

# SWISS PRIME SITE

## Swiss Prime Site Finance AG

(incorporated in Switzerland with limited liability)

CHF 300,000,000 0.375 percent Green Bonds due 2028

irrevocably guaranteed by

## Swiss Prime Site AG

(incorporated in Switzerland with limited liability)

This prospectus (this **Prospectus**) relates to (i) the offering of CHF 300,000,000 in aggregate principal amount of 0.375 percent Green Bonds due 2028 (the **Bonds**) to be issued by Swiss Prime Site Finance AG (the **Issuer**) and guaranteed by Swiss Prime Site AG (the **Guarantor** and, together with its consolidated subsidiaries, the **Group**), and (ii) the admission to trading and listing of the Bonds on the SIX Swiss Exchange.

It is expected that the Bonds will be provisionally admitted to trading on the SIX Swiss Exchange as of February 9, 2021. Application will be made for definitive admission to trading and listing of the Bonds on the SIX Swiss Exchange as soon as practicable thereafter and (if granted) will only be granted after the Issue Date. The last trading day for the Bonds on the SIX Swiss Exchange is expected to be February 9, 2028.

Capitalized terms used but not defined below have the meanings assigned to such terms in the "*Terms of the Bonds*" beginning on page 16 (the **Terms of the Bonds**) or elsewhere in this Prospectus. The Bonds will not be rated.

**Basler Kantonalbank**

**Credit Suisse**

**Zürcher Kantonalbank**

Joint Lead Managers

Swiss Security Number: 58194781

ISIN: CH0581947816

Common Code: 228788848

Prospectus dated February 9, 2021

This Prospectus has been approved by SIX Exchange Regulation Ltd in its capacity as review body pursuant to article 52 of the Swiss Financial Services Act (the **Swiss Review Body**) on March 8, 2021.

## IMPORTANT INFORMATION

**This Prospectus will not be updated for any developments that occur after its date. In particular, this Prospectus is not required to be updated as per the date of the approval by the Swiss Review Body. Consequently, neither the delivery of this Prospectus nor the offering, sale or delivery of any Bonds shall in any circumstances imply that the information contained herein concerning the Issuer or the Guarantor is correct at any time subsequent to the date hereof or that any other information supplied in connection with the issue of the Bonds is correct as of any time subsequent the date indicated in the document containing the same.**

This Prospectus has been prepared by the Issuer and the Guarantor solely for use in connection with the offering of the Bonds and for the admission to trading and listing of the Bonds on the SIX Swiss Exchange. Neither the Issuer nor the Guarantor has authorized the use of this Prospectus for any other purpose.

This Prospectus is to be read in conjunction with all documents incorporated by reference herein. This Prospectus shall be read and construed on the basis that such documents are incorporated into and form part of this Prospectus. See "*About this Prospectus—Documents Incorporated by Reference*" on page 10 of this Prospectus.

**An investment in the Bonds will involve certain risks, including the risk that Holders will lose their entire investment in the Bonds. For a discussion of certain risks that potential investors should carefully consider before deciding to invest in any Bonds, see "*Material Risks*" beginning on page 12 of this Prospectus.**

No person is or has been authorized by the Issuer, the Guarantor or the Managers to give any information or to make any representation not contained in or not consistent with this Prospectus or any other information supplied in connection with the Bonds and, if given or made, such information or representation must not be relied upon as having been authorized by the Issuer, the Guarantor or the Managers.

Neither this Prospectus nor any other information supplied in connection with the Bonds (i) is intended to provide the basis of any credit or other evaluation or (ii) should be considered as a recommendation by the Issuer, the Guarantor or the Managers that any recipient of this Prospectus or any other information supplied in connection with the Bonds should purchase any Bonds. Each potential investor contemplating purchasing any Bonds should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer and the Guarantor. Neither this Prospectus nor any other information supplied in connection with the issue of the Bonds constitutes an offer or invitation by or on behalf of the Issuer, the Guarantor or the Managers to any person to subscribe for or to purchase any Bonds.

### The Managers

The Managers have not verified the information contained herein. Additionally, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Managers as to the accuracy or completeness of the information contained or incorporated in this Prospectus or any other information provided by the Issuer and/or the Guarantor in connection with the Bonds.

To the fullest extent permitted by law, the Managers accept no responsibility whatsoever for the contents of this Prospectus or for any other statement, made or purported to be made by the Managers or on their behalf in connection with the Issuer, the Guarantor or the issuance, offering and admission to trading or listing of the Bonds. The Managers accordingly disclaim all and any liability whether arising in tort or contract or otherwise (save as referred to above) that they might otherwise have in respect of this Prospectus or any such statement.

The Managers and certain of their respective affiliates have provided, and/or may provide in the future, investment banking, commercial banking, advisory and other financial services for the Issuer, the Guarantor and their respective affiliates in the ordinary course of business for which they have received and will receive customary fees and reimbursement of expenses.

Furthermore, in the ordinary course of their business activities, the Managers and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (which may include bank loans and/or credit default swaps) for their own account and for the accounts of their customers and may, at any time, hold long or short positions in such investments and securities. Such investment and securities activities may involve the securities and/or instruments of the Issuer and/or the Guarantor. The Managers and their respective affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or instruments and may at any time hold (for their own account or for the account of their customers), or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

### Notice to Investors

This Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any Bonds in any jurisdiction to any person to whom it is unlawful to make an offer or solicitation in such jurisdiction. The distribution of this Prospectus and the offer or sale of the Bonds may be restricted by law in certain jurisdictions. Neither the Issuer, nor the Guarantor, nor the Managers represent that this Prospectus may be lawfully distributed, or that any Bonds may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer and the Guarantor or the Managers that is intended to permit a public offering of any Bonds or distribution

of this Prospectus in any jurisdiction where action for that purpose is required other than Switzerland. Accordingly, no Bonds may be offered or sold, directly or indirectly, and neither this Prospectus nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Prospectus or any Bonds may come must inform themselves about, and observe, any such restrictions on the distribution of this Prospectus and the offering and sale of Bonds. In particular, there are restrictions on the offer, sale and delivery of the Bonds and the distribution of this Prospectus in the United States of America (the **United States** or the **U.S.**), the European Economic Area (the **EEA**), the United Kingdom and the Republic of Italy. See "*Subscription and Sale—Selling Restrictions*" beginning on page 23 of this Prospectus.

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## SUMMARY

This summary should be read as an introduction to this Prospectus. Any decision to invest in the Bonds should be based on a consideration of this Prospectus as a whole and not only this summary, including any documents incorporated by reference into this Prospectus. Potential investors in the Bonds should be aware that liability under article 69 of the Swiss Financial Services Act (the FinSA) for any false or misleading information contained in this summary is limited to any such information that is false or misleading when read together with, or that is inconsistent with, the other parts of this Prospectus.

### A. Information on the Issuer and the Guarantor

Issuer:	Swiss Prime Site Finance AG (the <b>Issuer</b> ), a directly wholly-owned subsidiary of the Guarantor.  The Issuer is a stock corporation ( <i>Aktiengesellschaft</i> ) organized under the laws of Switzerland, with its registered office at Frohburgstrasse 1, 4600 Olten, Switzerland. For more information on the Issuer and its business, see " <i>The Issuer</i> " beginning on page 25 of this Prospectus.
Legal Entity Identifier LEI:	894500MW2EGOJ4IUF124
Issuer's auditor:	KPMG AG, Zurich, Switzerland
Guarantor:	Swiss Prime Site AG (the <b>Guarantor</b> )  The Guarantor is a stock corporation ( <i>Aktiengesellschaft</i> ) organized under the laws of Switzerland, with its registered office at Frohburgstrasse 1, 4600 Olten, Switzerland. For more information on the Guarantor and its business, see " <i>The Guarantor and the Group</i> " beginning on page 27 of this Prospectus.
Legal Entity Identifier LEI:	506700X19H64OPR34158
Guarantor's auditor:	KPMG AG, Zurich, Switzerland

### B. Information on the Terms of the Bonds

Bonds:	CHF 300,000,000 0.375 percent Green Bonds due 2028 (the <b>Bonds</b> )
Issue Date:	February 11, 2021 (the <b>Issue Date</b> )
Maturity Date:	February 11, 2028 (the <b>Maturity Date</b> )
Final Redemption Amount:	100 percent of the aggregate principal amount of the Bonds.
Interest Rate and Interest Payment Dates:	The Bonds will bear interest at a fixed rate of 0.375 percent per annum from the Issue Date to the Maturity Date, payable annually in arrears on February 11 of each year (each, an <b>Interest Payment Date</b> ), commencing on February 11, 2022.
Denomination:	CHF 5,000.
Status:	The Bonds will constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer ranking <i>pari passu</i> and without any preference among themselves and with all other present and future unsecured and unsubordinated obligations of the Issuer, except for such preference as is provided by any mandatory applicable provision of law.
Guarantee:	On February 11, 2021, the Guarantor issued a guarantee within the meaning of article 111 of the Swiss Code of Obligations for the benefit of the Holders in respect of the payment of principal and interest and any other amounts due under the Bonds (the <b>Guarantee</b> ), the form of which is set out in Condition 10 of the Terms of the Bonds.  The Guarantee constitutes direct, unconditional, unsubordinated and unsecured obligations of the Guarantor ranking <i>pari passu</i> with all other present and future unsecured and unsubordinated obligations of the Guarantor, except for such preference as is provided by any mandatory applicable provision of law.
Form of the Bonds:	The Bonds will be issued as uncertificated securities ( <i>Wertrechte</i> ) in accordance with article 973c of the Swiss Code of Obligations, which will be registered in the main register ( <i>Hauptregister</i> ) of SIX SIS Ltd ( <b>SIX SIS</b> ). Neither the Issuer nor any Holder will at any time have the right to effect or demand the conversion of the uncertificated securities into, or the delivery of, a permanent global certificate ( <i>Globalurkunde auf Dauer</i> ) or individually certificated securities ( <i>Wertpapiere</i> ).

Key Covenants:	<i>Pari passu</i> , negative pledge, event of default (including cross-default, non-payment and breach of other obligations) and change of control clauses, each as further described in the Terms of the Bonds.
Swiss Withholding Tax:	All payments of interest on the Bonds (and all payments under the Guarantee in relation thereto) will be subject to Swiss federal withholding tax ( <i>Verrechnungssteuer</i> ), which as of the date hereof is levied at a rate of 35 percent.
Paying Agent:	Credit Suisse AG.
Governing Law and Jurisdiction:	The Bonds will be, and the Guarantee is, governed by and construed in accordance with the substantive laws of Switzerland. Any dispute that might arise based on the Bonds or the Guarantee will fall or falls (as applicable) within the exclusive jurisdiction of the courts of the Canton of Zurich, Switzerland, venue being Zurich 1.

