

SUSTAINABILITY REPORT

2016



METHODOLOGY NOTE

GUIDELINES

The COIMA RES Sustainability Report is inspired by the GRI (Global Reporting Initiative) sustainability reporting guidelines, vG4 issued in May 2013, and is compliant with the Sustainability Best Practice Reporting guidelines (EPRA sBPR) of the European Public Real Estate Association. COIMA RES has become EPRA's member in May 2016. In addition, the contents have been selected based on topics that were deemed material from a stakeholder perspective.

REPORTING PROCESS AND SCOPE

The data and information in this report refer to 2016, the first period of operations for COIMA RES. The information has been collected by COIMA RES management from the main corporate departments and major suppliers. The report's scope includes all assets in the COIMA RES portfolio as per December 31st, 2016: 90 branches of Deutsche Bank (excluding 5 branches in the company's portfolio which were vacant for all of 2016), Gioiaalto, 2331 Eurcenter and three buildings of the Vodafone Village covering a total area of 147,326 sqm (including parking). Measurements of the intensity of energy, carbon emissions and water consumption are based on the total area excluding parking (i.e. approximately 144,000 sqm). As the Company began operating in 2016, it has not been possible to compare asset performance with previous years. The environmental data for the Company's offices is also reported. As of December 31st, 2016 COIMA RES had its registered office in Milan at 18 Via della Moscova and shared the premises with COIMA SGR. The data related to the headquarters was attributed pro-rata to COIMA RES on the basis of total number of employees (three employees in total as of December 31st, 2016). The economic and financial data have been extracted from the Annual Report which is available in full on the COIMA RES website (www.coimares.com). The non financial information has been collected on an ad hoc basis.



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”COIMA RES HAS CHOSEN A PRECISE STRATEGY: TO INVEST PROFITABLY IN QUALITY PROPERTIES. WITHIN THIS APPROACH, SUSTAINABILITY PLAYS A KEY ROLE.”

Caio Massimo Capuano
Chairman of COIMA RES

“



1 OUR VALUE PROPOSITION

- Letter to stakeholders
- Sustainability highlights
- About us

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526.2*
MILLION EURO
TOTAL VALUE OF THE
PORTFOLIO

*BONNET ACCOUNTED PRO-RATA BASIS (35.7%)



5.3%
**EPRA
NET**
INITIAL YIELD

LETTER TO STAKEHOLDERS



I am pleased to present the first COIMA RES Sustainability Report.

The decision to produce and publish it in the company's first period of operations is part of our commitment to sustainability as a key element of our value proposition.

By this, I mean that environmental and social aspects are not merely an afterthought, but rather form a pillar on which the value proposition is built: integrating them throughout the value chain means proactively managing risks and seizing opportunities in a continuously changing environment.

COIMA RES has given itself a very clear investment strategy: quality properties, located in strategic metropolitan areas. To us, quality is defined by environmental outperformance, high energy efficiency, aesthetic features, habitability and functionality – all factors valued by our tenants. Feedback from tenants has been positive and constructive: to understand their needs we have involved them in the sustainability process via surveys and we will continue to involve them with the aim of having them contribute to the continuous improvement of our operations with active property management.

Our strategy to focus on buildings with the above features is also consistent with the objectives of our investors, who share a long-term vision to control risks and increase value over time. The certification of the majority of our assets publicly highlights our focus on sustainability.

In addition, COIMA RES has a corporate governance system inspired by the highest international standards: independent directors ensure focus is maintained on our long-term mission and safeguard against opportunistic decision making. In order to support the COIMA RES governance structure, three Committees have been set up within the Board of Directors: the Investment Committee, the Remuneration Committee and the Control and Risk Committee.

The results of these first months of operational activity bear witness to the quality of our strategy and encourage us to continue with even more determination. We are facing a market with many risks, but also with great opportunities.

Italy needs innovation, not so much in techniques of property management, but more so in the models through which property management is achieved. COIMA RES addresses this challenge with a sense of responsibility for its stakeholders' interests. Our progress towards our goals will be reported in subsequent sustainability reports.

Manfredi Catella
Founder & CEO, COIMA RES



SUSTAINABILITY HIGHLIGHTS



526.2*
MILLION EURO
TOTAL VALUE OF THE
PORTFOLIO



144,000 sqm
TOTAL COMMERCIAL
AREA OF THE
PORTFOLIO
(excluding parking)



75.4%
OF THE VALUE OF THE PORTFOLIO
LEED CERTIFIED OR LEED
CERTIFICATION CANDIDATE



12.1
MILLION EURO
NET RESULT
(€ 0.34 per share)



0.04
t CO₂ eq./sqm
BUILDING
CARBON INTENSITY



132.14
kWh YEAR/sqm
BUILDING
ENERGY INTENSITY



361.9
MILLION EURO
(€ 10.05 per share)
NET ASSET VALUE
(NAV)



16.6
MILLION EURO
IN **REVENUES**

*Bonnet accounted pro-rata (35.7%)



ABOUT US

COIMA RES IS A COMMERCIAL PROPERTY COMPANY LISTED ON BORSA ITALIANA, SPECIALISED IN THE INVESTMENT AND MANAGEMENT OF COMMERCIAL PROPERTIES IN ITALY.

The mission of COIMA RES



OUR MISSION IS TO GENERATE SUPERIOR RISK-ADJUSTED RETURNS FOR SHAREHOLDERS BY INCREASING THE VALUE OF THE PROPERTIES IN WHICH WE INVEST.

The values of COIMA



INDEPENDENCE

Making our strongest commitment to being a trusted independent partner and manager on behalf of the foremost domestic and international investors and operators.



ENTREPRENEURSHIP

Embracing new challenges to continually hone our knowledge, experience, and creativity.



INTEGRITY

Honesty, transparency and unwavering dedication to our values, with a firm commitment to fully align our interests to those of our shareholders.



EXCELLENCE

Striving for the best possible execution in each and every one of our actions is testament to our passion and commitment on a daily basis.



SUSTAINABILITY

Investing in a socially responsible way and respecting the environment.

COIMA RES was established in June 2015 by Manfredi Catella in agreement with COIMA Srl and COIMA SGR. Qatar Holding LLC was the main sponsor of the transaction. In the September following its incorporation, COIMA RES exercised its option to access the special tax regime for SIIQs (Società di Investimento Immobiliare Quotata), a vehicle equivalent to a Real Estate Investment Trust (REIT) in other jurisdictions.

In March 2016, we launched the institutional placement of COIMA RES shares which have been trading on the Borsa Italiana Mercato Telematico Azionario since May 13th, 2016.

