

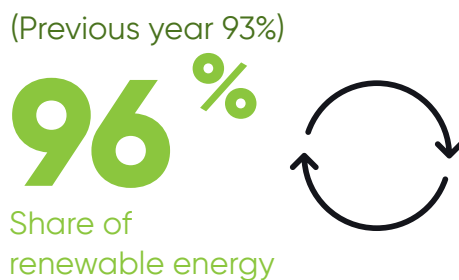
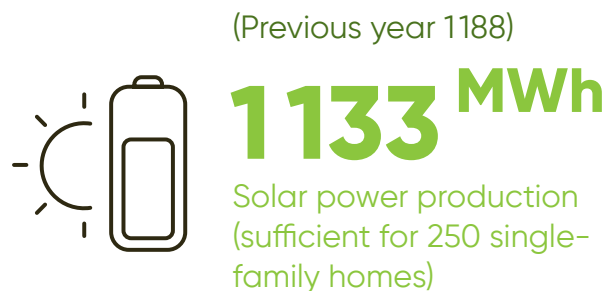
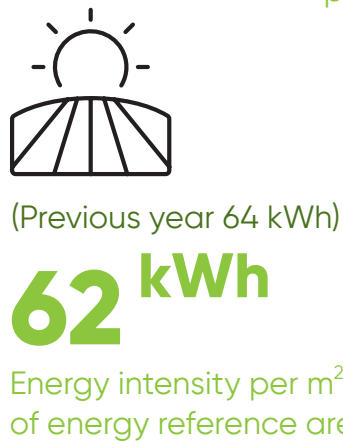
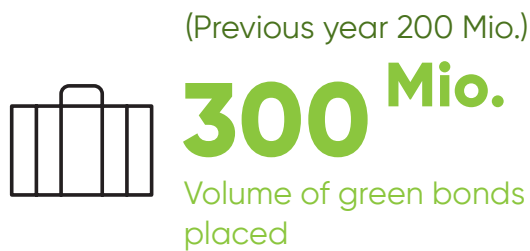
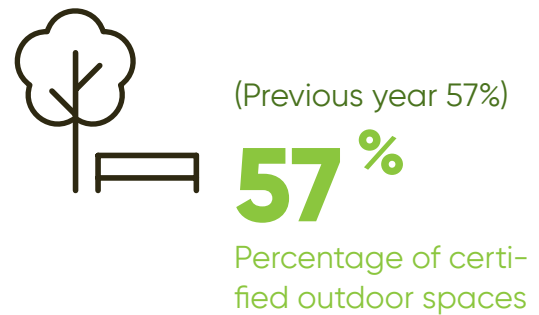
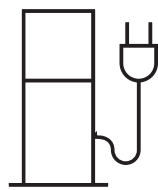
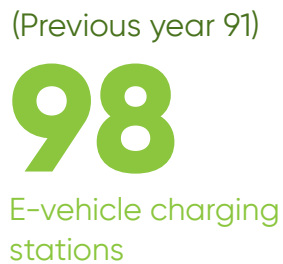
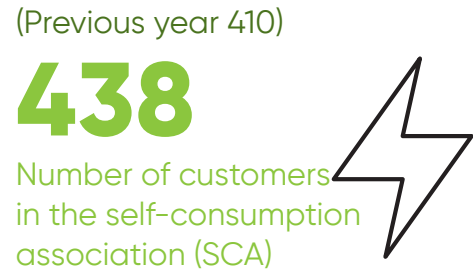
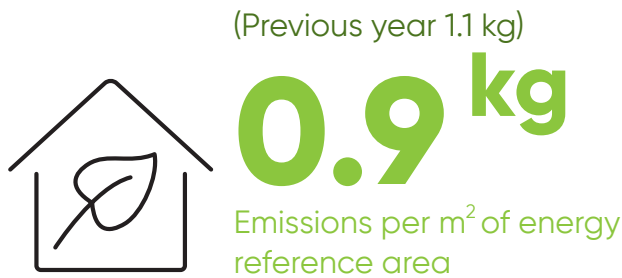


ZugEstates

2024

Sustainability report

Key figures



Figures as at 31 December 2024. Data relating to energy and water refer to the period from 1 October 2023 to 30 September 2024.

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Editorial

Dear Sir/Madam

Zug Estates creates added value by building, operating and continuously developing future-proof, diverse living spaces. In developing them we rely on sustainable principles and criterias from across the ESG spectrum.

From the outset, our main goal is to systematically reduce greenhouse gas emissions. Since 2021 these have remained between 0.9 and 1.1 kg CO₂ eq per m² energy reference area (Scopes 1 and 2) for the operation of our entire portfolio and thus well below the industry average. We expect emissions to remain at this very low level in the coming years.

A more complex matter than reducing emissions during operation is reducing grey energy, which – in the case of Zug Estates – is produced in particular during the construction of new buildings. By actively participating in the Reuse-Oriented Construction Charter we are working together with like-minded real estate companies and organisations to develop solutions (page 7). We will take up and implement various topics from the Charter for the new-build project S43/45 on the Suurstoffi site. By adapting the dimensions of the underground levels and optimising the structural design we were able to significantly reduce the grey energy (page 5).

In March 2024 we achieved with the Suurstoffi site a major milestone with the award of the DGNB Platinum Certificate for the planning and construction of sustainable districts (page 10). The certification confirms that Zug Estates, with the Suurstoffi site in Rotkreuz is a prime example of sustainable site development. On the one hand, it is helpful for large office and commercial tenants who have to prove the sustainability of their rental properties. On the other hand, it provides a basis for the implementation of a green finance framework that gives Zug Estates access to a broad range of green financing instruments (page 16).

47% of our portfolio is currently certified, and a further 48% comprises green buildings that emit less than 1 kg CO₂ eq per m² of energy reference area.



As part of its commitment to social sustainability, Zug Estates focuses on the needs-based operation of its properties. We have revised the tenant survey process so that we can better understand the concerns of one of our most important stakeholder groups and act with foresight. The current survey of all of our residential tenants in autumn 2024 shows that the majority of tenants are “very satisfied” or “satisfied” with their tenancies (page 12). We will conduct a survey of all commercial tenants in 2025. Last but not least, last year's sustainability forum ‘Density in inner towns as a sustainable solution to the housing shortage?’ was dedicated to a very topical issue and provided a popular platform for discussing possible solutions (page 14).

The full report, which has been prepared in accordance with GRI Standards, as well as exciting articles on current projects, can be found at www.zugestates.ch/en/sustainability.

I wish you a rewarding read.

Zug, February 2025

A stylized handwritten signature in black ink, consisting of a large initial 'P' followed by a series of loops and a horizontal line.

Patrik Stillhart
CEO


Energy and emissions | Materials

Broad array of sustainable measures for S43/45 new-build project

While photovoltaic systems and geothermal probe fields are now standard, reducing grey energy is a much more complex task.



With the S43/45 project, Zug Estates is systematically addressing the topic of grey energy. This accounts for more than half of all emissions by the real estate sector in Switzerland and is increasingly attracting public attention. Having signed the Reuse-Oriented Construction Charter, Zug Estates worked hard on this front in 2023 and was able to incorporate the findings obtained into the S43/45 project.

Significant reduction in grey energy

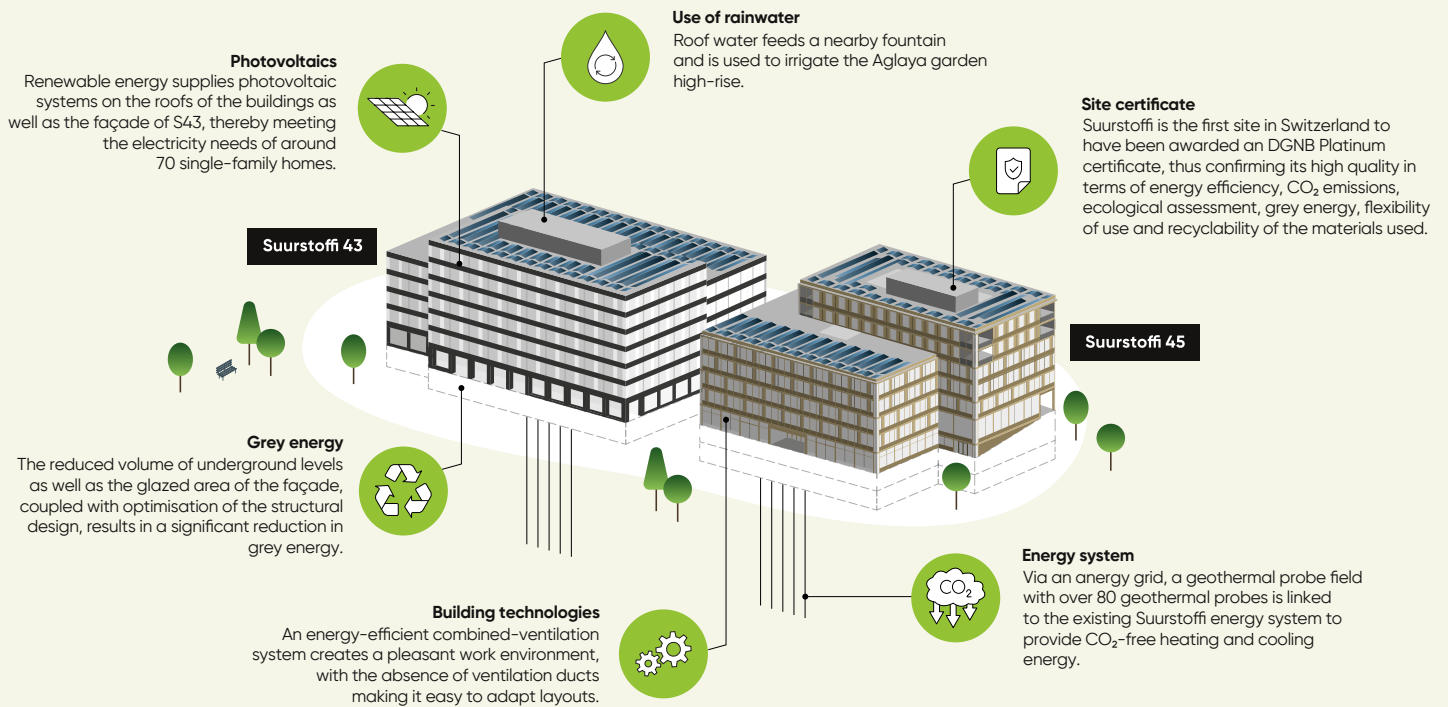
Analysis and calculation of grey energy, coupled with the action taken, resulted in a significant reduction compared with the initial draft plans. This was achieved by reducing the volume of the underground levels by one third as well as downsizing the glazed area through the incorporation of balustrades. Not least, optimisation of the structural design, coupled

with the use of recycled concrete, had a positive impact. Long-term, the buildings' high flexibility of use will be another important factor in terms of optimising consumption of grey energy.

CO₂-free operation remains essential

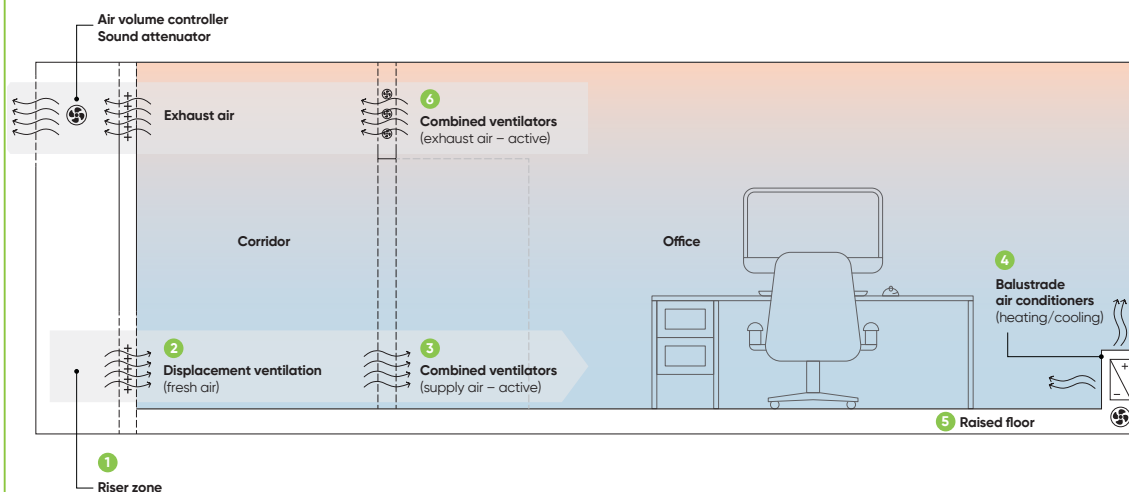
As with the Suurstoffi site as a whole, Zug Estates is working hard to ensure that the process of constructing the two new S43/45 buildings is as CO₂-neutral as possible. To that end, a new geothermal probe field consisting of 84 geothermal probes extending around 280 metres into the ground is being realised. Through integration with the energy grid, the new geothermal probe field is linked to the existing Suurstoffi energy system, which provides the site with heating and cooling energy. Photovoltaic systems with an installed capacity of nearly 437 kWp are being installed on the two roofs as well as on the façade of the S43 building. These meet the electricity needs of up to 70 single-family homes and will result in a near 30% increase in installed capacity on the site by 2027.





Energy and material-efficient building technology

In conventional ventilation systems, rooms and corridors are connected to ventilation and exhaust air ducts. This requires major installation work on ceilings and takes up considerable space and material. Costly modifications are required every time the rental space is refurbished. With the chosen combined-ventilation system, each floor is connected via riser zones **1** that extend vertically through the entire building. Fresh air reaches the rental space through these riser zones **2**. Where necessary, the fresh air is distributed to individual offices using small ventilators **3**, i.e. without the use of additional ventilation ducts. For cooling purposes, balustrade air conditioners **4** are installed along the windows and connected via a raised floor **5**. Exhaust air is transported from the upper part of the office area **6** into the corridor and ultimately out of the building. The chosen system is highly efficient in terms of energy and materials, and takes up less room within the internal space.





Materials | Energy and emissions

Much more than a paper project

In June 2023, Zug Estates signed the Reuse-Oriented Construction Charter. With the participation of Zug Estates, this ambitious charter is making major progress and already producing the first tangible results, as Peter Wicki, Head of Project Development, explains.

What impact does the real estate industry have on Switzerland's ecological footprint?

Peter Wicki: The construction and operation of buildings and infrastructures is responsible for around 50 percent of raw material demand, a third of CO₂ emissions, and over 80 percent of the volume of waste generated in Switzerland. We expect construction activity to remain strong. So, the challenge now is to minimise our consumption of resources as well as ensure we achieve the climate targets.

What does the Reuse-Oriented Construction Charter involve, and what are its objectives?

In 2023, twelve organisations and companies – among them Zug Estates – signed an agreement (i.e. the "Charter") in which they state their willingness to implement projects and carry out investments that make the construction industry more circular and resource-efficient. More members came on board last year, and others are set to follow. Our goal is to learn from each other and to use the knowledge gained in order to start projects within our own companies. Developing solid scientific foundations is another of the stated objectives of the project.

Where does the Charter see the starting points for increasing circularity and reducing emissions?

We've defined six action areas for cutting raw material requirements, waste and emissions. The first step is taken prior to the actual planning stage. Before deciding to demolish a building, the alternatives need to be examined. If the decision is to opt for a new build, buildings must be constructed such that their basic structure remains flexible enough to cope with future changes of use. During this phase it is essential to consider opportunities for optimisation and downsizing. To give you an example, this could be done by removing subterranean levels or optimising the layers of the building. The design of building components is also important. They should be easy to dismantle, separate and reuse. Last but not least, environment-friendly materials should be chosen where possible. For 2025, the primary focus of the Charter signatories is on reducing grey energy.

The question that arises time and time again is how do you measure grey energy, emissions or waste volumes? What are the challenges?

The method of calculating grey energy has now been very clearly defined via the KBOB life-cycle assessment data or SIA building standards. The granularity and level of detail are still insufficient for building optimisation, however. Through the Charter we are therefore addressing themes such as compatibility between the calculated parameters, what to do about data that is unavailable, as well as the issue of reference points. Let me give you an example: It's now possible to obtain a very accurate calculation of a building's grey energy. But how do I compare the result, and what do I compare it with? What are the key levers and opportunities for achieving further improvements including in terms of building



Interview partner

Peter Wicki, MRICS, holds a degree in architecture from the Swiss Federal Institute of Technology (ETH) and an MSc in Real Estate (CUREM); he is a member of the Group Management at Zug Estates AG and Head of Project Development.

components? Here we've set up working groups in a bid to find answers.

What has Zug Estates learned from this collaboration?

As well as gaining a variety of insights we also implemented a series of measures for the S43/45 new-build project at the Suurstoffi site, where construction has started at the end of 2024. Analysis and calculation, coupled with the action taken, resulted in a significant reduction in grey energy. We were able to significantly reduce grey energy by omitting a base-ment, reducing the amount of glass on the façade

and using recycled concrete during construction. Flexibility of use is a big theme in these buildings; last but not least, we massively simplified the building technology.

What motivates Zug Estates and the other participants to work together under the Charter?

Zug Estates has pursued ambitious sustainability targets for many years and attaches great importance to the subject across all aspects of its activities. So, it was clear to us from the outset that we wanted to play an active part in the Charter and work with our industry colleagues to develop solutions. However-

Vision Together, we define solutions to reduce greenhouse gases and conserve raw materials.		Goal Comply with planetary boundaries: e.g. net zero by 2050 at the latest		Instrument Circular building	
Measured variables	Consumption of non-renewable primary raw materials Circularity Index Construction (CI-C) in %		Grey greenhouse gas emissions in kg CO ₂ eq/m ² a		Circularity at the end of usage cycles Circularity Index End-of-Life (CI-EoL) in %
Action areas	Action area A Question needs	Action area B Think long-term & build to last	Action area C Reduce use of materials	Action area D Encourage reuse	Action area E Choose the right material
Massnahmen	Measures A1 Weigh up new build vs. redevelopment	Measures B1 Flexibility of use and Design for longevity	Measures C1 Efficient use of materials	Measures D1 Provide components and materials	Measures E1 Renewable, low-emission materials
	Measures A2 Sufficiency in space consumption	Measures B2 System separation and design for deconstruction	Measures C2 Low Tech vs. High Tech	Measures D2 Reuse components and materials	Measures E2 Secondary raw materials and proportion of recycled materials
	Measures A3 Densification in existing buildings	Measures B3 New procurement approaches	Measures C3 Avoid construction waste	Measures D3 Building resource pass-port and component documentation	Measures E3 Recyclable and reusable materials
	Compare options V				

Source: Charta Kreislauforientiertes Bauen



June 2023 saw Zug Estates sign the "Reuse-Oriented Construction Charter", which aims to make the construction industry more circular and resource-efficient.

er, there are many reasons for participating. The public organizations also want to set an example. In general, interest in the working groups is high and strongly influenced by the intrinsic motivation of the individual participants.

Reuse-Oriented Construction Charter

The construction and operation of buildings and infrastructure is responsible for around 50 per cent of raw material requirements, a third of CO₂ emissions and over 80 per cent of the waste produced in Switzerland. At the same time, construction activity is expected to remain strong in order to support Switzerland's demographic and social development. A more circular construction industry is the order of the day in response to the increasing consumption of resources and as a contribution to achieving Swiss and global climate targets.

By focussing on the preservation of existing buildings and circular construction, we are conserving primary resources and landfill space and reducing the CO₂ emissions of our own construction activities. On the way to a circular construction industry, we promote and use innovations such as digitalisation, new business models and processes. We keep up to date with the latest developments through regular dialogue.



About the
Charta:

https://cbcharta.ch/en_us/



Materials | Development of living spaces

DGNB certificate confirms exemplary site development

The fact that Suurstoffi was the first site in Switzerland to be awarded the DGNB Platinum certificate for the planning and construction of sustainable districts is the result of an exemplary site development process that began 15 years ago.



When the ground was broken for the Suurstoffi site in 2010, Zug Estates – with its zero-zero strategy – was focused on the CO₂-neutral operation of the buildings through construction of geothermal probe fields and an energy grid, a maximisation of energy production on site, and high-quality outdoor spaces. Suurstoffi attracted a lot of attention both in Switzerland and internationally thanks to this approach, and to this day is regarded as a shining example of site development. The fact that this also needs to be proven in the form of a building label or certificate was barely discussed at the time.

Growing importance of sustainability and quality certificates

15 years after the groundbreaking and the tide has turned. Various stakeholder groups are demanding greater transparency and ease of comparison – specifically in the form of sustainability and quality certificates or labels. The individual approach pursued by Zug Estates as mentioned in the introduction is no longer part of the assessment grid. Demand for certificates has risen strongly in recent years, says Ramon Zimmermann, Project Manager with consul-

tancy firm Denkgebäude AG. As sustainability advisor and DGNB auditor, the company advised and supported Zug Estates in its efforts to obtain the DGNB certificate. Ramon Zimmermann says there are multiple drivers behind this development. "Awareness of the topic has been transformed. Furthermore, I see financial incentives given that a certificate contributes to quality assurance and therefore the value retention of a property." With that in mind, he also points to the improved financing opportunities being offered by the banks. Last but not least, he adds that certificates are important from a marketing perspective because international firms in particular now require them prior to entering into a tenancy. It is for those reasons that Zug Estates likewise decided to seek certification.

Which is the most suitable certificate?



There are numerous sustainability and quality certificates as well as labels, including SNBS, Minergie, DGNB, LEED and BREEAM. They can essentially be divided into the site, building and energy certificate categories. The difference – as the name suggests



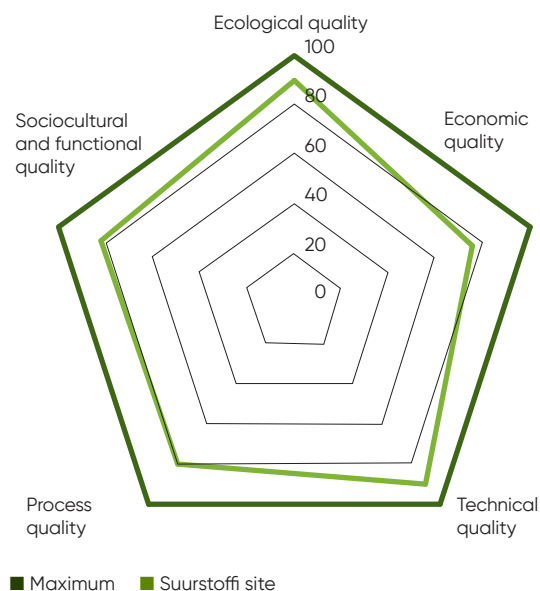
– lies in the parameters. Site certificates, for example, focus on the fundamentals of the buildings and incorporate outdoor spaces into the assessment, while in the case of building certificates the emphasis is on the individual properties (e.g. lighting within the building or the design of the windows). For Zug Estates, the decision to opt for a site certificate was easy given that outdoor spaces are an important factor in site development. There was also good reason to choose DGNB. It is an internationally recognised seal of qual-

ity which, alongside BREEAM (UK) and LEED (USA), is one of the three most important rating systems in the world and is represented by the Swiss Sustainable Building Council (SGNI).

Late start to certification process harbours risks

“As a matter of principle, it’s a good idea to start planning as soon as possible when it comes to sustainability and potential certification”, says Dieter Breer, Sustainability Expert and Partner at Denkgebäude AG. Commencing the certification process at a later date, as in the case of the Suurstoffi site, is not always possible, he says, because “it’s often the case that information is simply no longer available and evidence can no longer be produced. In a worst-case scenario, there may be no evidence available across an entire topic.” Content-wise, Zug Estates got a lot of things right from the outset when it built Suurstoffi, he says. Specifically, the CO₂-free energy concept, site development including architectural competitions, as well as holistic consideration of ESG criteria, were worth a lot of points. Fundamental topics such as these can no longer be corrected at a later date. Over 400 documents – some of which still had to be produced – were submitted for the certification process. In spring 2024, Suurstoffi became the first site in Switzerland to be awarded the DGNB Platinum certificate.