### C. Information on the Offering

Offering:	The offering described herein consists of a public offering of Bonds in Switzerland, and of private placements of Bonds to prospective investors outside of Switzerland and the United States of America (the <b>United States</b> or the <b>U.S.</b> ) in reliance on Regulation S under the U.S. Securities Act of 1933, as amended (the <b>Securities Act</b> ), in each case in compliance with applicable laws and regulations. See also " <i>Subscription and Sale—Selling Restrictions</i> " beginning on page 23 of this Prospectus.
Reopening:	The Issuer reserves the right to reopen this issue of Bonds at any time through the issuance of additional bonds that are fungible with the Bonds in accordance with the Terms of the Bonds.
Issue Price:	100.121 percent (before commissions and expenses) of the aggregate principal amount of the Bonds.
Placement Price:	According to demand.
Delivery:	Delivery <i>versus</i> payment (DVP).
Clearing and Settlement:	SIX SIS
Ratings:	The Bonds will not be rated.
Material Risks:	An investment in Bonds involves certain risks. For a discussion of certain risks that potential investors should carefully consider before deciding to invest in any Bonds, see " <i>Material Risks</i> " beginning on page 12 of this Prospectus.
Net Proceeds:	The net proceeds of the offering of the Bonds, amounting to CHF 299,242,000 (the <b>Net Proceeds</b> ), will be used by the Issuer to finance or refinance, in whole or in part, new or existing sustainable projects or assets and operating expenditure with a clear and defined environmental or social benefit that meet the eligibility criteria defined in the green bond framework of the Guarantor dated October 19, 2020 (the <b>Green Bond Framework</b> ).
Security Codes:	Swiss Security Number: 58194781 ISIN (International Securities Identification Number): CH0581947816 Common Code: 228788848
Selling Restrictions:	The Bonds are subject to restrictions on their offering, sale and delivery both generally and specifically in the United States and to U.S. persons, the European Economic Area, the United Kingdom, and the Republic of Italy, in each case as described under " <i>Subscription and Sale—Selling Restrictions</i> " beginning on page 23 of this Prospectus.
Joint Lead Managers:	Basler Kantonalbank Credit Suisse AG Zürcher Kantonalbank

### D. Information on the Admission to Trading and Listing

Swiss Trading Venue:	SIX Swiss Exchange.
Admission to Trading and Listing:	It is expected that the Bonds will be provisionally admitted to trading on the SIX Swiss Exchange as of February 9, 2021. Application will be made for definitive admission to trading and listing of the Bonds on the SIX Swiss Exchange as soon as practicable thereafter and (if granted) will only be granted after the Issue Date. The last trading day for the Bonds on the SIX Swiss Exchange is expected to be February 9, 2028.

## **E. Information on Prospectus Approval**

Swiss Review Body: SIX Exchange Regulation Ltd, Hardturmstrasse 201, 8005 Zurich, Switzerland (the **Swiss Review Body**).

Prospectus Date and Approval: This Prospectus is dated February 9, 2021 and was approved by SIX Exchange Regulation in its capacity as review body pursuant to article 52 of the FinSA on the date specified on page 1 of this Prospectus.

This Prospectus will not be updated for any developments that occur after its date. In particular, this Prospectus is not required to be updated as per the date of the approval by the Swiss Review Body.

## GENERAL INFORMATION

### Representative

In accordance with article 58a of the Listing Rules of the SIX Swiss Exchange, the Issuer has appointed Credit Suisse AG to file the application with SIX Exchange Regulation Ltd in its capacity as competent authority for the admission to trading (including the provisional admission to trading) and listing of the Bonds on the SIX Swiss Exchange.

### Authorization

The issuance of the Bonds has been duly authorised by resolutions of the board of directors of the Issuer dated January 8, 2021.

The issuance of the Guarantee has been duly authorised by resolutions of the board of directors of the Guarantor dated February 20, 2020.

### Clearing Systems and Security Numbers

The uncertificated securities representing the Bonds will be registered with SIX SIS. The International Securities Identification Number (ISIN), Swiss Security Number and Common Code for the Bonds are CH0581947816, 58194781 and 228788848, respectively.

### Issue Date, Issue Price and Placement Price

The Bonds will be issued on February 11, 2021. The Joint Lead Managers have agreed to purchase the Bonds from the Issuer at the issue price of 100.121 percent (before commissions and expenses) of the aggregate principal amount of the Bonds. The placement price of the Bonds will be set according to demand.

### Guarantee

On February 11, 2021, the Guarantor issued a guarantee within the meaning of article 111 of the Swiss Code of Obligations for the benefit of the Holders in respect of the payment of principal and interest and any other amounts due under the Bonds (the **Guarantee**), the form of which is set out in Condition 10 of the Terms of the Bonds.

The Guarantee constitutes direct, unconditional, unsubordinated and unsecured obligations of the Guarantor ranking *pari passu* with all other present and future unsecured and unsubordinated obligations of the Guarantor, except for such preference as is provided by any mandatory applicable provision of law.

### Court, Arbitral and Administrative Proceedings

Except as otherwise disclosed in this Prospectus (including in the documents incorporated by reference herein), there are no pending or threatened court, arbitral or administrative proceedings of which the Issuer, the Guarantor or the Group is aware that are of material importance to the Issuer's, the Guarantor's or the Group's assets and liabilities or profits and losses.

### No Material Change

Except as otherwise disclosed in this Prospectus (including in the documents incorporated by reference herein), no material changes have occurred in the Issuer's assets and liabilities, financial position or profits and losses since June 30, 2020.

Except as otherwise disclosed in this Prospectus (including in the documents incorporated by reference herein), no material changes have occurred in the Guarantor's assets and liabilities, financial position or profits and losses since June 30, 2020.

### Use of Proceeds

The net proceeds from the issuance of the Bonds, amounting to CHF 299,242,000 (the **Net Proceeds**), will be used by the Issuer to finance or refinance, in whole or in part, new or existing sustainable projects or assets and operating expenditure with a clear and defined environmental or social benefit that meet the eligibility criteria defined in the green bond framework of the Guarantor dated October 19, 2020 (the **Green Bond Framework**).

### Responsibility Statement

Each of the Issuer and the Guarantor accepts responsibility for the content of this Prospectus and declares that the information contained herein is, to the best of its knowledge, correct and no material facts or circumstances have been omitted herefrom.



## ADDITIONAL INFORMATION ON THE GREEN BONDS

### General

The Bonds qualify as "Green Bonds" according to the Guarantor's Green Bond Framework.

For the purpose of this Prospectus, project or assets and operating expenditure eligible under the Green Bond Framework include the following categories:

- Green buildings (acquisition, construction or refurbishment of buildings which meet recognized standards (including minergy certification, SNBS (*Standard nachhaltiges Bauen Schweiz*), BREEAM (*Building Research Establishment Environmental Assessment Method*) (very good and above) and LEED (*Leadership in Energy and Environmental Design*) (gold and above));
- Climate action and CO<sub>2</sub>-emissions (proceeds to be used to finance projects that contribute to the reduction of overall energy use and/or reduction of CO<sub>2</sub> and GHG-emissions; and
- Responsible consumption and production (use of materials low in pollutants and renewable materials, buildings with maintained of low energy consumption).

None of the Joint Lead Managers shall be responsible for (i) any assessment of the projects eligible under the Green Bond Framework, (ii) any verification of whether a project eligible under the Green Bond Framework falls within an investor's requirements or expectations of a "green" or "sustainable" or equivalently-labelled project or (iii) the ongoing monitoring of the use of proceeds in respect of any such Bonds.

### Second Party Opinion

Swiss Prime Site has retained ISS ESG to provide a second party opinion (a **Second Party Opinion**) on the Green Bond Framework to *inter alia* confirm alignment with the International Capital Market Association's (ICMA) Green Bond Principles.

ISS ESG, a provider of environmental, social and governance research and analysis, evaluated the Green Bond Framework and the alignment thereof with relevant market standards and provided views on the robustness and credibility of the Green Bond Framework which views are intended to inform investors in general, and not for a specific investor.

### Monitoring

Swiss Prime Site further intends to publish a monitoring report on an annual basis until full allocation. This report will provide an update on total amount of proceeds allocated to eligible projects and assets under the Green Bond Framework, state the remaining balance of any unallocated funds and describe the qualitative and, where possible and feasible, quantitative, indicators such projects' environmental impact. The report will, where feasible, follow ICMA harmonized framework for impact reporting. Swiss Prime Site further intends to appoint external independent accountants to review that the assets included in the Swiss Prime Site portfolio meet the eligibility criteria under the Green Bond Framework and are not invested in other assets. Further, independent accountants will be engaged to review that the aggregate amount in the eligible portfolio is equal to or greater than the aggregate amount raised by the Bonds.

### Publications

The Guarantor publishes the following documents on its website (<https://sps.swiss/en/group/investors/bonds>):

- (1) the Green Bond Framework;
- (2) the Second Party Opinion; and
- (3) the annual monitoring reports.

The Second Party Opinion and the annual monitoring reports are not incorporated into this Prospectus by reference.

## ABOUT THIS PROSPECTUS

### Documents Incorporated by Reference

The following documents are incorporated by reference into, and are an important part of, this Prospectus:

- (1) the Guarantor's annual report for the year ended December 31, 2019 (the **Annual Report 2019**);
- (2) the Guarantor's audited standalone financial statements for the year ended December 31, 2019 (the **Guarantor Standalone Financial Statements**);
- (3) the Guarantor's half-year report for the six-month period ended June 30, 2020 (the **Half-Year Report 2020**);
- (4) the Press Release "Capital Markets Day" of the Guarantor dated October 20, 2020;
- (5) the articles of association (*Statuten*) of the Guarantor;
- (6) the articles of association (*Statuten*) of the Issuer; and
- (7) the Green Bond Framework, excluding pages 1 to 7.

Any statement in a document incorporated by reference into this Prospectus will be deemed to be modified or superseded for purposes of this Prospectus to the extent that a statement contained herein or in any subsequent document incorporated by reference herein modifies or supersedes that statement.

### Availability of Documents

Copies of this Prospectus (including the documents incorporated by reference herein and, once approved by the Swiss Review Body, the Final Prospectus) can be obtained in electronic or printed form, free of charge, during normal business hours from (i) the registered office of the Issuer or the Guarantor, or (ii) Credit Suisse AG at Uetlibergstrasse 231, CH-8070 Zurich, Switzerland, or by telephone (+41 44 333 31 60), fax (+41 44 333 57 79) or e-mail to [newissues.fixedincome@credit-suisse.com](mailto:newissues.fixedincome@credit-suisse.com).

In addition, the Annual Report 2019, the Guarantor Standalone Financial Statements and the Half-Year Report 2020 are published on the Group's website, at <https://sps.swiss/en/group/investors/company-reports>, and the Press Release dated October 20, 2020 is published on the Group's website, at <https://sps.swiss/en/media/media-releases>. The Green Bond Framework is published on the Group's website, at <https://sps.swiss/en/group/investors/bonds>, and the articles of association of the Guarantor are published on the Group's website, at <https://sps.swiss/de/gruppe/governance/generalversammlung> (German version only). The information contained on these websites does not form a part of this Prospectus unless otherwise specifically incorporated by reference herein.

