Indirect costs in MCHF ¹)</td>
<td>-5</td>
<td>-28.6%</td>
<td>-20</td>
</tr>
<tr>
<td><strong>Contribution margin 2 in MCHF</strong></td>
<td><strong>127</strong></td>
<td><strong>-4.5%</strong></td>
<td><strong>525</strong></td>
</tr>
<tr>
<td><strong>Contribution margin 2 in %</strong></td>
<td></td>
<td><strong>54.7%</strong></td>
<td><strong>54.1%</strong></td>
</tr>
<tr>
<td>Depreciation &amp; amortisation in MCHF</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Lease expense in MCHF</td>
<td>-1</td>
<td></td>
<td>-1</td>
</tr>
<tr>
<td><strong>Segment result in MCHF</strong></td>
<td><strong>126</strong></td>
<td><strong>-5.3%</strong></td>
<td><strong>524</strong></td>
</tr>
<tr>
<td>CAPEX in MCHF</td>
<td>-</td>
<td></td>
<td>-</td>
</tr>
<tr>
<td>FTE’s</td>
<td>-3</td>
<td></td>
<td>81</td>
</tr>
<tr>
<td>Full access lines in '000</td>
<td>-3</td>
<td></td>
<td>41</td>
</tr>
<tr>
<td>BB (wholesale) lines in '000</td>
<td>+8</td>
<td></td>
<td>596</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, 2Mbps to 10Gbps symmetric

### Carrier Ethernet Service Basic und Premium
- Layer-2 service for low-cost and flexible ethernet connections, 2Mbps to 10Gbps symmetric

### Direct Internet Access
- Fully managed layer-3 service, 10Mbps to 1Gbps asymmetric and symmetric

### Broadband Connectivity Service
- Swiss-wide broadband access, 2Mbps to 10Gbps, asymmetric and symmetric

### Unbundled Line (TAL)
- Layer-1 line rental

### Access Line Optical (ALO)
- Layer-1 line rental

---

### Monthly mass market prices

<table>
<thead>
<tr>
<th>Service Description</th>
<th>Price (CHF)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Broadband Connectivity Service BBCS, Layer-3, 100 Mbps²</td>
<td>CHF 19</td>
</tr>
<tr>
<td>Broadband Connectivity Service BBCS, Layer-3, 500 Mbps²</td>
<td>CHF 26</td>
</tr>
<tr>
<td>Broadband Connectivity Service BBCS, Layer-3, 1’000 Mbps²</td>
<td>CHF 32</td>
</tr>
<tr>
<td>Unbundled Access Line¹ TAL, layer-1, copper</td>
<td>CHF 13.80</td>
</tr>
<tr>
<td>Access Line Optical ALO, layer-1, fibre</td>
<td>CHF 25</td>
</tr>
</tbody>
</table>

¹ From 1st January 2022 onwards
² From 1st March 2022 onwards
Infrastructure & Support Functions
Segment reporting as per 31.12.2021

Contribution margin 2 deteriorated by 2.4% as it was affected by adjustments of provisions for regulatory litigations and for restructuring. On a comparable basis, contribution margin 2 improved by 3.1%, driven by lower network maintenance costs and IT expenses. Insourcing of FTE leads to a higher contribution of capitalised cost and negatively impacts workforce expenses.

<table>
<thead>
<tr>
<th></th>
<th>Q4 2021</th>
<th>Q4/Q4</th>
<th>31.12.2021</th>
<th>YoY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net revenue in MCHF</td>
<td>19</td>
<td>-5.0%</td>
<td>76</td>
<td>-8.4%</td>
</tr>
<tr>
<td>Direct costs in MCHF</td>
<td>-2</td>
<td>100.0%</td>
<td>-7</td>
<td>-12.5%</td>
</tr>
<tr>
<td>Workforce expenses in MCHF</td>
<td>-243</td>
<td>3.4%</td>
<td>-878</td>
<td>1.4%</td>
</tr>
<tr>
<td>Maintenance in MCHF</td>
<td>-54</td>
<td>-6.9%</td>
<td>-217</td>
<td>-5.2%</td>
</tr>
<tr>
<td>IT expenses in MCHF</td>
<td>-36</td>
<td>-25.0%</td>
<td>-137</td>
<td>-11.6%</td>
</tr>
<tr>
<td>Other OPEX in MCHF</td>
<td>-122</td>
<td>23.2%</td>
<td>-448</td>
<td>15.8%</td>
</tr>
<tr>
<td>Indirect costs in MCHF</td>
<td>-455</td>
<td>3.4%</td>
<td>-1'680</td>
<td>2.6%</td>
</tr>
<tr>
<td>Capitalised costs and other</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>income in MCHF</td>
<td>124</td>
<td>8.8%</td>
<td>480</td>
<td>4.8%</td>
</tr>
<tr>
<td><strong>Contribution margin 2 in MCHF</strong></td>
<td>-314</td>
<td>2.3%</td>
<td>-1'131</td>
<td>2.4%</td>
</tr>
<tr>
<td>Depreciation &amp; amortisation in MCHF</td>
<td>-321</td>
<td>-3.6%</td>
<td>-1'353</td>
<td>-0.6%</td>
</tr>
<tr>
<td>Lease expense in MCHF</td>
<td>-40</td>
<td>5.3%</td>
<td>-160</td>
<td>3.2%</td>
</tr>
<tr>
<td><strong>Segment result in MCHF</strong></td>
<td>-675</td>
<td>-0.4%</td>
<td>-2'644</td>
<td>0.9%</td>
</tr>
<tr>
<td>CAPEX in MCHF</td>
<td>-481</td>
<td>22.7%</td>
<td>-1'560</td>
<td>1.8%</td>
</tr>
<tr>
<td>FTE's</td>
<td>+27</td>
<td></td>
<td>4'888</td>
<td>2.9%</td>
</tr>
</tbody>
</table>
• **3.5 GHz**: use for 5G TDD high-capacity deployment (also named **5G+** by Swisscom)

