

SWISS PRIME SITE

2020

— INTEGRATED REPORT

Integrated Report

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Key figures

792.9

million CHF operating income¹
–37.0% year-on-year

1728

employees¹
–73.4% year-on-year

15.3

billion CHF real estate assets
under management
+9.3% year-on-year

610.4

million CHF profit
+0.3% year-on-year

28.6

percentage of women on
the Board of Directors,
unchanged year-on-year

1.7

million m² rental space
+4.3% year-on-year

47.8

Equity ratio
+7.7% year-on-year

20.0

percentage of women on the
Executive Board
+20.0% year-on-year

5.1

percent vacancy rate
+8.5% year-on-year

19.9

kg CO₂e/m² emission
intensity of the property
portfolio (Scope 1–3)
–7.0% year-on-year

3.0

absentee rate
–44.4% year-on-year

2.0

billion CHF project pipeline
unchanged year-on-year

¹ Sale of the Tertium Group on 28 February 2020

Our strengths at a glance



Integrated business model

Swiss Prime Site invests in high-quality land, properties and locations. These, together with conversions and developments of entire sites, make up the Company's core business. We create living spaces for our customers and society as a whole that are future-proof and in line with market requirements.



First-class locations

The fair value of our high-quality properties is CHF 12.3 billion. The portfolio consists of properties with a stable value in prime locations, primarily with office and retail floor space in the most densely populated regions and cities in Switzerland. The vacancy rate is 5.1%.



Generating sustainable value

As a company focused on the long-term, we invest across the group and at all levels of value creation in innovation, with the aim of a sustainable reduction in our resource use and a long-term increase in our financial success.



Attractive profitability

The existing property portfolio shows an attractive net yield of 3.2%. Swiss Prime Site achieves a return on equity of 10.6%. The project pipeline for the coming years comprises numerous projects with an investment volume of around CHF 2 billion.



Focusing on the customer

For Swiss Prime Site, our customers and their needs are at the centre of our business. The Company develops tailor-made products and solutions that continue to meet our customers' needs, thereby increasing their satisfaction and strengthening our relationship.



High share liquidity

Swiss Prime Site is the largest stock exchange-listed real estate company in Switzerland, with market capitalisation of over CHF 6 billion. The approximately 76 million registered shares have a free float of 100% and high liquidity on the SIX Swiss Exchange.



Stable financing

The Company has stable, long-term financing through debt and shareholders' equity. The equity ratio is 47.8%. Borrowed capital is composed of a balance of different instruments including mortgages, loans and traditional and long-term bonds. The loan-to-value ratio is 41.9%.



Equitable dividend policy

The Board of Directors pursues an equitable dividend policy. The target range of the payout ratio is between 80–100% of the adjusted EPRA EPS. In special situations, the Board of Directors may deviate from this policy.



Dear Shareholders,

Almost exactly a year ago, a challenging time began for us all. In the middle of lockdown, I became Chairman of the Swiss Prime Site Board of Directors. The social and political uncertainties brought about by COVID-19 have not made it easy to weather the crisis. For the management and Board of Directors, the wellbeing and safety of our employees and customers was our priority. Despite not being physically together, we created momentum and successfully coped with this extraordinary year. Swiss Prime Site ends the year with a positive operating result of CHF 762.3 million. Profit was CHF 610.4 million. The Board of Directors will propose to the 2021 Annual General Meeting a dividend of CHF 3.35.

At the beginning of the crisis, the entire Board of Directors held a weekly conference call with the management team. In early summer, we adjusted the pace in view of the slightly more relaxed situation. Swiss Prime Site's management has successfully guided the core Real Estate business and the group companies Swiss Prime Site Solutions, Wincasa and Jelmoli through this period.

In the second half of 2020, the Board of Directors tackled Swiss Prime Site's key strategic topics, taking into account the change in market conditions. They looked at issues around corporate structure, portfolio size and profitability as well as hurdles and opportunities for the business. Together with management, they developed a strategy based on the two strong company pillars – Real Estate and Services.

We are not seeking to materially change the size of the property portfolio from its current CHF 12 billion. However, we do want to increase profitability through targeted initiatives. This resulted in four strategic priorities. Firstly, the attractive project pipeline will continue to be implemented. This includes leveraging the potential of densification and land reserves as well as divesting projects, or parts of them, by way of «capital recycling». Secondly, the composition of types of use in the portfolio will be adjusted. The objective is to minimise risks and remain agile in the face of market changes. Thirdly, the portfolio will be actively optimised. This includes developing real estate or divesting properties and sites in less optimal locations in order to release capital. Fourth, vacancies will continue to be kept at a low level.

These initiatives will make a substantial contribution towards further increasing the net yield of the core business and increasing the resilience of the portfolio in question.

After the successful divestment of Tertium, the Services business will look at further honing its profile. The most important strategic decision here will relate to the group company Swiss Prime Site Solutions. The real estate asset manager will expand its business model to include fund products, thereby significantly extending its range of services. This strategy will result in significant growth. Wincasa will continue to press forward with the transformation towards a digital business model and will be able to significantly increase profitability once again in the medium term. At Jelmoli, a range of strategic options have been reviewed and measures defined to enable the group company to achieve a break-even result by 2023.

Five years ago, Swiss Prime Site started a process of renewal within the Board of Directors. My nomination and election, like that of other colleagues on the Board, has been the result of this process, which is still ongoing. We are pleased to propose to the shareholders at the forthcoming Annual General Meeting that Barbara A. Knoflach be accepted onto the Board as a replacement for Rudolf Huber.

I am thrilled to have been Chairman of such a dynamic and innovative company for the last year. It fills me with particular confidence that Swiss Prime Site is so committed to sustainability and is embedding this principle across different levels of the value-added process. An excellent example of this is the green bond, launched in autumn 2020. Both our business areas provide us with good long-term potential and a robust business model that remains resilient even in difficult times, such as those we have experienced in 2020. I therefore look to the future with optimism and confidence.

I would like to thank you, our valued shareholders, customers and partners, for your trust and support. My thanks also go to all employees and the management across the entire Swiss Prime Site Group.



Ton Büchner
Chairman of the Board of Directors



A successful year marked by the pandemic

2020 was a year that demanded much from us, both as people and as a community, and presented us with many challenges. The COVID-19 pandemic and its implications significantly impacted our social lives and our economy. The resulting «quake» was clearly and immediately felt both by the Swiss real estate industry and by us – the country's largest listed real estate company. However, the crisis also presented us with opportunities: Swiss Prime Site worked with its customers to take swift and efficient action and find solutions. Internal processes were optimised with and for employees and real estate projects were advanced well, despite the tough conditions.

Despite the adverse circumstances, the 2020 financial year was successful for Swiss Prime Site, with overall positive results. One important milestone was the strategic sale of the Tertianum Group, completed in the first quarter of the reporting year. The impact of this structural change within the group resulted in an operating income of CHF 792.9 million [CHF 1 258.8 million]. EBIT, however, rose by 21.3% to CHF 762.3 million. The sale of Tertianum contributed significantly to the pleasing result, adding CHF 204.2 million. This includes real estate portfolio revaluations of CHF 203.4 million [CHF 203.4 million]. Considering the economic and social uncertainties, this is an impressive result and reflects the high-quality locations in the portfolio. The total fair value of all properties held by Swiss Prime Site as at the end of 2020 is CHF 12.3 billion. The Company generated a profit of CHF 610.4 million [CHF 608.5 million]. While in 2019 the release of deferred tax liabilities due to cantonal tax rate reductions still had a significant impact totalling CHF 172.5 million, this value was only CHF 7.1 million in 2020. Excluding the effect of revaluations and deferred taxes, the group's profit rose by 51.0% to CHF 476.6 million compared with the previous year.

Coronavirus and its consequences

The 2020 financial year started with positive signs. Reports of the new «coronavirus» in Asia increased significantly only as it started to spread in Europe, and then in our close neighbour, Italy. The virus, case numbers and the potential impact on the Swiss economy and society were the key topic of discussion in the media when the first infections appeared in Ticino at the end of February. The measures to protect the population declared a few weeks later by national and international gov-

ernments had far-reaching consequences for Switzerland's economic growth and the real estate market. Bans on gatherings, school and shop closures and the urgent recommendation to stay at home, and work from home, brought public life to a standstill for two months. Relaxations to the restrictions did not come into effect until the end of April, with further steps in the middle of May and then the beginning of June. These ushered in the first, tentative «normalisation phase». The pandemic and the associated government directives, however, had a severe impact on the country's economic performance. Many companies, and particularly the self-employed, needed emergency loans from the government to keep their head above water.

Swiss Prime Site and its group companies Swiss Prime Site Immobilien, Swiss Prime Site Solutions, Wincasa and Jelvoli were strongly impacted by the strict measures. The main impact was on work processes and general procedures, some of which needed to be completely restructured. On the other hand, Jelvoli, for example, had to shut down almost its entire operations during lockdown. Government directives had a significant impact on individual group companies as well as the group's operating result. After the first few cases appeared in Switzerland, Swiss Prime Site formed the «Corona» working group. It included decision makers from Swiss Prime Site Immobilien, Swiss Prime Site Solutions, Wincasa, Jelvoli and key departments. The group's aim is to safeguard the health of all employees while still ensuring that business processes can continue. To that end, the group companies' work force were recommended or in some cases instructed to work fully or partly from home where possible. Due to the lockdown, Swiss Prime Site Immobilien, Swiss Prime Site Solutions and Wincasa received a total of more than 3000 tenant enquiries; despite the challenging political circumstances, these were nearly all dealt with individually and a solution found that satisfied all parties. The majority of the enquiries were from tenants in the non-food retail, gastronomy and hotel sectors. Most customers were offered the option of deferring their rent, giving them some extra time. Customers with monthly rent up to CHF 5000 or CHF 15000 respectively were offered substantial support in the form of gradual rent waivers or reductions. In the process, Swiss Prime Site waived rental income, providing support in a difficult time to key tenant groups who were significantly affected. Across the group, almost all requests were resolved individually. Jelvoli had to shut all spaces except the food department and put all sales employees on short-time working hours. The almost total closure of the premium department store for two months had far-reaching consequences on revenue and results. Even though there was a significant recovery effect from the middle of the year, it was not possible to offset the deficit caused by the closure in the reporting year.

«Despite the adverse circumstances, the 2020 financial year was successful for Swiss Prime Site, with overall positive results.»

In autumn 2020, the «second wave» of the pandemic arrived. For some regions (particularly Western Switzerland) and branches of industry (sporting and cultural events), this had drastic consequences. Generally speaking, due to the relatively reasonable restrictions on public life, economic prospects were not further dampened, with mid-year results in line with expected results for the reporting year.

Real Estate segment

In view of the circumstances, the Real Estate segment performed well in the reporting year. Operating income was CHF 482.9 million [CHF 519.5 million]. The fall in rental income to CHF 431.0 million (–1.4%) is due to the concessions granted to tenants who were significantly impacted by the pandemic. In terms of the operating result, the segment reported EBIT of CHF 555.0 million [CHF 572.9 million]. This includes profits from sold portfolio and development properties amounting to CHF 34.8 million. The fair value of the property portfolio rose to CHF 12.3 billion. The increase of CHF 557.2 million is due to completed projects added to the stock and the significant revaluation gains mentioned previously. The vacancy rate increased year on year from 4.7% to 5.1%, although that still marks a substantial improvement compared with the mid-year level of 5.4%. This achieved the subgoal of bringing the vacancy rate back down to within reach of 5%. This is because, despite the lockdown, modern, flexible properties in optimal locations for a range of types of use remained attractive to tenants and were in demand. Overall in 2020, Swiss Prime Site let or re-let around 85 000 m² (5.1% of the total space) and re-negotiated or extended expiring agreements. We also handed over large spaces in completed projects to anchor tenants throughout the year. YOND in Zurich is fully let except for two small spaces. After the hand-over of apartments to over 140 tenants in the Schönbürg building in Berne, a hotel, food shop and fitness centre were completed on the site in spring. In the north of Basel city, the major «Stücki Park» project made further important progress. The completion of the Stücki Village, the multiplex cinema, connecting sky walk and the first two new laboratory and office buildings mark milestones that position the site for long-term success. In JED in Schlieren, too, the attractive and modern spaces were handed over as agreed to the two key tenants, Zühlke and Halter. The building permit

has been issued for the new building. To further increase the sustainability of the building, which has been planned without ventilation, cooling or heating, the building will be constructed using the secondary building material «zirkulit». This is the first large-scale production of recycled concrete in Switzerland. To make the JED site even more appealing and further raise its profile, a comprehensive event and gastronomy concept has been developed, and in consultation with the Schlieren authorities, the tram stop next to the site has been renamed «JED». Anchor tenant Elektro-Material AG started business from the West-Log building in Zurich in the second half of the year.

«The portfolio vacancy rate was noticeably reduced over the six months, from 5.4% to 5.1%. This achieved the subgoal of bringing the vacancy rate back down within reach of 5%.»

Despite the unique circumstances in the 2020 financial year, projects under construction continued with almost no delays. At the end of the reporting year, the project pipeline included projects under construction with an investment volume (including land) of CHF 1 080 million. Further projects with an investment volume (including land) of CHF 640 million are in development. Building permits have been issued for the projects Alto Pont-Rouge in Geneva, the JED new build in Schlieren, Stücki Park II in Basel and Tertianum in Lugano-Paradiso. Due to the unusual situation, marketing activities in 2020 could not be carried out in full. Based on the attractiveness of the properties and sites, Swiss Prime Site expects good market take-up of the spaces. The planning application for the modification of the building on Müllerstrasse in Zurich, which is already let, has been submitted. The architecture competition for the new development at the Maag site in Zurich has taken place. Two entries are now being thoroughly assessed, with a decision expected in the first half of 2021.

Services segment

The cumulative operating income of the segment, comprising the group companies Swiss Prime Site Solutions, Wincasa and Jelmoli and, for two months, Tertianum, amounted to CHF 378.2 million. The significant difference compared to the previous year is due to two special effects. Firstly, Tertianum was sold and deconsolidated at the end of February 2020. Secondly, Jelmoli's revenue was significantly impacted by the pandemic and the associated lockdown and closure of the premium department store. The operating result (EBIT) was CHF 207.3 million compared to CHF 55.5 million in 2019. This exceptionally positive result was due to the profit of divestment of CHF 204.2 million from the Tertianum Group transaction.

In the reporting year, the real estate asset manager Swiss Prime Site Solutions significantly enhanced its profile, strengthened its organisation with the addition of more experts and started the gradual expansion of planned services for existing customers. The decision was also taken to further expand the product range. Three capital increases and associated acquisitions and the consolidation of immoveris increased the assets under management from CHF 2.3 billion at the end of 2019 to CHF 3.0 billion.

In a tight market, the integrated real estate services provider Wincasa increased assets under management to CHF 72.0 billion. In light of the current situation, this is a considerable achievement. The pandemic also left behind clear traces in the group company's income statement. Handling more than 2000 tenant enquiries resulted in significant additional expenses and personnel costs. At the same time, the whole organisation is involved in the ongoing transformation and digitalisation of the business model. This has two key objectives. Firstly, to significantly simplify, modernise and automate residential services. Secondly, to expand the range of services for major customers in the area of sites and centre management.

«The changes effected in the autumn are intended to make the Swiss Prime Site Group more sustainable and more resilient to market distortions and possible further exceptional events.»

In addition to coping with the pandemic, Jelmoli conducted a review of their strategy and, as a result, worked more on their range, customer focus and presence. Major changes have taken place under the new management, the impact of which should already be felt in 2021. As well as the main location in Zurich, Jelmoli has also operated two smaller locations at Zurich Airport since 2020. Due to the pandemic, these were either closed shortly after they had started operating (Airside) or fully opened after a delay (Circle). The planned opening of the new online store was postponed to spring 2021. Jelmoli's management hopes that these three new «locations» will give the business significant momentum and bring positive results.

Strategic adaptation

The Board of Directors of Swiss Prime Site worked with the management to adapt the group's strategic alignment. This adaptation was clearly necessary after the successful sale of Tertianum and has gained momentum over the course of an exceptional 2020. The changes effected in the autumn are intended to make the Swiss Prime Site Group more sustainable and more resilient to market distortions and further exceptional events. Specifically, it was agreed that the portfolio of first-class, value-retaining and attractive properties should remain stable at around CHF 12 billion and the quality of yields should be increased through a range of measures. In terms of the core business, the pipeline will be implemented according to plan. Most projects will be included in the portfolio in order to increase rental income. Where the opportunity presents itself, developments and properties that no longer suit the portfolio will be sold and the resulting capital «recycled» more profitably. Two further initiatives relate to the composition of type of use (reduction in retail proportion) and the medium-term significant reduction in vacancies. In the Services segment, in future there will be a greater focus on real estate asset management and the Swiss Prime Site Solutions group company. Growing the existing investment products and expanding the product range should significantly increase the contribution to the group over the next few years. The transformation of Wincasa and the resulting improvements in operational excellence should return the service provider to its customary profitability. Expanding the Jelmoli locations and further operational steps will lead to a break-even result for the premium department store in the medium term.

«For the 2021 financial year and beyond, the management of Swiss Prime Site expects market opportunities for office floor space to remain sound.»

Outlook

For the 2021 financial year and beyond, the management of Swiss Prime Site expects market opportunities for office floor space to remain sound. This assessment for Switzerland is based on the shortest commuter times in Europe, an occupancy rate for office floor space that was adapted to new working models even before the pandemic and the need for more distancing and common areas. The situation for retail remains challenging. Here, Swiss Prime Site expects continued positive demand for bricks-and-mortar retail in good locations. The retail space portfolio is primarily situated in premium locations. If the general situation for tourism returns to normal in the medium term, there will be good opportunities once again for hotels and events. In view of the development projects that were completed in 2020 and are largely fully let, Swiss Prime Site expects rental income to rise in 2021, subject to unforeseeable upheaval linked to the coronavirus pandemic. The vacancy rate in the portfolio will be reduced to below 5%. On a medium-term horizon, Swiss Prime Site is standing by the targets communicated in October 2020.



René Zahnd, CEO



Board of Directors



Ton Büchner

Chairman

Independent member since 24.03.2020 ³



Mario F. Seris

Vice-Chairman

Independent member since 27.04.2005 ³



Dr. Barbara Frei-Spreiter

Independent member since 27.03.2018 ²



Thomas Studhalter

Independent member since 27.03.2018 ¹



Christopher M. Chambers

Independent member since 22.10.2009 ^{1,2}



Dr. Rudolf Huber

Independent member since 29.04.2002 ¹



Gabrielle Nater-Bass

Independent member since 26.03.2019 ²

Swiss Prime Site's Board of Directors comprises key figures from Switzerland's economy. The years of extensive experience of the individual board members in various fields paves the way for a balanced, long-term-oriented body.

¹ Audit Committee

² Nomination and Compensation Committee

³ Investment Committee

Executive Board



René Zahnd
CEO Swiss Prime Site



Markus Meier
CFO Swiss Prime Site



Peter Lehmann¹
CEO Swiss Prime Site Immobilien



Anastasius Tschopp²
CEO Swiss Prime Site Solutions



Oliver Hofmann
CEO Wincasa



Nina Müller
CEO Jelvoli

Swiss Prime Site's Executive Board comprises the Chief Executive Officers of the group companies Swiss Prime Site Immobilien, Swiss Prime Site Solutions, Wincasa and Jelvoli as well as the group's CEO and CFO.

¹ until 31.12.2020
² as of 01.01.2021



Martin Kaleja²
CEO Swiss Prime Site Immobilien

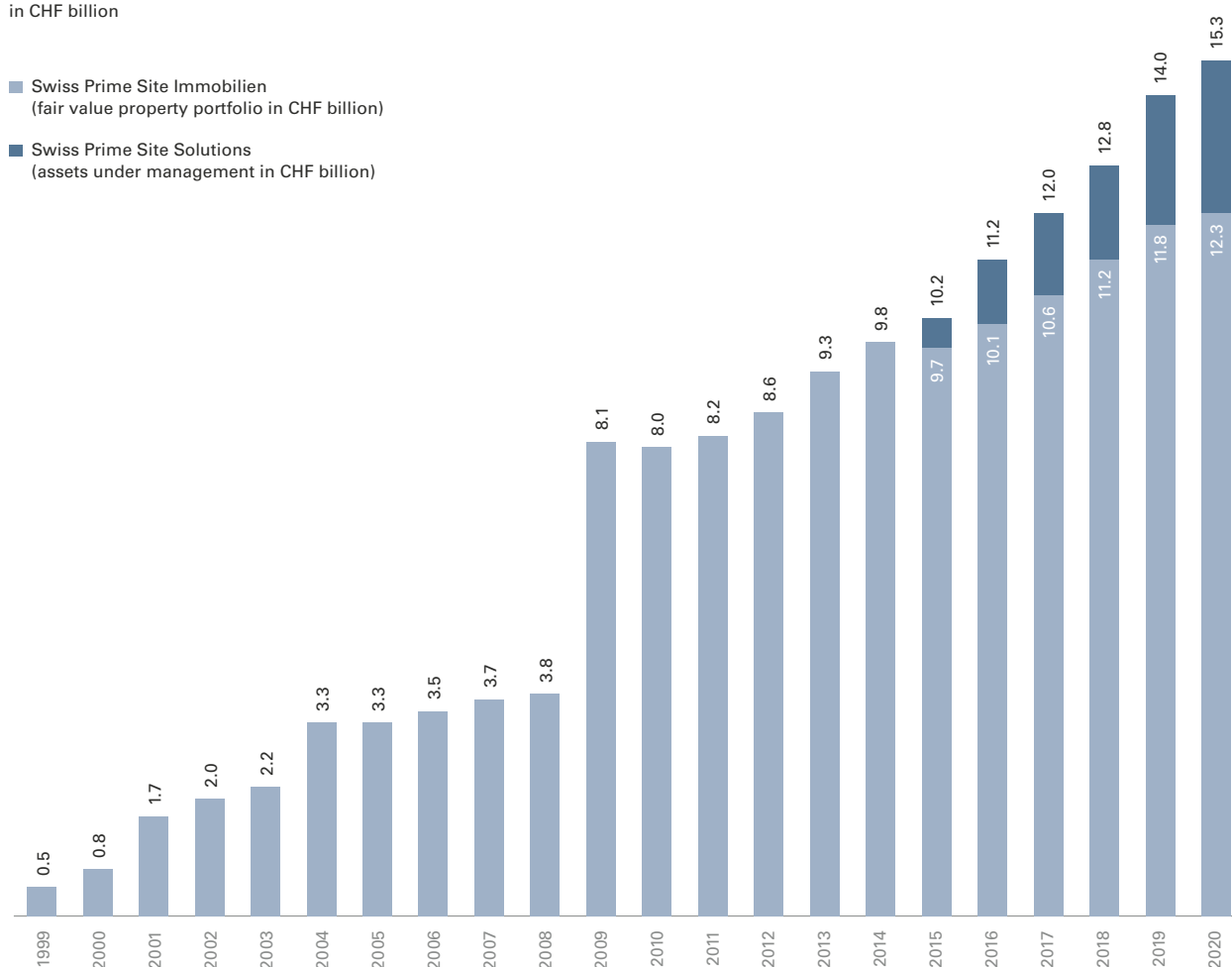
Our success story

Swiss Prime Site was founded in 1999. The Company is the largest stock exchange-listed real estate firm in Switzerland and has a property portfolio currently valued at CHF 12.3 billion. Including Swiss Prime Site Solutions, the real estate assets under management total CHF 15.3 billion.

By means of acquisitions, property developments and conversions, as well as a sharp focus on prime locations, Swiss Prime Site is continuously building up its portfolio. One of the most significant takeovers to date was the acquisition of Maag Holding (2004) with the Maag site in Zurich-West. Prime Tower and the surrounding annex buildings were developed at the site. The acquisition of Jelmoli (2009) doubled the value of the Company's real estate holdings. Swiss Prime Site has also generated additional growth and created premium properties by means of significant developments – such as YOND in Zurich and EspacePost Berne – and conversions of former office floor space, such as Motel One in Zurich and the Schönbürg site in Berne. Together with Swiss Prime Site Solutions (real estate asset management for third parties), Swiss Prime Site manages real estate assets amounting to CHF 15.3 billion (as at 31 December 2020).

Real estate assets under management
in CHF billion

- Swiss Prime Site Immobilien
(fair value property portfolio in CHF billion)
- Swiss Prime Site Solutions
(assets under management in CHF billion)





Prime Tower, Zurich



Jelmoli, Zurich



SkyKey, Zurich



YOND, Zurich



Opus, Zug



Stücki Park, Basel



EspacePost, Berne



Schönburg, Berne



Rue du Rhône 48–50, Geneva



**Our markets,
our engagement,
our material issues**

Our markets

The Swiss real estate market is of primary relevance for the Swiss Prime Site Group and the core real estate business. The most significant influencing factors for the Company include the rental, transactions and capital markets. Other important drivers emanate from the retail trade as well as the demand for real estate asset and property management services.

Rental market

Due to short commuter times, the mobility of the Swiss population recovered extremely quickly after the 2020 spring lockdown compared to Europe. Over the course of the year, office floor space enjoyed brisk use. Increasing space requirements for each employee and more common areas will offset the higher proportion of home workers in the future. This is why the Swiss office market should remain stable. Swiss Prime Site holds retail properties in well-frequented central locations that will continue to enjoy high frequencies and strong demand. Jelmoli's retail floor space was expanded with locations at Zurich Airport and in «The Circle» that will be attractive in the long term. Due to the pandemic and low numbers of tourists, however, the situation for gastronomy spaces and Swiss Prime Site's six city hotels is challenging. Solutions are being sought in close consultation with the tenants. The demand for the urban micro-distribution of goods is likely to increase, creating additional opportunities for Swiss Prime Site. The Company sees great opportunities in urban logistics and is already investing in two promising projects in Geneva and Zurich.

Transactions market

In recent years, the strong demand for investment properties has resulted in significant increases in the value of existing properties, accompanied by compression of yields on the transactions market. In 2020, yields for prime office properties fell further, while remaining stable for retail properties. The main reason for the continuing high level of transaction readiness lies in national and international monetary policy, which reacted to COVID-19 with a range of measures and base rate reductions. Swiss Prime Site took advantage of the considerable interest in investment properties, achieving profitable sales. The Company also invested in its own real estate development projects that, unlike the embattled transactions market, generate above-average net yields of around 5%.

