

SWISS PRIME SITE

# INVITATION

— TO THE SHAREHOLDERS OF SWISS PRIME SITE AG  
TO ATTEND THE 21<sup>ST</sup> ORDINARY ANNUAL  
GENERAL MEETING

# Tuesday, 23 March 2021, 16.00

Stadttheater Olten | Frohburgstrasse 3 | CH-4600 Olten

Dear Shareholders

Due to the extraordinary situation caused by the COVID-19 pandemic, the Annual General Meeting unfortunately cannot take place in the usual format. On 11 September 2020, the Federal Council decided to extend COVID-19 Ordinance 3 until 31 December 2021. In line with the Federal Council's measures to combat the coronavirus, the Annual General Meeting will be held without the physical presence of shareholders on site. Accordingly, shareholders may only be represented by the independent proxy.

The Board of Directors has taken this decision with great regret, but considers this step the only way to protect the health of all concerned. The safety of our shareholders and our employees comes first.

The Board of Directors of Swiss Prime Site AG

# Agenda and Board proposals

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## **Approval of the Annual Report, the annual financial statements of Swiss Prime Site AG and the consolidated financial statements for the 2020 financial year, and adoption of the auditor's reports**

The Board of Directors recommends that the Annual Report, the annual financial statements of Swiss Prime Site AG and the consolidated financial statements for 2020 be approved and that the auditor's reports be adopted.

2

## **Consultative vote on the 2020 Compensation Report**

The Board of Directors recommends that the 2020 Compensation Report be approved in a non-binding consultative vote and that the corresponding auditor's report be adopted.

### Explanatory note

The Compensation Report sets out the principles governing the compensation of the Board of Directors and the Executive Board. It also provides details of the compensation paid to the members of both bodies for the 2020 financial year. The Board is submitting the Compensation Report to a consultative vote by the shareholders. The Compensation Report is part of the Annual Report. The online Annual Report is available at [www.sps.swiss/reporting](http://www.sps.swiss/reporting).

3

## **Discharge of the Board of Directors and the Executive Board for the 2020 financial year**

The Board of Directors recommends that its members and the members of the Executive Board be discharged from their responsibility for the conduct of business in 2020.

4

## **Adoption of resolutions on the appropriation of balance sheet profit, distribution of an ordinary dividend and a withholding tax-exempt distribution from capital contribution reserves**

The Board of Directors proposes a total distribution to shareholders of CHF 3.35 gross (CHF 2.76 net) per registered share entitled to dividends. This is composed of an ordinary dividend from the balance sheet profit of CHF 1.67 gross per registered share (CHF 1.09 net after deduction of 35% withholding tax) and a withholding tax-exempt distribution from capital contribution reserves of CHF 1.67 per registered share (excluding registered shares directly and indirectly held by the Company). Based on the stock of 6171 treasury shares, the total amount scheduled to be distributed is CHF 254480046.55\*.

The Board of Directors proposes the following appropriation of balance sheet profit: Distribution of an ordinary dividend and a withholding tax-exempt distribution from capital contribution reserves.

#### Distribution of an ordinary dividend

Balance brought forward	CHF	191 127 530.96
Offsetting merger loss	CHF	-335 134 430.01
Net profit	CHF	535 340 203.94
<b>Profit available for distribution</b>	<b>CHF</b>	<b>391 333 304.89</b>
Transfer to general legal reserves	CHF	0.00
Transfer to voluntary retained earnings	CHF	0.00
Dividend payment	CHF	-127 240 023.28*
<b>Balance to be carried forward</b>	<b>CHF</b>	<b>264 093 281.61</b>

#### Distribution from capital contribution reserves

Capital contribution reserves at 31.12.2020	CHF	157 468 431.81
Distribution from capital contribution reserves	CHF	-127 240 023.28*
<b>Balance to be carried forward</b>	<b>CHF</b>	<b>30 228 408.53</b>

\*This amount is based on the 75970364 registered shares issued as of 23 February 2021 and the 6171 such shares held by the Company. In the event of share conversions from the outstanding convertible bonds or changes in the number of shares held by the Company, this amount will be modified accordingly when the distribution is made.