• **2.6 GHz**: in more densely populated areas, Swisscom uses the 2.6 GHz band for **LTE**

• **2.1 GHz**: Swisscom switched 3G to **5G** here on 1 October 2019

• **1.8 GHz**: the most important frequency for **LTE**

• **900 MHz**: on this frequency band, Swisscom realises its universal service obligation with voice telephony via their **3G** mobile communications network. In few cases, Swisscom also uses it for **LTE**

• **800 MHz**: exclusively used for the 4th generation of mobile telephony, **LTE**

• **700 MHz**: Swisscom uses band 28 for 4G LTE and in other locations for **5G**
Fastweb
Segment reporting as per 31.12.2021

All customer segments report year-to-date a revenue increase.

Growth in consumer revenue has slowed down as competition in the broadband market has intensified.

Enterprise revenue up by +7.9% as revenues with public administrations increased.

EBITDA up by +5.4% YOY driven by revenue growth.

<table>
<thead>
<tr>
<th></th>
<th>Q4 2021</th>
<th>Q4/Q4</th>
<th>31.12.2021</th>
<th>YoY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consumer revenue in MEUR</td>
<td>286</td>
<td>-1.0%</td>
<td>1'142</td>
<td>0.8%</td>
</tr>
<tr>
<td>Enterprise revenue in MEUR</td>
<td>267</td>
<td>8.5%</td>
<td>979</td>
<td>7.9%</td>
</tr>
<tr>
<td>Wholesale revenue in MEUR 1)</td>
<td>84</td>
<td>-11.6%</td>
<td>271</td>
<td>2.7%</td>
</tr>
<tr>
<td><strong>Net revenue in MEUR 4)</strong></td>
<td>637</td>
<td>1.1%</td>
<td>2'392</td>
<td>3.8%</td>
</tr>
<tr>
<td>OPEX in MEUR 2)</td>
<td>-413</td>
<td>-0.2%</td>
<td>-1'566</td>
<td>3.0%</td>
</tr>
<tr>
<td><strong>EBITDA in MEUR</strong></td>
<td>224</td>
<td>3.7%</td>
<td>826</td>
<td>5.4%</td>
</tr>
<tr>
<td><strong>EBITDA margin in %</strong></td>
<td>35.2%</td>
<td></td>
<td>34.5%</td>
<td></td>
</tr>
<tr>
<td>Depreciation&amp; amortisation in MEUR</td>
<td>-150</td>
<td>3.4%</td>
<td>-590</td>
<td>2.3%</td>
</tr>
<tr>
<td>Lease expense in MEUR</td>
<td>-14</td>
<td>7.7%</td>
<td>-54</td>
<td>3.8%</td>
</tr>
<tr>
<td><strong>Segment result in MEUR</strong></td>
<td>60</td>
<td>3.4%</td>
<td>182</td>
<td>17.4%</td>
</tr>
<tr>
<td>CAPEX in MEUR</td>
<td>-162</td>
<td>-8.5%</td>
<td>-601</td>
<td>2.4%</td>
</tr>
<tr>
<td>FTE's</td>
<td>+12</td>
<td></td>
<td>2'753</td>
<td>1.8%</td>
</tr>
<tr>
<td>BB customers in '000</td>
<td>-18</td>
<td></td>
<td>2'750</td>
<td>0.1%</td>
</tr>
<tr>
<td>Wireless customers in '000</td>
<td>+156</td>
<td></td>
<td>2'472</td>
<td>26.1%</td>
</tr>
</tbody>
</table>

In consolidated Swisscom accounts

<table>
<thead>
<tr>
<th></th>
<th>Q4 2021</th>
<th>Q4/Q4</th>
<th>31.12.2021</th>
<th>YoY</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBITDA in MCHF</td>
<td>236</td>
<td>1.7%</td>
<td>892</td>
<td>6.2%</td>
</tr>
<tr>
<td>CAPEX in MCHF</td>
<td>-170</td>
<td>-10.5%</td>
<td>-649</td>
<td>3.2%</td>
</tr>
</tbody>
</table>

1) incl. revenues to Swisscom companies
2) incl. capitalised costs and other income
Other
Segment reporting as per 31.12.2021

Net revenue up by +1.9% due to higher revenue from cablex.