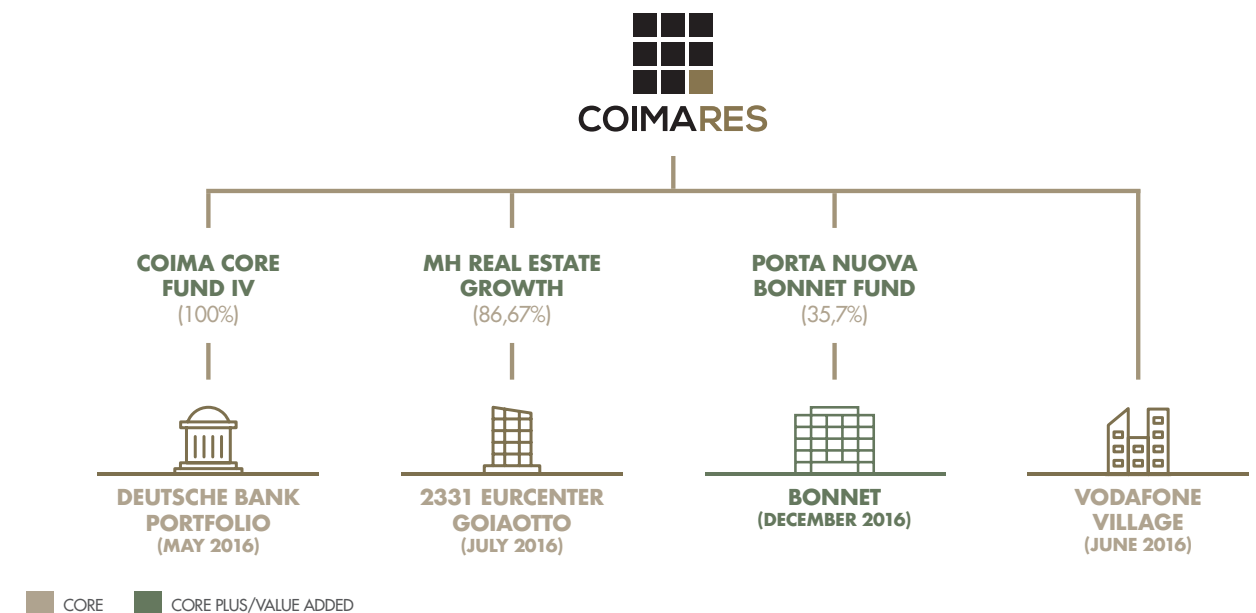
SIIQ Regime: summary overview

SIIQs (Società di Investimento Immobiliare Quotate) were introduced in Italy in 2007 through a financial law (Law 296/2006 Article 1, paragraphs 119 to 141). The SIIQ regulation was updated in 2014 required. SIIQs are required to mainly carry out property leasing activity through direct or indirect investments in properties intended for rental.

THE MAIN LEGAL REQUIREMENTS ARE:

- 1** no shareholder may own a stake of more than 60%;
- 2** at least 25% of the shares should be held by individual shareholders who do not own more than 2% each;
- 3** at least 80% of the assets should be invested in rented property or other property assets allowable under the regulatory provisions;
- 4** at least 80% of the income should derive from rental or other property assets;
- 5** the company should annually distribute at least 70% of the profits from the management of property leasing activity.

THE CORPORATE STRUCTURE




A LAUNCH THAT REACHED ECONOMIC SUSTAINABILITY IN THE FIRST YEAR

In its first seven months of operations, COIMA RES invested 85% of the capital raised through the IPO, 18 months sooner than originally anticipated.

In this first period of operational activity, the initial gross revenues from rental reached a level of €15.5 million at the end of the year. In addition, a diversification of tenants was pursued: the number of tenants grew from 1 to 27 tenants.

This first period of operational activity closed with a net profit of €12.1 million. The earlier than planned completion of the investment phase, gave the company the possibility to distribute a dividend in 2017 (which was originally planned for 2018) of €4,068,352 (€0.11 per share) which corresponds with the 70% profits distribution rule of the SIIQ regime.



COIMA RES expanded the property portfolio, from €140 million (contributed at the time of the IPO) to €526.2 million as of 31 December 2016, with investments equal to €376.2 million (net of revaluations).

MAIN 2016 FINANCIAL RESULTS

| (Mln of Euro) | December 31st 2016 |
|----------------------------------|--------------------|
| Rents | 15.5 |
| Real estate operating expenses | (1.9) |
| NOI | 13.7 |
| G&A | (4.7) |
| Other expenses | (0.4) |
| Non-recurring general expenses | (1.0) |
| EBITDA | 7.6 |
| Net depreciation | (0.2) |
| Net movement on fair value | 4.5 |
| EBIT | 11.9 |
| Financials Income | 0.5 |
| Income from investments | 3.1 |
| Financial expenses | (2.8) |
| Profit before tax | 12.6 |
| Income tax | 0.0 |
| Profit after tax | 12.6 |
| Minority interests of MHREC | (0.5) |
| Profit attributable to COIMA RES | 12.1 |
| EPRA Earnings | 4.8 |
| EPRA Earnings per share (Euro) | 0.13 |
| FFO | 5.2 |
| Recurring FFO | 6.2 |
| Recurring FFO per share (Euro) | 0.17 |





“ THE GROWING DEMAND FROM TENANTS FOR HIGH QUALITY BUILDINGS IS COHERENT WITH OUR APPROACH SINCE THE BEGINNING OF INTEGRATING SUSTAINABILITY IN OUR INVESTMENT PROCESS.

Gabriele Bonfiglioli
Key Manager,
responsible for Investment Management
at COIMA RES

”

2 OUR INVESTMENT STRATEGY IN A MARKET WHICH REWARDS QUALITY BUILDINGS

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78%
OF THE PORTFOLIO
IS INVESTED IN
**ITALIAN PRIME
MARKETS**
(61% MILAN, 17% ROME)



77%
OF TENANTS ARE
**INVESTMENT
GRADE**

THE COIMA RES INVESTMENT STRATEGY

THE GOAL OF COIMA RES IS TO DELIVER ATTRACTIVE RETURNS TO SHAREHOLDERS, WHILST LIMITING RISK.

The COIMA RES investment strategy focuses on generation of stable, growing and sustainable cash flows for investors through the acquisition, management and selective sale of real estate properties, which have high capital appreciation potential over time.

To consistently generate attractive returns while controlling risk, COIMA RES pays close attention not only to financial and industrial investment

considerations, but also to environmental and social aspects of real estate management. These sustainability criteria have been included in the COIMA RES investment process and operational strategy from its inception.

Management believes that sustainability is key to long-term value creation, resulting in the acquisition of mainly LEED certified buildings, guaranteeing their environmental and energy performance.

COIMA RES IDENTIFIES TWO DISTINCT TYPES OF PROPERTIES WITH RESPECT TO ENVIRONMENTAL SUSTAINABILITY:

- 1 *high-quality buildings, already certified in accordance with recognised environmental standards;*
- 2 *uncertified and environmentally inefficient buildings, which have significant room for improvement through renovation work or targeted refurbishment measures, or through enhancement of management efficiency.*

In both cases, there is a dual advantage of ensuring lasting economic returns and improvement of environmental efficiency. Additionally, our focus on sustainability factors also favours buildings located near local public transport hubs, which limits the environmental impact associated with road-based transport.

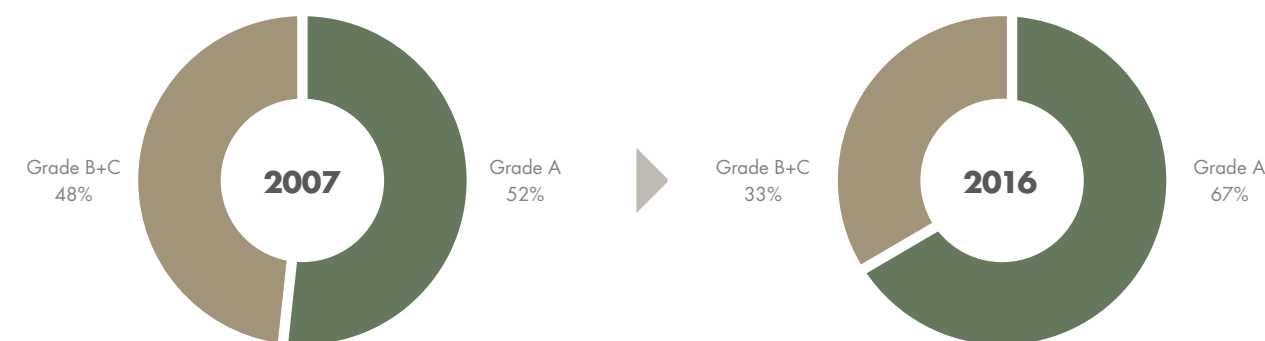
TENANT DEMAND STRONGEST FOR MODERN, SUSTAINABLE BUILDINGS

Tenant demand for high-quality premises is growing, with more than two-thirds of take-up now focused on Grade A buildings, compared to less than 50% 10 years ago. Notably, Grade A properties are typically more energy efficient and sustainably designed than Grade B or lower-quality assets.

Rental growth trends in the prime and Grade A segments has also been significantly stronger than for average quality buildings. Comparative vacancy rates offer additional evidence in favour of modern, sustainable buildings: the average vacancy rate is 12.1% in Milan, but less than 2% for Grade A¹ properties.

