

Corporate Governance and Remuneration Report 2023

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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 (Directive Corporate Governance, DCG, in German: Richtlinie Corporate Governance, RLCG) of the SIX Exchange Regulation and complies with the requirements of Section Four in Articles 734 et seqq. of the Swiss Code of Obligations.

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").

As of December 31, 2023, the Board of Directors of the Company comprises of Klaus Schmitz (Executive Chairman), Dr. Christian De Prati (Vice-Chairman), and Peter Bodmer (Member). The former Chairman Reto Garzetti and

Board Member Kurt Hardt decided to step down from the Board of Directors as of October 31, 2023. The Executive Management comprises of Thorsten Arsan (Chief Financial Officer, CFO), and Dr. Andreas Steinbauer (Head of Letting and Sales) after Dr. Thomas Wolfensberger stepped down from the role of Chief Executive Officer (CEO) as of the Annual General Meeting held in Zurich on May 24, 2023.

The Company is listed on the SIX Swiss Exchange in Zurich 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, 2023	CHF 238 097 thousand (closing share price of CHF 11.18 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 over-

view of the Peach Group is available on our website at: <https://www.peachproperty.com/en/about-peach/>.

1.2. Significant shareholders

As of December 31, 2023, the following shareholders hold three percent, or more of the issued shares of the Company (without consideration of subscriptions under the current Convertible Bond, ISIN CH1263282522, with a maturity date May 5, 2026):

Shareholders	Number of shares	Percentage of all share
Ares Management Corporation, USA, through: Peak Investment S.à.r.l, Luxembourg ¹	6 207 868	29.93
Franciscus Zweegers, Monaco, through: Arquus Capital N.V., Belgium, and LFH Corporation S.A., Luxembourg	1 701 550	8.20
Rainer-Marc Frey, Switzerland, through: H21 Macro Limited, Cayman Islands	1 300 876	6.27
Kreissparkasse Biberach, Germany, through: LBBW Asset Management Investmentgesellschaft mbH ² , Germany BayernInvest Kapitalverwaltungsgesellschaft mbH ³ , Germany	595 376 321 533	916 909 4.42
Beat Frischknecht, Switzerland, through: BFW Group AG, Switzerland	800 000	3.86
<i>Other</i>	<i>9 813 715</i>	<i>47.32</i>
Total shares outstanding	20 740 918	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 three special funds LBBW AM-WWH, LBBW AM-WSG, and LBBW-IAW. The management, and independent exercise of voting rights (if exercisable), are both conducted by the capital management company LBBW Asset Management Investmentgesellschaft mbH.

³ The investment is held in BayernInvest HIG-Fonds, a special AIF. The management and independent exercise of voting rights are both conducted by BayernInvest Kapitalverwaltungsgesellschaft mbH.

No lock-up arrangements are in place as of December 31, 2023.

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 %; 33⅓ %; 50 %; or 66⅔ % 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 total number

of voting rights according to the entry in the Commercial Register (as of December 31, 2023: 20 672 495 registered shares at CHF 1.00 each). Upon receipt of such a notification, the Company publishes the change in shareholding base via the SIX Exchange Regulation publication platform.

In the 2023 financial year, we published a total of 19 notifications in accordance with Articles 120 ff. Financial Market Infrastructure Act (FinMIA, in German: Finanzmarktinfrastukturgesetz, 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?issuedBy=PEACHP#/>.

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As of December 31, 2023, 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, 2023. These shareholders are considered significant shareholders in accordance with applicable capital market regulations:

	Future shares from sub- scription of CB 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			20 672 495	100.00
Thereof held by significant shareholders				
Ares Management Corporation, USA, through: Peak Investment S.à.r.l, Luxembourg	333 333	6 207 868	6 541 201	31.64
Rainer-Marc Frey, Switzerland, through: H21 Macro Limited, Cayman Islands	1 333 333	1 300 876	2 634 209	12.74
Franciscus Zweegers, Monaco, through: Arquus Capital N.V., Belgium, and LFH Corporation S.A., Luxembourg	0	1 701 550	1 701 550	8.23
Beat Frischknecht, Switzerland, through: BFW Group AG, Switzerland	165 000	800 000	965 000	4.67
Kreissparkasse Biberach, Germany, through: LBBW Asset Management Investmentgesellschaft mbH, Germany, and BayernInvest Kapitalverwaltungsgesellschaft mbH, Germany	0	916 909	916 909	4.44

¹ Convertible Bond, ISIN CH1263282522, with a maturity date May 15, 2026. Source of data: Subscriptions and/or order book and/or shareholder's disclosure notification.

Adjustments to the share capital entered into the commercial register also change the calculation basis and therefore the proportional voting right of significant shareholders re-

levant for disclosure. 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, 2023	in CHF	in number of registered shares	Nominal value per share in CHF
Share capital	20 740 918.00	20 740 918	1.00
Conditional capital	4 541 455.00	4 541 455	1.00
Capital band (upper limit)	8 400 000.00	8 400 000	1.00

2.2. Capital band and conditional capital

Capital band

At the Annual General Meeting of May 24, 2023, the shareholders approved the cancellation of the previously authorized capital and to introduce a capital band. According to the amended article 3b of the Articles of Association, the Board of Directors is authorized to perform one or more capital increases and/or capital reductions within a capital band as follows: the share capital may be increased by up to CHF 8 400 000.00 through capital increases and the issuing of a maximum of 8 400 000 registered shares, each with a fully paid up nominal value of CHF 1.00, or by increasing the nominal value of the issued shares. Capital reductions of less than CHF 1 033 624 may be performed within the capital band by canceling 1 033 624 shares with a nominal value of CHF 1.00 each, or by accordingly decreasing the nominal value of the issued shares.

