



COIMA

Real Estate, since 1974

SUSTAINABILITY REPORT

2018





COIMA

achieved its

objectives

in 2018 thanks to:

Feras Abdulaziz
Mariagrazia
Emilio
Giacomo
Alessandra
Alberto
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Ezechia
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Lorenzo
Valerio
Paolo
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Emilio
Roberto
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Silvia
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Linda
Matteo Luca
Fabrizio
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Ines
Alessandro
Matteo
Maria Stella
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Jacopo Emilio
Filippo
Alessandra
Diana
Monica
Marco
Maria
Alida
Manfredi
Kelly
Alessandra
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Coppola
Corbella
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Crispu
Cristini
D'Agostino
De Pellegrin
De Poi
Del Zoppo
Dell'Acqua
Di Carlo
Di Franco
Di Gilio
Di Giuseppe
Di Noia
Di Rosa
Donnola
Dotti
Elamine
Eranio
Evangelisti
Fantini
Febbo
Ferrara
Fontana
Formenti
Forte
Fraccaro
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Muscato
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Nicotra
Nigro
Nobili
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Schieppati
Sciuccati
Sensale
Seracca Guerrieri
Sgarbi
Signoretto
Silingardi Seligardi
Sironi
Stabilini
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Trenti
Trittoni
Ubbiali
Uggeri
Usta
Valiani
Vauclair
Verga
Veronesi Properzi
Visani
Visentin
Zafarana
Zaina
Zanetti
Zanin

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for people and territories**

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Letter to our stakeholders



We are living an historic period characterized by unprecedented social, economic and technological structural transformation.

In 2018, we focused on developing our three year plan supporting the macroeconomic analysis with in-depth research on market demand and trends that are impacting real estate products. Our approach combines the industrial perspective with the financial perspective which drove the decision to invest in our platform, integrating new expertise in sustainability and technology in order to face the new challenges ahead.

Year 2018 was a particularly meaningful year from a real estate investment standpoint, with a series of acquisitions of strategic properties such as the Valtellina area, a part of the urban regeneration plan for the Milan Railway Stations and the "Gioia 20" site representing a new piece that extends the Porta Nuova regeneration project, which in the future may be extended even further through additional acquisitions identified in the area.

The recognitions, which a number of our projects have achieved in the most important international competitions, including the awards achieved at MIPIM 2018 for "Best office & business development" for the headquarters of Fondazione Feltrinelli and Microsoft House in Milan and "Best urban regeneration project" for the Porta Nuova project, consolidate the reputation of COIMA's team and encourage us to move forward on our pathway towards innovation and sustainability, which have always distinguished our development strategies.

It was a year marked by a number of fundamental steps from a governance standpoint for the sustainability of our platform: the consolidation of the Sustainable Innovation Committee, the approval of the new Sustainability Policy by COIMA SGR's Board of Directors and the launch of a series of initiatives aimed to technological innovation and sustainability through the implementation of pilot projects.

Through the activities developed by the working groups of the Sustainable Innovation Committee and the Values Task Force, we do not merely carry out a formal act of Corporate Social Responsibility, but we consolidate a corporate culture in the work environment that we consider strategic for our company's future, which aims to attract the best talents who believe in our moral values.

Through a holistic approach, the Sustainable Innovation Committee decided to develop an assessment matrix to improve reporting on our actions and performance to all of our

stakeholders. We have developed the COIMA Roots, which will be described in this Sustainability Report. This model constitutes a precise method for measuring and monitoring over time how we optimize our work and our impacts on the environment and the community in which we operate. Today, our portfolio under management boasts 73% of certified and precertified buildings, demonstrating our willingness to continue on the journey toward sustainable development.

We have achieved a number of important milestones on the management of natural resources in our portfolio, such as promoting the use of renewable sources. In fact, new electricity supply agreements based on renewable sources have been negotiated and subscribed, achieving the considerable result of a portfolio that today achieves 86% of annual consumption provided by totally renewable energy.

The annual survey confirms the excellent results achieved in the Kingsley Index, confirming an above average level of satisfaction from our tenants with respect to the international market, substantially in line with the previous year.

Fondazione Riccardo Catella has maintained its commitment, with civic projects capable of improving the urban life of those who live and work in the city. For the first time, the Porta Nuova Smart Camp was launched, an initiative organized by the Foundation in collaboration with Dynamo Camp and L'abilità Onlus, sustained by COIMA, with the patronage of the Municipality of Milan and Fondazione Cariplo. This initiative consisted in the organization of educational and recreational summer activities, involving children between the ages of 6 and 12, some of whom have disabilities or suffer from serious and chronic illnesses. For the volunteers involved and for the kids who participated, it was a much appreciated and meaningful time of integration.

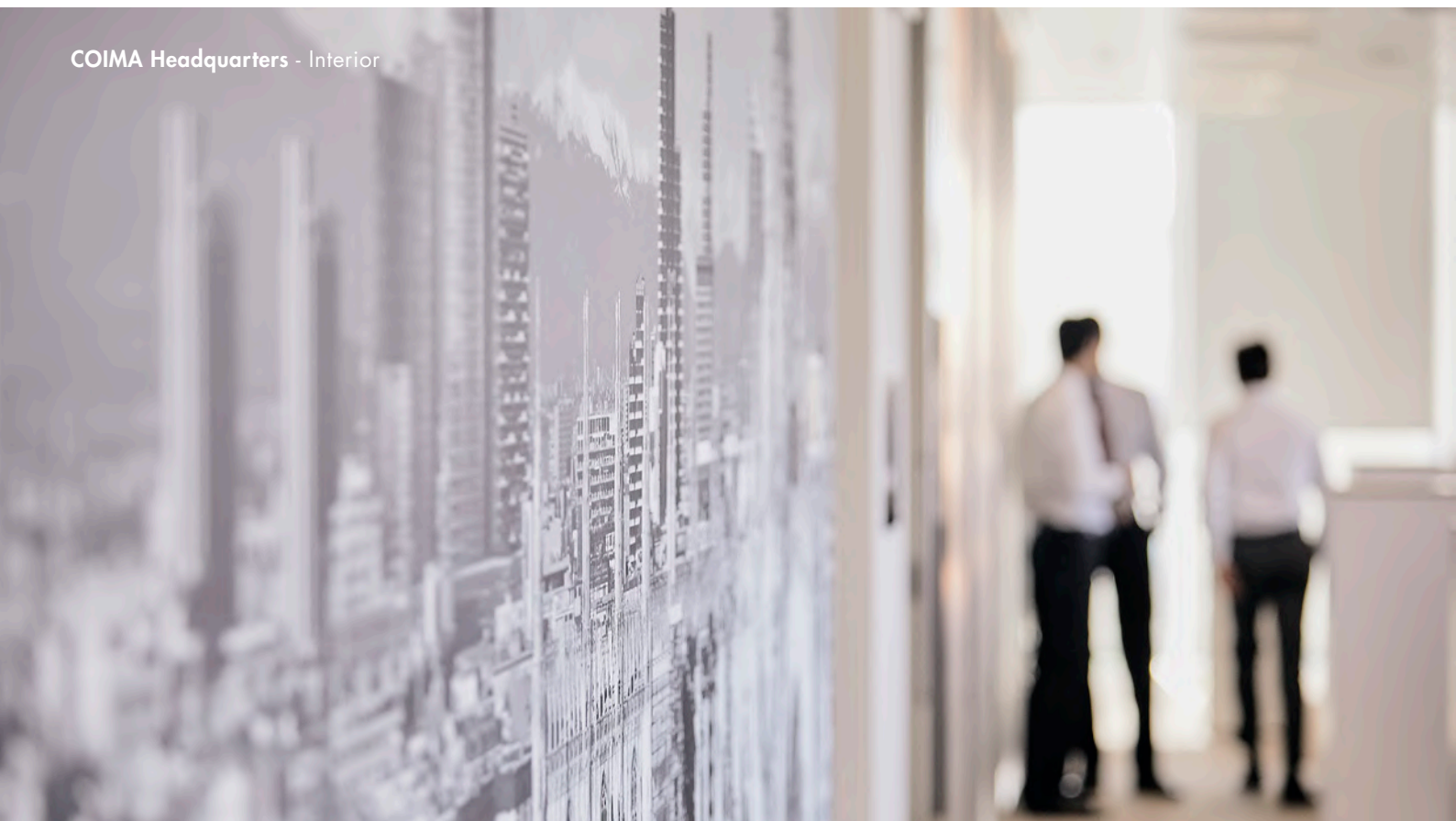
In 2018, COIMA completed the park known as "Biblioteca degli Alberi" in Porta Nuova on behalf of the Municipality of Milan, returning to the city's residents an extensive green area. Now a new challenge awaits us, one that is unprecedented in Italy: the management and maintenance of this precious and important space serving the community that will be managed by the Foundation and in collaboration with all of the institutions, associations and companies that will decide to take part in this initiative with the aim of bringing innovation and wellness to the city of Milan.

Our company, founded in 1974, firmly believes that sustainable development can happen through qualified Italian companies that work, produce and dedicate financial, intellectual and human resources toward contributing to the economy and the attractiveness of our country. The Sustainability Report of COIMA SGR and COIMA S.r.l., drafted in accordance with the guidelines of the Global Reporting Initiative (GRI) and inspired by the framework of the International Integrated Reporting Council (IIRC), is, for us, a fundamental tool in order to document our results and, more importantly, to gather your feedback.

Manfredi Catella
 Founder & CEO,
 COIMA

COIMA's numbers

COIMA Headquarters - Interior



Asset under management (AUM)*



5.8

bln euro

% properties LEED



73

%

Total commercial area



1.4

mln m²

Economic value generated by SGR**



29.3

mln euro

* TOTAL VALUE OF THE ASSETS OF THE MANAGED FUNDS ASSUMING TO INVEST THE AVAILABLE CAPITAL AVAILABLE BASED ON THE FINANCIAL LEVERAGE EXPECTED BY THE FUND MANAGEMENT REGULATIONS

** INCOME GENERATED BY COIMA SGR FOR INVESTMENT AND FUND MANAGEMENT ACTIVITIES AND REAL ESTATE CONSULTANCY

Sustainability Highlights 2018

ESG	2018	YOY (2017 - 2018)
G	% of COIMA SGR's portfolio is LEED certified or precertified 73%	=
S	Investments in the community by Fondazione Riccardo Catella 181 thousand euros	-20%
E	Renewable energy used 34,291 MWh	+70%
E	Water intensity of the buildings 0.38 m ³ /m ²	=
E	Energy intensity of buildings 63.54 kWh/m ²	+8%
S	COIMA's collaborators*	+7%
S	Persons who collaborate with COIMA**	+4%
S	Employees under 30	-10%
S	Hours of training administered	+85%
S	% of women collaborators	=
G	% of women on the governance bodies	=

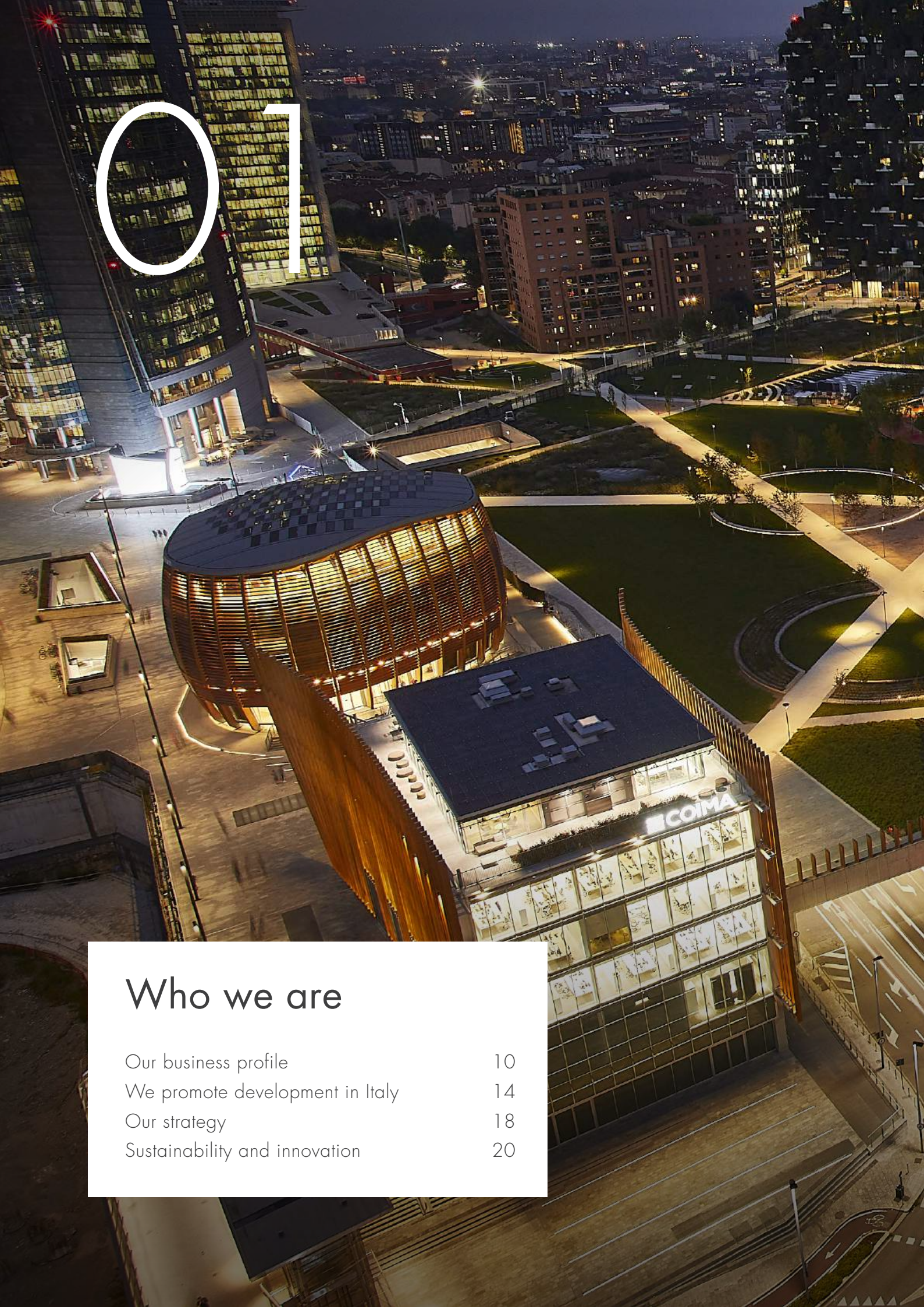
* COIMA SGR, COIMA SRL AND COIMA RES TOTAL EMPLOYEES.