Capital market

In contrast to direct real estate investments, indirect investments suffered a sharp decline due to COVID-19 and have only partly recovered over the course of the year. The pandemic also impacted share prices. Over the course of the year, Swiss Prime Site shares, like many others, suffered losses, ending the year down –19.2% [2019: +47.0%]. In the long term, Swiss Prime Site shares have generated an average annual performance of +7.3% since listing in 2000 – an above-average yield both in the sector and when compared to the market. The fourth quarter of 2020 saw an improvement in the capital market environment following the announcement of the first effective vaccine. Swiss Prime Site used this time to issue a sustainable bond in the amount of CHF 300 million. The bond was issued as a «green bond». This enabled Swiss Prime Site to achieve attractive long-term refinancing, while at the same time further diversifying their financing structure.

Real estate asset management

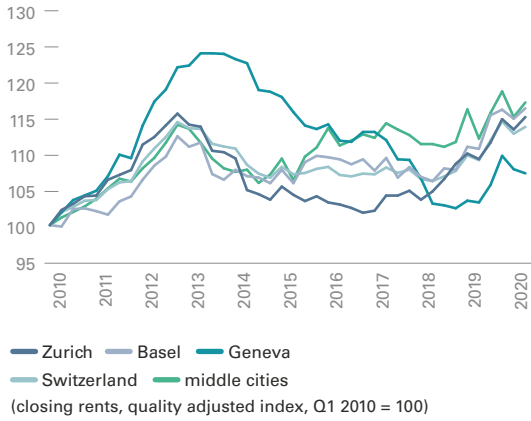
The sale of real estate asset management services remains a structural growth market. The already low interest rate environment should remain at this level for some time due to the central banks continuing their expansive monetary policy. This should further boost demand for innovative, high-yield investment solutions in the real estate sector. Swiss Prime Investment Foundation, whose assets are managed by Swiss Prime Site Solutions, completed a range of capital increases for national and international investments over the past financial year. This enabled the real estate asset manager to significantly expand not only the assets under management, but also the product range and the investor base.

Property management

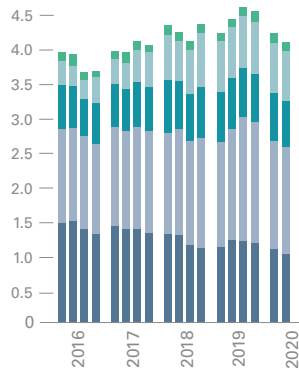
Successful integrated real estate services providers offer solutions throughout the entire real estate life cycle. Opportunities present themselves for agile property managers who demonstrate a high level of automation and digitalisation. Owner portals and tenant or site apps are part of a modern, attractive product range. Wincasa is working with streamnow to drive these developments forward. At the same time, experiences from the current pandemic show that direct contact, both with property owners and tenants, is crucial to finding individual solutions. This calls for an optimum balance between standardisation and individual solutions, to strengthen trust and ensure sustainable profitability.

Rental market: trend in prices and commercial space on offer

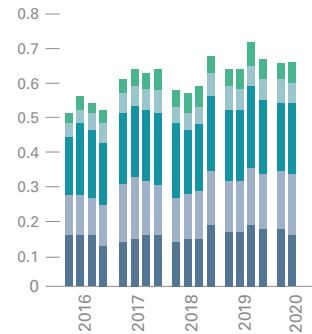
Office space: rental prices



Office



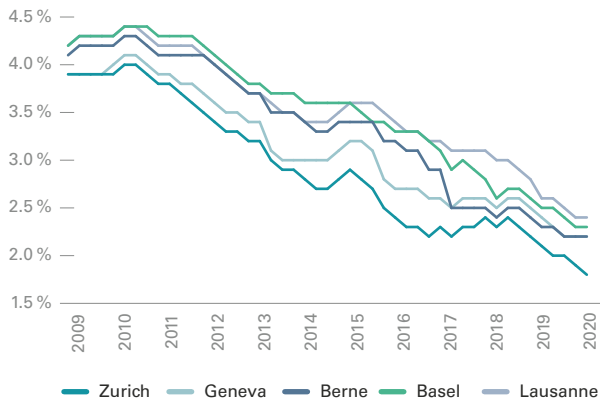
Retail



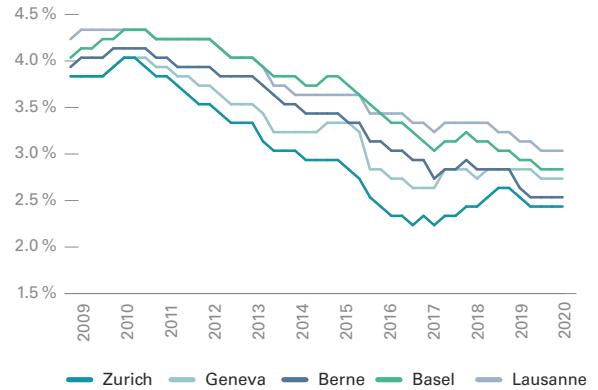
space on offer (in million sqm per quarter)

Transactions market: trend in prime initial yields

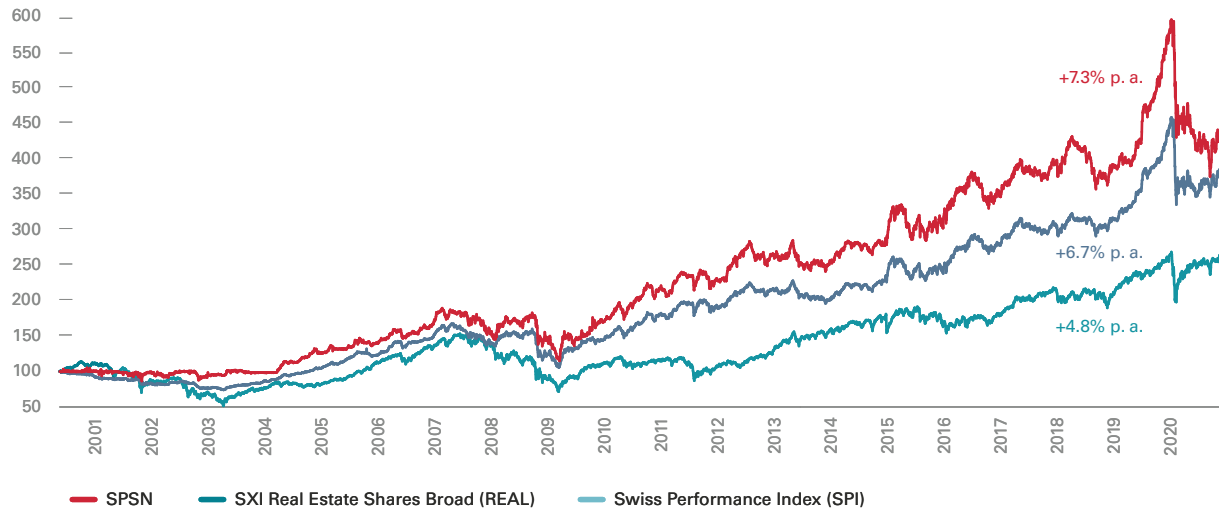
Office



Retail



Capital market: Swiss Prime Site share price performance versus sector and market



Sources: Credit Suisse, Wüest Partner, Swiss Prime Site, Thomson Datastream

Engagement and responsibility

Sustainability is an integral element of Swiss Prime Site's corporate strategy. As part of their business activities, the Company is committed to the transformation into an economy and society that builds on the partnerships between different stakeholders and in which commercial success, human well-being and a careful use of natural resources go hand in hand.

Swiss Prime Site appreciates that a meaningful contribution to SDG 11 can only be made if the Company builds on its strengths. This includes having a clear focus on clients' needs, supporting employees, encouraging an innovative work culture and making investments that increase energy efficiency and reduce CO₂ emissions. Based on these pillars, Swiss Prime Site has developed group-wide, strategic objectives that will be further operationalised within the group companies, leading the way to a successful, sustainable future.

Long-term alignment with the Sustainable Development Goals (SDGs)

Swiss Prime Site sets itself long-term goals based on the Swiss government's Energy Strategy 2050, the Paris Climate Accord and the Sustainable Development Goals (SDGs) of the United Nations. Swiss Prime Site uses the 17 SDGs as a system of reference in which to embed their engagement in the context of global sustainable development. The focus is on seven key objectives to which Swiss Prime Site can contribute by fulfilling its responsibilities in the core business: SDG 4 (Quality Education), SDG 8 (Decent Work and Economic Growth), SDG 9 (Industry, Innovation and Infrastructure), SDG 11 (Sustainable Cities and Communities), SDG 12 (Responsible Consumption and Production), SDG 13 (Climate Action), SDG 17 (Partnerships for the Goals).

The relevant Sustainable Development Goals are also reflected in the material issues defined by Swiss Prime Site that form the basis for the integrated management of financial and non-financial aspects as well as integrated reporting.

Assuming responsibility for safe, resilient and sustainable cities and settlements

Swiss Prime Site considers SDG 11 (Sustainable Cities and Communities) as an appropriate guiding principle for their commercial responsibilities and is committed to safe, resilient and sustainable cities and settlements. This reflects the corporate vision of creating sustainable living spaces, as well as integrating several trends that have a significant impact on the core business. Among others, these include urbanisation, intergenerationality and climate-adapted design of living spaces.









«The integration of key sustainability aspects in the business model not only makes commercial sense, it also reflects Swiss Prime Site's understanding when it comes to recognising the cross-generational responsibility to create and design sustainable living spaces!»

Martin Pfenninger
Head Group Sustainability Swiss Prime Site



READ MORE ABOUT THE
LIVING SPACES OF TOMORROW

SDG	UN goal description	Capital	Material issues Swiss Prime Site
	Ensure inclusive, fair and high-quality education and promote opportunities for lifelong learning for all	Employees	<ul style="list-style-type: none"> – Employee development and satisfaction – Health, safety and well-being
	Promote inclusive and sustainable economic growth, employment and decent work for all	Finance	<ul style="list-style-type: none"> – Risk management and responsible governance – Earnings growth and attractive share
	Build resilient infrastructure, promote sustainable industrialisation and foster innovation	Innovation	<ul style="list-style-type: none"> – Corporate culture, reputation and image – Market orientation – Innovation culture and partnerships – Data use & data protection
	Make cities inclusive, safe, resilient and sustainable	Infrastructure	<ul style="list-style-type: none"> – Contribution to sustainable urban development – Optimum connection of properties – Process optimisation and cost reduction
	Ensure sustainable consumption and production patterns	Ecology	<ul style="list-style-type: none"> – Sustainable procurement/supply chains – Circular economy
	Develop measures to combat climate change and its effects as a matter of urgency	Ecology	<ul style="list-style-type: none"> – Resource consumption and CO₂ emissions – Building certifications and climate-adapted construction
	Revitalise the global partnership for sustainable development	Stakeholders	<ul style="list-style-type: none"> – Customer orientation – Investor relations management

Material issues

In 2019, as part of a comprehensive materiality analysis, Swiss Prime Site determined for the second time since 2017 which issues are particularly important for the further development of integrated management. This enabled the Company to create the basis for the integration of important financial and non-financial issues into the management of the group and defined the strategic focus of integrated reporting (GRI 102-49).

Process for determining the material issues

In the materiality analysis, the aim was to assess how important the particular issue is to the different stakeholders, and to the business success of Swiss Prime Site, and also how important the issue is with regard to the Company's impact on sustainable development. Assessing business relevance as the third dimension ensures that the material issues are closely related to the core business and can be integrated into strategic management.

Swiss Prime Site arranged the issues in order of materiality according to the six capitals of the International Integrated Reporting Council (IIRC). Adopting the capital-based approach reflects the Company's wide-ranging aspiration to create sustainable value for the various stakeholder groups from a wide range of resources.

Integration of internal and external stakeholders

In particular, Swiss Prime Site used the materiality analysis to enter into an ongoing dialogue with different internal and external stakeholders. In addition to management representatives, business partners and clients were also consulted about their priorities. Swiss Prime Site also took into account the findings of the 2019 Stakeholder Panel. The next materiality review is scheduled for 2021 (GRI 102-46).

Inclusion of material issues in goal-setting

The materiality analysis serves as a starting point for Swiss Prime Site to make further improvements to the integrated management of financial and non-financial aspects. In the reporting year, the Company – drawing on the material issues amongst others – defined overall corporate goals, from which they derived measures for the group companies (see Strategy/Sustainability goals). The materiality analysis also defines the focus of this integrated reporting.



«JED has been designed according to our current and future requirements: workstations, work lounges and creative zones. Between the workstations, we install breakout areas and facilities that can be used spontaneously. All the large conference rooms will be located in «The Branch», our co-working space that outside companies will also be able to book.»

Andreas Hänsenberger
Concept Developer, Halter AG



READ MORE ABOUT THE OFFICE
SPACES OF THE FUTURE

Results of the materiality analysis¹

Relevance for stakeholders



Impact on sustainable development

Moderate

High

Very high

Relevance for long-term value creation

¹ A detailed determination of the material issues can be found in the Integrated Annual Report 2019, on page 38–41 (GRI 102-47).

**Our strategy,
our business model,
our value creation**

Strategy

The Swiss Prime Site Group is pursuing its vision of creating sustainable living spaces for society as a whole and for its customers. With its first-class property portfolio worth CHF 12.3 billion and a comprehensive range of services along the real estate life cycle, the company is uniquely positioned to turn this vision into reality, thereby meeting the needs of its customers and society in the long term.

Sustainability as an integral part of the corporate strategy

As Switzerland's largest listed real estate company, Swiss Prime Site is aware of its responsibilities to its customers, employees, the environment and long-term urban development. Sustainability is therefore an integral part of its corporate strategy and business activities, both in the Real Estate and Services segments.

Real Estate: implementing the project pipeline and optimising the portfolio

Investing in properties in prime locations and developing attractive and sustainable sites are Swiss Prime Site's core business. Swiss Prime Site has four strategic priorities for its property portfolio.

Implement and renew the project pipeline

The goal is to implement the attractive project pipeline with an investment volume of around CHF 2 billion.

Adapt the mix of uses

The goal is to significantly adapt the mix of types of use. The target is to increase the share of office use from 44% to around 50% in the medium term, while reducing retail space from 26% to approximately 20%. Other types of use, such as hotel and gastronomy, logistics and industry, and assisted living including residential, are each to account for around 10% of the whole portfolio.

Optimise the portfolio

Swiss Prime Site intends to make even better use of the potential offered by its portfolio. Properties and sites will therefore be improved, repositioned or sold if they lack potential. With the size of the property portfolio at around CHF 12 billion, Swiss Prime Site does not aim for any significant changes.

Vacancy management

Through active vacancy management, Swiss Prime Site aims to achieve a vacancy rate towards 4% in the medium term.

Services: growth in assets under management and profitability

With its group companies Swiss Prime Site Solutions, Wincasa and Jelmoli, the company has strong providers of services that are in high demand within the environment of its real estate core business, the group as well as third-party customers and that strengthen its business model.

Grow existing and develop new investment products

In the medium term, Swiss Prime Site Solutions is aiming to achieve significant growth in asset management for third-party customers. The product range is to be expanded and assets under management increased to around CHF 7 billion by 2025. At the same time, the aim is to increase the EBIT contribution to CHF 30 million. The announcement of the new «Living+ Europe» investment group for the customer Swiss Prime Investment Foundation is the first step towards implementing the necessary measures.

Successfully transform the business model

The focus for Wincasa is on transforming its business model. The services for residential uses are to be digitalised and therefore mostly automated, while the services in business with major customers are to be expanded to include site and centre management.

Best ownership and break-even operating result

Jelmoli is aiming to achieve a break-even operating result in the challenging retail business by 2023.

This means that, following the sale of Tertianum, the Services segment will again contribute a significant operating result to the group in the medium term.

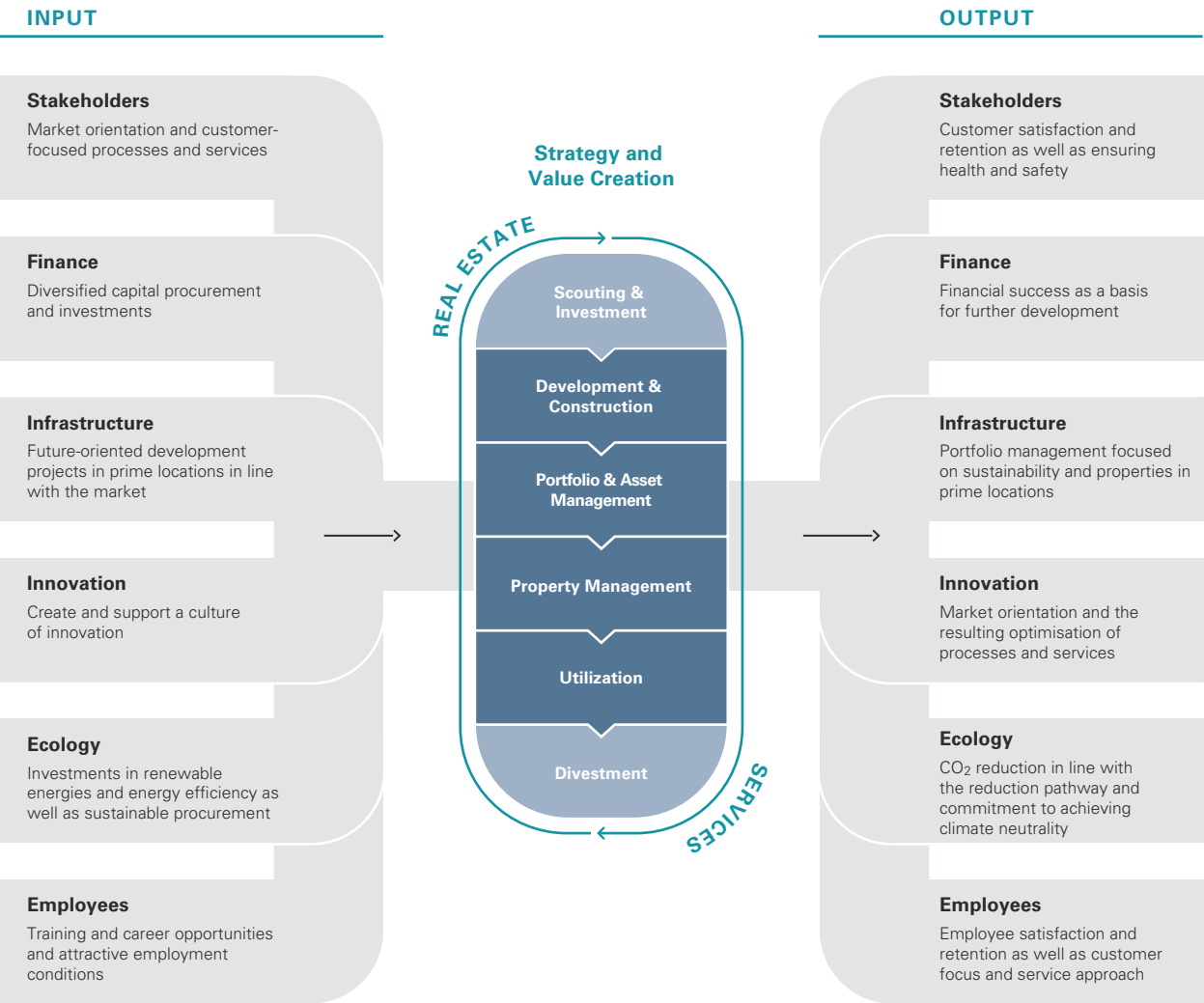
Business model

Swiss Prime Site’s business model is based on the vision of creating innovative and sustainable living spaces. It covers the entire value chain along the real estate life cycle. This includes successfully investing in or acquiring a property or site, project development and project realisation, portfolio and asset management, property management and, if necessary or beneficial, divesting properties, sites or parts thereof. Swiss Prime Site works to the highest quality standards and systematically focuses on current and future market needs. Its goal is to ensure long-term, multi-dimensional value generation.

Focussing of the business model

In the reporting year, Swiss Prime Site sold the Tertianum Group to the Swiss investment company Capvis. The sales encompasses the operation of over 80 residential and geriatric care centres as well as residences distributed throughout Switzerland. Fifteen properties already in the Swiss Prime Site portfolio, with Tertianum as tenant, will stay in the Company’s ownership. With the sale of its group company Tertianum, Swiss Prime Site is further focusing its business model and the associated real estate-focused value creation.

Swiss Prime Site’s integrated business model



Optimisation of value creation along six capitals

Swiss Prime Site considers value creation a comprehensive concept in which non-financial aspects are also taken into account rather than simply meeting financial goals. The added value for shareholders, customers, employees and suppliers is just as crucial as treating the environment in a responsible manner, making advances through innovation and maintaining good relations with other stakeholder groups. Swiss Prime Site aims to optimise value creation via its business model along six influencing variables known as «capitals»:

Stakeholders

The relationship with customers, employees, investors and business partners is the key to business success. All group companies maintain a close dialogue with their respective stakeholders, ensuring they are satisfied and giving them the ability to react quickly to new needs.

Finance

A stable and future-oriented company is based on financially sustainable management. In addition to income from operating activities, financial capital includes funds released from targeted divestment and funds raised on the capital markets. This includes raising capital to fund clearly defined, certified real estate projects and also climate protection and climate adaptation projects within a green bond framework.

Infrastructure

The infrastructure of the Swiss Prime Site Group encompasses the 200 or so properties in the portfolio that are held, developed, upgraded, rented or sold, as well as all the resources that are used to provide our other real estate-related services. Optimising the property portfolio and making its real estate-related services customer-centric are fundamental to Swiss Prime Site's business operations.

Innovation

Swiss Prime Site is committed to growing and developing the company by building on its knowledge and cooperating with partners in order to make use of intangible assets such as patents, brands, software, rights and licences. Scientific, social and environmental developments and trends are analysed across all business fields and the findings are applied to existing properties or in various development projects.

Ecology

Swiss Prime Site acts to protect the environment and conserve resources, whether in its daily operations or in investments in real estate and its management. At the same time, the focus is clearly directed at the property portfolio, where invested capital realises the greatest impact. This mainly includes the responsible use of natural resources and taking greater account of the circular economy.

Employees

Our employees' knowledge, skills and experience are the very essence of our ability to provide customer-focused and market-driven services. The motivation and innovative spirit of the people who work for the company are intrinsically linked to the implementation of our strategy and the success of our products and services. The success of the business depends on how well it manages to retain and attract qualified employees and promote and expand their skills.



«We regard sustainability as an integral part of our business model. The six capitals of the International Integrated Reporting Framework allow us to comprehensively present the many foundations our success is built on.»

Mladen Tomic
Head Group Communications



READ MORE ABOUT SWISS PRIME
SITE'S REPORTING PRINCIPLES

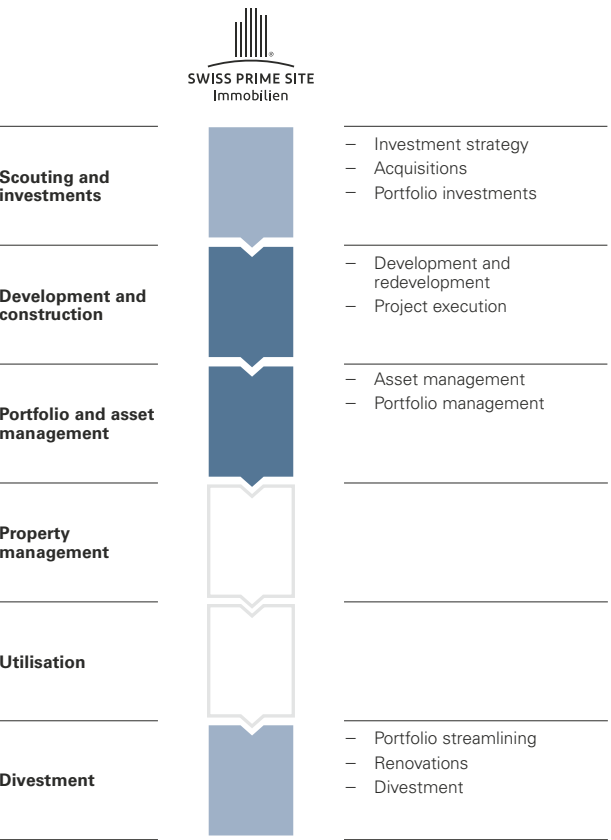
Real Estate segment

Swiss Prime Site Immobilien is a real estate investment company focusing on Swiss property. As at the end of 2020, the portfolio had a total value of CHF 12.3 billion. It consists of prime properties, mainly occupied by commercial tenants.

Business model

Swiss Prime Site Immobilien initiates the group’s value-generation process by acquiring commercial properties, sites or real estate. Swiss Prime Site Immobilien’s primary business focus is portfolio and asset management. Developing and realising real estate projects and converting and modernising entire sites are also very important ways of creating value. The prime property portfolio is strategically optimised on a continuous basis (see Strategy).

Swiss Prime Site Immobilien value-generation processes



Property portfolio

Swiss Prime Site’s property portfolio contains high-quality property and locations. The portfolio as a whole also has a good sustainability balance sheet. To optimise this further, targeted measures are being taken and investments made as part of Swiss Prime Site’s CO₂ reduction pathway. The aim is to continuously improve resource consumption and achieve climate neutrality in the property portfolio by 2040 (see CO₂ reduction pathway).

As at the end of 2020, the portfolio comprised 185 properties in total. Total floor space increased to 1 673 005 m², while the vacancy rate was kept at 5.1 % through proactive management despite the difficult environment.

