

Anti-corruption directive

1 What's it all about?

Corruption is any abuse of a position of trust to gain an unfair advantage. It can occur at different levels and in various different forms.

It focuses on bribery of (Swiss or foreign) public officials; however, corruption between private individuals also poses a problem in business transactions and is a punishable offence.

Initially the Swisscom employee involved in the corruption will face prosecution. Additionally, the company also faces criminal prosecution and a fine of up to CHF 5 million, as well as damage to its reputation.

2 Scope of application

This directive applies to all Group divisions and Group companies; those headquartered outside Switzerland are subject to the applicable legal framework and legal practice of their respective countries. The Group divisions and Group companies reserve the right to issue additional, division-specific regulations.

3 Code of conduct

3.1 Basic principles

Swisscom opposes all forms of corruption. Bribery is not tolerated in any form. Employees should be mindful of credibility and integrity in professional and personal negotiations and relationships. They must not try to gain an unfair advantage and they must avoid situations which would impair their independence and capacity to act accordingly.

Rule of thumb: No gifts, invitations, business hospitality or similar acts thereof should be offered or accepted if they result in a feeling of obligation or compromise freedom of decision or choice.

If in doubt, avoid partaking in any of the above mentioned behaviour or contact your manager or another relevant contact (cf. Section 4).

3.2 Bribes

Swisscom employee to offer, promise or bestow money or other advantages with monetary value to Swiss or foreign public officials (civil servants, members of parliament, judges) or private individuals in return for an act or omission that is in breach of his/her duty (e.g. unmerited authorisations or advantages).

It is forbidden for a Swisscom employee to ask for, be promised or accept money or other advantages in order to carry out an act that is in breach of his/her duty (e.g. improper awarding of contracts, release of confidential information).

3.3 Gifts

Gifts are generally gratuities which are addressed to an individual and offer that person a personal benefit or advantage. Gifts are permitted if they are customary in society (such as promotional give-aways, bottles of wine, tickets for a sporting or cultural event).

Offering or accepting the following is not permitted:

- > Gifts of money.
- > Gifts or other gratuities which could influence the outcome of upcoming, specific business decisions or contracts (e.g. during a tendering process).

Price reductions, advantages or special conditions which are granted to a customer as part of a business agreement are not deemed to be gifts.

3.4 Invitations

Invitations to restaurants and/or events are permitted in the context of business meetings and conferences, provided they are within the usual limits for the business relationship in question and are not excessive or extravagant.

Invitations which could influence specific business decisions must be avoided. Special care and reservation should be taken when dealing with public officials.

Invitations to go on a holiday, travel or other similar activities together with partners or family members of non-business purposes, or if the business purpose bears no relation to the invitation, are not allowed.

4 What to do in the event of suspected corruption

Employees who suspect corruption should contact their manager. They can also address such suspicions and/or questions, either in confidence or anonymously, to the Head of Group Human Resources or use the anonymous whistle blowing point of contact. The information will be investigated and, if necessary, be reported to the criminal prosecution authorities. The source will be treated as confidential.

5 Random tests/checks

Random tests and checks on corruption to ensure compliance with this Code of Conduct are carried out in accordance with the Group Internal Audit Policy.

6 Information

Management staff and employees will be briefed and made aware of the content of this directive in an appropriate manner. Employees working in particularly vulnerable areas will receive specific training.

7 Sanctions

Employees who contravene the legal provisions on corruption can expect to face criminal prosecution and repercussions under employment law, which include immediate dismissal.