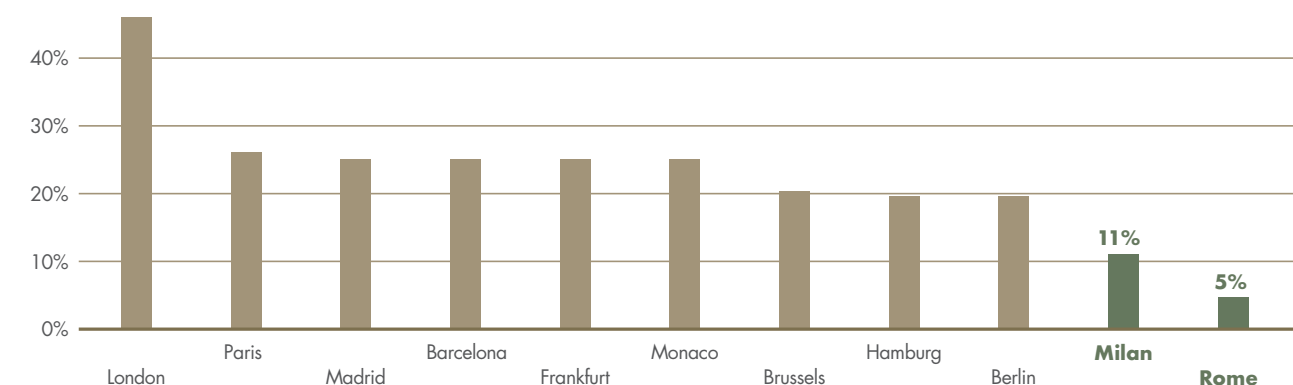
¹ GRADE A PROPERTIES OFFER HIGH TECHNICAL SPECIFICATIONS, A HIGH-QUALITY FINISH, FLEXIBLE INTERIOR SPACES AND EFFICIENT LINKS TO LOCAL PUBLIC TRANSPORT.

EVOLUTION IN DEMAND 2007-2016

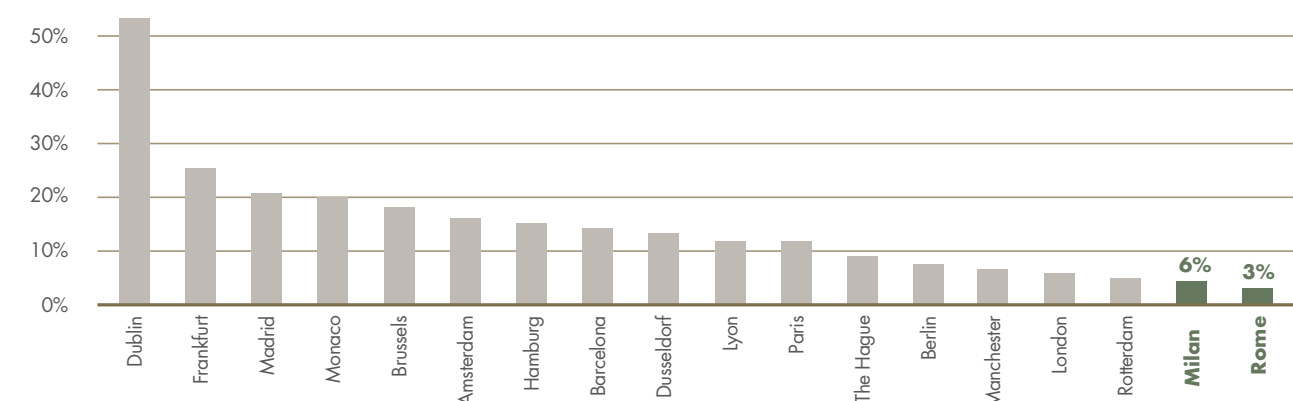


Despite demand being focused on high-quality properties, supply is very limited in Italy compared to other major European countries – not least due to low development activity over the last 15 years. COIMA RES believes that the ongoing shift in demand patterns towards modern and efficient building is well-aligned with the Company sustainability-focused investment and management strategy.

Property stock Grade A



Rate of evolution of the property offer Grade A (2000-2016)



MANAGEMENT OF OPERATIONS

As of 31 December 2016, the Company is managed by an in-house team of 3 individuals, which is set to rise to five in 2017, who make use of the external support of resources provided by the companies COIMA SGR and COIMA Srl. The Board of Directors has all the powers necessary for routine and extraordinary management of the Company: as far as investments and asset management are concerned, the Company primarily relies on its internal investment manager and is also supported by COIMA SGR, a company managed by Manfredi Catella, Gabriele Bonfiglioli and Matteo Ravà, three professionals with extensive experience in Italian real estate and finance. COIMA SGR manages 22 Gold and Platinum LEED-certified properties and has a wealth of experience in the implementation of sustainability criteria in the management of assets within real estate investment funds.

Regarding property and development management, almost all the Company's portfolio is managed by COIMA Srl. Since its inception in 1974, COIMA Srl has developed over five million square metres of real estate, including one of the largest European urban regeneration projects, Porta Nuova, and manages over one million square metres, including the largest portfolio of LEED-certified offices in Italy.

THE DEVELOPMENT OF COIMA RES RESOURCES

The COIMA RES team is formed of experienced real estate professionals.

To support their professional growth and specific knowledge of SIIQs, the Company has organised specific training courses during the year on the legal framework for listed companies. The Company also approved a training programme for 2017, open to Directors, Statutory Auditors and employees which includes in-depth seminars of the property market, the Company's business model and a close examination of the new accounting principles and the latest regulatory developments.

COIMA RES resources took part in a formal evaluation process in order to establish clear attainable individual goals, which are related to the Company's performance. This made it possible to analyse the targets reached and to identify any aspects that need strengthening in order to allow professional growth for all employees.

In the summer of 2017, COIMA RES employees will move to the new headquarters in Piazza Gae Aulenti, which will also house the offices of COIMA SGR and COIMA Srl, thereby reinforcing the integrated and interdisciplinary approach between activities, teams and resources. The employees of the different companies were directly involved in the design and organisation of the new spaces and they contributed towards the definition of the future layout of the offices that they will work in. The building development, managed through a joint team from COIMA SGR and COIMA Srl, was designed using innovative and sustainable technological solutions and both the base building and the fit-out of the interiors will be LEED-certified, with respectively PLATINUM and GOLD certification expected to be achieved. Special attention was paid to the health and well-being of the future occupants, using Cradle-to-Cradle certified materials for 30% of the economic value of the interiors, and designing the natural and artificial and ventilation technological systems with a view to improving the comfort and productivity of the users.



MATERIALITY ANALYSIS

In 2016, COIMA RES carried out its first materiality analysis, a process that helped define material issues: matters that are, on the one hand, perceived as important by stakeholders, because they could significantly influence their expectations, decisions and actions and, on the other hand, can have significant economic, social and environmental impacts on the Company's assets.

The process engaged the entire corporate management and involved both internal and external stakeholders through daily exchanges of ideas.

The analysis is based on identifying issues highlighted in the main sustainability guidelines (ISO 26000, Global Compact and GRI-G4): these guidelines represent a methodology generally recognised as valid and complete, because it takes into account a wide range of inputs from a variety of different stakeholders.

The issues identified were interpreted and adapted for the specific context of COIMA RES, through a benchmarking analysis.