Geographic allocation

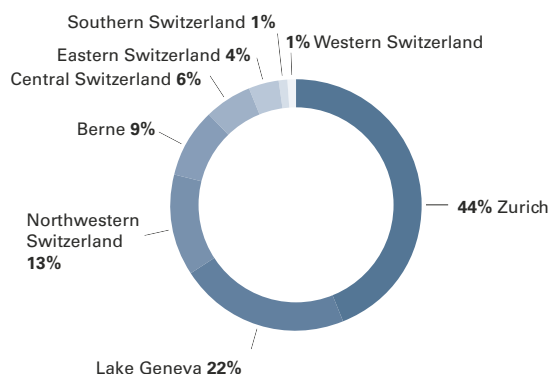
According to Wüest Partner, roughly 80% of the group’s properties rank in the quadrants with the highest quality based on the overall market. The majority of properties (76%) are located in German-speaking Switzerland. In this context, the canton of Zurich and particularly Zurich City account for the main share in this region with 44%. Another important region is the Lake Geneva basin with a share of 22%.

Utilisation

Swiss Prime Site has mainly geared its portfolio to the needs of commercial and services businesses. Currently 44% is let as offices and 26% as retail units. The property portfolio’s maturity profile is long-term and thus attractive. Roughly 21% of net rental income is generated with rental agreements with a term of ten years or more. Another 34% of the portfolio is due for renewed leasing at terms of between four and nine years.

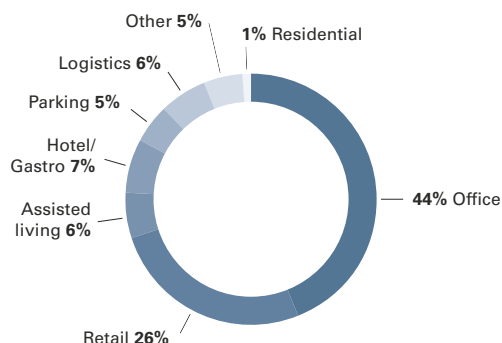
Portfolio split by region

Basis: Fair value as at 31.12.2020



Portfolio split by type of use¹

Basis: Net rental income as at 31.12.2020



¹ Real Estate segment

Highlights from the reporting year

In 2020, Swiss Prime Site Immobilien continued with the targeted growth of its portfolio. Major milestones were reached at Stüchi Park in Basel, where the company is expanding floor area by more than 70 000 m² (laboratories and offices) by 2023. Tenants have moved into the first units. The multiplex cinema, which was completed in autumn 2020, did not open its doors until 2021 because of the pandemic. The «West-Log» project in Zurich-Altstetten and JED (existing building) in Schlieren are close to completion in early 2021. Elektro-Material moved into the «West-Log» logistics building as an anchor tenant. The two anchor tenants in JED, Halter and Zühlke, also moved into their rental space. As the buildings are flexible and can be used for a wide variety of office and commercial purposes, the new and future tenants will be able to structure the space perfectly for their activities. The Schönbühl project in Berne and the YOND project in Zurich were awarded international architectural prizes in the reporting year.

As part of the further development of its portfolio, Swiss Prime Site Immobilien placed great emphasis in the reporting year on reducing heat and electricity consumption. To increase its own production of renewable electricity, it identified 18 properties in which additional photovoltaic systems could be installed. Of these, four facilities with a total installed capacity of around 380 kWp were put into operation in the reporting year. More projects will be completed in 2021. More information on reducing the ecological footprint can be found in the CO₂ reduction pathway.

Project pipeline

One of Swiss Prime Site Immobilien's strengths is its ability to develop its own projects. This means the company can operate with a high degree of autonomy from market cycles while at the same time improving the level of sustainability within the portfolio.

Development projects are based on the group's strategic targets of boosting organic growth and increasing corporate profitability and renewing the portfolio through sustainable building materials and structures. Earnings from completed projects accrue in the form of revaluation gains, rising rental income and sales proceeds. New projects developed by Swiss Prime Site Immobilien generally exhibit above-average net yields compared to both the market and the existing portfolio and the highest sustainability standards.

The investment volume of Swiss Prime Site Immobilien's project pipeline amounted to around CHF 2 billion as at the end of 2020.

Projects under construction

The construction projects have an investment volume (including land) of around CHF 1080 million. With a volume of CHF 300 million, the largest single project is Alto Pont-Rouge in Lancy. The project plays a significant role for the Geneva region due to its character and location, since another transportation juncture and economic hub will be created for the city as a result. Shortly after construction began in the second half of 2017, two of the five properties to be built at the large Espace Tourbillon development in Plan-les-Ouates were sold. Two other buildings are in the process of being sold, one of them in condominium ownership. The fifth building (CHF 85 million investment) will be added to the existing portfolio. Projects under construction exhibit an average net yield that exceeds the current portfolio average.

Projects in planning

At the end of 2020, projects in the planning phase had an estimated investment volume (including land) of around CHF 640 million. With a volume of CHF 222 million, the largest single project is Müllerstrasse in Zurich. This involves the large-scale modernisation of the existing office building. Four projects for the construction of new residential and geriatric care centres (Monthey, Olten and Richterswil) and a residence (Paradiso) for Tertianum are currently also in the planning stage or already under construction.

In addition, Swiss Prime Site Immobilien has land reserves and considerable reserves of usable floor space in its stock.

Highlights from the reporting year

Swiss Prime Site also believes in the importance of having development projects that are sustainable. Since 2019, the company has been guided by the Swiss Sustainable Building Standards (SNBS) criteria and is also moving into new territory with regard to the topic of the circular economy. In what is a first, the Company is using circular concrete produced by the company Eberhard for the new JED building in Schlieren. This means it can massively reduce the primary resources of sand and grit and also store CO₂ in the granulate of the secondary building material over a long period.



«We're able to further strengthen and continuously rejuvenate the quality of our property portfolio thanks to our well-filled development pipeline. Properties that become part of the portfolio after completion must be continuously replaced by adding value from reserves in the portfolio or through strategic acquisitions.»

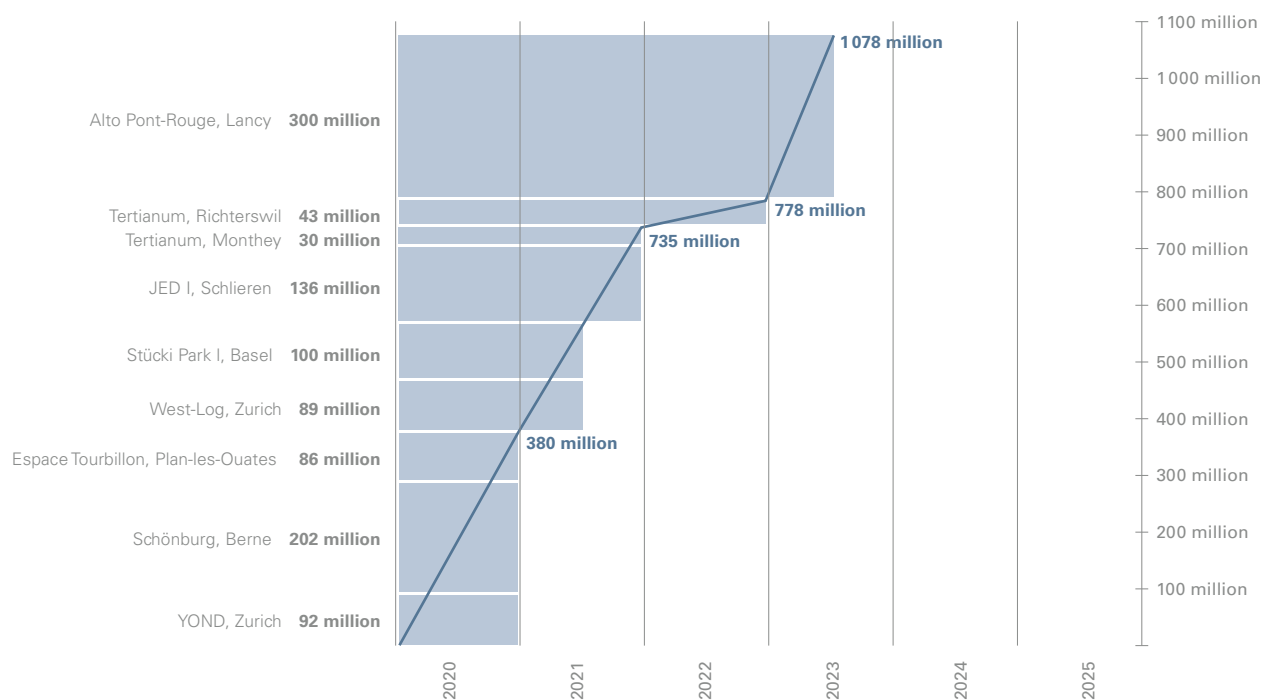
Urs Baumann
Head of Development, Swiss Prime Site Immobilien



FIND OUT MORE
ABOUT SWISS PRIME SITE'S
PROJECTS HERE

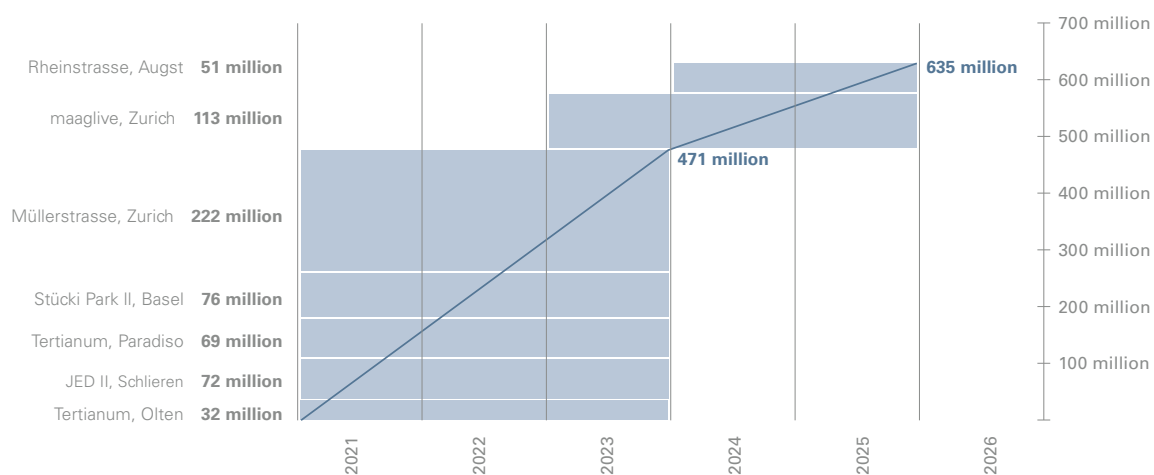
Projects under construction

Value in CHF



Projects in planning

Value in CHF



Services segment

Swiss Prime Site Solutions is the group company specialising in asset management for third parties. It manages CHF 2.6 billion of assets under management throughout Switzerland for its customer Swiss Prime Investment Foundation. The total assets under management increased to CHF 3.0 billion.

Business model

Swiss Prime Site Solutions provides comprehensive services at portfolio and asset management level throughout the full real estate life cycle. The services offered in portfolio and asset management, capital procurement, development & construction and acquisition & sales include preparing acquisitions and sales strategies, potential analyses within the existing portfolio, managing and monitoring real estate developments, carrying out capital increases and developing customer-specific strategies to increase efficiency and market penetration. From 2021, Swiss Prime Site Solutions will expand its value creation with services in the area of fund products. This will significantly increase the growth of assets under management and the profits from the group company.

Highlights from the reporting year

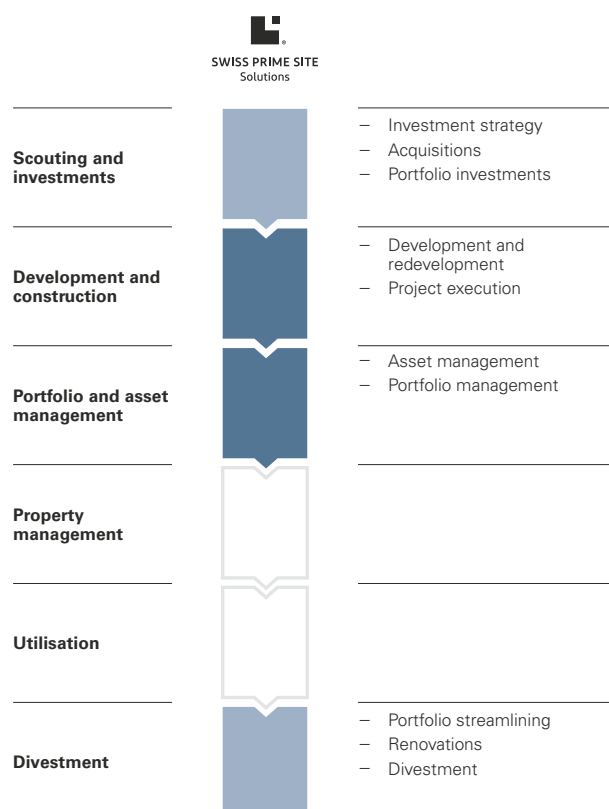
Although achieving growth through acquisitions with appealing returns was challenging in the reporting year, Swiss Prime Site Solutions managed to expand the project pipeline for the Swiss Prime Investment Foundation (SPIF). The company acquired attractive properties and successfully pressed on with existing projects. The «SPIF Real Estate Switzerland» investment group closed the reporting year with an increased return on investment.

Besides reporting further successes with the existing investment group, Swiss Prime Site Solutions created a new foreign investment product for the SPIF, which was approved by the Occupational Pension Supervisory Commission (OPSC) in the reporting year and launched before the end of 2020. The new «SPIF Living+ Europe» investment group allows Swiss pension funds to invest in sought-after European residential real estate. The launch of the SPIF investment product will allow Swiss Prime Site Solutions to build on its customer base and create valuable cross-border partnerships. It also is planned to expand the range of services in 2021 in the form of funds.

The newly created position of Chief Investment Officer will complement the team around the strategic customer Swiss Prime Investment Foundation. Besides expanding the customer base and acquiring new mandates, the broader executive management team will also devote more of its attention to the topic of sustainability. In the reporting year, the company began developing and implementing strategic initiatives, the key component of which is to develop a CO₂ reduction pathway for the SPIF.

To further strengthen and expand their market position in asset management and services, the two companies immoveris and Swiss Prime Site Solutions, which are part of the Swiss Prime Site Group, merged on 1 January 2021. By pooling resources and consolidating expertise, Swiss Prime Site Solutions will be able to respond even better to the specific needs of its customers.

Swiss Prime Site Solutions value creation processes



Wincasa is the leading integrated real estate services provider in Switzerland. The company offers its customers a comprehensive, cross-life cycle service portfolio – with the expertise of almost 1 000 specialists at 24 locations in all regions of the country, making Wincasa one of the largest and most influential operators in the Swiss real estate market.

Business model

Wincasa's business model is based on the two central value-added pillars of «property management and centre & mixed-use site management» and «construction & facility management». The services offered to corporate customers range from management, owner representation and construction management through to revitalisation and re-letting of properties and strategic consulting.

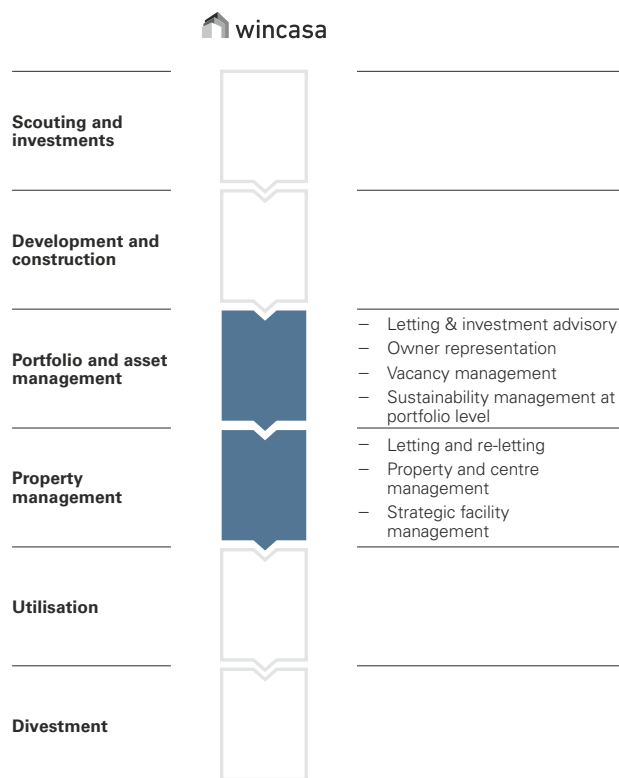
Highlights from the reporting year

The complexity of real estate services increased during the reporting year, especially as a result of the COVID-19 pandemic. Processing rent requests in accordance with the different stipulations of the various owners took up a great deal of time and effort. Wincasa also had to act swiftly and with agility due to (partial) closures and re-openings of shopping centres. As a crisis team was set up early on, protective measures could be brought in quickly and stakeholders proactively updated. As a result, over 1 000 homes were handed over during the lockdown and a high level of customer satisfaction was achieved.

Wincasa launched a new service in the field of electric mobility in the reporting year. Working with partners, the company advises property owners about how to deal with increasing market requirements and develops property-specific electric mobility concepts with them.

Among its internal restructuring measures, Wincasa consolidated three locations in the Zurich and Winterthur area and rented them out to third parties, or re-purposed part of the space as a training centre for its own purposes. Following on from this, 350 employees moved into the new headquarters at YOND in Zurich-Albisrieden where they benefit from an innovative workspace design that supports time- and location-independent work. A mobility concept was also implemented for the Zurich and Winterthur locations, promoting the use of public transport and car sharing.

Wincasa value-generation processes



«With our commitment to tenant-friendly charging infrastructure, we are making a contribution to achieving sustainable mobility, an area we strongly believe in. We anticipate around 10 000 to 15 000 charging points can be installed in the managed property portfolio by 2030. We have used this development as an opportunity to create an end-to-end electric mobility service for the tenant market.»

Matthias Schmid
Project Manager Electromobility, Wincasa



READ MORE ABOUT
E-MOBILITY

Jelmoli is the leading premium department store in Zurich’s top location. Its high-quality products and the expert advice and first-class service provided by its staff ensure that its customers enjoy an exclusive shopping experience. In 2020, Jelmoli’s range included items from around 2 200 exclusive brands.

Business model

Jelmoli offers customers an innovative gastronomy and event experience in addition to a varied brand mix. By letting floorspace to third parties, Jelmoli has also been able to further optimise its value chain. To that end, Jelmoli also uses a first-class property from Swiss Prime Site Immobilien, located directly on Bahnhofstrasse in the centre of Zurich.

Highlights from the reporting year

A big highlight for Jelmoli in the reporting year was its expansion at Zurich Airport, which was implemented as planned. Jelmoli is expecting economies of scale and synergy effects from the opening in the Airside Center and «The Circle». The focus is on brand positioning and presence among international and Swiss clientele. Assuming a return to normal airport operations, the desired increase in efficiency requires various improvements in the process landscape. As part of Project 2025, Jelmoli therefore pushed ahead with digitalisation. With the introduction of the new ERP system, a new IT system landscape was created to realise cross-divisional optimisation and efficiency improvements.

This process was supported by «transformation agents». This also resulted in new areas of activity which have changed the demands on employees’ skills. In the reporting year, Jelmoli therefore once again channelled more investment into the skills required for digitalisation. The topic of integrated sustainability was also more firmly anchored at Jelmoli in the reporting year. With consumers increasingly questioning the environmental and social acceptability of brands, it is particularly important in the retail business to have supplier management. In 2020 Jelmoli therefore joined the amfori BSCI/BEPI initiative. This commits Jelmoli to complying with the amfori Code of Conduct, which lays down certain environmental and social standards. Accordingly, the new supplier conditions were adopted in September 2020. These must be signed by the majority of suppliers, for example in fashion, home and living, lingerie, children, sports and beauty.

Lastly, new organisational structures were brought in at Jelmoli during the reporting year, and there was a change in management. The new CEO, Nina Müller, took up her position during the lockdown in spring 2020. When she took over the management of Jelmoli, she also became a member of the Executive Board of the Swiss Prime Site Group. In the reporting year, the Swiss Prime Site Group also carried out a strategic review of different options for the «Jelmoli» property. In the process, approval was given to optimise operations while preserving existing sales areas and a clear commitment to Jelmoli adopted.

Jelmoli value-generation process



Our objectives, our measures

Group objectives and roadmap

Our achievements in 2020

In addition to the corporate objectives communicated in last year's Annual Report, other objectives were added during the year due to COVID-19.

The Swiss Prime Site Immobilien asset management team received more than 500 tenant requests; these needed to be processed and concluded before the end of the year. More than 2000 additional tenant requests were processed and concluded by Wincasa on behalf of third-party customers.

Despite the challenging year, it is important not to lose sight of the objectives set out in the 2019 Integrated Report. The first GRESB submission for the existing and development properties



«Sustainable success is based on medium- and long-term objectives being systematically rooted in the business plan and reflected as measurable indicators in the management's annual objectives.»

René Zahnd
CEO Swiss Prime Site



READ MORE ABOUT SWISS PRIME
SITE'S ATTITUDE AND GOALS REGARDING
SUSTAINABILITY

Specific group objectives and KPIs

Category	Group objectives	Associated issues	Lead KPIs
Stakeholders	Focus on the satisfaction and wellbeing of our customers.	Ensure customer satisfaction and safety and promote wellbeing Customer satisfaction and retention	– Investment in customer health and safety – Evaluation of customer surveys – Net promoter score
Finance	Create sustainable value.	Financing strategy Dividend policy	– Equity ratio – Dividends
Infrastructure	Investment in socially acceptable and environmentally friendly properties and infrastructure in prime locations.	Sustainable property and asset management Future-oriented new builds and renovation projects in line with market requirements	– GRESB performance score – Vacancy rate – GRESB development score – Yield
Innovation	Further development of the business model and promotion of an innovative corporate culture.	Market orientation Innovative corporate culture	– Re-letting – Innovative energy perceived by customers – Innovative energy perceived by employees
Ecology	Ongoing optimisation of resource use and long-term objective of climate neutrality.	2-degree objective (science-based targets) Sustainable procurement	– Level of objective attainment CO ₂ reduction pathway – Level of implementation: sustainability criteria and exclusion criteria in procurement
Employees	Strengthening the employer brand and encouraging the customer focus of our employees.	Employee development and retention Responsibility, customer focus and service approach	– Fluctuation rate – Employee satisfaction – Investment in training and development – Evaluation of employee surveys – Internal training based on customer feedback

portfolio and the launch of the first green bond in accordance with the criteria of the framework drawn up for that purpose enabled two key milestones to be reached in environmental terms.

Despite all efforts, only the objectives relating to the fluctuation of employees, particular in the group companies Wincasa and Jelmoli, with high numbers of employees, were once again missed by a clear margin. It is therefore imperative that there is renewed intensification of measures in this area.

Group objectives in more detail

Under the supervision of the Sustainability Board, set up in 2019, Swiss Prime Site enhanced its long-term, strategic sustainability objectives in the reporting year. Leadership ambitions for targets and action programmes are based on three areas which are key for the whole Swiss Prime Site Group, derived from the vision and mission, material issues and the six capitals: customers, employees and environment. Innovative development of the business model, the provision of infrastructure that is fit for the future and sustainable financial success are part of the integrated range of objectives.







While the formulation of objectives regarding climate neutrality and the related CO₂ reduction pathway are already well established and embedded in the strategy, objectives and measures relating to customers and employees need to be further specified for the group companies in question.

Implementation in the group companies

As part of the business plan and budgeting processes, the group objectives need to be broken down to the individual group companies. The group companies can then define additional objectives and measures and assign them to the relevant capitals. It is important that at least one objective per capital contributes to the achievement of the overall group objectives.

This will help to streamline the group companies' roadmaps, which to date have been created bottom-up. In addition, the KPIs, which are set top-down, will further improve the measurability of progress toward the objectives across the group.

Medium-term objectives

	Stakeholders	Continuous increase in customer satisfaction
	Finance	Increase of eligible properties according to Green Bond Framework
	Infrastructure	GRESB Score > peer average
	Innovation	Targeted investments in start-ups
	Ecology	Climate-neutral property portfolio by 2040
	Employees	Continuous increase in employee satisfaction



Stakeholders

For Swiss Prime Site, regular dialogue with all stakeholders is a key element of sustainable leadership. The Company seeks to identify needs and expectations in dialogue and focus business activities towards meeting these in harmony with the corporate strategy. This particularly applies to the needs and issues of customers. All group companies are in constant communication with them, whether as part of daily business interaction, through dedicated feedback conversations or the usual information channels.

Strengthen customer focus

The increased customer interaction during the exceptional reporting year caused by the pandemic showed that dialogue with different customer groups should be intensified in future and business process re-designed to be more customer-centred. Feedback should be gathered more systematically using regular surveys and should flow directly into improving products, services and processes and employee training. Dialogue with customers and business partners can vary widely across the different group companies.

Overcome current challenges using external input

In addition to different types of customer interaction, Swiss Prime Site uses its dialogue with other stakeholder groups to gather input on current issues and challenges and use these to further develop the Company. To this end, the Company holds a stakeholder panel with external stakeholders every two years, in addition to its ongoing interactions with them. In addition to experts, a selection of tenants and business partners are also invited to the panel to represent the different client relations.

More information on this can be found in the GRI Report.



«Nearly all of us are currently working from home. However, despite digitalisation and remote working, it is clear that innovation and good ideas also come from personal and physical interaction in teams. JED offers the perfect conditions for developing new ideas through to market success with our customers.»

Nicolas Durville
CEO and Partner Zühlke Group



READ MORE ABOUT THE INNOVATIVE
«JED» PROJECT



READ MORE ABOUT THE CUSTOMER
FOCUS OF SWISS PRIME SITE

Ecology

Swiss Prime Site is aware of its responsibility when it comes to climate protection and has been committed for some time to contributing towards the 2-degree goal of the Paris Climate Accord and the Swiss Federal Council's climate neutrality goal. Taking both these targets into account, in 2019 the Company developed a CO₂ reduction pathway for the whole property portfolio. Swiss Prime Site plans to invest around CHF 650 million by 2050 to ensure that the group can also reach the long-term objective of climate neutrality.

More information on group-wide procedures can be found in the Environmental Policy.