Attainment rate for Suurstoffi site: 83.3 percent





Development of living spaces

High tenant satisfaction over entire portfolio

Through regular surveys, Zug Estates measures satisfaction with its properties among private and commercial tenants. Residential tenants were surveyed in 2024, with fascinating – though not unexpected – results.



To get straight to the point: the vast majority of Zug Estates tenants are either “very satisfied” or “satisfied” with their lease. Generally speaking, it is also fair to say that the survey did not reveal any significant differences between the Suurstoffi site and the City Centre site/Metalli.

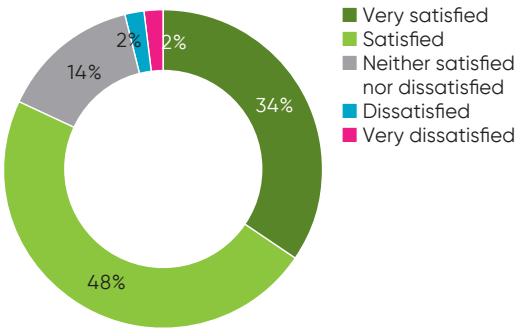
Tenants expressed a high level of satisfaction with the site (green spaces, external areas) and with the apartment (layout, comfort, fittings). They were impressed by the friendliness and professionalism of the Zug Estates property management service, but felt that contactability needed to be improved.

A slightly lower rating was achieved for the topic of facility management. Respondents said they would like improved availability as well as greater on-site presence. While the tenants rate their own parking facilities very positively, the parking situation for visitors is rated less favourably.

Interesting correlations

As was the case with many individual results, the correlations that were identified are fascinating and helpful: Satisfaction with property management and caretaking has a crucial bearing on the overall result,

Overall satisfaction with tenancy

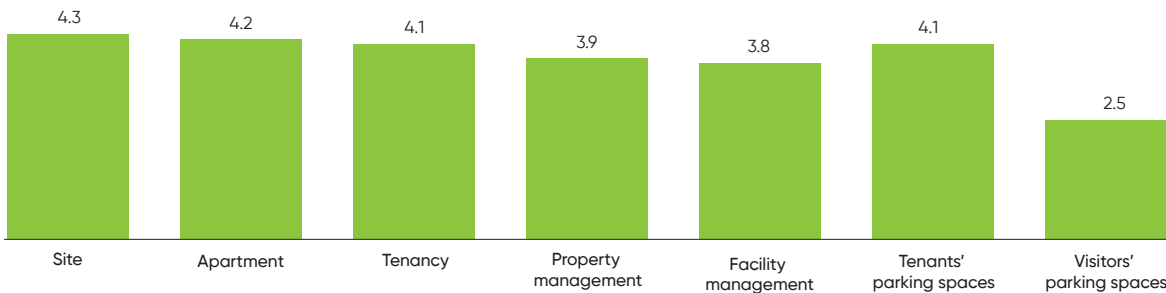


while views on the neighbourhood, for example, have little impact on the general level of satisfaction.

First measures being implemented

The detailed analysis of the results and the evaluation of the individual comments now allow targeted measures to be taken. For example, the signage for the visitor car parks on both sites will be renewed and clarified, and selective improvements will be made to bicycle parking (including more lockable or covered stations). On the Suurstoffi site, safety will be improved with a new speed limit. In order to improve the accessibility of property management, a digitally supported case and process management system is being introduced.

Survey categories (selection); Scale from 1 (very dissatisfied) to 5 (very satisfied)



Survey methodology

The survey was conducted by Customer Experience Experts, based in Meggen (Canton of Lucerne). The firm contacted 635 residential tenants by e-mail or post in mid-2024. The response rate to the survey, which will be repeated every two years, was a very high 42 percent. In 2025 a survey of the commercial tenants will be conducted.



Connected communities

Is densification a future-proof solution to the housing shortage?

The Zug Estates Sustainability Forum has been a popular meeting point since 2015. The most recent event – held in August 2024 and attended by around 200 people from business, politics and science – shone a spotlight on the topic of densification and the housing shortage.

The population continues to grow, the number of building permits is falling, and the housing shortage is becoming more acute. To ensure the resources available are used sparingly and prevent further urban sprawl in the countryside, the federal government and cantons took a conscious decision to favour densification under the amended Spatial Planning Act. But how can we build sufficient living space given the conflicting priorities of politicians, society, the real estate industry, spatial planners and urban developers? And how will we succeed in in-

creasing acceptance of densification-related construction measures? These and other questions were explored in two fascinating opening presentations. The subsequent podium discussion illustrated the high degree of complexity and examined potential solutions, but also showed the limits of what is currently feasible.



The podium consisted of Christian Kraft, Head of the Competence Centre for Real Estate at the Lucerne University of Applied Sciences and Arts; Gabriela Barman, Municipal Architect for the City of Zug; Beat Schwab, Chairman of the Board of Director of Zug Estates Holding AG (moderation); Karin Bühler, Managing Director of the "Entwicklung Schweiz" development association; and Martin Tschirren, Director of the Federal Office for Housing.

Trend reversal palpable, but doesn't go far enough

A trend towards greater densification has begun, with 20 percent of new accommodation units stemming from conversions or extensions. Planning zone consumption per capita has fallen from 309 m² (2012) to 282 m² (2022), although this is not nearly enough. Given current density levels, Christian Kraft believes there is huge potential for densification. Fact is, 85 percent of all residential buildings have only 1 to 3 floors. More flexibility is required in this area. He calls for greater density to be incorporated into standard planning procedures. At the same time, Kraft does not believe the construction of tower blocks would have much impact on the overall situation.

Greater density likely to be resisted

Across-the-board densification – as has been discussed again and again – would be heavily resisted by voters, says Gabriela Barman. "People have major reservations and I don't see any sign of broad acceptance. Karin Bühner is therefore convinced that municipalities and cities have a duty to enthuse people and gain support. That means having a clear development mission – one that shows people how additional value will be created. Furthermore, processes needed to be streamlined and planning certainty created, while the issue of improper appeals also needs to be addressed. Communication and participation are key for Martin Tschirren, too: "Through the Round Table organised by the federal government, we bring together the various stakeholders, create a shared understanding and discuss



approaches." However, he recognises that the two sides are hardening their stance. Christian Kraft takes a similar view, saying the situation is increasingly resulting in a clash between individual measures. In addition to greater density, comprehensible, reliable regulations in building legislation, as well as clear processes and contact persons for exemptions, are needed.

The fact that densification represents – or should represent – a future-proof solution to the housing shortage was stated very clearly at this year's Sustainability Forum. There is no escaping the topic of densification. However, the solutions discussed are extremely complex and implementation is challenging.

The next Sustainability Forum takes place on 27 August 2025.



More
information



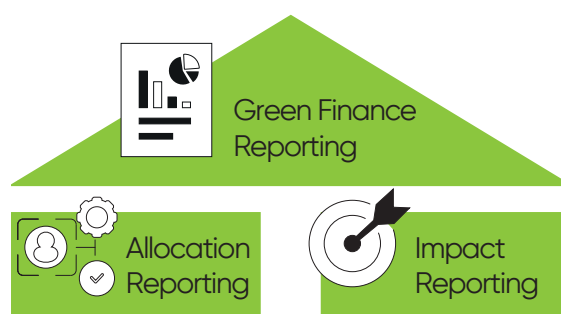


Business success

Securing green finance

Green bonds are enjoying increasing popularity in the real estate sector and are now a firm feature of capital markets. A new Green Finance Framework gives Zug Estates access to a broad spectrum of green financing instruments.

In 2019, Zug Estates was the first listed real estate company in Switzerland to issue a green bond. What was at the time a market trailblazer is now standard. Fact is, the market for green finance has seen strong growth since then; indeed, Zug Estates added additional green bonds in 2022 and 2024. The value of all three bonds now stands at CHF 300 million, with the Zug Estates bond portfolio consisting exclusively of green bonds.



Extensive preparatory work

To obtain greater flexibility in relation to green finance, Zug Estates in 2024 converted its Green Bond Framework – which prior to that had exclusively enabled the adoption of green bonds – into a Green Finance Framework¹ and set out strict criteria for the selection of green projects. The new framework constitutes the basis for the raising or refinancing of green financing instruments such as bonds, loans, mortgages, hybrid bonds and insurance policies. This requires a description of ESG strategy, project evaluation, as well as the use and management of resources, together with an illustration of planned reporting.

Via a Second Party Opinion (SPO), issuers or investors obtain independent external verification of their socially and environmentally sustainable bonds and loans. This ensures that financing instruments meet recognised standards such as the Green Bond Principles of the International Capital Market Association (ICMA) and the Loan Market Association (LMA).

To provide total transparency for investors and other stakeholders, Zug Estates prepares and publishes an annual green finance report consisting of allocation and impact reporting. The allocation report deals with the use of funds, while the impact report shows

the impact of the funds used on nature and the environment.

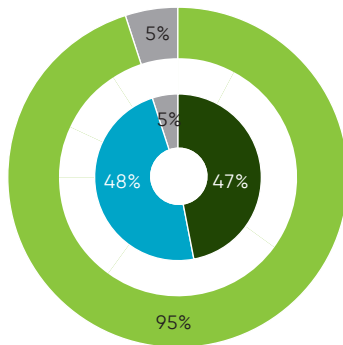
Strict selection criteria for green projects

In its Green Finance Framework, the Zug Estates Group has set out sustainable selection criteria based around the UN Sustainable Development Goals (SDGs). Provided one of the following conditions is met, or is met following building completion, buildings or sites are considered for green financing or refinancing.

- Greenhouse gas emissions for operations amount to less than 1 kg per m² energy reference area (<1 kg CO₂eq / m² ERA p.a.).
- The buildings or sites are certified by BREEAM (Very good or higher), DGNB/SGNI (Gold or higher), SNBS (Gold or higher) or Minergie.

Despite these ambitious guidelines, the proportion of green properties at Zug Estates is 95% as measured by market value. The three green bonds taken up were allocated to the properties at the Suurstoffi site, with a market value of CHF 423.9 million as at 31 December 2024.

¹ https://zugestates.ch/assets/documents/Zug_Estates_Green_Finance_Framework_August_2024.pdf



- Green buildings (< 1 kg CO₂eq)
- Certified green buildings
- Non-certified green buildings (< 1 kg CO₂eq)
- No green buildings (> 1 kg CO₂eq and no certificate)

Outlook

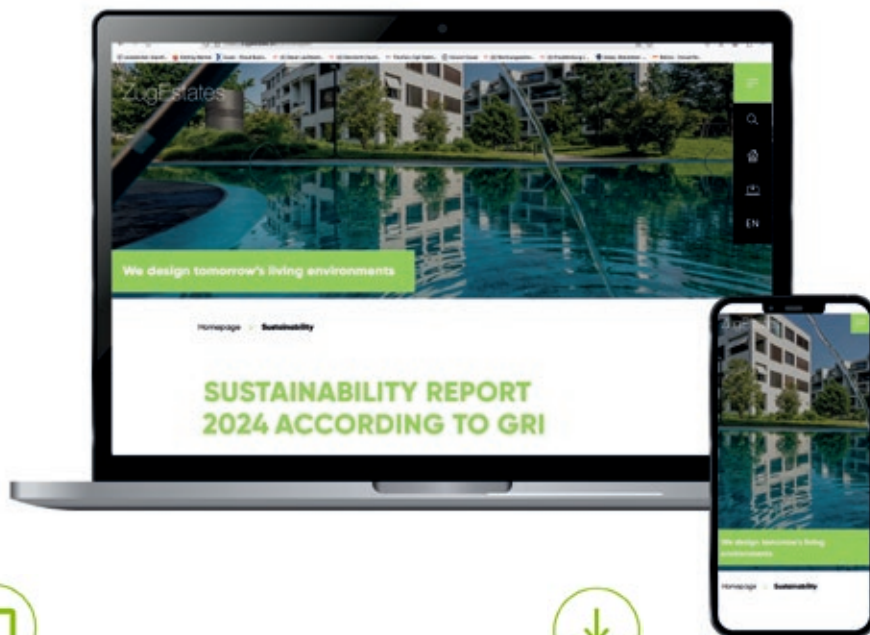
Going forward, Zug Estates will continue to pursue the environmentally sustainable development of its real estate portfolio and the attendant financing. We are forging ahead with transformation of the remaining 5% into green buildings and – together with our financing partners – are seeking additional, fitting solutions in the sustainable finance space.



More
information

<https://zugestates.ch/en/green-finance>

Comprehensive reporting



All the articles published in this report and a wealth of other information and topics relating to sustainable development at Zug Estates are available online: [www.zugestates.ch/en/sustainability](https://zugestates.ch/en/sustainability)



The PDF of this report is available at www.zugestates.ch/downloads in German and English. The German version is authoritative. A printed version of the sustainability report can be ordered by e-mail: ir@zugestates.ch

Sustainable Journey

We create added value by building, operating and continuously developing future-proof, diverse living spaces.



June 2010

Foundation stone ceremony for the CO₂-free Suurstoffi site

January 2015

Completion of the largest timber complex in Central Switzerland

April 2018

Urban gardening project launched at the Suurstoffi site



September 2019

Self-consumption association (SCA) launched at the Suurstoffi site
First green bond (CHF 100 Mio.) placed by a Swiss real estate company
Grand opening of the tallest wooden high-rise (Arbo) in Switzerland

July 2018

First timber high-rise in Switzerland: Completion of S22 on the Suurstoffi site



January 2010

Grand opening of City Garden Hotel: Zug Estates' first wooden building



November 2019

Aglaya garden high-rise completed



April 2020

Metalli complex connected to the Circulago lake-water district



June 2020

Metalli shopping mall: first highpower, rapid e-vehicle charging stations in the city of Zug



June 2022

Connection of the remaining properties to Circulago

October 2022

Commissioning of first Photovoltaic system in the City centre site/Metalli



June 2023

Co-signing of the Reuse-Oriented Construction Charter

March 2024

Suurstoffi is the first site in Switzerland to be awarded DGNB certification in platinum



August 2023

Opening of the e-mobility hub in the Metalli shopping mall



January 2022

Second green bond placed (CHF 100 Mio.)

August 2024

Placement of a third green bond (CHF 100 million)

Expansion of the Green Bond Framework into a Green Finance Framework

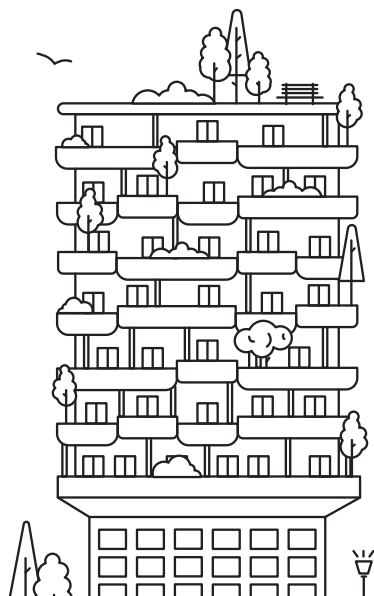
December 2024

Start of construction S43/45 for completion of the Suurstoffi site



September 2021

Nine more buildings connected to Circulago



1. Sustainability strategy

1.1 Sustainable business model and value chain

GRI 2-6

Zug Estates Group creates added value by building, operating and continuously developing future-proof, diverse living spaces. It focuses on central sites in the Zug region that are suitable for a wide range of uses and allow for sustainable development. The real estate portfolio primarily has two sites in Zug and in Risch-Rotkreuz (both in the Canton of Zug, Switzerland) and is broadly diversified in terms of type of use. The broad mix of uses is part of the business strategy. Our sites offer living space for around 2 400 people plus more than 4 300 jobs. As at 31 December 2024, the total value of the portfolio was CHF 1.86 billion, and the Group had 130 employees on a full-time equivalent (FTE) basis. There were no significant changes in the organisation and supply chain in the reporting period.

Via Garden Park Zug AG, the Zug Estates Group operates two leading hotels in the city of Zug. Their attractive catering and event offering makes them a popular meeting point for guests from around the region.

The hotels portfolio includes the renowned 4-star Superior Park Hotel Zug, 4-star Designhotel City Garden, as well as three serviced city apartment properties. With a total of nearly 250 rooms and around 100 employees, Garden Park Zug AG provides guests with

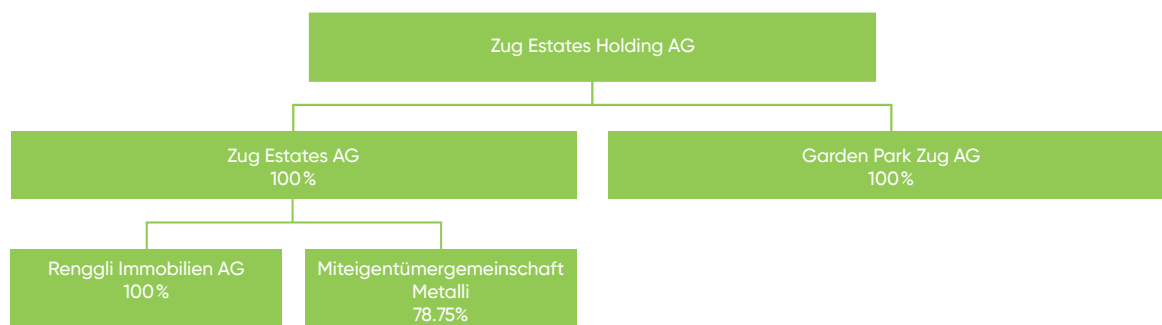
first-class comfort and excellent service. The catering portfolio includes the aigu Restaurant, and the bar & lounge, together with the Secret Garden Restaurant, which caters for exclusive events.

The sites are being developed in line with the sustainable principles described in detail in this report. A key outcome of our sustainability strategy to date has been the nearly CO₂-free operation of the Suurstoffi site and the city centre site/Metalli. Furthermore, when designing the outdoor spaces, Zug Estates strongly emphasises high-quality and varied green spaces that offer people a place to relax and convey a sense of well-being. The Metalli living space is also envisioned to become a popular place where Zug residents can meet and spend time, even after shops close and on weekends. This approach will enable Zug Estates to create long-term added value that benefits society, the environment and the various stakeholder groups.

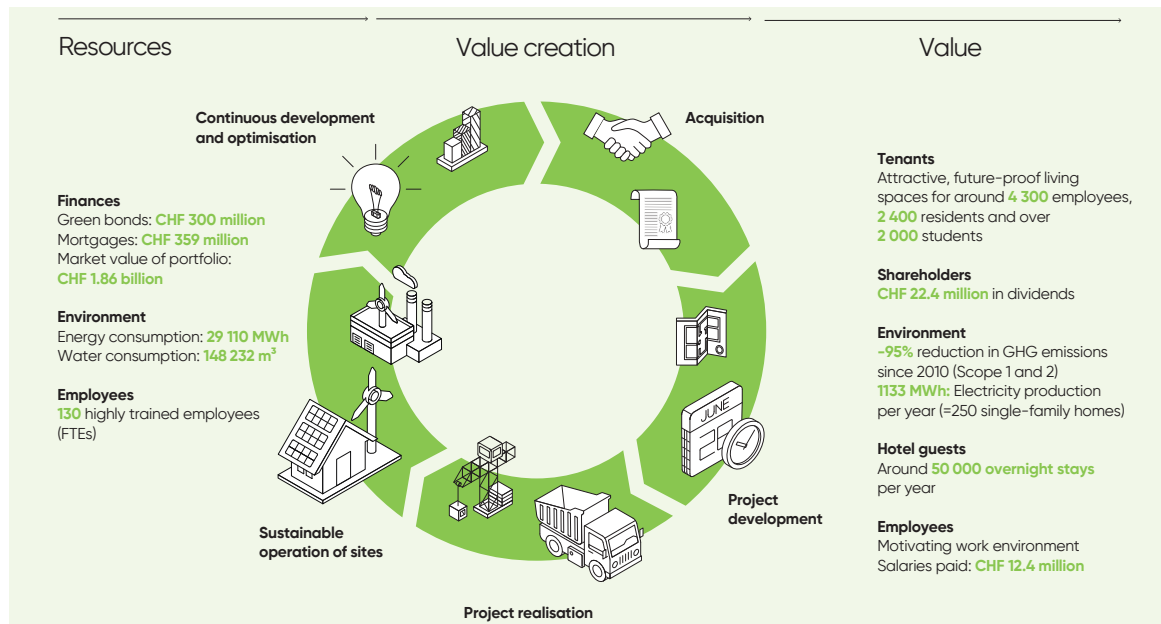
The Articles of Association of Zug Estates Holding Ltd. define sustainability as an essential corporate purpose. At the same time, sustainable aspects remain part of our value chain and the investment criteria.¹

¹ <https://zugestates.ch/en/about-zug-estates#investment-criteria>

Structure of Zug Estates Group as at 31 December 2024



Value chain of the Zug Estates Group



All figures as at 31 December 2024. Key figures on energy and water from 1 October 2023 to 30 September 2024.

1.2 Values, ambitions and goals

Sustainable principles and values are firmly established in the company's DNA – at every level, from individual employees all the way to our Board of Directors. The Board of Directors and the Group Management already began discussing their vision of a CO₂-free site – the Suurstoffi – more than 15 years ago. Even then, decision-makers knew that the future lies in renewables and that greenhouse gases needed to be reduced swiftly and substantially.

An example of the fruits of these efforts can be seen in how the Suurstoffi site has evolved. There, Zug Estates forged new paths not only in terms of energy and emissions, but also through its virtually emission-free, energy system. This green, spacious, traffic-free site is also impressive as a pleasant place for leisure activities and a high quality of life – important criteria for our tenants' coexistence and well-being.

Zug Estates attaches great importance to sustainability in all aspects of its operations and is a pioneer when it comes to sustainably developing and operating zero-emission properties. The company takes its responsibility seriously and is committed to upholding binding sustainability goals. Zug Estates has a net zero strategy aimed at systematically reducing greenhouse gas emissions and preventing them if possible.

Last but not least, Zug Estates is committed to the principles of good corporate governance. This is shown by its efficient management structure, comprehensive control mechanisms and transparent information policy. The Code of Conduct² sets out the rules for ethical conduct for all Zug Estates Group employees and is given top priority. Reaching its sustainability goals has been part of performance-based remuneration of the Group Management since 2023.

Zug Estates has set itself the goal of using sustainable financing products – and demand for these has risen significantly. To obtain greater flexibility in relation to green finance, in 2024 Zug Estates converted its Green Bond Framework – which prior to that had exclusively enabled the adoption of green bonds – into a Green Finance Framework and set out strict criteria for the selection of green projects. The new framework constitutes the basis for the raising or refinancing of green financing instruments such as bonds, loans, mortgages, hybrid bonds and insurance policies.

² <https://zugestates.ch/assets/documents/Zug-Estates-Code-of-conduct-en.pdf>

Our commitment

- Energy and emissions: nearly 100% CO₂-free operation thanks to the zero-zero strategy.
- Development of living spaces: attractive spaces for a higher quality of life.
- Materials: promotion of a circular economy thanks to specifically selected materials and optimised use of grey energy during construction.
- Profitability: sustainability implemented with business success.
- Innovation: added value for people and nature through innovation.

