ENVIRONMENT
SOCIAL
GOVERNANCE

We protect the environment and conserve natural resources – focusing on climate neutrality by 2040 and promotion of the circular economy.

Our material topics

- Sustainable development and building
- Sustainable use and sustainability operations
- Circular economy

Scope 1/2/3.13
t CO_2 emissions

–12.6%

2024 7.7 kg CO_2/m²
2023 8.9 kg CO_2/m²

Scope 1/2
t CO_2 emissions

–12.3%

2024 12 516 t CO_2
2023 14 275 t CO_2

Allocated
green finance

+467

2024 CHF 1 460 million
2023 CHF 993 million

Energy
intensity

–4.2%

2024 163.0 kWh/m²
2023 170.2 kWh/m²

Properties with
energy ratings

+34

2024 42 properties
2023 8 properties

Renewable
energy

+2.1%

2024 77.2%
2023 75.1%

Installed output of
photovoltaic systems

+773

2024 4 258 kWp
2023 3 485 kWp

Photovoltaic
systems

+5

2024 23 properties
2023 18 properties

What we do for the environment

GRESB
★★★★★ 2024

Result for Standing Investments

Improvement
+2 **points**

91 out of 100 points

Result for Development

Improvement
+1 **point**

to 98 out of 100 points

GRESB REAL ESTATE sector leader 2024

GRESB score further improved: Sector Leader award 2024

Our sustainability performance in Standing Investment and in Development can be measured using GRESB benchmarking. Swiss Prime Site Immobilien managed to further improve on its excellent previous results in the reporting year.

Swiss Prime Site Solutions also participated in the GRESB Development Benchmark and succeeded in improving the results for all products in the reporting year. Detailed information can be found in the respective annual reports.

Leadership ambitions for REIDA benchmarking

The REIDA CO_2 benchmark (Real Estate Investment Data Association), the Swiss industry standard for the comparison of key environmental figures which covers around CHF 220 billion in market value, allows us to compare ourselves with our peers.

At a CO_2 intensity (Scope 1+2, location-based) of 9.1 kg CO_2e/m^2ERA, we are well below the benchmark of 12.7 kg CO_2e/m^2ERA. In relation to the share of renewable energy, at 48.6% we are also above the benchmark of 32.3%. Swiss Prime Site Solutions also took part in the benchmark with all its products and reports individually on all the key environmental figures in its annual reports.

→ SEE ALSO: ANNUAL REPORT OF SWISS PRIME SITE SOLUTIONS INVESTMENT FUND COMMERCIAL

→ SEE ALSO: ANNUAL REPORT OF AKARA DIVERSITY PROPERTY FUND PK

Innovations from our long-standing accelerator programme

Various proofs of concept were launched from three accelerator programmes.

In our investment properties, for example, we carried out a comprehensive analysis in relation to physical climate risks with Sustainaccount. With start-up Optiml, we analysed and optimised selected property strategies with regard to CO_2 reduction and the associated need for investment. The retrofittable multi-sensor solution from start-up Droopl allows us to monitor the West-Log property in Zurich, enabling consumption-based ancillary cost accounting and the identification of leaks or other irregularities in order to reduce damage, costs and water consumption.

Focussing on sustainable development and construction, we identified new solutions for the early calculation and optimisation of emissions from construction with Viride, and tested an innovative lightweight construction for ceiling systems with Vaulted.

→ SEE ALSO: INNOVATION AS A DRIVER OF SUSTAINABILITY

Circular economy as the key to achieving climate targets

Our properties as temporary material and building component depots

JED new build, Schlieren

Our commitment to the circular economy was a focal point of our sustainability work in the reporting year. As a co-initiator and first signatory of the «Circular Building Charta», we are committed to developing the measures formulated, implementing them in our development projects, and making the objectives measurable. We work closely with the Charta community.