## CAUTIONARY STATEMENT REGARDING FORWARD LOOKING STATEMENTS

This Prospectus contains or incorporates by reference statements that constitute "forward-looking statements". Such forward-looking statements may include, but are not limited to, statements relating to the Group's, the Issuer's and the Guarantor's plans, targets, goals, future economic performance or prospects, the potential effect of certain contingencies on the Group's, Issuer's and the Guarantor's future performance, and assumptions underlying such statements.

Words such as "will", "believe", "anticipate", "expect", "intend", "plan", "predict", "estimate", "project", "target", "assume", "may" and "could" and similar expressions are intended to identify prospects and/or other forward-looking statements but are not the exclusive means of identifying such prospects and other statements.

By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, and risks exist that prospects, predictions, forecasts, projections and other outcomes described or implied in forward-looking statements will not be achieved. The Issuer and the Guarantor caution potential investors that a number of important factors could cause results to differ materially from the plans, targets, goals, future economic performance and prospects expressed in such forward-looking statements. When evaluating forward-looking statements, potential investors in Bonds should carefully consider the foregoing, as well as the risk factors and other information contained in or incorporated by reference into this Prospectus.

Except as required by the FinSA or other applicable securities laws, neither the Issuer, nor the Guarantor, nor the Managers undertake an obligation to update any prospects or other forward-looking statements contained or incorporated by reference herein after the date hereof, even if new information, future events or other circumstances have made such statements incorrect or misleading.

## MATERIAL RISKS

*An investment in the Bonds involves risks, including the risk of loss of a Holder's entire investment in the Bonds. Investors should reach their own investment decision with regard to the Bonds and only after consultation with their own financial and legal advisers about risks associated with an investment in the Bonds, and the suitability of investing in the Bonds in light of their particular circumstances.*

*The following is a disclosure of risk factors that may affect the Issuer's ability to fulfil its obligations under the Bonds. Prospective Holders should consider these risk factors and consult with their own professional advisors before deciding to purchase Bonds. The risk warnings set out below cannot serve as a substitute for individual advice and information which is tailored to the individual requirements, objectives, experience, knowledge and circumstances of each prospective Holder. In addition, prospective Holders should be aware that the risks described may combine and thus intensify. In any such case, the market price of the Bonds and the Shares may be materially adversely affected and an investor could lose all or part of its original investment. Investment decisions should not be made solely on the basis of the risk warnings set out below, since such risk information does not purport to be an extensive and comprehensive list of all possible risks associated with an investment in the Bonds. Accordingly, the risks described below are not the only ones the Group is facing.*

*The sequence in which the risk factors are presented below is not indicative of their likelihood of occurrence or the potential magnitude of their economic consequences or importance. Additional investment considerations not currently known or which are currently deemed immaterial may also impair the Group's business operations. The business, financial condition or results of operations of the Group could be materially adversely affected by any of these risks.*

### **Risks relating to the Issuer, the Guarantor and their Business**

#### **The Group may be adversely affected by economic and other developments in the commercial real estate market**

Commercial real estate markets tend to fluctuate, with investment property prices and rents reflecting actual or expected economic and other developments affecting the economy in general and/or the particular markets in which the investment properties are located. Factors such as changes in industrial activity and taxation policies, levels of economic growth, unemployment, consumer confidence and other factors, including the willingness and ability of investors to invest or stay invested in the real estate sector, all directly or indirectly affect the local levels of supply and demand for investment properties.

Changes in supply and demand may cause fluctuations in the market prices of investment properties, in rent levels and in occupancy rate levels. In particular, an oversupply of real estate in national or regional markets in Switzerland can result in declining rental revenues and market prices for investment properties. Such fluctuations can have a significant influence on the revenue or profit generated from such investment properties and on the value of the underlying investment property in general.

The Group's portfolio comprises commercial real estate with office and retail investment properties in Switzerland. General economic or other developments may affect office and retail investment properties in different ways, to a different extent and not necessarily at the same time. Many of the factors that could result in an adverse development are beyond the Group's control. While the Group attempts to counteract fluctuation risks in the rental market through long-term rental agreements, such long-term rental agreements may on the other hand also limit the Group's ability to take advantage of rising markets.

Declining revenues or profit, declining revenue or profit potential or a decline in the fair value of investment properties resulting from a fall in demand, an anticipated fall in demand or any of the other factors mentioned above in the markets in which the Group operates could have material adverse effects on the valuation of the Group's investment property portfolio and on the Group's business, assets and liabilities, financial condition and results of operations.

#### **The Group is exposed to rental risks and may not be able to find and retain suitable and solvent tenants on beneficial terms or at all. The Group is also exposed to credit risks with respect to its tenants**

The Group's business depends to a large extent on its ability to generate sufficient rental income, which can be influenced by several factors, including general economic conditions, the ability to renew existing rental agreements at similar and favorable terms, the solvency of current tenants and the attractiveness of the premises for suitable tenants that are willing to enter into rental agreements on terms favorable to the Group.

The Group's rental income would be adversely affected if one or more of its tenants terminate or do not renew their existing rental agreements. Although the real estate portfolio of the Group is rented principally on long-term rental agreements, there is no certainty that expiring agreements can be renewed at the same conditions or at all. Furthermore, the Group, on the basis of statutory or contractual provisions, may be forced to compensate the tenant for refurbishment costs upon termination of the rental agreement. In addition, in the event of a dispute, tenants are permitted under Swiss law to deposit rent amounts in an escrow account pending the resolution of the dispute. Swiss Prime Site may experience difficulties in letting larger rental properties that become vacant. In particular, possible interior furnishings required by the tenant (e.g., cinema or bank) may make a lease even more difficult or subject to rebuilding at the cost of the Group. If tenants cannot be replaced, the Group cannot rule out that parts of its investment properties remain temporarily or permanently vacant. In case of vacancy, the Group, in addition to the rent loss, must also bear those costs that, if the property were rented, it would normally charge to the tenant in the form of ancillary costs. This could have a material adverse effect on the business, assets and liabilities, financial condition and results of operations of the Group.

The Group is also exposed to credit risks with respect to its tenants. The creditworthiness of a tenant may decline for various reasons, including as a result of a decline in the tenant's business or as a result of changing economic and/or market conditions, both of which would entail a risk that the tenant will become insolvent or otherwise unable to meet its obligations under the rental agreement. In the past, the Group experienced insolvencies of a number of smaller tenants. If the Group's tenants temporarily or permanently failed to meet their obligations under their existing rental agreements with the Group, the rental income generated from leasing the investment property could be significantly lower than originally estimated, while the Group's operating costs would remain largely fixed or could even increase as a result of other factors. This could have a material adverse effect on the Group's business, assets and liabilities, financial condition and results of operations.

#### **The Group may incur certain risks in connection with new development, rebuilding and renovation projects**

Pursuant to its investment regulations, the Group can either realize in real estate development projects (including large projects) on its own or participate including new constructions and renovations of existing buildings. Construction of new development properties entails significant risks, including shortages of materials or skilled labour, unforeseen engineering, environmental or geological problems, work stoppages, litigation, adverse meteorological conditions and unforeseen increases in cost, any of which could give rise to delays or cost overruns. Difficulties in obtaining any requisite licenses, permits, allocations or authorizations from regulatory authorities could also increase the cost, or delay or prevent the construction or opening of, new development properties. The realization of construction projects is connected to all risks inherent to construction planning and the building process. For example, due to an incorrect estimate regarding the duration and scope of a project, the costs of a project may be higher than originally determined. Using the wrong construction method or technology can lead to considerable time delays, increased material costs and accidents on the construction site which in turn may have an adverse effect on the reputation of the Group. All of these factors may have a material adverse impact on the business, assets and liabilities, financial condition and results of operations of the Group.

Until completion of the projects, the investment properties may require considerable funds and it may be some time before these real estate projects realize any profit. Even if Swiss Prime Site assumes that the ongoing projects will be completed within the set timeframe, delays cannot be excluded. Any such delays could have an adverse effect on the reputation and business, assets and liabilities, financial condition and results of operations of the Group.

No guarantee can be given that the occupancy rate will be sufficient to realize the budgeted rental income, and there is a possibility that after completion there will be a large number of vacancies. In particular, a change in the attractiveness of a location during the time lapsing from the initiation of a project, including after the completion of a project can result in the planned profit not being generated. Such events can have a material adverse effect on the business, financial condition and operating results of the Group.

After completion of the construction activities, there is no assurance of maintenance and operating costs of the newly developed, rebuilt or renovated properties corresponding to the budgeted costs, thereby resulting in corresponding adverse impact on the business, assets and liabilities, financial condition and results of operations of the Group.

#### **The Guarantor is a holding company and will depend on the business of its subsidiaries to satisfy its obligations under the Guarantee**

The Guarantor is a holding company and it has no significant assets other than its ownership interests in the Issuer and its other subsidiaries. Consequently, the ability of the Guarantor to meet its financial obligations under the Guarantee is dependent upon the availability of cash flows from its subsidiaries and affiliated companies through dividends, intercompany advances and other payments. The Guarantor's direct and indirect subsidiaries are separate and distinct legal entities and, under certain circumstances, legal and contractual restrictions may limit the ability of these subsidiaries to provide the Guarantor with funds for the Guarantor's payment of its obligations under its securities, such as the Guarantee, whether by dividends, distributions, loans or other payments.

The Guarantor cannot assure potential investors that the operating results of its subsidiaries at any given time will be sufficient to make dividends, distributions or other payments to it or that any such dividends, distributions or other payments will be adequate to pay its obligations under the Guarantee and its other indebtedness when due.

Since the creditors of any of the Guarantor's subsidiaries would generally have a right to receive payment that is superior to the Guarantor's right to receive payment as shareholder from the assets of that subsidiary, the rights of Holders against the Guarantor under the Guarantee will be effectively subordinated to creditors of the Guarantor's subsidiaries.

### **Risks relating to the Bonds**

#### **An investment in the Bonds involves risks relating to changes in the interest rate environment**

The Bonds bear interest at a fixed rate, which means that an investment in the Bonds involves the risk that if market interest rates subsequently increase above such fixed rate of interest, the real return on (and value of) the Bonds will be adversely affected.

#### **The terms of the Bonds and the Guarantee contain no restriction on the amount or type of further securities or indebtedness that the Issuer or the Guarantor may issue**

Neither the terms of the Bonds nor the terms of the Guarantee contain any restriction on the amount or type of further securities or indebtedness that the Issuer or the Guarantor may issue, incur or guarantee that rank senior to, or *pari passu* with, the Bonds or the Guarantee, respectively. The issue or guaranteeing of any such further securities or indebtedness may limit the ability of the Issuer to meet its obligations under the Bonds, or the Guarantor to meet its obligations under the

Guarantee, as the case may be, and may reduce the amount recoverable by Holders under the Bonds or the Guarantee upon a liquidation or winding-up of the Issuer or the Guarantor.