Property portfolio focus

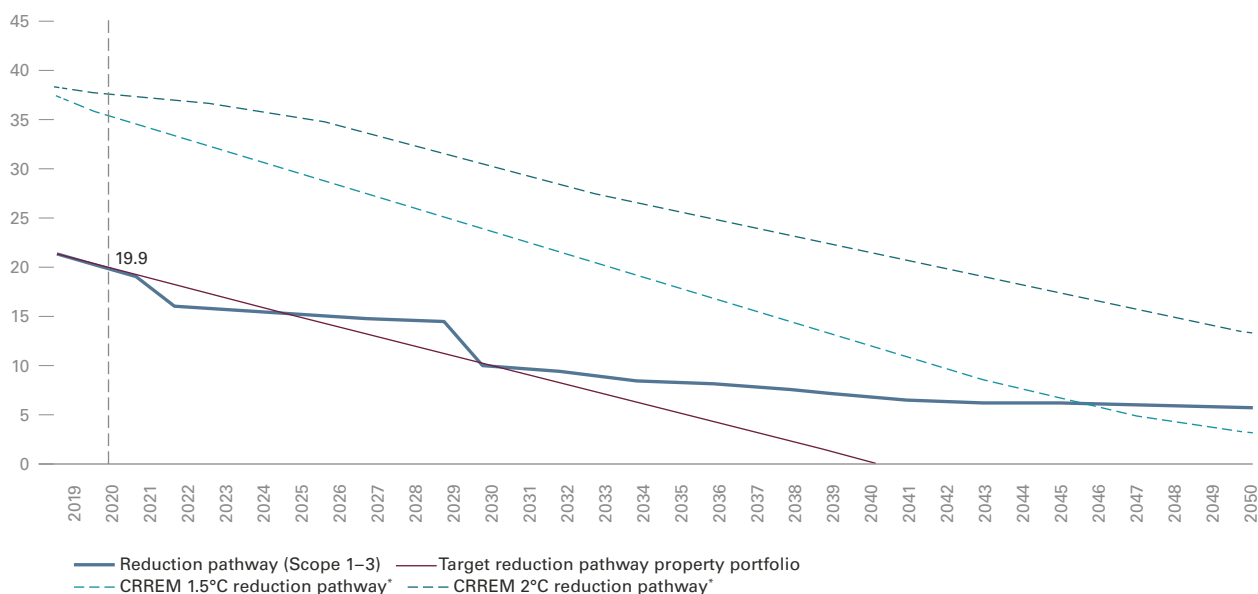
The focus of the CO₂ reduction pathway lies on the energy consumption of the property portfolio. By comparison, the CO₂ emissions from the Services segment are negligible (8.8% of total emissions in the reporting year). As Swiss Prime Site's property portfolio is comparatively young and technologically advanced, energy consumption and CO₂ emissions are already relatively low.

In the reporting year, Swiss Prime Site's Sustainability Board further tightened the reduction target for the property portfolio. The aim is now to achieve climate neutrality in the operation of the portfolio by 2040. The current CO₂ reduction pathway (plan as at 31.12.2020) factors in Scope 1, 2 and 3 emissions and is based on investment costs of around CHF 610 million for cladding renovations and CHF 40 million for heating replacement measures. As the illustration below shows, Swiss Prime Site is thus significantly exceeding sector-specific reduction scenarios and is making a significant contribution to achieving the goals of the Paris Climate Accord. However, the reduction pathway shows that the climate neutrality target will require further measures. The efforts intensified in the reporting year form the basis on which to move the plan further in the direction of climate neutrality. The plan will be regularly updated and published as part of annual reporting.

The standards for development projects and full renovations of existing properties necessary to achieve the current CO₂ pathway have applied since the reporting year and are set out in detail in the Integrated Report 2019. Detailed information on the calculation methodology can be found in the CO₂ accounting concept.

CO₂ reduction pathway property portfolio and climate goal 2040

[kg CO₂-eq/m²a]



* Carbon Risk Real Estate Monitor (CRREM), Reduction pathway commercial real estate Switzerland ("whole building approach").
Source: <https://www.crrem.org/pathways/>

Measures in the reporting year

In order to plan the measures covering the three action areas – energy, heat and cladding renovation – holistically and co-ordinate them with each other, in the reporting year Swiss Prime Site integrated the requirements of the CO₂ reduction pathway into the property strategies for each individual property in the portfolio. This puts the evaluation of the measures required for the reduction in the context of other key aspects of the property strategy (e.g. market potential, structural condition, renovation cycle) and ensures a holistic perspective on the further development and optimisation of the portfolio. This enables Swiss Prime Site to plan upcoming investments with a long-term focus and in a targeted manner. However, this means that the requirements in all affected business areas have to be taken into account and all those involved along the process chain – from acquisition to development and construction and through to portfolio and asset management – need to be made aware of them. Accordingly, in the reporting year the employees of Swiss Prime Site Immobilien and representatives of Wincasa received training informing them about the relevant process requirements.

In addition to the major strategic CO₂ reduction pathway project, the other group companies are also endeavouring to reduce their own ecological footprint.

More information on this can be found in the GRI Report.



«Our proprietary ESG analysis indicates Swiss Prime Site as one of the favoured companies in the future, as the company makes big efforts to reduce its ecological footprint. The planned strategic steps will help further to improve the sustainability of the portfolio and avoid potential future costs (e.g. CO₂ taxes).»

Pascal Boll
Equity Research Analyst Stifel Schweiz (21.10.2020)



YOU CAN FIND SWISS PRIME SITE'S
KEY STRENGTHS HERE

Employees

The success of the Swiss Prime Site Group is founded on highly competent and committed employees. They contribute their knowledge and ability to develop sustainable living spaces and render high-quality services. Swiss Prime Site entrusts them with important responsibilities and offers an attractive working environment characterised by flexible working-time models and comprehensive training and development opportunities. In doing so, Swiss Prime Site hopes to strengthen employee loyalty and ensure a strong customer focus across all processes.

More information on group-wide procedures can be found in the Code of Conduct for employees.

Leadership programme

The leadership programme is an important pillar of the group-wide roadmap to achieve these objectives. The programme has been running since 2017 for all employees in management roles in the Swiss Prime Site Group. It gives talent in all group companies and roles the opportunity to develop into leaders or to develop further as leaders. The programme establishes a common understanding of leadership and encourages mutual dialogue beyond the boundaries of the individual group companies. The Company also uses cross-group events, job rotations and interdisciplinary collaboration to strengthen knowledge transfer, networking, team-building and an understanding of changing customer requirements. In the future, Swiss Prime Site will strive to gather customer feedback more systematically and use it to develop training and development packages.

Real Passion 4 Real Estate

In addition to supporting employees with high potential, Swiss Prime Site prioritises helping young talent to enter the real estate business. As part of the traineeship programme «Real Passion 4 Real Estate», every year four graduates gain a detailed insight into the exciting world of real estate. Over 18 months at Swiss Prime Site, they learn about the different facets throughout the whole real estate life cycle. The aim is for the participants to gain experience, enhance their skills and establish the foundation for a successful professional or leadership career in the real estate industry. The programme enables Swiss Prime Site to obtain direct access to new young talent.

In addition to the group-wide programme, the group companies of the Swiss Prime Site Group are continuously investing to improve employee development and retention.

More information can be found in the GRI Report.



«After several years at Wincasa, I can now contribute my knowledge to facility management at Swiss Prime Site and in turn I can learn from my colleagues every day. Learning and developing within the Swiss Prime Site Group offer exciting prospects.»

Michael Strebel
Asset Manager Swiss Prime Site Immobilien



READ MORE ABOUT OPPORTUNITIES
FOR EMPLOYEES AT SWISS PRIME
SITE

Risk management, Reporting on climate-related financial risks (TCFD)

Risk management

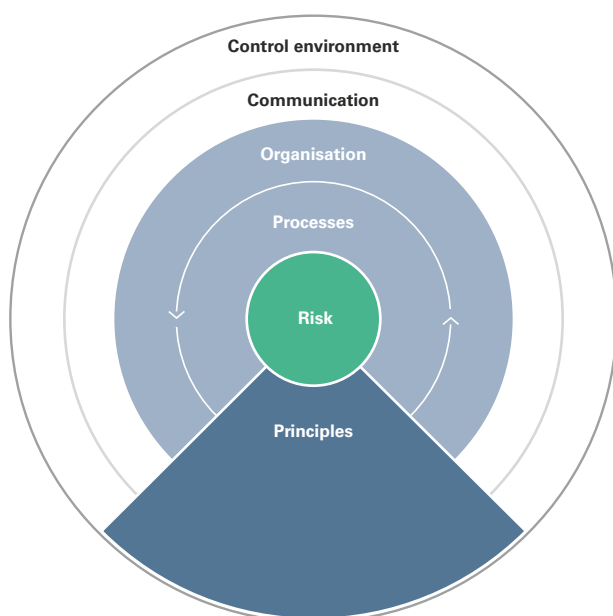
Ensuring continuity and exploiting opportunities

Swiss Prime Site is exposed to a broad spectrum of opportunities and risks. To achieve its long-term corporate goals, it is crucial to recognise changes in the economic, social, regulatory, technological and ecological environment early on. Managing opportunities and risks is therefore a high priority at Swiss Prime Site. The Company has put in place a systematic process for this which is an important foundation for ensuring that the business continues to successfully grow and develop.

Swiss Prime Site's risk management is based on the group-wide risk policy. It establishes a homogeneous, responsible approach to tackling opportunities and risks and promotes a uniform understanding of risk management within the Swiss Prime Site Group. Each group company also issues further specific requirements and measures.

Systematic risk management process at all levels

The Swiss Prime Site Group's risk management system comprises the following elements: principles, control environment, communication, organisation and processes.



The principles ensure 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.

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 supplemented by the Company's basic ethical values, the organisational structure, rules of conduct and clear allocation of responsibilities.

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.

In the Company's risk organisation structure, the Board of Directors takes overall responsibility within the scope 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 the group-wide coordination and controlling of the risk management process, whereby all employees contribute towards a considered approach in dealing with opportunities and risks.

The risk management process encompasses all activities for the management of opportunities and risks. Swiss Prime Site identifies risks within the framework of annual risk meetings. These take place between the Executive Board and the Risk & Audit Committee of the respective group company on the one hand, and between the risk owners and the Group Risk Management department on the other. Based on the risk analysis and assessment of specific systems and processes, group company-specific risk inventories are drawn up and then consolidated into Swiss Prime Site's overarching risk landscape.

The identified risks are assessed in relation to their causes and impact and assigned to appropriate risk categories (strategic, external, operational, financial and compliance risks) and risk owners. Swiss Prime Site also assesses its financial loss potential (impact) and the probability of occurrence. Depending on the risk profile, the necessary risk management measures are defined, also with a view to protecting the group's reputation.

At the Swiss Prime Site Group, risk reporting takes place yearly to the Board of Directors and Executive Board. This consists of a consolidated risk report and a risk inventory. At the individual group companies, similar reports are submitted to the responsible Board of Directors and Executive Management.

Most important risks in the various business fields

In the real estate sector, the COVID-19 pandemic increased the risk of rent defaults due to payment difficulties or bankruptcies compared with the previous year. The pandemic also had a negative impact on the vacancy risk. However, by proactively keeping in contact with tenants, Swiss Prime Site was able to respond very quickly to tenant requests and find amicable solutions. In addition, the revaluation of real estate, changes in interest rates and general financial market risk were still among the most important risks with medium loss potential and an average probability of occurrence in the real estate sector.

As in the previous year, the main challenges faced by group companies in the services sector were changes in customer requirements due to the digital transformation and competition in their respective markets.

Comprehensive assessment of cyber and climate risks

In light of the ongoing digital transformation, Swiss Prime Site attaches great importance to the topic of cyber risks. The Company therefore maintains a specific risk inventory and updates it annually. The effectiveness of the defined measures is reviewed regularly.

The same is true for climate risks, which have been mapped in a dedicated risk inventory since 2019. The corresponding updates were also reflected in this year's reporting on climate-related financial risks in accordance with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). For detailed information, refer to the TCFD Report of Swiss Prime Site.



«It's crucial for Swiss Prime Site's resilience that new and future-related risks are identified and managed early on. For example, we consider cyber and climate risks to be very important and analyse them annually in our risk management processes.»

Nicola Romaneschi
Head Group Internal Audit & Risk



READ MORE ABOUT
RISK MANAGEMENT AT SWISS PRIME
SITE

Reporting on climate-related financial risks

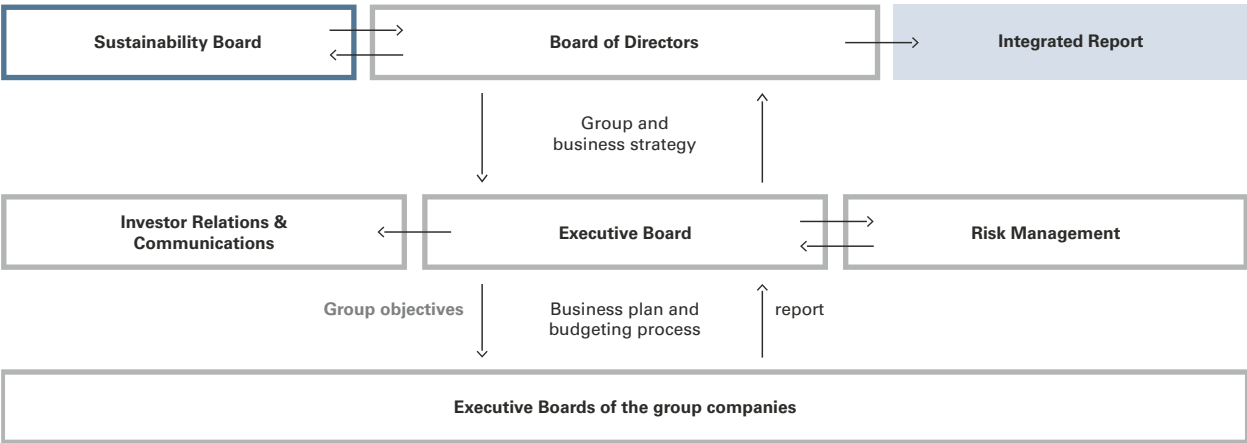
Since the 2019 financial year, Swiss Prime Site has been reporting in accordance with the Task Force on Climate-related Financial Disclosures (TCFD) guidelines on the impact of climate-related financial risks on the Company’s business activities and the measures taken to proactively manage these risks. In 2020, Swiss Prime Site strengthened sustainability-related governance within the Company, updated the climate risk assessment and adopted new measures in four strategic areas of action.

Governance

Swiss Prime Site is confident that responsible, forward-looking leadership increases the Company’s resilience and enables it to create long-term value for the Company and its shareholders and stakeholders. For Swiss Prime Site, it is clear that climate change and the opportunities and risks associated with it play an extremely important role. Put simply, the real estate industry has a significant impact on greenhouse gas emissions and is itself directly affected by climate change. Swiss Prime Site therefore takes its responsibilities as the largest listed real estate company in Switzerland seriously.

In 2019, the Board of Directors decided to set up a Sustainability Board reporting directly to the Board of Directors. The Board is responsible for managing climate-related opportunities and risks, defining and reviewing the sustainability strategy (including the CO₂ reduction pathway) and specifying suitable framework conditions for group companies in the form of overarching policies. In 2020, Swiss Prime Site further strengthened its sustainability governance. The previous Head Sustainability of the group com-

Governance on opportunities and risks in the area of sustainability



pany Wincasa, also on the Sustainability Board, was appointed Head Group Sustainability. He is responsible for implementing the group-wide sustainability strategy and therefore plays a big role in ensuring that financial and non-financial success factors and risks are managed in an even more integrated manner.

Strategy

Climate-related risks and opportunities

Under the TCFD guidelines, Swiss Prime Site makes a distinction between physical and transitional risks. Physical risks arise from extreme weather events, for instance, and directly impact the property portfolio, while transitional risks arise from the decarbonisation of the economy and new legal, social, economic and technological framework conditions. Swiss Prime Site considers the following risks in particular to be significant and takes account of them in its group-wide risk management:

Physical risks	Transitional risks
Increasing summer temperatures, more heatwaves and long-lasting periods of heat	Social effects of climate change: <ul style="list-style-type: none"> – Negative impact on the health and mortality rates of individuals – Move by customers towards more responsible products and services
Increase in extreme weather events such as very strong winds and heavy rainfall with flooding	Regulatory changes: <ul style="list-style-type: none"> – Regulations on the use of renewable energies and energy efficiency – Requirements for the reuse/recycling of materials (circular economy)
	Expectations about sustainability information: <ul style="list-style-type: none"> – Investors, regulators and the public are stepping up the debate about sustainability

Swiss Prime Site is well positioned to deal with the main climate-related risks and to differentiate itself in the market by following a proactive approach with the opportunities this brings. As it does so, the Company is building on strengths including its substantial investment capacity, its leading expertise in the planning, construction and operation of real estate and its innovative culture. Based on these strengths, Swiss Prime Site is focusing on the following four action areas in order to manage climate risks and take advantage of opportunities.

Strategic action areas

1. Investments in line with the CO₂ reduction target

The most important action area is the property portfolio, which is managed by the group company Swiss Prime Site Immobilien. By comparison, the CO₂ emissions of the Services segment are negligible (8.8% of total emissions in the reporting year). Swiss Prime Site has been following an ambitious CO₂ reduction pathway since 2019. In the reporting year, the Company tightened its reduction target and aims to have a climate-neutral property portfolio by 2040. The reduction pathway is therefore far more ambitious than the 2-degree target set out in the Paris Agreement. Examples of current measures carried out in the reporting year to achieve this goal are summarised in the section on the CO₂ reduction pathway. In addition, the other group companies are also reviewing significant investments and new services for their impact on climate change. Current examples can be found in the environmental section of the GRI Report.

2. Awareness-raising, further training and incentives

Swiss Prime Site is placing ever greater importance on the topic of climate change in its internal communications and the further training of its employees. In 2020, for example internal training sessions on the CO₂ reduction pathway were provided to the employees of group company Swiss Prime Site Immobilien and the Construction & Facility Management department at the group company Wincasa. The discussions carried out in the risk management process also help ensure all employees pay more attention to climate-related opportunities and risks.

By establishing new sustainability goals and applying them throughout the group, sustainability aspects will also become part of the business plan process of all group companies in the future, which the Company expects will further raise awareness (see the section on goals and measures).

Swiss Prime Site also plans to review the extent to which sustainability-related performance indicators ought to be embedded in the compensation guidelines in the future. Including more figures in compensation calculations could help the Company to integrate sustainability goals even more systematically into corporate processes.

3. Innovation management

Within its innovation management, Swiss Prime Site deals 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 help develop services that can help resolve social challenges. In 2020, for example, Swiss Prime Site examined the topic of the circular economy in detail. Circular principles are already being applied in a number of development and refurbishment projects. Some examples can be found in the section on the strategy and business model.

4. Discussions with stakeholders

Swiss Prime Site has regular discussions with investors, customers and other stakeholders. Topics related to climate change are increasingly a part of these discussions. In 2020, for example Swiss Prime Site reported on its commitment to climate protection at the annual Capital Markets Day. The stakeholder event, which takes place every two years, also regularly examines climate-relevant topics.

Risk management

Swiss Prime Site has integrated climate-related risks into its group-wide risk management process since 2019. In assessing the risks, the Company uses an event-based scenario analysis and science-based modelling of the «Climate Value-at-Risk» of the entire property portfolio.

In the event-based scenario analysis, Swiss Prime Site assesses physical and transitional climate risks every year using qualitative scenarios. 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 and 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. The resulting evaluation serves as a tool to help the Executive Board and the Board of Directors to 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» of Swiss Prime Site's property portfolio. The analysis 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. However, the methodology used was still being developed at the time of the analysis, so not all physical risks were mapped in the model. Swiss Prime Site will monitor the evolution of the analysis options and will periodically review whether a new evaluation of the «Climate Value-at-Risk» would be expedient.



«Constructing, maintaining and operating real estate is one of the main sources of greenhouse gases worldwide. However, this sector also offers some of the greatest opportunities for reducing emissions and is therefore fertile ground for our engagement. We have been invested in Swiss Prime Site for several years. In implementing our ESG concept, we initiated our active engagement to the topic of climate change in 2019 and looked into how much this important aspect is already being integrated into the Company's operations, in areas such as strategy and risk management.»

Dominik Scheck
Head ESG, Credit Suisse Asset Management



READ MORE ABOUT HOW
SWISS PRIME SITE
SUSTAINABLY IMPROVES
ITS PROPERTY PORTFOLIO

The following are events with the highest risk potential:

Physical risks

Potential events caused by climate change	Impact on Swiss Prime Site	Measures
<ul style="list-style-type: none"> – Increasing summer temperatures – More heatwaves – 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 housing technology – 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 Swiss Sustainable Building Standard (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 – Energy consumption from air conditioning (being developed)
<ul style="list-style-type: none"> – Increase in extreme weather events such as very strong winds and heavy rainfall with flooding 	<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 or being prepared

● Measures partially addressed

○ No measures launched yet

Transitional risks

Potential events caused by
climate change

Impact on Swiss Prime Site

Measures

Social effects of climate change

- Negative impact on the health and mortality rates of individuals

- Stricter requirements on comfort and indoor climate (e.g. GI certifications)
- Lower attractiveness or rentability of «warm» spaces
- Sick building syndrome

Horizon for action in the event of occurrence:



- 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, identification and implementation of preventive measures, e.g. increase in proportion of green spaces
- Project-specific consideration through the use of suitable materials
- Property-specific consideration through the use of suitable materials in renovations
- Prevention through suitable insurance

Metrics:

- Number of tenant complaints
- Total costs of special measures to prevent situations injurious to health

- Changes in customer focus

- 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)

Horizon for action in the event of occurrence:



- Factoring in sustainability criteria for existing stock and new build projects
- Additional sustainability requirements for suppliers
- Comprehensive and integrated reporting

Metrics:

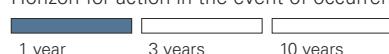
- Demand for certifications of buildings and rented spaces
- Enquiries by tenants/the public/investors on properties' sustainability

Regulatory changes

- Regulations on the use of renewable energies and energy efficiency

- 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)

Horizon for action in the event of occurrence:



- Portfolio analysis to identify risks
- Implementation of requirements for new construction projects
- Implementation of requirements for existing properties
- Factoring in of sustainability criteria for existing stock 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

Metrics:

- Energy management (current efficiency and energy mix)

Potential events caused by climate change

- Requirements for the reuse/recycling of materials (circular economy)

Impact on Swiss Prime Site

- 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

Horizon for action in the event of occurrence:



Measures

- Implementation of requirements for new construction projects
- Implementation of requirements for existing real estate
- Active monitoring of technical and regulatory developments, if necessary deriving requirements for Swiss Prime Site and suppliers
- Supplier management
- Operationalise Madaster

Metrics:

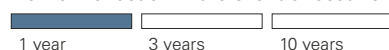
- Being developed

Expectations about sustainability information

- Investors, regulators and the public are stepping up the debate about sustainability

- 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

Horizon for action in the event of occurrence:



- 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

Metrics:

- Investor relations enquiries
- Sustainability ratings (e.g. ESI) for real estate and companies
- Total investment in sustainability of real estate

● Measures launched or being prepared

○ Measures partially addressed

○ No measures launched yet



GRI Report, key figures of the group companies, GRI content index

GRI Report

Universal Standards

102-9 Supply chain

Due to the different fields of activity, the supply chains of the four group companies differ from each other significantly.

At Swiss Prime Site Immobilien, the majority of purchased services fall into the following categories:

Category	Purchasing volume 2020 (CHF million)
Total	435.6
Development investments	182.3
Follow-up investments in standing investment properties	162.5
Investments in proof of concept projects	36.3
Maintenance and repairs	13.4
Property & facility management	41.3

Swiss Prime Site Solutions' purchasing is limited almost exclusively to consultancy services, since all procurement in facility management or construction services relating to the managed property portfolio is approved as a general rule by the owner (executive management or the Foundation Board of the Swiss Prime Investment Foundation).

Wincasa purchases products and services in the mandate business for property owners, as well as for its own operations. In its mandate business, Wincasa applies ecological and social criteria that go beyond the legal requirements if requested by the property owner. In 2020, the company purchased some CHF 28 million worth of goods and services for its own operations from more than 200 direct suppliers.

The Jelmoli range includes around 2200 brands; in the reporting year, the company purchased goods worth approximately CHF 58 million. A large proportion of the products fall into the fashion, beauty, sport, food and home living categories. Since 1 August 2020, Jelmoli has been a member of amfori BSCI/BEPI – an initiative that promotes transparency, ecology and fairness in supply chains. As a result, in September 2020, the new supplier terms regarding environmental and social standards were sent out; these have to be signed by most suppliers.

102-12 External initiatives

Swiss Prime Site recognises the dangers associated with ongoing climate change and has committed itself to achieving the 2-degree goal of the Paris Agreement. The Company has adopted the target as a yardstick for its own climate goals and initiatives. It aims to have a climate-neutral property portfolio by 2040 and contributes as a group to climate neutrality by 2050. When evaluating and disclosing the risks arising from climate change, Swiss Prime Site follows the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). More information can be found in the TCFD Report.

Furthermore, Swiss Prime Site supports the Sustainable Development Goals (SDGs) of the United Nations and uses the goals as a framework to develop the Company's own sustainability goals.

102-13 Membership of associations

The different associations and organisations of which the Swiss Prime Site group companies are members reflect the diversity of the companies' activities. All group companies focus on considering memberships of organisations whose work is closely related to their core business. This includes a well-balanced representation of political interests, for example being a member of the Verband Immobilien Schweiz (VIS). Other partnerships have been formed with Avenir Suisse, the Greater Zurich Area and «Entwicklung Schweiz», the association for Swiss development.

Swiss Prime Site Immobilien is represented on the supervisory board of Verband Immobilien Schweiz (VIS) that, among other things, is concerned with creating liberal market and competitive conditions. The company is also represented on the board of directors of Madaster, a platform aimed at improving resource efficiency in the construction and real estate sectors.

As the real estate asset manager for the Swiss Prime Investment Foundation (SPIF), Swiss Prime Site Solutions represents the SPIF at KGAST, the Swiss conference of investment foundation managers. The company is also represented in other organisations on a project basis, such as espaceSolothurn, the economic development agency of the canton of Solothurn, where Swiss Prime Site Solutions has been working on a major development, the Riverside Zuchwil project, for several years.