SPECIFICALLY, THE PROCESS OF IDENTIFYING MATERIAL ISSUES WAS CONDUCTED AS FOLLOWS:



analysis of the reference scenario, the main external pressures and public opinion (based on press and internet coverage) of COIMA RES;



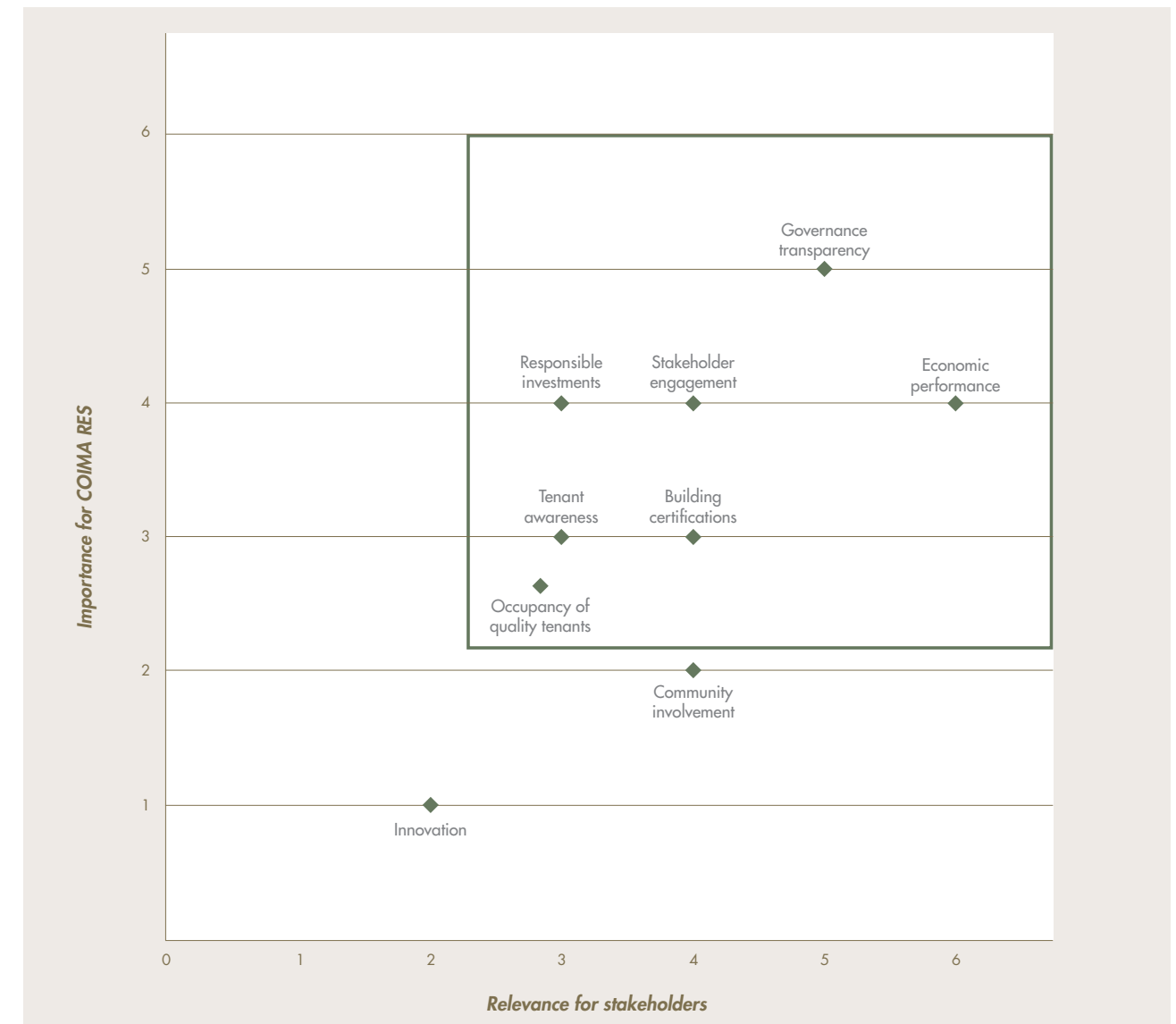
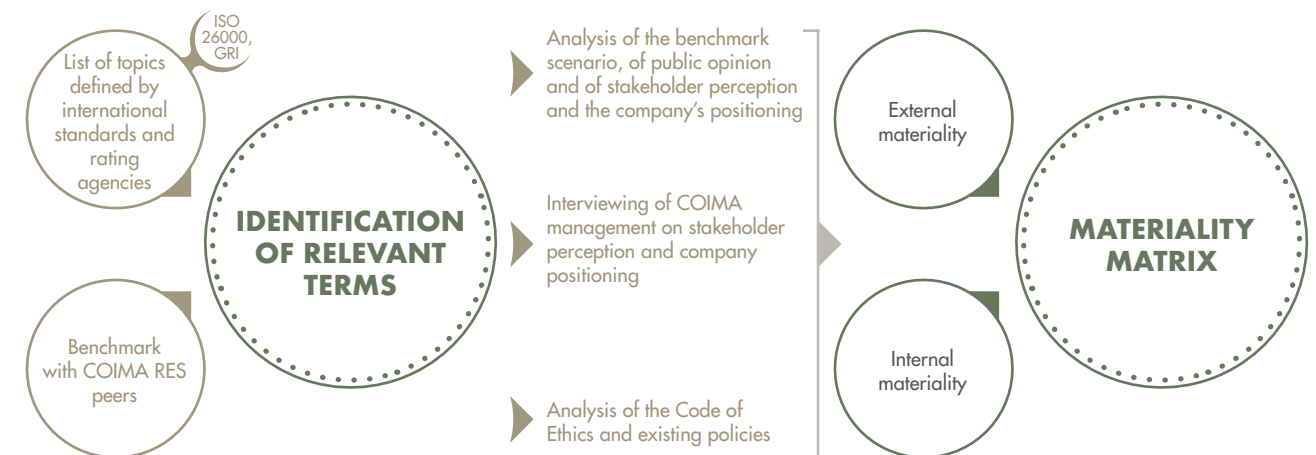
analysis of the Code of Ethics and Policies adopted;










involvement of the corporate managers who highlighted the most important issues for COIMA RES and identified the main concerns of external stakeholders.

The COIMA RES material issues are those that warrant most focus, from both an internal and an external perspective.

PROCESS TO IDENTIFY MATERIAL ASPECTS



MATERIAL ISSUES FOR COIMA RES

| | THE EXTERNAL PERSPECTIVE | THE INTERNAL PERSPECTIVE |
|--|--|--|
|  <i>Governance transparency</i> | Good governance of a business should aim at guaranteeing a high level of transparency both relating to strategic decisions and to the direct and effective involvement of stakeholders. | COIMA RES endeavours to make decisions to achieve long-term sustainability and competitiveness, putting in place clear and transparent processes for the benefit of its investors and all its stakeholders. |
|  <i>Economic performance</i> | When evaluating an investment, the economic sustainability of the organisation, defined as the capacity to create value over the long-term, becomes particularly important. | COIMA RES has embraced the dual goals of generating consistent returns for its shareholders by increasing the value of the properties in which it invests while maintaining focus on environmental and social aspects. |
|  <i>Stakeholder engagement</i> | Knowing one's stakeholders, involving them and maintaining a constant information flow, makes it possible to identify and implement key sustainability improvements for the business. | COIMA RES opened direct communication channels with its stakeholders – specifically with its investors – in order to familiarise itself with their concerns and develop targeted solutions to their problems. |
|  <i>Responsible investments</i> | To improve the risk profile and return of the investment portfolio it is essential to also include ESG criteria (environmental, social and governance criteria) in investment decisions. | COIMA RES ESG criteria applies with the objective of building a more sustainable portfolio. |
|  <i>Tenants awareness</i> | The environmental performance of a property is affected by the behaviour of the tenants who occupy it. | COIMA RES pays strict attention to the performance of its assets and, with the aim of continuous improvement, implements initiatives to promote sustainable behaviour of tenants. |
|  <i>Building certification</i> | The energy saving capacity of the buildings is closely linked to the quality of the buildings, which should be efficiently designed. | The COIMA RES investment strategy is two-pronged: purchasing certified high-quality properties or purchasing properties which have the potential to obtain LEED-certification. |
|  <i>Occupancy of quality tenants</i> | Attracting high-quality tenants is vital to ensuring stability of rental income and to maintain the value of the properties. | The quality of the tenants is an important factor in the investment strategy of COIMA RES and helps achieve solid and lasting economic results. |



OUR GOVERNANCE SERVES INVESTORS

COIMA RES IS COMMITTED TO BUILDING, DEVELOPING AND
MAINTAINING TRUSTING RELATIONSHIPS WITH ALL ITS STAKEHOLDERS.







