

Corporate Governance and Remuneration Report 2022

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Peach Property Group conducts its business in accordance with the principles of sound corporate governance. We regard these principles as core elements of responsible business management, and transparency toward our investors, tenants, and employees.

The Corporate Governance and Remuneration Report is based on the structure in the Directive on Information relating to Corporate Governance (RLCG) of the SIX Exchange Regulation and complies with the requirements of the Ordinance against Excessive Remuneration in Listed Companies Limited by Shares (VegüV), which was absorbed in Articles 734 et seqq. of the Swiss Code of Obligations from January 1, 2023. For the 2022 financial year, the provisions of the Ordinance against Excessive Remuneration in Listed Companies Limited by Shares (VegüV) were still in force and applicable to the remuneration reported in Section 2 of this Corporate Governance and Remuneration Report.

Section 1 - Corporate Governance

1

Corporate structure and shareholders

1.1. Corporate structure

We are a real estate investor with an investment focus on, and portfolio management of residential real estate in Germany. Our Group consists of the parent company, Peach Property Group AG, Zurich (the "Company"), and several direct and indirect subsidiaries ("Group companies").

The Board of Directors of the Company comprises of Reto Garzetti (Chairman), Peter Bodmer, Dr. Christian De Prati, Kurt Hardt and Klaus Schmitz. The Executive Management comprises of Dr. Thomas Wolfensberger (Chief Executive Officer), Thorsten Arsan (Chief Financial Officer), and Dr. Andreas Steinbauer (Head of Letting and Sales).

The Company is listed on the SIX Swiss Exchange since November 12, 2010.

Company name and registered office	Peach Property Group AG, Zurich
Business ID (UID)	CHE-101.066.456
Listing	SIX Swiss Exchange
Trading currency	Swiss franc (CHF)
Market capitalization as of December 31, 2022	CHF 276 688 thousand (closing share price of CHF 16.40 per share)
Ticker symbol	PEAN
Security number	11 853 036
ISIN	CH0118530366

Our Group companies are not listed on the stock exchange. A list of our Group companies is disclosed in Note 20 to the consolidated financial statements.

A diagrammatic overview of Peach Property Group is available on our website www.peachproperty.com, at: <https://www.peachproperty.com/en/about-peach/>.

1.2. Significant shareholders

As of December 31, 2022, the following shareholders hold three percent, or more of the 16 882 373 issued shares of the Company (without consideration of subscriptions under the current Mandatory Convertible Bond, ISIN CH1234612187, as announced on December 9, 2022, settled on January 12, 2023, with the maturity date of April 12, 2023):

Shareholders		Number of share	Percentage of all share
Ares Management Corporation, USA, through: Peak Investment S.à.r.l, Luxembourg ¹		4 520 368	26.78
Franciscus Zweegers, Monaco, through:		1 279 675	7.58
Arquus Capital N.V., Belgium, and LFH Corporation S.A., Luxembourg			
Kreissparkasse Biberach, Germany, through:		748 160	4.43
LBBW Asset Management Investmentgesellschaft mbH ² , Germany	426 627		
BayernInvest Kapitalverwaltungsgesellschaft mbH ³ , Germany	321 533		
Dr. Thomas Wolfensberger, Switzerland		721 713	4.27
Marius Barnett, Great Britain, through: Victoria Park Peak S.à.r.l, Luxembourg		577 239	3.42
BlackRock Inc., USA, with:		530 796	3.14
equity securities or equity related securities and	330 244		
voting rights that can be exercised at one's own discretion	200 552		
Swisscanto Fondsleitung AG, Switzerland		510 203	3.02
Other		7 994 219	47.36
Total shares issued		16 882 373	100.00

1 Ares European Real Estate Fund V (managed by Ares Management UK Ltd), held through Peak Investment S.à.r.l.

2 The investment is held in the two special funds LBBW AM-WWH and LBBW AM-WSG. The management, and independent exercise of voting rights (if exercisable), are both carried out by the capital management company LBBW Asset Management Investmentgesellschaft mbH. The 426 627 shares are not entered in the share register.

3 The investment is held in BayernInvest HIG-Fonds, a special AIF. The management and independent exercise of voting rights are both carried out by BayernInvest Kapitalverwaltungsgesellschaft mbH. The 321 533 shares are not entered in the share register.

No lock-up arrangements are in place as of December 31, 2022.

Under the applicable capital market regulations, shareholdings in companies domiciled in Switzerland, where the company's shares are at least partially listed on the SIX Swiss Exchange, must be reported to that company, as well as to the Disclosure Office of the SIX Swiss Exchange, when limits of 3 %; 5 %; 10 %; 15 %; 20 %; 25 %; 33 1/3 %; 50 %; or 66 2/3 % of the voting rights are exceeded; fallen below, or reached.

The holdings to be reported, in accordance with Article 14(2) of the FINMA Financial Market Infrastructure Ordinance (FinfraV-FINMA), are calculated based on the to-

tal number of voting rights according to the entry in the Commercial Register (as of December 31, 2022: 16 882 373 registered shares at CHF 30.00 each). Upon receipt of such a notification, the Company publishes the change in shareholding base via the SIX Exchange Regulation publication platform.

In the 2022 financial year, we published a total of 18 notifications in accordance with Articles 120 ff. FinfraG. These and other notifications from previous financial years can be viewed on the SIX Exchange Regulation website at https://www.ser-ag.com/en/resources/notifications-market-participants/significant-shareholders.html?issued-By=PEACHP#.

As of December 31, 2022, the following shareholders hold three percent or more of the Company's voting rights (voting rights equaling the total of all equity securities or equity-related securities, number of voting rights that can be exercised at one's own discretion, and derivative

holdings). The basis of the calculation is the total number of voting rights pursuant to the entry in the commercial register as of December 31, 2022. These shareholders are considered significant shareholders in accordance with applicable capital market regulations:

	Future shares from sub- scription of MCB ¹	Current shareholding	Number of voting rights that are exercisable and non- exercisable	Voting rights as percentage of Commercial Register entry
Total according to Commercial Register			16 882 373	100.00
Thereof held by significant shareholders				
Ares Management Corporation, USA, through: Peak Investment S.à.r.l, Luxembourg ²	1 687 500	4 520 368	6 207 868	36.77
Franciscus Zweegers, Monaco, through: Arquus Capital N.V., Belgium, and LFH Corporation S.A., Luxembourg	421 875	1 279 675	1 701 550	10.08
Rainer-Marc Frey, Switzerland, through: H21 Marco Limited, Cayman Islands	1 120 500	0	1 120 200	6.64
Kreissparkasse Biberach, Germany, through: LBBW Asset Management Investmentgesellschaft mbH, Germany BayernInvest Kapitalverwaltungsgesellschaft mbH, Germany	168 749	748 160	916 909	5.43
Dr. Thomas Wolfensberger, Switzerland	0	721 713	721 713	4.27
Marius Barnett, Great Britain, through: Victoria Park Peak S.à.r.l, Luxembourg	0	577 239	577 239	3.42
BlackRock Inc., USA	0	530 796	530 796	3.14
Swisscanto Fondsleitung AG, Switzerland	0	510 203	510 203	3.02

1 Mandatory Convertible Bond, ISIN CH1234612187, as announced on December 9, 2022, settled on January 12, 2023, with the maturity date of April 12, 2023.

2 Ares European Real Estate Fund V (managed by Ares Management UK Ltd), held through Peak Investment S.à.r.l.

Capital increases from the conditional capital entered into the commercial register, in particular after conversion of the Mandatory Convertible Bond with its maturity date of April 12, 2023, reduces the proportional voting right

of significant shareholders relevant for disclosure, while the number of voting rights remains the same. This may result in a disclosure obligation for individual significant shareholders.

1.3. Cross-shareholdings

There are no cross-shareholdings.

2

Capital structure

2.1. Capital

Capital as of December 31, 2022	in CHF	in number of registered shares	Nominal value per share in CHF
Share capital	506 471 190.00	16 882 373	30.00
Authorized capital	252 000 000.00	8 400 000	30.00
Conditional capital	252 000 000.00	8 400 000	30.00

2.2. Authorized and conditional capital

Authorized capital

As of December 31, 2022, Peach Property Group AG possesses authorized capital of CHF 252 000 000, divided into 8 400 000 shares of CHF 30 each, in accordance with article 3b of the articles of association. The authorized capital expires on April 30, 2024.

Conditional capital

As of December 31, 2022, Peach Property Group AG has conditional capital of CHF 252 000 000 at its disposal. In accordance with Article 3a of the Articles of Association, as amended by the 2022 Annual General Meeting from May 20, 2022, the conditional capital may be used as a) up to an amount of CHF 6 000 000 for the exercise of conversion and/or option rights granted to employees of the Group; and b) up to an amount of CHF 246 000 000 for the exercise of conversion and/or option rights in connection with convertible bonds, warrant bonds, and similar bonds.

The acquisition of registered shares through the exercising of options or conversion rights, and the further transfer of the registered shares, are subject to the transfer

restrictions in accordance with Article 5 of our Articles of Association.