Projects that embody the circular economy

The project on Müllerstrasse in Zurich, completed in 2023, successfully demonstrates the application of circular principles. The old office building remains in place and the aluminium façade is reused. A deliberate decision was made not to demolish the building shell, which allowed over 90% of the concrete, a CO_2-intensive material, to be preserved. This saved 2 600 tonnes of CO_2 emissions. Our BERN 131 project utilises a hybrid timber construction method to achieve substantial CO_2 savings.

The JED new building project deliberately dispenses with heating and cooling systems in the office building. The passive house concept, «Concept 2226», can be maintained all year round between 22 and 26 degrees Celsius without the use of building engineering services. The required mass of the building calls for a correspondingly large volume of material. The use of around 8 300m³ of Zirkulit concrete with CO_2 storage technology and around 160 tonnes of circular light mineral plaster reduces the CO_2 emissions.

The experience gained in these building projects feeds in continuously to other planned projects, while the project targets become increasingly ambitious. The goal by 2030 is to reduce the use of non-renewable primary raw materials in all projects to 50% of the total mass and to reduce greenhouse gas emissions.

→ SEE ALSO: STORY «RESOURCES IN MIND»

We also supported a project during the reporting year that provides a tangible demonstration of the circular economy. The MANAL project is a pavilion on the campus of the Lucerne University of Applied Sciences and Arts that serves as a living example for sustainable and circular building. Using recycled building materials and innovative components, the project demonstrates how circular building can be implemented. The building materials are based on cement-free technology which was developed by Oxara.

→ SEE ALSO: OXARA; MANAL PAVILION

How can the construction industry transition from a linear economy to a circular economy? It is a question with great relevance for real estate companies. Martin Pfenninger, Head Group Sustainability at Swiss Prime Site (SPS), explains how clear objectives and innovative approaches early on in the process can help achieve sustainable construction.

→ READ MORE IN THE INTERVIEW: COOPERATION AND INNOVATION AS KEY DRIVERS FOR SUSTAINABLE CONSTRUCTION AT SWISS PRIME SITE

Inspiration, knowledge transfer and collaborative learning «Circular Economy Workshop 2024»

In the reporting year, we held a full-day workshop on the circular economy with around 40 participants. External experts in research and practical application contributed valuable input on the topics of sustainable building, selection of materials, design of supporting structures as relevant leverage, and low-tech and less-tech options. Workshop groups discussed these themes using specific development projects as examples and shared their insights.

«We need to rethink technical and environmental cycles, as well as responsibility.»

Martin Pfenninger
Head of Group Sustainability
at Swiss Prime Site

Workshop on the circular economy 2024, Zurich

Analysis of our Scope 3 emissions

Focus on Scope 3 emissions in construction and the property portfolio

The indirect greenhouse gas emissions in the value creation chain of a company – Scope 3 emissions – play a material role. This is another of our focal points, and we feel it is important that we position them appropriately in the overall context of our efforts in climate protection and the circular economy. The key component of our climate strategy is the CO_2 reduction pathway and the climate neutrality of our property portfolio in operations (Scopes 1 and 2, «Operational carbon»). In this context, we have already seen a reduction in upstream emissions for energy supply through the switch to renewable energy, and in downstream emissions in collaboration with our tenants. Our efforts in circular building reduce not only the consumption of primary raw materials but also the associated greenhouse gas emissions in the upstream and downstream value chain. We are conducting our analysis of Scope 3 emissions incrementally, and this will provide the basis for quantitative monitoring and further targeted reductions.

For us, our focus has to be on construction activities and the property portfolio.

With around 200 employees, our business activities cause Scope 3 emissions in the context of business travel, employee mobility and purchasing of materials and services for management[1].