COIMA RES has adopted a governance system to protect the interests of all shareholders and other stakeholders. The guiding criteria of our governance are: integrity, independence, transparency, and focus on long-term sustainability of the business model. Relying on its guiding principles COIMA RES aims to continuously improve the governance and control of its activities and performance.

CORPORATE GOVERNANCE PROCESSES

The Corporate Governance system adopted by COIMA RES is compliant with the guidelines of the Consolidated Finance Act (TUF) and the Code of Conduct of listed companies prepared by the Corporate Governance Committee established at Borsa Italiana.

The Board of Directors makes use of the Internal Audit and Compliance and Risk Management functions. Risk is managed in a structured way, supported by the oversight of three committees and underpinned by daily monitoring and management of our investments and assets.

MORE SPECIFICALLY, THE CORPORATE GOVERNANCE SYSTEM OF COIMA RES MAKES IT POSSIBLE TO:

-  ensure management's activities are in line with the strategy;
-  control risks;
-  provide transparency to the company's stakeholders;
-  meet shareholder expectations and requirements;
-  avoid transactions that could negatively impact creditors and other stakeholders;
-  comply with employment law and rules governing workplace safety as well as enhance the performance of human resources.

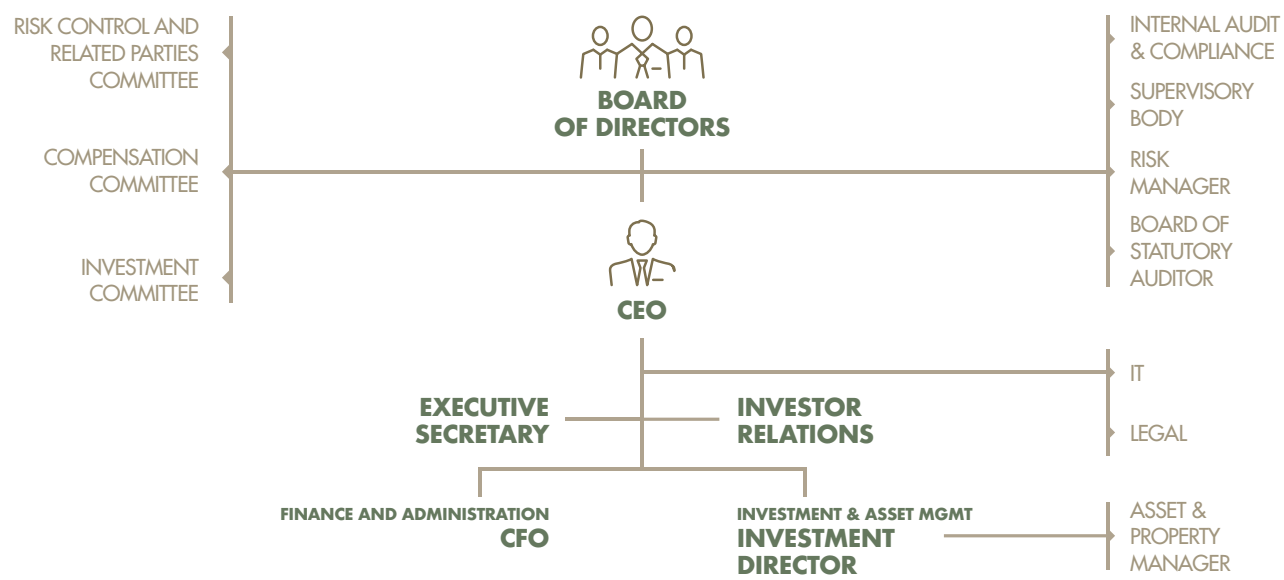
The Company creates a transparent environment for shareholders to become involved in information processes by communicating openly about board and committee level deliberations and inviting feedback ahead of key decisions. The Board of Directors of COIMA RES comprises nine directors (seven men and two women) with a broad range of experience, of which five are independent.



| | | | | | | | | |
|---|---|------------------|----------------------|--------------------|--|--|--|--|
| <i>The Board of Directors (BoD) of COIMA RES* comprises nine members – five of whom are independent – It has a mandate until the approval of the financial statements as at 31 December 2017. The Chairman of the Board of Directors is Caio Massimo Capuano.</i> | | | | | | | | |
| Caio Massimo Capuano | Feras Abdulaziz Al-Naama | Manfredi Catella | Gabriele Bonfiglioli | Matteo Ravà | Alessandra Stabilini | Agostino Ardisson | Laura Zanetti | Michel Vaclair |
| Chairman Non-Executive | Vice Chairman Non-executive, Independent Code, Independent TUF | CEO Executive | Executive Director | Executive Director | Non-executive Director, Independent Code, Independent TUF | Non-executive Director, Independent Code, Independent TUF | Non-executive Director, Independent Code, Independent TUF | Non-executive Director, Independent Code, Independent TUF |

*ON APRIL 26th, 2017 THE BOARD OF DIRECTORS OF COIMA RES APPOINTED LUCIANO GABRIEL AND OLIVIER ELAMINE AS NEW INDEPENDENT DIRECTORS REPLACING MATTEO RAVÀ AND GABRIELE BONFIGLIOLI, WHO RESIGNED AT THE SAME TIME THESE TWO NEW INDEPENDENT DIRECTORS ALSO PARTICIPATE IN THE ACTIVITIES OF VARIOUS COIMA RES INTERNAL COMMITTEE

OUR CORPORATE GOVERNANCE STRUCTURE



ESTABLISHING TRANSPARENCY

COIMA RES has established relations with its investors and with all its stakeholders based on continual and open communication. Information about properties and related services to purchasers and (current or potential) tenants is provided clearly and truthfully. Property documents that are shared during contract negotiations highlight the key characteristics of the properties as well their values which are estimated by independent expert appraisers. All communication intended for external usage is prepared using language that is clear and graphically easy to understand in order to facilitate optimal transparency. COIMA RES is committed to describing properties and projects as fully and accurately as possible to avoid confusion or misinterpretations on the part of tenants or potential buyers during contract negotiations. Relevant documents and models are made available to the purchaser or the tenant, at their specific request and before the signing of individual agreements. In order to strengthen the relationship with its investors and other market participants and to improve transparency, COIMA RES organises monthly calls with focus on the Italian market, in addition to publication of the customary quarterly, semi-annual and annual reports.

“ COIMA RES ACTIVELY MANAGES
HIGH-QUALITY PROPERTIES ALSO FROM
AN ENVIRONMENTAL STANDPOINT.
THIS MAKES US CONFIDENT THAT WE
WILL BE ABLE TO GENERATE VALUE
OVER THE LONG-TERM.

Matteo Ravà
Key Manager,
responsible for Asset Management
at COIMA RES

”

3 OUR QUALITY PORTFOLIO

Our property portfolio
Property management as a distinctive factor

26
32



75.4%
OF THE VALUE OF THE
PORTFOLIO
LEED CERTIFIED OR LEED
CERTIFICATION CANDIDATE



132.14 kWh/sqm
**ENERGY
INTENSITY**
OF BUILDINGS

OUR PROPERTY PORTFOLIO

IN THE FIRST SEVEN MONTHS OF OPERATIONAL ACTIVITY, COIMA RES BUILT A PORTFOLIO OF 102 PROPERTIES THAT IS VALUED AT OVER €526 MILLION.

During its first seven months of operations, COIMA RES achieved the contribution-in-kind of the €140m Deutsche Bank portfolio and invested the majority of proceeds raised during its IPO. At year-end 2016 the portfolio comprised approximately 144,000 square metres of net rentable area² valued at €526.2 million³. 53% of the portfolio by value is LEED certified; an additional 22% of the portfolio is suitable for LEED certification pending targeted refurbishment initiatives.