We annually enter the new shares issued from conditional capital in the commercial register and amend the Articles of Association accordingly (Article 653g OR). In the 2022 financial year, conditional capital was entered in March, following the declaratory Board of Directors resolution of March 16, 2022. Thereafter no capital increase from conditional capital took place. The next capital increase from conditional capital is expected following the exercise of conversion rights under the current Mandatory Convertible Bonds, ISIN CH1234612187 (as announced on December 9, 2022, settled on January 12, 2023, with the maturity date of April 12, 2023). According to the decision of the Swiss Takeover Board on January 4, 2023, the new shares created following the conversion of the Mandatory Convertible Bonds are to be registered in the commercial register within three months after the conversion (see also the Company's ad hoc announcement of January 5, 2023, which can be found on our website at <https://www.peachproperty.com/en/news-en/#adhocnews>).

2.3. Capital changes

Capital and changes in capital	in CHF	in number of registered shares	Nominal value per share in CHF
Share capital as of December 31, 2018	5 487 627	5 487 627	1.00
Capital increases in 2019 financial year ¹	1 113 847	1 113 847	1.00
Share capital as of December 31, 2019	6 601 474	6 601 474	1.00
Capital increases in 2020 financial year ²	5 893 277	5 893 277	1.00
Share capital as of December 31, 2020	12 494 751	12 494 751	1.00
Capital increases in 2021 financial year ³	4 387 622	4 387 622	1.00
Share capital as of December 31, 2021	16 882 373	16 882 373	1.00
Capital increase in 2022 financial year ⁴	489 588 817	n.a.	30.00
Share capital as of December 31, 2022	506 471 190	16 882 373	30.00

1 Of which 973 747 exercises of conversion and option rights from bonds, and 112 000 exercises from the 2016-2018 PSU program.

2 Of which 2 494 775 exercises of conversion and option rights from bonds, 3 300 000 shares from the authorized capital, and 71 000 exercises from the 2017-2019 PSU program.

3 Of which 4 252 188 exercises of conversion and option rights from bonds, and 73 000 exercises from the 2018-2020 PSU program.

4 By ordinary capital increase from statutory capital contributions by increasing the nominal value of shares from CHF 1.00 to CHF 30.00, in accordance with the Articles of Association, as amended by the Annual General Meeting on May 20, 2022.

Further information on equity is provided in Note 7 to the consolidated financial statements.

2.4. Shares and participation certificates

The share capital of Peach Property Group AG amounts to CHF 506 471 190 and consists of 16 882 373 fully paid-up registered shares with a nominal value of CHF 30.00 each. The shares carry equal rights. Each share carries an entitlement to one vote at the General Meeting.

As of December 31, 2022, we held 11 183 treasury shares (previous year: 7 741). Treasury shares are subject to voting and dividend rights restriction.

We have not issued any participation certificates.

2.5. Dividend rights certificates

We have not issued any dividend rights certificates.

2.6. Restriction on transferability and nominee registrations

The restriction on transferability, or registrations in the share register is regulated by Article 5 of the Articles of Association.

Further information, regarding registration restrictions, is provided in Section 6 "Shareholders' participation rights".

The Articles of Association are available, in full, on our website at <https://www.peachproperty.com/en/investor-relations-en/#corporategovernance>.

2.7. Convertible bonds and options

Convertible bonds

In December 2022, our subsidiary, Peach Property Finance GmbH, placed a non-listed 5.0 % guaranteed senior unsecured mandatory convertible bond (ISIN CH1234612187) due April 12, 2023. The issue date was January 12, 2023, with an issue amount of CHF 113.7 million nominal. The issue price was 60 % of the nominal value, which arithmetically means an issue price of CHF 18 per share upon conversion in April 2023. Peach Property Group AG is the bond guarantor. Each bond will cease to bear interest

from the end of the calendar day immediately preceding the conversion due date. All coupon settlements payable, will be settled through the delivery of Peach Property Group AG shares. The conversion price for the conversion of the bonds, and coupon settlement, is CHF 30.00.

Further information in relation to the mandatory convertible bonds is provided in Note 7 of the consolidated financial statements.

Options

As of December 31, 2022, we had a hybrid warrant bond (PEA231; ISIN CH0417376040), with an original listed amount of CHF 60 million, and an outstanding amount of CHF 58.57 million. Each bond with a nominal value of CHF 1 000, entitled the bondholder to four warrants to purchase Peach Property Group AG shares. Each warrant entitled the holder to subscribe to one share, at a price of CHF 25 per share. The exercise period closed on June 25, 2021, and options not exercised by this time expired without compensation.

Further information in relation to the hybrid warrant bond is provided in Note 7 of the consolidated financial statements, or on page 36 under "Investor information".

We also have various employee participation plans called "Performance Stock Unit program". Further information in relation to these participation plans is provided in Note 14 to the consolidated financial statements, and in the Remuneration Report in Section 3.4.

3






Board of Directors

3.1. Members of the Board of Directors

The Board of Directors of Peach Property Group AG, including the Chairman, consists of a minimum of three and a maximum of five members (Article 13 of the Articles of Association). At the 2022 Annual General Meeting held on

May 20, 2022, the shareholders confirmed the existing members in office. The Board of Directors consists of the following five members:

First name, last name	Position	On the Board of Directors since	Elected until
Reto Garzetti	Chairman (since 2015)	2015	2023 General Meeting
Peter Bodmer	Member	2009	2023 General Meeting
Dr. Christian De Prati	Member	2011	2023 General Meeting
Kurt Hardt	Member	2018	2023 General Meeting
Klaus Schmitz	Member	2020	2023 General Meeting

Reto Garzetti (Chairman)	Peter Bodmer	Dr. Christian De Prati	Kurt Hardt	Klaus Schmitz
Born in 1960 Swiss and Italian citizen	Born in 1964 Swiss citizen	Born in 1970 Swiss citizen	Born in 1966 German citizen	Born in 1982 German citizen
				
Education				
Business Administration at the University of Zurich, Master's Degree in Business Administration (lic. oec. publ.), and MBA	Business Administration at the University of Zurich and MBA from IMD Lausanne, Master's Degree in Business Administration (lic. oec. publ.), and MBA	Economics at the University of Zurich, Doctorate in Economics (Dr. oec. publ.)	Banking apprenticeship at Kreissparkasse Biberach, Verwaltungs- und Wirtschaftsakademie (VWA), Business Administration (VWA)	Economics and philosophy at the London School of Economics (LSE) and an MBA from Harvard Business School
Professional history				
<p>Reto Garzetti has over 30 years of experience in the financial sector, specializing in reorganizations, mergers, M&A, analyses, and investment banking.</p> <p>Since 1999 Partner at the Zurich investment advisory firm SE Swiss Equities AG.</p>	<p>Peter Bodmer has extensive national and international experience with various companies in the engineering, automotive supply, construction, and real estate industries.</p> <p>Since 2011 Director of Beka-Küsnacht AG, which specializes in real estate services and business development.</p> <p>Until end of 2012 Senior Advisor for Implenia.</p> <p>Until end of 2011 Member of the Group Executive Management and Director of Implenia Industrial Construction.</p>	<p>Dr. Christian De Prati has had a lengthy career in investment banking.</p> <p>Since 2017 Member of the Advisory Committee of SSVL (Monaco) SAM.</p> <p>2011 to 2017 Supervisory Board Member of the investment Company Sterling Strategic Value Ltd.</p> <p>2009 to 2011 Country Head Switzerland at Bank of America Merrill Lynch.</p> <p>1998 to 2008 CEO Merrill Lynch Capital Markets AG.</p>	<p>Kurt Hardt has worked for Kreissparkasse Biberach since 1989.</p> <p>2017 Bank Board Member responsible for corporate customers and capital market business.</p> <p>Previously Appointed Substitute for the Chairman of the Board (2015) and Deputy Board Member (2008).</p> <p>1998 to 2008 Director of Capital Markets.</p>	<p>Klaus Schmitz has a long career in investment banking and private equity with, a main focus on real estate.</p> <p>Since 2016 at Ares Management as Managing Director responsible for real estate investments and management in Germany, Austria and Switzerland (DACH region).</p> <p>Previously with Starwood Capital Group and Rothschild, London.</p>

