

SECOND PARTY OPINION (SPO)

Sustainability Quality of the Issuer and Green Finance Framework

Swiss Prime Site

12 October 2022

VERIFICATION PARAMETERS

Type(s) of instruments contemplated	<ul style="list-style-type: none">• Green Bonds, loans or other debt instruments (e.g. convertibles, money market instruments), including Secured Green Bonds („Green Debt Instruments“)
Relevant standards	<ul style="list-style-type: none">• Green Bond Principles (June 2021), as administered by ICMA, Green Loan Principles (February 2021), as administered by LMA
Scope of verification	<ul style="list-style-type: none">• Swiss Prime Site Green Finance Framework (as of October 05, 2022)• Swiss Prime Site Selection Criteria (as of October 05, 2022)
Lifecycle	<ul style="list-style-type: none">• Pre-issuance verification
Validity	<ul style="list-style-type: none">• As long as there is no material change to the Framework

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SCOPE OF WORK

Swiss Prime Site (“the issuer” or “SPS”) commissioned ISS ESG to assist with its Green Debt instruments by assessing three core elements to determine the sustainability quality of the instruments:

1. Swiss Prime Site’s Green Finance Framework (October 05, 2022) – benchmarked against the Green Bond Principles (June 2021) and Green Loan Principles (February 2021).
2. The selection criteria – whether the categories contribute positively to the UN SDGs and how they perform against ISS ESG’s issuance-specific key performance indicators (KPIs) (See Annex 1).
3. The Green Debt Instruments’ link to Swiss Prime Site’s sustainability strategy – drawing on Swiss Prime Site’s overall sustainability profile and issuance-specific Use of Proceeds categories.

SWISS PRIME SITE BUSINESS OVERVIEW

Swiss Prime Site AG is a real estate investment company, which engages in the acquisition, sale, management, development, and leasing of real estate properties. It operates through the Real Estate and Services segments. The Real Estate segment includes the acquisition of commercial properties and buildings as well as the development and implementation of real estate projects. The Services segment comprises the real estate asset management, development and construction, and the development of acquisition and divestment strategies. The company was founded in 1999 and is headquartered in Zug, Switzerland.

ASSESSMENT SUMMARY

SPO SECTION	SUMMARY	EVALUATION ¹
Part 1: Alignment with GBP and GLP	The issuer has defined a formal concept for its Green debt instruments regarding use of proceeds, processes for project evaluation and selection, management of proceeds and reporting. This concept is in line with the Green Bond Principles and Green Loan Principles.	Aligned
Part 2: Sustainability quality of the selection criteria	<p>The Green debt instruments will (re-)finance eligible asset categories which include: green buildings, energy efficiency and renewable energy.</p> <p>The green buildings use of proceeds categories has a significant contribution to SDGs 11 'Sustainable Cities & Communities' and 13 'Climate Action' as well as a limited contribution to SDG 7 'Affordable and Clean Energy'.</p> <p>The remaining use of proceed categories improve the company's operational impacts and mitigate potential negative externalities of the issuer's sector on SDGs 7 'Affordable and clean energy' and 13 'Climate Action'.</p> <p>The environmental and social risks associated with those use of proceeds categories are well managed.</p>	Positive
Part 3: Green debt instruments link to issuer's sustainability strategy	The Use of Proceeds financed through the Green debt instruments are consistent with the issuer's sustainability strategy and material ESG topics for the issuer's industry. The rationale for issuing Green debt instruments is clearly described by the issuer.	Consistent with issuer's sustainability strategy

¹ ISS ESG's evaluation is based on the Swiss Prime Site's Green Finance Framework (as of October 05, 2022), and on the ISS ESG Corporate Rating (updated on 07.09.22), applicable at the SPO delivery date.

SPO ASSESSMENT

PART I: ALIGNMENT WITH GREEN BOND PRINCIPLES AND GREEN LOAN PRINCIPLES

This section evaluates the alignment of the Swiss Prime Site's Green Finance Framework (dated September 21, 2022) with the Green Bond Principles (GBP) and Green Loan Principles (GLP).