Wincasa is a member of the Swiss real estate association SVIT, and the Swiss Council of Shopping Centers (SCSC). In addition, the company is an accredited member of the Royal Institution of Chartered Surveyors (RICS), the world's largest professional body for real estate practitioners. It is also part of the interest group «Bauen digital Schweiz».

Jelmoli attaches importance to maintaining good relations with its neighbours and is therefore a member of the Bahnhofstrasse Association that aims to preserve and promote the Bahnhofstrasse in Zurich as an attractive retail thoroughfare. As a member of the Swiss Retail Federation, Jelmoli works to further the interests of the retail sector. The company is also a founding member of the IGDS (Intercontinental Group of Department Stores), enabling it to maintain a close dialogue with other leading department stores across the globe. Since August 2020, Jelmoli has been a member of amfori BSCI/BEPI – an initiative that promotes transparency, ecology and fairness in supply chains. In addition, Jelmoli joined the Textil Alliance Suisse 2020 in the reporting year and supported their manifesto on the future of the Swiss textile industry, «Zukunft Textilbranche Schweiz», that is committed to seasonal ranges, shorter sales periods and products with a higher value.

102-16 Values, principles, standards and norms of behaviour

Swiss Prime Site uses a set of guiding principles and supporting statements to promulgate the values of respect, integrity, responsibility, ambition and innovation. All employees are expected to be respectful in their dealings 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. The Code of Conduct published in 2015 is based on these corporate values. All employees in all group companies are expected to adhere to it. Each group company has formulated specific directives to complement the principles set out in the Code of Conduct.

In 2016, the corporate values and the Code of Conduct were introduced in the individual group companies, where they have since been embedded in the corporate culture through regular information events and ad hoc advice sessions. In addition, new management staff are made aware of the values and the Code of Conduct at Welcome Days. As a further measure in 2019, the entire policies and procedures system was revised at group level and prepared for the group companies to implement individually.

The decision was taken in the reporting year to publish additional group-wide standards from 1 January 2021: Supplier Code of Conduct, Environmental Policy.

102-40 List of stakeholder groups

102-42 Identifying and selecting stakeholders

102-43 Approach to stakeholder engagement

102-44 Key topics and concerns raised

Key stakeholders	Methods of exchanging information	Key issues
Swiss Prime Site Group		
– Shareholders	– Conferences and roadshows	– Course of business
– Analysts	– Regular discussions with analysts via the Board of Directors, Executive Board and Investor Relations	– Current developments
– Investors	– Annual investors' day (Capital Markets Day)	– Strategy
– Proxy advisors	– Annual General Meeting	– ESG performance
	– Half-yearly financial results press conferences	
	– Half-yearly reporting (incl. short report)	
	– Website and social media channels	
Swiss Prime Site Immobilien		
– Tenants and potential tenants	– Regular dialogue with tenants and potential tenants	– Supply of floor space and property services
– Construction project partners	– Property-specific information events and viewings	– Sustainable construction and certification
– Authorities	– Surveys on location preferences, space requirements, moving-in dates or specific requirements for tenants' improvements	– Consideration of local circumstances relating to development projects
– Local stakeholders (residents, associations, political representatives)	– Satisfaction surveys (next survey planned for 2021)	
Swiss Prime Site Solutions		
– Swiss Prime Investment Foundation (as sole current customer)	– Weekly discussion with executive management	– Investment decisions
– Investors	– Monthly discussion with the foundation board	– Range of services
– Supervisory authorities	– Events, roadshows and individual portfolio meetings	– Project developments and acquisitions
	– Annual investors' meeting	– Corporate structure
	– Annual reporting	– Authority of key individuals
	– Website and social media channels	

Key stakeholders	Methods of exchanging information	Key issues
Wincasa		
– Major commercial tenants and around 68 000 residential tenants	– Regular dialogue and coordination meetings with the management of major customers	– Issues on commercial and infrastructure building management
– Owners and institutional investors	– Annual CEO meetings with key customers	– Improving business processes
– Suppliers	– Discussion about the Customer Value Center	– Requirements relating to specialist expertise and availability of services
	– Tenant portal	– Sustainable use of properties
	– Owner portal	
	– Website and social media channels	
Jelmoli		
– Customers	– Daily dialogue with customers in store	– Range and product quality
– Suppliers	– Information desk	– Customer support
– Retail floor space tenants	– Mystery tests	– Linguistic and intercultural skills
	– Regular dialogue with suppliers and retail floor space tenants	– Revenue and profitability
	– Website and social media channels	– Declaration obligations
		– Combination of supply of proprietor-managed and let retail floor spaces

102-41 Collective bargaining agreements

There are no collective bargaining agreements for any Swiss Prime Site employees. The terms of employment for employees differ from group company to group company. All employees of the Swiss Prime Site Group have access to an integrity platform that is operated by an independent partner. The platform serves as a channel to report violations of the Code of Conduct or other issues concerning employment law, including complaints relating to freedom of association and collective labour agreements, which Swiss Prime Site allows. In cooperation with an external service provider, the Swiss Prime Site Group also offers a contact point that employees can turn to in the event of difficult situations at work or in their personal lives.

Topic-specific standards

Economic topics

201 Economic performance

103-1 Management approach

103-2

103-3

Swiss Prime Site Group

With a comprehensive approach to sustainable value creation, Swiss Prime Site is confident it will be able to achieve long-term growth that will be of economic benefit to its various stakeholders and will enable it to provide its shareholders with appropriate dividends. The principles of sustainable company management are clearly defined as part of the business plan and budget process, in which the opportunities, challenges and objectives for the next three-year and five-year periods are considered. The business plan is revised each year. Since 2018, it has included a scenario analysis that examines the potential development of the business in light of various economic and regulatory changes. The business plan and outlook must be approved by the Board of Directors.

In order to remain competitive and maintain a high level of performance across all group companies, Swiss Prime Site uses clearly defined processes, the efficiency of which are regularly measured against key figures. Resource and headcount requirements, as well as third-party costs and general costs, are continuously monitored and the process landscape is optimised accordingly.

Swiss Prime Site Immobilien

The group company focuses on continuously improving its portfolio – not least through a range of new build developments and redevelopments of standing investment properties as well as sales of properties that are no longer strategically relevant. In addition, asset management focuses on reducing vacancies and operating costs and optimising heat and electricity consumption to reduce CO₂ emissions.

Systematic vacancy management is of central importance in order to ensure a high occupancy ratio. Swiss Prime Site Immobilien therefore pursues a proactive marketing strategy and optimises its range of products and services in line with current and future market requirements. The company discusses existing rental agreements with tenants in a timely manner before the end of the tenancy and extends them wherever possible. Renovation and refitting work is coordinated with the terms of leases so that it can be carried out when premises are not in use.

In 2020, many tenants were directly affected to a greater or lesser degree by the impact of COVID-19. The asset management team at Swiss Prime Site Immobilien was in direct contact with the

companies and processed their requests for rent reductions or extensions. With these measures, Swiss Prime Site Immobilien was able to maintain the vacancy rate at around 5%. There will continue to be a focus on reducing vacancies in the future.

In the reporting year, several construction projects were successfully completed and handed over to tenants according to schedule, including the A1 revitalisation project in Oftringen and the Schönbürg project in Berne. In the JED project in Schlieren, the West Log project in Zurich Altstetten and in Stüchi Park in Basel, Swiss Prime Site Immobilien also handed over the first rental spaces to key tenants.

Swiss Prime Site Solutions

Swiss Prime Site Solutions has been the real estate asset manager for the Swiss Prime Investment Foundation (SPIF) since 2017. Since then, the property assets of the Swiss Prime Investment Foundation have grown from CHF 1.4 billion to CHF 3.0 billion. On the back of this success, the Swiss Prime Investment Foundation decided in 2019 to extend its asset management contract with Swiss Prime Site Solutions until 2023.

In the reporting year, Swiss Prime Site Solutions propelled SPIF along its growth course as planned. The company successfully realised ongoing construction projects and acquired several properties. In addition, SPIF Real Estate Switzerland raised over CHF 160 million as part of two capital increases, which also expanded the investor base.

In 2020, emphasis was placed on the design and launch of SPIF's new investment product. This new product, «SPA Living+ Europe», invests in European real estate with various attractive residential uses. The product has a particular focus on the Senior Living segment. Student housing, service apartments, micro living and other forms of use provide diversification.

The expansion of the customer base is to continue in the future. To this end, in the reporting year Swiss Prime Site Solutions worked on additional investment products that were first announced as part of the Capital Markets Day 2020; these will be available to both domestic and foreign investors from 2021.

Wincasa

In a commercially challenging services environment, it is essential that Wincasa retains its high level of competitiveness and quality. To that end, the company employs clearly structured processes, the efficiency of which are constantly monitored and improved. In 2019, the company introduced several new IT systems during the course of changing its ERP system, contributing to further increases in efficiency in 2020.

At the end of 2018, Wincasa took over the tenant platform streamnow. In a similar way to online banking and insurance apps, the portal solution allows users to handle all issues relating to their property and tenancy quickly, easily and at any time, wherever they happen to be. For example, tenants can use the app to access documents and agreements at any time and submit requests. The app also simplifies communication between tenants and property management so that tenant requests can be answered as quickly as possible. This improves tenant satisfaction, which in turn benefits property owners. It also enables Wincasa to further increase the quality and efficiency of its processes.

With the aim of becoming even more customer-centric, the Wincasa Customer Value Center (CVC) was further developed in 2019 as the central interface for property management issues. In 2020, the CVC handled around 435 000 enquiries (phone and email), with the proportion of contacts shifting further in favour of email enquiries. As a result, the speed at which enquiries were processed increased even further.

In addition to making process improvements, Wincasa won new mandates in 2020 and extended existing ones. As of July 2020, the property portfolio of the Bern-Lötschberg-Simplon railway (BLS) was fully integrated and the agreement with the Swiss Prime Investment Foundation (SPIF) was renewed for another three years, until 2024.

Jelmoli

In the reporting year, Jelmoli's main focus was on further improving its range of products and services. In a challenging market environment with strong competition from online retailers, it is even more important to offer customers in bricks-and-mortar retail a special shopping experience. In 2019, Jelmoli rebuilt almost the entire ground floor area, which makes a lasting, positive impression upon first entering the building. The continually expanded and strengthened partnerships with national and international suppliers show that the differentiation strategy and positioning as the largest omnichannel premium department store in Switzerland, which places profitability ahead of high sales figures, is highly effective.

However, the COVID-19 pandemic and the closures ordered by the government and likely continued restrictions have been a major setback for the retail industry as a whole, and Jelmoli's efforts in recent years in particular. The expansion into Zurich Airport has therefore been put on the back burner. Since March 2020, Jelmoli has had a presence in the Airside Center and since November 2020 in the landside Circle – two different formats in two attractive spaces at Zurich Airport. Jelmoli expects the opening of a further foothold in the Zurich area will give rise to economies of scale and synergy effects. At the same time, the ever-increasing use of Zurich Airport expected from 2021 can be used to strengthen Jelmoli's market presence and brand positioning among international and Swiss customers. However, this branch expansion calls for system-related improvements within the process landscape. Jelmoli is therefore planning to release a new ERP system in spring 2021. After the ERP system goes live, a major re-launch of the online shop is also planned.

201-1 Direct economic value generated and distributed

For detailed financial figures, see the Financial Report.

201-2 Financial implications and other risks and opportunities due to climate change

Since 2019, Swiss Prime Site has carried out a regular analysis of climate-related financial risks in line with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) as part of their risk management process. Detailed information on this can be found in the TCFD Report.

201-4 Financial assistance received from government

Swiss Prime Site Group

In 2020, Swiss Prime Site's income statement was positively impacted by tax rate reductions relating to the implementation of Swiss tax reform (STAF), amounting to some CHF 7 million.

Swiss Prime Site Immobilien

Swiss Prime Site Immobilien receives occasional contributions from the buildings programme for construction measures that reduce energy consumption or CO₂ emissions, as well as one-off payments for the installation of photovoltaic systems. In the reporting year, the company received a one-off subsidy of CHF 500 000 for the Minergie certification of the Schönbürg project in Berne.

Jelmoli

During the lockdown in spring 2020, full or partial short-time working hours were announced for 65% of Jelmoli's employees. The Board of Directors and Executive Board of Swiss Prime Site Group decided to set up a solidarity fund for Jelmoli employees. This was intended to provide quick and effective help to sales employees who had to reduce their working hours due to COVID-19 and the closure of the premium department store, and suffered a loss in wages as a result.

The fund was endowed with CHF 450 000 and was financed equally from the Board of Directors' fees and Executive Board members' salaries.

203 Indirect economic impacts

103-1 Management approach

103-2

103-3

Swiss Prime Site is very conscious of its corporate responsibilities regarding the social, ecological and economic framework surrounding its properties. The Company views real estate (projects) not just as individual projects, but as part of the Smart City, contributing to urban living space in the context of urban development and regeneration. The larger the project, therefore, the more land use and urban planning aspects must be considered. The effect that new buildings have on local job opportunities should also not be overlooked: the value chain created by a building project helps to maintain local and regional jobs and trainee positions in the construction and service sectors.

In order to ensure that each property and each new build or renovation project creates added value for the users, residents and the local economy, every project begins with a detailed analysis of the specific characteristics of the location in dialogue with residents, interested users, local authorities and representatives

of the business community, from which further measures are then derived. Depending on the project and the requirements, this analysis may also include a consultation on environmental, health and safety aspects. These discussions are initiated by employees in the development, asset management and communication departments of the Swiss Prime Site Group.

The priority of all stakeholders is to create added value from a range of different perspectives, for example by providing an attractive range of bars and restaurants or on-site childcare facilities. For the new building project YOND in Zurich Albisrieden, for example, there was a special focus on making the building attractive for small businesses by maximising the flexibility of available space. The rental space for the JED project in Schlieren, on the other hand, is primarily aimed at innovative companies and so focuses on active community-building. By encouraging a diverse range of tenants, Swiss Prime Site also ensures that risks are diversified and long-term rental income is secured.

In addition to designing the buildings in accordance with requirements, Swiss Prime Site always contributes to the design of public spaces, green areas and mobility services and comes up with creative ways to make temporary use of vacant properties. In 2020, for example, the Company supported the continuation of a pilot project to establish a shuttle bus service from Basel railway station to Stücki Park, intended for use primarily by employees of the laboratories based there. For the YOND project, Swiss Prime Site Board designed a comprehensive mobility concept aimed at reducing the environmental impact of commuter traffic. Further measures to complement public infrastructure are developed on a project-specific basis in collaboration with the authorities, tenants and local residents involved.

203-1 Infrastructure investments and services supported

With its business activities, Swiss Prime Site contributes to economic and social development in many different ways. The Company is committed to training young people and also supports social and cultural organisations and projects as part of its sponsorship activities. In accordance with the core-satellite approach defined in the sponsorship concept, Swiss Prime Site makes important contributions to projects that are closely related to its core business of real estate. The core initiatives have an annual budget of CHF 500 000 that is devoted to innovation, research and teaching. The satellite initiatives have an annual budget of CHF 400 000 that supports smaller-scale projects in the areas of youth initiatives, sport and culture.

In 2020, Swiss Prime Site supported events such as the NZZ Real Estate Days, CE2 Day held by Circular Economy Switzerland, and the Top 100 Startup Award. Further contributions were made to Avenir Suisse and the Greater Zurich Area, both of which promote Switzerland's role as a centre of economic activity, and to YES Young Enterprise Switzerland and the Tonhalle Orchestra. By making contributions to a number of institutions in the Olten region, the Company also demonstrates its commitment to the area in which its head office is located. The group companies can directly pledge smaller charitable commitments.

To further strengthen the ties with the local community, all Swiss Prime Site employees are given one day off per year to volunteer in the local community. In addition to increasing the sense of responsibility towards the community, this initiative also fosters a sense of togetherness within the Company.

Innovation culture and partnerships

103-1 Management approach

103-2

103-3

Innovation culture

Innovation is one of the key values of Swiss Prime Site. The Company aims to offer its customers optimal added value through sustainable and innovative products and services. In each phase of the real estate life cycle, Swiss Prime Site relies on interdisciplinary knowledge sharing, as well as the creativity of employees at all levels.

Swiss Prime Site's innovation strategy is embedded in the corporate strategy, for which a central unit reporting to the CEO is responsible. A group-wide trend survey forms the basis for the innovation capacity of Swiss Prime Site. Early signals and market trends are systematically recorded and analysed by the Future Board and the Retail Board. In addition, Swiss Prime Site organises regular interdisciplinary workshops on megatrends and future-relevant issues. In 2020, these included logistics and the circular economy. The aim of the workshops is to develop specific ideas and establish innovative thinking in Swiss Prime Site's corporate culture.

Innovation partnerships

In addition to fostering a culture of innovation, partnerships with start-ups and research organisations are seen as very important. As part of the corporate ventures, Swiss Prime Site looks to develop innovative products and seeks out new scalable business models. To this end, the Company collaborates with Venture Lab, a Swiss institution for the promotion of start-ups. The aim of the partnership is to work with young companies to develop specific business ideas that can then be implemented within the operations of the Swiss Prime Site group companies. Since 2017, three or four Accelerator Workshops have been held each year and a total of around twenty projects that emerged have been implemented.

Climate-adapted construction

Innovation plays an important role in making buildings and settlements resilient in the context of climate change. Swiss Prime Site Immobilien therefore devotes considerable effort to finding new approaches to climate-adapted construction. Studies associated with the «maaglive» project combine building densification with the creation of improved outdoor green space that is intended to ensure a good standard of living and provide resistance against weather extremes in urban areas.

Another example of climate-friendly construction is the JED project in Schlieren that can be seen as a counterproposal to high-tech real estate development. The solid construction design uses particularly thick external walls and a sensor-controlled ventilation system for the windows to ensure a pleasant indoor temperature between 22 and 26°C without using any heating in winter or mechanical cooling in summer. Building authorisation has been granted and construction is scheduled to begin in 2021.

205 Anti-corruption

206 Anti-competitive behaviour

103-1 Management approach

103-2

103-3

Combating corruption

Given Switzerland's stable political and regulatory environment, corruption is not a pre-eminent concern. Nevertheless, where large real estate transactions or substantial purchasing volumes are involved, the possibility of operational units within Swiss Prime Site being confronted with this issue cannot be ruled out. Swiss Prime Site condemns all forms of bribery and corruption, fosters an anti-fraud culture and pursues a zero tolerance approach in this respect.

Measures to prevent corruption have been defined at various levels. When signing their employment contract, all employees also commit to the Code of Conduct that governs the treatment of bribery and corruption. Should an actual attempt at bribery occur, employees can call the independent integrity line anonymously at any time.

The Company has a strict set of rules on favours and gifts. In connection with their work for the business, employees are not allowed to accept gifts or other benefits from third parties, except minor or customary ones, either for themselves or others, nor may they accept promises of such gifts or advantages. Employees must decline invitations if accepting them could impair their impartiality or their work. Employees involved in a procurement or decision-making process are also prohibited from accepting minor or customary benefits or invitations. The same rule applies if the benefit or invitation is offered by a person who is involved in or affected by a decision-making process, or if a link between offering the benefit or invitation and the procurement or decision-making process cannot be ruled out.

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 in the same way to the provision of gifts or other benefits as well as to invitations by employees.

Competitive business activities

Anti-competitive practices are avoided through clear responsibilities and powers. For example, all contracts must be reviewed by the relevant legal department. In addition, the group-wide requirement for documents to be signed by two people serves as an effective dual control system. 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, in which they are made expressly aware of criminal offences relating to insider information under securities trading laws.

The Code of Conduct also stipulates that situations potentially leading to conflicts of interest must be avoided. If there is a conflict of interest, employees must inform their manager and, if necessary, the Compliance Officer. The rules of abstention set out in the Code of Conduct apply.

205-2 Communication and training about anti-corruption policies and procedures

In 2020, training material on the Code of Conduct was issued to new managers at the Welcome Day. The material covered corruption and bribery and how to deal with conflicts of interest. In ad-

dition to the Code of Conduct, the General Employment Conditions (AAB) also include information on the topics of corruption and bribery. These are issued to all employees when they sign their employment contract.

205-3 Confirmed incidents of corruption and actions taken

No cases of corruption have been observed since Swiss Prime Site was founded.

206-1 Legal actions for anti-competitive behaviour, anti-trust and monopoly practices

There were no legal actions for anti-competitive behaviour, anti-trust or monopoly practices in 2020.

Environmental topics

302 Energy

305 Emissions

103-1 Management approach

103-2

103-3

Swiss Prime Site Group

Swiss Prime Site is committed to protecting the environment and conserving resources, be it in relation to investments in real estate, the management and use of properties, or any other associated services. The overarching aims and obligations of the Company are set out in the group-wide environmental policy. The Company gathers detailed key figures on energy consumption and greenhouse gas emissions across the group and uses these as a basis for continuously improving its environmental performance. Swiss Prime Site is pursuing ambitious energy consumption and emission goals that go far beyond the goals of the Paris Agreement and contribute to the Federal Council's goal of achieving climate neutrality by 2050. Detailed information can be found in the section on the CO₂-reduction pathway.

Swiss Prime Site Immobilien

At present, the operational focus is on improving the sustainability performance of the property portfolio as defined in the report on the CO₂ reduction pathway, first published in 2019. The resulting findings are incorporated into the different areas of the business (acquisition, portfolio and asset management and development & construction) and are operationalised through the property strategies and relevant processes (multi-year planning and budgeting).

Across all its operations, the company has made greater use of renewable energy a key priority. In a portfolio analysis completed in 2019, the replacement of fossil-fuel heating systems in more than 40 properties was checked against the planned refit schedules on the basis of various building parameters. In the reporting year,

two existing properties were connected to the district heating network and three new builds with renewable heat energy were put into operation. In a range of properties, Swiss Prime Site Immobilien also benefited from the increased ecological quality of district heating. Further connections to the district heating network are planned from 2022. In addition, the multi-year plans drafted in the reporting year to renovate the shells of buildings in the portfolio will make a major contribution to achieving the goals of the reduction pathway.

In 2019, Swiss Prime Site Immobilien assessed the entire property portfolio to determine its suitability for the installation of photovoltaic systems, with the aim of increasing its own production of renewable electricity in the future. During this process, 18 properties were identified where additional photovoltaic systems could be installed. Four systems were already fitted in the reporting year. More projects will be completed in 2021. Furthermore, the company assessed all development projects to determine whether there was potential to install a photovoltaic system. The willingness of future tenants to purchase electricity generated on-site is also a factor in the investment decision. In some properties, the purchase of electricity produced on-site is stipulated in the rental contracts.

Continuous optimisation of heating, cooling, ventilation and lighting will significantly reduce both energy consumption and CO₂-emissions of existing properties. Swiss Prime Site Immobilien gathers comprehensive energy consumption data to identify opportunities for optimisation. The company's EC/BO (Energy Control and Operational Optimisation) system is an online system that continuously records the energy consumption of 144 properties. This corresponds to 93% of the total area of the property portfolio. On the basis of this data, Swiss Prime Site Immobilien identifies further optimisation potential and implements appropriate measures.

In order to achieve the ambitious goals of increasing energy efficiency and cutting greenhouse gas emissions, it is essential that real estate is not optimised as individual properties but is seen as part of a system that needs to be improved as a whole. Swiss Prime Site Immobilien therefore focuses increasingly on promoting and tapping into climate-friendly mobility services. For example, the company has already carried out several projects to install and run electric charging stations. At the end of 2020, the property portfolio had 33 electric charging stations with 48 charging points.

Swiss Prime Site Solutions

As a service company, Swiss Prime Site Solutions follows the guidelines of their customer, the Swiss Prime Investment Foundation, when optimising energy consumption and reducing CO₂

emissions. In the reporting year, the SPIF started developing a sustainability strategy. In this way the SPIF is also responding to the expectations of investors, who are now clearly attaching more importance to sustainability. As a first step, Swiss Prime Site Solutions was commissioned to implement an energy controlling system for the SPIF property portfolio. Similar to the Swiss Prime Site Immobilien portfolio, this will identify potential for optimisation across operations and implement measures over the next few years.

Wincasa

When it comes to energy and emissions, it is important to differentiate between the company's own energy consumption and emissions and potential in property portfolios managed for customers. Within the company, around 50% of CO₂ emissions are caused by its own employees' mobility. In the reporting year, the company's mobility plan was further developed and measures implemented to promote mobile working and non-motorised transport. The SBB Business Travel tool and an intermodal route planner were also introduced in the reporting year. In addition, at the headquarters in Zurich, the use of Mobility hire vehicles was tested and the option of booking available parking spaces via the stream-now app was set up.

In the managed property portfolio, Wincasa has worked for years with a dedicated consultancy team, advising on the issue of sustainability within construction and facility management. Property and environmental experts advise property owners and customers about their portfolio and properties. Central services at a portfolio level include: developing and implementing sustainability strategies for property portfolios, implementing energy management systems and managing energy controlling and operational optimisation mandates, supporting involvement in benchmark initiatives (e.g. GRESB), developing and operationalising CO₂ reduction strategies for property portfolios (CO₂ reduction pathway) and (structured) energy procurement.

At a property level, Wincasa supports owners with the certification of properties and the development and implementation of property strategies. Other key services include the planning and operation of photovoltaic systems with on-site consumption and electric charging stations or other energy-related operational optimisations. In the reporting year, Wincasa launched a new service relating to electric mobility. The service includes advising property owners on developing property-specific electric mobility concepts. As part of this, a separate position was created for electric mobility, responsible for supporting the projects and expanding the service.

As part of Swiss Prime Site, Wincasa plays an important role in monitoring the ecological footprint of the entire Swiss Prime Site Group. It collects data on energy and resource consumption each year and uses it to calculate the corresponding CO₂ emissions.

Jelmoli

As a tenant of retail and storage space, Jelmoli has limited influence over energy consumption and the associated CO₂ emissions. However, with Swiss Prime Site Immobilien as an owner, the company can count on energy improvements being actively driven as part of the CO₂ reduction pathway. The owner has a ten-year plan for the property on Bahnhofstrasse in Zurich. This includes improvements to the building shell and air conditioning systems. In addition to the retail floor spaces, storage facilities are also being continuously improved. In the reporting year, the lighting in the rental space of the goods storage facility in Otelfingen was switched to LED lighting. In 2021, the same upgrade will be carried out on Jelmoli's rental spaces.