Mandates outside Peach Property Group

Reto Garzetti	Peter Bodmer	Dr. Christian De Prati	Kurt Hardt	Klaus Schmitz
Chairman of the Board of Directors <ul style="list-style-type: none"> › AGI AG für Isolierungen, Dällikon, Switzerland › Pioria SA, Zug, Switzerland › Verlag Garzetti & Staiger AG, Zollikon, Switzerland Member of the Board of Directors <ul style="list-style-type: none"> › Chairos AG, Zumikon, Switzerland › HK Real Estate AG, Wollerau, Switzerland › Lescan Immobilien AG, Zug, Switzerland › MiniNaviDent AG, Liestal, Switzerland › Neugass Kino AG, Zurich, Switzerland › RH Immobau AG, Baden, Switzerland › SE Swiss Equities AG, Zurich, Switzerland › Silver Reel Pictures AG, Wollerau, Switzerland › Südpack Medica AG, Baar, Switzerland¹ Deputy Chairman of the Supervisory Board <ul style="list-style-type: none"> › MS Industrie AG, Munich, Germany Member of the Advisory Board <ul style="list-style-type: none"> › Südpack Verpackungen & Co. KG, Ochsenhausen, Germany¹ Managing Director <ul style="list-style-type: none"> › Clepsidra srl, Milano, Italy 	Chairman of the Board of Directors <ul style="list-style-type: none"> › Beka-Küsnacht AG, Küsnacht, Switzerland Vice-Chairman of the Board of Directors <ul style="list-style-type: none"> › Helvetica Property Investors AG, Zurich, Switzerland Member of the Board of Directors <ul style="list-style-type: none"> › Arbonia AG, Arbon, Switzerland › Brütsch/Rüegger Holding AG, Urdorf, Switzerland⁴ › Inovetica Holding AG, Baar, Switzerland › IPZ Property AG, Dübendorf, Switzerland² › Klinik Schloss Mammern AG, Mammern, Switzerland › Kuratle Group AG, Leibstadt, Switzerland › Novus Holding AG, Urdorf, Switzerland⁴ › Nüssli (Schweiz) AG, Hüttwilen, Switzerland President of the Board of Trustees <ul style="list-style-type: none"> › Profond Anlagestiftung, Zurich, Switzerland³ › Profond Vorsorgeeinrichtung, Zurich, Switzerland³ › Stiftung Innovationspark Zürich, Zurich, Switzerland² Member of the Board of Trustees <ul style="list-style-type: none"> › Wilhelm Schulthess - Stiftung, Zurich, Switzerland Chairman of the Board <ul style="list-style-type: none"> › Profond Vereinigung, Zurich, Switzerland³ Managing Director <ul style="list-style-type: none"> › BB's Pure GmbH, Küsnacht, Switzerland 	Member of the Board of Directors <ul style="list-style-type: none"> › Cornèr Banca SA, Lugano, Switzerland › Rothschild & Co. Bank AG, Zurich, Switzerland Managing Director <ul style="list-style-type: none"> › dP Capital GmbH, Freienbach, Switzerland Member of the Advisory Committee <ul style="list-style-type: none"> › SSVL (Monaco) SAM, Monaco 	Member of the Board <ul style="list-style-type: none"> › Kreissparkasse Biberach, Biberach an der Riss, Germany Vice-Chairman of the Supervisory Board <ul style="list-style-type: none"> › Genossenschaft für Wohnungsbau Oberland eG (GWO), Laupheim, Germany Managing Director <ul style="list-style-type: none"> › Chancenkapital Beteiligungs-GmbH, Biberach an der Riss, Germany › Chancenkapitalfonds der Kreissparkasse Biberach GmbH, Biberach an der Riss, Germany Member of the Advisory Board <ul style="list-style-type: none"> › Chancenkapital Deutsche Leasing AG, Bad Homburg vor der Höhe, Germany › BW Global Versicherungsmakler GmbH, Stuttgart, Germany 	Managing Director <ul style="list-style-type: none"> › Ares Real Estate Group of Ares Management Corporation, Los Angeles, USA (head office)

1 - 4 Considered as one mandate according to the provisions of the Articles of Association (affiliated companies, Article 20(3) of the Articles of Association).

None of the members of the Board of Directors is a member of the Executive Management of Peach Property Group AG or any Group company. Reto Garzetti, Peter

Bodmer, and Dr. Christian De Prati form the Supervisory Board of Peach Property Group (Deutschland) AG, based in Cologne, Germany. Reto Garzetti is the Chairman.

Areas of expertise and competencies

The following table shows what we consider to be the relevant expertise and competencies for the business activities of Peach Property Group and how they are covered by the members of our Board of Directors.

Expertise	BoD members covering the expertise
Acquisitions	5/5
Capital markets	5/5
Financing	5/5
Further board experience	4/5
Human Resources and Compensation	4/5
Management of larger organisations	5/5
Real estate asset and property management	2/5
Real estate Germany	4/5
Real estate Switzerland	3/5
Regulatory and Juridical	2/5
Sustainability and ESG	2/5
Technology and Digitization	3/5

Definition of independence in relation to the Board of Directors members

For us at Peach Property Group, independence requires that the respective member of the Board of Directors is a non-executive member who has either never, or at least not within the last three years, been a member of the Company's Executive Management. The member has also not been an employee or partner in our external auditors' audit engagement team during the last three years. Furthermore, an independent member has no or only minor business relations (< CHF 250 000 p.a.) with the Company or its Group companies. Neither the duration of the term of office nor the position as a significant shareholder are

criteria for the independence of a Board of Directors member if the respective member does not directly or indirectly hold or represent more than 15 percent of the share capital. The Board of Directors may define further criteria for the independence of its members.

As of December 31, 2022, the Board of Directors considers 4 of its 5 members as independent. The exception is Klaus Schmitz who acts as a shareholder representative within the meaning of Article 13(3) of the Articles of Association.

3.2. Additional activities and interests

Except for the positions mentioned in Section 3.1 "Members of the Board of Directors," the members of the Board of Directors do not perform any activities in management and supervisory bodies, or permanent management and advisory roles for key interest groups.

Members of the Board of Directors are obliged to abstain from voting when business matters arise, which may affect their interest, or the interest of people close to them. The Board of Directors decides whether a conflict of in-

terest is identified. The affected member of the Board of Directors, or Executive Management does not take part in the discussion, or in the decision concerning the relevant matter. The affected member, however, has the right to make a personal statement prior to the discussion held (see also Section 7.2 of the Organizational Regulations). The current organizational regulations were published on October 12, 2020, and can be found on our website at <https://www.peachproperty.com/en/investor-relations-en/#corporategovernance>.

3.3. Number of activities permitted under Article 12(1)(1) VegüV (as from January 1, 2023, Articles 626(2)(1) and 734e of the Swiss Code of Obligations)

Pursuant to Article 20 of the Articles of Association, each member of the Board of Directors may hold a total of no more than 15 mandates outside the Group in the highest management, or administrative bodies of non-charitable legal entities which are required to be registered in a commercial register, of which no more than five man-

dates may be held in legal entities whose equity securities are listed on a stock exchange. The number of additional mandates in legal entities not registered in a commercial register is limited to 15. Mandates in affiliated companies are regarded as one mandate.

3.4. Election and term of office

The members of the Board of Directors, as well as the Chairman of the Board of Directors, are elected individually by the General Meeting for a term of office of one year. Re-election is possible. According to the paragraph 3 of Article 13 of the Articles of Association, shareholders, or groups of shareholders with a shareholding of more than 15 percent have a binding right to propose a representative to the Board of Directors, also known as a shareholder representative. Furthermore, according to Section 2.6 of the Organizational Regulations, such shareholders, or groups of shareholders have the right to appoint, in addition to or instead of the shareholder representative, a person to attend the meetings of the Board of Directors and committees as an observer with no voting rights.

If a member of the Board of Directors is replaced before his or her term of office ends, his or her successor will be appointed for the remainder of this term. If the position of Chairman of the Board of Directors is vacant, the Board of Directors will appoint a new Chairman from among its members for the remaining term of office.

In addition, the General Meeting elects the members of the Compensation Committee individually for a period of one year. Re-election is also possible. This Committee consists of at least two members of the Board of Directors. The Chairman of the Compensation Committee is appointed by the Board of Directors.

In addition, the General Meeting elects the independent proxy annually. The proxy may be an individual or a legal entity or partnership. Re-election is possible. The independent proxy is obliged to exercise the voting rights assigned to him or her by the shareholders in accordance with their instructions. If the independent proxy has not received any instructions, he or she abstains from voting. If the Company does not have an independent proxy, or if the proxy is unavailable due to a lack of independence or for other reasons, the Board of Directors will appoint one ad interim for the period up to and including the next General Meeting; powers of attorney and instructions already given will remain valid for the new independent proxy, unless the shareholder has expressly instructed otherwise.

According to Section 2.2 of the Company's Organizational Regulations, an upper age limit of 70 years applies to members of the Board of Directors. The Board of Directors shall not propose to the General Meeting for election or re-election any person who has reached the age of seventy. The Board of Directors may resolve to make an exception for the Chairman of the Board of Directors. Otherwise, there are no restrictions on the term of office for the Board of Directors.

Selection criteria for new members of the Board of Directors

When proposing new members for election to the Board of Directors at the General Meeting, care is taken to ensure that the skills and expertise of the candidates align to the strategically relevant areas of the Peach Property Group in a broad and balanced manner. In addition, we strive for a

balanced composition in terms of age and length of board membership. We are committed to having more diversity on the board in the future and therefore aim to propose a female candidate for election.

3.5. Internal organization

Apart from the Chairman and members of the Compensation Committee, the Board of Directors organizes itself. Pursuant to Section 4.1 of the Organizational Regulations, the shareholder representative is entitled to sit on all existing and future committees or, regarding to the Compensation Committee, to be proposed for election at the General Meeting. The Board of Directors appoints its own secretary, who need not be a member of the Board.

Reto Garzetti was first elected as Chairman by the 2015 Annual General Meeting, held on May 8, 2015, and last re-elected as Chairman by the 2022 Annual General Meeting, held on May 20, 2022. In this position, he is responsible, among other things, for convening and preparing the meetings of the Board of Directors and the General Meeting, as well as for chairing the meetings.

