



SWISS PRIME SITE

— ANNUAL REPORT

REPORT

2023



Selected group key figures

	in	01.01.- 31.12.2022 or 31.12.2022	01.01.- 31.12.2023 or 31.12.2023	Change in %
Continuing operations				
Rental income from properties	CHF m	432.8	438.3	1.3
EPRA like-for-like change relative	%	2.0	4.3	115.0
Income from asset management	CHF m	52.0	49.7	-4.4
Income from retail	CHF m	132.1	126.5	-4.2
Total operating income	CHF m	646.6	658.6	1.9
Revaluation of investment properties, net	CHF m	169.7	-250.5	-247.6
Result from investment property sales, net	CHF m	50.9	13.0	-74.4
Operating result before depreciation and amortisation (EBITDA)	CHF m	591.3	158.1	-73.3
Operating result (EBIT)	CHF m	549.7	152.5	-72.3
Profit	CHF m	397.1	86.7	-78.2
Return on equity (ROE)	%	6.1	1.3	-78.7
Return on invested capital (ROIC)	%	3.2	1.2	-62.5
Earnings per share (EPS)	CHF	5.18	1.13	-78.2
Funds from operations per share (FFO I)	CHF	4.00	4.05	1.3
Continuing and discontinued operations excluding revaluations effects				
Operating result before depreciation and amortisation (EBITDA)	CHF m	448.6	562.2	25.3
Operating result (EBIT)	CHF m	389.6	553.3	42.0
Profit	CHF m	300.6	459.8	53.0
Return on equity (ROE)	%	4.7	6.8	44.7
Return on invested capital (ROIC)	%	2.6	3.9	50.0
Earnings per share (EPS)	CHF	3.92	5.99	52.8
Funds from operations per share (FFO I)	CHF	4.26	4.12	-3.3
Key balance sheet figures				
Shareholders' equity	CHF m	6 569.3	6 537.4	-0.5
Equity ratio	%	47.7	47.4	-0.6
Liabilities	CHF m	7 201.9	7 240.9	0.5
Loan-to-value ratio of property portfolio (LTV) ¹	%	38.8	39.8	2.6
NAV before deferred taxes per share ²	CHF	102.96	102.05	-0.9
NAV after deferred taxes per share ²	CHF	85.64	85.21	-0.5
EPRA NTA per share	CHF	102.69	101.52	-1.1
Real estate portfolio				
Fair value of real estate portfolio	CHF m	13 087.7	13 074.6	-0.1
of which projects/development properties	CHF m	1 117.3	853.3	-23.6
Number of properties	number	176	159	-9.7
Rental floor space	m ²	1 653 456	1 678 217	1.5
Vacancy rate	%	4.3	4.0	-7.0
Average nominal discount rate	%	3.72	4.04	8.6
Net property yield	%	3.1	3.1	-
Employees				
Number of employees as at balance sheet date	persons	1 779	674	-62.1
Full-time equivalents as at balance sheet date	FTE	1 567	570	-63.6

¹ Receivables secured by bank guarantees were deducted from financial liabilities in the financial year 2023

² Asset Management, Retail and Corporate & Shared Services segments are included at book values and not at fair values

Report

Review

Sustainability

Corporate Governance

Compensation

Finance



Swiss Prime Site – Partner for Swiss property

We are one of Europe's leading real estate companies. Our high-quality portfolio in Switzerland includes both our own properties and assets managed for third parties. To our investors and clients, we offer a broad range of products and investment opportunities in commercial as well as residential real estate. These include our share, funds and investment foundations, and advisory services.

Reporting structure

Our stakeholder-oriented 2023 reporting consists of the online report and other stock exchange-related chapters as PDF downloads, as well as the printed annual magazine «Review 2023». Our non-financial report in accordance with the requirements of the Swiss Code of Obligations (Articles 964b and 964c) is available separately.

Coverbild

28 000 square metres of services space on 15 floors: the Alto Pont-Rouge, designed by Geneva architects Brodbeck-Roulet and located right by Lancy-Pont-Rouge railway station, is one of the first buildings in Geneva to be certified under the Swiss Sustainable Building Standard (SNBS). The building was awarded the Western Switzerland Real Estate Prize in the «Activity and Administration» category.



REVIEW

Dear Shareholders, dear Readers,

«Today, we present Swiss Prime Site to you as a focused real estate company.»

Ton Büchner

Chairman of the Board of Directors
Swiss Prime Site

The past year has been challenging in many respects. But Swiss Prime Site has taken important strategic steps in this tough environment and achieved positive results – clear testament to the resilience of our company and our business model.

Transformative year

Early on in the year, we announced we would wind down operations at Jelmoli – a very emotional moment and a difficult decision. At the heart of our considerations, besides the economic perspective, were our concerns about how the employees would adapt to the new circumstances and around the loyalty from many of our customers. But we are firmly convinced that the Jelmoli building will benefit from the realignment and will retain its role as a particularly vibrant meeting place in the city. We are aware of the unique significance of the property for the city centre of Zurich and will ensure it maintains this status. The second big step took place shortly afterwards when we sold our property management business Wincasa to Implenia. Both Wincasa and the Implenia Group are strategic partners for our business and we look forward to seamless continuation of our positive partnership.

Today, we present Swiss Prime Site to you as a focused real estate company. Since the sale of Tertianum in 2020, we have been transforming ourselves from a conglomerate with over 6 000 employees into a specialised, agile company, which will soon have around 200 employees and focus on our core competence: the real estate business.

This will allow us to fully align our expertise with our portfolio and realise synergies with third-party investors. This focus will make our operations more effective and efficient, creating a more distinctive business profile. Our properties are in prime locations with a high degree of versatility and flexibility in usage types, which means they attract a particularly robust tenant base with a long-term focus. We generate growth primarily through our high-quality developments and with additional external capital in the Asset Management division.

Exciting environment

Regrettably, this past year was once again dominated by global geopolitical tensions. We are deeply shaken by the conflicts in Ukraine and the Middle East and we earnestly hope these situations will be resolved as quickly as possible. In our day-to-day operations in Switzerland, these ongoing conflicts have had little effect thus far. Our tenants and customers often tell our employees that they increasingly appreciate Switzerland as a place to live and do business. The strong Swiss franc, low inflation, and an economic environment that remains robust are certainly a testament to that. Switzerland is once again living up to its reputation as a «safe haven», where the majority of economic indicators point to a significantly better situation than in the rest of Europe.

The changing inflation and interest rate environment has had a major impact on expectations in the real estate sector over the past year and contributed to a high level of uncertainty. But the end of the year brought

«Despite the challenging environment, our Asset Management division realised growth in 2023.»

Ton Büchner

Chairman of the Board of Directors
Swiss Prime Site

signs of change, with inflation slipping back considerably. We believe that the market sentiment is improving markedly and we are seeing real estate investors becoming more active in the market again.

Significant milestones

Swiss Prime Site has posted good operational results in this highly eventful year. Despite significantly higher interest rates, we could even slightly increase our comparable operating cash flow (FFO I CHF 4.05 per share vs 4.00 in 2022). Thanks to our strong financial position, we can propose a dividend of CHF 3.40 per share to the Annual General Meeting.

We continued to benefit from our fundamentally new financing strategy implemented in 2021. With a strong balance sheet, low levels of debt, and a high share of unencumbered assets, Swiss Prime Site has greatly improved its profile in the credit market: in 2023, we successfully placed CHF 425 million in bonds within our «Green Finance Framework» on the capital markets and also extended our credit lines with a sustainability link despite the challenging situation in the banking market.

We are particularly proud to have delivered two projects to new tenants in the most important Swiss business centres in 2023: in Zurich, Google took over a fully renovated

office building, our first major circular building project, while the new Alto Pont-Rouge building in Geneva welcomed the French bank BNP Paribas along with other tenants. Both projects were completed within budget and on time, proof of our exceptional development expertise.

We once again actively managed and further improved the real estate portfolio last year, resulting in a record low vacancy rate of 4%. Under our capital recycling strategy, we have also sold older buildings and properties outside of economic centres. We are primarily reinvesting the proceeds in our growth through the developments mentioned above and other construction projects. Overall, our development focus is on centrally located offices, laboratories and logistics buildings – it is in our DNA to aim for the highest sustainability standards.

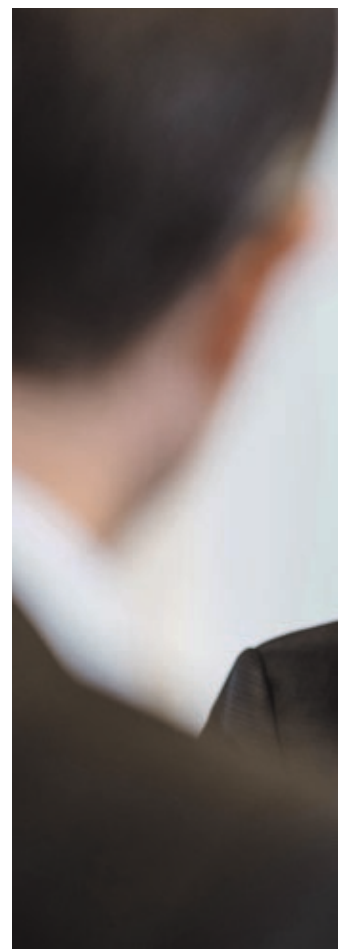
Our Asset Management division felt the uncertainty on the investor side, especially in the first half of the year. There was a lack of appetite anywhere in the market for new investment, which meant very limited new funds for acquisitions in the portfolio. In this environment, Swiss Prime Site Solutions stood out even more and increased managed assets by close to 9% to CHF 8.4 billion. Our team excels in the market with its real estate expertise and top-notch fund and investment products. Our extensive experi-

ence makes us the preferred partner for more complex transactions, such as contributions in kind from pension funds and sale & lease-back transactions for commercial properties.

Strategic outlook

Swiss Prime Site is very well positioned with its implemented focus on the two pillars of «Real Estate» and «Asset Management» and we look to the future with confidence. After a transformative 2023, we will be focusing even more on fully tapping the potential in our own portfolio and in the Asset Management division. Our strategic priorities are the following.

Rental growth: We see further potential here in terms of our lettable areas as well as rental rates and will become more efficient by focusing on our portfolio.





Developments: We are creating landmarks in Switzerland – the new Jelmoli building is just another example. In 2024 and 2025, we will hand over several large buildings which have already been let, and we are planning more projects such as Grand Passage in the centre of Geneva.

Asset Management: Our goal is to further broaden and diversify our Asset Management business. We aim to expand our product range, tap into new groups of investors, and foster partnerships.

Sustainability: We aspire to be a leader in sustainability. Our teams work day in and day out on innovative concepts for saving resources and promoting renewable energy with an eye to the future. Our CO₂-reduction pathway and circular construction are the main steering elements.

I personally feel very proud to be representing Swiss Prime Site and working with such a professional and motivated team. On behalf of the entire Board of Directors, I would like to thank you, our shareholders, for your trust and support. Together with our tenants, customers, employees and partners, we will continue to create sustainable value with living spaces that meet the needs of our modern society.

A handwritten signature in blue ink, reading "A. Büchner". The signature is written in a cursive style and is underlined with a single horizontal line.

Ton Büchner
Chairman of the Board of Directors

Swiss Prime Site's Annual Report is published as an online report and as a digital report in document form. «Review», our printed summary report, provides insights into the year just ended. This allows us to engage with our stakeholders through different media.



MORE ABOUT
THE PUBLICATIONS



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«We're feeling the synergy
between the two segments
even more.»

René Zahnd, CEO of Swiss Prime Site,
on the company's development and the future
of the Swiss real estate landscape.





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Resources in mind – sustainable investing in circular buildings

Properties are long-term investments that stand for decades and therefore have a major impact on our environment.



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Alto Pont-Rouge – new spaces in Geneva to work and live

Alto Pont-Rouge. This is the next major milestone for Geneva's significant Praille-Acacias-Vernets (PAV) development project, where a new district is emerging across 230 hectares.

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Key figures

Compilation of the company's most important financial and non-financial figures.

Key figures

1

**Largest real estate company
in Switzerland**

13.1

CHF billion
property portfolio

8.4

CHF billion of
assets under management

159

Buildings

438

CHF million
rental income

50

CHF million of
fee-based income

2040

Climate neutrality target

94

percent
of floor space certified

55

percent
of floor space under green leases

>2000

Tenants

4.0

percent
vacancy rate

39.8

percent
loan-to-value ratio
in property portfolio

403

CHF million
EBIT before revaluations

3.40

CHF
distributed per share in 2023¹

6.9

CHF billion
market capitalisation on SIX Swiss
exchange

¹ Proposal to the Annual General Meeting.

Ratings and benchmarks

Swiss Prime Site is evaluated and rated by leading rating providers in the areas of creditworthiness, ESG and sustainability as well as corporate culture.

Credit rating/creditworthiness

Rating agency Moody's assigns an A3 long-term issuer rating to Swiss Prime Site with a stable outlook. The rating received confirms the strong creditworthiness of Swiss Prime Site.



A3/stable (Scale: Aaa to C)

Real estate assessment

GRESB evaluates the sustainability of global real estate investments. In the 2023 assessment, Swiss Prime Site Immobilien ranks among the international leaders in the categories «Standing Investments» and «Development» with excellent results. In addition, the GRESB scores are embedded in the Executive Board's variable remuneration as ESG targets and thereby directly influencing the company's directive.



G R E S B
***** 2023

5 Stars (Standing Investments)

5 Stars (Development)

ESG ratings

The ratings issued for Swiss Prime Site by the ESG ratings providers Inrate, ISS ESG, MSCI and Sustainalytics were enhanced again in 2023. Since 2021, margins in the credit agreements have also been linked to the ISS ESG rating, so the progress we make has a direct impact on interest costs and profit. This ensures financial and non-financial targets are aligned, in accordance with our corporate mission of sustainable value generation.



AA (Scale: AAA to CCC)



C «Prime» (Scale: A+ to D-)



A- (Scale: A+ to D-)



Low Risk

Corporate culture

Swiss Prime Site also received a «Great Place to Work» award. This certification acknowledges the company's outstanding corporate culture and was awarded through a validated process with evidence-based standards.



Great Place to Work

«We're feeling the synergy between the two segments even more.»

2023 proved to be one of the most challenging years in the real estate sector in a long time – rising interest rates, far fewer transactions, and valuation corrections were just some of the headline issues. In spite of this, Swiss Prime Site ended the year with a strong operational result. René Zahnd, Swiss Prime Site CEO, looks back on the financial year.

How would you sum up 2023, René?

Of course, one major impact on the year was the difficult decision at the start of the year to wind down operational business activities at Jelmoli by the end of 2024. It wasn't an easy decision for us, but it became the only economically viable option after we were turned down by a large number of potential partners. The sale of Wincasa in May was another key milestone on the group's journey to becoming a «pure play» real estate company. Here, I'm pleased that we've come up with a solution that will provide the Wincasa team with new opportunities and give us the scope to focus.

In a challenging market environment, we've achieved good operational results in our core business, Real Estate, which once again demonstrates the resilience of our business model. I'm always delighted by the success of our asset managers in the area of new rentals, where we have managed to attract top-notch tenants such as Zurich Insurance and the Canton of Bern. By completely implementing the rent indexations, we achieved rental growth of 4.3% on a like-for-like basis. This allowed us to keep our

operating cash flow (FFO I) stable despite increasing interest rates and asset disposals. We also completed the major projects Alto Pont-Rouge in Geneva and Müllerstrasse in Zürich, which will generate around CHF 26 million in additional rental income for us in 2024. On top of that, we achieved 10% growth in Asset Management and we are now, for the first time ever, closing out the year with more than CHF 8 billion in assets under management – an impressive achievement in my opinion, and one which truly underscores the strength of our team and the Swiss Prime Site brand.

Swiss Prime Site looks significantly different today than it did five years ago. What led to this development?

This is a question we hear often. The original reason for expanding into new business areas was to diversify revenues. But we realised diversification did not really have much of an impact when it was supposed to; for example, during the pandemic, when things weren't going well for Jelmoli. In fact, the relative complexity of the different business models proved an obstacle to further

engagement for many who were involved with Swiss Prime Site. We're now focusing on what we excel at: developing and letting prime real estate – for ourselves and for third parties. This has gone down very well with our shareholders.

How are things at Jelmoli heading into the closure at the end of 2024?

After the expected initial upheaval, things are running very smoothly eyeing the last year in operation. Such a closure is very hard on the employees, but we're pulling out all the stops to find a solution which works for everyone. We celebrated the 190th anniversary of the Jelmoli building in 2023 with various campaigns. We deeply appreciate the loyalty of our customers and employees, so we are returning the favour. After the end of the 2024 Christmas season, we will cease operations. The planning and preparatory work for the conversion is in full swing, and we have submitted the application for the building permit. The construction work will begin in 2025, and we are in various initial discussions regarding the letting.

Interest rates have dominated sentiment in the real estate market of late. What's your assessment of the current situation?

I think there was a certain period of the market finding its feet as far as property investment is concerned. The elevated uncertainty in the interest and inflation environment has been challenging for development projects and transactions. We're witnessing increased activity in both these areas again, a trend no doubt due to the stabilisation if not fall in interest rates. Clearly capital has become more expensive,



René Zahnd, CEO Swiss Prime Site
© KEYSTONE/Gaetan Bally

but it's also clear that modern properties in desirable locations are always in demand. And in Switzerland, we'll be experiencing an excess in demand for the foreseeable future.

Which brings us to the rental market. How has it been doing?

We've seen a clear polarisation in terms of location and quality. Modern buildings in very good locations are easy to let, while lower-quality properties in decentralised locations with poor connections are harder to let. This is especially true for office properties; companies are investing more and more in their employees, especially in a tight labour market. In the retail market, we're generally seeing a stabilisation, if not a slight improvement – even compared with before the pandemic. We've also been expanding our infrastructure segment for some time and focusing on laboratory spaces, which are still in high demand in Basel and the Zurich region. Switzerland as a location is benefiting overproportionately from the growth in the life sciences sector. We can also see, through our Asset Management business, that the residential property

market is doing very well. People are renting more again, and so we were able to very successfully let apartments in the residential «Akara-Tower» in Baden, which opened recently.

And what about the transaction market?

We are seeing clear signs that things are steadily improving. First, after a low point in volumes around the turn of 2022/23, sales and purchases are significantly higher again. Second, more institutional buyers are active on the market again, whereas before it was more local buyers with specific property strategies. Third, transactions are getting bigger. This is something we're observing and also contributing to, with a targeted acquisition alongside the Prime Tower. It's always important to closely observe what is motivating sales. It's largely portfolio optimisation – and that goes for us as well – rather than emergency sales for liquidation. Sellers are not willing to make major concessions on prices. This also explains why transactions are continuing at about the same level as the last appraiser estimates. We're a net

seller in the market and in 2023 we again sold buildings for a total of CHF 280 million, with proceeds 7% above the last appraisal value.

The bulk of Swiss Prime Site's portfolio is in the office and retail sectors. What's your view of this focus?

We believe that our focus is very well suited to the Swiss market and the current environment, that it's diversified, and that it allows for growth. The services sector, which is where the majority of jobs are created, generates the highest added value in this country. And here we offer modern office spaces in very good locations – exactly what the market wants. Historically, our portfolio had a significant retail share due to the acquisition of Jelmoli Holding in 2009. We have reduced this over recent years and we anticipate a share of around 20% once the Jelmoli building in Zurich is repositioned. And to be honest, we think this share is attractive: it's lucrative, defensive, with a lot of retail space for day-to-day needs, and when we talk about our retail, we're mostly talking

«We're now focusing on what we excel at: developing and letting property in prime locations.»

René Zahnd

CEO Swiss Prime Site

about prime locations, particularly in Zurich and Geneva. And in newer types of use, we've been very successful with infrastructure properties such as logistics and laboratory spaces. Here, we typically work with major tenants with very specific requirements, and we've demonstrated that we're a customer-oriented partner.

How is work from home evolving in working life and what impact is it having on office occupancy?

Naturally, this is an topic that we frequently discuss with all stakeholders. The world of work has become more flexible and certainly more work is being done from home than before the pandemic. But we're also seeing that well-connected, high-quality office spaces are more sought after than ever. What is the reason for this? In my opinion, there are several reasons. First, culturally, Switzerland is a highly consensus-oriented country and this is also seen in the fact that employees enjoy coming to the office and engaging in dialogue there. And then there's the fact that commuting times are relatively short, averaging less than 30 minutes, making the journey to the office relatively hassle-free. Third, demand for space is moving away from individual workstations towards communal spaces like meeting rooms, workshops and other shared spaces. Effectively, this often means that more space is needed, not less. And lastly, it's more important than ever that companies create incentives through good locations with spaces that appeal to employees so that as much work as possible is done on site. Every year, we survey our tenants about the importance of location and quality – in 2023, the figures reached a record high. Interestingly, tenants are talking to us about expansion, even though we know they are simultaneously considering reducing their floor space elsewhere. This is also a reflection of the polarisation taking place in the lettings market. At Swiss Prime Site, we can consider ourselves lucky that we have the right properties in our portfolio.

Let's move on to Asset Management.

Growth there was lower in 2023.

How is this business doing?

Overall, we're extremely satisfied with how our Asset Management department has been performing. We mustn't forget that the market in 2023 was dominated by restraint and anxiety. Of course, we had higher expectations at the start of the year following a record-breaking 2022. But in a contracting market, we managed to grow our AuM by 9% to CHF 8.4 billion and maintain high levels of profitability with 77% of recurring income. We've built a business area which has reached a critical mass with a high level of recurring business. It shows how resilient we are even in a more challenging environment, and that we can still grow.

What products do investors want in Asset Management and which ones are they steering clear of?

What was interesting last year was a certain level of restraint, not only in absolute investment appetite but also in relative preferences. Products for residential properties were in greater demand than those for commercial properties, even though cash flow returns for residential properties were often significantly lower. Pension funds make up a very high proportion of investors in this sector – where it appears the risk profile outweighs the need for distributions. But from conversations with these investors, we're noticing a change in sentiment, which is becoming stronger and which we think is mainly due to the stabilising interest rate environment. We believe improving sentiment will have a positive impact on the overall investment appetite in the current year – for products in both the residential and commercial sectors.

Where do you see the growth opportunities for new money in Asset Management?

We strongly believe that structural trends will drive further increases in new money. The most important factor here is the growth in population and labour force with an impact on the pension fund system. Most forecasts in both areas are pointing to a growth rate of close to the 1% mark over the coming years. In a country with a high per capita income, this translates to significantly higher membership contributions that have to be invested. Here we're talking around CHF 20 billion each year, with an upwards trend. We're also expecting a wide range of players

such as pension funds, family offices and institutional investors to increasingly outsource the management of their real estate investments. Investing in property is becoming increasingly complex due to tightening of sustainability standards and the resulting reporting obligations, coupled with a more challenging market environment overall. This is evident in several in-kind contributions from pension funds that we implemented last year, for instance. I'm particularly pleased that all of these processes were professionally led by advisors and that we prevailed in a competitive environment thanks to our expertise and our combined experience.

How is the real estate fund landscape shaping up after the Credit Suisse takeover?

Concentrated and fragmented at the same time. On the one hand you have UBS, now the only major bank, with a market share of more than 40% in property funds and investment foundations. If you were to focus solely on high-quality properties, the percentage would probably be even higher. This means a concentration on one asset manager, which will prompt many investors to consider the risks involved. On the other hand, the landscape is highly fragmented. Over time, numerous small funds have emerged, largely due to negative interest rates. Now, when higher interest rates mean you need more expertise to make money with real estate, these funds will have less chance of winning over investors. As an independent asset manager, we believe we're very well positioned to gain market share, both from portfolio reallocations due to concentration and from reallocations due to better returns.

How would you characterise the overall interplay between the two segments, your own Real Estate portfolio and Asset Management?

After focusing on the real estate business this year, we're feeling the synergy from both segments even more. We can effectively leverage our experience and expertise in markets, property strategies and construction projects. Through our Asset Management business, we also have the opportunity of adding value without requiring additional capital of our own. It's great to see this in the development of the former industrial site in Zuchwil. We can showcase our extensive expertise in the real estate life cycle here by creating a modern residential and commer-



René Zahnd, CEO Swiss Prime

cial district idyllically located on the Aare river. Swiss Prime Investment Foundation is the owner and is letting the first units to a very diverse set of families, working professionals, and local and national companies. Besides our expertise in real estate, we can also build on common structures in the back-office area; utilising economies of scale from the group means we can offer our services in a highly efficient manner.

Swiss Prime Site is one of the largest real estate companies in Switzerland. How are the construction projects and their marketing going?

They're on track. Last year, we completed two projects that were exemplary in terms of sustainability and neighbourhood development: the Müllerstrasse project in Zurich and the Alto Pont-Rouge project in Geneva. It's worth noting that we were within our estimates both in terms of timing and costs – a quantitative demonstration of our development expertise. This year, we will conclude additional projects in Basel, Schlieren near Zurich, and in Lugano. We're now almost 100%

let on all projects, which once again demonstrates the current strength of the rental market at our central locations. One project development of major importance to us is Maaglive, a residential tower and community centre next to the Prime Tower in Zurich. Currently, there are two appeals pending against the building permit, but we're confident we can mount a successful defence without making significant concessions.

The real estate sector will play a crucial role in meeting climate targets. What progress did Swiss Prime Site's properties make in 2023 in terms of sustainability?

We've achieved a great deal in the past year in this area and we are on track for our long-term goals. Almost all eligible space is covered by environmental certificates issued by external assessors, and we've reduced the emission intensity of our portfolio by 10%; it currently stands at 15.2 kg CO₂/m². This is well below the linear pathway to net zero by 2040. We've thoroughly planned our upgrade and renovation measures and we are already anticipating

a significant improvement in 2024. Last year, we attracted scores of tenants for green leases – leases with mutual commitment to climate-friendly measures – and we are currently at 55% of our total space, with the aim of reaching 100% by 2025. In the circular economy, naturally we're aware of our particular responsibility as a major developer and we have also made significant progress here. The Müllerstrasse renovation project gave us the chance to demonstrate what is possible with circular construction: we recycled 90% of the concrete, which alone saved 2 600 tonnes of CO₂ emissions.

You made another purchase for your own portfolio in 2023 after a long pause. Is Swiss Prime Site now becoming more active in this space?

The purchase of the state-of-the-art office property near the Prime Tower was a unique opportunity. We've always said we would evaluate acquisitions very selectively, to complement our growth from developments. The Fifty-One building fits perfectly into our portfolio near the Maag site, and we're always

optimising our portfolio in terms of location and building standard. Along with the Maaglive development project, we are creating a unique campus here with a blend of sustainable living and working spaces, and attractive green and recreational areas. But this transaction doesn't signal a strategic shift. We will continue to focus largely on the sales side and we will only consider very selective purchases of additional assets for our own portfolio. With Swiss Prime Site Solutions on the Asset Management side, we will, of course, become more active again with fresh capital.

Where do you see risks in the portfolio? And where are the biggest opportunities?

The biggest risk for us at the moment would be a general recession with high levels of unemployment, a significant loss of purchasing power, and a decline in industrial output. But we currently consider such a scenario to be relatively unlikely. Economic activity in

Switzerland is proving itself highly resilient, if somewhat subdued. And because our portfolio is so well diversified, with a wide range of industries and more than 2000 tenants, we consider ourselves very well positioned even in the event of a downturn in individual sectors. On the other hand, we see the much-discussed «10-million Switzerland» as a very realistic scenario in the not-so-distant future. We consider this to be a major opportunity for Swiss Prime Site. Ten million people will need space for living, working, shopping and going out. Space here is limited by the topography, so we simply need to make better use of what we have. Existing sites will become more valuable and development of new sites will bring us growth. And that brings us back to our core competency: we create living spaces! —

«We offer modern office spaces in very good locations – exactly what the market wants.»

René Zahnd
CEO Swiss Prime Site

The Fifty-One, next to the Prime Tower site in Zurich, is a perfect addition to the Swiss Prime Site portfolio.



Stable results, promising outlook

2023 was a successful financial year for Swiss Prime Site. We further improved our operating performance and mitigated the impact of higher interest rates thanks to our prime portfolio and strong financial position. We also streamlined the portfolio, laying the strategic foundations for a promising outlook, which will also simplify and improve the comparability of our financial data. Ongoing high demand for modern, centrally located spaces remains the driving force of our success. We are delighted to have successfully completed our largest projects in the pipeline, further strengthening our position in the market.



Marcel Kucher
CFO Swiss Prime Site

In the 2023 financial year, we resolutely pushed ahead with the implementation of our strategic goals – particularly the focus on our core competency in the real estate business. One important step was the sale of Wincasa, our property management company. This meant financial reporting had to be modified in accordance with IFRS 5 («discontinued operations»). As Wincasa is no longer part of ongoing operations, the income statement for 2023 will be disclosed separately and the figures of the previous year adjusted accordingly. This makes it

easier to compare our financial figures. We also introduced segment reporting for the core areas of Real Estate and Asset Management. A third segment, «Retail», is added until Jelmoli winds down operations at the end of 2024.

Steady increase in rental income

In the reporting year, there was significant like-for-like (LfL) growth in income from property rentals of 4.3% driven in particular by indexation, successful re-lettings and a further reduction in vacancies. On an absolute basis, too, we increased rental income to a record high of CHF 438 million in 2023, despite divestments under our capital recycling strategy (effect of sales CHF –9.9 million). Strong demand for modern, central office buildings ensured a good uptake of new leases in sites such as the Prime Tower, the Medienpark in Zurich and the Messeturm in Basel. We attracted numerous first-class tenants from the private and public sectors, such as Zurich Insurance and the cantonal administration in Bern, Google in Zurich,

and BNP Paribas in Geneva. This further strengthened our portfolio of tenants. The vacancy rate fell again to a record low of 4.0% [4.3% in the previous year] while the weighted average unexpired lease term (WAULT) remained broadly stable at 5.0 years at 2023 year-end.

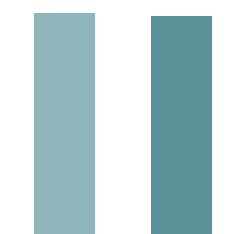
Resilient portfolio

On a fair value basis, our portfolio boasted a stable value of CHF 13.1 billion as at the end of 2023 [13.1 in the previous year] and comprised a total of 159 [176] properties. The share of development properties amounted to CHF 0.9 billion [1.1]. In 2023, we had to undertake negative revaluations of CHF –250 million [+170], which corresponds to 1.9% of the starting basis for the year. Devaluations were seen in most areas of the portfolio, driven by higher discount rates. We mitigated the negative discount rate effects through improved rentals in most properties. In our development projects, we achieved value growth of CHF 19 million. In the fourth quarter of 2023, we handed over our largest

EPRA NTA

in CHF per share

102.69 101.52



2022 2023

FFO I

(continuous operations)

in CHF per share

4.00 4.05



2022 2023

Proposed dividend

in CHF per share

3.40 3.40



2022 2023

development projects – the Alto Pont-Rouge office buildings in Geneva and Müllerstrasse in Zurich – to the tenants as planned and in 2024 we expect them to start making a significant contribution to rental income.

In the course of the year, we sold 16 properties and campuses that no longer fit our portfolio, with the largest of them located in Olten and Berlingen. We sold the properties for a total of CHF 280 million, resulting

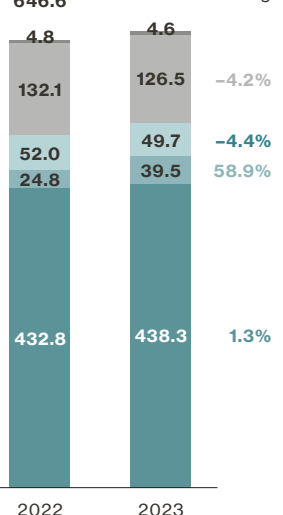
in an average profit of 7% above the last appraisal value. After a long period without any purchases, we made two selective property acquisitions towards the end of the year: a smaller building in Basel, adjacent to an existing property, and the «Fifty-One» building in Zurich-West. Through this active portfolio management, we are further improving our real estate holdings and focusing on new, centrally located, sustainable and larger properties that allow for optimal property management.

and economies of scale, we compensated for a good proportion of this decline and this segment's contribution to EBIT decreased by less than 10%. The great resilience of Asset Management is also reflected in the greater stability that has come with our growth in size: 77% of earnings are now recurring income [63%].

Operating income

in CHF million

646.6 658.6 Change



Other
Retail
Asset Management
Developments
Rental income

Asset Management: growth in assets despite general restraint

In the first half of the year in particular, there was clear restraint on the part of investors in the Asset Management division. With the downturn in the stock and bond markets the preceding year, coupled with relatively stable property prices, many institutional investors had an increased weighting in real estate and made very few new investments. Despite these challenges, we increased our assets under management (AuM) by 9% to CHF 8.4 billion [7.7 in the previous year]. We achieved this primarily through organic growth and reinvestments as well as contributions in kind from pension funds and other investors.

In the reporting year, revenues from Asset Management decreased by 4.4% to CHF 49.7 million [52.0]. This decline was mainly due to lower new issue volumes as well as fewer transactions than in the previous year. Recurring fees from construction development and other consultancy services only partially offset this decline. Through cost optimisation

Strong financial indicators

The consolidated EBIT excluding revaluations reached CHF 403 million [380 in the previous year]. Operating expenses reduced significantly to CHF 269 million with lower real estate, personnel and other costs. The Asset Management business at Swiss Prime Solutions contributed CHF 27 million to the consolidated EBIT, while Jelmolli's retail business incurred a small loss of CHF –1 million due to reduced consumer confidence, especially in the fourth quarter. The interest expenses on our financial liabilities rose to CHF 58.5 million [40.1], driven by higher reference interest rates and regular refinancing. Total net financial expenses were CHF 76.3 million, CHF 14.3 million of which was the result of fair value adjustments to our convertible bonds due to the higher share price at the end of the year. This resulted in a consolidated profit after revaluations of CHF 236.0 million [404.4], CHF –250.5 million of which was due to revaluations and CHF 149.3 million to the one-off profit from the sale of Wincasa. FFO I (operating cash flow before divestment effects) rose by 1.3% to CHF 4.05 per share [4.00]. The intrinsic value (EPRA NTA) per share fell marginally to CHF 101.52 (–1.1%).

«There was significant like-for-like growth in income from property rentals of 4.3%.»

Marcel Kucher
CFO Swiss Prime Site

The Board of Directors will propose a distribution of a dividend of CHF 3.40 per share, which remains unchanged to the previous year, to the Annual General Meeting on 19 March 2024. The amount represents 82% of the realised FFO I and, based on our year-end closing stock price, the resulting dividend yield is an attractive 3.8%.

Green refinancing and growth funded through capital recycling

We have diligently maintained our conservative financing strategy with a strong equity base. The financing ratio of the real estate portfolio (loan-to-value, LTV) was 39.8% as at the end of the year [38.8% in the previous year]. The slight increase was mainly due to the revaluation of the real estate portfolio as well as the two acquisitions at the end of the year. Under our capital recycling strategy, funds freed up from property sales and the sale of Wincasa were used for our development projects and the targeted acquisition in Zurich-West. Interest-bearing borrowed capital without leasing stood at CHF 5.4 billion as at the balance sheet date and was comprised of a broad range of sources in the banking and capital market. The average term reduced slightly to 4.6 years [5.0]. The average interest rate increased to 1.2% [0.9%] as at the balance sheet date, with 87% [78%] of the interest fixed. 86% of our assets were unencumbered as at the balance sheet date, which, together with the low financing ratio, was the basis for our A3 credit rating from the rating agency Moody's. As at the end of the year, we had unused, contractually

guaranteed financing lines of CHF 819 million which allows us to continue operating with a very high level of operational and financial flexibility.

In 2023, we successfully refinanced or extended CHF 2.9 billion of our borrowed capital with a sustainability link. Each extension of our banking facilities was set at one year. This means they are now extended until 2028 and 2029, with an additional extension option of one year each. Under our «Green Finance Framework», we also successfully placed CHF 425 million of bonds on the Swiss and international capital markets, and with record low credit spreads for our company.

Optimistic outlook

For 2024, we are optimistic about our high-quality real estate portfolio and leading asset management franchise.

In the Real Estate segment, we handed over our building on Müllerstrasse as well as a large proportion of the spaces in Alto Pont-Rouge to the tenants by the end of 2023. In 2024, the last two new laboratory buildings in Stücker Park in Basel will also be completed, and we expect Tertianum to move into the Lugano site by the end of the first quarter. Meanwhile, we will maintain our capital recycling strategy and sell more properties to finance our growth investments without using borrowed capital. This will allow us to continue focusing our portfolio on prime locations with modern, sustainable spaces.

We are anticipating further profit growth for our Asset Management area. Our teams

have noted a more positive tone in discussions with investors, fuelled by the renewed decline in long-term interest rates, and we expect this attitude to be reflected in a stronger appetite for investing. At the same time, we are confident that as a strong independent asset manager, we can gain market share.

Throughout the company, we will continue to significantly cut back our cost base with our leaner structure, as announced. Based on the current yield curve and expiring financing, we expect financing costs to rise only marginally in 2024.

In summary, we are expecting a vacancy rate of less than 4% and the LTV to remain below 40% for the real estate portfolio for financial year 2024, a further increase in assets under management at Swiss Prime Site Solutions to more than CHF 9 billion, and further growth in FFO I from continuous operations to CHF 4.10–4.15 per share. We are confident we can achieve these goals for our shareholders as a basis for an attractive, self-financed dividend. —

Board of Directors

Swiss Prime Site's Board of Directors comprises key personalities from Europe's economy. The years of extensive experience of the individual board members in various fields paves the way for a balanced body that is focused on the long term.



Ton Büchner

Chairman

Independent member since 2020^S



Thomas Studhalter

Vice Chairman

Independent member since 2018^A



Christopher M. Chambers

Independent member since 2009^{NC,1}



Gabrielle Nater-Bass

Independent member since 2019^{NC}



Barbara A. Knoflach

Independent member since 2021^{NC, I, S}



Brigitte Walter

Independent member since 2022^{A, I}



Reto Conrad

Independent member since 2023^{A, I}

Note: Ordered by chair then length of membership

A Audit Committee
 NC Nomination and Compensation Committee
 I Investment Committee
 S Sustainability Committee

1 Not standing for re-election in the Annual General Meeting.

Executive Board

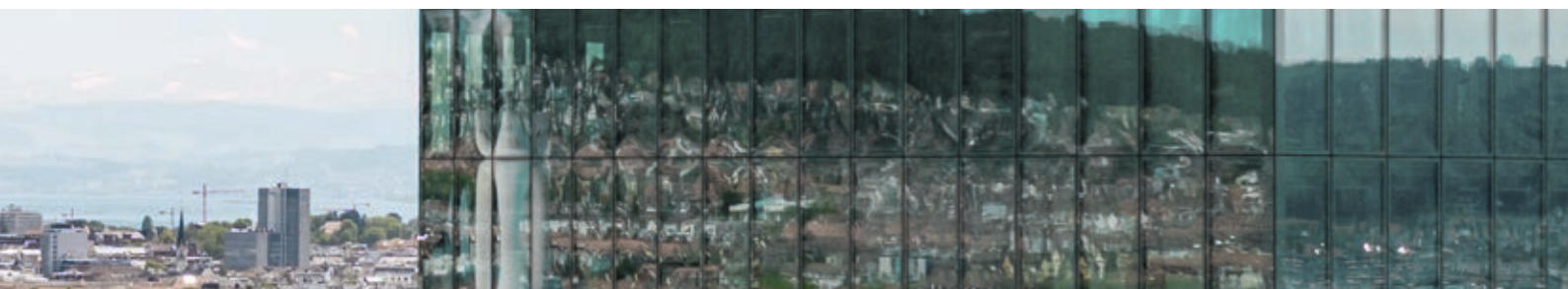
Swiss Prime Site's Executive Board consists of the CEO, the CFO and the CEO of Swiss Prime Site Solutions' Asset Management business area.



René Zahnd
CEO Swiss Prime Site
CEO Swiss Prime Site Immobilien

Marcel Kucher
CFO Swiss Prime Site

Anastasius Tschopp
CEO Swiss Prime Site Solutions



Our strategy

For the past 25 years, Swiss Prime Site has been synonymous with the creation and design of living, working and leisure spaces. Today, we are the leading real estate company in Switzerland, with the experience and size to facilitate a more sustainable and value-oriented use of buildings in the future.

Our extensive experience in property development and letting has resulted in enduring relationships with our tenants and partners. It forms the foundation for our detailed understanding of market needs, both now and in the future, and gives us the ability to anticipate and shape trends.

We have around CHF 21 billion in property assets and this scale gives us a decisive advantage in extensively leveraging our experience and expertise. Our size means we can drive innovation in construction and building operations, develop large sites, offer a wide range of products and solutions, and set standards for sustainable buildings. Through our actions, we create long-term,

sustainable value for our customers and society as a whole.

Our aim is to use our expertise as widely as possible – which is why we have created a platform that allows us to invest our own capital as well as external capital in property assets. Our strategy is based on two strong pillars: the Real Estate business area, in which we invest our own funds in commercial real estate, and the Asset Management business area, in which we invest external funds from investors, particularly in residential real estate. Here, our size offers us advantages over other market players and we serve a particularly broad spectrum of investors and customers. Our specialist expertise in active

portfolio management, in development and in sustainability can be applied across our entire portfolio to realise synergies. We also benefit from economies of scale in centralised functions such as finance and IT.

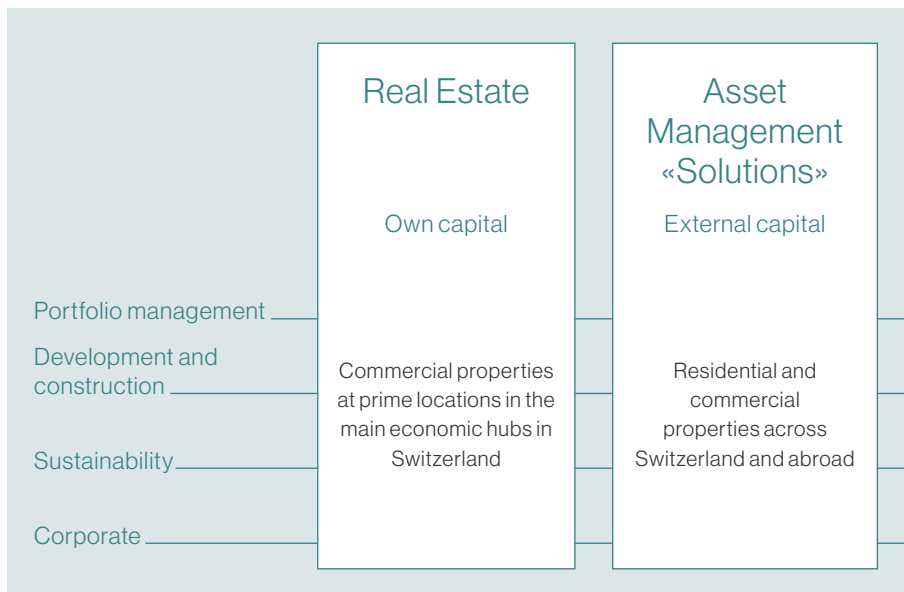
Real Estate business area

The Real Estate business area, which is consolidated into Swiss Prime Site Immobilien, lets and invests in commercial properties, chiefly in prime locations in the major Swiss economic centres of Zurich, Geneva, Basel and Bern. The real estate holdings are currently valued at CHF 13 billion and have a broad range of usage types. The largest share is office properties, followed by retail, logistics, infrastructure properties and other types of use.

We mainly invest in larger buildings and sites in central locations, where we cater to a very broad range of tenants through mixed use. Our tenant base, consisting of around 2 000 individual tenants, is highly diverse, and the concentration of properties and sites allows for efficient management of the portfolio.

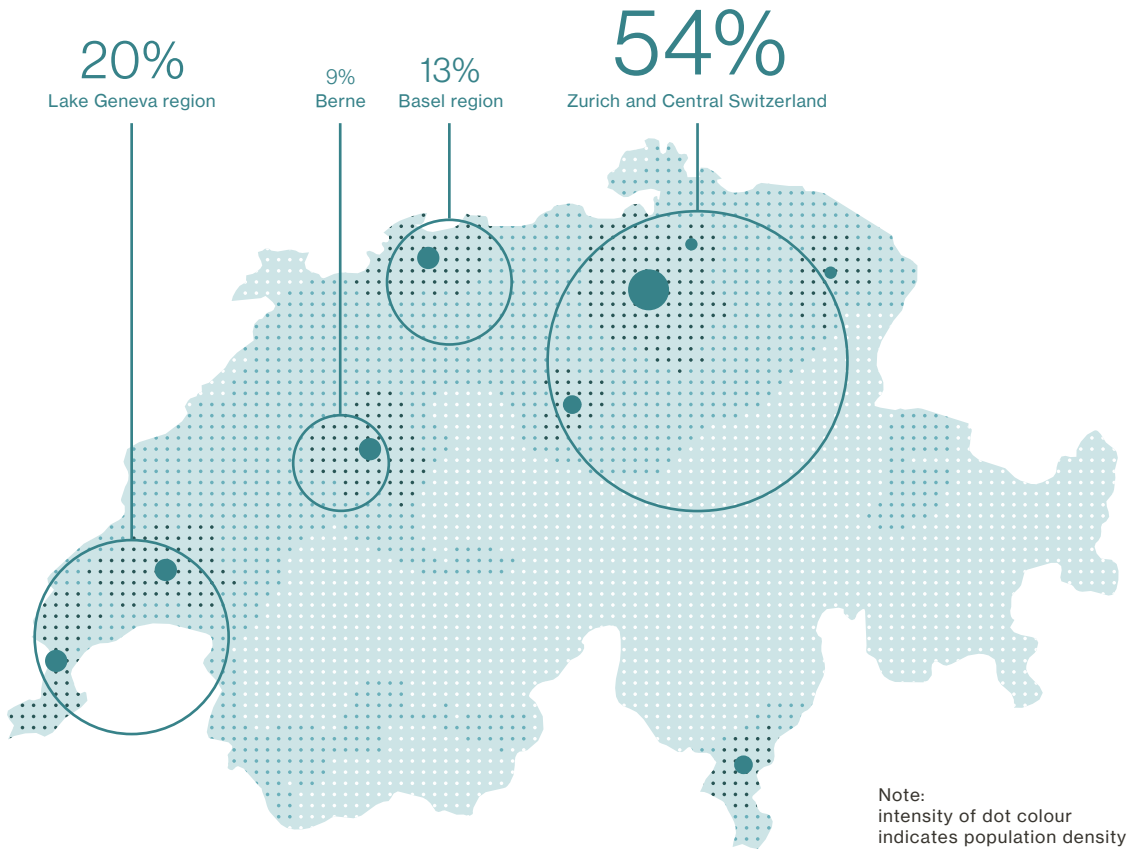
By continuously implementing new development projects, tailored to each market, we can simultaneously generate added value for our stakeholders in the area and for our investors. With our developments, our portfolio is continuously held up to date and boasts particularly high building quality. To minimise risks, we only develop real estate for our own portfolio, work with general contractors, and start constructing new developments only when pre-letting reaches at least 50%.

One platform. Two pillars.



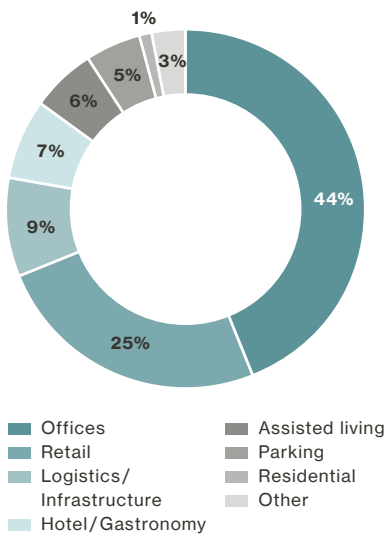
Portfolio split by region

Basis: fair value as at 31.12.2023



We manage our portfolio proactively and have a solid equity base. This means that we mainly finance our growth through our own funds and make acquisitions and divestments where they enhance the portfolio. Our key evaluation criteria are the potential for income and value accretion, location, and type of use. Under our disciplined investment strategy, we also sell properties of limited potential that do not make an optimal fit for the portfolio as a whole. Overall, we aim to finance our developments and acquisitions through sales so that we always have a strong equity base. We call this strategy «capital recycling».

Portfolio split by type of use



Basis: rental income as at 31.12.2023

Portfolio in figures

CHF 13.1 billion

Real estate assets

159

Number of properties

1.7 million m²

Rental space

~ 2000

Tenants

Asset Management business area



The Asset Management business area, which is consolidated into Swiss Prime Site Solutions, has managed assets of CHF 8.4 billion and a development pipeline of CHF 1.1 billion. Swiss Prime Site Solutions is the leading independent asset manager in Switzerland with a fund management licence from the Financial Market Supervisory Authority (FINMA).

Our range of products includes (1) various (open- and closed-ended) fund solutions, (2) investment foundations for pension funds and (3) advisory services for external investors. The managed portfolio, with a diversified investment allocation focusing on residential properties, covers the whole of Switzerland and select regions abroad.

Through our wide range of products and services, we cater to various investor types and their preferences. The primary external sources of capital are institutional investors and pension funds. The Asset Management business area generates profitable growth through fee-related earnings without the need for us to invest our own capital.

Also within this business area, we provide comprehensive real estate services and cover the entire real estate life cycle including purchasing, development and construction management, rental and property management, and sales.

The products are largely invested in residential real estate. For pension funds, the risk-return profile makes this a favoured category. In contrast to the Real Estate business area, we also develop and acquire properties located outside the major economic hubs where potential income can be particularly attractive.

In the past three years, we have focused Swiss Prime Site's business activities on

our core business of real estate investments. We have sold off the areas that are not related to our core business. For example, in 2020 we sold the Tertium Group, which specialises in assisted living, and in 2023 Wincasa, which focuses on property management. We also announced we will no longer be operating the Jelmoli department store after 2024 and will be repositioning the building.

Asset Management in figures

CHF 8.4 billion

Assets under management (AuM)

5

Funds

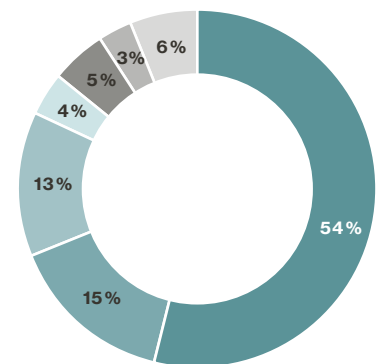
~ 400

Number of properties

~ 600

Investors

AuMs by type of use



Residential, Offices, Retail, Industrial, Parking, Storage facilities, Other

Basis: rental income as at 31.12.2023

Sustainability

Sustainability has been an integral part of our strategy and key to our business and value creation model since the early years of Swiss Prime Site. Our vision is to create sustainable living spaces. We believe that only buildings which can be built and operated sustainably will have a future. As a real estate company, we can make a significant contribution to mitigating climate change and we are aware of this responsibility. Our key priorities here are sustainable construction & development as well as sustainable use and operations. In both areas, we have set clear, ambitious goals – for example, using more than 50% renewable resources in construction by 2030, and achieving climate-neutral operations by 2040. Our dedicated employees strive every day to systematically implement the necessary measures.

We regularly validate and calibrate our sustainability strategy with a materiality analysis in which all our stakeholders are involved. The main topics here also span the social, economic and governance dimensions, and we take a specific, targeted approach in each case.

We provide comprehensive information about our sustainability strategy, progress, and achievements in our Sustainability Report.

Financing strategy

Real estate is a capital-intensive business, so a solid financing base is essential for our operational activities. Our focus here is on achieving a high degree of flexibility, minimising risks, optimising costs, while also focusing on sustainability.

Our approach is:

- To keep debt ratios low
- To have a high share of unencumbered assets
- To maintain a high liquidity reserve
- To have a wide range of financing sources
- To fully link long-term financing to the sustainable use of funds

We aim to be an attractive investment for our shareholders, and payment of ongoing dividends is one way we achieve this. Our dividend policy provides for the annual payment of dividends equal to 80–90% of our operating cash flows (as measured using the FFO I metric), with the aim of maintaining or growing its absolute level. —

Alto Pont-Rouge, Geneva



STORIES THAT MOVE US





View of the lake and city centre of Geneva. In the foreground, the Alto Pont-Rouge completed in autumn 2023, located right by Lancy-Pont-Rouge station.

Alto Pont-Rouge – new spaces in Geneva to work and live

Right by Lancy-Pont-Rouge train station, on the Esplanade 4 plot, a services building boasting 28 000 square metres across 15 upper floors has been taking shape over the last three years: Alto Pont-Rouge. This is a major milestone for the important Geneva development site Praille-Acacias-Vernets (PAV), where a new district is emerging in an area of 230 hectares. Alto Pont-Rouge was completed in autumn.



Lancy Pont-Rouge railway station was inaugurated in late 2017, laying the foundation stone for the regeneration of this area. Geneva's city centre is just six minutes away by train, and there is also a direct train connection five times an hour across the border to Annemasse in France. Part of the «Esplanade de Pont-Rouge» project, the former industrial area has transformed into a mixed-use urban centre. The centre is of great importance to the Geneva region because of its character and location: its construction is creating an additional transit and business hub for the city, comparable in importance with Bahnhof Hardbrücke in Zurich-West.

«Alto», a major project by Swiss Prime Site, is positioned in an ideal location at the centre of the action. The building, designed by Geneva architectural practice Brodbeck-Roulet, fits in well with the architectural lines of the emerging urban district, while simultaneously standing out through its design accents, such as its innovative interpretation of the façade configuration stipulated in the design plan. Alto's more refined façade enables significantly better use of daylight in the office space. And thanks to the use of switchable electrochromic glass, no additional sun protection is needed. The glass, which can be dimmed at the push of a button, makes it possible to achieve an ideal internal temperature while providing high light penetration. The centrepiece of the project is an expansive central atrium, which provides a unique and exclusive reception area in a lofty space. This is also reflected in the quality and interplay of the timeless stone, glass and aluminium materials which together lend the building a remarkable overall character.

Prestigious major project: the «Alto» in the city centre of Geneva



Great Place to Work

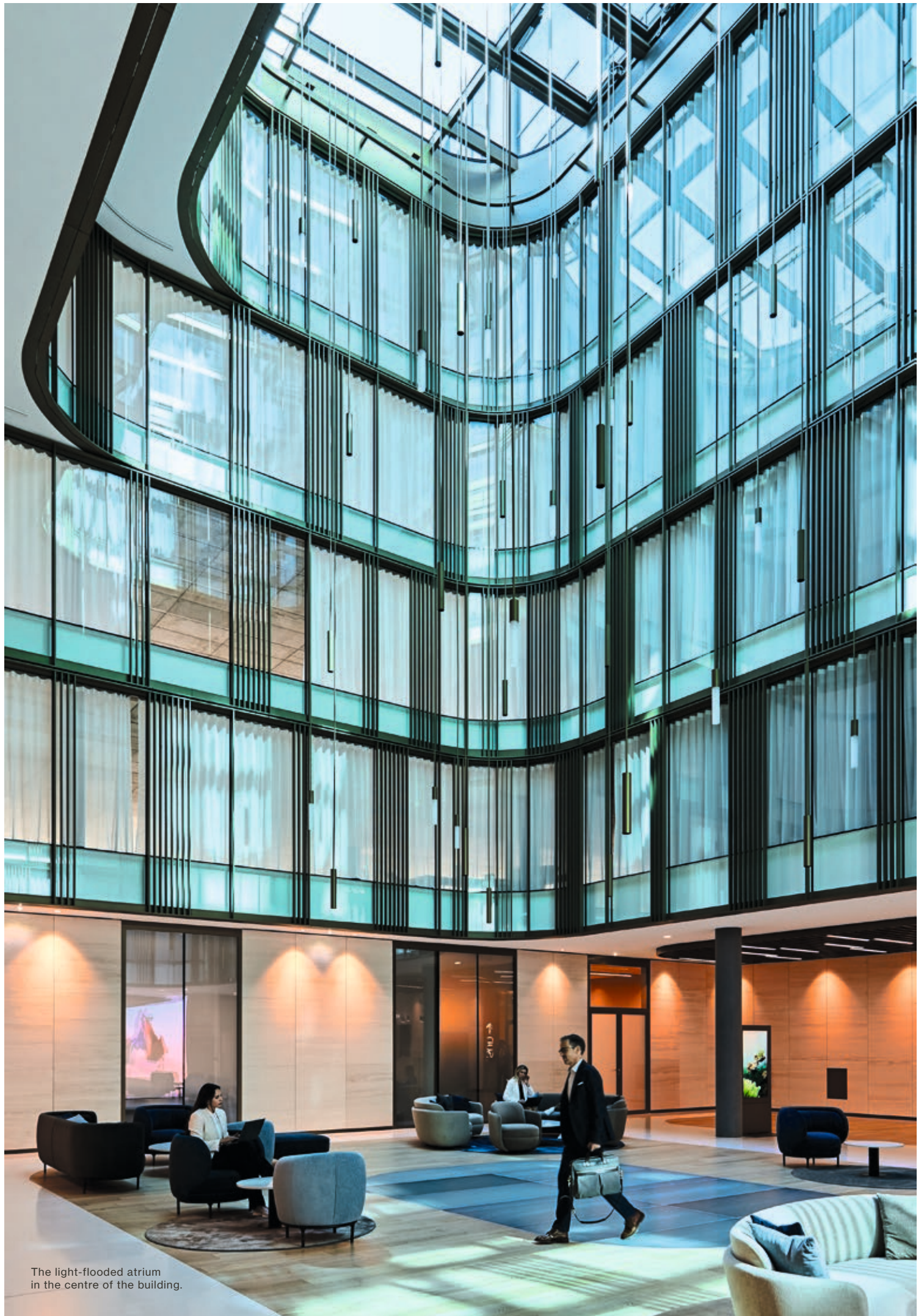
We are delighted that Swiss Prime Site has been certified as a Great Place to Work®. We are well above the Swiss average overall, with workplace satisfaction at a very high level (SPS 81% vs 61% benchmark). The certification is based on independent, anonymous feedback from all employees. The Great Place to Work certification acknowledges the company's outstanding workplace culture and was awarded through a secure process with evidence-based standards.



MORE ON THE CERTIFICATION

There are plenty of seating options available in the courtyard of this business district.





The light-flooded atrium in the centre of the building.

«In choosing Alto Pont-Rouge, tenants are opting for a building of a very high standard.»

Jorge Guillen
Associate Architect
Brodbeck-Roulet

«In choosing Alto Pont-Rouge, tenants are opting for a building of a very high standard», says Jorge Guillen, Associate Architect at Brodbeck-Roulet. That is because the building is impressive not just for its architecture, but also for its sustainability credentials. Environmental demands on properties have grown enormously over recent years. In part, of course, this is due to regulations covering construction and operation. But it is also because of corporate tenants who bring new demands to bear in relation to sustainability and social responsibility, and that includes

workplaces. Alto Pont-Rouge is one of the first buildings in Geneva to have been certified under the SNBS (the Swiss Sustainable Building Standard). This label, which is only granted after a complex and demanding procedure over several stages that involves all the parties participating in the project, provides unparalleled proof of quality. SNBS takes into account both the property itself and the context into which it is integrated. The standard also comprehensively balances and reflects the needs of society, business and the environment in the planning, construction and operation of the building.

Along with its winning aesthetics, Alto Pont-Rouge also stands out for its social values – in particular for its integration into the local economic fabric, its range of external and internal spaces for coming together and exchanging ideas, the various services offered on site, and the energy efficiency and very low carbon footprint that come with the high-quality insulation and use of geothermal heat. —



GRESB rating

We are delighted that our commitment to our ESG performance has been validated by our annual participation in the Global Real Estate Sustainability Benchmark (GRESB). Swiss Prime Site achieved an outstanding 5-star rating in both the «Standing Investments» and «Development» categories in this year's evaluation. By securing first place in the «Development» category, we have also achieved an unmatched ranking, further solidifying our status as the premier real estate company in the area of sustainability.



MORE ABOUT
OUR RATINGS



Generous outdoor spaces invite residents to linger.

Resources in mind – sustainable investing in circular buildings

Properties are long-term investments that stand for decades and therefore have a major impact on our environment. With this in mind, Swiss Prime Site pursues a sustainability strategy that covers the most important environmental, social and governance (ESG) aspects.



Urs Baumann
Chief Investment Officer
Swiss Prime Site Immobilien



Müllerstrasse is located right by the barracks site in the heart of Zurich city centre.

Buildings account for approximately 40% of global CO₂ emissions each year, making them the largest emitter alongside the transport sector and other industries. They have a substantial impact on the environment both during their construction and their subsequent operation. It is therefore essential that the environmental strategy of a real estate company always covers the entire life cycle of a building, so

that the effectiveness of eco-friendly solutions can be proven.

Real estate is also a highly capital-intensive business. Investments require a lot of capital, whether for buying properties or building them. Swiss Prime Site is currently investing around CHF 1 billion in first-class new build and refurbishment projects over a five-year period. It is important that these investments are selected and structured

in a way that not only generates financial returns but also contributes as much as possible towards achieving climate targets and creating benefits for society.

Circular construction

Throughout the entire life cycle, an estimated 90% of avoidable greenhouse gas emissions can be prevented in the development and execution phases, but only around 10% in



A project constructed under circular economy principles, with features such as a fully recycled exterior façade.

When it comes to carbon emissions, the goal is always clearly in sight: net zero by 2040.

the operational phase. This means that those who do not consider the environment until a building is in use are too late, as decisions made during the planning phase have long-term implications. As a result, the circular economy is rapidly growing in importance in the real estate sector, not least due to the high consumption of resources and the large volumes of waste. As a signatory to the «Circular Building Charta», Swiss Prime Site is aiming to reduce the use of non-renewable primary raw materials to 50% of the total volume by 2030. Resource consumption and waste can be minimised by carefully planning the deconstruction of buildings, promoting long-term construction, reducing overall material usage and recycling existing materials. By consciously opting to use environmentally friendly materials such as wood, buildings can be turned into long-term, eco-friendly material depositories.

One successful example of this concept is the refurbishment of the ageing office building on Müllerstrasse in Zurich city centre, which was completed in autumn 2023. The existing structure has been preserved and the aluminium cast façade reused. In particular, the demolition of the building shell was kept to a minimum, allowing more than 90 percent of the concrete (one of the most carbon-intensive materials in the real estate sector) to be reused. This alone prevented 2 600 tonnes of CO₂ emissions.

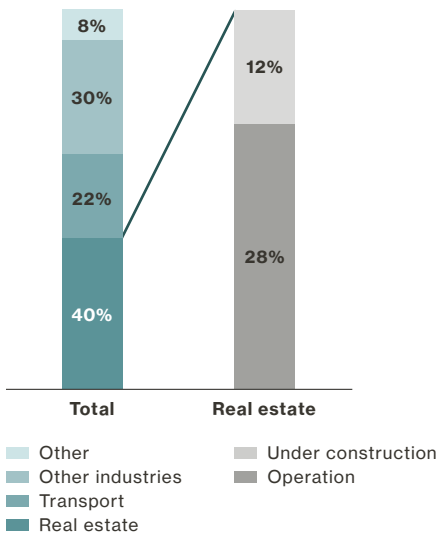
Low-emission operation

Swiss Prime Site's property portfolio is geared toward sustainable utilisation. The aim is for optimal resource efficiency in usage which ensures low-emission operations of buildings over the long term. When it comes to carbon emissions, the goal is always clearly in sight: net zero by 2040. There are numerous measures that are greatly contributing to this goal: efficient energy and resource management aimed at reducing consumption and increasing the efficiency of buildings; building strategies aligned with the «CO₂ reduction pathway» (e.g. heat pumps or district heating); procurement of renewable energy; generation and use of own renewable energy (e.g. photovoltaic systems). Swiss Prime Site had already made significant progress by 2022, cutting its CO₂ emissions per square metre by 25% compared to 2019. This puts the company well ahead on its initial road-map for becoming climate neutral by 2040.

Certifications for greater transparency in sustainable investing

Swiss Prime Site aims to deliver on its promises to stakeholders, with transparency around its progress. By the end of 2023, nearly all of the company's buildings had sustainability certifications from recognised institutes, which will also make the progress measurable. Each development project is already certified and buildings are planned and constructed in accordance with the most stringent sustainability standards – in particular the «Swiss Sustainable Building Standard» (SNBS). For existing buildings in the portfolio, certification is based on the established «BREEAM In-Use» standard to confirm and continuously improve the sustainability and environmental compatibility of the buildings.

CO₂ emissions by industry 2023¹



¹ based on IEA2022. Adapted from «Tracking Clean Energy Progress» (IEA 2022f)

Given the high capital injection, borrowed capital is another key aspect for all real estate companies. In parallel with its activities on the investment side, Swiss Prime Site has developed the «Green Finance Framework» to use capital specifically for environmentally friendly projects and connect sustainable investments with corresponding sources of finance. The clear strategy here is to use all significant new funding within the context of the sustainability strategy. This means that funds will be used for specific sustainable purposes related to the financing and promotion of (1) certified real estate, (2) energy efficiency and (3) renewable energy. This in turn gives investors a direct, meaningful and



Signing of the Circular Building Charta

We are moving forward with the circular economy in construction! In 2023, we signed and launched the Circular Building Charta. Together with 11 other of Switzerland's most important developers, we have pledged to reduce the use of non-renewable primary raw materials to 50% of the total volume, to record and significantly reduce grey greenhouse gas emissions, and to measure and improve the circular potential of renovations and new builds. Currently, too many raw materials are irretrievably lost during construction. Reducing the use of on-renewable resources and energy will make the construction industry significantly more sustainable and future-proof.



TO THE VIDEO



Capital Markets Day

At Capital Markets Day, we provided our investors and other stakeholders with an update on our strategy as a pure play real estate platform. We used our development projects as illustration of our growth ambitions and discussed current market developments at length. During this event, we visited two of our most exclusive properties in the Zurich city centre: Müllerstrasse, a flagship project in the field of circular construction, and Jelmoli, with its future as a new destination for shopping, work and leisure. We are proud to offer our tenants such first-class spaces!



TO THE PRESENTATION

long-term impact on the environment. Here, too, use of the funds will be externally validated to guarantee that the projects meet the highest sustainability standards and achieve the desired goals.

With its comprehensive approach to circular building, which considers resources during both construction and operation, Swiss Prime Site fulfils its social responsibility and, thanks to its size, can make a positive

and meaningful contribution towards sustainability in Switzerland. At the same time, this strategy also offers investors the opportunity to focus on sustainable investments and make a direct and far-reaching contribution toward environmental protection.



A partial in-kind capital contribution of the SPSS Investment Fund Commercial in Stabio (TI), which is the headquarters of VF Corporation.

Contributions in kind – the ideal solution for property owners

Direct property investment can be challenging for property owners. The kind of detailed knowledge of regional markets and specific real estate expertise that Swiss Prime Site Solutions offers is essential. Many different factors need to be considered in an existing portfolio, such as sustainability, vacancy reduction, renovation backlogs and utilisation of potential, as well as regulatory and political challenges. Economies of scale are also an important consideration here.



«Our decision to enter into a transaction with the Swiss Prime Investment Foundation was influenced not only by the investment group's strong portfolio, but also by its professional approach.»

Antonio Sacco
Managing Director
of the Ringier Group's pension fund

Diversification is of central importance in optimising the risk-return profile of a property portfolio. Since direct real estate investment by pension funds has historically grown regionally, contribution-in-kind transactions allow greater geographical and use-specific diversification. Furthermore, the considerations around sustainability are crucially important.

Implementing a contribution in kind is a multi-step process which usually comprises five key milestones. Firstly, the owners need to be willing to sell the properties. The fund management company or investment foundation then checks whether the property is suitable for acquisition, while the custodian bank verifies the eligibility of the investors. The third step involves a thorough inspection of the property, in which the purchase price is determined by a valuation expert, and a purchase price indication is given. The fourth step involves the payment of the purchase price, which is made in the form of share certificates and, if applicable, cash. In the fifth and final step, the previous property owner becomes the new investor with shares.

Swiss Prime Site Solutions has demonstrated its expertise with contributions in kind several times over recent years. We have successfully completed five such transactions with a value of about CHF 400 million. For example, we were able to take over 33 properties for the Swiss Prime Investment Foundation as part of a contribution in kind from the Ringier Group's pension fund. «Our decision to enter into a transaction with the Swiss Prime Investment Foundation was influenced not only by the investment group's strong portfolio, but also by its

professional approach», says Antonio Sacco, managing director of the Ringier Group's pension fund.

We support our clients throughout the entire contribution-in-kind process with our extensive experience and through access to our nationwide network of experts. Our innovative process for execution of contributions in kind serves as an exemplar. —



Monika Gadola Hug
Head Client Relations
Swiss Prime Site Solutions

The contribution of real estate to an investment vehicle is defined as a contribution in kind. In return, the owner receives shares in the investment vehicle (investment foundation and/or investment fund). The tax-optimised contribution in kind allows the property owner to transfer their directly held property portfolio to an indirect real estate investment. A contribution in kind also gives small and medium-sized pension funds and institutional investors access to larger real estate investment volumes that are professionally and efficiently managed.

Benefits of in-kind contributions

Better performance

Efficient use of capital, potential revaluation gains, tax advantages for investors, asset optimisation

Less risk

Greater diversification effect, stable cash flow, maximum transparency

Optimisation of resources

Assignment of operational property management, efficiency gains, freeing up of resources, succession planning, expertise of Swiss Prime Site Solutions

Greater flexibility

Timing of the contribution in kind independent of issuance windows, greater fungibility (possible tradeability of shares), more decision-making freedom

Green leases

Sustainability and environmental awareness are among Swiss Prime Site's core values. The company aims to achieve climate neutrality in its own portfolio by 2040. Green leases will play a key role in achieving this goal. But what exactly are they?



Karin Voigt
Chief Portfolio Officer
Swiss Prime Site Immobilien

Unlike a conventional agreement between a property owner and a tenant, a green lease also sets out terms for the sustainable management of the rental space. In addition to establishing their regular rights and obligations in the contract, the landlord and tenant also agree to share the responsibility for sustainability aspects.

Special characteristics of green leases

Swiss Prime Site has introduced green leases to bring about genuine change and achieve tangible results. In simple terms, a green lease is a commercial lease contract that includes a binding clause setting out specific measures for promoting sustainability and raising awareness of sustainable behaviour among building users and operators. This might include sustainable procurement practices and consumables, environmentally friendly waste management or the creation of suitable habitats to support local wildlife in outdoor spaces. Swiss Prime Site consults its tenants and works closely with them on targets and measures. Regular meetings are held, in which both parties can

review their progress and set new milestones. Properties can thereby be made more sustainable overall through the efforts of tenants on the operation side and through measures taken by the owner on the infrastructure side. The improvements ultimately benefit both parties.

Creating understanding

Green leases are currently being rolled out across the entire portfolio. These partnerships between owners and tenants, which are based on shared goals and open communication, have led to greater trust and transparency. They have also given SPS a better understanding of the needs of its tenants, enabling it to improve its services and tailor them more closely to different needs and preferences. SPS is delighted with the positive response from the tenants. «At Post Immobilien, we attach equal importance to all three sustainability dimensions – economic, environmental and social. That's why we value our future-oriented, straightforward collaboration with Swiss Prime Site. Green leases are helping us to achieve our sustainability targets.» Green leases are also a



valuable tool for Ospena Group AG: «The current green lease fits perfectly into our sustainability strategy and helps us set a benchmark for the rest of the industry.»


Future in mind

A strong relationship between property owners and their tenants is crucial for the future. After all, sustainability is not just an essential consideration in the basic fit-out but also in tenants' improvements and, ultimately, in the operation and use of rental spaces. Swiss Prime Site is playing a pioneering role in this




Alto Pont-Rouge, Geneva: well-designed greening concepts establish habitats for native animal species.

respect as it already integrates sustainability in all aspects of the business relationship. By the end of 2023, 50% of the space was covered by green leases with the aim of reaching 100% by the end of 2024. The long-term goal is also to digitalise all agreed sustainability processes to increase user friendliness and establish green leases as an integral part of portfolio management. Swiss Prime Site is convinced that this approach will not only benefit the tenants but also the environment – fully in line with the goal of net zero by 2040. —



Stakeholder dialogue

At the stakeholder dialogue meeting, our executive management discussed ESG issues with key stakeholders. After a keynote speech by Anna Stünzi – editor of the book «Hinausschauen – 26 globale Entwicklungen und die Schweiz» (Looking Beyond – 26 Global Developments and Switzerland) – participants addressed issues such as responsibility for the environment and living spaces, the future, and transparency. For us, regular dialogue with all stakeholders is a key element of sustainable leadership. The aim of these regular meetings is to discuss perceptions, needs and expectations in dialogue and to incorporate the findings into strategy development and business activities. We would like to thank all participants for the highly interactive and inspiring exchange.



MORE ABOUT
STAKEHOLDER
DIALOGUE

Prime Tower goes metaverse

The growing interest in virtual reality is spreading to the real estate world. In the metaverse, real estate companies can improve their business processes in various ways and explore new business opportunities. With the launch of «Meta Prime Tower», we are digitalising our business and now also offering premier spaces and innovative services virtually.

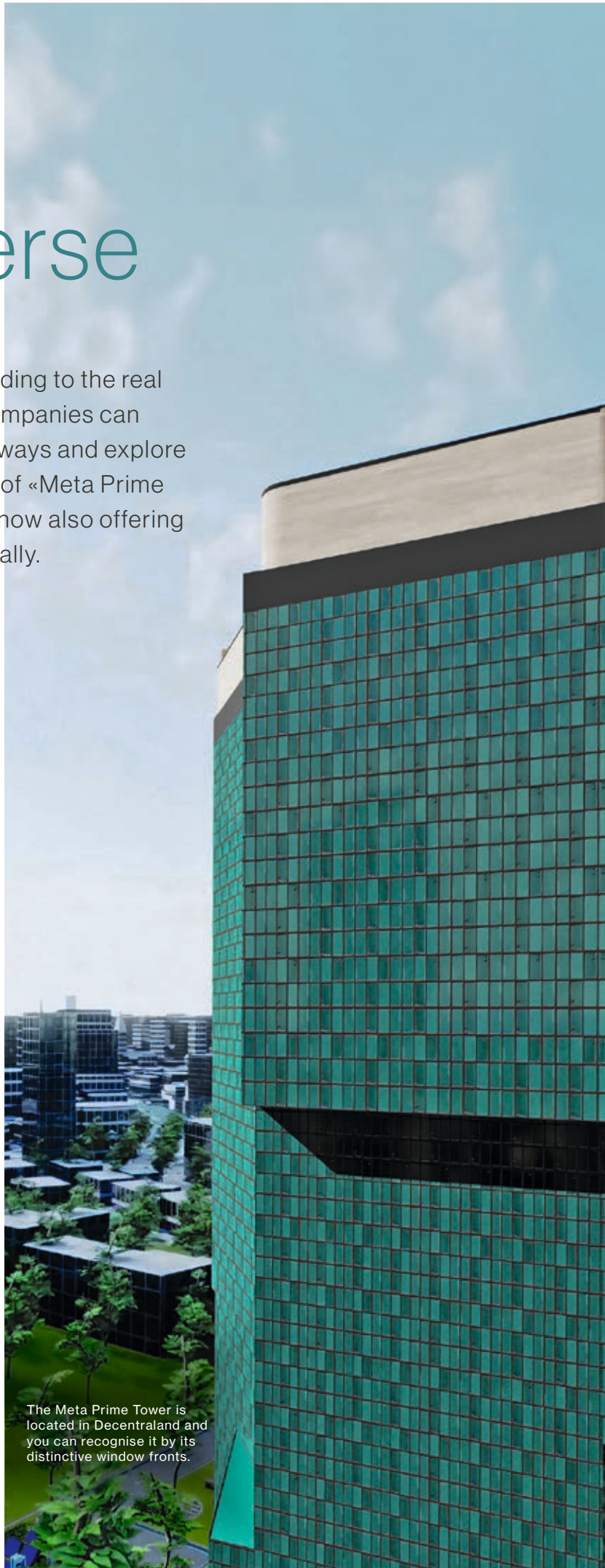


Simon Kaiser
Head Letting & Marketing

Dominik Dobler
Head Group IT

The metaverse is a digital realm consisting of a variety of virtual worlds. It is a place where people can interact and do business. With games, events and other forms of entertainment that help sell goods and services – for example concerts in this space which also promote products – customer engagement is growing rapidly and becoming economically relevant. Business processes such as building and neighbourhood planning, including visits to locations, can also be depicted.

For real estate companies like us, these applications also offer opportunities to let «space» in the metaverse or use the digital twin of a building to support marketing. In the Meta Prime Tower, potential tenants can virtually visit their spaces and customise them remotely in line with their tastes. We support them and offer them a wide range of designs for interior fittings. Corporate customers and



The Meta Prime Tower is located in Decentraland and you can recognise it by its distinctive window fronts.