Jelmoli is also endeavouring to reduce the CO₂ emissions of their logistics operations, specifically for the last mile of B2B and B2C deliveries. To achieve this goal, in 2020 Jelmoli started using a truck powered by natural gas. In 2021, the company will also renew its delivery fleet by replacing worn-out vehicles. An analysis was therefore carried out in the reporting year to assess whether electric or fuel cell vehicles should be used. A definitive decision has not yet been made. Furthermore, all of Jelmoli's logistics partners must now guarantee that their deliveries are emissions-free or that they make appropriate compensation payments.

302-1 Energy consumption within the organisation

302-3 Energy intensity

302-4 Reduction of energy consumption

305-1 Direct (Scope 1) GHG emissions

305-2 Energy indirect (Scope 2) GHG emissions

305-3 Other indirect (Scope 3) GHG emissions

305-4 GHG emissions intensity

305-5 Reduction of GHG emissions

See key environmental metrics and the CO₂ accounting concept

303 Water, effluents and waste

306

103-1 Management approach

103-2

103-3

Swiss Prime Site Group

The efficient use of resources is an integral part of Swiss Prime Site's sustainability goals. For investment in and use of real estate, sustainable materials are always used where possible. The Company also takes care to reduce water consumption and keep waste to a minimum. During the disposal of waste and the recycling of materials, all relevant legal requirements are met. The group companies implement business-specific measures in this area. For example, no plastic products or hard copy documents are used. Wherever possible, waste products are recycled.

Swiss Prime Site Immobilien

To reduce the quantity of water consumed, Swiss Prime Site Immobilien measures the water use of each property and installs water-saving taps and efficient devices in all common areas. For rental spaces, it is only possible to formulate recommendations. The development & construction teams have standards governing irrigation systems and rain and grey water usage, particularly for major renovation or new build projects. These are based on the standards issued by the certification organisation SNBS (the Swiss Sustainable Building Network). Operating buildings and producing construction material both use a lot of water. Swiss Prime Site Immobilien therefore intends to encourage producers and suppliers to take more responsibility for this by including appropriate requirements in contracts.

As a member of the board of directors of Madaster Switzerland, Swiss Prime Site Immobilien is committed to increasing the efficient use of resources and a gradual transition to a circular economy. Circular elements have already been implemented in several new build and full renovation projects, so that as much as possible of the material used in construction can be recycled. To improve understanding of a circular economy, in the reporting year Swiss Prime Site Immobilien, together with representatives of other group companies, took part in an innovation workshop on the

subject of the circular economy and developed specific solutions to gradually increase circularity. This included thinking about how construction and demolition rubble is handled. To standardise the approach across the company, in 2020 Swiss Prime Site Immobilien developed specific standards for new build and renovation projects. Detailed information is available on the company website.

Swiss Prime Site Solutions

In the reporting year, Swiss Prime Site Solutions helped the SPIF to develop a sustainability strategy in which the central topic was the optimisation of resource use. The strategy is scheduled to be operationalised from 2021.

Wincasa

As Wincasa manages properties as a service provider on behalf of the owners, the company only has limited influence on resource use. However, Wincasa seeks where possible to raise the awareness of both owners and tenants and reduce both water use and waste production. For instance, the company launched a campaign to install water-saving shower heads, with the goal of saving both water and energy. As at the middle of 2020, more than 10 000 aerated shower heads had been installed in around 100 properties. This is estimated to save around 73 million litres of water and around 1.8 million kWh per year (550 tCO₂).

Jelmoli

Reducing waste or the optimal recycling of waste is a key priority for Jelmoli. For example, the company has a successful concept for reducing food waste in their food segment. The company's own restaurants use food from the FOOD MARKET that is still fresh but no longer looks perfect enough to be sold. This not only helps to reduce the amount of food thrown away, it also helps to cut costs. In addition, on the Too Good To Go portal between 7:00 and 7:30 pm, people can place orders at reduced prices for a variety of dishes that would otherwise have to be thrown away at closing time.

Under the waste management concept, the reusable materials and waste generated in sales and logistics and the corresponding processes are continuously checked and optimised in line with current recovery, recycling and waste disposal practices. All reusable material is collected and recycled daily.

To make the packaging used in the department store more sustainable, all plastic carrier bags were replaced with more sustainable paper bags in 2019. And in the online shop, packaging material was selected based on sustainability criteria and produced entirely in Switzerland. Online shop customers can also choose whether they agree to goods being sent in used packaging boxes. All other packaging material has ecological labels and the majority of it is produced in Europe.

303-5 Water use

306-2 Waste by type and disposal method

See key environmental metrics.

CRE5 Land degradation, contamination and remediation

Swiss Prime Site Immobilien

Checking land and buildings for hazardous materials and, if necessary, safely removing them is a routine procedure for Swiss Prime Site Immobilien. If there appears to be a potential danger to tenants, immediate measures are taken to eliminate the risk. In the reporting year, CHF 0.55 million was spent on cleaning up contaminated sites as part of construction work.

Swiss Prime Site Solutions

The same approach applies at Swiss Prime Site Solutions. In 2020, the company disposed of all hazardous land waste at the Neugstadig new build project in Liestal. The site could then be removed from the register of contaminated sites.

Environmental key performance indicators¹

Swiss Prime Site real estate portfolio

	Unit	2019	2020
Properties	number	164	159
Usable floor space	m ²	1 522 650	1 549 743
Total energy consumption	MWh	208 874	199 728
Share renewable	MWh	95 080	90 541
Share non-renewable	MWh	113 794	109 187
Electricity	MWh	84 495	78 988
Share renewable (hydro)	MWh	66 482	62 641
Share non-renewable (standard Swiss consumer mix)	MWh	18 013	16 347
Heating energy	MWh	124 379	120 740
Heating oil	MWh	6 875	5 538
Natural gas	MWh	70 898	68 626
District heating	MWh	46 318	46 288
Share renewable	MWh	28 310	27 612
Share non-renewable	MWh	18 008	18 676
Wood chips	MWh	288	288
Total energy intensity ²	kWh/m ²	163.8	158.4
Electricity intensity ³	kWh/m ²	75.5	74.4
Heating energy intensity ⁴	kWh/m ²	90.4	86.6
Total CO ₂ emissions ⁵	tCO ₂ e	25 361	24 041
Scope 1 emissions	tCO ₂ e	14 733	13 029
Scope 2 emissions	tCO ₂ e	4 016	4 260
Scope 3 emissions	tCO ₂ e	6 612	6 752
CO ₂ intensity ⁶	kgCO ₂ e/m ²	21.4	19.9
Total water use	m ³	855 734	618 056

¹ For explanations of the accounting concept, see pp. 96–98.

² Energy consumption (electricity and heating energy) is measured at meter level and allocated to different types of floor space for balancing purposes. The individual areas do not add up to the total usable floor space. This applies accordingly to the electricity intensity, the heat intensity and the CO₂ intensity. The energy intensity refers to an area of 1 261 188 m².

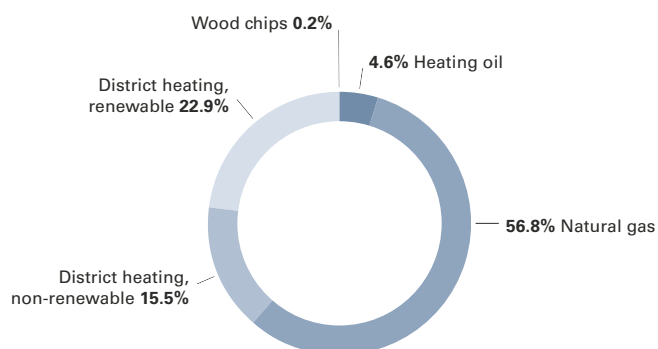
³ The electricity intensity refers to an area of 1 061 839 m².

⁴ The heat intensity refers to an area of 1 393 840 m².

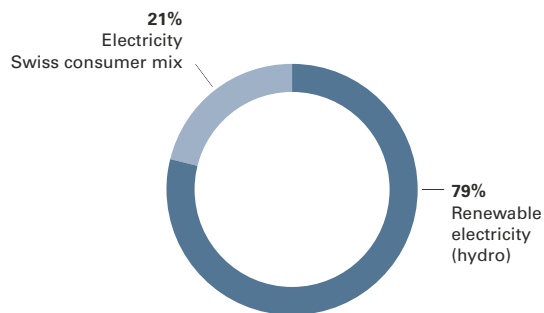
⁵ CO₂ emissions are reported separately for the real estate and services segments, as emissions from the services segment (see pp. 69–70) are negligible compared with the emissions from the property portfolio (8.8% of total emissions in the reporting year).

⁶ The CO₂ intensity refers to an area of 1 208 088 m².

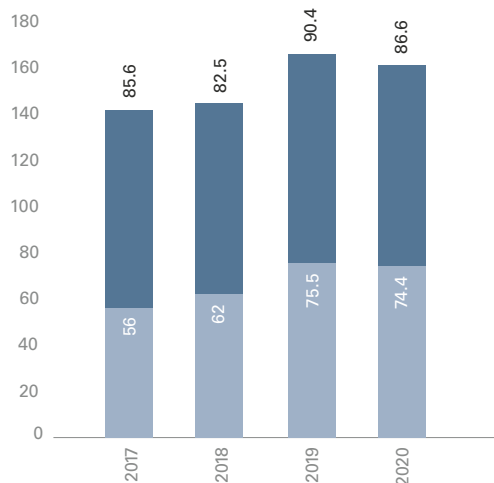
Breakdown by heating energy source



Breakdown by electricity source



Overall portfolio energy intensity (including some services in properties of the Swiss Prime Site portfolio)^{1,2}

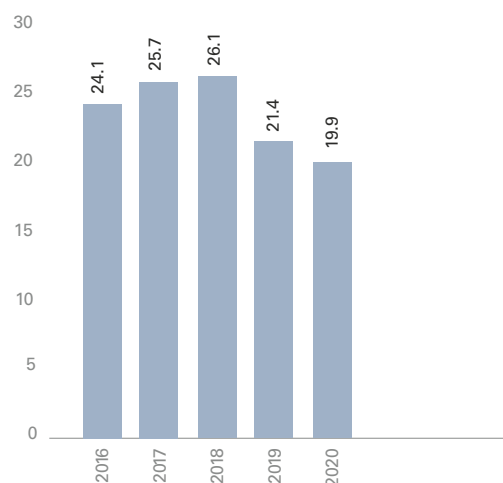
kWh/m²


■ Electricity ■ Heating

¹ 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 accounting concept, p. 96–98).

² Since 2019, the total energy consumption has been recorded based on the usage of specific areas (total area, common area and tenant area) (see accounting concept, p. 96–98).

Overall portfolio CO₂ intensity (including some services in properties of the Swiss Prime Site portfolio)^{1,2}

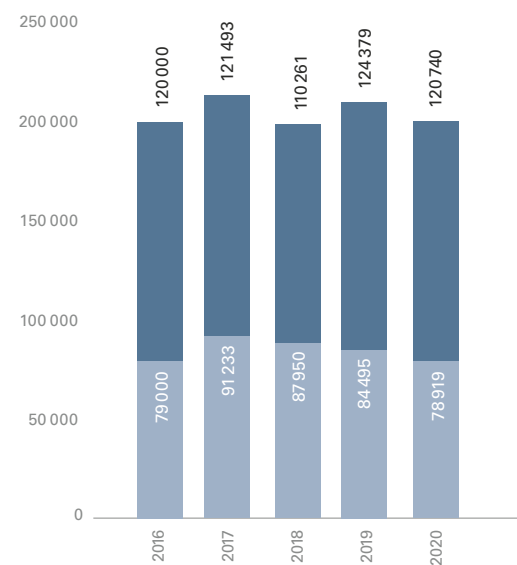
kg CO₂e/m²


¹ 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 accounting concept, p. 96–98).

² Since 2019, the total energy consumption has been recorded based on the usage of specific areas (total area, common area and tenant area) (see accounting concept, p. 96–98).

Total energy demand¹

MWh



■ Electricity ■ Heat

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.

Operational CO₂ emissions Swiss Prime Site^{1,2}

	Unit	2019	2020
Total CO ₂ emissions	tCO ₂ e	140	76
Scope 1 emissions	tCO ₂ e	0	0
Scope 2 emissions	tCO ₂ e	0	0
Scope 3 emissions ³	tCO ₂ e	140	76

¹ The data covers Swiss Prime Site Management AG as well as the group companies Swiss Prime Site Immobilien and Swiss Prime Site Solutions.

² As the companies included do not lease any space from third-party providers, no operational energy consumption is incurred that has not already been allocated to the property portfolio (see p. 67) in accordance with the accounting concept. For further explanations of the accounting concept, see pp. 96–98.

³ Scope 3 emissions include CO₂e emissions from commuting and business travel as well as the consumption of office materials such as printed materials, electronic equipment, waste, water, paper consumption, toner and catering.

Operational resource consumption Wincasa¹

	Unit	2019	2020
Usable floor space	m ²	22 769	22 769
Operational energy consumption	MWh	3 397	2 306
Share renewable	MWh	1 198	865
Share non-renewable	MWh	2 199	1 441
Electricity	MWh	1 376	936
Share renewable	MWh	1 039	718
Share non-renewable	MWh	337	218
Heating energy	MWh	2 021	1 370
Heating oil	MWh	9	6
Natural gas	MWh	1 525	916
District heating	MWh	488	448
Share renewable	MWh	160	147
Share non-renewable	MWh	328	302
Energy intensity	kWh/m ²	0.1	0.1
CO ₂ emissions	tCO ₂ e	2 386	1 717
Scope 1 emissions	tCO ₂ e	336	201
Scope 2 emissions	tCO ₂ e	107	81
Scope 3 emissions ²	tCO ₂ e	1 943	1 436
Water use	m ³	17 912	12 414

¹ The energy consumption reported is generated on leased space from third-party suppliers. For explanations of the accounting concept, see pp. 96–98.

² Scope 3 emissions include CO₂e emissions from commuting and business travel as well as the consumption of office materials such as printed materials, electronic equipment, waste, water, paper consumption, toner and catering.

Operational CO₂ emissions Jelvoli¹

	Unit	2019	2020
CO ₂ emissions	tCO ₂ e	869	533
Scope 1 emissions	tCO ₂ e	0	0
Scope 2 emissions	tCO ₂ e	0	0
Scope 3 emissions ²	tCO ₂ e	869	533

¹ As the company does not lease any space from third-party providers, no operational energy consumption is incurred that has not already been allocated to the property portfolio (see p. 67) in accordance with the accounting concept. For further explanations of the accounting concept, see pp. 96–98.

² Scope 3 emissions include CO₂e emissions from commuting and business travel as well as the consumption of office materials such as printed materials, electronic equipment, waste, water, paper consumption, toner and catering.

Social topics

401 Employment

103-1 Management approach

103-2

103-3

Swiss Prime Site Group

Competent and committed employees are key to mastering future challenges. Over the medium and long term, the success of Swiss Prime Site depends on how effectively the Company can recruit and retain qualified employees, foster the development of their skills, assign responsibility to them and encourage their commitment to their day-to-day duties and the objectives they share with their colleagues.

Since it is becoming increasingly challenging to recruit qualified, ambitious employees, all group companies make a special effort to design an attractive working environment. Swiss Prime Site encourages a positive work-life balance by offering flexible, independent working hours and conditions. Industry-specific contractual employment terms are based on labour law and the corresponding statutory time periods. Swiss Prime Site grants its employees as much autonomy as possible when it comes to working hours and place of performance. This is on the condition that data protection and confidentiality requirements and reaction time to customers and other stakeholders are ensured at all times. Part-time employment and job sharing are possible at all levels.

There may be occasional fluctuations in workload depending on the role and the market environment in which the group company is operating. Here too, work is assigned within the framework of statutory requirements, so maximum working hours and break times are always ensured. Overtime may be reduced in consultation with line managers.

Employee surveys are carried out regularly to check that the management approach is effective. However, a survey was not conducted in the reporting year. The next survey is scheduled for 2021.

Swiss Prime Site Immobilien

There were changes in personnel announced in the reporting year at Swiss Prime Site Immobilien. As of 1 January 2021, Dr Martin Kaleja assumes the post of CEO, taking over from Peter Lehmann. He also represents Swiss Prime Site Immobilien on the Swiss Prime Site Executive Board.

Swiss Prime Site Solutions

In the reporting year, Swiss Prime Site Solutions further professionalised the organisation and filled the new role of Chief Investment Officer (CIO), who will be responsible for the property portfolio and development projects of Swiss Prime Investment

Foundation. In addition, the role of Chief Financial Officer (CFO) was advertised and will be filled in 2021. Further positions in sales and investor relations are planned. From 2021, the CEO of Swiss Prime Site Solutions will also be represented on the Swiss Prime Site Executive Board. As of 1 January 2021, employees of immov-eris will be taken on as part of the merger with the group company Swiss Prime Site Solutions.

Wincasa

In the reporting year, there was a particular focus on the implementation of measures derived from the results of the satisfaction survey conducted in 2019. The goal was to embed the culture of trust and feedback more deeply in the company, as part of the #weworksmart initiative. One example of this was a management meeting focusing on improving the work culture with regard to mobile working.

Enabling employees to participate in the digital and mobile workplace was also a key issue. As part of the move to the new headquarters in Zurich Albisrieden, a professional change management team supported the introduction of a new workplace concept that promotes flexible working hours and locations. Wincasa showcased the modern workplace in the YOND building both via the intranet and on social networks including LinkedIn and Xing. Employees were also able to share their own experiences with each other. Furthermore, Wincasa expanded their training and development with courses on the topics of «Mobile collaboration culture», «Leadership in a virtual environment» and «Self-management».

Jelmoli

In the reporting year, Jelmoli made further efforts to drive forward the digitalisation of the company. As part of «Project 2025» and the planned introduction of the new ERP system, a new IT system landscape will be created to achieve cross-divisional optimisation and efficiency improvements. At the same time, employees were recruited to be trained as «transformation agents» who will facilitate this process with a goal-oriented, efficient approach. There was also a change in senior management at Jelmoli in the reporting year. The new CEO, Nina Müller, increases the proportion of women on the Executive Board at Jelmoli to 25%.

401-1 New employee hires and employee turnover

By focusing on long-term corporate goals, Swiss Prime Site strives to ensure job security and create attractive working conditions. The group companies regularly assess which measures could be implemented to lower the employee turnover rate. High rates of employee turnover are a particular challenge for Wincasa and Jelmoli. At Jelmoli, reducing employee turnover has been part of sales managers' agreed targets since 2016.

Changes to organisational structures are planned and carried out with a significant sense of responsibility and duty of care and an awareness of individual employees' situations. Fixed-term contracts are used on the trainee programme or, in rare cases, as a temporary solution if there is an unexpected reduction or shortage in personnel. In the reporting year, six trainees were employed in different areas across Swiss Prime Site. As part of the trainee programme, they rotate every six months between Swiss Prime Site Immobilien, Swiss Prime Site Solutions and Wincasa. At Jelmoli, eight fixed-term employees helped out during the pre-Christmas period. All other fixed-term contracts will be transferred into permanent contracts where possible.

For more details, see the sections on employee figures and the key figures of the group companies.

401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees

With its attractive salary models and benefits, Swiss Prime Site offers favourable conditions of employment. All employees, whether employed on a full-time or part-time basis, receive benefits over and above the statutory minimum. Additional benefits for Swiss Prime Site employees include discounts at Jelmoli, discounts on insurance and restaurants and reduced prices on public transport. There are also programmes for variable salary components, company celebration days and in some cases additional holiday over Christmas. Daily sickness allowance insurance is also provided.

There are currently no official childcare benefits available. However, in the event of private emergencies, it may be possible to agree a solution with the individual employee, for example where there are caring responsibilities. Mobile working and flexible working hours also help to make situations easier for employees.

In accordance with the General Employment Conditions (AAB), all employees have the right to unpaid leave where business allows and subject to the employer's needs. The relevant terms are set out in individual agreements. The group companies also grant additional paid leave for occasions such as weddings, moving house, statutory care services or bereavement:

- 1–3 days in case of the death of a family member, care services required by law, but also for weddings or registering a partnership, moving house or duties connected to military and community service.
- Maternity leave at Swiss Prime Site is 16 weeks, and 14 weeks at Jelmoli. Wincasa grants all female employees six months' maternity leave upon request. In the first to the end of the fourth year of service, Wincasa will pay the employee's full

salary for 16 weeks. Employees with more than 4 years of service will receive their full salary for 6 months. Holiday entitlement is not reduced during this period. For the remainder of the maternity leave period, holiday entitlement is reduced by one twelfth (1/12) for each full month of absence. If the reduction cannot be deducted from the holiday balance, it will be settled through payroll.

- From 2021, paternity leave is 10 days across the Group.

Short absences such as doctor's or dentist's appointments or meetings with authorities should be made outside working hours or during non-core hours. Some medically prescribed treatments are counted as work time.

The Swiss Prime Site Group offers its employees an external point of contact for help and support with private issues. In the event of a temporary predicament relating to childcare or care for relatives, employees can make use of up to three days of special leave. Operational requirements apply here to both full-time and part-time employees.

After every ten years of service, Swiss Prime Site employees receive a one-off payment equivalent to one month's (gross fixed) salary. Alternatively, employees can agree with their line manager to take a sabbatical of four consecutive weeks within 24 months of their application being approved.

In the reporting year, for the second time, Wincasa offered its employees the option of buying additional holiday leave. This was taken up by a total of 41 employees. In 2019, the offer had been taken up by 112 employees. This year's lower number is due to the travel restrictions in the reporting year.

403 Occupational health and safety

103-1 Management approach

103-2

103-3

Swiss Prime Site Group

Swiss Prime Site places significant value on employees' health and their safety at work, as individual skills are very hard to replace, particularly in small teams. The rules and regulations customary in the industry are substantiated and supplemented by internal regulations.

All workplaces at Swiss Prime Site are designed to be as ergonomic as possible. Employees who wish to do so can get free flu vaccinations or claim discounts for gym subscriptions. Regular evacuations are also practised to increase awareness of safety in the workplace.

Should employees have any grievances about safety at work or a breach of personal integrity, they can seek advice from internal bodies or contact the anonymous integrity line. All staff can also avail themselves of the services of AXA Care Management if they fall ill. Line managers, the Human Resources department and health & safety officers within the company are responsible for protecting employees' health at work. Regular discussions with employees and monitoring of the absentee rate enable the company to assess whether measures in place are adequate.

In the reporting year, safeguarding employees' health became even more of a priority due to the COVID-19 pandemic. Even before the lockdown took effect, the Swiss Prime Site Group formed a task force comprising key personnel from all group companies as well as from the Human Resources, Risk Management, Legal and Communication departments. The task force enabled timely discussions and resolutions on measures that focused on the wellbeing of employees and customers.

Swiss Prime Site Immobilien

In the reporting year, additional checks were required due to COVID-19, particularly on construction sites. Working with construction service providers, these were implemented quickly and in line with the guidelines issued by the Swiss Federal Office of Public Health. No complaints were made in the course of the checks carried out by the authorities.

Wincasa

Wincasa bases its approach on the guidelines issued by the Federal Coordination Commission for Occupational Safety (FCOS) and aims for an absence rate of under 3%. As part of achieving this goal and optimising absence management, the company offered training to all managers on internal processes, the role of management and the preventive aspects of health-focused leadership. Employees can also access a range of online courses, videos and articles as part of the internal #weworksmart initiative on topics such as occupational health and safety and self-management. Employees also receive regular information about health campaigns such as bike2work and the current preferential conditions at fitness centres located nearby.

Jelmoli

At Jelmoli, occupational health & safety is regularly assessed by the City of Zurich Labour Inspectorate. These assessments include fire safety, evacuation plans, emergency policies and escape routes. In addition to specific statutory requirements relating to health and safety at work as part of facility management, the Human Resources department has a standardised absence and case management process as part of promoting health at work; this ensures that line managers can identify early on any employ-

ees who may be impacted and take preventive action. Jelmoli also offers free annual flu vaccinations and contributes towards the costs of fitness centre services.

403-9 Work-related injuries

403-10 Work-related illnesses

See employee figures.

404 Training and development

103-1 Management approach

103-2

103-3

Employee training and development is fundamental to Swiss Prime Site's strategic development and the strength of its employer brand. The constantly changing workplace requires a wide range of training and development products. Swiss Prime Site therefore invests heavily in the systematic development of its employees. To encourage emerging talent, the individual group companies (mainly Wincasa and Jelmoli) provide apprenticeship positions and support talent with specific programmes and career planning tools.

The employer identifies and provides employee training and development programmes that derive from the corporate objectives and reflect both the demand for existing skills and those needed in the future. In doing so, Swiss Prime Site always takes into account employees' personal goals. Annual appraisals and meetings about targets help the Company to ensure that the training content is appropriate for individual employees' needs and their roles. Costs for individual training are covered proportionately and agreed on a case-by-case basis, as is any time required. The Human Resources department and line managers are responsible for training and development.

Internal courses are evaluated to check the quality of the training and development provided. Feedback is normally gathered and evaluated by the course directors immediately after each course. 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. Swiss Prime Site also reviews external courses using ongoing feedback and discussions with course participants.

Swiss Prime Site Immobilien

In the reporting year, in addition to the ongoing programme for managers, Swiss Prime Site Immobilien offered seminars on negotiation, courses on the Swiss sustainable building standard (SNBS) and individual training. Individual training from LinkedIn Learning is always available to all employees.

Wincasa

After moving into its modern premises at the new headquarters in Zurich, the company opened the newly created Wincasa Studio – an important interface for winning and developing talent. As part of this internal training centre, the training and development products were designed so that the elements essential to the successful management of the transformation phase – technology, leadership, culture and self-management – are all connected. Employees can use the learning management system to find out about the current programme, sign themselves up for courses and use their LinkedIn Learning license to suit their needs.

Individual areas also benefited from bespoke programmes in the reporting year. For example, the Management, Transformation, IT & Corporate Finance departments conducted successful specific training on handling change. In addition, the monthly Welcome Day was designed to be a key element of onboarding and a way of providing new employees with comprehensive information about the Wincasa organisation, the transformation journey, the culture and the mobile use of resources. Wincasa aims to increase the number of annual training hours available to a minimum of eight hours per FTE.