** TOTAL NUMBER OF EMPLOYEES AND PROFESSIONALS THROUGHOUT COIMA SGR, COIMA SRL, COIMA RES, COIMA IMAGE, FONDAZIONE RICCARDO CATELLA, RESIDENZE PORTA NUOVA AND INGRE PLATFORM.

01

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COIMA is an integrated platform,
leader in Italian real estate investment,
development and management on behalf
of institutional investors

Our business profile

SINCE 1974, COIMA HAS BEEN A LEADER IN THE ITALIAN REAL ESTATE SECTOR, PROMOTER OF SOME OF THE LARGEST AND MOST INNOVATIVE TRANSACTIONS IN THE LAST SEVERAL YEARS.

In over 40 years, COIMA* has structured and reinforced its experience thanks to the expertise and passion of a team of qualified and motivated professionals.

COIMA's platform is comprised of **3 main independent organizations**, whose business operations are developed along the entire supply chain.



COIMA S.r.l.

Founded in 1974 by the Catella family along with Domo Media, is a company dedicated to **Development & Property Management**. COIMA Srl's mission is to represent for the investors a trusted partner for the development and real estate portfolio management, with the believe that a qualified technical expertise is crucial in creating value in investments, and managing operational risks.

COIMA srl manages 83 buildings, with 55% of the total surface LEED certified.



COIMA SGR

A company authorized in 2007 by Banca d'Italia, operates in **Investment & Asset Management**. Today, it manages 22 real estate investment funds, approximately Euro 5.8 billion in operational investments and Euro 500 million of acquisitions completed in the last 24 months. It counts 143 properties in its portfolio, with 52 % on GAV LEED certified.



COIMA RES

Created in 2015 and listed in 2016, it performs **investment and real estate asset management activities**, with assets primarily comprised of commercial properties, focused to generate stable, growing and sustainable financial return facilitated by tax regime applied to **SIQs** (Società di Investimento Immobiliare Quotate - Listed Real Estate Investment Trust). It accounts of 54% on GAV LEED Certified, with an additional 6% in the process to be certified.

The platform also carries out its activities with the integration of the following skills:



COIMA Image

Founded in partnership with COIMA Srl in the '80s, it is specialized in **architectural and interior design services**, operating through both space planning for corporate clients and interior design for high-end residences.



Fondazione Riccardo Catella

Since 2007, the Foundation has promoted **civic and cultural initiatives** with the aim to foster the sustainable and responsible practices in territorial planning and development, encouraging community engagement to improve urban life.



IN.G.RE Infrastrutture Garibaldi Repubblica S.c.r.l.

This is the special purpose company founded by Private Parties which, in 2005, subscribed the municipality agreement of Integrated Plan of Intervention for "Garibaldi Repubblica" (Convenzione del Piano Integrato di Intervento "Garibaldi Repubblica") with the aim of developing the urban planning and territorial requalification works envisaged under the Plan.



Residenze Porta Nuova Agency

This is the agency managing the residential sales in the Porta Nuova district in Milan. The residences in the portfolio are Bosco Verticale, Le Residenze dei Giardini, Aria, Solaria, Solea, Le Ville di Porta Nuova.

* WITH THE TERM COIMA REPORTED IN THIS REPORT, REFERENCE IS MADE TO THE SET OF 3 PLATFORM COMPANIES DESCRIBED ON THIS PAGE. DATA REPORTED AND REFERRING TO "COIMA" REPRESENTS THE INTEGRATION OF COIMA SGR, COIMA SRL, COIMA RES. THE INDIVIDUAL COMPANIES PERFORMANCE DATA ARE SPECIFIED IN THE REPORT WITH THE IDENTIFICATION OF THE SPECIFIC COMPANY.

Our objectives



Performance

We focus on value, based on fundamentals.



Risk management

We constantly monitor and manage all risks.

Our assets



People

We recruit talented professionals that value teamwork.



Reputation

Our reputation, personally and professionally, is a constant focus.

Our way



Integrity

We value honesty and transparency.



Independence

We work to be an independent fiduciary partner and manager to the most reputable national and international investors and operators.



Excellence

We have passion and commitment to reach the highest quality in everything we do.



Entrepreneurship

We want to keep learning, be creative and push the bar everyday.



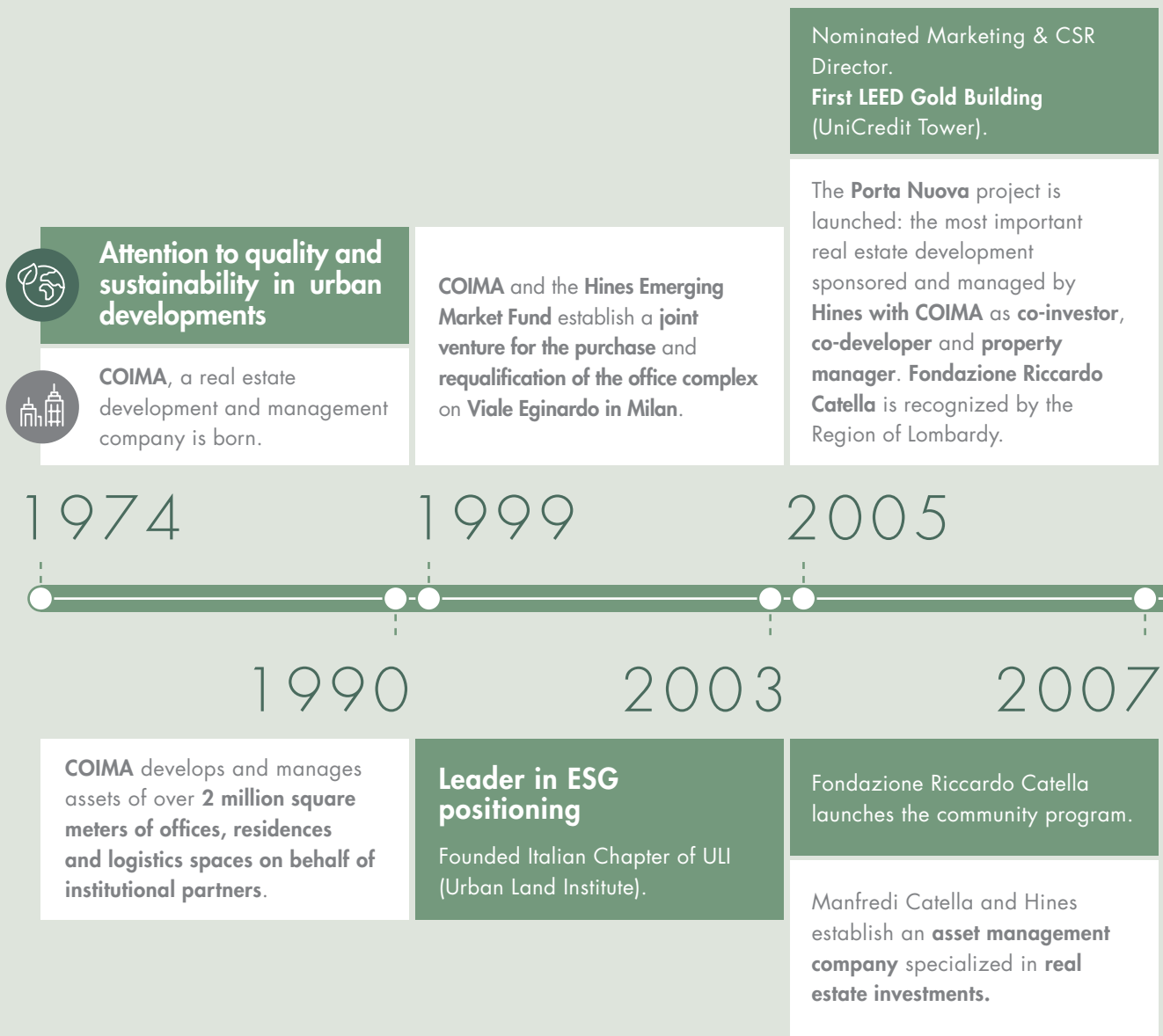
Sustainability

We care that our investments are socially and environmentally sustainable.

Our history

A HISTORY MADE OF PEOPLE, THEIR COMMITMENT AND PROFESSIONALISM, WHO CONTRIBUTE TO ACHIEVING CHALLENGING OBJECTIVES.

COIMA looks toward the future, with entrepreneurial spirit and commitment toward innovation.



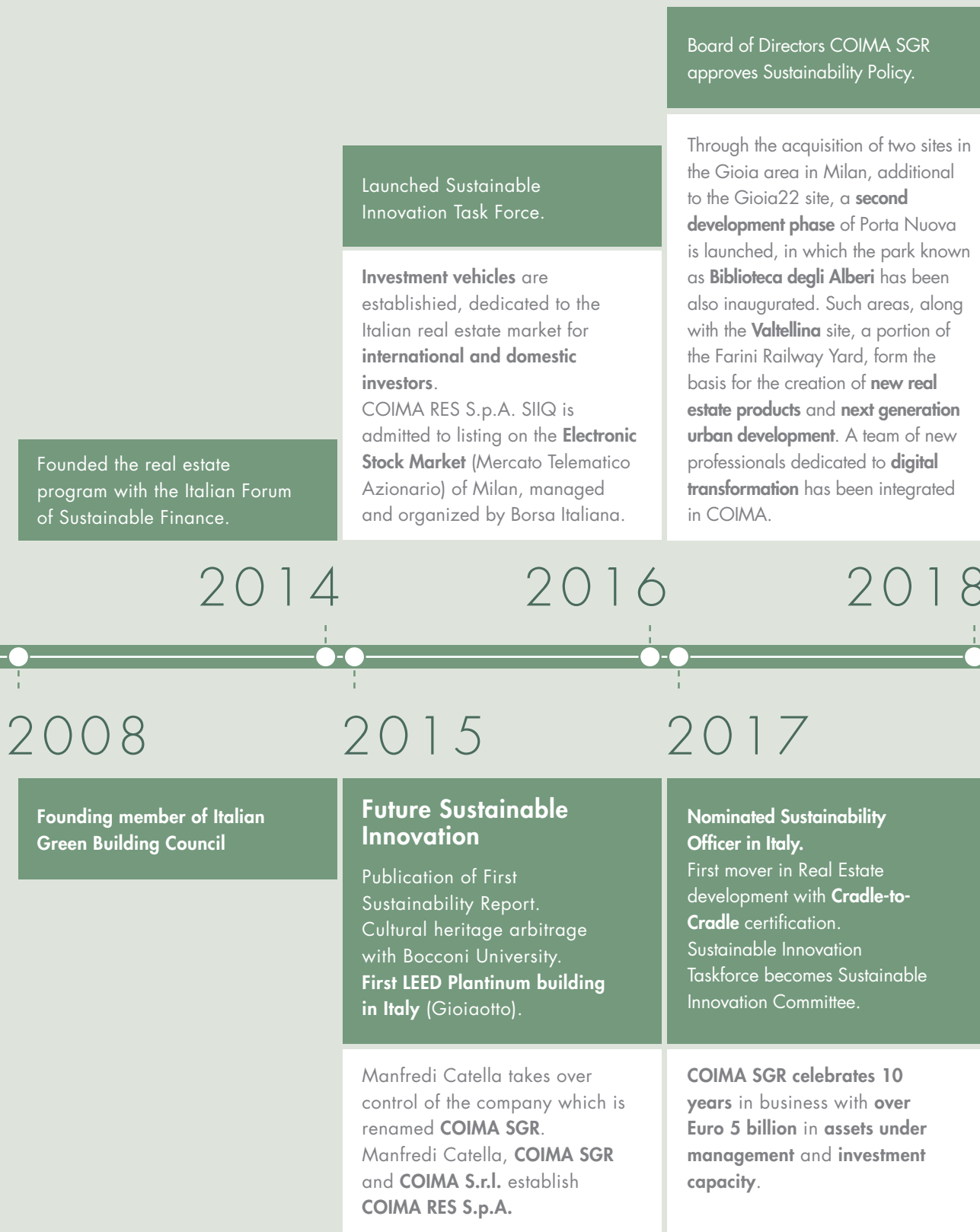
Legend:



SUSTAINABILITY



OUR HISTORY



We promote development in Italy

COIMA SUPPORTS THE REAL ESTATE DEVELOPMENT SECTOR IN ITALY AS AN IMPORTANT ENGINE OF THE ECONOMY.