The Board of Directors is convened as often as business requires, but at least three times a year. In addition, any member of the Board of Directors and the Chief Executive Officer of the Executive Management may request that a meeting be convened, stating the reasons.

The Board of Directors has a quorum when at least two thirds of its members are present (Article 18 of the Articles of Association). To be adopted, resolutions require a majority of the participating members of the Board of Directors, subject to the prevailing Organizational Regulations. In case the votes are tied, the person chairing the meeting casts the deciding vote. Circular resolutions require the unanimity of the participating members. No quorum is required for resolutions relating to a capital increase report or for decisions amending and confirming resolutions in connection with capital increases.

The following resolutions also require the approval of the shareholder representative or, if there are more than two shareholder representatives, of the shareholder representative representing the shareholder or shareholder group with the largest shareholding in the Company:

1. To approve or amend the annual budget and business planning
2. To exceed the loan-to-value ratio of the existing portfolio by more than 60 %
3. To apply for the delisting of the shares
4. To change the number of members of the Board of Directors in Article 13 paragraph 1 of the Articles of Association
5. To dispose of assets from the portfolio in excess of CHF 250 million
6. To execute transactions with related natural persons or legal entities and with significant shareholders (shareholders with shareholding of 3 % or more)
7. To amend the current Organizational Regulations regarding the above list of resolutions requiring the approval of the shareholders' representative

The following major resolutions require the approval of two-thirds of the members participating in the meeting or conference call:

1. To amend the dividend policy
2. To perform significant equity or equity-related financings and re-financings
3. To enter strategic partnerships
4. To perform investments and divestments of more than 5 % of consolidated shareholders' equity
5. To apply for the delisting of the shares
6. To propose the election or re-election of the members of the Board of Directors, with the exception of the shareholder representative
7. To appoint the members of the Executive Management
8. To dispose of assets from the portfolio in excess of CHF 5 million up to and including CHF 250 million
9. To dismiss or terminate members of the Executive Management and other key employees of the wider management team
10. To amend the current Organizational Regulations with regard to the above list of resolutions requiring two-thirds approval

The Company has Organizational Regulations, which were last amended on October 12, 2020. The regulations can be viewed at <https://www.peachproperty.com/en/investor-relations-en/#corporategovernance>. The Organizational Regulations govern the duties and powers of the bodies entrusted with the management of the Company.

The Board of Directors may entrust its members with the supervision and monitoring of certain specialist areas in a committee. These committees consist exclusively of members of the Board of Directors. Provided he or she is professionally qualified, the shareholder representative is entitled to attend all existing and future committees. The Board of Directors had three committees in the financial year:

- The **Audit and Risk Committee (ARC)** is composed of at least two members of the Board of Directors. It supports the Board of Directors with supervision of the accounting and financial reporting processes, the internal control system (ICS), and the audit firm (external auditors) as well as with monitoring compliance with legal requirements, as described in detail in the description

of duties in the Organizational Regulations. The Audit and Risk Committee meets at least three times a year, including once to discuss the annual financial statements with the auditors.

- The **Compensation Committee (CC)** is composed of at least two members of the Board of Directors. It supports the Board of Directors with determining and implementing the remuneration policy and system as well as in human resources, as described in detail in Article 22 of the Articles of Association and in the description of duties in the Organizational Regulations. The Compensation Committee meets at least twice a year. The Chairman of the Board of Directors and the Chief Executive Officer attend the meetings ex officio in an advisory capacity.
- The **Investment Committee (IC)** is composed of at least two members of the Board of Directors. It supports the Board of Directors with all investment matters and with assessing the associated risks, as described in detail in the description of duties and powers in the Organi-

zational Regulations. The Investment Committee has decision-making authority primarily for investments and divestments of between CHF 1 million and CHF 5 million in equity capital. It meets as often as business requires. The Chief Executive Officer attends the meetings ex officio in an advisory capacity.

Committee meetings can be integrated into the meetings of the Board of Directors.

The committees had the following members in the current financial year:

Audit and Risk Committee, ARC	Compensation Committee, CC	Investment Committee, IC
Peter Bodmer (Chairman) Reto Garzetti Klaus Schmitz	Dr. Christian De Prati (Chairman) Kurt Hardt Klaus Schmitz	Kurt Hardt (Chairman) Reto Garzetti Peter Bodmer Dr. Christian De Prati Klaus Schmitz

Calendar of meetings of the Board of Directors and committees, with details of duration and attendance

Meeting title	Nature	BoD	ARC	CC	IC	Duration in min.	Attendance
ARC 01	Meeting ¹		X			65	P. Bodmer excused
BoD 01 / CC 01	Meeting ¹	X		X		210	Full attendance
without designation	Circular resolution	X		X		n.a.	Full attendance
related to BoD 01	Circular resolution	X				n.a.	Full attendance
IC 01	Circular resolution				X	n.a.	Full attendance
BoD 02 / ARC 02 / CC 02	Meeting ¹	X	X	X		370	Full attendance
BoD 03	Circular resolution	X				n.a.	Full attendance
without designation	Circular resolution	X				n.a.	Full attendance
BoD 05 and CC 03	Meeting ¹	X		X		205	Full attendance
BoD 06	Meeting ¹	X				110	Full attendance
BoD 07	Circular resolution	X				n.a.	Full attendance
BoD 08 / ARC 03	Meeting ¹	X	X			395	Full attendance
BoD 09	Meeting ¹	X				55	Full attendance
BoD 10	Meeting ¹	X				265	Full attendance
BoD 11	Meeting ¹	X				100	Full attendance
BoD 12	Meeting ¹	X				70	Full attendance
BoD 13	Meeting ¹	X				55	Full attendance
BoD 14	Meeting ¹	X				120 ²	P. Bodmer excused
BoD 15	Circular resolution	X				n.a.	Full attendance
BoD 16 / ARC 04	Meeting ¹	X	X			290	Full attendance
Total number of meetings and circular resolutions		18	4	4	1		
Total duration (excl. circular resolutions)						2.310	
Average duration (excl. circular resolutions)						178	

¹ Session with telephone dial-in.

² Estimated duration.

The meetings were attended, without voting rights, by Dr. Thomas Wolfensberger (Chief Executive Officer), Dr. Marcel Kucher (Chief Financial and Operating Officer until May 31, 2021), Thorsten Arsan (Chief Financial Officer from June 1, 2021), and, as Secretary to the Board of Directors, Peter Slongo (General Counsel). Dr. Andreas Steinbauer

(Head of Letting and Sales), Nicole Grau (Head of Group Accounting), and representatives of the external auditors and the property appraiser also attended, as required. A representative of our anchor shareholder also attended several meetings as an observer, within the meaning of Section 2.6 of the Organizational Regulations.

3.6. Powers

The Board of Directors is the highest management body of the Company. In accordance with the Organizational Regulations, it may delegate some or all of its duties and powers to its individual members or to third parties, unless otherwise provided by law (in particular Article 716a of the Swiss Code of Obligations) or the Articles of Association.

The current Articles of Association and Organizational Regulations can be found on our website [peachproperty.com](https://www.peachproperty.com/en/investor-relations-en/#corporategovernance) at <https://www.peachproperty.com/en/investor-relations-en/#corporategovernance>.

The Board of Directors has delegated the operational management of the Company and the related management duties to the Executive Management within the limits of

the law, the Articles of Association, and the Organizational Regulations, as described in detail in the description of duties and powers in the Organizational Regulations. Within this framework, the day-to-day business is managed by the Executive Management. The Executive Management also manages the Group companies. The Executive Management elected by the Board of Directors consists of at least a Chief Executive Officer (CEO) and a Chief Financial Officer (CFO). However, other persons may also be elected to the Executive Management.

The Board of Directors may at any time, on a case-by-case basis or within the framework of a general reservation of powers, intervene in the duties and powers of the Executive Management and take charge of the business.

3.7. Information and monitoring instruments vis-à-vis the Executive Management

The Chairman of the Board of Directors meets regularly with the CEO and the CFO. Additional members of the Board of Directors or the Executive Management participate as required. In addition, the Executive Management informs the Board of Directors about developments with the investment properties by means of a periodic portfolio report. The Board of Directors is also informed at least quarterly, via a Management Information System (MIS), in particular regarding liquidity trends, progress with the

investment properties, sales performance, and budget achievement. The Chief Executive Officer and the Chief Financial Officer attend the meetings of the Board of Directors and provide comprehensive information on the performance of the business and any events, report on matters on the agenda, and are available to answer questions and provide information.

4

Executive Management

4.1. Members of the Executive Management

In the 2022 financial year, the Executive Management of Peach Property Group AG was as follows:

First name, last name	Position	With Peach Property Group since
Dr. Thomas Wolfensberger	Chief Executive Officer	2006
Thorsten Arsan	Chief Financial Officer	2021
Dr. Andreas Steinbauer	Head of Letting and Sales	2009

Dr. Thomas Wolfensberger
(Chief Executive Officer)

Born in 1972
Swiss citizen


Thorsten Arsan
(Chief Financial Officer)

Born in 1974
German citizen


Dr. Andreas Steinbauer
(Head of Letting and Sales)

Born in 1975
Swiss and German citizen


Education

Economics at the University of Zurich /
Doctorate in Economics (Dr. oec. publ.)