**Digital
Top 10 Award**

The Meta Prime Tower is one of the most innovative projects in the real estate industry

FIND OUT MORE



other stakeholders can expand their conventional offerings and extend their reach to a wide range of target groups.

Integration of offline and online

Meta Prime Tower offers our customers exciting benefits, such as innovation transfer with easy access to new technology. It also offers an opportunity to take the next step in talent acquisition by reaching a new generation, as well as customer engagement. Virtual representation can help significantly expand target groups. Concerts, exhibitions and other events and activities can be held without physical limitations. Through interaction and gamification in the metaverse, the Meta Prime Tower offers customers a completely new experience with targeted branding and storytelling. This hybrid approach is being fleshed out, with virtual meetings, events and rented spaces providing valuable experience.

Facilities

Meta Prime Tower tenants can customise their space according to their own preferences. The company's proprietary corporate design can be applied to the interior to give identity to the digital spaces. Community spaces, video displays and «quests» offer opportunities for engagement with both employees and external customers. This is

particularly attractive for companies with multiple locations, providing an opportunity to bring together all employees and customers in one place – for example, at a rooftop event. Good to know: a cable car gets you from the rooftop to the ground in just seconds. —



TO THE VIDEO



Stücker Park – the place to be

Join Franky on a tour of Stücker Park Basel! A unique business and innovation location, Stücker Park provides excellent spaces for life sciences, commerce and offices. To this diverse range of spaces Stücker Village adds gastronomy, co-living, entertainment and sports.



TO THE VIDEO

Besides attractive rental space, there are also community zones in the metaverse, such as the rooftop.



Corporate engagement

Swiss Prime Site's vision is to create sustainable living spaces. We do this with passion and we make a further important contribution with our corporate engagement. For us this means, in the broader social context, donations, sponsorships, and other partnerships. In the narrower real estate context, this engagement includes our relations with the local population in the vicinity of our properties which allow for optimal usage and development of these sites. Find out more in our Sustainability Report.

National final of the Company Programme of our partner YES (Young Enterprise Switzerland) at Zurich main station.



Corporate partnership with SOS Children's Villages

For around three years, we have been supporting projects of the SOS Children's Village in Niger in a collaborative partnership. For every square metre of space rented in our buildings each year, Swiss Prime Site donates CHF 1 to needy children. More than CHF 200 000 has already been raised through this innovative concept. Besides renovating school premises, the donation goes towards enrolling children, scholarships for girls, and raising awareness among parents about the importance of education.



MORE ABOUT
OUR COMMITMENTS

Turning words into actions

In autumn 2023, we planted the trees that we collected in the Global Real Estate Run in March in cooperation with the Canton of Zug's Department of Forestry and Wildlife – our contribution to a climate-fit, sustainable forest. With over 30 employees from Swiss Prime Site and Swiss Prime Site Solutions, we benefited from the impressive expertise of Korporation

Walchwil's forestry workers and we are actively involved in protecting the Swiss forest. From logging and wildlife protection to planting young trees, the day was filled with exciting forestry activities.



MORE ABOUT
THE PROJECT



Christmas village «Base Camp»

In December 2023, we laid on a Christmas winter village at the Prime Tower area in Zurich and the Turm site in Winterthur – the first in this form. Mulled wine, fondue and raclette contributed to a unique after-work atmosphere for colleagues, friends and family to get together and socialise.



MORE ABOUT
PRIME TOWER SITE

Swiss Prime Site is committed to open, transparent communication with all stakeholders, especially investors, financial analysts, media professionals, customers, suppliers and employees.

Swiss Prime Site provides comprehensive, timely information on significant developments in its business activities. Traditional and digital communication channels are used for this purpose. It ensures price-sensitive facts are disclosed in accordance with SIX Swiss Exchange's ad hoc publicity obligation. The Company publishes its official disclosures in the Swiss Official Gazette.

Dialogue with stakeholders takes place principally through the Annual Report (including the Financial Report and the Sustainability Report), the semi-annual report and the Annual General Meeting. Furthermore, Swiss Prime Site maintains contact with its interest groups through events such as conferences, roadshows and individual meetings.

The Communication and Investor Relations departments are responsible for information-related activities directed at stakeholder groups. These and other contacts are listed at www.sps.swiss/contact.

The most important source for all information requests is the Company's website: www.sps.swiss. This also outlines the Company's strategy and corporate governance structure, provides information on business areas, and sheds light on other relevant internal and industry topics. Financial reports, presentations, media releases and all information regarding the Annual General Meeting are also available and can be downloaded. You can register to receive automatic notifications from Swiss Prime Site via www.sps.swiss/subscription.

19 March 2024

Annual General Meeting Financial Year 2023

22 August 2024

Semi-annual report 2024 with financial results
press conference



SUSTAINABILITY



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Swiss Prime Site – Partner for Swiss property

We are one of Europe's leading real estate companies. Our high-quality portfolio in Switzerland includes both our own properties and assets managed for third parties. To our investors and clients, we offer a broad range of products and investment opportunities in commercial as well as residential real estate. These include our share, funds and investment foundations, and advisory services.

Reporting structure

Our stakeholder-oriented 2023 reporting consists of the online report and other stock exchange-related chapters as PDF downloads, as well as the printed annual magazine «Review 2023». Our non-financial report in accordance with the requirements of the Swiss Code of Obligations (Articles 964b and 964c) is available separately.

Introduction

As a leading Swiss real estate company, we lead by example and are aware of our responsibilities towards our employees, the environment and society. Our vision is to generate value and create a sustainable environment. For us, this means a comprehensive, multidimensional concept in which non-financial aspects are taken into account as well as financial goals.

Refined business model and sustainability strategy

In the past three years, we have focused on our core Real Estate business and continued to invest in the expansion of Asset Management. Real estate investments are at the core of our business model, which is based on two pillars. This focus is also evident in our sustainability approach, the updated material topics and our targets. These are closely linked to our business model and cover all responsibilities along the value chain of real estate investments. We incorporated the current regulatory changes – especially the requirements for non-financial reporting and topics such as the new Swiss data protection law – into our sustainability work for 2023.

Added value for all stakeholders

We set long-term goals and align our business model and value creation with material topics. As the country's largest real estate company, we know that responsible management and transparent communication are key. Our aspiration is to be one of the top companies in the industry, which we have underscored through corresponding ESG ratings and the improvements we achieved in the reporting year. With the signing of the Principles for Responsible Investment and Swiss Prime Site Solutions becoming a member of the Asset Management Association Switzerland, we have also incorporated these principles into Asset Management.

Likewise, our investors appreciate the opportunity to invest their capital in verifiably sustainable real estate. Currently, around 52% our external financing is linked to measurable sustainability goals. In 2022, we laid the foundation for linking all financing to sustainability in the medium term with our comprehensive Green Finance Framework.

→ [READ MORE: MATERIAL TOPIC, GOVERNANCE, 3.1 RESPONSIBLE CORPORATE GOVERNANCE](#)

→ [READ MORE: REVIEW IN THE ANNUAL REPORT](#)

Our core business focuses on sustainable development and construction, as well as sustainable use and operation in portfolio and asset management. Besides the CO₂¹-reduction path for Swiss Prime Site Immobilien developed in 2019 and the goal of becoming carbon-neutral by 2040, which is the subject of ongoing work and reporting, we made significant progress in the Global Real Estate Sustainability Benchmark (GRESB) last year. Swiss Prime Site Immobilien secured five stars in the Standing Investment and Development categories, positioning it as one of the top participants in an international industry comparison. Swiss Prime Site Solutions also scored well in GRESB ratings with a range of products.

→ [SEE ALSO: SWISS PRIME SITE SOLUTIONS INVESTMENT FUND COMMERCIAL ANNUAL REPORT \(SPSSOLUTIONS.SWISS/EN/SERVICES\)](#)

→ [SEE ALSO: AKARA SWISS DIVERSITY PROPERTY FUND PK ANNUAL REPORT \(AVAILABLE AT SPSSOLUTIONS.SWISS/EN/SERVICES\)](#)

In the area of sustainable development and construction, Swiss Prime Site Immobilien mainly focused on implementing the certification strategy and expanding activities in the circular economy during the reporting year. As a member of Madaster and with a number of specific applications in projects such as Müllerstrasse in Zurich and Route de Meyrin in Geneva, there are various areas in which our actions support and exemplify the goals and objectives. This is underpinned by being an initial signatory of the Circular Building Charta.

With respect to sustainable use and operation, Swiss Prime Site Immobilien focused on certifying existing properties under the BREEAM² in use standard, expanding cooperation with our tenants in the area of sustainability through the implementation of green leases in rental agreements and the annual tenant survey, and rigorously pursuing our CO₂-reduction path with the goal of becoming climate-neutral by 2040.

At the same time, Swiss Prime Site Solutions is defining its sustainability strategy and implementing it in its products in parallel.

→ [READ MORE: ECONOMY, 5.3 INVESTOR RELATIONS](#)

→ [READ MORE: MATERIAL TOPIC, ENVIRONMENT, 1.1 SUSTAINABLE DEVELOPMENT AND CONSTRUCTION, 1.2 SUSTAINABLE USE AND OPERATION, 1.3 CIRCULAR ECONOMY](#)

→ [SEE ALSO: SWISS PRIME SITE SOLUTIONS INVESTMENT FUND COMMERCIAL ANNUAL REPORT \(SPSSOLUTIONS.SWISS/EN/SERVICES\)](#)

→ [SEE ALSO: AKARA SWISS DIVERSITY PROPERTY FUND PK ANNUAL REPORT \(SPSSOLUTIONS.SWISS/EN/SERVICES\)](#)

In the reporting year, we conducted the first employee survey with Great Place to Work; 88% of employees took part and we achieved certification as a Great Place to Work with high approval ratings.

→ [READ MORE: MATERIAL TOPIC, SOCIETY, 2.1 EMPLOYEES](#)

With the long-standing sustainability strategy that has comprehensively been embedded in the Company, we have been increasing our resilience and firmly believe we will create long-term value for all our stakeholders, society and the environment.

¹ CO₂ always refers to CO₂ equivalents. Read more: Notes on environmental key figures, p.75–79.

² Building Research Establishment Environmental Assessment Method from the UK by BRE (Building Research Establishment)

Sustainability facts and figures

14 685

t CO₂ emissions

Property portfolio, (Scope 1/2)
Previous year: 13 075 t CO₂

34

% women in leading positions

Previous year: 37%

89

GRESB score

Standing investments

Previous year: 85

15.2

**kg CO₂/m² emission intensity
(property portfolio), Scope 1/2/3)**

Previous year: 16.9 kg CO₂/m²

87

% satisfied employees

Medium-term objective: > 80%

97

GRESB score

Development

Previous year: 88

142

**kWh/m² energy intensity
property portfolio**

Previous year: 177 kWh/m²

173

Employees

In the core business areas

94

% certified spaces

Previous year: 73%

65

**% renewable energy
(property portfolio)**

Previous year: 56%

0.8

**% wage costs invested in training
and development**

Previous year: 0.7%

126

Certified properties

Previous year: 111

18

Number of photovoltaic systems

Previous year: 16

73

% satisfied tenants

Previous year: 74%

993

**CHF million allocated
Green Bond/Finance**

→ [READ MORE: REPORTING ON THE MATERIAL TOPICS](#)

→ [READ MORE: SUSTAINABILITY KEY INDICATORS AND APPENDIX, EPRA SUSTAINABILITY METRICS, ISS ESG, SASB](#)

→ [SEE ALSO: SWISS PRIME SITE SOLUTIONS INVESTMENT FUND COMMERCIAL ANNUAL REPORT \(SPSSOLUTIONS.SWISS/EN/SERVICES\)](#)

→ [SEE ALSO: AKARA SWISS DIVERSITY PROPERTY FUND PK ANNUAL REPORT \(AVAILABLE AT SPSSOLUTIONS.SWISS/EN/SERVICES\)](#)

Sustainability at Swiss Prime Site

1 How we define and address sustainability in our business model

Our vision is to create sustainable environments by focusing on the relevant ESG issues which are already at the heart of our core business. We have aligned our sustainability approach with our strategic focus to position ourselves as a leading Swiss real estate company at the forefront of sustainability.

For our company and our employees, sustainability is a key component and a shared guiding principle for collaboration both internally and externally. The basis for this is comprehensive transparency, which is reflected in the Sustainability Report in accordance with the GRI standards and in the reporting on climate-related financial risks and opportunities in accordance with TCFD¹ guidelines, as well as in the individual reports on the asset management vehicles, prepared in accordance with the UN Principles for Responsible Investment (UN PRI).

We believe that long-term economic success can only be ensured if the environmental and social responsibility associated with the business and value creation activities is fulfilled. Swiss Prime Site considers value creation a comprehensive, multidimensional concept in which non-financial aspects are taken into account as well as financial goals. Accordingly, we endeavour to take account of environmental and social responsibility when pursuing our corporate interests and have declared sustainability to be one of the strategic focuses of our corporate strategy.

The focus is on the long-term alignment of the business model and the sustainability performance of the property portfolio held to avoid direct or indirect negative impacts but also to create positive impact for the Company and for society. In operational implementation, this is given tangible form in the risk management framework, where the relevant impacts are identified and evaluated and measures are derived from this.

→ [SEE ALSO: REVIEW IN THE ANNUAL REPORT](#)

¹ Task Force on Climate-Related Financial Disclosures

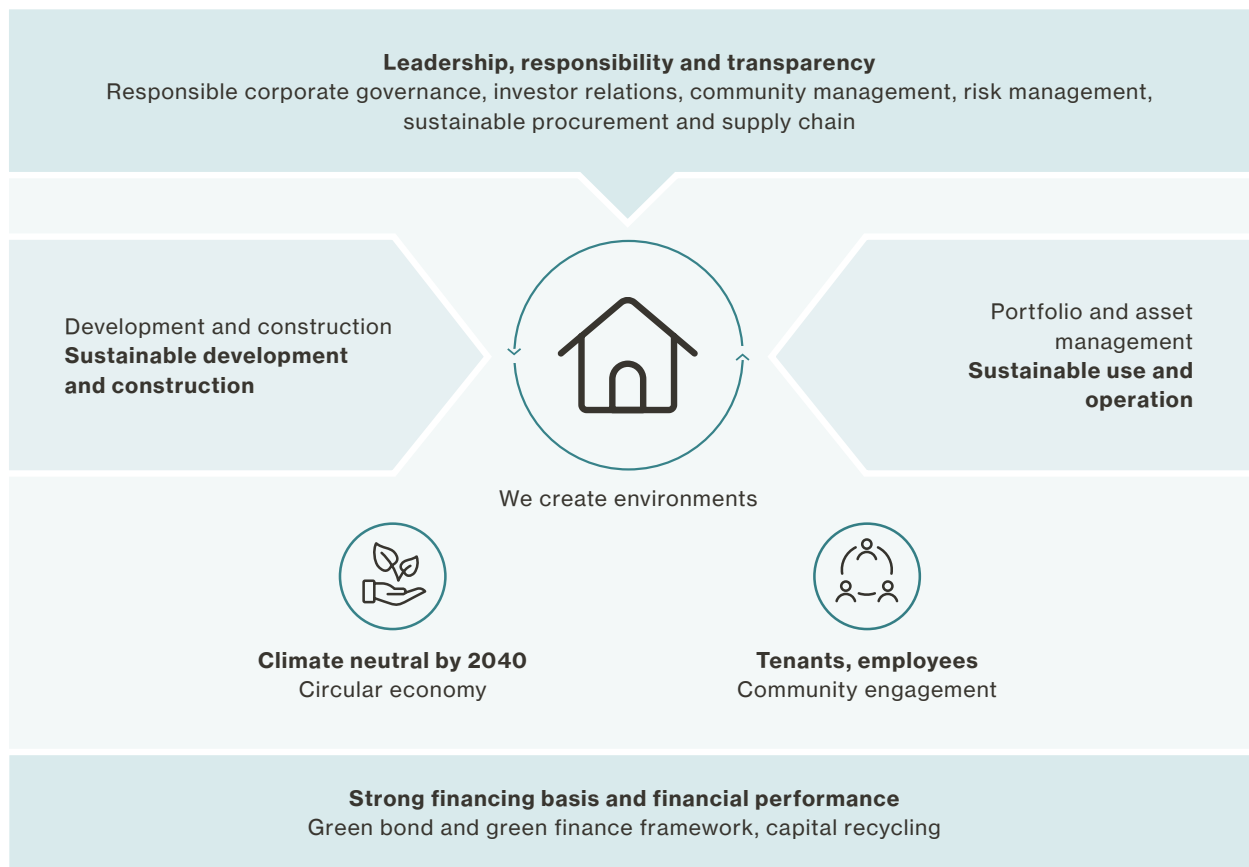
1.1 Sustainability as part of corporate strategy

Although good governance principles determine that our business areas operate separate from each other, there are similarities in the activities themselves and the respective corporate strategic approaches. The operational core functions include product-specific portfolio and asset management, the development business (to varying degrees), the respective construction competence centres, and phase-appropriate marketing (lettings in existing buildings and those in development). Activities in the Real Estate business area

also include investor relations and communications, legal support, all finance and accounting functions, and highly skilled employees working in sustainability, digitalisation and innovation.

Our employees shape the long-term implementation of our comprehensive sustainability strategy, and they are our most important ambassadors. As such, we prioritise the satisfaction of our employees and our market reputation as an employer.

Strategy along the material topics



1.2 ESG-focused Real Estate business area

We believe that sustainable, active management of our own property portfolio means communicating closely with our tenants and the service providers we appoint for property and facility management, and all other intermediary functions, to provide our customers with optimal service for the properties and sites we manage. The primary function of the Asset Management is to plan and manage property income, invest in maintenance and renovation, and reduce operating costs and vacancies in line with the property strategy. Tenants represent our key customer segment, so communication, interaction and collaboration with customers are critical to our success and we place their satisfaction as well as health and safety at the forefront of what we do.

Implementing sustainability-related issues in collaboration with customers can be a particularly successful approach. Common goals and initiatives are developed and binding targets defined in the context of green leases or within the scope of all existing properties intended for BREEAM certifications.

→ [READ MORE: MATERIAL TOPIC, ENVIRONMENT, 1.2 SUSTAINABLE USE AND OPERATION](#)

The objective is to create environmentally friendly, sustainable buildings and infrastructure, expand the use of renewable energy and achieve climate-neutral operations by 2040, with particular attention to the extensive potential offered by the circular economy.

1.3 ESG-focused real estate development

An important differentiating feature of our corporate strategy is the long-established development activities of the Real Estate business area. This includes the development, ordering, planning and implementation of large, complex new construction and re-development projects.

Although the certification strategy for existing properties primarily focuses on a building label and its ongoing recertification, the specific process steps in the development business are aligned with the Sustainable Building Switzerland Standard (SNBS). Along with the SNBS, for completed projects, we seek certification – Swiss Sustainable Building Council (SGNI¹), Minergie, Leadership in Energy and Environmental Design (LEED), etc. – on the basis of particular needs arising from the property or the users. The investments that comply with these more stringent requirements are in alignment with the Green Finance Framework and qualify for the relevant external financing.

The objective is to make the largest investments of our business areas in accordance with the most demanding and innovative criteria and standards in all sustainability aspects, with a focus on active stakeholder management, circular economy principles, and consistent implementation with planning and realisation partners. Along with the strict requirements for marketable and innovative products, it is particularly important that we ensure sustainable procurement as well as safety and health aspects on construction sites and in the supply chain.

¹ www.sgni.ch

1.4 ESG-focused Asset Management business area

The employees who work in the Asset Management business area pursue and fulfil the mentioned tasks. Under FINMA regulation of fund products and mandates in the form of management contracts in each investment vehicle, such as the Swiss Prime Investment Foundation, they have a special responsibility towards their direct clients and therefore maintain a «dual client relationship».

The flexible service model offers our investor clients expertise in the long-term fiduciary management and control of their real estate portfolio, as well as project-based strategic consulting for economic analysis, development of property strategies and outsourcing. The Real Estate Services team also offers customised mandate services for properties held directly by investors.

The objective is to effectively handle the mandates assigned to us as an independent asset manager, in accordance with our group-wide sustainability objectives and the UN PRI, while keeping a strong focus on cash flow returns, risk management and compliance. Our strategy offers investors the opportunity to focus on sustainable investments and make a direct and far-reaching impact in the area of environmental protection.

1.5 Sustainability drives innovation

We rely on continuous corporate development through the internal expansion of knowledge and an open innovation approach to profitably employ intangible assets, culture, know-how and technologies, not least within the context of sustainability. We analyse societal, scientific, technological and ecological developments and trends, incorporating relevant findings into our core business. For example, we regularly use innovative solutions (e.g. sustainable materials or digital services based on structured innovation screening) for improving tenant satisfaction both in existing properties and in development projects. To identify innovations that are relevant for our business model, we regularly hold innovation workshops and accelerator programmes together with start-up companies. In these programmes, we collaborate with up-and-coming technology and innovation companies and thus gain early access to market-changing concepts and new business models, which can be used to constantly improve our own value creation. The focus is on start-ups in prop-tech, cleantech, construction tech and in some cases enterprise tech.

As part of our innovation management, we address disruptive megatrends such as climate change and changing values, the impact on the future of work, the circular economy and the energy transition/decarbonisation. We use the skills of our employees from various specialist areas to develop user-centred services that can help resolve social, environmental and economic social challenges.

→ [SEE ALSO: INNOVATION AT SWISS PRIME SITE \(SPS.SWISS/DRIVE-INNOVATION\)](#)

→ [SEE ALSO: ACCELERATOR WORKSHOP WITH VENTURELAB \(VENTURELAB.SWISS/SWISS-PRIME-SITE-STARTUP-CLEANTECH-ACCELERATOR-PROGRAMME-STARTUPS-DRIVING-TOWARDS-NET-ZERO\)](#)

2 Sustainability roadmap and objectives

Our sustainability roadmap, with defined sustainability objectives and measures, is based on five particularly important topics:

- Leadership, responsibility and transparency
- Employees
- Tenants
- Sustainable development and construction
- Sustainable use and operation

We integrate these into our strategy and link them closely with the top-priority material topics.

→ [READ MORE: SUSTAINABILITY AT SWISS PRIME SITE, 4 MATERIALITY](#)

Progress is consistently monitored according to the specified target metrics. Where these objectives affect stakeholder groups, continuous dialogue is maintained with the groups. As part of the business plan and budgeting process, objectives and their parameters are broken down into the individual areas of the business. The business areas can define additional objectives and measures.

You can follow our ambitions and progress in the sustainability roadmap and the reporting on the material topics.

Climate transition plan: a roadmap for climate protection

Since 2019, we have published a report in accordance with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) in which we explain how we handle climate risks and opportunities, and how we are advancing governance and risk management in relation to climate issues. In 2019, we also became one of the first property companies in Switzerland to define a reduction path for the operational CO₂ emissions of our own property portfolio, which is in line with the goals of the Paris Agreement and the Swiss government's Energy Strategy 2050 as well as our aim of climate neutrality by 2040. This approach has also gradually been extended to all property portfolios with external financing handled by Asset Management. In line with our environmental policy and our promotion of circular construction, we are also in the process of recording upstream and downstream Scope 3 emissions in our development projects, setting targets for greenhouse gas emissions in the creation of embodied carbon, and planning corresponding reduction measures. Together, these measures form part of our comprehensive climate transition plan towards a low-carbon economy. Our climate transition plan also meets the legal requirements for climate reporting by large public companies in Switzerland.

ESG roadmap and objectives

Our aspiration	Our ambition/our objective	Year
Leadership, responsibility and transparency		
Corporate responsibility requires the consideration of ESG criteria. As such, we align ourselves with the ESG ratings which are relevant to us.	We aim to be one of the leading companies in the industry.	Ongoing
Employees		
We aim for a high level of employee satisfaction and we invest in our employer brand.	Overall satisfaction > 80%	2025
Tenants		
The main focus is on tenants and all aspects of communication, interaction and collaboration. A particularly high priority for us is tenant satisfaction and health and safety. ¹	Overall satisfaction > 80%	2025
We define sustainability targets and implement them in close cooperation with our partners and tenants. ¹	> 50% of our rental agreements are green leases.	2023
Sustainable development and construction		
We create and design environments by developing local, user-oriented and sought-after property products. ¹	We aim to be among the leading companies in the GRESB Development Benchmark, with a 5-star rating.	2025
We consider sustainability aspects comprehensively in all development projects. ¹	100% of our development projects (under construction) are developed with a sustainability certificate (construction).	2024
We actively promote the circular economy.	Reduce the proportion of non-renewable primary resources in development projects to 50% of the total volume.	2030
We are continuously reducing grey greenhouse gas emissions (construction). ¹	Target according to SNBS «greenhouse gas emissions construction» criterion with a grade 5 for development projects.	2030
Sustainable use and operation		
We invest in top-quality existing properties and real estate projects in prime locations and actively manage our portfolio while considering sustainability aspects. ¹	We aim to be among the leading companies in the GRESB Standing Investment Benchmark, with a 5-star rating.	2025
We measure and improve the ESG performance of our properties based on sustainability certifications (existing). ¹	100% certification of certifiable real estate properties and integration of measures to improve ESG performance in property strategies.	2023
We are reducing our greenhouse gas emissions in our operations and aim to become climate neutral by 2040. ¹	50% by 2030 vs 2019 Climate-neutral by 2040	2030 2040
We are increasing the share of renewable energy in the portfolio. ¹	> 50% by 2030 and > 80% by 2040 vs 2019	2030 2040
We are continuously reducing our specific energy consumption. ¹	15% vs 2019	2030
We are continuously reducing our water consumption. ¹	5% vs 2019	2025

¹ Swiss Prime Site Immobilien

Status	Progress in 2023	Focal points in 2024	Parameters
●	MSCI upgraded to AA ISS ESG upgraded to C «Prime» Sustainalytics upgraded to «low risk» PRI (Investment Manager) rating of 3 and 5 stars (see p. 22)	Continue and expand the integration of sustainability aspects and more precise reporting	MSCI rating ISS ESG ratings Sustainalytics rating PRI rating (investment manager)
●	Result of employee survey: 87%	Implement measures; conduct employee survey	Overall satisfaction levels from employee survey
●	The tenant survey points to an overall satisfaction rate of 73%¹	Implement measures; conduct tenant survey	Overall satisfaction levels from tenant survey
●	> 55% of space is let under a green-lease agreement between tenant and owner	Continue with roll-out and institutionalise implementation	Share of rental space with green lease components
●	GRESB 5-star rating and peer group leader (see p. 26)	Participate in GRESB in 2024	GRESB score Development
●	83% of ongoing construction projects are aiming for sustainability certification.	Implement certification in development projects	Share of development projects (number) with sustainability certification (under construction)
●	Sign the Circular Building Charta and first workshop with the charter community to develop the basis for measurability	Develop an action plan and metrics for selected development projects; participate in the Charta community	In development
●	First projects with performance indicators	Expand transparency for Scope 3 «construction»; ensure targets are met in ongoing development projects	KPI/threshold from SNBS/SGNI certification for «construction» emissions for developments (kgCO ₂ /m ² a)
●	GRESB 5-star rating (see p. 32)	Participate in GRESB in 2024	GRESB score Standing Investments
●	94% of the properties have already received a sustainability certificate. For 6%, the certificate will follow with or after the completion of the construction Outlook: increase level	Systematically continue certification in existing assets and ongoing construction projects; implement measures to increase the certification level; design recertification	Proportion of area in % of total area with sustainability certificate
●	Reduction of 29% vs 2019, see section on «Sustainable use and operation»	Implement measures to replace fossil fuels in accordance with the CO ₂ -reduction path	kgCO ₂ /m ² in the portfolio vs 2019 (%)
●	Currently, 65% of energy demand is covered by renewable energy	Expand renewable energy procurement and continue implementing green lease components	Share of renewable energy in total energy demand (%)
●	Compared to the previous year, energy consumption decreased by 20% and vs 2019, it decreased by 13% to 142 kWh/m²	Implement energy-efficient refurbishments as per planning; continue optimising operations	Reduction of kWh/m ² in the portfolio vs 2019 (%)
●	Compared to the previous year, water consumption increased by 4.5% and was reduced by 18.2% to 699 932 m³ vs 2019	Continue optimising operations; install water-saving sanitary facilities	Reduction in the portfolio vs 2019 (%)

- ongoing
- achieved

3 Organisation

Our governance structure is aligned with our business model with its two pillars: Real Estate and Asset Management. This means that in organisational terms, sustainability is incorporated into various committees and functions, with the Board of Directors serving as the highest decision-making body.

The responsibilities, duties and authority of the Sustainability Committee, which consists of at least two members of the Board of Directors, are set out in separate rules. The committee deals with all relevant tasks in the context of sustainable management and is mainly responsible for the sustainability strategy (principles, goals and initiatives), the management of climate-related opportunities and risks, governance for sustainability and non-financial reporting (including reporting on climate risks). The Sustainability Committee submits the necessary proposals to the Board of Directors.

The Board of Directors also maintains the Audit Committee as a standing committee that deals with non-financial reporting, in particular environmental key figures and auditing aspects in the context of limited assurance. The committee submits the necessary proposals to the Board of Directors on ESG reporting and reports on the relevant key figures and internal control system in connection with climate risks and third-party risks such as due diligence obligations regarding child labour and conflict minerals.

The Executive Board is responsible for the operational implementation of the sustainability strategy. The Board is supported by the Head Group Sustainability who reports directly to the Executive Board. The Head Group Sustainability plays a crucial role in ensuring that non-financial success factors and risks are reflected in our business model.

In the Asset Management business area, the Head Group Sustainability is supported by a dedicated function. This function is responsible for the integration and implementation of the sustainability strategy in the respective real estate products and ensures compliance with the specific requirements imposed on fund managers in connection with the FINMA licence. In close collaboration with the respective Executive Board members, line managers and all relevant internal and external specialists, this organisation ensures the incorporation and successful implementation of the sustainability strategy throughout the entire company.

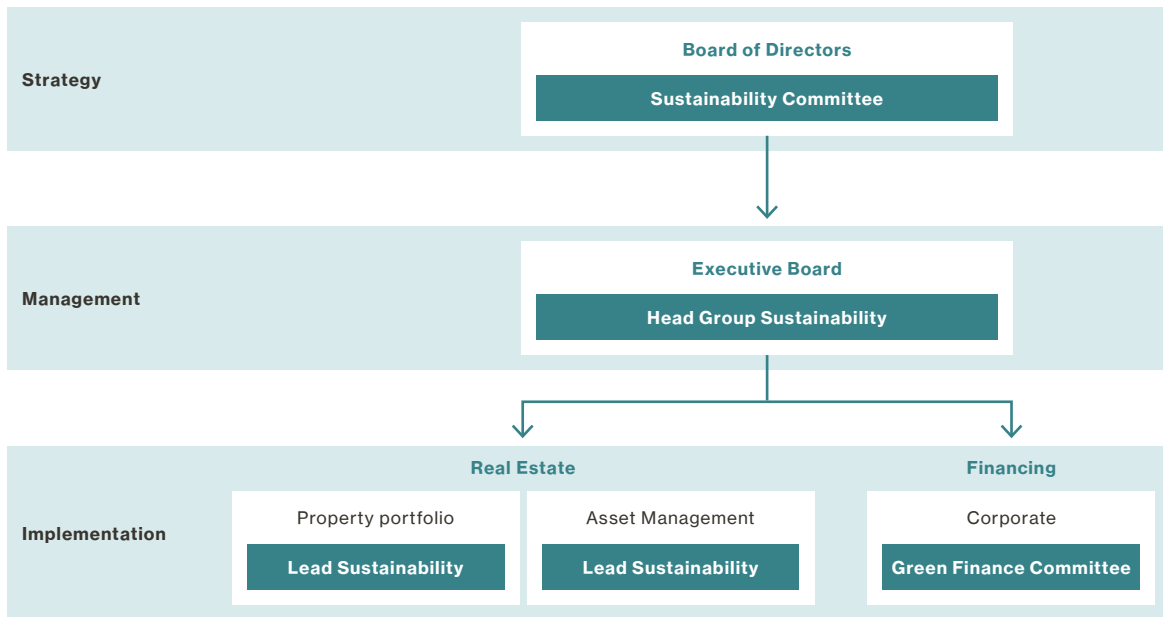
The Green Finance Committee, consisting of members of the Executive Board and management, was set up in connection with the introduction of the Green Bond Framework (2020) and enhanced Green Finance Framework (2022). The committee is responsible for evaluating the project portfolio as well as allocating, monitoring and reporting on funds in close coordination with various operational units.

→ [SEE ALSO: SWISS PRIME SITE CORPORATE GOVERNANCE REPORT 2023](#)

→ [SEE ALSO: SWISS PRIME SITE COMPENSATION REPORT 2023](#)

→ [SEE ALSO: SWISS PRIME SITE GREEN FINANCE REPORT 2023](#)

Integration of sustainability into our corporate governance



4 Materiality

We regularly review which topics are most material for the long-term sustainable development of the Company. The materiality analysis was updated in the reporting year to adequately reflect the business model and its focus on two pillars. The analysis is based on the core elements of the corporate strategy and long-term planning, as well as on comprehensive stakeholder surveys.

4.1 Materiality analysis

In a context analysis, we identified 12 relevant topics from the categories economy, society, environment and governance. We conducted our materiality analysis in line with the principle of double materiality. In a survey, the relevant stakeholder groups assessed the impact of our business activities on the environment, society and/or the economy. We evaluated the feedback from a total of 34 financial actors (weighting 25%), tenants (weighting 25%), employees (weighting 25%), service providers (weighting 12.5%) and media representatives/others (weighting 12.5%). Our Executive Board assessed the relevance of the respective topics in relation to our business success. The resulting materiality matrix was validated by management and the Board of Directors.

4.2 Material topics

The materiality matrix summarises all the topics and results of the double materiality analysis in one graphic.

The matrix can be used to identify material topics that predominantly impact the environment, society and the economy (topics above the diagonal) as well as topics that predominantly impact business success (topics below the diagonal). Environmental and governance issues play a more central role in the impact of our business activities, while financial issues, employees, tenants and customers take precedence in terms of their relevance to our business success. The material topics form the basis for the sustainability strategy and the structure of this Sustainability Report.

Materiality matrix



The materiality analysis identifies significant topics from environmental (E), social (S) and governance (G) areas, as well as economic topics. The first ESG topics and investor relations are covered in the Sustainability Report. The other economic topics are covered in the review section of the Annual Report.

5 Stakeholder management

5.1 Stakeholder groups

As a publicly traded company, we define our key stakeholder groups as shareholders, analysts as well as investors and regulatory authorities in the context of our asset management services.

In our core business, we focus on our employees and our end customers – especially tenants and potential tenants.

Throughout the life cycle of real estate, other stakeholder groups play important roles depending on the phase; they can include planners and politicians, industry associations, authorities and residents in development projects, as well as suppliers and other partners who are particularly important in construction and operations. We therefore invest significant resources in maintaining these relationships. Below is a list of our stakeholders, the forms of exchange and their main concerns – additionally categorised by business area.

5.2 Stakeholder dialogue

Our stakeholder dialogue meeting, which we conducted for the fourth time since 2017, took place at Zurich's Prime Tower with around 30 attendees. Representatives of tenants, investors, financial actors and business partners met with our Chairman and another representative of the Board of Directors, our CEO and a significant presence from our management. A guest talk on sustainable development by Anna Stünzi, researcher and editor, provided inspiration and an introduction to the topic. Our CEO and Head Group Sustainability summarised the state of sustainability from a management perspective and provided the context for the discussion.

→ [READ MORE: STAKEHOLDERS \(SPS.SWISS/STAKEHOLDERS\)](https://www.sps.swiss/stakeholders)

Swiss Prime Site Group

Key stakeholders	Methods of exchanging information	Key concerns
<ul style="list-style-type: none"> - Shareholders and other investors - Analysts - Proxy advisors - Employees - Media 	<ul style="list-style-type: none"> - Half-yearly reporting (incl. short report) - Half-yearly earnings conference - Conferences and roadshows for investors and analysts - Regular discussions with analysts and voting rights advisers via the Board of Directors, Executive Board and Investor Relations - Annual investors' day (Capital Markets Day) - Annual General Meeting - Website and social media channels - Employee survey - Tenant survey - Materiality survey - Stakeholder dialogue 	<ul style="list-style-type: none"> - Course of business - Current developments - Strategy - ESG performance

Swiss Prime Site Immobilien stakeholders

Key stakeholders	Methods of exchanging information	Key concerns
<ul style="list-style-type: none"> - Tenants and potential tenants - Construction project partners - Authorities - Local stakeholders (neighbouring residents, associations, political representatives) - Suppliers and business partners 	<ul style="list-style-type: none"> - Regular dialogue with tenants and potential tenants - Property-specific information events and viewings - Surveys on location preferences, space requirements, moving-in dates or specific requirements for tenants' improvements - Satisfaction survey - Regular discussions - Stakeholder dialogue 	<ul style="list-style-type: none"> - Supply of floor space and property services - Sustainable construction and certification - Consideration of local circumstances relating to development projects

Swiss Prime Site Solutions stakeholders

Key stakeholders	Methods of exchanging information	Key concerns
<ul style="list-style-type: none"> - Grantors of mandates - Investors/pension funds - Supervisory authorities - Tenants and potential tenants - Local stakeholders (neighbouring residents, associations, political representatives) - Suppliers and business partners 	<ul style="list-style-type: none"> - Discussion with executive management - Monthly discussion with the foundation board - Events, roadshows and individual portfolio meetings - Annual investors' conference - Annual reporting - Website and social media channels - Regular dialogue with tenants and potential tenants - Property-specific information events and viewings - Surveys on location preferences, space requirements, moving-in dates or specific requirements for tenants' improvements - Satisfaction survey - Regular discussions 	<ul style="list-style-type: none"> - Swiss Prime Investment Foundation - Investment decisions - Range of services - Project developments and acquisitions - Corporate organisation - Authority of key individuals - Supply of floor space and property services - Sustainable construction and certification - Consideration of local circumstances relating to development projects

5.3 Investor Relations

We are Switzerland's largest real estate company and we access domestic and international capital markets to finance our investments, whether through equity or borrowed capital. A high degree of investor appeal is of fundamental significance, and the focus on sustainability in the business model is becoming increasingly important.

The Investor Relations department covers communication and interaction with all capital market participants on our behalf: shareholders, funds and general investors, voting rights advisers, stock and credit analysts, and the media in general.

As a publicly listed company, the Swiss Prime Site Group adheres to the overarching high standards of the SIX Swiss Exchange and international best practice in reporting, governance and sustainability. We aim for a broad investor base and coverage of analysis, while maintaining a highly active, ongoing dialogue at conferences and in one-on-one discussions.

Swiss Prime Site Solutions offers a range of real estate investment solutions through fund products, investment foundations and advisory services, and is licensed as a fund manager by the FINMA. Transparency is of paramount importance to Swiss Prime Sites Solutions, especially in offering independent investment solutions. The Company is also regulated by the Federal Financial Services Act (FinSA). Just like the publicly listed group, the individual sales employees and management of Swiss Prime Site Solutions maintain a highly active, regular dialogue with the investors and their representatives.

Ratings and benchmarks

ESG ratings



AA (scale: AAA to CCC)



C «Prime» (scale: A+ to D-)



A- (scale: A+ to D-)



Low Risk

Real estate assessment



G R E S B
★★★★★ 2023

5 stars (Standing Investments)

5 stars (Development)

Investment assessment



3/5 stars (policy, governance and strategy)

3/5 stars (real estate)

5/5 stars (confidence-building measures)






Corporate culture



Great Place to Work

6 Contribution to the United Nations Sustainability Development Goals

We use the 17 United Nations Sustainable Development Goals (UN SDGs) as a system of reference in order to integrate our commitment into the context of global sustainable development. The focus is on five goals to which we can contribute significantly by fulfilling our responsibilities. SDGs 11 and 13 are particularly relevant to us.

SDG	Relevance to Swiss Prime Site
	<p>Contribution to SDG 4: Quality education</p> <p>Swiss Prime Site's employees are key to the Company's success and constitute the foundation on which all further development is built. By investing time and money in developing employees, motivation, know-how and innovative spirit can be improved across the board.</p> <p>→ MATERIAL TOPIC, SOCIETY, 2.1 EMPLOYEES</p>
	<p>Contribution to SDG 11: Sustainable cities and communities</p> <p>Swiss Prime Site creates attractive, sustainable and flexible environments as part of urban and district development projects and sees its responsibility particularly in building sustainable cities and communities, in line with SDG 11: «Make cities and communities inclusive, safe, resilient and sustainable». Swiss Prime Site sees the SNBS as a guiding framework to help clarify this commitment.</p> <p>→ MATERIAL TOPIC, ENVIRONMENT, 1.1 SUSTAINABLE DEVELOPMENT AND CONSTRUCTION, 1.2 SUSTAINABLE USE AND OPERATION</p>
	<p>Contribution to SDG 12: Responsible consumption and production</p> <p>Given its business model, Swiss Prime Site is in a position to promote sustainability throughout the real estate value chain and contribute towards SDG 12 «Responsible consumption and production» – and recognises its responsibility to do so. The topic of the circular economy is constantly growing in importance.</p> <p>→ MATERIAL TOPIC, ENVIRONMENT, 1.3 CIRCULAR ECONOMY</p>
	<p>Contribution to SDG 13: Climate action</p> <p>Swiss Prime Site is aware of its responsibility on the issue of climate action (SDG 13) and has been committed for some time to contributing towards the 1.5-degree goal of the Paris Climate Accord and the Swiss Federal Council's 2050 climate neutrality goal.</p> <p>→ MATERIAL TOPIC, ENVIRONMENT, 1.1 SUSTAINABLE DEVELOPMENT AND CONSTRUCTION, 1.2 SUSTAINABLE USE AND OPERATION</p>
	<p>Relevance to SDG 17: Partnerships for the goals</p> <p>In addition to protecting the climate, the circular economy also encourages us to think beyond our established boundaries and linear systems, to question current consumption habits and production methods, and to be open to new partnerships (SDG 17 «Partnerships for the goals»).</p> <p>→ MATERIAL TOPIC OF THE ENVIRONMENT, 1.1 SUSTAINABLE DEVELOPMENT AND CONSTRUCTION, 1.2 SUSTAINABLE USE AND OPERATION, AND THE MATERIAL TOPIC OF SOCIAL, 2.2 TENANTS, 2.3 COMMUNITY ENGAGEMENT</p>

Reporting on material topics

1 Environment

1.1 Sustainable development and construction

Our construction and development activities have a significant impact on the environment. The supply of materials and construction of buildings, for example, causes various types of emissions. In addition, our activities affect soil, air and water quality and, not least, biodiversity. In the construction process, noise and dust emission are among the most significant impacts, while CO₂ emissions constitute the most significant environmental impact from the manufacture of building materials and operation of real estate. Equally relevant are the health and safety of the people working in the supply chain and on construction sites.

Socially and environmentally responsible developments

We are very conscious of our corporate responsibilities regarding the social, environmental and economic aspects surrounding our properties. This includes considering real estate (projects) not just as individual properties, but in the context of urban and district development. Our projects make a contribution to urban environments, so we also take land use and urban planning issues into consideration.

In order to ensure that each property and each new modification or new-build project creates added value for customers, residents and the local economy, a detailed analysis of the specific characteristics of the location in dialogue with the relevant stakeholder groups is taken as the starting point for further measures. Depending on the project and the requirements, this analysis may also include consultation on environmental, health and safety aspects. Our employees in the Development and Asset Management departments are responsible for this analysis.

Laying the foundations for emission-free operation

For our own real estate, we have formulated the ambition that wherever possible, all new construction and redevelopment projects should be operated emission-free or designed as energy-plus buildings. The cornerstones of this strategy are the complete avoidance of fossil fuels, the development of integrated and innovative energy concepts, the integration of photovoltaic systems and the installation of charging infrastructure for electric-powered transport. These elements are considered right at the outset of development projects.

Swiss Prime Site Solutions applies product-specific strategies for emission reduction, and has implemented the appropriate requirements for its own products. These requirements include the use of carbon-neutral energy sources and the generation of emission-free electricity, which is either directly consumed on site or fed into the public electricity grid.

Certification systems and GRESB benchmarking as a reference for development projects

We measure the sustainability performance of our development activities in particular by means of GRESB ratings with the specific Development Benchmark and with property-related certification systems and certificates.

For development projects, the focus is on certification in accordance with the SNBS. The use of the SNBS ensures that a holistic view of sustainability is taken throughout the development process and, in addition to the ecology and profitability of the building to be constructed, health and safety are also ensured during the construction process and the building's later operation. In particular, the choice of materials and the exclusion of materials with a negative impact make a significant contribution to this.

If certification under the SNBS is infeasible – due to the type of use, for instance – other established labels (e.g. SGNI) are used.

Swiss Prime Site Solutions also uses the SNBS for guidance on sustainable construction. As a rule, development and construction projects are certified under a sustainability standard, where technically and economically viable. For developments on existing properties in the portfolio, the goal is certification under Minergie or SGNI¹.

Shared responsibility for the supply chain in construction

We take steps to ensure that all construction materials are produced in accordance with human rights conventions and the Code of Conduct for Suppliers. When contracting with us, suppliers agree to procure raw materials and resources that have been produced locally where possible. This requirement is laid down in the Environmental Policy Concept. In addition, suppliers must prove that unethical behaviour such as child labour is excluded throughout the production and procurement chain.

Responsibility for safety on building sites

We transfer the obligation to comply with statutory occupational health and safety requirements and ethical procurement criteria in full to the relevant construction service providers and their subcontractors. Before construction starts, a safety plan to prevent accidents on the construction site (for example, in accordance with OHSAS 18001) must be drawn up and approved. No complaints regarding infringements of statutory requirements were recorded at any of our construction sites in the reporting year.

Guidelines and policies on sustainable development and construction

- Our Environmental Policy Concept (sps.swiss/policies) stipulates that all new-build, modification and repositioning projects must be certified under a nationally or internationally recognised sustainability label. The choice of label is based primarily on the certifiability of the property-specific use or, in some cases, also depends on regulatory requirements or tenant expectations.
- We have a Code of Conduct for Suppliers which applies across the Group (sps.swiss/policies). This is applied to suppliers in relation to the operation of properties and during construction, for example as an element in planning contracts and works contracts. Proof of origin is required for all materials used, particularly for critical products such as natural materials.
- Circular Building Charta (cbcharta.ch/en_us)
- Sustainability requirements of Swiss Prime Site Immobilien
- Sustainability requirements of Swiss Prime Site Solutions
- Internal processes and tools, including project specifications and project manuals

Ambitions and targets on sustainable development and construction


See Sustainability roadmap and targets (p. 14), topic of sustainable development and construction

Measures and progress in the reporting year

GRESB Development Benchmark and certifications

In the reporting year, the GRESB Development Benchmark for Swiss Prime Site Immobilien improved by 9 points to **97 points out of 100**, with five stars, which puts it in the lead in the peer assessment.

Results GRESB 2023 Swiss Prime Site Immobilien AG

	Development Benchmark 5 stars		
	GRESB score		
	Score	97/100	Environmental 50/51
	Management	29/30	Social 25/25
	Development	68/70	Governance 22/24

Swiss Prime Site Solutions also participated in the GRESB Development Benchmark and managed to significantly improve results for all products in the reporting year. The relevant results are contained in the respective sustainability sections in the annual reports for the products:

- [SEE ALSO: ANNUAL REPORT OF SWISS PRIME SITE SOLUTIONS INVESTMENT FUND COMMERCIAL \(SPSSOLUTIONS.SWISS/EN/SERVICES\)](#)
- [SEE ALSO: ANNUAL REPORT OF AKARA SWISS DIVERSITY PROPERTY FUND PK \(SPSSOLUTIONS.SWISS/EN/SERVICES\)](#)

Issuance of a green convertible bond (CHF 275 million) and a green straight bond (CHF 150 million)

The issuance of the convertible bond and the straight bond allowed the placing of the first financial instruments under the Green Finance Framework established in 2022. Funds are used in accordance with the defined criteria. More information can be found in the Green Finance Report.

Ongoing expansion of green finance portfolio

We aspire to continually expand the financially viable portfolio of green buildings (certified development properties and existing properties). We have achieved substantial progress with both the development projects under construction since 2023 (JED new building and Bern 131), the acquisition of the LEED Gold-certified «Fifty-One» building in the immediate vicinity of Prime Tower with long-term tenant Swisscom, and the consistent implementation of the certification strategy for properties in the portfolio.

Certification of current development projects at Swiss Prime Site Immobilien

Progress according to plan on certifications

At the end of 2023, 15 development projects were in the process of certification, or were planning for certification:

Description	Label	Status
Augst, Rheinstrasse 54	SNBS	Planned
Basel, Steinenvorstadt	SNBS	Planned
Basel, Stücki Park, phase 1	SGNI	Pre-certified
Basel, Stücki Park, phase 2	SGNI	Pre-certified
Berne, Bern 131	SNBS, Energy Plus	Planned
Brugg, Hauptstrasse 2	SNBS	Planned
Geneva, Alto Pont-Rouge	SNBS, Minergie	Pre-certified
Geneva, Route de Meyrin 49	SNBS	Planned
Münchenstein, Dreispitz Mitte	SNBS	Planned
Schlieren, JED new building	SNBS	Pre-certified
Uster, Stadtraum Uster	SNBS	Planned
Zurich, Destination Jelmoli	SGNI	Planned
Zurich, Maaglive	SNBS	Planned
Zurich, Müllerstrasse	SNBS, Minergie	Pre-certified
Zurich, YOND campus	SGNI	Planned

Key milestones – building projects

Project	Milestones in 2023
Basel, Stücki Park, phase 2	Completion of basic fit-out and handover to tenant
Berne, Bern 131	New building completed up to 3rd floor ceiling
Geneva, Alto Pont-Rouge	Completion and commissioning
Lugano, WPZ Tertianum Paradiso	Completion of basic fit-out and preliminary acceptance tenant fit-out
Schlieren, JED new building	Basic construction completed (SNBS Gold pre-certificate)
Zürich, Müllerstrasse	Completion of basic fit-out and handover to tenant

Key milestones – selected development projects

Projects	Milestones in 2023
Basel, Steinenvorstadt	Completion of architectural competition, start of preliminary project
Brugg, Hauptstrasse 2	Completion of preliminary project, construction application
Geneva, Route de Meyrin 49	Completion of preliminary project, submission of preliminary application
Uster, Stadtraum Uster	Construction application, completion of general contractor submission
Zurich, Destination Jelmoli	Completion of preliminary project, construction application
Zurich, YOND campus	Completion of preliminary project, start of marketing

Increased focus on Scope 3 emissions

Discussion around Scope 3 emissions in the value chain is intensifying across the economy as a whole. For a property developer, the material emissions here are primarily the «grey emissions» created during the construction process. This includes emissions that result from extraction, the manufacture of building materials and the transport services associated with construction. We began addressing this topic in the reporting year. This includes the development of appropriate accounting approaches for routine application in all development projects, as well as the development of an action plan for reduction of these «grey emissions». Here, we benefit from the fact that many circular economy practices simultaneously contribute to emission reduction in the upstream and downstream value chain. In addition, under the SNBS certification process, grey energy for construction must be estimated early on and then calculated after building completion using standardised tools in order to obtain the definitive certificate.

→ [READ MORE: NOTES ON ENVIRONMENTAL KEY FIGURES](#)

1.2 Sustainable use and operation

The construction and real estate sectors are responsible for a significant proportion of the CO₂ emissions in Switzerland and throughout the world. As such, efforts to tackle climate change must look beyond sustainably designed new buildings to include existing properties. The starting points here are strategies for individual properties, maintenance, operation and mobility concepts, and rental contract arrangements that incorporate sustainability aspects. In use, aspects such as quality of life and healthy interior spaces are also important. During the operational phase of properties, we have an influence on sustainability, particularly in relation to maintenance and repair measures and tenants' improvements, but also in the way we formulate contracts with tenants and suppliers.

Verified improvement of our ESG performance with GRESB Benchmark and sustainability certificates

We measure the quality and the sustainability performance of our core processes in portfolio and asset management with both the GRESB Rating in the Standing Investment category and property-related certification systems and the corresponding certification of existing properties. For the building component of our own existing properties, we opt for the internationally recognised BREEAM In-use certification system, established in 1990. Various criteria are evaluated as part of the certification, with particular weighting for energy, emissions, health and wellbeing, materials and durability. In parallel with every certification, a potential analysis is prepared with specific improvement measures. These are fed into the strategies for individual properties and into investment planning and, where viable, implemented with a view to the recertification required every three years. This gives us a uniform frame of reference on sustainability performance in our own property portfolio and allows us to continually optimise our properties and also qualify for our green finance portfolio.

Swiss Prime Site Solutions pursues a selective certification strategy, opting for the system of the German Sustainable Building Council (DGNB).

Climate neutrality in our own property portfolio by 2040

Taking our accounting concept into consideration, our CO₂ balance sheet shows that our greatest leverage for the reduction of the CO₂ emissions we create in operations lies with Swiss Prime Site Immobilien and our own property portfolio. The emissions of Swiss Prime Site Solutions products over which we have operational control (Swiss Prime Site Solutions Investment Fund Commercial and Akara Swiss Diversity Property Fund PK) are not consolidated in this report. Instead, they are transparently disclosed in the separate Sustainability Reports.

→ [SEE ALSO: ANNUAL REPORT OF SWISS PRIME SITE SOLUTIONS INVESTMENT FUND COMMERCIAL \(SPSSOLUTIONS.SWISS/EN/SERVICES\)](#)

→ [SEE ALSO: ANNUAL REPORT OF AKARA SWISS DIVERSITY PROPERTY FUND PK \(SPSSOLUTIONS.SWISS/EN/SERVICES\)](#)

In 2019, we developed a detailed CO₂ reduction pathway for our entire property portfolio, which incorporates Scope 1, Scope 2 and specific Scope 3 emissions (3.13) for tenant electricity.

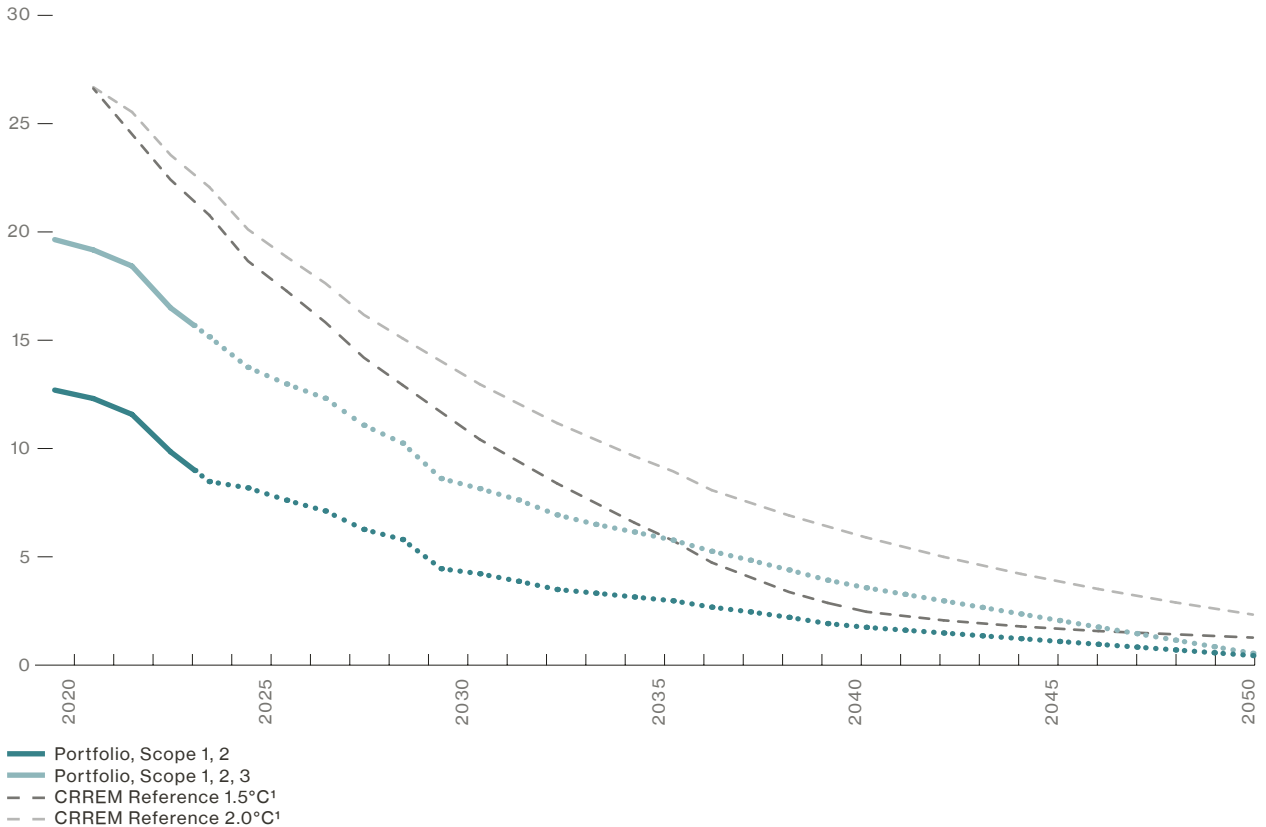
In the reporting year, we introduced further precision in the calculation of environmental key figures and the forecast (CO₂ reduction pathway). For the entire portfolio, key indicators are now related to the energy reference area, and we have implemented a simplified calculation method for the specific key indicators.

→ [READ MORE: NOTES ON ENVIRONMENTAL KEY FIGURES](#)

The aim of the property portfolio's reduction pathway is for the CO₂ intensity per square metre to remain below the 1.5-degree reduction scenario defined by the CRREM (Carbon Risk Real Estate Monitor). The current and visualised CO₂ reduction pathway shows our planned repair activities, in particular for replacement of heating systems, and is updated annually. We have set ourselves the goal of operational carbon neutrality in our own property portfolio by 2040. Our focus is on doing as much as possible to reduce emissions through our own actions. At the same time, we are aware that for emissions that are likely to be unavoidable and emissions that are no longer in our direct sphere of influence (district heating consumption and electricity mix) more extensive measures will be necessary to achieve climate neutrality by 2040. The intermediate target is a reduction in emissions by up to 50% by 2030, taking 2019 as the base year, and climate neutrality by 2040 (target roadmap: CRREM 1.5 degrees, residential, CH).

CO₂ reduction pathway for property portfolio and climate goal 2040

kg CO₂/m²a



¹ Carbon Risk Real Estate Monitor (CRREM): portfolio of Swiss Prime Site reduction pathway weighted according to use type. Data from January 2023 at www.crrrem.org/pathways

Under current planning, residual emissions from fossil fuel sources (Scope 1) will disappear completely by 2040. The residual emissions currently identifiable in the CO₂ reduction pathway relate to the forecast emissions from owner-controlled electricity and district heating consumption (Scope 2) and tenant electricity (Scope 3).

Taking into account Switzerland's long-term climate strategy and Energy Perspectives 2050, we monitor developments continuously and expect an ongoing expansion of renewable energy on the part of the energy supply companies (electricity and district heating) and an associated reduction in emissions factors. At the same time, we maintain close contact with our direct energy suppliers and our tenants to drive reduction of emissions in Scopes 2 and 3.

For the integrated planning of action areas in the fields that are relevant to reduction of CO₂ emissions – changing energy sources, energy efficiency, energy procurement and production – we have incorporated the requirements of the CO₂ reduction pathway for our own property portfolio into the strategy for each individual property. This means that we are aligning the measures required for emission reduction with other key aspects of the property strategy – for example market potential, structural condition, renovation cycle. This ensures an integrated view of the future development and optimisation of the portfolio.

Demand for integrated properties oriented towards renewable energies

In 2019, we analysed the entire property portfolio to determine its suitability for the installation of photovoltaic systems, with the aim of increasing our own production of renewable electricity in the future. That analysis identified many properties that would be suited to additional photovoltaic systems – some immediately, some in the course of forthcoming building renovations. This allowed us to continually increase the number of photovoltaic systems in operation. Currently, there are photovoltaic systems on 18 properties, and seven further systems are under construction. Furthermore, we assess all development projects to determine whether there is potential to install a photovoltaic system. In the reporting year, Swiss Prime Site Solutions carried out a comparable analysis for the properties in the Akara Swiss Diversity Property Fund (ADPK).

→ [SEE ALSO: ANNUAL REPORT OF SWISS PRIME SITE SOLUTIONS INVESTMENT FUND COMMERCIAL \(SPSSOLUTIONS.SWISS/EN/SERVICES\)](#)

→ [SEE ALSO: ANNUAL REPORT OF AKARA SWISS DIVERSITY PROPERTY FUND PK \(SPSSOLUTIONS.SWISS/EN/SERVICES\)](#)

We promote climate-friendly mobility options and install electric charging stations in and around our properties. In 2023, we gauged demand for an expansion of the e-charging stations in the portfolio. The results will feed into current and future planning processes.

We receive occasional contributions from the national buildings programme and from cantons and communities. These are used for structural measures that support the reduction of energy consumption or CO₂ emissions, and for the installation of photovoltaic systems or investments in e-charging stations. In addition, we receive compensation from the redistribution of revenue from the CO₂ levy. This Swiss government mechanism promotes economical use of fossil fuels.

Systematic energy controlling and operational optimisation

Ongoing optimisation of heating, cooling, ventilation and lighting will significantly reduce both the energy consumption and CO₂ emissions of existing properties. To identify optimisation potential, we collect comprehensive consumption data on our properties. The Energy Control and Operational Optimisation system implemented by Swiss Prime Site Immobilien continuously digitally records the energy consumption of all its exist-

ing properties. This data helps identify optimisation potential and plan appropriate measures. In 2023, the portfolio was migrated to a new energy controlling system (e3m) which contains additional controlling functions. Consumption as a whole is automatically analysed for irregularities, and an owner-specific operational optimisation academy was established in 2023, which trains facility managers in using the tool and introducing targeted operational optimisation measures.

Resource management – water

Our property portfolio largely consists of commercial properties. The impact on water as a resource that are associated with use and operation are minor, with water requirements largely limited to sanitary facilities and cleaning of office spaces and sites. To reduce water use, we measure each property's use and install water-saving taps and efficient appliances in all common areas. The development & construction teams have standards governing irrigation systems and rain as well as grey water usage, particularly for major modification projects or new builds. These are based on the standards issued by certification organisation SNBS.

Sustainable use and operation call for new partnership models

To reduce the significant environmental impact that results from the use and operation of real estate, we rely on close collaboration with our tenants and suppliers. In the reporting year, new rental contracts with sustainability clauses («green leases») were signed, and corresponding clauses were added to existing contracts. The green lease is now the standard rental contract for Swiss Prime Site Immobilien. It sets out specific measures for promoting sustainability and increases awareness of sustainability-oriented behaviour among building users and operators. This might include sustainable procurement practices and consumables, environmentally friendly waste management or the creation of suitable habitats to support local wildlife in outdoor spaces. At Swiss Prime Site Solutions, approximately 18% of the target rent of the portfolio is tied to green leases. Two significant new green leases were agreed in the reporting year.

Climate targets at Swiss Prime Site Solutions

In the reporting year, the property portfolios managed by Swiss Prime Site Solutions were also tackled along these same lines. A reduction pathway aiming for climate neutrality by 2050 at the latest was defined for all property portfolios. Additional information is provided in the respective sustainability sections of the annual reports:

- SEE ALSO: ANNUAL REPORT OF SWISS PRIME SITE SOLUTIONS INVESTMENT FUND COMMERCIAL (SPSSOLUTIONS.SWISS/EN/SERVICES)
- SEE ALSO: ANNUAL REPORT OF AKARA SWISS DIVERSITY PROPERTY FUND PK (SPSSOLUTIONS.SWISS/EN/SERVICES)

Guidelines and policies on sustainable use and operation

- Environmental Policy Concept (sps.swiss/policies)
- Internal sustainability requirements for sustainable operation and building along the value chain covering acquisition, portfolio and asset management, and development projects (e.g. specifications)
- Internal processes and tools

Ambitions and targets on sustainable use and operation

See Sustainability roadmap and targets (p. 14), Topic of sustainable use and operation

Measures and progress on sustainable use and operation

GRESB Standing Investment benchmark

Swiss Prime Site Immobilien improved its GRESB Benchmark Standing Investment by 5 points in the reporting year to 90 out of 100 points. This means we have achieved 5 stars, which places us among the leading participants.

Results GRESB 2023 Swiss Prime Site Immobilien AG



Standing Investment Benchmark 5 stars

GRESB score

Score	89/100	Environmental	53/62
Management	29/30	Social	18/18
Performance	60/70	Governance	19/20

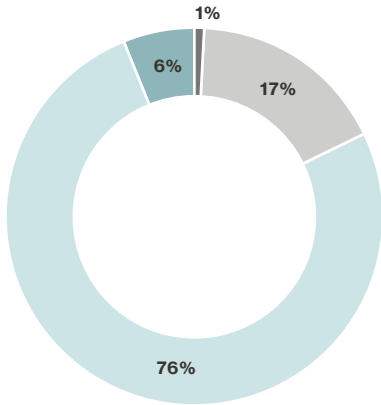
Sustainability certificates for entire certifiable portfolio of existing properties

In the reporting year, 25 additional properties were awarded the BREEAM In-use certificate. This means that as at the end of 2023, all certifiable space has been covered. For a handful of properties that are under renovation, the certificate can only be issued when works are complete.

All comprehensive renovations and replacement new builds are preceded in each case by a multi-year planning process, which is also used to determine the appropriate certification. Where possible, initial priority goes to building certification (e.g. Minergie, SNBS, SGNI, etc.) rather than in-use certification (BREEAM In-use).

Non-certifiable properties include multi-storey car parks, the stadium area of the PostFinance Arena, and units in condominium ownership that are complex or spatially and technically difficult to delineate.

Proportion of energy reference area (%) with sustainability certificate



- Not certifiable
- Sustainability certificate for construction projects
- Sustainability certificate for existing buildings
- With planned sustainability certification (with/after construction project)

Participation in the CO₂ benchmark of the Real Estate Investment Data Association (REIDA)

We took part in the 2023 CO₂ benchmark with our own portfolio and both the funds. This benchmark aims at comparability in the measurement of CO₂ emissions and CO₂ intensity of investment properties. The 2023 benchmark incorporated 22 companies with a total of 60 portfolios representing a market value of CHF 173.5 billion.

- [SEE ALSO: ANNUAL REPORT OF SWISS PRIME SITE SOLUTIONS INVESTMENT FUND COMMERCIAL \(SPSSOLUTIONS.SWISS/EN/SERVICES\)](#)
- [SEE ALSO: ANNUAL REPORT OF AKARA SWISS DIVERSITY PROPERTY FUND PK \(SPSSOLUTIONS.SWISS/EN/SERVICES\)](#)

The results can be found in the following table.

REIDA CO₂e Report 2023 Swiss Prime Site Immobilien¹

	in	benchmark	location-based	market-based
Number of properties	Number		144	144
Relevant area (ERA)	m ² ERA		1772 032	1772 032
CO ₂ e emissions intensity (Scope 1 + 2)	kgCO ₂ e/m ² ERA	13.5	10.4	9.4
Energy intensity	kWh/m ² ERA	98.3	96.7	96.7
Share renewable	Mwh/a (%)	29.9	40.9	50.6
Share fossil	MWh a (%)		52.5	49
Share waste heat/energy	Mwh/a (%)		14.9	11.4

¹ The data in the 2023 REIDA CO₂e Report relates to the 2022 reporting period.

Implementation of green leases in the Real Estate business area

In the reporting year, we held sustainability dialogues with tenants for more than 75% of rental space. Through this dialogue, we have already obtained commitments on green leases from tenants for more than 55% of rental space. We are confident that green leases will form the basis for sustainable use of properties in future because they generate added value for all concerned, and in particular because they help both us and our clients to achieve our respective sustainability targets.

Conclusion of contracts for future procurement of district heating in the Real Estate business area

The expansion of the district heating networks of various suppliers is further proceeding. We entered into energy supply contracts with local energy suppliers for a range of properties in the reporting year. These contracts enable us to estimate both the costs for technical adjustments and the positive impact on the CO₂ reduction pathway.

**Key indicators on sustainable use and operation
Environmental key figures for real estate and continuous reduction in CO₂ emissions**

In the reporting year, a range of measures yielded a marked improvement in CO₂ emissions compared with the previous year. In the property on Rue du Rhône in Geneva (prop. 4070), one of the largest properties in the portfolio, the heating system was replaced in 2022, but the full effects were only seen in 2023. By contrast, the replacement of the heating system on Route de Malagnou, Geneva, had a limited impact due to its size. Various energy suppliers increased the biogas share of their standard products in 2023 or were able to supply a district heating product with a higher proportion of renewable energy, which also resulted in improvements.

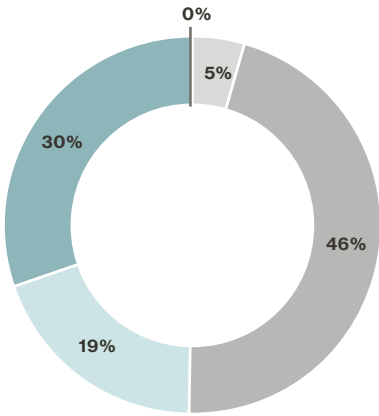
**Environmental key figures (GRI 302-3, 305-1, 305-2, 305-3, 305-4, 305-5
Swiss Prime Site property portfolio¹**

	in	2022	2023
Portfolio properties with environmental key figures	Number	153	139
Energy reference area	m ²	1 604 846	1 728 909
Total energy consumption	MWh	217 122	245 739
Share renewable	MWh	121 695	160 800
Share non-renewable	MWh	95 427	84 939
Electricity	MWh	98 868	145 667
Share renewable	MWh	96 795	128 659
Share non-renewable	MWh	2 073	17 008
Share owner controlled	%	N/A	89
Share tenant controlled	%	N/A	11
Heating	MWh	118 254	100 072
Heating oil	MWh	7 400	4 713
Natural gas	MWh	53 161	45 834
Share renewable (bio gas)	MWh	N/A	1 923
Share non-renewable	MWh	N/A	43 911
District heating	MWh	57 693	49 525
Share renewable	MWh	24 899	30 218
Share non-renewable	MWh	32 794	19 307
Energy intensity	kWh/m ²	177	142
Electricity intensity	kWh/m ²	93.4	84.3
Heat intensity	kWh/m ²	84.1	57.9
CO ₂ emissions	tCO ₂ e	21 300	26 246
CO ₂ emissions Scope 1	tCO ₂ e	9 303	9 461
CO ₂ emissions Scope 2	tCO ₂ e	3 773	5 224
CO ₂ emissions Scope 3	tCO ₂ e	8 224	11 561
CO ₂ intensity	kgCO ₂ e/m ²	16.9	15.2
Total water use	m ³	669 566	699 932

¹ For explanations, see: Notes on environmental key figures, sustainability report p. 75–79.

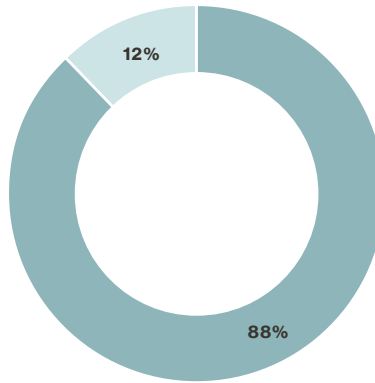
² The electricity consumption of the heat pump is listed under general electricity as it cannot always be shown separately

Breakdown of CO₂ emissions by heating energy source 2023



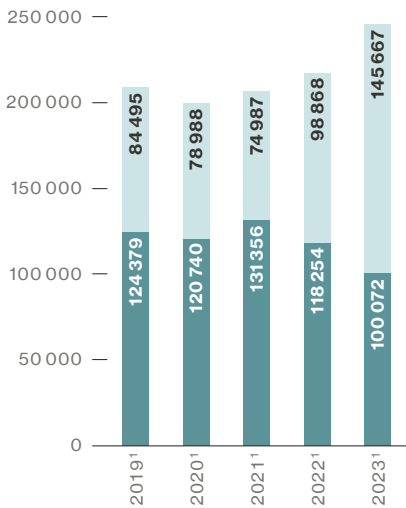
- Wood chips
- Heating oil
- Natural gas
- District heating non-renewable
- District heating, renewable

Breakdown by electricity source 2023



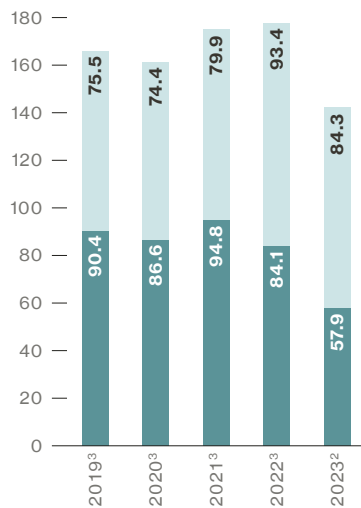
- Electricity Swiss consumer mix
- Renewable electricity (hydro)

Overall portfolio energy requirements¹
(GRI 302-1, 302-4)
MWh



- Electricity
- Heating

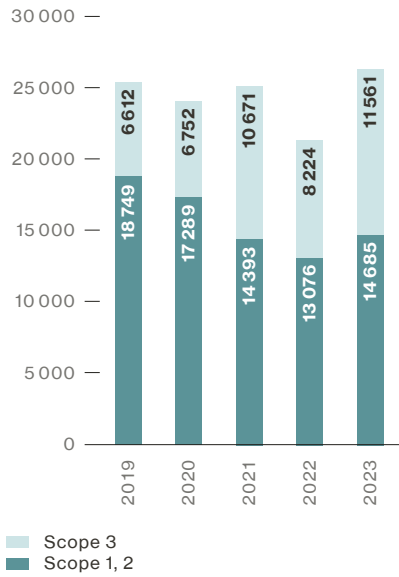
Overall portfolio energy intensity^{2, 3}
kWh/m²



- Electricity
- Heating

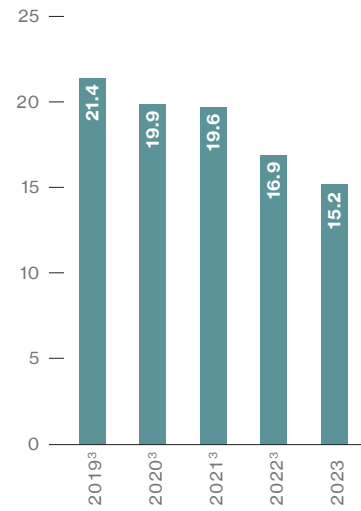
Progress of absolute CO₂ emissions

Reduction in CO₂ emissions t CO₂e



Overall portfolio CO₂ intensity^{2, 3}

kg CO₂e/m²



¹ The total energy consumption of the group companies in the floor areas of the Swiss Prime Site property portfolio has been included since 2019.
² Since 2019, heating consumption has no longer been adjusted based on heating degree days. Total energy consumption relates to the total area of the properties (see: Notes on environmental key figures [accounting concept], sustainability report p. 75–79).
³ Since 2019, the total energy consumption has been recorded based on the usage of specific areas (total area, common area and tenant area), (see: Notes on environmental key figures [accounting concept], sustainability report p. 75–79).

Key operational environmental indicators for business areas

Operational resource consumption and operational CO₂ emissions Swiss Prime Site^{1, 2}

	in	2022	2023
Properties	m ²	584	736
Total operational energy consumption (rented areas) ³	MWh	117	67
Share renewable	MWh	67	21
Share non-renewable	MWh	50	46
Electricity	MWh	67	21
Share renewable	MWh	67	21
Share non-renewable	MWh	0	0 ⁴
Heating	MWh	50	46
Natural gas	MWh	50	39
Share renewable (bio gas)	MWh	N/A	0
Share non-renewable	MWh	N/A	39
Heating oil	MWh	0	7
CO ₂ emissions	tCO ₂ e	230	12
CO ₂ emissions Scope 1	tCO ₂ e	10	0
CO ₂ emissions Scope 2	tCO ₂ e	0	1
CO ₂ -emissions Scope 3 ⁵	tCO ₂ e	220	11
Total water use (rented areas)	m ³	N/A ⁶	434

¹ The energy consumption of the group companies on sites in the Swiss Prime Site property portfolio has been included since 2019. However, consumption is not allocated to operating emissions, but is reported under the portfolio.

² The figures include Swiss Prime Site Management AG as well as the group companies Swiss Prime Site Immobilien and Swiss Prime Site Solutions.

³ As the companies included rent space from third-party providers, energy consumption is incurred in operations that was not allocated to the property portfolio in accordance with the accounting concept (see p. 43). For further explanations, see: Notes on environmental key figures (accounting concept), sustainability report p. 75–79.