Number of buildings in Italy



The platform's portfolio is comprised of 173 properties purchased or developed by COIMA SGR and COIMA RES through real estate development funds, managed by COIMA SGR and COIMA S.r.l. providing Asset, Property and Facility Management activities.



Milan portfolio

- 1 Bosco Verticale ■■■
- 2 Deruta 19 ■■■
- 3 Deutsche Bank Portfolio ■■
- 4 Corso Como Place ■■■■
- 5 Feltrinelli Porta Volta ■■
- 6 Gioiaotto ■■■
- 7 MAC567 ■■
- 8 Monterosa 93 ■■
- 9 Palazzo Aporti ■■
- 10 Palazzo Turati ■
- 11 Porta Nuova Garibaldi - Business District ■■
- 12 Porta Nuova Garibaldi - Le Residenze di Corso Como ■■
- 13 Porta Nuova Gioia ■■
- 14 Porta Nuova Isola - Business District ■■
- 15 Porta Nuova Isola - Le Residenze dei Giardini ■■
- 16 Porta Nuova Varesine - Aria ■■
- 17 Porta Nuova Varesine - Business District ■■
- 18 Porta Nuova Varesine - Le Ville di Porta Nuova ■■
- 19 Porta Nuova Varesine - Solaria ■■
- 20 Porta Nuova Varesine - Solea ■■
- 21 San Fedele ■■
- 22 Sarca 235 ■■
- 23 Segrate Retail Park ■■
- 24 UniCredit Campus ■■
- 25 UniCredit Pavilion ■■
- 26 Valtorta 43/45 ■■
- 27 Via Santa Margherita ■■
- 28 Via Winckelmann ■■
- 29 Vodafone Complex ■■

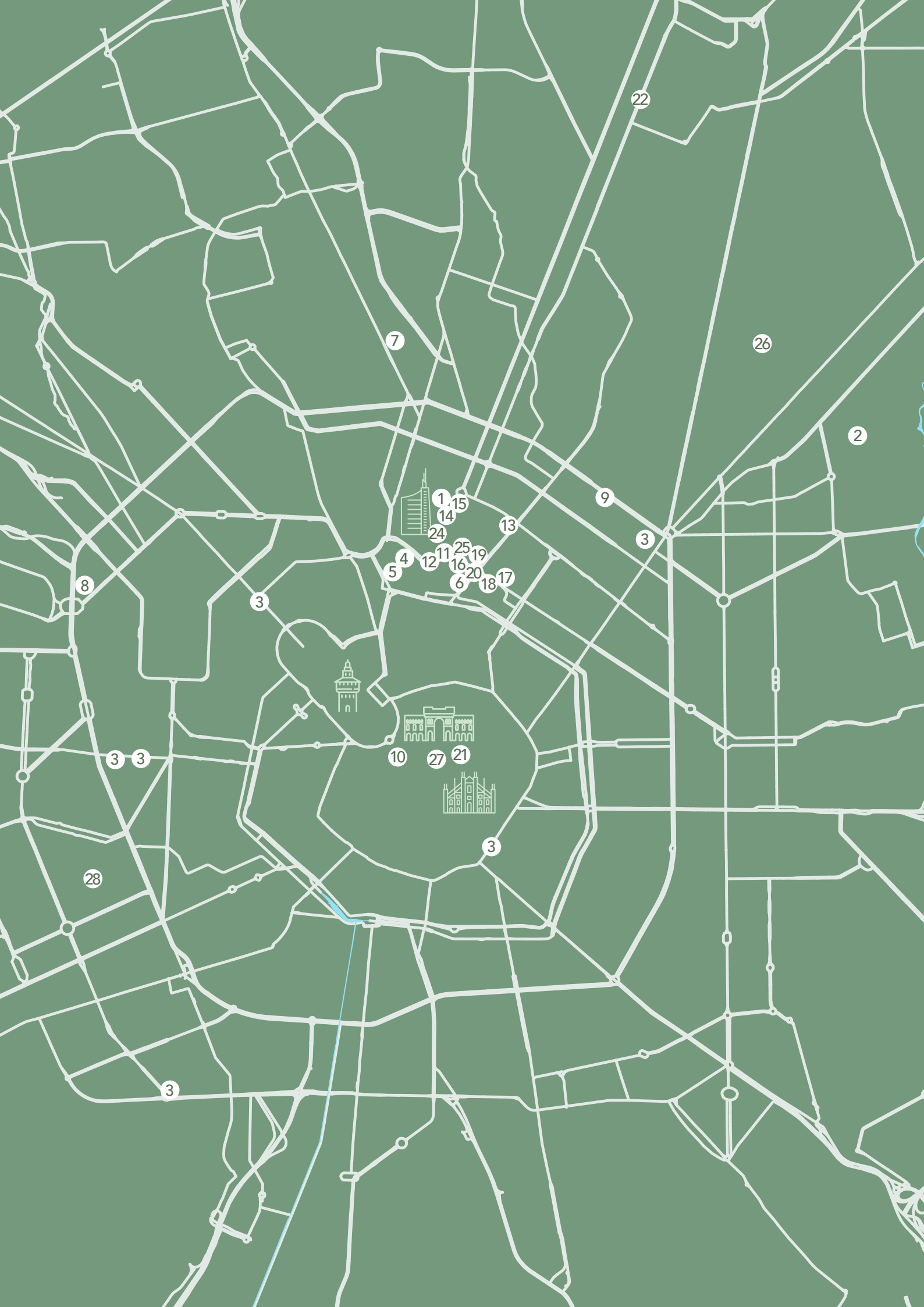
Legend:

■ COIMA RES

■ COIMA S.r.l

■ COIMA SGR





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Our strategy

IN 2018, COIMA PLANNED ITS CORPORATE STRATEGY BY INTEGRATING ITS SUSTAINABLE MEDIUM/LONG-TERM OBJECTIVES.



We live in an historic period characterized by unprecedented social, economic and technological transformation and we decided to analyze closely the phenomena that are changing the market. Our choice was to invest in our platform, integrating new expertise in sustainability and technology in order to face new important challenges for our Country and to create value for all stakeholders.

Manfredi Catella
Founder & CEO, COIMA

Taking advantage of opportunities in a market under constant transformation and managing risks for investors and for the companies of the platform: through this approach, in 2018 COIMA carried out a close analysis which has led to the three-year plan 2019-2021.

This is a journey which started with an analysis of the main trends in consumer prospects in the Real Estate sector and which considered the steps required for developing real estate products and services capable of responding to the changing needs of the market.

The Italian context is not an exception when it comes to these global trends. The population is aging more quickly than

in other countries and families are becoming increasingly smaller, focusing more attention on rental properties, and those featuring more services. Consumer demand is driven by both economic advantages and the dissemination of the “sharing” models, which entail a shift from ownership of assets toward the enjoyment of services.

An important evolution is happening in the real estate market in order to satisfy the changing needs of tenants, residents and city users.

COIMA intends to take advantage of this opportunity and, through its solid experience and innate focus on innovation, has launched a process towards creating new generation real estate products.

Global market trends

Demographic changes	<ul style="list-style-type: none"> • Urbanization is a trend throughout the world: today, 80% of global GDP is generated in urban contexts • Aging populations are on the rise • Wealth is increasingly concentrated • The size of families is declining
Socio-economic behavior	<ul style="list-style-type: none"> • Time dedicated to work has risen, while time dedicated to consumption has declined, with consumer choices driven by a more convenience-based approach • Traveling and mobility have increased throughout the world • The birth of the “services economy” has transformed the idea of ownership • The social impact and sustainability are becoming crucial in investment strategy
Technology	<ul style="list-style-type: none"> • E-Commerce is radically changing the paradigm of retail commerce • The “cloud” and “big data” are forging new income models in all sectors • Smart mobility will become more consolidated over the coming decade • Robotics (also applied to construction) are bringing new levels of efficiency

COIMA’s three-year plan 2019 – 2021

COIMA’s three-year plan focuses on three primary goals:



1. Reduction of portfolio risk

Accelerating the divestment of assets positioned as less strategic with respect to trends in demand.

Anticipating actions with the aim for risk reduction already envisaged and planned, such as rotating certain tenants, reducing financial leverage and extending loan terms.



2. Reinforce operational capacities

Investing in the team, technology, innovation and sustainability with a view to consolidating a multi-asset platform that is vertically integrated, with a unique capacity to invest, develop and manage new generation properties.

Collaborate with strategic long-term investors and partners bringing specific expertise, with a view to improve our competitive advantage on the market.



3. Investing in long-term trends

Increase exposure with respect to high quality properties through permanent leases, or leases destined to be permanent.

Focusing on new generation properties, capable of closing structural gaps on the market and which are in line with long-term trends.

Diversifying new generation properties among different sectors, in order to develop consistent investment strategies.

Taking advantage of opportunities offered by specific situations.

Sustainability and innovation

SUSTAINABILITY AND INNOVATION REPRESENT TWO FUNDAMENTAL PRINCIPLES OF COIMA'S APPROACH TOWARD DEVELOPING AND MANAGING ITS REAL ESTATE PORTFOLIO.



At COIMA, we firmly believe in the importance of developing a measurable matrix for real estate performances with the aim of providing evidence, with an ever increasing level of transparency, to our stakeholders with regard to our developments showing that our holistic approach contributes toward creating sustainable and livable urban environments.

Kelly Russell Catella

Managing Director Marketing, CSR & Investor Relations, Chairman Sustainable Innovation Committee – COIMA | Managing Director - Riccardo Catella Foundation

The governance of sustainability and innovation

Innovation and sustainability are distinguishing features of COIMA's approach, and constitute key factors in gaining the market's appreciation.

In order to strengthen our solid grasp and dedication to these issues COIMA established a Sustainable Innovation Committee (in 2017).

The committee's goal is to promote, manage and accelerate the integration of new practices for sustainability and innovation across all business divisions and to reinforce internal communications on best practices. The committee is composed by Executives covering a diverse range of professional expertise, experience and roles.

The Sustainable Innovation Committee meets regularly to discuss the planning and progress of various sustainability

and innovation initiatives defined in the three-year plan. The next three years will be a period full of challenges, with a firm commitment toward the development of new projects and important urban developments, in which technological content, services offered and a focus on wellness will be central themes.

In order to achieve our goal of sustainable economic development, which embraces environmental, social and governance issues, COIMA decided to become a member of the Global Real Estate Sustainability Benchmark (GRESB), an institution that classifies the ESG performances of real estate investment vehicles. COIMA will classify two Funds, "Porta Nuova Garibaldi" and "COIMA Opportunity Fund II", in accordance with this standard.

The implementation of our approach towards sustainability in business

The market demand for properties has become increasingly focused on buildings with high environmental performance levels, capable of reconciling a conscious use of natural resources with the wellness of the people who live or work in them.

COIMA's investment strategy has integrated sustainability criteria and focused on creating a high quality real estate portfolio, offering sustainable long-term growth, with preference to properties with potential for appreciation over time.

The acquisitions made in 2018 concerned the Via Valtellina site, which is part of the Farini railway yard of Milan and the "Municipality's Rights" along Via Melchiorre Gioia. These acquisitions, along with the projects under construction at Gioia 22, Corso Como Place and San Fedele will set the pace for the development of high quality properties.

The careful planning during the acquisition and portfolio management phase is a prerogative for COIMA. The redevelopment works and optimization of properties or the portfolio are analyzed in detail since the pre-acquisition Due Diligence phase. During this phase, multiple scenarios are analyzed, which range from optimization to complete redevelopment.

The scenarios evaluated include environmental, technical and economic analyses with a view to identifying optimization aspects and the most and risk mitigation.

The approach followed by the COIMA platform, which is in line with international best practices, pioneers in the Italian market and has contributed toward focusing the attention of real estate operators on issues related to the environmental performance of properties, their energy management and the integration of principles of circular economy.

COIMA Roots

Sustainability in real estate development starts the moment in which a new project is conceived. For this reason, we created COIMA Roots®, a holistic approach towards responsible real estate investment, development and management.

COIMA Roots is placed at the center of the platform's business processes, as a fundamental driver to concentrate our commitment toward long-term sustainability.

To such end, COIMA has adopted the basic principles of sustainability and has implemented them within the investment, development and management decision-making processes.