Degree in business administration with
a focus on real estate and construction
from the Biberach University of Applied
Sciences / MBA program International
Real Estate Management at the South
Bank University in London

Degree in Business Administration
from Georg-Simon-Ohm University in
Nuremberg / Master's Degree in Real
Estate and Doctorate in International
Real Estate Markets

Professional history

With Peach Property Group since
2006, as CEO since 2007.
2000 to 2006 Founder and CEO of
Swissrisk, a financial software provider,
and active in due diligence appraisals
for real estate funds.
He was previously employed by com-
panies including Accenture and IBM.

From June 1, 2021, the CFO of
Peach Property Group.
Previously he was Head of Corporate
Finance/Deputy Head of Finance &
Treasury at Vonovia SE (2013 – 2020)
and the former Senior Vice President
for Finance, Controlling, Investor
Relations and M&A at Adler Group SA.
(2020 – 2021).

With Peach Property Group since 2009,
as Head of Sales and Marketing since
2013, as Head of Letting and Sales from
Q4/2018.
Until 2009 he was responsible for the
portfolio of luxury project develop-
ments of the Orco Property Group in
Berlin.

Mandates outside Peach Property Group

None

None

None

4.2. Additional activities and interests

As of December 31, 2022, the members of the Executive Management did not perform any activities in management and supervisory bodies or permanent management and advisory roles for key interest groups.

4.3. Number of activities permitted under Article 12(1)(1) VegüV (as from January 1, 2023, Articles 626(2)(1) and 734e of the Swiss Code of Obligations)

Pursuant to Article 24 of the Articles of Association, each member of the Executive Management may hold outside the Group a total of no more than three mandates in the highest management or administrative bodies of non-charitable legal entities which must be registered in a commercial register, of which no more than one man-

date may be held in legal entities whose equity securities are listed on a stock exchange. The number of additional mandates in legal entities not registered in a commercial register is limited to ten. Mandates in affiliated companies are regarded as one mandate.

4.4. Management contracts

We have not concluded any management contracts with third parties.

5

Remuneration, shareholdings, and loans

All information and explanations relating to the remuneration and shareholdings of the members of the Board of Directors and Executive Management can be found in the

separate Remuneration Report, the second section of this Corporate Governance and Remuneration Report.

6

Shareholders' participation rights

The applicable Articles of Association can be found on our website at <https://www.peachproperty.com/en/investor-relations-en/#corporategovernance>.

6.1. Proxy voting and voting restrictions

In relation to the Company, only the person or entity entered in the share register is recognized as the shareholder or usufructuary. Each share entitles the holder to one vote, and only those who are entered in the share register with voting rights can also exercise their voting rights at the General Meeting. Shareholders registered with voting rights may be represented at the General Meeting by

another shareholder, a third party, or the independent proxy under a written power of attorney. Shareholders can also issue powers of attorney and voting instructions to the independent proxy electronically. Powers of attorney and instructions may only be issued for the upcoming General Meeting.

Article 5 of the Articles of Association sets out restrictions on transfer and registration. For example, no entries are generally made in the share register from the 15th day before the General Meeting up to and including the day of the General Meeting. The voting rights of acquirers and related rights remain suspended during this period.

In accordance with Article 5 of the Articles of Association, the Board of Directors may only refuse to approve the

transfer of shares to an acquirer or usufructuary and/or to register the new acquirer if the acquirer, despite a request from the Company, does not expressly declare that he or she has acquired the shares in his or her own name and for his or her own account or, in the case of an application for registration as a nominee, does not expressly declare his or her willingness to disclose the names, addresses, and shareholdings of the persons for whose account he or she holds the shares (beneficial owners).

6.2. Quorums prescribed by the Articles of Association

Our Articles of Association do not provide for any special quorums beyond the legal requirements for passing resolutions (Articles 703 and 704 of the Swiss Code of Obligations).

6.3. Convocation of the General Meeting

The ordinary General Meeting of our Company is held annually within six months of the close of the financial year. Extraordinary General Meetings can be convened at any time as required. A General Meeting may be convened by the Board of Directors, auditors, or liquidators. The Board of Directors also convenes a General Meeting upon request of shareholders who together represent at least 10 % of all shares, stating the items on the agenda and the motions (Article 7 of the Articles of Association).

General Meetings are convened at least 20 days prior to the date of the General Meeting, stating the agenda and the motions submitted, by means of a single publication

in the Swiss Official Gazette of Commerce and in writing to all shareholders entered in the share register (Article 8(1) of the Articles of Association).

In the 2022 financial year, the Annual General Meeting of our Company was held in Zurich on May 20, 2022. Due to the coronavirus situation, shareholders and shareholder representatives could not physically attend the General Meeting, as in the previous years. Based on Article 27 of Ordinance 3 on Measures to Combat the Coronavirus (COVID-19), the Board of Directors has decided that shareholders may exercise their rights at the General Meeting exclusively through the independent proxy.

6.4. Putting items on the agenda

Shareholders who together represent at least 3 % of all shares may request that items be included on the agenda. The request for inclusion on the agenda must reach

the Company at least 45 days before the General Meeting (Article 8(2) of the Articles of Association).

6.5. Entries in the share register

See Section 6.1. "Proxy voting and voting restrictions".

7

Change of control and defensive measures

7.1. Obligation to make an offer

According to the applicable financial market regulations, a person who directly, indirectly, and/or together with third parties acquires shares in a company listed in Switzerland and thereby exceeds the limit of 33 $\frac{1}{3}$ % of the voting rights of the company must submit a takeover bid for the acquisition of all shares.

Our Articles of Association do not provide for any relaxation of or exceptions to the obligation to make an offer (no opting-up or opting-out clause).

7.2. Change of control clauses

In the event of a change of majority control over our Company, there are no agreements that confer preferential treatment on the members of the Board of Directors and the Executive Management.

8

Auditors

8.1. Duration of mandate and period of office of the lead auditor

The auditors are elected annually by the General Meeting. Since the 2006 financial year, PricewaterhouseCoopers AG, Zurich, has acted as the statutory and Group auditor of Peach Property Group AG. Since the 2021 financial year, the lead auditor is Mr. Patrick Balkanyi.

The Audit and Risk Committee assesses the performance and independence of the auditors annually and periodically invites tenders for the mandate. In doing so, the Audit

and Risk Committee is guided by statutory requirements, current corporate governance recommendations and European practice. The most recent invitation to tender was issued in the 2013 financial year with three leading providers. PricewaterhouseCoopers AG, Zurich, won the tender due to its tailor-made audit approach. There is also a legal obligation that the lead auditor must be replaced after seven years.

8.2. Auditor's fee

For the current financial year, we expect audit fees of CHF 792 thousand (previous year: CHF 949 thousand). These consist of the examination and review of annual, group and semi-annual reports, as well as audit services in connection with capital market transactions (corpo-

rate bonds/mandatory convertible bonds). The decrease compared to the previous year is mainly explained by non-recurring events in the previous year. All referenced amounts are including value-added taxes.

8.3. Additional fees

In the current financial year, additional fees were incurred towards PricewaterhouseCoopers for consulting services in the amount of CHF 521 thousand (previous year: CHF 781 thousand). The fees related to ongoing tax advice (e.g. tax returns) and tax advice in connection with acquisition activities (tax due diligence).

Fees totaling CHF 681 thousand (previous year: CHF 775 thousand) related to the independent real estate appraiser Wüest Partner AG, Zurich, and W&P Immobilienberatung GmbH, Frankfurt.

All referenced amounts are including value-added taxes.

8.4. Information tools pertaining to the external audit

The Audit and Risk Committee's responsibilities include regular and effective monitoring of the effectiveness, activity, and reporting of the external auditors. It assesses the scope of the external audit by the auditors, the relevant procedures, and discusses the audit results with the external auditors. Representatives of the external auditors attend the meetings of the Audit and Risk Committee at least once a year, in particular, to discuss the annual finan-

cial statements, explain their activities, and are available to answer questions.

The Audit and Risk Committee annually assesses the performance, remuneration, and independence of the external auditors. Based on its recommendation, the Board of Directors submits a proposal to the General Meeting for the election of the external auditors.

9

Information policy

We provide our shareholders and the capital market with open, timely, and transparent information. Financial reporting takes the form of annual and semi-annual reports. We prepare these in accordance with the International Financial Reporting Standards (IFRS). These reports comply with Swiss law and the regulations of the SIX Swiss Exchange.

We publish facts relevant to the share price in fulfillment of the obligation to provide ad hoc publicity in accordance with the provisions of the Listing Rules and the Directive on Ad Hoc Publicity (RLAhP). Our press releases can be viewed at any time on our website under the heading "Investors" or at <https://www.peachproperty.com/en/>

[investoren/investor-news/](https://www.peachproperty.com/en/investoren/investor-news/). This section contains further continuously updated information about our Company and the Group. Ad hoc announcements and other press releases are also sent to interested parties by email on request. To register, visit our website at <https://www.peachproperty.com/en/newsletter-registration/>.