#### Explanatory note

The capital contribution principle introduced in January 2011 and expanded by the TRAF law in 2019 permits the payment to shareholders of reserves from capital contributions free of withholding tax provided that at least an equal amount is distributed from other reserves. The Company has capital contribution reserves and the Board of Directors would like make use of the option of distributing dividends free of withholding tax, as in previous years. If the proposal is approved, the full dividend of CHF 2.76 net per registered share entitled to dividends will be distributed on 29 March 2021.

## 5

### Approval of the remuneration for the Board of Directors and the Executive Board

Under Articles 29 and 32 of the Articles of Association of Swiss Prime Site AG, each year the Annual General Meeting of shareholders has a binding vote on the maximum overall compensation paid to members of the Board of Directors and the Executive Board for the current financial year.

#### 5.1 Board of Directors' compensation

The Board of Directors recommends that compensation to its members up to a maximum of CHF 1 800 000.00 be approved for the 2021 financial year.

## 5.2 Executive Board compensation

The Board of Directors recommends that the fixed and variable compensation of the Executive Board for the 2021 financial year be approved up to a maximum amount of CHF 8300000.00, subject to such additional amounts as may result from the appointment of new Executive Board members as specified in Article 32, paragraph 3 of the Articles of Association.

### Explanatory note on item 5.1

The maximum amount recommended here comprises the basic director's fee paid to each Board member and the compensation payable to members of Board committees. Its projected composition is as follows:

Fixed compensation paid in cash	CHF	850000.00
Share-based compensation <sup>1</sup>	CHF	850000.00
Social security contributions <sup>2</sup>	CHF	100000.00
<b>Total</b>	<b>CHF</b>	<b>1800000.00</b>

<sup>1</sup> Fair value upon transfer of shares

<sup>2</sup> Comprises projected employer social security contributions payable on fixed compensation and share-based compensation (based on the taxable value of the shares at grant date) and other compensation components.

### Explanatory note on item 5.2

The maximum amount recommended here comprises fixed compensation, the maximum possible variable compensation valued at grant date and the resulting projected employer social security contributions and statutory occupational pension scheme contributions. Its projected composition is as follows:

Fixed compensation	CHF	3400000.00
Variable compensation <sup>1</sup>	CHF	3400000.00
Social security contributions <sup>2</sup>	CHF	1500000.00
<b>Total<sup>3</sup></b>	<b>CHF</b>	<b>8300000.00</b>

<sup>1</sup> Maximum variable compensation, including cash bonus, assuming the maximum payout on all performance objectives is achieved and that the maximum Performance Share Unit award is earned. The amount stated here takes no account of changes in the share price during the vesting period (the period between the grant date and the date the shares are definitively transferred to the plan participant).

<sup>2</sup> This comprises projected employer social security contributions (based on the maximum amounts above and the value of the Performance Share Units at grant date), statutory employer contributions to the occupational pension scheme and other compensation components.

<sup>3</sup> Includes a contingency reserve of approximately 3% for each compensation component to cover unforeseen eventualities. The compensation actually paid will be reported in the 2021 Compensation Report and submitted to a consultative vote by the shareholders at the next ordinary Annual General Meeting. Further details on the principles behind the compensation of the Board of Directors and executive management (Executive Board) can be found in the Annual Report.

## 6

### **Extension of authorised capital**

The Board of Directors recommends that the period during which authorised share capital can be issued be extended until 23 March 2023. The objective of this authorised share capital increase is to ensure that the Company continues to have sufficient share capital at its disposal to avail itself of opportunities for investment and acquisitions.

As before, utilisation of the Company's authorised share capital and utilisation of its conditional share capital are linked. As a result, the aggregate number of registered shares issued from the Company's authorised share capital or its conditional share capital may not exceed 7 000 000.