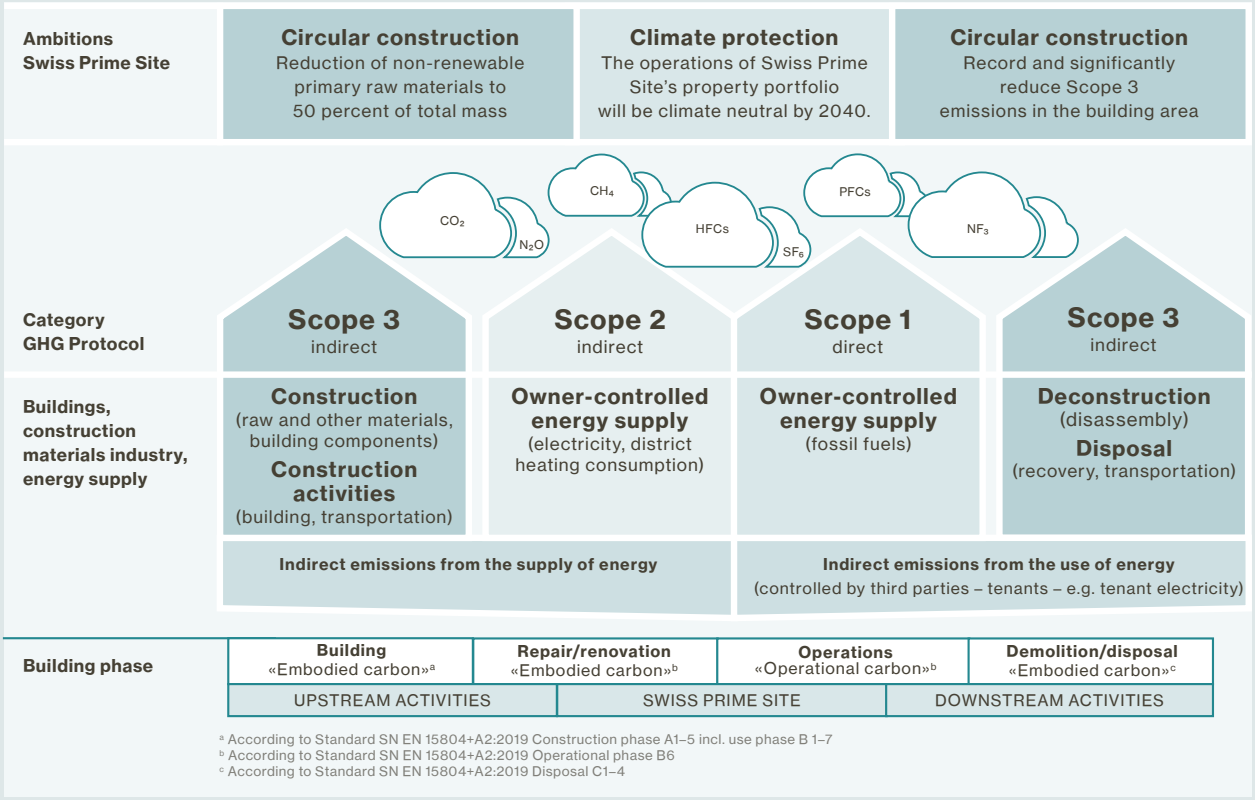
However, the material Scope 3 emissions are generated by our building activities (new builds and upgrades) in our own property portfolio, in particular in the upstream value creation chain through the production of building materials and their transportation and processing on the building site, and in the downstream value creation chain through the demolition of buildings and building components and their recycling and disposal.

The indirect Scope 3 emissions in property portfolio operations include both emissions from upstream activities for energy supply and downstream emissions, in particular through tenant-controlled energy consumption (e.g. tenant electricity). The latter has been recognised and reported for some years now as a Scope 3 emissions component in the context of the operational CO_2 reduction pathway for the property portfolio.

The following diagram summarises the allocation and shows how we intend to make our contribution to climate protection with circular construction goals and the climate target with the CO_2 reduction pathway.