All communications from the Company to shareholders are sent in writing by ordinary letter to the shareholder, or of the person authorized to receive documents, as entered in the share register. The Swiss Official Gazette of Commerce is the Company's official publication medium (Article 38 of the Articles of Association).

10

Blocking periods for trading

During trading blocking periods, members of the Board of Directors, management and employees are prohibited from trading in Peach Property Group securities. A normal trading blocking period (black out period) begins five trading days prior to the end of the Company's reporting period and ends with the public announcement of the financial results. No exceptions are made to normal

trading blocking periods. The General Counsel notifies of trading blocking periods. In addition, the Chairman of the Board of Directors may, together with the CEO or CFO, institute extraordinary blocking periods for certain connected persons. Persons subject to such extraordinary blocking periods are notified by email.

Contacts

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Telephone +41 44 485 50 00 | investors@peachproperty.com

Important dates

- General Meeting 2023: Wednesday, May 24, 2023, in Zurich.
- Publication of 2023 half-year results: Wednesday, August 23, 2023

Section 2 - Remuneration Report

1

Introduction

The remuneration policy is part of corporate governance. Both the Board of Directors, and Executive Management are committed to sound corporate governance to facilitate the sustainable development of the Group. This includes a balanced and fair performance- and success-orientated remuneration policy.

This Remuneration Report contains an overview of the content and procedures in determining the remuneration and the shareholding programs of the Board of Directors, and Executive Management, as well as statements on the remuneration for the financial year in comparison with the previous year.

The Remuneration Report complies with the provisions of the Ordinance against Excessive Remuneration in Listed Companies Limited by Shares (VegüV), which was absorbed in Articles 734 et seqq. of the Swiss Code of Obligations from January 1, 2023 (for the 2022 financial year, the provisions of the VegüV were still in force and applicable to the remuneration reported in this Remuneration Report); the Directive on Information Relating to Corporate Governance (DCG) of the SIX Exchange Regulation AG; and is based in particular on the provisions of Articles 26 to 35 of the Articles of Association.

The Articles of Association can be viewed on our website at <https://www.peachproperty.com/en/investor-relations-en/#corporategovernance>.

2

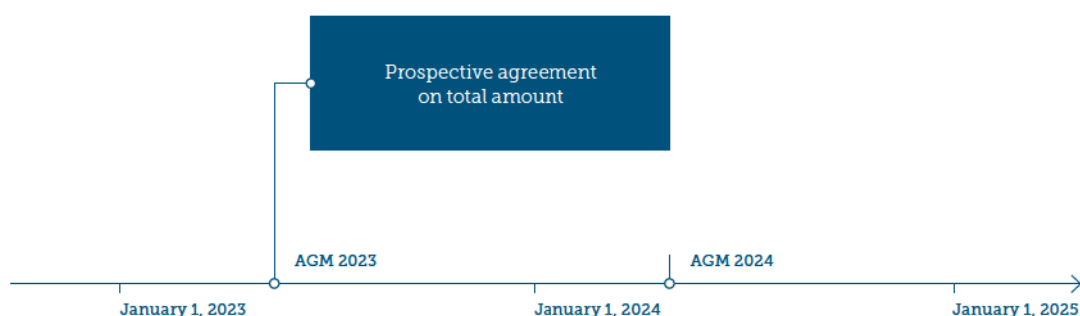
Responsibilities and determination procedures

In collaboration with the Chief Executive Officer, the Compensation Committee prepares a proposal for the remuneration of the Board of Directors and Executive Management. Based on the proposal, the Board of Directors resolves on the total remuneration for its members, and the members of the Executive Management, and requests approval in the upcoming General Meeting.

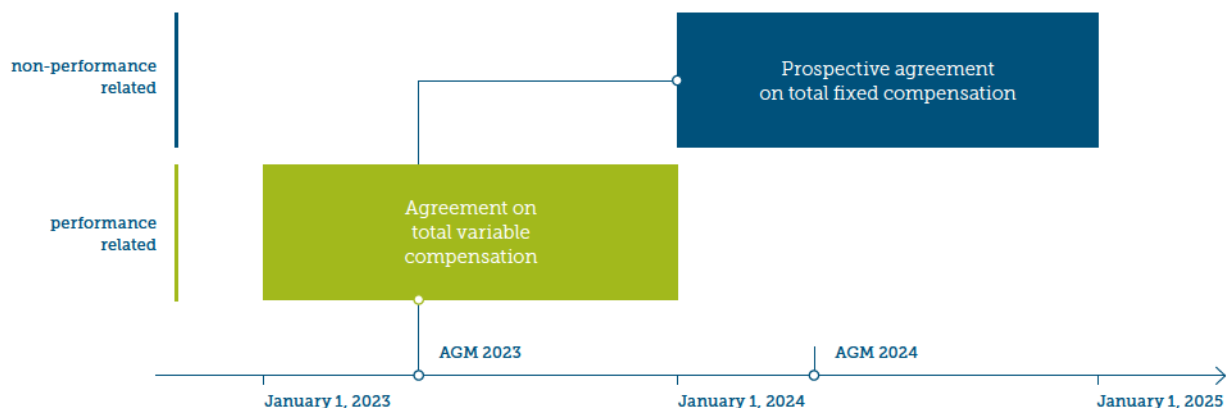
The General Meeting approves, in accordance with Article 26(1) of the Articles of Association, the maximum total amounts of:

- › remuneration of the Board of Directors for the period up to the next Annual General Meeting, and;
- › non-performance-related remuneration of the Executive Management for the next financial year, as well as;
- › performance-related remuneration of the Executive Management for the financial year in which the General Meeting is held.

Remuneration of the Board of Directors



Remuneration of the Executive Management



If the General Meeting rejects a motion by the Board of Directors, the Board of Directors may, pursuant to Article 26(5) of the Articles of Association:

- › either submit a new motion to the same General Meeting, or;
- › convene an Extraordinary General Meeting within three months, and submit a new motion, or;
- › determine a maximum total amount or several maximum partial amounts, considering all relevant factors, and submit this, or these, to the next Annual General Meeting for approval.

Based on the proposal by the Chief Executive Officer, and the motion by the Compensation Committee, the Board of Directors prepares the Remuneration Report on the remuneration paid and submits this to the General Meeting for consultative approval (Article 26(3) of the Articles of Association).

For details of the scope of duties of the Compensation Committee and the allocation of powers, see also the Organizational Regulations at <https://www.peachproperty.com/en/investor-relations-en/#corporategovernance>.

3

Remuneration system

3.1. General principles

The remuneration system within our Group is intended to deliver a competitive and performance-oriented remuneration policy. Our aim with this is to promote long-term management of the Group and sustainable business success. The remuneration of the Board of Directors and the Executive Management should be in line with the market,

appropriate for the effort and responsibility involved, and the size of the Group. The Board of Directors, and management should duly share in the success of our Company. The Compensation Committee continuously monitors the development of salaries in comparable companies, and reports on this to the Board of Directors.

3.2. Remuneration of the Board of Directors

In accordance with Article 28 of the Articles of Association, the remuneration of the members of the Board of Directors is made up of:

- a) modular remuneration based on position on the Board of Directors and membership of committees, and;
- b) variable remuneration dependent on the achievement of Company targets plus the Company's social security contributions.

As in the previous years, the basic remuneration for the President of the Board of Directors is CHF 160 000, and CHF 50 000 for a member of the Board of Directors. The remuneration for chairing a committee also remains unchanged at CHF 30 000, and the remuneration for committee membership remains unchanged at CHF 20 000. All amounts are per year of office, and exclude social security contributions.

Members of the Board of Directors receive a portion of their remuneration described in a) in shares of the Company, blocked for one year. For the 2022 financial year, the Board of Directors approved a share component of 50 % (previous year: 50 %). The number of shares is determined based on the average share price of the last ten trading days in the financial year and the first ten trading days in the new financial year ("allotment price"). For the calculation of the amount of the remuneration in this remuneration report, the number of shares determined for the

allotment price is multiplied by the closing price of the allotment according to the allotment decision of the Board of Directors ("price at allotment"). The relevant prices for the 2022 compensation are: allotment price CHF 17.06, and price at allotment CHF 21.05.

In the current financial year, as in previous years, members of the Board of Directors were also allotted Performance Stock Units ("PSUs"). PSUs are entitlements to shares and represent variable remuneration dependent on the achievement of Group targets. Information on the PSU programs can be found in Section 3.4 and in Note 14 to the consolidated financial statements.

Klaus Schmitz, who acts as a shareholder representative within the meaning of Article 13(3) of the Articles of Association, does not receive any remuneration or PSUs. Furthermore, Kurt Hardt does not participate in the current and future PSU programs either.

3.3. Remuneration of the Executive Management

In accordance with Article 31 of the Articles of Association, the remuneration of the members of the Executive Management is composed of a non-performance-based basic remuneration, and a performance-based remuneration plus the Company's contributions to social security and occupational pension schemes, as well as other fringe benefits provided by the Company (in particular, company cars).

The fixed, non-performance-related portion of the remuneration, corresponds to the basic salary agreed in the employment contract or the annual remuneration notification. The basic salary considers the aspects of position, powers, degree of responsibility, and individual experience, as well as the market and internal wage structure.