The Board of Directors is authorized to limit or exclude the subscription right of individual shareholders and to assign it to other shareholders, to the Company or to third parties for purposes described in article 3b of the Articles of Association. The total number of registered shares which are issued after May 23, 2023 (i) from conditional share capital pursuant to article 3a of the Articles of Association under exclusion of priority subscription rights of the shareholders as well as (ii) under the capital band pursuant to article 3b of the Articles of Association under exclusion of subscription rights of the shareholders must however not exceed 2 067 249 registered shares.

The purchase of registered shares through the exercise of options or conversion rights, and the transfer of registered shares, are subject to the transfer restrictions in accordance with Article 5 of our Articles of Association.

Conditional capital

As of December 31, 2023, Peach Property Group AG has conditional capital of CHF 4 541 455 at its disposal. In accordance with Article 3a of the Articles of Association, as amended by the 2023 Annual General Meeting from May 24, 2023 and before further capital increases from con-

ditional capital, the conditional capital may be used as a) up to an amount of CHF 200 000 for the exercise of conversion and/or option rights granted to employees of the Group; and b) up to an amount of CHF 4 409 878 for the exercise of conversion and/or option rights in connection with convertible bonds, warrant bonds, and similar instruments. The priority subscription right of the shareholders for the conversion and/or option rights can be excluded by resolution of the Board of Directors if such corporate bonds or financial market instruments are issued for the purposes described in article 3a of the Articles of Association. However, the total number of registered shares which are issued after May 23, 2023 (i) from conditional share capital pursuant to article 3a of the Articles of Association under exclusion of priority subscription rights of the shareholders as well as (ii) under the capital band pursuant to article 3b of the Articles of Association under exclusion of subscription rights of the shareholders must not exceed 2 067 249 registered shares.

In June 2023, a capital increase from conditional capital took place in the amount of CHF 68 423 under the exclusion of priority subscription rights of the shareholders by exercise of conversion rights granted to employees of the Group. Therefore, as of December 31, 2023, the total number of registered shares which may be issued under exclusion of priority subscription rights respectively under exclusion of subscription rights of the shareholders reduced to a maximum of 1 998 826 registered shares.

The purchase 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 SCO). In the 2023 financial year, conditional capital was entered in April, following the declaratory Board of Directors resolution of April 24, 2023, after the exercise of conversion rights under the former Mandatory Convertible Bonds, ISIN CH1234612187.

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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, 2019	6 601 474	6 601 474	1.00
Capital increases in 2020 financial year ¹	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 ²	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 ³	489 588 817	n.a.	30.00
Share capital as of December 31, 2022	506 471 190	16 882 373	30.00
Capital increase in 2023 financial year before AGM ⁴	133 703 660	3 790 122	30.00
Capital decrease by the 2023 AGM ⁵	- 599 502 355	n.a.	1.00
Capital increase in 2023 financial year after AGM ⁶	68 423	68 423	1.00
Share capital as of December 31, 2023	20 740 918	20 740 918	1.00

1 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.

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

3 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.

4 Capital increase following the exercise of conversion rights under the Mandatory Convertible Bonds, ISIN CH1234612187.

5 By capital reduction reducing the nominal value of all issued shares from CHF 30.00 to CHF 1.00 and allocating the reduction amount to legal capital reserves.

6 Of which 31 500 exercises from the 2020-2022 PSU program.

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 20 740 918 and consists of 20 740 918 fully paid-up registered shares with a nominal value of CHF 1.00 each. The shares carry equal rights. Each share carries an entitlement to one vote at the General Meeting.

As of December 31, 2023, we held 780 treasury shares (previous year: 11 183). 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. Limitation 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.

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

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

2.7. Convertible bonds and options

Convertible bonds

As of April 12, 2023, the non-listed 5.0 % guaranteed senior unsecured mandatory convertible bond (ISIN CH1234612187) issued by our subsidiary, Peach Property Finance GmbH, became due and fully converted into 3 790 122 new shares from the conditional capital of our Company.

On May 16, 2023, a new convertible bond, PEA234 (ISIN CH1263282522), in the amount of CHF 50 million was issued. The interest rate is 3% p.a., and unless converted, the bond will mature on May 15, 2026. The bond may be converted twice a year during a period of five business days starting on and including June 15, and December 15, of each year. The first conversion period starts on December 15, 2023. The conversion price is CHF 15.00 per Peach Property Group AG share (ISIN CH0118530366).

Further information in relation to the convertible bond is provided in Note 8 of the consolidated financial statements or on page 40 under "Investor information".

Options

As of December 31, 2023, we had a hybrid warrant bond (PEA231, ISIN CH0417376040), with an original listed amount of CHF 60 million. The outstanding amount was reduced to CHF 45.251 million following an exchange offer during the year. The former exercise period already closed on June 25, 2021, and options not exercised by this date automatically expired without compensation. Since June 22, 2023, we decided against exercising our call option of 100 %. Starting June 23, 2023, the interest rate increased to 3-months-SARON plus 9.25 %. The hybrid warrant bond can be called on a quarterly basis according to the bond terms.

Further information in relation to the hybrid warrant bond is provided in Note 7 of the consolidated financial statements, or on page 40 under "Investor information".

We have also issued 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 2023 Annual General Meeting held on May 24, 2023, the shareholders confirmed the existing members in office. Reto Garzetti, Executive Chairman of the Board of Directors, and Kurt Hardt, Member of the

Board of Directors, decided to step down from the Board of Directors of Peach Property Group AG as of October 31, 2023. Board Member Klaus Schmitz was appointed as Executive Chairman of the Board of Directors for the remaining term of office through the 2024 Annual General Meeting.

As of December 31, 2023, The Board of Directors consists of the following three members:

First name, last name	Position	On the Board of Directors since	Elected until
Klaus Schmitz	Executive Chairman ¹	2020	2024 General Meeting
Peter Bodmer	Member	2009	2024 General Meeting
Dr. Christian De Prati	Member and Vice-Chairman ²	2011	2024 General Meeting

¹ Executive Chairman ad interim since November 1, 2023.