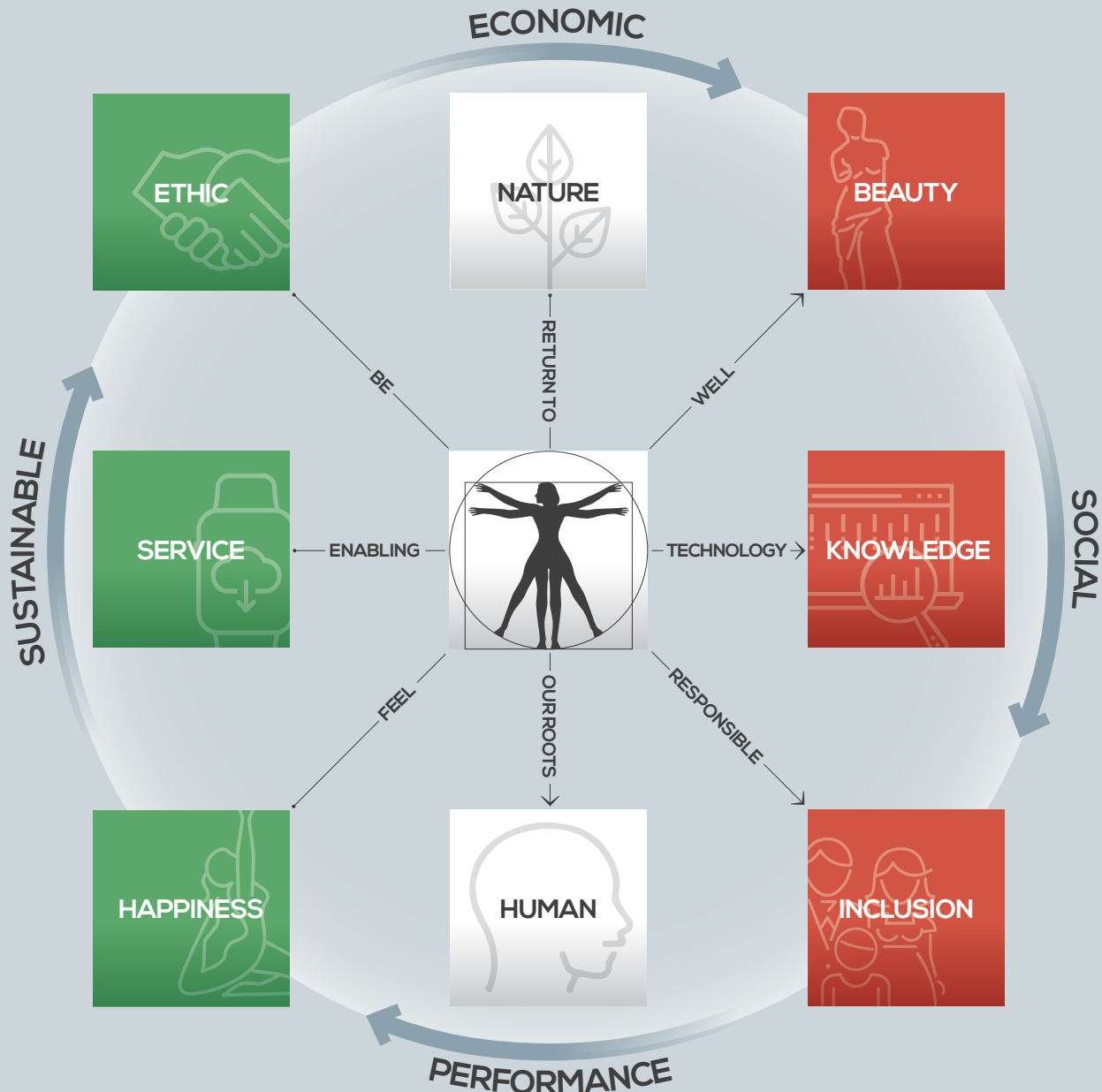
In developing COIMA Roots, the strategic objectives defined by the United Nations have also been integrated.

The Sustainable Development Goals (SDGs) are the 17 worldwide goals for the achievement of a more sustainable world for future generations by 2030. These goals have been adopted by both states and businesses. COIMA has chosen to act specifically with regard to 8 of the 17 SDGs in its strategy and has embarked upon pathways toward innovation in industrial processes, focusing closer attention on people and natural resources.



COIMA ROOTS™

A HOLISTIC APPROACH
TO RESPONSIBLE INVESTMENT,
DEVELOPMENT AND MANAGEMENT



COIMA firmly believes that investing in cities requires a strong sense of responsibility towards the community and future generations. **COIMA ROOTS™** is at the centre of our process with the commitment to generate, measure, monitor and deliver long term sustainable, economic and social performance.

Return to our Roots

Placing nature and humans at the center of the project. Integrating the rules of nature into real estate development, giving priority to containing consumption and resources, principles of economic circularity of materials and of buildings in real estate development. Intervening in the urban context surrounding the development.



Working toward minimizing energy requirement (BE LEAN), adopting efficient systems (BE CLEAN) and implementing the use of renewable energy sources (BE GREEN) in all real estate developments.



Working toward protecting the environment developed and managed, while respecting nature and the community.



Working toward minimizing the use of water throughout all phases of development, from construction to the operation of the properties. Implementing operational strategies for reducing water waste.

Feel well

COIMA's operational platform also operates in the management of properties and spaces with a view to ensuring that they are kept efficient, clean, orderly and beautiful; so that the implementation of a functional, essential and sustainable design may generate harmony and so that this approach may be expanded at urban scale.



Working toward creating interior and exterior spaces that promote the health and wellness of their occupants, verifying that the developments commenced meet stringent health and safety requirements. Promoting psychological and physical wellbeing, through engagement and training.



Establishing policies to ensure equal treatment of people of different genders, religions and beliefs. Recognizing diversity as a value.

Enabling technology

Technology is an increasingly important part of everyday living and may enable people in achieving sustainability, health and wellness objectives.



Investing time and resources in implementing innovation in the industrial process of real estate development. Collaborating with partners and leaders in the real estate industry with a view to fostering structural changes serving as accelerators of innovation.

Be responsible

Operating in accordance with strong ethical principles in order to be recognized as a trusted partner by all stakeholders (citizens, investors, operators, authorities and communities).



Applying a holistic vision to sustainability in real estate development, acting directly in the promotion of a culture of sustainability, raising awareness with our stakeholders.



Working to create real estate developments that are integrated within the urban and social context and that contribute toward the optimization and attractiveness of a city. Creating public and private urban spaces, supporting public administrations through developments, bringing innovation and sustainability.



Milan - Bosco Verticale - Façade

COIMA aims to demonstrate its responsibility toward all stakeholders and, consequently, for each “Root”, a measurable matrix has been developed, used to monitor performances of developments and the management activities and improvements over time. Through COIMA Roots, the Sustainable Innovation Committee has aimed to develop its values through an analysis of “ESG” matters on which COIMA aims to measure its performance.



Environmental (E) to measure our impact on nature, architectural and urban beauty.



Social (S) to address social inclusion, human issues and happiness.

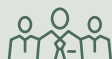


Governance (G) to measure our knowledge, services, ethics of every investment and transparency toward stakeholders.

For each “Root”, COIMA has associated a monitoring and measurement procedure, that will be expanded over time, and for which Key Performance Indicators (KPIs) will be defined and used to compare project performance, now and in the future. COIMA's goal is to ensure that in all investments, regeneration and development projects, and in all phases of the operation and management of the properties, it would be possible to compare our work into concrete and measurable actions, with the “eight roots” of COIMA.

Accountability

ESG	COIMA ROOTS	AREA OF MEASUREMENT	KPI'S - EXAMPLE
ENVIRONMENT	 NATURE	Certifications	LEED, BREEAM, WELL SCORING
		Resource reduction	Primary energy reduction (kWh/mq year)
		Green & Public Spaces	SQM dedicated
		Other	Other
	 BEAUTY	Architecture	N° of quality architects
		Architectural Awards	MIPIM, Best Tall Building
Other		Other	
SOCIAL	 INCLUSION	Affordable uses	SQM of social housing, co-living, office for start-ups
		Other	Other
	 HUMAN	Public Spaces	SQM dedicated
		Cultural areas	SQM dedicated
		Other	Other
	 HAPPINESS	Tenant Satisfaction	Kinglsey Index Scoring
		Foot fall	Yearly n°
		Animation	N° of events
		Other	Other
		GOVERNANCE	 KNOWLEDGE
Other	Other		
 SERVICE	Services in building area managed		Sqm covered by services
	End user services		API developed for building users
	Other		Other
 ETHIC	Reporting		Sustainability report, EPRA reporting standards
	Transparency		Investment structure
	Other	Other	



Sustainable Innovation Committee

Kelly Russell Catella

Chairman

Managing Director,
Marketing, CSR & Investor
Relations, COIMA; Director,
Fondazione Riccardo Catella

Stefano Corbella

Secretary

COIMA S.r.l.
Sustainability Officer

Edoardo Schieppati

COIMA SGR

Director
Investment Management

Giampiero Di Noia *

COIMA SGR

Data Scientist Manager

Luca Mangia

COIMA SGR

Director
Asset Management

Alberto Goretti

COIMA RES

Director
Investor Relations

Vincenzo Donnola

COIMA S.r.l.

Senior Manager
Property Management

Sustainable Innovation Committee

Number of meetings

Kelly Russell Catella	<i>Chairman</i> Managing Director, Marketing, CSR & Investor Relations, COIMA; Direttore, Fondazione Riccardo Catella	4/4
Stefano Corbella	<i>Secretary</i> COIMA srl Sustainability Officer	4/4
Edoardo Schieppati	COIMA SGR Director Investment Management	4/4
Luca Mangia	COIMA SGR Director Asset Management	4/4
Alberto Goretti	COIMA RES Director investor Relations	4/4
Vincenzo Donnola	COIMA srl Senior Manager Property Management	4/4
Giampiero Di Noia (*)	COIMA SGR Data Scientist Manager	2/4

(*) GIAMPIERO DI NOIA JOINED THE COMPANY IN FEBRUARY 2018.



This year, we consolidated the Sustainable Innovation Committee. This is an important step for COIMA, which has created a structured governance dedicated to the development and implementation of market best practices on innovation, environmental and social sustainability and reporting of ESG performances for the entire operational platform.

Stefano Corbella

Sustainability Officer & Secretary of the Sustainable Innovation Committee, COIMA

CALENDAR OF MEETINGS	ISSUES ADDRESSED
<p>12 June 2018 <i>Kickoff meeting</i></p>	<ul style="list-style-type: none"> • Organization of the committee, definition of the purposes and objectives of sustainability and innovation for the three-year plan. • Progress in ESG objectives in 2018 and review on 2019-2020 objectives. • Planning of the objectives for 2030. • Planning of the next pilot projects.
<p>20 June 2018 <i>Presentation BoD COIMA SGR</i></p>	<ul style="list-style-type: none"> • Presentation and approval of the 2018 Sustainable Innovation Committee business plan
<p>12 July 2018 <i>Presentazione CdA COIMA S.r.l.</i></p>	<ul style="list-style-type: none"> • Presentation and approval of the 2018 Sustainable Innovation Committee business plan
<p>26 July 2018 <i>Presentazione CdA COIMA RES</i></p>	<ul style="list-style-type: none"> • Presentation and approval of the 2018 Sustainable Innovation Committee business plan
<p>10 September 2018</p>	<ul style="list-style-type: none"> • Update of presentations and approval of business plan by the BoD. • Review of the Sustainability Policy. • Progress update on the GRESB classification of the real estate funds. • Planning of the Knowledge Sharing Programme for 2019. • Review of and progress in ESG objectives.
<p>16 November 2018</p>	<ul style="list-style-type: none"> • Presentation of the draft "Sustainable acquisition toolkit". • Updates on COIMA RES for the REIT Think Tank.
<p>14 December 2018</p>	<ul style="list-style-type: none"> • Approval of the new Sustainability Policy for presentation to the BoD. • Approval of testing phase of the Sustainable Acquisition toolkit. • Update on the Sustainability Report 2018. • Integration of sustainability and digitalization objectives in the MBOs. • Final review of objectives for 2018-20.



COIMA SGR's sustainability policy

On 19 December, COIMA SGR's Board of Directors approved the company's new Sustainability Policy, confirming that sustainability represents the platform's focus which is reflected in the corporate vision and represents one of the guiding principles of the business.

COIMA embraces the **United Nations' Principles for Responsible Investments (PRI)** and commitment to:



incorporate the Environmental, Social and Governance (ESG) principles within its corporate analysis and decision-making processes with reference to the entire value chain creation, in all of the company's divisions;



disclose periodically the results on defined and published ESG objectives;



promote the implementation of sustainable principles in the Real Estate Sector.

Updating the **Sustainability Policy** (approved for the first time in 2015) reinforce COIMA commitment to integrate ESG principles within all real estate investment, development and management activities.

To such end, COIMA also **revised its Code of Conduct** and is setting the objective of introducing additional policies to ensure a more homogeneous and integrated management of ESG risk throughout its entire value chain.

In particular, COIMA will define:

A HEALTH, SAFETY AND PROTECTION POLICY

A DECLARATION OF INTENTS ON WELLNESS

A POLICY OF SUSTAINABILITY IN INVESTMENTS MANAGEMENT

A POLICY OF SUSTAINABILITY IN FUNDS AND ASSET MANAGEMENT

A POLICY ON SUSTAINABLE PROCUREMENT

A POLICY ON ESG DATA MANAGEMENT AND DIGITALIZATION

A POLICY ON COMMUNITY ENGAGEMENT

The Sustainability Policy and the forthcoming policies will therefore guarantee a 360° integration of the ESG aspects in COIMA activities and the application of international best practice.

Sustainability & Certification



6 buildings
LEED® Platinum



2 buildings
LEED® Pre-certificato Platinum



22 buildings
LEED® GOLD



9 buildings
LEED® Pre-certified GOLD



4 buildings
LEED® SILVER



4 buildings
WELL® Pre-certified GOLD

32
Total
certified

15
Total
Pre-certified



73%*

LEED® CERTIFIED on COIMA
% on GAV

Main COIMA Awards

2013

UniCredit Tower

Named one of the 10 best towers
in the world by Emporis Building

2014

Bosco Verticale

International Highrise Award

2015

Bosco Verticale

Best tall building in the world
Best tall building in Europe

2016

Porta Nuova

European Property Awards

Piazza Gae Aulenti

Landscape Institute Award

2018

Porta Nuova

Best urban regeneration
project

Fondazione Feltrinelli
& Microsoft House

Best Office & Business
development

* PERCENTAGE CALCULATED ON THE TOTAL PRE-CERTIFIED AND CERTIFIED PORTFOLIO OF COIMA SGR, COIMA SRL AND COIMA RES.