Most important goals

- Achieve almost emission-free operation of the Suurstoffi and city centre/Metalli sites with regard to Scope 1 and 2 (first zero).
- Increase own electricity generation by means of photovoltaic installations and purchase power from regional renewable sources of energy (second zero).
- Further develop the Renggli Holding AG properties acquired two years ago in line with sustainable principles and achieve emission-free operation in the medium term.
- Reduce CO₂ emissions from construction and contribute to the circular economy.
- Increase biodiversity by adding greenery to squares, roofs and façades.
- Maintain high tenant satisfaction through sustainable and diverse design as well as through active management and prudent transformation of living spaces.
- Use of sustainable financing instruments.

1.3 Material topics

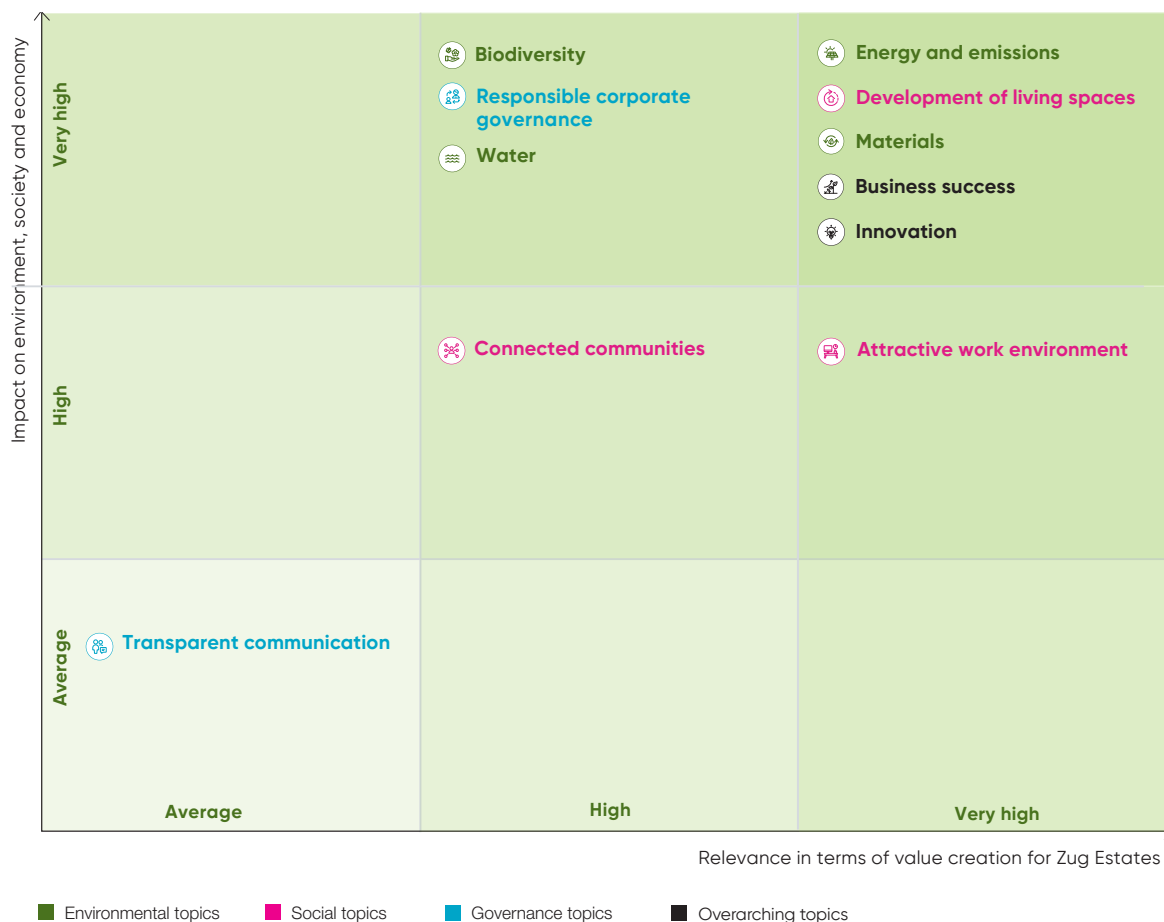
Zug Estates asked an interdisciplinary work group with Group Management members and internal specialists to determine the most relevant ESG topics in 2020/2021. The work group included representatives from all relevant business units and processes such as risk management, procurement, compliance, property management, site management and communication. A consulting firm specialising in sustainability strategies monitored the process.

GRI 3-1

A long list of topics was compiled based on internal and external sources. Topics were selected and defined based in part on feedback from various stakeholder groups and obtained through tenant surveys, employee feedback gathered during brown bag events, roadshows, meetings with shareholders, investors and banks, as well as from assessments by ESG experts. The requirements of the GRI Standards, UN Development Goals and ESG rating agencies were also taken into account.

The topics were evaluated and assessed by the task force's internal experts during a workshop on identifying the relevance of the various topics in terms of value creation at Zug Estates. In addition, selected stakeholders (including financial and ESG analysts, investors, tenants and employees) were involved by means of individual interviews, surveys and research with a view to studying the relevance of the topics in terms of their environmental, economic and social impact (including human rights). This process took place in close co-operation with Group Management and the Board of Directors of Zug Estates Holding Ltd.

Materiality matrix



The 12 topics of material significance that emerged form the basis for the materiality matrix. The Sustainability core team assesses the matrix annually. Group Management and the Board of Directors approved all changes to the matrix.

Eleven key topics currently determine the structure of this report and help us to further develop our sustainable business activities in line with current and medium-term priorities. The materiality matrix was assessed by the Sustainability core team in autumn 2024 and no changes were made.

GRI 3-2 List of material topics:

Attractive working environment, biodiversity, energy and emissions, innovation, development of living space, use of materials, transparent communication, connected communities, responsible corporate governance, use of water, business success

As shown in the materiality matrix, Zug Estates is still mainly focused on environmental topics – and for a good reason. Various studies have shown that the greatest need for action in the construction and real estate sector lies in reducing greenhouse gas emissions, both in the operation of buildings and during construction – an approach that Zug Estates has been successfully pursuing for over 15 years (see “Reduction path” on page 36).

The development of living space is also a priority, as it gives us a means of influencing the way people move, work and live in our living spaces over decades. Zug Estates therefore firmly believes in creating attractive, long-term living spaces by taking sustainable criteria into account.

1.4 Stakeholder groups

The most important stakeholder groups either affect Zug Estates Holding Ltd's business activities significantly or have a substantial influence on the company. The most important ones include:

- Shareholders and investors
- Tenants
- Employees
- The public and the Zug population
- Authorities and politicians
- Business partners and suppliers
- Financial and ESG analysts
- Media

GRI 2-29 Zug Estates regularly engages with its key stakeholders through surveys and personal meetings. The most important findings include:

- A population survey³ in Zug has shown that Zug Estates is on the right track with its plans for the Metalli living space.
- A tenant survey takes place every two years, and in 2024 it was the turn of residential tenants to be consulted. Even though the results show a high level of satisfaction, optimisation measures were identified for both sites (Suurstoffi and the city centre) (see page 13).

³ <https://zugestates.ch/stories/die-bevoelkerung-bringt-sich-ein>

- The employee survey conducted in 2024 shows a significant improvement compared with the previous survey, which took place in 2021.

For details about our approach to involving key stakeholders as well as an overview of the concerns that these groups have raised, please refer to page 60.

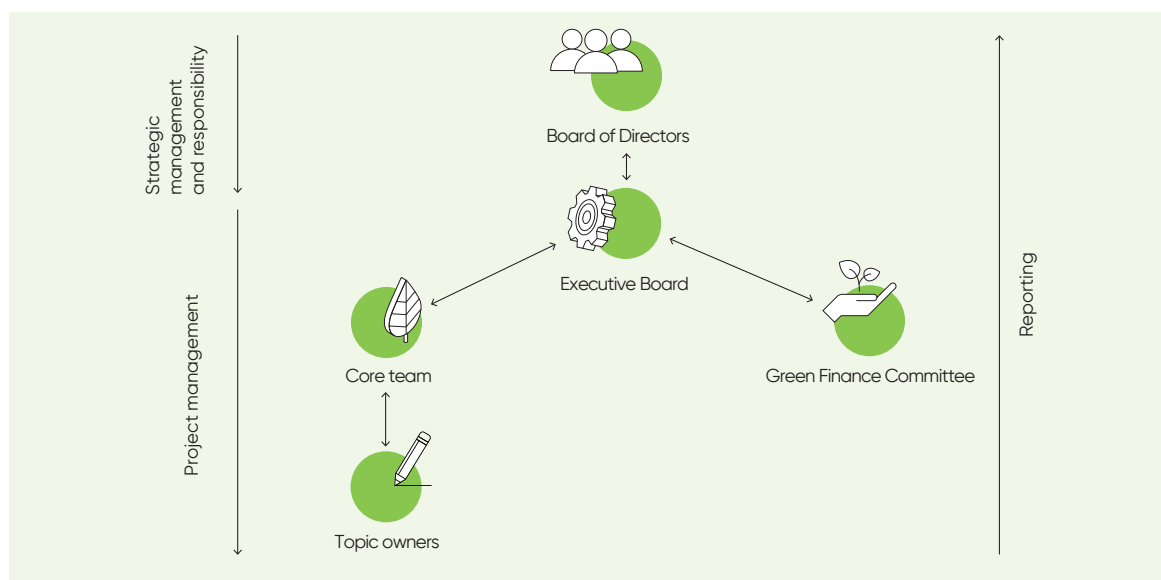
1.5 Organisation

To meet current and future challenges, Zug Estates has set up a sustainability organisation.

Board of Directors and Group Management

As part of the company-wide strategy development, the Board of Directors is responsible for setting and monitoring the sustainability strategy. It assumes overall responsibility for sustainability and has an active role in developing sustainability topics. The annual strategy workshop offers the Board of Directors and Group Management the opportunity to study and discuss strategic topics (including sustainability) in more depth. External expert speakers and relevant stakeholders are invited, depending on the topic. In addition, Dr. Joëlle Zimmerli, a sustainability expert with a strong track record, joined the Board of Directors in 2023.

Sustainability organisation:



- GRI 2-13* The organisational regulations⁴ describe in detail how responsibilities are divided between the Board of Directors and Group Management.
- GRI 2-14* This report in accordance with GRI Standards was approved by the Board of Directors and Group Management on 18 February 2025.

Sustainability core team

The Sustainability core team, headed by the CEO, is responsible for implementing the sustainability strategy, contributing ideas to the project and reviewing the material topics. It is an interdisciplinary team that includes members of Group Management. Eleven meetings – generally lasting two hours – were held in the 2024 reporting year. The core team reports regularly to the Board of Directors through Group Management.

The core team's tasks include:

- Strategic development of the material topics
- Initiation of new project ideas
- Operational control and monitoring of projects with sustainability aspects
- Acquiring expertise internally
- Boosting acceptance, information and involvement of employees

⁴ https://zugestates.ch/assets/documents/211130_Organisation-al_regulations_Zug_Estates_Holding_AG.pdf

- Regular reporting on the effects, risks and opportunities of environmental and social issues

Green Finance Committee

Set up in summer 2024, the Green Finance Committee ensures that there are always enough eligible projects in the Green Basket with at least the equivalent of the net proceeds from the total proceeds of the green bonds. The Green Finance Committee comprises the CEO, CFO and Head of Portfolio Management. The Committee's remit is described in detail in the Green Finance Framework⁵.

Topic owners



Each material topic (see materiality matrix) is assigned to a particular person, who is responsible for developing it and reporting to the Sustainability core team.

GRI 2-17

⁵ https://zugestates.ch/assets/documents/Zug_Estates_Green_Finance_Framework_August_2024.pdf

1.6 UN Sustainable Development Goals (SDG)

Zug Estates contributes to the following Sustainable Development Goals⁶.

	Goal	Our contribution	Material topics for Zug Estates
	Ensure access to affordable, reliable, sustainable and efficient energy for all	Access to the self-consumption association (SCA) gives our tenants sustainable energy on attractive terms and conditions. 96% of the energy needed to run buildings (heating, hot water and air conditioning) is procured from renewable sources (Goal 7.2).	Energy and emissions
	Build resilient infrastructure, promote inclusive and sustainable industrialisation, and foster innovation	Zug Estates has implemented several sustainable projects with a national impact, including the anergy system at the Suurstoffi site, the first wooden high-rise in Switzerland, and the Aglaya garden high-rise. The world's largest thermal energy storage facility, based on phase-change materials derived from salt hydrates, was commissioned in 2023, in a pilot project at the Suurstoffi site ⁷ . In addition, Zug Estates participated in the V2X e-mobility project (Goal 9.1).	Innovation
	Design cities and settlements to ensure they are inclusive, safe, resilient and sustainable	Zug Estates sets the pace for all of Switzerland with its Suurstoffi site, which was developed in line with key sustainability topics that include energy, emissions, materials, biodiversity and mobility. Topics that play a crucial role in developing the Metalli living space in Zug's city centre address not only environmental but also social aspects. For example, 40% of the new apartments being built are in the low-price segment. Other important project goals include integration into surrounding neighbourhoods and the creation of pleasant public spaces (Goals 11.1, 11.3, 11.6, 11.7).	Development of living spaces
	Ensure sustainable consumption and production patterns	17.4% of all lettable space is located in wood or wooden hybrid buildings (Goal 12.2). Garden Park Zug AG participates in the "Swisstainable ⁸ " project run by Swiss Tourism, as well as in the "Too Good To Go" project aimed at combating food waste (Goals 12.3 and 12.5). Zug Estates observes the principles of the circular economy and is an active participant in the Reuse-Oriented Construction Charter. Wherever possible, the company preserves existing buildings, relies on secondary materials, chooses methods with high material efficiency for construction and, last but not least, uses building materials with low CO ₂ emissions (Goal 12.5).	Materials
	Act quickly to combat climate change and its impacts	Renewable local energy systems, renewable building materials (wooden construction), strong energy efficiency in newly constructed buildings, and green spaces in outdoor areas improve the sites' adaptability to climate-related hazards (Goal 13.1). Zug Estates has demonstrated its pioneering spirit repeatedly through the anergy system, the first wooden high-rises in Switzerland, and the garden high-rise. These projects have helped the company raise awareness of and educate people about sustainable infrastructure. We aspire to do the same in our Metalli living space development project (Goal 13.3).	Energy and emissions Materials

Eligible projects defined via the Green Finance Framework⁹ also refer to the SDG.

⁶ <https://www.eda.admin.ch/agenda2030/en/home/agenda-2030/die-17-ziele-fuer-eine-nachhaltige-entwicklung.html>

⁷ <https://zugestates.ch/stories/innovative-speichertechnologie-in-der-suurstoffi-getestet>

⁸ <https://www.stnet.ch/de/swisstainable/strategie/>

⁹ https://zugestates.ch/assets/documents/Zug_Estates_Green_Finance_Framework_August_2024.pdf

2. Overarching topics

2.1 Innovation

Relevance

At Zug Estates, we use innovations and the possibilities of digitalisation to increase the quality of our properties and services and to optimise operations and processes. Continuous innovation is essential for us to maintain our competitive edge in the long term and meet the expectations of various stakeholder groups, and our customers in particular.

Sustainability is a key driver of innovation. Our goal of managing properties with no greenhouse gas emissions and a minimum of external energy, as well as our claim of promoting the circular economy and biodiversity on our sites, prompt us time and again to question established practices and look for new approaches. Digital technology (e.g. for controlling the energy network at the Suurstoffi site) plays an important role here, as it helps us create smart and integrated neighbourhoods that are more efficient, clearly add value for residents and the environment, and contribute to our business success.

Approach to the topic

Zug Estates has implemented many pioneering projects in recent years. These include the Suurstoffi site with its innovative energy system and a self-consumption association (SCA) for the entire site and outdoor space designed with a strong focus on greening and biodiversity, the realisation of the first (the S22 building) and the currently tallest (the Arbo building) wooden hybrid high-rises in Switzerland, as well as the Aglaya garden high-rise. With these projects, Zug Estates deliberately pushes the boundaries, assumes calculable risks, and plays a pioneering role in the market by influencing decision-making at other companies.

Zug Estates looks for innovation opportunities in various areas and at different levels. It pursues ambitious goals and innovative approaches in planning and realising its properties, especially with respect to energy and emissions, as well as with materials and the circular economy. It promotes new usage concepts in the development and operation of the sites (e.g. in the areas of supply and mobility). Furthermore, it uses the possibilities of digitalisation to simplify processes, especially in the area of property management, and offers its customers optimised services.

In the two refurbishment projects carried out in autumn 2023 at Park Hotel Zug and at its own offices, Zug Estates placed a strong emphasis on reducing the consumption of materials and on using recycled materials.

Under its Group Management and support of its Board of Directors, Zug Estates focuses on topics related to innovation and advances them for specific purposes. Zug Estates is committed to establishing innovation as an integral part of its corporate culture. This includes employees discussing new trends and visiting innovative projects and properties regularly.

We work with external partners to develop an open approach to promoting innovation more effectively in all areas of the Group's business activities. We regularly exchange information with other industry players to benefit from each other's valuable experience. We are also a core member of Switzerland Innovation Park Central in Rotkreuz, where our employees regularly attend innovation workshops. We have established other innovation partnerships with various research institutions including the Lucerne University of Applied Sciences and Arts (HSLU), for example. Our collaboration with HSLU allows us to conduct research regularly to test and refine our ideas and project implementations.

Results and evaluation

Zug Estates' entire portfolio reflects the company's pioneering role in managing greenhouse gas emissions, particularly in terms of sustainability and as a driver of innovations for supplying energy and for heating and cooling its properties. With a figure of 0.9 kg per m² of energy reference area (see "Reduction pathway" on page 36) greenhouse gas emissions from the Zug Estates portfolio are significantly below the industry average.

Our various prizes, awards and accolades on a range of topics are testimony to our pioneering spirit.

- 2024: Suurstoffi the first site in Switzerland to be recognised with the DGNB Platinum Certificate
- 2022: Second place in the ranking of Switzerland's most eco-friendly companies
- 2018: Prix Lignum silver medal for the first wooden high-rise in Switzerland

These recognitions motivate us to increase our efforts to find innovative solutions, examine how they might benefit our stakeholders, and implement them to best effect.

The world's largest thermal energy storage facility, based on phase-change materials derived from salt hydrates, was commissioned at the Suurstoffi site in 2023. The resulting higher storage capacity leads to reduced operating cycles for the heat pumps and thus increases service life¹.

¹ <https://zugestates.ch/stories/innovative-speichertechnologie-in-der-suurstoffi-getestet>

Through the introduction of three core systems (Garai REM, Dynamics 365, develop documents) and their integration with the Microsoft landscape, Zug Estates has laid the basis for future digitalisation projects. The centralised data model, which was introduced into the property management department at the start of 2024, enables digitalisation across system boundaries; each information object is maintained only once within the leading system, with the information then consumed by the peripheral systems. Zug Estates is therefore well equipped for the digitalisation of additional business processes.

2.2 Business success

Relevance

Zug Estates aims to plan, realise, manage and further develop attractive and sustainable living environments for tenants and other parties. We can live up to our promise only if we operate profitably over the long term, which then enables us to meet our obligations to all relevant stakeholder groups.

Approach to the topic

Our sustainable and diverse living spaces are a prerequisite for our long-term business success. Through sustainable and versatile design as well as active management and prudent conversion of our living spaces, we make our locations more attractive and enhance the quality of stays, thus positively affecting property income. In addition, we use specific synergies from the geographical concentration and diversified use of our living spaces to increase our service quality and optimise costs.

Zug Estates pursues a policy of active growth. Following the acquisition of Renggli Holding AG in November 2022, the focus has been on realising the potential available in the portfolio – in particular developing the city centre site in Zug as well as completing the Suurstoffi project and developing the Renggli properties in Rotkreuz.

Yet we do not view growth as an end in itself. We make acquisitions only if their quality and commercial benefits have a meaningful balance. This enables us to secure our long-term financial stability. It also requires us to keep our debt ratio at moderate levels, diversify our lenders broadly, and balance how we structure the contract terms.

Risk management

Comprehensive risk management is an important instrument for ensuring Zug Estates Group's business success. The company regularly identifies, analyses and controls business risks as part of a clearly defined process involving all hierarchy levels, up to and including the Board of Directors. The Board of Directors defined the basic principles of risk management in the form of a risk policy (guideline).

GRI 2-12

Zug Estates prepares an annual risk report that categorises and weighs each relevant business risk by its probability of occurrence and loss potential. The report focuses on measures to reduce such risks. This process helps the Zug Estates Group to manage opportunities and risks so as to reach its goals. The Group's risk situation must be comprehensively reassessed every three years. The Board of Directors controls Group Management and supervises its work regularly. The annual report 2024 (page 34) describes the various process and control instruments in detail². The Audit Committee is responsible for controlling and monitoring financial risks. Please refer to the regulations of the Audit Committee.³

² <https://zugestates.ch/en/downloads>

³ https://zugestates.ch/assets/documents/211130_Regulations_of_the_Audit_Committee.pdf

Climate-related risks

Climate change has been increasing the risks from natural hazards. For a business to remain successful, it must keep these risks in mind and manage them

actively. The climate-related risks and their effects are addressed in Zug Estates Group's annual risk report and listed in the following table.

Climate risk	Consequences	Assessment	Measures
Physical risks			
Climate change is raising temperatures, causing lengthy heat waves, and increasing the number of heat days.	The need to cool buildings is thus increasing, and the energy required for doing so is driving up costs.	The system at the Suurstoffi site and the Circulago lake-water district can supply sufficient energy for cooling.	There are plans for some adjustments to the Suurstoffi's energy system (e.g. night cooling).
The heat island effect is causing cities to become steadily warmer,	and rising temperatures are affecting our sites. Since the heat island effect negatively impacts people's well-being, it not only makes a location less attractive but also lowers demand for living space.	At its own sites (especially the city centre site), Zug Estates can take measures to cool the microclimate.	Use of greenery and wet surfaces; provision of shade. In terms of construction, the choice of materials used for the building's exterior is a crucial factor for improving the microclimate. Preventing heat islands and providing shaded areas by planting trees are key topics in the Metalli living space development project.
Damage from storms and extreme weather events is likely to increase, and we can expect more powerful storms and torrential rains in future.	There will be an increase in the number and size of loss events involving buildings and their surroundings, and insurance costs can be expected to rise.	The sites operated by Zug Estates are not in high-risk areas (landslides, flooding, rockfall) as shown on the risk zone plan ⁴ . No special preventative measures are necessary.	Structural measures and precautions to prevent damage from natural hazards, adaptation and optimisation of insurance cover, identification and implementation of technical precautionary systems in buildings, training and informing employees and tenants.
Transitory risks			
Taxes and CO ₂ levies will rise as a means of reducing greenhouse gas emissions.	Replacement of CO ₂ -intensive heating systems.	Since the portfolio is already virtually CO ₂ -free, the risks from rising prices for greenhouse gas emissions or the cost of switching to lower-emission technologies are very low.	Even if it were to expand its portfolio, Zug Estates will continue to rely on CO ₂ -free heating and cooling systems.
Rising energy prices and energy rationing	Rising ancillary costs for tenants and operating costs at Garden Park Zug AG. As this risk affects all operators of real estate, it must be considered as comparatively neutral.	A large part of the energy for cooling and heating comes from the company's own Suurstoffi energy system and from the Circulago lake-water district. Zug Estates therefore has below-average exposure to rising energy prices; rationing would, however, have a big impact on the operation of its properties.	Reduce fossil fuel dependency, ramp up own solar power production, increase energy efficiency of buildings, enter into long-term energy supply contracts.

⁴ <https://zg.ch/de/natur-umwelt-tiere/naturgefahren/gefahrengrundlagen/gefahrenkarte>

Results and evaluation

The Annual Report 2024⁵ of Zug Estates Holding Ltd explains the main developments in the 2024 financial year. We study the environmental impact of our green bonds⁶ annually as part of our green finance reporting. Internal minimum thresholds and targets are in effect for the most important financial ratios. The Audit Committee and the Board of Directors review them several times a year and take measures as needed.