404-1 Average hours of training per year per employee

See key figures of the group companies.

404-2 Programmes for upgrading employee skills and transition assistance programmes

Swiss Prime Site Group

Each year, two Welcome Days are held for new managers. Swiss Prime Site also organises an annual Management Day for all managers. These events give the group companies the opportunity to introduce themselves to new employees. They also promote awareness of the group's diversity and offer the opportunity to establish informal networks. The courses «The first 100 days in a new job» and «The first 100 days as a manager» help managers to settle into their new position. Swiss Prime Site also offers older employees retirement preparation courses to help them with the transition from their professional life into retirement.

Since 2017, there has been a group-wide leadership programme to establish common understandings of leadership and promote mutual exchanges of knowledge and support. This programme

communicates and embeds corporate values and positive leadership styles as well as practical leadership tools. Emerging training needs are met in line with the situation. To help with this, all employees have access to the LinkedIn Learning platform that offers individual learning in multiple languages and on a range of topics, available at any time and from any location.

Swiss Prime Site Solutions

Swiss Prime Site Solutions supports their employees' training objectives with the aim of further improving the quality of service. In the reporting year, measures focused particularly on specialist and management skills as well as language skills, with individual interests taken into consideration. Swiss Prime Site Solutions supports employees' participation in external training courses at universities and technical colleges.

Wincasa

The opening of the Wincasa Studio in October 2020 now enables Wincasa to offer a modern training centre. In addition to subject-specific, technology and leadership courses, it also offers training on management that reflects the specifics of real estate management in the future. This ties digital procedures in with analogue workflows in property management. Specialists of the future will be trained in a model apartment on how to manage digital rental applications and physical apartment handovers and manage digital customer support. Face-to-face training will be increasingly replaced by blended and e-learning. In the reporting year, Wincasa increased the number of digital courses from 21 to 89, while internal face-to-face courses fell by more than 50%, partly because of the COVID-19 pandemic.

Jelmoli

At Jelmoli, the focus in the reporting year was on establishing digital expertise as well as on the role of expert host, with a number of seminars conducted in collaboration with the Belvoirpark hotel management school in Zurich.

404-3 Percentage of employees receiving regular performance and career development reviews

At Swiss Prime Site, individual training and development goals are defined for all employees (100%) as part of annual appraisals.

405 Diversity and equal opportunity

103-1 Management approach

103-2

103-3

Swiss Prime Site Group

Equal treatment and equality of opportunity form the basis of a respectful and productive working environment. Diversity – of people, opinions and experience – is actively supported throughout the Group. The guiding principles for interaction between employees are defined by the group-wide corporate values and the Code of Conduct. Swiss Prime Site also supports the United Nations' «Women's Empowerment Principles» and details its activities relating to the different principles in the GRI Report (see GRI 401, 404, 405 and 406).

In the reporting year, Swiss Prime Site Immobilien and Wincasa's level of equal pay between men and women was assessed using the Swiss federal government's Logib tool and implemented in accordance with statutory requirements. Appropriate measures are being taken where necessary. In order to ensure full equality of opportunity, however, there are other key factors such as fair recruitment processes and the provision of flexible working models (see GRI 401). In addition, when recruiting for open positions, mobility between group companies is also facilitated.

Overall responsibility for ensuring a fair working environment rests with the Executive Board and senior Human Resources personnel. However, Swiss Prime Site places great importance on all employees recognising their own responsibility for this goal being achieved.

Swiss Prime Site does not consider that further specific measures are currently required, as the existing recruitment, salary, nomination and bonus processes are sufficient to ensure equality of opportunity and diversity. Should employees have a grievance or wish to report an irregularity, they can make an anonymous call to the integrity line. They can also direct grievances to their line manager or the Human Resources department.

Wincasa

The regional and structural salary adjustments, based on the 2019 salary analysis, were implemented as part of the 2020 wage round. In the reporting year, Wincasa reviewed the level of equal pay between men and woman using the Swiss federal government's Logib tool and found a small variation compared to the prescribed 5% gap limit. However, this variation can be explained due to differences in qualifications and professional experience. Nevertheless, new measures were implemented in the reporting year to bring salaries in line with the federal government's requirements.

Wincasa is keen to increase the proportion of women in leadership positions. To facilitate this, Wincasa recruits based on qualifications and suitability, regardless of gender. The gender split on the Executive Board is already 50:50.

405-1 Diversity of governance bodies and among employees

See employee figures.

406 Non-discrimination

103-1 Management approach

103-2

103-3

Open and respectful interactions are fundamental to successful collaboration, both within the Company and with third parties. At Swiss Prime Site, the principle of non-discrimination is established in the group-wide Code of Conduct, which is more than just laws and regulations.

Swiss Prime Site understands the principle of non-discrimination to mean that all employees should have equal access to opportunities. This includes a ban on discriminating against or disparaging groups or individuals because of their gender, nationality, sexual orientation, religion, age, marital status, beliefs, social background or physical or mental impairment. This applies to all areas, including recruitment, promotion, training and development and equal pay.

In the group-wide General Employment Conditions (AAB) and in the Code of Conduct, Swiss Prime Site commits to the protection of employees' individuality and integrity. This includes recognising and having consideration for each employee's personality, health and integrity. The Swiss Prime Site Group condemns and prohibits unjust treatment, bullying, sexual harassment or discrimination of any kind. It supports employees defending themselves without suffering any resulting disadvantages. Should employees have a grievance or wish to report an irregularity, they can make an anonymous call to the integrity line.

406-1 Incidents of discrimination and corrective actions taken

Swiss Prime Site did not identify any cases of discrimination across the group in 2020.

308 Supplier environmental assessment

414 Supplier social assessment

103-1 Management approach

103-2

103-3

Swiss Prime Site Group

Swiss Prime Site appreciates that procurement must also be conducted sustainably as part of a comprehensive, company-wide approach to the issue. By carefully selecting suppliers and through contractual obligations, Swiss Prime Site can ensure that social and environmental aspects are factored in throughout the supply chain. Swiss Prime Site Immobilien's general business terms for suppliers include requirements relating to quality management, safety at work and working conditions. Swiss Prime Site also bases these on internationally recognised human rights principles including the Universal Declaration of Human Rights of the United Nations (see also GRI 102-9 Supply Chain).

Swiss Prime Site Immobilien

Swiss Prime Site Immobilien transfers the obligation to comply with statutory safety-at-work requirements fully to all construction service providers and their subcontractors. Before construction commences, an accident prevention safety concept (for example, in accordance with OHSAS 18001) must be drawn up, which Swiss Prime Site Immobilien must approve. No complaints regarding infringements of statutory requirements were recorded at any Swiss Prime Site Immobilien construction sites in the reporting year.

The origin of all materials used in a project, especially critical products such as carpets, natural stone and premium wood panelling, must be certified, and Swiss Prime Site Immobilien takes steps to ensure that all construction materials are produced in accordance with human rights conventions and its Code of Conduct. In signing an agreement, suppliers are obligated to procure raw materials and resources that have been made locally where possible. Suppliers are compelled to show that products that cannot be sourced in Switzerland have appropriate certification. In addition, they must show that there is no unethical behaviour such as child labour anywhere in the production and procurement chain.

Wincasa

Wincasa sets store by working with business partners and suppliers who share its values, including current sustainability criteria. In individual cases, the application of these sustainability criteria depends on owners' needs and requirements. If requested, appropriate clauses on social or environmental terms can be added to the standard contract. Unless additional requirements are stipulated by the owner, Wincasa works within the limits required by law.

Since 2019, Wincasa has been using a quality management system for technical and skilled manual work where some suppliers (such as painters, flooring contractors, lift engineers) require certifications for quality management (ISO 9001), environmental management (ISO 14000) and occupational health and safety (OHSAS 18001). Depending on the activity, there are also specific certifications for fire safety, lift systems and refrigeration systems. These requirements are also applied to procurement in construction management.

Jelmoli

Jelmoli's food procurement policies are primarily focused on environmental considerations, while its purchases of textiles and household products are mainly guided by its social priorities. This latter policy reflects the fact that working conditions in textile-producing countries are often problematic. Its position at the higher end of the textiles market enables Jelmoli to be in direct contact with both suppliers and their manufacturers based in Europe. A system to standardise and simplify purchasing negotiations and factor in sustainability and ethical considerations was introduced in 2019. All suppliers are now routinely questioned on their partnerships with NGOs and their sustainability and codes of ethics. Jelmoli regularly gathers data about which labels are used by the individual brands, such as «Fair Trade» or «FSC». In the reporting year, Jelmoli also joined the amfori BSCI/BEPI initiative. This commits Jelmoli to complying with the amfori Code of Conduct, which is based on international conventions and lays down certain environmental and social standards which themselves are based on the conventions of the International Labor Organization (ILO), the Universal Declaration of Human Rights of the United Nations, the UN Global Compact and the OECD guidelines. Joining the initiative also commits Jelmoli to involving suppliers in the amfori BSCI process and conducting regular progress checks. Suppliers are then audited accordingly.

308-1 New suppliers that were screened using environmental criteria

414-1 New suppliers that were screened using social criteria

At Wincasa, around 10% of suppliers are assessed based on social and environmental criteria in centrally managed framework agreements. The new quality management system can help raise this quota to over 50% of suppliers. The quality management system will be redesigned due to the new data protection regulations and, if possible, included in the new ERP system. Relevant measures with external partners will also be reviewed. The rest of procurement is not carried out centrally and so cannot be checked by the Purchasing department.

416 Customer health and safety

103-1 Management approach

103-2

103-3

Swiss Prime Site Group

For Swiss Prime Site, the individual needs, safety and wellbeing of our customers are a top priority. All statutory requirements and checks by the relevant authorities and governing bodies (including the occupational health & safety inspectorate, the fire safety inspectorate, SUVA, etc.) are complied with.

In connection with the COVID-19 pandemic, a crisis committee was formed of members from all group companies to provide advice on the necessary hygiene and safety measures and any organisational adjustments needed to protect customers and employees. Communication about measures adopted was conducted centrally and tailored to its recipients.

Swiss Prime Site Immobilien

Swiss Prime Site Immobilien and Swiss Prime Site Solutions adhere strictly to all building regulations and requirements, health and safety directives and guidelines on barrier-free building design. Where relevant, the criteria for the various types of building certification are also observed. The group companies also ensure in their contracts for services that no hazardous construction materials are used.

In addition to carrying out preventive measures such as evacuation exercises and fire alarm tests, Wincasa also develops property-specific safety concepts for Swiss Prime Site Immobilien for properties exposed to greater levels of risk. In doing so, Wincasa always factors in tenant-specific requirements. In some properties, for example, there are stricter requirements relating to entry controls, or technically redundant systems for telecommunication or energy supply (such as emergency power generators).

Safety also includes protecting tenants and users from natural and environmental risks. These are assessed by region and property and covered by appropriate insurance policies. Existing properties are regularly checked for their level of protection against earthquakes. Due to the consequences of climate change, Swiss Prime Site Immobilien also considers it necessary to adapt building shells and building technologies to more extreme weather and climate conditions. When purchasing properties, the company assesses their environmental risks as part of its due diligence process.

Wincasa

Depending on the mandate and requirements of each real estate owner, Wincasa fulfils a range of tasks, including formulating safety and security concepts, reporting on the performance, safety and condition of buildings and conducting earthquake-resilience projects. All properties are managed by fully trained property managers. They ensure compliance with all applicable safety regulations (relating to hygiene, noise, light, emissions and use of chemicals).

Jelmoli

Jelmoli places enormous emphasis on the health and safety of its customers. The design of the building itself and the quality of their products both reflect this priority. Responsibility for safety at Jelmoli does not rest solely with its six internally trained paramedics and the security staff on each floor; all employees accept responsibility for looking after their customers and are fully trained in the company's safety policy. Jelmoli has annual spot checks by the local authorities, during which the quality of individual products is also checked. Jelmoli also carries out their own review of the quality, health and safety of products using their supplier code.

416-1 Assessment of the health and safety impacts of product and service categories

Swiss Prime Site Immobilien

In 2020, authorities conducted checks on several construction sites in connection with the safety measures introduced by the Swiss Federal Office of Public Health. No complaints were raised as a result of the checks.

Wincasa

As part of its internal control system, Wincasa checks its properties each year against a list of safety points. An annual check is also conducted to ascertain whether centres are carrying out the required safety exercises and training, with systematic checks performed on large centres and spot checks on smaller centres.

Jelmoli

Four successful practice evacuations were carried out at Jelmoli in the reporting year. Employees who are responsible for a specific area in the event of an evacuation are trained and tested four times a year.

417 Marketing and labelling

103-1 Management approach

103-2

103-3

Swiss Prime Site Group

It is essential that the Swiss Prime Site Group provides transparent information for customers and tenants to ensure the group's credibility and trustworthiness on the market. The responsibility for providing communication tailored to its audience lies with the group companies in question.

Swiss Prime Site Solutions

Swiss Prime Site Solutions ensures that its stakeholders always have sufficient information to make sound investment decisions. Information is provided on its website, in presentations, through brochures and in reports, all with the aim of maximising transparency.

Jelmoli

It is particularly important for Jelmoli to provide accurate product declarations and comprehensive information for their customers. Providing erroneous or insufficient product information would negatively impact customers and thus have a serious effect on Jelmoli's reputation. Correct labelling is regularly checked as part of checks by local authorities.

417-1 Requirements for product and service information and labelling

Jelmoli

At Jelmoli, articles subject to declaration requirements include food, bodycare products and household equipment. Typically, these declarations must provide details of a product's country of origin, the substances it contains and its composition, as well as details of how to use it, dispose of it or recycle it. Jelmoli's purchasing and sales departments constantly review these product-specific requirements. Jelmoli sees the duty to provide comprehensive product descriptions as resting primarily with manufacturers and suppliers. Where declarations are incomplete or implausible, Jelmoli does everything in its power either to obtain the missing information or, in the case of sensitive products, to take appropriate preventive measures. As a last resort, the company is prepared to consider cancelling its supply contracts.

CRE8 Product and service labelling

Swiss Prime Site Immobilien

To satisfy the demand for energy-efficient, environmentally sound real estate and achieve the ambitious reduction goals (see the Reduction Pathway section), Swiss Prime Site Immobilien applies the comprehensive set of criteria in the Swiss sustainable building standard (SNBS) to all projects. In addition, the company assesses each property individually to establish which label it is appropriate to aim for.

At the end of 2020, nine properties had a sustainability label, corresponding to around 14% of the space in the portfolio. Properties certified to Minergie®, LEED or DGNB standards include the headquarters of the Swiss Post (EspacePost) and the Schönbühl project in Berne completed in 2020, the Prime Tower and the Platform, the SkyKey property, the Medienpark in Zurich, the Opus 1 and Opus 2 buildings in Zug and the Riantbosson Centre in Meyrin. For the largest development project in Geneva, Alto Pont Rouge, the company adhered to SNBS requirements and is hoping to receive certification after completion by 2023.

Other socially beneficial and environmentally friendly products and services

All group companies also strive to offer products and services with specific social or environmental added value.

When investing in socially beneficial and environmentally friendly products and services, Swiss Prime Site Solutions follows the guidelines issued by the Swiss Prime Investment Foundation as well as the demands of the market. For larger residential construction projects such as the Riverside superstructure in Zuchwil in Solothurn, the company aims for a good mix of tenants and therefore offers residential properties for people and families with lower incomes. Swiss Prime Site Solutions also invests in a variety of property uses and promotes urban living. This may include, for example, properties for student living or in the educational sector.

Wincasa is working together with the Domicil Foundation, which organises housing for socially and economically disadvantaged people and acts as guarantor if necessary.

Jelmoli is also planning to expand its range of environmentally friendly products, but is restricted to the selection available from individual brands. Many brands are working to expand the sustainability of their product range, so Purchasing also has the task of re-structuring their selection of sustainable brands.

418 Customer privacy

103-1 Management approach

103-2

103-3

Swiss Prime Site Group

All group companies of Swiss Prime Site capture personal and confidential data of tenants and customers as part of their business activities. Swiss Prime Site is extremely vigilant in protecting this data and is very aware of the increasing challenges in this area. Data protection encompasses all organisational and technical measures required to prevent data from being lost, falsified or accessed without proper authorisation. As part of their information security and data protection concept, the Company defines how security and protection in these two areas can be maintained and continuously improved.

In the General Employment Conditions (AAB), Swiss Prime Site explicitly commits to data protection and the confidentiality of its employees' personal data. The Company has a personnel file for each employee and takes all appropriate measures to protect employees' data from unauthorised disclosure or access. Swiss Prime Site also ensures that any personal data is accurate and regularly checks that it is up to date. Employees have the right to view their personnel file and to request corrections to any errors in their personal data. Violations of data security can be reported to the integrity line at any time.

All group companies check all data processing procedures to see whether they fall within the scope of the European General Data Protection Regulation (GDPR). If a group company is carrying out an activity that is subject to GDPR, it ensures compliance with the principles of the GDPR and safeguards the rights of the person involved.

Wincasa

In 2020, Wincasa made further investments in information security and implemented a range of measures. One of these measures was the introduction of two-factor authentication to counteract the increased risks connected to mobile working. Monitoring of information security incidents was also significantly increased and the reaction time improved by working with an external «Security Operations Centre» (SOC). An analysis of current procedures conducted as a result of this measure showed that Wincasa has a highly secure network. The introduction of an «Identity & Access Management» (IAM) system centralised both authorisations and access to applications, functions and data. In the reporting year, Wincasa also transferred their server infrastructure to two modern, security-certified data centres in Zurich.

To further increase all employees' awareness of cyber risks, regular phishing tests are carried out. New employees also complete specific training on information security. The Chief Information and Security Officer (CISO) issues regular communications via the intranet about the latest risks.

418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data

No breaches of data security or data protection are known to have occurred since Swiss Prime Site was founded.

307 Environmental compliance

419 Socioeconomic compliance

103-1 Management approach

103-2

103-3

Swiss Prime Site Group

Swiss Prime Site is committed to conducting its business responsibly and with integrity. Besides complying with statutory requirements and regulatory standards, this also means adhering to the internal directives and principles that the Company has defined itself. The Company's corporate values and the group-wide Code of Conduct (see GRI 102-16) form the basis of its compliance policies. Naturally, Swiss Prime Site is fully compliant with Swiss law and the requirements of the SIX Swiss Exchange.

Swiss Prime Site has a notification system for whistleblowing and for handling any internal grievances or breaches of the law. Employees can report incidents using the EQS Group's external, independent integrity platform. This is not part of Swiss Prime Site. The Human Resources and Legal & Compliance departments are notified of any incidents and then report them in anonymised form to the CEO and the Board of Directors.

For more information on compliance issues, please see GRI 205, 206, 406, 416, 417, 418.

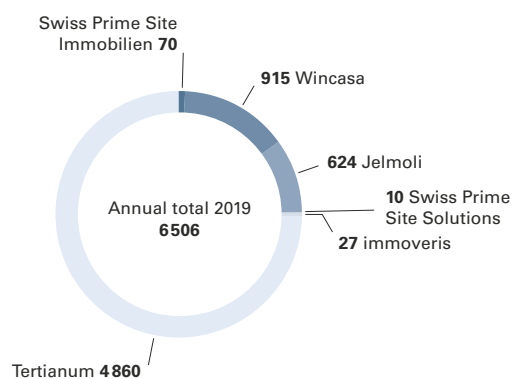
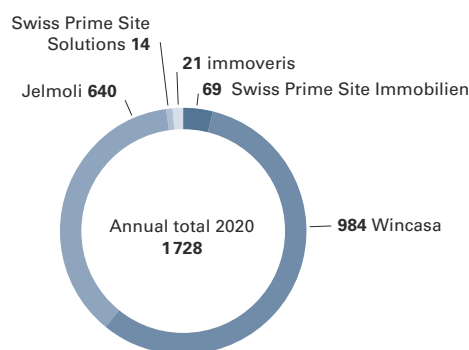
307-1 Non-compliance with environmental laws and regulations

419-1 Non-compliance with laws and regulations in the social and economic area

No infringements of environmental laws or other legislative requirements were identified in 2020.

Employee figures

Employees by group company



Swiss Prime Site Group

	2018			2019			2020		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Employees ^{1,2}	1 494	4 284	5 778	1 556	4 324	5 880	635	994	1 629
Trainees	149	394	543	186	440	626	41	58	99
Apprentices	115	279	394	159	373	532	37	47	84
Interns	34	115	149	27	67	94	4	11	15
Total	1 643	4 678	6 321	1 742	4 764	6 506	676	1 052	1 728
Full time/part time ^{1,2}									
Full time	1 218	1 839	3 057	1 398	2 007	3 405	579	589	1 168
Part time < 50%	122	586	708	59	490	549	23	127	150
Part time 50%–79%	87	994	1 081	89	962	1 051	24	166	190
Part time 80%–99%	216	1 259	1 475	196	1 305	1 501	50	170	220
Total	1 643	4 678	6 321	1 742	4 764	6 506	676	1 052	1 728
Age distribution ^{1,2}									
Employees < 25 years	302	901	1 203	278	795	1 073	93	182	275
Employees 25–35 years	353	957	1 310	450	1 143	1 593	222	374	596
Employees 36–45 years	348	843	1 191	386	913	1 299	159	210	369
Employees 46–55 years	400	1 229	1 629	400	1 137	1 537	117	160	277
Employees > 55 years	240	748	988	228	776	1 004	85	126	211
Total	1 643	4 678	6 321	1 742	4 764	6 506	676	1 052	1 728
Fixed term/permanent ^{1,2}									
Permanent staff	1 494	4 284	5 778	1 556	4 324	5 880	635	994	1 629
Members of the Executive Board ³	25	12	37	18	8	26	16	6	22
Trainees	149	394	543	186	440	626	41	58	99
Supernumerary staff	17	40	57	0	30	30	0	8	8
Janitors	15	17	32	5	7	12	6	8	14
Other temporary staff	n.a.	n.a.	n.a.	10	11	21	2	2	4
Total	1 675	4 735	6 410	1 757	4 812	6 569	684	1 070	1 754

¹ Members of the Board of Directors are not included.

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

³ The five members of the Group Executive Board are not included.

Key occupational health and safety indicators

Rates in %	2018			2019			2020		
	Accident	Illness	Absen- tee	Accident	Illness	Absen- tee	Accident	Illness	Absen- tee
Swiss Prime Site Immobilien	n.a.	n.a.	0.9	0	1.3	1.4	0.0	1.5	1.6
Swiss Prime Site Solutions	n.a.	n.a.	0.3	0	0.6	0.6	0.0	2.5	2.5
Wincasa	n.a.	n.a.	2.8	0.3	3.4	3.7	0.2	2.6	2.8
Jelmoli	n.a.	n.a.	4.5	0.4	2.8	3.2	0.5	3.2	3.6
Tertianum ¹	n.a.	n.a.	5.7	0.9	5.2	6.1	–	–	–

Staff fluctuation rate by group company

Rates in %	2018	2019	2020
Swiss Prime Site Immobilien	8.3	6.4	16.3
Swiss Prime Site Solutions	0	12.1	15.4
Wincasa	21.5	24.1	27.3
Jelmoli	28.4	26.3	19.3
Tertianum ¹	26.6	28.0	–
Group average	25.9	26.9	23.9

¹ Due to the divestment of the Tertianum Group, no more data are available for the company in the reporting year.