Porta Nuova and Feltrinelli Porta Volta at the MIPIM Awards

In 2018 COIMA has been awarded with the prestigious MIPIM Award for two projects, Porta Nuova District for the “Best Urban Regeneration Project” category and Feltrinelli Porta Volta for the “Best Office & Business Development” category. The jury, chaired by Meka Brunel, CEO of Gecina, analyzed over 220 candidacies from 55 countries and selected four finalist projects in eleven different categories. Porta Nuova won first place, beating the competition of Berlin (with the Puhlmannhof project), Moscow (nominated for Zarayadye Park) and Jakarta (a finalist with Kalijodo Park). Feltrinelli Porta Volta won the award, beating the competition of London, with the Bloomberg European HQ project, Lima, candidate with Real 2 and Chongqing (China), making it to the finals with Sunac Chongqing One Central Mansion Sales Office.

COIMA’s projects were chosen by both a technical jury, whose vote accounted for 50%, and, as for the remaining 50%, the participants at MIPIM, an event which, each year in Cannes, gathers together the most influential member of the real estate community.

Porta Nuova, co-developed and managed today by COIMA as Asset and Property Manager, has the sole investor in the project, the sovereign fund of Qatar (QIA, Qatar Investment Authority). Through the consolidation of the three districts Garibaldi, Varesine and Isola, and thanks to the vision of over 20 architects of 8 different nationalities who have taken part in the project (PCPA, Kohn Pedersen Fox Associates, Boeri Studio, Cucinella, Arquitectonica, Paolo Caputo, M2P Associati, Antonio Citterio, Patricia Viel and Partners, Michele De Lucchi, Muñoz + Albin, Petra Blaisse, Andreas Kipar, Lucien Lagrange, Pivarch), Porta Nuova gave back to Milan a former railway





yard of over 290,000 sqm, abandoned for decades, composing with 17 LEED GOLD certified buildings a real estate prime portfolio in Italy. Porta Nuova represents the new Central Business District of Milan, with spaces leased to companies of prime standing in the financial, IT, fashion, insurance and consultancy sectors (with brands such as Accenture, Amazon, Axa, Bank of New York Mellon, BNP Paribas, Celgene, China Construction Bank, Google, HSBC, Nike, Samsung, UniCredit) and concentrating in the last 5 years 18% of office leases in the city of Milan.

Feltrinelli Porta Volta, developed by COIMA which is Asset and Property Manager, is the first Italian public building designed by Herzog & de Meuron and hosts the headquarters of the Fondazione Giangiacomo Feltrinelli and Microsoft House. The headquarters of Fondazione Giangiacomo Feltrinelli is an inclusive space publicly accessible, designed to be a place of dynamic participation in continuous dialogue with the city and with the international context. It is the beating heart of innovative researches with the aim of investigate and understand the most urgent issues faced by contemporary society, and give back to the city of Milan the results of such researches in a dynamic focused on the hybridization of languages and processes.

Microsoft Italia has presented its new headquarters as a hub open to enterprises, students and residents, showing its commitment to innovation and culture. A mix of 100% made in Italy interior spaces where new ways of meeting and working are merged with values of openness, flexibility, energy and technology.

The new buildings, which are LEED Gold certified and inspired by the lengthy and linear section of typical barns of the Lombard countryside and by the simplicity and an imposing scale of Milanese historic architecture, are positioned at the center of an exterior pedestrian promenade and a public park, just a few steps from a dense network of services and infrastructures.

The double awards obtained by COIMA represents yet another confirmation of the value of Porta Nuova and Porta Volta projects, which have succeeded in changing the face of the center of Milan, and reaffirms Italy's capacity to express projects of excellence, capable of contributing toward international competitiveness.

Digitalization in real estate development

The growing digitalization of the real estate market has seen the birth of the so-called "PropTech", which means "Property Technology". COIMA is working on its own "Digital Transformation", in both its internal operational processes and the definition of the new real estate products.

We are living today in a historic period that is by now considered the start of the fourth industrial revolution, where the digitalization of processes and the availability of large

quantities of information will influence the world and the way we inhabit buildings and cities.

Through the activities coordinated by the Sustainable Innovation Committee, COIMA has organized initiatives through the development of pilot projects which, with a "startup" strategy, engages the talents within the company in order to trigger "from within" the transformation and acceleration of the innovation process.



We are at the beginning of a profound transformation of the sector. The industrialization of the construction process and the integration of technology into real estate development have been, for many years, considered "Low Tech". Today, we see appearing in the market new technologies, the effects of which lead to radical changes, giving rise to new services, creating new requirements and therefore transforming the real estate market.

Vincenzo Tortis
Chief Information & Digital Transformation Officer, COIMA

COIMA's Digital Journey





The data era

The understanding of the requirements of those who use any physical space may be improved by data analytics gathered through the use of innovative digital technologies and the “Internet of Things” (IoT).

The analysis of processes for an ongoing improvement of the user experience through the adoption of innovative services, represent the main objective of the COIMA digital strategy.

The vast availability of data gathered through Building Management Systems supplemented with those collected through IoT sensors, the use of Artificial Intelligence, as well as the countless services provided by platforms and cloud computing services providers allow the identification of patterns and correlations useful for improving the efficiency and effectiveness of the business. The transformation of data into precious information allows for a more precise understanding of how people interact with the surrounding space, influencing and guiding the design and construction of new services in line with users’ expectations.

Placing the Customer Experience at the center, the digital transformation program that COIMA has embraced in 2018 has its main goal in assessing and adopting the most innovative technologies available on the global market in order to extract maximum value from the available data with the aim of improving internal processes increasingly efficient and simultaneously develop new distinctive products in which digital experiences are integrated with physical experiences and allow users to thoroughly enjoy their surrounding spaces.

The main expectations and requirements that users aim to satisfy in any “innovative” physical space may be classified as follows:



**seamless
connectivity**



**greater interaction between
physical and digital (phygital)**



**increase of
Customer Experience**



**community
management**



**new digital
services**



sustainability



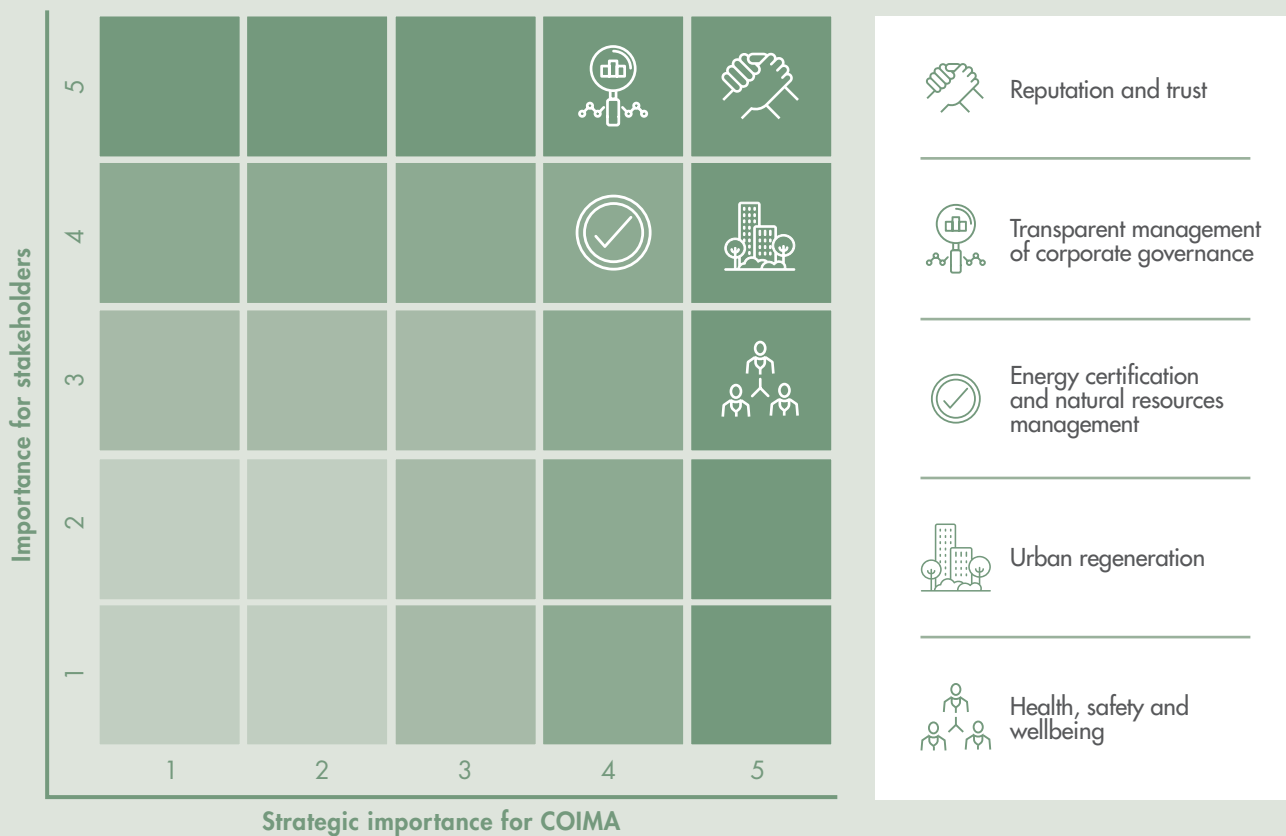
**health and
wellbeing**

The application of such strategy oriented to the use of data is not focused solely and exclusively to buildings, but also at other types of spaces, such as shopping centers, parks or any other area useful to provide services to people.

COIMA's material issues

COIMA focuses its sustainability reporting on issues that may have a direct impact on its business and that, in the meantime, are at the center of the stakeholders' interests. During 2018, COIMA updated its materiality analysis in order to identify the main trends and the market changes in relation to its strategic issues.

This materiality matrix aims to identify the level of importance that the various market themes represent for COIMA, and for the stakeholders involved. This analysis is important for COIMA in order to focus its attention on how to provide our best performance on these fundamental issues.



MATERIAL ISSUES	SOLICITATIONS FROM THE EXTERNAL CONTEXT	COIMA'S ANSWERS
 <p>REPUTATION AND TRUST</p>	<p>Trust and reputation are key elements for all stakeholders who interact with COIMA and are at the foundation of a professional relationship that lasts over time.</p>	<p>COIMA operates on the market, conscious of the importance to create a fiduciary relationship with stakeholders and society.</p>
 <p>TRANSPARENT MANAGEMENT OF CORPORATE GOVERNANCE</p>	<p>The quality of corporate governance plays a fundamental role in investment decisions and represents an essential focus point for all stakeholders.</p>	<p>COIMA's corporate governance system is founded upon the key principles of correct and transparent business management, which is also ensured by an efficient definition of the risk management system.</p>
 <p>URBAN REGENERATION</p>	<p>In the last few years, urban regeneration has been established as a participated approach giving to the cities not only an innovative and competitive appearance, but also a new life from a cultural, economic and social standpoint, with attention focused on environmental matters.</p>	<p>COIMA plays close attention to the social and environmental context surrounding its properties and develops strategies that can contribute toward high social and environmental impact.</p>
 <p>ENERGY CERTIFICATION AND NATURAL RESOURCES MANAGEMENT</p>	<p>There is a constantly growing demand for sustainable buildings in accordance to environmental friendly certification, which achieves significant energy and water savings and guarantee the healthy environments.</p>	<p>COIMA certifies new buildings with the main international protocols that guarantee a careful environmental management through a reduction of natural and energy resources/uses.</p>
 <p>HEALTH, SAFETY AND WELLBEING</p>	<p>In the development and management of assets, the human health and wellbeing assume an increasing centrality within the build environment.</p>	<p>COIMA is committed toward implementing standards to protect health, safety of people and their wellbeing.</p>

02

An Integrated team

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Asset Management	50
Development Management	58
Property & Facility Management	64
Procurement & Conceptual Construction	70



**COIMA develops and manages
real estate portfolios of excellence,
making its expertise and experience
available to institutional investors**

Our value creation model

COIMA HAS IMPLEMENTED AN INTEGRATED AND FLEXIBLE BUSINESS MODEL TO GENERATE ECONOMIC, SOCIAL AND ENVIRONMENTAL IMPACTS, CREATING LONG TERM VALUE.

COIMA's business model includes four main divisions coordinated along the entire supply chain: Investment Management, Asset Management, Development Management and Property Management.

Sustainability and innovation represent the central drivers of this model, applied across the operating platform with the optimization of human resources, the development of

financial leverage, the risk management and the structured relationships with all stakeholders including suppliers.

COIMA SGR research for the best real estate investment opportunities, incorporating social and environmental assessment.

COIMA Srl operates to ensure the highest quality and sustainability standards for the real estate developments and property management.