EBITDA down by -9.8% mainly driven by a change in revenue mix (higher business volume with lower margin).

<table>
<thead>
<tr>
<th></th>
<th>Q4 2021</th>
<th>Q4/Q4</th>
<th>31.12.2021</th>
<th>YoY</th>
</tr>
</thead>
<tbody>
<tr>
<td>External revenue in MCHF</td>
<td>105</td>
<td>-9.5%</td>
<td>431</td>
<td>-3.1%</td>
</tr>
<tr>
<td><strong>Net revenue in MCHF</strong> ¹)</td>
<td>263</td>
<td>1.5%</td>
<td>1'033</td>
<td>1.9%</td>
</tr>
<tr>
<td>OPEX in MCHF</td>
<td>-233</td>
<td>9.4%</td>
<td>-867</td>
<td>4.5%</td>
</tr>
<tr>
<td><strong>EBITDA in MCHF</strong></td>
<td>30</td>
<td>-34.8%</td>
<td>166</td>
<td>-9.8%</td>
</tr>
<tr>
<td><strong>EBITDA margin in %</strong></td>
<td>11.4%</td>
<td></td>
<td>16.1%</td>
<td></td>
</tr>
<tr>
<td>Depreciation &amp; amortisation in MCHF</td>
<td>-16</td>
<td>0.0%</td>
<td>-56</td>
<td>-9.7%</td>
</tr>
<tr>
<td>Lease expense in MCHF</td>
<td>-2</td>
<td>-33.3%</td>
<td>-11</td>
<td>-8.3%</td>
</tr>
<tr>
<td><strong>Segment result in MCHF</strong></td>
<td><strong>12</strong></td>
<td>-55.6%</td>
<td><strong>99</strong></td>
<td>-10.0%</td>
</tr>
<tr>
<td>CAPEX in MCHF</td>
<td>-12</td>
<td>-14.3%</td>
<td>-41</td>
<td>-6.8%</td>
</tr>
<tr>
<td>FTE's</td>
<td>-205</td>
<td></td>
<td>3'263</td>
<td>-7.1%</td>
</tr>
</tbody>
</table>

¹) incl. intersegment revenues
²) incl. capitalised costs and other income
**Pension plan**
Status as per 31.12.2021

**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: 120%
- Key actuarial assumptions:

<table>
<thead>
<tr>
<th></th>
<th>Swiss pension law</th>
<th>IFRS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Discount rate</td>
<td>1.50% based on expected long-term asset return</td>
<td>0.30% based on yield of AA-rated corporate bonds</td>
</tr>
</tbody>
</table>

**Evolution IFRS deficit in 2021**

- Positive one-off effect from plan amendment affects net pension cost
- Net of this one-off effect operating pension cost significantly higher than cash contributions from company
- Significantly lower deficit driven by high return on plan assets (yield +9.7% resp. CHF +1.2 bn)
- Partially compensated by change in assumptions: risk-sharing (-), interest on old age account (-), discount rate (+), mortality (+)
## Pension plan
### Reported costs and outlook

<table>
<thead>
<tr>
<th>in CHF mn</th>
<th>2020</th>
<th>2021</th>
<th>Change 21/22</th>
<th>2022 estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reported</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating pension cost</td>
<td>338</td>
<td>320</td>
<td>15</td>
<td>335</td>
</tr>
<tr>
<td>Plan amendments (one-off cost reduction)</td>
<td>-</td>
<td>-60</td>
<td>60</td>
<td>-</td>
</tr>
<tr>
<td><strong>Net pension cost (EBITDA)</strong></td>
<td>338</td>
<td>260</td>
<td>75</td>
<td>335</td>
</tr>
<tr>
<td>Net interest (financial result)</td>
<td>2</td>
<td>1</td>
<td>-</td>
<td>1</td>
</tr>
<tr>
<td><strong>Total pension cost (P&amp;L)</strong></td>
<td>340</td>
<td>261</td>
<td>75</td>
<td>336</td>
</tr>
<tr>
<td>Company contributions (cash payments)</td>
<td>273</td>
<td>269</td>
<td>-4</td>
<td>265</td>
</tr>
<tr>
<td><strong>Pension cost (EBITDA) less cash payments</strong></td>
<td>65</td>
<td>-9</td>
<td>79</td>
<td>70</td>
</tr>
</tbody>
</table>

### Operating pension cost
- Costs recognized in EBITDA measured in accordance with IFRS
- Positive effect of plan amendment CHF 60mn included in 2021 (negative cost)
- 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 operating pension cost (excl. effect plan amendment in 2021)
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Cautionary statement
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