The variable, performance-based remuneration paid to the members of the Executive Management depends on the achievement of both Group, and individual targets. These are based on the qualitative and quantitative goals and parameters set by the Board of Directors.

Group targets (corporate KPIs of the Group) are based on the respective budgets and are set annually by the Board of Directors for the entire Group. Group targets in the current financial year were set for the share price, net income and FFO I, all three with an equal weighting. For 2022 financial year, these goals have not been met.

At the request of the Compensation Committee of the Board of Directors, individual goals or targets for Executive Management are agreed annually, and in line with the

Group's strategic goals. In principle, no more than five individual goals are agreed, the majority of which should be quantitatively measurable.

The variable remuneration is limited to no more than 150 % of the fixed remuneration in total. In justified cases, the Board of Directors may also decide on a higher proportion for the variable remuneration. For Dr. Andreas Steinbauer, Head of Letting and Sales, a special rule applies with a lower fixed salary and commissions dependent on letting and sales success, which can be more than one and a half times the fixed salary. The commission model is based primarily on a share of one month's rent for newly rented apartments, where the percentage varies depending on whether the rental is a fluctuation rental (rental of a previously rented apartment after the tenants have left) or a rental to reduce vacancy (rental of an apartment not previously rented) and the sale of units (e.g., condominiums of the "Peninsula Wädenswil" development project in Switzerland). Furthermore, Dr. Andreas Steinbauer receives a bonus for the reduction of lost income due to collection risk. Added to this are sales commissions for apartments sold. In Dr. Steinbauer's case, the bonus that is dictated by the success of the Group and the continued achievement of individual targets is relatively low.

According to the bonus policy of the Group, up to 60 % of the bonus of the Chief Executive Officer and up to 50 % of the bonus of the other members of Executive Management can be paid in the form of shares in the Company - blocked for one year.

The Board of Directors decided to uniformly settle 50 % of the 2022 bonuses in shares for all members of Executive Management. The portion of commissions for the Head of Letting and Sales, Dr. Andreas Steinbauer, settled through shares amounts to 35 %. As with the Board of Directors, the number of shares is determined using the allotment price, and the number of shares is multiplied by the price at the time of allotment to calculate the amount of the remuneration.

The members of the Executive Management can participate in option and participation plans. In the current financial year, all members of the Executive Management were allotted PSUs under a further PSU program. Further information is provided in Section 3.4, and in Note 14 to the consolidated financial statements.

3.4. Option plans and other employee participation plans

Performance Stock Unit programs

In the 2022 financial year, the Board of Directors approved a framework for share-based payment compensation, called "2022 – 2024 PSU program".

Under this program, as with the earlier PSU programs, entitlements were allotted to program participants in the form of PSUs (Performance Stock Units). These PSU programs, designed as long-term incentive programs, allow us to attract the best talent and motivate and keep these talents focused on the Group's long-term success. The maximum number of PSUs that are allotted to program participants is determined by the Board of Directors. The PSUs are entitlements up to two shares per PSU, depending on the achievement of corporate objectives over the three-year vesting performance period, provided that the beneficiary is still employed by the Group at the time of vesting.

The vesting period for the PSU program 2019 – 2021 ended as per the 2021 financial year and was approved as part of the annual financial statements 2021 in the General Meeting 2022. Approval of the PSU program 2020 – 2022 will take place in the General Meeting 2023, for the PSU program 2021 – 2023 at the General Meeting 2024, and for the PSU program 2022 – 2024 in the General Meeting 2025. The share allocation will be made no later than six months after the respective vesting.

The Group has no legal or constructive obligation to repurchase or settle the entitlements in cash. In the event of a change of control at the Company, the Board of Directors can adapt the outstanding programs to the new circumstances while safeguarding the interests of the beneficiaries as best as possible, in particular by shortening the performance period by adjusting the targets.

The targets to be achieved under the PSU programs are all Group targets. Through the PSU program 2020 – 2022, two sub-targets are to be achieved, each with a weighting of 50 %, namely the capital market and the consolidated earnings sub-target. From the PSU program 2021 – 2023 on-

wards, the average interest rate on external borrowings is added as a further sub-target to the existing sub-targets, with all three carrying an equal weighting of 33 ⅓ %.

The capital market sub-target measures the share price three days after publication of the provisional annual results of the last financial year of the performance period (not counting the day of publication). As price target (capital market sub-target), an annual TSR (Total Shareholder Return, i.e. share price development plus any dividends or other benefits paid) of 8 % p.a. over the performance period was set for the latest program. The consolidated earnings sub-target measures the cumulative consolidated result after tax compared to the budget and business plan over the entire performance period. The average interest rate on external borrowings for the Group in the last year of the performance period is relevant with respect to the third sub-target.

Under the 2022 – 2024 PSU program, 24 700 PSUs were allocated. The allocation was made on April 1, 2022. Under this program 500 entitlements were forfeited as of December 31, 2022.

In the 2021 financial year, under the 2021 – 2023 PSU program, 43 000 PSUs were allotted as of April 1, 2021, of which 3 500 entitlements were forfeited as of December 31, 2022.

In the 2020 financial year, under the 2020 – 2022 PSU program, 42 000 PSUs were allotted as of June 2, 2020, of which 10 500 entitlements were forfeited as of December 31, 2022.

Under the 2019 – 2021 PSU program, 31 500 PSUs vested at the General Meeting on May 20, 2022. In June 2022, a total of 63 000 registered shares in Peach Property Group AG were allocated to the beneficiaries.

Further information on the PSU program can be found in Note 14 to the consolidated financial statements.

3.5. Fringe benefits

Fringe benefits include, in particular, company cars which may also be used privately. All members of the Executive Management are entitled to a company car.

3.6. Pension benefits

The occupational pension benefits to which the members of the Executive Management are entitled are based on the internal pension regulations applicable to all management employees. The Company as employer makes the usual equal contribution of compulsory contributions. For voluntary retirement savings, the employer's contribution made by the Company to the savings contributions is 60 %. The risk contributions as well as the contributions for the other costs are funded entirely by the Company.

In the case of the members of the Board of Directors, who settle accounts in person, the Company pays the usual employer's contributions to the social security schemes. Peter Bodmer settles his Board of Directors' fee through a company, which is why his fee is not subject to social security contributions. Kurt Hardt, who is resident in Germany, does not have to pay any social security contributions in Switzerland. Klaus Schmitz does not receive a fee and therefore no social security contributions arise.

3.7. Notice period for employment contracts involving the Executive Management / severance payments

The notice period for members of the Executive Management is three months.

There are no agreements relating to sign-on bonuses, severance pay or clawback provisions for the members of either the Executive Management or the Board of Directors.

4

Remuneration in the 2022 financial year

4.1. Remuneration paid to the Board of Directors

The remuneration paid to the members of the Board of Directors for the 2022 financial year, including social security contributions and a valuation of the share component at the price upon allotment (closing price on Febru-

ary 3, 2023, the third day of trading after publication of the provisional annual results, day of publication not counted) as well as a valuation of the allotted PSUs, totals CHF 822 thousand and is broken down as follows:

Name, position in CHF	2022 remuneration					2021 remuneration				
	Fee in cash	Fee in shares ²	PSUs at fair value ³	Social sec. ⁴	Total	Fee in cash	Fee in shares	PSUs at fair value	Social sec. ⁴	Total
Reto Garzetti, Chairman	100 000	123 374	97 000	23 110	343 484	100 000	93 584	139 860	24 053	357 497
Peter Bodmer, Member	50 000	61 698	65 475	0 ⁵	177 173	50 000	46 821	93 240	0 ⁵	190 061
Dr. Christian De Prati, Member	50 000	61 698	65 475	12 970	190 143	50 000	46 821	93 240	13 913	203 974
Kurt Hardt, Member	50 000	61 698	0 ⁶	0 ⁷	111 698	50 000	46 821	93 240	0 ⁷	190 061
Klaus Schmitz, Member ¹	0	0	0	0	0	0	0	0	0	0
					822 498					941 593

¹ Shareholder representative Klaus Schmitz does not receive a fee.

² Valuation at closing price on February 3, 2023, of CHF 21.05 per share, share component 50 %.

³ Valuation at allotment on April 1, 2022, of CHF 48.50 per PSU.

⁴ Contributions by the Company.

⁵ Settlement via a company / no social security contribution.

⁶ Kurt Hardt does not participate in the current and future PSU-programs.

⁷ No social security contributions are incurred in Switzerland.

The total remuneration of the Board of Directors decreased compared to the previous year mainly due to a reduction of PSUs allotted to the Board of Directors (4 700 PSUs in the 2022 financial year vs. 9 000 PSUs in the previous year). The fair value of the PSUs is determined by a specialized external office, using the Monte Carlo method,

and increased slightly from CHF 46.62 (previous year) to CHF 48.50 in the current financial year.

No other non-arm's length remuneration was paid to members of the Board of Directors and/or to persons closely linked to them.