GBP/GLP	ALIGNMENT	ISS ESG'S OPINION
1. Use of Proceeds	✓	<p>ISS ESG considers the Use of Proceeds description provided by Swiss Prime Site's Green Finance Framework as aligned with the Green Bond Principles and Green Loan Principles.</p> <p>The Issuer's green categories align with the project categories as proposed by the Green Bond Principles and Green Loan Principles, criteria are defined in a clear and transparent manner. Environmental benefits are described. Disclosure of distribution of proceeds by project category will be provided post-issuance in the allocation report. Further, the issuer commits to fully allocated the proceeds within 36 months after the issuance of each Green Debt Instrument.</p>
2. Process for Project Evaluation and Selection	✓	<p>ISS ESG considers the Process for Project Evaluation and Selection description provided by Swiss Prime Site's Green Finance Framework as aligned with the Green Bond Principles and Green Loan Principles.</p> <p>The project selection process is defined and structured in a congruous manner. ESG risks associated with the project categories are identified and managed through an appropriate process. Moreover, the projects selected show alignment with the sustainability strategy of the Issuer.</p> <p>Swiss Prime Site has established a Business Controlling department which identifies the eligible project portfolio and a Green Bond Committee composed of members of the Group Executive Board working jointly with the management teams and specific representatives from the operational units which identifies the eligible project portfolio</p>
3. Management of Proceeds	✓	<p>ISS ESG finds that the Management of Proceeds proposed by Swiss Prime Site's Green Finance Framework as</p>

		<p>aligned with the Green Bond Principles and Green Loan Principles.</p> <p>The net proceeds collected will be equal to the amount allocated to eligible projects. The net proceeds are tracked in an appropriate manner and attested in a formal internal process. The net proceeds are managed on an aggregated basis for multiple Green Bonds (portfolio approach). Moreover, the issuer discloses the temporary investment instruments for unallocated proceeds.</p> <p>The assets in Eligible Green Asset Portfolios will be reduced by an amount equal to any green-labelled loans that SPS has received relating to such assets or expenditures. The issuer has defined an expected allocation period of 36 months, in line with best market practice</p>
4. Reporting	✓	<p>ISS ESG finds that the allocation and impact reporting proposed by Swiss Prime Site's Green Finance Framework as aligned with the Green Bond Principles and Green Loan Principles.</p> <p>The Issuer commits to disclose the allocation of proceeds transparently and report annually. The reporting will be publicly available on the issuer's website. Swiss Prime Site explains the level of expected reporting and the type of information that will be reported. Moreover, the Issuer commits to report annually, until the proceeds have been fully allocated.</p> <p>Swiss Prime Site is committed to reporting impact metrics of its eligible Green Portfolio, in line with the annual environment KPI report².</p>

² https://sps.swiss/fileadmin/user_upload/redakteure/gruppe/pdf/geschaeftsberichte/en/Sustainability_Key_Indicators21_en.pdf

PART II: SUSTAINABILITY QUALITY OF THE ISSUANCE

A. CONTRIBUTION OF THE GREEN DEBT INSTRUMENTS TO THE UN SDGs³

Companies can contribute to the achievement of the SDGs by providing specific services/products which help address global sustainability challenges, and by being responsible corporate actors, working to minimize negative externalities in their operations along the entire value chain. The aim of this section is to assess the SDG impact of the UoP categories financed by the issuer in two different ways, depending on whether the proceeds are used to (re)finance:

- specific products/services,
- improvements of operational performance.



1. Products and services

The assessment of UoP categories for (re)financing products and services is based on a variety of internal and external sources, such as the ISS ESG SDG Solutions Assessment (SDGA), a proprietary methodology designed to assess the impact of an Issuer's products or services on the UN SDGs, as well as other ESG benchmarks (the EU Taxonomy Climate Delegated Acts, the ICMA Green and/or Social Bond Principles and other regional taxonomies, standards and sustainability criteria).