Zug Estates' impressive track record in terms of sustainability helps it to borrow capital. In 2019, for example, we became the first real estate company in Switzerland to issue a green bond of CHF 100 million. Zug Estates placed additional green bonds – each for CHF 100 million – in January 2022 and August 2024. This means the bond portfolio (total CHF 300 million) consists entirely of financial instruments focusing on sustainability. We will continue to pursue this objective in future (see article on page 16).

according to the internal analysis, as shown in the Assessment. The analysis, assessment and derivation of measures for risk mitigation in connection with climate change (see page 29) are part of the risk report the Board of Directors and management prepares annually. Those consequences are factored into our site development plans – both with respect to the architecture and features of our buildings and the design of outdoor spaces.

Since the portfolio is already virtually CO₂-free, the risks from rising prices for greenhouse gas emissions or the cost of switching to lower-emission technologies are extremely low. Zug Estates closely monitors technical and regulatory trends during its annual risk analysis to ensure that it can identify risks and seize opportunities in good time.

GRI 201-1 *Direct economic value generated and distributed*

The economic situation proved favourable for Zug Estates in the 2024 financial year: as a place to live and work, the Zug region – which lies at the heart of our activities – continues to experience dynamic growth, and the demand for attractive, well-connected rental space remains intact. At the same time, the fact that interest rates fell again significantly in 2024 following the increases of 2022 and 2023 has a positive effect on the financing situation and on real estate values.

With its high-quality portfolio and focus on attractive, well-connected locations, the Zug Estates Group benefited from this economic backdrop and achieved very pleasing results. Numerous rental successes led to a noticeable increase in property income and a significant reduction in the vacancy rate to 0.7% (previous year: 3.9%).

Please see the 2024 annual report of the Zug Estates Group for details

GRI 201-2 *Financial implications and other risks and opportunities from climate change*

The main financial consequences of climate change include an increase in damage to buildings and infrastructure from weather events as well as higher costs from cooling buildings and supplying them with energy. The financial consequences are manageable

⁵ <https://zugestates.ch/en/downloads>

⁶ <https://zugestates.ch/green-finance>

3. Environmental topics

With regard to environmental issues, the core of Zug Estates' sustainability strategy is the reduction of greenhouse gas emissions. Having successfully focused for a long time on reducing emissions from operating its buildings (energy and emissions management approach), Zug Estates will in future pay closer attention to emissions during the construction of properties and sites (materials management approach). In addition, Zug Estates strives to strengthen biodiversity and conserve water in its properties.

3.1 Biodiversity

Relevance

Diversity in the ecosystems enables us to maintain life on our planet. For human beings to continue to exist in the long term, it is imperative that we regard biodiversity as a pivotal factor when designing our habitats. Urbanisation has boosted construction and caused a sharp increase in ground sealing in recent decades. Zug Estates, too, has sealed some areas through its construction activities – primarily at the Suurstoffi site. In the absence of adequate countermeasures, this will negatively affect biodiversity and ecosystems. Ground sealing causes less water to reach the soil and thus leads to a loss of natural habitat for animals and plants.

Approach to the topic

At Zug Estates, we take this topic seriously and consider biodiversity aspects when developing the outdoor areas at all our sites. This includes design and maintenance concepts for green spaces that facilitate and promote biodiversity. For technical support, Zug Estates works with landscape architects, gardeners and specialists. Based on professional recommendations, we have set ourselves the following goals for optimal biodiversity at our sites:

- When planning new outdoor spaces, we consider measures that promote biodiversity (e.g. greening of roof surfaces).
- We aim to manage outdoor spaces to promote biodiversity (e.g. no chemical treatment of soils; creation of natural patches where appropriate).
- Invasive plant species, referred to as neophytes, should not proliferate on Zug Estates sites and are removed and replaced regularly. Native plants are used where appropriate. Care is taken to select plants appropriate to the location.

The Sustainability core team reviews all new development projects with regard to biodiversity. Furthermore, properties currently in the portfolio are reviewed and proposals for improvements are developed jointly with project and property managers. Here, specific measures to reach these goals range from complex projects, such as the design of semi-natural landscapes, all the way to minor steps that are easy to implement.

Our properties' outdoor spaces are intended as places where people can meet, spend time and enjoy themselves, and they should promote a sense of well-being and create an identity. Moreover, they should offer ideal conditions for plant and animal life as well as promote biodiversity. Since the outdoor and green spaces must accommodate human and natural uses equally, the likelihood of conflicts must be considered when planning and managing them.

The maintenance gardeners carry out a regular assessment of the areas and propose measures to promote biodiversity for the attention of the management. Selected measures are incorporated into the maintenance concept for the areas.

An expert analysis of the space surrounding the Suurstoffi buildings carried out in 2022 identified potential for improving its quality and the experience of staying there, as well as for promoting biodiversity. Several workshops were held to discuss, evaluate and plan the measures to take. The work itself was carried out in the first half of 2023. This included redesigning the spaces as well as creating rough pastures and constructing stone and deadwood piles to promote biodiversity on the eastern side of the site¹.

¹ <https://zugestates.ch/stories/staerkung-des-aussenraumkonzepts>

Results and evaluation

Own information: Proportion of certified land area of special ecological value as at 31 December 2024: 57%.

The entire Suurstoffi site of 105 342 m² (57% of all properties belonging to Zug Estates) has been certified by the Nature & Economy Foundation. The certificate is awarded to sites whose special ecological value contributes significantly to preserving natural biodiversity and that enable their residents to form a direct relationship with nature. The Foundation's sponsors prepare the criteria in consultation with cantonal planning authorities, nature conservation specialists, landscape architects and urban developers. Certification requires the following minimum standards, which have been confirmed for the Suurstoffi site:

- At least 30% of the surrounding land must be designed using semi-natural and structurally varied criteria.
- No more than 30% of the surrounding surface may be sealed.
- Semi-natural areas must be filled with a highly diverse range of indigenous plant species that are appropriate for the site.
- No biocides or chemical fertilisers may be used in the semi-natural spaces.
- Semi-natural meadows will be cut no more than twice a year.

The Nature & Economy Foundation website has the complete list of criteria for residential sites.² There are currently no plans to extend this certified area, as the conditions in the city centre site are completely different in an urban environment and other criteria would have to apply.

Suurstoffi site

High-quality beds of perennials, urban and residential gardens, a neighbourhood park, and wet surfaces are visible elements in the design surrounding the Suurstoffi site and help to promote biodiversity. Roof-tops and façades are also included as potential spaces for biodiversity promotion. Zug Estates showcased green façade concepts with its Aglaya garden high-rise on the Suurstoffi site, where more than 15 000 plants grow on the sides of the 70-metre building. Bird nests and the sight of insects and butterflies all the way to the top indicate that the area's biodiversity has increased.

The short period since completion of the building has so far made it impossible to assess how the natural patches on the eastern side of the Suurstoffi site have affected biodiversity. In due course, Zug Estates will work with experts to conduct a field study to assess the situation and make changes as needed.

Metalli living space

The recommendations from the review, as well as those of landscape architects, concerning the topic of greening and biodiversity in the Metalli living space project have been incorporated into the adapted development plan, which has already been reviewed by the cantonal authorities. The currently planned architectural competition requires biodiversity and heat reduction measures to be included. Teams will be required to provide a qualitative description and explanation.

General greening and biodiversity are to be given greater emphasis compared to what is currently the case. This way, the current hard surfaces are loosened up here and there with soil for growth. At the new Metalli space and at the square in front of the UBS bank, large, shady trees will be planted in tree pits dug for this purpose. Furthermore, greening of the roof surfaces is planned as well.

3.2 Energy and emissions

Relevance

Greenhouse gas emissions caused by human activity increase global warming and contribute to climate change. This scientifically proven fact impacts both people and nature. A significant portion of greenhouse gas emissions in Switzerland are caused by the real estate industry³.

The Federal Council adopted Switzerland's long-term climate strategy on 27 January 2021 and approved its submission to the UN Climate Change Secretariat. This puts Switzerland in compliance with the Paris Agreement, which calls on all countries to develop climate strategies by 2050. If global warming is to remain below 1.5 degrees Celsius with a sufficiently high probability, worldwide CO₂ emissions must be brought to net zero by the middle of this century at the latest. This means that any CO₂ still being emitted then must be completely and permanently removed from the atmosphere through sinks (negative emissions). The Zug Estates Group is fully committed to the goals of the Paris Agreement and the federal government's Energy Strategy 2050.

² https://www.naturundwirtschaft.ch/assets/Dateien/Files/Medienmitteilungen/346/Antragsformular_Wohnen_13012025_interaktiv.pdf

³ <https://www.bafu.admin.ch/bafu/en/home/topics/climate/in-brief.html>

Approach to the topic

Zug Estates is aware of its responsibility relating to climate change. With its zero-zero strategy, Zug Estates has been pursuing two goals for over 15 years: On the one hand, buildings should be managed emission-free, while as much energy as possible should be self-produced. Energy purchased from third parties must come from renewable sources. The Zug Estates sites – Suurstoffi and the city centre – have been operating virtually CO₂-free since 2022 (Scopes 1 and 2). The company is therefore currently focused on increasing its own electricity production (photovoltaics) and adapting the energy concepts for the other investment properties in the medium term.

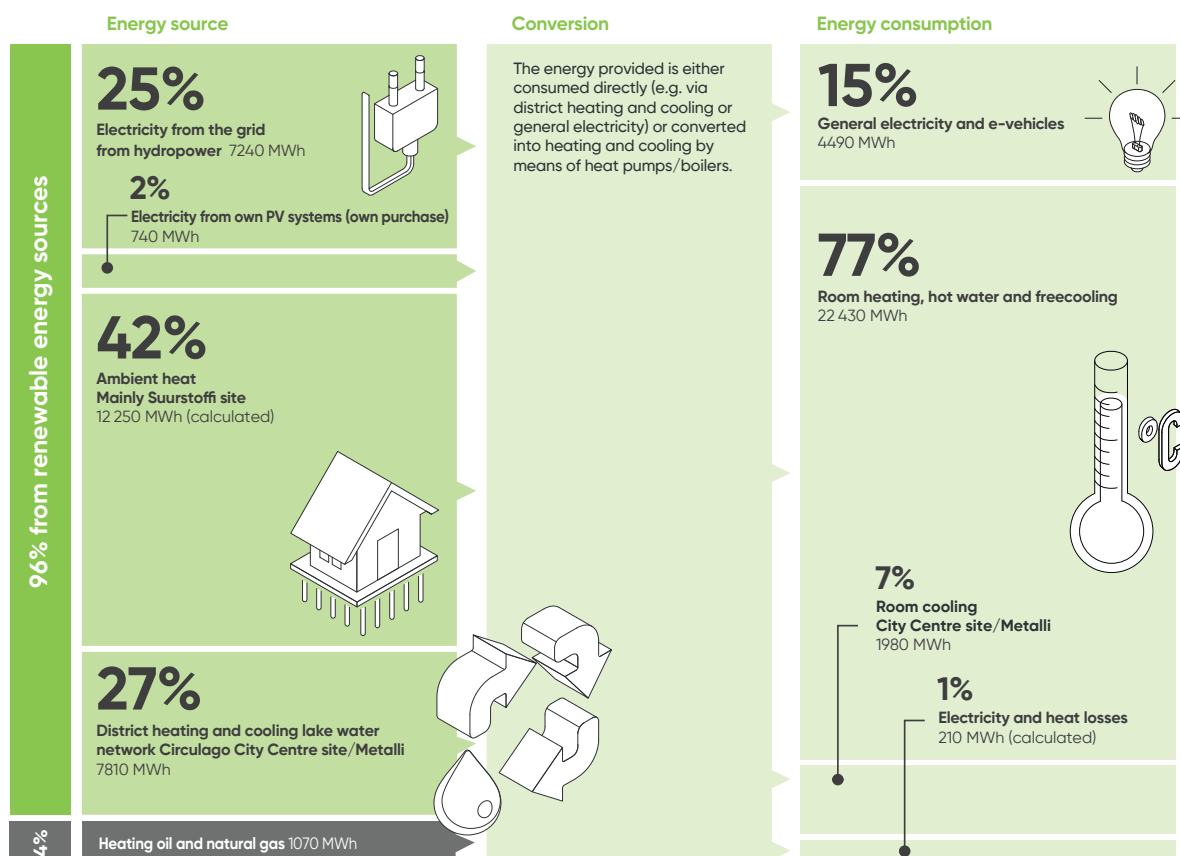
It aims not only to reduce CO₂ emissions from operations to the best of its ability but also the CO₂ emissions from construction activities (grey energy) (see

the management approach to materials). Zug Estates includes this topic in its current project developments.

It pursues a net zero strategy with the goal of systematically reducing greenhouse gas emissions or preventing them altogether if possible. The Zug Estates strategy does not include any CO₂ offset projects.

Zug Estates measures energy and emission data based on actual values rather than on projections.

Efforts relating to energy and emissions fall into four areas where Zug Estates has set itself ambitious, far-reaching goals. To reach these goals, Zug Estates is taking comprehensive measures. The following section explains these four action fields in detail.



The energy flow chart for Zug Estates Group shows which sources the energy is obtained from and the purpose for which it is consumed (excludes tenant energy consumption).

3.2.1 Action field: Emissions

Goals

We aim to manage our real estate portfolio largely without greenhouse gas emissions (Scopes 1 and 2). This includes any greenhouse gases emitted by the heating and cooling systems, from generating the operating current, as well as by our fleet of company vehicles.

Scope 3 is the third and most extensive scope for emissions auditing under the Greenhouse Gas (GHG) Protocol. Divided into 15 categories, it covers all indirect greenhouse gas emissions from sources not owned or directly controlled by Zug Estates. Zug Estates already reports on some of the categories and in addition plans to expand its Scope 3 reporting step by step (see table on page 35).

The Renggli portfolio, which has properties in Zug and Rotkreuz and was acquired in October 2022, is largely powered by fossil fuels. The buildings are also to be supplied with renewable energy in the medium term. The switch to more sustainable energy systems will take place when the properties are developed. This additional development in Rotkreuz depends on the revision of the local plan⁴, which is currently under way.

Measures

The Suurstoffi site was planned and built from the outset with the aim of operating CO₂-free. The Zug city centre site is now almost fully connected to the Circulago⁵ lake-water district so that all heating, cooling and water heating will be virtually CO₂-free. Only the Bären property has not yet been connected for economic and ecological reasons. This switch is planned to correspond with development work on the Metalli living space, which will result in synergies. Operating the lake-water district is possible thanks to biogas certificates that compensate for gas-based peak load coverage, enabling the system to be run entirely without fossil fuels.

Green Finance Framework

Devised in August 2024, the Green Finance Framework sets out strict guidelines for emissions during operation of the buildings (Scopes 1 and 2). Thus the proceeds from bonds and mortgages that fall under this framework can only be used in projects that emit less than 1 kg CO₂ per m² ERA or that have a building or site certificate. The current value of the proceeds from green bonds is CHF 300 million.

Green Lease

In 2024, Zug Estates Ltd began introducing Green Lease clauses into its contracts and supplementary agreements for commercial rental space. These concern the exchange of consumption data and procurement of renewable energy sources as well as the materials used in tenant fit-outs. All new commercial leases concluded from the beginning of 2025 include these clauses. With regard to the materials used in tenant fit-outs, a set of guidelines and recommendations is provided.

⁴ https://www.zg.ch/behoerden/gemeinden/risch-rotkreuz/projekte-test/copy8_of_beispielseite

⁵ <https://www.wvz.ch/de/ueber-wwz/blog/2020/waerme-kaelte/circulago-der-zugersee-die-regionale-energiezentrale>

Scope 3: Relevance matrix and overview of measures

Category	Relevance ⁶	Measures	Details
1 Purchased goods and services, e.g. office supplies and third-party services	Average	- Measurement of office supplies (since 2023) - Inclusion in FM invitations to tender	p. 37
2 Capital goods, e.g. construction materials	High	- Collaboration on the Circular Building Charter - Implementation in new construction projects such as Metalli Living Space and S43/45 - In-depth study on grey energy use by Lucerne University of Applied Sciences and Arts	p. 7 p. 7
3 Fuel and energy-related activities not included in Scope 1 or Scope 2 (upstream emissions)	High	- Calculated from 2023	p. 37
4 Upstream transportation and distribution between Tier 1 supplier and organisation	Low		
5 Waste generated in operations	High	- Collaboration on the Circular Building Charter	p. 7
6 Business travel	Low	- Since 2024: assessment for whole group	p. 37
7 Employee commuting	Average	- Since 2024: assessment for whole group	p. 37
8 Upstream leased assets	Not relevant		
9 Downstream transportation and distribution	Not relevant		
10 Processing of sold products	Not relevant		
11 Use of sold products, e.g. emissions from operation of buildings sold in reporting year	Low		
12 End-of-life treatment of sold products	Low		
13 Downstream leased assets; emissions from rented buildings (tenant energy consumption)	High	- Measurement of tenant energy consumption since 2010 - Since 2024: integration of Renggli portfolio	p. 37
14 Franchises	Not relevant		
15 Investments	Not relevant		

⁶ The relevance analysis was carried out by Amstein+Walthert in 2023 and was updated by the Sustainability core team in the year under review.

Results

Zug Estates has reduced its greenhouse gas emissions (Scopes 1 and 2) continuously since 2010. The two Zug Estates sites now operate virtually emission-free. This makes Zug Estates a vanguard in the Swiss real estate industry.

Zug Estates shows greenhouse gas emissions of 0.9 kg CO₂eq per m² of energy reference area for 2024 (1 October 2023 to 30 September 2024) (previous year: 1.1 kg). The reduction in emissions compared to the previous year is due to two main reasons: first, the heating and air-conditioning needs of the two properties were below the average of previous years; second, Zug Estates met all its requirements from domestic hydroelectricity (previous year: 40%), which has a lower emissions factor. For the year ahead, the company expects energy requirements to be in line with the average and therefore emissions of around 1.0 kg CO₂eq per m² ERA.

The emission figures are therefore significantly below the industry average and are set to remain at this very low level in the future.

2024 saw Zug Estates once again participate in the REIDA CO₂ benchmark. This involves a comparison of the 2023 emission figures for a total of 31 companies with 78 property portfolios of institutional investors⁷. At 1.2 kg CO₂eq (previous year: 1.3 kg CO₂eq), Zug Estates once again showed a very pleasing result that was significantly below that of its peers. Through its annual report, the non-profit association intends to create greater transparency in relation to the disclosure of key environmental data in the real estate sector. To that end, REIDA has developed a standard for calculating key figures in a way that enhances comparability between the various real estate portfolios.

Green buildings

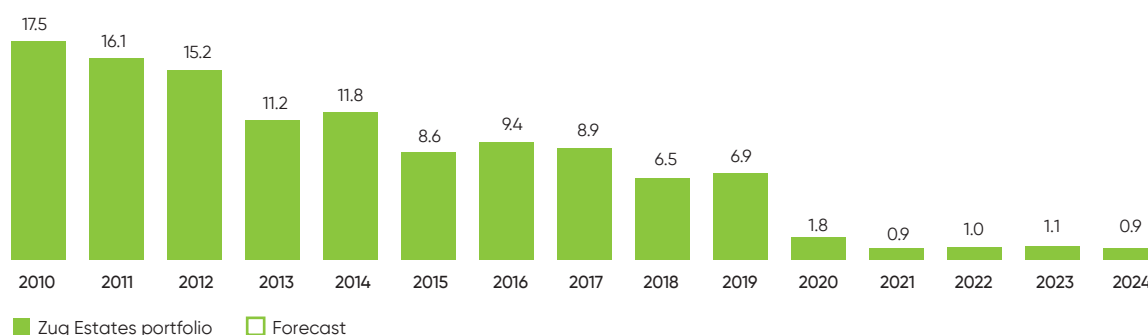
The Zug Estates portfolio is 95% composed of green buildings (classification according to the Green Finance Framework⁸). These emit less than 1 kg CO₂eq per m² energy reference area during operation.

⁷ <https://www.reida.ch/index.php/co2-benchmark>

⁸ https://zugestates.ch/assets/documents/Zug_Estates_Green_Finance_Framework_August_2024.pdf

Reduction path Scope 1 and 2, market-based, excludes out-of-scope emissions (biogenic)

Greenhouse gas intensity (kg CO₂eq/m² ERA)



The figures for 2023 onwards refer to the period from 1 October to 30 September. In previous years, the observation period was from 1 April to 31 March.

Greenhouse gas emissions (GHG emissions)

Greenhouse gas emissions include the CO₂ emissions that account for by far the largest part of the emissions of Zug Estates. The impact of other greenhouse

gases such as CH₄, N₂O, HFCs, PFCs, SF₆ and NF₃ is negligible. These emissions were broken down into scopes and calculated on the basis of the Greenhouse Gas Protocol (GHG Protocol).

Greenhouse gas emissions of Zug Estates Group		Unit	2023	2024
GRI 305-1	Scope 1 (heating oil, natural gas, diesel and gasoline):	t CO ₂ eq	267.2	241.4
GRI 305-2	Scope 2 ⁹ (general electricity and for heating, e-vehicles):	t CO ₂ eq	32.3	8.9
	Total Scope 1 and 2¹⁰	t CO₂eq	299.5	250.3
GRI 305-4	Scope 1 and 2 emissions per m ² of energy reference area ¹¹	kg CO ₂ eq/m ²	1.1	0.9
	Scope 1 and 2 emissions per m ² of Zug Estates controlled space ¹²	kg CO ₂ eq/m ²	1.2	1.0
GRI 305-3	Scope 3:			
	Category 1: Office supplies (Zug Estates Ltd)	t CO ₂ eq	7.3	3.5
	Category 3: Upstream emissions ¹³	t CO ₂ eq	956.0	461.2
	Category 6: Business travel	t CO ₂ eq	0.6	0.03
	Category 7: Employee commuting	t CO ₂ eq	26.0	48.7 ¹⁴
	Category 13: Tenant energy consumption	t CO ₂ eq	205.1	200.6
	Total Scope 3	t CO₂eq	1 195.0	714.0
	Total Scope 1 to 3	t CO₂eq	1 494.5	964.3
Out-of-scope emissions				
	Peak load of Circulago district heating with biogas (biogenic emissions) ¹⁵	t CO ₂ eq	346.6	317.6

⁹ Scope 2 emissions are reported using a market-based approach (GHG Protocol, see the emission factors on page 43).

¹⁰ The degree of coverage is 100% of all properties.

¹¹ Refers to an energy reference area of 271 508 m² (2023) and 270 568 m² (2024).

¹² Refers to the Zug Estates controlled space of 242 564 m² (2023) and 241 641 m² (2024)

¹³ Fuel and energy-related activities that are not included in Scope 1 or 2, e.g. upstream emissions from purchased fuels or purchased electricity: mining of coal, refining of petrol, extraction, transport and distribution of natural gas, production of biofuels, etc.

¹⁴ Until 2023 exclusively Zug Estates Ltd, i.e. without Garden Park Zug AG

¹⁵ Biogenic emissions are caused by the combustion, processing or biodegradation of organic materials such as wood, biogas and plant remains, and must be reported separately in accordance with the GHG Protocol.

3.2.2 Action field: Energy origin

Goals

Zug Estates attaches importance to ensuring that the energy for heating and cooling as well as the operating current for the building portfolio comes from renewable sources or is self-produced to the extent possible. With the planned expansion of solar power capacities, locally produced electricity will continue to increase within the portfolio in the long term.