**The Issuer may, without consent of the Holders, substitute a controlled subsidiary of the Guarantor as issuer under the Bonds**

Under the Bonds, the Issuer may, without the consent of the Holders and subject to certain conditions, substitute for itself any direct or indirect controlled subsidiaries of the Guarantor as issuer of the Bonds. So long as the conditions described in the terms of the Bonds are satisfied, such subsidiary may have a different form from the Issuer. In such a case, the rights of Holders may differ from the rights of Holders against the Issuer. As a result, Holders may be required to comply with legal procedures for making a claim or enforcing an action against such subsidiary that differ from the legal procedures required for making a claim or enforcing an action against the Issuer.

**In certain instances, Holders may be bound by certain amendments to the Bonds to which they did not consent**

The Bonds are subject to statutory provisions of Swiss law allowing for the calling of meetings of Holders to consider matters affecting their interests. These provisions permit defined majorities to bind all Holders of the Bonds, including Holders who did not attend and vote at the relevant meeting and Holders who voted in a manner contrary to the majority. Pursuant to the relevant statutory provisions of Swiss law as in effect as of the date hereof, (i) the Issuer will be required to provide Holders with at least ten days' notice of any meeting of Holders, (ii) the Issuer will be required to call a meeting of Holders within 20 days if it is requested to do so by Holders holding an aggregate principal amount of Bonds that represents at least one-twentieth of the outstanding aggregate principal amount of the Bonds, and (iii) only Holders or their proxies will be entitled to attend or vote at a meeting of Holders.

In addition, the Holder approval requirements under the relevant statutory provisions of Swiss law as in effect as of the date hereof for amendments to the terms of the Bonds will depend on the type of amendment. Pursuant to article 1170 of the Swiss Code of Obligations, the consent of Holders holding at least two-thirds of the outstanding aggregate principal amount of the Bonds is required for any resolution limiting Holders' rights under the Bonds (such as a moratorium on interest or capital and certain amendments to the interest provisions). In addition, in order to become effective and binding on the non-consenting Holders, any such resolution must be approved by the competent superior cantonal composition court. In the case of resolutions that do not limit Holders' rights under the Bonds, pursuant to article 1181 of the Swiss Code of Obligations, an absolute majority of the votes represented at a meeting of Holders is sufficient to approve any such resolution, unless article 1170 of the Swiss Code of Obligations or the terms of the Bonds provide for more stringent requirements.

**An active trading market for the Bonds may not develop**

The Bonds will be new securities, which may not be widely distributed, and for which there is currently no active trading market. An active trading market for the Bonds may never develop, or if one does develop, it may not be sustained or it may not be liquid. Therefore, investors may not be able to sell their Bonds easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market.

Although application will be made for the admission to trading and listing of the Bonds on the SIX Swiss Exchange, there can be no assurance that such application will be accepted or that an active trading market in the Bonds will develop. Accordingly, there can be no assurance as to the development or liquidity of any trading market for the Bonds. Illiquidity may have a severely adverse effect on the market value of the Bonds.

**The market value of the Bonds may be influenced by unpredictable factors**

Many factors, most of which will be beyond the control of the Issuer and the Guarantor, will influence the value of the Bonds and the price, if any, at which securities dealers may be willing to purchase or sell the Bonds in the secondary market, including:

- (i) the creditworthiness of the Group, the Issuer and the Guarantor and, in particular respective results of operations, financial condition and liquidity profile;
- (ii) supply and demand for the Bonds, including inventory with any securities dealer; and
- (iii) economic, financial, political or regulatory events or judicial decisions that affect the Group, the Issuer and the Guarantor or the financial markets generally.

Accordingly, if a Holder sells its Bonds in the secondary market, it may not be able to obtain a price equal to the principal amount of such Bonds or a price equal to the price that it paid for such Bonds.

**The Guarantor's credit rating may not reflect all risks of an investment in the Bonds**

The Guarantor's credit rating may not reflect the potential impact of all risks relating to the market values of the Bonds. However, real or anticipated changes in the Guarantor's credit rating will generally affect the market values of the Bonds or may result in a downgrade in the ratings for the Bonds. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

**Exchange rate risks and exchange controls**

The Issuer will pay principal and interest on the Bonds in Swiss francs. This presents certain risks relating to currency conversions if the financial activities of an investor in the Bonds are denominated principally in a currency or currency unit (the **Investor's Currency**) other than Swiss francs. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Swiss franc or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify ex-change controls. An appreciation in the value of the



Investor's Currency relative to the Swiss franc would decrease (i) the Investor's Currency-equivalent yield on the Bonds, (ii) the Investor's Currency-equivalent value of the principal payable on the Bonds, and (iii) the Investor's Currency-equivalent market value of the Bonds.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors in the Bonds may receive less interest or principal than expected, or no interest or principal.

## **Risks relating to the “green” use of proceeds of the Bonds**

### **No definition for what constitutes a “green” investment**

The Holders should be aware that neither the Issuer, the Guarantor nor any of the Joint Lead Managers can ensure that the Green Bond Framework and the use of proceeds of the Bonds will satisfy, whether in whole or in part, any future legislative or regulatory requirements, or present or future Holder expectations or requirements as regards any investment criteria or guideline with which such Holder or its investments are required to comply, whether based on any present or future legislative or regulatory requirements or on its own internal investment regulations.

At present, the terms "green", "environmental", "social" and "sustainable" are not clearly defined, nor is there market consensus as to what constitutes a "green", "environmental", "sustainable" or "social" or an equivalently-labelled project or asset or as to the precise attributes that are required for a particular project or asset to be deemed "green", "environmental", "social", "sustainable" or such other equivalent label. Accordingly, it cannot be ensured that a project eligible under the Green Bond Framework will meet a Holder's expectations regarding such "green", "environmental", "social", "sustainable" or other equivalently-labelled performance objectives or that any adverse environmental, social and/or other impacts will not occur during the implantation of such project.

If the Bonds were at any time to be listed or admitted to trading on any dedicated "green", "environmental", "sustainable" or "social" or other equivalently-labelled segment of any stock exchange or securities market (whether or not regulated), such listing or admission may not satisfy any present or future investor expectations or requirements with which such investor or its investments are required to comply. Furthermore, the listing criteria for any such dedicated market segment may vary from one stock exchange or securities market to another, any such listing or admission to trading may not be obtained or, if obtained, may not be maintained during the lifecycle of the Bonds.

### **Projects eligible under the Green Bond Framework may not be implemented and/or completed**

While it is the intention of the Issuer to apply an amount equivalent to the net proceeds of the Bonds for projects eligible under the Green Bond Framework, there can be no assurance that the relevant project(s) or use(s) the subject of, or related to, any such project will be capable of being completed and/or implemented in or substantially in such manner and/or in accordance with any timing schedule or at all or with the results or outcome (whether or not related to the environment) as originally expected by the Issuer and that accordingly such proceeds will be totally or partially disbursed for such projects.

Any failure to apply the proceeds of the Bonds for any project eligible under the Green Bond Framework does not constitute a default or event of default under or a breach by the Issuer of the Terms of the Bonds and does not lead to an obligation of the Issuer to redeem the Bonds. Similarly, any failure by the Issuer to provide any reporting or obtain any opinion will not constitute a default or event of default under or breach by the Issuer of the Terms of the Bonds and does not lead to an obligation of the Issuer to redeem the Bonds.

Swiss Prime Site has appointed ISS ESG to provide a second party opinion on the Green Bond Framework. Such Second Party Opinion provides an opinion regarding the alignment of the Green Bond Framework with relevant market standards and its robustness and credibility in the meaning of such market standards. The Second Party Opinion does not form part of this Prospectus and is only an opinion and not a statement of fact. Holders will have no recourse against the provider of any Second Party Opinion.

Any failure to apply an amount equivalent to the net proceeds of the Bonds for any project eligible under the Green Bond Framework as aforesaid and/or withdrawal of any Second Party Opinion or certification attesting that Swiss Prime Site is not complying in whole or in part with any matters for which such opinion or certification is opining or certifying on and/or any Bonds no longer being listed or admitted to trading on any stock exchange or securities market as aforesaid may have a material adverse effect on the value of the Bonds and also potentially the value of any other securities which are intended to finance projects eligible under the Green Bond Framework and/or result in adverse consequences for certain investors with portfolio mandates to invest in securities to be used for a particular purpose.

Materialization of any of the risks described above and in particular a negative change to, or a withdrawal of, any Second Party Opinion, may affect the value of the Bonds and may have consequences for certain investors with portfolio mandates to invest in green assets.

## TERMS OF THE BONDS

The terms and conditions (each a **Condition**, and together the **Terms of the Bonds**) of the 0.375 percent guaranteed senior bonds due 2028, Swiss Security No. 58194781, ISIN CH0581947816, (the **Bonds**), issued by Swiss Prime Site Finance AG (the Issuer) and unconditionally and irrevocably guaranteed by Swiss Prime Site AG (the Guarantor), are established pursuant to the bond purchase agreement dated February 9, 2021 between the Issuer and the Guarantor on one side and Basler Kantonalbank, Credit Suisse AG and Zürcher Kantonalbank on the other side. The Terms of the Bonds govern the rights and obligations of the Issuer and the Holders (as defined below) in relation to the Bonds and are as follows:

### 1. Amount and Reopening, Form of the Bonds, Denomination, Custodianship and Transfer of the Bonds

- (a) The initial aggregate principal amounts to Swiss francs 300,000,000 (three hundred million Swiss francs, the **Aggregate Principal Amount**) and is divided into bonds (each a **Bond** and collectively the **Bonds**) with denominations of CHF 5,000 (five thousand Swiss francs) per Bond.

The Issuer reserves the right to reopen (the **Reopening**) and increase the Aggregate Principal Amount at any time and without prior consultation of or permission of the Holders (as defined below) through the issuance of further bonds which will be fungible with the Bonds (i.e. identical especially in respect of the Terms of the Bonds, security number, final maturity and interest rate).

- (b) The Bonds are issued as uncertificated securities (*Wertrechte*) in accordance with art. 973c of the Swiss Code of Obligations.

Such uncertificated securities will then be entered by the Paying Agent (as defined below) into the main register (*Hauptregister*) of SIX SIS AG as recognised intermediary for such purposes by the SIX Swiss Exchange. The Bonds will remain in the book-entry system of SIX SIS AG until their final redemption. So long as the Bonds are Intermediated Securities (*Bucheffekten*), in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*) the Bonds may only be transferred by the entry of the transferred Bonds in a securities account of the transferee.

- (c) The records of SIX SIS will determine the number of Bonds held through each participant in SIX SIS AG. In respect of Bonds held in the form of Intermediated Securities (*Bucheffekten*), the holders of such Bonds (the **Holders** and, individually, a **Holder**) will be the persons holding the Bonds in a securities account (*Effektenkonto*) which is in their name, or in case of intermediaries (*Verwahrungsstellen*), the intermediaries (*Verwahrungsstellen*) holding the Bonds for their own account in a securities account (*Effektenkonto*) which is in their name.
- (d) The conversion of the uncertificated securities (*Wertrechte*) into a permanent global note (*Globalurkunde*) or individually certificated bonds (*Wertpapiere*) is excluded. Neither the Issuer nor the Holders nor the Paying Agent nor any third party shall at any time have the right to effect or demand the conversion of the uncertificated securities (*Wertrechte*) into, or the delivery of a permanent global note (*Globalurkunde*) or individually certificated securities (*Wertpapiere*). No physical delivery of the Bonds shall be made.