The assessment of UoP categories for (re)financing specific products and services is displayed on 5-point scale (see Annex 1 for methodology):

Significant Obstruction	Limited Obstruction	No Net Impact	Limited Contribution	Significant Contribution
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Each of the Green Debt Instruments's Use of Proceeds categories has been assessed for its contribution to, or obstruction of, the SDGs:

USE OF PROCEEDS (PRODUCTS/SERVICES)	CONTRIBUTION OR OBSTRUCTION	SUSTAINABLE DEVELOPMENT GOALS
Green Buildings <i>Certified with the following certificates:</i> <i>BREEAM (Very good and above)</i> <i>LEED (Gold and above),</i> <i>DGNB/SGNI (Gold and above)</i> <i>SNBS (Gold and above)</i>	Significant contribution	
Green Buildings <i>Certified with Minergie certification (Minergie, Minergie-P, Minergie-A, Minergie-ECO) or GEAK (energy class label B or better) certificate</i>	Limited contribution	

³ The impact of the UoP categories on UN Social Development Goals is assessed with proprietary methodology and may therefore differ from the issuer's description in the framework

Energy Efficiency

Refurbishments of buildings that achieve energy savings of at least 30% in comparison to the baseline performance before the refurbishment

**Significant
Contribution**

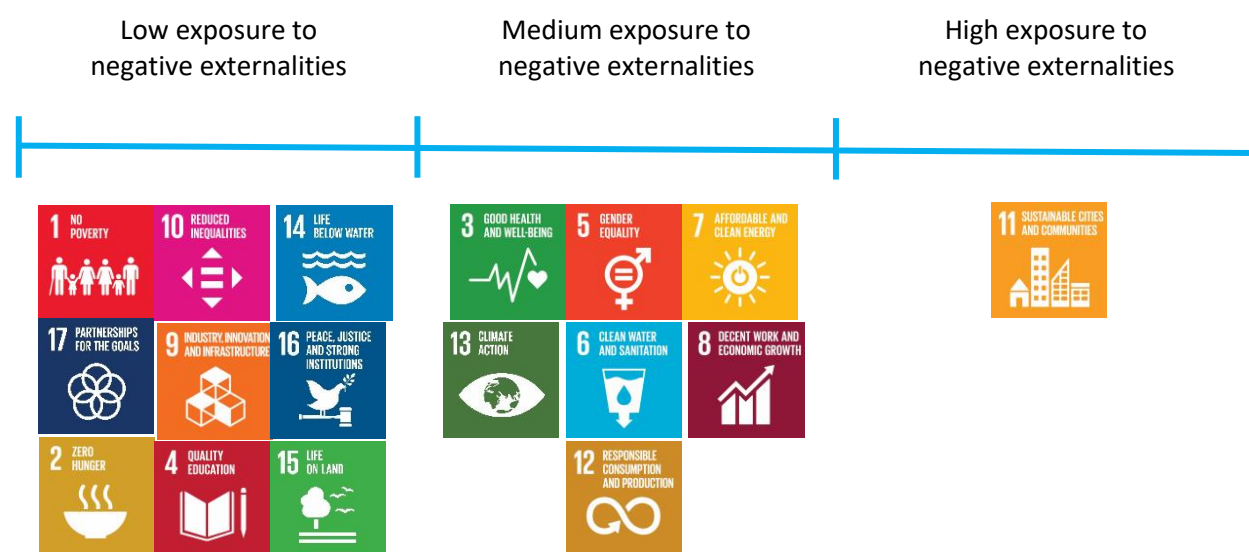
**Limited
Contribution**







2. Improvements of operational performance (processes)

The below assessment aims at qualifying the direction of change (or “operational impact improvement”) resulting from the operational performance projects (re)financed by the UoP categories, as well as related UN SDGs impacted. The assessment displays how the UoP categories are mitigating the exposure to the negative externalities relevant to the business model and the sector of the Issuer.

According to ISS ESG SDG Impact Rating methodology, potential impacts on the SDGs related to negative operational externalities⁴ in the Real Estate (to which Swiss Prime Site belongs) are the following:



The table below aims at displaying the direction of change resulting from the operational performance improvement projects. The outcome displayed does not correspond to an absolute or net assessment of the operational performance.