[1] The emissions associated with office space are already included in our key environmental figures (cf. notes on key environmental figures)

Scope 1–3: Focus on circular economy and climate protection



[a] According to Standard SN EN 15804+A2:2019 Construction phase A1–5 incl. use phase B 1–7
[b] According to Standard SN EN 15804+A2:2019 Operational phase B6
[c] According to Standard SN EN 15804+A2:2019 Disposal C1–4

Scope 3 emissions of development projects

In the reporting year, we analysed Scope 3 emissions for development projects under construction. This analysis covers embodied emissions and thus the production of building materials and building components (building phases A1–A3[2], their transportation and installation (building phases A4+A5)[2] and the disposal of materials (demolition and disposal phase C1–C4)[2]. These emissions are calculated specifically for particular elements, based on selection of materials and quantities (area, length, volume, performance) and also specific emission factors (kg CO_2e per reference area).

Detailed data sets are available from life cycle analyses prepared for the certification of properties. Where data was missing – for interior fit-out or transportation, for instance – estimates were made.

The emission volumes were allocated to the years they first occurred in accordance with the investment principle. The emissions of the construction phase are mapped at the time of completion of the respective development project. The emissions from renovation of building components or their replacement after 20, 30 or 40 years are positioned and represented accordingly on the time axis after 20, 30 or 40 years.

[2] According to Standard SN EN 15804+A2:2019

Embodied emissions by building component group
based on the example of the BERN 131 development project

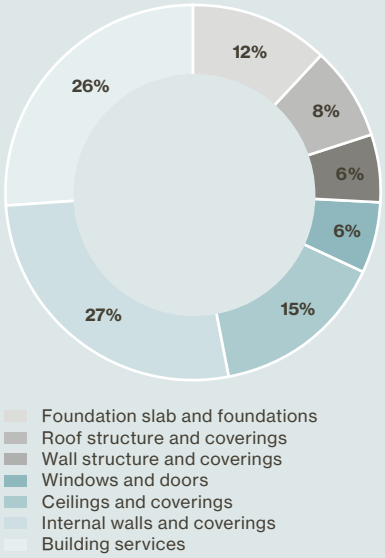


Figure: Breakdown of «Embodied emissions» into the various building components and building parts (without interior works).

The diagram below shows Scope 3 emissions arising for current development projects as per the investment principle. The greenhouse gas emissions in the reporting year were in the order of 30 000 tonnes of CO_2eq (diagram below). The emissions by building component group (diagram on the left) are illustrated using the example of the «BERN 131» development project. The project, built in a timber hybrid construction, is innovative in character. This is reflected in the weighting of the relative proportions of the individual building component groups. The large-scale facade photovoltaic system and the use of geothermal probes mean that building services account for a significant proportion – around a quarter. On the other hand, the use of timber ensures that the wall structure makes up a relatively low share of total emissions.