Measures

A key measure involves switching from internationally sourced oil and gas to energy produced regionally by the Circulago lake-water district. Solar energy production (for electricity and heat) on the company's own sites will increase at the same time. The electronic main distribution of all properties of the self-consumption association (SCA) on the Suurstoffi site were already integrated into the SCA in 2020. This enables Zug Estates to sell the electricity generated on site to tenants on attractive terms. Both sides benefit from this arrangement, as tenants pay less for the electricity than they would through the local electric company and Zug Estates earns more than it would through the feed-in compensation.

The amount of self-produced electricity will also increase gradually at the city centre site. In 2022, six new photovoltaic systems were commissioned at Haldenstrasse. Here, too, tenants have the option of joining the SCA.

A photovoltaic system with an output of 48 kWp was commissioned on the roof of the Park Hotel Zug in 2023. In 2025, there are plans to install a system (36 kWp) on the roof of the property at Industriestrasse 12 in Zug. This will be followed by a further 437 kWp for the S43/45 new-build project at the Suurstoffi site in 2028.

Results

In 2024, Zug Estates Group purchased energy totalling 29 110 MWh for the provision of heat, hot water, cooling, general electricity and e-vehicles (see energy flow chart on page 33). 96% of energy purchased comes from renewable sources.

For further key figures on energy efficiency and emissions by building use type, see Appendix (Chapter 7, from page 70).

Energy origin	MWh (2024)	%
Own production of electricity (PV systems) from SCA	740	2%
Electricity from WWZ AG (national hydroelectricity) grid	7240	25%
Ambient heat (Mainly geothermal probe field Suurstoffi site)	12 250 ¹⁶	42%
Circulago district heating (lake water and 30% biogas)	7 810	27%
Oil, natural gas	1 070	4%
Total	29 110	100%

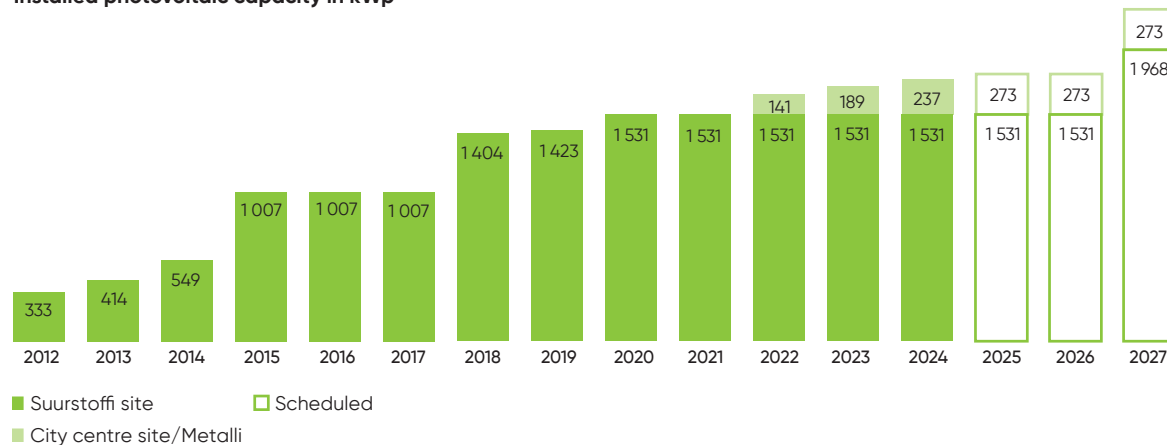
¹⁶ Calculated, i.e. no measured value

Photovoltaics

The Group's own photovoltaic systems generated 1 133 MWh of power in 2024 (previous year: 1 188 MWh), which equals the electricity requirements of around 250 single-family homes. The number of SCA customers at the two sites rose to 438 as at 31 December 2024 (pre-

vious year: 410. 66% of all tenants in the SCA properties have concluded an electricity supply agreement with Zug Estates. Own consumption (94%) as well as feed-in to the public grid (6%) were unchanged from the previous year.

Installed photovoltaic capacity in kWp



Key figures on photovoltaics

Implementation and potential as at 31 December 2024	Total	Suurstoffi site	City centre site/ Metalli	Other investment properties
Number of buildings	63	28	26	9
Number of buildings with PV installations (share as a percent)	31 (49%)	24 (86%)	7 (27%)	0 (0%)
Properties with meaningful PV potential	40	24	13	3
Implementation rate of PV installations on buildings with meaningful PV potential	78%	100%	54%	0%

Production and consumption	Unit	2023	2024	Change
Electricity production (PV installations)	MWh	1 188	1 133	-4.6 %
of which PV electricity for own consumption (operating current)	MWh	983	743	-24.4 %
of which PV electricity sold (to tenants)	MWh	136	319	+234.6 %
of which fed into the public grid	MWh	69	71	+2.8 %

3.2.3 Action field: Energy consumption

Goals

We intend to optimise the energy consumption of our site infrastructure and get tenants involved in implementing measures designed to boost efficiency. Specifically, we are aiming for a steady, relative reduction in the power consumption of our operations by 2030 (operating current per m² of energy reference area).

Measures

In terms of building energy efficiency and lighting, Zug Estates is focusing on the following measures:

- Make Minergie the minimum goal for new buildings.
- Ensure that electrical equipment plus consumption meets the best standards for new buildings.
- Convert all lighting to LED within the next three years and use it only as needed.
- Use smart control system for indoor conditions: ensure that heating and cooling meets environmental standards and is optimised. In summer, adjust the air conditioning system automatically to the outdoor temperature (Saurstoff).
- Use smart automation systems in all buildings built before 2010. Upgrade systems in refurbished buildings wherever possible.

Zug Estates analyses the performance of its own site infrastructure continuously and uses the data to devise measures for optimising its operations. These include improving energy generating installations as well as distribution and lighting systems, for example.

Since 2021, Zug Estates has gradually switched the lighting to LED to optimise energy consumption and increase the feeling of security, among other things. Retrofits have been carried out in underground garages, corridors, entrance areas and building entrances. All 15 staircases at the Metalli site were retrofitted in 2024 or will be during 2025.

Energy consumption reduction measures funded via the Green Finance Framework must result in a reduction (kWh/m² ERA) of at least 30%.

Zug Estates is also planning to introduce incentive schemes that could affect tenants' energy consumption positively. Schemes could include measures such as showing tenants their own resource consumption data to make them more aware and prompt them to lower their share.

Tenant guidance for interior fit-outs

A tenant guidance document¹⁷ produced in autumn 2024 contains a list of recommendations for sustainable interior fit-outs. Zug Estates is proposing the following measures on energy and emissions:

- LED lighting
- Presence sensors and motion detectors for lighting and ventilation
- Equipment with high energy efficiency classification
- Smart access systems
- Room temperature sensors
- Schedules for ventilation systems
- Systems for measuring and monitoring energy consumption
- No cooling units with high level of waste heat
- No fan convectors

Results

The implementation of measures has resulted in a reduction in operating current per m² of energy reference area since 2010 (see "Energy intensity" table). In fact, consumption has been lowered by two thirds since 2010. The share of renewable energies came to 96% in 2024 (previous year: 93%).

The final energy consumption figures refer to heating oil and natural gas as well as to the operating current the heat pumps use to generate energy in the form of hot water and heating for the real estate portfolio of Zug Estates. The balance sheet also includes mobility-related final energy consumption based on the fuel and electricity required for the company's fleet of vehicles. The following figures relate to the entire Zug Estates portfolio. No conversion tables are used except for heating oil, which is calculated at 10.5 kWh per litre.

¹⁷ https://zugestates.ch/assets/documents/250101_Zug_Estates_Mieterbauleitfaden_Green_Lease_de.pdf

Energy intensity

GRI 302-1 Energy consumption within the organisation

GRI 302-3 Energy intensity

	Unit	2023	2024
Fuel consumption, non-renewable (heating oil, natural gas, diesel and gasoline)	MWh	1 169	1 070
of which for thermal energy consumption (fossil)	MWh	1 166	1 069
of which for company-owned vehicles (fossil)	MWh	3	1
Fuel consumption (biogas), renewable	MWh	78	0
Circulago district heating	MWh	6 097	5 826
Circulago district cooling	MWh	2 052	1 983
Electricity consumption (general electricity and for heating, e-vehicles, including own consumption of photovoltaic power)	MWh	8 037	7 941
of which for general electricity	MWh	4 336	4 490
of which for heating (power for the heat pump's energy centre)	MWh	3 700	3 450
of which for company-owned electric vehicles	MWh	1	1
Final energy consumption¹⁸, total	MWh	17 433	16 820
Final energy consumption per m ² of energy reference area ¹⁹	kWh/m ²	63.9	62.2
Final energy consumption per m ² of Zug Estates controlled space ²⁰	kWh/m ²	72.0	69.6

¹⁸ Refers to actual measured values; excludes ambient heat

¹⁹ Refers to an energy reference area of 271 508 m² (2023) and 270 568 m² (2024)

²⁰ Refers to the Zug Estates controlled space of 242 564 m² (2023) and 242 057 m² (2024)

Year	2010	2015	2020	2021	2022	2023	2024
Final energy consumption kWh/m ² of energy reference area (excludes tenant energy consumption)	171	85	61	62	65	64	62
of which operating current ²¹	87	40	26	26	29	30	29
of which heat/cooling consumption Circulago and fuel ²²	84	45	35	36	36	34	33

²¹ General electricity, power for heat pumps and company-owned electric vehicles

²² This includes crude oil and fossil fuel vehicles.

Building certifications

Conditions for building certificates and labels as well as ESG ratings have changed considerably in recent years and the demand for transparency and comparability has increased. To address these developments, Zug Estates has opted for certification of the Suurstoffi site. In March 2024, the Swiss Sustainable Building Council awarded Suurstoffi – as the first site in Switzerland – the DGNB Platinum Certificate for the planning and construction of sustainable districts.²³ This means that 47% of the Zug Estates portfolio (based on market value) is certified.

²³ <https://zugestates.ch/en/stories/suurstoffi-the-first-site-in-switzerland-to-be-recognised-with-the-dgnb-platinum-certificate>

3.2.4 Action field: Mobility

Goals

Our tenants have a growing need for e-mobility. Zug Estates is therefore promoting e-mobility by expanding the necessary infrastructure on its sites. We promote CO₂-free mobility by creating optimal conditions for public transport use, e-mobility, and other environmentally friendly mobility forms.

By creating suitable incentives, we seek to continuously reduce the number of kilometres our employees commute in private motorised vehicles.

The number of charging stations for electric vehicles in Zug Estates Ltd's overall portfolio will be steadily increased. The public e-vehicle charging stations at both sites are being expanded continuously.

Measures

By setting up e-vehicle charging stations on the Suurstoffi and city centre site/Metalli, Zug Estates is providing the prerequisites for its tenants to conveniently switch to e-vehicles. We conducted a survey to learn more about our tenants' future mobility behaviour. This will allow us to better plan the additional charging stations to meet the demand from growth in e-mobility.

Within our company, we help employees forgo a parking space by granting a generous commuter allowance either to cover the cost of using public transport or as a financial contribution toward the cost of a bicycle. Zug Estates employees who commute to work by electric vehicle have had access to a free charging station at work since 2021. Zug Estates currently still has a fossil-fuel vehicle at Garden Park Zug AG.

SWEET development programme

As part of the SWEET "SWiss Energy research for the Energy Transition" development programme funded by the Swiss Federal Office of Energy (SFOE), the Mobility Competence Centre at the Lucerne University of Applied Sciences and Arts – School of Business together with other research institutions participating in the SWICE²⁴ "Sustainable Wellbeing for the Individual and the Collectivity in the Energy transition" consortium, led by the Federal Institute of Technology Lausanne (EPFL), is examining how sustainable changes in mobility behaviour can be achieved in order to meet Switzerland's climate targets.

²⁴ <https://www.hslu.ch/en/lucerne-university-of-applied-sciences-and-arts/research/projects/detail/?pid=6207>

Together with its research partners, the Lucerne University of Applied Sciences and Arts has achieved progress at the Suurstoffi site over the past two years. The basic data obtained and measures taken show a commitment to sustainability.

Two years ago, workshops involving the Risch-Rotkreuz municipality, representatives of neighbouring companies and mobility experts were held to discuss requirements and expectations as well as solutions for sustainable development of mobility at the site. This was followed by a survey, which provided baseline data on the mobility patterns of households at the site. Special attention was paid to residents, whose needs were identified in a workshop and the results summarised. Also included was the publication of a scientific article on the topic of teleworking, in which the effects of working from home on the CO₂ emissions for commuting were analysed. In addition, a report was published on sustainability for sites and their incorporation of mobility. A coworking survey was launched with a view to strengthening community and flexibility. The Mobility Roundtable held in November 2024 showed that participants had a strong commitment to implementing innovative solutions and making mobility at the Suurstoffi site fit for the future. The focus of the discussions was on concrete measures such as improved management of parking provision, promotion of car sharing offers and introduction of a fair mobility bonus designed to boost the use of public transport. A coworking survey was launched at the end of 2024, the aim being to examine how flexible work models such as working from home and the use of coworking space contribute to the reduction in commuting. In 2025, around 30 Suurstoffi residents will gain initial experience with coworking on a trial basis at the SPACES offices.

Results

The solution Zug Estates has arranged with Energie 360° gives 100% of its tenants the opportunity to use an e-parking space.

The city centre site/Metalli had 20 public charging stations – 14 of them offering rapid charging – in operation as at 31 December 2024. The Suurstoffi site has six public charging stations available, with two of them offering rapid charging.

Zug Estates provided e-parking spaces to seven employees in the year under review (previous year: five).

E-mobility key figures

	31 December 2023	31 December 2024
Number of installed charging stations at all properties	91	98
<i>of which public charging stations</i>	26	26

Explanations of energy and greenhouse gas accounting

Amstein + Walthert in Zurich analyse and prepare data relating to energy and water.

System boundaries

Organisational delimitation

The balance sheet includes all properties that Zug Estates owned during the reporting period. Co-owned (condominium) properties were taken into account if the heat was delivered by Zug Estates (contracting). New and refurbished buildings were taken into account only if they were used for the entire year under review. Properties sold during the period under review were not included. The electricity required for own-use office and hotel spaces of Zug Estates was included in these calculations, as were the heating energy, general electricity and water consumption of the properties in question.

The data reported for energy and water covers the period from 1 October 2023 to 30 September 2024. Mobility data are collected or estimated annually. The energy reference area (ERA) and area controlled by Zug Estates are used as reference areas. The data for the area controlled by Zug Estates was compared with the current area data from the Zug Estates annual report and adjusted for the 2024 reporting year. Energy reference areas have been calculated since 2020 and are used to calculate intensities.

Tenant/landlord interface

Zug Estates always procures the heating energy itself and then passes the costs on to tenants through its heating bills. Heating energy is thus included in full in the calculations. The same applies to electricity in common spaces and to ventilation and air conditioning of rented spaces. The electricity that tenants use is included in the balance sheet for the greenhouse gas emissions in Scope 3.

Degree of cover and estimates

The report covers all properties currently in operation within the defined organisational boundaries. A final utilities invoice or measured consumption values were available for all properties when the reporting period ended; accordingly, there was no need for consumption to be estimated on the basis of similar properties.

Accounting for greenhouse gas emissions

Greenhouse gas emissions are included in the balance sheet in accordance with the Greenhouse Gas Protocol (GHG Protocol). As of the 2024 reporting year, emissions are accounted for on the basis of published emissions factors taken from the Intep study "Greenhouse gas emissions for the buildings sector"²⁵ in accordance with KBOB 2022. Scope 1 has the emissions from heating oil and natural gas to generate heat as well as from the use of gasoline and diesel in the company's own vehicles. Scope 2 has emissions from generating purchased electricity as well as from heating and cooling capacity procured from the Circulago lake-water district. Scope 3 has emissions from commuter mobility, from generating electricity used by tenants, from business trips, and from upstream emissions from energy procurement. Out-of-scope emissions – for the first time including biogenic emissions from the combustion of bigoas – are also included for the first time.

Amstein + Walthert confirmed full and correct implementation of energy and greenhouse gas offsetting.²⁶

Emission factors

Fuels

Intep, 2022, Greenhouse gas emissions for the buildings sector, Volkart, E., Kook Nauser, I., Alig, M.

²⁵ <https://intep.com/projekte/emissionsfaktoren-fuer-den-gebäudesektor/>

²⁶ https://zugestates.ch/assets/documents/241217_Bestaetigung_Bilanzierung_Zug_Estates_AW_sig.pdf

Electricity, district heating/cooling

Intep, 2022, Greenhouse gas emissions for the buildings sector, Volkart, E., Kook Nauser, I., Alig, M.

*Location-based REIDA average values Switzerland 2023*²⁷

Ambient heat primary energy
Treeze heat pump calculator²⁸

Company vehicles (fossil) and commuter mobility

Mobitool 2.1²⁹

Most important changes in the balance sheet

- The property at Duggelistrasse 28 (Cham) was sold in August 2023 and thus is no longer included in the balance sheet.

²⁷ <https://www.reida.ch/>

²⁸ https://treeze.ch/fileadmin/user_upload/downloads/Publications/Case_Studies/Energy/619-GHG_Strom_Fernw%C3%A4rme_v3.0.pdf

²⁹ <https://www.mobitool.ch/de/tools/mobitool-faktoren-v2-1-25.html>

- Emergency power is no longer modelled as nuclear power but as hydroelectricity (100% domestic) (based on WWZ calculations).
- The electricity source product for the 2024 period in accordance with the guarantee of origin (GoO) WWZ consists of 100% domestic hydroelectricity; by comparison, 60% still came from Europe in the 2023 reporting year.
- The Zug Estates corporate fleet has been reduced. The Mini E was sold in March 2024 and therefore was only partly included in the balance sheet. In addition, there are no longer any Golf E-Carts at the Suurstoffi site and they no longer feature in the balance sheet.
- Scope 2 emissions are now calculated on both a market basis and a location basis, using REIDA factors for electricity and district heating (page 71).
- Ambient heat for heat pumps is now reported separately, thus impacting final and primary energy consumption.
- Adjustment of biogas emissions factor: The emissions factor was adjusted based on the 2022 Intep study. Biogenic emissions are now included in out-of-scope emissions.
- A portion of natural gas was previously included for district heating. Natural gas is no longer included in the district heating mix from 2024 onwards.

3.3 Materials

Relevance

The construction sector is responsible for around 50% of raw material requirements, one third of CO₂ emissions, and over 80% of waste generation in Switzerland. At the same time, construction activity is expected to remain strong so as to support Switzerland's further demographic and social development. A more circular construction industry is an urgent priority in response to mounting resource consumption and contributes to reaching the climate goals in Switzerland and globally.

In the real estate industry there are two main drivers of CO₂ emissions: the procurement and production of raw materials for construction and the energy demand for heating, cooling and supplying the buildings with electricity. Zug Estates has reduced its CO₂ footprint from operating buildings to a minimum (see section on energy and emissions) and will now focus on the grey energy contained in the building materials used. In its construction projects, Zug Estates has the opportunity to help reduce grey energy.

Approach to the topic

By focusing on preserving the existing buildings and on recycling-oriented construction, Zug Estates conserves primary resources and landfill space and reduces CO₂ emissions from its construction activities. These are included in Scope 3 emissions, which are described on page 35.

In its development and construction activities, Zug Estates aims to build for the long term, reduce the use of materials, reuse materials, and consider the choice of materials more carefully. Project managers will learn about current developments through regular exchanges with research and innovation partners.

Through its involvement in the Reuse-Oriented Construction Charter and by participating in conventions and lectures, Zug Estates actively contributes to building expertise and developing the industry in order to jointly learn more and make progress with these topics.

Zug Estates pursues the following specific goals with respect to reducing grey energy and using construction materials, in particular in its plans for the Metalli living space and the Suurstoffi 43/45 sites:

- Minimise the number of existing buildings to be deconstructed. Re-use or recycle deconstructed materials on site whenever possible.

- Consider recyclability and grey energy when choosing materials. Prioritise any recycled materials that are available.
- Create the conditions needed for these materials to be deconstructed, reused or recycled by means of digital planning, lean management with prefabrication, and the use of smart connection technologies.
- Use efficient and simple solutions in building services to optimise operating energy costs on the one hand and to reduce grey energy during construction on the other (e.g. Suurstoffi 43/45 site).

Grey energy

CO₂ emissions during construction (grey energy) are to be minimised for new buildings. Grey energy is measured based on kg of CO₂eq/m² of energy reference area per year. A material passport and ecological assessment must also be prepared. New buildings must comply with this key figure.

Circular economy

Strategies for promoting a more circular economy must be applied when constructing or demolishing buildings. This means selecting suitable compounds and materials that can be reused as fully as possible for new projects once they have reached the end of their usable life. A material's circularity is measured with a material circularity indicator. Zug Estates joined the Madaster network in August 2022 to gain experience with a digital material cadastre.

Reuse-Oriented Construction Charter

In June 2023, Zug Estates also signed the "Reuse-Oriented Construction Charter"³⁰. In it, members commit to considering various actions and implementing selected ones by 2026. The fields of action include "Scrutinise demand", "Think long-term & build for the long term", "Reduce material use", "Promote reuse" and "Choose the right material". Zug Estates is currently developing the charter together with around 20 public and private partner organisations and is actively involved in the steering committee and working groups. Switzerland Innovation Park Central, located at the Suurstoffi site, will organise the future exchange of experience among the partner organisations and develop the Charta further³¹.

³⁰ https://cbcharta.ch/en_us/

³¹ <https://zugestates.ch/stories/lancierung-charta-kreislauforientiertes-bauen>

Tenant waste

Household waste is collected in sacks that are subject to a fee and can be deposited at several collection points at the Metalli and Suurstoffi sites. The same applies to green waste (compost). Recyclable material such as glass, PET, cardboard, paper, as well as bulky items, can be deposited at the public disposal points. One of these, Ökiohof Zug, is located 500 metres from the Metalli site, and another recycling centre is situated right next to the Suurstoffi site in Rotkreuz.

Garden Park Zug AG is taking steps to combat food waste with the help of the “Too Good To Go” app, which enables users of the app to order and collect leftover food online.

Results and evaluation

Important findings were obtained and measures planned for both the Metalli living space and the S43/45 new-build project in the reporting year.

S43/45 new-build project

Analysis and calculations, coupled with the action taken, resulted in a significant reduction in grey energy. Zug Estates achieved this by omitting one subterranean level as well as by reducing the glazed area and using recycled concrete. In addition, the project was made even more multipurpose and flexible (in particular with regard to ventilation), which will impact positively on usability of the property over its lifetime (see page 5).

Metalli living space

At the Metalli living space, a take-up of building components within the inventory was carried out in order to actively tackle the reuse of building components. A decision to implement measures to significantly reduce grey energy at the Metalli living space was already taken by Zug Estates during the development's planning phase. Work on the existing buildings must be kept to a minimum. In various places, extensions are therefore being built instead of new ones, mostly using sustainable timber construction methods. Furthermore, ideas on how some materials can be recycled in the new building are discussed.

Zug Estates has set itself the goal of measuring the grey energy and providing corresponding specifications for the planned architectural competition.

Tenant guidance for interior fit-outs

A tenant guidance document³² produced in autumn 2024 contains a list of recommendations for sustainable interior fit-outs. On the topic of materials, Zug Estates recommends the following measures:

- Reuse of building components and furniture
- High proportion of recycled materials
- Local and regional procurement

Wood construction

Wood is highly relevant for Zug Estates as a building material, not only due to its low grey energy value but also because it binds CO₂ for the entire period of use and thus keeps it out of the atmosphere. We have been relying on wood as a building material for more than ten years and completed several pioneering projects during this time. We completed our first wooden building, the City Garden Hotel in Zug, in 2010. This was followed up in 2014 by nine buildings and 156 apartments – the once largest wood construction project in Central Switzerland – at the Suurstoffi site. In 2018 we developed the S22 building, Switzerland's first wooden high-rise. 2019 then brought the Arbo, a 60-metre building that is still Switzerland's tallest wooden high-rise. Both the S22 and the Arbo buildings are on the Suurstoffi site.