⁴ Effective value: 0.09 MWh

⁵ Scope 3 emissions include CO₂e emissions from the electricity and heat consumption of externally leased office space that is not part of the Swiss Prime Site real estate portfolio.

⁶ Due to the closure of previous locations and the new office space in Zug, no data on water consumption was available in 2022.

1.3 Circular economy

The circular economy is relevant to us primarily in the context of the substantial demand for materials and resources and the generation of waste in the construction industry. Circular economy concepts can be applied in particular in building phases, in project development, but also in the conversion, modification or expansion of properties. Opportunities for influence arise from the use of existing building fabric and the considerate selection and reuse of materials and building parts, from ensuring that building parts and components can be disassembled at the end of the life cycle, and from the reduction of waste.

In Switzerland, the construction and operation of buildings are responsible for around 50% of consumption of raw materials, a third of CO₂ emissions and over 80% of waste generation. The emissions from the production of building materials (greenhouse gas emissions from construction) and the associated energy consumption (grey energy) are the material factors here; as such, closing cycles in construction and use represents a key element of our commitment to climate protection. This is all the more important given that, based on demographic and societal trends, Switzerland is expected to maintain a high level of construction activity.

In the context of the property sector, we also see biodiversity as an increasingly important part of the circular economy, with growing significance at the political and economic level.

On the journey towards a circular building economy, we promote and use innovations such as digitalisation, new business models and new processes. Regular dialogue ensures that we stay up to date with current developments.

Using resources efficiently in construction

In our building activities, we use primary resources and land-fill sites efficiently, and reduce CO₂ emissions by focussing on the preservation of the existing building fabric, reducing the materials used, reuse, material choice and reducing building waste.

During the disposal of waste and the recycling of materials, all relevant legal requirements are met. Wherever possible, waste products are recycled.

Integrating circular concepts into our services

We apply our expertise in circular economy concepts throughout the Company, both in our own construction and development projects and in our services. As a service provider on behalf of various institutional investors, we use our room for manoeuvre to raise awareness of the circular economy and environmental topics among both owners and tenants.

Our Environmental Policy Concept includes a certification strategy under which all development projects are submitted for the SNBS or a comparable certification. This process considers requirements for sustainable procurement and efficient use of materials, including the use of recycled concrete, regional suppliers and capacity for dismantling. The updated set of criteria now includes descriptions of cross-sectoral topics such as the circular economy, climate change adaptation and self-sufficiency and the assignment of relevant individual criteria for the first time.

Embedding the circular economy into the supply chain

We also use the opportunity to remind suppliers of their obligations. For example, circular building approaches are already integrated in the specifications for architecture competitions and in contracts for work, and facility management framework agreements. Providers of facility management services are responsible for the sustainable use of resources and energy in the property. It is also the responsibility of facility managers to raise tenant awareness of sustainable building operations (e.g. avoidance and separation of waste).

Innovative approaches and partnerships for the circular economy

Sustainability and the circular economy are becoming drivers of value and innovation. It is not just a matter of minimising the ecological footprint but rather of targeted innovations – such as urban mining – and new business opportunities as a result of the transformation of the Company's own business and value creation models and new and more intensive collaboration models with stakeholders across the entire supply chain. We see ourselves as a driving force behind the Swiss real estate sector's commitment to the circular economy. One example of our involvement is our seat on the Board of Madaster Switzerland, the Swiss register for materials used in construction. Madaster Switzerland wants transparency regarding materials used in construction because this is essential for making targeted recovery and recycling possible in the future. We also participate in the Sustainable Switzerland platform of the NZZ's Swiss Sustainability Forums, and we helped draw up the Circular Building Charta, to which we were the first signatory (see Measures and progress).

Ambition and targets for the circular economy

See Sustainability roadmap and targets (p. 14), topic of sustainable development and construction, and the Circular Building Charta (cbcharta.ch/en_us)

Guidelines and policies on the circular economy

- Circular Building Charta (cbcharta.ch/en_us)
- Environmental Policy Concept (sps.swiss/policies)
- Code of Conduct for Suppliers (sps.swiss/policies)
- Internal sustainability requirements at Swiss Prime Site Immobilien
- Internal sustainability requirements at Swiss Prime Site Solutions

Measures and progress

«Circular Building Charta»

It is our conviction that environmental protection must be pursued on a broad front in the Swiss real estate and building sector. In this context, we have joined other major Swiss developers in helping to develop and implement the Circular Building Charta and, as the first signatory, we have set ourselves correspondingly ambitious targets.

In the context of the charter, our goal is to reduce the use of non-renewable primary raw materials to 50% of total volume, to record and significantly reduce the output of grey greenhouse gas emissions, and to measure and significantly improve the circular potential of renovations and new builds by 2030.

Specific actions will be implemented in selected development projects by 2026 in line with charter actions, specifically renovations instead of new builds, long-term construction, reduction of materials, re-use, correct material choice and the reduction of waste.

Development projects in progress are currently being aligned with the initiatives and targets formulated in the charter, and implementation is being promoted in projects.

→ [READ MORE: MATERIAL TOPIC, ENVIRONMENT, 1.1 SUSTAINABLE DEVELOPMENT AND CONSTRUCTION](#)

A project that embodies the circular economy: Müllerstrasse, Zurich

One successful example of circular economy principles in practice is the refurbishment of the ageing office building on Müllerstrasse in Zurich's city centre, which was completed in the reporting year. The project preserved the existing structure and reused the cast aluminium façade. In particular, the demolition of the building shell was kept to a minimum, allowing more than 90% of the concrete (one of the most carbon-intensive materials) to be reused. This alone accounted for a reduction of 2 600 tonnes of CO₂ emissions.

→ [SEE ALSO: STORY «RESOURCES IN MIND» \(SPS.SWISS/RESOURCES-IN-MIND\)](#)

2 Society

2.1 Employees

Capable, satisfied, motivated employees are central to our business success. We foster this success factor comprehensively – in our terms of employment, investments in training and development, and in our corporate culture. That is why we strategically promote and retain knowledge, productivity and motivation. Living up to values, a fair management culture, individual advancement and generally treating each other with respect have a positive impact on employee satisfaction.

We focus on six components that particularly influence employee satisfaction:

- Monetary benefits paid by the employer in line with the market
- Flexible, mobile working and opportunities for part-time work
- Opportunities for co-determination and flexibility on a range of issues (high degree of autonomy in relation to allocation of working hours, substantive tasks, etc.)
- Individual advancement and development opportunities
- Diversity in practice
- Occupational health and safety

We conduct an employee survey across the group every two years. The topic of satisfaction plays an important role here and is comprehensively surveyed and evaluated.

Attractive terms of employment and benefits

Attractive salary models and a generous occupational pension scheme are the basis of our attractiveness as an employer, and we believe it is very important that we offer all employees the same benefits – no matter their workload. In addition, we have a number of models for variable compensation and offer additional days off as length-of-service awards or additional days of leave awarded on a case-by-case basis over Christmas. Furthermore, we grant additional paid special leave for events such as marriage, moving house, legally required care services and bereavement, and we offer all employees the opportunity of taking unpaid leave of up to six months. Driven by our belief in giving back to society, we also gladly support employees' personal volunteer work, with an additional day of leave granted annually for that purpose.

Flexible working conditions

Our working conditions are based on the industry-specific, contractual terms of employment, which in turn are based on the Swiss Employment Act. We also endeavour to offer employees a positive work-life balance that helps them combine their professional and private lives. Flexible and independent allocation of working hours is possible and encouraged. As long as data protection and confidentiality requirements are met and we can maintain an appropriate response time for queries from customers and other stakeholders at all times, employees are generally free to choose their work location.

Training and development programmes

The training and development of our employees is fundamental to advancing our strategic development and strengthening our employer brand. Investments in training and development are vital, particularly in light of the skills shortage and trends in our sector. For that reason, we invest both time and money in the individual, tailored professional development of our employees. This falls within the responsibility of the Human Resources department and line managers. The average number of hours for training and development per employee in 2023 was 5.16 hours.

We also offer older employees retirement preparation courses to help them with the transition from their professional life into their new stage of life.

Participant feedback on the courses is evaluated to check the quality of the training and development provided. Instructors receive feedback and are contacted if the concept needs to be adjusted or improved. Reasonable requests for improvement and suggestions made by participants are implemented as quickly as possible.

Individual training and development goals are defined for all employees as part of annual appraisals. In addition to quantitative targets, the annual target agreement meeting («management by objectives» process) allows sufficient room for discussing skills and values, which are recorded in a separate section. A personal focus topic from the area of «skills and values» on which dedicated work is to be done can be defined here.

Since 2017, a cross-department training programme which is highly popular among university alumni has provided an entry point to the world of real estate for graduates with an interest in the field. The trainees obtain insights into various departments in rotation. In addition, we support the Swiss education system by having our qualified staff supervise bachelor's and master's theses.

As part of our support for the next generation of managers and to fulfil our responsibility as a significant employer, we make positions available for basic vocational training.

→ [READ MORE: MATERIAL TOPIC, SOCIETY, 2.1 EMPLOYEES](#)

Embedding diversity and equality of opportunity

We are convinced that diversity and equality of opportunity constitute key elements in a company's culture. In our General Employment Conditions and in the Code of Conduct, we commit to the protection of employees' individuality and integrity. We condemn and prohibit unjust treatment, bullying, sexual harassment and discrimination of any kind, and we are committed to ensuring that employees can defend themselves without suffering disadvantage as a consequence. Employees have the option of direct, open dialogue or written communication as well as an anonymous channel for reporting grievances and irregularities via an external application (EQS).

The corporate values and the Code of Conduct serve as binding guidelines for interaction between employees. We also follow the United Nations' «Women's Empowerment Principles (WEPs)» in order to promote gender equality and a stronger role for women in the workplace.

The Executive Board and senior Human Resources personnel are responsible for ensuring a fair working environment. The principle of non-discrimination is defined in our Code of Conduct, which goes beyond the applicable laws and regulations. The principle of non-discrimination applies to all areas, including recruitment, promotion, training and development, and equal pay. The principle of equal pay was reviewed in accordance with the statutory requirements, was met by all group companies and confirmed by an independent auditor.

With regard to diversity in the workforce, our main focuses are increasing the proportion of women in executive positions, employing people over the age of 50 and facilitating part-time working for managers. The corresponding key indicators are collected every six months and also brought to the attention of the Nomination and Compensation Committee.

Occupational health and safety

Occupational health and safety management is the responsibility of the business areas and takes statutory requirements as the minimum standards. This topic is a high priority for us; in smaller teams in particular, individual skills make it hard to replace absent employees. If employees have any grievances about safety at work or a breach of personal integrity, they can contact their line managers or Human Resources or make an anonymous call to the integrity line.

Line managers, the Human Resources department and health & safety officers within the company are responsible for protecting employees' health at work. However, we also appeal to the personal responsibility of all employees. They are encouraged to actively seek to talk to someone if problems occur. Professional absence management helps to identify possible cases of long-term absences due to illness in good time and, if possible, to avoid them. In the event of long-term illnesses, employees have the opportunity to use the insurer's case management advisory and support services. If the employee faces problems in their private sphere (e.g. bereavement, divorce, care responsibilities in the family, etc.), there is also an external support organisation available to them that can be used without charge.

Guidelines and policies relating to employees

- General Employment Conditions
- Swiss Prime Site Code of Conduct (sps.swiss/policies)

Ambitions and targets on employees

See Sustainability roadmap and targets (p. 14), topic of employees

Key figures on employees

In its focused business model, Swiss Prime Site will concentrate on its core business of real estate. In light of this, the group company Wincasa, which specialises in property management, was sold in the reporting year. Swiss Prime Site also decided to cease operations at the Jelmoli department store after 2024 and to repurpose the building. The composition of our workforce has therefore significantly changed.

The information on the employees included in this report now also includes the companies Swiss Prime Site Management AG, Swiss Prime Site Immobilien AG and Swiss Prime Site Solutions AG (see table of employees by company). Information on Jelmoli employees is provided separately in the notes on page 87.

Employees by company

Society	2021	2022	2023
Swiss Prime Site Management AG	76	46	49
Swiss Prime Site Immobilien AG	0 ¹	41	45
Swiss Prime Site Solutions AG	30	83	79
Jelmoli	579	587	0
Wincasa	982	1 022	0
Total^{2,3}	1 667	1 779	173

¹ In 2021, the employees of SPS Immobilien AG were listed under SPS Management AG.

² Significant reduction in the total number of employees due to the sale of Wincasa and discontinuation of Jelmoli

³ No employees who are not salaried employees work for Swiss Prime Site. Services provided by third parties are regulated in the form of service contracts

Employees full time/part time

	2021			2022			2023 ³		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Full time/part time^{1,2}									
Full time	572	581	1153	610	583	1193	70	41	111
Part time <50%	21	99	120	16	84	100	3	3	6
Part time 50% – 79%	23	158	181	31	205	236	2	13	15
Part time 80% – 99%	53	160	213	65	185	250	17	24	41
Total	669	998	1667	722	1057	1779	92	81	173

¹ Members of the Board of Directors are not included.

² Year-end headcount, excluding janitors and supernumerary and other temporary staff.

³ The year 2023 only includes the companies Swiss Prime Site Management AG, Swiss Prime Site Immobilien AG, and Swiss Prime Site Solutions AG.

Employees by type of employment contract

	2021			2022			2023 ²		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Permanent/temporary¹									
Permanent staff	624	945	1569	722	1057	1779	88	79	167
thereof members of the Executive Management	13	3	16	15	4	19	12	14	26
Trainees (apprentices/interns)	45	53	98	44	55	99	4	2	6
Supernumerary staff (temporary)	9	55	64	5	59	64	0	0	0
Janitors	3	11	14	0	7	7	0	0	0
Other temporary staff	10	20	30	11	18	29	0	0	0
Total	691	1084	1775	782	1196	1978	92	81	173

¹ Members of the Board of Directors are not included.

² The year 2023 only includes the companies Swiss Prime Site Management AG, Swiss Prime Site Immobilien AG, and Swiss Prime Site Solutions AG.

Traineeships

	2021			2022			2023 ³		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Trainees¹									
Apprentices	42	47	89	38	51	89	0	0	0
Interns	3	6	9	6	4	10	4	2	6
Total	45	53	98	44	55	99	4	2	6

¹ The year 2023 only includes the companies Swiss Prime Site Management AG, Swiss Prime Site Immobilien AG, and Swiss Prime Site Solutions AG.

Age structure of employees

	2021			2022			2023 ³		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Age distribution^{1,2}									
Employees < 25 years	109	143	252	108	156	264	3	4	7
Employees 25–35 years	224	360	584	234	361	595	30	27	57
Employees 36–45 years	143	203	346	169	224	393	37	27	64
Employees 46–55 years	126	180	306	130	193	323	17	19	36
Employees > 55 years	67	112	179	81	123	204	5	4	9
Total	669	998	1667	722	1057	1779	92	81	173

¹ Members of the Board of Directors are not included.

² Year-end headcount, excluding janitors and supernumerary and other temporary staff.

³ The year 2023 only includes the companies Swiss Prime Site Management AG, Swiss Prime Site Immobilien AG, and Swiss Prime Site Solutions AG.

Turnover rate

The results of the employee surveys are vital as they enable us to review the effectiveness of our human resources work. In addition, we regularly evaluate the standard KPIs, for example on absentee rates, staff turnover and staff development. The increase in fluctuation at Swiss Prime Site Immobilien compared to the previous year is due to the fact that support functions were consolidated as a result of the restructuring of the Swiss Prime Site Group. At Swiss Prime Site Solutions, the decision was made to no longer operate the «Realisation» division itself.

Turnover rates in %	2021	2022	2023 ¹
Swiss Prime Site Group	27.1	24.3	22.7
Swiss Prime Site Management AG	25.1	19.1	22.9
Swiss Prime Site Immobilien AG	0.0 ¹	17.3	23.3
Swiss Prime Site Solutions AG	29.6	13.1	22.4

¹ In 2021, the employees of SPS Immobilien AG were listed under SPS Management AG.

Absences

Rates in %	2021			2022			2023 ¹		
	Accident	Illness	Absence	Accident	Illness	Absence	Accident	Illness	Absence
Swiss Prime Site Group	0.1	0.8	1.0	0.3	3.6	3.9	0.1	1.7	1.8
Swiss Prime Site Management AG	0.2	1.0	1.2	0.0	0.5	0.5	0.2	2.5	2.7
Swiss Prime Site Immobilien AG	0.0 ¹	0.0 ¹	0.0 ¹	0.0	1.3	1.3	0.0	1.3	1.3
Swiss Prime Site Solutions AG	0.0	0.4	0.4	0.0 ²	0.2	0.2	0.2	1.3	1.5

¹ In 2021, the employees of SPS Immobilien AG were listed under SPS Management AG.

² Effective value: 0.02

Incidents of discrimination

In 2023, we did not identify any incidents of discrimination across the group.

Measures and progress on employee issues

Employee survey confirms high degree of satisfaction

Employees completed the «Great Place to Work» survey in 2023. Overall, 87 percent of employees agreed with the following statement: «All in all, I can say that this is a very good workplace.» With a response rate of 88%, we take this statement as representative and as confirmation of the high quality of working environment at Swiss Prime Site.



Site visits for employees

For us, it is all about real estate. But our work in this area generally takes place in the office workspace. Consequently, we began conducting tours at the building sites for our employees in the reporting year to give them a first-hand impression of the projects we are implementing. The project managers who supervise construction work for us appreciate the opportunity to make their projects accessible to a broader public.

Shared experiences: part of corporate culture

We view communal activities outside the core professional business as important elements of a corporate culture. In the reporting year, more than 40 of our employees took part in the Real Estate Run. For every kilometre run, new trees were planted in a forest in the Canton of Zug under the supervision of the forester. This event was highly popular and will be repeated next year as part of a «Forest Week». The employee excursion and the Christmas party are permanent events in our annual programme.

2.2 Tenants

Commercial tenants are our most significant customer group. Regular dialogue with them helps us adapt to the wishes of customers in an even more targeted way and to offer properties in line with customer and market requirements. Regular surveys on preferred locations, floorspace requirements, moving-in dates and specific requirements for tenant fit-out are important tools for determining these needs. Satisfaction surveys are conducted regularly with existing tenants. The renewal rate for expiring rental contracts is an additional indicator of customer focus. We maintain a regular and constructive dialogue with major tenants that benefits both sides and makes day-to-day business easier. The focus here is on topics such as properties, rental space or sustainability.

Guidelines and policies on interaction with tenants

- Sustainability requirements for portfolio and asset management
- Rental contracts with added sustainability aspects (green leases) and supplementary documentation (e.g. tenant handbook, structured tenant meetings)

Ambitions and targets on interaction with tenants

See Sustainability roadmap and targets (p. 14), topic of tenants

Measures and progress on interaction with tenants

Tenant survey

We conduct regular surveys on customer satisfaction. The findings serve to identify measures to increase customer satisfaction and reduce negative effects.

In the reporting year, Swiss Prime Site Immobilien conducted an online survey with its commercial tenants. The results show that tenant satisfaction remains high. Three-quarters would extend their rental agreement.

Swiss Prime Site Solutions also conducts tenant surveys on behalf of its customers. Further information can be found in the annual reports for the products.

Implementation of green leases in the Real Estate business area

We made extensive efforts to implement green leases in the reporting year.

→ [READ MORE: MATERIAL TOPIC, ENVIRONMENT, 1.2 SUSTAINABLE USE AND OPERATION](#)

«Green leases» – how do they work?

To promote sustainable use and management, landlords and tenants define specific measures for the rental property in an annex to the contract known as the «sustainability handbook».

These measures are a binding and integral component of the rental contract, where they are directed at users of the rental property. The tenant acknowledges these rules and must follow them in the course of its contractually agreed use of the rental property. In particular, the tenant undertakes to acquaint its employees with the contents of the sustainability handbook and any revisions, and to encourage compliance. For the purpose of a dialogue on sustainability, the parties agree on points of contact and – wherever possible – also include property management and facility management in the dialogue.

Shared sustainability targets

The landlord and the tenant review the targets defined in the sustainability handbook and monitor progress each year. The topics include but are not limited to:

- Reduction of energy consumption and CO₂ emissions
- Environmentally friendly cleaning and catering
- Economical approach to water consumption
- Environmentally friendly waste management
- Sustainable expansion, sustainable use and management of the rental property
- Environmentally friendly mobility
- Focus on biodiversity

Community management

Community management in the use phase of our sites and properties aims at fostering communities and wellbeing, increasing customer focus and further improving the value retention of our sites and properties.

→ [READ MORE: MATERIAL TOPIC, SOCIETY, 2.3 COMMUNITY ENGAGEMENT](#)

2.3 Community engagement

Our vision and our mission is to shape environments. One way we contribute to this goal is through community engagement. For us, this means, in the broader social context, donations, sponsorships and other partnerships. In the narrower real estate context, this engagement involves interacting with people and local residents in the surroundings of our properties to optimise and develop those properties.

Community engagement in the development of real estate

Throughout each new building project, we maintain close dialogue with local and cantonal authorities, as well as other stakeholders in the area, such as associations, political bodies and residents. This allows us to consider local conditions and requirements at an early stage when planning developments and thus ensures that the environs benefit from new properties and that negative impacts are avoided as far as possible.

Contribution to district development

We are very conscious of our corporate responsibilities regarding the social, environmental and economic aspects surrounding our properties. We see real estate not simply as individual properties, but in the context of urban and district development. The larger the project, therefore, the more land use and urban planning aspects must be considered.

In order to ensure that each property and each modification or new-build project creates added value for the users, residents and the local economy, we carry out a detailed analysis of the specific characteristics of the location in dialogue with local residents, interested users, authorities and representatives of the business community as the starting point for further measures. Depending on the project and the requirements, this analysis may also include a consultation on environmental, health and safety aspects. Our employees in the Development and Asset Management departments are responsible for this.

Real estate solutions with a future

Our innovation plans are based on understanding today's customer and user needs and anticipating the needs of tomorrow at an early stage in order to proactively make appropriate changes to the corporate culture and products and services. We observe the market as well as economic and social trends to develop solutions that also focus, for example, on the needs of users – under the heading of space as a service.

In addition to designing the buildings in accordance with needs, we contribute to the design of public spaces, green areas and mobility services and facilitate creative temporary uses of vacant properties.

Community engagement in the use phase

Community management in the use phase of our sites and properties aims at fostering communities and wellbeing, increasing customer focus and further improving the value retention of our sites and properties.

This work is based on a concept for the property which is then used to define measures that contribute to the defined objectives. The defined range of services can be classed under the categories of communication, events, services and on- and offboarding, and are coordinated and implemented by property management.

Social commitment

As a business, we believe it is important to contribute to social and charitable causes in line with our vision and our values. We focus on philanthropy and real estate, as well as health and sport. This process leverages our broad resource potential; we deploy financial resources in the form of donations and sponsorship, and our employees invest their time in philanthropic projects with aims such as support for others or caring for the environment. In addition, we make our buildings available free of charge to business startups with socially beneficial objectives. We are also involved to varying degrees in partnerships, for example through cooperation arrangements that promote innovation in urban development.

The focus of our commitment is three-fold:

Philanthropy

We promote the social development of young people in particular. In addition to our involvement as a company, each employee can select non-profit organisations to which we then contribute.

Our commitments: SOS Kinderdorf, Orphan Healthcare – Foundation for Rare Diseases, Swiss Cancer Foundation, WeCare, Stiftung Schweizer Sporthilfe, Young Enterprise Switzerland.

Real estate

We promote the overall development of the real estate sector in relation to innovation, sustainability and other areas.

Our commitments: NZZ Real Estate Days, Baloise Session, Sustainable Switzerland, EPRA, startup days, Urban Land Institute, Avenir Suisse, SwissPropTech.

Community

We promote the health and wellbeing of our employees and the local population. We focus primarily on sport, with the aim of promoting team spirit in general.

Our engagement in the health area: Athletes Network, Greifenseelauf

Our commitment in the area of wellbeing: making building space available free of charge to business startups such as flexoffice, Urban Connect and Memox.

We invest around CHF 1 million in our social commitments each year. In addition, we support the charitable commitments of our employees with two workdays per year that can be used in the context of social commitment.

3 Governance

3.1 Responsible corporate governance

We are committed to the responsible, value-oriented management and supervision of the Company. This means that issues key to ensuring ethically sound business management are set out in writing and made publicly accessible as part of reporting – completely in keeping with transparent governance. This topic also encompasses the organisational measures and management systems that are of fundamental importance for compliance with ethical, social, environmental and legal requirements. Equally important is creating transparency around these aspects.

We are not only one of the largest real estate businesses in Switzerland, we also offer investment products on an increasingly significant scale. An impeccable reputation, the essence of which is responsible and ethical corporate governance, is therefore fundamental to our existence. Given the sector we operate in, strict adherence to the law in general and the avoidance of corruption, money laundering and insider trading specifically are the key focal points for us. In addition, we are conscious that our business activities can have an impact on human rights, either through our own work or through business relationships along the supply chain. We continually take steps to identify, reduce and address human rights risks and impact, to embed responsible business conduct in our business processes, and to monitor and communicate our performance in these areas.

Our compliance management encompasses the systematic recording and awareness of statutory requirements, internal company guidelines and ethical principles, as well as adherence with these rules. We rely on a structured set of directives and process management, and ongoing refinement in these areas, for the fulfilment of all due diligence and reporting obligations. All the pertinent documents and information are recorded in a dedicated IT tool and are available to all employees at all times. All information in the system is regularly updated by the relevant managers.

Binding Code of Conduct / corporate values in practice

Swiss Prime Site's Code of Conduct (sps.swiss/policies) is based on these corporate values and all employees are expected to adhere to it. It is made available to all new employees with the employment contract, and all new employees are trained in it.

The values of respect, integrity (including support and respect for international human rights), responsibility, ambition and innovation are established as guiding principles in our business and defined in detail in relation to each of the Company's businesses. All employees are expected to be respectful in their interactions with other people, to make integrity central to their actions, to act responsibly, to lead by example, to set themselves ambitious goals, to engage in continuous self-improvement and to put innovation into tangible effect.

This also includes the requirement to avoid situations potentially leading to conflicts of interest. If there is a conflict of interest, employees must inform their manager and, if necessary, the competent Compliance Officer. The rules of abstention set out in the Code of Conduct apply.

Information security and data protection

All group companies of Swiss Prime Site collect personal and confidential data of customers, partners and employees as part of their business activities. We take the protection of this data seriously. As a matter of conviction, we assume responsibility in the field of data protection in the form of a dedicated organisational structure. For each company, a company data protection officer (DPO) is obliged to implement the legal requirements. A group-wide data protection officer ensures overall coordination and decision-making authority. Moreover, an external data protection consultant safeguards all public interests and performs all public duties relevant to data protection for Swiss Prime Site.

Information security encompasses all organisational and technical measures required to prevent data from being lost, falsified or accessed without proper authorisation. In the group-wide information security and data protection concept and detailed usage directives, the Company defines how information security and comprehensive data protection can be maintained and continuously improved at all times. The roles, processes and controls are guided by the ISO 27001 standard in this context. The Company works with an external «Security Operations Centre» (SOC) to ensure 24/7 monitoring of information security incidents and keep reaction times as short as possible.

To further increase all employees' awareness of cyber risks, regular phishing tests are carried out and any areas requiring improvement are communicated to employees. Our employees also regularly complete specific training on information security and data protection. The Chief Information and Security Officer (CISO) issues regular communications via the intranet about the latest risks.

We check all data processing procedures to see whether they fall within the scope of the European General Data Protection Regulation (GDPR). If they do, we ensure compliance with the principles of the GDPR and safeguard the rights of data subjects accordingly.

Combatting bribery and corruption / precluding insider trading

Given Switzerland's stable political and regulatory environment, corruption is not a pre-eminent concern; however, the real estate industry does number among the critical sectors. As such we cannot rule out the possibility of operational units within Swiss Prime Site coming into contact with this issue, for example where large real estate transactions or substantial purchasing volumes are involved.

We condemn all forms of bribery and corruption, foster an anti-fraud culture and pursue a zero tolerance approach in this respect. Should an actual attempt at bribery occur, our employees can call the independent integrity line – operated by EQS, an external partner – anonymously at any time. Employees can also use this whistleblowing/notification system to report general internal grievances, unlawful activity and data protection breaches.

We have established a strict set of rules for dealing with favours and gifts. Our employees are not allowed to accept gifts or other benefits from third parties in connection with their work for the business either for themselves or others, except minor, customary gifts or benefits. Nor may they accept promises of such gifts or benefits. If in doubt, employees must clarify with their manager or the relevant Compliance Officer whether they are allowed to accept the benefit or invitation. This applies analogously to the provision of gifts or other benefits as well as to invitations by employees.

To prevent insider trading, all employees are informed of trading suspensions and windows for Swiss Prime Site shares. In addition, employees involved in specific projects must sign an insider declaration. This explicitly makes reference to criminal offences relating to insider information under securities trading laws.

Integrity platform / avoidance of anti-competitive practices

Anyone – employees, business partners, clients, suppliers or third parties – can report infringements of external and internal regulations (e.g. corruption, fraud, bullying) anonymously via the external, independent integrity platform. The integrity platform is operated by the EQS Group (www.eqs.com), an external, independent company. All reports are sent via the secure servers of the EQS integrity line rather than Swiss Prime Site servers, and all data is encrypted. The integrity platform does not record or store IP addresses, times or metadata. There is therefore no information that could link the user of the integrity platform with that person's computer. This ensures the user's anonymity, unless they actively choose to state their name.

The Human Resources and Legal & Compliance departments are notified of any incidents reported via the integrity platform. These departments analyse and evaluate the reported incidents within the organisation. Relevant incidents that require action on the part of Swiss Prime Site are anonymised and reported to the CEO and the Board of Directors. Further action is defined within that narrow group.

Anti-competitive practices are avoided through clear responsibilities and authorisations. All contracts must be reviewed by the relevant legal department. There is a group-wide requirement for documents to be signed by two authorised signatories in each case, which ensures effective enforcement of the dual control principle.

Raising employee awareness of business ethics

Regular internal training sessions on the topic of business ethics and compliance constitute a key tool for ensuring that all our employees are both aware of and live up to our fundamental values. These training sessions are initiated and coordinated by the Legal & Compliance department and carried out as the topic in question requires. We pay particular attention, given the industry in which we operate, to avoiding corruption and anti-competitive behaviour. We also regularly raise the issue of handling security topics in all areas of the business model – whether it be in relation to the properties, for employees or for customers. We also include IT security here.

Responsible fiduciary dealings with investment monies

In November 2022, Swiss Prime Site Solutions signed up to the UN PRI – thus underscoring its commitment to actively incorporating ESG issues into the investment process.

Since autumn 2021, Swiss Prime Site Solutions has held the licence required for fund management from the Swiss Financial Market Supervisory Authority FINMA. This licence comes with additional requirements for governance; Swiss Prime Site Solutions must comply with the requirements set out in FINMA Circular 13/8 «Market conduct rules». The circular specifies what market conduct is not permissible under supervisory law. It prohibits the exploitation of insider information and market manipulation and sets out requirements that are intended to prevent or detect prohibited market conduct.

Swiss Prime Site Solutions ensures compliance with the requirements specified in FinSA for providing financial instruments through the «Offers and advertising for financial instruments» regulations. The sale or offering of financial instruments is an important function in Swiss Prime Site Solutions' business model because it represents the direct interface to investors. The aim of offering collective investment schemes is to ensure that a high standard of quality is maintained when providing advice and passing on information to investors. The information content for product distribution is regulated as follows: «An offer within the meaning of Art. 3(g) FinSA exists in a communication of any type that contains sufficient information on the terms of the offer and the financial instrument and usually aims to attract attention to and sell a particular financial instrument.»

Guidelines and policies on responsible corporate governance

- Code of Conduct (sps.swiss/policies)
- Articles of Association (sps.swiss/policies)
- Investment regulations (sps.swiss/policies)
- Organisational regulations (sps.swiss/policies)
- Environmental Policy Concept (sps.swiss/policies)
- Code of Conduct for Suppliers (sps.swiss/policies)
- Data protection (sps.swiss/en/data-protection)
- Integrity platform (sps.swiss/policies)
- General Employment Conditions

Ambitions and targets on responsible corporate governance

See sustainability roadmap and targets (p. 14) topic of leadership, responsibility and transparency

Measures and progress on all issues of responsible corporate governance

New requirements on data protection implemented

On 1 September 2023, the new Data Protection Act (FADP) and ordinance (DPO) entered into force. Swiss Prime Site has adopted the standards of this legislative foundation. The requirement documentation was adjusted accordingly in all group companies, including guidelines and directives. Swiss Prime Site Immobilien's property portfolio was also screened for any items of building infrastructure relevant to data protection, such as entry systems or CCTV, in order to formally define the respective data processing processes for each property.

Internal compliance audits

Internal auditors regularly audit compliance with legal requirements, internal company guidelines and ethical principles. In 2023, the expenses of the Board of Directors and Executive Board were audited. This audit confirmed that the expenses of the top company executives complied with the expenses regulations of Swiss Prime Site, with no negative findings. The scope of the compliance audit is determined each year by Internal Audit in the context of annual planning, and approved by the Board of Directors.

Regular specific training sessions on information security and data protection

During the reporting year, two important topics were addressed in the training sessions: IT phishing and conflicts of interest in transactions with related parties.

Due diligence and reporting obligations

In the reporting year, we updated the Code of Conduct, the Supplier Code of Conduct and the Environmental Policy Concept as part of our efforts to focus the business model and in connection with due diligence obligations, in particular those that relate to child labour and conflict minerals. Corresponding concepts and processes (integration, monitoring and complaint mechanisms) have either been initiated or are in the implementation phase.

→ [READ MORE: MATERIAL TOPIC, GOVERNANCE, 3.3 SUSTAINABLE PROCUREMENT AND SUPPLY CHAIN](#)

Key indicators and effectiveness of good corporate governance

- In the reporting year, no cases of non-compliance with laws and/or regulations were identified at Swiss Prime Site, and no fines or sanctions were recorded.
- There were no legal actions for anti-competitive behaviour, anti-trust and monopoly practices in the reporting year.
- No breaches of data security or data protection have been observed since Swiss Prime Site was founded.
- No cases of corruption have been observed since Swiss Prime Site was founded.
- In the reporting year, there were no legal actions due to non-compliance with environmental laws and regulations.
- Ratings, see Stakeholder management, 5.3 Investor Relations.

3.2 Integrated risk management

We understand the concept of integrated risk management to mean a balanced approach to dealing with opportunities and risks, together with the associated processes and controls. Integrated risk management includes, for example, dealing with physical and transitory risks that are further accelerated by climate change.

We are exposed to a broad spectrum of opportunities and risks. To achieve the Company’s long-term corporate goals, it is crucial to recognise changes in the economic, social, regulatory, technological and ecological environment early on. To manage opportunities and risks, we apply a systematic process that forms the foundation for ensuring continued growth and long-term success.

Systematic risk management at all levels

Our risk management system is based on the application of a risk policy that establishes a homogeneous, responsible approach to tackling opportunities and risks and promotes a uniform understanding of risk management. The risk policy comprises the following elements: principles, control environment, communication, organisation and processes.



Principles

The principles ensure that all employees have a uniform understanding of risk and an adequate level of risk awareness. These are considered when engaging in dialogue with all risk owners.

Control environment

The control environment is based on the sense of responsibility demonstrated by the Board of Directors and the Executive Board, their awareness of risk and organisational measures for ensuring the proper conduct of business. This is complemented by our basic ethical values, the organisational structure, rules of conduct and clear allocation of responsibilities.

Communication

One crucial factor in risk management is transparent communication with internal and external stakeholders. All employees are required to maintain an ongoing dialogue about opportunities and risks.

Organisation

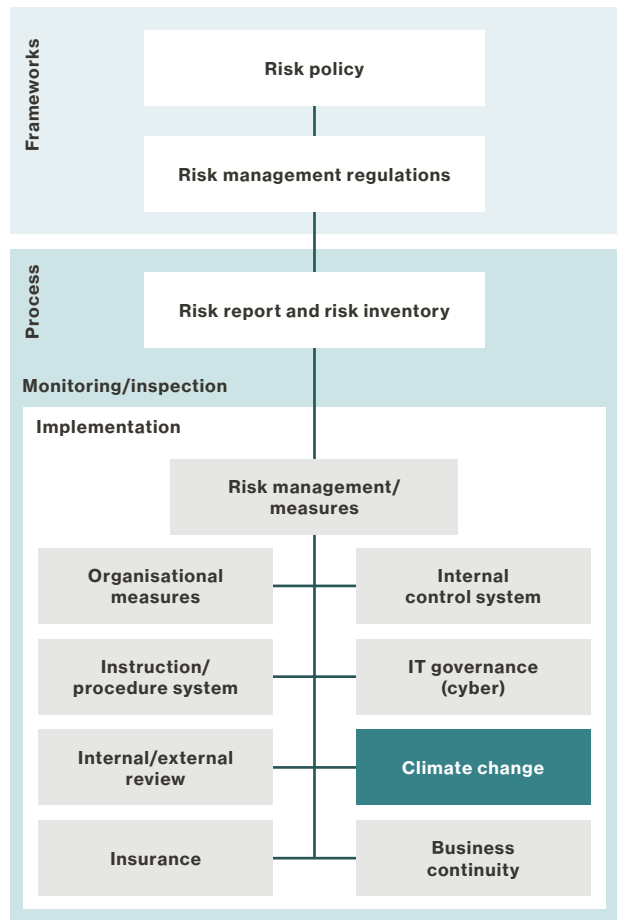
In the risk organisation structure, the Board of Directors takes overall responsibility as part of its supervisory duties by defining the risk strategy. The Executive Board is responsible for operational implementation. It is supported in that role by the Group Risk Management department. This department is responsible for coordinating and controlling the risk management process.

Processes

The risk management process encompasses all activities for the management of opportunities and risks. Identifying risks is an ongoing, dynamic process that involves all employees. Existing and new opportunities and risks are constantly monitored through regular dialogue and on the basis of analyses of available internal and external information, with measures then defined as required.

Risk management process

The risk management process is described in the current risk management regulations. These define the minimum rules and requirements for the risk management process.



The annual risk meetings are a key element of the risk management process. In a first step, these meetings are held between the Executive Board and the Board of Directors. The focus is on existing and future opportunities and challenges. Subsequently, risk meetings are held between the risk owners and Group Risk Management with a focus on concrete identification and assessment, and the definition of measures. The information from the risk meetings is supplemented by a risk analysis and assessment of specific systems and processes. Risk inventories are then drawn up on this basis, which are subsequently integrated into the overarching risk landscape of Swiss Prime Site and presented in the annual risk report.

Central risk management measures

Risk response is a key element of risk management. The appropriateness of implementation and the degree of maturity are assessed on a regular basis – at least once a year – by Group Risk Management, which plays an active coordination and support role with regard to implementation, where required. Responsibility for compliance with requirements and for defining and implementing measures in these areas remains with operational management. The risk management measures defined and implemented can be grouped into eight overarching categories/topics:

Organisational measures

The suitability of the organisational structure is assessed by the Board of Directors and top management on an ongoing basis. The Company places significant emphasis on ensuring effective management and efficient decision making and process execution at all times. Employees who play a crucial role in the achievement of targets are a key success factor. Considerable attention is devoted to attracting (recruitment) and keeping (retention) good, skilled employees in the current difficult labour market.

Directives and processes

We have a comprehensive formal system for directives and processes. The system and responsibilities for controlling and managing it are clearly defined. All relevant topics, including sustainability, are described in specific directives that are available to all employees at all times. All relevant business processes and the associated master documentation are mapped centrally in a company-wide process and document landscape. These tools support employees in their day-to-day business, whether in connection with personal conduct (e. g. conflicts of interest), communication with internal and external stakeholders, or in process execution.

Internal and external audit

The internal and external auditors support the Board of Directors in exercising its monitoring and controlling functions. The internal auditors receive audit and analysis assignments from the Board of Directors. Internal auditors have an unrestricted right to information and right of inspection of records with regard to all positions. Moreover, the Executive Board, in consultation with the Audit Committee, can assign internal auditors tasks outside the scope of the planned auditing activities, such as executing special investigations and analyses.

→ [SEE ALSO: SWISS PRIME SITE CORPORATE GOVERNANCE REPORT 2023](#)

Insurance

Tasks, responsibilities and accountability relating to insurance are regulated in an overarching directive. The process is coordinated by an external insurance consultant in cooperation with the Group CFO and evaluated on an ongoing basis to identify synergies and potential areas for optimisation. The group companies are actively involved in this process and are responsible for implementation within their own organisation.

Internal control system (ICS)

The internal control system is an integral element of the risk management process. The structure of the ICS is described in an ICS framework that takes the three dimensions of governance, IT and process controls into account.

The framework and the controls are reviewed on a regular basis to identify the need for adjustments due to new risks or changes in business processes and to initiate measures.

IT governance (cyber)

The constant, rapid development of IT technologies, such as digitalisation, dependency on information and communication infrastructures and the interconnectedness of business and society, present a growing threat. At the same time, there are great opportunities. We have identified this development and addressed it in an IT governance system. Organisational, process-related and technical measures are implemented to increase resilience (the ability to withstand IT security incidents) and to avoid serious financial and non-financial consequences (reputational risks).

Climate change

Opportunities and risks arising from climate change are of great significance to us and are accordingly mapped in a dedicated risk inventory, which takes into account both physical risks and transitional risks. The corresponding updates were reflected in the reporting on climate-related financial risks in accordance with the recommendations of the TCFD.

→ [READ MORE: TCFD REPORT](#)

Business continuity management (BCM)

Our BCM plan is laid down in an overarching, comprehensive concept and in central frameworks (BCM Policy and requirements). Building on this, all business areas have conducted a dedicated business impact analysis (BIA) and drawn up their own BCM plan. Given the increasing digitalisation of processes, disaster recovery is a key element of BCM. The BCM plan is reviewed annually by Group Risk Management in cooperation with Group IT to ensure it is still up to date and appropriate. The effectiveness and functionality of the BCM plan is reviewed annually by means of BCM tests.

→ [READ MORE: MATERIAL TOPIC, GOVERNANCE, 3.3 SUSTAINABLE PROCUREMENT AND SUPPLY CHAIN](#)

Key risks

In the annual risk assessment, the following were identified as key risks. A number of these are of overarching significance, as they affect both Swiss Prime Site Immobilien and Swiss Prime Site Solutions. Other, more specific risks only affect the respective business areas. They all constitute risks for us, yet these areas may also yield significant opportunities if they are addressed timely and actively managed on an ongoing basis.

Companies	Real estate
Business partner/ outsourcing	Real estate market, financial markets, interest rates
Customers/tenants	Project development and realisation
Employees	Portfolio/property strategy
Sustainability/climate	Vacancies/marketing
Cyber risks/data protection	Valuations

Risks for the entire business

Business partners/supply chain

Internal guidelines and regulations ensure that only professional, experienced and financially stable business partners are selected. A range of ESG aspects is taken into account, with the details specified in the Code of Conduct for Suppliers. In the development business, in particular, criteria for sustainable procurement are integrated into projects as part of the certification strategy, with corresponding quality assurance guaranteed by the external certification body.

Customers/tenants

The Company's focus on the needs of its customers is consciously practised through constant communication with tenants, active surveys of major tenants and dialogue with other stakeholders in line with its corporate responsibility. Potential opportunities are realised through the supportive inclusion of innovation concepts, thereby strengthening long-term customer relationships on a lasting basis.

Employees

Employees are key to our success. The Company has implemented numerous measures to support the recruitment and retention of qualified, capable and motivated employees in a competitive labour market. These include attractive and modern conditions of employment, encouragement of internal and external training and development, opportunities for career development across the entire group, and measures to ensure health and safety at work. All relevant aspects in relation to employees are reviewed on a regular basis and adapted as required.

Sustainability/climate

Detailed information on dealing with risks and opportunities in the context of sustainability and climate change can be found in reporting on finance-related climate risks, the TCFD Report.

→ [READ MORE: TCFD REPORT](#)

Cyber risks/data protection

We address the growing threat in relation to cyber crime and data security through organisational, process-related and technical measures. The overarching goal is to guarantee the availability, integrity, confidentiality and transparency of data and applications as well as to ensure compliance with all legal requirements and recommendations, including data protection. The data and systems need to be constantly protected against outages and internal and external attacks, i.e. cyber risks such as sabotage, data theft, etc. At the same time, the potential opportunities from digitalisation are addressed in various initiatives (transformation projects) in order to create future competitive advantages, e.g. automation, process efficiency, service quality and transparency.

Real estate-specific risks

Real estate market, financial markets, interest rates

These external factors have a significant impact on long-term success as a result of the exposure stemming from the business model. The impacts of a market downturn are cushioned by the quality of the Swiss Prime Site Immobilien property portfolio, which is largely invested in prime locations, by sustainable property strategies and a balanced financing strategy. We have also formulated capital management principles in order to take the best possible advantage of opportunities available on the financial markets. The key principles include optimising the mix of equity and borrowed capital, increasing financial flexibility, ensuring homogeneity of financing sources, reducing refinancing risks and minimising financing costs.

Project development and realisation

We have a project pipeline amounting to approximately CHF 3.3 billion (CHF 2.2 billion at Swiss Prime Site Immobilien and CHF 1.1 billion at Swiss Prime Site Solutions). Risks in connection with costs, deadlines and quality in the development and realisation business are minimised through innovative and sustainable concepts, professional business partners and ongoing monitoring. Marketing activities at an early stage also allow the Company to focus more strongly on the customer.

Portfolio/property strategy

A clear, formalised portfolio strategy is in place, with specific details set out in the respective strategies for individual properties. These reflect all aspects of a property, including renovations to reduce CO₂ emissions, market potential and safety aspects, and are used to define sustainable strategies that offer optimal value. Overall, CO₂ reduction pathways are a key component of the strategies for our portfolio and individual properties.

Vacancy/marketing

An internal marketing department was established, significantly improving the effectiveness of the marketing process and thereby reducing vacancies. The portfolio strategy and innovative and sustainable development concepts also play a key role in risk mitigation. In 2023, the vacancy rate was 4%.

Valuations

We have a high degree of exposure in the event of valuation errors or adjustments. The value of the property portfolio is subject to a range of external factors (e.g. market, interest rates) and internal factors (vacancy, property strategies). The accuracy of valuations is checked by external valuers and the external auditors on a half-yearly or yearly basis. Internal factors are controlled at several levels, for example through comprehensive strategies for individual properties and professional marketing activities. Provisions are also recognised for direct and deferred tax liabilities. Corresponding calculations or tax rate changes have a material financial impact.

3.3 Sustainable procurement and supply chain

We procure a significant volume of goods as well as services. This applies to both our development and building activities (planning services, raw materials, products) and the management (services, resources) of our own real estate and the real estate managed in investment products. The sustainability of our procurement and supply chain depends on the selection of our partners and the requirements we define.

Procurement is a significant element in our commitment to sustainability; at the same time, it is highly relevant to our economic success. We exercise an influence on both social and environmental aspects through our procurement practices and supply chains. We can contribute to a positive influence on the protection of human rights, working conditions in raw materials production and conditions on building sites by imposing high standards on our partners and suppliers, which includes their contractual obligations. Methods of production, transportation and processing of materials have an impact on the environment, biodiversity and the scope of emissions, and here we can also minimise the negative impact. It is important to note that procurement represents a substantial part of our overall costs.

General requirements for suppliers

We are aware that sustainability in procurement is key to living up to a comprehensive approach to corporate responsibility. We take account of social and environmental aspects throughout the supply chain by carefully selecting suppliers and through contractual obligations. Standards for suppliers include general requirements (concerning laws and regulations, business ethics, information events), specifications on environmental aspects (supplementary to the Environmental Policy Concept) and on social issues (human rights, discrimination and oppression, freedom of association, employment conditions, prevention of forced labour and child labour, health and safety in the workplace). In enforcing these standards, we are guided by internationally recognised human rights principles such as the Universal Declaration of Human Rights of the UN, and the UN Guiding Principles on Business and Human Rights (UNGPR). The Environmental Policy Concept and the Code of Conduct for Suppliers (sps.swiss/policies) constitute integral parts of all contracts.

Monitoring and compliance of requirements for suppliers

We provide training for employees and suppliers in order to raise awareness of ESG standards and to ensure greater transparency concerning the effectiveness of our procurement policy. We, or a contracted third party acting on our behalf, are authorised to carry out spot checks on suppliers to assess compliance with the Supplier Code of Conduct. In addition, we proactively inform all suppliers affected by future changes to the Code at an early stage. If we observe violations of this Code, we contact the supplier in question to reach a mutual agreement on measures for improvement and clear deadlines for their implementation. If these measures are not implemented as agreed, we may terminate the business relationship. In the event of severe violations of this Code, we reserve the right to terminate the business relationship immediately. In the event of violations of this Code, suppliers and their employees are also free to submit a report to an independent body. Anyone with a concern can contact our integrity platform anonymously.

Due Diligence and Transparency in Relation to Minerals and Metals from Conflict-Affected Areas and Child Labour (CO, art. 964j-k)

- In the reporting year, we did not import or process conflict minerals of any kind.
- In the reporting year, there were no indications that pointed to risks of serious impact on human rights through our activities or in our environment. In particular, there were no suspicions of child labour.
- Based on the Ordinance on Due Diligence and Transparency in relation to Minerals and Metals from Conflict-Affected Areas and Child Labour, we are therefore exempt from the corresponding due diligence and reporting obligations of Switzerland and the EU.

Requirements for our suppliers in the development and building process

Alongside the overarching Environmental Policy Concept, our consistent certification strategy in development projects constitutes an instrument for quality assurance (independent certification body). Our independent sustainability requirements are guided by the criteria of the SNBS and relevant clarifications associated with the procurement of building and other materials (e.g. Minergie ECO exclusion criteria, regional procurement). Proof of origin is required for all materials used, particularly for critical products such as natural materials. We take steps to ensure that all construction materials are produced in accordance with human rights conventions and the Code of Conduct for Suppliers (sps.swiss/policies). By signing the contract, our suppliers agree to procure raw materials and resources that have been produced locally where possible. This requirement is set out in our Environmental Policy Concept. In addition, suppliers must prove that unethical behaviour such as child labour is excluded throughout the production and procurement chain.

Requirements for sustainable operation and building

Clear-cut guidelines on sustainable operation and construction are defined throughout the value chain from acquisition, portfolio management and asset management to development projects and are integrated into the relevant processes and tools. This includes requirements for operations in relation to CO₂ reduction, energy efficiency, local energy production, water efficiency, sustainable mobility solutions (e-mobility), energy procurement, operating requirements in facility management and in green leases, and a comprehensive approach to the topic of sustainability in the wording of orders and specifications for construction and development projects in line with the certification strategy and circular economy principles.

We transfer the obligation to comply with statutory occupational health and safety requirements and ethical procurement criteria in full to the relevant construction service providers and their subcontractors. Before construction starts, a safety plan to prevent accidents on the construction site (for example, in accordance with OHSAS 18001) must be drawn up and then approved by us.

Guidelines and policies concerning sustainable procurement and supply chain

- Code of Conduct for Suppliers (sps.swiss/policies)
- Environmental Policy Concept (sps.swiss/policies)
- Investment regulations (sps.swiss/policies)
- Internal sustainability requirements for Swiss Prime Site Immobilien and Swiss Prime Site Solutions

Sustainability key indicators

Abbreviations used in the following tables

S	Sustainability report
CG	Corporate governance report
C	Compensation report
SKI	Sustainability key indicators
N/A	not available
(yes)	applies only partially

1 Environmental

CO₂ emissions¹

	Unit	2021	2022	2023	References		
					2021	2022	2023
Real Estate Portfolio							
Total CO ₂ emissions	tCO ₂ e	25 064	21 300	26 246	S 2021 p. 44	S 2022 p. 46	S 2023 p. 35
Scope 1 emissions	tCO ₂ e	10 696	9 303	9 461	S 2021 p. 44	S 2022 p. 46	S 2023 p. 35
Scope 2 emissions	tCO ₂ e	3 697	3 773	5 224	S 2021 p. 44	S 2022 p. 46	S 2023 p. 35
Scope 3 emissions	tCO ₂ e	10 671	8 224	11 561	S 2021 p. 44	S 2022 p. 46	S 2023 p. 35
CO ₂ intensity	kg CO ₂ e/ m ²	19.6	16.9	15.2	S 2021 p. 44	S 2022 p. 46	S 2023 p. 35
Currently forecasted CO ₂ intensity in 2040	kg CO ₂ e/ m ²	7.2	2.4	3.6	S 2021 p. 14	S 2022 p. 42	S 2023 p. 30
Necessary reduction in CO ₂ intensity until 2040 compared to 2019	%	-66	-88	-82	S 2021 p. 14	S 2022 p. 42	S 2023 p. 30
Operational Environmental Key Figures Of Business Areas							
Total CO ₂ emissions	tCO ₂ e	2 282	2 307	12	S 2021 p. 46-47	S 2022 p. 61	S 2023 p. 38
Scope 1 emissions	tCO ₂ e	294	217	0	S 2021 p. 46-47	S 2022 p. 61	S 2023 p. 38
Scope 2 emissions	tCO ₂ e	84	79	1	S 2021 p. 46-47	S 2022 p. 61	S 2023 p. 38
Scope 3 emissions	tCO ₂ e	1 905	2 011	11	S 2021 p. 46-47	S 2022 p. 61	S 2023 p. 38
CO ₂ intensity	kg CO ₂ e/ FTE	1 546	1 463	41	S 2021 p. 46-47	S 2022 p. 61	S 2023 p. 38
Real Estate Portfolio & Operational Environmental Key Figures Of Business Areas							
Targets to reduce CO ₂ emissions		yes	yes	yes	S 2021 p. 14	S 2022 p. 41-42	S 2023 p. 29-30
Science-based 1.5-degree pathway according to CRREM for real estate portfolio		yes	yes	yes	S 2021 p. 14	S 2022 p. 41-42	S 2023 p. 30

¹ The methodological approach for the carbon accounting of the real estate portfolio was revised. A detailed description can be found in the Notes on the environmental indicators (accounting concept), sustainability report p. 75-79.

Energy¹

	Unit	2021	2022	2023	References		
					2021	2022	2023
Real Estate Portfolio							
Total energy consumption	MWh	206 343	217 122	245 739	S 2021 p. 44	S 2022 p. 46	S 2023 p. 35
Building total energy intensity	kWh/m ²	173.5	177	142	S 2021 p. 44	S 2022 p. 46	S 2023 p. 35
Total electricity consumption	MWh	74 987	98 868	145 667	S 2021 p. 44	S 2022 p. 46	S 2023 p. 35
Building electricity intensity	kWh/m ²	79.9	93.4	84.3	S 2021 p. 44	S 2022 p. 46	S 2023 p. 35
Building heating energy consumption	MWh	131 356	118 254	100 072	S 2021 p. 44	S 2022 p. 46	S 2023 p. 35
Total oil consumption	MWh	77 819	7 400	4 713	S 2021 p. 44	S 2022 p. 46	S 2023 p. 35
Total gas consumption	MWh	71 162	53 161	45 834	S 2021 p. 44	S 2022 p. 46	S 2023 p. 35
Total district heating consumption	MWh	53 251	57 693	49 525	S 2021 p. 44	S 2022 p. 46	S 2023 p. 35
Building heating energy intensity	kWh/m ²	94.8	84.1	57.9	S 2021 p. 44	S 2022 p. 46	S 2023 p. 35
Total renewable energy consumption	MWh	94 883	121 695	160 800	S 2021 p. 44	S 2022 p. 46	S 2023 p. 35
Operational Environmental Key Figures Of Business Areas							
Total energy consumption	MWh	2 595	3 032	67	S 2021 p. 46–47	S 2022 p. 62–65	S 2023 p. 38
Building total energy intensity	kWh/m ²	41.8	43.4	91	S 2021 p. 46–47	S 2022 p. 62–65	S 2023 p. 38
Total electricity consumption	MWh	923	1 394	21	S 2021 p. 46–47	S 2022 p. 62–65	S 2023 p. 38
Building electricity intensity	kWh/m ²	14.8	20	29	S 2021 p. 46–47	S 2022 p. 62–65	S 2023 p. 38
Building heating energy consumption	MWh	1 673	1 638	46	S 2021 p. 46–47	S 2022 p. 62–65	S 2023 p. 38
Total heating fuel consumption	MWh	1 287	959	46	S 2021 p. 46–47	S 2022 p. 62–65	S 2023 p. 38
Total district heating consumption	MWh	386	680	0	S 2021 p. 46–47	S 2022 p. 62–65	S 2023 p. 38
Total renewable energy consumption	MWh	814	1 357	21	S 2021 p. 46–47	S 2022 p. 62–65	S 2023 p. 38

¹ Energy consumption is allocated based on the methodological approach described in the Notes on the environmental key figures (accounting concept), Sustainability report p. 75–79.

² The electricity consumption of the heat pump is listed under general electricity as it cannot always be shown separately.

Water

	Unit	2021	2022	2023	References		
					2021	2022	2023
Real Estate Portfolio							
Total water use	m ³	580 564	669 566	699 932	S 2021 p. 63	S 2022 p. 53	S 2023 p. 35
Building water intensity	water m ³ /m ²	0.4	0.6	0.4			
Operational Environmental Key Figures Of Business Areas							
Total water use	m ³	12 510	11 105	434	S 2021 p. 63	S 2022 p. 53	S 2023 p. 38
Building water intensity	water m ³ /m ²	0.2	0.2	0.6			

Waste

	Unit	2021	2022	2023	References		
					2021	2022	2023
Real Estate Portfolio							
Amount of waste ¹	t	7 354	13 031	N/A			
Contamination remediation costs	CHF	600 000	650 000	90 000			
Policy to reduce waste		yes	yes	yes	www.sps. swiss/ policies	www.sps. swiss/ policies	www.sps. swiss/ policies

¹ The figures for waste volumes will not be available until 2024. The coverage rate was 77% in 2022 and 49% in 2021.

Climate change vulnerability

	Unit	2021	2022	2023	References		
					2021	2022	2023
Climate risk assessment		yes	yes	yes	S 2021 p. 85–90	S 2022 p. 73–78	
Climate change policy		yes	yes	yes	www.sps. swiss/ policies	www.sps. swiss/ policies	www.sps. swiss/ policies
Environmental policy breaches	Number	0	0	0	S 2021 p. 62	S 2022 p. 83	S 2023 p. 55

Sustainability real estate certificates & ratings

	Unit	2021	2022	2023	References		
					2021	2022	2023
Type and number of sustainably certified assets	Number	12	111	126	SKI 2021 p. 16	SKI 2022 p. 16	S 2023 p. 70–74
Type and number of sustainably certified assets (% of total buildings/floorspace)	%	20	73	94	SKI 2021 p. 16	SKI 2022 p. 16	S 2023 p. 70–74
Assets with an energy rating	Number	12	6	8			
Assets with an energy rating (% of total floorspace)	%	20	4	6			
GRESB Score Standing Investment		74	85	89	S 2021 p. 5	S 2022 p. 14	S 2023 p. 32
GRESB Score Development		78	88	97	S 2021 p. 5	S 2022 p. 14	S 2023 p. 26

2 Social

Employment

	Unit	2021	2022	2023	References		
					2021	2022	2023
Total number of employees	Number	1 667	1 779	674	S 2021 p. 63	S 2022 p. 61	S 2023 p. 43
Employee turnover	%	27.1	24.3	22.7	S 2021 p. 63	S 2022 p. 61	S 2023 p. 46
Termination by employees	%	18.4	19.2	10.7			
Termination by employer	%	2.9	5.1	12.0			
Formal reasons for termination	%	5.7	N/A	N/A			
Major layoffs in the last three years (affecting 10% of staff or over 1 000 employees)		no	no	no			
Formal grievance escalation / reporting (integrity line)		yes	yes	yes	S 2021 p. 38	S 2022 p. 55	S 2023 p. 42
Company monitors employee satisfaction on a regular basis		yes	yes	yes	S 2021 p. 9	S 2022 p. 54	S 2023 p. 41

Diversity & inclusion

	Unit	2021	2022	2023	References		
					2021	2022	2023
Women in board management	%	29	42.9	42.9	CG 2021 p. 7	CG 2022 p. 9	CG 2023 p. 14–17
Women in group executive management	%	17	20	0	CG 2021 p. 14	CG 2022 p. 15	CG 2023 p. 19–20
Women in executive management of group companies	%	27	23.5	12.5	S 2021 p. 64–67	S 2022 p. 62–65	
Women in workforce	%	60	59.2	46.8	S 2021 p. 50	S 2022 p. 61	S 2023 p. 44–45
Equal opportunity policy		yes	yes	yes	SR 2021 p. 56	SR 2022 p. 57	www.sps. swiss/ policies

Health & safety

	Unit	2021	2022	2023	References		
					2021	2022	2023
Health and safety policy		(yes)	yes	yes	S 2021 p. 52	S 2022 p. 55	www.sps. swiss/ policies
Total absentee rate (illness + accidents in %)	%	3.6	3.9	1.8	S 2021 p. 63	S 2022 p. 61	
Breaches	Number	0	0	0	S 2021 p. 52–53	S 2022 p. 56	S 2023 p. 55

Labour & human rights

	Unit	2021	2022	2023	References		
					2021	2022	2023
UN Global Compact signatory		no	no	no			
Human rights policy		(yes)	yes	yes	www.sps. swiss/ policies	www.sps. swiss/ policies	www.sps. swiss/ policies
Breaches	Number	0	0	0	S 2021 p. 62	S 2022 p. 31	S 2023 p. 55

Training & human capital development

	Unit	2021	2022	2023	References		
					2021	2022	2023
Investment in continuing education as a percentage of annual salary costs	%	0.8	0.7	0.8	S 2021 p. 63	S 2022 p. 61	
Talent pipeline development strategy (forecasts hiring needs, actively develops new pools of talent)		(yes)	yes	yes	S 2021 p. 54	S 2022 p. 58	S 2023 p. 41
Apprenticeship / intern programme		(yes)	yes	yes	S 2021 p. 54	S 2022 p. 59	S 2023 p. 41-42
Job-specific development and leadership training programmes		(yes)	yes	yes	S 2021 p. 54	S 2022 p. 56	S 2023 p. 41-42
Regular performance appraisals and feedback processes		(yes)	yes	yes	S 2021 p. 55	S 2022 p. 59	S 2023 p. 41

Supply chain

	2021	2022	2023	References		
				2021	2022	2023
Sustainable supplier guidelines encompassing ESG areas that are publicly disclosed	yes	yes	yes	www.sps. swiss/ policies	www.sps. swiss/ policies	www.sps. swiss/ policies

Compliance programme

	Unit	2021	2022	2023	References		
					2021	2022	2023
Code of Conduct		yes	yes	yes	www.sps. swiss/ policies	www.sps. swiss/ policies	www.sps. swiss/ policies
Employee training on the Code of Conduct		yes	yes	yes	S 2021 p. 39	S 2022 p. 58-59	S 2023 p. 51
Possibility to report irregularities		yes	yes	yes	S 2021 p. 39	S 2022 p. 83	S 2023 p. 53
Anti-corruption / ethics							
Anti-corruption / anti-bribery guideline		yes	yes	yes	S 2021 p. 39	S 2022 p. 23	S 2023 p. 52
Breaches	Number	0	0	0	S 2021 p. 39	S 2022 p. 24	S 2023 p. 55
Privacy & data security							
Information security and data protection policy		yes	yes	yes	S 2021 p. 61	S 2022 p. 25	S 2023 p. 51
Company collects information about its customers or other individuals		yes	yes	yes	S 2021 p. 61	S 2022 p. 70	S 2023 p. 51
External initiatives							
Reference to SDGs		yes	yes	yes	S 2021 p. 10-18	S 2022 p. 12	S 2023 p. 23

3 Governance

Board of Directors

	Unit	2021	2022	2023	References		
					2021	2022	2023
Total directors	Number	7	7	7	CG 2021 p. 7	CG 2022 p. 8	CG 2023 p. 9
Board independence	%	100	100	100	CG 2021 p. 7	CG 2022 p. 8	CG 2023 p. 9
Board tenure	Average in years	5	6	5	CG 2021 p. 7	CG 2022 p. 8	CG 2023 p. 9
CEO duality		no	no	no	CG 2021 p. 7	CG 2022 p. 8	CG 2023 p. 9
Independent chairperson		yes	yes	yes	CG 2021 p. 7	CG 2022 p. 8	CG 2023 p. 9
Former CEO or equivalent on Board		no	no	no	CG 2021 p. 7	CG 2022 p. 8	CG 2023 p. 9
Process for nominating and selecting the highest governance body		yes	yes	yes	CG 2021 p. 7	CG 2022 p. 9 f.	CG 2023 p. 10
Process for managing conflicts of interest		yes	yes	yes	CG 2021 p. 39	CG 2022 p. 8	CG 2023 p. 12

Board diversity

	Unit	2021	2022	2023	References		
					2021	2022	2023
Women on Board	Number	3	3	3	CG 2021 p. 7	CG 2022 p. 8	CG 2023 p. 14-17
Women on Board	%	43	43	43	CG 2021 p. 7	CG 2022 p. 8	CG 2023 p. 14-17
Director average age	Years	56	59	58	CG 2021 p. 7	CG 2022 p. 8	CG 2023 p. 14-17
Age limit for directors	Years	70	70	70	CG 2021 p. 7	CG 2022 p. 8	CG 2023 p. 9

Sustainability governance

	2021	2022	2023	References		
				2021	2022	2023
Sustainability committee	yes	yes	yes	CG 2021 p. 9	CG 2022 p. 10	CG 2023 p. 12
Executive Director with sustainability responsibilities	yes	yes	yes	CG 2021 p. 9	CG 2022 p. 10	CG 2023 p. 13

Compensation

	Unit	2021	2022	2023	References		
					2021	2022	2023
Total directors and executive board compensation	CHF million	10.1	10.1	10.1	C 2021 p. 6	C 2022 p. 6, 9	C 2023 p. 7–9
Clawback policy		yes	yes	yes	C 2021 p. 7	C 2022 p. 7	www.sps.swiss/policies
Significant vote against pay practices		no	no	no			
Equal remuneration policy		yes	yes	yes	S 2021 p. 56	S 2022 p. 57	www.sps.swiss/policies
Executive compensation linked to ESG Performance		(yes)	(yes)	yes			

Ownership & control

	Unit	2021	2022	2023	References		
					2021	2022	2023
Controlling shareholder		nein	no	no			
Voting shares held by largest shareholder or block	%	<10	10	10	CG 2021 p. 4	CG 2022 p. 5	CG 2023 p. 5
Deviation from one share one vote		nein	no	no	CG 2021 p. 5	CG 2022 p. 19	CG 2023 p. 5

Risk management

	2021	2022	2023	References		
				2021	2022	2023
Company has a risk management framework	yes	yes	yes	S 2021 p. 78–83	S 2022 p. 73–78	S 2023 p. 55–60
Risk management framework covers ESG risks	yes	yes	yes	S 2021 p. 78–90	S 2022 p. 73–78	S 2023 p. 55–60
Board oversight of risk management	yes	yes	yes	S 2021 p. 78–83	S 2022 p. 73–78	S 2023 p. 55–60

4 Properties

	Property details as per 31.12.2023			Heating method [type of energy]	Heating energy consumption [kWh/a]	Electricity consumption [kWh/a]	Specific energy consumption [kWh/m ² a]	Water consumption [m ³ /a]	Emissions Specific CO ₂ emissions [kgCO ₂ -e/m ² a]	Certificate type	PV plant rated capacity [kWp]
	Initially constructed	Last renovated	Total m ² commercial units, excluding parking								
Aarau, Bahnhofstrasse 23	1946	1986	2 091	District heating	88 093	206 575	141	178	11.9	BREEAM In-Use	
Baar, Grabenstrasse 17, 19	2015		3 944	Natural gas	308 413	295 636	153	464	23.8	BREEAM In-Use	
Baar, Zugerstrasse 57, 63	2009		8 779	Natural gas	689 079	388 064	123	3 732	23.3	BREEAM In-Use	
Baden, Bahnhofstrasse 2	1927	1975	902	Natural gas	73 803	195 732	299	242	34.6	BREEAM In-Use	
Baden, Weite Gasse 34, 36	1953	1975	1 654	Natural gas	148 162	97 355	148	1 041	25.9	BREEAM In-Use	
Basel, Aeschenvorstadt 2-4	1960	2005	6 971	District heating	357 586	513 156	125	2 043	11.2	BREEAM In-Use	
Basel, Barfüsserplatz 3	1874	2020	4 444	District heating	238 851	371 711	137	590	11.6	BREEAM In-Use	
Basel, Centralbahnplatz 9/10	1870/ 2005	2005	1 543	District heating	121 914	77 008	129	4 221	12.8	BREEAM In-Use	
Basel, Elisabethenstrasse 15	1933	1993	4 939	Oil	229 432	348 841	117	3 332	21.5	BREEAM In-Use	28
Basel, Freie Strasse 26 / Falknerstrasse 3	1854	1980	3 119	District heating	177 951	240 123	134	1 708	15.0	BREEAM In-Use	
Basel, Freie Strasse 36	1894	2003	2 151	District heating	45 613	186 973	108	224	12.9	BREEAM In-Use	
Basel, Freie Strasse 68	1930	2015/ 2016	8 126	District heating	315 723	500 796	100	4 358	9.8	BREEAM In-Use	
Basel, Henric Petri-Strasse 9 / Elisabethenstrasse 19	1949	1985	7 047	Oil	364 426	322 208	97	3 324	21.8	BREEAM In-Use	
Basel, Hochbergerstrasse 40 / Parkhaus	1976		29	Without heating	3)	3)	3)	3)	3)	not certifi- able ¹	
Basel, Hochbergerstrasse 60 / Gebäude 860	1990		978	District heating	73 728	42 225	119	54	12.3	BREEAM In-Use	
Basel, Hochbergerstrasse 60 / Stückli Park	2008		42 123	District heating	4 993 515	2 195 231	171	10 212	14.5	BREEAM In-Use	160
Basel, Hochbergerstrasse 62	2005		186	Without heating	3)	3)	3)	3)	3)	not certifi- able ¹	
Basel, Hochbergerstrasse 70 / Stückli Park (Shopping)	2009	2019- 2021	74 246	District heating	4 335 998	4 693 870	122	28 648	9.7	BREEAM In-Use	1166
Basel, Messeplatz 12 / Messeturm	2003		25 786	District heating	3 418 751	4 379 414	302	26 690	19.3	BREEAM In-Use	
Basel, Peter Merian-Strasse 80	1999		10 004	District heating	334 443	554 956	89	1 123	8.3	BREEAM In-Use	
Basel, Rebgasse 20	1973	1998	11 923	District heating	534 438	1 127 010	139	4 002	12.2	BREEAM In-Use	134
Basel, Steinenvorstadt 11	1871		989	District heating	3)	3)	3)	3)	3)	BREEAM In-Use planned ²	
Bern, Genfergasse 14	1905	1998	16 680	District heating	833 498	794 102	98	3 464	7.9	BREEAM In-Use	
Bern, Mingerstrasse 12-18 / PostFinance-Arena	1969/ 2009	2009	47 722	Natural gas	1 377 036	2 790 596	87	19 058	10.7	BREEAM In-Use	
Bern, Schwarztorstrasse 48	1981	2011	9 010	District heating	1 120 428	371 238	166	2 728	9.9	BREEAM In-Use	
Bern, Viktoriastrasse 21, 21a, 21b / Schönburg	1970/ 2020	2020	29 925	District heating	1 391 419	1 170 353	86	18 205	6.9	Minergie	112
Bern, Wankdorfallée 4 / EspacePost	2014		33 010	Heat pump / Natural gas	37 480	3 036 780	93	7 167	6.8	DGNB, Minergie	
Bern, Weltpoststrasse 5	1975/ 1985	2013	28 466	Natural gas / Oil	1 109 412	1 600 263	95	3 323	14.1	BREEAM In-Use	106
Biel, Solothurnstrasse 122	1961	1993	3 564	Natural gas	220 007	546 567	215	327	26.2	BREEAM In-Use	

	Property details as per 31.12.2023			Heating method [type of energy]	Heating energy consumption [kWh/a]	Electricity consumption [kWh/a]	Specific energy consumption [kWh/m ² a]	Water consumption [m ³ /a]	Emissions Specific CO ₂ emissions [kgCO ₂ -e/m ² a]	Certificate type	PV plant rated capacity [kWp]
	Initially constructed	Last renovated	Total m ² commercial units, excluding parking								
Brugg , Hauptstrasse 2	1958	2000	5 346	Natural gas	263 810	790 528	197	2 034	19.8	SNBS planned	
Buchs SG , St. Gallerstrasse 5	1995		1 777	District heating	135 958	73 825	118	374	5.0	BREEAM In-Use	
Buchs ZH , Mülibachstrasse 41	2009/ 2020		9 624	Heat Pump powered by gas 4	132 675	1 009 787	119	1 343	16.3	BREEAM In-Use	199
Burgdorf , Industrie Buchmatt	1973		11 721	Oil	424 901	374 551	68	522	15.7	BREEAM In-Use	
Carouge , Avenue Cardinal-Mermillod 36–44	1956	2002	39 944	Natural gas / Oil	2 179 564	2 851 287	126	10 067	19.5	BREEAM In-Use	
Carouge , Rue Antoine-Jolivet 7	1975		3 929	Oil	40 183	246 843	73	40 183	11.2	BREEAM In-Use planned ²	
Conthey , Route Cantonale 4	2009		5 751	Natural gas	135 850	909 913	182	813	17.5	BREEAM In-Use	
Conthey , Route Cantonale 11	2002		8 577	Natural gas	281 729	968 039	146	1 174	17.5	BREEAM In-Use	
Dietikon , Bahnhofplatz 11 / Neumattstrasse 24	1989		2 661	District heating	144 151	195 288	160	1 814	26.4	BREEAM In-Use	
Dübendorf , Bahnhofstrasse 1	1988		1 673	Natural gas	144 674	122 906	128	264	6.1	BREEAM In-Use	
Eyholz , Kantonsstrasse 79	1991		1 299	Oil	89 097	126 628	166	52	23.7	BREEAM In-Use	
Frauenfeld , St. Gallerstrasse 30–30c	1991		8 689	Natural gas	710 359	243 293	110	7 845	22.3	BREEAM In-Use	
Geneva , Centre Rhône-Fusterie	1990		10 563	Oil	1 021 412	2 268 716	311	23 479	45.2	Minergie pre-certified	
Geneva , Place du Molard 2–4	1690	2002	7 809	Heat pump / Natural gas	21 463	2 149 761	278	4 998	11.6	BREEAM In-Use planned ²	
Geneva , Route de Malagnou 6 / Rue Michel-Chauvet 7	1960/ 1969	1989	1 869	Heat pump / Natural gas	209 856	76 208	153	7 640	30.2	BREEAM In-Use	
Geneva , Route de Meyrin 49	1987		12 838	District heating	996 848	897 004	148	2 704	10.1	SNBS planned	
Geneva , Rue de la Croix-d'Or 7 / Rue Neuve-du-Molard 4–6	1974/ 1985	1994	4 112	Natural gas / Oil	317 692	354 484	163	3 771	23.4	BREEAM In-Use	
Geneva , Rue des Alpes 5	1860		3 018	Natural gas	341 191	123 856	154	1 200	30.4	BREEAM In-Use	
Geneva , Rue du Rhône 48–50	1921	2002	33 467	Heat pump / Natural gas	97 775	8 769 620	265	44 127	11.8	BREEAM In-Use planned ²	
Grand-Lancy , Route des Jeunes 10 / CCL La Praille	2002		51 238	Natural gas / Oil	5 086 848	5 528 882	207	30 312	31.4	BREEAM In-Use	136
Grand-Lancy , Route des Jeunes 12	2003		15 517	Natural gas / Oil	1 044 530	921 787	127	22 323	20.4	BREEAM In-Use	
Heimberg , Gurnigelstrasse 38	2000		1 514	Oil	37 206	166 199	134	1 724	21.3	BREEAM In-Use	
La Chaux-de-Fonds , Boulevard des Eplatures 44	1972		2 524	Oil	254 933	299 447	220	153	47.4	BREEAM In-Use	
Lachen , Seidenstrasse 2	1993		1 562	District heating	177 917	72 091	160	614	8.2	BREEAM In-Use	
Lausanne , Rue de Sébeillon 9 / Sébeillon Centre	1930	2001	11 838	Oil	528 666	560 463	92	2 028	19.5	BREEAM In-Use	
Lausanne , Rue du Pont 5	1910	2004	19 887	Natural gas	1 637 701	4 214 986	294	8 204	30.2	BREEAM In-Use	
Lutry , Route de l'Ancienne Ciblerie 2	2006		3 597	Natural gas	397 119	399 236	221	6 537	36.0	BREEAM In-Use	
Luzern , Kreuzbuchstrasse 33 / 35	2010		9 398	Natural gas	599 072	453 569	112	6 779	15.3	BREEAM In-Use	
Luzern , Langensandstrasse 23 / Schönbühl	1969	2007	11 406	District heating	869 019	1 149 859	177	5 285	32.5	BREEAM In-Use	