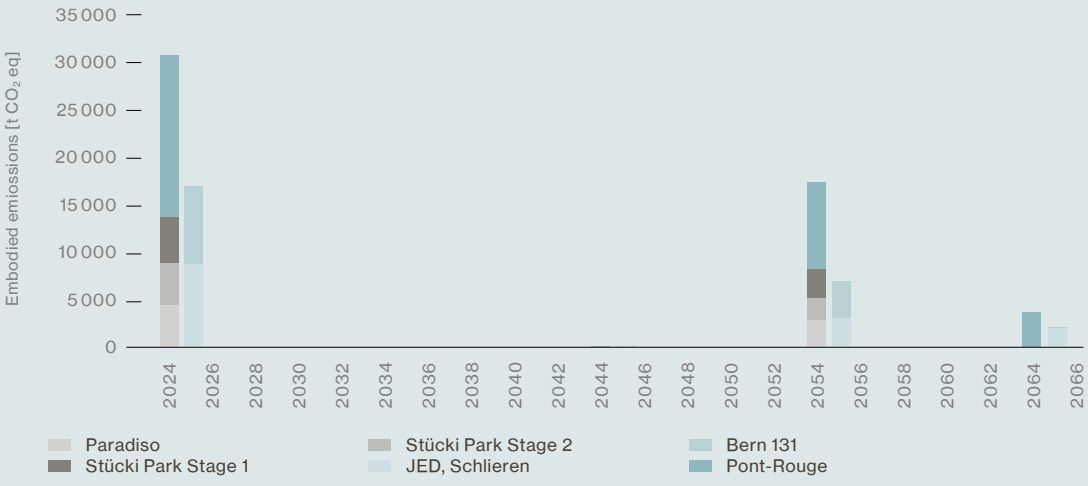


Figure: Embodied emissions of five current development projects (seven buildings) of Swiss Prime Site Immobilien.

«Embodied emissions» from repair and renovation of the property portfolio to 2050

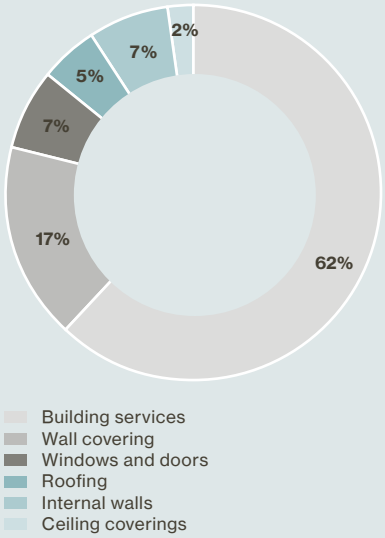


Figure: Breakdown of «Embodied emissions» from repair and renovation of the Swiss Prime Site Immobilien property portfolio for the various building elements (without interior works)

Scope 3 emissions in the property portfolio

The ongoing maintenance and repair work reduces the energy consumption of buildings on the one hand, but on the other hand it also causes upstream and downstream Scope 3 emissions. These arise from the production of materials and construction components such as thermal insulation products, window glass and frames, metal in building technologies, etc. For our own Swiss Prime Site Immobilien property portfolio, we mapped this for the first time in a simulation model.

We began by roughly defining specific repair and renovation measures using dates up to 2050 for each building based on its year of construction, the date when building components were last repaired, and typical useful lives and technical service life cycles. Anticipated Scope 3 emissions in the use phase are calculated using the building stock model, which incorporates various types of measures with different material choices, e.g. varying thermal insulation materials, wall coverings and window types. The choice of measures together with the dimensioning of the various building elements (area, length, volume, performance, etc.) and the specific emissions factors[3] yield the corresponding emissions for the portfolio over the period. The emissions factors are annual figures that relate to a building use period of 60 years (amortisation principle). Based on the GHG Protocol, the emissions results were categorised according to the building phases and allocated to the year in which they first occur (investment principle).

The results based on standard assumptions for structural measures show that annual emissions are in the region of 5 000 tonnes of CO_2eq or 2.7 kg CO_2eq/m² (estimated for the period 2025–2050, without interior works).

Overall results and outlook

A detailed description about the calculation and initial results for Scope 3 emissions in the 15 categories of the GHG Protocol can be found here:

→ SEE ALSO: NOTES ON KEY ENVIRONMENTAL FIGURES

The underlying data and calculation methods will be improved systematically on the basis of this first Scope 3 analysis. Follow-up actions will include fine-tuning generic assumptions through our planned measures as per property strategy and supplementing them with analyses of potential to identify reduction measures. The Scope 3 emissions analysis constitutes the starting point for the development of quantitative targets. Insights from the real estate guidelines of the Science-Based Targets initiative (SBTi) published in the second half of 2024 will also be taken into account.