USE OF PROCEEDS (PROCESSES)	OPERATIONAL IMPACT IMPROVEMENT ⁵	SUSTAINABLE DEVELOPMENT GOALS
Renewable Energy <i>Expenditures related to the installation and/or operation of new and/or existing onsite solar photovoltaic panels.</i>	✓	 
Renewable Energy <i>Expenditures related to the installation and/or operation of new and/or existing onsite wind turbines.</i>	✓	 

⁴ Please, note that the impact of the issuer’s products and services resulting from operations and processes is displayed in section 3 of the SPO.

⁵ Limited information is available on the scale of the improvement as no threshold is provided. ISS ESG only displays the direction of change.

B. MANAGEMENT OF ENVIRONMENTAL & SOCIAL RISKS ASSOCIATED WITH THE SELECTION CRITERIA

Green buildings & renewable energy

The table below presents the findings of an assessment of the Green Debt Instruments against ISS ESG KPIs. All of the assets will be located in Switzerland.

ASSESSMENT AGAINST ISS ESG KPI

KPIs relevant to 'Green Buildings'

Site selection

- ✓ The issuer states to ensure that assets financed under this FW are located close to modalities of public transport issuer, which is considered as a relevant investment decision. Specifically, this includes the quality of the location, prospects for economic development and public transport links among other things. Further, the issuer focuses on the selection of buildings in large economic areas within Switzerland.
- ✓ All (re-)financed buildings are located in Switzerland, where national legislation requires an environmental impact assessment (Federal Environmental Impact Assessment Ordinance).

Environmental aspects of construction and operation

- ✓ New and existing buildings are planned and built according to a sustainability standard (eg. SNBS) and pass through the corresponding quality assurance and certification process. The criteria required in the standards and the defined levels (disposal, recycling, safety, etc.) are taken into account accordingly. Moreover, with respect to new construction projects, the issuer states that the procurement of sustainable building materials constitutes an integral part of agreements with its contractors and is considered a prerequisite for contractual fulfilment.

Water use minimization in buildings

- ✓ All assets are located in Switzerland where national legislation provides for measures to reduce water consumption (e.g. water metering, highefficiency fixtures and fittings, rainwater harvesting). Specifically, this is based on SIA 385/1 "Domestic hot water in buildings", SIA 385/2 and SIA 2026/2017 "Efficient use of drinking water in buildings".

Safety of building user

- ✓ All assets that are to be (re)financed under this Framework are located in Switzerland, where high safety standards are applicable for building users (e.g. emergency exits, fire sprinklers and alarm systems).

Labour, health and safety

- ✓ All financed (and future) assets are located in Switzerland, where high labour and health and safety standards are in place (e.g., ILO core convention).

KPIs relevant to 'Renewable energy'

Environmental aspects of construction and operation

- ✓ With respect to the installation of Solar PV on buildings and the use of certain hazardous substances in electronic components, the issuer confirms to comply with the Swiss standards in the course of installing a photovoltaic system, including SNEN 62446-1, SNR 464022 and NIN 2020.
- ✓ All financed assets are located in Switzerland, where producer responsibility for the take-back of electrical and electronic equipment in Switzerland is covered by the Ordinance on the Return, Take-back and Disposal of Electrical and Electronic Equipment (ORDEE).

PART III: GREEN DEBT INSTRUMENT'S LINK TO SWISS PRIME SITE SUSTAINABILITY STRATEGY

A. SWISS PRIME SITE'S BUSINESS EXPOSURE TO ESG RISKS

This section aims to provide an overall level of information on the ESG risks to which the issuer is exposed through its business activities, providing additional context to the issuance assessed in the present report.

ESG risks associated with the Issuer's industry

The issuer is classified in the real estate industry, as per ISS ESG's sector classification. Key challenges faced by companies in terms of sustainability management in this industry are displayed in the table below. Please note, that this is not a company specific assessment but areas that are of particular relevance for companies within that industry.