In 2024, wooden buildings accounted for 17.4% of total lettable space.

³² https://zugestates.ch/assets/documents/250101_Zug_Estates_Mieterbauleitfaden_Green_Lease_de.pdf

3.4 Water

Relevance

Water is becoming an increasingly scarce commodity due to climate change, and we can expect more frequent and longer periods of drought even in water-rich Switzerland.

Every real estate company contributes to increasing water intensity locally when managing its buildings. In business relationships, water consumption is particularly relevant at the upstream value creation stage. During construction, there is a risk of polluting groundwater or water bodies. And finally, important soil functions, especially water permeability and soil fertility, are lost when ground is sealed during construction of buildings or paths.

Consequently, residential and commercial tenants have strong influence on water consumption.

Approach to the topic

Zug Estates aims to preserve water as a resource and ensure that it is used prudently during the development and construction phases and when properties are in operation.

During the construction phase, the protection of groundwater and water bodies is subject to contracts for work and services. Here, contractors undertake to comply with the regulations on water protection and take measures to prevent water pollution.

Zug Estates aims to minimise soil sealing and will plan and provide retention systems and storage facilities as needed to curb surface runoff and to channel rainwater into the groundwater supply. The recovered meteoric water can be put to good use in gardens, for example. This helps us reduce the amount of water we draw from the municipal supply.

To reduce tenants' water consumption, we install water-efficient household equipment and water-saving devices. Our management team raises awareness among tenants through specific information to encourage them to save water voluntarily. Water saving taps were installed in the showers and wash-hand basins of all Garden Park Zug AG hotel rooms in 2024.

Potential water savings amount to up to 60%³³. In addition, guests are invited to reduce the frequency of bed linen and towel changes.

We have set ourselves the following goals to ensure that our approach to water use is sustainable and efficient:

- We strive to reduce drinking water consumption continuously. While doing so we focus directly on consumption within the company's own business segments (real estate and hotel & catering) and on tenants' indirect consumption.
- To minimise surface runoff, we intend to have all newly planned outdoor spaces designed to meet the minimum standards of the Nature & Economy Foundation (see the section on Biodiversity). Current spaces are to be renatured wherever possible.
- We prevent pollution and contamination of all kinds and thus contribute to ensuring that clean drinking water is publicly available in the region at all times.

We have studied carefully how we manage meteoric water, particularly in our Aglaya garden high-rise. The building has an underground cistern that collects water from the roof of the residential tower and surrounding buildings. The water is then pumped from the cistern to the plant troughs on the building's exterior. The construction of a cistern is also envisaged for the S43/45 buildings. The roof water that is collected will be used to feed a nearby fountain as well as irrigate the Aglaya garden high-rise.

Water availability

The Water Risk Atlas of the World Resources Institute indicates that both Zug Estates sites are in water-rich regions³⁴. There is no indication of water scarcity or poor drinking water quality at present. In its development projects, Zug Estates focuses on the Canton of Zug and the neighbouring cantons (especially Zurich and Lucerne)³⁵, which are also non-critical in terms of water availability. Water use and intensity by the rental spaces is measured annually per building. Irregularities or a significant rise in consumption can thus be identified and addressed.

³³ <https://greenjet.ch/>

³⁴ <https://www.wri.org/applications/aqueduct/water-risk-atlas/>

³⁵ <https://zugestates.ch/en/about-zug-estates#investment-criteria>

Results and evaluation

There was no contamination or pollution of drinking water or water bodies during the year under review.

ter quality standards, minimum requirements or sector-specific standards. In addition, the risk of hazardous substances is very low due to the use of the buildings (residential, office, retail and hotel & catering).

GRI 303-1 *Water as a shared resource*

See the section entitled "Approach to the topic".

Water use

GRI 303-3

Zug Estates has no contractual ways to impose drinking water consumption limits on its tenants and therefore relies on joint information campaigns with local water suppliers and on voluntary actions and measures. For this reason, it has so far refrained from defining target values for consumption. Zug Estates does not source water from areas experiencing water stress.

GRI 303-2 *Managing the effects of water recirculation*

All properties are connected to the public sewer system. Both municipalities where the sites are located have regulations for managing their wastewater^{16, 17}. As Zug Estates meets the requirements of the municipalities and thus complies with legal provisions, we have not defined any internally developed wastewater

	Unit	2019	2020	2021	2022	2023	2024
Area controlled by Zug Estates	m ²	181 777	222 641	222 641	242 563	242 563	242 057
Water use	m ³	147 057	138 027	131 570	150 350	149 652	148 232
Water intensity	m ³ /m ²	0.83	0.62	0.59	0.62	0.62	0.61

Water origin

The water for all properties is obtained from two local providers.

Site	Water supplier	Headwater region	Spring	Quantity in m ³ (2024)
Suurstoffi site	Water cooperative Rotkreuz ³⁶	Regional	Spring and ground water	71 507
City centre site/Metalli	WWZ AG, Zug ³⁷	Regional	Spring and ground water	70 053
Other investment properties	Water cooperative Rotkreuz WWZ AG, Zug	Regional	Spring and ground water	6 672

³⁶ <https://wgr-rotkreuz.ch/home.html>

³⁷ <https://www.wwz.ch/de/privatpersonen/wasser>

Tenant guidance

A tenant guidance document³⁸ produced in autumn 2024 contains a list of recommendations for sustainable interior fit-outs. On the topic of water, Zug Estates recommends the following measures:

- Fittings with low water flow and efficient aerators for showers and taps
- Examine options for use of grey water
- Install systems for automated meter readings
- Measuring equipment for monitoring water consumption

³⁸ https://zugestates.ch/assets/documents/250101_Zug_Estates_Mieterbauleitfaden_Green_Lease_de.pdf

4. Social topics

4.1 Attractive working environment

Relevance

Competent and motivated employees are key to the success of companies. Zug Estates is therefore committed to creating attractive working environments where employees are empowered to contribute towards our corporate goals while furthering their own development at the same time. We provide competitive working conditions and meaningful tasks to attract the very best candidates so that we can reach our goals.

Approach to the topic

The CFO at Zug Estates Ltd and the general manager at Garden Park Zug AG each head the respective human resources departments, with operational support from their HR managers. Both companies have specific goals to create and maintain the desired working environment. For example, the Zug Estates Group aims to keep its annual turnover rate low in the interest of retaining expertise. Both the turnover rate as well as the overtime and unused leave entitlements are included in the standard reports of the monthly Group management meetings of Zug Estates Ltd. The aim is to ensure that any measures can be taken quickly and that work overloads can be identified at an early stage and absences prevented.

Employment and working conditions are laid out in various documents. In 2021, the Employment Policy, Personnel Policy (including the Code of Conduct), Securities and Insider Trading Policy, Policy on Handling Gifts and Invitations (anti-corruption), and the Directive on the Protection of Personal Data (Discrimination) were revised for Zug Estates Ltd (for details, see "Responsible corporate governance"). All employees were informed about the new documents. The same also applies to new employees. The Personnel Policy and the Employment Policy for Garden Park Zug AG were reviewed in 2022. Individual benchmarks were adjusted and the completely revised employee manual introduced and distributed to all employees in 2023.

Performance and development dialogue

Regular dialogue on performance and development opportunities is beneficial to both the company and to its employees and managers.

Zug Estates Ltd distinguishes between the performance dialogue and the development dialogue. The performance dialogue is tied to a particular calendar year. The Board of Directors and Group management

set corporate and divisional objectives on an annual basis. In the interviews with individual employees, who are asked to contribute their own proposals for improvement to the discussion, the individual objectives as well as those of the team are defined.

The objectives arising from the development dialogue, which includes individual training opportunities, can also be set based on a multi-year focus.

In regard to both elements, the progress made towards attaining the objectives is evaluated on a regular basis. All managers and employees attend a total of three mandatory interviews every year.

The process is documented and monitored by the Human Resources department.

Training and further education

Employee training and further education ensure our employees' expertise is always up to date. All employees must spend an average of two days per calendar year on training and further education. Training and further education measures are planned as part of the development dialogue. Zug Estates is involved in external training programmes and either covers a portion of the course fees or grants time off or leave entitlements.

The Group is committed to vocational training and offers apprenticeships to school-leavers every year. As at 31 December 2024, the Group had thirteen apprentices (previous year: ten).

Diversity and equal opportunity

Our goal is to increase the proportion of women in leadership and senior management positions to achieve a balanced gender ratio at all hierarchical levels in the medium term. We contribute to these efforts by offering part-time models and flexible working hours. Finding suitable candidates is difficult at the senior management level and in Group management, partly due to the nature of the industry. Zug Estates therefore plans to focus more strongly on internal promotion.

No job seekers are rejected based on their age, gender, identity or nationality. During the application process, we attach great importance to ensuring diversity as described above, all the way to the last round of interviews, and offer the job to the person who best meets the requirements regarding specialist and industry knowledge, personality, and other factors.

We offer equal pay for equal work. Employee experience (professional experience as well as training and development) is also taken into account.

Data privacy and the complaints process

All Zug Estates Group employees have the right to have their personal integrity protected in the workplace. Violations of personal integrity negatively impact employees' well-being and collaboration in the workplace, and are not tolerated by the Zug Estates Group. Any and all conduct resulting in a violation of personal integrity is considered unacceptable. This includes discrimination (e.g. based on age, ethnicity, physical or mental disability, religion, gender, sexual orientation), sexual harassment, bullying and exploitation of any kind.

Any measures taken to safeguard employees' personal integrity always apply to temporary and external staff, as well as to partners and suppliers.

In the event of a violation of personal privacy, employees can file a complaint through the normal complaint channels. The complaints procedure is described in detail in the "Responsible corporate governance" section on page 61. No cases were reported in 2024, the same as in the previous year.

Terms of employment

The employment contract defines weekly working hours as annual working hours for all employees of Zug Estates Ltd. The calculation period for annual working hours is defined as a whole year. Daily working hours are also flexible. A combination of annual working hours and flexible hours maximises the scope in scheduling while optimally allowing for changing market conditions during the year, the operational requirements of Zug Estates, and the individual interests of employees.

Employees can take time off, even at short notice, if there are emergencies in the family or for urgent personal reasons. Otherwise, brief absences for personal reasons should be scheduled during non-core hours.

All employees of Zug Estates Ltd in full-time positions can work from home for one day per week. This frequency can be increased through individual discussion with Group management. For employees with fewer weekly working hours, the line manager decides whether working from home is an option and what share of the work this could involve. The general conditions and requirements are set out in the Work from Home Policy. The commuter mobility analysis showed that in 2024, as already in 2023, employees spent around 14% of their days working from home.

There is no general entitlement to unpaid leave. In consultation with Group management, however, unpaid leave (short or long-term) may be granted if operational circumstances permit. The precise terms of such leave must be discussed with the HR manager. In 2024, ten requests for unpaid leave were submitted and approved.

Part-time working hours are possible in all areas and at all hierarchy levels of Zug Estates. In principle, there is enough flexibility for employees to assume a 60% workload over three days or for a reduction in the daily hours worked. As at 31 December 2024, 31.3% of all employees (women: 49.4%, men: 10.1%) at Zug Estates Group worked part time (previous year: 29.4%).

Changes in working hours (increases or reductions) are possible if operational requirements can be met. Employees must submit their request through their line managers, and Group management must approve the request. In 2024, a total of seven (previous year: twelve) requests were submitted, all of which were approved.

Additional benefits

Zug Estates Ltd has adopted a number of measures that exceed the minimum prescribed by law:

- For example, it has taken out additional insurance that supplements statutory benefits in accordance with the UVG (Accident Insurance Act). Under this policy, 80% of the portion of the salary that exceeds the salary covered under the UVG is insured for two years from the date of the accident.
- Employees unable to work due to an accident or illness through no fault of their own are entitled to 100% of their net salary. This benefit is available for between one and six months, depending on the number of years of service.
- Maternity leave: After having given birth, female employees are entitled to daily benefits equalling their full salary (excluding bonuses/gratuities) for 16 weeks.
- Paternity leave: We continue to pay fathers their full salary during the statutory two-week paternity leave.
- Accident insurance supplement: The policy covers hospital stays in the private ward.

Health

Zug Estates attaches great importance to employee health and promotes it by creating employee-friendly work conditions.

The sickness rate at the Zug Estates Group increased from 3.9% to 4.6% year on year. The accident-related absence rate fell from 0.8% to 0.4%. The reasons for illnesses are not recorded, for data privacy reasons. This calculation is based on the sum of all target hours for the entire workforce as stipulated in the employment contracts. A company-organised running group encourages employees to exercise and boosts their sense of solidarity within the Group.

As part of "Bike to Work"¹, Switzerland's biggest cycling promotion campaign, six teams from Zug Estates Ltd rode over 2 000 kilometres. As well as promoting physical health, the campaign reduced CO₂ emissions by around 300 kg.

Results and evaluation

Employee satisfaction

Every two to three years, the Zug Estates Group measures satisfaction among its employees on the basis of a survey. The most recent survey was conducted by Great Place to Work (GPTW) in spring 2024. Thanks to a high response rate and very good results, Zug

Estates Holding Ltd was certified once again in May 2024².

The employees of Zug Estates identify strongly with the company and are very positive about the corporate culture. In particular, they value the equal treatment, respect, recognition and fairness among each other. Fairness among each other and the professional development opportunities. The managers enjoy a high level of integrity and trust.

Employees

GRI 2-7

All employees work in the Canton of Zug. The figures are the number of people (not full-time equivalents) whom Zug Estates employs full-time or part-time on a temporary or permanent basis.

Employees by employment contract

	31.12.2024		
	Real estate	Hotel & catering	Group
Women, permanent	20 (39%)	52 (53%)	72 (48%)
Women, fixed-term	1 (2%)	8 (8%)	9 (6%)
Men, permanent	29 (57%)	36 (36%)	65 (43%)
Men, fixed-term	1 (2%)	3 (3%)	4 (3%)
Total	51 (100%)	99 (100%)	150 (100%)
Employees with non-guaranteed working hours	0	19	19

Full-time/part-time employees

	31.12.2024		
	Real estate	Hotel & catering	Group
Women, >90%	16 (31%)	25 (25%)	41 (27%)
Men, >90%	26 (51%)	36 (37%)	62 (42%)
Women, 50%–90%	4 (8%)	25 (25%)	29 (19%)
Men, 50%–90%	3 (6%)	1 (1%)	4 (3%)
Women, <50%	1 (2%)	10 (10%)	11 (7%)
Men, <50%	1 (2%)	2 (2%)	3 (2%)
Total	51 (100%)	99 (100%)	150 (100%)

¹ <https://www.biketowork.ch/en>

² <https://www.greatplacetowork.ch/workplace/item/4843/Zug+Estates+Holding+AG>

GRI 2-8 *Workers without employee status*

Zug Estates Group had the following workers without employee status in the year 2024 under review:

Positions	Number
Office cleaners (Zug Estates Ltd)	0.34
External payroll accounting (Zug Estates Ltd)	0.14
External management for properties of Renggli Holding AG acquired in 2022	2.60

* The data was collected in full-time equivalents and as the average for the respective year under review.

The above categories of workers without employee status were identified by considering only those jobs that are under the direct control of Zug Estates. This includes work that is done either at the Zug Estates offices or externally and then sent to Zug Estates to review.

New hires and employee turnover

GRI 401-1

	31.12.2024		Group
	Real estate	Hotel & catering	
New hires during the year under review (number)	6	21	27
Departures during the year under review (number)	2	32	34
Turnover rate	4%	32%	

The turnover rate includes all departing permanent employees (no fixed-term employment contracts) and is expressed as the ratio of the average headcount for the period.

There have not been any mass redundancies at the Zug Estates Group since the IPO in 2012.

GRI 2-21 *Ratio to annual remuneration*

For Zug Estates AG and Zug Estates Holding AG, the ratio of the highest compensation to the median of all employees (excluding the highest compensation) is 4.99:1 (previous year 4.50:1). The compensation of the highest-paid person has increased by 12.4% compared to 2023. The median remuneration has risen by 1.3% compared to the previous year. The ratio of the percentage increase in the total annual remuneration of the highest-paid person to the average percentage increase in the median remuneration is 9.41:1. This figure could not be stated in the previous year; in 2022 it was 0.66:1.

The analysis includes Zug Estates Holding Ltd and Zug Estates Ltd, and the total compensation includes the annual salary as well as the bonus for the respective year under review. For the calculation, all annual salaries and bonuses were extrapolated to a full-time position.

Company benefits for full-time employees not available to temporary workers or part-time employees.

GRI 401-2

Zug Estates attaches great importance to the equal treatment of all its employees. Accordingly, all company benefits are provided to both temporary workers and part-time employees. All full-time and part-time employees have statutory AHV (old-age and survivors') insurance, are covered for accidents/illnesses, and are affiliated with a pension fund.

Zug Estates Ltd offers several fringe benefits. These include commuter allowances of up to CHF 2 500, a mobile phone with a subscription for personal and business use, as well as anniversary gifts, for example. Several employee events are also held every year.

GRI 2-30 *Collective agreements*

Employees' terms of employment differ among Group companies. No collective agreements are in effect for employees of Zug Estates Ltd. 87 of the 99 employees (87.9%) of Garden Park Zug AG are subject to the national collective labour agreement (N-CLA) for the hospitality industry. All in all, 58.0% of employees work under a collective labour agreement.

GRI 404-1 Average hours of training per year per employee

	2024		
	Real estate	Hotel & catering	Group
Average number	36.5	0.5	12.7
Per woman	73.9	0.4	19.4
Per man	10.4	0.6	4.9
Group Management	4.8	0.0	4.0
Management	26.1	2.4	13.9
Employees	599	0.1	13.1
Trainees	408.0	383.4	387.2

Percentage of employees with regular performance and professional development reviews

GRI 404-3

During the year 2024 under review, Zug Estates conducted performance reviews and discussed professional development options with 90% of its employees, regardless of gender, function or employment contract (real estate: 100%, hotel & catering: 85%). If the observation period is too short, Zug Estates does not conduct a performance review on account of limited meaningfulness.

GRI 405-1 Diversity within governance bodies and among employees

	Number	<30 years	30-50 years	>50 years	Men	Women
Board of Directors	5	0%	20%	80%	60%	40%
Extended Group Management	6	0%	66.7%	33.3%	83.3%	16.7%
Management	31	6.5%	61.2%	32.3%	40.9%	59.1%
Employees	100	24.0%	58.0%	18.0%	39%	61%
Trainees	13	100%	0%	0%	30.8%	69.2%
Total	155	25.2%	52.9%	21.9%	46.5%	53.5%

The current management structure can be found on the Zug Estates website³.

Incidents of discrimination and corrective actions taken

GRI 406-1

GRI 405-2 Ratio of base salary and remuneration of women to men

To prevent wage discrimination, Zug Estates conducted an equal pay analysis for the first time in 2020 using Logib, a tool provided by the federal government. The analysis did not reveal any significant gender-specific differences in wages.

	2024		
	Real estate	Hotel & catering	Group
Complaints lodged	0	0	0
Cases with disciplinary measures	0	0	0

Discrimination, harassment and exploitation of any kind are not tolerated. The Directive on the Protection of Personal Data and the Code of Conduct (<https://zugestates.ch/corporate-governance>) define clear standards and guidelines. A complaints process is in effect for reporting discrimination cases (see page 63).

³ <https://zugestates.ch/en/about-zug-estates#governance-structure>

4.2 Development of living spaces

Relevance

The real estate industry develops, realises and operates long-lasting buildings and sites that affect populations in towns and villages for generations to come. The development of living space and the design of buildings and spaces have a direct impact on the life and well-being of residents for very long periods and directly influence the environment. It is thus important to use an integrated approach when developing sites, spaces and neighbourhoods and to manage them sustainably with a view to creating attractive and lasting living environments for users and tenants.

The development of sites and properties leads to emissions and immissions, which impair the well-being of tenants, site users and neighbours. Zug Estates endeavours to minimise these impacts.

Approach to the topic

Zug Estates creates attractive and sustainable living spaces by strongly emphasising social sustainability in all its construction projects. The following core areas and measures have emerged:

- Zug Estates aims for a specific mix of uses and make ground-floor spaces attractive to the public so that its sites become diverse and appealing living spaces where people can satisfy many of their daily needs within walking distance.
- By creating exceptional outdoor spaces that provide users with a range of options, Zug Estates boosts the quality of their experiences and makes its sites more attractive. For example, this includes gardens, a wide range of spaces for leisure activities and exercise and play, as well as carefully placed wet areas.
- Zug Estates anticipates the future needs of tenants and customers through studies and meetings with experts and ensures that it can respond quickly and flexibly to changing requirements relating to building use and expansion, and for developing the necessary infrastructure.
- Feedback and complaints from tenants and customers is used to continuously improve sites and service quality, and to thus raise customer satisfaction.
- Zug Estates takes great care in the case of reconstruction and refurbishment projects involving historic buildings. The company strives to preserve key identify-defining elements and therefore works closely with the conservation authorities.

- Zug Estates aims to create additional living space in order to help combat the housing shortage in the canton of Zug. The company promotes a social mix by offering a variety of flat types and sizes and a proportion of affordable flats.

The Head of Development and Construction Projects and his team pursue these goals, together with external partners. Competitions involving juries of experts ensure that planning is of high quality. The aim is to continuously improve the liveability and sustainability of our sites so we can achieve our ultimate goal of providing high-quality living environments to different population segments. For Zug Estates, ensuring variety is a key element of creating attractive living spaces.

The plans to be approved by the authorities determine the conditions for the projects we develop. They define topics such as utilisation, building dimensions and use type, as well as various environmental aspects. The project development of the Metalli living space also involves a planning agreement with the authorities for the work that is scheduled.

Workshops were conducted with the responsible landscape architects and the current groundsperson to refine the outdoor landscape design and ambience of the Suurstoffi site. Within the scope of these efforts, important topics include biodiversity, heat management, ecological diversity, indigenous plants, optimised care, visually appealing design and potential uses for residents. The project was realised in spring/summer 2023⁴.

Enquiries to our management team and past tenant surveys have shown that there is increasing interest in topics such as e-mobility as well as bicycle parking spaces and services. For this reason, Zug Estates has decided to make the Suurstoffi site available as a laboratory for the SWEET (SWiss Energy research for the Energy Transition) programme funded by the Swiss Federal Office of Energy (SFOE).

Principles for site selection

Zug Estates places a strong emphasis on well connected locations with high-quality outdoor spaces. In particular, the company favours the fostering and preservation of areas with a high degree of biodiversity. When identifying sites for development projects, it refrains from selecting plots that are located within nature reserves or especially sensitive areas. Furthermore, preference is predominantly given to developed rather than undeveloped plots in order to protect the

⁴ <https://zugestates.ch/stories/staerkung-des-aussenraumkonzepts>

ecological value of such areas. Accessibility by public transport is also a relevant criterion when deciding whether to acquire additional properties and sites.

Letting principles

Due to the very high demand for flats and the limited supply of housing, the canton of Zug has one of the lowest vacancy rates in Switzerland. Accordingly, the housing shortage is also one of the main concerns of the local population. Zug Estates is aware of this and strives to create additional living space in the development of its portfolio in order to help combat the housing shortage. At the same time, Zug Estates also takes account of the shortage on the rental housing market when letting its existing flats. On the one hand, Zug Estates takes care to optimise occupancy rates when letting flats. Larger flats are deliberately allocated to families and multi-person households. On the other hand, Zug Estates favours local prospective tenants who already live in the region or are employed in the area.