Accordingly, the Board of Directors recommends that Article 3a of the Company's Articles of Association be amended as follows:

#### **Article 3a** *(modifications appear in blue italics)*

### **Authorised share capital**

The Board of Directors has the authority, at any time until *23 March 2023*, to increase the Company's share capital as defined in Article 3 of the Articles of Association by up to CHF 107 100 000.00 by issuing up to 7 000 000 fully paid-up shares with a nominal value of CHF 15.30 each. Share capital increases may be underwritten by a bank and may be carried out in separate stages. The issue price, date of dividend entitlement and the type of contribution will be determined by the Board of Directors. Once they have been purchased, the new registered shares are subject to the transfer

restrictions stipulated in Article 5 of the Articles of Association. The Board of Directors is authorised to exclude the pre-emptive rights of existing shareholders and to grant them to third parties if the new shares are intended to be used to acquire companies, parts of companies, equity participations or real estate, or to finance or refinance such transactions. New shares for which the pre-emptive rights have not been exercised are to be used in the best interests of the Company.

Should the Board of Directors avail itself of its right under Article 3b (conditional capital) of the Company's Articles of Association to issue bonds or other financial market instruments, the Board's authority to exercise its right under Article 3a (authorised capital) of the Company's Articles of Association to create new share capital will be curtailed to the extent required to ensure that the aggregate sum of additional share capital issued through the mechanisms defined in Articles 3a (authorised capital) and Article 3b (conditional capital) does not exceed the permitted maximum of CHF 107 100 000.00.

## 7

### **Elections**

#### **7.1 Elections to the Board of Directors**

The Board recommends that the following persons be newly elected or re-elected as members of the Board of Directors, each for a term of office of one year running until the end of the next Annual General Meeting. You can find more information on the members of the Board of Directors online at [www.sps.swiss/en](http://www.sps.swiss/en) under Governance.

The Board recommends:

- 7.1.1 The re-election of Ton BÜchner to the Board of Directors
- 7.1.2 The re-election of Christopher M. Chambers to the Board of Directors
- 7.1.3 The re-election of Dr. Barbara Frei-Spreiter to the Board of Directors
- 7.1.4 The re-election of Gabrielle Nater-Bass to the Board of Directors
- 7.1.5 The re-election of Mario F. Seris to the Board of Directors
- 7.1.6 The re-election of Thomas Studhalter to the Board of Directors
- 7.1.7 The election of Barbara A. Knoflach to the Board of Directors

#### **Explanatory note**

Dr. Rudolf Huber will not stand for re-election at the next Annual General Meeting. For additional information, see page 8 and 9.

#### **7.2 Election of the Board Chairman**

The Board recommends:

The re-election of Ton BÜchner as Chairman of the Board of Directors for a one-year term of office.

#### **7.3 Election of the members of the Nomination and Compensation Committee**

The Board recommends:

- 7.3.1 The re-election of Christopher M. Chambers as a member of the Nomination and Compensation Committee for a one-year term of office
- 7.3.2 The re-election of Dr. Barbara Frei-Spreiter as a member of the Nomination and Compensation Committee for a one-year term of office

- 7.3.3 The re-election of Gabrielle Nater-Bass as a member of the Nomination and Compensation Committee for a one-year term of office

#### **7.4 Election of the independent shareholder representative**

The Board recommends that Paul Wiesli, barrister-at-law, Advokatur Paul Wiesli, Untere Brühlstrasse 21, P.O. Box, CH-4800 Zofingen, Switzerland, be elected as the independent shareholder representative for a further one-year term of office, running until the end of the 2022 Annual General Meeting.

#### **Explanatory note**

The independent shareholder representative proposed by the Board meets the independence requirements stipulated by law. Most notably, he is independent of the Board of Directors of Swiss Prime Site AG, has no direct or significant indirect investments in the Company and holds no mandates from Swiss Prime Site AG.

#### **7.5 Election of the statutory auditors**

The Board recommends that KPMG AG, Zurich, be elected as the Company's statutory auditors for a further one-year term of office.

## **Explanatory note on item 7.1 Election to the Board of Directors**

The Swiss Prime Site Board of Directors is continuing its comprehensive renewal process and has nominated Barbara A. Knoflach to the Board as a designated expert, with the aim of further strengthening the real estate and entrepreneurial expertise for the future.

