

SWISS PRIME SITE

INVITATION

to the shareholders of Swiss Prime Site AG
to attend the 19th ordinary Annual
General Meeting



**TUESDAY,
26 MARCH 2019**

16.00 | Doors open at 15.00
Stadttheater Olten | Frohburgstrasse 3 | CH-4600 Olten

Agenda and Board proposals

1

Approval of the Strategy and Management Report, the annual financial statements of Swiss Prime Site AG and the consolidated financial statements for the 2018 financial year, and adoption of the auditor's reports

The Board of Directors recommends that the Strategy and Management Report, the annual financial statements of Swiss Prime Site AG and the consolidated financial statements for 2018 be approved and that the auditor's reports be adopted.

2

Consultative vote on the 2018 Compensation Report

The Board of Directors recommends that the 2018 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 2018 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 annualreport2018.sps.swiss/en

3

Discharge of the Board of Directors and the Executive Board for the 2018 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 2018.

4

Resolution on the appropriation of balance sheet profit

Instead of the ordinary dividend payment, the Board of Directors recommends that a withholding-tax-exempt distribution be made from capital contribution reserves (see item 5). The Board recommends that the balance sheet profit be appropriated as follows:

Balance brought forward	CHF	335 329 377.76
Net profit	CHF	69 013.26
Profit available for distribution	CHF	335 398 391.02

Appropriation

Transfer to general legal reserves	CHF	0.00
Transfer to voluntary retained earnings	CHF	0.00
Dividend payment	CHF	0.00
Balance to be carried forward	CHF	335 398 391.02

Distribution from capital contribution reserves

The Board of Directors recommends that a withholding-tax-exempt distribution of CHF 3.80 per registered share be made from capital contribution reserves (except in respect of registered shares directly or indirectly held by the Company). Based on the Company's holdings of 539 shares, the proposed distribution amounts to CHF 288 594 078.00*:

Capital contribution reserves at 31.12.2018	CHF	588 330 846.01
Distribution from capital contribution reserves	CHF	-288 594 078.00*
Balance to be carried forward	CHF	299 736 768.01

*This amount is based on the 75 946 349 registered shares issued as of 21 February 2019 and the 539 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

Under the capital contribution principle, introduced in January 2011 as part of the Corporate Tax Reform II legislative changes, withholding-tax-exempt repayments from capital contribution reserves can be made to shareholders. Since the Company has such reserves available, the Board would like, as it has done in prior years, to avail itself of the opportunity of making a withholding-tax-exempt distribution. If this resolution is approved, a distribution of CHF 3.80 per registered share will be made on 4 April 2019.

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.

6.1 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 2019 financial year.

6.2 Executive Board compensation

The Board of Directors recommends that the fixed and variable compensation of the Executive Board for the 2019 financial year be approved up to a maximum amount of CHF 8 300 000.00, 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 6.1

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	850 000.00
Share-based compensation ¹	CHF	850 000.00
Social security contributions ²	CHF	100 000.00
Total		CHF 1 800 000.00

¹ Fair value upon transfer of shares

² 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).

Explanatory note on item 6.2

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 ¹	CHF 3400000.00
Social security contributions ²	CHF 1500000.00
Total³	CHF 8300000.00

¹ 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).

² 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.

³ Includes a contingency reserve of approximately 3% for each compensation component to cover unforeseen eventualities. The compensation actually paid will be reported in the 2019 Compensation Report and submitted to a consultative vote by the shareholders. 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.

7

Increase of authorised capital and extension of period for issuing it

The Board of Directors recommends that the Company's authorised share capital be increased from its current level of 2 532 568 registered shares to 7 000 000 registered shares

and that the period during which authorised share capital can be issued be extended until 26 March 2021. 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 *26 March 2021*, 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.

8

Elections

8.1 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 Board of Directors in the online Annual Report at annualreport2018.sps.swiss/en

The Board recommends:

- 8.1.1 The re-election of Christopher M. Chambers to the Board of Directors
- 8.1.2 The re-election of Dr. Barbara Frei-Spreiter to the Board of Directors
- 8.1.3 The re-election of Dr. Rudolf Huber to the Board of Directors

8.1.4 The re-election of Mario F. Seris to the Board of Directors

8.1.5 The re-election of Thomas Studhalter to the Board of Directors

8.1.6 The re-election of Prof. em. Dr. Hans Peter Wehrli to the Board of Directors

8.1.7 The election of Gabrielle Nater-Bass as a new member of the Board of Directors

Explanatory note

For additional information see page 8 and 9.