4.2. Remuneration paid to members of the Executive Management.

The remuneration paid to the members of the Executive Management for the 2022 financial year, including fringe benefits (company cars), commissions, social security contributions, and a valuation of the share component of the bonus at the price upon allotment (closing price on

February 3, 2023, the third day of trading after publication of the provisional annual results, day of publication not counted) as well as a valuation of the allotted PSUs, totals CHF 2 758 thousand and is broken down as follows:

Name, position in CHF	2022 remuneration								Total
	Fixed remuneration in cash	Variable remuneration in cash	of which commissions	Variable remuneration in shares ¹	of which commissions	PSUs fair value ²	Fringe benefits ³	Social sec. and occ. pension ⁴	
Dr. Thomas Wolfensberger, CEO	450 000	92 400	0	114 007	0	194 000	14 830	128 031	993 268
Thorsten Arsan, CFO	275 000	43 005	0	53 067	0	145 500	7 906	85 934	610 412
Dr. Andreas Steinbauer, Head of Letting and Sales	180 000	452 337	450 337	301 668	299 205	72 750	9 577	138 400	1 154 732
									2 758 412

1 Valuation at closing price of February 3, 2023, of CHF 21.05 per share, share component 50 % of the bonus for all members of the Executive Management and 35 % of the commissions for Head of Letting and Sales, Dr. Andreas Steinbauer.

2 Valuation at allotment on April 1, 2022, of CHF 48.50 per PSU.

3 Company cars.

4 Contributions by the Company.

The highest individual remuneration in the current financial year, in the amount of CHF 1 155 thousand, was earned by Dr. Andreas Steinbauer, Head of Letting and Sales (previous year: Chief Executive Officer, Dr. Thomas Wolfensberger, CHF 1 452 thousand).

In the previous year, the remuneration paid to the members of the Executive Management totalled CHF 3 397 thousand and is broken down as follows:

Name, position in CHF	2021 remuneration								Total
	Fixed remuneration in cash	Variable remuneration in cash	of which commissions	Variable remuneration in shares ²	of which commissions	PSUs fair value ³	Fringe benefits ⁴	Social sec. and occ. pension ⁵	
Dr. Thomas Wolfensberger, CEO	400 000	275 000	0	257 371	0	349 650	13 183	156 636	1 451 840
Dr. Marcel Kucher, CFO und COO (until May 31, 2021) ¹	125 000	145 833	0	0	0	0	3 305	46 834	320 972
Thorsten Arsan, CFO (from June 1, 2021) ¹	160 417	64 167	0	60 065	0	213 270	3 359	72 638	573 916
Dr. Andreas Steinbauer, Head of Letting and Sales	180 000	391 401	387 551	198 888	195 314	139 860	8 513	131 557	1 050 219
									3 396 947

1 Fixed and variable remuneration pro rata temporis

2 Valuation at closing price of February 7, 2022, of CHF 58.60 per share, shareholding 50 % of the bonus for Dr. Thomas Wolfensberger and Thorsten Arsan, and 50 % of the bonus and 35 % of the commissions for Dr. Andreas Steinbauer.

3 Valuation at allotment on April 1, 2021, of CHF 46.62 per PSU.

4 Company cars.

5 Contributions by the Company.

The total remuneration of the Executive Management decreased compared with the previous year, partly due to lower bonuses as part of the Executive Management's variable remuneration (CHF 307 thousand for the 2022 financial year vs. CHF 810 thousand for the previous year; amounts exclusive social security contribution by the Company), and partly due to a reduction of PSUs allotted to the Executive Management (8 500 PSUs in the 2022

financial year vs. 15 500 PSUs in the previous year). The fair value of the PSUs is determined by a specialized external office, using the Monte Carlo method, and increased slightly from CHF 46.62 (previous year) to CHF 48.50 in the current financial year.

No other remuneration was paid to members of the Executive Management and/or to persons closely linked to them.

4.3. Loans and credits to the Board of Directors and Executive Management

We have not granted any loans, credits, or similar instruments to any member of the Board of Directors or the Executive Management or to persons closely linked to them.

4.4. Comparison of remuneration paid with remuneration approved by the General Meetings

A comparison of the remuneration paid in the reporting year with the one approved by the General Meeting requires a pro rata calculation, for the Board of Directors, of the share of the year of office from January 1, 2022, through the 2022 Annual General Meeting, and from the

2022 Annual General Meeting through December 31, 2022. No such conversion is required for the remuneration paid to the Executive Management, as here the Annual General Meeting approves the remuneration per financial year.

in CHF	Remuneration paid in the 2022 financial year	Remuneration approved for the 2022 financial year ¹
Remuneration of the Board of Directors	822 498	1 000 000
Remuneration of the Executive Management		
Non-performance-related remuneration (fixed pay)	1 187 472	1 400 000
Performance-related remuneration (variable pay)	1 570 940	2 600 000
Total remuneration of the Executive Management	2 758 412	3 800 000

¹ In principle, a comparison of the remuneration of the Board of Directors paid in the current financial year with the one approved by the General Meeting requires a pro rata calculation as the General Meeting approves the remuneration of the Board of Directors for a term of office until the next General Meeting. No such conversion is required for the remuneration paid to the Executive Management, as here the Annual General Meeting approves the remuneration per financial year.

All of the remuneration paid to the Board of Directors and the Executive Management in the 2022 financial year is below the approved maximum amounts (Board of

Directors -18%, fixed Executive Management remuneration -15%, and variable Executive Management remuneration -40%).

4.5. Remuneration paid to the Advisory Board

The Company does not have any advisory boards within the meaning of the VegüV.

5

Shareholdings of the Board of Directors and Executive Management

5.1. Rights to option plans and other participation plans

As of December 31, 2022, the members of the Board of Directors and Executive Management were entitled to the following participation plans:

Name, position	Number of PSUs ¹
Reto Garzetti, Chairman of the Board of Directors	8 000
Peter Bodmer, Member of the Board of Directors	5 350
Dr. Christian De Prati, Member of the Board of Directors	5 350
Kurt Hardt, Member of the Board of Directors	0 ²
Klaus Schmitz, Member of the Board of Directors	0
Dr. Thomas Wolfensberger, Chief Executive Officer	19 000
Thorsten Arsan, Chief Financial Officer	8 000
Dr. Andreas Steinbauer, Head of Letting and Sales	7 500
Total	53 200

¹ After vesting of the 2019 – 2021 PSU program, PSUs under the 2020 – 2022, 2021 – 2023, and 2022 – 2024 PSU programs.

² Kurt Hardt has waived the PSUs previously allotted to him.

5.2. Share ownership

The members of the Board of Directors and the Executive Management directly and indirectly hold the following number of shares in the Company as of December 31, 2022:

Name, position	Number of shares	As a % of all shares
Reto Garzetti, Chairman of the Board of Directors	151 831 ¹	0.90
Peter Bodmer, Member of the Board of Directors	33 406 ²	0.20
Dr. Christian De Prati, Member of the Board of Directors	79 000 ³	0.47
Kurt Hardt, Member of the Board of Directors	11 595	0.07
Klaus Schmitz, Member of the Board of Directors	0	0.00
Dr. Thomas Wolfensberger, Chief Executive Officer	721 713	4.27
Thorsten Arsan, Chief Financial Officer	1 025	0.01
Dr. Andreas Steinbauer, Head of Letting and Sales	19 162	0.11
Total	1 017 732	6.03

¹ Shareholding of a closely linked person totalling 108 357 shares.

² Shareholding of a closely linked person totalling 26 591 shares.

³ Shareholding of a closely linked person totalling 36 893 shares.

Report of the statutory auditor

to the General Meeting of Peach Property Group AG

Zurich

Report on the audit of the remuneration report

Opinion

We have audited the remuneration report of Peach Property Group AG (the Company) for the year ended 31 December 2022. The audit was limited to the information on remuneration, loans and advances pursuant to Art. 14 to 16 of the Ordinance against Excessive Remuneration in Listed Companies Limited by Shares (Ordinance) in paragraph 4 on pages 62 to 64 of the remuneration report.

In our opinion, the information on remuneration, loans and advances in the remuneration report (pages 62 to 64) complies with Swiss law and article 14 to 16 of the Ordinance.

Basis for opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the 'Auditor's responsibilities for the audit of the remuneration report' section of our report. We are independent of the Company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the tables marked 'audited' in the remuneration report, the consolidated financial statements, the financial statements and our auditor's reports thereon.

Our opinion on the remuneration report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the remuneration report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the audited financial information in the remuneration report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Board of Directors' responsibilities for the remuneration report

The Board of Directors is responsible for the preparation of a remuneration report in accordance with the provisions of Swiss law and the company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the preparation of a remuneration report that is free from material misstatement, whether due to fraud or error. The Board of Directors is also responsible for designing the remuneration system and defining individual remuneration packages.

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Auditor's responsibilities for the audit of the remuneration report

Our objectives are to obtain reasonable assurance about whether the information on remuneration, loans and advances pursuant to article 14 to 16 of the Ordinance is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this remuneration report.

As part of an audit in accordance with Swiss law and SA-CH, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement in the remuneration report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.

We communicate with the Board of Directors or its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors or its relevant committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

PricewaterhouseCoopers AG

Patrick Balkanyi
Licensed audit expert
Auditor in charge

Philipp Gnädinger
Licensed audit expert

Zurich, 17 March 2023