ESG KEY ISSUES IN THE INDUSTRY

Occupational health and safety
Health and well- being of occupants
Environmental and social aspects in site selection
Climate protection, energy efficiency and renewables
Green building considerations



ESG performance of the Issuer

Leveraging ISS ESG's Corporate Rating research, further information about the issuer's ESG performance can be found on ISS ESG Gateway at: <https://www.issgovernance.com/esg/iss-esg-gateway/>.

Please note that the consistency between the issuance subject to this report and the issuer's sustainability strategy is further detailed in Part III.B of the report.

Sustainability impact of products and services portfolio

Leveraging ISS ESG's Sustainability Solutions Assessment methodology, ISS ESG assessed the contribution of the issuer's current products and services portfolio to the Sustainable Development Goals defined by the United Nations (UN SDGs). This analysis is limited to the evaluation of final product characteristics and does not include practices along the issuer's production process.

PRODUCT/SERVICES PORTFOLIO	ASSOCIATED PERCENTAGE OF REVENUE ⁶	DIRECTION OF IMPACT	UN SDGS
Buildings certified to a relevant/comprehensive sustainable building standard	8%	CONTRIBUTION	
Management of assisted living-related facilities	4%	CONTRIBUTION	

Breaches of international norms and ESG controversies

At issuer level

At the date of publication, ISS ESG has not identified any severe controversy in which the issuer would be involved.

At industry level

Based on a review of controversies over a 2-year period, the top three issues that have been reported against companies within the Real Estate industry are as follows: Failure to assess environmental impacts, Failure to mitigate climate change impacts and Failure to prevent water pollution

Please note, that this is not a company specific assessment but areas that can be of particular relevance for companies within that industry.

⁶ Percentages presented in this table are not cumulative.

B. CONSISTENCY OF Green Debt Instruments WITH Swiss Prime Site'S SUSTAINABILITY STRATEGY

Key sustainability objectives and priorities defined by the issuer

Swiss Prime Site has set long-term goals based on the Swiss government's Energy Strategy 2050, the Paris Climate Agreement and the Sustainable Development Goals (SDGs) of the United Nations. In order to achieve this, SPS aims to undertake the following initiatives:

- The issuer intends to achieve operational carbon neutrality over the long term, and would take energy consumption into account and keep its level to a minimum in property planning and construction.
- The issuer aims to ensure that the energy efficiency of the properties is maximised and that, wherever possible, renewable energies are used for heating/cooling and electricity supplies, enabling SPS to meet or even exceed its CO2 reduction targets for our property portfolio.
- The issuer intends to promote collaboration with manufacturers and suppliers that offer particularly energy-efficient products.
- The issuer intends to monitor all energy and water consumption and formulate corresponding reduction targets, with progress towards these targets to be communicated in a transparent manner by means of annual reporting.

For its sustainability priorities, SPS has defined specific sustainability objectives and activities, however, those objectives are not all quantified.

Rationale for issuance

As part of its commitment to sustainability, Swiss Prime Site has designed its Green Finance Framework under which Green debt instruments can be issued to finance or refinance eligible green projects, enabling the issuer to meet its sustainability objectives. The Debt Instruments may be issued by Swiss Prime Site AG, any of its subsidiaries, a special purpose company for the purpose of issuing asset-backed securities, or another special purpose vehicle as may be indicated by Swiss Prime Site.

Through the setup of a Green Finance Framework, the issuer intends to accelerate the transition toward sustainable real estate investments and broaden the investor base to reach further like-minded investors.

Contribution of Use of Proceeds categories to sustainability objectives and key ESG industry challenges

The Use of Proceeds categories financed under the green debt instruments were mapped towards the sustainability objectives defined by the issuer, and the key ESG industry challenges as defined in the ISS ESG Corporate Rating methodology for the Real Estate industry. Key ESG industry challenges are key issues that are highly relevant for a respective industry to tackle when it comes to sustainability, e.g. climate change and energy efficiency in the buildings industry. From this mapping, ISS ESG derived a level of contribution to the strategy of each Use of Proceeds categories.