### 2. Interest

The Bonds bear interest from February 11, 2021 (the **Payment Date**) at the rate of 0.375 percent per annum, payable annually on February 11 (the **Interest Payment Date**) in arrears. When interest is required to be calculated for a period of less than one year, it shall be calculated on the basis of a 360-day year consisting of 12 months of 30 days each.

### 3. Redemption and Purchases

Unless previously redeemed or purchased and cancelled as provided below, the Issuer undertakes to repay all the Bonds at par on February 11, 2028 (the **Maturity Date**).

#### *Early Redemption at the Option of the Issuer*

Subject to a period of not less than thirty (30) nor more than sixty (60) calendar days' prior notice to the Paying Agent, the Issuer may redeem the Bonds at any time after the Payment Date and prior to the Maturity Date, in whole but not in part only, at the Aggregate Principal Amount plus accrued interest, if any, if less than fifteen (15) percent in aggregate of the Aggregate Principal Amount of the Bonds are outstanding at the time of the notice. The Paying Agent shall inform the Holders of any such notice in accordance with Condition 11 (Notices) below.

#### *Purchases*

The Issuer, the Guarantor or any Subsidiary may, either directly or indirectly, at any time purchase Bonds at any price, in the open market or otherwise. Any purchase shall be made in accordance with applicable laws or regulations, including applicable stock exchange regulations. Such Bonds may be held, resold or, at the option of the Issuer, surrendered to the Paying Agent for cancellation as set out below.



If purchases are made by public tender, such tender must be available to all Holders alike.

#### *Cancellation*

All Bonds which are redeemed or surrendered shall forthwith be cancelled. All Bonds so cancelled shall be forwarded to the Paying Agent (as defined below) and cannot be reissued or resold.

#### **4. Payments**

Interest payments and amounts payable on the Bonds will be made available in good time in freely disposable Swiss Francs which will be placed with Credit Suisse (the Paying Agent) on behalf of the Holders.

If the due date for any payment by the Issuer does not fall on a Business Day (as defined below), the Issuer undertakes to effect payment for value the Business Day immediately following such due date and the Holders will not be entitled to any additional sum in relation thereto. All payments with respect to the Bonds will be made to the Holders in Swiss Francs without collection costs. The receipt of the funds by the Paying Agent in Swiss Francs in Switzerland shall release the Issuer of its obligations under the Bonds to the extent of the amounts paid.

#### **5. Taxation**

All payments in respect of the Bonds are subject to all applicable taxes and deductions, including the deduction of the Swiss Federal Withholding Tax (*Verrechnungssteuer*) on interest payments, currently levied at a rate of thirty-five (35) percent.

#### **6. Change of Control**

(a) *A "Change of Control" occurs when:*

- (i) an offer to acquire shares of the Guarantor (the **Shares**), whether expressed as a public takeover offer, a merger or similar scheme with regard to such acquisition, or in any other way, is made in circumstances where (A) such offer is available to (aa) all holders of Shares, (bb) all holders of Shares other than the offeror and any persons acting in concert with such offeror, or (cc) all holders of Shares other than persons who are excluded from the offer by reason of being connected with one or more specific jurisdictions, and (B) such offer having become or been declared unconditional with respect to acceptances, the Guarantor becomes aware that the right to cast more than fifty (50) percent of all the voting rights (whether exercisable or not) of the Guarantor has become or will become unconditionally vested in the offeror and any persons acting in concert with the offeror; or
- (ii) the Guarantor consolidates with or merges into any other company, save where, following such consolidation or merger, shareholders of the Guarantor immediately prior to such consolidation or merger, have the right to cast fifty (50) percent or more of the voting rights (where exercisable or not) of such other company; or
- (iii) the Guarantor becomes aware that the right to cast more than fifty (50) percent of all voting rights (where exercisable or not) of the Guarantor has become unconditionally vested directly or indirectly in any person (or in persons acting in concert with each other); or
- (iv) the legal or beneficial ownership of all or substantially all of the assets owned by the Guarantor or a Subsidiary, either directly or indirectly, are acquired by one or more other persons.

(b) *Upon a Change of Control*

The Issuer and the Guarantor shall forthwith, or, if it is not clear at that point in time whether the Holders are entitled to exercise their redemption rights pursuant to Condition 6(c) hereof because the Guarantor's "BBB" rating is not yet available, immediately following the receipt of the rating decision of the relevant rating agency or after a period of three months since the occurrence of a Change of Control (the **Change of Control Grace Period**), whatever is earlier, give notice of that fact to the Holders (the **Change of Control Notice**) in accordance with Condition 11 (Notices). The Change of Control Notice shall:

- (i) inform the Holders of their right to require redemption of the Bonds pursuant to Condition 6(c) at par;
- (ii) specify the date (the **Change of Control Redemption Date**), being not more than sixty (60) and not less than forty-one (41) calendar days after giving such notice on which the Bonds may be redeemed at the option of the Holders pursuant to Condition 6(c); and
- (iii) provide details concerning the Change of Control.

(c) *Early Redemption at the Option of Holders upon Change of Control*

Upon the occurrence of a Change of Control, the Issuer will at the option of a Holder, redeem such Bond on the Change of Control Redemption Date at its principal amount plus accrued interest, if any, as of the Change of Control Redemption Date, unless:

- (a) in the event of a merger or consolidation of the Guarantor, the surviving entity has or receives a rating of at least BBB by Standard & Poor's or the equivalent by Moody's or Fitch for its senior unsecured

long-term debt on a consolidated basis and assumes or keeps, as the case may be, the Issuer's obligations under the Bonds pari passu with its own senior obligations, or

- (b) in the event of an offer to acquire Shares, or in the event of a transfer of the legal or beneficial ownership of all or substantially all of the assets owned by the Guarantor, the acquirer has a rating of at least BBB by Standard & Poor's or the equivalent by Moody's or Fitch for its senior unsecured long-term debt or receives such a rating on a consolidated basis after giving effect to the acquisition and assumes or guarantees the Issuer's obligations under the Bonds pari passu with its own senior obligations.

It is understood that where no rating exists for the senior unsecured long term debt of the surviving entity, the acquiring entity or the Guarantor, as the case may be, or a rating is not received within the Change of Control Grace Period, respectively, then the Holders shall have a redemption right as described in the first sentence of this Condition 6(c).

To exercise such option, a Holder must present, by not later than ten (10) Business Days prior to the Change of Control Redemption Date, to the Paying Agent a duly completed Redemption Notice in a form satisfactory to the Paying Agent (a **Change of Control Redemption Notice**), together with clearing instructions in a form satisfactory to the Paying Agent allowing for the transfer of the relevant Bond(s) through SIX SIS AG to the Paying Agent. No Change of Control Redemption Notice so deposited may be withdrawn without the consent of the Issuer.

## 7. Status of the Bonds and Negative Pledge

### (a) Status

The Bonds constitute direct, unconditional, and (subject to Condition 7(b)), unsecured obligations of the Issuer and (subject as aforesaid) rank and will rank pari passu among themselves and with all other unsecured and unsubordinated obligations of the Issuer, except for such preferences as are provided for by any mandatorily applicable provision of law.

### (b) Negative Pledge

So long as any Bonds remain outstanding, the Issuer and the Guarantor will not and the Guarantor will procure that no Material Subsidiary will, create or have outstanding any mortgage, charge, pledge, lien or other form of encumbrance or security interest, other than a Permitted Security, upon the whole or any part of its assets or revenues, present or future, to secure any Relevant Debt or to secure any guarantee or indemnity in respect of any Relevant Debt unless, at the same time or prior thereto, the Issuer's obligations under the Bonds (in the case of the Issuer) or the Guarantee (in the case of the Guarantor) (i) are secured equally and rateably therewith by such encumbrance or security interest or benefit from a guarantee or indemnity in substantially identical terms thereto, as the case may be or, (ii) have the benefit of such other security, guarantee, indemnity or other arrangement as shall be approved by the Holder's Representative in its discretion.

For the purposes of this Condition, **Relevant Debt** means any present or future indebtedness of the Issuer, the Guarantor and its Subsidiaries.

For the purposes of this Condition, a **Permitted Security** is a security (existing or to be created) in the form of any mortgage, charge, pledge, lien or other form of encumbrance or security interest created to secure Relevant Debt (whether or not also securing other indebtedness or obligations), provided, however, that the consolidated amount of the Relevant Debt secured by such Permitted Security may not exceed sixty-five (65) percent of the market value of the real estate portfolio/investment properties as set out in the most recently published report (annual, semi-annual or quarterly) of the Guarantor (the **Portfolio Value**).

## 8. Events of Default

If any of the following events (each event an **Event of Default**) shall have occurred and be continuing Credit Suisse in its capacity as Holders' representative (the **Holder's Representative**) has the right, but not the obligation, on behalf of the Holders, to declare all outstanding Bonds immediately due and repayable at par plus accrued interest (such declaration to the Issuer, the **Default Notice**):

- (a) *Non-payment*: the Issuer and the Guarantor fail to pay any amount of principal in respect of the Bonds on the due date for payment thereof or fail to pay any amount of interest in respect of the Bonds on the due date for payment thereof, and such failure continues in the case of principal for a period of ten (10) Business Days; or
- (b) *Breach of other obligations*: the Issuer or the Guarantor default in the performance or observance of any of their other material obligations under or in respect of the Bonds or the Guarantee and such default continues for a period of fifteen (15) calendar days following the service by the Holders' Representative on the Issuer or the Guarantor of notice requiring such default to be remedied; or
- (c) *Cross Default of Issuer, Guarantor or Material Subsidiary*:
- (i) any indebtedness of the Issuer, the Guarantor or any Material Subsidiary is not paid when due or (as the case may be) within any originally applicable grace period; or
- (ii) any such indebtedness becomes (or becomes capable of being declared) due and payable prior to its stated maturity otherwise than at the option of the Issuer, the Guarantor or (as the case may be) the relevant Material Subsidiary or (provided that no event of default, howsoever described, has occurred) any person entitled to such indebtedness, unless the relative indebtedness, either alone or when

aggregated with other indebtedness relative to all, if any, other such events which shall have occurred and are continuing shall at any time have an outstanding nominal value of less than two (2) percent of the Guarantor's consolidated shareholders' equity attributable to shareholders of the Guarantor (*Eigenkapital, den Aktionären der Swiss Prime Site AG zuzurechnen*) as set out in the most recently published audited consolidated annual accounts of the Guarantor; or