Barbara A. Knoflach was born in 1965 and is Austrian. Until 2019, she was Global Head of BNP Paribas Real Estate Investment Management (REIM) and Deputy CEO BNP Paribas Real Estate S.A. in Paris. Prior to that, she worked in the financial hub of Frankfurt in various management positions. At SEB Asset Management, BfG Bank and Deutsche Bank, she gained many years of experience in the real estate industry as well as in finance and asset management.

Barbara A. Knoflach graduated in economics from the University of Applied Sciences in Mainz in 1986. Among other roles, she was a member of the presidium of the ZIA (Zentraler Immobilien Ausschuss e.V.) in Berlin and is a Fellow of the Royal Institution of Chartered Surveyors (FRICS). She is also the founder or co-founder of various platforms such as Life-WorkSpace, DealEvolution and tinyBE which focus on real estate, sustainability, innovation and future trends.

Due to her wide range of entrepreneurial experience and international network, she is ideally qualified as an independent member of the Board of Directors of Swiss Prime Site.



**Barbara A. Knoflach**  
1965, Hofheim (G)



## Re-election to the Board of Directors



**Ton Büchner**

Chairman  
Independent board member since  
24 March 2020



**Mario F. Seris**

Vice-Chairman  
Independent board member since  
27 April 2005



**Dr. Barbara Frei-Spreiter**

Independent board member since  
27 March 2018



**Thomas Studhalter**

Independent board member since  
27 March 2018



**Christopher M. Chambers**

Independent board member since  
22 October 2009



**Gabrielle Nater-Bass**

Independent board member since  
26 March 2019

# Information for the Annual General Meeting

Due to the extraordinary situation caused by the COVID-19 pandemic, the Annual General Meeting cannot take place in the usual format. In line with the Federal Council's measures to combat the coronavirus, the Annual General Meeting will be held without the physical presence of shareholders on site. Accordingly, shareholders may only be represented by the independent proxy.

## Documentation

Swiss Prime Site AG's Annual Report 2020, which also includes the Financial Report, the Compensation Report and statutory auditor reports, will be available for inspection by shareholders at the Company's headquarters from 25 February 2021. The online Annual Report 2020 is also available at [www.sps.swiss/reporting](http://www.sps.swiss/reporting). The website also offers PDFs for download. In keeping with our commitment to sustainability, we are not printing the Annual Report.

An abbreviated version of the Annual Report (the Short Report) is enclosed with this invitation to the Annual General Meeting.

## Delivery of documents

All shareholders entered in the share register on or before 19 February 2021 will receive the following at their latest reported address:

1. Invitation to the Annual General Meeting
2. Proxy authorisation and reply envelope
3. Brief instructions on using the gvote
4. Swiss Prime Site AG Short Report

These same documents will also be sent to shareholders entered into the share register between 20 February and 9 March 2021 (the cut-off date, see «Voting rights and closure of the share register» below).

## **Proxy representation by the independent shareholder representative**

The independent shareholder representative is Paul Wiesli, barrister-at-law, Advokatur Paul Wiesli, Untere Brühlstrasse 21, P.O. Box, CH-4800 Zofingen, Switzerland. Should you wish your shareholder votes to be represented by the independent shareholder representative, please complete and sign the instructions in the proxy section of the proxy authorisation and send it to the company share register in the reply envelope, to arrive no later than 17 March 2021. The independent shareholder representative can only be instructed to carry out proxy voting instructions. He cannot represent shareholders in the exercise of any other shareholder rights.

### **Remote electronic voting via proxy instructions to the independent shareholder representative**


Shareholders can use proxy authorisations to send electronic instructions to the independent shareholder representative. Brief instructions for the Computershare gvote shareholder platform are attached. Your login ID and password are printed on the proxy authorisation form.

Any changes to electronic instructions already issued must be made no later than 21 March 2021, 23.59 CET.

### **Voting rights and closure of the share register**

Shareholders entered in the share register on 9 March 2021 at 13.00 CET (the cut-off date) are entitled to vote at the Annual General Meeting. Shareholders who sell their shares after that date are not entitled to vote at the Annual General Meeting. From 10 March 2021 up to and including 23 March 2021, no new entries will be made in the share register.

Olten, 25 February 2021  
Swiss Prime Site AG  
The Board of Directors



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