The main purchases of COIMA RES were the following: Vodafone Village (Milan), Gioiaotto (Milan) and 2331 Eurcenter (Rome). In December, COIMA RES also purchased two commercial properties in Via Bonnet (in the Porta Nuova area of Milan).

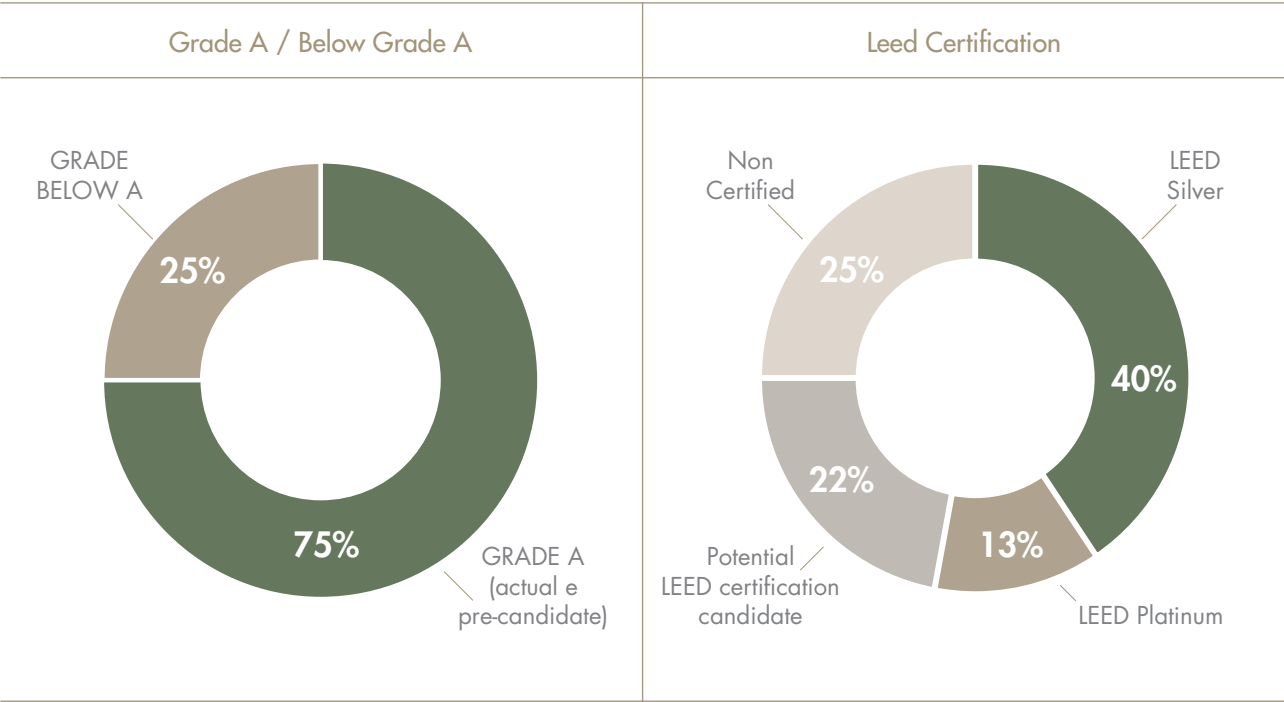
The total rentable net surface area is currently approximately 144,000 square meters (excluding car parks).

Main data of the property portfolio

| | Deutsche Bank Portfolio | Vodafone Village | Gioiaotto ⁴ | 2331 Eurcenter ⁴ | Bonnet ⁴ |
|-------------------|-------------------------|---------------------------|-----------------------------|-----------------------------|---|
| City | Miscellaneous | Milan | Milan | Rome | Milan |
| Address | Miscellaneous | Via Lorenteggio, 240 | Via Melchiorre Gioia, 6-8 | 2331 Eurcenter | Via Bonnet |
| Sub-market | Miscellaneous | Lorenteggio BD | Porta Nuova BD | Eur BD | Porta Nuova BD |
| Asset Class | Bank branches | Offices | Offices, Retail, Hotel | Offices, Retail | Offices, Retail |
| % ownership | 100.0% | 100.0% | 86.7% | 86.7% | 35.7% |
| Number of lessees | 1 | 1 | 9 | 10 | 6 |
| Sustainability | - | LEED Silver Certification | LEED Platinum Certification | Grade A | Candidate to LEED certification after refurbishment |

2_EXCLUDING CAR PARKS
3_BONNET ACCOUNTED ON PRO-RATA BASIS (35.7%)
4_OWNERED THROUGH A VEHICLE

MAIN DATA OF THE COIMA RES PORTFOLIO



DOMESTIC AND INTERNATIONAL GRADE TENANTS CHOOSE TO OCCUPY CERTIFIED BUILDINGS

| | TENANT | % | ASSET | CERTIFICATION |
|----|------------------------|-----|------------------|---------------|
| 1 | Vodafone | 45% | Vodafone Village | LEED Silver |
| 2 | Deutsche Bank | 24% | DB | - |
| 3 | Fastweb | 7% | 2331 Eurcenter | Grade A |
| 4 | AXA | 4% | 2331 Eurcenter | Grade A |
| 5 | Bernoni Grand Thornton | 3% | Gioiaotto | LEED Platinum |
| 6 | Nevis/NH ⁵ | 2% | Gioiaotto | LEED Platinum |
| 7 | Axelero | 2% | Gioiaotto | LEED Platinum |
| 8 | Willis | 2% | 2331 Eurcenter | Grade A |
| 9 | Confindustria Energia | 1% | 2331 Eurcenter | Grade A |
| 10 | QBE Insurance | 1% | Gioiaotto | LEED Platinum |

5_CALCULATED AS AT DECEMBER 31st, 2016



VODAFONE VILLAGE



Identity card

city

Milan

address

Via Lorenteggio, 240

function

Offices

surface area

39,991* sqm

*excluding car parks

ownership through a vehicle

100%

certifications

LEED Silver



tenant

Vodafone Group



vodafone

COIMA RES purchased three Vodafone Village buildings at the end of June 2016, with an investment totalling approximately €200 million and, based on market analyses as at December 31st, 2016 is expected to appreciate in the future.

Vodafone Village is one of the largest office complexes in Italy: comprising five buildings, it was constructed between 2008 and 2012 and is LEED Silver-certified.

The complex has a low environmental impact, a high level of energy efficiency and comfortable work spaces, which contribute to the well-being all employees.

ITS MAIN FEATURES ARE:



environmental redevelopment of the industrial area on which it was built and of the surrounding area;



approximately 30% less water consumption compared to standard buildings;



an approximate energy saving capability of 25% for lighting;



the adoption of a Trigeneration-based energy centre that enables the simultaneous generation of electricity and heat, to guarantee demands for air conditioning and hot water are met;



limited transport emissions relating to both construction materials and waste management;



high work environment quality through increased air exchange, high natural light, visual and acoustic comfort and the use of low-VOC emission materials.

Its location is strategic and the city centre can be reached easily, via both the city's main arterial road and by public transport (M1 Metro line – Bisceglie station – and surface transport lines). There will soon also be an M4 line – currently under construction – which will provide a direct access from Linate airport.

To better exploit the potential of the complex, COIMA RES has adopted property management services in line with best international practices.

The Vodafone Group is one of COIMA RES' most important tenants, with a lease agreement valid until January 31st, 2027.



Case History



GIOIAOTTO



Identity card

city

Milan

address

Viale Melchiorre Gioia 6/8

function

Offices / Retail

surface area

13,032* sqm

*excluding car parks

ownership through a vehicle

86.7%

certifications

LEED Platinum

tenant

**axélero**
INTERNET COMPANY**Roland Berger**
Strategy Consultants**NH**
HOTEL GROUP

Through an off-market transaction, at the end of July, COIMA RES purchased the Gioiaotto building. Built in 1967, based on an architectural design by Marco Zanuso, it consists of two blocks on ten floors: the first block is intended for office use and also includes a retail/showroom area, while the second block is solely used as a hotel.