Results and evaluation

We conduct satisfaction surveys and review vacancy rates regularly to measure the success of our approach (see Annual Report 2024, page 10)⁵. A visitor frequency measurement on the ground floor areas of the Metalli shopping mall also provides important insights into its attractiveness, use and further development. In future, we will also measure the amount of time visitors spend.

Tenant survey

Through a tenant survey conducted every two years, Zug Estates Ltd measures satisfaction among residential tenants, and among office and commercial tenants, on an alternating basis. Analysis of the results enables the company to take targeted action to boost customer satisfaction if required.

In 2024 it was the turn of all residential tenants to be surveyed. The online questionnaire was developed in close cooperation with external partner Customer Experience Experts GmbH. The satisfaction survey covered areas including property management, caretaking, the apartment itself, comfort, garden/surroundings, price/performance and sustainability. The findings obtained help Zug Estates to improve the quality of service, strengthen relationships with tenants and – through a high level of tenant satisfaction – keep vacancies low over the long term. All questions

were voluntary, and participants could choose to complete the questionnaire either anonymously or confidentially. Participants were asked to respond on a scale from “very satisfied” (5) to “very dissatisfied” (1).

265 out of a total of 635 residential tenants took part in the survey, representing a very pleasing response rate of 41.7%. A high level of satisfaction was achieved in the following areas:

- Site: Average 4.3 out of 5
- Apartment: Average 4.2 out of 5
- Tenancy: Average 4.1 out of 5
- Property management: Average 3.9 out of 5:

An average satisfaction rate of 3.8 out of 5 was achieved in relation to caretaking and bicycle parking spaces. See page 12 for further information.

The additional comments received from tenants with suggestions for improvement and constructive criticism provide an opportunity to make further progress in these areas.

The necessary action was identified based on the feedback received, and tenants were then informed about the next steps. In 2025 it will be the turn of commercial and office tenants to be surveyed.

Public relations and advice

The projects developed by Zug Estates Ltd impact directly on neighbours and the local population. In addition to general needs and requests, we therefore analyse environmental as well as health and safety aspects on an individual project or needs-related basis.

Through dialogue with key stakeholders, including tenants, authorities, politicians, the public and important interest groups, their concerns are taken on board as far as possible. Consultation procedures, which ensure that the main concerns are incorporated into projects, constitute a tried-and-tested tool. Major importance is attached to this process, as the local population is entitled to vote on many construction projects. The tools used for the provision of information, dialogue and involvement include websites that provide opportunities for feedback, population surveys, newsletters, information brochures, information events and exhibitions, and are used as required.

⁵ <https://zugestates.ch/downloads>

Social integration and affordable homes

The Suurstoffi site has 74 affordable rooms for students. This number will increase to 96 rooms once work at the site has been completed.

160 apartments at the Suurstoffi site can be used as assisted living facilities for the elderly. In addition to a large selection of services (including housekeeping, ironing and laundry services), residents can also book options that include a 24/7 telephone and emergency hotline, alerts to emergency services, and the technical monitoring of emergency alert devices.

The Metalli living space project involves new city apartments in the centre of Zug, with layouts that meet the different needs of a modern, urban society. 40% of the newly built homes will be affordable.

Access and transport connections

The Metalli complex and the Suurstoffi site are traffic-free. Both Zug Estates sites are connected to public transport to the extent possible. All tenants can reach the train station, whether in Zug or Rotkreuz, within ten minutes. Both train stations offer regular direct trains to Lucerne and Zurich as well as connections to other places in the region. The Metalli/Bahnhof Zug bus stop is served by seven bus lines operated by Zugerland Verkehrsbetriebe. At the Rotkreuz station, six bus lines provide access to the region.

Zug Estates contributed CHF 2.0 million to finance the footbridge at the Rotkreuz station to connect the Suurstoffi site directly to the train station. The footbridge was officially opened to the public in autumn 2019.

Changes of use

Changing customer requirements and shopping patterns have always resulted in continuous changes in the retail offer at the Metalli shopping mall. In terms of new leases, Zug Estates makes sure the Metalli shopping mall can offer an attractive, comprehensive offer for the population as a whole.

Past surveys have shown that the ability to purchase everyday items at the Suurstoffi site is another long-standing wish among tenants, to which Zug Estates responded with the opening of a farm shop in August 2023.

Bären refurbishment

The Bären property – a listed building – underwent a complete refurbishment between April 2023 and June 2024. During the alteration and refurbishment work, close attention was paid to preserving the historic character of the building⁶.

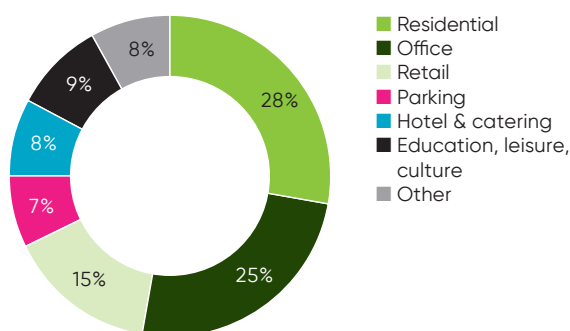
Bicycle parking

Many more bicycle parking spaces will be created with the Metalli living space development project in the centre of Zug.

Mix of uses

Portfolio by type of use

Based on projected rental income¹ as at 31 December 2024



¹ From perspective of real estate business unit

⁶ https://zugestates.ch/assets/documents/240629_Zuger_Zeitung_Sanierung_Baeren_Zug.pdf

4.3 Connected communities

Relevance

Connected communities strengthen cooperation and cohesion, promote the exchange of knowledge and are a source of innovation. Zug Estates is aware of this powerful market trend, especially when it comes to environmental issues. The transformation towards circular construction requires the cooperation of the various market players – contractors and suppliers, planners and licensing authorities, building owners – and open discussions about experiences and innovative approaches to solutions. Zug Estates actively contributes in this area. On the one hand, we offer platforms such as the Sustainability Forum; on the other hand, we support exciting projects and ideas financially or with personnel.

Connected communities contribute to our management approach when it comes to innovation by sharing ideas and resources and by jointly developing new solutions. Without our commitment in this area, there is a risk of missing trends and local initiatives and of losing competitiveness and innovation.

Approach to the topic

Zug Estates focuses on facilitating connections among communities, tenants and users, industry players, as well as with colleges and universities.

Connection among tenants

Getting tenants to identify with the area and the neighbourhood more strongly and integrating them into the community will increase their satisfaction, something that should result in lower tenant turnover. The Zug Estates managers aim to help tenants connect by means of neighbourhood events (e.g. open days, Christmas aperitifs or Christmas tree sales). The urban gardening project, which has been a success for years, offers opportunities for people to connect. We also use digitalisation as a way of connecting residents more closely: Thanks to our tenant app, tenants and users of the Suurstoffi site feel more closely connected to their neighbourhood.

Connection within the industry

In addition to getting tenants and users to connect, we also support knowledge exchange in the real estate industry. Zug Estates has been a role model in sustainable real estate development for many years now and has helped raise awareness among various industry players. The annual Sustainability Forum, organised by the Sustainability core team, promotes knowledge exchange in the real estate industry and provides access to current industry topics.

Furthermore, our employees participate in courses and industry events as opportunities to more firmly incorporate sustainability approaches within the industry.

Exchange with education partners

Zug Estates also participates in knowledge exchanges between researchers and industry partners by supporting Switzerland Innovation Park Central, which has its premises on the Suurstoffi site. Zug Estates is a core member of the Innovation Park and collaborates closely with it and other members on a range of research projects.

For several years now, Zug Estates has been a sponsor of the Swiss Building Forum, which has become a popular industry event. It is hosted by Lucerne University of Applied Sciences and Arts in collaboration with the Sustainable Construction Network Switzerland (NNBS).

Results and evaluation

Zug Estates held its ninth Sustainability Forum in August 2024⁷ (see page 14). Zug Estates addressed a topical issue with the theme of inner-city densification and housing shortages and met with great interest among its target groups.

Zug Estates enables employees to become involved in further education, in consultation with their line manager. Employees participate in research projects run by colleges and universities or supervise students' work (BA and MA theses). Two employees of Zug Estates teach at vocational schools and universities.

In 83% (previous year: 80%) of the apartments on the Suurstoffi site, at least one person per household had installed the tenant app by the end of the year 2024 reporting year. Our goal is to continuously increase this figure and to be able to reach all tenants via the app.

Operations with local community engagement, impact assessments and development programmes

GRI 413-1

All operating sites (100%) are locally integrated. We have regular contact with local authorities and political bodies at both of our locations. By sponsoring local events and associations, Zug Estates Group is also involved in social activities.

The project managers intend to involve residents of the city of Zug in the Metalli Living Space project. Zug Es-

⁷ www.zugestates.ch/nachhaltigkeitsforum

tates aims to promote dialogue with Zug residents through exhibitions on the individual phases, regular publications, as well as via a project website. In recent years, meetings were held with various stakeholders such as neighbourhood associations, the heritage protection, IG Metalli and the authorities. Tenants are regularly informed about the current planning status by letter. Thanks to these measures, the most important stakeholder groups know about the Metalli Living Space project. A survey conducted by an independent institute in October 2022 found that 88% of respondents think the Metalli Living Space concept as presented is “appealing” or “very appealing”. For Zug Estates, this is a clear indication that the participatory partnership approach is working⁸. These efforts help us to better align the site's development with the overall development of the city of Zug and gear it toward the needs of its users and those of the local population.

Membership in associations and interest groups

GRI 2-28

Zug Estates Holding Ltd and its subsidiaries are members of the following associations and interest groups: Swiss Vocational Education and Training Fund, Re-use-Oriented Construction Charter, ERFA Elektro Industrie Zentralschweiz, Trade Association of the City of Zug, Trade Association of Risch Rotkreuz, Zugerland Homeowners' Association, Hotelierverein Zugerland, Hotellerie Suisse, Interessengemeinschaft Metalli, ITZ InnovationsTransfer Zentralschweiz, Madaster Switzerland, Organisation kaufmännische Grundbildung Treuhand/Immobilien (OKGT), Swiss Society for Sustainable Real Estate Management (SGNI), Swiss Tourism Federation, Schweizerischer Verband der Immobilienwirtschaft (SVIT) Zentralschweiz, Swiss Circle, Swiss Council Community (SCC), Verband Immobilien Schweiz (VIS), Innovation Park Association Central Switzerland, ZUG ALLIANCE, Zug International Business Forum (ZIBF), Zug Tourism, Zug Chamber of Commerce, Zurich Chamber of Commerce

Share of expenditures for local suppliers

GRI 204-1

98.3% of Zug Estates' expenditures in the 2024 reporting year were made in Switzerland (previous year: 99.2%). Only a fraction of the money we invest goes abroad.

⁸ <https://zugestates.ch/stories/die-bevoelkerung-bringt-sich-ein>

5. Governance topics

5.1 Transparent communication

Relevance

Our company is committed to the key objectives of creating and maintaining trust and ensuring credibility. In this regard, corporate communication plays an important role. Communication principles such as relevance, timeliness and completeness of information must take into account the range of requirements and needs of our stakeholders. Interacting with partners listed on the stock market makes it necessary to observe a large number of rules, and non-compliance with them can lead to a loss of confidence and image among investors or to sanctions by the Swiss stock exchange.

Approach to the topic

We communicate transparently by sending clear messages geared to the various target groups and levels and by using a range of channels. We pursue an open communication strategy to ensure that all target groups are treated equally.

Zug Estates informs its investors in a transparent and trustworthy manner. When communicating, we focus on the essentials and inform in good time. Our information style is objective and aimed at long-term investors. We answer questions and provide information to investors at the Annual General Meeting and during the year via ir@zugestates.ch. However, the rules for equal treatment take precedence in every case.

In addition, we exchange information with our analysts proactively. To this end, our managers participate in annual roadshows, and Zug Estates conducts property tours of its sites at regular intervals. We aim for an analyst assessment that reflects our medium to long-term growth potential.

We pay particular attention to compliance with the directive on ad hoc publicity¹. To this end, Zug Estates prepared internal regulations on publication obligations and the disclosure of management transactions. Zug Estates publishes an annual Sustainability Report in accordance with GRI Standards as well as a green bond report. Zug Estates exchanges information with ESG rating agencies regularly and informs them in writing of any significant changes.

Moreover, Zug Estates discloses financial support from the public sector as well as party donations.

We are in contact with our tenants through our property management activities and inform them of any changes in good time via our website, postings, or directly by e-mail or letter. At the Suurstoffi site, we also use a tenant app that simplifies communication with tenants. Through regular and timely information, we increase the acceptance of measures and can respond to tenant feedback in good time. We continuously evaluate ways of improving digital communications with tenants.

Our employees can assess internal communication in the employee survey conducted regularly (most recently in 2024). Here, we aim to achieve a "good" to "very good" rating (see "Attractive working environment"). Since 2020, we have been holding regular information events for our employees where representatives of the Group Management, executive management and employees explain current developments and progress in projects, and where there are opportunities to ask questions. The merger of the two sites and the move into new office premises end of 2023 are having a positive impact on the flow of information and communication.

Green finance reporting

Zug Estates has issued three green bonds. The specifications of the green bond require Zug Estates to prepare regular reports, not only with descriptions of how the funds are used but also about the impact these funds have on nature and the environment. Key figures are prepared and analysed by Amstein + Walther AG, Zurich. The reports² can be found on the Zug Estates website.

¹ <https://www.ser-ag.com/de/topics/ad-hoc-publicity.html>

² <https://zugestates.ch/green-finance>

Results and evaluation

The Corporate Rating Report from ISS ESG confirms that Zug Estates Holding Ltd provides a very high level of transparency.

GRI 201-4

Financial assistance from public sources

The population and government pay close attention to how funds from public sources are used. For reasons of transparency and credibility, we disclose such payments. Zug Estates Group did not receive any short-time working compensation for its hotel operations in 2024 (previous year: CHF 242 000). Zug Estates received CHF 105 000 in energy subsidies (pre-

vious year: CHF 139 000). The rules regarding these subsidies are the same for all market participants.

Zug Estates did not receive any other funds (including tax relief and credits, subsidies, grants, premiums, licence exemptions, export credit guarantees, or other financial incentives) in the 2024 financial year.

Political donations

GRI 415-1

No political donations were made during the year under review (previous year: CHF 15 000).

Approach to stakeholder engagement

GRI 2-29

Main target group	Frequency of contact	Type of contact	Group's most important concerns
Shareholders and investors	Regularly	<ul style="list-style-type: none"> General Meeting of Shareholders Financial and sustainability reporting Media release Website Webcast 	<ul style="list-style-type: none"> Secure investment Attractive share price performance Stable dividend ratio Participation rights Responsible corporate governance
Analysts	Regularly	<ul style="list-style-type: none"> Financial and sustainability reporting Analyst and media conferences Roadshows E-mail/phone Sustainability Forum Property tour 	<ul style="list-style-type: none"> Complete, transparent reporting Company's development potential Insight into the corporate strategy Responsible corporate governance
Tenants	As needed	<ul style="list-style-type: none"> Tenant app (Suurstoffi) Letter/postings E-mail/phone Website 	<ul style="list-style-type: none"> Information about changes Simple contact Swift processing of enquiries Simple, transparent billing
Media	As needed	<ul style="list-style-type: none"> Media releases E-mail/phone 	<ul style="list-style-type: none"> News about construction projects Short response times Newsworthy notices
Employees	Frequently	<ul style="list-style-type: none"> Intranet Team meetings Employee information events Brown bag events Corporate events Employee surveys 	<ul style="list-style-type: none"> Further development opportunities Employee benefits Transparent and open communication Innovative and sustainable employer Flexible and autonomous scheduling Open and personal corporate culture Teamwork and team cohesion State-of-the-art infrastructure
The public and the Zug population	As needed	<ul style="list-style-type: none"> Exhibitions Sponsorship Website and social media Media reports 	<ul style="list-style-type: none"> Affordable housing and a wide variety of homes Living spaces that add value for the general public Right of participation in construction projects Regular progress reports / information about planning
Authorities and politicians	Regularly	<ul style="list-style-type: none"> Participatory processes Bilateral exchange Sustainability Forum Meetings E-mail/phone/post 	<ul style="list-style-type: none"> Cooperation for further development Urban development in line with spatial model High-quality outdoor spaces Public involvement on construction projects (participation) Harmonising different interests Affordable housing and a wide variety of homes
Business partners and suppliers	As needed	<ul style="list-style-type: none"> Sustainability Forum E-mail/phone 	<ul style="list-style-type: none"> Long-term collaboration on financially attractive terms

5.2 Responsible corporate governance

Relevance

GRI 2-23

Zug Estates develops responsible corporate governance through adherence to its corporate principles and values. This also means that Zug Estates prioritises long-term profitability over short-term profit. As a listed real estate company in Switzerland, our actions must uphold human rights and show consideration for the environment. The company attaches great importance to ethical principles, values and behaviour in its day-to-day business dealings with all its stakeholders, and it expects this behaviour from its suppliers and business partners.

Corruption, insider trading, breaches of regulatory requirements and violations of personal privacy or personal integrity both harm the company financially and damage its reputation. They are not tolerated and are to be condemned in any form.

With digitalisation, multiple new opportunities are emerging. Through networking and automation, Zug Estates is improving the efficiency of its processes. At the same time, this harbours new risks such as data misuse, breaches of data protection and data theft. The impacts of such events on companies may be considerable.

Approach to the topic

GRI 2-23

To ensure responsible corporate governance, Zug Estates has regulations, policies and directives, and its processes in all the relevant business areas are based on these.

GRI 2-24

Zug Estates complies with laws, regulations, directives and standards. Employees at all levels must comply with these standards as called for by the specific tasks. Relevant changes in the regulatory environment are monitored continuously to enable a timely response.

Employees are informed about new regulations or significant changes in them by their direct supervisors, by e-mail or at a monthly employee event. External employees are informed about the ethical principles at Zug Estates by the human resources department or line manager; suppliers and business partners are informed about any contracts for work or services to be signed and about the Code of Conduct for Suppliers, which is an integral part of the contract.

Statement on human rights observation

Zug Estates respects fundamental and universally applicable human rights. The related "Policy statement

regarding respect for and the observation of human rights"³ of June 2023 considers, in particular, suppliers and the upstream value chain, but also employees and customers.

Zug Estates has introduced processes to ensure compliance with Swiss legislation in terms of conflict minerals and child labour. Zug Estates is not affected by Swiss due diligence and reporting obligations regarding minerals and metals from conflict and high-risk areas.

Code of Conduct

The company's principles and values are laid out in the Code of Conduct⁴, which describes and governs the company's courses of action. Zug Estates communicates its corporate values and principles clearly and comprehensibly to its employees. The Code of Conduct is part of the Personnel Policy and thus an integral part of all employment contracts. The Code of Conduct is available to all employees through an internal knowledge database. The compliance officer is responsible for providing information on the guidelines and for ensuring compliance with them. Steps must be taken to verify any suspected violation. Depending on the case, this can involve the direct line manager, the compliance officer, or the HR department. Serious violations will result in disciplinary measures.

Code of Conduct for Suppliers

The Code of Conduct for Suppliers⁵ has been an integral part of all relevant new contracts since 1 August 2023. We expect our business partners to observe the same ethical principles, actively advocate responsible action, and to be committed to fair, respectful and compliant conduct within the company and towards all our stakeholder groups.

Health and safety

Zug Estates introduced the role of security officer in the year under review. The security officer is responsible for ensuring health and safety at the workplace. Their role includes identifying threats, drawing up safety measures, training employees and complying with legal requirements. The security officer helps to minimise accidents and health risks at the workplace.

Zug Estates updated its emergency manual in the year under review. The manual contains a detailed

³ <https://zugestates.ch/assets/documents/Policy-statement-regarding-respect-for-and-the-observation-of-human-rights.pdf>

⁴ <https://zugestates.ch/en/corporate-governance>

⁵ <https://zugestates.ch/assets/documents/Supplier-Code-of-Conduct.pdf>

description of the emergency organisation, recommended conduct and procedures for possible situations as well as key contacts.

Zug Estates checks compliance with the statutory regulations on occupational safety and contractual-ly obliges all companies involved in construction projects to comply with the currently applicable labour and safety regulations via the ‘General Terms and Conditions of Contract for Work and Services’. All incidents relating to occupational safety (by employees and third parties) are documented. In addition to describing the course of events, the measures taken are also described to prevent further incidents.

Impact of construction-related emissions and im-missions on neighbourhood

Zug Estates requires contracted companies and sup-pliers to minimise all emissions and immissions (includ-ing dirt, dust and vibrations) caused by building work. The applicable official regulations regarding limits or working hours and rest periods must be adhered to. Zug Estates and affected stakeholders must be noti-fied of any immissions and emissions-intensive work in advance. Noisy works must be reduced to a mini-mum and notification must be provided. Parties breaching the statutory regulations or principles will be penalised.

Corruption prevention: Policy for handling gifts and invitations

One measure enacted in an effort to prevent corrup-tion is a clear policy concerning gifts and invitations (Policy on Handling Gifts and Invitations (anti-corrup-tion)). The policy aims to preserve the integrity of the company’s employees as well as of business partners and others associated with Zug Estates.

Overview of gifts and invitations policy

Gifts	Invitations
Promotional and courtesy gifts of a lower or reasonable value (< CHF 200)	Business meals and similar invitations of reasonable value (< CHF 200)
Higher-value gifts (> CHF 200)	Invitations with entertainment content Costly business meals Invitations that include personal guests
Luxury gifts Cash/similar benefits Gifts to loved ones (partners, children, etc)	Extravagant invitations

No approval required

Approval from compliance officer required

Not allowed

Insider trading

Insider information refers to confidential content whose disclosure would significantly affect the prices of securities of a company listed on the stock exchange (Art. 2j Financial Markets Infrastructure Act (FMIA)). Information has a significant effect on the price of securities if it is likely that an investor would consider such information when making an invest-ment decision (to purchase, sell or hold the corre-sponding securities) if they had knowledge of it.

The members of the Board of Directors, the company’s Group Management, subsidiaries of Zug Estates Holding, as well as other employees of Zug Estates, have knowledge about insider information. The Se-curities and Insider Trading Policy prohibits insider trading, describes the duty of confidentiality, and lists potential sanctions in case of violations. The defined blackout periods for shares trading are shown in the Annual Report 2024 (page 38).

Companies that can access confidential information by virtue of their activities with Zug Estates can be considered insiders within the meaning of the Finan-cial Market Infrastructure Act (FMIA). Zug Estates uses a non-disclosure agreement to govern the handling of confidential information with external partners. Furthermore, organisational, technical and procedur-

al measures are in effect to ensure the confidentiality of the information.

Sponsorship

Group Management evaluates and approves all sponsorship requests.

IT security, cyber security and data protection

With the support of IT experts, high security standards are set for the whole of the Zug Estates Group, which are continuously adapted to new circumstances and which cover all relevant systems. Zug Estates publishes further information in its Information Security Report.⁶

Conflicts of interest

GRI 2-15

Resolutions and elections of the Board of Directors are decided by an absolute majority of votes. Pursuant to Art. 16 of the company's articles of association⁷, the chairperson has the casting vote in the event of a tie. Voting and elections are conducted by a show of hands. Members of the Board of Directors and Group Management are not permitted to do anything that conflicts with the interests of Zug Estates Holding Ltd or a Group company, or that could be construed as such. They must therefore, of their own accord or at the request of the Board of Directors, recuse themselves when business affecting their personal interests or the interests of natural persons or legal entities close to them is being conducted. Members of the Board of Directors and Group Management must disclose potential conflicts of interest completely and without delay. The other activities of all members of the Board of Directors – in particular in other management and supervisory bodies, official functions, or political offices – are publicly disclosed in the Annual Report 2024 (page 46)⁸. None of the members of the Board of Directors have any material business relationships with Zug Estates Holding Ltd or with the Zug Estates Group.