	Property details as per 31.12.2023			Energy/water					Emis- ions	Certi- ficate	PV plant
	Initially constructed	Last renovated	Total m ² commercial units, excluding parking	Heating method [type of energy]	Heating energy consumption [kWh/a]	Electricity consumption [kWh/a]	Specific energy consumption [kWh/m ² a]	Water consumption [m ³ /a]	Specific CO ₂ emissions [kgCO ₂ -e/m ² a]	Certificate type	PV plant rated capacity [kWp]
Luzern, Pilatusstrasse 4 / Flora	1979	2008	10 167	Natural gas	2 545 384	1 177 214	366	20	69.1	not certifiable!	
Luzern, Schwanenplatz 3	1958	2004	1 750	Natural gas	50 427	113 801	94	990	12.5	BREEAM In-Use	
Luzern, Schweizerhofquai 6 / Gotthardgebäude	1889	2002	6 795	Natural gas	355 817	360 280	105	593	18.7	BREEAM In-Use	
Luzern, Weggisgasse 20, 22	1982		1 243	Natural gas	68 792	273 915	276	87	27.1	BREEAM In-Use	
Meilen, Seestrasse 545	2008		2 376	Natural gas	170 970	129 279	51	1 834	3.6	BREEAM In-Use	
Meyrin, Chemin de Riantbosson 19 / Riantbosson Centre	2018		8 477	District heating	732 056	810 444	197	2 364	44.6	Minergie	13
Monthey, Rue de Venise 5-7 / Avenue de la Plantaud 4	2021		5 965	District heating	134 211	167 018	51	3 818	11.0	Minergie	80
Morges, Les Vergers-de-la-Gottaz 1	1795/ 2003	1995	1 919	Natural gas	371 260	53 726	221	1 228	48.0	BREEAM In-Use	
Münchenstein, Genuastrasse 11	1993		11 336	Oil	265 480	308 186	126	652	17.2	BREEAM In-Use	
Münchenstein, Helsinkistrasse 12	1998		7 327	Oil	185 240	223 404	182	142	12.5	SNBS planned	
Niederwangen b. Bern, Riedmoosstrasse 10	1985	2006	13 849	Natural gas	379 486	1 128 390	109	1 012	13.9	BREEAM In-Use	
Oberwil BL, Mühlemattstrasse 23	1986		1 638	Natural gas	173 023	164 442	206	130	36.9	BREEAM In-Use	
Oftringen, Spitalweidstrasse 1 / Einkaufszentrum a1	2006/ 2020	2020	24 020	District heating	497 404	2 672 272	132	1 663	12.0	BREEAM In-Use	
Olten, Bahnhofquai 18	1996		6 553	Natural gas	937 739	391 201	203	2 269	39.1	BREEAM In-Use	
Olten, Bahnhofquai 20	1999		8 081	Natural gas	597 832	377 017	121	2 347	22.2	BREEAM In-Use	
Olten, Frohburgstrasse 1	1899	2009	1 345	Natural gas	87 080	55 864	106	449	19.0	BREEAM In-Use	
Olten, Frohburgstrasse 15	1961	1998	2 153	Natural gas	174 319	96 358	126	407	21.6	BREEAM In-Use	
Opfikon, Müllackerstrasse 2, 4 / Bubenholz	2015		7 779	Natural gas	419 401	274 440	89	7 542	12.8	BREEAM In-Use	87
Ostermundigen, Mitteldorfstrasse 16	2009		10 377	Heat pump	-	625 567	60	7 327	0.8	BREEAM In-Use	182
Otelfingen, Industriestrasse 19 / 21	1965	2000	81 453	District heating	5 920 616	4 723 736	131	4 609	5.8	BREEAM In-Use	
Otelfingen, Industriestrasse 31	1986	1993	12 231	District heating	399 746	585 349	81	472	5.1	BREEAM In-Use	
Payerne, Route de Bussy 2	2006		5 515	Natural gas	267 751	238 546	92	420	11.8	BREEAM In-Use	
Petit-Lancy, Route de Chancy 59	1990		25 002	Natural gas	773 784	1 966 329	110	16 197	12.4	BREEAM In-Use	
Pfäffikon SZ, Huobstrasse 5	2004		11 665	District heating	262 468	326 627	51	13 576	4.5	BREEAM In-Use	
Regensdorf, Riedthofstrasse 172-184 / Iseli-Areal	1962/ 2009		15 201	Natural gas / Oil	444 929	310 453	50	990	8.5	BREEAM In-Use	
Richterswil, Gartenstrasse 7, 17 / Etzelblick	2022		6 736	Heat pump / Natural gas	-	478 256	71	4 311	8.9	BREEAM In-Use	
Romanel, Chemin du Marais 8	1973	1995	7 720	Natural gas	407 796	1 002 483	183	858	24.5	BREEAM In-Use	
Schlieren, Zürcherstrasse 39 / JED	1992/ 2003	2021	28 705	District heating	2 899 701	2 970 700	205	5 893	28.9	BREEAM In-Use	296
Spreitenbach, Industriestrasse / Tivoli	1974	2010	1 007	District heating	21 145	62 067	83	624	1.3	BREEAM In-Use	
Spreitenbach, Müslistrasse 44	2002		372	Natural gas	32 493	11 533	118	328	24.0	BREEAM In-Use	
Spreitenbach, Pfadackerstrasse 6 / Limmatpark	1972	2003	39 214	District heating	744 334	3 378 085	105	10 130	8.6	BREEAM In-Use	
St. Gallen, Zürcherstrasse 462-464 / Shopping Arena	2008		54 116	Natural gas / Oil	2 702 861	6 270 272	166	10 918	19.4	BREEAM In-Use	

	Property details as per 31.12.2023			Energy/water				Emis- ions	Certi- ficate	PV plant	
	Initially constructed	Last renovated	Total m ² commercial units, excluding parking	Heating method [type of energy]	Heating energy consumption [kWh/a]	Electricity consumption [kWh/a]	Specific energy consumption [kWh/m ² a]	Water consumption [m ³ /a]	Specific CO ₂ emissions [kgCO ₂ -e/m ² a]	Certificate type	PV plant rated capacity [kWp]
Thônex, Rue de Genève 104-108	2008		15 172	Natural gas	544 754	1022 194	103	8 947	15.7	BREEAM In-Use	111
Thun, Bälliz 67	1953	2001	3 687	Oil	225 285	213 665	119	1 734	26.3	BREEAM In-Use	
Thun, Göttibachweg 2-2e, 4, 6, 8	2003		12 100	Natural gas	910 691	237 561	95	9 023	17.6	BREEAM In-Use	
Uster, Poststrasse 10	1972	2012	1 443	District heating	83 599	84 379	116	189	23.3	BREEAM In-Use	
Uster, Poststrasse 12	1890		789	Natural gas	132 663	23 716	198	329	41.1	SNBS planned	
Uster, Poststrasse 14 / 20	1854	2000	4 156	Oil	246 055	445 933	167	2 843	28.4	SNBS planned	
Vernier, Chemin de l'Etang 72 / Patio Plaza	2007		14 922	District heating	305 001	945 185	84	2 224	6.8	BREEAM In-Use	
Vevey, Rue de la Clergère 1	1927	1994	3 348	Biogas	196 666	172 654	110	383	13.7	BREEAM In-Use	
Winterthur, Theaterstrasse 15a-c, 17	1999/ 2000/ 2004		38 175	District heating / Oil	1 137 964	1 869 011	79	4 967	6.0	BREEAM In-Use	
Winterthur, Untertor 24	1960	2006	1 239	District heating	24 301	55 053	64	143	1.5	BREEAM In-Use	
Worblaufen, Alte Tiefenastrasse 6	1999		33 518	District heating / Oil	873 425	1 666 457	76	3 413	7.8	BREEAM In-Use	
Zollikofen, Industriestrasse 21	2003	2016	7 671	Oil	184 832	84 274	35	946	8.0	BREEAM In-Use	
Zollikon, Bergstrasse 17, 19	1989	2004	2 225	Natural gas	178 245	106 593	128	704	23.5	BREEAM In-Use	
Zollikon, Forchstrasse 452-456	1984/ 1998		2 544	Natural gas	150 145	31 283	71	1 242	15.1	BREEAM In-Use	
Zuchwil, Dorfackerstrasse 45 / Birchi-Center	1997		14 545	Natural gas / Oil	336 763	1 453 901	123	3 002	15.2	BREEAM In-Use	
Zug, Zählerweg 4, 6 / Dammstrasse 19 / Landis+Gyr-Strasse 3 / Opus 1	2002		17 627	Natural gas	160 230	1 239 575	79	2 408	7.9	Minergie	
Zug, Zählerweg 8, 10 / Dammstrasse 21, 23 / Opus 2	2003		21 884	Natural gas	631 113	1 165 774	82	3 269	12.3	Minergie	
Zurich, Affolternstrasse 52 / MFO-Gebäude	1889	2012	2 633	District heating	58 414	112 361	65	41	7.6	BREEAM In-Use planned ^D	
Zurich, Affolternstrasse 54, 56 / Cityport	2001		22 981	District heating	2 074 861	2 058 203	180	7 774	16.0	BREEAM In-Use	
Zurich, Albisriederstrasse 203, 207, 243	1942- 2003		14 270	Natural gas	2 452 502	1 342 904	266	5 812	44.7	DGNB planned	
Zurich, Albisriederstrasse / Rütliwiesweg / YOND	2019		20 677	District heating	1 081 256	1 592 944	129	10 133	21.4	BREEAM In-Use	228
Zurich, Bahnhofstrasse 42	1968	1990	2 083	Natural gas	205 022	273 382	230	702	29.4	BREEAM In-Use	
Zurich, Bahnhofstrasse 69	1898	2007	1 299	Natural gas	92 946	82 677	135	258	20.6	BREEAM In-Use	
Zurich, Bahnhofstrasse 106	1958		1 251	Natural gas	78 933	76 045	124	2 008	19.2	BREEAM In-Use planned ^D	
Zurich, Beethovenstrasse 33, Dreikönigstrasse 24	1966- 1968	2013- 2016	6 319	District heating	875 884	321 744	190	2 438	12.0	BREEAM In-Use	
Zurich, Brandschenkestrasse 25	1910	2015- 2017	14 356	Natural gas	1 398 703	282 378	117	5 940	20.1	BREEAM In-Use	
Zurich, Carl-Spitteler-Strasse 68 / 70	1993		15 634	Natural gas	1 292 743	507 869	115	17 063	17.2	BREEAM In-Use	
Zurich, Etzelstrasse 14	2017		2 312	Natural gas	219 572	215 348	188	2 892	23.0	BREEAM In-Use	
Zurich, Flurstrasse 55 / Medienpark	1979	2013- 2015	34 329	District heating	1 725 142	1 707 986	100	4 167	11.3	Minergie	
Zurich, Flurstrasse 89	1949	2003	3 675	Natural gas	165 970	102 394	73	959	12.6	BREEAM In-Use	

	Property details as per 31.12.2023			Energy/water					Emis- ions	Certi- ficate	PV plant
	Initially constructed	Last renovated	Total m ² commercial units, excluding parking	Heating method [type of energy]	Heating energy consumption [kWh/a]	Electricity consumption [kWh/a]	Specific energy consumption [kWh/m ² a]	Water consumption [m ³ /a]	Specific CO ₂ emissions [kgCO ₂ -e/m ² a]	Certificate type	PV plant rated capacity [kWp]
Zurich, Fraumünsterstrasse 16	1901	2017	9 496	District heating	654 191	563 199	128	4 458	11.0	BREEAM In-Use	
Zurich, Giesshübelstrasse 15	1956	1999	3 245	Natural gas	234 811	245 083	148	2 061	20.2	BREEAM In-Use	
Zurich, Hagenholzstrasse 60 / SkyKey	2014		44 585	District heating	4 736 698	7 688 378	279	8 327	18.7	LEED	100
Zurich, Hardstrasse 201/ Prime Tower	2011		54 532	Heat pump / District heating	544 446	6 822 552	135	22 368	6.7	LEED, Minergie	
Zurich, Hardstrasse 219/ Eventblock Maag	1929–1978		10 608	District heating	1 079 175	742 435	172	3 862	12.1	SNBS planned	
Zurich, Josefstrasse 53, 59	1962/1972	2001	12 686	Natural gas	830 392	676 594	119	3 704	20.8	BREEAM In-Use	
Zurich, Juchstrasse 3 / West-Log	2021		16 970	District heating	676 445	624 662	77	1 627	9.6	BREEAM In-Use	
Zurich, Jupiterstrasse 15 / Böcklinstrasse 19	1900/1995	1996	1 296	Natural gas	242 640	84 236	252	1 675	38.9	BREEAM In-Use	
Zurich, Kappenbühlweg 9, 11 / Holbrigstrasse 10 / Regensdorferstrasse 18a	1991		11 916	Natural gas	1 197 095	663 726	156	14 939	21.5	BREEAM In-Use	191
Zurich, Maagplatz 1 / Platform	2011		21 733	Heat pump / District heating	712 845	625 548	62	10 701	2.0	BREEAM In-Use	156
Zurich, Manessestrasse 85	1985	2012	10 552	Natural gas	639 353	714 862	128	1 504	17.0	BREEAM In-Use	
Zurich, Müllerstrasse 16, 20	1980		15 801	District heating	³⁾	³⁾	³⁾	³⁾	³⁾	SNBS, Minergie pre-certified	
Zurich, Nansenstrasse 5 / 7	1985		6 934	District heating	872 785	638 833	218	3 701	21.7	BREEAM In-Use	
Zurich, Ohmstrasse 11, 11a	1927	2007	7 134	District heating	847 549	2 275 477	438	2 628	24.8	BREEAM In-Use	
Zurich, Pfingstweidstrasse 51, Fifty-One	2011		23 953	District heating	³⁾	³⁾	³⁾	³⁾	³⁾	LEED	
Zurich, Querstrasse 6	1927	1990	667	District heating	36 655	21 510	87	445	9.9	BREEAM In-Use	
Zurich, Restelbergstrasse 108	1936	1997	688	Natural gas	83 182	39 746	179	962	25.3	BREEAM In-Use	
Zurich, Seidengasse 1 / Jelmoli	1898	2010	41 374	Natural gas	867 674	6 662 153	182	11 390	6.8	BREEAM In-Use	
Zurich, Siewerdstrasse 8	1981		4 234	District heating	882 313	206 605	257	715	28.2	BREEAM In-Use	
Zurich, Sihlstrasse 24 / St. Annagasse 16	1885	2007	2 973	Natural gas	205 162	142 867	117	708	19.7	BREEAM In-Use	
Zurich, Steinmühleplatz 1 / St. Annagasse 18 / Sihlstrasse 20	1957	1999	7 185	Natural gas	844 957	713 665	217	1 059	30.4	BREEAM In-Use	
Zurich, Steinmühleplatz / Jelmoli Parkhaus	1972	2009	593	Without heating	–	421 751	711	1 397	12.8	not certifiable ¹	
Zurich, Talacker 21, 23	1965	2008	5 716	District heating	1 521 680	454 073	346	1 281	74.7	BREEAM In-Use	
Zurich, Vulkanstrasse 126	1942/1972/1979		2 542	Natural gas	33 267	52 395	34	1 448	5.3	BREEAM In-Use planned ²	
Total (144 properties)					100 071 938	145 666 886	142	699 932	15.2	126	18

¹ Petrol stations, multi-storey car parks and minority interests (Condo)

² After acquisition/completion of construction project

³ Excluded from accounting for environmental indicators (less than 1 calendar year in operation or special ownership structure)

⁴ The electricity consumption of the heat pump is listed under general electricity as it cannot always be shown separately

Notes on environmental key figures

Organisational delineation (scope of environmental key figures)

For Swiss Prime Site, the system boundary for environmental key figures is around the two business areas Real Estate (Swiss Prime Site Immobilien AG «SPSI») and Asset Management (Swiss Prime Site Solutions AG «SPSS»).

For Swiss Prime Site Solutions, only the real estate products for which Swiss Prime Site Solutions has direct operational control (investment vehicles subject to the SPSS FINMA licence) are named in the report. Currently, these are the Akara Swiss Diversity Property Fund PK «Akara» and the Swiss Prime Site Solutions Investment Fund Commercial «IFC». Not included are the Swiss Prime Investment Foundation, which has its own independent board of trustees, and third-party mandates from the Asset Management Services department.

Reporting on the environmental data is aligned with the Green House Gas Protocol (GHG Protocol) and follows the operational control approach and, unless otherwise stated, a market-based approach. Where possible, a differentiation is made between tenant-controlled and landlord-controlled environmental key figures.

This results in the following consideration of environmental key figures in the Swiss Prime Site Sustainability Report:

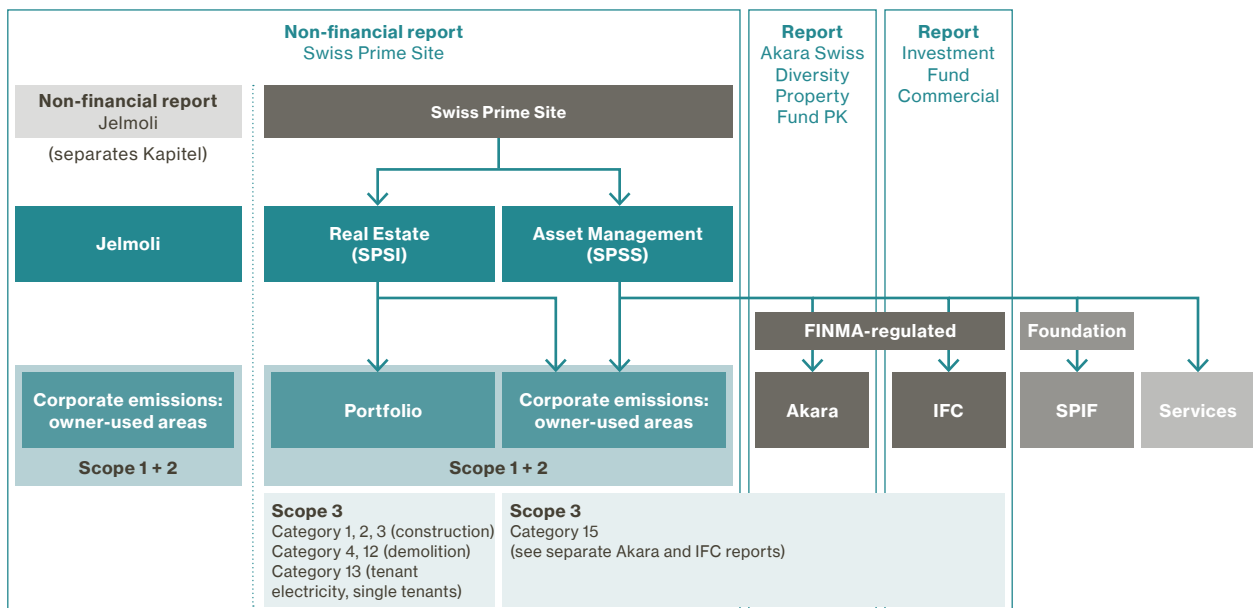
Scope 1 and 2

Entire property portfolio held by Swiss Prime Site Immobilien along with its own office floor space (incl. rented areas) are taken into account for Swiss Prime Site Immobilien and Swiss Prime Site Solutions.

Jelmoli is reported on separately as a discontinued business area due to cessation of business as at the end of 2024, in line with the financial reporting approach. Jelmoli is treated and reported on as a tenant in the property portfolio.

Scope 3.13

Category 13, tenant electricity: let or leased tangible assets; relates to tenant electricity and single tenants. The corresponding consumption and emissions data is also recognised in the Scope 3 category. Information on the development of additional categories within Scope 3 is available below in the section «Dealing with Scope 3 emissions».



Methodology of environmental key figures (disclosure of environmental key figures in the reporting year)

The following notes relate to the disclosure of the environmental key figures for the reporting year. They also constitute the status quo for the forecast on emissions in the CO₂ reduction pathway. The supplementary framework conditions for the reduction pathway are described in the next section, «Notes on the CO₂ reduction pathway».

Properties/portfolio

The environmental key figures include all properties owned by Swiss Prime Site Immobilien at the end of the financial year or used by Swiss Prime Site (property inventory – existing properties as at 31.12; see separate list of properties in Sustainability Key Indicators section). Properties over which Swiss Prime Site Immobilien does not have complete operational control (e.g. minority shares in condominiums) are not included.

Reference areas

Indications of floor space refer to the energy reference area. The measured energy reference areas are used where available. If the energy reference areas are not available for the reporting period in individual cases, these are converted using the same basic methodological principles as the CO₂e Report issued by the Real Estate Investment Date Association (REIDA), with the relevant conversion factors based on the let areas from the property inventory.

Allocation by type of use

Breakdown by type of use follows the property inventory and the corresponding allocation to types of use (sales, office, hotel/gastronomy, assisted living, logistics, other). For mixed-use properties, the property is recorded under the type of use that constitutes the largest share in terms of area (energy reference area).

To map these environmental key figures in accordance with the specific requirements of ISS ESG, the types of use are allocated as follows: retail = sales, hotel/gastronomy, office, residential = assisted living, other = logistics, remaining.

Resource and energy consumption data

Resource and energy consumption data is collected on an annual basis and, unless otherwise stated, shown per calendar year (e.g. property additions during the reporting year).

The energy consumption data for the property portfolio is taken directly from the e3m energy management system. In each case, data is captured either automatically via the built-in meters at the properties or manually using available invoices. Data is also requested directly from energy suppliers and consumers, in particular tenants (green leases).

Where consumption data or invoice documents are not available at the end of the year, consumption is estimated. These consumption estimates are based on previous-year figures for the relevant period and on internal portfolio benchmarks by type of use.

Where tenant electricity consumption is not available, it is determined by the type of use and key indicators as per SIA 380/4 based on the rentable floor space.

Consumption associated with operation of the properties in the portfolio is recorded, as are the owner-occupied (or internally or externally rented) areas. This includes all purchased energy sources such as electricity, fuels, district heating and water, as well as electricity produced by photovoltaic systems.

The total energy consumption includes the total consumption for the provision of heating and cooling, the operation of engineering plant (e.g. for lighting, ventilation, lift systems and common and owner electricity, e.g. in parking garages) and the electricity consumption of tenants.

The solar electricity produced and consumed on site (on-site consumption) is assigned and credited to the consumer (owner or tenant).

The figures are not weather-adjusted based on heating degree days or other methods.

Emission factors

The greenhouse gas emission factors are taken from life cycle assessment data in construction KBOB/ecobau/IPB 2009/1:2022 (greenhouse gas emissions CO₂-eq). For district heating networks, greenhouse gas emission factors are determined annually on the basis of the energy mix supplied by the energy utility and treeze GmbH factors. The accounting includes the following greenhouse gases: carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), hydrofluorocarbons (HFC), perfluorocarbons (PFC), sulphur hexafluoride (SF₆) and nitrogen trifluoride (NF₃).

Interface between tenants / landlords and allocation to Scope 1, 2 and 3

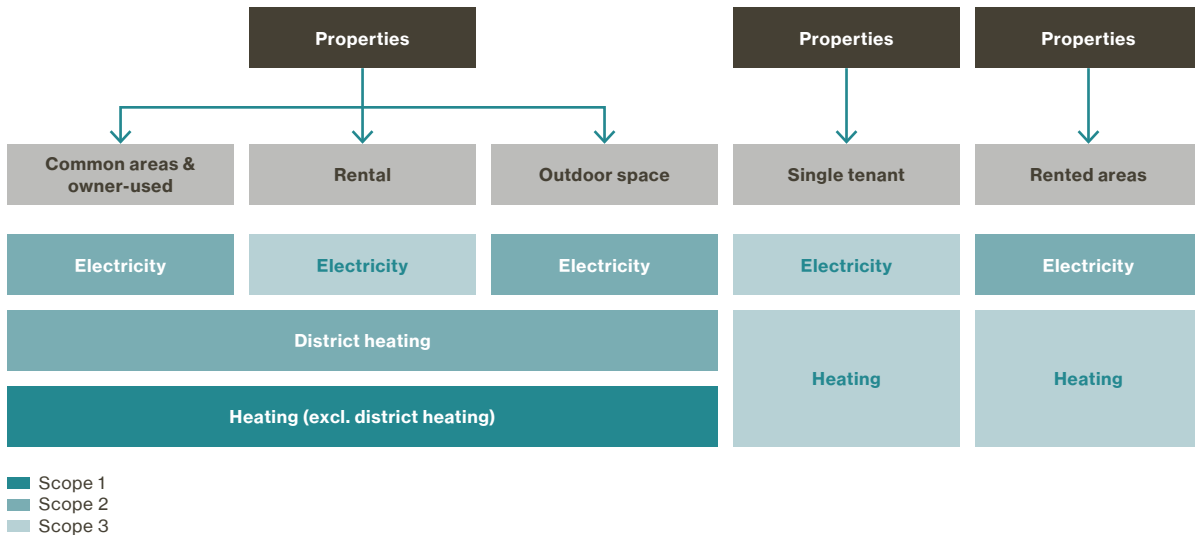
Emissions are allocated by scope in line with the GHG Protocol and the operational control approach/breakdown by owner-controlled vs tenant-controlled consumption/emissions.

Owner-controlled consumption/emissions (in particular heat generation, common-area electricity) are allocated to

Scope 1 and 2. For tenant-controlled emissions (in particular for tenant electricity and single tenants) where there is a direct contractual relationship and invoicing between the energy supplier and the tenant, the emissions are allocated to Scope 3 category 13.

Following the same logic, the purchased electricity in rented areas (other owners of the properties) is allocated to Scope 2 and the purchased heat to Scope 3.

1: Breakdown of emissions by area and scope



Calculation of the specific key indicators

For the calculation of the specific key indicators (in particular energy, water and greenhouse gases), the absolute energy and resource consumption data (owner-controlled and tenant-controlled consumption) of the properties is divided by the energy reference area.

Waste data

We collect the waste data for our properties using surveys of waste disposal services or the property management/facilities management providers. The following waste classes are collected annually or, where not available, estimated via volume and collection frequency: household rubbish, green waste, cardboard/paper, glass, metal, PET.

Notes on the CO₂ reduction pathway (forecast on development of specific CO₂ emissions)

To define its climate targets, Swiss Prime Site developed a CO₂ reduction pathway in 2019. Since then, it has reported annually on progress and measures as part of sustainability reporting (available as a download at sps.swiss/reporting). In setting targets, the CO₂ intensity of the Scope 1 and 2 emissions and Scope 3 emissions (category 13: tenant electricity) is considered at the individual property level.

Reference curve for achievement of 1.5-degree climate target

To place the CO₂ reduction pathway in the context of international climate targets, the reference curve of the CRREM for the 1.5-degree climate pathway for real estate in Switzerland is included (weighted by type of use in the portfolio).

Properties included

The CO₂ reduction pathway relates to the system boundaries of the property portfolio described in the section «Methodology of environmental key figures» and takes into account properties as per the property inventory – existing properties (as at 31.12).

Reference areas (assumption on development)

The simulated CO₂ reduction pathway is based on the environmental key figures for the reporting year and the system boundary described in the section on «Methodology of environmental key figures» (dealing with acquisitions and sales). Development projects and their associated floor space are included in the reduction pathway in the year in which they are transferred from construction to existing properties or when they have been operated for a full calendar year (availability of consumption data). The property inventory as at 31.12 is definitive.

Reference year

The year 2019 is used as the reference year for our climate targets.

Greenhouse gas emission factors (assumption on development)

Greenhouse gas emission factors for future changes of energy source are taken into account on the basis of the emission factors applicable in the reporting year per energy source (market-based approach) and are adjusted annually. For district heating networks, the greenhouse gas emission factors are determined annually in each case on the basis of the energy mix supplied by the energy plant (see section on «Methodology of environmental key figures»).

For the greenhouse gas emission factors of electricity and district heating consumption (Scope 2), based on Switzerland's long-term climate strategy and the Energy Perspective 2050, the national climate targets – net zero by 2050 – are additionally forecast to result in an ongoing improvement in greenhouse gas emission factors for district heating and electricity (assumption: linear reduction by 2050 or earlier, where cantonal targets are more ambitious).

On-site electricity production with photovoltaic systems

The electricity produced and used on site (on-site consumption) is measured as such and results in reduced electricity purchases. Where possible, the certificates of origin (COs) produced are not sold, but instead retained within the balance group. For this forecast, only the photovoltaic systems already in existence and their production volumes are taken into account.

Energy efficiency (assumption on development)

A reduction in consumption data due to efficiency measures (renovations of building shells, operational optimisations, etc.) is not pre-emptively included (no forecast assumptions).

Like-for-like figures

In each case, the like-for-like comparison includes properties taken into account in the environmental key figures both in the reporting year and in the reference year.

Dealing with Scope 3 emissions

In the area of Scope 3 emissions, the following categories have been identified as particularly material for Swiss Prime Site (excluding Jelmoli):

Construction of buildings: «embodied carbon»

- Category 1 and 2 purchased goods and services and investment goods; refers in particular to our construction activities (resources, material, building parts, etc.) and the associated upstream emissions from purchased materials and goods
- Category 3 fuel- and energy-related emissions (not included in Scope 1 or 2); refers to upstream and downstream emissions of energy and fuels from Scope 1 and 2

Demolition and disposal (Scope 3 categories 9 and 12): «embodied carbon»

- Category 9 downstream transport and distribution, transport for demolition of buildings
- Category 12 end-of-life treatment of sold products; demolition of buildings

Tenant electricity (Scope 3 category 13): «operational carbon»

- Category 13 tenant electricity: let or leased tangible assets; refers to tenant electricity and single tenants. The corresponding consumption and emissions data feeds into the balance sheet as the only Scope 3 category.

Investment vehicles in Asset Management business area (Scope 3 category 15)

- Category 15 investments (including financial services); refers to the two Swiss Prime Site real estate funds (IFC/Akara), while their environmental key figures are disclosed in separate reports.

Swiss Prime Site evaluated the GHG Scope 3 categories 1, 2 and 3 (construction) and category 9 and 12 (demolition) in the course of the 2023 financial year, and reviewed the internal processes and underlying data. After careful examination, Swiss Prime Site has decided that at present no emission data will be published for GHG Scope 3 categories 1, 2, 3, 9 and 12 as at 31.12.2023. The reason is that the underlying data is partly incomplete and not yet available in the desired quality. Next year, Swiss Prime Site will continue to evaluate all GHG Scope 3 categories with the aim of further improving data quality and disclosing additional GHG Scope 3 KPIs in future sustainability reporting.

Greater precision compared with 2022 reporting

In the reporting year, group company Wincasa was sold to Implenia, and Swiss Prime Site also decided to cease the business activities of group company Jelmoli as at year-end 2024. As such, the respective key indicators are no longer included in reporting.

Based on the new structure, and to enhance comparability with other property portfolios, these notes on the environmental key figures were revised with greater detail added.

Greater detail of environmental key figures (reporting period)

- Reduction pathway differentiated by Scope 1 and 2 and Scope 3
- Reference areas relate to energy reference areas
- Simplification of calculation methodology for specific key indicators (new sum total of energy consumption or greenhouse gas emissions/energy reference area)
- Decision to exclude Scope 3 emissions for business travel, furnishings/EDP, office materials, etc., due to immaterial share of total emissions (see also sustainability reporting in recent years, available at sps.swiss/reporting)

External assurance

PricewaterhouseCoopers AG has carried out an external audit (limited assurance) on selected indicators, including the CO₂ footprint of Swiss Prime Site (see the independent practitioner's limited assurance report, p. 103 ff).

TCFD report (reporting on climate-related financial risks)

Since the 2019 financial year, we have been reporting in accordance with the TCFD guidelines on the impact of climate-related financial risks on our business activities and the measures taken to proactively manage these risks. Since then, we have endeavoured to continuously enhance the Company's governance around sustainability and climate issues. In addition, we regularly update the climate risk assessment and the definition, optimisation and implementation of new and existing measures for minimising risks and seizing opportunities in connection with climate change.

Governance

We are confident that responsible, forward-looking leadership increases the Company's resilience and enables us to create long-term value for ourselves, our shareholders and our stakeholders. For us, there is no doubt that climate change and the opportunities and risks associated with it play an extremely important role as the real estate industry has a significant impact on greenhouse gas emissions and is itself directly affected by climate change. In view of this, we take our responsibility as the largest listed real estate company in Switzerland seriously.

The Sustainability Committee, which consists of members of the Board of Directors and reports directly to the full Board of Directors, is responsible for defining and reviewing the sustainability and climate strategy (including the CO₂ reduction pathway), for managing climate-related opportunities and risks, for the content of the sustainability and climate reporting and for specifying suitable framework conditions (governance) for the group companies in the form of overarching policies and objectives.

In collaboration with the Sustainability Committee, the Audit Committee of the Board of Directors is responsible for the definition, review and approval of ESG reporting, including the key performance indicators/figures section, and also supervises the group-wide internal control system, which includes climate and ESG risks.

The Head Group Sustainability is responsible for the operational implementation of our sustainability and climate strategy and therefore plays a crucial role in ensuring that financial and non-financial success factors and risks are managed in an even more integrated manner. In this task, the Head Group Sustainability is supported by the Project Manager Sustainability at Swiss Prime Site Immobilien and by the Head Group Sustainability at Swiss Prime Site Solutions.

Strategy

Climate-related risks and opportunities

Under the TCFD guidelines, we make a distinction between physical and transitional risks. Physical risks arise from extreme weather events, for instance, and directly impact the properties, while transitional risks arise from the decarbonisation of the economy and new legal, social, economic and technological framework conditions. We consider the following risks in particular to be significant and take account of them as an integral part of regular risk management:

Physical risks

- Increasing summer temperatures, more heat waves and long-lasting periods of heat
- Increase in extreme weather events such as very high winds and heavy rainfall with flooding

Transitional risks

- Social effects of climate change:
- Negative impact on the health and mortality rates of individuals
 - Orientation of customers towards products and services which are responsibly produced
- Regulatory changes:
- Regulations on the use of renewable energies and energy efficiency
 - Requirements for the reuse/recycling of materials (circular economy)
- Expectations about sustainability information:
- Investors, regulators and the public are stepping up the debate about sustainability.

We are well positioned to deal with the main climate-related risks and to differentiate ourselves in the market by our proactive approach and the associated opportunities in our own property portfolio and in asset management. As we do so, we are building on strengths including our substantial investment capacity, leading expertise in the planning, construction and operation of real estate and a well-developed innovative culture. Based on these strengths, we are focusing on the following four action areas in order to manage climate risks and take advantage of opportunities:

Strategic action areas

Investments in line with the CO₂ reduction target

The most important area of action initially concerns the property portfolio, which is held by Swiss Prime Site Immobilien. Swiss Prime Site Immobilien has been following an ambitious CO₂ reduction pathway since 2019 and aims to have a climate-neutral property portfolio by 2040. The reduction pathway is based on the 1.5-degree goal set out in the Paris Agreement and is to be achieved through measures in the Company's own property portfolio. Examples of current measures carried out in the reporting year to achieve this goal are summarised in the section Material topic, environment, 1.2 Sustainable use and operation. The property portfolios managed by Swiss Prime Site Solutions have adopted the same principles, i.e. CO₂ reduction pathways were developed with a 2050 climate neutrality target.

Awareness-raising, further training and incentives

We attach great importance to the topic of climate change in our internal communications and the further training of our employees. For example, we hold regular internal training sessions with our employees on the topics of sustainability, climate change and CO₂ management. Discussions carried out as part of the risk management process also help ensure that all employees take climate-related opportunities and risks into account.

The establishment of sustainability targets has made sustainability aspects an integral part of the business plans of both business areas, and hence apply to all our own investments and externally financed investments in the real estate area.

Moreover, we have incorporated sustainability-related performance indicators into the compensation guidelines since 2022. Establishing compensation-related sustainability goals will also help the Company integrate non-financial aspects even more systematically into its corporate processes and improve its performance.

→ [SEE ALSO: SWISS PRIME SITE COMPENSATION REPORT 2023](#)

Innovation management

Within our innovation management, we deal with disruptive topics such as climate change or trends that are gaining in importance in the context of climate change. The Company uses the skills of employees from various areas to develop approaches for the various property portfolios that can help resolve environmental and social challenges. In the reporting year, for example, we were actively involved in the development and launch of the Swiss Circular Building Charta as its first signatory and held innovation workshops on the topics of urban mining and placemaking.

→ [READ MORE: MATERIAL TOPIC, ENVIRONMENT, 1.3 CIRCULAR ECONOMY](#)

Discussions with stakeholders

We have regular discussions with investors, customers and other stakeholders. Topics related to climate change are increasingly a part of these discussions. In the reporting year, we once again reported on our commitment to climate protection and sustainability at the annual Capital Markets Day. The stakeholder dialogue in September 2023 was also dedicated to important questions of corporate responsibility in light of climate change.

→ [READ MORE: SUSTAINABILITY AT SWISS PRIME SITE, 5.2 STAKEHOLDER DIALOGUE](#)

Risk management

Climate-related risks are an integral part of the risk management process. To assess these specific risks we use event-based scenario analyses as well as science-based modelling using the «Climate Value at Risk» metric.

In the event-based scenario analysis, we annually assess physical and transitory climate risks by means of qualitative scenarios and on the basis of available databases (environmental analyses at the individual property level). As part of this process, potential events are evaluated based on their probability of occurrence and the scale of their impact on the Company's value (loss potential) and its reputation. The risk evaluation considers when the impact is expected to occur and, when it does, the horizon for action to implement risk mitigation measures. Responsibilities for the defined measures are broken down by the organisational structure of Swiss Prime Site Immobilien and Swiss Prime Site Solutions. The resulting evaluation serves as a tool to help the Executive Board and the Board of Directors identify at an early stage specific measures which can mitigate or eliminate the expected negative impact on the Company.

The event-based risk analysis was supplemented in 2019 by an initial evaluation of the Climate Value at Risk for Swiss Prime Site Immobilien's property portfolio. The analysis of the financial risks showed that the direct physical climate risks for the property portfolio in Switzerland over the next 15 years are relatively low. The results suggested that the short- and medium-term transition risks due to social change and stricter regulations are significantly more important. We will monitor the evolution of the analysis options and periodically review whether a new evaluation of the Climate Value at Risk would be expedient.

The events with the highest risk potential and corresponding measures for risk minimisation are listed below:

Physical risks










Potential events caused by climate change	Impact on Swiss Prime Site	Measures
<ul style="list-style-type: none"> - Increasing summer temperatures - More heat waves - Long-lasting periods of heat 	<ul style="list-style-type: none"> - Rising (ancillary) costs due to higher energy requirements for cooling - Potential falls in net rental income due to higher ancillary costs (gross rent perspective) - Lower rentability / higher vacancies (cost factor / unfavourable climate conditions of the property) - More stringent requirements on cladding and building services engineering - Complying with promised indoor climate conditions <p>Horizon for action in the event of occurrence:</p> <p>1 year 3 years 10 years</p>	<ul style="list-style-type: none"> ● Regular reviews and updating of the CO₂ reduction pathway and implementation of the defined measures ● Electrical energy obtained from renewable sources (including purchase of electricity from Swiss or European hydropower) ● Use of electricity from own energy generation: roll-out of photovoltaic systems on flat roofs for defined locations and evaluation of additional locations ● Gradual move away from natural gas and oil-based solutions ● Gradual implementation of the SNBS in building construction (complying with stricter targets over time) ● Rental contract regulations on ancillary costs and indoor climate conditions <p>Metrics:</p> <ul style="list-style-type: none"> - Total energy consumption - Cooling energy consumption
<p>Increase in extreme weather events such as very high winds and heavy rainfall with flooding</p>	<ul style="list-style-type: none"> - Stricter requirements on quality of location - Increased insurance costs - Structural damage to buildings - Strict construction quality requirements - Lower rentability / higher vacancies - Liability risk with respect to tenants due to defects in rented property - Restricted usability of or access to buildings <p>Horizon for action in the event of occurrence:</p> <p>1 year 3 years 10 years</p>	<ul style="list-style-type: none"> ● Detailed analysis of building locations ● Analysis of flooding risk across the whole property portfolio and for specific projects ● Analysing potential environmental damage for specific properties ● Analysis of building structure and stability ● Review of insurance cover <p>Metrics:</p> <ul style="list-style-type: none"> - Value of damage caused by extreme weather events - Total costs of the special measures for prevention

● Measures launched ● Measures partially addressed ● Measures not yet launched

Transitional risks

Potential events caused by climate change	Impact on Swiss Prime Site	Measures
<p>Social effects of climate change</p> <p>Negative impact on the health and mortality rates of individuals</p>	<ul style="list-style-type: none"> – Stricter requirements on comfort and indoor climate (e.g. GI certifications) – Lower attractiveness or rentability of «warm» spaces – Sick building syndrome <p>Horizon for action in the event of occurrence:</p> <p>1 year 3 years 10 years</p>	<ul style="list-style-type: none"> ● Location and use of the buildings must be factored in ● Factoring in the effect of rising temperatures on living and working comfort in properties, particularly in cities ● If necessary, identify and implement preventive measures, e.g. increase proportion of green spaces ● Project-specific consideration through the use of suitable materials and individual property-specific consideration through the use of suitable materials in renovations ● Prevention through suitable insurance <p>Metrics:</p> <ul style="list-style-type: none"> – Number of tenant complaints – Total costs of special measures to prevent situations injurious to health
<p>Changes in customer focus</p>	<ul style="list-style-type: none"> – More stringent requirements and targets from investors regarding resilience of products and services offered – More stringent requirements from tenants in terms of building and space standards (certifications) – Tenant and investor requirements on sustainable procurement (supplier management) and construction technology (materials) <p>Horizon for action in the event of occurrence:</p> <p>1 year 3 years 10 years</p>	<ul style="list-style-type: none"> ● Project-specific consideration of sustainability criteria for existing properties and new build projects ● Additional sustainability requirements for suppliers ● Comprehensive and integrated reporting ● Carrying out of surveys of tenants and employees with specific questions <p>Metrics:</p> <ul style="list-style-type: none"> – Demand for certifications of buildings and rented spaces – Enquiries by tenants / the public / investors on properties' sustainability – Results of surveys of tenants and employees

● Measures launched ● Measures partially addressed ● Measures not yet launched

Potential events caused by climate change	Impact on Swiss Prime Site	Measures
<p>Regulatory changes</p> <p>Regulations on the use of renewable energies and energy efficiency</p>	<ul style="list-style-type: none"> - Increasing requirements and costs to develop and operate real estate - Regulatory requirements on sustainable procurement (supplier management) and construction technology (materials) - Significant additional costs if new guidelines are not proactively considered, e.g. by replacing fossil fuel-based heating systems before the end of the life cycle - Limited usability of buildings (vacancy) <p>Horizon for action in the event of occurrence:</p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <p>1 year</p> </div> <div style="text-align: center;">  <p>3 years</p> </div> <div style="text-align: center;">  <p>10 years</p> </div> </div>	<ul style="list-style-type: none"> ● Proactive monitoring of regulatory and technical developments ● Portfolio analysis to identify risks ● Implementation of requirements for new construction projects ● Implementation of requirements for existing properties ● Project-specific consideration of sustainability criteria for existing properties and new build projects ● Property-specific consideration through the use of suitable materials in renovations ● Factoring in of new requirements into property strategies for existing real estate <p>Metrics:</p> <ul style="list-style-type: none"> - Energy management (current efficiency and energy mix)
<p>Requirements for the reuse/recycling of materials (circular economy)</p>	<ul style="list-style-type: none"> - Additional requirements for building planning, development and demolition (e.g. minimum quotas for recycling and recyclability of building materials) - Rising construction costs and longer planning phases due to increased planning and building requirements <p>Horizon for action in the event of occurrence:</p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <p>1 year</p> </div> <div style="text-align: center;">  <p>3 years</p> </div> <div style="text-align: center;">  <p>10 years</p> </div> </div>	<ul style="list-style-type: none"> ● Implementation of requirements for new construction projects ● Implementation of requirements for existing real estate ● Actively monitor technical and regulatory developments, set requirements based on findings if necessary ● Supplier management ● Align with and implement Circular Building Charta <p>Metrics:</p> <ul style="list-style-type: none"> - Being developed
<p>Expectations about sustainability information</p>	<ul style="list-style-type: none"> - Attractiveness to investors falls, with potential impact on share price and financing - Further integration of sustainability into the business model necessary - Impact on fair value; higher valuation expenses - Sustainable investments in properties necessary to boost valuations (long investment cycles vs short-term valuation) - Increased relevance of reporting - Increased expense of gathering and maintaining relevant data - Additional expense of identifying and gathering relevant data across the whole value chain <p>Horizon for action in the event of occurrence:</p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <p>1 year</p> </div> <div style="text-align: center;">  <p>3 years</p> </div> <div style="text-align: center;">  <p>10 years</p> </div> </div>	<ul style="list-style-type: none"> ● Integration of sustainability requirements into property strategies ● Targeted increase in investment in sustainability of real estate ● Timely responses to questionnaires from institutional investors and leading rating providers (MSCI, ISS ESG, Sustainalytics, GRESB) ● Separate sustainability roadshows with ESG managers of institutional investors ● Monitoring of ESG KPIs in business processes and property strategies ● Annual integrated reporting <p>Metrics:</p> <ul style="list-style-type: none"> - Investor relations enquiries - Sustainability ratings (e.g. ESL) for real estate and companies - Total investment in sustainability of real estate

Jelmoli non-financial report

Swiss Prime Site's report on non-financial matters generally contains information on all consolidated group companies, and currently focuses on reporting of the new business model which now rests on two columns, with Real Estate at the centre. Jelmoli AG was deliberately excluded as Swiss Prime Site will only continue to run the operational business until year-end 2024. That means there was no further progress in the forward-looking strategic sustainability work at Jelmoli during the reporting year.

Swiss Prime Site regards its primary responsibility as winding up business activities at Jelmoli transparently and with the greatest consideration for staff. As such, this annex report focuses largely on details of the two central non-financial aspects in connection with Jelmoli: responsible dealings with employees in the context of the cessation of business and fulfilment of due diligence obligations in the supply chain.

Property to be redeveloped with a new focus

The Board of Directors and the Executive Board of Swiss Prime Site Immobilien have decided to convert and redevelop the iconic building on Zurich's Bahnhofstrasse. The building complex will be transformed over an estimated period of two years, beginning in early 2025. Following the redevelopment, new high-end retail spaces covering around 10 000 m² will be available on the ground floor and basement levels, which are to be let, in keeping with Swiss Prime Site's focussed business model. These might involve existing tenants, as well as new brands and formats. The upper floors will be transformed into office floor space, and supplemented by public or semi-public uses such as fitness or gastronomy. Swiss Prime Site intends to invest around CHF 130 million in the redevelopment project. The reopening of the building is planned for mid-2027.

Adapting the department store to new market demands

The decision to remodel the Jelmoli building was taken after comprehensive analysis. With the extraordinary dynamics in online retail and changes in consumer behaviour, brick-and-mortar retailing is increasingly being squeezed. Despite high investments by its owner, and tremendous efforts on the part of its employees, this structural change was clearly reflected in the profitability of the department store Jelmoli. This led Swiss Prime Site to conduct extensive market research with the objective of transferring operational management of the department store to new hands. However, in-depth talks with numerous possible partners did not lead to the intended success. As such, in early 2023, Swiss Prime Site decided to close the Jelmoli department store at the end of 2024, to adapt it to new market conditions and to position it on the market with significantly reduced retail space in 2027. It would no longer operate the business itself.

Support for Jelmoli employees

In view of the cessation of business, the treatment of Jelmoli employees is the top priority. Swiss Prime Site was conscious of the ramifications of the decision which it took after careful examination and communicated as early as possible. This will give the approximately 500 employees time for professional reorientation.

After announcing the decision, Jelmoli immediately drew up a social plan in collaboration with the representative employee body. The plan is focused on the following areas:

- All employees will receive support for their reorientation, with assistance from an external company that specialises in outplacement.
- Terminations will be socially responsible. This means that, depending on age and length of service, terminated employees receive between 0.5 and 4 monthly salaries if Jelmoli was responsible for the termination.
- Employees over 60 years of age will receive financial support.
- Compensation will be paid in cases of hardship.
- Business operations are safeguarded until December 2024 in the form of retention bonuses for key personnel (115 employees) and «perseverance bonuses» for all other employees.

Alongside the measures agreed in the social plan, Jelmoli has intensified contact with employees to offer opportunities for follow-on solutions for as many employees as possible. As a further token of appreciation, a final round of salary increases will be implemented as at 1 April 2024.

Staff turnover increased by 18 percent in comparison with the previous year, which was to be expected. All positions that are still required will be filled with employees on fixed-term contracts until the end of 2024. While a further increase in staff turnover is expected, the retention and perseverance bonuses may help slow the departure of employees, which will keep the department store operating until the end of 2024 as planned.

Despite the decision to close Jelmoli as at year-end 2024, the 190-year anniversary was duly celebrated with a company party and other events in the reporting year. Employees also received additional discounts, small gifts and other tokens of appreciation.

Minimisation of sustainability risks in the supply chain

Swiss Prime Site has group-wide guidelines concerning environmental policy and a Code of Conduct for Suppliers (sps.swiss/policies). In recent years, Jelmoli has made incremental preparations for managing environmental and social aspects in the supply chain to minimise the associated risks. Suppliers' collaboration with Jelmoli is conditional on the suppliers accepting the Swiss Prime Site Group's Code of Conduct for Suppliers. Brand suppliers are also required to sign the amfori Code of Conduct. For brand suppliers, Jelmoli also requires certifications in sustainability at brand and product level. Jelmoli defined sustainability criteria and certificates for suppliers in 2021 and checks whether the relevant certificates exist.

In view of the cessation of business, all contractual relationships with suppliers will be terminated by the end of 2024. As such, there was no further expansion of risk and impact management in the supply chain.

Age structure of employees

	2022			2023		
	Men	Women	Total	Men	Women	Total
Age distribution^{1,2}						
Employees < 25 years	48	91	139	56	66	122
Employees 25–35 years	48	89	137	42	68	110
Employees 36–45 years	43	58	101	35	51	86
Employees 46–55 years	38	81	119	27	69	96
Employees > 55 years	33	58	91	31	56	87
Total	210	377	587	191	310	501

¹ Members of the Board of Directors are not included.

² Year-end headcount, excluding janitors and supernumerary and other temporary staff.

Declaration of the Board of Directors

The Board of Directors of Swiss Prime Site AG is responsible for the preparation and presentation of the Non-Financial Report 2023 in accordance with the applicable regulations.


The Board of Directors of Swiss Prime Site AG approved this Non-Financial Report for the 2023 year. The Board of Directors pledges that this Non-Financial Report 2023 will remain accessible on the Company's website for at least ten years.

Article as per OR	Content requirement	Material topics	Section in non-financial report
Art. 964b(1) (non-financial matters)	Environmental matters	Sustainable development and construction Sustainable use and operation Circular economy Sustainable procurement and supply chain Integrated risk management	Environment Environment Environment Governance Governance
	Social matters	Tenants Community engagement Sustainable development and construction Sustainable use and operation	Society Society Environment Environment
	Employee-related matters	Employees	Society
	Respect for human rights	Sustainable procurement and supply chain	Governance
	Fight against corruption	Responsible corporate governance	Governance
Art. 964b(2)(1)	Business model	–	Review in the Annual Report
Art. 964b(2), (2-5)	Concepts, measures, risks, performance indicators	–	Reporting on material topics

Zug, 6 February 2024



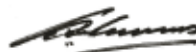
Ton Büchner
Chairman of the Board of Directors



Thomas Studhalter
Vice-Chairman of the Board of Directors



Gabrielle Nater-Bass
Member of the Board of Directors



Christopher M. Chambers
Member of the Board of Directors



Barbara A. Knoflach
Member of the Board of Directors



Brigitte Walter
Member of the Board of Directors



Reto Conrad
Member of the Board of Directors

GRI content index



CONTENT INDEX
ESSENTIALS SERVICE

2024

Swiss Prime Site reported in accordance with GRI Standards for the period from 1 January 2023 to 31 December 2023. For the Content Index – Essentials Service, GRI Services checked the GRI index is presented in a manner consistent with the reporting requirements of the GRI Standards and the information in the GRI index is clearly presented and accessible to stakeholders¹. This service was provided for the German version of the report.

The Sustainability Report is published annually as the «Sustainability» section of the SPS Annual Report. The Report will be published on 8 February 2024. Contact point is Martin Pfenninger, martin.pfenninger@sps.swiss.

GRI 1 used **GRI 1: Foundation 2021**

Applicable GRI sector standard(s) **None**

General disclosures

GRI standard/ other source	Disclosure	Reference/Information	Omission (requirement, reason, explanation)
The organisation and its reporting practices			
GRI 2: General disclosures 2021	2-1 Organizational details	Corporate Governance, p. 4	
	2-2 Entities included in the organization's sustainability reporting	Unless otherwise stated, the reported information in the sustainability report corresponds to the scope of consolidation for financial reporting.	
	2-3 Reporting period, frequency and contact point	Sustainability, p. 89	
	2-4 Restatement of information	Sustainability, p. 79	
	2-5 External assurance	Sustainability, p. 103	
Activities and workers			
GRI 2: General disclosures 2021	2-6 Activities, value chain and other business relationships	Review, p. 20–23	
	2-7 Employees	Sustainability, p. 43–46	
	2-8 Workers who are not employees	Sustainability, p. 43	

¹ The GRI Report Services acknowledges that the table at pages 94 and 95 is aligned with the outdated GRI Standards 2016 – as needed by the reporting organization to comply with EPRA's requirements for their internal scoring system. Until EPRA will not update their table, GRI accepts this exception in its reviews for EPRA members.

GRI standard/ other source	Disclosure	Reference/Information	Omission (requirement, reason, explanation)
Governance			
GRI 2: General disclosures 2021	2-9 Governance structure and composition	Corporate Governance, p. 9–17	
	2-10 Nomination and selection of the highest governance body	Corporate Governance, p. 9–13	
	2-11 Chair of the highest governance body	Corporate Governance, p. 9	
	2-12 Role of the highest governance body in overseeing the management of impacts	Sustainability, p. 16	
	2-13 Delegation of responsibility for managing impacts	Corporate Governance, p. 10	
	2-14 Role of the highest governance body in sustainability reporting	Sustainability, p. 16	
	2-15 Conflicts of interest	Sustainability, p. 51 ff.	
	2-16 Communication of critical concerns	Corporate Governance, p. 20	
	2-17 Collective knowledge of the highest governance body	Corporate Governance, p. 13	
	2-18 Evaluation of the performance of the highest governance body	Compensation. p. 12	
	2-19 Remuneration policies	Compensation. p. 7–8	
2-20 Process to determine remuneration	Compensation. p. 6–8		
2-21 Annual total compensation ratio	Compensation. p. 9		
Strategy, policies and practices			
GRI 2: General disclosures 2021	2-22 Statement on sustainable development strategy	Review, p. 4–5	
	2-23 Policy commitments	Sustainability, p. 24 ff	
	2-24 Embedding policy commitments	Sustainability, p. 25, 42, 51, 60, 61	
	2-25 Process to remediate negative impacts	Sustainability, p. 9	
	2-26 Mechanisms for seeking advice and raising concerns	Sustainability, p. 52–53	
	2-27 Compliance with laws and regulations	Sustainability, p. 55	
	2-28 Membership associations	Verband Immobilien Schweiz (VIS), Entwicklung Schweiz, Greater Zurich Area, Avenir Suisse	
Stakeholder engagement			
GRI 2: General disclosures 2021	2-29 Approach to stakeholder engagement	Sustainability, p. 20–21	
	2-30 Collective bargaining agreements	No collective bargaining agreements apply to the employees of Swiss Prime Site. The employment conditions differ from business area to business area.	

Material topics

GRI standard/ other source	Disclosure	Reference/Information	Omission (requirement, reason, explanation)
GRI 3: Material topics 2021	3-1 Process to determine material topics	Sustainability, p. 18	
	3-2 List of material topics	Sustainability, p. 19	

Environment

Sustainable development and construction

GRI 3: Material topics 2021	3-3 Management of material topics	Sustainability, p. 24–28	
GRI 413: Local communities 2016	413-2 Operations with significant actual or potential negative impacts on local communities	Sustainability, p. 24	
GRI G4: Construction and Real Estate	CRE8 Type and number of sustainability certification, rating and labeling schemes for new construction, management and redevelopment	Sustainability, p. 27	

Sustainable use and operation

GRI 3: Material topics	3-3 Management of material topics	Sustainability, p. 28–38	
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Sustainability, p. 35–38	
	302-3 Energy intensity	Sustainability, p. 35–38	
	302-4 Reduction of energy consumption	Sustainability, p. 35–38	
	302-5 Reductions in energy requirements for products and services	Sustainability, p. 30	
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Sustainability, p. 35–38	
	305-2 Energy indirect (Scope 2) GHG emissions	Sustainability, p. 35–38	
	305-3 Other indirect (Scope 3) GHG emissions	Sustainability, p. 35–38	
	305-4 GHG emissions intensity	Sustainability, p. 35–38	
	305-5 Reduction of GHG emissions	Sustainability, p. 35–38	
GRI 303: Water and effluents 2018	303-1 Interactions with water as a shared resource	Sustainability, p. 31	
	303-2 Management of water discharge-related impacts	Sustainability, p. 31	
	303-5 Water consumption	Sustainability, p. 35	

Circular economy

GRI 3: Material topics 2021	3-3 Management of material topics	Sustainability, p. 39–40	
GRI 306 Waste 2020	306-2 Management of significant waste-related impacts	Sustainability, p. 39–40	
	306-3 Waste generated	Sustainability, p. 64	
GRI G4: Construction and Real Estate	CRE5 Land remediated and in need of remediation for the existing or intended land use, according to applicable legal designations	Sustainability, p. 64	

GRI standard/ other source	Disclosure	Reference/Information	Omission (requirement, reason, explanation)
Social			
Employees			
GRI 3: Material topics 2021	3-3 Management of material topics	Sustainability, p. 41–47	
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Sustainability, p. 46	
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	None	
GRI 403: Occupational health and safety 2018	403-1 Occupational health and safety management system	Sustainability, p. 42	
	403-6 Promotion of worker health	Sustainability, p. 42	
	403-9 Work-related injuries	Sustainability, p. 46	
	403-10 Work-related ill health	Sustainability, p. 46	
GRI 404: Training and education 2016	404-1 Average hours of training per year per employee	Sustainability, p. 41	
	404-2 Programs for upgrading employee skills and transition assistance programs	Sustainability, p. 41	
	404-3 Percentage of employees receiving regular performance and career development reviews	Sustainability, p. 41	
GRI 405: Diversity and equal opportunity 2016	405-1 Diversity of governance bodies and employees	Sustainability, p. 44	
	405-2 Ratio of basic salary and remuneration of women to men	Sustainability, p. 95	
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Sustainability, p. 46	
Tenants			
GRI 3: Material topics 2021	3-3 Management of material topics	Sustainability, p. 47–48	
Community engagement			
GRI 3: Material topics 2021	3-3 Management of material topics	Sustainability, p. 49–50	
GRI 203: Indirect economic impacts 2016	203-1 Infrastructure investments and services supported	Sustainability, p. 49	

GRI standard/ other source	Disclosure	Reference/Information	Omission (requirement, reason, explanation)
Governance			
Responsible corporate governance			
GRI 3: Material topics 2021	3-3 Management of material topics	Sustainability, p. 51–52	
GRI 205: Anti-corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	Sustainability, p. 52	
	205-3 Confirmed incidents of corruption and actions taken	Sustainability, p. 55	
GRI 206: Anti-competitive behaviour 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Sustainability, p. 55	
GRI 418: Customer privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Sustainability, p. 55	
Integrated risk management			
GRI 3: Material topics 2021	3-3 Management of material topics	Sustainability, p. 55–60	
Sustainable procurement and supply chain			
GRI 3: Material topics 2021	3-3 Management of material topics	Sustainability, p. 60–61	
Economy			
Strong financing base			
GRI 3: Material topics 2021	3-3 Management of material topics	Review, p. 23	
GRI 201: Economic performance 2016	201-1 Direct economic value generated and distributed	Finance, p. 4–7	
	201-2 Financial implications and other risks and opportunities due to climate change	Sustainability, p. 80–85	
	201-4 Financial assistance received from government	Sustainability, p. 31	
Financial performance			
GRI 3: Material topics 2021	3-3 Management of material topics	Review, p. 23	
Investor relations			
GRI 3: Material topics 2021	3–3 Management of material topics	Sustainability, p. 22	

EPRA sustainability metrics

Environmental performance measures

Code	Performance Measure	GRI Standard and CRES D disclosures	Unit(s) of measure	2023
Elec-Abs	Total electricity consumption	302-1	annual kWh	145 666 886
Elec-LfL	Like-for-like total electricity consumption	302-1	annual kWh	- 8 175 777
DH&C-Abs	Total district heating & cooling consumption	302-1	annual kWh	49 525 000
DH&C-LfL	Like-for-like total district heating & cooling consumption	302-1	annual kWh	1 137 792
Fuels-Abs	Total fuel consumption	302-1	annual kWh	50 547 000
Fuels-LfL	Like-for-like total fuel consumption	302-1	annual kWh	- 22 236 151
Energy-Int	Building energy intensity	CRE1	kWh/appropriate denominator	142
GHG-Dir-Abs	Total direct greenhouse gas (GHG) emissions	305-1	annual metric tonnes CO ₂ e	9 461
GHG-Indir-Abs	Total indirect greenhouse gas (GHG) emissions	305-2	annual metric tonnes CO ₂ e	16 785
GHG-Int	Greenhouse gas (GHG) emissions intensity from building energy consumption	CRE3	tonnes CO ₂ e / appropriate denominator	15.2
Water-Abs	Total water consumption	303-1	annual cubic metres (m ³)	699 932
Water-LfL	Like-for-like total water consumption	303-1	annual cubic metres (m ³)	- 181 517
Water-Int	Building water intensity	CRE2	m ³ /appropriate denominator	0.4
Waste-Abs	Total weight of waste by disposal route	306-2	annual metric tonnes and proportion by disposal route	S 2023 p. 64
Waste-LfL	Like-for-like total weight of waste by disposal route	306-2	annual metric tonnes and proportion by disposal route	N/A
Cert-Tot	Type and number of sustainably certified assets	CRE8	Total number by certification/rating/labelling scheme	126

Social performance measures

Code	Performance Measure	GRI Standard and CRES D disclosures	Unit(s) of measure	2023
Diversity-Emp	Employee gender diversity	405-1	Percentage of employees	
	Board of Directors (SPS AG) incl. Chairman			43%
	Board of Directors excl. Chariman			50%
	Exec. Management (no women, thus, zero)			0%
	Management (excl. Exec. Management)			35%
	Employees			62%
Diversity-Pay	Gender pay ratio	405-2	Ratio	
	Board of Directors (SPS AG) incl. Chairman			139%
	Board of Directors excl. Chariman			104%
	Exec. Management (no women, thus, zero)			0%
	Management (excl. Exec. Management)			108%
	Employees			107%
Emp-Training	Employee training and development	404-1	Average hours	5.2
Emp-Dev	Employee performance appraisals	404-3	Percentage of employees	100%
Emp-Turnover	New hires and turnover	401-1	Total number and rate	
	New hires			31
	Hiring rate			3.2%
	Turnover			25.4%
H&S-Emp	Employee health and safety	403-2	Injury rate, absentee rate and number of work related fatalities	
	Injury rate			0.1%
	Absentee rate			1.8%
	Number of work related fatalities			0
H&S-Asset	Asset health and safety assessments	416-1	Percentage of assets	66
H&S-Comp	Asset health and safety compliance	416-2	Number of incidents	0
Comty-Eng	Community engagement, impact assessments and development programs	413-1	Percentage of assets	47

Governance performance measures

Code	Performance Measure	GRI Standard and CRES D disclosures	Unit(s) of measure	2023
Gov-Board	Composition of the highest governance body	2-9 (102-22)	Total number	7
Gov-Selec	Process for nominating and selecting the highest governance body	2-10 (102-24)	Narrative on process	CG 2023 p.9-13
Gov-Col	Process for managing conflicts of interest	2-15 (102-25)	Narrative on process	S 2023 p.51

Notes on the EPRA key figures

EPRA overarching recommendations

1 Organisational boundaries

The reporting covers all properties in accordance with the scope defined in the section Notes on environmental key figures (p. 75–79). Items are recognised in line with the GHG Protocol and the operational control approach and, unless otherwise stated, a market-based approach.

2 Scope

The reporting covers all properties in accordance with the scope defined in the section Notes on environmental key figures (p. 75–79).

3 Notes on consumption recorded by the landlords

If consumption data or invoice documents are not available at the end of the year in individual cases, consumption estimates are prepared for the corresponding period. This consumption estimate for all properties is based on the previous year's figures for the corresponding period and internal portfolio benchmarks split by type of use. 28.8% of reported energy consumption (landlord controlled, Scope 1 and 2) is extrapolated in this form.

4 External assurance

See Notes on environmental key figures, p. 79.

5 Delimitation – reporting on the consumption of landlords and tenants

The energy consumption data and water consumption from the operation of the properties in the real estate portfolio and the owner-occupied areas are recorded. More information can be found in the section Notes on environmental key figures (p. 75–79).

6 Normalisation

The intensity indicators for energy, greenhouse gas emissions and water are calculated for each energy consuming area in square metres for the entire building.

7 Segment analysis

(by property type, geography, etc.)

Breakdown by type of use follows the property inventory and the corresponding allocation to types of use (sales, office, hotel/gastronomy, assisted living, logistics, other). For mixed-use properties, the property is recorded under the type of use that constitutes the largest share in terms of area (energy reference area).

To map these specific environmental key figures in accordance with the specific requirements of ISS ESG, the types of use are allocated as follows: retail = sales; office = office; residential = assisted living; other = hotel, gastronomy, logistics, other.

A segment analysis based on geographical aspects is not applicable as the entire portfolio is located in Switzerland and is therefore geographically homogeneous. The majority of properties (78%) are located in German-speaking Switzerland. The canton of Zurich and particularly Zurich City account for the main share in this region with 46%. Another important region is the Lake Geneva basin with a share of 20%.

8 Disclosures regarding own offices

Consumption data for rented space outside the company's own property portfolio is collected by the landlord and shown separately in this report (see p. 38).

ISS ESG

Additional environmental KPI according to specific ISS ESG requirements

	Unit	2019	2020	2021	2022	2023
Floor Area						
Total floor area all assets	m ²	1377 921	1549 743	1590 270	1 604 846	2 474 405
retail properties	m ²	284 507	412 232	423 690	428 716	662 813
office properties	m ²	717 086	660 190	667 991	677 118	1 158 768
residential properties	m ²	27 648	142 576	164 594	163 525	216 749
other properties	m ²	348 680	334 744	333 995	335 487	436 075
Energy						
Energy use						
retail properties	MWh	52 220	67 772	69 868	74 099	78 965
office properties	MWh	87 660	68 120	73 825	81 456	113 887
residential properties	MWh	2 640	16 283	18 619	17 387	14 601
other properties	MWh	50 390	41 462	44 030	44 181	38 286
Energy intensity						
retail properties	kWh/m ²	183.5	164.4	165	198.5	190.5
office properties	kWh/m ²	122.2	103.2	111	168.4	140.8
residential properties	kWh/m ²	95.6	114.2	113	136	101
other properties	kWh/m ²	144.5	123.9	132	185.7	106.1
Emissions						
GHG emissions						
retail properties	tCO ₂ -eq	7 438	8 778	8 730	7 433	8 461
office properties	tCO ₂ -eq	15 806	11 682	8 586	7 178	12 132
residential properties	tCO ₂ -eq	584	2 642	2 764	2 412	1 950
other properties	tCO ₂ -eq	7 401	7 280	4 984	4 277	3 704
Carbon intensity						
retail properties	kgCO ₂ e/m ²	26.1	21.8	20.6	17.6	20.4
office properties	kgCO ₂ e/m ²	22	17.3	12.9	15.2	15
residential properties	kgCO ₂ e/m ²	21.1	17.6	16.8	16	14
other properties	kgCO ₂ e/m ²	21.2	22.6	14.9	20	10
Water						
Freshwater use intensity						
retail properties	l/m ²	540	418	376	400	462
office properties	l/m ²	380	285	251	300	307
residential properties	l/m ²	1 003	913	840	900	842
other properties	l/m ²	800	382	345	1 400	384

SASB

Mapping

Energy management

Accounting metric	Category	Code	GRI Disclosure	References
Energy consumption data coverage as a percentage of total floor area, by property subsector	Quantitative	IF-RE-130a.1	N/A	S 2023 p. 100
(1) Total energy consumed by portfolio area with data coverage, (2) percentage grid electricity, and (3) percentage renewable, by property subsector	Quantitative	IF-RE-130a.2	302-1 Energy consumption within the organization 302-2 Energy consumption outside of the organization	S 2023 p. 62–64
Like-for-like percentage change in energy consumption for the portfolio area with data coverage, by property subsector	Quantitative	IF-RE-130a.3	302-1 Energy consumption within the organization 302-2 Energy consumption outside of the organization	S 2023 p. 62–64
Percentage of eligible portfolio that (1) has an energy rating and (2) is certified to ENERGY STAR, by property subsector	Quantitative	IF-RE-130a.4	CRE 8	S 2023 p. 62–64
Description of how building energy management considerations are integrated into property investment analysis and operational strategy	Discussion and Analysis	IF-RE-130a.5	302-4 Reduction of energy consumption	S 2023 p. 28

Water management

Accounting metric	Category	Code	GRI Disclosure	References
Water withdrawal data coverage as a percentage of (1) total floor area and (2) floor area in regions with high or extremely high baseline water stress, by property subsector	Quantitative	IF-RE-140a.1	N/A	Swiss Prime Site's entire portfolio is based in Switzerland. None of the assets are based in regions with high or extremely high baseline water stress. The management approach regarding water consumption of the real estate portfolio is provided on p. 75–79 in the Sustainability Report 2023.
(1) Total water withdrawn by portfolio area with data coverage and (2) percentage in regions with high or extremely high baseline water stress, by property subsector	Quantitative	IF-RE-140a.2	303-5 Water Consumption	S 2023 p. 62–64
Like-for-like percentage change in water withdrawn for portfolio area with data coverage, by property subsector	Quantitative	IF-RE-140a.3	303-5 Water Consumption	S 2023 p. 62–64
Description of water management risks and discussion of strategies and practices to mitigate those risks	Discussion and Analysis	IF-RE-140a.4	303-1 Interactions with water as a shared resource	The management approach regarding water consumption of the real estate portfolio is provided on p. 75–79 in the Sustainability Report 2023.

Management of tenant sustainability impacts

Accounting metric	Category	Code	GRI Disclosure	References
(1) Percentage of new leases that contain a cost recovery clause for resource efficiency related capital improvements and (2) associated leased floor area, by property subsector	Quantitative	IF-RE-410a.1	N/A	Given this data is currently not material nor readily available, Swiss Prime Site chooses not to disclose this data.
Percentage of tenants that are separately metered or submetered for (1) grid electricity consumption and (2) water withdrawals, by property subsector	Quantitative	IF-RE-410a.2	N/A	The calculation approach of the real estate portfolio is provided on p. 75–79 in the Sustainability Report 2023.
Discussion of approach to measuring, incentivizing, and improving sustainability impacts of tenants	Discussion and Analysis	IF-RE-410a.3	N/A	S 2023 p. 20

Climate change adaptation

Accounting metric	Category	Code	GRI Disclosure	References
Area of properties located in 100-year flood zones, by property subsector	Quantitative	IF-RE-450a.1	N/A	S 2023 p. 102
Description of climate change risk exposure analysis, degree of systematic portfolio exposure, and strategies for mitigating risks	Discussion and Analysis	IF-RE-450a.2	N/A	S 2023 p. 80–85 (TCFD Report)

Activity metrics

	Category	Code	GRI Disclosure	References
Number of assets, by property subsector	Quantitative	IF-RE-000.A	N/A	S 2023 p. 70–74
Leasable floor area, by property subsector	Quantitative	IF-RE-000.B	N/A	S 2023 p. 70–74
Percentage of indirectly managed assets, by property subsector	Quantitative	IF-RE-000.C	N/A	S 2023 p. 102
Average occupancy rate, by property subsector	Quantitative	IF-RE-000.D	N/A	The vacancy rate is reported on p. 60 in the Sustainability Report 2023.

Additional environmental KPI according to specific SASB requirements

	Unit	2022	2023
Energy Management			
Energy consumption data coverage as a percentage of total floor area			
retail properties	%	>80	>80
office properties	%	>80	>80
residential properties	%	>80	>80
other properties	%	>80	>80
Total energy consumed by portfolio area with data coverage			
retail properties	MWh	74 099	78 965
office properties	MWh	81 456	113 887
residential properties	MWh	17 387	14 601
other properties	MWh	44 181	38 286
Electricity composition			
retail properties			
percentage grid electricity, CH-mix	%	3	32.4
percentage complete renewable electricity	%	97	67.6
office properties			
percentage grid electricity, CH-mix	%	0.9	29.2
percentage renewable electricity	%	99.1	70.8
residential properties			
percentage grid electricity, CH-mix	%	0	16
percentage renewable electricity	%	100	84
other properties			
percentage grid electricity, CH-mix	%	8.9	27.2
percentage renewable electricity	%	91.1	72.8
Like-for-like percentage change in energy consumption for the portfolio area with data coverage			
retail properties	%	1.7	-17.8
office properties	%	9.8	-8.9
residential properties	%	-0.2	-10.5
other properties	%	-7.9	-4.3
Percentage of eligible portfolio that has an energy rating			
retail properties	%	48.2	89.1
office properties	%	86	95
residential properties	%	90.7	99.4
other properties	%	69.8	93.2
Percentage of eligible portfolio that is certified to ENERGY STAR (incl. GEAK)			
retail properties	%	10.2	15.8
office properties	%	0.5	3.5
residential properties	%	2.3	1.4
other properties	%	3.8	4.3

	Unit	2022	2023
Water Management			
Water withdrawal data coverage as a percentage of total floor area			
retail properties	%	>80	>80
office properties	%	>80	>80
residential properties	%	>80	>80
other properties	%	>80	>80
Water withdrawal data coverage as a percentage of floor area in regions with High or Extremely High Baseline Water Stress			
retail properties	%	0	0
retail properties	%	0	0
retail properties	%	0	0
retail properties	%	0	0
Total water withdrawn by portfolio area with data coverage (retail properties)			
	m ³	180 426	191 399
Thereof percentage in regions with High or Extremely High Baseline Water Stress (retail properties)	%	0	0
Total water withdrawn by portfolio area with data coverage (office properties)			
	m ³	183 142	248 026
Thereof percentage in regions with High or Extremely High Baseline Water Stress (office properties)	%	0	0
Total water withdrawn by portfolio area with data coverage (residential properties)			
	m ³	152 862	122 033
Thereof percentage in regions with High or Extremely High Baseline Water Stress (residential properties)	%	0	0
Total water withdrawn by portfolio area with data coverage (other properties)			
	m ³	153 136	138 474
Thereof percentage in regions with High or Extremely High Baseline Water Stress (other properties)	%	0	0
Like-for-like percentage change in water withdrawn for portfolio area with data coverage			
retail properties	%	-47.8	-6.1
office properties	%	-18.9	-11.2
residential properties	%	-15.6	-4.7
other properties	%	91.6	-59.3

	Unit	2022	2023
Climate Change Adaption			
Area of properties located in 100-year flood zones			
retail properties	m ²	50 190	87 579
office properties	m ²	52 398	52 150
residential properties	m ²	0	0
other properties	m ²	28 205	58 565
Activity Metrics			
Number of assets			
retail properties	Number	51	34
office properties	Number	56	66
residential properties	Number	18	20
other properties	Number	28	19
Percentage of indirectly managed assets by floor area			
retail properties	%	19.5	10.0
office properties	%	5.4	5.9
residential properties	%	85.7	72.4
other properties	%	22.9	12.6

Independent practitioner's limited assurance report

on 2023 Selected Indicators in the Sustainability Report 2023 to the Board of Directors of Swiss Prime Site AG,

Zug

We have been engaged by Board of Directors to perform assurance procedures to provide limited assurance on 2023 Selected Indicators in the Sustainability Report 2023 (including the GHG statement) of Swiss Prime Site AG and its consolidated subsidiaries ("SPS") for the period ended 31 December 2023.