USE OF PROCEEDS CATEGORY	SUSTAINABILITY OBJECTIVES FOR THE ISSUER	KEY ESG INDUSTRY CHALLENGES	CONTRIBUTION
Green Buildings	✓	✓	Contribution to a material objective
Energy Efficiency	✓	✓	Contribution to a material objective
Renewable Energy	✓	✓	Contribution to a material objective

Opinion: *The Use of Proceeds financed through the green bonds/loans are consistent with the issuer's sustainability strategy and material ESG topics for the issuer's industry. The rationale for issuing green debt instruments is clearly described by the issuer.*

DISCLAIMER

1. Validity of the SPO: As long as there is no material change to the Framework.
2. ISS ESG uses a scientifically based rating concept to analyse and evaluate the environmental and social performance of companies and countries. In doing so, we adhere to standardized procedures to ensure consistent quality of responsibility research worldwide. In addition, we provide Second Party Opinion (SPO) on bonds based on data provided by the issuer.
3. We would, however, point out that we do not warrant that the information presented in this SPO is complete, accurate or up to date. Any liability on the part of ISS ESG in connection with the use of these SPO, the information provided in them, and the use thereof shall be excluded.
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ANNEX 1: Methodology

ISS ESG Green KPIs

The ISS ESG Green Bond KPIs serve as a structure for evaluating the sustainability quality – i.e. the social and environmental added value – of the use of proceeds of SPS's Green Debt Instruments.

It comprises firstly the definition of the use of proceeds category offering added social and/or environmental value, and secondly the specific sustainability criteria by means of which this added value and therefore the sustainability performance of the assets can be clearly identified and described.

The sustainability criteria are complemented by specific indicators, which enable quantitative measurement of the sustainability performance of the assets and which can also be used for reporting. If a majority of assets fulfill the requirement of an indicator, this indicator is then assessed positively. Those indicators may be tailor-made to capture the context-specific environmental and social risks.

Environmental and social risks assessment methodology

ISS ESG evaluates whether the assets included in the asset pool match the eligible project category and criteria listed in the Green Bond KPIs.

All percentages refer to the amount of assets within one category (e.g. wind power). Additionally, the assessment “no or limited information is available” either indicates that no information was made available to ISS ESG or that the information provided did not fulfil the requirements of the ISS ESG Green Bond KPIs.

The evaluation was carried out using information and documents provided to ISS ESG on a confidential basis by SPS (e.g. Due Diligence Reports). Further, national legislation and standards, depending on the asset location, were drawn on to complement the information provided by the issuer.

Assessment of the contribution and association to the SDG

The 17 Sustainable Development Goals (SDGs) were endorsed in September 2015 by the United Nations and provide a benchmark for key opportunities and challenges toward a more sustainable future. Using a proprietary method, ISS ESG identifies the extent to which SPS's Green Debt Instruments contributes to related SDGs.

ANNEX 2: ISS ESG Corporate Rating Methodology

The following pages contain methodology description of the ISS ESG Corporate Rating.

Methodology - Overview

The ESG Corporate Rating methodology was originally developed by Institutional Shareholder Services Germany (formerly oekom research) and has been consistently updated for more than 25 years.

ESG Corporate Rating - The ESG Corporate Rating universe covers important national and international indices as well as additional companies from sectors with direct links to sustainability and the most important bond issuers that are not publicly listed companies.

The assessment of a company's social & governance and environmental performance is based on approximately 100 environmental, social and governance indicators per sector, selected from a pool of 800+ proprietary indicators. All indicators are evaluated independently based on clearly defined performance expectations and the results are aggregated, taking into account each indicator's and each topic's materiality-oriented weight, to yield an overall score (rating). If no relevant or up-to-date company information with regard to a certain indicator is available, and no assumptions can be made based on predefined standards and expertise, e.g. known and already classified country standards, the indicator is assessed with a D-.

In order to obtain a comprehensive and balanced picture of each company, our analysts assess relevant information reported or directly provided by the company as well as information from reputable independent sources. In addition, our analysts actively seek a dialogue with the assessed companies during the rating process and companies are regularly given the opportunity to comment on the results and provide additional information.