Key figures of the group companies

Swiss Prime Site Group

	Unit	2019	2020
Stakeholders			
Registered shareholders at year end	number	11 266	11 687
Acceptance of agenda items at AGM	%	100	100
Finance			
Shareholders' equity	CHF million	5 459	6 086
Investments	CHF million	521	465
Interest expenses (borrowed capital)	CHF million	71	61
Interest rate borrowed capital (weighted average)	%	1.2	1.1
Operating income	CHF million	1 259	793
Operating result (EBIT)	CHF million	628	762
Fair value of real estate portfolio	CHF million	11 765	12 323
Investments in training and development	% of total payroll	1.4	0.7
Earnings per share (EPS)	CHF	8.00	8.04
Bank rating		BBB/BBB+	BBB+
Infrastructure			
Properties	number	187	185
Rental floor space	m ²	1 604 451	1 673 005
Vacancy rate	%	4.7	5.1
Ecology (property portfolio)			
Energy consumption	MWh	208 874	199 728
CO ₂ emissions (Scope 1, 2, 3)	tCO ₂ e	25 361	24 041
CO ₂ intensity	kg CO ₂ e/m ²	21.4	19.9
Water use	m ³	855 734	618 056
Ecology (services)			
Energy consumption	MWh	3 397	2 306
CO ₂ emissions (Scope 1, 2, 3)	tCO ₂ e	3 395	2 327
CO ₂ intensity	kg CO ₂ /FTE	2 328	1 547
Water use	m ³	17 912	12 414
Employees			
Employees	number	6 506	1 728
Fluctuation rate	%	26.9	23.9
Absentee rate	%	5.4	3.0
Women in the workforce	%	73.1	60.9

Swiss Prime Site Immobilien

	Unit	2019	2020
Stakeholders			
Tenants	number	ca. 2 000	2 020
Documented tenant meetings	number	40	40
Finance			
Operating income (segment Real Estate)	CHF million	519	483
Investments in training and development	% of total payroll	0.8	0.6
Portfolio value	CHF million	11 765	12 323
Real estate costs	CHF million	65	69
Investments in projects and development	CHF million	288	209
Revaluation gains	CHF million	204	203
Net rental income	CHF million	437	431
Infrastructure			
Properties	number	187	185
Usable floor space	m ²	1 604 451	1 673 005
Vacancy rate	%	4.7	5.1
Ecology (property portfolio)			
Energy consumption	MWh	208 874	199 728
Energy intensity	kWh/m ²	163.8	158.4
CO ₂ emissions (Scope 1, 2, 3)	tCO ₂ e	25 361	24 041
CO ₂ intensity	kg CO ₂ e/m ²	21.4	19.9
Water use	m ³	855 734	618 056
Properties with contaminated soil	ha	32.4	32.4
Decontamination measures	Mio. CHF	1.1	0.6
Ecology (services)			
CO ₂ emissions (Scope 1, 2, 3)	tCO ₂ e	140	76
CO ₂ intensity	kg CO ₂ e/FTE	1 476.1	804.1
Employees			
Employees	number	70	69
Fluctuation rate	%	6.4	16.3
Absentee rate	%	1.4	1.6
Women in executive positions	%	40	32

Swiss Prime Site Solutions

	Unit	2019	2020
Stakeholders			
Pension funds/investors of Swiss Prime Investment Foundation	number	280	291
Finance			
Operating income (segment Services)	CHF million	13.5	13.1
Investments in training and development	% of total payroll	1.0	0.6
Infrastructure			
Assets under management	CHF billion	2.3	3.0
Acquisitions in the reporting year	number of objects	25	9
Value of the development pipeline	CHF million	161	267
Employees			
Employees	number	10	14
Fluctuation rate	%	12.1	15.4
Absentee rate	%	0.6	2.5
Women in executive positions	%	16.7	9.1

Wincasa

	Unit	2019	2020
Stakeholders			
Branches	number	28	28
Direct suppliers	number	>200	>200
Proportion of Top 3 clients	%	74	73
Finance			
Operating income (segment Services)	CHF million	148	146
Investments in training and development	% of total payroll	0.8	0.5
Assets under management	CHF billion	71	72
Rental income for clients	CHF million	3 294	3 293
Volume of transactions advised	CHF million	440	0
Monetary value of Kaizen	CHF million	0.05	0.05
Infrastructure			
Properties managed	number	240 350	233 051
Construction projects	number	1 634	595
Share of residential in portfolio	%	44	30
Share of office and retail in portfolio	%	56	70
Ecology			
Energy consumption	MWh	3 397	2 306
Energy intensity	kWh/m ²	0.1	0.1
CO ₂ emissions (Scope 1, 2, 3)	tCO ₂ e	2 386	1 717
CO ₂ intensity	kg CO ₂ e/FTE	2 964.2	1 933.9
Water use	m ³	17 912	12 414
Employees			
Employees	number	915	984
Fluctuation rate	%	24.1	27.3
Absentee rate	%	3.7	2.8
Women in executive positions	%	37.1	38.4

Jelmoli

	Unit	2019	2020
Stakeholders			
Customers with J-Card	number	300 740	300 000
Customer satisfaction (word of mouth n = 100)	Net Promoter Score (NPS), %	n.a.	18
Finance			
Operating income (segment Services)	CHF million	128	111
Investments in training and development	% of total payroll	0.5	0.3
Infrastructure			
Retail floor space (total floor space 33 000 m ²)	m ²	25 000	25 000
Items sold per sales receipt	number	2.01	2.05
Ecology			
CO ₂ emissions (Scope 1, 2, 3)	tCO ₂ e	869	533
CO ₂ intensity	kg CO ₂ e/FTE	1 487.7	1 023.1
Employees			
Employees	number	624	640
Fluctuation rate	%	26.3	19.3
Absentee rate	%	3.2	3.6
Women in executive positions	%	50.0	47.9



GRI content index



For the Materiality Disclosures Service, GRI Services reviewed whether the GRI content index is clearly presented and the references for Disclosures 102-40 to 102-49 accord with appropriate sections in the body of the report. The GRI Materiality Disclosures Service was performed on the German version of the report.

This report has been prepared in accordance with the GRI Standards: «Core» option.

Universal Standards

		Page/Information
GRI 101: 2016	Foundation	
GRI 102: 2016	General disclosures	
Organizational profile		
102-1	Name of the organization	Swiss Prime Site AG
102-2	Activities, brands, products, and services	20–21
102-3	Location of headquarters	CH-4601 Olten
102-4	Location of operations	16–17
102-5	Ownership and legal form	Corporate Governance Report, p. 6
102-6	Markets served	20–21
102-7	Scale of the organization	16
102-8	Information on employees and other workers	81
102-9	Supply chain	56
102-10	Significant changes to the organization and its supply chain	28
102-11	Precautionary Principle or approach	46–47
102-12	External initiatives	56
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Strategy		
102-14	Statement from senior decision-maker	7
Ethics and integrity		
102-16	Values, principles, standards, and norms of behavior	57
Governance		
102-18	Governance structure	14–15
Stakeholder engagement		
102-40	List of stakeholder groups	57
102-41	Collective bargaining agreements	58
102-42	Identifying and selecting stakeholders	57
102-43	Approach to stakeholder engagement	57
102-44	Key topics and concerns raised	57
Reporting practice		
102-45	Entities included in the consolidated financial statements	Corporate Governance Report, p. 3–5
102-46	Defining report content and topic boundaries	24
102-47	List of material topics	25

		Page/Information
102-48	Restatements of information	Are explained at the relevant place in the report.
102-49	Changes in reporting	None
102-50	Reporting period	01.01.2020–31.12.2020
102-51	Date of most recent report	February 2020
102-52	Reporting cycle	annually
102-53	Contact point for questions regarding the report	103
102-54	Claims of reporting in accordance with the GRI Standards	90
102-55	GRI content index	90-93
102-56	External assurance	100-101

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GRI 201: 2016	Economic performance		
GRI 103: 2016 103-1/103-2/103-3	Management approach	58	
201-1	Direct economic value generated and distributed	60	
201-2	Financial implications and other risks and opportunities due to climate change	60	
201-4	Financial assistance received from government	60	
GRI 203: 2016	Indirect economic impacts		
GRI 103: 2016 103-1/103-2/103-3	Management approach	60	
203-1	Infrastructure investments and services supported	61	
Innovation culture and partnerships			
GRI 103: 2016 103-1/103-2/103-3	Management approach	61	
GRI 205: 2016	Anti-corruption		
GRI 103: 2016 103-1/103-2/103-3	Management approach	62	
205-2	Communication and training about anti-corruption policies and procedures	62	
205-3	Confirmed incidents of corruption and actions taken	63	
GRI 206: 2016	Anti-competitive behavior		
GRI 103: 2016 103-1/103-2/103-3	Management approach	62	
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	63	
GRI 300	Environmental topics		
GRI 302: 2016	Energy		
GRI 103: 2016 103-1/103-2/103-3	Management approach	63	
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302-3	Energy intensity	64	
302-4	Reduction of energy consumption	64	

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GRI 303: 2018	Water and effluents		
GRI 103: 2016 103-1/103-2/103-3	Management approach	64	
303-1	Interactions with water as a shared resource	64	
303-2	Management of water discharge-related impacts	64	
303-5	Water consumption	66	
GRI 305: 2016	Emissions		
GRI 103: 2016 103-1/103-2/103-3	Management approach	63	
305-1	Direct (Scope 1) GHG emissions	64	
305-2	Energy indirect (Scope 2) GHG emissions	64	
305-3	Other indirect (Scope 3) GHG emissions	64	
305-4	GHG emissions intensity	64	
305-5	Reduction of GHG emissions	64	
GRI 306: 2016	Effluents and waste		
GRI 103: 2016 103-1/103-2/103-3	Management approach	64	
306-2	Waste by type and disposal method	66	
CRE5	Land degradation, contamination, and remediation	66	
GRI 307: 2016	Environmental compliance		
GRI 103: 2016 103-1/103-2/103-3	Management approach	80	
307-1	Non-compliance with environmental laws and regulations	80	
GRI 308: 2016	Supplier environmental assessment		
GRI 103: 2016 103-1/103-2/103-3	Management approach	76	
308-1	New suppliers that were screened using environmental criteria	77	
GRI 400	Social topics		
GRI 401: 2016	Employment		
GRI 103: 2016 103-1/103-2/103-3	Management approach	71	
401-1	New employee hires and employee turnover	71	
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	72	
GRI 403: 2018	Occupational health and safety		
GRI 103: 2016 103-1/103-2/103-3	Management approach	72	
403-1	Occupational health and safety management system	72	
403-2	Hazard identification, risk assessment, and incident investigation	72	
403-3	Occupational health services	72	
403-4	Worker participation, consultation, and communication on occupational health and safety	72	
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403-9	Work-related injuries	73	
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		Page	Reason for omission
GRI 404: 2016	Training and education		
GRI 103: 2016 103-1/103-2/103-3	Management approach	73	
404-1	Average hours of training per year per employee	74	Not applicable
404-2	Programs for upgrading employee skills and transition assistance programs	74	
404-3	Percentage of employees receiving regular performance and career development reviews	74	
GRI 405: 2016	Diversity and equal opportunity		
GRI 103: 2016 103-1/103-2/103-3	Management approach	75	
405-1	Diversity of governance bodies and among employees	75	
GRI 406: 2016	Non-discrimination		
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GRI 414: 2016	Supplier social assessment		
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414-1	New suppliers that were screened using social criteria	77	
GRI 416: 2016	Customer health and safety		
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418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	80	
GRI 419: 2016	Socioeconomic compliance		
GRI 103: 2016 103-1/103-2/103-3	Management approach	80	
419-1	Non-compliance with laws and regulations in the social and economic area	80	



Accounting concept, report of the statutory auditor

Notes on collection of environmental figures

Property portfolio and other group companies in the Services segment

The environmental figures relate to all business segments of the Swiss Prime Site Group – the property portfolio of Swiss Prime Site and the fully consolidated companies in the Services segment. Total energy consumption (and associated emissions) and total water use of the group companies of Swiss Prime Site that occur in the property portfolio’s physical spaces are recognised in the property segment. The group companies’ consumption that occurs in other areas is recognised in the Services segment.

Property segment system boundaries

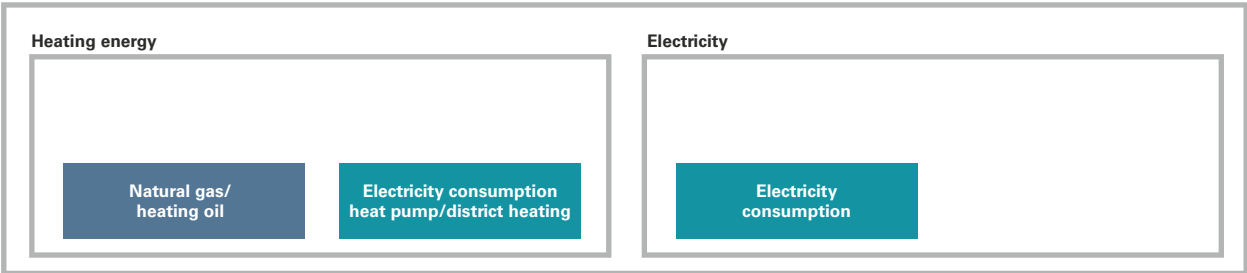
The property portfolio’s environmental figures relate to the 185 properties that were under the operational control of Swiss Prime Site Immobilien in 2020. They do not include properties that were purchased or sold during the reporting year. This means that the consumption values of 159 properties are included in the balance sheet. The resulting variations are negligible in relation to the overall values. When analysing the portfolio, the areas are divided

according to the property inventory into overall, common and tenant areas. The areas used by the group companies in the services segment (owner-used areas) are treated as common areas for the purposes of allocating greenhouse gas emissions. This also includes single-tenant properties. It excludes, however, properties over which Swiss Prime Site has no operational control (e.g. minority holdings). Information on the type of use can be found in the property inventory.

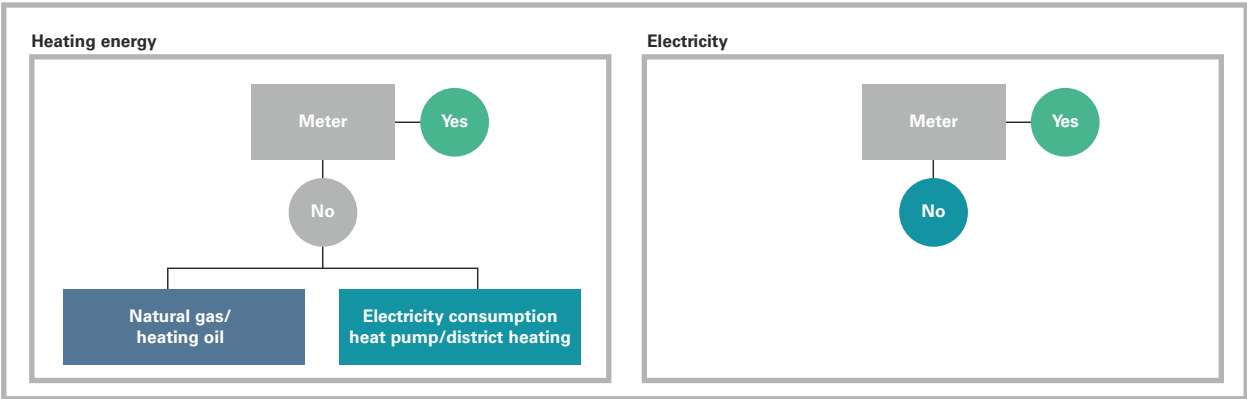
The procedure for allocating CO₂ emissions is based on the principle of responsibility. This means that energy consumption and the resulting CO₂ emissions are assigned to the parties – Swiss Prime Site or the tenant – that have control over the consumption and can influence it using ecological measures.

Allocation of emissions to Scopes 1–3 (property portfolio)

Common areas and owner-used areas



Tenant areas



Key



Services segment system boundaries

In the Services segment, Swiss Prime Site recognises the total energy consumption, associated emissions and total water use of the group companies Swiss Prime Site Immobilien, Swiss Prime Site Solutions, Wincasa and Jelmoli that occur in areas outside their own property portfolio. Emissions that arise through employees' own mobility and the group companies' office equipment consumption are also recognised in the Services segment. This therefore captures both direct (Scope 1) and indirect (Scope 2) emissions and some Scope 3 emissions.

Property portfolio methodology

The procedure for calculating the environmental figures for the property portfolio were amended in the 2020 reporting year based on the European Public Real Estate Association (EPRA) standard. When allocating greenhouse gas emissions to Scopes 1–3, Swiss Prime Site Immobilien also uses the Jones Lang LaSalle best practice guide (2011). This guide states that consumption values should be allocated in accordance with controlling principles. The allocation of greenhouse gas emissions to Scopes 1–3 is done at a property level (see illustration on the property portfolio). Total energy consumption is separated into both common and tenant areas, and into measured and prorated total energy consumption.

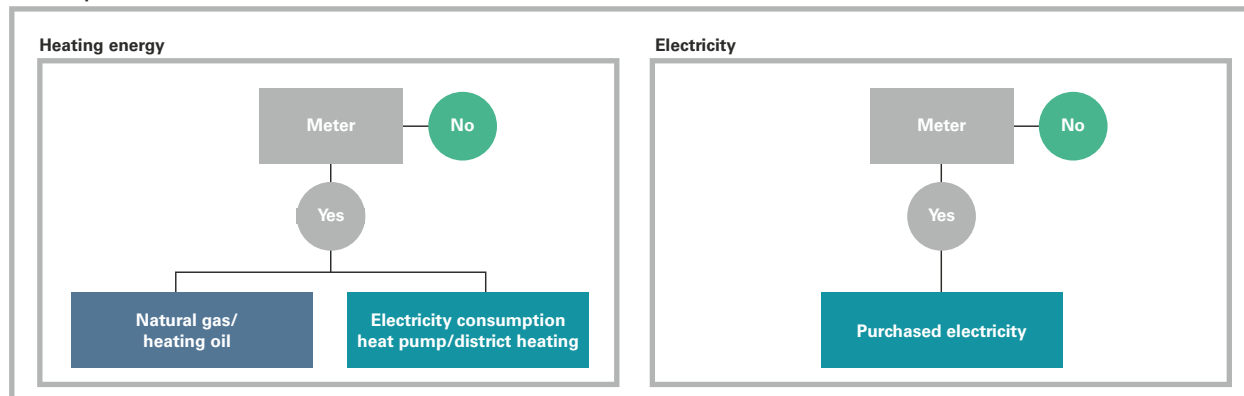
Consumption associated with running the properties in the property portfolio is also recorded. This includes the provision and use of electricity, heat, air conditioning and water and the greenhouse gas emissions resulting from electricity and heat consumption.

The total energy consumption includes the total heat consumption within the property portfolio and common and owner electricity (e.g. parking garages). Where the total energy consumption of tenants is known, this is also included.

In cases where energy purchased by Swiss Prime Site Immobilien is allocated to specific tenants (using dedicated electricity meters), the greenhouse gas emissions are recognised as Scope 3 emissions. In situations where no specific consumption is measured and is instead calculated based on the area distribution, the resulting greenhouse gas emissions are recognised as Scope 1 (for natural gas consumption) or Scope 2 (for electricity and district heating consumption). If a tenant gets their energy directly from an energy supplier and the consumption is known, the resulting emissions are recognised as Scope 3. Greenhouse gas emissions resulting from on-site production of solar electricity provided to tenants are recognised as Scope 3 emissions.

Allocation of emissions to Scopes 1–3 (on rented areas)

Consumption on rented areas



Key



CO₂ reduction pathway

To help define its climate-related goals, Swiss Prime Site developed a CO₂ reduction pathway in 2019. The goals are based on the CO₂ intensity at a property level, with no differentiation between the scopes. The CO₂ reduction pathway relates to the property portfolio system boundaries described above. 2019 will continue to be used as a baseline year for the CO₂ reduction pathway. This is possible because the new methodology only changes the allocation of the greenhouse gas emissions to Scopes 1–3, not the calculation of the total greenhouse gas emissions on which the reduction pathway is based.

Services segment methodology

The Scope 1, 2 and 3 emissions are calculated using the consumption of the group companies that occurs on floor space rented by third-party providers. They also include emissions resulting from employee mobility and the consumption of office materials (paper, toner, operational water use). Regular surveys are conducted about employee mobility. Swiss Prime Site uses Smart3 software from myclimate to calculate Scope 3 emissions.

Periods and baseline year

Data about consumption of resources is gathered annually and, unless otherwise stated, is per calendar year. The baseline year for the CO₂ emissions reduction pathway is 2019.

Differences to 2019 reporting *

In 2020, due to the sale of the group company Tertianum, the accounting method used for CO₂ emissions was updated. The measurement of CO₂ data was refined and the allocation of total energy consumption defined according to the methods mentioned. The key figures for the 2019 financial year were also re-calculated and stated without Tertianum.

In contrast to the methodology used in the previous year, the processes described are used to allocate the greenhouse gas emissions resulting from the total energy consumption of the common areas (e.g. lighting, lifts) and from the operation of the HVAC systems to the owner (Swiss Prime Site Immobilien) (Scope 1 and 2). However, the updated calculation method does not affect the CO₂ reduction pathway and its baseline year.

These figures were not adjusted to reflect heating degree days.

Data quality

Where possible, the calculation of CO₂ emissions is based on the actual energy consumption values in the reporting year. Occasionally, however, not all consumption values may be available at the end of the year. When this happens, the missing values are modelled on the previous year's values and benchmarks.

Data sources and emission factors

The property portfolio's energy consumption data is taken from the Siemens Navigator System and invoice documents. Where consumption data or invoice documents are not available at the end of the year, consumption is estimated. These consumption estimates are based on the previous year's figures from the same period. Consumption estimates are also based on internal portfolio benchmarks according to type of use.

To calculate the greenhouse gas emissions resulting from energy consumption, Swiss Prime Site Immobilien used the emission factors differentiated by source of energy in the «KBOB Ökobilanzdaten im Baubereich 2009/1:2016» guidelines, and those provided by treeze GmbH and the energy suppliers themselves. To calculate the Scope 2 emissions, the company used the market-based method in accordance with the Greenhouse Gas Protocol.

The greenhouse gas emissions recognised in the balance sheet are aggregated and stated as CO₂ equivalents (CO₂e). This is based on the IPCC AR5 report that assumes a Global Warming Potential time horizon of 100 years. 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).

GRI standards covered

The statements include information on the GRI standards on energy (GRI 302), water (GRI 303) and emissions (GRI 305).

* The following situations require the CO₂ emissions to be recalculated: Structural changes to the Company that have a significant impact on the emissions and the baseline year, e.g. mergers, acquisitions, the sale of group companies or departments; outsourcing and insourcing of emission-generating activities and material changes to business activities. Furthermore, material changes to the calculation methodology and the improvement of more specific emission factors or consumption data result in the need for a recalculation if they have a significant impact on emissions data. Additional reasons include the discovery of relevant errors or a series of cumulative errors that, when combined, are significant.





Independent Limited Assurance Report on selected GRI Disclosures

To the Board of Directors of Swiss Prime Site AG, Olten

We were engaged to carry out a limited assurance engagement on the selected GRI disclosures set out below, which are disclosed in the GRI report in the appendix of the integrated annual report 2020 of Swiss Prime Site Group (hereafter "company") on the pages 64-70.

Our independent assurance engagement to obtain limited assurance covers the following GRI disclosures (hereafter "selected GRI disclosures") for the business year ended 31 December 2020:

- GRI 302:2016 Energy: 302-1 Energy consumption within the organization	page 64; 67-69
- GRI 302:2016 Energy: 302-3 Energy intensity	page 64; 67-69
- GRI 303:2018 Water and Effluents: 303-5 Water consumption	page 66; 67-69
- GRI 305:2016 Emissions: 305-1 Direct (Scope 1) GHG emissions	page 64; 67-70
- GRI 305:2016 Emissions: 305-2 Energy indirect (Scope 2) GHG emissions	page 64; 67-70
- GRI 305:2016 Emissions: 305-3 Other indirect (Scope 3) GHG emissions	page 64; 67-70
- GRI 305:2016 Emissions: 305-4 GHG emissions intensity	page 64; 67-70

Our engagement neither covers GRI disclosures not set out above, nor prior-year disclosures, forward-looking information, information from external documentation sources or expert opinions.

Board of Directors' Responsibility

The Board of Directors of Swiss Prime Site AG is responsible for the preparation and presentation of the GRI disclosures 2020 in accordance with the reporting criteria. The company applies the GRI Standards of the Global Reporting Initiative (GRI Standards), option "core" as reporting criteria and publishes the report under the title „GRI Report“.

This responsibility includes the selection and application of appropriate methods for the integrated annual report (in particular the selection of material topics) as well as the use of assumptions and estimates for individual sustainability disclosures that are appropriate under the circumstances. Furthermore, the responsibility includes the design, implementation and maintenance of systems, processes and internal controls to enable the preparation and presentation of an integrated annual report that is free from material misstatement whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to carry out a limited assurance engagement and to express a conclusion, based on our procedures performed and the evidence obtained, as to whether any matters have come to our attention that cause us to believe that the selected GRI disclosures have not been prepared, in all material respects, in accordance with the GRI Standards (option "core").

We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 Assurance Engagements other than Audits or Reviews of Historical Financial Information issued by the International Auditing and Assurance Standards Board (IAASB). That standard requires that we plan and perform the engagement to obtain limited assurance about whether the selected GRI disclosures of the company are presented in accordance with the GRI Standards (option "core") in all material respects.

The procedures performed in a limited assurance engagement are less in extent than for a reasonable assurance engagement, and consequently the level of assurance obtained is substantially lower. The procedures selected depend on the auditor's judgment. Taking into account risk and materiality considerations, we have carried out procedures in order to obtain sufficient appropriate evidence.



These procedures included amongst others:

- Evaluation of the design and implementation of systems and processes for the collection, processing and monitoring of disclosures on sustainability performance, including the consolidation of the data;
- Inquiries with staff at group level responsible for the collection and consolidation as well as the performance of internal control procedures with regard to the disclosures;
- Inspection of selected internal and external documents in order to determine whether qualitative and quantitative information is supported by appropriate evidence and presented in an accurate and balanced manner;
- Assessment of data collection, validation and reporting processes as well as of the reliability of the reported data on the basis of sample testing and the examination of selected calculations;
- Analytical evaluation of the quantitative data and development of the selected GRI disclosures in scope, which were submitted for consolidation at group level;
- Evaluation of the consistency of the requirements applicable to the company for the selected GRI disclosures with other disclosures and key figures in the integrated annual report 2020;
- Evaluation of the overall presentation of the disclosures by critical reading of the integrated annual report 2020.

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

Inherent limitations

Due to the inherent limitations of any internal control structure it is possible that errors or irregularities in the information presented in the selected GRI disclosures may occur and not be detected. Our engagement is not designed to detect all weaknesses in internal controls over the preparation and presentation of the selected GRI disclosures, as the engagement has not been performed continuously throughout the period and the procedures performed were undertaken on a test basis.

Independence and quality control

We have complied with the independence and other ethical requirements of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

The firm applies International Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Conclusion

Based on the procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the selected GRI disclosures of the company for the business year ended 31 December 2020 are not presented, in all material respects, in accordance with the GRI Standards (option "core").

KPMG AG

Silvan Jurt
Licensed Audit Expert

Clemens Scherrer
Licensed Audit Expert

Zurich, 23 February 2021



Information policy

Swiss Prime Site complies with all legal requirements and strives to meet best practice standards. The Company fosters close relations with the financial industry and the broad public sector through traditional and digital communication channels. Share-price relevant news is reported by the Company on an ad hoc basis. Furthermore, comprehensive information about various topics and disclosure requirements is published on the Group's website www.sps.swiss.

The Investor Relations and Corporate Communications department is responsible for the management of all contacts with investors, analysts and media representatives. Regular conferences with the media, institutional investors and analysts are held to report important corporate news, which can be followed by shareholders and other interest groups personally or via the Swiss Prime Site website.

23 March 2021

Annual General Meeting financial year 2020

26 August 2021

Semi-annual report 2021 with financial results press conference



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Disclaimer

This report contains statements regarding future financial and operational developments and results as well as other projections that are forward-looking or contain subjective assessments that are not historical facts. In some cases, these forward-looking statements can be identified by the use of words such as «believe», «estimate», «anticipate», «expect», «intend» and similar expressions as well as their negative equivalent. Such forward-looking statements or subjective assessments (hereinafter referred to as «forward-looking statements») are based on expectations, estimates and assumptions that seem to be appropriate to the Company at the time of the preparation of the report. However, the actual results may differ from these statements. A number of factors, such as the ability of the management to implement the business strategies of Swiss Prime Site AG, the future conditions and developments in the market in which Swiss Prime Site AG operates, or the market behaviour of other market players, may differ materially from the anticipated results including the actual business situation, results of operations and financial condition of the Company. In addition, past trends are not indicative of any future trends.

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