² Vice-Chairman since May 25, 2023, after the AGM 2023.

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Klaus Schmitz (Executive Chairman)

Born in 1982
German citizen



Peter Bodmer (Member)

Born in 1964
Swiss citizen



Dr. Christian De Prati (Vice-Chairman)

Born in 1970
Swiss citizen



Education

Economics and philosophy at the London School of Economics (LSE) and MBA from Harvard Business School

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.)

Professional history

Klaus Schmitz has a long career in investment banking and private equity with a focus on real estate.

Since 2016 at Ares Management as Managing Director responsible for real estate investments and management in Germany, Austria, and Switzerland (DACH region).

Previously with Starwood Capital Group and Rothschild, London.

Peter Bodmer has extensive national and international experience with various companies in the engineering, automotive supply, construction, and real estate industries.

Since 2011 Director of Beka-Küsnacht AG, which specializes in real estate services and business development.

Until end of 2012 Senior Advisor for Implenia.

Until end of 2011 Member of the Group Executive Management and Director of Implenia Industrial Construction.

Dr. Christian De Prati has had a lengthy career in investment banking.

Since 2017 member of the Advisory Committee of SSVL (Monaco) S/AM.

2011 to 2017 Supervisory Board Member of the investment company Sterling Strategic Value Ltd.

2009 to 2011 country head Switzerland at Bank of America Merrill Lynch.

1998 to 2008 CEO Merrill Lynch Capital Markets AG.

Mandates outside Peach Property Group

Klaus Schmitz**Managing Director**

- › Ares Real Estate Group of Ares Management Corporation, Los Angeles, USA (head office)

Peter Bodmer**Chairman of the Board of Directors and Managing Director**

- › Beka-Küsnacht AG, Küsnacht, Switzerland

Chairman of the Board of Directors

- › Helvetica Property Group AG, Zurich, Switzerland ¹

Vice-Chairman of the Board of Directors

- › Helvetica Property Investors AG, Zurich, Switzerland ¹
- › Novus Holding AG, Urdorf, Switzerland ²

Member of the Board of Directors

- › Arbonia AG, Arbon, Switzerland
- › Brüttsch/Rüegger Holding AG, Urdorf, Switzerland ²
- › Inovetica Holding AG, Baar, Switzerland
- › Klinik Schloss Mammern AG, Mammern, Switzerland
- › Kuratle Group AG, Leibstadt, Switzerland
- › Nüssli (Schweiz) AG, Hüttwilen, Switzerland

President of the Board of Trustees

- › Profond Anlagestiftung, Zurich, Switzerland ³
- › Profond Vorsorgeeinrichtung, Zurich, Switzerland ³
- › Stiftung Innovationspark Zurich, Zurich, Switzerland

Vice-Chairman of the Board of Trustees

- › Wilhelm Schulthess-Stiftung, Zurich, Switzerland

Managing Director

- › BB's Pure GmbH, Küsnacht, Switzerland

Chairman of the Steering Committee

- › University Hospital Zurich, Zurich, Switzerland

Vice-Chairman of the Board of the University

- › University of Zurich, Zurich, Switzerland

Dr. Christian De Prati**Member of the Board of Directors and of the Audit and Risk Committee**

- › Cornèr Banca SA, Lugano, Switzerland

Member of the Board of Directors

- › Rothschild & Co. Bank AG, Zurich, Switzerland

Managing Director

- › dP Capital GmbH, Freienbach, Switzerland

Member of the Advisory Committee

- › SSVL (Monaco) SAM, Monaco

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

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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. From November 1, 2023, Klaus Schmitz assumed operational management responsibilities

and the chairmanship of the Executive Management as appointed Executive Chairman (without becoming a member of the Executive Management in line with Section 3 of the Organizational Regulations).

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	3/3
Capital markets	3/3
Financing	3/3
Further board experience	2/3
Human Resources and Compensation	2/3
Management of larger organizations	3/3
Real estate asset - and property management	2/3
Real estate Germany	2/3
Real estate Switzerland	2/3
Regulatory and Juridical	1/3
Sustainability and ESG	3/3
Technology and Digitization	3/3

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 been, 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 (< CHF 250 000 p.a.) business relations 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 % of the share capital. See also Section 4 of the Organizational Regulations. The Board of Directors may define further criteria for the independence of its members.

As of December 31, 2023, the Board of Directors considers two of its three members as independent. The exception is Klaus Schmitz who acts as Chair of the Executive Management as well as a shareholder representative within the meaning of Article 13(3) of the Articles of Association.

3.2. Other activities and vested 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 interest 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 9.2 of the Organizational Regulations). The current organizational regulations were published on May 24, 2023, and can be found on our website at <https://www.peachproperty.com/en/investor-relations-en/#corporategovernance>.

3.3. Number of permitted activities

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 supreme management or administrative bodies of profit orientated legal entities with an economic purpose, of which at most five mandates may be in legal entities that have equity secu-

rities listed on a stock exchange. The number of mandates in other legal entities is limited to fifteen. Mandates and appointments in affiliated entities or those that are exercised in the role of member of the supreme management or administrative body are counted as a single mandate.

3.4. Election and terms 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 % 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 through election by an Extraordinary General Meeting 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 the reporting period, such happened when former Chairman, Reto Garzetti, stepped down as of October 31, 2023, and Klaus Schmitz was appointed as Chairman ad interim until the 2024 General Meeting.

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

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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 with the next replacement of a Board of Directors member.