COIMA's business model



Legend

Activities managed by: COIMA S.r.l. ■ COIMA SGR ■

	2018		
	ASSET MANAGEMENT	PROPERTY MANAGEMENT	TOTAL
Capital raised from international and domestic investors	121 Mln	n.a.	121 Mln
Acquisitions	400 Mln	n.a.	400 Mln
Sales	283 Mln	n.a.	283 Mln
Loans	312 Mln	n.a.	312 Mln
AUM at full regime (€)	5.8 Bln	n.a.	5.8 Bln
Real estate funds	22	n.a.	22
NRA sqm	881,000	1.5 Mln ⁽²⁾	1.5 Mln ⁽²⁾
Properties	143	83	173
Tenants	214 ⁽¹⁾	187 ⁽¹⁾	256 ⁽¹⁾
Annual Rent Roll (Gross Rental Income SGR)	155 Mln	169 Mln	169 Mln
Average rent for offices per sqm ⁽¹⁾	400	n.a.	400
% vacancy rate	5%	7%	5%
Percentage of portfolio LEED Certified / LEED Pre-certified	73% ⁽⁴⁾	55% ⁽³⁾	73% ⁽⁵⁾

1 EXCLUDING RESIDENTIAL

2 EXCLUDING CONSORTIUM AND PUBLIC AREAS

3 PERCENTAGE CALCULATED ON SQUARE METERS UNDER MANAGEMENT

4 PERCENTAGE CALCULATED ON ASSET VALUE

5 THE TOTAL PERCENTAGE TAKES INTO CONSIDERATION THE COMBINATION OF THE BUILDINGS UNDER MANAGEMENT OF COIMA SGR AND COIMA SRL, REPRESENTING THE VALUE OF THE GAV AS OF 31.12.2018

Investment Management

COIMA IS FOCUSING ITS INVESTMENT STRATEGY ON EXCELLENCE, OPERATING PROACTIVELY ON A MARKET THAT IS CONSTANTLY CHANGING.



For the investment team, it was a particularly busy year which saw us involved in several important acquisitions. We are ready to take advantage of market opportunities, developing real estate products capable of meeting the new needs of tenants who are increasingly aware of issues related to sustainability, technology, health and wellbeing in the workplace and in cities.

Gabriele Bonfiglioli
Managing Director, Investment Management, COIMA

The opportunities of the Italian real estate market

In 2018, the Italian market was affected by the slow-down in worldwide and European growth, showing a negative trend in both the third and fourth quarters. The macroeconomic forecasts for Italy indicate that economic growth should be about 0.6% in 2019 and 1% in 2020 and 2021.

The real estate market has also closed with a negative trend

with respect to 2017 (-22% in investment volumes).

The Italian market currently represents an interesting context in which to implement innovation strategies which address the challenges and the trends described in the previous paragraphs.

As a matter of fact, Italy features an obsolete real estate stock that is not capable of satisfying these new requirements.

- » *Market demand appears highly focused on high quality assets: the vacancy of "Grade A" buildings is under 2%, with a substantial interest for sustainability aspects (i.e. LEED) and environmental quality for employees.*
- » *Low quality assets are losing value, with a reduced demand by tenants which is focused on the quality of spaces.*
- » *Demand is increasingly focused on specific districts and polarized in "Business Districts" and consolidated commercial districts close to central business districts.*

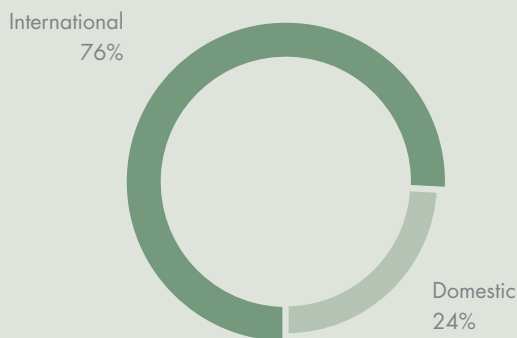
It is therefore crucial to invest in repositioning the real estate portfolio, overcoming the structural gaps and, in the meantime, taking advantage of emerging trends to generate adequate financial returns for the investors.



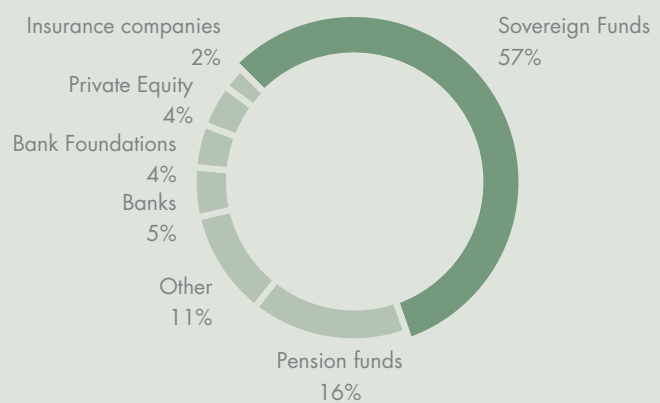
The importance of ESG themes for our investors

COIMA has developed a comprehensive process, in line with international best practices, to raise and invest, with professionalism and transparency, institutional capital originating from all over the world. The governance, the internal committees and the well-defined and disclosed procedures enable COIMA to be selected by investors such as ADIA, Ivanhoe Cambridge, Poste Vita, Qatar Investment Authority and many others to manage their capital dedicated to the Italian real estate market.

Investors origin (€)



Capital source (€)



Many of these investors choose COIMA due to the shared values to sustainable development, innovation and digitalization which are no longer a choice, but a need to address the continuously evolving demand and to provide our contribution toward global challenges.



For Ivanhoé Cambridge, corporate social responsibility is at the very core of our mission. We are committed to creating living spaces that foster the well-being of people and communities, while reducing our environmental footprint. We are very pleased to work with strategic partners such as COIMA with whom we share our strong engagement toward the integration of sustainability and innovation in our daily business in order to create long-term value and improvement for all our stakeholders.

Arnaud Malbos, Senior Vice President, Investments, Europe



As CIO of Poste Vita, in selecting real estate investments, I always evaluate environmental and energy issues, including ESG aspects, and the LEED rating. These are key elements in our selection process and part of our investment policy. Poste Vita is fully committed to a sustainable environment and fully appreciate COIMA for how relationship integrates these aspects in its own business and with the stakeholders.

Antonio Colombi, CIO, Poste Vita S.p.a.

A glance at Lombardy and Milan

Lombardy represents the region with the highest potential for development (22% of Italian GDP), with an average growth in GDP in Milan over the last 4 years of approximately 6.2% (+3.6% compared to the Italian average).

Milan currently attracts foreign capital inflows and investments, also thanks to a stable political and business leadership. It is a city in evolution, with a significant number of requalification and infrastructural improvement projects relevant at the European level.

The Municipality of Milan has recently presented the "Territorial Governance Plan" (Piano di Governo del Territorio), in order to make the city more attractive, livable, inclusive and sustainable with incentives for those who invest in the periphery, important measures for the recovery of abandoned buildings, urban regeneration and an expansion of green areas.

Milan and its metropolitan area are experiencing a particularly dynamic phase of transformations: many projects have been launched with the aim of redefining the urban and metropolitan layout and equilibriums.

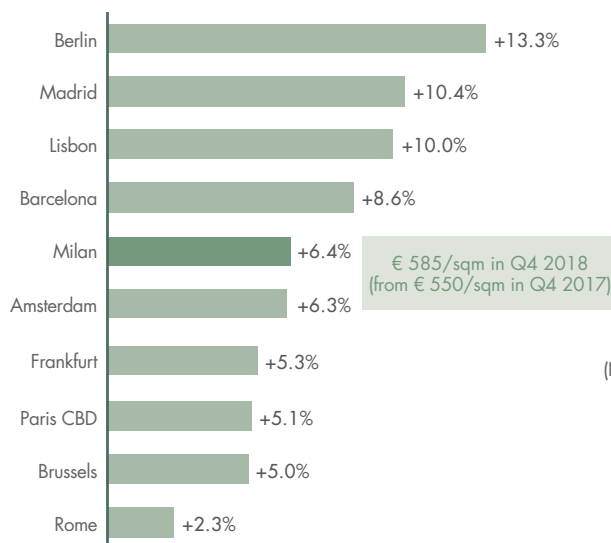
The Porta Nuova/Garibaldi area represents a focal point of this approach, which was followed by other important interventions in Porta Volta, CityLife and Darsena areas.

Over the coming months, the large area of the Railway Yards will become central, an unmissable opportunity for the urban regeneration of Milan. From this standpoint, it is even more strategic to focus investments on Milan, especially in the offices sector, exploiting both the trend toward economic growth and the presence of key infrastructures. This is also relevant because the current Milanese real estate stock is dated and not very efficient. Moreover, the dimensions of residential buildings do not satisfy the emerging need for smaller solutions, resulting from the reduction in family sizes.

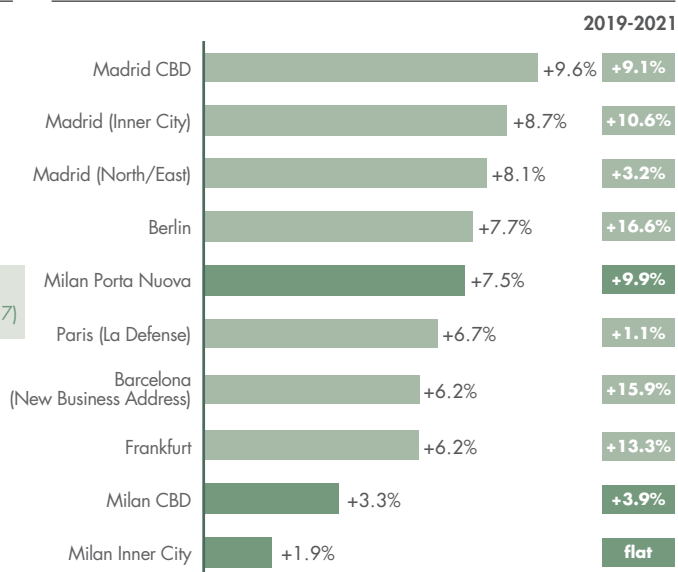
In recent years, a rising number of Italian and foreign industrial and retail groups opened new branches and offices in Milan: almost 3,100 multinational companies have their headquarters in this metropolitan area, approximately one-third of those who operate in Italy, for a total of 280,000 employees, one of the highest concentrations in Europe.

The office space market in Milan remains favorable, with prime rents rising to a level of Euro 585 / sqm as of 31 December 2018 (Source: JLL), or, in other words, an increase of 6.4% in 2018. Green Street Advisors estimates that the combined growth in rents and occupancy over the period 2019-2021 will be equal to +9.9% in Milan Porta Nuova and +3.9% in Milan CBD.

Prime office rental growth (2018)



Office rental and occupancy growth¹



SOURCES: JLL (2018 DATA), GREEN STREET ADVISORS (2019-2021 DATA)
1 REV/PAM

Demand for tenants shows continuous growth, in particular on the high quality property market, with approximately, 70% of leasing transactions in the area of Milan involving "Class A" buildings.

Over the last three years, COIMA completed acquisitions totaling over € 1.5 billions, approximately Euro 400 million

of which in 2018. In 2018, the acquisitions focused on the offices sector (100%) located in the city of Milan (100%). The demand and the real estate product of the various asset classes are evolving based on the main market trends, in terms of demographic changes, socio-economic behaviors and technological innovation.

Global macro trends evolving demands



Less private space **more shared space**



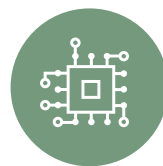
Real Estate as a **service**



Entertainment as **community gathering**



Sustainable lifestyle driven by savings



Digitalization as a human facilitator

COIMA's investment strategy



We invest in properties that have the potential to satisfy the evolving requirements of tenants and communities and can generate sustainable value over the long term. Sustainability is a key consideration in the decision-making process: our Sustainable Innovation Committee collaborates with the due diligence team to assess the current ESG conditions and the future potential of the assets in order to create a stable and lasting portfolio.

Edoardo Schieppati

Director, Investment Management & Member of the Sustainable Innovation Committee, COIMA

COIMA's investment strategy is focused on identifying the main market trends and seeking out opportunities, with a view to maximizing the generation of economic value for investors and environmental and social value for the communities.

Over the next few years, the main factor in creating value will be product innovation, in order to anticipate the global change in the demand for real estate assets and to meet tenants' new requirements.

Strategy is focused on various risk classes:



Core/Core Plus: with the acquisition of properties that are totally or prevalently incoming generating properties, which offer a high quality in terms of architectural and historical value and environmental sustainability. In the context of investments in fully let properties, buildings with certifications in accordance with recognized environmental standards are taken into consideration, but also buildings which, thanks to proactive asset management actions and targeted optimization interventions, can achieve certifications or improve the level of their management efficiency over time.



Value add: which optimize existing buildings that do not already offer spaces and environmental performances quality and efficiency, but a high potential for improvement through refurbishment plan.



Development: with the development of new buildings in accordance with the highest architectural, sustainability and technological innovation standards. The development context includes the regeneration of abandoned areas through the development of districts which can lead to a general requalification of the urban fabric, optimizing the territory and bringing benefits for the community.

In applying its investment strategy, COIMA always sets for itself precise sustainability objectives: in recent years, tenants have shown greater demand for more efficient buildings, while investors have directed their resources toward investment vehicles that use ESG criteria.

COIMA integrates ESG principles (environmental, social and governance) into its investment strategy, because they constitute

one of the key factors for the profitability of investments. In large projects with a focus on the regeneration of urban spaces, aspects related to social dynamics are considered: the functional mix (in other words, the integration of residential, retail, office space and industrial/productive space and common and shared spaces) is a key element for tenants since it ensures the livability of the area and, consequently, increase its attractiveness.



Main characteristics of properties acquired

- » High quality of buildings, both as to their “de facto” status, and in the future following renovations;
- » Location in strategic areas that are well-connected to the public transport network;
- » High standing tenants with a preference for “investment grade” entities;
- » Mix of long term lease agreements;
- » Particular attention focused on sustainable buildings, both on a “de facto” basis and in the perspective with refurbishment, with related certifications (LEED, WELL, Cradle to Cradle, Near Zero Emission Building, etc.).