- (iii) any mortgage, lien or other encumbrance, present or future, created or assumed by the Issuer, the Guarantor or a Material Subsidiary becomes enforceable and any step is taken to enforce it (including the taking of possession or the appointment of a receiver, manager or other similar person) provided that the aggregate amount of the relevant indebtedness in respect of which such mortgage, lien or other encumbrance was created or permitted to subsist equals or exceeds two (2) percent of the Guarantor's consolidated shareholders' equity attributable to shareholders of the Guarantor as set out in the most recently published audited consolidated annual accounts of the Guarantor; or
- (iv) the consolidated third party indebtedness of the Guarantor and its Subsidiaries exceeds sixty-five (65) percent of the Portfolio Value and such excess continues for a period of six (6) months, or without any grace period, if such indebtedness exceeds seventy (70) percent of the Portfolio Value; or
- (d) *Insolvency, Standstill Agreement*: the Issuer, the Guarantor or any Material Subsidiary is (or is deemed by law or a court to be) insolvent or bankrupt or unable to pay its debts, stops or suspends payment of all or a material part of its debts, proposes or makes a stay of execution, or a postponement of payments (*Stillhaltevereinbarung*), a general assignment or an arrangement or composition with or for the benefit of the relevant creditors in respect of any of such debts or a moratorium or postponement of payments is agreed or declared in respect of or affecting all or any part of (or of a particular type of) the debts of the Issuer, the Guarantor or any Material Subsidiary; or
- (e) *Bankruptcy, Liquidation, others*: the Issuer, the Guarantor or a Material Subsidiary alters its legal or commercial structure through bankruptcy, liquidation, disposal of all or a substantial part of its assets, changes the objects of the company and/or commercial activities or merges, in so far as the relevant action has or may have a material adverse effect on the capacity of the Issuer or the Guarantor to meet their obligations in connection with the Bonds and the Guarantee, respectively, now or in the future, unless in the sole opinion of the Holders' Representative the situation of the Holders as a consequence of the securities created or other steps taken by the Issuer or the Guarantor include adequate protection of the Holders; or
- (f) *Dissolution or Merger*: a dissolution or merger involving the Issuer or the Guarantor as a result of which the Issuer or the Guarantor is not the surviving company; or
- (g) *Guarantee of Bonds not in force*: if the Guarantee ceases to be, or is claimed by the Guarantor not to be, in full force and effect.

The Issuer has undertaken to inform the Holders' Representative without delay that any event mentioned under paragraphs (a) through (g) has occurred and to provide the Holders' Representative with all necessary documents. The Issuer accepts responsibility for the information contained in those documents.

Upon the occurrence of an Event of Default, the Holders' Representative may invite the Holders in accordance with art. 1157 seq. of the Swiss Code of Obligations to a Holders' meeting for the taking of a resolution on the serving of a Default Notice, provided the Holders' Representative has not served such Default Notice itself. The legally valid resolution of the Holders' meeting to serve a Default Notice, shall replace the right reserved by the Holders' Representative according to these Terms of the Bonds to serve a Default Notice on behalf of the Holders. If the Holders' meeting votes against the serving of a Default Notice, the right to serve such Default Notice shall revert to the Holders' Representative whereby the Holders' Representative shall not be bound by the resolution of the Holders' meeting if and to the extent that new circumstances arise or become known which require a revised assessment of the facts.

## 9. Substitution of the Issuer

The Issuer may without the consent of the Holders, at any time substitute itself in respect of all rights and obligations arising under or in connection with the Bonds with any Swiss Subsidiary of the Guarantor (the **New Issuer**), provided that:

- (a) the New Issuer is in the opinion of the Holders' Representative in a position to fulfil all payment obligations arising from or in connection with the Bonds in freely convertible and transformable legal tender of Switzerland without any need to deduct or withhold any taxes or duties at source and to transfer without restriction all amounts required to be paid under the Bonds to the Paying Agent,
- (b) the New Issuer has obtained all necessary governmental authorizations of the country of its domicile or its deemed residence for tax purposes, and
- (c) the Guarantor has issued an irrevocable and unconditional guarantee as per art. 111 of the Swiss Code of Obligations in respect to the obligations of the New Issuer under the Bonds in form and content satisfactory to the Holders' Representative.

Any substitution shall be published in accordance with Condition 11 (Notices).

In the event of such substitution, any reference to the Issuer shall be deemed to refer to the New Issuer.

## 10. Guarantee

As security for the Bonds, the Guarantor has issued the following unconditional and irrevocable guarantee (the **Guarantee**):

*Quote*

### GUARANTEE

(in the meaning of art. 111 of the Swiss Code of Obligations, hereinafter called the "**Guarantee**")

- (a) Being informed that Swiss Prime Site Finance AG, Frohburgstrasse 1, 4601 Olten (the **Issuer**) issued 0.375 percent Guaranteed Senior Bonds due 2028 (the **Bonds**) in the aggregate principal amount of Swiss francs (**CHF**) 300,000,000 (the **Aggregate Principal Amount**), Swiss Prime Site AG, Frohburgstrasse 1, 4601 Olten (the **Guarantor**) herewith irrevocably and unconditionally guarantees to the holders of the Bonds (the **Holder**s) in accordance with article 111 of the Swiss Code of Obligations, irrespective of the validity of the Bonds and waiving all rights of objection and defense arising from the Bonds, the due payment of the principal amount and the interest payments expressed to be payable by the Issuer arising from the Bonds under and pursuant to the terms and conditions of the Bonds (hereinafter called the **Terms of the Bonds**).

Accordingly, the Guarantor agrees to pay to Credit Suisse AG, Paradeplatz 8, 8001 Zurich, in its capacity as principal paying agent (the **Paying Agent**), on behalf of the Holders, any amount up to CHF 330,000,000 (including principal, interest, accrued interest and other charges) within five (5) days after the receipt by the Guarantor of the Paying Agent's first written demand for payment and the Paying Agent's confirmation in writing that an amount has become due and payable pursuant to the Terms of the Bonds which is equivalent to the amount claimed under the Guarantee and has remained **unpaid** on the due date.

- (b) All payments in respect of the Bonds by the Guarantor under the Guarantee to the Paying Agent acting on behalf of the Holders shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within Switzerland, as the case may be, or any political subdivision thereof or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law.
- (c) Payments under the Guarantee shall be made in Swiss francs. The Guarantor undertakes to pay to the Principal Paying Agent on behalf of the Holders without costs to be borne by the Paying Agent, without any restrictions, and whatever the circumstances may be, irrespective of nationality or domicile of the beneficiary of such payments and without requiring any affidavit or the fulfilment of any other formality, any sums due pursuant to the Guarantee in freely disposable Swiss francs.
- (d) The receipt by the Paying Agent of funds in Swiss francs in Switzerland from the Guarantor or the Issuer shall automatically and unconditionally release the Guarantor from all its obligations under the Guarantee to the extent of the amounts received by the Paying Agent, and the Guarantee shall thereupon terminate and be discharged and be of no further force or effect, upon payment in full of the aggregate principal amount of all Bonds then outstanding and all interest payments expressed to be payable under the Terms of the Bonds.
- (e) The Guarantee constitutes a direct, unconditional, unsecured and unsubordinated obligation of the Guarantor and ranks and will rank *pari passu* with all other unsecured and unsubordinated obligations of the Guarantor except for such preferences as are provided by any mandatorily applicable provision of law.
- (f) The Guarantee shall give rise to a separate and independent cause of action of the Paying Agent acting on behalf of the Holders against the Guarantor and shall apply irrespective of any indulgence granted to the Issuer by the Paying Agent or any Holders from time to time and shall continue in full force and effect notwithstanding any judgment or order against the Issuer and/or the Guarantor.
- (g) So long as any Bonds remain outstanding, the Guarantor will not and the Guarantor will procure that no Material Subsidiary will, create or have outstanding any mortgage, charge, pledge, lien or other form of encumbrance or security interest, other than a Permitted Security, upon the whole or any part of its assets or revenues, present or future, to secure any Relevant Debt or to secure any guarantee or indemnity in respect of any Relevant Debt unless, at the same time or prior thereto, the Guarantee (i) is secured equally and rateably therewith by such encumbrance or security interest or benefit from a guarantee or indemnity in substantially identical terms thereto, as the case may be or, (ii) has the benefit of such other security, guarantee, indemnity or other arrangement as shall be approved by the Holder's Representative in its discretion.

For the purpose of this Guarantee:

**Relevant Debt** means any present or future indebtedness of the Guarantor and its Subsidiaries.

**Permitted Security** is a security (existing or to be created) in the form of any mortgage, charge, pledge, lien or other form of encumbrance or security interest created to secure Relevant Debt (whether or not also securing other indebtedness or obligations), provided, however, that the consolidated amount of the Relevant Debt secured by such Permitted Security may not exceed sixty-five (65) per cent of the market value of the real estate portfolio/investment properties as set out in the most recently published report (annual, semi-annual or quarterly) of the Guarantor (the **Portfolio Value**).

**Material Subsidiary** means any operating Subsidiary whose assets, net revenues, operating profit or profit after tax at any time, represent five (5) percent or more of the consolidated assets, the consolidated sales, the consolidated operating profit or profit after tax, as the case may be, of the Guarantor and its consolidated Subsidiaries at any time, and for this purpose:

- (i) the assets, net sales, operating profit and profit after tax of any such Subsidiary shall be ascertained by reference to:
  - i. the financial statements of such Subsidiary at the date to which the last audited consolidated financial statements of the Guarantor and its consolidated Subsidiaries have been prepared;
  - ii. if such corporate body becomes a Subsidiary after that date, the latest financial statements of such Subsidiary adjusted to take into account subsequent acquisitions and disposals or other changes in circumstances;
- (ii) the consolidated assets, consolidated net sales, consolidated operating profit and profit after tax of the Guarantor shall be ascertained by reference to the last audited consolidated financial statements of the Guarantor and its consolidated Subsidiaries; and
- (iii) once a corporate body has become a Material Subsidiary, it shall be considered one until it has been demonstrated to the reasonable satisfaction of the Paying Agent that it has ceased to be a Material Subsidiary, a written report from the Guarantor's auditors to this effect being sufficient for this purpose.

**Subsidiary** means a company the financial statements of which are, in accordance with applicable law or generally accepted accounting principles, consolidated with those of the Guarantor.

- (h) The total amount of this Guarantee will be reduced by any payment received by the Paying Agent hereunder. This Guarantee shall remain in full force and effect until all amounts expected to be payable under the Terms of the Bonds have been fully paid (without regard to any concessions the Holders may agree to for the benefit of the Issuer).
- (i) The Guarantee shall in every respect (including without limitation questions of form, content and interpretation) be subject to and governed by Swiss law.
- (j) Any dispute which might arise based on the Guarantee shall be settled in accordance with Swiss law and shall fall within the jurisdiction of the ordinary courts of the Canton of Zurich, Switzerland, venue being Zurich 1.
- (k) Terms and expressions not otherwise defined in the Guarantee shall have the same meaning as defined in the Terms of the Bonds.

*Unquote*

The Paying Agent undertakes to call on the Guarantee and to claim from the Guarantor pursuant to the Guarantee any unpaid amount by the Issuer. Upon receipt of such amounts, the Paying Agent undertakes to forward such amount to the Holders, waiving all rights of set off with respect to such Holders. The Paying Agent is, however, entitled to deduct from the received amount all costs and expenses related to the collection of said amount, including court fees and legal fees.