3.5. Internal organizational structure

Apart from the Chairman and members of the Nomination and Compensation Committee, the Board of Directors organizes itself. Pursuant to Section 6.1 of the Organizational Regulations, the shareholder representative is entitled to sit on all existing and future committees or, regarding to the Nomination and Compensation Committee, to be proposed for election at the General Meeting. Only if the shareholder representative acts as Executive Chairman, he may not be a member of the Audit and Risk Committee.

Reto Garzetti, Chairman until October 31, 2023, was first elected as Chairman by the 2015 Annual General Meeting, held on May 8, 2015, and last re-elected as Chairman by the 2023 Annual General Meeting, held on May 24, 2023. In this position, he was 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. With

Dr. Thomas Wolfensberger stepping down from his role as Chief Executive Officer as per the 2023 General Meeting, Chairman Reto Garzetti assumed operational management responsibilities and the chairmanship of the Executive Management as Executive Chairman. To reflect this new role in the internal regulations, the Organizational Regulations were amended as of May 24, 2023. With Executive Chairman Reto Garzetti stepping down from the Board of Directors as of October 31, 2023, Klaus Schmitz was appointed new Chairman and equally assumed the role as Executive Chairman starting November 1, 2023.

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 regarding capital increase reports and resolutions that must be decided on as public deeds by mandatory law.

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, except for 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 regarding the above list of resolutions requiring two-thirds approval

The Company has Organizational Regulations, which were last amended on May 24, 2023. 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.

In accordance with the Organizational Regulations, Section 5, the Board of Directors generally arranges for an annual assessment of its performance and that of its individual members. The Chairman of the NCC initiates and leads the process, with external support as needed.

Section 1 - Corporate Governance

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 2023 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 **Nomination and Compensation Committee (NCC)** 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 NCC meets at least twice a year. The Chairman of the Board of Directors (if not a member of the NCC) and the Chief Executive Officer (if appointed) 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 Organizational 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 Chairman of the Board of Directors (if not a member of the IC) and the Chief Executive Officer (if appointed) attend 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 2023 financial year:

Period	Audit and Risk Committee, ARC	Nomination and Compensation Committee, NCC	Investment Committee, IC
January 1, to May 24, 2023 (incl.)	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
May 25, to October 31, 2023 (incl.)	Peter Bodmer (Chairman) Dr. Christian De Prati Klaus Schmitz	Dr. Christian De Prati (Chairman) Kurt Hardt Klaus Schmitz	Kurt Hardt (Chairman) Reto Garzetti Peter Bodmer Dr. Christian De Prati Klaus Schmitz
November 1, to December 31, 2023	Peter Bodmer (Chairman) Dr. Christian De Prati	Dr. Christian De Prati (Chairman) Klaus Schmitz	Peter Bodmer (Chairman) 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	NCC	IC	Duration in min.	Attendance
ARC 01	Meeting ¹		X			95	Full attendance
BoD 01	Meeting ¹	X				470	Full attendance
NCC 01	Meeting ¹			X		110	Full attendance
BoD 02 / ARC 02 / NCC 02	Meeting ¹	X	X	X		490	Full attendance
BoD 03	Circular resolution	X				n.a.	Full attendance
BoD 04	Circular resolution	X				n.a.	Full attendance
BoD 05	Circular resolution	X				n.a.	Full attendance
BoD 06	Meeting ¹	X				144	Full attendance
BoD 07 / NCC 03	Meeting ¹	X		X		215	Full attendance
BoD 08	Meeting ¹	X				120	Full attendance
BoD 09	Circular resolution	X				n.a.	Full attendance
BoD 10 / ARC 03	Meeting ¹	X	X			380	Full attendance
BoD 11	Circular resolution	X				n.a.	Full attendance
BoD 12	Meeting ¹	X				150	P. Bodmer excused
BoD 13	Circular resolution	X				n.a.	Full attendance
BoD 14	Circular resolution	X				n.a.	Full attendance
BoD 15	Circular resolution	X			X	n.a.	Full attendance
BoD 16	Circular resolution	X			X	na	Full attendance
BoD 17 / ARC 04	Meeting ¹	X	X			250	Full attendance
Total number of meetings and circular resolutions		17	4	3	2		
Total duration (excl. circular resolutions)					2 424	2 424	
Average duration (excl. circular resolutions)						242	

¹ Session with telephone dial-in.

The meetings were attended, without voting rights, by Dr. Thomas Wolfensberger (Chief Executive Officer until the General Meeting of May 24, 2023), Thorsten Arsan (Chief Financial Officer), 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 upon request. A representative of our anchor shareholder also attended several meetings as an observer, within the meaning of Section 2.6 of the Organizational Regulations.

Section 1 - Corporate Governance

3.6. Definition of areas of responsibility

The Board of Directors is the highest management body of the Company. In accordance with the Organizational Regulations, it may delegate some or all 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 (if appointed, otherwise an Executive Chairman chairs the Executive Management without being part of this body) and a Chief Financial Officer. 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 control instruments vis-à-vis the Executive Management

The Chairman of the Executive Management reports to the Board of Directors on business performance in its ordinary meetings. Additionally, the Chairman of the Board of Directors meets regularly with the Chief Executive Officer (if appointed) and the Chief Financial Officer. 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 (if appointed) 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 2023 financial year, the Executive Management of Peach Property Group AG was as follows:

First name, last name	Position	With Peach since
Dr. Thomas Wolfensberger (until May 24, 2023)	Chief Executive Officer	2006
Thorsten Arsan	Chief Financial Officer	2021
Dr. Andreas Steinbauer	Head of Letting and Sales	2009

Dr. Thomas Wolfensberger stepped down from the role of Chief Executive Officer effective from the end of the General Meeting of May 24, 2023, and the re-elected Chairman of the Board of Directors, Reto Garzetti, assumed operational management responsibilities and the chairmanship of the Executive Management as Executive Chairman. With Reto Garzetti stepping down from the Board of Directors as of October 31, 2023, Board Member Klaus Schmitz was

appointed new Chairman and took over the role as Executive Chairman. The Executive Chairman is chair but not member of the Executive Management as stated in Section 3 of the Organizational Regulations.