Scope and subject matter

The following 2023 Selected Indicators published in the tables "Environmental key figures Swiss Prime Site property portfolio" and "Key operational environmental indicators for business areas, Operational resource consumption and operational CO2 emissions Swiss Prime Site", as published in the Sustainability Report 2023 on pages 35 and 38, are within the scope of our limited assurance engagement ("Selected Indicators"):

- Energy;
 - Total energy consumption (Share renewable and share non-renewable);
 - Electricity (Share renewable and share non-renewable);
 - Heating (Heating oil, Natural gas, incl. share renewable and share non-renewable and District heating, incl. share renewable and share non-renewable); and
 - Energy intensity (Electricity intensity and Heat intensity).
- Emissions;
 - CO2-emissions Scope 1;
 - CO2-emissions Scope 2;
 - CO2-emissions Scope 3; and
 - CO2-intensity.
- Water;
 - Total water use

We do not comment on, nor conclude on any prospective or retrospective information nor did we perform any assurance procedures on the information other than those stated above for the reporting period 2023, accordingly we provide no assurance on other information.

Criteria

The 2023 Selected Indicators in the Sustainability Report 2023 (including the GHG statement) were prepared by the Board of Directors of Swiss Prime Site AG based on the principles presented in the section "Notes on environmental key figures" on the pages from 75 to 79 (integrated part of the published SPS sustainability report), which describes and defines principles, processes as well as the data collection and reporting of sustainability reporting (the "suitable Criteria"). These principles were developed using the GRI Sustainability Reporting Standards published by the Global Reporting Initiative (GRI), Version 2021 and the Greenhouse Gas (GHG) Protocol Corporate Standard (Revised edition).

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Inherent limitations

The accuracy and completeness of the 2023 Selected Indicators in the Sustainability Report 2023 (including the GHG statement) are subject to inherent limitations given their nature and methods for determining, calculating and estimating such data. In addition, the GHG quantification is subject to inherent uncertainty, because of incomplete scientific knowledge used to determine GHG emission factors and the values needed to combine e.g. emissions of different gases. Our assurance report will therefore have to be read in connection with the suitable Criteria.

Board of Directors' responsibility

The Board of Directors is responsible for the preparation and presentation of the Sustainability Report 2023 (including the GHG statement) in accordance with the suitable Criteria. This responsibility includes the design, implementation and maintenance of the internal control system related to the preparation and presentation of the Sustainability Report 2023 that are free from material misstatement, whether due to fraud or error. Furthermore, the Board of Directors is responsible for the selection and application of the suitable Criteria and adequate record keeping.

Independence and quality management

We are independent of the Swiss Prime Site AG in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

PricewaterhouseCoopers AG applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Practitioner's responsibility

Our responsibility is to perform a limited assurance engagement and to express a conclusion on the 2023 Selected Indicators in the Sustainability Report 2023 (including the GHG statement). We conducted our engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised) 'Assurance engagements other than audits or reviews of historical financial information' and the International Standard on Assurance Engagements 3410, Assurance Engagements on Greenhouse Gas Statements ('ISAE 3410'), issued by the International Auditing and Assurance Standards Board. Those standards require that we plan and perform our procedures to obtain limited assurance whether anything has come to our attention that causes us to believe that the 2023 Selected Indicators on the pages 35 and 38 in the Sustainability Report 2023 (including the GHG statement) were not, in all material aspects, prepared in accordance with the suitable Criteria.

Based on risk and materiality considerations, we performed our procedures to obtain sufficient and appropriate assurance evidence. The procedures selected depend on the assurance practitioner's judgement. A limited assurance engagement under ISAE 3000 (Revised) and ISAE 3410 is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks. Consequently, the nature, timing and extent of procedures for gathering sufficient appropriate evidence are deliberately limited relative to a reasonable assurance engagement and therefore less assurance is obtained with a limited assurance engagement than for a reasonable assurance engagement.

Summary of the work performed

Our limited assurance procedures included, amongst others, the following work:

- Assessment of the section "Notes on environmental key figures", including the criteria to determine whether they are appropriate when applied in relation to the disclosures and indicators;
- Inquiries and detailed walkthroughs with the relevant stakeholders for the 2023 Selected Indicators in the tables "Environmental key figures Swiss Prime Site property portfolio" on page 35 and "Key operational environmental indicators for business areas, Operational resource consumption and operational CO2 emissions Swiss Prime Site" on page 38 in the Sustainability Report 2023;
- Inspection of documents (e.g. processes and control description, policies and other relevant documents);



- Analytical procedures;
- Reperformance of relevant calculations;
- Selected test of details based on sample testing of underlying data (e.g. sample testing of source data, invoices etc.); and
- Reading of Sustainability Report 2023 to identify potential significant inconsistencies or material misstatements of facts within the Sustainability Report 2023 (other information) as a whole.

We have not carried out any work on data other than for those 2023 Selected Indicators and the section "Notes on environmental key figures" as noted above.

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

Conclusion

Based on the work we performed, nothing has come to our attention that causes us to believe that the 2023 Selected Indicators in the Sustainability Report 2023 (including the GHG statement), as published in the table "Environmental key figures Swiss Prime Site property portfolio" on page 35 and "Key operational environmental indicators for business areas, Operational resource consumption and operational CO2 emissions Swiss Prime Site" on page 38 in the Sustainability Report 2023, of Swiss Prime Site AG for the period ended 31 December 2023 are not, in all material respects, prepared in accordance with the section "Notes on environmental key figures" on pages 75-79.

Intended users and purpose of the report

This report is prepared for, and only for, the Board of Directors of Swiss Prime Site AG, and solely for the purpose of reporting to them on the 2023 Selected Indicators on the pages 35 and 38 in the Sustainability Report 2023 (including the GHG statement) and no other purpose. We do not, in giving our conclusion, accept or assume responsibility (legal or otherwise) or accept liability for, or in connection with, any other purpose for which our report, including the conclusion, may be used, or to any other person to whom our report is shown or into whose hands it may come, and no other persons shall be entitled to rely on our conclusion.

We permit the disclosure of our report, in full only and in combination with the suitable Criteria, to enable the Board of Directors to demonstrate that they have discharged their governance responsibilities by commissioning an independent assurance report over the 2023 Selected Indicators in the Sustainability Report 2023 (including the GHG statement) on the pages 35 and 38, without assuming or accepting any responsibility or liability to any third parties on our part. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Board of Directors of Swiss Prime Site AG for our work or this report.

PricewaterhouseCoopers AG

Thierry Troesch

Remo Satta

Zürich, 8 February 2024

"The maintenance and integrity of Swiss Prime Site AG's website and its content are the responsibility of the Board of Directors; the work carried out by the assurance provider does not involve consideration of the maintenance and integrity of the Swiss Prime Site AG's website, accordingly, the assurance providers accept no responsibility for any changes that may have occurred to the 2023 Selected Indicators in the Sustainability Report 2023 (including the GHG statement) or the section "Notes on environmental key figures" (suitable Criteria) since they were initially presented on the website.





CORPORATE GOVERNANCE



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Swiss Prime Site – Partner for Swiss property

We are one of Europe's leading real estate companies. Our high-quality portfolio in Switzerland includes both our own properties and assets managed for third parties. To our investors and clients, we offer a broad range of products and investment opportunities in commercial as well as residential real estate. These include our share, funds and investment foundations, and advisory services.

Reporting structure

Our stakeholder-oriented 2023 reporting consists of the online report and other stock exchange-related chapters as PDF downloads, as well as the printed annual magazine «Review 2023». Our non-financial report in accordance with the requirements of the Swiss Code of Obligations (Articles 964b and 964c) is available separately.

Governance

This Corporate Governance report contains the requisite disclosures according to the guidelines regarding corporate governance information of the SIX Exchange Regulation and basically follows their structure in terms of presentation.

1 Group structure

All investments in group companies are unlisted firms. These companies have been fully consolidated, and non-controlling interests are recognised. The registered shares of the holding company – Swiss Prime Site AG with headquarters in Zug, Switzerland – are listed on the SIX Swiss Exchange under securities number 803 838 and ISIN number CH0008038389. On 31 December 2023, the market capitalisation of Swiss Prime Site AG was CHF 6 893.2 million [CHF 6 149.0 million].

2 Segments

Swiss Prime Site consists of four segments: Real Estate, Asset Management, Retail and Corporate & Shared Services. Investments in subsidiaries in these segments are allocated as follows:

Real Estate

- Swiss Prime Site Immobilien AG, Zurich
- Swiss Prime Site Finance AG, Zug
- Zimmermann Vins SA, Carouge

Asset Management

- Swiss Prime Site Solutions AG, Zug
- Akara Property Development AG, Zug

Retail

- Jelmoli AG, Zurich

Corporate & Shared Services

- Swiss Prime Site AG, Zug
- Swiss Prime Site Management AG, Zug

Fully consolidated investments in group companies (direct or indirect)

	Field of activity	31.12.2022 Capital in CHF 1 000	Shareholding in %	31.12.2023 Capital in CHF 1 000	Shareholding in %
Akara Property Development AG, Zug	Asset management	100	100.0	100	100.0
Jelmoli AG, Zurich	Retail	6 600	100.0	6 600	100.0
streamnow ag, Zurich ¹	Real estate services	100	100.0	n.a.	n.a.
Swiss Prime Site Finance AG, Zug	Financial services	100 000	100.0	100 000	100.0
Swiss Prime Site Immobilien AG, Zurich	Real estate	50 000	100.0	50 000	100.0
Swiss Prime Site Management AG, Zug	Services	100	100.0	100	100.0
Swiss Prime Site Solutions AG, Zug	Asset management	1 500	100.0	1 500	100.0
Wincasa AG, Winterthur ¹	Real estate services	1 500	100.0	n.a.	n.a.
Zimmermann Vins SA, Carouge	Real estate	350	100.0	350	100.0

¹ Sale of Wincasa AG and streamnow ag as at 04.05.2023

Investments in associates valued according to the equity method

	Field of activity	31.12.2022 Capital in CHF 1 000	Shareholding in %	31.12.2023 Capital in CHF 1 000	Shareholding in %
INOVIL SA, Lausanne	Parking	5 160	27.1	5 160	27.1
Parkgest Holding SA, Geneva	Parking	4 750	38.8	4 750	38.8
Flexoffice Schweiz AG, Zurich	Office services	124	27.2	124	27.2

Shareholder structure

Shareholders as at 31.12.2023

Number of shares	Number of registered shareholders	Registered shareholders in %	Number of registered shares	Registered shares in % ¹
1 to 1 000	9 895	85.1	2 531 338	3.3
1 001 to 10 000	1 398	12.0	3 831 868	5.0
10 001 to 100 000	257	2.2	8 215 597	10.7
100 001 to 1 000 000	64	0.6	17 997 072	23.5
1 000 001 and above	6	0.1	10 755 826	14.0
Total registered shareholders/shares	11 620	100.0	43 331 701	56.5
Unregistered shares			33 386 903	43.5
Total shares issued			76 718 604	100.0

¹ as % of shares issued

Countries/regions	Number of registered shareholders	Registered shareholders in %	Number of registered shares	Registered shares in %
Switzerland	10 775	92.8	34 893 110	80.5
Europe (excluding Switzerland)	724	6.2	5 881 666	13.6
Other countries	121	1.0	2 556 925	5.9
Total registered shareholders/shares	11 620	100.0	43 331 701	100.0

Shareholder categories	Number of registered shareholders	Registered shareholders in %	Number of registered shares	Registered shares in %
Natural persons	10 622	91.4	6 822 916	15.7
Legal entities	372	3.2	9 033 257	20.8
Pension funds	171	1.5	7 721 210	17.8
Insurance companies	30	0.3	1 900 225	4.4
Funds	246	2.1	16 008 258	37.0
Other	179	1.5	1 845 835	4.3
Total registered shareholders/shares	11 620	100.0	43 331 701	100.0

Major shareholders (shareholding interest >3%)	31.12.2022 Shareholding interest in %	31.12.2023 Shareholding interest in %
BlackRock Inc., New York	<10.00	>10.00
Credit Suisse Funds AG, Zurich	8.04	6.46
UBS Fund Management (Switzerland) AG, Basel	4.51	4.96

1 Disclosure notifications of major shareholders

Information regarding major shareholders is based on the register of shareholders or the notifications received by Swiss Prime Site AG. The obligation to disclose investments exists when a person or group subject to this obligation reaches 3, 5, 10, 15, 20, 25, $33\frac{1}{3}$, 50 or $66\frac{2}{3}$ percent of the voting rights in Swiss Prime Site AG or their holding falls above or below this level. The disclosure notifications issued in the reporting year in accordance with Article 120 ff. of the Swiss Financial Market Infrastructure Act and the provisions of the Swiss Financial Market Infrastructure Ordinance can be viewed on the reporting and disclosures platform of the SIX Swiss Exchange (www.ser-ag.com/en/resources/notifications-market-participants/significant-shareholders.html).

2 Cross-investments

As at the balance sheet date, there were no cross-investments.

Capital structure

1 Share capital

As at the balance sheet date, Swiss Prime Site AG's share capital comprised 76 718 604 registered shares at a nominal value of CHF 2.00. All outstanding shares are entitled to voting rights and dividends. There are no preferential rights.

2 Capital band

Pursuant to Article 3a of the current Articles of Association, the Company has a capital band of between CHF 145 765 348.00 (floor) and CHF 168 780 928.00 (ceiling). The ceiling of the capital band is set at 110% and the floor at 95% of the share capital currently registered in the commercial register. The Board of Directors has the authority, within the scope of the capital band, to increase or reduce the share capital once or several times and in any amounts or to acquire or sell shares directly or indirectly until 21 March 2028 or until the earlier expiry of the capital band. The capital increase or reduction may be effected by issuing up to 7 671 860 fully paid-up registered shares with a nominal value of CHF 2.00 each, or by cancelling up to 3 835 930 registered shares with a nominal value of CHF 2.00 each, or by increasing or reducing the nominal values of the existing registered shares within the scope of the capital band.

3 Conditional capital

Pursuant to Article 3b of the current Articles of Association, the Company has conditional capital. The conditional capital consists of 6 227 745 registered shares in the amount of CHF 12 455 490.00 or 8.1% of the existing share capital.

Until 21 March 2028 or the earlier expiry of the capital band, the total number of newly issued shares issued (i) from the capital band pursuant to Art. 3a of the current Articles of Association with restrictions on or cancellation of subscription rights and (ii) from the conditional share capital pursuant to Art. 3b of the current Articles of Association with restrictions on or cancellation of subscription rights or advance subscription rights may not exceed 7 671 860 new shares.

The Board of Directors is entitled to exclude shareholders' subscription rights in favour of third parties in the event that the new shares are to be utilised for acquiring other companies, stakes in companies, investments or real estate, or for financing or refinancing such transactions.

Additional details on the changes in capital can be found in the notes of the Financial Report. Swiss Prime Site AG has no equity instruments (e.g. participation or profit share certificates) outstanding other than registered shares.

The precise wording regarding the capital band and conditional capital can be found in Articles 3a and 3b of Swiss Prime Site AG's Articles of Association (available to download at www.sps.swiss under Governance).

4 Restrictions on transferability and nominee registrations

Pursuant to Article 5 of the Articles of Association, every shareholder and usufructuary may have their name be entered in the share register. The Articles of Association are available for download on the website www.sps.swiss under Governance. In relation to the Company, only those persons whose names appear in the share register and who have acquired shares in their own name and for their own account are recognised as usufructuaries or shareholders with voting rights. The Company acknowledges only one beneficiary per share.

Each share entitles the holder to one vote at the Annual General Meeting. The Board of Directors is entitled to refuse the admission of foreign purchasers of registered shares as voting shareholders to the extent that and as long as their recognition could prevent the Company from filing the evidence required under federal laws regarding the composition of the shareholders. The Annual General Meeting may resolve to remove these restrictions on transferability with a majority of votes represented according to Article 12, paragraph 3 of the Articles of Association (available to download at www.sps.swiss under Governance).

Shareholdings not subject to notification held by nominees and fiduciaries are entered into the register without voting rights.

Capital structure as at 31.12.2023

Capital	Number of registered shares	Nominal per share in CHF	Total in CHF 1 000
Share capital	76 718 604	2.00	153 437
Upper limit capital band and conditional capital	7 671 860	2.00	15 344

Share capital changes over the last three years

Changes	Number of registered shares	Nominal per share in CHF	Nominal value in CHF 1 000
Share capital as at 31.12.2020	75 970 364	15.30	1 162 347
Share capital as at 31.12.2021	75 970 364	15.30	1 162 347
Capital increase on 04.01.2022	748 240	15.30	11 448
Nominal value reduction on 13.06.2022	76 699 051	13.30	-1 020 098
Nominal value reduction on 13.06.2022 - treasury shares	19 553	13.30	-260
Share capital as at 31.12.2022	76 718 604	2.00	153 437
Share capital as at 31.12.2023	76 718 604	2.00	153 437

Convertible bonds

		CHF 250 m 2023	CHF 300 m 2025	CHF 275 m 2030
Issuing volume, nominal	CHF m	250.000	300.000	275.000
Nominal value as at 31.12.2023	CHF m	0.000	296.630	275.000
Book value as at 31.12.2023	CHF m	0.000	296.130	286.799
Book value as at 31.12.2022	CHF m	247.026	295.652	0.000
Conversion price	CHF	104.07	100.35	85.16
Interest rate	%	0.25	0.325	1.625
Term to maturity	years	7	7	7
Maturity	date	16.06.2023	16.01.2025	31.05.2030
Securities number		32 811 156 (SPS16)	39 764 277 (SPS18)	XS2627116176

Each convertible bond with a nominal value of CHF 0.005 million can be converted into registered shares of the Company at any time. New shares will be guaranteed using conditional capital of CHF 12.455 million. This is equal to 8.1% of share capital prior to the convertible bond issue.

No conversions took place in the reporting year. Further information on the convertible bonds can be found in the notes to the Financial Report.

Board of Directors

As at the balance sheet date, the Board of Directors of Swiss Prime Site AG comprised seven members. All members are non-executive and independent Board of Directors members within the meaning of the Swiss Code of Best Practice for Corporate Governance. None of the members of the Board of Directors maintains any significant business relationship with Swiss Prime Site AG or the Swiss Prime Site Group.

1 Composition of the Board of Directors

Name, Born	Position	Nationality	Member since
Ton Büchner, 1965	Chairman	CH/NL	2020
Thomas Studhalter, 1969	Vice-Chairman	Swiss	2018
Christopher M. Chambers, 1961	Member	Swiss/ British	2009
Barbara A. Knoflach, 1965	Member	Austrian	2021
Reto Conrad, 1966	Member	Swiss	2023
Gabrielle Nater-Bass, 1968	Member	Swiss	2019
Brigitte Walter, 1959	Member	German	2022

Departures during the reporting period

Mario F. Seris as at 21 March 2023

Additions during the reporting period

Reto Conrad as at 21 March 2023

The Board of Directors currently has four committees (an Audit Committee, a Nomination and Compensation Committee, an Investment Committee and a Sustainability Committee), which are described in more detail in the following sections.

2 Articles of Association provisions regarding the number of permitted activities

The members of the Board of Directors may hold no more than ten additional mandates outside the group, and no more than four of these may be in listed entities.

Several mandates within the same group of companies and mandates carried out as part of the member's position on the Board of Directors or the executive management or a supreme managing or supervisory body (including in pension funds, joint ventures and legal entities in which the company has a substantial investment) are counted as one mandate. Activities in non-profit associations, organisations and foundations are not subject to any restrictions. Mandates are deemed to be mandates in comparable roles at other companies with a commercial purpose.

3 Elections and period of office

The respective Chairman as well as members of the Board of Directors and Nomination and Compensation Committee are individually elected by the Annual General Meeting for a one-year term of office. Members of the Board of Directors place their mandate at the disposal of the Annual General Meeting in the year in which they reach the age of 70.

4 Division of authority and responsibilities of the Board of Directors

The basic principles and the division of responsibilities and authority between the Board of Directors and Executive Board are stipulated in the organisational regulations, (download at www.sps.ch Swiss under Governance) and in the competence regulations as well as in the Executive Board regulations.

The Board of Directors is responsible for the overall management of the Company as well as supervising and monitoring the Executive Board. The Board of Directors makes the fundamental decisions that determine the activity of the Company. Within the framework of its activities, the Board of Directors ensures profit-focused and competent management of the Company by its Executive Board, according to the provisions of the Articles of Association, the regulations and the applicable legislation.

The Board of Directors acts as a joint body. Unless otherwise provided for in the resolutions of the Board of Directors and the organisational regulations, its members do not have any personal authority over the Company and therefore cannot issue any instructions of their own accord.

As required, the Board of Directors can form committees from among its members and allocate powers to these committees in separate sets of regulations, or by amending the existing organisational regulation. The Board of Directors has made use of this option and formed an Audit Committee, an Investment Committee, a Nomination and Compensation Committee and a Sustainability Committee. The Board of Directors can delegate the preparation and implementation of its resolutions or the monitoring of activities to one or more committees or to individual members or the Executive Board. It must ensure appropriate reporting to its members. In the reporting period, the Board of Directors formed one non-permanent committee to support a project.

The Board of Directors delegates all executive management activities to the Executive Board unless otherwise provided by law, the Articles of Association or the organisational regulations. It issues directives on the business and investment policy and keeps itself regularly informed of the course of business. The Board of Directors holds meetings as often as business requires, but at minimum once per quarter. Nine meetings took place within the reporting period, including three meetings with all members physically present, one video conference meeting and five hybrid meetings (physical and video).

5 Information and control instruments applied to the Executive Board

The Board of Directors controls the Executive Board and monitors its method of operation by means of reporting processes and the right to inspect business procedures and business transactions.

The Board of Directors is briefed regarding the ongoing course of business and significant business transactions by the Chief Executive Officer and the Chief Financial Officer at each meeting and by the other members of the Executive Board at selected meetings. At these meetings, members of the Board of Directors can request any information regarding the Swiss Prime Site Group from other members of the Board of Directors or Executive Board that they require to fulfil their duties. Members of the Board of Directors must be immediately notified of any extraordinary incidents.

The internal auditor, risk management and external auditors provide support to the Board of Directors in exercising its monitoring and controlling functions. In addition, the Audit Committee, Investment Committee, Nomination and Compensation Committee and Sustainability Committee perform monitoring and information functions with respect to the Executive Board. These functions are coordinated with the Board of Directors and defined in the relevant regulations and records.

The Audit Committee, Investment Committee, Nomination and Compensation Committee and Sustainability Committee are informed about the relevant issues by means of corresponding reports and analyses. These reports are discussed in detail and relevant proposals are submitted to the Board of Directors. The reports and analyses are then presented by the chair of the respective committee in the subsequent board meetings and approved by the Board of Directors.

The Board of Directors defines and evaluates any risks that are significant for the group. This evaluation is based on a group-wide coordinated and consistent risk management and internal control system, which was expanded with a process landscape. A risk inventory is used to identify, analyse and evaluate risks and manage them according to the group's targets and sustainability roadmap. The Audit Committee assesses the group's risk situation through risk reporting. Risk management is subsequently assessed, approved and monitored in terms of implementation by the Board of Directors based on the request of the Audit Committee. The Board of Directors is also supported by the internal and external auditors. The internal auditors receive audit and analysis assignments from the Board of Directors. Internal auditors have an unrestricted right to information and right of inspection of records with regard to all group companies and positions. Moreover, the Executive Board, in consultation with the Audit Committee, can assign internal auditors tasks outside the scope of the planned auditing activities, such as executing special investigations and analyses. The internal auditor in charge reports to the Audit Committee.

6 Audit Committee

Chairman: Thomas Studhalter

Members: Brigitte Walter, Reto Conrad

The responsibilities, duties and authority of the Audit Committee are set out in separate regulations. The Audit Committee manages all business activities of the Board of Directors in the areas of financial management (such as accounting, finance control and financial planning), assurance (risk management, internal control system, compliance and internal audit) and external audit. It also manages additional business activities of the Board of Directors that require specific financial expertise (for example, regarding taxes and dividend policies).

The Audit Committee has the right to issue instructions and obtain information with regard to the internal audit. The Audit Committee proposes the internal audit charter, which determines the organisation and operation of Swiss Prime Site's internal audit, to the full Board of Directors.

The Audit Committee holds meetings as often as business requires, but at least twice per year. Seven meetings of the Audit Committee took place within the reporting period, including three meetings with all members physically present, one video conference meeting and three hybrid meetings (physical and video). At least one meeting with the statutory auditor takes place per year. On the basis of this meeting, the Audit Committee forms an in-depth picture of the activities of the auditors and informs the Board of Directors about its findings. The Audit Committee acts as a joint and collective body. Its members have no personal authority over the Company and therefore cannot issue instructions of their own accord. The Audit Committee has a right of proposal to the Board of Directors. The Audit Committee reports regularly to the Board of Directors about its activities and submits the necessary proposals.

7 Nomination and Compensation Committee

Chair: Gabrielle Nater-Bass

Members: Christopher M. Chambers,

Barbara A. Knoflach

Swiss Prime Site's Nomination and Compensation Committee assumes the relevant responsibilities in accordance with the Swiss stock corporation law including the provisions therein transferred from the Ordinance Against Excessive Compensation in Listed Companies (the Ordinance), and also the current Articles of Association. The responsibilities, duties and authority of the Nomination and Compensation Committee are set out in separate regulations. The Nomination and Compensation Committee manages all of the Board of Directors' business activities in the areas of nomination for the highest level managing body (members of the Executive Board and Management Boards of the group companies) as well as proposals for members of the Board of Directors and for compensation.

The Nomination and Compensation Committee acts as a joint and collective body. Its members have no personal authority over the Company and therefore cannot issue instructions of their own accord. The Nomination and Compensation Committee has the right to submit proposals to the full Board of Directors.

The Nomination and Compensation Committee holds meetings as often as business requires, but a minimum of twice per year. Four meetings of the Nomination and Compensation Committee took place within the reporting period, including one meeting with all members physically present and three hybrid meetings (physical and video). The Nomination and Compensation Committee reports regularly to the Board of Directors about its activities and submits the necessary proposals.

8 Investment Committee

Chair: Barbara A. Knoflach

Members: Brigitte Walter, Reto Conrad

The responsibilities, duties and authority of the Investment Committee are set out in separate rules. The Investment Committee manages all of the Board of Directors' business activities in the areas of real estate and real estate investments as well as additional business activities of the Board of Directors that require specific expertise in the real estate field. The Investment Committee acts as a joint and collective body. Its members have no personal authority over the Company and therefore cannot issue instructions of their own accord. The Investment Committee has the right to submit proposals to the Executive Board or Board of Directors. The Investment Committee holds meetings as often as business requires, but at minimum twice per year. Five meetings of the Investment Committee took place within the reporting period, including three meetings with all members physically present and two hybrid meetings (physical and video). The Investment Committee reports regularly on its activities to the Board of Directors and Executive Board and submits the necessary proposals.

9 Sustainability Committee

Chairman: Ton Büchner

Member: Barbara A. Knoflach

The Sustainability Committee addresses high-level, group-wide issues regarding sustainable management. The responsibilities, duties and authority of the Sustainability Committee are set out in separate rules. The Sustainability Committee manages all business activities of the Board of Directors in the area of sustainability-oriented management as well as additional business activities of the Board of Directors that require specific sustainability expertise. The Sustainability Committee acts as a joint and collective body. Its members have no personal authority over the Company and therefore cannot issue instructions of their own accord. The Sustainability Committee has the right to submit proposals to the full Board of Directors. Three meetings of the Sustainability Committee took place within the reporting period with all members physically present.

10 Meetings and Evaluation

Committee	Meetings	Duration (average)	Attendance
Board of Directors	9	5:27 hours	100%
Audit	7	2:58 hours	100%
Nomination and Compensation	4	1:45 hours	100%
Investment	5	1:56 hours	100%
Sustainability	3	2:03 hours	100%

Each individual member was present at all the meetings scheduled.

In 2023, the Board of Directors once again conducted a self-evaluation that assessed the work of the Board of Directors and its individual committees. The evaluation covered purpose, scope, composition, committees, committee briefings to the whole Board of Directors, responsibilities, processes, governance and dynamics. Each member of the Board of Directors completed a comprehensive survey, and a summary of the findings was discussed by the whole Board of Directors and improvement measures were defined.

In addition to its self-evaluation, the Board of Directors organises for a regular, independent evaluation of its competence and effectiveness to be carried out by a recognised external consultant. The most recent independent evaluation was performed in 2020 by the firm Russell Reynolds. The Board of Directors intends to carry out the next external evaluation in 2024.

11 Avoidance of conflicts of interest

The members of the Board of Directors and the Executive Board are to arrange their personal and business affairs in such a way that they avoid conflicts of interest with the Company. Should a conflict of interest nonetheless arise, the member of the Board of Directors or the Executive Board in question is to inform the Chair of the Board of Directors and leave the meeting.

There were no conflicts of interest affecting members of the Board of Directors or the Executive Board in the reporting year. There was no requirement for consultancy or decisions concerning legal transactions, in particular credit transactions with members of the bodies or related parties.

12 Nomination and overview of expertise – Board of Directors

The nomination and selection of the members of the Board of Directors is based on individuals with multi-dimensional expertise, summarised in the list below. The current members of the Board of Directors cover the complete spectrum with in-depth expertise.

Expertise

	T. Büchner	T. Studhalter	G. Nater-Bass	C. Chambers	B. Knoflach	B. Walter	R. Conrad
Management	●	●		●	●	●	●
Strategy	●	●	●	●	●	●	●
ESG	●				●		●
Sales & marketing	●						
Operation	●						
M&A	●	●	●	●	●		●
Risk management	●	●	●	●	●	●	●
Research & development	●						
Digitalisation	●	●					●
Finance		●		●	●	●	●
Human resources		●	●				
Law		●	●				
IT/cyber security			●				●
Real estate				●	●	●	●
Asset and fund management				●	●	●	●
Regulatory requirements						●	



Ton Büchner

1965, Altendorf

Position

Chairman of the Board of Directors, independent member since 2020

Committees

Sustainability Committee: Chairman

Education

Master of Science in Civil Engineering, Delft University of Technology, The Netherlands; Master of Business Administration, IMD Lausanne, Switzerland

Professional activity

From 1989 to 1993, Ton Büchner worked as an off-shore construction project manager in Europe and Asia. From 1994 to 2017, he worked for Sulzer AG, which is listed on the stock exchange, and was its CEO from 2007 to 2011. Between 2012 and 2017, he was CEO and Chairman of the Management Board at AkzoNobel NV, a Dutch company listed on the stock exchange.

Mandates outside Swiss Prime Site

Stock exchange-listed companies: Member of the Board of Directors of Novartis AG, Basel; Chairman of the Board of Directors of Burckhardt Compression AG, Winterthur

Unlisted companies: Consultant for Ammega; member of Adviescommissie Maatwerkafspraken Verduurzaming Industry (AMVI), Ministry of Economic Affairs and Climate Policy, Netherlands

Key skills

Leadership, Strategy, ESG, Sales & Marketing, Operations, M&A, Risk Management, R&D, Digitalisation



Thomas Studhalter

1969, Horw

Position

Vice-Chairman of the Board of Directors, independent member since 2018

Committees

Audit: Chairman

Education

Business Economist, Certified Public Accountant

Professional activity

Thomas Studhalter has been at BDO since 2014 and became the CEO of BDO Switzerland on 1 January 2021. Before joining BDO, Thomas Studhalter was a partner at KPMG.

Mandates outside Swiss Prime Site

Stock exchange-listed companies: Member of the Board of Directors of Datacolor AG, Lucerne

Unlisted companies: Delegate of the Board of Directors of BDO AG Zurich; member of the Board of Directors at Bataillard AG, Rothenburg; member of the Board of Trustees of the Eisner foundations, Hergiswil (comprising Kamillo Eisner-Stiftung, Hergiswil, Eisner-Stiftung, Hergiswil, Stiftung Eranaika, Hergiswil) and Chairman of the Board of Directors of Eisner Holding AG, Hergiswil, and Chairman of the Board of Directors of its subsidiary Inhag AG, Hergiswil

Key skills

Leadership, Strategy, Finance, M&A, Risk Management, Digitalisation, Human Resources



Christopher M. Chambers

1961, London, UK

Position

Member of the Board of Directors, independent member since 2009

Committees

Member Nomination and Compensation: Member

Education

Life Fellow of the Royal Society of Arts (FRSA), UK

Professional activity

Christopher M. Chambers began his professional career in investment banking, before becoming Chief Executive Officer of global hedge fund Man Investments, which he left in 2005.

Mandates outside Swiss Prime Site

Stock exchange-listed companies: Chairman of the Board of Directors of Leonteq AG, Zurich

Unlisted companies: Chairman of the Board of Directors of Oxford Science Enterprises PLC, Oxford, UK

Key skills

Leadership, Strategy, Real Estate, Asset Management, Finance, M&A, Risk Management



Gabrielle Nater-Bass

1968, Meilen

Position

Member of the Board of Directors, independent member since 2019

Committees

Member Nomination and Compensation: Chairman

Education

Lic. iur., University of Zurich; admitted to the Zurich bar; LL.M., University of Virginia School of Law, USA

Professional activity

Gabrielle Nater-Bass has been working for Homburger, a leading Swiss corporate law firm, since 1997. She became a partner in 2006. She has many years' experience conducting proceedings before national courts and courts of arbitration, both in Switzerland and abroad. As a member of Homburger's specialist real estate team, she has extensive knowledge of infrastructure projects and real estate transactions.

Mandates outside Swiss Prime Site

Stock exchange-listed companies: none

Unlisted companies: Member of the Board of Directors of Homburger AG, Zurich; member of the Board of Directors of LGT Bank AG and LGT Bank (Schweiz) AG; member of the Board of Directors of the Swiss Arbitration Centre AG

Key skills

Legal, M&A, Risk Management, Strategy, IT/Cybersecurity, Human Resources



Barbara A. Knoflach

1965, Hofheim, Germany

Position

Member of the Board of Directors,
independent member since 2021

Committees

Investment: Chair
Member Nomination and Compensation: Member
Sustainability: Member

Education

Business Economist

Professional activity

Until 2019, Barbara A. Knoflach was Global Head of BNP Paribas Real Estate Investment Management (REIM) and Deputy CEO of BNP Paribas Real Estate S.A. in Paris. Prior to this, she worked in the financial hub of Frankfurt and held several leadership roles at SEB Asset Management, BfG Bank and Deutsche Bank. She is also a member of the Steering Committee of the German Property Federation (ZIA) in Berlin and is a Fellow of the Royal Institution of Chartered Surveyors (FRICS). In addition, she has founded or co-founded several sustainable, innovative, forward-thinking platforms focusing on real estate, including LifeWorkSpace, Happy House and tinyBE.

Mandates outside Swiss Prime Site

Stock exchange-listed companies: Chairwoman and Senior Independent Member CTP NV, Amsterdam; Independent Non Executive Director of the Board of Lendlease Group, Sydney, Australia

Unlisted companies: Deputy Chair of the Supervisory Board of Aareal Bank AG, Wiesbaden; Chief Executive Officer of LifeWorkSpace GmbH, Hofheim am Taunus and its subsidiary Happy House GmbH, Frankfurt am Main; member of the Supervisory Board of Landmarken AG, Aachen; member of the Advisory Board of Wöhr + Bauer GmbH, Munich

Key skills

Leadership, Strategy, Real Estate, Asset Management, ESG, Finance, M&A, Risk Management



Brigitte Walter

1959, Feldkirchen-Westerham, Germany

Position

Member of the Board of Directors,
independent member since 2022

Committees

Audit: Member
Investment: Member

Education

Diploma in Savings Banking Administration

Professional activity

Brigitte Walter has more than 40 years' expertise in all areas of banking and in real estate. She was on the Board of REAL I.S. AG Gesellschaft für Immobilien Assetmanagement until mid-2019. Most recently, she was responsible for asset and fund management following a number of years working in the areas of finance and risk (including research, compliance and auditing).

Mandates outside Swiss Prime Site

Stock exchange-listed companies: none

Unlisted companies: Member of the Advisory Board of TME Associates GmbH, Munich; representative for the southern region (Bavaria) for the German Property Federation (ZIA), Berlin

Key skills

Leadership, Strategy, Real Estate, Asset and Fund Management, Finance, Risk Management, Regulatory Matters



Reto Conrad

1966, Binningen

Position

Member of the Board of Directors,
independent member since 2023

Committees

Audit: Member

Investment: Member

Education

Degree in Economics (lic. oec.); Certified Public
Accountant

Professional activity

Reto Conrad has been a member of the management committees of Bachem Holding AG, Emmi Holding AG and the Coop Group since 2001. Most recently, he headed the IT, Production and Services Directorate at the Coop Group (2016–2022) and was previously the company's CFO (2012–2016). Throughout this period, he was also a member of the pension fund's investment committee.

Mandates outside Swiss Prime Site

Stock exchange-listed companies: none

Unlisted companies: none

Key skills

Leadership, Strategy, Real Estate, Asset and Fund Management, Finance, M&A, Risk Management, ESG, Digitalisation, IT/Cybersecurity

Executive Board

The Executive Board is responsible for the operational management of Swiss Prime Site and represents the group publicly. It corresponds to the «executive management» according to the Articles of Association of Swiss Prime Site AG and Swiss company law (CO).

Members of the Executive Board generally attend the Board of Directors' meetings in an advisory capacity. They leave the meeting if the Chair so directs.

1 Composition of the Executive Board

Name, Born	Position	Nationality	Member since
René Zahnd, 1966	CEO, CEO of Swiss Prime Site Immobilien AG	Swiss	2015
Marcel Kucher, 1971	CFO	Swiss	2021
Anastasius Tschopp, 1979	Member, CEO of Swiss Prime Site Solutions AG	Swiss	2021

Departures during the reporting period

Oliver Hofmann, CEO Wincasa as at 4 May 2023

Nina Müller, CEO Jelmoli AG as at 30 June 2023

Additions during the reporting period

None

2 Articles of Association provisions regarding the number of permitted activities

The members of the Executive Board may hold no more than five additional mandates outside the group, and no more than one of these may be in a listed entity.

Several mandates within the same group of companies and mandates carried out as part of the member's position on the Board of Directors or the executive management or a supreme managing or supervisory body (including in pension funds, joint ventures and legal entities in which the company has a substantial investment) are counted as one mandate. Activities in non-profit associations, organisations and foundations are not subject to any restrictions. Mandates are deemed to be mandates in comparable roles at other companies with a commercial purpose.

3 Management contracts

There are no management contracts.

4 Compensation, shareholdings and loans

The following information is provided in the Compensation Report on pages 3 to 11: Articles of Association provisions regarding the principles governing performance-based compensation and the allocation of shares, as well as an additional amount for compensation of members of the Executive Board appointed following the vote by the Annual General Meeting on compensation; Articles of Association provisions regarding loans, credit and pension benefits to members of the Board of Directors and the Executive Board and Articles of Association provisions regarding the vote by the Annual General Meeting on compensation.

Shareholdings in Swiss Prime Site AG held by members of the Board of Directors and Executive Board are reported in the Compensation Report on page 14.



René Zahnd

1966, Berne

Position

Member of the Executive Board
Chief Executive Officer
Chief Executive Officer of Swiss Prime Site Immobilien AG

Education

Lawyer

Professional activity

Chief Executive Officer of Swiss Prime Site AG since 1 January 2016. René Zahnd began his professional career at Bratschi Emch & Partner Attorneys at Law in Berne and Zurich from 1994 to 1996. Thereafter, he held the following positions: from 1996 to 1998 in Legal Services at BEKB and Dezennium AG; from 1998 to 2009 head of Legal Services and director of Project Development and member of the Executive Management at general contractor Losinger Marazzi; from 2009 to 30 October 2015 at Implenia, first as Head of Implenia Real Estate and from February 2014 as Head of Modernisation & Development, previously from 2010 as member of the Executive Management and from 2013 as a member of the Group Executive Board of Implenia AG.

Mandates within Swiss Prime Site

Chairman of the Board of Directors of the following group companies: Jelmoli AG, Zurich; Swiss Prime Site Finance AG, Zug; Swiss Prime Site Immobilien AG, Zurich; Swiss Prime Site Management AG, Zug; Zimmermann Vins AG, Carouge

Mandates outside Swiss Prime Site

Stock exchange-listed companies: Member of the Supervisory Board of Branicks Group AG, Frankfurt



Marcel Kucher

1971, Zurich

Position

Member of the Executive Board
Chief Financial Officer

Education

Dr. oec. publ., University of Zurich

Professional activity

Marcel Kucher has been Chief Financial Officer of Swiss Prime Site AG since 1 July 2021. He graduated with a doctorate in economics from the University of Zurich in 2000 before starting his professional career at McKinsey & Company. From 2004 to 2011, he was CFO and Head of Corporate Development at strategic consulting company a-connect. From 2011 to mid-2021, he worked for the listed Peach Property Group, from 2012 as CFO and from 2015 also as COO.

Mandates within Swiss Prime Site

Member of the Board of Directors of the following group companies: Jelmoli AG, Zurich; Swiss Prime Site Finance AG, Zug; Swiss Prime Site Immobilien AG, Zurich; Swiss Prime Site Management AG, Zug; Swiss Prime Site Solutions AG, Zug; Zimmermann Vins AG, Carouge; Akara Property Development AG, Zug; member of the Board of Directors of Swiss Prime Site minority holdings: Superlab Suisse AG, Zurich; Flex-office (Schweiz) AG, Zurich; Urban Connect AG, Zurich

Mandates outside Swiss Prime Site

None



Anastasius Tschopp

1979, Hünenberg

Position

Member of the Executive Board
Chief Executive Officer of Swiss Prime Site
Solutions AG

Education

Master in Real Estate Management and Master in
Banking and Finance from Zurich University of Applied
Sciences in Business Administration

Professional activity

Chief Executive Officer of Swiss Prime Site Solutions
AG since 1 May 2018 and member of the Executive
Board of Swiss Prime Site AG since 1 January 2021.
Anastasius Tschopp has worked at the Swiss Prime
Site Group since 2014 – most recently as Head of Port-
folio Management and a member of the Management
Board of Swiss Prime Site Immobilien AG, where he
shaped a portfolio worth CHF 10 billion. Prior to this,
his career path led him via the development depart-
ment of Zurich Airport to Credit Suisse. As Head Prop-
erty Marketing Real Estate Asset Management there,
he assumed management and specialist responsibility
for marketing across Switzerland.

Mandates outside Swiss Prime Site

None

5 Communication of critical concerns

The Executive Board informs the Board of Directors at each of its sessions about the ongoing course of business, deviations from budget, important business transactions and major development projects.

Following the end of each reporting period, the Executive Board is to submit interim reports containing statements on the course of business and the risk situation to the members of the Board of Directors without delay, at least quarterly. The Executive Board is to immediately notify the Board of Directors of any extraordinary incidents.

For all transactions to be reviewed by the Board of Directors, the Executive Board will generally draw up a written report that contains a proposal for a decision by the Board of Directors. It will provide verbal updates on the course of these transactions; for major projects it will draw up a written final report.

The Executive Board can delegate reporting in whole or in part to the Chief Executive Officer (CEO) or members of the Executive Board for their sections.

Beyond normal reporting, the CEO and in the absence of the CEO another member of the Executive Board is to immediately inform the Chair of the Board of Directors and in the absence of the Chair the Deputy Chair on important business transactions that are material to the Company on a financial, reputational or other basis. The Chair or Deputy Chair of the Board of Directors decides without delay when and how the entire Board of Directors is to be informed.

Shareholder participation rights

The current Articles of Association are available at www.sps.swiss under Governance. The following are references to selected articles:

- Share register and registration restrictions (Article 5)
- Powers of the general meeting (Article 8)
- Convening/agenda of the general meeting (Article 9, para. 4 and Article 10)
- Voting rights and adoption of resolutions, independent proxy and issuing instructions (Articles 12 and 13)
- Special quorum (Article 14)
- Compensation of the Board of Directors and Executive Board (Article 27 et seq.), see Compensation Report

The wording of some provisions of the Articles of Association is provided in the following section:

1 Voting rights and adoption of resolutions

According to Article 12 of the Articles of Association:

- «¹ Each share entitles its holder to one vote.
- ² Representation by proxy at the general meeting is only permissible with a written authorisation. The Chairman of the general meeting decides on the recognition of proxies. The Board of Directors may issue rules on the participation, representation and the issuing of voting instructions. The Board of Directors ensures that shareholders can also issue authorisations and instructions to the independent proxy by electronic means.
- ³ The general meeting passes its resolutions and carries out its elections with a majority of the represented votes, unless Swiss law or the Articles of Association specify otherwise. In the event of a tie, the Chairman has the casting vote.
- ⁴ Elections and resolutions are effected in an open ballot or electronically, unless the general meeting resolves that an election or resolution shall be effected in writing or the Chairman decides to do so. The Chairman may always have an open or electronic ballot repeated as a written ballot if in his opinion there are doubts as to the result of the vote. In such a case, the previous open or electronic election or vote is considered not to have occurred.
- ⁵ If the minimum number of members of the Board of Directors is not reached after the first ballot, the Chairman shall order a second ballot in which the relative majority of the votes cast decides.»

Any shareholder entered in the share register as of 5 March 2024 (effective date) is eligible to vote at the Annual General Meeting of 19 March 2024. Shareholders who sell their shares after this date are not eligible to participate in the Annual General Meeting. No entries are recorded in the share register from 6 March up to and including 19 March 2024.

2 Special quorum

According to Article 14 of the Articles of Association:

«A resolution of the general meeting with at least two-thirds of the represented votes and with the majority of the represented nominal share value is required for:

- a) amendment of the Company's purpose;
- b) consolidation of shares;
- c) creating voting stock;
- d) the restriction of the transferability of registered shares and the removal of such restriction;
- e) capital increases from shareholders' equity, against contribution in kind or for the purpose of acquiring assets as well as granting of special rights;
- f) the introduction of conditional capital or a capital band;
- g) the conversion of participation certificates into shares;
- h) the restriction or repeal of subscription rights;
- i) a change to the currency of the share capital;
- j) a provision in the Articles of Association for holding the general meeting abroad;
- k) the delisting of the Company's shares;
- l) the introduction of an arbitration clause in the Articles of Association;
- m) a change to the Company's registered office;
- n) dissolution of the Company without liquidation;
- o) dissolution of the Company with liquidation;
- p) conversion of bearer shares into registered shares;
- q) conversion of registered shares into bearer shares;
- r) the abolishment of statutory restrictions regarding the adoption of resolutions at the general meeting pursuant to items o, p and q) above.»

3 Convening of the Annual General Meeting

According to Article 10 of the Articles of Association:

- «¹ The general meeting shall be convened by the Board of Directors, or, if necessary, by the Auditor.
- ² The general meeting shall be convened no less than 20 days before the date of the meeting in the manner provided for in Art. 37 of these Articles of Association. The notice of a general meeting shall state the following:
- 1) date, start, nature and location of the general meeting;
 - 2) agenda items;
 - 3) motions of the Board of Directors, including brief reasons;
 - 4) any shareholder motions, including brief reasons;
 - 5) name and address of the independent proxy.
- ³ Subject to the provisions regarding the universal meeting, no resolutions can be passed on matters not thus announced, other than regarding an application to convene an extraordinary general meeting or to conduct a special audit. Discussion of motions made after the general meeting has been convened, or during the general meeting, may be permitted if the general meeting so decides. However, resolutions in relation to such proposals may not be made until the next general meeting.
- ⁴ However, no prior notification is required for submitting proposals in the context of agenda items and for discussing matters without passing a resolution.
- ⁵ The Annual Report, the Compensation Report and the corresponding audit report, the report on non-financial issues, the auditor's report and the group audit report must be made available to the shareholders no less than 20 days before the Annual General Meeting.»

4 Agenda items

As per Article 9, para. 4 of the Articles of Association, shareholders who together hold at least 0.25% of the share capital or votes may request that an item be put on the agenda or a motion on an agenda item be included in the notice of a meeting. Such a request must be made in writing, specifying the agenda item and the proposal or proposals, no later than forty days before the date of the meeting.

5 Share register and registration restrictions

According to Article 5 of the Articles of Association:

- «¹ A share register is kept for the registered shares, in which the owners and usufructuaries are entered with their surname, given name, place of residence, address and nationality (if legal entities, the registered office). In the event of a change to the place of residence, the Company must be notified in writing of the new place of residence, failing which the former place of residence continues to be relevant for the purpose of the relationship with the Company. The Company only acknowledges as shareholders or usufructuaries those persons/entities entered in the share register. The Company only acknowledges one beneficiary per share.
- ² Upon request, those acquiring registered shares are entered into the share register as shareholders with voting rights if they expressly declare that they have acquired these registered shares in their own name and for their own account, that there is no agreement on the redemption or return of corresponding shares and that they bear the economic risk associated with the shares. Art. 685d (3) CO remains reserved.
- ³ Following consultation with the registered shareholder, the Board of Directors may delete, with retroactive effect as of the date of the entry, an entry from the share register that was based on false information. The respective shareholder must be informed immediately about the deletion.
- ⁴ The Board of Directors takes the necessary steps and makes the necessary arrangements in order to comply with the above provisions.
- ⁵ The Board of Directors is entitled to refuse the admission of foreign purchasers of registered shares as voting shareholders to the extent that and as long as their recognition could prevent the Company from filing the evidence required under Swiss federal laws regarding the composition of the shareholders.»

6 Independent proxy

As per Article 13, para. 1 of the Articles of Association, the general meeting elects the independent proxy for a term of one year until the end of the following Annual General Meeting. Re-election is permitted. The Board of Directors ensures that shareholders can issue proxies and instructions to the independent proxy electronically as well. Detailed information and instructions are provided to shareholders together with the invitation documentation for attendance of the Annual General Meeting. These are also published on the Company's homepage.

Statutory auditor and information policy

1 Change of control and defence measures

Anyone who directly, indirectly or in joint agreement with third parties acquires shares and, together with the shares already in their possession, exceeds the limit of 33⅓% of the voting rights, whether exercisable or not, must submit an offer for all listed shares of the Company. There are no change of control clauses in the agreements and plans in favour of the members of the Board of Directors and Executive Board or other members of the Company's executive management.

The Audit Committee evaluates the assessment of risks of misrepresentations in the financial statements by the Executive Board and external auditors and evaluates and monitors the implementation of countermeasures.

The Audit Committee discusses with the Executive Board and external auditors the audited consolidated financial statements and carries out a critical analysis particularly with respect to special events. The Audit Committee decides whether the individual and consolidated financial statements can be submitted to the Board of Directors for approval and publication, before the Board of Directors approves and publishes these. The Audit Committee discusses with the external auditors any significant problems that emerge within the scope of the audit as well as the complete report and the responses by the Executive Board to the facts therein. The Audit Committee also submits proposals to the Board of Directors, as required, for appropriate solutions and monitors the implementation of measures.

2 Auditors

Duration of the mandate and period of office of the auditor in charge

Since 2023, the statutory auditor of Swiss Prime Site AG has been PricewaterhouseCoopers AG, Birchstrasse 160, 8050 Zurich. That company also acts as independent auditor for all significant fully consolidated group companies. The auditors are elected each year by the Annual General Meeting. The auditor in charge has been in this role since the 2023 financial year.

The Audit Committee discusses with the Executive Board and external auditors their assessment of the general quality of Swiss Prime Site's accounting policy that is applied to the financial reporting, carries out a critical analysis and reports to the Board of Directors.

Fees

For the current reporting period, the auditors invoiced fees of CHF 0.416 million [CHF 0.520 million] for statutory audits and CHF 0.176 million [CHF 0.467 million] for additional auditing services (in particular services relating to the half-year and sustainability report). No consulting services were provided by the auditors [CHF 0.021 million].

Information tools of the external audit

The Audit Committee holds a meeting with the auditors on an annual basis regarding the financial statements as well as the audit thereof. Moreover, the results of the audit are recorded in writing in a comprehensive report for submission to the Board of Directors.

The Audit Committee evaluates the performance, fees and independence of the auditors on an annual basis and reports to the Board of Directors.

3 Information policy

The Swiss Prime Site Group's detailed financial reporting occurs in the form of semi-annual and annual reports. The published accounts comply with the provisions of Swiss company law, the Listing Rules of the SIX Swiss Exchange and IFRS regulations. Swiss Prime Site presents the semi-annual and annual reports at the half-yearly and annual financial results press conferences as well as at the Annual General Meeting. Swiss Prime Site conducts its reporting within the scope of the disclosure obligations as per the Financial Market Infrastructure Act (FMIA) and the ad hoc publicity of the SIX Swiss Exchange. The ad hoc releases can be accessed concurrently with the reports to the SIX Swiss Exchange at www.sps.swiss under Media. In addition, media releases are published as required and these can also be subscribed to at www.sps.swiss under Media, Subscription service. Further information about the group can be found on the website at www.sps.swiss.

Contact address:
 Swiss Prime Site AG
 Alpenstrasse 15
 CH-6300 Zug
 Telephone +41 58 317 17 17
 Email info@sps.swiss
www.sps.swiss

4 General blackout periods

As a rule, a blackout period regarding trading of material Swiss Prime Site shares applies to all employees of Swiss Prime Site and of all directly and indirectly controlled subsidiaries of the Swiss Prime Site Group from 20 December every year until 24 hours after the publication of the annual financial statements and from 25 June every year until 24 hours after the publication of the half-yearly financial statements. In addition, if any employees of the Swiss Prime Site Group become aware of insider information – either via a Swiss Prime Site media release or another source – they are generally not permitted to trade in material Swiss Prime Site shares from the point they acquire the knowledge until 24 hours after the information becomes generally known or has lost its status as insider information.

5 Significant changes since the balance sheet date

No significant changes have taken place since the balance sheet date.



COMPENSATION



4 Foreword

5 Governance

- Provisions on compensation in the Articles of Association
- Nomination and Compensation Committee
- Method of determination of compensation
- Compensation of the Board of Directors

9 Compensation of the Executive Board

- Compensation system for the Executive Board
- New weighting of compensation components of maximum total compensation
- Annual base salary
- Ratio of highest-earning employee to median
- Short-term incentive
- Long-term incentive with key ESG figures
- Bonus repayment (clawback clause)
- Minimum shareholding (Share Ownership Guidelines)
- Composition of the Executive Board
- Members of the Executive Board who have left the company
- Notes on the compensation table

14 Other compensation-related information

18 Statutory Auditor's Report



Swiss Prime Site – Partner for Swiss property

We are one of Europe's leading real estate companies. Our high-quality portfolio in Switzerland includes both our own properties and assets managed for third parties. To our investors and clients, we offer a broad range of products and investment opportunities in commercial as well as residential real estate. These include our share, funds and investment foundations, and advisory services.

Reporting structure

Our stakeholder-oriented 2023 reporting consists of the online report and other stock exchange-related chapters as PDF downloads, as well as the printed annual magazine «Review 2023». Our non-financial report in accordance with the requirements of the Swiss Code of Obligations (Articles 964b and 964c) is available separately.

Focusing keeps us moving

Focusing on the core business of property and the associated streamlining of the Executive Board were front and centre in the 2023 financial year. In line with this focus, the compensation model for the Executive Board was further refined, and strategy-related KPIs more finely calibrated. With the Executive Board now comprising three members, the total compensation to be proposed at the Annual General Meeting on 19 March 2024 can be reduced from the previous CHF 8.3 million to CHF 5.5 million. The proportion of long-term compensation components, or long-term incentive (LTI), was significantly increased from the previous 37.5% to 47.5% of the base salary.

To further align the entire management of the company with our ESG targets and to strengthen our ambitions in that area, we have also embedded sustainability targets in the LTI. At the same time, the underlying GRESB regulatory framework allows for a peer comparison by which the Executive Board is measured.

For the 2025 financial year, the Nomination and Compensation Committee has decided to supplement the GRESB model with an environmental footprint in the form of a key performance indicator (KPI) on the CO₂ reduction pathway. Swiss Prime Site continually outperforms the applicable pathway set out by the CRREM 1.5-degree target, and aims to achieve the net zero target set by the government for 2050 as early as 2040.

The Nomination and Compensation Committee is confident that it has a modern, market- and performance-oriented compensation model, which now includes a clawback clause and guidelines for minimum shareholdings, added in recent years. The benchmark study conducted by independent consulting firm Mercer with comparable (listed) companies shows us to be in line with the market in our weighting of individual compensation elements. New benchmarking for the Board of Directors of Swiss Prime Site is planned for 2024.

Swiss Prime Site is now entitled to bear the title «Great Place to Work». A very high proportion of employees responded to this survey (88%), and attested to the fact that Swiss Prime Site has a great deal to offer as an employer. In the overall evaluation of work culture (Trust Index), we scored 81% (average 61%). In terms of general satisfaction, we achieved a very high 87% (Swiss average 67%).

As Chairwoman of the Nomination and Compensation Committee, I take pride in the agility and creative strength of Swiss Prime Site, which are based on a very healthy corporate culture.

Gabrielle Nater-Bass

Governance

The Compensation Report is written in accordance with company law in force since 1 January 2023 (the «Swiss Ordinance Against Excessive Compensation in Listed Companies» was integrated into that law), the SIX Swiss Stock Exchange directive relating to information on corporate governance, and the principles of the Swiss Code of Best Practice for Corporate Governance issued by *economiesuisse*. The Compensation Report describes the governance framework, the compensation principles and programmes as well as the compensation awarded to the members of the Board of Directors and the Executive Board in the 2023 financial year.

Shareholders prospectively approve the maximum amount of compensation of the Board of Directors and the Executive Board by way of a binding vote at the Annual General Meeting. Furthermore, shareholders approve the Articles of Association that outline the principles of compensation and also approve the Compensation Report by way of a consultative

vote. The proposed maximum amounts of compensation submitted to shareholders' vote are maximum figures that are paid out in case of substantial over-achievement of all relevant performance targets. The compensation actually paid out is therefore likely to be below the approved maximum amounts.

Achievement of targets and effective remuneration are stated in the Compensation Report. The combination of the prospective binding vote on the maximum amounts of compensation and the retrospective consultative vote on the Compensation Report gives shareholders a strong say in decisions regarding compensation. Swiss Prime Site will continue to present the Compensation Report to the Annual General Meeting for a consultative vote in future in order to give shareholders the opportunity to express their opinion on the compensation system.

1 Provisions on compensation in the Articles of Association

The Articles of Association can be found in their entirety on the Company's website (www.sps.swiss > Governance). The following is a summary:

Principles governing compensation of the Board of Directors
Article 27

The members of the Board of Directors receive fixed compensation for their activities. Additional compensation may be paid for memberships in committees and for assuming special tasks or assignments. The compensation may be paid entirely in cash or in restricted or unrestricted shares of the Company.

Principles governing compensation of the Executive Board
Articles 29 and 30

The members of the Executive Board receive fixed annual compensation for their activities as well as variable performance-based compensation. The variable compensation is based on quantitative and individual targets that are determined annually by the Board of Directors in the Company's and the shareholders' long-term interests. The variable compensation may be paid in cash or partly in restricted or unrestricted shares of the Company.

Approval of compensation by shareholders
Article 31

Each year, the Annual General Meeting approves with binding effect the maximum amount of compensation of the Board of Directors for the respective current financial year and the maximum amount comprising both the fixed and variable compensation of the Executive Board for the current financial year. The compensation actually paid to the Board of Directors and the Executive Board is disclosed in the Compensation Report, which is subject to consultative vote by the shareholders.

Additional compensation for new Executive Board members
Article 31 para. 3

Where new members are appointed to the Executive Board after the maximum amount of compensation by the Annual General Meeting has already been approved, the maximum additional amount available for each new member corresponds to 150% of the highest compensation paid to a member of the Executive Board at the last Annual General Meeting of the previous financial year.

2 Nomination and Compensation Committee

The Board of Directors has a Nomination and Compensation Committee (NCC) to provide support in compensation matters. Gabrielle Nater-Bass (Chair), Barbara A. Knoflach and Christopher M. Chambers are the current members of the Nomination and Compensation Committee.

The responsibilities of the Nomination and Compensation Committee are defined in a separate regulation. In summary, they include:

- Preparation of proposals to the Board of Directors regarding the compensation principles, including the design of variable compensation
- Preparation of proposals to the Board of Directors regarding the maximum amounts of compensation of the members of the Board of Directors and the Executive Board to be submitted to shareholders' vote at the Annual General Meeting
- Preparation of proposals to the Board of Directors regarding the individual compensation of the members of the Board of Directors and the Executive Board within the limits approved by the shareholders
- Preparation of proposals to the Board of Directors on the performance targets relevant for the determination of the variable compensation
- Evaluation of the achievement of the performance targets for the calculation of the variable compensation and preparation of the corresponding proposals to the Board of Directors
- Monitoring compliance of the compensation principles with the law, the Articles of Association and internal regulations as well as the resolutions of the Annual General Meeting regarding compensation
- Preparation of the Compensation Report
- Preparation of the guidelines and proposals for nomination (including authority to sign) and for the compensation payable to the Board of Directors, the Executive Board, employees of Swiss Prime Site and its group companies, related persons and external valuation experts
- Monitoring of compliance with the compensation and nomination principles determined by the Board of Directors, the committee itself and the Executive Board
- Assessing talent and succession management and the issues of diversity and integration
- Any other activities assigned by law or by the Board of Directors

The Nomination and Compensation Committee acts in an advisory capacity while the Board of Directors retains the decision-making authority on compensation matters, except for matters concerning the maximum amounts of compensation of the Board of Directors and Executive Board, which are subject to the approval of shareholders at the Annual General Meeting. The authority levels of the different bodies on compensation matters are detailed in the following table, «Authority levels in compensation matters».

The Nomination and Compensation Committee held four meetings in 2023. Over the course of the year, the Committee reviewed the appropriateness of the compensation of the Board of Directors and the compensation structure for the Executive Board. Furthermore, the Nomination and Compensation Committee performed its regular activities throughout the year, such as the performance target setting at the beginning of the year and the performance assessment following the year-end, the annual review and determination of the individual compensation of the members of the Board of Directors and the Executive Board, as well as the preparation of the Compensation Report and of the say-on-pay compensation votes for the Annual General Meeting.

The Chair of the Nomination and Compensation Committee reports the activities of the committee to the Board of Directors after each meeting. The minutes of the committee meetings are available to the members of the Board of Directors. As a general rule, the Chairman of the Board of Directors and CEO attend the meetings in an advisory capacity. They do not attend the meeting or part of the meeting when their own compensation and/or performance are being discussed. The Nomination and Compensation Committee may consult an external advisor from time to time regarding special compensation issues.

Authority levels in compensation matters

	CEO	NCC	BoD	AGM
Compensation principles and design of variable compensation		Proposes	Approves	
Maximum amounts of compensation of the Board of Directors and Executive Board		Proposes	Reviews	Approves (binding vote)
CEO compensation		Proposes	Approves	
Individual compensation of the Executive Board	Proposes	Reviews	Approves	
Performance target setting and assessment of the CEO		Proposes	Approves	
Performance target setting and assessment of the Executive Board	Proposes	Reviews	Approves	
Individual compensation of the members of the Board of Directors		Proposes	Approves	
Compensation Report		Proposes	Approves	Consultative vote

3 Method for determining compensation

The Nomination and Compensation Committee periodically reviews the compensation of the Board of Directors and Executive Board. This includes the regular benchmarking analysis – generally conducted every two to three years – of the compensation of similar positions in other listed companies that are comparable in size (market capitalisation, revenue, headcount).

4 Compensation of the Board of Directors

The independence of the members of the Board of Directors in terms of good corporate governance is underscored by fixed compensation that does not have a performance-related element. It is also underpinned by supervisory duties toward the Executive Board and a focus on the long-term, sustainable strategy of the Company. The fee is paid partly in cash and partly in restricted shares (with a vesting period of three years), with the intention of strengthening the long-term alignment of the Board's interests with those of shareholders. The fee is paid half-yearly (June and December) and the price used to calculate the number of shares is the 60-day volume-weighted average price (VWAP) prior to the month of payment.

The change in registered office from Olten to Zug required new regulations on expenses. The expense allowance now amounts to CHF 2 000 (previous year CHF 6 000). This reduction in remuneration was balanced by a moderate increase in fees, which are nevertheless still well under the proposed total compensation of CHF 1.8 million.

Fixed annual fee for members of the Board of Directors 2023

Chairman of the Board of Directors	CHF 455 000
Vice-Chairman of the Board of Directors	CHF 195 000
Member of the Board of Directors	CHF 185 000
Additional fee for the Chair of the Audit Committee	CHF 10 000
Expense allowance	CHF 2 000

The total compensation of the Board of Directors amounts to CHF 1.617 million [2022: CHF 1.575 million] and is therefore less than the maximum compensation proposed at the Annual General Meeting of 21 March 2023. The shareholding of the Board of Directors is also stated in the Compensation Report.

01.01.–31.12.2023

in CHF 1 000	Compensation in cash	Share-based compensation¹	Other compensation components²	Employer social security contributions	Gross compensation	Expense allowance
Ton Büchner, Chairman of the BoD	228	208	6	24	466	2
Thomas Studhalter, Vice-Chairman of the BoD	101	93	6	6	206	2
Mario F. Seris, member of the BoD ³	22	19	5	2	48	–
Christopher M. Chambers, member of the BoD	93	84	6	–	183	2
Barbara A. Knoflach, member of the BoD	93	84	1	–	178	2
Gabrielle Nater-Bass, member of the BoD	93	84	6	6	189	2
Brigitte Walter, member of the BoD	93	84	–	17	194	2
Reto Conrad, member of the BoD ⁴	72	66	6	9	153	2
Total compensation to the Board of Directors 2023 (gross)	795	722	36	64	1 617	14
Compensation approved by the Annual General Meeting					1 800	

¹ the shares are subject to blocking for three years, fair value upon transfer of shares

² services and benefits in kind (provision of Swiss federal railways (SBB) general pass or frequent flyer status, gross)

³ until 21.03.2023

⁴ since 21.03.2023

01.01.–31.12.2022

in CHF 1 000	Compensation in cash	Share-based compensation¹	Other compensation components²	Employer social security contributions	Gross compensation	Expense allowance
Ton Büchner, Chairman of the BoD	225	203	6	25	460	6
Mario F. Seris, Vice-Chairman of the BoD	95	86	5	9	194	6
Christopher M. Chambers, member of the BoD	90	81	6	–	177	6
Barbara Frei-Spreiter, member of the BoD ³	21	19	6	2	47	1
Barbara A. Knoflach, member of the BoD	90	81	6	–	177	6
Gabrielle Nater-Bass, member of the BoD	90	81	6	5	182	6
Thomas Studhalter, member of the BoD	95	86	6	5	192	6
Brigitte Walter, member of the BoD ⁴	69	62	–	13	144	5
Total compensation to the Board of Directors 2022 (gross)	775	700	41	59	1 575	42
Compensation approved by the Annual General Meeting					1 800	

¹ the shares are subject to blocking for three years, fair value upon transfer of shares

² services and benefits in kind (provision of Swiss federal railways (SBB) general pass, gross)

³ until 23.03.2022

⁴ since 23.03.2022

Compensation of the Executive Board

1 Compensation system for the Executive Board

The total compensation for the Executive Board comprises an annual base salary plus a variable component consisting of a short-term incentive and a long-term incentive. Members of the Executive Board also receive a fixed payment for expenses and, if required, a first-class SBB GA Travelcard.

2 New weighting of compensation components of maximum total compensation

For 2023, the Nomination and Compensation Committee implemented a revised salary model for the Executive Board. The percentage weighting of the LTI as a proportion of the total compensation was increased significantly. The model is as follows compared with the previous year:

	Previously until 2022	New from 2023
Base salary	100%	100%
Max. STI	62.5%	62.5%
Max. LTI	37.5%	47.5%
Max. total compensation	200%	210%

The benchmark study conducted by the independent consulting firm Mercer in October 2023 shows that the weighting of the individual compensation elements is absolutely in line with the market. Along with the existing key figure of earnings per share (EPS), the long-term incentive now includes an ESG component. This is calculated based on the GRESB Development and GRESB Standing Investment scores compared to the relevant peer group. The importance of sustainability in Swiss Prime Site's activities is underlined by the allocation of ESG metrics in the LTI.

3 Annual base salary

The amount of the base salary is determined particularly by the individual competencies, experience, market value and responsibility of the respective Executive Board member.

4 Ratio of highest-earning employee to median

The ratio of the highest-earning employee (CEO René Zahnd) to the median of salaries in the core business is 1:9.75.

5 Short-term incentive

The short-term incentive is performance-based compensation in cash that is capped at a maximum of 62.5% of the base salary. It measures the attainment of annual profitability and growth targets with a total weighting of 75%, and individual targets with a weighting of 25%. A target achievement of 100% results in the payment of 75% of the maximum bonus of the respective target and underlines the restrictive compensation policy. The maximum bonus can therefore only be achieved with a clear outperformance.

The individual targets typically include parameters from the member's own business area that are indicative of performance within the sector. They can contain other ESG targets in addition to the GRESB parameter already allocated in the LTI.

Profitability and growth targets include EBIT or EBITDA as well as another company-specific relevant key indicator such as FFO I or growth in assets under management, which are designed to ensure sustainable, successful business operations.

6 Long-term incentive with ESG targets

The long-term incentive takes the form of performance share units (PSUs). It is now capped at a maximum of 47.5% (previous year 37.5%) of the base salary. The number of PSUs are allocated for the following financial year using the 60-day VWAP from the previous year as at 31 December and are subject to a three-year vesting period.

The EPS, the most comprehensive financial parameter for long-term targets, is used as a key performance indicator along with both the GRESB KPIs, the «GRESB Standing Investment score» and «GRESB Development score». This reflects the Board's collective achievement for the group and also anchors the corporate goal of sustainable value creation in the compensation system. We chose GRESB Scores because they represent an independent rating system for measuring the sustainability performance of real estate companies and real estate funds. The two key GRESB figures, which have equal weighting, enable a peer comparison. The GRESB Score is obtained by weighting seven different aspects – management, policy & disclosure, risks & opportunities, monitoring, building certification, performance indicators and stakeholder engagement – which contributes significantly to the transparency of the real estate industry on sustainability issues.

From the 2025 financial year, these figures will be supplemented by an additional key indicator on the progress of the CO₂ reduction pathway, underpinning Swiss Prime Site's ambitious net zero target for 2040.

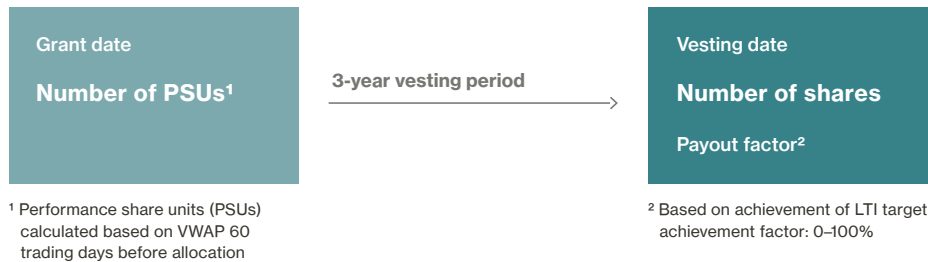
7 Bonus repayment (clawback clause)

The bonus regulations for the Executive Board determine that, in addition to the claims for damages already provided for, the Board of Directors is entitled to request at most – with binding effect and at their own discretion – the repayment of the last bonus received. This can be enforced if a member of the Executive Board causes significant financial damage or loss of reputation or is in serious breach of statutory, regulatory or contractual provisions, or if the company has experienced a significant change in its capital base or financial performance.

Schematic representation of total compensation and the mechanism of the performance share units (PSUs) within the scope of the long-term incentive (LTI) plan

Maximum total compensation 210% of the base salary		
Base salary 100% Based on competencies, experience, market value and responsibility	Performance-based variable compensation, maximum 110% of base salary	
	STI 62.5% of base salary 25% individual targets 75% profitability and growth targets	LTI 47.5% of base salary (increase vs. previous year) 75% EPS 25% key GRESB figures

Mechanism of the performance share units (PSUs) within the scope of the long-term incentive (LTI) plan



8 Minimum shareholding (share ownership guidelines)

For the purposes of further alignment with shareholders' interests, the Executive Board is required to own a minimum shareholding. The required shareholding ranges from 100% to 200% of the annual base salary and reflects the role and significance of the individual's contribution to the performance of the group. The number of shares is calculated based on the 60-day VWAP as at 31 December of the previous financial year. This guideline entered into force on 1 January 2022. The respective minimum holding must first be met by the effective date of 1 April 2027. There is a five-year period in which to build up the shareholding. The shareholdings of the Executive Board are also detailed in the Financial Compensation Report.

9 Composition of the Executive Board

At the end of 2023, the Executive Board comprised three members. René Zahnd occupies the office of both Group CEO and CEO of Swiss Prime Site Immobilien, Marcel Kucher likewise acts as both Group CFO and CFO of SPS Immobilien, and Anastasius Tschopp is the CEO of SPS Solutions AG.

Oliver Hofmann, Wincasa CEO, withdrew from the Executive Board upon the sale of Wincasa (the closing took place on 4 May 2023). Nina Müller, CEO Jelvoli, opted for a change of professional direction as at the end of June 2023. Reto Bragger, who is serving as CEO of Jelvoli until its closure, reports to René Zahnd, but is not a member of the Executive Board.

10 Members of the Executive Board who have left the company

In the 2023 reporting year, Nina Müller (Jelmoli CEO) and Oliver Hofmann (Wincasa CEO) resigned from the company. The Compensation Committee ensured that entitlements under employment contracts and/or change of control clauses were fulfilled correctly and that they comply with new company law. No severance payments were made. Both members of the Executive Board qualify as «good leavers» and are entitled to vesting of PSUs allocated in previous years, where the corresponding Swiss Prime Site targets are achieved.

11 Notes on the compensation table

The compensation paid to the Executive Board for the 2023 financial year of CHF 5.526 million [2022: CHF 7.287 million] is less than the maximum amount of CHF 8.3 million approved at the Annual General Meeting on 21 March 2023.

Given the streamlined Executive Board, a lower total amount for the Executive Board of no more than CHF 5.5 million will be proposed to the Annual General Meeting on 19 March 2024.

01.01.–31.12.2023

in CHF 1 000	Total Group Executive Board	of which René Zahnd (CEO) ¹
Fixed compensation in cash (gross)	2 842	779
Variable compensation in cash (gross)	1 119	385
Share-based variable compensation ²	914	369
Other compensation components ³	25	6
Pension fund contributions	362	89
Other social security contributions	264	76
Total compensation to the Group Executive Board 2023 (gross)	5 526	1 704
Expense allowance	73	18
Compensation approved by the Annual General Meeting	8 300	

¹ highest compensation to the Executive Board incl. increase as of 1.1.2023

² performance share units (LTI) with three-year vesting period

³ includes all compensation components not separately reported according to art. 14, para. 2 of the Swiss Ordinance Against Excessive Compensation in Listed Companies, e.g. provision of Swiss federal railways (SBB) general pass

01.01.–31.12.2022

in CHF 1 000	Total Group Executive Board	of which René Zahnd (CEO) ¹
Fixed compensation in cash (gross)	3 371	750
Variable compensation in cash (gross)	1 648	351
Share-based variable compensation ²	1 313	281
Other compensation components ³	38	6
Pension fund contributions	554	89
Other social security contributions	363	91
Total compensation to the Group Executive Board 2022 (gross)	7 287	1 568
Expense allowance	102	18
Compensation approved by the Annual General Meeting	8 300	

¹ highest compensation to the Executive Board

² performance share units (LTI) with three-year vesting period

³ includes all compensation components not separately reported according to art. 14, para. 2 of the Swiss Ordinance Against Excessive Compensation in Listed Companies, e.g. provision of Swiss federal railways (SBB) general pass

Target weighting and target achievement 2023

	Total variable compensation, maximum 110% of base salary				
	62.5% short-term			Achievement of targets in % of maximum variable compensation for the STI	47.5% long-term
	25% individual targets ¹	75% business-related KPIs			Number of PSUs based on VWAP in 2020 ³
CEO	25%	60% EBIT	40% FFO I	79%	100% EPS ²
CFO	25%	60% EBIT	40% FFO I	83%	100% EPS ²
CEO Swiss Prime Site Solutions	25%	50% EBITDA SPSS	50% AuM	88%	100% EPS ²

¹ Typically KPIs for the business area as well as ESG targets

² Swiss Prime Site Group before revaluations and deferred taxes

³ Vesting LTI 2021

Executive Board target achievement

The 2023 target achievement rates for the short-term incentive (STI) ranged from 79% to 88%. The target achievement of the LTI plan due in 2023 was 103.20% (payout factor: 100%). EPS target achievement for 2023 was 103.06%.

Other compensation-related information

1 Benefits and fringe benefits

Benefits consist mainly of retirement and insurance plans that are designed to provide an appropriate level of protection for the employees and their dependants with respect to retirement, the risk of disability and death, and risks to health. The members of the Executive Board are covered in accordance with the respective pension plans of the employing company. There are various pension plans within the SPS and Jelmoli pension funds for all employees of the Swiss Prime Site Group. Contributions by the employer (total risk and savings contributions) range from 13% to 19%, according to age. Furthermore, all members of the Executive Board are entitled to a lump-sum expense allowance, as approved by the tax authorities. No other benefits are paid to members of the Executive Board.