**11. Notices**

All notices regarding the Bonds shall be published by Credit Suisse on behalf and at the expense of the Issuer (i) on the internet site of the SIX Swiss Exchange (where notices are currently published under the address <http://www.six-group.com/en/products-services/the-swiss-stock-exchange/market-data/news-tools/official-notices.html> or (ii) otherwise in accordance with the regulations of the SIX Swiss Exchange.

**12. Prescription**

Claims against the Issuer in respect of Bonds will become void unless presented for payment within a period of presently ten (10) years in the case of the principal and five (5) years in the case of interest from the relevant due date, by virtue of the statute of limitations of Swiss law.

**13. Listing**

The Issuer will use its reasonable efforts to have the Bonds listed on the SIX Swiss Exchange and to maintain such listing until the Maturity Date or in case of an early redemption of the Bonds to the date of the early redemption.

**14. Governing Law and Jurisdiction**

The Bonds and these Terms of the Bonds, shall in every respect (including without limitation questions of form, content and interpretation) be subject to and governed by Swiss law.

Any dispute which might arise based on the Terms of the Bonds and the Bonds shall be settled in accordance with Swiss law and shall fall within the jurisdiction of the ordinary courts of the Canton of Zurich, Switzerland, venue being Zurich 1.

**15. Amendment to the Terms of the Bonds**

The Terms of the Bonds may be amended by agreement between the Issuer, the Guarantor and the Holders' Representative on behalf of the Holders provided that such amendment is of a formal, minor or technical nature, is made to correct a manifest error and is not prejudicial to the interests of the Holders. Notice of any such amendment shall be published in accordance with Condition 11 (Notices).



## 16. Role of Credit Suisse

Credit Suisse has been appointed by the Issuer as the Paying Agent and as the Listing Agent with respect to the Bonds and it will or may also act on behalf of or for the benefit of the Holders as Holders' Representative, but only in such cases stated explicitly in these Terms of the Bonds. In any other cases, the Holders' Representative is not obliged to take or to consider any actions on behalf of or for the benefit of the Holders.

## 17. Severability

If at any time one or more of the provisions of the Terms of Bonds is or becomes unlawful, invalid, illegal or unenforceable in any respect under any law, the validity, legality and enforceability of the remaining provisions shall not be in any way affected or impaired thereby.

## 18. Definitions

**Business Day** means any day (other than Saturday or Sunday) on which banks in Zurich are open for the whole day for business.

**Credit Suisse** means Credit Suisse AG, Paradeplatz 8, 8001 Zurich, Switzerland (postal address: Uetlibergstrasse 231, 8070 Zurich, Switzerland).

**Guarantor** means Swiss Prime Site AG, Frohburgstrasse 1, 4601 Olten, Switzerland.

**Issuer** means Swiss Prime Site Finance AG, Frohburgstrasse 1, 4601 Olten, Switzerland.

**Listing Agent** means Credit Suisse, appointed as recognized representative pursuant to art. 58a of the listing rules of SIX Swiss Exchange to file the listing application (including the application for provisional admission to trading) for the Bonds with SIX Swiss Exchange.

**Material Subsidiary** means any operating Subsidiary whose assets, net revenues, operating profit or profit after tax at any time, represent five (5) percent or more of the consolidated assets, the consolidated sales, the consolidated operating profit or profit after tax, as the case may be, of the Guarantor and its consolidated Subsidiaries at any time, and for this purpose:

- (a) the assets, net sales, operating profit and profit after tax of any such Subsidiary shall be ascertained by reference to:
  - (i) the financial statements of such Subsidiary at the date to which the last audited consolidated financial statements of the Guarantor and its consolidated Subsidiaries have been prepared;
  - (ii) if such corporate body becomes a Subsidiary after that date, the latest financial statements of such Subsidiary adjusted to take into account subsequent acquisitions and disposals or other changes in circumstances;
- (b) the consolidated assets, consolidated net sales, consolidated operating profit and profit after tax of the Guarantor shall be ascertained by reference to the last audited consolidated financial statements of the Guarantor and its consolidated Subsidiaries; and
- (c) once a corporate body has become a Material Subsidiary, it shall be considered one until it has been demonstrated to the reasonable satisfaction of the Paying Agent that it has ceased to be a Material Subsidiary, a written report from the Guarantor's auditors to this effect being sufficient for this purpose.

**Paying Agent** means Credit Suisse in its function as principal paying agent.

**Shares** means the issued and fully paid registered shares of the Guarantor (and all other (if any) shares or stock resulting from any subdivision, consolidation or reclassification of such shares).

**SIX SIS AG** means SIX SIS Ltd, the Swiss clearing and settlement organization, Baslerstrasse 100, CH-4600 Olten, or any successor organization accepted by the SIX Swiss Exchange.

**SIX Swiss Exchange** means SIX Swiss Exchange Ltd, Hardturmstrasse 201, CH-8005 Zurich (P.O. Box, CH-8021 Zurich) or any successor exchange.

**Subsidiary** means a company the financial statements of which are, in accordance with applicable law or generally accepted accounting principles, consolidated with those of the Guarantor.

## SUBSCRIPTION AND SALE

The offering described herein consists of a public offering of Bonds in Switzerland, and of private placements of Bonds to prospective investors outside of Switzerland and the United States in reliance on Regulation S under the Securities Act, in each case in compliance with applicable laws and regulations.

Basler Kantonalbank, Credit Suisse AG and Zürcher Kantonalbank (collectively, the **Managers**) have, pursuant to a bond purchase agreement dated as of the date of this Prospectus (the **Bond Purchase Agreement**), severally and not jointly agreed with the Issuer and the Guarantor, subject to certain conditions, to subscribe their respective quotas of Bonds as set forth and agreed therein. The Issuer has agreed to pay certain commissions to the Managers and to reimburse the Managers for certain of their expenses in connection with the issue of the Bonds. The Bond Purchase Agreement entitles the Managers to terminate it in certain circumstances prior to the payment of the purchase price for the Bonds being made to the Issuer.

### Selling Restrictions

#### United States and U.S. Persons

(A) Neither the Bonds nor the Guarantee has been or will be registered under the Securities Act, and the Bonds may not be offered or sold within the United States or to or for the account or benefit of, U.S. persons except in accordance with Regulation S or pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

Each of the Managers has represented, warranted and agreed that it has not offered or sold, and will not offer or sell, any Bonds constituting part of its allotment within the United States or to or for the account or benefit of, U.S. persons except in accordance with Rule 903 of Regulation S.

Accordingly, none of the Managers and their affiliates or any persons acting on their behalf have engaged or will engage in any selling efforts directed to the United States with respect to the Bonds.

Terms used in this clause (A) have the meanings given to them by Regulation S.

(B) The Managers have not entered and will not enter into any contractual arrangement with respect to the distribution or delivery of the Bonds, except with their affiliates or with the prior written consent of the Issuer.

#### EEA and United Kingdom

In relation to each Member State of the EEA and the United Kingdom (each, a **Relevant State**), each Manager has represented and agreed that it has not made and will not make an offer of Bonds which are the subject of the offering contemplated by this Prospectus to the public in that Relevant State other than:

- (i) to any legal entity that is a qualified investor as defined in the Prospectus Regulation;
- (ii) to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation), subject to obtaining the prior consent of the relevant Manager or Managers nominated by the Issuer for any such offer; or
- (iii) in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

*provided* that no such offer of Bonds shall require the Issuer or any Manager to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision, the expression **an offer of Bonds to the public** in relation to any Bonds in any Relevant State means the communication in any form and by any means of sufficient information on the terms of the offer and the Bonds to be offered so as to enable an investor to decide to purchase or subscribe for the Bonds and the expression **Prospectus Regulation** means Regulation (EU) 2017/1129, in case of the United Kingdom as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018.

#### United Kingdom

Each Manager has represented, warranted and agreed that:

- (a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the United Kingdom Financial Services and Markets Act 2000 (the **FMSA**)) received by it in connection with the issue or sale of the Bonds in circumstances in which Section 21(1) of the FMSA does not apply to the Issuer; and
- (b) it has complied and will comply with all applicable provisions of the FMSA with respect to anything done by it in relation to the Bonds in, from or otherwise involving the United Kingdom.

## Republic of Italy

The offering of the Bonds has not been registered pursuant to Italian securities legislation and, accordingly, no Bonds may be offered, sold or delivered, nor may copies of this Prospectus or of any other document relating to the Bonds be distributed in the Republic of Italy, except:

- (a) to qualified investors (*investitori qualificati*), as defined pursuant to Article 2 of the Prospectus Regulation and any applicable provision of Legislative Decree No. 58 of February 24, 1998, as amended (the **Italian Financial Services Act**) and Italian CONSOB regulations; or
- (b) in other circumstances which are exempted from the rules on public offerings pursuant to Article 1 of the Prospectus Regulation, Article 34-ter of CONSOB Regulation No. 11971 of May 14, 1999, as amended from time to time, and the applicable Italian laws.

Any offer, sale or delivery of the Bonds or distribution of copies of this Prospectus or any other document relating to the Bonds in the Republic of Italy under clause (a) or (b) above must be:

- (i) made by an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with the Italian Financial Services Act, Legislative Decree No. 385 of September 1, 1993, as amended (the **Consolidated Banking Act**), and CONSOB Regulation No. 20307 of February 15, 2018 (as amended from time to time); and
- (ii) in compliance with any other applicable laws and regulations, as well as with any regulations or requirement imposed by CONSOB, the Bank of Italy (including the reporting requirements, where applicable, pursuant to Article 129 of the Consolidated Banking Act and the implementing guidelines of the Bank of Italy, as amended from time to time) and/or any other Italian authority.

Please note that in accordance with Article 100-bis of the Italian Financial Services Act where no exemption from the rules on offerings of securities to the public applies under clauses (a) and (b) above, the subsequent distribution of the Bonds on the secondary market in Italy must be made in compliance with the Prospectus Regulation and the applicable Italian laws and regulations. Failure to comply with such rules may result in the sale of such Bonds being declared null and void and the liability of the intermediary transferring the financial instruments for any damages suffered by the investors.

## General

Persons who receive this Prospectus are required by the Issuer and the Managers to comply with all applicable laws and regulations in each country or jurisdiction in which they purchase, offer, sell or deliver the Bonds or have in their possession or distribute such offering material and to obtain any consent, approval or permission required by them for the purchase, offer, sale or delivery by them of the Bonds under the law and regulations in force in any jurisdiction to which they are subject or in which they make such purchases, offers, sales or deliveries, in all cases at their own expense, and neither the Issuer nor the Guarantor nor any Manager shall have responsibility therefor. In accordance with the above, the Bonds purchased by any person that it wishes to offer for sale or resale may not be offered in any jurisdiction in circumstances that would result in the Issuer or the Guarantor being obliged to register any further information materials or corresponding document to the Bonds in such jurisdiction.

In particular, but without limiting the generality of the preceding paragraph, and subject to any amendment or supplement that may be agreed with the Issuer and the Guarantor, each purchase of the Bonds must comply with the restrictions described above, except to the extent that, as a result of changes in, or in the official interpretation of, any applicable legal or regulatory requirements, non-compliance would not result in any breach of the requirements set forth in the preceding paragraph.