Analyst Opinion - Qualitative summary and explanation of the central rating results in three dimensions:

- (1) Opportunities - assessment of the quality and the current and future share of sales of a company's products and services, which positively or negatively contribute to the management of principal sustainability challenges.
- (2) Risks - summary assessment of how proactively and successfully the company addresses specific sustainability challenges found in its business activity and value chain, thus reducing its individual risks, in particular regarding its sector's key issues.
- (3) Governance - overview of the company's governance structures and measures as well as of the quality and efficacy of policies regarding its ethical business conduct.

Norm-Based Research - Severity Indicator - The assessment of companies' sustainability performance in the ESG Corporate Rating is informed by a systematic and comprehensive evaluation of companies' ability to prevent and mitigate ESG controversies. ISS ESG conducts research and analysis on corporate involvement in verified or alleged failures to respect recognized standards for responsible business conduct through Norm-Based Research.

Norm-Based Research is based on authoritative standards for responsible business conduct such as the UN Global Compact, the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles for Business and Human Rights and the Sustainable Development Goals.

As a stress-test of corporate disclosure, Norm-Based Research assesses the following:

- Companies' ability to address grievances and remediate negative impacts
- Degree of verification of allegations and claims
- Severity of impact on people and the environment, and systematic or systemic nature of malpractices

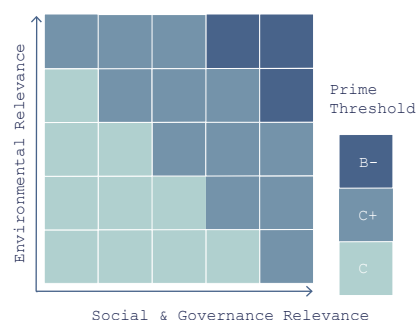
Severity of impact is categorized as Potential, Moderate, Severe, Very severe. This informs the ESG Corporate Rating.

Decile Rank - The Decile Rank indicates in which decile (tenth part of total) the individual Corporate Rating ranks within its industry from 1 (best – company's rating is in the first decile within its industry) to 10 (lowest – company's rating is in the tenth decile within its industry). The Decile Rank is determined based on the underlying numerical score of the rating. If the total number of companies within an industry cannot be evenly divided by ten, the surplus company ratings are distributed from the top (1 decile) to the bottom. If there are Corporate Ratings with identical absolute scores that span a division in decile ranks, all ratings with an equal decile score are classified in the higher decile, resulting in a smaller number of Corporate Ratings in the decile below.

Distribution of Ratings - Overview of the distribution of the ratings of all companies from the respective industry that are included in the ESG Corporate Rating universe (company portrayed in this report: dark blue).

Industry Classification - The social and environmental impacts of industries differ. Therefore, based on its relevance, each industry analyzed is classified in a Sustainability Matrix.

Depending on this classification, the two dimensions of the ESG Corporate Rating, the Social Rating and the Environmental Rating, are weighted and the sector-specific minimum requirements for the ISS ESG Prime Status (Prime threshold) are defined (absolute best-in-class approach).



Industry Leaders - List (in alphabetical order) of the top three companies in an industry from the ESG Corporate Rating universe at the time of generation of this report.

Key Issue Performance - Overview of the company's performance with regard to the key social and environmental issues in the industry, compared to the industry average.

Performance Score - The ESG Performance Score allows for cross-industry comparisons using a standardized best-in-class threshold that is valid across all industries. It is the numerical representation of the alphabetic ratings (D- to A+) on a scale of 0 to 100 with 50 representing the prime threshold. All companies with values greater than 50 are Prime, while companies with values less than 50 are Not Prime. As a result, intervals are of varying size depending on the original industry-specific prime thresholds.

Rating History - Development of the company's rating over time and comparison to the average rating in the industry.

Rating Scale - Companies are rated on a twelve-point scale from A+ to D-:

A+: the company shows excellent performance.

D-: the company shows poor performance (or fails to demonstrate any commitment to appropriately address the topic).