2 Employment contracts

According to Article 22 of the Articles of Association, the contracts determining the compensation of the members of the Board of Directors and the Executive Board may be of fixed or unlimited term. The maximum duration for fixed-term agreements is one year. The notice period for unlimited contracts may not exceed one year. These contracts may stipulate post-contractual non-competition clauses with a duration of up to twelve months.

The current employment contracts of the members of the Executive Board are open-ended and include notice periods of six to twelve months. These contracts contain no unusual provisions, in particular no severance pay and no extraordinary clauses in the event of a change of control over the Company.

3 Shareholding interests of Board of Directors and Executive Board

Number of shares	31.12.2022	31.12.2023
Board of Directors		
Ton Büchner, Chairman of the BoD	9 305	13 420
Thomas Studhalter, Vice-Chairman of the BoD	5 234	6 481
Mario F. Seris ¹	17 265	n.a.
Christopher M. Chambers, member of the BoD	45 655	46 793
Barbara A. Knoflach, member of the BoD	1 789	2 927
Gabrielle Nater-Bass, member of the BoD	3 855	4 993
Brigitte Walter, member of the BoD	818	1 956
Reto Conrad, member of the BoD ²	n.a.	873
Executive Board		
René Zahnd, member of the Executive Board (CEO)	17 067	20 308
Marcel Kucher, member of the Executive Board (CFO)	5 150	6 650
Anastasius Tschopp, member of the Executive Board and CEO of Swiss Prime Site Solutions AG	581	581
Oliver Hofmann, member of the Executive Board and CEO of Wincasa AG ³	3 285	n.a.
Nina Müller, member of the Executive Board and CEO of Jelmoli AG ⁴	–	n.a.
Total share ownership	110 004	104 982

¹ until 21.03.2023

² since 21.03.2023

³ until 04.05.2023

⁴ until 30.06.2023

4 Activities of the members of the Board of Directors in other companies

Ton Büchner	<p>Stock exchange-listed companies:</p> <ul style="list-style-type: none"> – Novartis AG, Basel, member of the Board of Directors – Burckhardt Compression AG, Winterthur, Chairman of the Board of Directors <p>Unlisted companies:</p> <ul style="list-style-type: none"> – Tonality Holding AG, Altendorf, member of the Board of Directors and CEO of subsidiaries Bandinnera GmbH and Great Apes Aviation GmbH, Altendorf
Thomas Studhalter	<p>Stock exchange-listed companies:</p> <ul style="list-style-type: none"> – Datacolor AG, Lucerne, member of the Board of Directors <p>Unlisted companies:</p> <ul style="list-style-type: none"> – BDO AG, Zurich CEO & delegate of the Board of Directors, including signing authority for Wertim, public limited company for securities and real estate management, Altdorf (UR) – Bataillard AG, Rothenburg, member of the Board of Directors – Eisner-Stiftung, Hergiswil (comprising Kamillo Eisner-Stiftung, Hergiswil, Eisner-Stifung, Hergiswil, Stiftung Eranaika, Hergiswil), member of the Board of Trustees of – Eisner Holding AG, Hergiswil, Chairman of the Board of Directors and Chairman of the Board of Directors of subsidiary Inhag AG, Hergiswil
Christopher M. Chambers	<p>Stock exchange-listed companies:</p> <ul style="list-style-type: none"> – Leonteq AG, Zurich, Chairman of the Board of Directors <p>Unlisted companies:</p> <ul style="list-style-type: none"> – Oxford Science Enterprises PLC, Oxford, UK, Chairman of the Board of Directors
Gabrielle Nater-Bass	<p>Stock exchange-listed companies: None</p> <p>Unlisted companies:</p> <ul style="list-style-type: none"> – Homburger AG, Zurich, Partner and member of the Board of Directors – LGT Bank AG, member of the Board of Directors – LGT Bank (Schweiz) AG, member of the Board of Directors – Swiss Arbitration Center AG, member of Board of Directors
Brigitte Walter	<p>Stock exchange-listed companies: None</p> <p>Unlisted companies:</p> <ul style="list-style-type: none"> – TME Associates GmbH, Munich, member of the Advisory Board
Reto Conrad	<p>Stock exchange-listed companies: None</p> <p>Unlisted companies:</p> <ul style="list-style-type: none"> – Conrad Consulting, Binningen, Owner
Barbara Knoflach	<p>Stock exchange-listed companies:</p> <ul style="list-style-type: none"> – CTP NV, Amsterdam, Chairwoman and Senior Independent Member – Lendlease Group, Sydney, Australia, Independent Non Executive Director of the Board <p>Unlisted companies:</p> <ul style="list-style-type: none"> – Aareal Bank AG, Wiesbaden, Deputy Chair of the Supervisory Board – LifeWorkSpace GmbH and its subsidiary Happy House GmbH, Hofheim am Taunus, CEO – Ltd AG Aachen, member of Supervisory Board – Wöhr + Bauer GmbH, Munich, member of the Advisory Board

5 Activities of the members of the Executive Board in other companies

René Zahnd	Stock exchange-listed companies: – Branicks Group AG, Frankfurt, member of the Supervisory Board
Marcel Kucher	Member of Board of Directors of Swiss Prime Site AG's minority holdings: Flexoffice (Schweiz) AG, Zurich, Urban Connect AG, Zurich, Superlab Suisse AG, Zurich
Anastasius Tschopp	– Stock exchange-listed companies: None – Unlisted companies: None

6 Loans and credits to members of the Board of Directors and Executive Board

No loans or credits were granted to current members of the Board of Directors or the Executive Board in 2023, and there were no loans or credits outstanding as at 31 December 2023.

7 Compensation, loans and credits to former members and related persons

No compensation was paid nor loans or credits granted to former members of the Board of Directors or the Executive Board, or persons related to members of the Board of Directors or Executive Board. There were no such loans or credits or compensation outstanding as at 31 December 2023.

8 Business relationships of members of the Board of Directors

No member of the Board of Directors has any significant business relationship with Swiss Prime Site AG or its group companies. Any compensation other than that stipulated in the Articles of Association and referred to in this report to members of the Board of Directors and Executive Board is prohibited. No compensation was effected to members of the Board of Directors and Executive Board in 2023 other than that referred to in the previous sections.

Report of the statutory auditor

to the General Meeting of Swiss Prime Site AG

Zug

Report on the audit of the compensation report

Opinion

We have audited the compensation report of Swiss Prime Site AG (the Company) for the year ended 31 December 2023. The audit was limited to the information pursuant to article 734a-734f CO in the sections «Compensation of the Board of Directors», «Compensation of the Executive Board», «Shareholding interests of Board of Directors and Executive Board», «Activities of the members of the Board of Directors in other companies», «Activities of the members of the Executive Board in other companies», «Loans and credits to members of the Board of Directors and Executive Board» and «Compensation, loans and credits to former members and related persons » on pages 7 to 17 of the compensation report.

In our opinion, the information pursuant to article 734a-734f CO in the compensation report (pages 7 to 17) complies with Swiss law and the Company's articles of incorporation.

Basis for opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the 'Auditor's responsibilities for the audit of the compensation report' section of our report. We are independent of the Company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Other matter

The remuneration report of Swiss Prime Site AG for the year ended 31 December 2022 was audited by another statutory auditor whose report, dated 7 February 2023, expressed an unmodified opinion on this remuneration report.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the sections audited in the compensation report, the consolidated financial statements, the financial statements and our auditor's reports thereon.

Our opinion on the compensation report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the compensation report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the audited financial information in the compensation report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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Board of Directors' responsibilities for the compensation report

The Board of Directors is responsible for the preparation of a compensation report in accordance with the provisions of Swiss law and the Company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the preparation of a compensation report that is free from material misstatement, whether due to fraud or error. It is also responsible for designing the compensation system and defining individual compensation packages.

Auditor's responsibilities for the audit of the compensation report

Our objectives are to obtain reasonable assurance about whether the information pursuant to article 734a-734f CO is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this compensation report.

As part of an audit in accordance with Swiss law and SA-CH, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement in the compensation report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.

We communicate with the Board of Directors or its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

PricewaterhouseCoopers AG

Patrick Balkanyi
 Licensed audit expert
 Auditor in charge

Philipp Gnädinger
 Licensed audit expert

Zürich, 6 February 2024





FINANCE



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Swiss Prime Site – Partner for Swiss property

We are one of Europe's leading real estate companies. Our high-quality portfolio in Switzerland includes both our own properties and assets managed for third parties. To our investors and clients, we offer a broad range of products and investment opportunities in commercial as well as residential real estate. These include our share, funds and investment foundations, and advisory services.

Reporting structure

Our stakeholder-oriented 2023 reporting consists of the online report and other stock exchange-related chapters as PDF downloads, as well as the printed annual magazine «Review 2023». Our non-financial report in accordance with the requirements of the Swiss Code of Obligations (Articles 964b and 964c) is available separately.

Selected group key figures

	in	01.01.- 31.12.2022 or 31.12.2022	01.01.- 31.12.2023 or 31.12.2023	Change in %
Continuing operations				
Rental income from properties	CHF m	432.8	438.3	1.3
EPRA like-for-like change relative	%	2.0	4.3	115.0
Income from asset management	CHF m	52.0	49.7	-4.4
Income from retail	CHF m	132.1	126.5	-4.2
Total operating income	CHF m	646.6	658.6	1.9
Revaluation of investment properties, net	CHF m	169.7	-250.5	-247.6
Result from investment property sales, net	CHF m	50.9	13.0	-74.4
Operating result before depreciation and amortisation (EBITDA)	CHF m	591.3	158.1	-73.3
Operating result (EBIT)	CHF m	549.7	152.5	-72.3
Profit	CHF m	397.1	86.7	-78.2
Return on equity (ROE)	%	6.1	1.3	-78.7
Return on invested capital (ROIC)	%	3.2	1.2	-62.5
Earnings per share (EPS)	CHF	5.18	1.13	-78.2
Funds from operations per share (FFO I)	CHF	4.00	4.05	1.3
Continuing and discontinued operations excluding revaluations effects				
Operating result before depreciation and amortisation (EBITDA)	CHF m	448.6	562.2	25.3
Operating result (EBIT)	CHF m	389.6	553.3	42.0
Profit	CHF m	300.6	459.8	53.0
Return on equity (ROE)	%	4.7	6.8	44.7
Return on invested capital (ROIC)	%	2.6	3.9	50.0
Earnings per share (EPS)	CHF	3.92	5.99	52.8
Funds from operations per share (FFO I)	CHF	4.26	4.12	-3.3
Key balance sheet figures				
Shareholders' equity	CHF m	6 569.3	6 537.4	-0.5
Equity ratio	%	47.7	47.4	-0.6
Liabilities	CHF m	7 201.9	7 240.9	0.5
Loan-to-value ratio of property portfolio (LTV) ¹	%	38.8	39.8	2.6
NAV before deferred taxes per share ²	CHF	102.96	102.05	-0.9
NAV after deferred taxes per share ²	CHF	85.64	85.21	-0.5
EPRA NTA per share	CHF	102.69	101.52	-1.1
Real estate portfolio				
Fair value of real estate portfolio	CHF m	13 087.7	13 074.6	-0.1
of which projects/development properties	CHF m	1 117.3	853.3	-23.6
Number of properties	number	176	159	-9.7
Rental floor space	m ²	1 653 456	1 678 217	1.5
Vacancy rate	%	4.3	4.0	-7.0
Average nominal discount rate	%	3.72	4.04	8.6
Net property yield	%	3.1	3.1	-
Employees				
Number of employees as at balance sheet date	persons	1 779	674	-62.1
Full-time equivalents as at balance sheet date	FTE	1 567	570	-63.6

¹ Receivables secured by bank guarantees were deducted from financial liabilities in the financial year 2023

² Asset Management, Retail and Corporate & Shared Services segments are included at book values and not at fair values

Consolidated financial statements

Consolidated income statement

in CHF 1000	Notes	01.01.– 31.12.2022 ¹	01.01.– 31.12.2023
Rental income from properties	4	432 797	438 265
Income from sale of trading properties	4	15 702	39 473
Income from real estate developments	4	9 132	–
Income from asset management	4	52 016	49 711
Income from retail	4	132 130	126 534
Other operating income	4	4 806	4 595
Operating income		646 583	658 578
Revaluation of investment properties, net	5.2	169 739	–250 493
Result from investments in associates		2 540	796
Result from investment property sales, net	5.3	50 877	13 005
Real estate costs	5.4	–68 836	–64 590
Cost of trading properties sold		–13 616	–33 601
Cost of real estate developments		–8 051	–
Cost of goods sold		–75 219	–60 497
Personnel costs	7.1	–82 136	–79 677
Other operating expenses	7.2	–33 728	–29 997
Depreciation, amortisation and impairment		–41 625	–5 654
Capitalised own services		3 127	4 592
Operating expenses		–320 084	–269 424
Operating result (EBIT)		549 655	152 462
Financial expenses	6.2	–44 815	–77 373
Financial income	6.2	354	1 071
Profit before income taxes		505 194	76 160
Income taxes	7.3	–108 122	10 534
Profit from continuing operations		397 072	86 694
Profit after tax from discontinued operations	9.10	7 357	149 324
Profit attributable to shareholders of Swiss Prime Site AG		404 429	236 018
Earnings per share (EPS) from continuing operations, in CHF	3.1	5.18	1.13
Diluted earnings per share from continuing operations, in CHF	3.1	4.88	1.10
Earnings per share (EPS), in CHF	3.1	5.27	3.08
Diluted earnings per share, in CHF	3.1	4.97	2.95

¹ The comparative figures have been split into continuing and discontinued operations and restated in accordance with the requirements of IFRS 5. Further disclosures required by IFRS 5 are shown in Note 9.10

The notes form an integral part of the consolidated financial statements.

Consolidated statement of comprehensive income

in CHF 1000	Notes	01.01.– 31.12.2022	01.01.– 31.12.2023
Profit		404 429	236 018
Revaluation of owner-occupied properties, net	5.2	9 489	– 7 571
Deferred taxes on revaluation of owner-occupied properties		– 1 870	1 492
Remeasurement of net defined benefit assets	9.7	– 74 441	6 488
Deferred taxes on remeasurement of net defined benefit assets		14 888	– 1 297
Items that will not be reclassified subsequently to profit or loss		– 51 934	– 888
Remeasurement of cash flow hedge	8	–	– 9 265
Reclassification of hedging reserves to the income statement	8	–	– 79
Deferred taxes on remeasurement of cash flow hedge		–	1 869
Items that will be reclassified subsequently to profit or loss		–	– 7 475
Other comprehensive income after income taxes		– 51 934	– 8 363
Comprehensive income attributable to shareholders of Swiss Prime Site AG		352 495	227 655

The notes form an integral part of the consolidated financial statements.

Consolidated balance sheet

in CHF 1000	Notes	31.12.2022	31.12.2023
Assets			
Cash		21 201	22 069
Securities		1 130	454
Accounts receivable	9.1	42 659	28 532
Other current receivables		2 638	78 083
Current income tax assets		3 731	3 323
Inventories	9.2	28 004	36 725
Trading properties	5.2	73 959	1 893
Accrued income and prepaid expenses		39 816	19 761
Assets held for sale	5.2	109 073	176 634
Total current assets		322 211	367 474
Net defined benefit assets	9.7	5 752	16 015
Non-current financial assets		9 501	12 016
Investments in associates		53 948	52 591
Investment properties	5.2	12 587 234	12 595 073
Owner-occupied properties	5.2	572 645	551 507
Tangible assets	9.3	3 892	596
Right-of-use assets	9.4	30 737	4 347
Goodwill	9.5	152 849	152 849
Intangible assets	9.3	32 267	17 542
Deferred income tax assets	7.3	186	8 255
Total non-current assets		13 449 011	13 410 791
Total assets		13 771 222	13 778 265
Liabilities and shareholders' equity			
Accounts payable		43 641	33 132
Current financial liabilities	6.1	355 867	506 535
Other current liabilities		110 145	18 223
Advance payments		31 080	29 629
Current income tax liabilities		44 375	42 528
Accrued expenses	9.6	138 940	131 140
Total current liabilities		724 048	761 187
Non-current financial liabilities	6.1	5 149 557	5 176 662
Other non-current financial liabilities	8	-	9 345
Deferred tax liabilities	7.3	1 328 320	1 293 330
Net defined benefit liabilities	9.7	-	359
Total non-current liabilities		6 477 877	6 479 696
Total liabilities		7 201 925	7 240 883
Share capital	6.4	153 437	153 437
Capital reserves	6.4	995 605	865 062
Treasury shares	6.4	-1 374	-4
Revaluation reserves		19 627	11 412
Retained earnings		5 402 002	5 507 475
Shareholders' equity attributable to shareholders of Swiss Prime Site AG		6 569 297	6 537 382
Total liabilities and shareholders' equity		13 771 222	13 778 265

The notes form an integral part of the consolidated financial statements.

Consolidated cash flow statement

in CHF 1000	Notes	01.01.– 31.12.2022	01.01.– 31.12.2023
Profit		404 429	236 018
Depreciation, amortisation and impairment		59 013	8 910
Revaluation of investment properties, net	5.2	-169 739	250 493
Result from investment property sales, net	5.3	-50 877	-13 005
Result from sales of participations, net	9.10	-	-145 688
Result from investments in associates		-2 540	-796
Other non-cash items affecting net income		3 544	3 923
Financial expenses	6.2	45 217	77 343
Financial income	6.2	-485	-1 167
Income tax expenses	7.3	110 193	-9 434
Change in accounts receivable		13 696	3 023
Change in inventories		152	-8 721
Change in trading properties and real estate developments		-3 241	3 527
Change in net defined benefit assets		-2 029	-3 416
Change in other receivables and accrued income and prepaid expenses		389	-11 048
Change in accounts payable		18 221	27 309
Change in other current liabilities and accrued expenses		-22 932	45 183
Income tax payments		-38 160	-31 869
Cash flow from operating activities		364 851	430 585
Investments in investment properties		-378 777	-433 633
Divestments of investment properties		302 974	216 437
Investments in owner-occupied properties	5.2	-2 863	-5 672
Investments in tangible assets	9.3	-4 012	-170
Divestments of tangible assets	9.3	128	-
Acquisitions of group companies, less acquired cash	9.10	-118 732	-
Divestments of group companies, less disposed cash	9.10	-	-67 026
Investments in financial investments and shares in associated companies		-9 383	-3 300
Divestments of financial investments and shares in associated companies		1 795	851
Investments in intangible assets	9.3	-7 446	-2 802
Interest payments received		153	347
Dividends received		1 883	2 288
Cash flow from investing activities		-214 280	-292 680
Distribution to shareholders		-256 975	-260 794
Purchase of treasury shares	6.4	-3 088	-2 699
Issuance of bonds	6.1	-	149 565
Issuance of convertible loan	6.1	-	270 863
Repayment of convertible bond	6.1	-	-247 026
Issuance of financial liabilities	6.1	472 000	636 245
Repayment of financial liabilities	6.1	-412 062	-624 485
Interest paid		-43 179	-58 706
Cost capital increase and nominal value reduction		-722	-
Cash flow from financing activities		-244 026	-137 037
Change in cash		-93 455	868
Cash at beginning of period		114 656	21 201
Cash at end of period		21 201	22 069

The notes form an integral part of the consolidated financial statements.

Consolidated statement of changes in shareholders' equity

in CHF 1000	Notes	Share capital	Capital reserves	Treasury shares	Revaluation reserves	Retained earnings	Total shareholders' equity
Total as at 01.01.2022		1162 347	50 016	-58	12 008	5 185 369	6 409 682
Profit		-	-	-	-	404 429	404 429
Revaluation of owner-occupied properties, net	5.2	-	-	-	9 489	-	9 489
Deferred taxes on revaluation of owner-occupied properties		-	-	-	-1 870	-	-1 870
Remeasurement of net defined benefit assets	9.7	-	-	-	-	-74 441	-74 441
Deferred taxes on remeasurement of net defined benefit assets		-	-	-	-	14 888	14 888
Other comprehensive income		-	-	-	7 619	-59 553	-51 934
Comprehensive income		-	-	-	7 619	344 876	352 495
Capital increase (acquisition Akara Group)		11 448	54 316	-	-	-	65 764
Dividend to shareholders		-	-	-	-	-128 504	-128 504
Nominal value reduction – distribution to shareholders		-128 471	-	-	-	-	-128 471
Nominal value reduction – transfer to reserves		-891 887	891 590	-	-	261	-36
Share-based compensation		-	-317	3 863	-	-	3 546
Purchase of treasury shares	6.4	-	-	-5 179	-	-	-5 179
Total as at 31.12.2022		153 437	995 605	-1 374	19 627	5 402 002	6 569 297
Total as at 01.01.2023		153 437	995 605	-1 374	19 627	5 402 002	6 569 297
Profit		-	-	-	-	236 018	236 018
Revaluation of owner-occupied properties, net	5.2	-	-	-	-7 571	-	-7 571
Deferred taxes on revaluation of owner-occupied properties		-	-	-	1 492	-	1 492
Remeasurement of net defined benefit assets	9.7	-	-	-	-	6 488	6 488
Deferred taxes on remeasurement of net defined benefit assets		-	-	-	-	-1 297	-1 297
Remeasurement of cash flow hedge		-	-	-	-	-9 265	-9 265
Reclassification of hedging reserves to the income statement		-	-	-	-	-79	-79
Deferred taxes on remeasurement of cash flow hedge		-	-	-	-	1 869	1 869
Other comprehensive income		-	-	-	-6 079	-2 284	-8 363
Comprehensive income		-	-	-	-6 079	233 734	227 655
Distributions to shareholders		-	-130 397	-	-	-130 397	-260 794
Share-based compensation		-	-146	4 069	-	-	3 923
Purchase of treasury shares	6.4	-	-	-2 699	-	-	-2 699
Reclassification of owner-occupied properties		-	-	-	-2 136	2 136	-
Total as at 31.12.2023		153 437	865 062	-4	11 412	5 507 475	6 537 382

The notes form an integral part of the consolidated financial statements.

Notes to the consolidated financial statements

1 Introduction

Our strategy is based on two pillars: firstly, direct investments in high-quality properties in prime locations, primarily with commercial floor space, complemented by selective development projects. The focus of investment is properties and projects with sustainable, attractive returns and long-term potential for value growth. Secondly, we focus on the management of external real estate assets via funds, asset management mandates and on external asset management for third-party clients.

The following changes with significance for financial reporting took place in the reporting period:

- Sale of the Wincasa Group to Implenia (see note 9.10)
- Issue of a convertible loan in the amount of CHF 275 million and of a green bond in the amount of CHF 150 million (see note 6.1)
- Entering two interest rate swaps, each with a contract value of CHF 200 million, a fixed rate of 1.735% and 1.350% respectively, and each with a term to the end of 2028 and the associated introduction of hedge accounting (see note 8)
- Restructuring of our pension fund solution in the wake of the sale of Wincasa and the realignment of Jelvoli (see note 9.7)

The structure of the notes is aligned to readers' interests, and important assumptions are explained in the individual notes.

The note sections are as follows:

- Performance; explains our performance per share
- Segments; shows our balance sheet and income statement by segment
- Real estate; provides information about our investment properties and owner-occupied properties
- Financing; provides details of our capital structure
- Platform costs; includes salaries, other operating expenses and taxes
- Financial risk management; describes our measures for financial risks
- Other disclosures; discloses other relevant information

The head office of Swiss Prime Site AG is located at Alpenstrasse 15 in 6300 Zug (Switzerland).

2 Accounting and significant principles

2.1 Principles of consolidated reporting

We have prepared the consolidated financial statements of Swiss Prime Site AG and its subsidiaries in accordance with the International Financial Reporting Standards (IFRS) issued by the International Financial Reporting Standards Board (IASB) and the interpretations issued by the IFRS Interpretations Committee (IFRIC) (collectively, the IFRS accounting standards), Article 17 of the Directive on Financial Reporting of the Swiss stock exchange (SIX Swiss Exchange) and statutory requirements.

The consolidated financial statements were prepared in Swiss francs (CHF). All amounts, except for the figures per share, have been rounded to CHF 1 000. All group companies maintain their accounts in Swiss francs. Transactions denominated in foreign currencies are immaterial. The figures for the comparative period are shown in the text in square brackets [].

The sale of the Wincasa Group in the reporting year represents a discontinued operation under IFRS 5. In accordance with the requirements of IFRS 5, we have restated the figures for the comparative period in the consolidated income statement items and separated the results from continuing and discontinued operations. Other disclosures required under IFRS 5 are included in note 9.10.

2.2 Changes to IFRS accounting principles

We applied the following new or revised standards and interpretations for the first time in the financial statements:

Standard/interpretation	Title
IAS 1 rev.	Disclosure of Accounting Policies
IAS 8 rev.	Definition of Accounting Estimates
IFRS 17	Insurance Contracts
IAS 12 rev.	Deferred Tax Related to Assets and Liabilities arising from a Single Transaction
IAS 12 rev.	International Tax Reform – Pillar Two Model Rules

The introduction of new or revised standards and interpretations did not lead to any significant changes to the financial statements.

The following new and revised standards and interpretations have not yet entered into force and have not been applied in advance in these consolidated financial statements.

Standard/interpretation	Title	Entering into force	Planned application by Swiss Prime Site
IAS 1 rev.	Classification of Liabilities	01.01.2024	Fiscal year 2024
IFRS 16 rev.	Lease Liability in Sale and Leaseback	01.01.2024	Fiscal year 2024
IAS 7 rev./IFRS 7 rev.	Supplier Finance Arrangements	01.01.2024	Fiscal year 2024
IAS 21 rev.	Lack of Exchangeability	01.01.2025	Fiscal year 2025

The adoption of the new standards and interpretations is not expected to have a material impact on the consolidated financial statements.

2.3 Accounting estimates

The preparation of financial reports in accordance with the IFRS accounting principles necessitates the use of accounting estimates that affect the reported amounts for assets and liabilities, the disclosure of contingent assets and liabilities as at the balance sheet date, and the reported income and expenses for the reporting period. Although these accounting estimates have been determined by the Executive Board in good faith based on their knowledge of current events and possible future measures of Swiss Prime Site, the actual results may differ from these estimates.

2.3.1 Fair value measurement

When measuring the fair value of an asset or liability, we use observable market data whenever possible. Based on the inputs used in the valuation techniques, we assign the fair values to different levels of the fair value hierarchy:

Fair value hierarchy	
Level 1	The fair value has been determined on the basis of listed prices on active markets for identical assets and liabilities.
Level 2	In contrast to level 1, the fair value has been determined using inputs other than listed prices. For financial assets and liabilities, the inputs must be observable on markets directly (e.g. listed prices) or indirectly (e.g. derived from listed prices).
Level 3	The fair value has been determined using inputs that are not based on observable market data.

In the fair value measurement, different parameters on different hierarchies can be applied at the same time. We classify the entire valuation according to the lowest level of the fair value hierarchy in which the significant valuation parameters are located.

2.3.2 Impairment of goodwill

- In the impairment tests, which are performed at least once a year, we use assumptions to calculate the value in use.
- Two key factors for which assumptions are made are growth rate and discount rate. It is possible that these assumptions will prove to be inaccurate in the future. Likewise, the actual cash flows may differ from the discounted projections.

2.3.3 Deferred taxes

- Deferred tax liabilities are calculated based on the temporary valuation difference between the book value and the tax base of a balance sheet item («balance sheet liability method»).
- Deferred taxes on temporary valuation differences in the property portfolio are calculated per property in accordance with the cantonal legislation. We review the applied calculation parameters (especially the tax rates) at least once a year and adapt them if necessary.
- Cantons with a one-tier tax system charge a separate property gains tax. In addition to ordinary property gains tax, this includes speculative surcharges or duration of ownership deductions (based on the effective holding period). The longer the duration of ownership, the lower the property gains tax.
- In the case of properties held for sale, we use the effective holding period in the calculation. For other types of properties, we assume a duration of ownership of 20 years or use the effective holding period if it is more than 20 years. Estimating the minimum holding period is subject to considerable discretion.
- Where the valuation difference of properties according to IFRS versus the tax bases are due to recaptured and previously claimed depreciation, the taxes are allocated per property after the deduction of property gains tax and taken into account separately.

3 Performance

3.1 Key figures per share

Earnings per share (EPS)

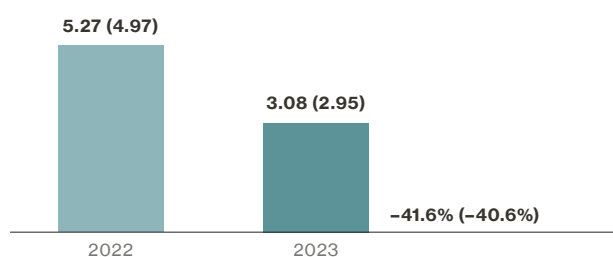
Basic earnings per share are determined by dividing the consolidated profit attributable to shareholders of Swiss Prime Site AG by the weighted average number of outstanding shares. Diluted earnings per share are determined by deducting expenses in connection with the convertible bonds/loans, such as interest (coupon), amortisation of the proportional costs and tax effects. The potential shares (options and the like) that might lead to a dilution of the number of shares must be taken into account when determining the weighted average number of outstanding shares.

NAV (net asset value) per share

Shareholders' equity (attributable to shareholders of Swiss Prime Site AG) divided by the number of shares issued on the balance sheet date (excluding treasury shares).

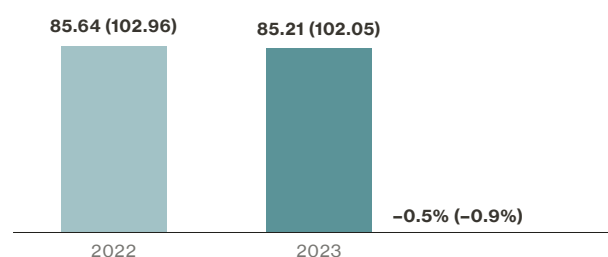
Earnings per share (diluted earnings per share)

in CHF resp. %



NAV after deferred taxes (NAV before deferred taxes)

in CHF resp. %



Earnings and net asset value (NAV) per share

in CHF	01.01.– 31.12.2022	01.01.– 31.12.2023
Earnings per share (EPS) from continuing operations	5.18	1.13
Diluted earnings per share from continuing operations	4.88	1.10
Earnings per share (EPS)	5.27	3.08
Diluted earnings per share	4.97	2.95
Shareholders' equity per share (NAV) before deferred taxes ¹	102.96	102.05
Shareholders' equity per share (NAV) after deferred taxes ¹	85.64	85.21

¹ Asset Management, Retail and Corporate & Shared Services segments are included at book values and not at fair values

Basis for calculation of diluted earnings per share

in CHF 1 000	01.01.– 31.12.2022	01.01.– 31.12.2023
Profit from continuing operations	397 072	86 694
Interest on convertible bonds/loans, amortisation of proportional costs and tax effects	3 096	2 199
Relevant profit from continuing operations for calculation of diluted earnings per share	400 168	88 893
Profit attributable to shareholders of Swiss Prime Site AG	404 429	236 018
Interest on convertible bonds/loans, amortisation of proportional costs and tax effects	3 096	2 199
Relevant profit for calculation of diluted earnings per share	407 525	238 217

Weighted average number of shares

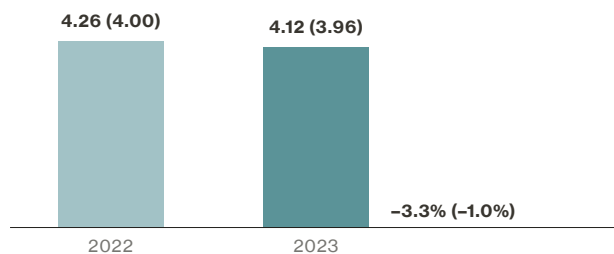
	01.01.– 31.12.2022	01.01.– 31.12.2023
Shares issued as at 01.01.	75 970 364	76 718 604
Weighted number of shares on capital increase on 04.01.2022	739 926	–
Average number of treasury shares (360 days)	–13 216	–4 115
Total weighted average number of shares 01.01.–31.12. (360 days)	76 697 074	76 714 489
Weighted number of shares that can be issued on conversions	5 334 160	4 052 571
Basis for calculation of diluted earnings per share	82 031 234	80 767 060

3.2 Funds from operations (FFO)

Funds from operations (FFO) indicates cash effective result from operations (FFO I). FFO II additionally includes cash effective income from property sales.

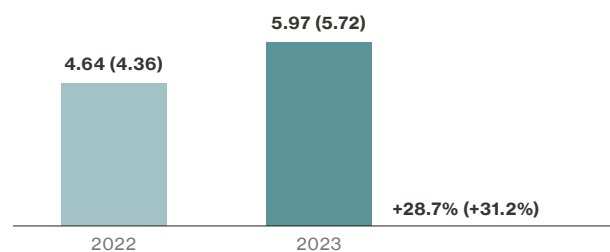
FFO I per share (FFO I per share diluted)

in CHF resp. %



FFO II per share (FFO II per share diluted)

in CHF resp. %



in CHF 1 000	01.01.– 31.12.2022	01.01.– 31.12.2023
Operating result (EBIT)	549 655	152 462
Depreciation, amortisation and impairment ¹	48 709	5 654
Revaluation from investment properties, net	– 169 739	250 493
Result from investment property sales, net	– 50 877	– 13 005
Result from investments in associates	– 2 540	– 796
Revaluation of net defined benefit assets (IAS 19)	– 146	– 3 970
Payments from leasing contracts	– 9 365	– 9 963
Cash effective interest expenses	– 39 921	– 58 448
Cash effective interest income and dividends	1 904	2 635
Current taxes without investment property sales	– 21 164	– 14 032
FFO I from continuing operations	306 516	311 030
Result from investment property sales, net	50 877	13 005
Current taxes from investment property sales	– 21 221	– 16 597
FFO II from continuing operations	336 172	307 438
From continuing operations		
Total weighted average number of shares	76 697 074	76 714 489
FFO I per share in CHF	4.00	4.05
FFO II per share in CHF	4.38	4.01
Total weighted average number of shares diluted	82 031 234	80 767 060
FFO I per share in CHF diluted	3.76	3.90
FFO II per share in CHF diluted	4.12	3.85
From continuing and discontinued operations		
FFO I per share in CHF	4.26	4.12
FFO II per share in CHF	4.64	5.97
FFO I per share in CHF diluted	4.00	3.96
FFO II per share in CHF diluted	4.36	5.72

¹ In the prior year, the additional value adjustment of inventory Jelmoli of CHF 7.084 million is included

4 Segment reporting

At its core, our strategy involves actively investing in real estate. The segment structure is based on internal reporting (management approach). With the sale of the Wincasa Group, the repositioning of Jelvoli and the strategy focus on direct and indirect real estate investments, we have redefined our segments. The figures for the comparative period have also been adjusted to reflect the new segmentation.

We divide the consolidated financial data into the following segments:

- Real Estate comprises the purchase, sale, lease and development of properties and the financing of these activities
- Asset Management includes the fund business, asset management and investment advisory
- Retail consists of the operation of department stores
- Corporate & Shared Services includes central group functions as well as internal services that are provided centrally

Performance key figures 01.01. – 31.12.2023

	Real Estate segment	Asset Management segment	Retail segment	Corporate & Shared Services segment	Total segments	Eliminations	01.01.–31.12.2023 Total group
Loan-to-value ratio of property portfolio (LTV)	39.8% ¹	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Return on equity (ROE)	1.2%	26.3%	n.a.	n.a.	n.a.	n.a.	3.6%
Return on invested capital (ROIC)	1.1%	10.4%	-1.7% ²	n.a.	n.a.	n.a.	2.3%
FFO I yield	4.7%	26.5%	n.a.	n.a.	n.a.	n.a.	4.8%
Full-time equivalents as at balance sheet date	42	71	414	43	570	–	570

¹ Receivables secured by bank guarantees were deducted from financial liabilities

² Not included is the adjustment of tax losses capitalised from previous periods of CHF –6.129 million

Segment income statement 01.01. – 31.12.2023

in CHF 1000	Real Estate segment	Asset Management segment	Retail segment	Corporate & Shared Services segment	Total segments	Eliminations	01.01.– 31.12.2023 Total group
Rental income from properties	456 791	-	12 929	-	469 720	-31 455	438 265
thereof from third parties	424 834	-	12 929	-	437 763	-	437 763
thereof from discontinued operations	502	-	-	-	502	-	502
thereof from other segments	31 455	-	-	-	31 455	-31 455	-
Income from sale of trading properties	39 473	-	-	-	39 473	-	39 473
Income from asset management	-	49 711	-	-	49 711	-	49 711
Income from retail	-	-	126 583	-	126 583	-49	126 534
Other operating income	404	-	4 974	17 802	23 180	-18 585	4 595
Operating income	496 668	49 711	144 486	17 802	708 667	-50 089	658 578
Revaluation of investment properties, net	-250 493	-	-	-	-250 493	-	-250 493
Result from investments in associates	-	-	-	796	796	-	796
Result from investment property sales, net	13 005	-	-	-	13 005	-	13 005
Real estate costs	-61 025	-834	-32 401	-2 677	-96 937	32 347	-64 590
Cost of trading properties sold	-33 601	-	-	-	-33 601	-	-33 601
Cost of goods sold	-	-	-60 497	-	-60 497	-	-60 497
Personnel costs	-11 728	-16 224	-39 885	-12 476	-80 313	636	-79 677
Other operating expenses	-24 286	-4 007	-10 174	-8 636	-47 103	17 106	-29 997
Depreciation, amortisation and impairment	-1 516	-1 214	-2 706	-218	-5 654	-	-5 654
Capitalised own services	4 592	-	-	-	4 592	-	4 592
Operating expenses	-127 564	-22 279	-145 663	-24 007	-319 513	50 089	-269 424
Operating result (EBIT)	131 616	27 432	-1 177	-5 409	152 462	-	152 462
Operating result before depreciation and amortisation (EBITDA)	133 132	28 646	1 529	-5 191	158 116	-	158 116

Balance sheet items as at 31.12.2023

in CHF 1000	Real Estate segment	Asset Management segment	Retail segment	Corporate & Shared Services segment	Total segments	Eliminations	31.12.2023 Total group
Real estate portfolio (without leasing)	13 074 599	-	-	-	13 074 599	-	13 074 599
Right-of-use assets	250 508	426	2 580	1 341	254 855	-	254 855
Other assets	96 779	218 349	44 304	223 686	583 118	-134 307	448 811
Total assets	13 421 886	218 775	46 884	225 027	13 912 572	-134 307	13 778 265
Financial liabilities (without leasing)	5 312 980	124 676	-	-	5 437 656	-	5 437 656
Lease liabilities	250 508	429	2 600	1 349	254 886	-	254 886
Other liabilities	1 547 483	12 154	75 774	47 237	1 682 648	-134 307	1 548 341
Total liabilities	7 110 971	137 259	78 374	48 586	7 375 190	-134 307	7 240 883
Total shareholders' equity	6 310 915	81 516	-31 490	176 441	6 537 382	-	6 537 382
Total investments	485 549	-	125	-	485 674	-	485 674

Performance key figures 01.01. - 31.12.2022

	Real Estate segment	Asset Management segment	Retail segment	Corporate & Shared Services segment	Total segments	Eliminations	01.01.-31.12.2022 Total group
Loan-to-value ratio of property portfolio (LTV)	38.8%	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Return on equity (ROE)	6.7% ¹	30.2%	n.a.	n.a.	n.a.	n.a.	6.2%
Return on invested capital (ROIC)	3.6% ¹	11.6%	-11.2% ¹	n.a.	n.a.	n.a.	3.3%
FFO I yield	4.8%	30.8%	n.a.	n.a.	n.a.	n.a.	5.0%
Full-time equivalents as at balance sheet date	39	75	494	42	650	n.a.	650

¹ Not included are the capitalised tax effects from taxable losses carried forward from previous periods of CHF 6.733 million as well as the impairment on property, plant and equipment Jelmoli and the additional value adjustment of the Jelmoli inventory after tax effects totaling CHF 32.925 million

Segment income statement 01.01. – 31.12.2022

in CHF 1000	Real Estate segment	Asset Management segment	Retail segment	Corporate & Shared Services segment	Total segments	Eliminations	01.01.– 31.12.2022 Total group
Rental income from properties	451 158	-	13 218	-	464 376	-31 579	432 797
thereof from third parties	418 106	-	13 218	-	431 324	-	431 324
thereof from discontinued operations	1 473	-	-	-	1 473	-	1 473
thereof from other segments	31 579	-	-	-	31 579	-31 579	-
Income from sale of trading properties	15 702	-	-	-	15 702	-	15 702
Income from real estate developments	-	9 132	-	-	9 132	-	9 132
Income from asset management	-	52 016	-	-	52 016	-	52 016
Income from retail	-	-	132 149	-	132 149	-19	132 130
Other operating income	321	134	4 500	17 680	22 635	-17 829	4 806
Operating income	467 181	61 282	149 867	17 680	696 010	-49 427	646 583
Revaluation of investment properties, net	169 739	-	-	-	169 739	-	169 739
Result from investments in associates	-	-	-	2 540	2 540	-	2 540
Result from investment property sales, net	50 877	-	-	-	50 877	-	50 877
Real estate costs	-65 001	-1 157	-32 585	-2 717	-101 460	32 624	-68 836
Cost of real estate developments	-	-8 051	-	-	-8 051	-	-8 051
Cost of trading properties sold	-13 616	-	-	-	-13 616	-	-13 616
Cost of goods sold	-	-	-75 219	-	-75 219	-	-75 219
Personnel costs	-11 219	-15 675	-40 794	-14 633	-82 321	185	-82 136
Other operating expenses	-24 534	-5 085	-12 161	-8 566	-50 346	16 618	-33 728
Depreciation, amortisation and impairment	-12 452	-1 343	-27 490	-340	-41 625	-	-41 625
Capitalised own services	3 127	-	-	-	3 127	-	3 127
Operating expenses	-123 695	-31 311	-188 249	-26 256	-369 511	49 427	-320 084
Operating result (EBIT)	564 102	29 971	-38 382	-6 036	549 655	-	549 655
Operating result before deprecia- tion and amortisation (EBITDA)	576 554	31 314	-10 892	-5 696	591 280	-	591 280

Balance sheet items as at 31.12.2022

in CHF 1000	Real Estate segment	Asset Management segment	Retail segment	Corporate & Shared Services segment	Total segments	Eliminations	31.12.2022 Total group
Real estate portfolio (without leasing)	13 087 715	-	-	-	13 087 715	-	13 087 715
Right-of-use assets	255 196	-	5 160	1 509	261 865	-	261 865
Other assets	155 561	235 073	47 197	144 779	582 610	- 211 001	371 609
Total assets	13 498 472	235 073	52 357	146 288	13 932 190	- 211 001	13 721 189
Financial liabilities (without leasing)	5 094 709	124 676	-	-	5 219 385	-	5 219 385
Lease liabilities	255 196	-	5 184	1 514	261 894	-	261 894
Other liabilities	1 703 662	12 493	92 781	98 028	1 906 964	- 211 001	1 695 963
Total liabilities	7 053 567	137 169	97 965	99 542	7 388 243	- 211 001	7 177 242
Total shareholders' equity	6 444 905	97 904	- 45 608	46 746	6 543 947	-	6 543 947
Total investments	378 955	172 632	4 534	-	556 121	-	556 121

The balance sheet items of the discontinued operation (Wincasa Group) are no longer recognised in the segment balance sheet. More information on the discontinued operation can be found in note 9.10.

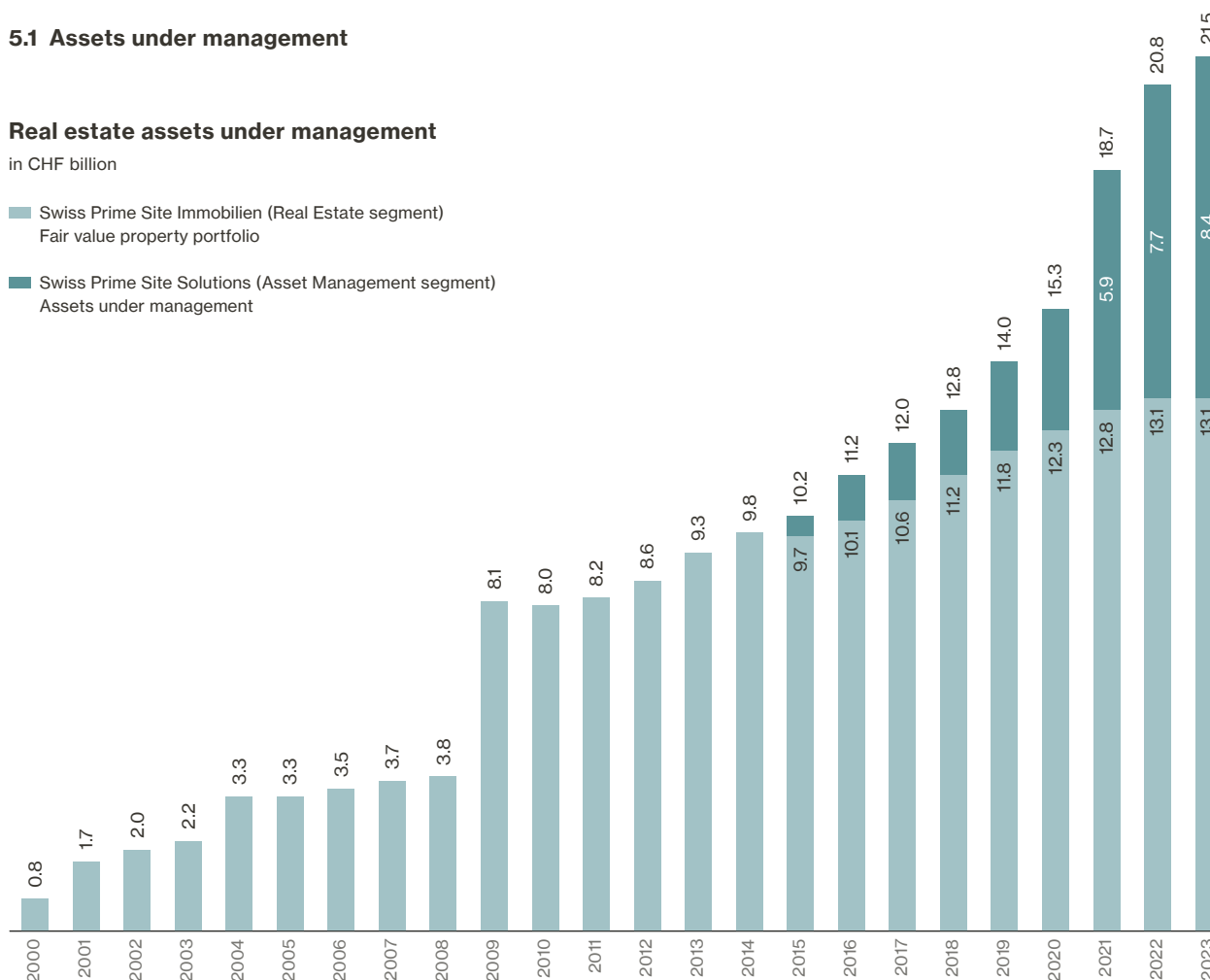
5 Real estate

5.1 Assets under management

Real estate assets under management

in CHF billion

- Swiss Prime Site Immobilien (Real Estate segment)
Fair value property portfolio
- Swiss Prime Site Solutions (Asset Management segment)
Assets under management



5.2 Properties

Valuation approach

We have our properties valued at fair value by property valuation company Wüest Partner AG in accordance with IFRS accounting principles. The valuation is performed using the discounted cash flow method (DCF), under which future cash flows are discounted, taking into account the market situation and risks. The inputs used are defined by Wüest Partner AG based on its in-depth market knowledge. We do not make any assumptions ourselves on the inputs used. However, we critically review them and discuss them with the valuers. Further information can be found in Wüest Partner's report.

Existing properties including building land

We classify our existing properties, including building land, in accordance with IAS 40 «Investment Property», and they are thus initially recognised in the balance sheet at cost, including directly attributable transaction costs. The subsequent periodic measurements are at fair value through profit or loss. We recognise replacement and expansion investments when it is probable that we will obtain a resulting future economic benefit.

Properties under construction/development sites

Even before their construction is finished, we recognise properties under construction/development sites with future use as existing properties in accordance with IAS 40 «Investment Property» if their fair value can be reliably calculated, in the same way as existing properties that have already been occupied. An important factor for this reliable determination is the existence of a valid building permit. If a reliable determination is not possible, we recognise the properties under construction/development sites at cost. Directly attributable borrowing costs for properties under construction are recognised as capitalised interest expenses.

Insofar as the following criteria are fulfilled on a cumulative basis, we reclassify existing properties in the portfolio as properties under construction/development sites as at the realisation date:

- Total depletion of the property (elimination of the property's usefulness)
- Planned investments of more than 30% of fair value
- Duration of renovation longer than 12 months

Owner-occupied properties

We recognise properties we use ourselves as owner-occupied properties in accordance with IAS 16 and IAS 40.10 (pro rata in proportion to the target rental income). Owner-occupied properties are subsequently measured in accordance with the revaluation model. After ordinary depreciation has been recognised in the income statement, a positive revaluation is credited to other comprehensive income, unless it involves the reversal of earlier impairments. In the case of a negative revaluation, the earlier value increases in consolidated shareholders' equity are reversed first until the corresponding revaluation reserve is released. Any further devaluations are charged to the consolidated income statement.

Properties held for sale

We classify properties, the sale of which is likely but has not been completed, as properties held for sale in accordance with IFRS 5 «Non-Current Assets Held for Sale and Discontinued Operations». In accordance with IFRS 5.5, the properties continue to be measured at fair value in accordance with IAS 40.

Trading properties

Properties under construction that are intended for future sale are recognised at the lower of cost or net realisable value in accordance with IAS 2 «Inventories». The recognised costs are reported as expense from the sale of trading properties in operating expenses upon realisation of sales.

Real estate developments

Real estate developments (long-term contracts) comprise construction projects that are sold to third parties either prior to or during the construction phase, and which are developed or completed on behalf of the buyer. The purchase contract is notarised after it is concluded. The ownership of the respective property is usually transferred after construction work is finished. Recognition of these real estate developments is carried out over a period of time in accordance with IFRS 15 «Revenue from Contracts with Customers». Depending on how the project is structured, the percentage of completion is determined based on the cost-to-cost method or based on building assessments and project planning (milestone approach). The method applied in each case is the method by which the percentage of completion can be determined most reliably. The cumulative costs and realised sales proceeds according to the percentage-of-completion method are reported in the income statement on an ongoing basis.

Advance payments received are recognised in the balance sheet without affecting income. They are offset against the relevant long-term contracts for which the advance payment was made. Reporting in the balance sheet is carried out on a net basis as «real estate developments» on the assets or liabilities side. Insofar as the result of a long-term contract cannot be reliably estimated, only the amount of income equal to the amount of incurred contract costs is recognised that would probably be realisable, with concurrent reporting of the contract costs incurred as expense in the corresponding period. This corresponds to a valuation at actual costs. If there is a probability that total contract costs could exceed total contract income, the expected losses are immediately recorded as expense and provision.

Right-of-use assets

In accordance with IFRS 16 and IAS 40.50d, the right-of-use assignable to investment properties and owner-occupied properties (rental and land lease contracts) are reported gross by adding the fair value of the lease liability to the fair value of the property.

Capitalised borrowing costs

Interest on loans and land lease interest for qualifying properties under construction/development sites as well as trading properties and restructuring and renovation of existing properties are capitalised, and added to the actual costs.

Changes to properties

in CHF 1 000	Properties (incl. building land)	Properties under con- struction/ develop- ment sites	Total investment properties	Owner- occupied properties	Properties held for sale	Trading properties	Total portfolio
	IAS 40	IAS 40		IAS 16	IFRS 5	IAS 2	
Total as at 01.01.2022 (according to valuation expert)	11 044 259	848 040	11 892 299	597 611	250 124	53 466	12 793 500
Right-of-use assets	238 702		238 702				238 702
Total book value as at 01.01.2022	11 282 961	848 040	12 131 001	597 611	250 124	53 466	13 032 202
Purchases	19 529	41 695	61 224	-	-	-	61 224
Investments	115 120	161 039	276 159	2 863	17 167	16 838	313 027
Capitalised borrowing costs	-	4 046	4 046	-	427	-	4 473
Reclassifications	26 518	-51 280	-24 762	-36 199	43 709	17 252	-
Disposal by sale	-50 356	-	-50 356	-	-201 740	-13 597	-265 693
Positive fair value adjustment	212 990	54 351	267 341	-	140	-	267 481
Negative fair value adjustment	-79 384	-14 529	-93 913	-	-754	-	-94 667
Fair value adjustment¹	133 606	39 822	173 428	-	-614	-	172 814
Depreciation owner-occupied properties				-1 119			-1 119
Revaluation owner-occupied properties, net				9 489			9 489
Total as at 31.12.2022 (according to valuation expert)	11 288 676	1 043 362	12 332 038	572 645	109 073	73 959	13 087 715
Right-of-use assets	255 196		255 196				255 196
Total book value as at 31.12.2022	11 543 872	1 043 362	12 587 234	572 645	109 073	73 959	13 342 911
Purchases	191 014	-	191 014	-	-	-	191 014
Investments	70 682	179 940	250 622	5 672	1 050	29 906	287 250
Capitalised borrowing costs	-	6 309	6 309	-	-	-	6 309
Reclassifications	332 255	-397 619	-65 364	-18 171	152 074	-68 539	-
Disposal by sale	-124 306	-	-124 306	-	-83 945	-33 433	-241 684
Positive fair value adjustment	23 211	23 814	47 025	-	-	-	47 025
Negative fair value adjustment	-288 397	-4 376	-292 773	-	-1 618	-	-294 391
Fair value adjustment¹	-265 186	19 438	-245 748	-	-1 618	-	-247 366
Depreciation owner-occupied properties				-1 068			-1 068
Revaluation owner-occupied properties, net				-7 571			-7 571
Total as at 31.12.2023 (according to valuation expert)	11 493 135	851 430	12 344 565	551 507	176 634	1 893	13 074 599
Right-of-use assets	250 508		250 508				250 508
Total book value as at 31.12.2023	11 743 643	851 430	12 595 073	551 507	176 634	1 893	13 325 107

¹ Not included is the revaluation of IFRS 16 right-of-use from building rights of CHF -3.127 million [CHF -3.075 million]

- The reclassification of investment properties to owner-occupied properties and vice versa is carried out on a half-yearly basis as at 30 June and 31 December using current target rental income. If the owner-occupied properties had been valued using the cost model, the book value as at the balance sheet date would have been CHF 535.374 million [CHF 545.973 million].

We reclassified the following properties in the financial year:

- We are planning to sell seven existing properties and one building land and are reclassifying these from existing properties to properties held for sale.
- Two construction projects are complete and we are reclassifying these from properties under construction/development sites to existing properties.
- The sales activities for one construction project were discontinued, and we are reclassifying the project from trading properties to properties under construction/development sites.
- The reduction in space used for own operations in the Zurich, Albisriederstrasse, YOND and Zurich, Sihlstrasse 24/ St. Annagasse 16 properties resulted in reclassifications of holdings in owner-occupied properties to existing properties. The increase in the space used for own operations in the property Zurich, Seidengasse 1, Jelmoli led to reclassifications of holdings from existing properties to owner-occupied properties.

Unobservable inputs applied as at 31.12.2023

	in	Building land	Commercial properties (continuation of use) ¹	Commercial properties (highest and best use) ²	Properties under construction/development sites
Fair value as at balance sheet date	CHF m	57.239	9 521.446	2 642.591	853.323
Unobservable input factors					
Average real/nominal discount rate	%	3.00 / 4.29	2.81 / 4.10	2.59 / 3.87	3.20 / 4.49
Maximum real/nominal discount rate	%	4.95 / 6.26	4.90 / 6.21	4.20 / 5.50	4.10 / 5.40
Minimum real/nominal discount rate	%	2.40 / 3.68	1.75 / 3.02	1.95 / 3.22	2.50 / 3.78
Rental income residential	CHF per m ² p.a.	–	120 to 692	90 to 1 318	660 to 833
Rental income offices	CHF per m ² p.a.	–	75 to 950	130 to 1 000	215 to 550
Rental income retail/gastro	CHF per m ² p.a.	–	110 to 9 420	140 to 7 200	350 to 980
Rental income commercial	CHF per m ² p.a.	–	80 to 380	140 to 250	225 to 280
Rental income storage	CHF per m ² p.a.	–	20 to 300	40 to 225	100 to 170
Rental income parking inside	CHF per piece and month	–	60 to 650	80 to 600	150 to 635
Rental income parking outside	CHF per piece and month	–	40 to 400	40 to 150	75 to 90

¹ Commercial properties for which the valuation was based on the assumption of continuation of current use, as well as properties held for sale

² Commercial properties for which the valuation was based on highest and best use (the current use does not correspond to the best use)

Unobservable inputs applied as at 31.12.2022

	in	Building land	Commercial properties (continuation of use) ¹	Commercial properties (highest and best use) ²	Properties under construction/development sites
Fair value as at balance sheet date	CHF m	63.191	10 671.805	1 235.398	1 117.321
Unobservable input factors					
Average real/nominal discount rate	%	3.06 / 4.09	2.69 / 3.72	2.67 / 3.70	2.96 / 3.99
Maximum real/nominal discount rate	%	4.95 / 6.00	4.95 / 6.00	4.60 / 5.65	4.00 / 5.04
Minimum real/nominal discount rate	%	2.20 / 3.22	1.65 / 2.67	2.15 / 3.17	2.35 / 3.37
Rental income residential	CHF per m ² p.a.	–	70 to 692	120 to 530	648 to 816
Rental income offices	CHF per m ² p.a.	–	75 to 1 000	90 to 780	180 to 535
Rental income retail/gastro	CHF per m ² p.a.	–	80 to 9 000	120 to 1 190	390 to 950
Rental income commercial	CHF per m ² p.a.	–	55 to 380	50 to 200	220 to 280
Rental income storage	CHF per m ² p.a.	–	20 to 300	50 to 180	90 to 170
Rental income parking inside	CHF per piece and month	–	50 to 650	100 to 600	90 to 635
Rental income parking outside	CHF per piece and month	–	40 to 400	40 to 160	75 to 200

¹ Commercial properties for which the valuation was based on the assumption of continuation of current use, as well as properties held for sale

² Commercial properties for which the valuation was based on highest and best use (the current use does not correspond to the best use)

- The fair value of the entire property portfolio is determined by applying the «highest and best use» concept. Highest and best use is the utilisation that maximises value. This assumes a use that is technically/physically possible, legally permitted and financially feasible. The non-observable inputs for properties for which the highest and best use differs from the actual or planned use of a property are shown separately in the above tables.
- Due to future development potential, the current use of 17 [12] commercial properties differs from the highest and best use. The implementation of the conversion of these commercial properties is largely under way. In relation to three of these properties, we are at the preliminary project stage. For two properties, a winning project has currently been determined following a commissioned study. For seven properties, concrete steps are being taken with respect to the implementation of conversion of spaces or reserves of usable space. Four properties are part of future site developments. In the case of one property, no specific measures are currently planned; however, reserves of building land are being considered for a logistics building.

Sensitivity of existing properties' fair value as at 31.12.2023

Change in fair value in %	with changed market rents of					
	Average real/nominal discount rate	-4%	-2%	+/-0%	+2%	+4%
2.44% / 3.72%		8.30%	11.10%	14.00%	16.80%	19.60%
2.55% / 3.83%		3.50%	6.20%	8.90%	11.60%	14.20%
2.65% / 3.93%		-0.80%	1.70%	4.30%	6.80%	9.40%
2.76% / 4.04% (valuation as at 31.12.2023)		-4.90%	-2.40%	-	2.40%	4.90%
2.86% / 4.15%		-8.60%	-6.30%	-3.90%	-1.60%	0.70%
2.97% / 4.26%		-12.00%	-9.80%	-7.60%	-5.30%	-3.10%
3.07% / 4.36%		-15.20%	-13.10%	-11.00%	-8.80%	-6.60%
3.18% / 4.47%		-18.20%	-16.20%	-14.10%	-12.00%	-9.90%

Sensitivity of existing properties' fair value as at 31.12.2022

Change in fair value in %	with changed market rents of					
	Average real/nominal discount rate	-4%	-2%	+/-0%	+2%	+4%
2.37% / 3.39%		8.10%	10.70%	13.50%	15.80%	18.40%
2.48% / 3.50%		3.50%	5.90%	8.60%	10.80%	13.20%
2.58% / 3.61%		-0.70%	1.80%	4.10%	6.50%	8.80%
2.69% / 3.72% (valuation as at 31.12.2022)		-4.40%	-2.20%	-	2.20%	4.50%
2.80% / 3.83%		-8.20%	-5.90%	-3.80%	-1.70%	0.50%
2.90% / 3.93%		-11.60%	-9.30%	-7.30%	-5.30%	-3.20%
3.01% / 4.04%		-14.70%	-12.50%	-10.60%	-8.60%	-6.70%
3.11% / 4.14%		-17.50%	-15.50%	-13.60%	-11.70%	-9.90%

Details on future rental income under existing contracts

Future rental income from non-cancellable lease term	31.12.2022 in CHF 1 000	Share in %	31.12.2023 in CHF 1 000	Share in %
Until 12 months	398 700	17.9	419 500	18.1
1-2 years	354 600	15.8	367 100	15.8
2-3 years	294 300	13.1	310 000	13.3
3-4 years	244 600	10.9	238 900	10.3
4-5 years	178 900	8.0	200 800	8.6
Over 5 years	767 700	34.3	788 700	33.9
Total	2 238 800	100.0	2 325 000	100.0

- Rental income comprises the net rental income and land lease income of the properties (excluding properties under construction and development sites, and excluding leased properties) for non-cancellable lease terms for existing contracts.

Largest external tenants

in % of future annual net rental and land lease income	31.12.2022	31.12.2023
Tertianum	6.5	5.7
Swisscom	3.5	4.6
Coop	5.1	4.5
Magazine zum Globus	4.6	4.5
Zurich Insurance Group	2.5	2.5
Total	22.2	21.8

Current development and new building projects

Basel, Hochbergerstrasse 60: Stücki Park

Project description	Construction of three laboratory buildings and one office property and transformation of the area into a centre for innovation, entertainment and health. Investment volume: approx. CHF 250 million (full fit-out) Further information: stueckipark.ch
Project status	1st stage completed, 2nd stage – basic fit-out completed
Letting status	Building F (office) being marketed, buildings H, G and I (laboratory and office) fully let
Completion	1st stage: 2021, 2nd stage: 2024

Basel, Steinenvorstadt 5

Project description	Total renovation and conversion of a retail property to residential with services, gastronomy and retail use on the ground floor and basement floor. The property has six full floors, an attic, a service floor and five basement floors in total. Investment volume: approx. CHF 52 million.
Project status	In planning
Letting status	Interim letting
Completion	2026

Berne, Stauffacherstrasse 131: Berne 131

Project description	Flexible office and commercial space in timber hybrid construction using solar panels on the roof and façade. Investment volume: approx. CHF 80 million. Further information: bern131.ch
Project status	Project being executed
Letting status	Currently being marketed
Completion	2025

Lancy, Esplanade de Pont-Rouge 5, 7, 9: Alto Pont-Rouge

Project description	Construction of a new services building with 15 upper floors and flexible use areas. Investment volume: approx. CHF 306 million. Further information: alto-pont-rouge.ch
Project status	Basic fit-out completed
Letting status	Let, last floor space being marketed
Completion	2024 (tenants' improvements)

Paradiso, Riva Paradiso 3, 20: Tertianum Residenz Du Lac

Project description	New senior citizens' residence with 60 apartments and a geriatric care centre with 40 beds. Investment volume: approx. CHF 73 million.
Project status	Project being executed
Letting status	100% let
Completion	2024

Schlieren, Zürcherstrasse 39: JED new build – Join. Explore. Dare.

Project description	Construction of a new building on the building land reserve to complete the site development. Large contiguous areas on five floors, including laboratory uses on the ground floor/first floor. Investment volume: approx. CHF 105 million (full fit-out) Further information: jed.swiss
Project status	Project being executed
Letting status	95% let, 5% reserved
Completion	2024

A more detailed description of the development and new construction projects has been published on our website at sps.swiss/developments.

5.3 Result from investment property sales

in CHF 1000	01.01.– 31.12.2022	01.01.– 31.12.2023
Gains from sales of properties (incl. building land)	2 866	11 185
Losses from sales of properties (incl. building land)	–	– 6 388
Gains from sales of properties held for sale	48 011	10 208
Losses from sales properties held for sale	–	– 2 000
Total result from investment property sales, net	50 877	13 005

We sold 18 properties in the 2023 financial year:

- One existing property each in Berlingen (Seestrasse 83, 88, 101, 154), Conthey (Route Cantonale 2), Frauenfeld (Zürcherstrasse 305), Frick (Hauptstrasse 132/Fricktal-Center A3), Gossau (Wilerstrasse 82), Sursee (Moosgasse 20), Wabern (Nesslerenweg 30), Wil (Obere Bahnhofstrasse 40)
- Two properties in Meyrin (Route de Meyrin 210 and Route de Pré-Bois 14/Geneva Business Terminal) and in Olten (Solothurnerstrasse 201 and Solothurnerstrasse 231–235/Usego)
- Four properties in Oberbüren (Buchental 2, Buchental 3, Buchental 3a, Buchental 5)
- One plot of building land each in Oberbüren (Buchental/parking) and Wangen bei Olten (Rickenbacherfeld)

We sold the following properties in the 2022 financial year:

- Seven properties to Swiss Prime Site Solutions Investment Fund Commercial as part of the launch (seed portfolio). The transaction with a total value of around CHF 80 million was completed under market conditions based on appraisals of independent valuation experts and was approved by FINMA.
- Two properties in St. Gallen (Spisergasse 12 and Turmgasse)
- Three properties in Neuchâtel (Rue de l'Ecluse 19/parking, Rue du Temple-Neuf 11 and Rue du Temple-Neuf 14)
- One property in Plans-les-Ouates (Espace Tourbillon – building B)

5.4 Real estate costs

in CHF 1000	01.01.– 31.12.2022	01.01.– 31.12.2023
Maintenance and repair costs	– 16 018	– 11 513
Ancillary costs borne by the owner	– 19 423	– 18 688
Property-related insurance costs and fees	– 7 839	– 8 262
Costs for cleaning, energy and water	– 3 439	– 3 318
Expenses for third-party services	– 22 117	– 22 809
Total real estate costs	– 68 836	– 64 590

6 Financing

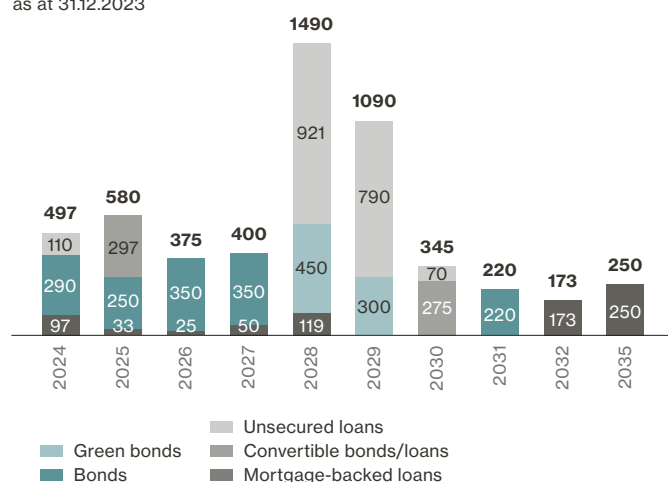
6.1 Financial liabilities

Our financial liabilities are initially recognised in the balance sheet at cost in accordance with IFRS 9. In subsequent periods, they are recognised at amortised cost, whereby the effective interest rate method is used to amortise the difference between the book value and the redemption value.

The above provisions do not apply to our derivative financial instruments. We disclose figures for these separately in note 8.

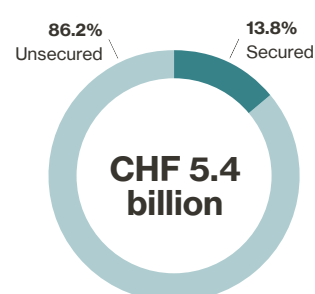
Maturity profile

Nominal values in CHF million without leasing and derivative financial instruments as at 31.12.2023



Financial structure

Without leasing and derivative financial instruments as at 31.12.2023



in CHF 1 000

	31.12.2022	31.12.2023
Mortgage-backed loans	44 520	96 795
Unsecured loans (private placement)	50 000	110 000
Bonds	–	289 908
Convertible bonds/loans	247 026	–
Current lease liabilities	14 321	9 832
Total current financial liabilities	355 867	506 535
Mortgage-backed loans	701 000	648 700
Unsecured loans	1 822 000	1 781 245
Convertible bonds/loans	295 652	582 929
Bonds (incl. green bonds)	2 059 187	1 918 734
Non-current lease liabilities	271 718	245 054
Derivative financial instruments	–	9 345
Total non-current financial liabilities	5 149 557	5 186 007
Total financial liabilities	5 505 424	5 692 542

- Based on the financial liabilities (excluding leases) of the Real Estate segment, the loan-to-value (LTV) ratio of the property portfolio was 39.8% [38.8%].
- As at 31 December 2023, we had committed, undrawn credit facilities (RCF) of CHF 818.755 million [CHF 778.000 million]. The facilities comprise two separately syndicated loan facilities. Both contracts include an option to extend. In the second half of 2023, we extended both contracts with original maturities in 2027 and 2028 by one year, to 2028 and 2029. The contracts will continue to run with the original conditions up to the original end date.

- The most important financial covenants relate to the debt ratio, the interest coverage ratio and the proportion of secured borrowing (permitted security). The debt ratio (financial liabilities as a percentage of the balance sheet total corrected in each case for assets and liabilities from IFRS 16 and IAS 19) must not exceed 50% over a six-month period and must never exceed 55%. The interest coverage ratio is calculated by dividing income from the rental of properties by interest expense, and must amount to at least 4.0. The proportion of secured borrowing must not exceed 20%. As at the balance sheet date, the debt ratio was 40.3% [38.7%], the interest coverage ratio was 7.5 [10.8] and the proportion of secured borrowing was 13.7% [14.3%]. All covenants were consistently adhered to.
- Information on derivative financial instruments is disclosed in note 8.

Bonds

		CHF 190 m 2024	CHF 100 m 2024	CHF 250 m 2025	CHF 350 m 2026	CHF 350 m 2027
Issuing volume, nominal	CHF m	190.000	100.000	250.000	350.000	350.000
Book value as at 31.12.2023	CHF m	189.988	99.921	249.982	350.888	350.929
Book value as at 31.12.2022	CHF m	189.964	99.838	249.972	351.263	351.214
Interest rate	%	1.0	2.0	0.5	0.825	1.25
Term to maturity	years	6	10	9	9	8
Maturity	date	16.07.2024	10.12.2024	03.11.2025	11.05.2026	02.04.2027
Securities number		39 863 325 (SPS181)	25 704 217 (SPS142)	33 764 553 (SPS161)	36 067 729 (SPS17)	41 904 099 (SPS19)
Fair value as at 31.12.2023	CHF m	189.164	100.230	245.625	343.000	345.275
Fair value as at 31.12.2022	CHF m	186.390	99.900	240.000	331.975	331.450

		Green Bond CHF 300 m 2028	Green Bond CHF 150 m 2028	Green Bond CHF 300 m 2029	CHF 220 m 2031
Issuing volume, nominal	CHF m	300.000	150.000	300.000	220.000
Book value as at 31.12.2023	CHF m	299.554	149.589	299.517	218.275
Book value as at 31.12.2022	CHF m	299.446	0.000	299.437	218.053
Interest rate	%	0.375	2.268	0.65	0.375
Term to maturity	years	7	5	9	12
Maturity	date	11.02.2028	18.09.2028	18.12.2029	30.09.2031
Securities number		58 194 781 (SPS21)	129 022 233 (SPS23)	58 194 773 (SPS200)	48 850 668 (SPS192)
Fair value as at 31.12.2023	CHF m	284.100	151.950	279.900	197.780
Fair value as at 31.12.2022	CHF m	266.250	0.000	260.100	177.100

- In the reporting period, we issued a five-year bond (green bond) in the amount of CHF 150 million with an interest rate of 2.27%. The criteria for classification as a green bond are set out in our Green Finance Framework and are reviewed annually.

Convertible bonds/loans

We issued our convertible bonds/loans under conditions differing from those for bonds without conversion rights. We therefore break the convertible bonds/loans down into a debt and equity component at the time of issue, insofar as the holder is guaranteed an option for conversion into shares. If the option does not meet the characteristics of an equity component, we review a separation of the conversion option from the basic contract based on the requirements of IFRS 9. In the event of a conversion, we calculate the number of shares to be issued using the conversion price. We credit the nominal value of the shares issued to the share capital and credit the remainder to the capital reserve.

		CHF 250 m 2023	CHF 300 m 2025	CHF 275 m 2030
Issuing volume, nominal	CHF m	250.000	300.000	275.000
Nominal value as at 31.12.2023	CHF m	0.000	296.630	275.000
Book value as at 31.12.2023	CHF m	0.000	296.130	286.799
Book value as at 31.12.2022	CHF m	247.026	295.652	0.000
Conversion price	CHF	104.07	100.35	85.16
Interest rate	%	0.25	0.325	1.625
Term to maturity	years	7	7	7
Maturity	date	16.06.2023	16.01.2025	31.05.2030
Securities number		32 811 156 (SPS16)	39 764 277 (SPS18)	XS2627116176
Fair value as at 31.12.2023	CHF m	0.000	291.587	295.460
Fair value as at 31.12.2022	CHF m	245.619	287.731	0.000

- In the reporting period, we issued a convertible loan of CHF 275.000 million. It was issued to a Dutch financing company held by a foundation (repackaging vehicle). In turn, the financing company issued a seven-year exchangeable bond secured by the convertible loan. The instrument bears interest at a rate of 1.625% p.a. The initial conversion price is CHF 85.16.
- We repaid the convertible bond at maturity on 16 June 2023 in cash.
- Information on embedded derivatives in connection with our convertible bonds/loans is disclosed in note 8. The above book values include the fair value of the embedded derivatives.

Conversion price and number of possible shares given 100% conversion

Convertible bonds/loans	31.12.2022 Conversion price in CHF	Number of possible shares	Weighted number of possible shares	31.12.2023 Conversion price in CHF	Number of possible shares	Weighted number of possible shares
0.25%-convertible bond 16.06.2016– 16.06.2023, issuing volume CHF 250.000 million, nominal value CHF 247.500 million	104.07	2 378 206	2 378 206	n.a.	–	1 096 617
0.325%-convertible bond 16.01.2018– 16.01.2025, issuing volume CHF 300.000 million, nominal value CHF 296.630 million	100.35	2 955 954	2 955 954	100.35	2 955 954	2 955 954
1.625%-convertible loan 29.05.2023– 31.05.2030, issuing volume CHF 275.000 million, nominal value CHF 275.000 million	n.a.	–	–	85.16	3 229 215	–
Total number of possible shares		5 334 160	5 334 160		6 185 169	4 052 571

- Creditors of the convertible bond in the amount of CHF 300.000 million and of the convertible loan in the amount of CHF 275.000 million who exercise their conversion right will receive the nominal value of the convertible bond/loan in cash and any additional amount in the form of registered shares of the Company, subject to Swiss Prime Site AG exercising its right to choose, at its discretion, any combination of cash and shares to settle the bond conversions. Based on the Company's option right, no conditional capital is reserved for potential conversions. Because of the current structure of the conversion option, it does not constitute an equity instrument and is therefore not separated.
- The convertible loan in the amount of CHF 275.000 million does not dilute earnings in the 2023 financial year due to the negative valuation effect of the embedded derivatives. Accordingly, the convertible loan is not included in the calculation of diluted EPS.