# THE ISSUER

## General

### Risks relating to the Issuer

An investment in the Bonds will involve certain risks, including the risk that Holders will lose their entire investment in the Bonds. For a discussion of certain risks relating to the Issuer that potential investors should carefully consider before deciding to invest in any Bonds, see "*Material Risks—Risks relating to the Issuer, the Guarantor and their Business*" beginning on page 12 of this Prospectus.

### Name (*Firma*)

Swiss Prime Site Finance AG (Swiss Prime Site Finance SA) (Swiss Prime Site Finance Ltd)

### Registered Office

Frohburgstrasse 1, 4600 Olten, Switzerland

### Legal Form

Stock corporation (*Aktiengesellschaft*) according to article 620 *et seq.* the Swiss Code of Obligations

### Legislation

Switzerland

### Date of Incorporation

March 24, 2014 (date of articles of incorporation (*Ursprungsstatuten*)). For the registration in the Commercial Register, see "*The Issuer – General – Register and Company Number*".

### Duration

Unlimited

### Register and Company Number

Commercial Register of the Canton of Solothurn, Switzerland, CHE-485.875.871. The Issuer was registered in the Commercial Register of the Canton of Solothurn on March 28, 2014.

### Legal Entity Identifier LEI

894500MW2EGOJ4IUFI24

### Purpose

The Issuer's purpose according to article 2 of its articles of association is to provide financial services for Swiss Prime Site group of companies, especially in the areas of development, construction, purchase and property sales.

### Articles of Association

The Issuer's articles of association were last amended on June 24, 2020, and are incorporated by reference into this Prospectus.

### Group structure

The Issuer is a directly wholly-owned subsidiary of the Guarantor.

## Management and Auditors

### Board of Directors

The members of the Board of Directors (*Verwaltungsrat*) of the Issuer as of the date of this Prospectus are listed below.

Name	Function
René Zahnd	Chairman
Markus Meier	Member

The business address of the members of the Board of Directors (*Verwaltungsrat*) of the Issuer is Frohburgstrasse 1, 4600 Olten, Switzerland.

## Executive Board

The members of the Executive Board (*Geschäftsleitung*) of the Issuer as of the date of this Prospectus are listed below.

Name	Function
René Zahnd	CEO
Markus Meier	CFO

The business address of the members of the Executive Board (*Geschäftsleitung*) of the Issuer is Frohburgstrasse 1, 4600 Olten, Switzerland.

## Auditors

KPMG AG, Räflestrasse 28, Postfach, 8036 Zurich, Switzerland (Kurt Stocker (Auditor in Charge) and Anna Pohle), is the Issuer's independent statutory auditor according to article 727 ff. of the Swiss Code of Obligations. KPMG AG was elected as the Issuer's independent statutory auditor on the extraordinary general meeting dated November 24, 2020. KPMG AG's audit oversight body is the Federal Audit Oversight Authority (*Eidgenössische Revisionsaufsichtsbehörde*). KPMG AG's registration number with the Federal Audit Oversight Authority (*Eidgenössische Revisionsaufsichtsbehörde*) is 501403.

## Business

### Principal Activities

For a description of the Issuer's principal activities see "*The Issuer – General – Purpose*" on page 25 of this Prospectus.

### Court, Arbitration and Administrative Proceedings

The Issuer is, from time to time, involved in various claims and lawsuits incidental to the ordinary operations of its business. Save as disclosed in this Prospectus, there are no court, arbitral and administrative proceedings pending against or affecting the Issuer, nor is the Issuer aware of any threatened proceedings, which, in each case, are or might be of material importance to the Issuer's assets and liabilities or profits and losses or would materially affect its ability to carry out its obligations under the Bonds.

## Capital Structure and Bonds

### Capital Structure

The Issuer has, as of the date of this Prospectus, a fully paid-up issued share capital of CHF 100,000,000.00 consisting of 100,000,000 registered shares (*Namenaktien*) with a nominal value of CHF 1.00 each.

### Outstanding Bonds

As of the date of this Prospectus, the following bonds of the Issuer are outstanding:

Coupon	Maturity	Nominal	ISIN
1.750%	April 16, 2021	CHF 300,000,000	CH0234274493
1.000%	July 16, 2024	CHF 190,000,000	CH0398633252
2.000%	December 10, 2024	CHF 100,000,000	CH0257042173
0.500%	November 3, 2025	CHF 250,000,000	CH0337645532
0.825%	May 11, 2026	CHF 250,000,000	CH0360677295
1.250%	April 2, 2027	CHF 350,000,000	CH0419040990
0.650%	December 18, 2029	CHF 300,000,000	CH0581947733
0.375%	September 30, 2031	CHF 170,000,000	CH0488506681

### Own Equity Securities

The Issuer is a directly wholly-owned subsidiary of the Guarantor.

# THE GUARANTOR AND THE GROUP

## General

### Risks relating to the Guarantor

An investment in the Bonds will involve certain risks, including the risk that Holders will lose their entire investment in the Bonds. For a discussion of certain risks relating to the Guarantor that potential investors should carefully consider before deciding to invest in any Bonds, see "*Material Risks—Risks relating to the Issuer, the Guarantor and their Business*" beginning on page 12 of this Prospectus.

### Name (*Firma*)

Swiss Prime Site AG

### Registered Office

Frohburgstrasse 1, 4600 Olten, Switzerland

### Legal Form

Stock corporation (*Aktiengesellschaft*) according to article 620 *et seq.* the Swiss Code of Obligations

### Legislation

Switzerland

### Date of Incorporation

April 4, 2000 (date of articles of incorporation (*Ursprungsstatuten*)). For the registration in the Commercial Register, see "*The Guarantor and the Group – General – Register and Company Number*".

### Duration

Unlimited

### Register and Company Number

Commercial Register of the Canton of Solothurn, Switzerland, CHE-101.080.841. The Guarantor was registered in the Commercial Register of the Canton of Solothurn on May 11, 1999.

### Legal Entity Identifier LEI

506700XI9H64OPR34158

### Purpose

The Issuer's purpose according to article 2 of its articles of association is the direct or indirect holding of investments in companies of any sort, in particular of companies with registered office in Switzerland.

### Articles of Association

The Issuer's articles of association (*Statuten*) were last amended on March 26, 2019, and are incorporated by reference into this Prospectus.

### Group structure

The Guarantor is the holding company of the Group and the Issuer is directly wholly-owned subsidiary of the Guarantor.

## Management and Auditors

### Board of Directors

The members of the Board of Directors (*Verwaltungsrat*) of the Guarantor as of the date of this Prospectus are listed below

<b>Name</b>	<b>Function</b>
Ton Büchner	Chairman
Mario F. Seris	Vice-Chairman
Dr. Barbara Frei-Spreiter	Member
Thomas Studhalter	Member

Christopher M. Chambers	Member
Dr. Rudolf Huber	Member
Gabrielle Nater-Bass	Member

The business address of the members of the Board of Directors (*Verwaltungsrat*) of the Guarantor is Frohburgstrasse 1, 4600 Olten, Switzerland.

### Executive Board

The members of the Executive Board (*Geschäftsleitung*) of the Guarantor as of the date of this Prospectus are listed below.

Name	Function
René Zahnd	Chief Executive Officer
Markus Meier	Chief Financial Officer
Martin Kaleja	Chief Executive Officer Swiss Prime Site Immobilien AG
Oliver Hofmann	Chief Executive Officer Wincasa AG
Nina Müller	Chief Executive Officer Jelmoli AG

The business address of the members of the Executive Board (*Geschäftsleitung*) of the Guarantor is Frohburgstrasse 1, 4600 Olten, Switzerland.

### Auditors

KPMG AG, Räflestrasse 28, Postfach, 8036 Zurich, Switzerland (Kurt Stocker (Auditor in Charge) and Anna Pohle), was the Guarantor's independent statutory auditor according to article 727 ff. of the Swiss Code of Obligations for the financial reports which are incorporated by reference in this Prospectus. On the last annual general meeting, 24 March 2020, KPMG AG was re-elected as independent statutory auditor for a further one-year term. KPMG AG's audit oversight body is the Federal Audit Oversight Authority (*Eidgenössische Revisionsaufsichtsbehörde*). KPMG AG's registration number with the Federal Audit Oversight Authority (*Eidgenössische Revisionsaufsichtsbehörde*) is 501403.

## Business

### Principal Activities

The Group is the largest publicly listed Swiss real estate investment company focusing on commercial real estate in Switzerland. Swiss Prime Site's investment strategy aims at achieving long-term capital and income growth by acquiring, developing, holding and selling selected commercial properties at prime locations in the main economic centers of Switzerland. These properties are mainly used as office or retail space by their tenants as well as in the fields of assisted living. For further information on the Group's principal activities, see pages 20 to 31 and pages 48 to 57 of the Annual Report 2019.

### Prospects

For information on the Group's prospects, see pages 26, 30 and 31 of the Annual Report 2019 and pages 3 to 7 of the Half-Year Report 2020. Such information includes statements that constitute "forward-looking statements". By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, and risks exist that prospects, predictions, forecasts, projections and other outcomes described or implied in forward-looking statements will not be achieved. See "*Cautionary Statement Regarding Forward-Looking Statements*" on page 11 of this Prospectus.

### Court, Arbitration and Administrative Proceedings

The Guarantor and the Group are, from time to time, involved in various claims and lawsuits incidental to the ordinary operations of their business. Save as disclosed in this Prospectus, there are no court, arbitral and administrative proceedings pending against or affecting the Guarantor or the Group, nor is the Guarantor or the Group aware of any threatened proceedings, which, in each case, are or might be of material importance to the Guarantor's or the Group's assets and liabilities or profits and losses or would materially affect its respective ability to carry out its obligations under the Bonds.

## Capital Structure and Bonds

### Capital Structure

The Guarantor has, as of the date of this Prospectus, a fully paid-up issued share capital of CHF 1,161,979,139.70 consisting of 75,946,349 registered shares (*Namenaktien*) with a nominal value of CHF 15.30 each. Such shares are listed on SIX Swiss Exchange.

## Outstanding Bonds

As of the date of this Prospectus, the following convertible bonds of the Guarantor are outstanding:

<b>Coupon</b>	<b>Maturity</b>	<b>Nominal</b>	<b>ISIN</b>
0.250%	June 16, 2023	CHF 250,000,000	CH0328111569
0.325%	January 16, 2025	CHF 300,000,000	CH0397642775

## Own Equity Securities

As of the date of this Prospectus, the Guarantor holds 497 of its own registered shares (*Namenaktien*) and other members of the Group hold 1'347 registered shares (*Namenaktien*) of the Guarantor.

## Financial Statements

The Annual Report 2019, the Half-Year Report 2020 and the Guarantor Standalone Financial Statements are incorporated in this Prospectus by reference.

## Recent Developments

For information on recent developments, including information on Coronavirus and its consequences on the Group, see the Press Release dated October 20, 2020 and the Half-Year Report 2020, which are incorporated by reference into this Prospectus.

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