[3] SIA 2023, Life cycle assessment in the construction area by CSFC /ecobau/IPB and other sources

Certification strategy for the expansion of the green finance portfolio

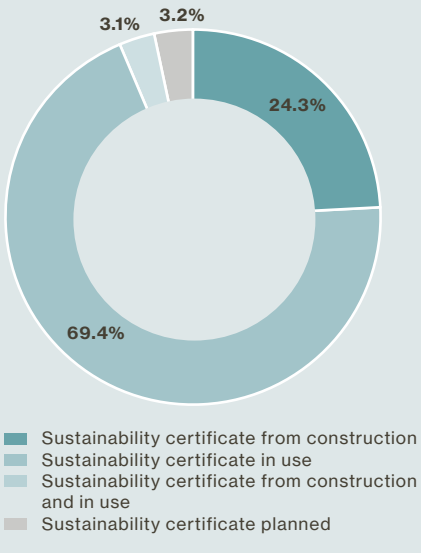
Sustainability certificates for entire certifiable existing portfolio

In the reporting year, the first certification under BREEAM-In use was completed. An additional property was certified under BREEAM In-use (new acquisition in 2023) and the certification process is still ongoing for one property as a renovation currently under way has to be completed first.

The potential analyses prepared during the first certification reveal potential for improvement in respect of the triennial recertification. In the reporting year, the focus was on establishing the processes for data collection for impending recertifications and collecting standardised evidence about portfolio projects. We also optimised the documentation of current building projects in progress in relation to certification processes.

The first 11 properties will be recertified as early as spring 2025. A further 60 or so properties will be recertified in late 2025.

Proportion energy reference area (%) of certifiable space with sustainability certificates



Certification of current development projects at Swiss Prime Site Immobilien

At the end of 2024, 18 development projects were in the process of certification or were planned for certification. In the reporting year, provisional certificates were obtained for the projects Maaglive and Destination Jelmoli in Zurich, Place du Molard 2–4 and Rue du Rhône 48–50 in Geneva, and BERN 131 in Berne. In addition, the documents for final certification of projects in Lugano, Tertianum Paradiso; Geneva, Alto Pont-Rouge; and Basel, Stücki Park stages 1 + 2 were submitted. Furthermore, the documents for the provisional certification of development projects to be executed from 2025 onward were submitted, namely for Brugg, Haupstrasse 2; Zurich, Yond Campus and Zurich, Saarstahl.

Ongoing expansion of green finance portfolio

In the reporting year, we placed two straight bonds in the amount of CHF 435 million under the Green Finance Framework set up in 2022. Funds are used in accordance with the defined criteria. More information can be found under Green Finance Report.

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

→ SEE ALSO: GREEN FINANCE REPORT (ONLY AVAILABLE IN ENGLISH)

Keeping sight of our goal: climate-neutral operations in property portfolio by 2040

12 516

t CO_2 emissions
property portfolio, (Scope 1/2)
previous year: 14 275 t CO_2

7.7

emissions intensity in kg CO_2/m²
property portfolio, (Scope 1/2/3.13)
Previous year: 8.9 t kg CO_2

163.0

kWh/m² energy intensity property portfolio
Previous year: 170.2 kWh/m²

77.2

% renewable energy – property portfolio
Previous year: 75.1%

Reduction of CO_2 emissions

We achieved positive effects through portfolio streamlining and the addition of development projects to the property portfolio. In the reporting year, two properties switched to renewable energy. At the Industriestrasse 21 property in Zollikofen, the oil heating was replaced by an air/water heat pump. However, the size of the property meant the switch had minimal impact on the CO_2 reduction pathway. On the other hand, the connection of the Shopping Arena in St. Gallen to energienetz GSG has a considerably greater impact as the property was previously amongst the largest consumers of heating gas in the portfolio. However, the impact will only be fully felt in 2025 after a full year of operation. As well as heating, cooling can also be sourced via the energy network. The higher proportion of biogas in various energy plants also contributed to overall improvements, as did energy savings through structural measures.