Its rentable net surface area amounts to 13,032 square meters (excluding car parking).

Gioiaotto is located in Via Melchiorre Gioia in Milan, near Porta Nuova and in a strategic location in the city.

Its recent refurbishment (2014), for the office part, left the building's outstanding architectural features intact. The building was the first in Italy to achieve the highest level of certification: LEED PLATINUM. Achievement of the certification was based on unique design and construction strategies to reduce energy consumption through use of external solar panels, through usage of renewable sources and through careful management of construction materials.

Thanks to the certification process, Gioiaotto achieved outstanding levels of performance.

PERFORMANCE LEVELS AFTER REFURBISHMENT:

**32.2%** energy saving;**85.1%** recycled construction site waste;**21.39%** locally-sourced construction materials;**48%** reduction of drinking water consumption;**25.32%** recycled materials used in construction.

Among the first asset management activities carried out by COIMA RES was the renegotiation of the lease agreement with NH Hotel, which was due to expire in December 2016. COIMA RES was able to increase the lease fee, resulting in increased profitability of the building.

NH Hotel simultaneously undertook to modernise the hotel part of the building with a total investment of approximately €4 million: COIMA RES will participate in this investment through the MHREC Fund, which will contribute approximately €1.4 million.



PROPERTY MANAGEMENT AS A DISTINCTIVE FACTOR

COIMA RES IS COMMITTED TO IMPLEMENTING
THE HIGHEST PROPERTY MANAGEMENT STANDARDS

The COIMA RES portfolio is managed with the aim of continually increasing value through improvement of rental cash-flows, as well as through asset and property management activities. A thoughtful and proactive property management policy protects the properties' value. Based on the deep experience and technical expertise of COIMA SGR and COIMA Srl, solutions have been implemented to reduce the environmental impact of the buildings and improve their energy-saving performance. A holistic approach is required to maximise cost savings, reduce energy consumption and improve the properties' sustainability.

From a tenant's point of view, occupying an environmentally-friendly property is a significant step towards achieving corporate sustainability goals, resulting in significant benefits for all stakeholders. In its property management business, COIMA Srl cooperates with and educates tenants and suppliers. Open and continual dialogue is encouraged to ensure tenants are satisfied with the management of the property and key sustainability criteria are met. This approach has allowed COIMA RES to develop strong relationships with its tenants and plan the capex investments needed to improve the quality of its buildings.

PROPERTY MANAGEMENT⁶ FOCUSSES ON:

- 1 *optimising flows (mainly water and energy);*
- 2 *the control of products and materials used;*
- 3 *the implementation and promotion of good tenants' practices.*

⁶ PROPERTY MANAGEMENT REFERS TO THE MANAGEMENT OF THE COMBINATION OF STRATEGIES AND ACTIVITIES OF A TECHNICAL, ADMINISTRATIVE AND COMMERCIAL NATURE, AIMED AT ACHIEVING A REGULAR INCOME AND/OR CAPITAL GAIN OF A BUILDING OR PROPERTY INVESTMENT.

In addition, partnerships with industry professionals and suppliers have been established to implement processes and activities that contribute towards more sustainable property management. By carefully managing its assets, COIMA RES aims to protect its investments in the medium and long-term.

ACTIVE MANAGEMENT TO INCREASE VALUE FOR OUR SHAREHOLDERS

Regarding portfolio management, the COIMA RES strategy aims to increase rental revenues and portfolio value through the following asset-management initiatives:



continual monitoring of tenants' level of satisfaction (Kingsley IndexSM Survey);



renegotiation of agreements, both to improve rental rates and extend lease terms;



targeted replacement of tenants;



implementation of operational management models;



feasibility studies and implementation of required improvements for spaces, repositioning and upgrade of buildings;



evaluation of possible disposals of non-strategic assets on an opportunistic basis;



optimisation of the funding structure.

TENANT SATISFACTION

With the intention of measuring our performance against international market leaders and improving the quality of our services to maximise customer and investor satisfaction, COIMA commissioned Kingsley Associates to conduct a tenant satisfaction survey in June 2016.

Kingsley Associates invented the Kingsley IndexSM, an index for measuring satisfaction levels based on the most exhaustive database currently in existence.

The database contains data collected over the last 30 years from surveys conducted worldwide on behalf of leading operators in the real estate sector (owners, REITs, pension funds, finance companies, investment companies, property and facility management companies, etc.).

The Kingsley IndexSM includes data collected annually from 3 million tenants occupying more than 90,000,000 sqm of office space, 90,000,000 sqm of industrial space, 9,000,000 sqm of retail space and 9,000,000 sqm of medical centre space.

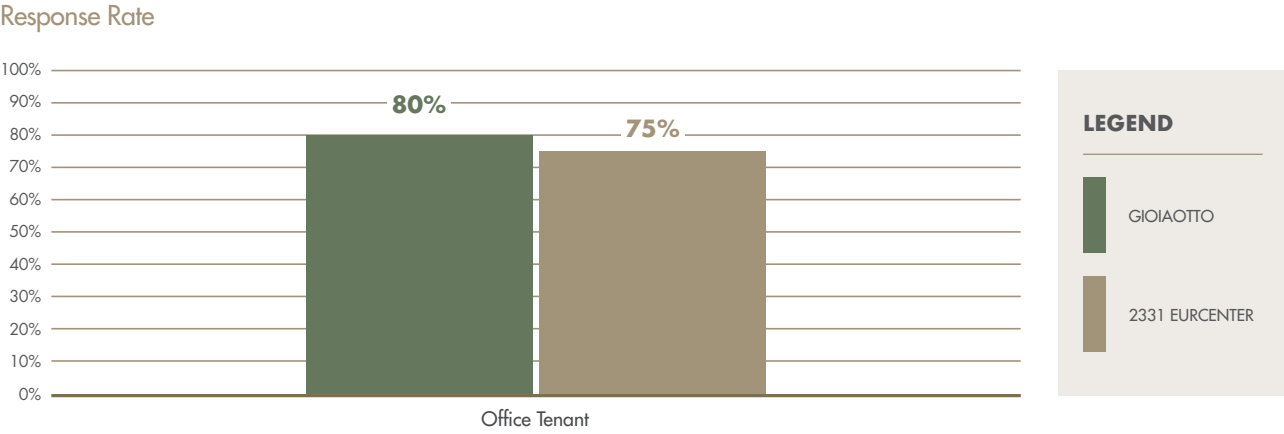
COIMA RES has selected a portion of its portfolio properties and sent questionnaires regarding the quality of property management to the respective tenants. The questionnaires have been customized based on the type of lease. Results were then compared to market data collected by Kingsley over the previous 24 months from similar surveys (Web survey) of comparable properties (in terms of type, quality and location).

In 2016 tenants from Gioiaotto and 2331 Eurcenter were surveyed. These two buildings represents almost 20% of the COIMA RES portfolio surface. The objective for 2017 is to extend the tenant satisfaction survey up to 50% of the portfolio surface.