As of December 31, 2023, the Executive Management consists of Thorsten Arsan (Chief Financial Officer) and Dr. Andreas Steinbauer (Head of Letting and Sales).

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

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

From June 1, 2021, the CFO of the Peach 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 the Peach 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 developments of the Orco Property Group in Berlin.

Mandates outside Peach Property Group

None

None

Section 1 - Corporate Governance

4.2. Other activities and vested interests

As of December 31, 2023, 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 permitted activities

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 supreme management or administrative bodies of profit orientated legal entities with an economic purpose, of which at most one mandate may be in a legal entity that has

equity securities listed on a stock exchange. The number of mandates in other legal entities is limited to ten. Mandates and appointments in affiliated entities or those that are exercised in the role of member of the supreme management or administrative body are counted as a single 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. Voting rights restrictions and representation

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 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 of the shares of the Company. For example, no entries are generally made into 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 required 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 5 % 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 2023 financial year, the Annual General Meeting of our Company was held in Zurich on May 24, 2023. Following an interruption of three years due to the coronavirus situation, shareholders and shareholder representatives could physically attend the General Meeting again.

6.4. Inclusion of items on the agenda

Shareholders who together represent at least 0.5 % 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. "Voting rights restrictions and representation".

Section 1 - Corporate Governance

7 Change of control and defense measures

7.1. Duty 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 33⅓ % 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. Clauses of change of control

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 the mandate and term 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. Auditing fee

For the current financial year, we expect a total fee to the auditors of CHF 484 thousand (previous year: CHF 792 thousand) of which CHF 396 thousand for the fulfillment of statutory duties as auditors. The remainder of the amount is related to other assurance services. These consist of the audit and the review of annual, group and

semi-annual reports. The decrease compared to the previous year is mainly explained with the fact that there were no capital market transaction requiring the involvement of the auditors. All referenced amounts are excluding value-added taxes.

8.3. Additional fees

In the current financial year, additional fees were incurred towards PricewaterhouseCoopers AG for consulting services in the amount of CHF 104 thousand (previous year: CHF 521 thousand). In the 2023 financial year, the fees were predominantly related to ongoing tax advice (e.g., tax returns). The decrease compared to the previous year is mostly explained by the insourcing of certain tax functions in Germany.

Fees totaling CHF 706 thousand (previous year: CHF 681 thousand) related to the independent real estate appraiser Wüest Partner AG, Zurich, and W&P Immobilienberatung GmbH, Frankfurt.

All referenced amounts are excluding value-added taxes.

8.4. Information instruments 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 financial 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 (LR) and the Directive on Ad Hoc Publicity (DAH). Our press releases can be viewed at any time on our website under the heading "Investors" or at <https://www.peachproperty.com/en/>

[investor-relations-en/#irav](https://www.peachproperty.com/en/newsletter-en/). 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-en/>.

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).

Section 1 - Corporate Governance

10 Quiet periods (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 tra-

ding blocking periods. The General Counsel notifies of trading blocking periods. In addition, the Chairman of the Board of Directors may, together with another member of the Board of Directors or the Executive Management, institute extraordinary blocking periods for certain connected persons. Persons subject to such extraordinary blocking periods are notified by e-mail.

Contacts

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Neptunstrasse 96 | 8032 Zurich | Switzerland

Klaus Schmitz, Executive Chairman and Thorsten Arsan, Chief Financial Officer
Telephone +41 44 485 50 00 | investors@peachproperty.com

Important dates

- › General Meeting 2024: Tuesday, May 14, 2024, in Zurich.
- › Publication of 2024 half-year results: August 22, 2024

Section 2 - Remuneration Report

1 Introduction

1.1. Overview

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 in Articles 734 et seqq. of the Swiss Code of Obligations and the Directive on Information Relating to Corporate Gov-

ernance (DCG) of the SIX Exchange Regulation AG (<https://www.ser-ag.com/dam/downloads/regulation/listing/directives/dcg-en.pdf>) and further 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-relationships/en/#corporategovernance>.

Section 2 - Remuneration Report

1.2. CVs and mandates of the members of the Board of Directors and the Executive Management

Listed below are activities of the members of the Board of Directors and the Executive Management in accordance with DCG, including mandates in accordance with Article 734e and Article 626 para. 2 point 1 of Swiss Code of Obligations.

Further information regarding education and professional history of the members of the Board of Directors and the Executive Management can be found in Section 3.1 and Section 4.1 of Corporate Governance Report.

Board of Directors

Klaus Schmitz
(Executive Chairman)

Born in 1982,
German citizen

Managing Director

- › Ares Real Estate Group of Ares Management Corporation, Los Angeles, USA (head office)

Peter Bodmer
(Member)

Born in 1964,
Swiss citizen

Chairman of the Board of Directors and Managing Director

- › Beka-Küsnacht AG, Küsnacht, Switzerland

Chairman of the Board of Directors

- › Helvetica Property Group AG, Zurich, Switzerland ¹

Vice-Chairman of the Board of Directors

- › Helvetica Property Investors AG, Zurich, Switzerland ¹
- › Novus Holding AG, Urdorf, Switzerland ²

Member of the Board of Directors

- › Arbonia AG, Arbon, Switzerland
- › Brüttsch/Rüegger Holding AG, Urdorf, Switzerland ²
- › Inovetica Holding AG, Baar, Switzerland
- › Klinik Schloss Mammern AG, Mammern, Switzerland
- › Kuratle Group AG, Leibstadt, Switzerland
- › Nüssli (Schweiz) AG, Hüttwilen, Switzerland

President of the Board of Trustees

- › Profond Anlagestiftung, Zurich, Switzerland ³
- › Profond Vorsorgeeinrichtung, Zurich, Switzerland ³
- › Stiftung Innovationspark Zurich, Zurich, Switzerland