→ READ MORE: SUSTAINABILITY IN USE AND OPERATIONS

→ READ MORE: NOTES ON KEY ENVIRONMENTAL FIGURES

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

CoolCity will be one of the largest lake hydroelectric plants in Switzerland when it commences operations (scheduled for 2031). This type of power plant supplies the network's energy purchasers with CO_2-neutral energy for heating and cooling. In 2024, contracts were signed for energy connection and supply for all Swiss Prime Site's inner-city properties in Zurich. Lake hydroelectric plants are also planned for Zug/Baar, Lucerne and Geneva, or are already in operation. In the reporting year, connection and supply contracts were signed for two properties in Baar and a property in Lucerne.

Photovoltaic system, Stücki Park Basel

Promoting renewable energy and sustainable mobility

Currently there are photovoltaic (PV) systems on 23 of our own properties. In the reporting year, we commissioned three additional systems on existing buildings (EspacePost, Berne; Medienpark, Zurich; and West-Log, Zurich), and four systems on new builds (Esplanade de Pont-Rouge, Grand-Lancy; Riva Paradiso 3, 20, Paradiso; 2nd stage of Stücki Park (Basel) and Müllerstrasse 16, 20). In addition, the photovoltaic system on the roof of the property at Zürcherstrasse 39/JED in Schlieren was supplemented by a photovoltaic system on the façade. Planning is so advanced for two further systems that implementation can start in 2025 (Tertianum WPZ Etzelblick, Richterswil; Patio Plaza, Vernier).

23

Number of properties with photovoltaic systems
Previous year: 18

We promote climate-friendly mobility options and install electric charging stations in and around our properties. The needs of tenants are solicited and integrated into current and future planning as required.

We receive occasional contributions from the national buildings programme and from cantons and communities. These are used for structural measures that support the reduction of energy consumption or CO_2 emissions, and for the installation of photovoltaic systems or investments in e-charging stations. In addition, we receive compensation from the redistribution of proceeds from the CO_2 levy. This Swiss government mechanism promotes economical use of fossil fuels.

Cooperation with tenants and suppliers: green leases

To reduce the significant environmental impact that results from the use and operation of real estate, we rely on close collaboration with our tenants and suppliers.

In the reporting year, new rental contracts with sustainability clauses («green leases») were signed, and corresponding clauses were added to existing contracts. The current form of the green lease is now part of the standard rental contract for Swiss Prime Site Immobilien. It contains specific measures for promoting sustainability for tenants

«Properties as energy producers – for our tenants and the environment.»

and landlords, for example in relation to sustainable procurement practices and consumables, environmentally friendly waste management or the creation of suitable habitats to support local wildlife in outdoor spaces. In the reporting year, we concluded initial discussions with existing tenants. As of the end of 2024, we have already obtained commitments on green leases from tenants in relation to 76% of rental space.

In connection with this, all facility management providers were urged to use eco-friendly cleaning products. This switch was fully implemented in all properties maintained by service providers in the reporting year, with no reduction in hygiene standards or complaints by building users. This eco-friendly change represents a further contribution to environmental protection.

From 2030, only environmentally friendly refrigerants may be used in Switzerland. In 2024, we determined the refrigerants used in cooling plants throughout the portfolio and have begun developing a strategy for the transition. In some properties, cooling plants will become obsolete due to planned connections to district cooling networks, or will require replacement within the next few years due to age. For many cooling plants, the existing refrigerant can simply be replaced by an environmentally friendly refrigerant.

Green façade, Stücki Park in Basel

Biodiversity

We gave detailed consideration to the topic of biodiversity in the reporting year. We aim to protect and promote biodiversity in the individual properties with appropriate measures, and we have implemented pilot projects at three properties. We selected common building configurations, such as inner-city buildings with flat roofs and no external space, city properties with outside space, and properties with «residual green space» around parking areas and thoroughfares. The goal was to demonstrate how simple interventions can help promote biodiversity, even in urban spaces. The experience gained from the pilot projects was fed into internal guidelines on biodiversity, and we plan to start implementing appropriate measures in additional properties in 2025.