Current and non-current financial liabilities excluding lease liabilities, categorised by interest rate

in CHF 1000	31.12.2022 Total nominal value	31.12.2023 Total nominal value
Financial liabilities up to 1.00%	3 216 450	2 944 130
Financial liabilities up to 1.50%	1 718 000	546 000
Financial liabilities up to 2.00%	254 700	801 245
Financial liabilities up to 2.50%	32 500	1 126 200
Financial liabilities up to 3.00%	–	795
Total financial liabilities	5 221 650	5 418 370

Overview of future cash outflows (including interest) from all financial liabilities

in CHF 1000	31.12.2023 Book value	Future cash outflows	<6 months		6 to 12 months		1 to 2 years		2 to 5 years		>5 years	
			Interest	Nominal	Interest	Nominal	Interest	Nominal	Interest	Nominal	Interest	Nominal
Current financial liabilities without leasing	496 703	501 104	965	110 795	3 344	386 000	–	–	–	–	–	–
Accounts payable	33 132	33 132	–	33 132	–	–	–	–	–	–	–	–
Accrued expenses without capital taxes	125 748	125 748	–	125 748	–	–	–	–	–	–	–	–
Other current liabilities	18 223	18 223	–	18 223	–	–	–	–	–	–	–	–
Non-current financial liabilities without leasing	4 931 608	5 218 522	31 835	–	25 442	–	55 970	579 130	142 018	2 264 945	41 682	2 077 500
Leasing liabilities	254 886	403 888	1 950	3 018	1 936	3 033	3 835	3 799	11 234	9 770	130 047	235 266
Total non-derivative financial liabilities	5 860 300	6 300 617	34 750	290 916	30 722	389 033	59 805	582 929	153 252	2 274 715	171 729	2 312 766
Derivatives with negative fair value	9 345	9 571	–215	–	304	–	2 308	–	7 174	–	–	–
Total derivative financial liabilities	9 345	9 571	–215	–	304	–	2 308	–	7 174	–	–	–
Total financial liabilities	5 869 645	6 310 188	34 535	290 916	31 026	389 033	62 113	582 929	160 426	2 274 715	171 729	2 312 766

in CHF 1000	31.12.2022 Book value	Future cash outflows	<6 months		6 to 12 months		1 to 2 years		2 to 5 years		>5 years	
			Interest	Nominal	Interest	Nominal	Interest	Nominal	Interest	Nominal	Interest	Nominal
Current financial liabilities without leasing	341546	342824	803	298320	1	43700	-	-	-	-	-	-
Accounts payable	43641	43641	-	43641	-	-	-	-	-	-	-	-
Accrued expenses without capital taxes	136536	136536	-	136536	-	-	-	-	-	-	-	-
Other current liabilities	110145	110145	-	110145	-	-	-	-	-	-	-	-
Non-current financial liabilities without leasing	4877839	5120889	23655	-	22229	-	44590	386000	104829	2066130	45956	2427500
Leasing liabilities	286039	440186	2085	5151	2061	5167	4055	10100	11792	20100	134154	245521
Total financial liabilities	5795746	6194221	26543	593793	24291	48867	48645	396100	116621	2086230	180110	2673021

- The weighted average residual term to maturity of all interest-bearing financial liabilities was 4.6 years [5.0 years] due to the contractual maturities.

Reconciliation of cash flow from financing activities

in CHF 1000	31.12.2022	Issuance	Repayment	No cash effect	31.12.2023
Mortgage-backed loans	745520	-	-25	-	745495
Unsecured loans (incl. private placements)	1872000	636245	-617000	-	1891245
Convertible bonds/loans	542678	270863	-247026	16414	582929
Bonds (incl. green bonds)	2059187	149565	-	-109	2208643
Lease liabilities ¹	286039	-	-7460	-23694	254885
Other financial liabilities	-	-	-	9345	9345
Total financial liabilities	5505424	1056673	-871511	1956	5692542

¹ The «no cash effect» column contains the disposal of lease liabilities from the sale of the Wincasa Group, which is reported in the consolidated cash flow statement under divestments of group companies

in CHF 1000	31.12.2021	Issuance	Repayment	No cash effect	31.12.2022
Mortgage-backed loans	845558	-	-100038	-	745520
Unsecured loans (incl. private placements)	1702000	472000	-302000	-	1872000
Convertible bonds/loans	541165	-	-	1513	542678
Bonds (incl. green bonds)	2059319	-	-	-132	2059187
Lease liabilities	281992	-	-10024	14071	286039
Total financial liabilities	5430034	472000	-412062	15452	5505424

- The borrowing and redemption of current financial liabilities (less than 3 months) are shown net.

6.2 Financial result

We recognise in profit or loss borrowing costs that do not qualify for capitalisation, using the effective interest rate method.

in CHF 1 000	01.01.– 31.12.2022	01.01.– 31.12.2023
Interest expenses financial liabilities	– 40 056	– 58 461
Interest expenses leasing	– 3 720	– 3 964
Negative fair value measurement of financial instruments	–	– 14 300
Interest expense from designated hedging relationship	–	– 27
Amortisation of issue expenses bonds and convertible bonds/loans	– 1 381	– 2 479
Capitalised borrowing costs ¹	4 473	6 309
Other financial expenses	– 4 131	– 4 451
Total financial expenses	– 44 815	– 77 373

¹ An average financing cost rate of 1.08% [0.78%] was used for capitalised borrowing costs

- The negative fair value valuation is a result of the conversion option of the outstanding convertible bond and the convertible loan; the conversion option increased in value due to the favourable performance of our share price which is a liability for us. In the event of a conversion before maturity, positive net financial income would result, as the time value of the derivative would be released with an effect on net income. Further information on embedded derivatives in connection with our convertible bonds/loans is disclosed in note 8.

in CHF 1 000	01.01.– 31.12.2022	01.01.– 31.12.2023
Interest income	25	350
Dividend income on securities and financial investments	95	143
Interest income from designated hedging relationship	–	106
Other financial income	234	472
Total financial income	354	1 071

6.3 Pledged assets

in CHF 1 000	31.12.2022	31.12.2023
Fair value of affected investment properties	1 928 011	1 823 213
Nominal value of pledged mortgage notes	875 134	849 545
Current claim (nominal)	745 520	745 495

6.4 Shareholders' equity

Shareholders' equity

We break shareholders' equity down into share capital, capital reserves, treasury shares, revaluation reserves and retained earnings. We recognise the nominal share capital in share capital. We recognise revaluation gains of owner-occupied properties in the revaluation reserves to the extent they exceeded previous impairments. Impairments of owner-occupied properties first reduce the revaluation reserves; impairments in excess of this are recognised affecting net income. We recognise gains/losses in retained earnings. Remeasurements of net defined benefit assets/obligations recognised in other comprehensive income as well as cash flow hedges and the related deferred taxes are charged/credited to retained earnings. We charge dividend payments to the profit reserves and capital reserves. We offset all other changes in capital with the capital reserves.

Treasury shares

We measure treasury shares at cost and recognise them as a negative item in shareholders' equity. Following initial measurement, we do not undertake any subsequent measurement of our treasury shares. We book any profit of sale to the capital reserves.

Share capital

	Number of registered shares issued	Nominal value in CHF	in CHF 1 000
Share capital as at 01.01.2022	75 970 364	15.30	1 162 347
Capital increase (acquisition Akara Group)	748 240	15.30	11 448
Nominal value reduction – payment to shareholders	76 699 051	1.675	– 128 471
Nominal value reduction – transfer to reserves	76 699 051	11.625	– 891 627
Nominal value reduction – treasury shares	19 553	13.30	– 260
Share capital as at 31.12.2022	76 718 604	2.00	153 437
Share capital as at 31.12.2023	76 718 604	2.00	153 437

- The 50 [14 719] treasury shares held at 31 December 2023 were not entitled to dividends. As at the balance sheet date, the dividend-entitled share capital of CHF 153.437 million [CHF 153.408 million] therefore comprised 76 718 554 [76 703 885] registered shares.
- Since 21 March 2023, the Company has had a capital band of between CHF 145.765 million (floor) and CHF 168.781 (ceiling). Until 21 March 2028, the share capital can be increased once or several times and in any amounts by a maximum of 7 671 860 shares (CHF 15.344 million) or reduced by a maximum of 3 835 930 shares (CHF 7.672 million). The capital band replaces authorised capital.
- The share capital can be increased from conditional capital by 6 227 745 shares (CHF 12.455 million); in accordance with Art. 3c of the Articles of Association, a total maximum of 7 671 860 shares may be issued from conditional capital or the capital band by 21 March 2028 or the earlier expiry of the capital band.
- Due to the issue of a convertible bond, in the previous year 2 378 206 shares (CHF 4.756 million) from conditional capital were reserved for potential conversions. We have repaid the convertible bond, and currently no more conditional capital is reserved.

Capital reserves

	in CHF 1 000
Capital reserves as at 01.01.2022	50 016
Capital increase on 04.01.2022	54 316
Nominal value reduction – transfer to reserves	891 590
Share-based compensation	– 397
Income from delivery of treasury shares relating to share-based compensation	80
Capital reserves as at 31.12.2022	995 605
Distribution from capital contribution reserves	– 130 397
Share-based compensation	61
Income from delivery of treasury shares relating to share-based compensation	– 207
Capital reserves as at 31.12.2023	865 062

- Capital reserves are based on above-par issues on foundation, capital increases as well as changes from trading with subscription rights, treasury shares and share-based compensation.
- As at the balance sheet date, Swiss Prime Site AG's reserves consisted of a non-distributable amount (legal reserves) of CHF 30.687 million [CHF 30.687 million].

Treasury shares

	in CHF 1000
Treasury shares as at 01.01.2022	-58
Purchase of treasury shares, 57 949 shares, CHF 89.37 average transaction price ¹	- 5179
Share-based compensation, 43 885 shares, CHF 89.85 average transaction price	3 943
Income from delivery of treasury shares relating to share-based compensation	- 80
Treasury shares as at 31.12.2022	-1374
Purchase of treasury shares, 33 500 shares, CHF 80.57 average transaction price	- 2699
Share-based compensation, 48 169 shares, CHF 80.18 average transaction price	3 862
Income from delivery of treasury shares relating to share-based compensation	207
Treasury shares as at 31.12.2023	-4

¹ Includes the non-cash addition of 23 549 registered shares (CHF 2.091 million) from the capital increase

- As at the balance sheet date, the group companies held 50 shares [14 719 shares] and the group's employee pension fund foundations held no shares [225 946 shares] in Swiss Prime Site AG.

7 Platform costs

7.1 Personnel costs

in CHF 1000	01.01.– 31.12.2022	01.01.– 31.12.2023
Wages and salaries	– 67 645	– 67 423
Social security expenses	– 4 690	– 4 660
Pension plan expenses	– 6 335	– 2 768
Other personnel expenses	– 3 466	– 4 826
Total personnel costs	– 82 136	– 79 677
Number of employees as at 31.12.	757	674
Number of full-time equivalents as at 31.12.	650	570

7.2 Other operating expenses

in CHF 1000	01.01.– 31.12.2022	01.01.– 31.12.2023
Expenses for tangible assets and IT	– 8 281	– 7 778
Non-life insurance, fees	– 1 346	– 758
Capital taxes	– 2 082	– 2 144
Administrative expenses	– 7 348	– 7 260
Consultancy and audit costs	– 8 150	– 10 527
Marketing	– 5 499	– 3 150
Collection and bad debt-related losses	– 1 022	1 620
Total other operating expenses	– 33 728	– 29 997

7.3 Income taxes

Income taxes

We recognise current income taxes and deferred taxes under income taxes. Current income taxes comprise the expected tax liability on the taxable profit calculated at the tax rates applicable on the balance sheet date, property gains taxes on real estate sales and adjustments to tax liabilities or tax assets for previous years.

Deferred taxes are calculated based on the temporary valuation differences between the book value and the tax base of a balance sheet item (balance sheet liability method). In the calculation, we take account of the expected date of reconciliation of the temporary differences and use the tax rates applicable or determined at the balance sheet date.

We calculate deferred taxes on temporary valuation differences in the property portfolio per property in accordance with the cantonal legislation. We review the applied calculation parameters (especially the tax rates) at least once a year and adapt them if necessary. Cantons with a one-tier tax system charge a separate property gains tax. In addition to ordinary property gains tax, this includes speculative surcharges or complemented ownership deductions (based on the effective holding period). The longer the duration of ownership, the lower the property gains tax. In the case of properties held for sale, we use the effective holding period in the calculation. For other types of properties, we assume a duration of ownership of 20 years or use the effective holding period if it is more than 20 years. Estimating the minimum holding period is subject to considerable discretion.

Where the positive revaluations of properties according to IFRS versus the tax bases are due to recaptured depreciation, the taxes are calculated separately for each property after the deduction of property gains tax and using cantonal tax rates. In the case of positive revaluations exceeding the recapturable depreciation, in cantons with a one-tier tax system, the taxes are calculated with property gains tax rates including surcharges and discounts. For cantons that do not levy any special taxes, the taxes are calculated at cantonal rates.

We recognise tax effects from losses carried forward and tax credits as deferred tax assets if it is likely that the losses carried forward can be offset against future profits within the stipulated statutory periods.

in CHF 1000	01.01.– 31.12.2022	01.01.– 31.12.2023
Current income taxes of the reporting period	–39 587	–30 512
Adjustments for current income taxes of other accounting periods	–2 799	–117
Total current income taxes	–42 386	–30 629
Deferred taxes resulting from revaluation and depreciation	–76 807	17 816
Deferred taxes resulting from the sale of investment properties	13 857	15 071
Deferred taxes resulting from tax rate changes	3 947	2 147
Deferred taxes resulting from losses carried forward	–6 733	6 129
Total deferred taxes	–65 736	41 163
Total income taxes	–108 122	10 534

Numerical reconciliation of income taxes

Factors leading to the deviation of the effective tax burden from the average tax rate of 20% [20%]:

in CHF 1000	01.01.– 31.12.2022	01.01.– 31.12.2023
Profit before income taxes	505 194	76 160
Income taxes at average tax rate of 20%	–101 039	–15 232
Taxes at other rates (including property gains taxes)	6 016	12 874
Deferred taxes resulting from tax rate changes	3 947	2 147
Adjustment for current income taxes for other accounting periods	–2 799	–117
Effect of unrecognised losses carried forward (usage)	–	4 733
Effect of unrecognised losses carried forward (recognition)	–14 248	6 129
Total income taxes	–108 122	10 534

Deferred income tax assets

in CHF 1000	31.12.2022	31.12.2023
Taxable losses carried forward of group companies	75 140	48 302
Possible tax effect on taxable losses carried forward at expected tax rate	15 028	9 491
Losses carried forward which can in all probability be offset with future profits	–928	–32 133
Total recognised deferred tax assets at expected tax rate	–186	–6 315
Total deferred tax assets not recognised at expected tax rate	14 842	3 176
Recognised deferred tax assets on losses carried forward	186	6 315
Other deferred income tax assets	–	1 940
Total deferred income tax assets	186	8 255

- In the previous year, deferred tax liabilities of CHF 0.910 million were created with the IAS 19 pension assets of CHF 5.752 million (see note 7.3). In connection with this, deferred tax assets were recognised from losses carried forward of CHF 0.186 million that would not have been capitalised without the corresponding deferred tax liabilities. In the reporting year, the pension assets (see note 9.7) were increased to CHF 15.656 million and the related deferred tax liabilities increased to CHF 3.203 million. For that reason, the recognised losses carried forward likewise increased to CHF 2.384 million. In addition, further losses carried forward in the amount of CHF 3.931 million were recognised.

Expiring taxable loss carryforwards

The expiry of taxable loss carryforwards of group companies for which no deferred tax assets were recognised is as follows:

in CHF 1000	31.12.2022	31.12.2023
After 1 year	7 125	–
After 2 years	203	–
After 3 years	4 236	–
After 4 years	934	–
After 5 years	15 871	–
After 6 years	8 268	16 169
After 7 or more years	37 575	–
Total expiring taxable losses carried forward	74 212	16 169

- The change between the reporting year and previous period is due to the recognition and use of losses carried forward in the current financial year.

Deferred tax liabilities

in CHF 1000	2022	2023
Deferred tax liabilities as at 01.01.	1 279 736	1 328 320
Change due to acquisitions/divestments of group companies	2 428	21
Change due to revaluation and depreciation, net, recognised in income statement	76 978	– 17 989
Change due to revaluation, net, recognised in other comprehensive income	– 13 018	196
Change through property disposals	– 13 857	– 15 071
Tax rate changes	– 3 947	– 2 147
Deferred tax liabilities as at 31.12.	1 328 320	1 293 330

- We calculated deferred taxes on temporary valuation differences in the property portfolio using cantonal tax rates of 4.4% to 14.4% [4.4% to 14.4%] and property gains tax rates of 5.0% to 40.0% [4.0% to 26.0%].
- We calculated deferred taxes on properties based on the assumption that the minimum duration of ownership is 20 years. Given a holding period of 15 years, the relevant deferred tax liabilities on future property gains would have been roughly 2.4% higher. Given a reduction of the holding period to ten years, these liabilities would have been around 4.4% higher.

Origin of deferred tax assets and liabilities

in CHF 1000	Asset 31.12.2022	Liability 31.12.2022	Asset 31.12.2023	Liability 31.12.2023
Valuation differences properties	–	1 323 029	–	1 286 100
Leasing	57 208	57 187	50 977	50 971
Net defined benefit assets/liabilities	–	910	71	3 203
Tax losses capitalised	186	–	6 315	–
Fund contract	–	2 654	–	2 514
Derivative financial instruments	–	–	1 869	–
Other	–	1 748	–	1 519
Total	57 394	1 385 528	59 232	1 344 307
Offsetting and reclassification	– 57 208	– 57 208	– 50 977	– 50 977
Total deferred tax asset/liability	186	1 328 320	8 255	1 293 330

8 Financial risk management

Swiss Prime Site is exposed to a broad spectrum of opportunities and risks, and we have implemented systematic and continuous risk management processes for dealing with these. The following notes should be read as an addition to risk management and climate-related financial risks, which we disclose in the Sustainability Report.

We focus here on financial risks according to IFRS 7 and allocate the risks to the following categories:

Risk category	General description of the risk category
Market risk	We understand market risk to mean the risk that the future cash flows or fair value will change due to market changes.
Liquidity risk	We understand liquidity risk to mean the risk that we cannot meet our financial obligations.
Default risk	We understand default risk to mean the risk that our business partners cannot meet their contractual obligations and we suffer a financial loss.

Risk	Measures	Financial impact
<ul style="list-style-type: none"> - Rising discount rates have a significant negative impact on the fair value of our properties (market risk) 	<ul style="list-style-type: none"> - To limit the impact, we attach importance to having a strong financing structure. - In most cases, we enter into indexed rental contracts with our tenants. 	<ul style="list-style-type: none"> - We disclose the financial impact on our property portfolio of changes in discount rates in the sensitivity analyses in the Finance Report, in section «5.2 Properties».
<ul style="list-style-type: none"> - Rising interest rates adversely affect our income statement (market risk) 	<ul style="list-style-type: none"> - The balanced maturity profile of our financial liabilities enables us to smooth out interest rate fluctuations. We also ensure a safe mix between variable and fixed interest financial liabilities. - Partial interest fixing of variable interest-bearing financial liabilities by means of interest rate swaps. 	<ul style="list-style-type: none"> - If the interest rate changes by +/- 0.5% for variable interest financial liabilities, the future annual interest expense will change by +/- CHF 3.606 million [CHF 5.610 million]. - We disclose financial liabilities broken down by interest rate in the Finance Report in section «6.1 Financial liabilities». - Fixing of the interest rate to the end of 2028 for a volume of CHF 400 million. We disclose further information in the section «Derivative financial instruments».
<ul style="list-style-type: none"> - Market changes make it harder to refinance our financial liabilities/ We cannot meet the covenants of our financing (liquidity risk) 	<ul style="list-style-type: none"> - Our capital management principles include measures for the ongoing optimisation of the equity and debt mix. - We are increasing financial flexibility by replacing secured borrowing with unsecured. - We plan our financial liabilities with a balanced maturity profile and diversification of lenders. - We regularly review whether we are meeting the agreed financial covenants for the financing raised and take account of them in our business planning. 	<ul style="list-style-type: none"> - Important financial covenants for our financing are the debt ratio, the interest coverage ratio and the proportion of secured borrowing (permitted security). We disclose information on these in section «6.1 Financial liabilities». - We disclose the future cash outflows from financial liabilities in the Finance Report in section «6.1 Financial liabilities».
<ul style="list-style-type: none"> - Short-term capital requirement is not covered (liquidity risk) 	<ul style="list-style-type: none"> - We have committed, undrawn credit facilities that we can draw on any time. 	<ul style="list-style-type: none"> - We disclose the current committed, undrawn credit facilities in the finance report in section «6.1 Financial liabilities».
<ul style="list-style-type: none"> - Our tenants cease to meet their contractual obligations (default risk) 	<ul style="list-style-type: none"> - A balanced tenant mix, avoiding dependency on major tenants, active credit control and the obtaining of security deposits reduce the default risk. 	<ul style="list-style-type: none"> - Our tenants pay us the rent in five [five] days on average.
<ul style="list-style-type: none"> - Our other customers cease to meet their contractual obligations (default risk) 	<ul style="list-style-type: none"> - In the case of other receivables, we largely work on a long-term basis with institutional clients, for which we also often handle treasury operations. Other customers often pay for our service with credit cards or directly at checkouts. 	<ul style="list-style-type: none"> - No material financial impact.
<ul style="list-style-type: none"> - Our partner banks cease to meet their contractual obligations (default risk) 	<ul style="list-style-type: none"> - Cash is only invested with first-class Swiss banking institutions regulated by FINMA. 	<ul style="list-style-type: none"> - No material financial impact.

We have the following maximum default risk:

in CHF 1 000	31.12.2022	31.12.2023
Bank deposit	19 508	20 378
Receivables	45 297	106 615
Accrued income and prepaid expenses without capital tax assets	39 816	19 681
Non-current financial assets	9 500	12 016
Total risk	114 121	158 690

- We are not exposed to any material currency risk because we only operate in Switzerland and do not conduct transactions in foreign currency.

Derivative financial instruments

Our derivative financial instruments are used for the purpose of partial interest-fixing on variable interest-bearing financial liabilities. These instruments are measured at fair value. When they have a positive fair value, they are recognised in the balance sheet as financial assets, and when they have a negative fair value, they are recognised in the balance sheet as financial liabilities. The valuation is performed by the broker and we undertake a plausibility check. We apply hedge accounting: fair value adjustments of derivatives with effective hedging of future cash flows are recorded in shareholders' equity as hedging reserve via other comprehensive income. These reserves are reclassified into the income statement at the time at which the hedged cash flows influence the income statement.

Embedded derivative financial instruments from compound financial instruments are separated from the basic contract and valued at fair value, if the criteria for a separation according to IFRS 9 are met.

- As at 20 July 2023, we have entered an interest rate swap with a constant contract value over the lifetime of CHF 200 million, fixed interest of 1.735% and a term to 1 December 2028. A further interest rate swap followed as at 7 November 2023 with a constant contract value for the lifetime of CHF 200 million, fixed interest of 1.350% and a term to 1 December 2028. The hedging relationships are 100% effective. This resulted in a reclassification of the hedging reserves from the designated hedging relationships to net financial income in the reporting period, in the net amount of CHF 0.079 million [n.a.]. As per the balance sheet date, the hedging reserves reported in retained earnings amount to CHF 7.476 million [n.a.]. The fair values of the interest rate swaps amount to CHF 9.345 million [n.a.].
- The conversion options of our convertible bond with a term to 2025 and of our convertible loan with a term to 2030 represent embedded derivatives, which are to be valued separately from the basic contract. These embedded derivatives have a book value of CHF 28.050 million [CHF 0.000 million] as at the balance sheet date.
- The conversion option of the convertible bond repaid in the reporting year met the definition of an equity component and accordingly was not subsequently measured at fair value.
- The fair value of the interest rates swaps is determined by the sum of future, discounted fixed and variable cash flows. The variable cash flows are based on the SARON forwards applicable on the valuation date, and the discount rates on the SARON swap curve applicable on the valuation date. If the interest rate changed by + 50 basis points, the fair value liability of the interest rate swaps would reduce by 9.386 million [n.a.]. If the interest rate changed by - 50 basis points, the fair value liability of the interest rate swaps would increase by CHF 9.837 million [n.a.]. The change in value would be recorded via shareholders' equity with no effect on net income.
- The fair value of the embedded derivatives is calculated as the difference between the fair value of the convertible bond / convertible loan and the bond floor. The bond floor equates to the present value of all future cash flows (coupons and redemption value). If the share price changed by + CHF 5, the fair value of the embedded derivatives would increase by CHF 14.516 million [CHF 1.780 million]. If the share price changed by - CHF 5, the fair value of the embedded derivatives would reduce by CHF 9.987 million [CHF 1.189 million]. Any value change would be recorded with a full effect on net income.

9 Other disclosures

9.1 Accounts receivable

We measure accounts receivable at amortised cost, which is usually the nominal value. We assess the individual receivables for their collectibility and recognise any necessary loss allowances. The loss allowances are calculated in the extent of the expected credit losses.

in CHF 1 000	31.12.2022	31.12.2023
Accounts receivable (gross)	49 620	33 065
Impairments	– 6 961	– 4 533
Total accounts receivable	42 659	28 532

– Most of the accounts receivable related to claims for rent and ancillary costs.

Maturities of receivables

in CHF 1 000	31.12.2022 Gross receivables	Impairments	31.12.2023 Gross receivables	Impairments
Not yet due	36 612	– 100	21 001	–
Due between 1 and 30 days	4 366	– 1 307	3 358	– 129
Due between 31 and 90 days	2 014	– 1 273	2 513	– 202
Due between 91 and 120 days	390	– 343	254	– 107
Due for more than 120 days	6 238	– 3 938	5 939	– 4 095
Total gross receivables and impairments	49 620	– 6 961	33 065	– 4 533

9.2 Inventories

We recognise inventories at average cost, but no higher than the net realisable value. We additionally write down goods that are hard to sell or have a long storage period.

in CHF 1 000	31.12.2022	31.12.2023
Merchandise	36 672	39 570
Other inventories	70	20
Impairments	– 8 738	– 2 865
Total inventories	28 004	36 725

– The impairments in the previous year include additional impairments on the Jelmoli inventory in the amount of CHF 7.084 million. Of the impairments from the previous year, CHF 6.501 million were recovered, and additional impairments were made in the amount of CHF 0.628 million at the balance sheet date.

9.3 Tangible assets and intangible assets

Tangible assets

We recognise tangible assets at acquisition or production cost less accumulated depreciation and any impairments. We charge expenses for repairs and maintenance directly to the consolidated income statement.

Intangible assets

We recognise intangible assets at cost less accumulated amortisation and any impairments.

Depreciation and amortisation

We allocate depreciation and amortisation on a straight-line basis over the economically useful life. We depreciate tenants' improvements and furniture over eight years and hardware over five years. Software is amortised over five years or over the economically useful life, if shorter. The fund contract is amortised over 20 years.

Impairments

We assess the recoverability of tangible assets and intangible assets whenever changed circumstances or events indicate the possibility of an overvaluation of the carrying amount. If the carrying amount exceeds the recoverable amount, we recognise an impairment.

in CHF 1 000	Tenants' improvements	Moveable assets	Total tangible assets	Fund contract	Software	Total intangible assets
Cost as at 01.01.2023	40 080	52 243	92 323	18 624	78 028	96 652
Additions	98	72	170	–	2 802	2 802
Disposals	–1 008	–3 694	–4 702	–	–20 608	–20 608
Disposals from divestments	–6 253	–13 328	–19 581	–	–50 210	–50 210
Cost as at 31.12.2023	32 917	35 293	68 210	18 624	10 012	28 636
Cumulative depreciation, amortisation and impairment as at 01.01.2023	37 895	50 536	88 431	931	63 454	64 385
Depreciation and amortisation	371	473	844	931	1 703	2 634
Disposals	–1 008	–3 694	–4 702	–	–20 608	–20 608
Disposals from divestments	–4 811	–12 148	–16 959	–	–35 317	–35 317
Cumulative depreciation, amortisation and impairment as at 31.12.2023	32 447	35 167	67 614	1 862	9 232	11 094
Total as at 31.12.2023	470	126	596	16 762	780	17 542

in CHF 1 000	Tenants' improvements	Moveable assets	Total tangible assets	Fund contract	Software	Total intangible assets
Cost as at 01.01.2022	36 389	51 508	87 897	-	70 582	70 582
Additions	2 959	1 053	4 012	-	7 446	7 446
Additions from acquisitions	732	427	1 159	18 624	-	18 624
Disposals	-	-745	-745	-	-	-
Cost as at 31.12.2022	40 080	52 243	92 323	18 624	78 028	96 652
Cumulative depreciation, amortisation and impairment as at 01.01.2022	18 389	45 888	64 277	-	38 339	38 339
Depreciation and amortisation	3 992	2 713	6 705	931	9 725	10 656
Disposals	-	-617	-617	-	-	-
Impairment	15 514	2 552	18 066	-	15 390	15 390
Cumulative depreciation, amortisation and impairment as at 31.12.2022	37 895	50 536	88 431	931	63 454	64 385
Total as at 31.12.2022	2 185	1 707	3 892	17 693	14 574	32 267

- The fund contract was recognised in the previous year in connection with the acquisition of the Akara Group.
- In the previous year, Wincasa restarted the ERP project. This resulted in an impairment of software amounting to CHF 6.238 million.
- From the end of 2024, the operating business of Jelmoli will no longer be continued by Swiss Prime Site. Consequently, non-current assets were revalued in the previous year. Accordingly we recognised impairments of CHF 18.066 million on the tangible assets, and CHF 9.152 million on the software.

9.4 Leasing

Swiss Prime Site as lessor

As a rule, property leases and land lease contracts are operating lease contracts, which are generally recognised in the consolidated income statement using the straight line method over the duration of the contract. In some of the rental contracts, target turnovers have been agreed upon with the tenants (i.e. turnover rents). If these are exceeded on an annual basis, the resulting rental income is booked or accrued in the reporting year.

Swiss Prime Site as lessee

Our right-of-use that are recognised can be broken down into two categories: Right-of-use from land lease contracts and right-of-use from the leasing of office space.

For low-value assets and leases with terms of less than 12 months, no right-of-use or lease liabilities were recognised in the balance sheet.

The right-of-use from office space are depreciated on a straight line basis over their economically useful life. In accordance with IFRS 16 and IAS 40.50d, the rights of use from land leases are reported gross by adding the fair value of the lease liability to the fair value of the property. The lease liabilities represent the present value of the expected future lease payments and are calculated using the effective interest rate method.

The right-of-use where we are a lessee have changed as follows:

in CHF 1 000	Land lease	Office Space	Total
Total as at 01.01.2022	238 702	43 132	281 834
Depreciation/revaluation	– 725	– 14 121	– 14 846
Additions	17 219	1 726	18 945
Total as at 31.12.2022	255 196	30 737	285 933
Depreciation/revaluation	– 4 688	– 4 312	– 9 000
Additions	–	503	503
Disposals from divestments	–	– 22 581	– 22 581
Total as at 31.12.2023	250 508	4 347	254 855

- The interest expenses from lease liabilities from continuing operations recognised in the reporting period were CHF 3.964 million [CHF 3.719 million].
- The cash flow from leasing contracts from continuing and discontinued operations amounts to CHF 11.490 million [CHF 14.028 million].

9.5 Goodwill

We recognise goodwill from acquisitions at the residual value (difference between the purchase price and the fair value of the net assets acquired in accordance with IFRS 3). We do not periodically amortise goodwill. However, it is tested for impairment at least once a year. This impairment test is based on assumptions for calculating the value in use, such as growth rates and discount rates, and is based on the smallest identifiable cash generating unit (CGU) in accordance with IAS 36. It is possible that these assumptions will prove to be inaccurate in the future. Likewise, the actual cash flows may differ from the discounted projections.

in CHF 1 000	2022	2023
Cost as at 01.01.	–	152 849
Additions	152 849	–
Cost as at 31.12.	152 849	152 849
Cumulative impairment as at 01.01.	–	–
Impairment	–	–
Cumulative impairment as at 31.12.	–	–
Total goodwill as at 31.12.	152 849	152 849

The goodwill is to be allocated in full to the CGU Swiss Prime Site Solutions AG (Asset Management segment). The CGU's recoverable amount is based on value in use.

The key assumptions underlying value in use are as follows:

- The cash flows are based on the business plan for the next five years, taking account of past experience. A constant growth rate of 2.5% [2.5%] for the CGU was used for the cash flows of the periods following the detailed outlook. To estimate the cash flows, assumptions were made about future income from asset management such as management fees, buying and selling commissions, sales commissions and construction management fees. For each income type, the amount of the income depends on the forecast of factors such as assets under management, the transaction volume, the issuing volume or the construction volume.
- A pre-tax discount rate of 10.5% [10.6%] is applied for the CGU. The weighted average cost of capital (WACC) provides the basis for the pre-tax discount rate. This is comprised of the interest rate of a 10-year Swiss Confederation bond which is adjusted by a risk premium (determined by external specialists based on a representative comparison group) and the current average borrowing costs.

The CGU's value in use is significantly higher than the corresponding carrying amount as at the balance sheet date. In the Executive Board's view, as at the balance sheet date, no realistically expectable changes in the key assumptions made could lead to the CGU's carrying amount exceeding the value in use. The impairment test was conducted in the fourth quarter of 2023. Goodwill was assessed as recoverable as part of that test.

9.6 Accrued expenses

in CHF 1 000	31.12.2022	31.12.2023
Renovation and project costs	103 863	102 644
Cost of goods sold	1 064	189
Other operating expenses	31 609	21 963
Current capital taxes	2 404	5 392
Interests	–	952
Total accrued expenses	138 940	131 140

9.7 Pension plans

Our group companies maintain various pension fund schemes. These pension fund schemes are legally independent and financed from employer and employee contributions. In accordance with IAS 19, we treat the basic insurance as a defined benefit pension plan and have the present value of the pension plans calculated by external experts in accordance with the projected unit credit method. By contrast, the 1e supplemental insurance is recorded as a defined contribution plan, since its treatment as a defined benefit plan would not have a material effect on the consolidated financial statements. We record the difference between the fair value of the plan assets and the present value of benefit obligations in our balance sheet. We only recognise surpluses as net pension assets to the extent to which a future economic benefit arises for the Group in the form of lower contributions within the meaning of IFRIC 14.

- Swiss Prime Site ensures its employees have occupational pension insurance with regard to the economic consequences of old age, disability and death within the framework of various pension schemes that are legally and financially separate from the employer.
- The occupational pension scheme operates on a funded basis. Individual retirement assets are saved during a working life, taking account of the insured annual salary and of the annual retirement credits plus interest. The lifelong retirement pension is calculated from the retirement assets available at the time of retirement, multiplied by the currently applicable pension conversion rate of 5.20% – 5.25% [5.25%].
- To finance the benefits, savings and risk contributions are collected from employees and employers as a percentage of the insured salary in accordance with the respective regulations or respective premium invoice of the collective foundation. At least 50% of the financing is provided by the employer.

Changes to the plan

As a consequence of the sale of the Wincasa Group/the planned closure of Jelmoli, there was a change from autonomously managed pension funds to a new pension solution in the 2023 financial year (with the exception of employees of Jelmoli AG, who will remain with the previous solution until the retail business closes). The effects of the sale in the reporting year are shown in the following tables under «Change in scope of consolidation». The figures in the comparative period relate to the acquisition of the Akara Group in the previous year.

The new pension solution consists of basic insurance and flexible 1e supplemental insurance. The effect from the change to the plan was recorded with an effect on net income in the 2023 financial year as a past service cost. The basic insurance is classified as a defined benefit plan. In contrast, the 1e supplemental insurance is treated as a defined contribution plan for reasons of materiality.

Calculation assumptions

The following assumptions were used for the valuation of the occupational pension plans (weighted average values):

Assumptions

	in	31.12.2022	31.12.2023
Discount rate	%	2.20	1.45
Future salary increases	% p.a.	1.50	1.50
Future pension increases	% p.a.	–	–
Percentage of retirement benefits as pension upon retirement	%	30.0	30.0
Assumption to longevity of active insured persons with age of 45 (women)	years	45.7	45.8
Assumption to longevity of active insured persons with age of 45 (men)	years	43.9	44.0
Assumption to longevity of retirees with age of 65 (women)	years	24.6	24.7
Assumption to longevity of retirees with age of 65 (men)	years	22.8	23.0

Development of the defined benefit obligations

in CHF 1000	2022	2023
Present value of defined benefit obligations as at 01.01.	541013	461683
Interest expense on defined benefit obligations	1646	6550
Current service cost (employer)	16797	8915
Contributions by plan participants	11553	6990
Benefits paid	–23400	–25433
Past service cost	–858	–3437
Effect of change to defined contribution pension solution	–	–21022
Change in scope of consolidation	10762	–242172
Administration cost (excluding cost for managing plan assets)	273	151
Actuarial gain (–)/loss (+) on benefit obligations	–96103	33350
Total present value of defined benefit obligations as at 31.12.	461683	225575

- The present value of benefit obligations for actively contributing insured persons was CHF 103.533 million [CHF 261.060 million] and for pensioners was CHF 122.042 million [CHF 200.623 million].

Development of the plan assets

in CHF 1000	2022	2023
Fair value of plan assets as at 01.01.	659527	617947
Interest income on plan assets	2001	8912
Contributions by the employer	18001	9598
Contributions by plan participants	11553	6990
Benefits paid	–23400	–25433
Effect of change to defined contribution pension solution	–	–22291
Change in scope of consolidation	8687	–319789
Return on plan assets excluding interest income	–58422	–2184
Others	–	–1462
Total fair value of plan assets as at 31.12.	617947	272288

- We expect to make contributions of CHF 5.471 million [CHF 15.550 million] to defined benefit pension plans in the 2024 financial year.

Net defined benefit assets

in CHF 1000	31.12.2022	31.12.2023
Present value of defined benefit obligations	–461683	–225575
Fair value of plan assets	617947	272288
Overfund as at 31.12.	156264	46713
Adjustment due to asset ceiling	–150512	–31057
Net defined benefit assets	5752	15656

The net pension plan assets of CHF 15.656 million [CHF 5.752 million] breaks down into CHF 16.015 million [CHF 5.752 million] in assets and CHF 0.359 million [CHF 0.000 million] in liabilities. The assets/economic benefit available were calculated in the form of decreased future contribution payments.

For various group companies, an asset results as at 31 December 2022 and as at 31 December 2023 that can only be recognised within the framework of the asset ceiling if there is a corresponding economic benefit. In accordance with IFRIC 14, an economic benefit arises when the expected contributions by the employer fall below the following year's service cost. The development of this asset ceiling is presented in the following table.

Development of the effect of the asset ceiling

in CHF 1 000	2022	2023
Asset ceiling as at 01.01.	38 275	150 512
Interest expense on effect of asset ceiling	115	2 230
Change in effect of asset ceiling excluding interest expense	112 122	- 44 068
Change in scope of consolidation	-	- 77 617
Total asset ceiling as at 31.12.	150 512	31 057

Defined benefit cost/income

in CHF 1 000	01.01.- 31.12.2022	01.01.- 31.12.2023
Current service cost (employer)	- 7 261	- 6 223
Past service cost	858	3 437
Interest expense on defined benefit obligations	- 801	- 4 799
Interest income on plan assets	1 006	6 619
Interest expense on effect of asset ceiling	-	- 1 690
Administration cost (excluding cost for managing plan assets)	- 137	- 112
Defined benefit cost (-)/income (+)	- 6 335	- 2 768

Remeasurement of net defined benefit obligations

in CHF 1 000	01.01.- 31.12.2022	01.01.- 31.12.2023
Actuarial gain (+)/loss(-) on defined benefit obligations	96 103	- 33 350
Return on plan assets excluding interest income	- 58 422	- 2 184
Change in effect of asset ceiling excluding interest expense	- 112 122	44 068
Effect of change to defined contribution pension solution	-	- 1 269
Other	-	- 777
Remeasurement of net defined benefit obligations recognised in other comprehensive income	- 74 441	6 488

Actuarial gains or losses on defined benefit obligations

in CHF 1 000	01.01.- 31.12.2022	01.01.- 31.12.2023
Actuarial gain (+)/loss (-) arising from changes in financial assumptions	91 279	- 15 225
Actuarial gain (+)/loss (-) arising from changes in demographic assumptions	-	65
Actuarial gain (+)/loss (-) arising from experience adjustments	4 824	- 18 190
Total actuarial gain (+)/loss (-) on defined benefit obligations	96 103	- 33 350

Development of the net defined benefit assets

in CHF 1 000	2022	2023
Net defined benefit assets as at 01.01.	80 239	5 752
Defined benefit cost (-)/income (+) recognised in the consolidated income statement	-6 335	-2 768
Defined benefit cost from discontinued operations	-9 637	-3 414
Remeasurement of net defined benefit obligations recognised in other comprehensive income (OCI)	-74 441	6 488
Contributions by the employer	18 001	9 598
Effect of business combinations and disposals	-2 075	-
Total net defined benefit assets as at 31.12.	5 752	15 656

- The discount rate as at 31.12.2023 fell significantly from 2.20% to 1.45% in comparison with the previous year. However, in addition to an increase in obligations, the economic benefit pursuant to IFRIC 14 also increased. As a result, a large portion of the existing surplus on the IAS 19 balance sheet as at 31 December 2023 can be recognised due to the higher asset ceiling compared with the previous year, and thus a significantly higher asset is reported compared with the end of 2022. The value change was recorded in comprehensive income.

Asset structure of the plan assets (asset categories)

in CHF 1 000	31.12.2022	31.12.2023
Cash and cash equivalents with quoted market price	15 846	176 461
Equity instruments with quoted market price	235 261	31 672
Equity instruments without quoted market price	-	183
Debt instruments (e.g. bonds) with quoted market price	61 746	22 040
Debt instruments (e.g. bonds) without quoted market price	-	975
Real estate with quoted market price	210 846	15 089
Real estate without quoted market price	-	14 256
Others with quoted market price	94 248	3 875
Others without quoted market price	-	7 737
Total plan assets at fair value	617 947	272 288

Sensitivity analysis

in CHF 1 000	31.12.2022	31.12.2023
Value of defined benefit obligations as at 31.12.	461 683	225 575
Defined benefit obligations as at 31.12. with discount rate -0.25%	475 361	232 214
Defined benefit obligations as at 31.12. with discount rate +0.25%	448 792	219 356
Defined benefit obligations as at 31.12. with life expectancy +1 year	475 185	235 637
Defined benefit obligations as at 31.12. with life expectancy -1 year	447 801	215 269
Service cost (employer) of next year with discount rate +0.25%	13 408	4 661
in years	31.12.2022	31.12.2023
Weighted average duration of defined benefit obligations	11.8	11.7
Weighted average duration of defined benefit obligations for active members	12.9	14.3
Weighted average duration of defined benefit obligations for pensioners	10.3	9.4

9.8 Future obligations

Swiss Prime Site concluded agreements with various general contractors for the construction of new and modified buildings within the scope of new construction activities as well as the restructuring and renovation of existing properties. The due dates for the respective residual payments for these general contractor agreements are as follows:

in CHF 1 000	31.12.2022	31.12.2023
2023	235 575	n.a.
2024	87 914	146 670
2025	9 933	32 748
2026	–	1 045
2027	3 000	319
Total future obligations based on total contractor agreements	336 422	180 782

9.9 Transactions with related parties

Related parties are deemed to be the Board of Directors, Executive Board, the Group's pension funds, associates and their subsidiaries, and the investment vehicles of Swiss Prime Site Solutions AG.

Disclosure of the following fixed compensation to members of the Board of Directors and the fixed and variable compensation to the Executive Board was based on the accrual principle (i.e. recognised in the relevant period, regardless of cash flow).

Compensation to the Board of Directors and Executive Board

in CHF 1 000	01.01.– 31.12.2022	01.01.– 31.12.2023
Fixed compensation in cash, gross	4 146	3 637
Variable compensation in cash, gross	1 648	1 119
Share-based compensation	1 754	1 776
Other compensation components	79	61
Pension fund contributions	554	362
Other social security contributions	422	328
Total compensation to the Board of Directors and Executive Board	8 603	7 283
Expense allowance	144	87

- The Board of Directors receives 50% of its compensation in the form of Swiss Prime Site AG shares. The shares are blocked for a period of three years [three years]. In the reporting year, we transferred 9 751 shares [8 914 shares] at a market value of CHF 0.800 million [CHF 0.772 million] to the members of the Board of Directors.
- The Executive Board receives a variable compensation in cash and up to 47.5% [37.5%] of the base salary as performance share units (PSUs) as part of a long-term incentive plan (LTI). The number of PSUs are allocated the following financial year using the 60-day volume weighted average price (VWAP) from the previous year as at 31 December and are subject to a three-year vesting period. As key performance indicators (KPIs) the earnings per share (EPS) excluding revaluation effects and deferred taxes, and the GRESB KPIs, the «GRESB Standing Investment score» and «GRESB Development score» are applied.
- In the reporting year, we allocated 10 815 [12 353] performance share units to the Executive Board. Recognition in the consolidated financial statements is spread over the three-year vesting period at the price of CHF 76.05 [CHF 91.25] (stock exchange price on the grant date). The resulting expense booked in the consolidated income statement was CHF 1.020 million [CHF 1.117 million].

Other related parties

in CHF 1 000	Type	01.01.– 31.12.2022 or 31.12.2022	01.01.– 31.12.2023 or 31.12.2023
Akara Property Development 1 LP	Accounts receivables (+)/accounts payables (-)	27	106
	Income from asset management	105	206
Akara Diversity PK	Accounts receivables (+)/accounts payables (-)	3 791	–
	Income from asset management	22 092	25 046
	Income from real estate developments (net)	188	–
Various pension funds and the SPS and Jelmoli welfare foundation	Accounts receivables (+)/accounts payables (-)	–1 481	–905
Swiss Prime Investment Foundation	Accounts receivables (+)/accounts payables (-)	426	–
	Income from asset management	17 703	16 431
	Income from other real estate services	4 993	–
Swiss Prime Site Solutions Investment Fund Commercial	Accounts receivables (+)/accounts payables (-)	101	–
	Income from asset management	6 746	3 200
	Income from other real estate services	895	–

- In the 2023 financial year, we sold two properties at a transaction volume totalling around CHF 29 million to Akara Swiss Diversity Property Fund PK.
- In the 2022 financial year, seven existing properties were sold to Swiss Prime Site Solutions Investment Fund Commercial. The transaction had a total volume of around CHF 80 million.
- All sales to related parties in the reporting period and previous period were completed under market conditions based on appraisals of independent valuation experts and were approved by FINMA.

9.10 Scope of consolidation

Consolidation methods

In the consolidated financial statements, we consolidate the audited separate financial statements of Swiss Prime Site AG and its directly or indirectly controlled group companies. We have control over companies if we are exposed to variable returns from our involvement with the companies and we have the power to influence the companies. We consolidate these group companies using the full consolidation method. We have eliminated all significant transactions and assets between the individual group companies and any intercompany profits accordingly.

We account for companies that we do not control, but over which we exercise a significant influence, as associates using the equity method.

We measure companies in which we hold less than 20% of the shares at fair value through the income statement and recognise the asset position in securities or non-current financial investments.

Discontinued operations

The group companies Wincasa AG and streamnow ag were sold to Implenia AG. The sale was announced in a press release on 30 March 2023. The closing of the contract, and hence the derecognition, took place on 4 May 2023. Wincasa AG and streamnow ag are therefore still included for four months in the consolidated financial statements of the reporting year.

Assets and liabilities of the Wincasa Group as at the divestment date of 4 May 2023 were as follows:

in CHF 1 000	04.05.2023
Assets	
Cash	160 461
Receivables and short-term loans	11 104
Other current assets	26 618
Total current assets	198 183
Tangible assets	2 622
Right-of-use assets	22 581
Intangible assets	14 893
Other non-current assets	14
Total non-current assets	40 110
Total assets	238 293
Liabilities	
Accounts payable	37 818
Accrued expenses and deferred income	7 465
Lease liabilities	22 684
Other liabilities	150 979
Total liabilities	218 946
Net assets sold	19 347
Sales price in cash and cash equivalents	170 500
Transaction costs	– 5 465
Sales result	145 688

The following earnings and cash flows were generated from discontinued operations:

in CHF 1000	01.01.– 31.12.2022	01.01.– 04.05.2023
Earnings from discontinued operations		
Income from real estate services	152 637	51 457
Other operating income	5 055	2 055
Operating income	157 692	53 512
Real estate costs	– 6 915	– 3 472
Personnel costs	– 107 421	– 37 197
Other operating expenses	– 18 408	– 5 746
Depreciation and amortisation	– 17 388	– 3 256
Capitalised own services	2 139	768
Operating expenses	– 147 993	– 48 903
Operating result (EBIT)	9 699	4 609
Financial expenses	– 538	– 8
Financial income	268	135
Profit before income taxes	9 429	4 736
Income taxes	– 2 072	– 1 100
Profit after income taxes	7 357	3 636
Gain on the disposal from discontinued operations before taxes	–	145 688
Profit attributable to shareholders of Swiss Prime Site AG from discontinued operations	7 357	149 324
Earnings per share (EPS) from discontinued operations, in CHF	0.10	1.95
Diluted earnings per share from discontinued operations, in CHF	0.09	1.85
Cash flow from discontinued operations		
Cash flow from operating activities, net	23 786	57 261
Cash flow from investing activities, net	– 109 390	111 068
Cash flow from financing activities, net	– 14 710	– 11 523

Acquisitions during the previous year

- To strengthen the Real Estate Asset Management business area (Asset Management segment), we acquired a 100% stake in the Akara Group as at 10 January 2022.
- The Akara Group included Akara Funds AG (a FINMA-regulated fund provider specialising in residential and commercial properties), Akara Real Estate Management AG (real estate services in the areas of development, execution, management and marketing), Akara Property Development AG (management of a limited partnership for collective investments) and Akara Holding AG.
- The real estate assets under management, totalling around CHF 2.3 billion on the date of acquisition, comprise «Akara Diversity PK» (a real estate fund for tax-exempt pension funds), the private equity product «Akara Property Development 1 KmGK» for qualified investors and a development pipeline of more than CHF 240 million (which also includes Akara Tower in Baden).
- With the purchase of the Akara Group, we also acquired the limited partners' shares in Akara Property Development 1 KmGK for CHF 5 million. The shares are accounted for as non-current financial investments.
- In the financial year 2022, the Akara Group contributed operating income of CHF 32.002 million, EBIT of CHF 11.056 million and profit of CHF 9.748 million towards the Group result.
- Transaction costs amounted to CHF 0.365 million and were recognised in the consolidated income statement in consultancy expenditure under other operating expenses (reported in cash flow from operating activities).
- The acquired companies Akara Holding AG, Akara Funds AG and Akara Real Estate Management AG were merged into Swiss Prime Site Solutions AG on 1 July 2022. This transaction was entered in the commercial register on 9 August 2022.

The fair values of the identifiable assets and liabilities of the Akara Group as at the acquisition date of 10 January 2022 were:

in CHF 1 000	10.01.2022
Cash	944
Receivables and short-term loans (no non-collectable receivables)	17 142
Accrued income and prepaid expenses	9 074
Tangible assets	1 159
Right-of-use assets	1 727
Fund contract	18 624
Total assets	48 670
Accrued expenses and deferred income	9 660
Net defined benefit liabilities	2 074
Other liabilities	4 024
Lease liabilities	1 726
Total liabilities	17 484
Net assets sold	31 186
Purchase price in shares (724 691 shares of Swiss Prime Site AG)	64 359
Purchase price in cash	119 676
Goodwill	152 849

- Goodwill comprises assets that cannot be separately identified or reliably determined, stemming primarily from future estimated earnings. Goodwill is not tax deductible. The acquisition of the Akara Group enables us to significantly increase our earnings and our assets under management, in addition to strengthening and expanding our strategic market position in the area of asset management.

Fully consolidated investments in group companies (direct or indirect)

	Field of activity	31.12.2022 Capital in CHF 1 000	Shareholding in %	31.12.2023 Capital in CHF 1 000	Shareholding in %
Akara Property Development AG, Zug	Asset management	100	100.0	100	100.0
Jelmoli AG, Zurich	Retail	6 600	100.0	6 600	100.0
streamnow ag, Zurich ¹	Real estate services	100	100.0	n.a.	n.a.
Swiss Prime Site Finance AG, Zug	Financial services	100 000	100.0	100 000	100.0
Swiss Prime Site Immobilien AG, Zurich	Real estate	50 000	100.0	50 000	100.0
Swiss Prime Site Management AG, Zug	Services	100	100.0	100	100.0
Swiss Prime Site Solutions AG, Zug	Asset management	1 500	100.0	1 500	100.0
Wincasa AG, Winterthur ¹	Real estate services	1 500	100.0	n.a.	n.a.
Zimmermann Vins SA, Carouge	Real estate	350	100.0	350	100.0

¹ Sale of Wincasa AG and streamnow ag as at 04.05.2023

Investments in associates valued according to the equity method

	Field of activity	31.12.2022 Capital in CHF 1 000	Shareholding in %	31.12.2023 Capital in CHF 1 000	Shareholding in %
INOVIL SA, Lausanne	Parking	5 160	27.1	5 160	27.1
Parkgest Holding SA, Geneva	Parking	4 750	38.8	4 750	38.8
Flexoffice Schweiz AG, Zurich	Office services	124	27.2	124	27.2

9.11 Classification and fair value financial instruments

in CHF 1000	Fair value level 1	Fair value level 2	Fair value level 3	Total levels	31.12.2023 Book value
Financial assets at amortised cost¹					
Cash					22 069
Receivables					106 615
Accrued income and prepaid expenses without capital tax assets					19 681
Non-current financial assets			800	800	800
Financial assets at fair value					
Securities	454			454	454
Non-current financial assets			11 216	11 216	11 216
Financial liabilities at amortised cost					
Payables					51 355
Accrued expenses without capital tax liabilities					125 748
Mortgage-backed loans		717 785		717 785	745 495
Unsecured loans		1 880 180		1 880 180	1 891 245
Convertible bonds/loans	587 047			587 047	582 929
Bonds	2 137 024			2 137 024	2 208 643
Financial liabilities at fair value					
Derivative financial instruments		9 345		9 345	9 345
in CHF 1000					
Financial assets at amortised cost¹					
Cash					21 201
Receivables					45 297
Accrued income and prepaid expenses without capital tax assets					39 816
Non-current financial assets			1 324	1 324	1 352
Financial assets at fair value					
Securities	1 130			1 130	1 130
Non-current financial assets			8 149	8 149	8 149
Financial liabilities at amortised cost					
Payables					153 786
Accrued expenses without capital tax liabilities					136 536
Mortgage-backed loans		671 885		671 885	745 520
Unsecured loans		1 819 033		1 819 033	1 872 000
Convertible bonds/loans	533 350			533 350	542 678
Bonds	1 893 165			1 893 165	2 059 187

¹ For items without fair value disclosure, the carrying amount is an adequate approximation of the fair value

9.12 Major shareholders

	31.12.2022 Shareholding interest in %	31.12.2023 Shareholding interest in %
Major shareholders (shareholding interest >3%)		
BlackRock Inc., New York	<10.00	>10.00
Credit Suisse Funds AG, Zurich	8.04	6.46
UBS Fund Management (Switzerland) AG, Basel	4.51	4.96

9.13 Events after the balance sheet date

The consolidated financial statements were approved for publication by the Board of Directors on 6 February 2024.

No further events occurred between 31 December 2023 and the date of approval of these consolidated financial statements that would result in adjustment of the book values of the Group's assets and liabilities as at 31 December 2023, or that would need to be disclosed at this point.

Definition of alternative performance measures

Cash yield

Distribution per share as a percentage of the share price at the end of the period.

Operating result before depreciation and amortisation (EBITDA)

Operating result before financial result and taxes (EBIT) plus depreciation and impairments on tangible assets as well as amortisation and impairments on intangible assets.

Operating Result (EBIT) excluding revaluations

Operating result (EBIT) less revaluations of the fair value properties and valuation effects from embedded derivatives.

Equity ratio

Total shareholders' equity as a percentage of total assets.

Return on equity (ROE)

Profit (attributable to shareholders of Swiss Prime Site AG) divided by average equity (attributable to shareholders of Swiss Prime Site AG).

Return on equity (ROE) excluding revaluations and deferred taxes

Profit (attributable to shareholders of Swiss Prime Site AG) less revaluations of fair value properties, valuation effects from embedded derivatives and deferred taxes, divided by average equity (attributable to shareholders of Swiss Prime Site AG).

EPRA like-for-like rental change

Shows the development of net rental income from the stock of investment properties that were under our operational control within two balance sheet dates. Changes from purchases, sales and developments are not taken into account.

EPRA NDV (net disposal value)

Determines equity per share based on a sales scenario. Deferred taxes are therefore recognised as they are under IFRS.

EPRA NRV (net reinstatement value)

Determines equity per share based on the assumption that no properties are ever sold.

The NAV is therefore adjusted for deferred taxes and the necessary incidental purchase expenses are added back. Captures the value of the assets that would be needed to rebuild Swiss Prime Site.

EPRA NTA (net tangible asset)

Determines equity per share on the assumption that properties are bought and sold in the same volumes as before. Some of the deferred taxes will therefore be crystallised through sales. However, based on our Company performance to date and our planning, the share of sales is low. Besides expected sales, intangible assets are fully excluded from the NTA.

Loan-to-value (LTV) ratio of the property portfolio

Current and non-current financial liabilities (without lease liabilities and derivatives) of the Real Estate segment as a percentage of the property portfolio (without right-of-use) at fair value. Cash is deducted from financial liabilities.

FFO I yield

Shows funds from operations (FFO) in proportion to the average equity of the reporting period.

Funds from operations (FFO)

This key figure is a measure of cash flow from operations (FFO I). FFO II additionally includes cash effective income from property sales. See note 3.2 to the consolidated financial statements for the calculation.

Profit excluding revaluations and deferred taxes

Profit less revaluations of investment properties and deferred taxes.

Earnings per share (EPS) excluding revaluations and deferred taxes

Profit (attributable to shareholders of Swiss Prime Site AG) less revaluations of fair value properties, valuation effects from embedded derivatives and deferred taxes, divided by the weighted average number of outstanding shares.

Return on invested capital (ROIC)

Profit (attributable to shareholders of Swiss Prime Site AG) plus financial expenses divided by the average total assets.

Return on invested capital (ROIC) excluding revaluations and deferred taxes

Profit (attributable to shareholders of Swiss Prime Site AG) plus financial expenses less revaluations of fair value properties, valuation effects from embedded derivatives and deferred taxes, divided by the average balance sheet total.

Vacancy rate

Rental income from vacancies as a percentage of target rental income from the rental of investment properties.

NAV (net asset value) after deferred taxes per share

Shareholders' equity (attributable to shareholders of Swiss Prime Site AG) divided by the number of shares issued on the balance sheet date (excluding treasury shares).

NAV (net asset value) before deferred taxes per share

Shareholders' equity (attributable to shareholders of Swiss Prime Site AG) plus deferred tax liabilities, divided by the number of issued shares at the balance sheet date (excluding treasury shares).

Net yield on property

Real estate income as a percentage of the property portfolio at fair value as at the balance sheet date.

Employees and full-time equivalents (FTE)

Number of persons contractually employed by a group company as at the balance sheet date. Multiplied by the percentage level of employment shows the number of full-time equivalents (FTE).

Interest-bearing financial liabilities

Current and non-current financial liabilities less derivative financial instruments (other non-current financial liabilities).

Swiss Prime Site Immobilien AG – Update Real Estate Valuations as of 31.12.2023

Report of the valuation expert

The properties of Swiss Prime Site Immobilien AG are valued semi-annually by Wüest Partner AG at their current values. The present valuation is valid as of 31 December 2023.

Valuation standards and principles

The market values determined as of 31 December 2023 are in line with the «**Fair Value**», as defined in the International Financial Reporting Standards (IFRS) in accordance with **IAS 40** (Investment Property) and **IFRS 13** (Fair Value Measurement). The fair value corresponds to the price that independent market participants would receive under normal market conditions on the valuation date when selling an asset (exit price).

An **exit price** is the sales price postulated in the purchase contract, to which the parties have mutually agreed. Transaction costs, usually consisting of brokerage commissions, transaction taxes as well as land registry and notary costs, are not taken into account when determining the fair value. Thus, in accordance with paragraph 25 IFRS 13, the fair value is not adjusted for the transaction costs incurred by the acquirer in a sale («**Gross Fair Value**»). This is in line with Swiss valuation practice.

The valuation at fair value assumes that the hypothetical transaction for the asset to be valued takes place in the market with the largest volume and the largest business activity (**principal market**) and that transactions of sufficient frequency and volume occur so that sufficient price information is available for the market (active market). If such a market cannot be identified, the principal market for the asset is assumed to be the one that maximises the selling price on disposal of the asset.

The fair value is determined on the basis of the best possible use of a property («**Highest and best use**»). The best use is the use of a property that maximises its value. This assumes a use that is technically/physically possible, legally permitted and financially feasible. Since maximisation of use is assumed when determining the fair value, the best possible use may deviate from the actual or planned use. Future capital expenditures to improve or increase the value of a property are taken into account accordingly in the fair value measurement. The application of the highest and best use approach is based on the principle of the **materiality** of the potential difference in value of the best possible use compared with the continuing use.

Wüest Partner further confirms that the valuations have been carried out in accordance with national and international standards and guidelines, in particular in accordance with the **International Valuation Standards (IVS)** and the **RICS** guidelines (Red Book).

Swiss Prime Site Immobilien AG – Update Real Estate Valuations as of 31.12.2023

Determination of fair value

The fair value is determined depending on the quality and reliability of the valuation parameters, with decreasing quality or reliability: Level 1 market price, Level 2 modified market price and Level 3 model-based valuation. In the fair value measurement of a property, different parameters can be applied simultaneously on different hierarchies. The entire valuation is classified according to the lowest level of the fair value hierarchy in which the significant valuation parameters are located.

The value of the properties of Swiss Prime Site Immobilien AG is determined using a model-based valuation in accordance with Level 3 on the basis of input parameters that are not directly observable on the market, whereby adjusted Level 2 input parameters are also applied here (for example, market rents, operating/maintenance costs, discount/capitalisation rates, proceeds from the sale of residential property). Unobservable inputs are only used if relevant observable inputs are not available. Valuation techniques are applied that are appropriate in the circumstances and for which sufficient data are available to determine fair value, maximising the use of relevant observable inputs and minimising unobservable inputs.

The investment properties are valued according to the discounted cash flow method (DCF), which corresponds to international standards and is also used for company valuations. It is recognised as "best practice" - with fundamental freedom of method in real estate valuation. With the DCF method, the current fair value of a property is determined by the sum of all expected future net earnings discounted to the present time (before interest payments, taxes, depreciation and amortisation = EBITDA), while taking investments and maintenance costs into account. The net earnings (EBITDA) are discounted individually per property, depending on the respective opportunities and risks, in line with the market and risk-adjusted. All expected cash flows are disclosed in a detailed report for each property, thus creating the greatest possible transparency. In the report, reference is made to the significant changes since the last valuation.

Properties under construction and development sites with future use as investment properties are valued as project market values, taking into account current market conditions, outstanding investment costs and a risk premium commensurate with the progress of the project (IAS 40/IFRS 13).

Properties under construction intended for later sale (for example condominium flats) are valued at construction cost (IAS 40.9), i.e. ongoing work and construction costs are activated and the subsequent valuation is at the lower value in accordance with IAS 2.

Transparency, uniformity, timeliness and completeness are ensured in the valuation. The relevant legal provisions and specific national and international standards are complied with (SIX regulations for listed real estate companies, IFRS and others).

Swiss Prime Site Immobilien AG – Update Real Estate Valuations as of 31.12.2023

To guarantee the independence of the valuations and thus ensure the highest possible degree of objectivity, the business activities of Wüest Partner AG exclude trading and the associated commission business as well as the management of properties. The valuation is always based on the latest information about the properties and the property market. The data and documents relating to the properties are provided by the owner. It is assumed that they are correct. All property market data is taken from the continuously updated databases of Wüest Partner AG (Immo-Monitoring 2024).

Development of the real estate portfolio

In the reporting period from 01.01.2023 to 31.12.2023, two properties were acquired and 19 properties were sold. Furthermore, condominium units of building A of the property "Plan-les-Ouates, Route de la Galaise 11A et 11B - Espace Tourbillon" were sold.

In addition, the properties "Schlieren, Zürcherstrasse 39 - JED conversion" and "Zurich, Müllerstrasse 16/20" are listed in the inventory for the first time after completion.

Furthermore, 14 properties in the portfolio are now listed as initial valuation portfolio including development projects. These properties are at the preliminary project stage of development planning and the valuations take this planning status into account for the first time.

The following properties with values as at December 31, 2022 were also sold during the reporting period:

– Berlingen Seestrasse 83, 88, 101, 154 - «Neuguet»	CHF 41'700'000
– Olten, Solothurnerstrasse 231 – Usego	CHF 28'360'000
– Genève-Cointrin, Route de Pré-Bois 14 – GBT	CHF 15'950'000
– Gossau, Wilerstrasse 82	CHF 18'640'000
– Oberbüren, Buchental 2	CHF 11'900'000
– Oberbüren, Buchental 3	CHF 2'535'000
– Oberbüren, Buchental 5	CHF 834'000
– Oberbüren, Buchental 3a	CHF 2'943'000
– Oberbüren, Buchental Parkplatz	CHF 801'000
– Olten, Solothurnerstrasse 201 – Aldi	CHF 6'416'000
– Olten, Solothurnerstrasse 221 – «Usego-Park»	CHF 17'252'000
– Wangen, Rickenbacherfeld	CHF 5'339'000
– Wabern bei Bern, Nesslerenweg 30 - «Chly Wabere»	CHF 9'178'000
– Wil, Obere Bahnhofstrasse 40	CHF 16'730'000
– Frauenfeld, Zürcherstrasse 305	CHF 8'180'000
– Meyrin, Route de Meyrin 210	CHF 2'091'000
– Frick, Hauptstrasse 132 - Fricktal-Center A3	CHF 19'800'000
– Sursee, Moosgasse 20	CHF 8'694'000
– Conthey, Route Cantonale 2	CHF 6'219'000
– Plan-les-Ouates, Route de la Galaise 11A et 11B – Espace Tourbillon, Condominium Units Building A	CHF 3'797'000

(Sale of building land 2, existing properties 16 & partial sale of project 1 (share of 74/1000))

Swiss Prime Site Immobilien AG – Update Real Estate Valuations as of 31.12.2023

The total market value of the sold properties as of 31 December 2023 was CHF 227'359'000.

The real estate portfolio of Swiss Prime Site Immobilien AG thus comprises 159 properties at the end of 2023 and consists of 128 existing investment properties, 8 plots of building land, 14 initial valuations of existing properties including development projects, 2 initial valuations of existing properties after completion and 7 development properties under construction.

The following 7 development properties are currently under construction:

- At Hochbergerstrasse 60 F-I - "Stücki Park II" in Basel, the existing office and laboratory space at the Hochbergerstrasse 60 - "Stücki Park A-E" property has been expanded by around 27,000 m2 in two stages since 2018 until 2024.
- The building at Steinenvorstadt 5 in Basel, which has been vacant since the end of 2022, will be partially converted into managed residential and retail space after an interim use phase from 2024 until probably the beginning of 2026.
- The PlusEnergy building "BERN 131" is being built at Stauffacherstrasse 131 in Bern in the center of the Wankdorf transport hub. It will have a usable area of 13,900 m2 and will be ready for occupancy at the beginning of 2025.
- At Esplanade de Pont-Rouge 5, 7, 9 - "Alto Pont-Rouge" in Lancy, a commercial building (tenant fit-out) will be completed by the start of 2024 within a development site with four building plots.
- At Riva Paradiso - "Du Lac" in Paradiso, a new replacement building is being realized on the lakeshore, with construction starting in 2021. This future retirement home should be completed by the beginning of 2024.
- The Chemin des Aulx - "Espace Tourbillon" development project in Plans-les-Ouates comprises five buildings with office, commercial and retail space, four of which have now been sold in their entirety. Building A is also being sold in co-ownership on an ongoing basis.
- At Zürcherstrasse 39 - "JED Neubau", a new office/laboratory building without conventional heating technology has been under construction since fall 2022 and is expected to be completed by the end of 2024.

Swiss Prime Site Immobilien AG – Update Real Estate Valuations as of 31.12.2023

Measurement results as of December 31, 2023

As of 31 December 2023, the current value of the total property portfolio of Swiss Prime Site Immobilien AG (159 properties in total) is valued at CHF 13,074.599 million. This means that the current value of the portfolio has decreased by CHF -13.116 million, or -0.10%, compared to December 31, 2022. Details of the change in value can be found in the table below.

SPS Portfolio as of 31.12.2022	CHF 13'087.715	Mio.
- Existing properties	-CHF 185.054	Mio.
- Initial valuations of existing properties incl. development projects	-CHF 16.462	Mio.
+ Initial valuation of existing property after completion	CHF 30.020	Mio.
+ Acquisitions of existing properties	CHF 192.320	Mio.
- Sales building land	-CHF 6.140	Mio.
- Sales existing properties	-CHF 200.170	Mio.
- Sales projects	-CHF 17.252	Mio.
- Partial sales of existing properties for sale	-CHF 3.797	Mio.
+ Building sites	CHF 0.188	Mio.
+ Projects	CHF 193.288	Mio.
- Properties for sale	-CHF 0.057	Mio.
SPS Portfolio as of 31.12.2023	CHF 13'074.599	Mio.
Delta	-CHF 13.116	Mio.

The gross change in value of the 126 existing properties compared to January 1, 2023 amounted to -2.0 % (excluding purchases (2), initial valuations after completion (2), initial valuations of existing properties including development project (14), building land plots (8), properties in planning or under construction (7), - a total of 33 properties), 19 properties were valued higher, no property was valued the same and 107 properties were valued lower than as of January 1, 2023.

The negative performance of the Swiss Prime Site Immobilien AG portfolio is due to the properties in the portfolio, the initial valuations in the portfolio including the development project and the sales. Properties in planning or under construction had a value-increasing effect. In general, the higher interest rate environment and the weakening seller's market increased investors' yield expectations slightly, which also explains the depreciation of the portfolio. Viewed over the entire portfolio, the net change in value (after deduction of investments made) is also negative.

By contrast, the first-time inclusion of the development projects of the 12 properties in the portfolio, completed investments, new contracts concluded at a higher level, index adjustments and extensions of existing rental agreements, slightly lower vacancy rates and the generally high quality of the properties in sought-after locations contributed to a more stable value development. The value reductions are mainly related to changes in rental potential, new contracts concluded at a lower level, adjusted sales forecasts and higher estimated costs for future maintenance.

Swiss Prime Site Immobilien AG – Update Real Estate Valuations as of 31.12.2023

Market Report

Trends

Change compared to the last portfolio valuations:

Segment	Subsegment	Market rent	Vacancy	Maintenance	Market Value
Residential	City	↑	↘	↗	→ / ↘
	Agglomeration	↗ ↑	↘	↗	→ / ↘
	Rural area	↗ →	↘	↗	↘
Office	City	↗ →	→ ↘	↗	→ / ↘
	Agglomeration	→ ↘	↗ →	↗	↘ / ↓
Retail	Highstreet	↗	↘	↗	→ / ↘
	City	↗ →	→	↗	↘
	Agglomeration	↘	↗	↗	↘ / ↓

Economic development

The Swiss economy is growing moderately. After strong growth at the start of 2023, the economy cooled in the second quarter and has stagnated so far. According to SECO, GDP is likely to grow by 1.3 percent in the full year of 2023. The temporary contraction in value added in the industry sector has been offset by solid growth in the services sector. In 2024, economic growth is likely to be below average at 1.1 percent. In particular, subdued demand from abroad, together with inflation-related losses in purchasing power and more restrictive financing conditions, are dampening the outlook. There are also uncertainties regarding the energy situation and geopolitics.

The Swiss economy is only growing moderately, and the outlook is modest

In this context, the utilization of production capacity is likely to decrease and the labour market - starting from a very good base - is likely to cool down. Unemployment is likely to continue its gradual rise from a very low level. Wüest Partner expects employment growth of 1.9 percent in 2023 and 0.6 percent in 2024.

Unemployment rises gradually from a low level

Inflationary pressure eased steadily over the past year. From a high of over 3.2 percent at the beginning of the year, inflation fell to 1.4 percent in November 2023 compared to the same month in the previous year. In this context, the SNB last raised the key interest rate to 1.75 percent in June 2023 and has since refrained from tightening monetary policy further. Inflation is currently being driven primarily by domestic goods and services, while the fall in energy prices compared to the peak and lower prices for imported goods are counteracting this. Inflation is expected to rise again soon. From the beginning of 2024, electricity prices and rents will rise, and VAT will also be increased. In its December forecast, the SNB anticipates average inflation of 1.9 percent in 2024.

Inflation has fallen in recent months but is likely to rise again in 2024

Yields on federal bonds and mortgage interest rates also followed the downward trend in inflation. The yield on 10-year federal bonds was between 1.1 and 1.6 percent at the beginning of the year, fell slightly in spring and remained relatively constant until November 2023. Since then, there has been a further reduction in yields to 0.6 percent in mid-December 2023, meaning that yields on long-term federal bonds are significantly below the SNB key interest rate. This is an indication that market participants no longer expect key interest rates to rise.

Yields on federal bonds were relatively stable in 2023 but fell significantly towards the end of the year

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Market for investment properties

While the earnings outlook generally remains positive, the higher yield expectations had a larger impact on the direct investment market and led to devaluations in 2023.

The direct investment market is characterized by devaluations

In contrast to directly held real estate, the indirect investment market is already further advanced. Following the significant declines in 2022, indirect real estate investments have at least partially recovered from past losses in the first eleven months of 2023. During this period, real estate stock corporations recorded an increase of 5.3%, while the fund index was 0.2% lower at the end of November 2023 than at the start of the year (according to WUPIX-A and WUPIX-F). The stabilization occurred on the one hand because premiums have normalized after last year's price corrections and on the other hand the earnings prospects are promising, particularly in the residential segment, thanks to rising rents and low vacancy risks.

The indirect investment market is recovering from the lows of 2022

Construction Market

Residential construction in Switzerland is not picking up speed, although demand is high. Demand for owner-occupied and rental apartments is very high and vacancy rates are low, but investment is being held back by a wide variety of factors. Among other things, the complex processes in densification, increased construction prices, high interest rates, changing yield expectations, immigration, regulations, and the shortage of skilled workers in the construction industry are having a dampening effect on investment.

Despite excess demand and low vacancy rates, various factors are hampering growth in building construction

Based on the building applications submitted and the building permits issued, nominal growth of around 1.8 percent is expected in the new construction segment and growth of 7.5 percent in the renovation segment in 2023. Adjusted for inflation, this means slightly negative growth for new construction and an increase in investment in remodeling such as energy-efficient renovations. In 2024, investment in building construction as a whole is likely to fall in real terms (new construction: -0.8 percent, remodeling: +0.7 percent), which would result in a further worsening of the housing shortage.

Wüest Partner expects a real decline in building construction investments in 2024

Office space market

The labor market has recently developed strongly. In the last two years alone, employment has risen by 220,000 full-time equivalents, with many of the newly created jobs belonging to the typical office sectors. According to our calculations, this has resulted in an additional demand of 210,000 square meters of office space in these sectors alone. The positive momentum is likely to continue in the short term, but lower economic growth and structural changes could make renting office space more challenging in the medium to longer term.

The labor market supports demand for office space

In addition to the quality of the building, the location is also very important for successful letting. Across Switzerland, closing rents fell by 0.1 percent in the second quarter of 2023 compared to the same quarter of the previous year.

In 2024, asking rents are likely to increase slightly in nominal terms

A relatively tight supply of office space will continue to support prices in the future. The decline in new construction activity is partly due to increased construction and financing costs as well as uncertainties related to the use of office space,

The supply of office space is decreasing due to the decline in construction activity

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which means that less new space is being built. As a result of the current high demand and falling supply, vacancy rates on the market remain relatively low.

Retail space market

The environment in the retail space market remains challenging. According to SECO's consumer sentiment index, the buying mood in October 2023 has deteriorated further compared to recent months and is well below the long-term average. Although private consumption developed robustly in 2023 despite gloomy consumer sentiment and higher inflation, the retail business excluding petrol stations recorded a decline in sales (-0.4 percent in October 2023 compared to the same month of the previous year, in real terms). One of the main reasons for this is that bricks-and-mortar retailers are not regaining the shares lost to online retail during the pandemic. An improvement in retail sales is therefore not to be expected any time soon.

Retail sales fall slightly despite robust growth in consumption

Rents are still defying structural change, but the pressure will increase in the future. In addition, rising housing costs and stubborn inflation are putting pressure on the budgets of many households. This is likely to have an impact on the willingness to pay for retail space (except in prime locations). Wüest Partner therefore expects asking rents to fall by 1.4 percent in 2024.

Average asking rents continue to fall, with the exception of good locations

Only a small amount of new retail space is currently coming onto the market, meaning that supply has fallen by 2.6 percent year-on-year. A trend reversal is not in sight, judging by the continuous decline in building permits.

The supply of space is decreasing

Retirement Housing

As in the housing market, market rents for retirement apartments are likely to rise in 2024. Higher prices are particularly expected in cities, while prices in rural areas are likely to rise only slightly or remain stable.

Rents for retirement apartments are likely to rise in 2024

In the medium to long term, the market for retirement apartments offers great growth opportunities. The reason for this is the rapidly growing number of people of retirement age. By 2030, the number of over-65s is expected to increase by a quarter, which corresponds to around 420,000 people. This means that demand for properties for senior citizens is likely to increase significantly.