Vice-Chairman of the Board of Trustees

- › Wilhelm Schulthess-Stiftung, Zurich, Switzerland

Managing Director

- › BB's Pure GmbH, Küsnacht, Switzerland

Chairman of the Steering Committee

- › University Hospital Zurich, Zurich, Switzerland

Vice-Chairman of the Board of the University

- › University of Zurich, Zurich, Switzerland

Dr. Christian De Prati
(Vice-Chairman)

Born in 1970,
Swiss citizen

Member of the Board of Directors and of the Audit and Risk Committee

- › Cornèr Banca SA, Lugano, Switzerland

Member of the Board of Directors

- › Rothschild & Co. Bank AG, Zurich, Switzerland

Managing Director

- › dP Capital GmbH, Freienbach, Switzerland

Member of the Advisory Committee

- › SSVL (Monaco) SAM, Monaco

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

Executive Management	
Thorsten Arsan (Chief Financial Officer)	Dr. Andreas Steinbauer (Head of Letting and Sales)
Born in 1974, German citizen	Born in 1964 Swiss citizen
None	None

2 Responsibilities and determination procedures

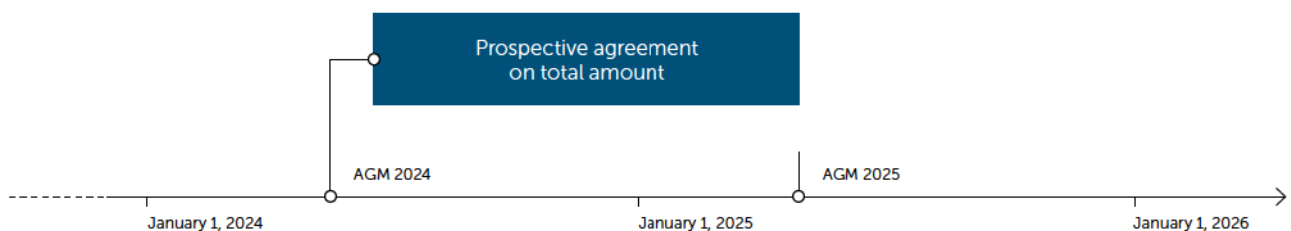
In collaboration with the Chief Executive Officer respectively the Executive Chairman, the Nomination and Compensation Committee prepares a proposal for the remuneration of the Board of Directors and Executive

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.

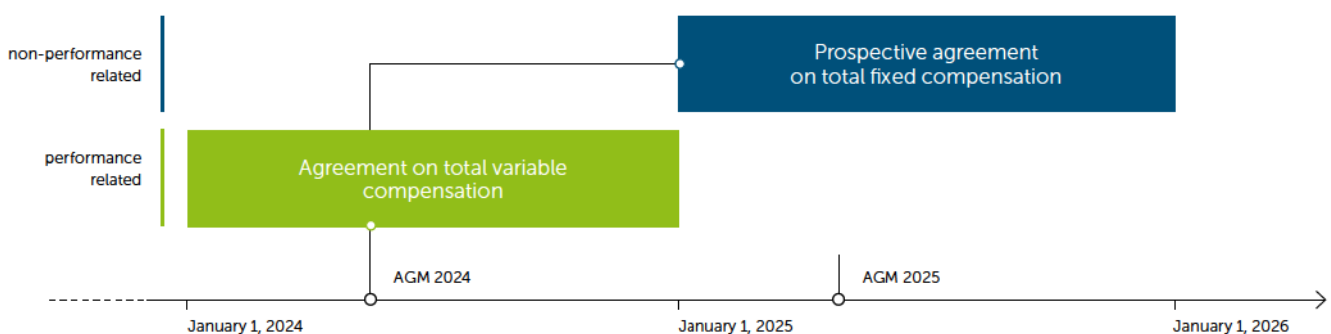
The General Meeting approves, in accordance with Article 26(1) of the Articles of Association, the maximum total amounts of:

- › 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



Section 2 - Remuneration Report

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 respectively the Executive Chairman, and the motion by the Nomination and 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 Nomination and Compensation Committee and the allocation of powers, see also the Organizational Regulations at <https://www.peachproperty.com/en/investor-relations-en/#corporate-governance>.

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 Nomination and Compensation Committee, NCC, 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 in 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.

Until the General Meeting 2023 of May 24, 2023 (incl.), the basic remuneration for the Chairman of the Board of Directors was CHF 160 000, and CHF 50 000 for a member of the Board of Directors. As in the previous year the remuneration for chairing a committee was CHF 30 000, and for committee membership, CHF 20 000. For the term after the General Meeting 2023 and following the Chair-

man of the Board assuming the role as Executive Chairman and operative management responsibilities, and the introduction of a Vice-Chairman, the remuneration model was adapted. As of May 25, 2023, the basic remuneration for a member of the Board of Directors was increased to CHF 100 000. Furthermore, the Chairman of the Board receives an additional amount of CHF 50 000 as compensa-

tion for chairing the Board of Directors, and another CHF 150 000 for chairmanship of the Executive Management as Executive Chairman (i.e. a total of CHF 300 000 for the Executive Chairman). The Vice-Chairman is compensated with an additional CHF 25 000, which amounts to CHF 125 000 in total. Chairing or membership of committees is no longer remunerated. 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, restricted for one year. For the 2023 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 2023 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 amounts for the 2023 compensation are: allotment price CHF 10.82, and price at allotment CHF 10.10.

In the current financial year, as in previous years, some 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. This remained unchanged when he was appointed new Chairman and took over the role as Executive Chairman as of November 1, 2023.