Rome - 2331 EURCENTER - Façade

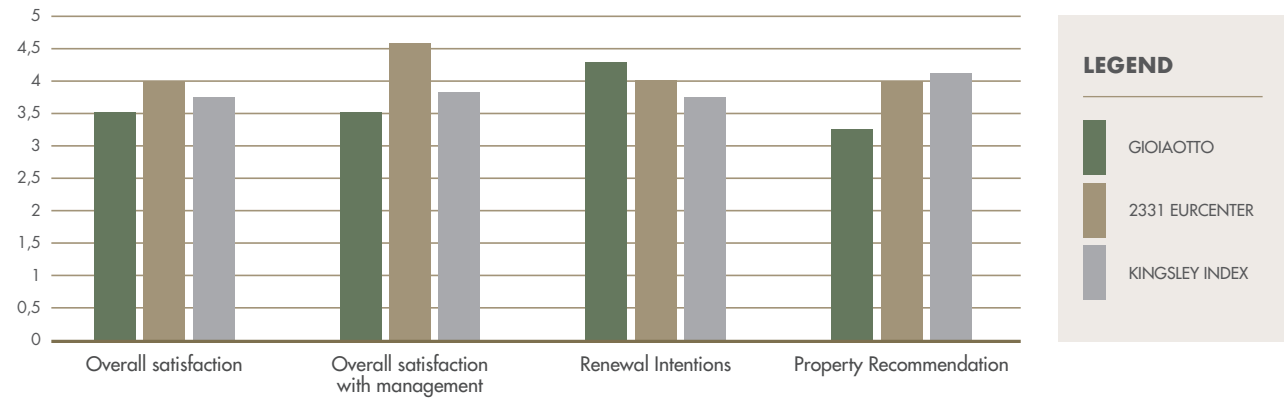
| GIOIAOTTO | | | 2331 EURCENTER | | |
|---------------|------------|---------------|----------------|------------|---------------|
| Office tenant | Respondent | Response rate | Office tenant | Respondent | Response rate |
| 5 | 4 | 80% | 4 | 3 | 75% |



THE KINGSLEY INDEXSM IDENTIFIES THE FOLLOWING TENANT SATISFACTION INDICATORS (MEASURED ON A SCALE FROM 1 TO 5):

-  *general satisfaction;*
-  *satisfaction with management;*
-  *intention to renew the lease agreement;*
-  *willingness to recommend the property to a potential tenant;*

SUMMARY OF THE TENANT SATISFACTION SURVEY



Milan - GIOIAOTTO - Relax area

APPENDICES
EPRA TABLE

| INDICATOR | EPRA | GRI G4 | UNIT OF MEASUREMENT | OFFICES | | RETAIL | OTHER | PORTFOLIO | COVERAGE | LEVEL OF ESTIMATION |
|--|---------------|---------------|---------------------------------------|-----------|--|-----------|---------|------------|----------|---------------------|
| Electricity consumption | Elec - Abs | G4 - EN3 | kWh per year | 7,891,784 | | 5,774,389 | 357,846 | 14,024,019 | 100% | 0% |
| Energy consumption from remote heating and remote cooling ¹ | DH&C - Abs | G4 - EN3 | kWh per year | N.A. | | 102,540 | N.A. | 102,540 | 100% | 0% |
| Energy consumption from fuel | Fuels - Abs | G4 - EN3 | kWh per year | - | | 977,701 | - | 977,701 | 100% | 0% |
| Energy intensity of the buildings ² | Energy-Int | G4-EN5 CRE1 | kWh per year/sqm | 146.98 | | 135.50 | 35.69 | 132.14 | 100% | 0% |
| Total direct greenhouse gas emissions - (Scope I) ³ | GHG-Indir-Abs | G4-EN15 | t CO ₂ eq. | - | | 199 | - | 199 | 100% | 0% |
| Total indirect greenhouse gas emissions - (Scope II) ³ | GHG-Dir-Abs | G4-EN16 | t CO ₂ eq. | 2,623 | | 1,956 | 119 | 4,698 | 100% | 0% |
| Intensity of greenhouse gas emissions of the buildings ²⁻³ | GHG-Int | G4-EN 18 CRE3 | t CO ₂ eq./sqm | 0.05 | | 0.04 | 0.01 | 0.04 | 100% | 0% |
| Water consumption ⁴ | Water-Abs | G4-EN8 | m ³ | 19,579 | | 3,736 | 2,592 | 25,907 | 72% | 0% |
| Intensity of water consumption of the buildings ⁵ | Water-Int | CRE2 | m ³ /sqm | 0.36 | | 0.59 | 0.40 | 0.39 | 72% | 0% |
| Waste production ⁶ | Waste-Abd | G4-EN23 | t | 1,130 | | 573 | N.A. | 1,703 | 74% | 100% |
| - of which sent for recycling | Waste-Abd | G4-EN24 | t | 567 | | 295 | N.A. | 862 | 74% | 100% |
| Type and number of certified or pre-certificated assets | Cert-tot | CRE8 | % of the total value of the portfolio | - | | - | - | 75.4% | 100% | 0% |
| Type and number of certified assets | Cert-tot | CRE8 | % of the total value of the portfolio | - | | - | - | 53% | 100% | 0% |

NOTE:

- The reported data refers to all assets in the COIMA RES portfolio and to the whole of 2016 period.
- Coverage: the level of coverage – expressed as a percentage – is given by the ratio between square meters covered by the indicator compared with the total square meters of the portfolio property. The indicator about assets’ certification - expressed as a percentage – has been calculated on the value of portfolio as at December, 31st 2016.
- N/A = not applicable
- Figures related to consumption (except waste) have been provided by the respective Property Managers and include those for which the latter directly purchase electricity or provide water management; they do not include the direct consumption by tenants.

1. Consumption relating to remote heating and remote cooling systems refer exclusively to the Deutsche Bank branch in October, November and December 2016.
2. Energy intensity and the intensity of emissions have been calculated using impact data (energy consumption and total emissions) as the numerator and the

surface in square meters of property (excluding car parks) as the denominator. COIMA RES is aware of the discrepancy in terms of total area between the numerator and denominator in the calculation of the intensity metrics. However, the significance of the indicators remains intact, as the energy consumption of the car parking spaces only has a marginal impact on the total energy consumption. Intensity indicators have been calculated by type of building (offices, retail and other) and also for the entire portfolio.
3. The CO2 conversion factors used are those published by ISPRA [Italian Superior Institute for Environmental Protection and Research] (updated in March 2017).
4. Water consumption concerns the following properties: Vodafone Village, Gioiaotto and 2331 Eurcenter.
5. Water intensity has been calculated using the absolute water consumption as the numerator and the square meters of property (excluding car parks) of the respective assets as the denominator, as this is where most water is consumed. COIMA RES is aware of the slight difference between the numerator and the denominator, but the significance of the indicator remains intact. Intensity indicators have been calculated by type of building (offices, retail and other) and also for the entire portfolio.
6. COIMA RES does not monitor waste management, the disposal of which is managed directly by the relevant Municipalities. For the calculation, the average coefficients (kc and kd) provided by the Municipalities and the corresponding average percentages of recycling were used.

OTHER ENVIRONMENTAL DATA – COIMA RES’ OFFICES

| | Unit of measurement | 2016 | GRI |
|-------------------------------------|---------------------------|----------|-----|
| Renewable material consumption | | | EN1 |
| Printing paper, including packaging | t | 0.15 | |
| Consumption | | | EN3 |
| Electricity consumption | kWh | 4,551.65 | |
| Natural gas consumption | m³ | 244.25 | |
| CO ₂ emissions | | | |
| Total emissions | t CO ₂ eq. | 1.99 | |
| Efficiency indicators | | | |
| Energy intensity | kWh per year/sqm | 209.29 | |
| Carbon intensity | t CO ₂ eq./sqm | 0.06 | |

GOALS

| | WHAT WE INTEND TO DO |
|--|---|
| Continue to search for the best investment opportunities in Italy and develop assets with highest quality. | <ul style="list-style-type: none">• Adopt a matrix of sustainability KPIs that support and guide the investment decision/analysis phase.• Implement procedures to improve the environmental performance of potential acquisition targets and integrate assessment activities in the due diligence phase. |
| Further improve property management and tenant satisfaction. | <ul style="list-style-type: none">• Assess buildings in the portfolio to identify potential areas of improvement of their environmental performance.• Improve tenant satisfaction monitoring through the introduction of an annual survey with the aim to achieve 50% portfolio coverage (Kingsley Index). |
| Attract strong domestic and international investors. | <ul style="list-style-type: none">• Continue to develop a strong sustainability approach to real estate investing. |



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