GRI 2-11

The Chair of the Board of Directors is the head of the highest governance body but does not have any management function within the Zug Estates Group.

Zug Estates has disclosed the most important shareholders and their holdings (see Annual Report 2024, page 70).

⁶ https://zugestates.ch/assets/documents/250106_IT-Security-Report-EN.pdf

⁷ https://zugestates.ch/assets/documents/230406_Statuten_Zug-Estates_Holding_AG.pdf

⁸ <https://zugestates.ch/en/downloads>

Complaints procedure

General

Zug Estates cultivates an open and transparent corporate culture. Complaints, concerns or negative effects can be submitted directly by e-mail (info@zug-estates.ch) or by using the online contact form⁹. Stakeholders can communicate sensitive issues to the Group Management or Board of Directors, or raise them at the General Meeting of Shareholders. Complex cases with major implications must be discussed at meetings of the Group Management and Board of Directors.

GRI 2-25

ENQUIRE Rechtsanwälte AG, an external whistleblowing reporting office, is available to Zug Estates Group employees and to suppliers and third parties. It ensures that the person submitting the notification remains anonymous to Zug Estates. ENQUIRE reports to Group Management on request. The Board of Directors is consulted if there is any suspicion that Group Management is involved. ENQUIRE is mandated to clarify the circumstances of the notifications and can be asked to participate in enquiries. Contact details for ENQUIRE are posted on the corporate website¹⁰.

Group Management is responsible for periodic reports to the Board of Directors and for providing information about extraordinary events immediately or in the case of increased risks in connection with the operating activities. Its tasks are laid out in the Organisational Regulations¹¹.

GRI 2-16

Employees

Employees of the Zug Estates Group must report any violation of the regulations or guidelines of which they are aware as well as any attempted or actual violations. Each complaint is treated confidentially and investigated. Complaints will be passed on to the appropriate person or, in more serious cases, to a manager or Group Management member.

Employees of the Zug Estates Group must report even suspected violations. Such reports will be treated anonymously on request. Persons submitting a justified report will not be penalised in any way.

⁹ <https://zugestates.ch/en/contact>

¹⁰ <https://zugestates.ch/en/corporate-governance>

¹¹ <https://zugestates.ch/assets/documents/211130-Organisationsreglement-Zug-Estates-Holding-AG.pdf>

The following contacts are available within the Zug Estates Group:

- The direct or next higher line manager
- Compliance officer
- Chair of the Audit Committee of Zug Estates Holding Ltd

Any retaliation against employees who report incidents in good faith is prohibited. The offices responsible for handling the complaints will protect the rights of the person being accused.

Employees have the opportunity to give feedback on the complaint procedure to their direct supervisors or to the compliance unit and to make suggestions for improvement.

Tenants

Tenant complaints go directly to the property managers responsible, who record and respond to them and, if necessary, take measures to address the problem. In case of a serious complaint, the line managers or Group Management are involved. This process is reviewed with the help of a regular tenant survey.

Procedure for obtaining advice and reporting concerns

GRI 2-26

Individuals can use the website's contact form or a personal contact for getting advice about implementing the policies and for submitting their concerns about business conduct. The Sustainability core team and the compliance officers are available to answer questions and assist all employees. All stakeholders can use the external contact for issues that call for anonymity.

Expenses

The Board of Directors, Group Management and employees are reimbursed for all business-related expenses. Such expenses must be approved by the line manager and are subject to random compliance checks by HR. Depending on their level, members of Group Management and senior management are not permitted to submit small expenses up to a certain limit but in return are reimbursed through a monthly lump-sum amount for expenses as stipulated in the policy. The expenses regulations were reviewed and approved by the Tax Administration of the Canton of Zug.

Election criteria for the highest governance body

When selecting a new member of the Board of Directors, it must be ensured, among other things, that the Board as a whole adequately covers all defined core competencies and that the defined diversity criteria (see "Attractive working environment") are met. More information about the election and term of office can be found on page 32 of the Annual Report 2024 of Zug Estates Holding Ltd.

GRI 2-10

Evaluation of the performance of the highest governance body

The Board of Directors evaluates the competencies of its members as part of a self-assessment. These competencies form the starting point for aligning the required and the current responsibilities within the Board as a whole. If the analysis indicates that certain competencies are insufficiently represented or missing within the Board, this will be taken into account the next time a new member is selected.

GRI 2-18

Results and evaluation

Compliance with laws and ordinances

GRI 2-27

There were no significant violations of laws and ordinances during the reporting period.

Confirmed incidents of corruption and actions taken

GRI 205-3

No cases of corruption were recorded at Zug Estates during the year under review.

Work-related injuries

GRI 403-9

Occupational accidents of employees

	2024		
	Real estate	Hotel & catering	Group
Fatal	0	0	0
Work-related injury with severe consequences (absence of more than three working days)	0	2	2
Documentable work-related injuries (minor accident with absence of up to three days).	0	3	3
Total injuries	0	5	5
Total injuries per 200 000 working hours	0	5.6	3.6

Occupational accidents of suppliers

	2024		
	Real estate	Hotel & catering	Group
Fatal	0	0	0
Work-related injury with severe consequences (absence of more than three working days)	0	0	0
Documentable work-related injuries (minor accident with absence of up to three days).	0	0	0

About this report*GRI 2-1 Organisational profile*

Legal name: Zug Estates Holding Ltd

Legal form: Zug Estates Holding Ltd is listed on SIX Swiss Exchange, Zurich (securities number: 14 805 212, ticker symbol: ZUGN)

Location of the head office: Zug Estates Holding Ltd, Baarerstrasse 18, 6300 Zug

Countries in which Zug Estates Holding Ltd operates: Switzerland

GRI 2-2 Contact for questions about the report

Zug Estates Holding Ltd, Philipp Hodel, Head of Communications, Baarerstrasse 18, 6300 Zug, ir@zugestates.ch, +41 41 729 10 10 (head office)

This sustainability report has the same scope of consolidation as the financial report. Deviations are marked and justified at the appropriate places in this report in accordance with GRI Standards.

GRI 2-3 Reporting period, report frequency and contact

Zug Estates Holding Ltd does not fall under the reporting obligation pursuant to Art. 964a of the Swiss Code of Obligations (CO) regarding non-financial matters. This sustainability report has been prepared

on a voluntary basis and is not a report on non-financial matters pursuant to Art. 964b CO.

Zug Estates Holding Ltd has released this report of 20 February 2025 for the period from 1 January 2024 to 31 December 2024 in accordance with the GRI Standards 2021. This is the same period as for the financial report. Financial figures were calculated in accordance with Swiss GAAP FER, Art. 17 of the Directive on Financial Reporting of SIX Swiss Exchange and the statutory provisions. The environmental key figures were obtained via the Greenhouse Gas Protocol. Key figures relating to energy and water refer to the period from 1 October 2023 to 30 September 2024, as stated in the relevant places. Zug Estates reports annually on its sustainability topics. The most recent report was published on 21 February 2024.

*Corrected and revised information**GRI 2-4*

The revised sections of the report are marked.

*External audit**GRI 2-5*

Zug Estates has not used an external auditor to verify the information and data in its sustainability reporting. The Board of Directors has been informed of this decision and has studied and approved this report.

6. GRI Index



Statement of use		Zug Estates Holding Ltd has reported in accordance with the GRI Standards for the period from 1 January 2024 to 31 December 2024. For the Content Index – Essentials Service, GRI Services verified that the GRI Index was presented in a manner consistent with the requirements for GRI Standards reporting and that the information in the GRI Index is presented correctly and accessible to stakeholders.	
		This service was performed on the German version of the report.	
GRI used 1		GRI 1: Foundation 2021	
GRI Standard	Disclosure	Place	Further disclosures and omissions
GENERAL DISCLOSURES			
The organisation and its reporting practices			
GRI 2: General disclosures 2021	2-1	Organisational details	p. 20, 65
	2-2	Entities included in the organisation's sustainability reporting	p. 65
	2-3	Reporting period, frequency and contact point	p. 65
	2-4	Restatements of information	p. 65
	2-5	External assurance	p. 65
Activities and workers			
GRI 2: General disclosures 2021	2-6	Activities, value chain and other business relationships	p. 20–21
	2-7	Employees	p. 51
	2-8	Workers who are not employees	p. 52
Corporate governance			
GRI 2: General disclosures 2021	2-9	Governance structure and composition	Annual Report 2024, p. 29–32
	2-10	Nomination and selection of the highest governance body	p. 64
	2-11	Chair of the highest governance body	p. 63, Annual Report 2024, p. 30
	2-12	Role of the highest governance body in overseeing the management of impacts	p. 28
	2-13	Delegation of responsibility for managing impacts	p. 25
	2-14	Role of the highest governance body in sustainability reporting	p. 25
	2-15	Conflicts of interest	p. 63
	2-16	Communication of critical concerns	p. 63
	2-17	Collective knowledge of the highest governance body	p. 25
	2-18 body	Evaluation of the performance of the highest governance body	p. 64

GRI Standard	Disclosure	Place	Further disclosures and omissions
	2-19 Remuneration policies	Annual Report 2024, p. 42–47	
	2-20 Process to determine remuneration	Annual Report 2024, p. 42–47	
	2-21 Annual total compensation ratio	p. 52	
Strategy, policies and practices			
GRI 2: General disclosures 2021	2-22 Statement on sustainable development strategy	p. 4	
	2-23 Policy commitments	p. 61	
	2-24 Embedding policy commitments	p. 61	
	2-25 Processes to remediate negative impacts	p. 63	
	2-26 Mechanisms for seeking advice and raising concerns	p. 64	
	2-27 Compliance with laws and regulations	p. 64	
	2-28 Membership in associations and interest groups	p. 58	
	2-29 Approach to stakeholder engagement	p. 24, 60	
	2-30 Collective bargaining agreements	p. 52	
MATERIAL TOPICS			
GRI 3: Material topics 2021	3-1 Process of determining material topics	p. 22–23	
	3-2 List of material topics	p. 23	
Innovation			
GRI 3: Material topics 2021	3-3 Management of material topics	p. 27–28	
Own indicator	Greenhouse gas emissions per square metre of energy reference area in the portfolio	p. 27	
Business success			
GRI 3: Material topics 2021	3-3 Management of material topics	p. 28–30	
GRI 201: Economic performance 2016	201-1 Direct economic value generated and distributed	p. 30, Annual Report 2024, p. 80–81	
	201-2 Financial implications and other risks and opportunities related to climate change	p. 30	
Biodiversity			
GRI 3: Material topics 2021	3-3 Management of material topics	p. 31–32	
Own indicator	Proportion of certified area with a special ecological value	p. 32	

GRI Standard	Disclosure		Place	Further disclosures and omissions
Energy and emissions				
GRI 3: Material topics 2021	3-3	Management of material topics	p. 32–44	
GRI 305: Emissions 2016	305-1	Direct GHG emissions (Scope 1)	p. 37	
	305-2	Energy indirect GHG emissions (Scope 2)	p. 37	
	305-3	Other indirect GHG emissions (Scope 3)	p. 37	
	305-4	GHG emissions intensity	p. 37	
GRI 302: Energy 2016	302-1	Energy consumption within the organisation	p. 41	
	302-3	Energy intensity	p. 41	
Materials				
GRI 3: Material topics 2021	3-3	Management of material topics	p. 45–46	
Own indicator	Percentage of lettable area of total space in wooden buildings		p. 46	
Water				
GRI 3: Material topics 2021	3-3	Management of material topics	p. 47–48	
GRI 303: Water and effluents 2018	303-1	Water as a shared resource	p. 48	
	303-2	Managing the effects of water recirculation	p. 48	
	303-3	Water use	p. 48	
Attractive working environment				
GRI 3: Material topics 2021	3-3	Management of material topics	p. 49–53	
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	p. 52	
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	p. 52	
GRI 403: Occupational health and safety 2018	403-9	Work-related injuries	p. 64–65	
GRI 404: Training and further education 2016	404-1	Average hours of training and further education per employee per year	p. 53	
	404-3	Percentage of employees receiving regular performance and career development reviews	p. 53	
GRI 405: Diversity and equal opportunity 2016	405-1	Diversity of governance bodies and employees	p. 53	
	405-2	Ratio of basic salary and remuneration of women to men	p. 53	
GRI 406: Non-discrimination 2016	406-1	Cases of discrimination and subsequent measures taken	p. 53	

GRI Standard	Disclosure	Place	Further disclosures and omissions
Development of living spaces			
GRI 3: Material topics 2021	3-3	Management of material topics	p. 54–56
Own indicator	Mix of uses		p. 56
Connected communities			
GRI 3: Material topics 2021	3-3	Management of material topics	p. 57–58
GRI 413: Local communities 2016	413-1	Operations with local community engagement, impact assessments, and development programmes	p. 57
GRI 204: Procurement practices 2016	204-1	Share of expenditures for local suppliers	p. 58
Transparent communication			
GRI 3: Material topics 2021	3-3	Management of material topics	p. 59–60
GRI 201: Economic performance 2016	201-4	Financial assistance from public sources	p. 60
GRI 415: Political influence 2016	415-1	Party donations	p. 60
Responsible corporate governance			
GRI 3: Material topics 2021	3-3	Management of material topics	p. 61–65
GRI 205: Anti-corruption 2016	205-3	Confirmed corruption cases and measures taken	p. 64

7. Appendix

Energy efficiency by building use type

	Unit	2019	2020	2021	2022	2023	2024
Energy efficiency and energy intensity							
Commercial							
Final energy requirement	GWh	6.61	6.37	6.80	7.24	6.77	4.69
Energy reference area	m ²	46 927	50 001	50 001	50 001	50 001	43 388
Energy demand / energy reference area	kWh/m ²	140.8	127.5	136.0	144.7	135.5	108.0
Office							
Final energy requirement	GWh	2.54	3.00	2.83	3.60	3.70	3.89
Energy reference area	m ²	47 394	73 678	73 678	78 367	78 367	69 568
Energy demand / energy reference area	kWh/m ²	53.6	40.8	38.4	45.9	47.2	55.9
Residential							
Final energy requirement	GWh	5.03	4.04	3.78	4.11	4.21	5.03
Energy reference area	m ²	78 951	77 534	77 534	86 225	86 225	99 408
Energy demand / energy reference area	kWh/m ²	63.7	52.1	48.7	47.7	48.8	50.6
Other							
Final energy requirement	GWh	1.61	1.67	1.94	2.68	2.75	3.22
Energy reference area	m ²	29 223	49 196	49 196	56 915	56 915	59 229
Energy demand / energy reference area	kWh/m ²	55.0	33.9	39.4	47.2	48.4	54.3
Total	kWh/m ²	77.9	60.9	61.3	64.9	64.2	62.0

This chart includes all types of energy (see the table showing energy intensity without ambient heat on page 41).

7.2 Emissions by building use type (market-based, excludes out-of-scope emissions)

	Unit	2019	2020	2021	2022	2023	2024
GHG emissions intensity							
Commercial							
Greenhouse gas emissions	t	622.5	127.8	95.1	16.4	9.7	3.1
Energy reference area	m ²	46 927	50 001	50 001	50 001	50 001	43 388
GHG emissions / energy reference area	kg/m ²	13.3	2.6	1.9	0.3	0.2	0.1
Office							
Greenhouse gas emissions	t	231.9	14.0	0.1	62.1	78.9	64.5
Energy reference area	m ²	47 394	73 678	73 678	78 367	78 367	69 568
GHG emissions / energy reference area	kg/m ²	4.9	0.2	0.0	0.8	1.0	0.9
Residential							
Greenhouse gas emissions	t	404.7	282.0	116.9	79.7	85.4	69.9
Energy reference area	m ²	78 951	77 534	77 534	86 225	86 225	99 408
GHG emissions / energy reference area	kg/m ²	5.1	3.6	1.5	0.9	1.0	0.7
Other							
Greenhouse gas emissions	t	109.6	21.4	8.0	97.2	125.7	112.9
Energy reference area	m ²	29 223	49 196	49 196	59 915	56 915	59 229
GHG emissions / energy reference area	kg/m ²	3.7	0.4	0.2	1.7	2.2	1.9
Average value	kg/m ²	6.8	1.8	0.9	0.9	1.1	0.9

* From 2023: Changed to factors from Intep (2022) study, which is based on KBOB 2022 factors. Figures were previously based on KBOB 2017.

7.3 Emissions by building use type (location-based), KBOB 2022

	Unit	2020	2021	2022	2023	2024
GHG emissions intensity						
Commercial						
Greenhouse gas emissions	t	163.1	124.5	21.7	355.4	215.6
Energy reference area	m ²	50 001	50 001	50 001	50 001	43 388
GHG emissions / energy reference area	kg/m ²	3.3	2.5	0.4	7.1	5.0
Office						
Greenhouse gas emissions	t	37.1	17.7	65.7	202.5	200
Energy reference area	m ²	73 678	73 678	78 367	78 367	69 568
GHG emissions / energy reference area	kg/m ²	0.5	0.2	0.8	2.6	2.9
Residential						
Greenhouse gas emissions	t	309.4	115.8	84.4	256.2	263
Energy reference area	m ²	77 534	77 534	86 225	86 225	99 408
GHG emissions / energy reference area	kg/m ²	4.0	1.5	1.0	3.0	2.6
Other						
Greenhouse gas emissions	t	34.4	20.7	100.2	200.4	200.6
Energy reference area	m ²	49 196	49 196	56 915	56 915	59 229
GHG emissions / energy reference area	kg/m ²	0.7	0.4	1.8	3.5	3.4
Average value	kg/m ²	2.2	1.2	1.0	3.7	3.2

* In previous years, only electricity consumption was calculated using the location-based approach. Factors are now also used to calculate district heating emissions using this approach.

7.4 Water efficiency by building use type

	Unit	2019	2020	2021	2022	2023	2024
Efficiency of water use							
Commercial							
Water consumption	m ³	36 954	28 869	29 748	36 119	33 956	28 551
Energy reference area	m ²	46 927	50 001	50 001	50 001	50 001	43 388
Water consumption / energy reference area	l/m ²	787.5	577.4	595.0	722.4	679.1	658.0
Office							
Water consumption	m ³	26 123	25 480	26 308	31 198	31 277	24 937
Energy reference area	m ²	47 394	73 678	73 678	78 367	78 367	69 568
Water consumption / energy reference area	l/m ²	551.2	345.8	357.1	398.1	399.1	358.4
Residential							
Water consumption	m ³	60 352	61 188	56 848	59 684	61 460	71 975
Energy reference area	m ²	78 951	77 534	77 534	86 225	86 225	99 408
Water consumption / energy reference area	l/m ²	764.4	789.2	733.2	692.2	712.8	722.2
Other							
Water consumption	m ³	17 422	18 599	18 593	23 349	22 959	23 009
Energy reference area	m ²	29 223	49 196	49 196	56 915	56 915	59 229
Water consumption / energy reference area	l/m ²	596.2	378.1	377.9	410.2	403.4	388.5
Average value	l/m ²	696	536	525	554	551	546

7.5 Environmental indicators for direct real estate vehicles

Parameters				
Reference period	2021	2022	2023	2024
Reference area	Measured			
Consumption types considered	Heating, general electricity & tenant electricity			
Data quality considered	Measured			
Climate correction?	No			
Source of emission factors used	"treeze, 2017, greenhouse gas emissions from Switzerland's electricity and district heating mix in accordance with the GHG Protocol, Alig & Tschümperlin"		Intep, 2022, Greenhouse gas emissions for the buildings sector, Volkart, E., Kook Nauser, I., Alig, M.	
Coverage ratio	2021	2022	2023	2024
Total area of completed properties (m²)	250 409	250 409	271 508	270 568
Area of completed properties covered				
Coverage ratio	100%	100%	100%	100%
Energy consumption and energy intensity	2021	2022	2023	2024
Proportion of portfolio measured (data coverage)	100%	100%	100%	100%
Energy consumption (kWh)	24 278 026	27 270 106	29 843 143	28 961 345
Energy consumption (kWh), Scope 1	1 913 211	1 183 397	1 243 907	1 068 624
Energy consumption (kWh), Scope 2	13 788 140	14 883 073	17 125 401	16 493 407
Energy consumption (kWh), Scope 1+2	15 701 351	16 066 470	18 369 308	17 562 031
Energy consumption (kWh), Scope 3 (tenant)	8 576 675	11 203 636	11 473 835	11 399 314
Energy intensity (kWh/m²)	97	109	110	107
Energy intensity (kWh/m²), Scope 1	7.6	4.7	4.6	3.9
Energy intensity (kWh/m²), Scope 2	51.0	55.0	63.3	61.0
Energy intensity (kWh/m²), Scope 1+2	62.7	64.2	67.7	64.9
Energy intensity (kWh/m²), Scope 3	34.3	44.7	42.3	42.1
Energy mix (% of own energy consumption)	2021	2022	2023	2024
Fuels	9.0	5.2	4.7	3.7
Heating oil	2.8	0.4	3.0	2.3
Natural gas	6.2	4.8	1.4	1.4
Biogas	0.0	0.0	0.3	0.0
Wood/pellets	0.0	0.0	0.0	0.0
Heat	21.9	24.9	23.1	27.0
District heating (without cooling)	21.9	24.9	23.1	27.0
Local heating				
Environmental heat				
Electricity	69.1	69.9	72.2	69.3
Electricity heat pump	48.5	50.6	56.0	53.7
Electricity direct heating				
General electricity (without tenant electricity)	20.6	19.3	16.2	15.5

Greenhouse gas emissions and intensity	2021	2022	2023	2024
Proportion of portfolio measured (data coverage)	100%	100%	100%	100%
Greenhouse gas emissions (kg CO ₂ eq)	391 144	453 403	1 262 413	912 047
Greenhouse gas emissions (kg CO ₂ eq), Scope 1	219 384	244 058	267 200	241 396
Greenhouse gas emissions (kg CO ₂ eq), Scope 2	2 800	8 800	32 315	8 935
Greenhouse gas emissions (kg CO ₂ eq), Scope 1+2	222 184	252 858	299 515	250 331
Greenhouse gas emissions (kg CO ₂ eq), Scope 3	168 960	200 545	962 898	661 716
Greenhouse gas emission intensity (kg CO ₂ eq/m ²)	1.6	1.8	4.6	3.4
Greenhouse gas emission intensity (kg CO ₂ eq/m ²), Scope 1	0.9	1.0	1.0	0.9
Greenhouse gas emission intensity (kg CO ₂ eq/m ²), Scope 2	0.0	0.0	0.1	0.0
Greenhouse gas emission intensity (kg CO ₂ eq/m ²), Scope 1+2	0.9	1.0	1.1	0.9
Greenhouse gas emission intensity (kg CO ₂ eq/m ²), Scope 3	0.7	0.8	3.5	2.4
Tenant energy and emission intensity – Scope 3.13	2021	2022	2023	2024
Coverage ratio – Scope 3.13 (%)	92%	92%	92%	92%
Tenant electricity intensity – Scope 3.13 (kWh/m ²)	34.3	44.7	42.3	42.1
Greenhouse gas emission intensity – Scope 3.13 (kg CO ₂ eq/m ²)	0.41	0.45	0.76	0.74
Water consumption and intensity	2021	2022	2023	2024
Proportion of portfolio measured (data coverage)	100%	100%	100%	100%
Water consumption (m ³)	134 085	131 570	149 652	148 232
Water intensity (m ³ /m ²)	0.54	0.53	0.55	0.55
Share of renewable energy consumption (supplied final energy for general electricity & heating, excluding tenant electricity)	2021	2022	2023	2024
% of renewable energy consumption	92%	93%	93%	96%

