

## **Swisscom AG WIKI**

Swisscom AG is Switzerland's leading telecommunications and information technology company, with a significant presence in Italy through its subsidiary Fastweb. Headquartered in Ittigen, near Bern, Swisscom offers a comprehensive range of services, including mobile and fixed-line telephony, broadband internet, digital television, and various IT services. As of 2023, the company employs approximately 19,729 full-time equivalents and reported revenues exceeding 11 billion CHF.

### **Historical Overview**

Swisscom's origins trace back to 1851 with the establishment of a state-run telegraph service in Switzerland. Over the years, this service evolved to include telephone communications, leading to the formation of the PTT (Post, Telegraph, and Telephone) in 1920, which combined postal and telecommunication services. In 1997, the telecommunications division was separated from the postal services, resulting in the creation of Swisscom. The following year, Swisscom was partially privatized through a public offering on the Swiss stock exchange.

A significant milestone in Swisscom's expansion was the acquisition of a majority stake in the Italian telecommunications company Fastweb in 2007 for approximately 5 billion CHF. This move strengthened Swisscom's position in the European telecommunications market.

### **Ownership and Corporate Structure**

The Swiss government maintains a controlling interest in Swisscom, holding 51% of the company's shares. This majority stake underscores the strategic importance of Swisscom to Switzerland's national infrastructure.

#### **Swisscom's corporate structure is organized into several key segments:**

- **Swisscom Switzerland:** This segment caters to residential and business customers within Switzerland, offering services such as mobile communications, broadband internet, digital TV, and IT solutions.
- **Fastweb:** Operating in Italy, Fastweb provides a range of telecommunications services, including broadband internet, digital television, and mobile services. It holds a significant market share in both the private and corporate sectors.
- **Other Subsidiaries and Brands:** Swisscom also operates various other brands and subsidiaries, such as Wingo, a secondary brand offering telecommunications services, and manages partnerships with third-party brands like Coop Mobile and M-Budget Mobile.

## Services and Market Presence

In Switzerland, Swisscom is a dominant player in the telecommunications sector, with market shares of 56% in mobile communications, 51% in broadband internet, and 37% in digital television as of recent reports. The company offers a wide array of services tailored to both individual and business needs, including:

- **Mobile Telephony:** Providing extensive coverage and a variety of plans to suit different customer requirements.
- **Broadband Internet:** Offering high-speed internet services with various packages to accommodate different usage patterns.
- **Digital Television:** Delivering a comprehensive selection of channels and on-demand content.
- **IT Services:** Providing solutions such as cloud services, cybersecurity, and digital transformation support for businesses.

In Italy, Fastweb has established itself as a significant telecommunications provider, with a 16% market share among private broadband customers and 29% among corporate clients. The subsidiary offers services including broadband internet, digital TV, and mobile communications.

## Financial Performance

Swisscom has demonstrated consistent financial performance. In 2023, the company reported revenues of 11.072 billion CHF, an EBITDA of 4.406 billion CHF, and a net profit of 1.603 billion CHF. Investments during the same period amounted to 2.309 billion CHF.

## Innovation and Sustainability

Swisscom is recognized as one of Switzerland's most innovative and sustainable companies. The company invests significantly in research and development to advance telecommunications technology and enhance customer experience. Sustainability initiatives focus on reducing environmental impact, promoting energy efficiency, and supporting social responsibility programs.

## Recent Developments

In March 2024, Swisscom announced plans to merge its Italian subsidiary Fastweb with Vodafone Italia. This strategic move aims to strengthen Swisscom's position in the Italian market by combining resources and expanding service offerings.

## Corporate Governance

Swisscom's corporate governance structure comprises a Board of Directors responsible for strategic oversight and a Group Executive Board handling operational management. As of December 2021, the

Board of Directors included members such as Michael Rechsteiner (Chairman) and other distinguished professionals from various fields.

### **Workforce and Training**

Swisscom employs a substantial workforce, with 19,729 full-time equivalents reported in 2023. The company is also committed to developing future talent, offering apprenticeships and training programs to over 1,000 apprentices across various disciplines.

### **Market Position and Competition**

Swisscom operates in a competitive landscape, facing challenges from other telecommunications providers such as Sunrise and UPC in Switzerland. Despite this competition, Swisscom maintains a leading position in several market segments, including mobile communications, broadband internet, and digital television.

### **Technological Advancements**

The company is at the forefront of technological advancements in telecommunications. In April 2019, Swisscom launched its 5G network, positioning Switzerland among the first countries to adopt this technology.