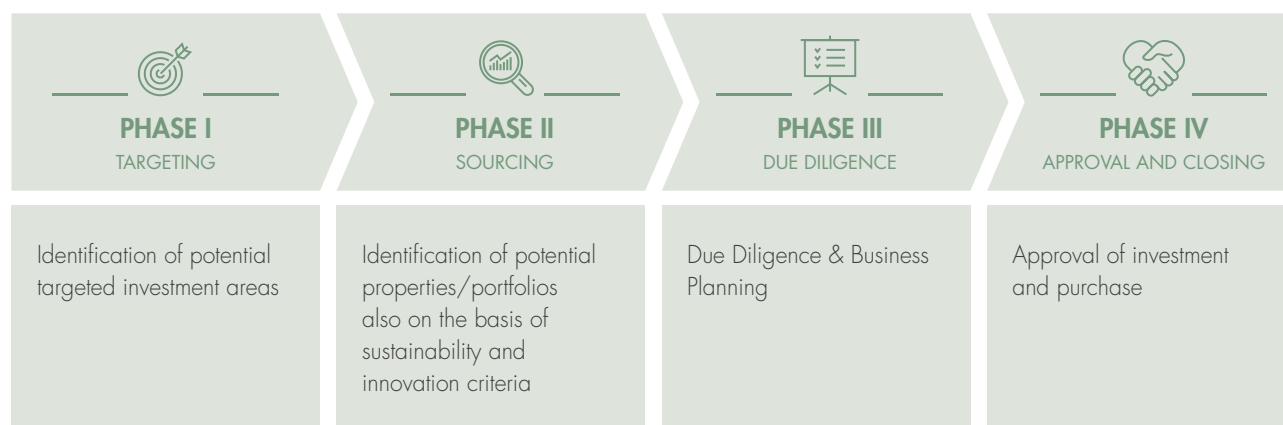
Proactive management of assets

- » Constant monitoring level of tenant satisfaction;
- » Renegotiation of lease agreements, with extend terms and raised rents;
- » Tenants rotation, in order to capture trends showing growth in market rents;
- » Feasibility study and implementation of interventions with the aim to improve spaces when necessary;
- » Repositioning and upgrade of buildings when appropriate;
- » Assessment of possible disinvestment of non-strategic assets or on an opportunistic basis;
- » Optimization of the financial structure.

The investment process

COIMA's investment process is based upon an approach which aims to create value and generating attractive returns for the investor, commensurate with the risk profile.

The investment process combines sustainability values and criteria with a view to improving the risk/return of the investment, rising a positive impact on environmental and social aspects alongside the achievement of targeted financial returns.



Investment phases



1. First phase: *Targeting*

The first phase of the investment process consists of the identification of potential targeted investment areas, on the basis of an in-depth market research coordinated by the Investment Management team with the following two main approaches:

- I. **Macro research:** macroeconomic and financial analyses supported by the advisor Sri Kumar, one of the leading economists in the world with over 2 years of experience at TCW as Chief Global Strategist, who supports COIMA in identifying trends in capital markets and the financial sector.
- II. **Real estate market and trends:** the Investment Management team traces on a continuous basis, through activities on the field, changes in the real estate market, gathering information from the leading research institutions and specialized advisors.



2. Second phase: *Sourcing*

The second phase of the process involves the identification of the potential properties/portfolios in the identified areas during the targeting phase, followed by a investment preliminary assessment. Such analysis includes, in addition to the drafting of a business plan, the assessment on the type of requalification and the efficiently achievable with certifications. During this phase, the verification of the trend in product innovation is key, and consists in the continuous

research to gather and understand the changes in the real estate product and how this may impact the future value of properties; a predominant factor in market analyses. In order to anticipate market trends, COIMA has established a Sustainable Innovation Committee whose objective is to identify trends in the construction, product and format in demand and users' requirements, which would be used in defining projects target.



3. Third phase: *Due Diligence*

The third phase of the process consists in the initiation of a Due Diligence on the selected investment opportunities, through financial, legal and technical analyses, as well as specific in-depth verifications (e.g., tax, environmental and administrative investigations). In such phase, the environmental and social sustainability target of the investment is analyzed, identifying the areas of implementation of sustainability criteria in the requalification interventions undertaken in the investment strategy and the relevant certifications achievable. The Investment

Management Team is supported by the Project and Construction Management and Property Management Division with which goals concerning the management enhancement or optimization for rental buildings are defined, as well as the budget and related costs. The results are summarized in a technical report presented to the Investments Committee which will constitute, in the event that the investment is approved, the "tableau de bord" for the Asset Management division in the implementation of the business plan.



4. Fourth phase: *Approval and Closing*

The results of the due diligence and the Business Plan are presented to the Investments Committee, which closely evaluates the economic performance of the investment, the target returns of the transaction, the potentials for enhancement of the property and the market qualitative standards achievable

upon the conclusion of the envisaged requalification process. In the event that the investment opportunity is approved, the Investments Committee recommends it to the BoD for final approval and the set up activities required in preparation of the purchase of the real estate property.

 CASE STUDY



CORSO COMO PLACE, our investment strategy applied

COIMA's mission of promoting new sustainability and technological innovation standards is naturally applied in the new development projects under management.

At the beginning of 2018, COIMA completed subscriptions of COIMA Opportunity Fund II (COFII), the largest real estate fund dedicated to development transactions with discretionary capital ever raised in Italy. COFII's sponsors includes the most important worldwide institutional investors, with a long-term outlook in value creation. COFII's main strategy is focused on closing specific gaps on the Italian real estate market, in particular the structural lack of grade A properties for offices, especially where tenant demand has become increasingly focused on the efficiency and flexibility of spaces.

Corso Como Place, COFII's first investment, is a pilot project of key importance in COIMA's strategy, since it is an emblematic case of reusing a vacant building from the '60s and essentially setting the bar for future projects. The development also includes the construction of a new 4-story building using timber and steel construction structures. The extensive use of timber in the floors and the facade, not only lends quality to the interior design spaces, but proposes to the city of Milan a new sustainable model.

Sixty-five percent (65%) of Corso Como Place's energy requirements will be supplied by renewable energies thanks to the use of ground water for the direct cooling of the spaces and photovoltaic panels. Both buildings will be certified LEED Gold and will be the first in Milan to attain the WELL Gold certification, that promotes design standards for healthy spaces and the wellbeing of the occupants.

Finally, the entire complex has been designed with an infrastructure of sensors that will be capable to offer tenants advanced services, based upon Internet of Things technology.



Corso Como Place represents for COIMA the first of a series of new generation projects; our answer to the fast changes that the real estate market is facing. We have requalified a quite inefficient 1960s building, repositioning the asset as one of the most sustainable and technologically advanced buildings that the Italian real estate market can offer.

Ettore Nobili
Fund Manager, COIMA



reduction of energy requirements through the design of buildings incorporating the use of high-performance facades and the adoption of sun shading devices;



reduction in energy consumption through the adoption of high efficiency building services technologies;



implementation of renewable energy sources for building energy demand (geothermal free-cooling and geothermal heat pumps with integrated façade photovoltaic system);



use of Cradle-to-Cradle certified materials, based upon the principles of circular economy;



integration of new "Internet of Things" (IoT) sensors for gathering data within the occupied spaces;



design of the new building that could be converted into alternative functions, inspired by the holistic concept of flexibility;



integration of "nature" into spaces (Biophilia), through landscape design that integrates plants, shrubs, green areas and therefore creating a high quality and attractive public and private urban space.

Milan - Corso Como Place - Render



Asset Management

THROUGH CAREFUL ASSET MANAGEMENT FOCUSED ON QUALITY, COIMA CREATES AND MAINTAINS VALUE OVER TIME.



For COIMA, Asset Management is a strategic element for the value creation for investors focused on principles of sustainability and innovation. 2018 was a year in which we have been busy working on the optimization of the assets under management and development operations, with three important buildings sites such as Corso Como Place, Gioia 22 and San Fedele. The investments made last year will see us once again in the front lines in the next few years in the creation of sustainable and innovative products.

Matteo Ravà
Managing Director, Asset Management, COIMA

For COIMA, Asset Management activities represent the central pillar in the management of the entire real estate value chain, through a direct involvement from the acquisition phase up until the final disposal of the properties. During this process, the asset management team has the task to coordinate and engage in the dialogue with all stakeholders involved, both within and outside COIMA.



Relationships with COIMA's internal team revolves around:



support and coordination with the investment team during the analysis, negotiation and finalization of contracts for the acquisitions of properties;



coordination of the Development Manager's activities during the design phase and the optimized/or developed properties;



coordination of Property Management activities during the operational phase optimizing their performances and maximizing tenant satisfaction;



support from the financial area in managing the active and passive cycle of individual properties/funds and in preparing accounting documents;



support and coordination with the Investment team, once the disposal strategy is defined, for purposes of concluding the asset disposal process.

With respect to external stakeholders, the Asset Management team plays a central role for the information flows concerning:



reporting and updates to investors;



negotiation, execution and maintenance of bank financing contract agreements;



relationships with the Public Administration and territorial entities involved in the projects;



negotiation of the lease agreements and the management of relationships with tenants of the properties;



closing of sales and post-sale relationships with final customers (for offices and residential property);



management of specialized consultants and suppliers.

COIMA aims to maximize efficiency in the performance of properties, increasing tenant satisfaction.

In order to ensure that the properties become more efficient, COIMA implements solutions and activities in the management of buildings that have a positive impact on energy and environmental consumption and the wellbeing of occupants.

The reduction of environmental impacts, and especially those related to CO₂ emissions, allows operational cost saving of the buildings and achieving a lower overall cost of occupation. This is the way to create conditions for a long-retainer based upon shared environmental efficiency and sustainability objectives, creating the consolidation of a position of competitive advantage with respect to competitors, especially in development activities.

With regard to the wellbeing of the occupants, the adopted solutions represent an attractive element for tenants, including their positioning on the labor market, and have a positive impact on the productivity thanks to the greater comfort provided. For COIMA, this translates into an increased value of the properties and their level of attractiveness and, furthermore, represents a distinguishing feature of the development and management activities.

The motto "*happy tenants pay rents*" is always in mind of COIMA and implemented through both direct meetings with tenants' representatives and the property managers, and periodic tenant surveys.

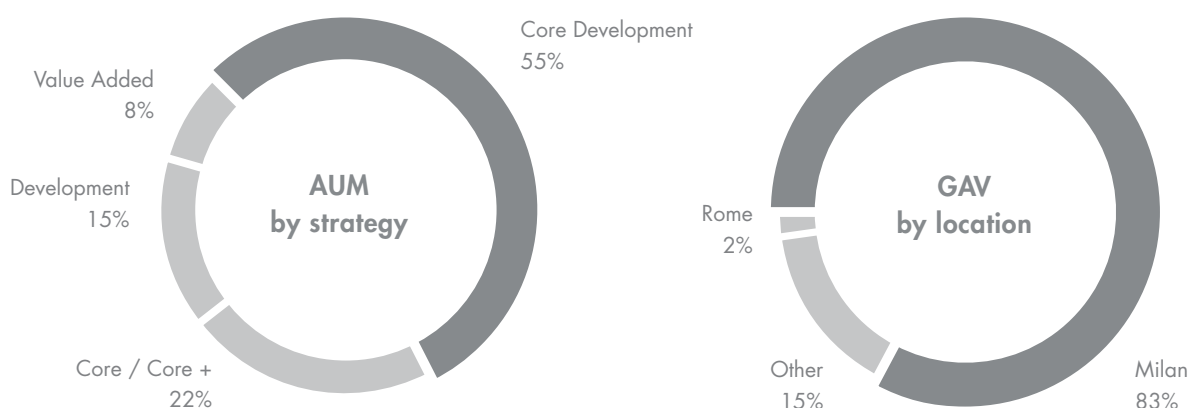
Such surveys, developed by Kingsley Associates, allow for an objective measurement of the level of satisfaction of occupants through an assessment of elements to the leased spaces.



SGR

Data on COIMA SGR's assets under management

At the end of 2018, the real estate asset value (GAV) managed by COIMA SGR amounted to a total of 4.4 billion euro, divided over 22 funds. The portfolio composition has a percentage of 77% of Core assets, developed directly by COIMA SGR over the last decade with a predominant location in the city of Milan.