The demand for retirement homes will increase sharply

There is a demand for customizable forms of living with modular and flexible services as well as simple forms of care (e.g. concierge service or outpatient care) that enable independent living in old age. On the other hand, more care places are also needed. Concepts that cover all needs and thus offer a seamless transition from self-determined to assisted living are ideal. Another need is affordable living in old age.

The entire spectrum is required, from simple forms of care to care places

Hospitality

The recovery in the tourism industry continued in 2023, defying the global economic downturn and high inflation. According to the BFS, the Swiss hotel industry recorded an increase of 9.2 percent in the number of overnight stays in the first ten months of 2023 and an increase of 3.3 percentage points in average room occupancy compared to the same period of the previous year. This means that 2023 is likely to be a new record year and exceed the pre-pandemic level.

Swiss tourism is developing very well. The positive momentum is likely to continue

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According to the KOF Tourism Forecast, the outlook for next year remains positive, albeit with weaker momentum and regional differences.

Hotel supply also increased in 2023, however to a lesser extent than demand. Analyses by Wüest Partner show that the supply of rooms in Switzerland has increased in both the short term (+3.2 percent vs. 2019) and the long term (+4.8 percent vs. 2013). Hotels also tend to become larger.

In 2023, there were more hotel rooms and slightly more hotels open than in the previous year

Higher median room rates were achieved (+2.4 percent to CHF 288 per room and night in the second quarter of 2023). On the one hand, the price increase is due to strong demand, while on the other, some of the rising personnel and operating costs (particularly for energy) were passed on to customers.

Median room rates have risen

Despite the positive economic development, the value of Swiss hotel properties has on average declined. The inflation-induced rise in interest rates has also increased the yield expectations of investors.

The intrinsic value of hotel properties falls again

Valuation assumptions as of 31 December 2023

In addition to the above comments on valuation standards and methods, the main general valuation assumptions for the present valuations are listed below.

The properties are generally valued on a going concern basis and based on the best possible use of a property. The current rental situation and the current condition of the property form the starting point. After expiry of the existing rental agreements, the current market level is included in the income forecast.

On the cost side, the necessary maintenance and repair costs as well as the on-going management costs are considered in order to ensure the sustainable generation of income.

In principle, an average and obvious management strategy is assumed. Specific scenarios of the owner are not taken into account, or only to the extent that they are agreed in the rental contract or appear plausible and practicable to third parties. Possible optimization measures in line with the market - such as improved future letting - are considered.

In the valuation or observation period of the DCF method, a more detailed cash flow forecast is prepared for the first ten years, while approximate annualized assumptions are used for the subsequent remaining term.

The valuation implicitly assumes an annual inflation rate of 1.25%. However, the cash flows and discount rates are generally reported on a real basis in the valuation reports.

The specific indexation of the existing rental agreements is taken into account. After the contracts expire, an average indexation rate of 80% is assumed, with rents being adjusted to the market level every five years. Payments are generally assumed to be made monthly in advance after expiry of the rental agreements.

In terms of operating costs (owner charges), it is generally assumed that completely separate service charge accounts are kept and that service charges and

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operating costs are therefore outsourced to the extent permitted by law. The maintenance costs (repair and maintenance costs) are determined on the basis of benchmarks and model calculations. Based on a rough estimate of the condition of the individual components, their remaining service life is determined, the periodic renewal is modeled and the annual annuities are calculated from this. The calculated values are checked for plausibility using benchmarks determined by Wüest Partner AG and comparable properties. In the first ten years, 100% of the repair costs are included in the calculation, taking into account any possible rent mark-ups in the income forecast. From year eleven onwards, maintenance costs are taken into account at 50% to 70% (value-preserving portions only), without modelling possible rent mark-ups. Contaminated sites are not quantified in the individual valuations; they must be taken into account separately by the client.

The discount rate applied is based on ongoing observation of the real estate market and is derived and checked for plausibility using a model on the basis of a real interest rate, which is composed of the risk-free interest rate (long-term federal bonds) plus general real estate risks plus property-specific surcharges and is determined on a risk-adjusted basis for each property. The average real discount rate for investment properties (144 existing properties, incl. purchases of existing properties; initial valuation after completion; initial valuation of existing properties incl. development projects; excl. building land as well as projects and development sites) weighted by market value is 2.76% in the current valuation. Assuming an inflation rate of 1.25%, this corresponds to a nominal discount rate of 4.04%. The lowest real discount rate selected for an individual property is now 1.75%, the highest 4.90%.

The valuations are based on the rental tables of the administrations as of January 1, 2024. The valuations are based on the floor space data provided by the client/administrations.

Swiss Prime Site Immobilien AG – Update Real Estate Valuations as of 31.12.2023

Wüest Partner AG, Zurich the 31. December 2023



Andrea Bernhard
Director



Gino Fiorentin
Partner

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Zurich the 31. December 2023

Report of the statutory auditor

to the General Meeting of Swiss Prime Site AG

Zug

Report on the audit of the consolidated financial statements

Opinion

We have audited the consolidated financial statements of Swiss Prime Site AG and its subsidiaries (the Group), which comprise the consolidated income statement and consolidated statement of comprehensive income for the year ended 31 December 2023, the consolidated balance sheet as at 31 December, the consolidated cash flow statement for the year then ended, consolidated statement of changes in shareholders' equity and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements (pages 5 to 55, 97 to 103) give a true and fair view of the consolidated financial position of the Group as at 31 December 2023 and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards and comply with the Article 17 of the Directive on Financial Reporting (DFR) of SIX Exchange Regulation and Swiss law.

Basis for opinion

We conducted our audit in accordance with Swiss law, International Standards on Auditing (ISAs) and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the 'Auditor's responsibilities for the audit of the consolidated financial statements' section of our report. We are independent of the Group in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, as well as the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Our audit approach

Overview



Overall Group materiality: CHF 65 million

We concluded full scope audit work for five group companies. Our audit scope addressed over 99% of the Group's assets.

As key audit matters the following areas of focus have been identified:

Valuation of investment properties – assumptions/changes in valuation

Measurement of deferred tax liabilities from investment property valuation differences

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Materiality

The scope of our audit was influenced by our application of materiality. Our audit opinion aims to provide reasonable assurance that the consolidated financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

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

Overall Group materiality	CHF 65 million
Benchmark applied	Equity
Rationale for the materiality benchmark applied	We chose total equity as the benchmark because it is a generally accepted industry benchmark for materiality consideration relating to real-estate companies.

Audit scope

We designed our audit by determining materiality and assessing the risks of material misstatement in the consolidated financial statements. In particular, we considered where subjective judgements were made; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates.

The Group is structured along four segments in Switzerland. The Group financial statements are a consolidation of eight reporting units, comprising the Group's operating businesses and centralised functions. We act as group and component auditors for the five significant subsidiaries and were responsible for all audit procedures.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



Valuation of investment properties – assumptions/changes in valuation

Key audit matter

The Group's non-current assets consist mainly of investment properties valued at CHF 12'595 million as at 31 December 2023.

They are measured at fair value in accordance with IAS 40 and IFRS 13. Please refer to note 5.2 in the notes to the consolidated financial statements (from page 21).

We consider the testing of valuation of investment properties to be a key audit matter due to the size of the balance sheet item, the significance of the appropriateness of the valuation model and the underlying assumptions used in the valuation.

Fair values are determined using the discounted cash flow model (DCF model). The most relevant assumptions are the discount rates, the achievable rents per square meters and the vacancy rate. The assumptions are determined on the basis of market comparisons and are disclosed in note 5.2.

The Group had all its investment properties valued by an independent property appraiser as at 31 December 2023.

How our audit addressed the key audit matter

We assessed the design and existence of the controls relating to the property valuation process.

In particular, we performed the following audit procedures:

- We assessed the professional competence, independence, and appointment of the property appraiser. To this end, we inspected the corresponding engagement letter and assessed the appropriateness of the persons in charge and interviewed the experts in charge.
- We reconciled the valuation report of the property appraiser to the accounting details.
- With the support of our subject matter experts, we tested samples of investment property valuations in terms of valuation methodology, assumptions and results. The subject matter experts assessed the changes in valuations and the assumptions on the overall portfolio. The valuations were discussed with the property appraiser, management and audit committee.

We consider the valuation method applied by management and the parameters used to be an appropriate and sufficient basis for the valuation of investment properties.



Measurement of deferred tax liabilities from property valuation differences

Key audit matter

Deferred tax liabilities on property valuation differences amount to approximately CHF 1'286 as at December 2023. The deferred tax liabilities are based on the tax computed on the valuation difference between the tax base value and the higher current value recognized in the consolidated financial statements. Please refer to note 7.3 in the notes to the consolidated financial statements (from page 36).

We consider deferred tax liabilities on investment property valuation differences to be a key audit matter.

The calculation of deferred tax liabilities is complex and involves significant scope for judgement by management, for example in relation to the expected holding period of the properties and applicable tax rates.

Errors and inappropriate assumptions can have significant impact on the amount of the deferred tax liabilities, which is why Management's assumptions are critical to the assessment of deferred taxes.

How our audit addressed the key audit matter

We have assessed the determination of deferred tax liabilities on properties. We performed the following audit procedures, among others:

- We checked the plausibility of management's assumptions regarding the holding period on the basis of internal project documents and the minutes of meetings at which the properties were discussed.
- We assessed jointly with internal tax specialists the tax rates used for the purposes of (federal, cantonal and municipal) income taxes and any property gains taxes.
- In addition, we reperformed the calculations of the differences between the values disclosed in the consolidated financial statements and the tax basis values.

We obtained adequate assurance about the determination and disclosure of deferred tax liabilities on properties by management based on our audit procedures.

Other matter

The consolidated financial statements of Swiss Prime Site AG for the year ended 31 December 2022 were audited by another statutory auditor whose report, dated 7 February 2023, expressed an unmodified opinion on those consolidated financial statements.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements, the consolidated financial statements, the remuneration report and our auditor's reports thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



Board of Directors' responsibilities for the consolidated financial statements

The Board of Directors is responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards, the art. 17 of the Directive on Financial Reporting (DFR) on the SIX Exchange Regulation and the provisions of Swiss law, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law, ISAs and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

A further description of our responsibilities for the audit of the consolidated financial statements is located on EXPERT-suisse's website: <http://www.expertsuisse.ch/en/audit-report>. This description forms an integral part of our report.

Report on other legal and regulatory requirements

In accordance with article 728a para. 1 item 3 CO and PS-CH 890, we confirm the existence of an internal control system that has been designed, pursuant to the instructions of the Board of Directors, for the preparation of the consolidated financial statements.

We recommend that the consolidated financial statements submitted to you be approved.

PricewaterhouseCoopers AG

Patrick Balkanyi
Licensed audit expert
Auditor in charge

Philipp Gnädinger
Licensed audit expert

Zürich, 6 February 2024



EPRA Reporting

EPRA performance key figures

The EPRA performance key figures of Swiss Prime Site were prepared in accordance with EPRA BPR (February 2022).

Summary table EPRA performance measures

			01.01.– 31.12.2022 or 31.12.2022	01.01.– 31.12.2023 or 31.12.2023
		in		
A.	EPRA earnings	CHF 1 000	223 535	289 026
	EPRA earnings per share (EPS)	CHF	2.91	3.77
B.	EPRA Net Reinstatement Value (NRV)	CHF 1 000	8 956 893	8 858 011
	EPRA NRV per share	CHF	109.18	106.85
	EPRA Net Tangible Assets (NTA)	CHF 1 000	8 424 808	8 416 280
	EPRA NTA per share	CHF	102.69	101.52
	EPRA Net Disposal Value (NDV)	CHF 1 000	7 378 078	7 240 456
	EPRA NDV per share	CHF	89.93	87.34
C.	EPRA NIY	%	3.1	3.3
	EPRA topped-up NIY	%	3.2	3.3
D.	EPRA vacancy rate	%	3.6	3.5
E.	EPRA cost ratio (including direct vacancy costs)	%	21.9	19.8
	EPRA cost ratio (excluding direct vacancy costs)	%	19.9	18.3
F.	EPRA LTV	%	39.4	40.0
G.	EPRA like-for-like change relative	%	2.0	4.3
H.	EPRA capital expenditure	CHF 1 000	378 724	484 573

A. EPRA earnings

in CHF 1000	01.01.– 31.12.2022	01.01.– 31.12.2023
Earnings per consolidated income statement	404 429	236 018
Exclude:		
Revaluations of investment properties	-169 739	250 493
Profit on disposal of real estate developments and trading properties	-2 086	-5 872
Profit on disposal of investment properties	-50 877	-13 005
Profit on disposal of participations, net	-	-145 688
Tax on profits on disposals	7 659	2 559
Negative goodwill/goodwill impairment	n.a.	n.a.
Changes in fair value of financial instruments	-	14 300
Transaction costs on acquisitions of group companies and associated companies	365	-
Deferred tax in respect of EPRA adjustments	33 784	-49 779
Adjustments in respect of joint ventures	n.a.	n.a.
Adjustments in respect of non-controlling interests	n.a.	n.a.
EPRA earnings	223 535	289 026
Average number of outstanding shares	76 697 074	76 714 489
EPRA earnings per share in CHF	2.91	3.77
Adjustment profit on disposal of real estate developments and trading properties (core business)	2 086	5 872
Tax on profit on disposal of real estate developments and trading properties	-292	-887
Extraordinary impairment on PPE, software and inventory	41 148	-
Tax on extraordinary impairment	-2 748	-
Adjusted EPRA earnings	263 729	294 011
Adjusted EPRA earnings per share in CHF	3.44	3.83

B. EPRA net asset value (NAV) metrics

in CHF 1 000	EPRA NRV		EPRA NTA		EPRA NDV	
	31.12.2022	31.12.2023	31.12.2022	31.12.2023	31.12.2022	31.12.2023
Equity attributable to shareholders	6 569 297	6 537 382	6 569 297	6 537 382	6 569 297	6 537 382
Include / Exclude:						
i) Hybrid instruments	542 678	582 929	542 678	582 929	542 678	582 929
Diluted NAV	7 111 975	7 120 311	7 111 975	7 120 311	7 111 975	7 120 311
Include:						
ii.a) Revaluation of investment properties ¹	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
ii.b) Revaluation of investment properties under construction ¹	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
ii.c) Revaluation of other non-current investments	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
iii) Revaluation of tenant leases held as finance leases	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
iv) Revaluation of trading properties	–	–	–	–	–	–
Diluted NAV at Fair Value	7 111 975	7 120 311	7 111 975	7 120 311	7 111 975	7 120 311
Exclude:						
v) Deferred tax in relation to fair value gains of investment properties	1 328 135	1 286 100	1 320 011	1 279 342		
vi) Fair value of financial instruments	–	9 345	–	9 345		
vii) Goodwill as a result of deferred tax	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
viii.a) Goodwill as per IFRS balance sheet ²			–	–	–	–
viii.b) Intangibles as per IFRS balance sheet			–32 267	–17 542		
Include:						
ix) Fair value of fixed interest rate debt					266 103	120 145
x) Revaluation of intangibles to fair value ³	387 682	314 912				
xi) Real estate transfer tax	129 101	127 343	25 089	24 824		
EPRA NAV	8 956 893	8 858 011	8 424 808	8 416 280	7 378 078	7 240 456
Fully diluted number of shares	82 038 045	82 903 723	82 038 045	82 903 723	82 038 045	82 903 723
EPRA NAV per share in CHF	109.18	106.85	102.69	101.52	89.93	87.34

¹ If IAS 40 cost option is used² Only related to Real Estate segment³ Include off balance sheet intangibles of the Asset Management segment. Prior year also includes off balance sheet intangibles of Wincasa.

Basis of the valuation: business plan for the next four years approved by the BoD, average DCF and EBITDA-multiples based on comparable transactions. 9.8% average discount rate [9.5%], 2.5% terminal growth [1.0%]

C. EPRA NIY and EPRA «topped-up» NIY (net initial yield) on rental income

in CHF 1000		31.12.2022	31.12.2023
Investment property – wholly owned		13 013 756	13 072 706
Investment property – share of joint ventures/funds		n.a.	n.a.
Trading properties		73 959	1 893
Less: properties under construction and development sites, building land and trading properties		-1175 173	-910 562
Value of completed property portfolio		11 912 542	12 164 037
Allowance for estimated purchasers' costs		n.a.	n.a.
Gross up value of completed property portfolio	B	11 912 542	12 164 037
Annualised rental income		442 227	460 214
Property outgoings		-67 280	-63 350
Annualised net rental income	A	374 947	396 864
Add: notional rent expiration of rent-free periods or other lease incentives		7 120	3 733
Topped-up net annualised rental income	C	382 067	400 597
EPRA NIY	A/B	3.1%	3.3%
EPRA topped-up NIY	C/B	3.2%	3.3%

D. EPRA vacancy rate

in CHF 1000		31.12.2022	31.12.2023
Estimated rental value of vacant space	A	16 470	16 849
Estimated rental value of the whole portfolio	B	458 616	475 193
EPRA vacancy rate	A/B	3.6%	3.5%

The decrease in the vacancy rate to 3.5% compared to 3.6% in the previous year is due to consistent vacancy management. The current development is also expected for future periods.

E. EPRA cost ratios

in CHF 1000		01.01.– 31.12.2022	01.01.– 31.12.2023
Operating expenses per Real Estate segment income statement ¹		103 183	93 963
Net service charge costs/fees		-	-
Management fees less actual/estimated profit element		-	-
Other operating income/recharges intended to cover overhead expenses less any related profits		-	-
Share of Joint Ventures expenses		-	-
Exclude:			
Investment property depreciation		-	-
Ground rent costs		-	-
Service charge costs recovered through rents but not separately invoiced		-	-
EPRA costs (including direct vacancy costs)	A	103 183	93 963
Direct vacancy costs		-9 590	-6 909
EPRA costs (excluding direct vacancy costs)	B	93 593	87 054
Gross rental income less ground rents per IFRS ²		470 337	475 684
Less: service fee and service charge costs components of gross rental income		-	-
Add: share of Joint Ventures (gross rental income less ground rents)		-	-
Gross rental income	C	470 337	475 684
EPRA cost ratio (including direct vacancy costs)	A/C	21.9%	19.8%
EPRA cost ratio (excluding direct vacancy costs)	B/C	19.9%	18.3%
Overhead and operating expenses capitalised		3 127	4 592

¹ Not included are cost of real estate developments, cost of trading properties sold and impairment of intangible assets

² Calculated at full occupancy

F. EPRA LTV

in CHF 1000	Group as reported	Proportionate Consolidation			Combined 31.12.2023
		Share of Joint Ventures	Share of Material Associates	Non- controlling Interests	
Include:					
Borrowings from financial institutions	2 646 085	-	-	-	2 646 085
Commercial paper	-	-	-	-	-
Hybrids (including convertibles, preference shares, debt, options, perpetuals)	571 630	-	-	-	571 630
Bond loans	2 210 000	-	-	-	2 210 000
Foreign currency derivatives (futures, swaps, options and forwards)	-	-	-	-	-
Net payables ²	13 547	-	-	-	13 547
Owner-occupied property (debt)	-	-	-	-	-
Current accounts (Equity characteristic)	-	-	-	-	-
Exclude:					
Cash and cash equivalents	- 22 069	-	-	-	- 22 069
Net Debt (a)	5 419 193	-	-	-	5 419 193
Include:					
Owner-occupied property	551 507	-	-	-	551 507
Investment properties at fair value	11 493 135	-	-	-	11 493 135
Properties held for sale	178 527	-	-	-	178 527
Properties under development	851 430	-	-	-	851 430
Intangibles ¹	485 302	-	-	-	485 302
Net receivables	-	-	-	-	-
Financial assets	800	-	-	-	800
Total Property Value (b)	13 560 701	-	-	-	13 560 701
LTV (a/b)	40.0%	-	-	-	40.0%

in CHF 1000	Group as reported	Proportionate Consolidation			Combined 31.12.2022
		Share of Joint Ventures	Share of Material Associates	Non- controlling Interests	
Include:					
Borrowings from financial institutions	2 617 520	-	-	-	2 617 520
Commercial paper	-	-	-	-	-
Hybrids (including convertibles, preference shares, debt, options, perpetuals)	544 130	-	-	-	544 130
Bond loans	2 060 000	-	-	-	2 060 000
Foreign currency derivatives (futures, swaps, options and forwards)	-	-	-	-	-
Net payables ²	180 213	-	-	-	180 213
Owner-occupied property (debt)	-	-	-	-	-
Current accounts (Equity characteristic)	-	-	-	-	-
Exclude:					
Cash and cash equivalents	-21201	-	-	-	-21201
Net Debt (a)	5 380 662	-	-	-	5 380 662
Include:					
Owner-occupied property	572 645	-	-	-	572 645
Investment properties at fair value	11 288 676	-	-	-	11 288 676
Properties held for sale	183 032	-	-	-	183 032
Properties under development	1 043 362	-	-	-	1 043 362
Intangibles ¹	572 798	-	-	-	572 798
Net receivables	-	-	-	-	-
Financial assets	1352	-	-	-	1352
Total Property Value (b)	13 661 865	-	-	-	13 661 865
LTV (a/b)	39.4%	-	-	-	39.4%

¹ Includes, among others, off balance sheet intangibles of the Asset Management segment. Prior year also includes Wincasa. Basis of the valuation: business plan for the next four years approved by the BoD, average DCF and EBITDA-multiples based on comparable transactions. 9.8% average discount rate [9.5%], 2.5% terminal growth [1.0%]

² Net receivables / payables include the following consolidated balance sheet line items: (-) accounts receivable, (-) other current receivables, (-) current income tax assets, (+) accounts payable, (+) other current liabilities, (+) advance payments, (+) current income tax liabilities

G. EPRA like-for-like rental change

in CHF 1 000	01.01.– 31.12.2022	01.01.– 31.12.2023
Rental income per Real Estate segment income statement	451 158	456 791
Acquisitions	– 796	– 927
Disposals	– 15 779	– 5 857
Development and new building projects	– 48 936	– 52 878
Property operating expenses	– 25 893	– 21 907
Property leases	– 6 661	– 6 844
Conversions, modifications, renovations	–	–
Other changes	–	–
Total EPRA like-for-like net rental income	353 093	368 378
EPRA like-for-like change absolute	7 789	15 285
EPRA like-for-like change relative	2.0%	4.3%
EPRA like-for-like change by areas		
Zurich	2.4%	5.0%
Lake Geneva	4.2%	4.1%
Northwestern Switzerland	4.0%	6.6%
Berne	– 1.2%	2.8%
Central Switzerland	3.2%	2.5%
Eastern Switzerland	– 8.1%	1.2%
Southern Switzerland	– 16.4%	– 7.3%
Western Switzerland	– 2.5%	3.2%

Like-for-like net rental growth compares the growth of the net rental income of the portfolio that has been consistently in operation, and not under development, during the two full preceding periods that are described. Like-for-like rental growth 2023 is based on a portfolio of CHF 10 615.081 million [CHF 10 819.575 million] which shrunk in value by CHF 204.494 million [grew in value by CHF 244.728 million].

H. Property-related EPRA CAPEX

in CHF 1 000	01.01.– 31.12.2022	01.01.– 31.12.2023
Acquisitions	61 224	191 014
Development (ground-up/green field/brown field)	212 552	228 806
Investment properties	99 960	58 444
thereof for incremental lettable space	395	–
thereof for no incremental lettable space ¹	88 788	55 863
thereof for tenant incentive	10 777	2 581
thereof for other material non-allocated types of expenditure	–	–
Capitalised interests	4 473	6 309
Other	515	–
Total EPRA capital expenditure	378 724	484 573
Conversion from accrual to cash basis	26 092	– 7 106
Total EPRA capital expenditure on cash basis	404 816	477 467

¹ Includes investments to materially upgraded existing lettable space including re-developments. Only part of it refers to expenditure for necessary maintenance

Independent practitioner's limited assurance report

on EPRA reporting containing the EPRA performance measures for the period ended 31 December 2023 to the Management of Swiss Prime Site AG

Zug

We have been engaged by Management to perform assurance procedures to provide limited assurance on the EPRA reporting containing the EPRA performance measures (pages 74 to 80) of Swiss Prime Site AG for the period ended 31 December 2023.

The EPRA reporting containing the EPRA performance measures was prepared by the Management of Swiss Prime Site AG (the 'Company') together with the explanations of the individual EPRA performance measures within the annual report 2023 based on the Best Practices Recommendations of the European Public Real Estate Association (EPRA) in the version published in February 2022 (the «suitable Criteria»).

Inherent limitations

The accuracy and completeness of the EPRA reporting containing the EPRA performance measures are subject to inherent limitations given their nature and methods for determining, calculating and estimating such data, e.g. the IFRS figures from the consolidated financial statements 2023. In addition, the quantification of the EPRA performance measures is subject to inherent uncertainty because of incomplete scientific knowledge used to determine factors related to the EPRA reporting containing the EPRA performance measures and the required values needed for the combination. Our assurance report will therefore have to be read in connection with the Best Practices Recommendations of the European Public Real Estate Association (EPRA) in Version published in February 2022 and the explanations of the individual EPRA performance measures of the Best Practices Recommendations of the European Public Real Estate Association (EPRA) in the annual report 2023.

Management's responsibility

The Management of Swiss Prime Site AG is responsible for preparing the EPRA reporting containing the EPRA performance measures in accordance with the suitable Criteria. This responsibility includes the design, implementation and maintenance of the internal control system related to the preparation and presentation of the EPRA reporting containing the EPRA performance measures that is free from material misstatement, whether due to fraud or error. Furthermore, the Management is responsible for the selection and application of the EPRA Best Practices Recommendations containing the EPRA performance measures and making estimates and adaptations from the underlying IFRS-figures in the consolidated financial statements 2023 that are reasonable under the given circumstances and maintaining appropriate records.

Independence and quality management

We are independent of the Swiss Prime Site AG in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

PricewaterhouseCoopers AG applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

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Practitioner's responsibility

Our responsibility is to perform an assurance limited engagement and to express a conclusion on the EPRA reporting containing the EPRA performance measures. We conducted our engagement in accordance with the International Standard on Assurance Engagements ISAE 3000 (Revised) 'Assurance engagements other than audits or reviews of historical financial information'. That standard requires that we plan and perform our procedures to obtain limited assurance, on whether EPRA reporting containing the EPRA performance measures was prepared, in all material aspects, in accordance with the suitable Criteria.

Based on risk and materiality considerations, we performed our procedures to obtain sufficient and appropriate assurance evidence. The procedures selected depend on the assurance practitioner's judgement. A limited assurance engagement under ISAE 3000 (Revised) is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks. Consequently, the nature, timing and extent of procedures for gathering sufficient appropriate evidence are deliberately limited relative to a reasonable assurance engagement and therefore less assurance is obtained with a limited assurance engagement than for a reasonable assurance engagement.

We performed the following procedures, among others:

- assessing the suitability of the suitable Criteria in the given circumstances as the basis for preparing the EPRA reporting containing the EPRA performance measures, as mentioned in the chapter «EPRA Reporting» for the individual EPRA performance measures;
- evaluating the appropriateness of quantitative and qualitative methods and reporting policies used, and the reasonableness of estimates made by Swiss Prime Site AG;
- inquiries with persons responsible for the preparation of the EPRA performance measures; and
- assessing the EPRA performance measures regarding completeness and accuracy of derivations and calculations from the underlying IFRS-figures according to the audited consolidated financial statements of Swiss Prime Site AG as at 31 December 2023 or if applicable other internal source data.

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

Conclusion

Based on the work we performed, nothing has come to our attention that causes us to believe that the EPRA reporting containing the EPRA performance measures (pages 74 to 80) of Swiss Prime Site AG for the period ended 31 December 2023 is not prepared, in all material respects, in accordance with the suitable Criteria.

Intended users and purpose of the report

This report is prepared for, and only for, the Management of Swiss Prime Site AG, and solely for the purpose of reporting to them on EPRA reporting containing the EPRA performance measures and no other purpose. We do not, in giving our conclusion, accept or assume responsibility (legal or otherwise) or accept liability for, or in connection with, any other purpose for which our report including the conclusion may be used, or to any other person to whom our report is shown or into whose hands it may come, and no other persons shall be entitled to rely on our conclusion.



We permit the disclosure of our report, in full only and in combination with the suitable Criteria, to enable the Management to demonstrate that they have discharged their governance responsibilities by commissioning an independent assurance report over the EPRA reporting containing the EPRA performance measures, without assuming or accepting any responsibility or accountability to any other third parties. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Management of Swiss Prime Site AG for our work or this report.

PricewaterhouseCoopers AG

Patrick Balkanyi

Philipp Gnädinger

Zurich, 6 February 2024



Financial statements of Swiss Prime Site AG

Income statement

in CHF 1 000	Notes	01.01.– 31.12.2022	01.01.– 31.12.2023
Dividend income	2.1	246 000	180 000
Other financial income	2.2	11 442	11 546
Income from sale of participations	2.3	–	54 634
Other operating income		1 472	1 411
Total operating income		258 914	247 591
Financial expenses	2.4	– 5 524	– 8 532
Personnel costs		– 1 901	– 1 809
Other operating expenses	2.5	– 9 376	– 9 316
Depreciation of participations		– 4 502	– 1 159
Total operating expenses		– 21 303	– 20 816
Result before taxes		237 611	226 775
Direct taxes		6	–
Profit	4	237 617	226 775

Balance sheet

in CHF 1000	Notes	31.12.2022	31.12.2023
Assets			
Cash		148	100
Securities with market price		345	355
Other current receivables	2.6	247 440	252 127
Accrued income and prepaid expenses		1 427	1 612
Total current assets		249 360	254 194
Financial investments	2.7	82 040	84 944
Investments in subsidiaries	2.8	2 566 073	2 454 928
Accrued income and prepaid expenses		500	3 220
Total non-current assets		2 648 613	2 543 092
Total assets		2 897 973	2 797 286
Liabilities and shareholders' equity			
Current interest-bearing liabilities		247 500	–
Other current liabilities	2.9	4 935	4 137
Accrued expenses		3 049	4 822
Total current liabilities		255 484	8 959
Non-current interest-bearing liabilities	2.10	657 096	835 584
Total non-current liabilities		657 096	835 584
Total liabilities		912 580	844 543
Share capital	2.11	153 437	153 437
Statutory reserves from capital contributions		976 126	845 730
Reserves for treasury shares		5	3
Legal retained earnings		202 249	202 249
Voluntary retained earnings		161 279	161 281
Treasury shares	2.12	–1 369	–1
Retained earnings brought forward	4	256 049	363 269
Profit	4	237 617	226 775
Total shareholders' equity		1 985 393	1 952 743
Total liabilities and shareholders' equity		2 897 973	2 797 286

1 Accounting principles and valuation

1.1 In general

The financial statements of Swiss Prime Site AG, Alpenstrasse 15, 6300 Zug, were prepared in accordance with the provisions of Swiss accounting law (Section 32 of the Swiss Code of Obligations). The significant valuation principles applied, but not mandatory by law, are described in the following section.

1.2 Securities

Securities held on a short-term basis are valued at stock-exchange prices at the balance sheet date. Formation of a fluctuation reserve has been waived.

1.3 Interest-bearing liabilities

Interest-bearing liabilities are recognised in the balance sheet at nominal value. Premiums and discounts on bonds and convertible bonds/loans, together with issuing costs, are recorded in accrued income and prepaid expenses and amortised over the term to maturity of the bond or convertible bond/loan.

1.4 Treasury shares

Treasury shares are recognised at cost as a minus position in shareholders' equity at the time of acquisition. Given future re-divestment of the shares, the profit or loss is recognised in the income statement and recorded as financial income or expense, respectively.

1.5 Share-based compensation

If treasury shares are used for share-based compensation to the Board of Directors and employees, the value of the shares allocated is recognised as personnel costs. Any difference versus book value is posted to the financial result.

1.6 Dispensation of cash flow statement and additional information in the notes

Since Swiss Prime Site AG prepares the consolidated financial statements according to recognised accounting standards (IFRS), the Company has dispensed with providing information in the notes regarding audit fees as well as the presentation of a cash flow statement, in accordance with the relevant legal requirements.

2 Information relating to balance sheet and income statement positions

2.1 Dividend income

Dividend income includes the dividends from group companies of CHF 180.000 million [CHF 246.000 million] for the 2023 financial year. The dividends were recorded as receivables. This procedure was permissible since the companies closed their accounts on the same balance sheet date and the resolution on the dividend payment had been passed.

2.2 Other financial income

in CHF 1 000	01.01.– 31.12.2022	01.01.– 31.12.2023
Interests on loans from group companies	9 420	9 301
Result from investments in associates	1 788	2 153
Other financial income	234	92
Total	11 442	11 546

2.3 Profit from sale of investments in subsidiaries

The profit results from the sale of the Wincasa Group to Implenia as at 4 May 2023.

2.4 Financial expenses

in CHF 1 000	01.01.– 31.12.2022	01.01.– 31.12.2023
Interests on loans	–2 909	–3 537
Interest expenses on convertible bonds/loans	–1 583	–3 854
Amortisation of cost of convertible bonds/loans	–915	–1 022
Other financial expenses	–117	–119
Total	–5 524	–8 532

2.5 Other operating expenses

in CHF 1 000	01.01.– 31.12.2022	01.01.– 31.12.2023
Administration costs	–7 356	–7 496
Capital taxes	–110	–108
Other operating expenses	–1 910	–1 712
Total	–9 376	–9 316

2.6 Other current receivables

in CHF 1 000	31.12.2022	31.12.2023
Other current receivables from third parties	240	71 777
Other current receivables from group companies	247 200	180 350
Total	247 440	252 127

2.7 Financial investments

in CHF 1 000	31.12.2022	31.12.2023
Loans to group companies	78 000	78 000
Third loans	500	800
Participations under 20%	3 540	6 144
Total	82 040	84 944

2.8 Investments

Direct investments

	31.12.2022 Capital in CHF 1 000	Shareholding interest in %	31.12.2023 Capital in CHF 1 000	Shareholding interest in %
Flexoffice (Schweiz) AG, Zurich	124	27.2	124	27.2
INOVIL SA, Lausanne	5 160	27.1	5 160	27.1
Jelmoli AG, Zurich	6 600	100.0	6 600	100.0
Parkgest Holding SA, Geneva	4 750	38.8	4 750	38.8
Swiss Prime Site Finance AG, Zug	100 000	100.0	100 000	100.0
Swiss Prime Site Immobilien AG, Zurich	50 000	100.0	50 000	100.0
Swiss Prime Site Management AG, Zug	100	100.0	100	100.0
Swiss Prime Site Solutions AG, Zug	1 500	100.0	1 500	100.0
Wincasa AG, Winterthur ¹	1 500	100.0	n.a.	n.a.

¹ Sale of Wincasa AG as at 04.05.2023

Indirect investments

	31.12.2022 Capital in CHF 1 000	Shareholding interest in %	31.12.2023 Capital in CHF 1 000	Shareholding interest in %
Akara Property Development AG, Zug	100	100.0	100	100.0
streamnow ag, Zurich ¹	100	100.0	n.a.	n.a.
Zimmermann Vins SA, Carouge	350	100.0	350	100.0

¹ Sale of streamnow ag as at 04.05.2023

2.9 Other current liabilities

in CHF 1 000	31.12.2022	31.12.2023
Other current liabilities to group companies	2 940	–
Other current liabilities to shareholders	313	328
Other current liabilities to third parties	1 682	3 809
Total	4 935	4 137

2.10 Non-current interest-bearing liabilities

in CHF 1 000	31.12.2022	31.12.2023
Convertible bonds/loans	296 630	571 630
Mortgage-backed loans	100 000	100 000
Non-current financial liabilities to group companies	260 466	163 954
Total	657 096	835 584

Maturity structure of non-current interest-bearing liabilities

in CHF 1 000	31.12.2022	31.12.2023
Up to five years	632 096	560 584
Over five years	25 000	275 000
Total	657 096	835 584

Convertible bonds/loans

		CHF 250 m 2023	CHF 300 m 2025	CHF 275 m 2030
Issuing volume, nominal	CHF m	250.000	300.000	275.000
Book value as at 31.12.2023	CHF m	0.000	296.630	275.000
Book value as at 31.12.2022	CHF m	247.500	296.630	0.000
Conversion price	CHF	104.07	100.35	85.16
Interest rate	%	0.25	0.325	1.625
Term to maturity	years	7	7	7
Maturity	date	16.06.2023	16.01.2025	31.05.2030
Securities number		32 811 156 (SPS16)	39 764 277 (SPS18)	XS2627116176 (SPS23)

2.11 Share capital

As at the balance sheet date, the share capital comprised 76 718 604 [76 718 604] registered shares with a nominal value of CHF 2.00 per share [CHF 2.00].

Since 21 March 2023, the Company has had a capital band of between CHF 145.765 million (floor) and CHF 168.780 (ceiling). Until 21 March 2028, the share capital can be increased once or several times and in any amounts by a maximum of 7 671 860 shares (CHF 15.343 million) or reduced by a maximum of 3 835 930 shares (CHF 7.672 million). The capital band replaces authorised capital. The share capital can be increased from conditional capital by 6 227 745 shares (CHF 12.455 million); in accordance with Art. 3c of the Articles of Association, a total maximum of 7 671 860 shares may be issued from conditional capital or the capital band by 21 March 2028 or the earlier expiry of the capital band.

2.12 Treasury shares

Swiss Prime Site AG held 9 [14 665] treasury shares on the balance sheet date. As at the balance sheet date, the group companies held an additional 41 [54] Swiss Prime Site AG shares. Purchases and sales were carried out at the respective daily market rates.

Change in number of treasury shares	Volume-weighted average share price in CHF	2022 Number of treasury shares	Volume-weighted average share price in CHF	2023 Number of treasury shares
Holdings of treasury shares on 01.01.	–	30	–	14 665
Purchases at the volume-weighted average share price	88.81	23 549	84.57	9 750
Share-based compensation	81.31	– 8 914	87.11	– 24 406
Holdings of treasury shares on 31.12.	–	14 665	–	9

3 Additional information

3.1 Full-time employees

Swiss Prime Site AG has no employees.

3.2 Leasing commitments not recognised in the balance sheet

There are no liabilities arising from leasing commitments that do not expire or cannot be terminated within twelve months of the balance sheet date [CHF 0.431 million].

3.3 Security provided for third-party liabilities

The Company has provided security in the amount of CHF 4 746.995 million [CHF 4 577.750 million]. This takes the form of guarantees for the financial liabilities of the subsidiary Swiss Prime Site Finance AG in the amount of CHF 4 745.945 million [CHF 4 576.700 million] and guarantee commitments of the subsidiary Swiss Prime Site Solutions AG in the amount of CHF 1.050 million [CHF 1.050 million].

3.4 Significant events after the balance sheet date

There were no significant events after the balance sheet date that would have an impact on the book values of the reported assets or liabilities, or which would need to be disclosed at this point.

4 Proposed appropriation of balance sheet profit

The Board of Directors proposes a distribution of CHF 3.40 per share to the Annual General Meeting of 19 March 2024. Based on the total 76 718 604 shares issued as at 6 February 2024, the total amount is CHF 260.844 million. The Board of Directors proposes a distribution of CHF 1.70 from the capital contribution reserves (exempt from withholding tax) and CHF 1.70 per share from the balance sheet profit (subject to withholding tax).

in CHF 1 000	31.12.2022	31.12.2023
Retained earnings brought forward	256 049	363 269
Profit	237 617	226 775
Total balance sheet profit	493 666	590 044
Allocation to general statutory reserves	-	-
Allocation from capital contribution reserves	130 397	130 422
Distribution to shareholders	-260 794	-260 844
Balance brought forward to new account	363 269	459 622
Total distribution	260 794	260 844
thereof from capital contribution reserves	130 397	130 422
thereof from balance sheet profit	130 397	130 422

Report of the statutory auditor

to the General Meeting of Swiss Prime Site AG

Zug

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Swiss Prime Site AG (the Company), which comprise the income statement for the year then ended, the balance sheet as at 31 December 2023 and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements (pages 84 - 91) comply with Swiss law and the Company's articles of incorporation.

Basis for opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the Company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Our audit approach

Materiality

The scope of our audit was influenced by our application of materiality. Our audit opinion aims to provide reasonable assurance that the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

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

Overall materiality	CHF 26 million
Benchmark applied	Total Assets
Rationale for the materiality benchmark applied	We chose total assets as the benchmark because, in our view, it is a common benchmark for holding companies.

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Audit scope

We designed our audit by determining materiality and assessing the risks of material misstatement in the financial statements. In particular, we considered where subjective judgements were made; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the financial statements as a whole, taking into account the structure of the Company, the accounting processes and controls, and the industry in which the Company operates.

Key audit matters

We have determined that there are no key audit matters to communicate in our report.

Other matter

The financial statements of Swiss Prime Site AG for the year ended 31 December 2022 were audited by another statutory auditor whose report, dated 7 February 2023, expressed an unmodified opinion on those financial statements.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements, the consolidated financial statements, the remuneration report and our auditor's reports thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Board of Directors' responsibilities for the financial statements

The Board of Directors is responsible for the preparation of financial statements in accordance with the provisions of Swiss law and the Company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on EXPERTsuisse's website: <http://www.expertsuisse.ch/en/audit-report>. This description forms an integral part of our report.



Report on other legal and regulatory requirements

In accordance with article 728a para. 1 item 3 CO and PS-CH 890, we confirm the existence of an internal control system that has been designed, pursuant to the instructions of the Board of Directors, for the preparation of the financial statements.

We further confirm that the proposed appropriation of balance sheet profit complies with Swiss law and the Company's articles of incorporation. We recommend that the financial statements submitted to you be approved.

PricewaterhouseCoopers AG

Patrick Balkanyi
Licensed audit expert
Auditor in charge

Philipp Gnädinger
Licensed audit expert

Zürich, 6 February 2024



Five-year summary of key figures

	in	Swiss GAAP FER		IFRS		
		31.12.2019	31.12.2020	31.12.2021	31.12.2022	31.12.2023
Fair value of real estate portfolio	CHF m	11 765.4	12 322.6	12 793.5	13 087.7	13 074.6
Rental income from properties	CHF m	486.9	424.7	426.7	431.3	437.8
Vacancy rate	%	4.7	5.1	4.6	4.3	4.0
Net property yield	%	3.5	3.2	3.2	3.1	3.1
Income from real estate developments	CHF m	79.8	50.1	52.0	9.1	–
Income from real estate services	CHF m	117.5	115.2	119.4	125.6	42.5
Income from retail	CHF m	127.8	110.6	119.5	132.1	126.5
Income from assisted living	CHF m	423.9	72.4	–	–	–
Income from asset management	CHF m	13.5	13.1	18.2	52.0	49.7
Total operating income	CHF m	1 258.8	792.9	749.5	774.4	701.9
Operating result before depreciation and amortisation (EBITDA)	CHF m	653.4	779.9	730.0	618.4	311.7
Operating result (EBIT)	CHF m	628.3	762.3	706.7	559.4	302.8
Profit	CHF m	608.5	610.4	498.9	404.4	236.0
Shareholders' equity	CHF m	5 459.2	6 085.6	6 409.7	6 569.3	6 537.4
Equity ratio	%	44.4	47.8	47.5	47.7	47.4
Borrowed capital	CHF m	6 841.7	6 640.6	7 089.7	7 201.9	7 240.9
Borrowed capital ratio	%	55.6	52.2	52.5	52.3	52.6
Total shareholders' equity and borrowed capital	CHF m	12 300.9	12 726.2	13 499.3	13 771.2	13 778.3
Interest-bearing financial liabilities	CHF m	5 378.4	5 164.0	5 430.0	5 505.4	5 692.5
Interest-bearing financial liabilities in % of balance sheet total	%	43.7	40.6	40.2	40.0	41.3
Loan-to-value ratio of property portfolio (LTV) ¹	%	44.2	40.7	39.3	38.8	39.8
Weighted average interest rate on financial liabilities	%	1.2	1.1	0.8	0.9	1.2
Weighted average residual term to maturity of interest-bearing financial liabilities	years	4.2	4.8	5.8	5.0	4.6
Return on equity (ROE)	%	11.5	10.6	8.0	6.2	3.6
Return on invested capital (ROIC)	%	5.6	5.4	4.3	3.3	2.3
Cash flow from operating activities	CHF m	406.6	298.5	442.4	364.9	430.6
Cash flow from investing activities	CHF m	–338.6	236.0	–108.7	–214.3	–292.7
Cash flow from financing activities	CHF m	–79.5	–564.8	–361.8	–244.0	–137.0
Key financial figures excluding revaluations and all deferred taxes						
Operating result (EBIT)	CHF m	424.9	558.9	404.8	389.6	553.3
Profit	CHF m	315.7	476.6	293.7	300.6	459.8
Return on equity (ROE)	%	6.3	8.5	4.8	4.7	6.8
Return on invested capital (ROIC)	%	3.2	4.3	2.8	2.6	3.9

¹ Receivables secured by bank guarantees were deducted from financial liabilities in the financial year 2023

Five-year summary of key figures

Key figures per share	in	Swiss GAAP FER		IFRS		
		31.12.2019	31.12.2020	31.12.2021	31.12.2022	31.12.2023
Share price at end of period	CHF	111.90	86.90	89.65	80.15	89.85
Share price, highest	CHF	113.30	123.70	99.90	98.32	91.10
Share price, lowest	CHF	80.20	74.75	85.00	73.70	72.95
Earnings per share (EPS)	CHF	8.00	8.04	6.57	5.27	3.08
Earnings per share (EPS) excluding revaluations and deferred taxes	CHF	4.14	6.27	3.87	3.92	5.99
NAV before deferred taxes ¹	CHF	86.34	95.41	101.22	102.96	102.05
NAV after deferred taxes ¹	CHF	71.87	80.11	84.37	85.64	85.21
Distribution to shareholders	CHF	3.80	3.35	3.35	3.40	3.40
Cash yield on closing price of the reporting year	%	3.4	3.9	3.7	4.2	3.8
Share performance (TR) p.a. in the last 12 months	%	47.0	-19.2	7.0	-7.3	17.3
Share performance (TR) p.a. in the last 3 years	%	15.4	3.3	8.3	-7.1	5.2
Share performance (TR) p.a. in the last 5 years	%	14.2	6.6	5.9	1.8	6.7
Market capitalisation	CHF m	8 498.4	6 601.8	6 810.7	6 149.0	6 893.2
Employees						
Number of employees	people	6 506	1 728	1 667	1 779	674
Full-time equivalents	FTE	5 402	1 505	1 474	1 567	570
Share statistics						
Shares issued	number	75 946 349	75 970 364	75 970 364	76 718 604	76 718 604
Average treasury shares held	number	-1 114	-3 693	-2 260	-13 216	-4 115
Average outstanding shares	number	75 945 235	75 964 863	75 968 104	76 697 074	76 714 489
Treasury shares held	number	-1 112	-1 844	-655	-14 719	-50
Outstanding shares	number	75 945 237	75 968 520	75 969 709	76 703 885	76 718 554

¹ Asset Management, Retail and Corporate & Shared Services segments are included at book values and not at fair values

Property details

Summary

Property details as at 31.12.2023

Overview of type of use

	Fair Value TCHF	Target rental and land lease income TCHF	Vacancy rate %	Site area m ²	Total m ² commercial units, excluding parking	Retail %	Offices, medical practice premises, etc. %	Hotel/gastronomy	Assisted living %	Storage facilities %	Other %
Total properties	12 164 037	468 349	3.9	1 055 980	1 592 278	16.2	44.3	7.2	7.6	21.6	3.1
Total building land	57 239	278	-	65 928	19 431	-	1.5	-	-	-	98.5
Total properties under construction and development sites	853 323	7 057	11.9	35 123	66 508	9.3	58.0	-	-	32.6	0.1
Overall total	13 074 599	475 684		1 157 031	1 678 217	15.7	44.2	6.9	7.3	21.8	4.1
Rent losses from vacancies		-18 893									
Total segment		456 791	4.0								

Properties

Property details as at 31.12.2023	Overview of type of use												
	Target rental and land lease income TCHF	Vacancy rate %	Ownership status	Built	Year of renovation	Site area m ²	Total m ² commercial units, excluding parking	Retail %	Offices, medical practice premises, etc. %	Hotel/gastronomy	Assisted living %	Storage facilities %	Other %
Aarau, Bahnhofstrasse 23	878	9.2	sole ownership	1946	1986	685	1817	55.2	28.1	-	-	12.4	4.3
Baar, Grabenstrasse 17, 19	1174	-	sole ownership	2015		2 084	3 685	-	95.8	-	-	4.2	-
Baar, Zugerstrasse 57, 63	2 484	-	sole ownership	2009		6 029	8 999	-	89.8	-	-	6.7	3.5
Baden, Bahnhofstrasse 2	340	-	sole ownership	1927	1975	212	979	93.4	-	-	-	6.6	-
Baden, Weite Gasse 34, 36	441	-	sole ownership	1953	1975	366	1 377	16.3	30.9	-	-	8.0	44.8
Basel, Aeschenvorstadt 2-4	2 014	3.5	sole ownership	1960	2005	1 362	6 226	17.1	63.8	-	-	18.6	0.5
Basel, Barfüsserplatz 3	1 090	-	sole ownership	1874	2020	751	3 826	9.7	78.6	-	-	11.6	0.1
Basel, Centralbahnplatz 9/10	948	2.3	sole ownership	2005	2005	403	1 445	6.6	37.9	22.9	-	14.7	17.9
Basel, Elisabethenstrasse 15	1 416	0.2	sole ownership	1933	1993	953	4 281	13.0	71.7	7.8	-	7.5	-
Basel, Freie Strasse 26/Falknerstrasse 3	1 300	4.3	sole ownership	1854	1980	471	2 877	43.5	50.2	-	-	6.3	-
Basel, Freie Strasse 36	1 569	-	sole ownership	1894	2003	517	2 429	59.4	13.6	-	-	21.5	5.5
Basel, Freie Strasse 68	2 392	-	sole ownership	1930	2016	1 461	8 207	19.4	1.2	62.9	-	16.0	0.5
Basel, Henric Petri-Strasse 9/Elisabethenstrasse 19	1 616	2.8	sole ownership	1949	1985	2 387	6 695	4.3	76.0	-	-	19.7	-
Basel, Hochbergerstrasse 40/parking	590	0.9	sole ownership land lease	1976		4 209	-	-	-	-	-	-	-
Basel, Hochbergerstrasse 60/building 860	162	36.8	sole ownership	1990		980	897	-	84.1	-	-	14.1	1.8
Basel, Hochbergerstrasse 60/Stückli Park	7 614	-	sole ownership	2008		8 343	37 293	-	80.8	-	-	19.1	0.1
Basel, Hochbergerstrasse 62	424	-	sole ownership	2005		2 680	-	-	-	-	-	-	-
Basel, Hochbergerstrasse 70/Stückli Park (Shopping)	8 863	7.3	sole ownership	2009	2021	46 416	44 964	20.4	14.7	56.7	-	7.8	0.4
Basel, Messeplatz 12/Messeturm	9 259	11.5	sole ownership partial land lease	2003		2 137	23 655	-	53.6	43.0	-	3.4	-
Basel, Peter Merian-Strasse 80	2 366	8.2	freehold property	1999		19 214	9 061	-	82.7	-	-	15.4	1.9
Basel, Rebeggasse 20	3 199	0.7	sole ownership	1973	1998	3 713	8 881	47.2	11.8	14.6	-	15.5	10.9
Basel, Steinvorstadt 11	26	-	sole ownership bought 01.12.2023	1871		169	858	46.1	32.4	-	-	-	21.5
Berlingen, Seestrasse 83, 88, 101, 154	1 008	-	sole ownership sold 01.07.2023										
Berne, Genfergasse 14	4 487	-	sole ownership	1905	1998	4 602	15 801	-	89.1	-	-	10.9	-
Berne, Mingerstrasse 12-18/PostFinance Arena	6 252	2.9	sole ownership land lease	2009	2009	29 098	46 195	0.2	18.3	-	-	81.5	-
Berne, Schwarztorstrasse 48	1 872	0.3	sole ownership	1981	2011	1 959	8 163	-	75.5	-	-	24.3	0.2
Berne, Viktoriastrasse 21, 21a, 21b/Schönburg	6 177	0.8	sole ownership	2020	2020	14 036	20 545	8.1	-	35.2	-	1.3	55.4
Berne, Wankdorffallee 4/EspacePost	8 382	-	sole ownership land lease	2014		5 244	33 647	-	94.2	-	-	4.9	0.9
Berne, Weltpoststrasse 5	5 143	8.4	sole ownership land lease	1985	2013	19 374	25 357	-	71.5	2.3	-	25.2	1.0
Biel, Solothurnstrasse 122	514	1.8	sole ownership land lease	1961	1993	3 885	3 319	74.9	2.7	-	-	15.3	7.1
Brugg, Hauptstrasse 2	947	8.3	sole ownership	1958	2000	3 364	4 179	42.1	4.2	22.2	-	28.8	2.7
Buchs SG, St. Gallerstrasse 5	414	5.8	sole ownership	1995		2 192	1 655	-	73.0	-	-	18.8	8.2
Buchs ZH, Mülibachstrasse 41	1 400	-	sole ownership	2020		20 197	10 030	-	17.3	-	-	82.7	-
Burgdorf, Industrie Buchmatt	807	-	sole ownership partial land lease	1973		15 141	11 967	2.9	5.4	-	-	91.3	0.4
Carouge, Avenue Cardinal-Mermillod 36-44	9 067	12.9	sole ownership	1956	2002	14 372	35 039	22.9	56.6	3.5	-	15.8	1.2
Carouge, Rue Antoine-Jolivet 7	314	-	freehold property and co-ownership land lease	1975		3 693	3 515	3.8	0.7	5.0	-	26.1	64.4
Conthey, Route Cantonale 2	99	-	sole ownership sold 03.04.2023										
Conthey, Route Cantonale 4	862	30.1	sole ownership land lease	2009		7 444	4 816	79.6	-	3.1	-	16.3	1.0
Conthey, Route Cantonale 11	1 543	18.6	sole ownership land lease	2002		10 537	7 297	62.1	20.5	0.7	-	14.0	2.7
Dietikon, Bahnhofplatz 11/Neumattstrasse 24	560	4.8	sole ownership	1989		1 004	1 793	19.4	55.8	-	-	24.3	0.5

Properties

	Property details as at 31.12.2023						Overview of type of use						
	Target rental and land lease income TCHF	Vacancy rate %	Ownership status	Built	Year of renovation	Site area m ²	Total m ² commercial units, excluding parking	Retail %	Offices, medical practice premises, etc. %	Hotel/gastronomy	Assisted living %	Storage facilities %	Other %
Dübendorf, Bahnhofstrasse 1	416	-	sole ownership land lease	1988		1308	1671	5.9	71.1	-	-	23.0	-
Eyholz, Kantonsstrasse 79	289	-	sole ownership land lease	1991		2719	1319	92.3	5.6	-	-	1.5	0.6
Frauenfeld, St. Gallerstrasse 30-30c	1774	0.8	sole ownership	1991		8842	9528	-	-	-	100.0	-	-
Frauenfeld, Zürcherstrasse 305	-		sold 01.01.2023										
Frick, Hauptstrasse 132/Fricktal Centre A3	1		sold 01.01.2023										
Geneva, Centre Rhône-Fusterie	3 083	-	freehold property	1990		2530	1186	76.2	0.3	-	-	23.5	-
Geneva, Place du Molard 2-4 ¹	6 692	0.1	sole ownership	1690	2002	1718	7 263	38.2	56.5	0.5	-	4.1	0.7
Geneva, Route de Malagnou 6/Rue Michel-Chauvet 7	801	0.4	sole ownership	1969	1989	1321	1602	-	47.0	11.8	-	3.9	37.3
Geneva, Route de Meyrin 49	2 636	18.8	sole ownership	1987		9 890	10 234	-	85.2	-	-	12.9	1.9
Geneva, Rue de la Croix-d'Or 7/Rue Neuve-du-Molard 4-6	2 262	4.6	sole ownership	1985	1994	591	3 482	37.8	24.2	0.5	-	3.9	33.6
Geneva, Rue des Alpes 5	955	9.8	sole ownership	1860		747	2 704	9.8	39.2	1.4	-	0.6	49.0
Geneva, Rue du Rhône 48-50 ²	17 600	1.7	sole ownership	1921	2002	5 166	33 279	44.1	33.6	7.2	-	12.9	2.2
Gossau SG, Wilerstrasse 82	1031		sold 01.12.2023										
Grand-Lancy, Route des Jeunes 10/CCL La Praille	15 748	1.8	sole ownership land lease	2002		20 597	35 750	51.9	1.0	29.1	-	16.1	1.9
Grand-Lancy, Route des Jeunes 12	2 549	4.6	sole ownership land lease	2003		5 344	12 723	0.2	40.9	44.8	-	14.1	-
Heimberg, Gurnigelstrasse 38	565	0.1	sole ownership land lease	2000		7 484	1 572	82.1	2.8	-	-	8.6	6.5
La Chaux-de-Fonds, Boulevard des Eplatures 44	340	-	sole ownership	1972		3 021	2 504	96.1	0.6	-	-	3.0	0.3
Lachen, Seidenstrasse 2	358	-	sole ownership	1993		708	1 532	-	81.5	-	-	18.5	-
Lausanne, Rue de Sébeillon 9/Sébeillon Centre	1 027	0.5	sole ownership	1930	2001	2 923	10 116	8.4	54.1	-	-	36.1	1.4
Lausanne, Rue du Pont 5	7 292	6.2	sole ownership	1910	2004	3 884	20 805	50.5	23.3	9.2	-	15.3	1.7
Lutry, Route de l'Ancienne Ciberie 2	1 321	-	freehold property	2006		13 150	3 264	69.6	7.6	1.9	-	18.1	2.8
Lucerne, Kreuzbuchstrasse 33/35	1 950	-	sole ownership land lease	2010		14 402	10 533	-	-	-	100.0	-	-
Lucerne, Langensandstrasse 23/Schönbühl	3 002	5.1	sole ownership	1969	2007	20 150	9 433	65.2	10.8	1.9	-	21.6	0.5
Lucerne, Pilatusstrasse 4/Flora	3 561	-	freehold property	1979	2008	4 376	9 906	69.6	12.1	-	-	15.0	3.3
Lucerne, Schwandenplatz 3	773	-	sole ownership	1958	2004	250	1 512	10.8	62.6	-	-	18.7	7.9
Lucerne, Schweizerhofquai 6/Gotthardgebäude	2 213	-	sole ownership	1889	2002	2 479	7 261	6.8	87.9	-	-	5.3	-
Lucerne, Weggisgasse 20, 22	665	-	sole ownership	1982		228	1 285	76.8	-	-	-	23.2	-
Meilen, Seestrasse 545	528	-	sole ownership land lease	2008		1 645	2 458	-	-	-	100.0	-	-
Meyrin, Chemin de Riantbosson 19/Riantbosson Centre	2 601	19.4	sole ownership	2018		4 414	7 611	33.3	38.3	9.8	-	15.6	3.0
Meyrin, Route de Meyrin 210	59		sold 03.04.2023										
Meyrin, Route de Pré-Bois 14/Geneva Business Terminal	1 021		sold 31.08.2023										
Monthey, Rue de Venise 5-7/Avenue de la Plantaud 4	1 315	-	sole ownership	2021		1 785	3 649	-	-	-	100.0	-	-
Morges, Les Vergers-de-la-Gottaz 1	1 255	-	sole ownership	2003	1995	11 537	3 698	-	-	-	100.0	-	-
Münchenstein, Genuastrasse 11	1 517	-	sole ownership land lease	1993		7 550	10 109	-	21.5	-	-	72.1	6.4
Münchenstein, Helsinkistrasse 12	374	-	sole ownership land lease	1998		4 744	6 592	-	1.4	-	-	90.6	8.0
Niederwangen b. Bern, Riedmoosstrasse 10	2 369	-	sole ownership	1985	2006	12 709	12 855	33.3	13.2	-	-	51.6	1.9
Oberbüren, Buchental 2	394		sold 01.07.2023										
Oberbüren, Buchental 3	141		sold 01.07.2023										
Oberbüren, Buchental 3a	124		sold 01.07.2023										
Oberbüren, Buchental 5	33		sold 01.07.2023										

¹ 1464 m² vacant spaces cannot be let due to a conversion project and are therefore not included in the vacancy rate
² 3733 m² vacant spaces cannot be let due to a conversion project and are therefore not included in the vacancy rate

Properties

Property details as at 31.12.2023	Overview of type of use												
	Target rental and land lease income TCHF	Vacancy rate %	Ownership status	Built	Year of renovation	Site area m ²	Total m ² commercial units, excluding parking	Retail %	Offices, medical practice premises, etc. %	Hotel/gastronomy	Assisted living %	Storage facilities %	Other %
Oberwil BL, Mühlemattstrasse 23	325	-	freehold property land lease	1986		6 200	1 652	75.9	4.2	-	-	18.6	1.3
Oftringen, Spitalweidstrasse 1/shopping centre a1	3 778	0.2	sole ownership	2020	2020	42 031	23 888	78.3	-	0.5	-	20.4	0.8
Olten, Bahnhofquai 18	1 673	0.7	sole ownership	1996		2 553	5 134	-	93.6	-	-	6.4	-
Olten, Bahnhofquai 20	2 091	0.3	sole ownership	1999		1 916	7 423	-	84.8	-	-	14.4	0.8
Olten, Frohburgstrasse 1	290	-	sole ownership	1899	2009	379	1 199	-	78.3	-	-	21.7	-
Olten, Frohburgstrasse 15	594	4.3	sole ownership	1961	1998	596	1 863	-	78.6	-	-	21.4	-
Olten, Solothurnerstrasse 201	222		sold 01.12.2023										
Olten, Solothurnerstrasse 231-235/Usego	1 876		sold 01.12.2023										
Opfikon, Müllackerstrasse 2, 4/Bubenholz	2 107	-	sole ownership	2015		6 169	10 802	-	-	-	100.0	-	-
Ostermundigen, Mitteldorfstrasse 16	1 808	-	sole ownership	2009		7 503	10 925	-	-	-	100.0	-	-
Otelfingen, Industriestrasse 19/21	7 575	9.3	sole ownership	1965	2000	101 933	78 782	-	15.9	-	-	80.8	3.3
Otelfingen, Industriestrasse 31	964	0.3	sole ownership	1986	1993	12 135	11 796	-	31.3	0.4	-	66.3	2.0
Payerne, Route de Bussy 2	1 247	-	sole ownership	2006		12 400	6 052	83.6	4.3	-	-	10.9	1.2
Petit-Lancy, Route de Chancy 59	7 065	33.0	sole ownership	1990		13 052	22 759	-	68.6	6.3	-	23.6	1.5
Pfäffikon SZ, Huobstrasse 5	2 902	-	sole ownership	2004		7 005	11 660	-	-	-	100.0	-	-
Regensdorf, Riedthofstrasse 172-184/Iseli-Areal	1 631	9.6	sole ownership	2009		25 003	13 603	-	8.3	-	-	70.5	21.2
Richterswil, Gartenstrasse 7, 17/Etzelblick 4	2 147	-	sole ownership	2022		6 417	8 167	-	-	-	100.0	-	-
Romanel, Chemin du Marais 8	1 049	-	sole ownership	1973	1995	7 264	6 694	88.1	-	-	-	11.3	0.6
Schlieren, Zürcherstrasse 39/JED ³	7 254	8.6	sole ownership	2003	2021	18 845	24 677	-	76.7	8.3	-	8.7	6.3
Spreitenbach, Industriestrasse/Tivoli	521	-	freehold property	1974	2010	25 780	980	87.2	-	-	-	12.8	-
Spreitenbach, Müslistrasse 44	236	-	sole ownership	2002		2 856	516	-	6.9	30.3	-	11.4	51.4
Spreitenbach, Pfadackerstrasse 6/Limmatpark	4 586	10.6	sole ownership	1972	2003	10 318	28 437	62.5	27.1	-	-	7.4	3.0
St. Gallen, Zürcherstrasse 462-464/Shopping Arena	14 947	1.3	sole ownership parking 73/100 co-ownership	2008		33 106	39 362	56.3	9.7	11.3	-	20.2	2.5
Sursee, Moosgasse 20	-		sold 01.01.2023										
Thônex, Rue de Genève 104-108	4 643	1.1	sole ownership	2008		9 224	11 452	54.7	3.1	3.5	-	13.0	25.7
Thun, Bälliz 67	848	16.5	sole ownership	1953	2001	875	3 128	20.4	62.4	2.1	-	11.3	3.8
Thun, Göttibachweg 2-2e, 4, 6, 8	2 303	-	sole ownership land lease	2003		14 520	11 556	-	-	-	100.0	-	-
Uster, Poststrasse 10	393	0.7	sole ownership	1972	2012	701	1 431	-	78.4	-	-	21.6	-
Uster, Poststrasse 12	196	10.4	sole ownership	1890		478	673	35.7	6.7	-	-	-	57.6
Uster, Poststrasse 14/20	462	1.9	sole ownership	1854	2000	2 449	3 191	63.4	12.5	3.8	-	19.5	0.8
Vernier, Chemin de l'Etang 72/Patio Plaza	3 903	49.5	sole ownership	2007		10 170	13 530	-	81.9	-	-	17.3	0.8
Vevey, Rue de la Clergère 1	751	-	sole ownership	1927	1994	717	3 055	-	88.8	-	-	11.2	-
Wabern, Nesslerenweg 30	431		sold 01.06.2023										
Wil, Obere Bahnhofstrasse 40	-		sold 01.01.2023										
Winterthur, Theaterstrasse 15a-c, 17	8 469	7.0	sole ownership	2004		15 069	37 231	-	71.3	0.5	-	22.0	6.2
Winterthur, Untertor 24	408	-	sole ownership	1960	2006	290	1 364	-	69.9	-	-	30.1	-
Worblaufen, Alte Tiefenastrasse 6	7 763	-	sole ownership	1999		21 804	37 170	-	87.4	-	-	12.6	-
Zollikofen, Industriestrasse 21	1 639	-	sole ownership	2003	2016	2 906	7 263	-	73.6	3.1	-	23.3	-
Zollikon, Bergstrasse 17, 19	606	3.5	sole ownership	1989	2004	1 768	2 126	-	70.2	-	-	29.8	-
Zollikon, Forchstrasse 452-456	645	-	sole ownership	1998		2 626	2 251	-	68.4	-	-	31.6	-
Zuchwil, Dorfackerstrasse 45/Birchi Centre	2 283	19.9	sole ownership land lease	1997		9 563	13 277	62.8	1.4	14.5	-	12.2	9.1

³ Reclassified from properties under construction to investment properties after new construction

Properties

Property details as at 31.12.2023	Overview of type of use												
	Target rental and land lease income TCHF	Vacancy rate %	Ownership status	Built	Year of renovation	Site area m ²	Total m ² commercial units, excluding parking	Retail %	Offices, medical practice premises, etc. %	Hotel/gastronomy	Assisted living %	Storage facilities %	Other %
Zug, Zählerweg 4, 6/Dammstrasse 19/ Landis + Gyr-Strasse 3/Opus 1	5 975	0.6	sole ownership	2002		7 400	16 035	-	90.5	-	-	9.5	-
Zug, Zählerweg 8, 10/Dammstrasse 21, 23/Opus 2	7 823	0.7	sole ownership	2003		8 981	20 089	-	91.3	-	-	8.7	-
Zurich, Affolternstrasse 52/MFO building	-	-	sole ownership	1889	2012	1 367	2 776	-	53.1	25.8	-	21.1	-
Zurich, Affolternstrasse 54, 56/Cityport	9 478	-	sole ownership	2001		9 830	23 529	-	92.0	-	-	7.7	0.3
				1942-									
Zurich, Albisriederstrasse 203, 207, 243	1 899	12.2	sole ownership	2003		13 978	11 623	-	60.8	22.7	-	15.4	1.1
Zurich, Albisriederstrasse/Rütiwiesweg/YOND	5 823	0.2	sole ownership	2019		9 021	18 506	4.4	89.1	-	-	6.3	0.2
Zurich, Bahnhofstrasse 42	2 562	-	sole ownership	1968	1990	482	2 003	42.7	44.6	-	-	12.7	-
Zurich, Bahnhofstrasse 69	1 863	8.2	sole ownership	1898	2007	230	1 127	10.8	74.7	-	-	14.2	0.3
Zurich, Bahnhofstrasse 106	1 642	3.1	sole ownership	1958		200	1 208	11.7	53.3	-	-	35.0	-
				1966-	2013-								
Zurich, Beethovenstrasse 33, Dreikönigstrasse 24	3 940	-	sole ownership	1968	2016	1 347	5 786	-	85.7	2.1	-	11.3	0.9
					2015-								
Zurich, Brandschenkestrasse 25	8 250	-	sole ownership	1910	2017	3 902	17 164	-	-	70.6	-	29.4	-
Zurich, Carl-Spitteler-Strasse 68/70	4 213	-	sole ownership	1993		11 732	19 343	-	-	-	100.0	-	-
Zurich, Etzelstrasse 14	1 243	-	sole ownership	2017		1 809	2 135	-	-	-	100.0	-	-
				2013-									
Zurich, Flurstrasse 55/Medienpark	6 469	3.7	sole ownership	1979	2015	8 270	24 162	1.7	70.4	4.1	-	23.7	0.1
Zurich, Flurstrasse 89	485	-	sole ownership	1949	2003	2 330	3 331	-	12.0	-	-	88.0	-
Zurich, Fraumünsterstrasse 16	4 993	0.9	sole ownership	1901	2017	2 475	8 588	15.4	73.9	-	-	10.7	-
Zurich, Giesshübelstrasse 15	1 379	0.9	sole ownership	1956	1999	1 713	2 854	-	88.2	-	-	11.8	-
Zurich, Hagenholzstrasse 60/SkyKey	11 556	-	sole ownership	2014		9 573	41 251	-	86.0	9.8	-	4.2	-
Zurich, Hardstrasse 201/Prime Tower	24 284	2.2	sole ownership	2011		10 451	48 097	0.7	87.4	5.5	-	6.3	0.1
				1929-									
Zurich, Hardstrasse 219/Eventblock Maag	1 194	3.5	sole ownership	1978		9 507	7 183	-	21.7	-	-	76.2	2.1
				1962/									
Zurich, Josefstrasse 53, 59	4 120	0.7	sole ownership	1972	2001	2 931	12 188	5.6	77.8	1.4	-	14.7	0.5
Zurich, Juchstrasse 3/West-Log	3 283	13.2	sole ownership	2021		7 733	17 343	1.3	43.2	-	-	54.7	0.8
				1900/									
Zurich, Jupiterstrasse 15/Böcklinstrasse 19	965	-	sole ownership	1995	1996	1 630	1 829	-	-	-	100.0	-	-
Zurich, Kappenbühlweg 9, 11/Holbrigstrasse 10/ Regensdorferstrasse 18a	3 121	-	sole ownership	1991		9 557	14 790	-	-	-	100.0	-	-
Zurich, Maagplatz 1/Platform	7 195	-	sole ownership	2011		5 907	20 310	2.1	91.1	0.5	-	6.3	-
Zurich, Manessestrasse 85	2 339	16.9	sole ownership	1985	2012	3 284	8 285	-	71.2	-	-	24.6	4.2
Zurich, Müllerstrasse 16, 20 ³	2 775	-	sole ownership	1980	2023	3 864	15 897	-	86.5	-	-	10.9	2.6
Zurich, Nansenstrasse 5/7	2 395	1.2	sole ownership	1985		1 740	5 863	39.1	27.0	-	-	6.2	27.7
Zurich, Ohmstrasse 11, 11a	2 289	-	sole ownership	1927	2007	1 970	6 031	54.7	23.4	2.2	-	15.8	3.9
				sole ownership bought 01.12.2023									
Zurich, Pfingstweidstrasse 51/Fifty-One	549	-	sole ownership	2011		6 195	20 649	-	100.0	-	-	-	-
Zurich, Querstrasse 6	185	-	sole ownership	1927	1990	280	563	7.6	5.7	-	-	-	86.7
Zurich, Restelbergstrasse 108	366	-	sole ownership	1936	1997	1 469	672	-	-	-	100.0	-	-
Zurich, Seidengasse 1/Jelmoli	27 300	-	sole ownership	1898	2010	6 514	36 770	64.6	3.7	13.3	-	12.8	5.6
Zurich, Siewerdstrasse 8	1 173	-	sole ownership	1981		1 114	3 687	-	91.1	-	-	8.9	-
Zurich, Sihlstrasse 24/St. Annagasse 16	1 712	5.0	sole ownership	1885	2007	1 155	2 799	3.9	70.7	15.5	-	6.2	3.7
Zurich, Steinmühleplatz 1/St. Annagasse 18/Sihlstrasse 20	3 873	0.3	sole ownership	1957	1999	1 534	6 277	10.9	67.7	2.2	-	18.0	1.2
				sole ownership with conces- sion									
Zurich, Steinmühleplatz/Jelmoli parking	3 003	-	sole ownership	1972	2009	1 970	84	100.0	-	-	-	-	-
Zurich, Talacker 21, 23	3 106	2.3	sole ownership	1965	2008	1 720	4 903	9.6	64.2	-	-	26.2	-
				1942/ 1972/									
Zurich, Vulkanstrasse 126	250	-	sole ownership	1979		4 298	2 273	-	17.1	-	-	82.9	-
Total properties	468 349	3.9				105 590	1 592 278	16.2	44.3	7.2	7.6	21.6	3.1

³ Reclassified from properties under construction to investment properties after new construction

Building land

	Property details as at 31.12.2023						Overview of type of use						
	Target rental and land lease income TCHF	Vacancy rate %	Ownership status	Built	Year of renovation	Site area m ²	Total m ² commercial units, excluding parking	Retail %	Offices, medical practice premises, etc. %	Hotel/gastronomy	Assisted living %	Storage facilities %	Other %
Augst , Rheinstrasse 54	106	-	sole ownership			10 958	1	-	-	-	-	-	100.0
Dietikon , Bodacher	23	-	sole ownership			13 293	1375	-	-	-	-	-	100.0
Dietikon , Bodacher/Im Maienweg	-	-	sole ownership			4 249	4 240	-	-	-	-	-	100.0
Dietikon , Bodacher/Ziegelägerten	10	-	sole ownership			3 740	4 324	-	-	-	-	-	100.0
Meyrin , Route de Pré-Bois	35	-	sole ownership			10 183	372	-	79.0	-	-	-	21.0
Niederwangen b. Bern , Riedmoosstrasse 10	-	-	sole ownership			5 895	-	-	-	-	-	-	-
Oberbüren , Buchental/parking	15	-	sole ownership										
Spreitenbach , Joosacker 7	37	-	sole ownership			16 256	7 759	-	-	-	-	-	100.0
Wangen b. Olten , Rickenbacherfeld	-	-	sole ownership										
Zurich , Oleanderstrasse 1	52	-	sole ownership			1 354	1 360	-	-	-	-	-	100.0
Total building land	278	-				65 928	19 431	-	1.5	-	-	-	98.5

Properties under construction and development sites

Property details as at 31.12.2023	Overview of type of use												
	Target rental and land lease income TCHF	Vacancy rate %	Ownership status	Built	Year of renovation	Site area m ²	Total m ² commercial units, excluding parking	Retail %	Offices, medical practice premises, etc. %	Hotel/gastronomy	Assisted living %	Storage facilities %	Other %
Basel, Hochbergerstrasse 60/Stückli Park	5 874	14.3	sole ownership			10 222	30 421	-	42.9	0.1	-	57.0	-
Basel, Steinenvorstadt 5	300	-	sole ownership	1980		511	4 246	62.6	10.0	-	-	26.5	0.9
Berne, Stauffacherstrasse 131/Bern 131	-	-	sole ownership			8 237	-	-	-	-	-	-	-
Lancy, Esplanade de Pont-Rouge 5, 7, 9/Alto Pont-Rouge	883	-	sole ownership with 14/100 co-ownership			5 170	31 841	11.0	78.8	-	-	10.2	-
Olten, Solothurnerstrasse 201a/USEGO-Park	-	-	sold 15.12.2023										
Paradiso, Riva Paradiso 3, 20/Du Lac	-	-	sole ownership partial land lease			3 086	-	-	-	-	-	-	-
Plan-les-Ouates, Route de la Galaise 11A, 11B/Espace Tourbillon building A ⁴	-	-	38/1000 co-ownership			-	-	-	-	-	-	-	-
Schlieren, Zürcherstrasse 39/JED Neubau	-	-	sole ownership			7 897	-	-	-	-	-	-	-
Total properties under construction and development sites	7 057	11.9				35 123	66 508	9.3	58.0	-	-	32.6	0.1
Overall total	475 684					1157 031	1678 217	15.7	44.2	6.9	7.3	21.8	4.1

⁴ Sale 74/1000 of building A in year 2023, remaining 38/1000 of building A are trading properties

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Swiss Prime Site's
property portfolio will be
climate-neutral by 2040.
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