Overview of the range of scores achieved in the industry (light blue) and indication of the grade of the company evaluated in this report (dark blue).

Sources of Information - A selection of sources used for this report is illustrated in the annex.

Status & Prime Threshold - Companies are categorized as Prime if they achieve/exceed the sustainability performance requirements (Prime threshold) defined by ISS ESG for a specific industry (absolute best-in-class approach) in the ESG Corporate Rating. Prime companies are sustainability leaders in their industry and are better positioned to cope with material ESG challenges and risks, as well as to seize opportunities, than their Not Prime peers. The financial materiality of the Prime Status has been confirmed by performance studies, showing a continuous outperformance of the Prime portfolio when compared to conventional indices over more than 14 years.

Transparency Level - The Transparency Level indicates the company's materiality-adjusted disclosure level regarding the environmental and social performance indicators defined in the ESG Corporate Rating. It takes into consideration whether the company has disclosed relevant information regarding a specific indicator, either in its public ESG disclosures or as part of the rating feedback process, as well as the indicator's materiality reflected in its absolute weight in the rating. The calculated percentage is classified in five transparency levels following the scale below.

0% - < 20%: very low

20% - < 40%: low

40% - < 60%: medium

60% - < 80%: high

80% - 100%: very high

For example, if a company discloses information for indicators with a cumulated absolute weight in the rating of 23 percent, then its Transparency Level is "low". A company's failure to disclose, or lack of transparency, will impact a company's ESG performance rating negatively.

ANNEX 3: Quality management processes

SCOPE

Swiss Prime Site commissioned ISS ESG to compile a Green Debt Instruments SPO. The Second Party Opinion process includes verifying whether the Green Finance Framework aligns with the Green Bond Principles 2021 and the Green Loan Principles 2021 and to assess the sustainability credentials of its Green Debt Instruments, as well as the issuer's sustainability strategy.

CRITERIA

Relevant Standards for this Second Party Opinion

- Green Bond Principles 2021 and the Green Loan Principles 2021
- ISS ESG Key Performance Indicators relevant for Use of Proceeds categories selected by the Issuer

ISSUER'S RESPONSIBILITY

Swiss Prime Site responsibility was to provide information and documentation on:

- Green Finance Framework
- Eligibility criteria
- Documentation of ESG risks management

ISS ESG'S VERIFICATION PROCESS

ISS ESG is one of the world's leading independent environmental, social and governance (ESG) research, analysis and rating houses. The company has been actively involved in the sustainable capital markets for over 25 years. Since 2014, ISS ESG has built up a reputation as a highly-reputed thought leader in the green and social bond market and has become one of the first CBI approved verifiers.

ISS ESG has conducted this independent Second Party Opinion of the Green Debt Instruments to be issued by Swiss Prime Site based on ISS ESG methodology and in line with the ICMA Green Bond Principles 2021 and the Green Loan Principles 2021.

The engagement with Swiss Prime Site took place in September/October 2022.

ISS ESG'S BUSINESS PRACTICES

ISS has conducted this verification in strict compliance with the ISS Code of Ethics, which lays out detailed requirements in integrity, transparency, professional competence and due care, professional behaviour and objectivity for the ISS business and team members. It is designed to ensure that the verification is conducted independently and without any conflicts of interest with other parts of the ISS Group.

About ISS ESG SPO

ISS ESG is one of the world's leading rating agencies in the field of sustainable investment. The agency analyses companies and countries regarding their environmental and social performance.

We assess alignment with external principles (e.g. the ICMA Green / Social Bond Principles), analyse the sustainability quality of the assets and review the sustainability performance of the issuer themselves. Following these three steps, we draw up an independent SPO so that investors are as well informed as possible about the quality of the bond / loan from a sustainability perspective.

Learn more: <https://www.isscorporatesolutions.com/solutions/esg-solutions/green-bond-services/>

For more information on SPO services, please contact: SPOsales@isscorporatesolutions.com

For more information on this specific Green Debt Instruments SPO, please contact: SPOOperations@iss-esg.com

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