8.2 Election of the Board Chairman

The Board recommends:

The re-election of Prof. em. Dr. Hans Peter Wehrli as Chairman of the Board of Directors for a one-year term of office.

8.3 Election of the members of the Nomination and Compensation Committee

The Board recommends:

- 8.3.1 The re-election of Christopher M. Chambers as a member of the Nomination and Compensation Committee for a one-year term of office
- 8.3.2 The re-election of Dr. Barbara Frei-Spreiter as a member of the Nomination and Compensation Committee for a one-year term of office
- 8.3.3 The election of Gabrielle Nater-Bass as a new member of the Nomination and Compensation Committee for a one-year term of office

8.4 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 2019 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.

8.5 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 8.1

Election to the Board of Directors

The Swiss Prime Site Board of Directors is continuing its comprehensive transformation and has nominated Ms Gabrielle Nater-Bass to the Board as a designated expert, with the aim of further strengthening legal expertise for the future.



Gabrielle Nater-Bass
1968, Meilen

Gabrielle Nater-Bass has been working for Homburger, a leading Swiss corporate law firm, since 1997. She became a partner in 2006. She has many years' experience appearing before national courts and courts of arbitration, both in Switzerland and abroad. As a member of Homburger's specialist real estate team, she has extensive knowledge of infrastructure projects and real estate transactions.

Ms Nater-Bass completed her law degree at the University of Zurich in 1994. She passed the Zurich bar exam in 1996 and completed a Master of Laws at the University of Virginia School of Law from 1997 to 1999.

She has been a member of the Board of Directors of LGT Bank Ltd. and LGT Bank (Switzerland) Ltd. since 2017.

Re-election to the Board of Directors



Prof. em. Dr. Hans Peter Wehrli
Chairman
Board member since 29 April 2002



Mario F. Seris
Vice-Chairman
Board member since 27 April 2005



Dr. Barbara Frei-Spreiter
Board member since
27 March 2018



Dr. Rudolf Huber
Board member since
29 April 2002



Christopher M. Chambers
Board member since
22 October 2009



Thomas Studhalter
Board member since
27 March 2018

Information for shareholders attending the Annual General Meeting

Documentation

Swiss Prime Site AG's Annual Report 2018, 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 28 February 2019. The online Annual Report 2018 is also available at annualreport2018.sps.swiss/en. The webpage 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 22 February 2019 will receive the following at their latest reported address:

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

These same documents will also be sent to shareholders entered into the share register between 25 February and 12 March 2019 (the cut-off date, see «Voting rights and closure of the share register» below). Admission cards can also be ordered via the InvestorPortal (see brief instructions thereto).

Admission cards

The registration card can be used to request admission cards from the Swiss Prime Site AG Share Register, c/o Computershare Schweiz AG, P.O. Box, CH-4601 Olten, Switzerland. Such requests must be received no later than 20 March 2019. Admission cards can also be ordered electronically via the InvestorPortal (see brief instructions). Admission cards will be sent to shareholders about 10 days before the Annual General Meeting.

Proxy representation by other shareholders or third parties

Under Article 12 of the Articles of Association, a shareholder may be represented at the Annual General Meeting by another shareholder or a third party. Such representation requires proxy authorisation in writing (using the registration card or through the InvestorPortal).

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 registration card and

send it to the company share register (at the address in «Admission cards» above) to arrive no later than 20 March 2019. 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 InvestorPortal shareholder platform are attached. Your login ID and password are printed on the registration form.

Any changes to electronic instructions already issued must be made no later than 24 March 2019, 23.59 CET.

Voting rights and closure of the share register

Shareholders entered in the share register on 12 March 2019 at 17.00 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 attend the Annual General Meeting. From 13 March 2019 up to and including 26 March 2019 no new entries will be made in the share register.

Please be advised that an admission check will be carried out in order to ensure that only registered shareholders or their representatives attend the Annual General Meeting, as stipulated in Article 12 of the Articles of Association.

Aperitif will be served after the Annual General Meeting.

Olten, 28 February 2019
Swiss Prime Site AG
The Board of Directors



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