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, 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 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 cur-

rent financial year were set for the share price, net rental income and EBITDA (adjusted for non-cash impacts as the valuation result), all three with an equal weighting. For the 2023 financial year, two of these goals were not met and only the net rental income target was partially achieved.

At the request of the Nomination and Compensation Committee of the Board of Directors, individual goals or targets for the Executive Management are agreed annually 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. For Dr. Andreas Steinbauer, Head of Letting and Sales, a special rule applies with fixed salary of CHF 300 000, a relatively low bonus of CHF 10 000, and commissions dependent on letting and sales success, which are capped at CHF 300 000. 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 reducing vacancy (rental of

Section 2 - Remuneration Report

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.

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 may be paid in the form of shares in the Company - blocked for one year.

The Board of Directors decided to settle 50 % of the 2023 bonuses of Chief Financial Officer, Thorsten Arsan, and of the Head of Letting and Sales, Dr. Andreas Steinbauer, in shares. The share portion of the commissions paid to

Dr. Andreas Steinbauer amounted to 35 %. A loyalty bonus of CHF 50 000 allocated to CFO, Thorsten Arsan, was fully paid in cash. 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 pro rata bonus of the former Chief Executive Officer, Dr. Thomas Wolfensberger (until the General Meeting of May 24, 2023), was fully paid in cash.

The members of the Executive Management can participate in option and participation plans. In the financial year, the two remaining members of the Executive Management were allotted PSUs under a new 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 2023 financial year, the Board of Directors again approved a framework for share-based payment compensation, called "2023 – 2025 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 to Peach Property Group, 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 2020 – 2022 PSU program ended as per the 2022 financial year end and was approved as part of the annual financial statements 2022 in the General Meeting 2023. According to the provisions of the respective programs, the approval of the 2021 – 2023 PSU program will take place at the General Meeting 2024, for the

2022 – 2024 PSU program at the General Meeting 2025, and for the 2023 – 2025 PSU program at the General Meeting 2026. The share allocation will be made no later than six months after the respective vesting date.

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 or by adjusting the targets.

The targets to be achieved under the PSU programs are all Group targets. Through the 2020 – 2022 PSU program, two sub-targets were to be achieved, each with a weighting of 50 %, namely the capital market and the consolidated earnings sub-targets. From the 2021 – 2023 PSU program onwards, three sub-targets are to be achieved. In the 2021-2023 and 2022-2024 programs the average interest rate on external borrowings was added as a further sub-target, with all three sub-targets carrying an equal weighting of 33 1/3 %. For the 2023-2025 PSU program, the newly added sub-target of the average interest rate on external borrowings was replaced by the sub-target of ESG-Rating.

For the 2021-2023 PSU program, 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 11 % p.a. over the performance period was set. 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 2021-2023 PSU program, none of the three sub-targets were met and therefore, the PSUs will not vest into shares.

Under the 2023 – 2025 PSU program, 56 900 PSUs were allocated on April 1, 2023. Under this program 13 000 entitlements were forfeited as of December 31, 2023.

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 2022 financial year, under the 2022 – 2024 PSU program, 24 700 PSUs were allotted as of April 1, 2022, of which 8 500 entitlements were forfeited as of December 31, 2023.

In the 2021 financial year, under the 2021 – 2023 PSU program, 43 000 PSUs were allotted as of June 2, 2020, of which 17 000 entitlements were forfeited as of December 31, 2023.

Under the 2020 – 2022 PSU program, 31 500 PSUs vested at the General Meeting on May 24, 2023. In June 2023, a total of 31 500 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.

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 between three and six 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.

Section 2 - Remuneration Report

4 Remuneration in the 2023 financial year

4.1. Remuneration paid to the Board of Directors

The remuneration paid to the members of the Board of Directors for the 2023 financial year, including social security contributions and a valuation of the share component at the price upon allotment (closing price on February 7,

2023, the third day of trading after publication of the provisional annual results) as well as a valuation of the allotted PSUs, totals CHF 571 thousand and is broken down as follows:

Name, position in CHF	2023 remuneration					2022 remuneration				
	Fee in cash	Fee in shares ⁵	PSUs at fair value ⁶	Social sec. ⁷	Total	Fee in cash	Fee in shares ⁵	PSUs at fair value ⁶	Social sec. ⁷	Total
Reto Garzetti Chairman / Executive Chairman ¹	105 205	98 202	0 ⁸	14 690	218 097	100 000	123 374	97 000	23 110	343 484
Peter Bodmer Member	50 000	46 672	26 946	0 ⁹	123 618	50 000	61 698	65 475	0 ⁹	177 173
Dr. Christian De Prati Member / Vice-Chairman ²	57 568	53 732	26 946	10 509	148 755	50 000	61 698	65 475	12 970	190 143
Kurt Hardt Member ³	41 644	38 875	0 ¹⁰	0 ¹¹	80 519	50 000	61 698	0 ¹⁰	0 ¹¹	111 698
Klaus Schmitz Member / Executive Chairman ⁴	0	0	0	0	0	0	0	0	0	0
					570 989					822 498

1 Chairman until the AGM of May 24, 2023, Executive Chairman from the AGM until October 31, 2023.

2 Vice-Chairman for the term after the AGM of May 24, 2023.

3 Member of the BoD until October 31, 2023.

4 Shareholder representative Klaus Schmitz does not receive a fee, neither as member of the BoD nor as Executive Chairman (as of November 1, 2023).

5 Valuation at closing price on February 7, 2024, of CHF 10.10 per share, share component 50 %.

6 Valuation at allotment on April 1, 2023, of CHF 9.98 per PSU.

7 Contributions by the Company.

8 Forfeited due to resignation from the BoD.

9 Settlement via a company / no social security contribution.

10 Kurt Hardt did not participate in the PSU-program.

11 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 the resignations of Reto Garzetti and Kurt Hardt from the Board of Directors as of October 31, 2023, and a significantly lower fair value of PSUs allotted to the Board of Directors (CHF 9.98 per PSU in the 2023 financial year vs. CHF 48.50 per PSU in the previous year). The fair value of the PSUs is determined by a specialized external office, using the Monte Carlo method.

One member of the Board of Directors received compensation at arm's length in the amount of CHF 29 thousand for services rendered in connection with the placement of the convertible bond, PEA234.

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 2023 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 7, 2024, the third day of trading after publication of the provisional annual results) as well as a valuation of the allotted PSUs, totals CHF 1.900 thousand and is broken down as follows:

Name, position in CHF	2023 remuneration								Total
	Fixed remuneration in cash	Variable remuneration in cash	of which commissions	Variable remuneration in shares ²	of which commissions	PSUs at fair value ³	Fringe benefits ⁵	Social sec. and occ. pension ⁶	
Dr. Thomas Wolfensberger CEO ¹	177 534	175 000	0	0	0	0 ⁴	8 651	50 094	411 279
Thorsten Arsan CFO	360 000	135 000	0	79 346	0	59 880	7 906	99 708	741 840
Dr. Andreas Steinbauer Head of Letting and Sales	300 000	198 167	195 000	100 970	98 010	29 940	9 577	108 697	747 351
									1 900 470

1 CEO and member of the Executive Management until the AGM of May 24, 2023 (incl.).

2 Valuation at closing price of February 7, 2024, of CHF 10.10 per share, share component 50 % of the bonuses and 35 % of the commissions with the exception of the bonus of former CEO, Dr. Thomas Wolfensberger who's share component is 0 % and a loyalty bonus of CFO Thorsten Arsan of CHF 50 000 which was paid out in cash.

3 Valuation at allotment on April 1, 2023, of CHF 9.98 per PSU.

4 Forfeited due to resignation from the Executive Management as CEO.

5 Company cars.

6 Contributions by the Company.

The highest individual remuneration in the current financial year, in the amount of CHF 747 thousand, was earned by Dr. Andreas Steinbauer, Head of Letting and Sales (previous year: Dr. Andreas Steinbauer, Head of Letting and Sales, CHF 1.155 thousand).

In the previous year, the remuneration paid to the members of the Executive Management totalled 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 at fair value ²	Fringe benefits ³	Social sec. and occ. pension ⁴	
Dr. Thomas Wolfensberger CEO ¹	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.

Section 2 - Remuneration Report

The total remuneration of the Executive Management decreased significantly compared with the previous year, partly due to Dr. Thomas Wolfensberger having stepped down as Chief Executive Officer as of the General meeting of May 24, 2023, and partly due to the introduction of an upper limit of CHF 300 000 for commissions of the Head of Letting and Sales, Dr. Andreas Steinbauer. Furthermore, the fair value of PSUs allotted to the Executive Manage-

ment was significantly lower than the year before (CHF 9.98 per PSU in the 2023 financial year vs. CHF 48.50 per PSU in the previous year). The fair value of the PSUs is determined by a specialized external office, using the Monte Carlo method.

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

in CHF	Remuneration paid in the 2023 financial year	Remuneration approved for the 2023 financial year ¹
Remuneration of the Board of Directors	570 989	909 178
Remuneration of the Executive Management		
Non-performance-related remuneration (fixed pay)	1 071 569	1 400 000
Performance-related remuneration (variable pay)	828 901	1 000 000
Total remuneration of the Executive Management	1 900 470	2 400 000

¹ The 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.

All of the remuneration paid to the Board of Directors and the Executive Management in the 2023 financial year is below the approved maximum amounts (Board of Directors -37 %, fixed Executive Management remuneration -23 %, and variable Executive Management remuneration -17 %).

4.5. Remuneration paid to the Advisory Board

The Company does not have any advisory boards within the meaning of the Articles 734 et seqq. of the Swiss Code of Obligations.

5 Shareholdings of the Board of Directors and Executive Management

5.1. Rights to option plans and other participation plans

As of December 31, 2023, the members of the Board of Directors and Executive Management were entitled to the following participation plans:

Name, position	Number of PSUs
Klaus Schmitz, Executive Chairman of the Board of Directors	0
Peter Bodmer, Member of the Board of Directors	6 050
Dr. Christian De Prati, Vice-Chairman of the Board of Directors	6 050
Thorsten Arsan, Chief Financial Officer	13 000
Dr. Andreas Steinbauer, Head of Letting and Sales	7 500
Total	32 600

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, 2023:

Name, position	Number of shares	As a % of all shares
Klaus Schmitz, Executive Chairman of the Board of Directors	0	0
Peter Bodmer, Member of the Board of Directors	38 337 ¹	0.18
Dr. Christian De Prati, Vice-Chairman of the Board of Directors	96 186 ²	0.46
Thorsten Arsan, Chief Financial Officer	4 546	0.02
Dr. Andreas Steinbauer, Head of Letting and Sales	36 493	0.18
Total	175 562	0.84

1 Shareholding of a closely linked person totalling 31 522 shares.

2 Shareholding of a closely linked person totalling 49 148 shares.

Report of the statutory auditor

to the General Meeting of Peach Property Group AG

Zürich

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 December 31, 2023. The audit was limited to the information pursuant to article 734a-734f CO in the sections «1.2 CVs and mandates of the members of the Board of Directors and the Executive Management», «3.2. Remuneration of the Board of Directors», «3.3. Remuneration of the Executive Management», «4. Remuneration in the 2023 financial year» and «5. Shareholdings of the Board of Directors and Executive Management» on pages 66 to 75 of the remuneration report.

In our opinion, the information pursuant to article 734a-734f CO in the accompanying remuneration report (pages 66 to 75) complies with Swiss law and the Company's articles of incorporation.

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 above mentioned information 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. It 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 pursuant to article 734a-734f CO 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 judgement 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, March 20, 2024