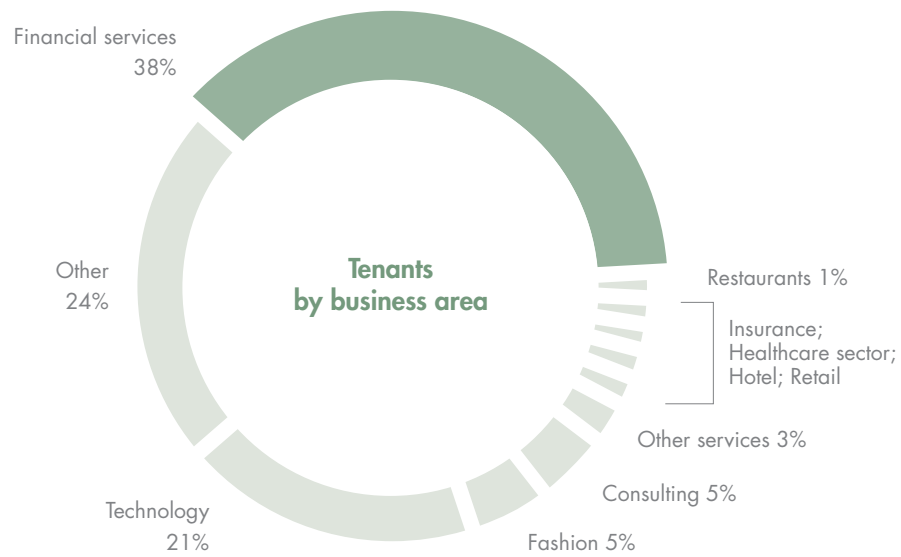
Funds managed by COIMA SGR as of December 2018 update

"Core" Funds Porta Nuova Garibaldi, Porta Nuova Varesine, Porta Nuova Isola, COIMA Core Fund I, COIMA Core Fund II, COIMA Core Fund III, COIMA Core Fund IV, COIMA Core Fund V, COIMA CORE Fund VI, COIMA Logistics Fund I, COIMA SOFAZ Real Estate Fund, COIMA Italian Copper Fund, Feltrinelli Porta Volta Fund

"Value Add" Funds COIMA Opportunity Fund I, COIMA Opportunity Fund II, COIMA QIA Italian Property Fund, Porta Nuova Bonnet, COIMA Mistral Fund

"Development" Funds Porta Nuova Gioia, Lido di Venezia, Lido di Venezia II, Porta Nuova Centrale

Tenant update



Main Office Tenants



Main Retail Tenants



36

2018 new contracts:



20

New contracts under management (Office, Retail) for **30,000 sqm** of which **15** new signed contracts for **15,000 sqm**



16

New signed contracts (Residential) for **4,000 sqm**

Financial leverage at COIMA

Since 2000, COIMA has successfully negotiated over 4.9 billion Euro in loans with the main Italian and international banks, approximately 2.7 billion Euro of which has already been repaid. For each loan agreement, a high-performance profile was maintained, in accordance with the conditions negotiated. In particular, COIMA has structured its investment strategy and management of investment by focusing attention on prudent risk management, a key element that is constantly monitored.

From a prudential standpoint, the loan agreements are hedged against the risk in exchange rate fluctuations through the use of derivative instruments for hedging purposes. To date, approximately 78% of the total amount financed is covered by hedging contracts.

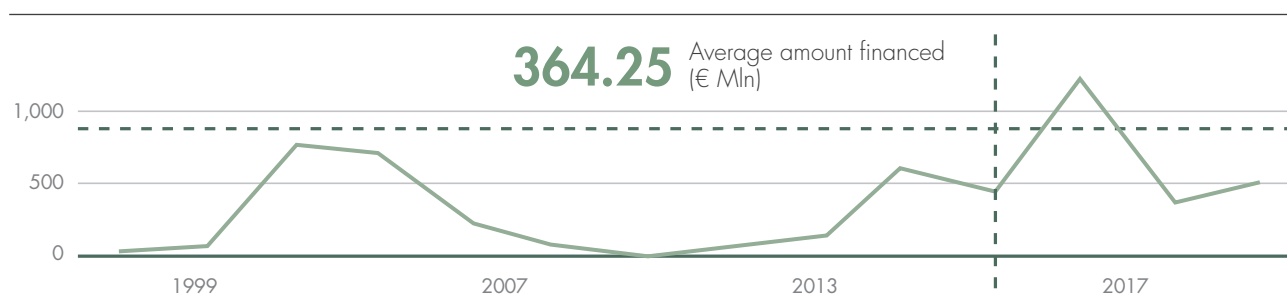
In 2018, loan agreements were concluded for a total amount of

over 500 million Euro to finance Core projects and Development funds, which involved 8 different Italian (42%) and international (58%) banks.

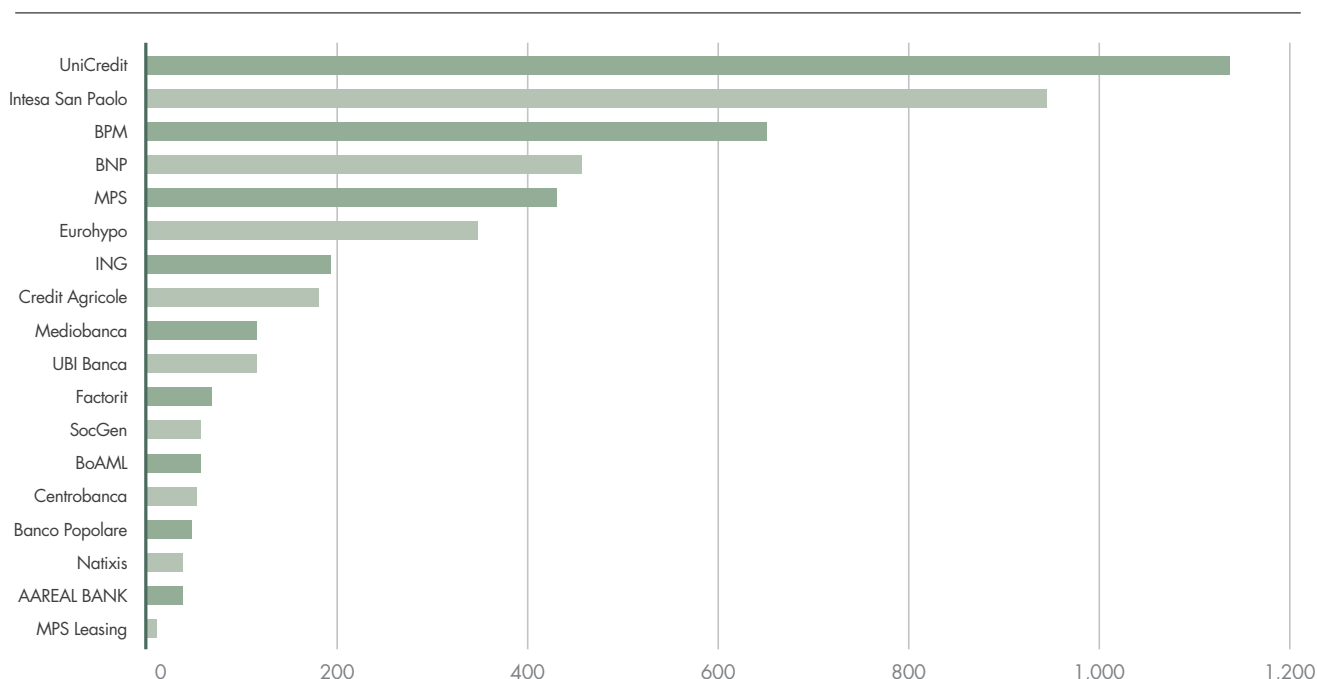
COIMA has negotiated financial conditions in line with the best conditions available on the market, also considering a spread of approximately 150 bps for the core funds and a spread of approximately 205 bps for development funds.

Overall, within a conservatively contained financial leverage, the value created, measured by the increase in value of the capital invested on the individual investment on the basis of final values as at December 2018, exceeds 60% with a business plan target that, overall, estimates approximately to double the value of capital invested.

Amount of loans per year



Amount financed per banks (€)



 CASE STUDY



BNP Paribas

BNP Paribas is one of our primary tenants and shares with COIMA the commitment for environmental sustainability.

BNP has occupied, since 2016, the “Diamond” tower of Porta Nuova Varesine, one of the most iconic buildings of Milan’s skyline, completing the certification process initiated by COIMA, adopting the LEED Core&Shell, and continuing with the interior design of the spaces in accordance with the LEED Commercial Interior certification, achieving the prestigious GOLD level.

As confirmation of the shared commitment on sustainability issues, BNP and COIMA agreed upon, in the management of the property, certain “best practices”, such as the subscription of a “green” certified electricity supply agreement, and the plastic free management of the property, eliminating the use of water bottles, which were replaced by certified distributors in break areas, along with the supply to all employees with bottle made of recyclable material, the elimination of plastic cups and pallets from vending machines, replaced with compostable solution and the elimination of cutlery and cups in plastic in the smart cafeteria service, replaced metal cutlery and cups with biological material.

In addition, in response to the increasing attention for sustainable mobility, BNP has fostered the use of electric cars with reserved parking places, thanks to LEED certification of the building promoted by COIMA.



Prestigious tenants such as BNP make the management of COIMA SGR’s real estate portfolios more challenging and create opportunities to concrete dialogue in quantitative and qualitative terms, in order to enrich its experience and improve future strategic objectives. The evolution of real estate products must necessarily pass through the implementation of environmental and social sustainability policies that allow for a more careful use of the natural resources of the planet and place people at the center, for the development of corporate welfare.

Luca Mangia

Director, Asset Management & Member of the Sustainable Innovation Committee, COIMA

“For BNP, sustainability is an established aspect in the company’s business model. We are personally committed to achieve challenging sustainability objectives that we at BNP report each year through our Sustainability Annual Report. The architectural quality and the high environmental performances were decisive factors in our choice to consolidate our company within this building.

Mauro Bombacigno Head of Engagement BNP, Paribas Italia



Architecture and economic development COIMA contribution in the last 10 years

Design contribution



54

Buildings



1,500,000

sqm



500,000

Public spaces



9

Design competitions



257

Architectural and design firms*



€ 150 m

Architecture & Design Fees

Construction contribution



32*

Contractors



100%

Italian



5,000

Total directly employed workers



€ 1.1 Bln

Construction costs

Public contribution



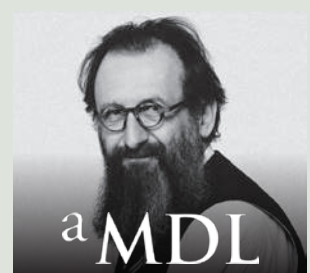
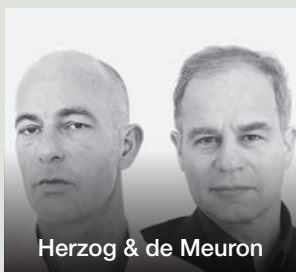
€ 450 Mln

Urbanization costs, municipality fees, qualitative standards, extraordinary taxes, acquisitions

* BASED ON SINGLE PROJECT ASSIGNMENTS



COIMA worked with over 30 leading architectural firms in the world over the past 10 years



Development Management

COIMA SRL MANAGES, WITH AN INNOVATIVE AND SUSTAINABLE APPROACH, THE PROCESS OF PROPERTY DEVELOPMENT IN ALL OF ITS PHASES, TAKING INTO CONSIDERATION THE URBAN CONTEXT, MANAGING THE TECHNICAL AND INDUSTRIAL DEVELOPMENT PROCESS AND OPTIMIZING THE DESIGN, PLANNING AND CONSTRUCTION PHASE.



After the design and planning activities of COIMA's strategic and new generation developments, this year was characterized by the massive launch of development, excavation and construction activities, for the projects under management. We are under construction of high-rise buildings using climbing formworks for the realization of the "core" in reinforced concrete and building with mixed timber and steel structures based upon circular economy criterias in real estate development.

Franco Gerbino
Director, Development Management, COIMA



Development Management's activities concern projects having a range of different sizes, uses and complexities. Through a careful and disciplined coordination and management of processes, the long-term creation of value is ensured for investors and community.

COIMA Development Management identifies the best professionals and companies on the market for the design

and construction, through the preparation, coordination and management of competitive tender procedures.

COIMA Srl is also responsible for coordinating and managing the construction activities, monitoring the work carried out by contractors, the head of works, the building site safety consultants and all of the stakeholders involved in the construction phase.



S.r.l.

COIMA Srl's approach toward development activities is focused on:



recover and optimizing existing buildings;



reclaim and developing vacant urban areas;



monitor wastes throughout the building's entire life cycle, applying principles of circular economy;



minimize the use of natural resources;



choose materials that contribute toward improving the environmental performance of buildings, giving priority to recycled materials that are produced locally, with Cradle-to-Cradle® certification;



encourage sustainable mobility;



adopt the most recognized environmental sustainability protocols related to health and wellbeing (e.g. LEED and WELL), and identify other possible certifications;



implement "value engineering" process, guiding the planning team toward selecting innovative construction materials and technologies.

COIMA has projects under management, between regeneration and development for over 600,000 sqm.

Project	GBA (mq)	Architects	Certifications
Gioia 20	65,000	Antonio Citterio Patricia Viel	LEED Platinum Well Gold Cradle-to-Cradle NZEB
Lido Di Venezia	350,000	-	-
Corso Como Place	30,000	PLP Architecture	LEED Gold Well Gold Cradle-to-Cradle NZEB
Porta Nuova Gioia	67,000	PCPA	LEED Gold Well Silver Cradle-to-Cradle NZEB
San Fedele	13,000	Asti Architetti	LEED Gold
Valtellina	76,000	-	-
Total	600,000		



COIMA's priorities in development projects

Priority	Value for COIMA	Value for the stakeholder
Implementation of technological innovations	<ul style="list-style-type: none"> • Developing Smart Building systems, integrating devices based upon the "Internet of Things" (IoT) principle, advanced systems of cloud analysis and predictive analytics on data analysis. • Mitigating the risk of obsolescence of the properties. • Increase the value of the property through the use of technological data, use and quality of occupied spaces. • Increase the assets attractiveness on the market 	<ul style="list-style-type: none"> • Growth in the value of the property. • Shorter absorption timeframe. • Potential rise in the value of transactions.
Attention to the social aspects	<ul style="list-style-type: none"> • Better definition of spaces and their integration with the surrounding context. • Starting a transparent relationship with the community. • Attentions focused on reputational aspects. • Maximizing wellbeing perceived by the everyday user. 	<ul style="list-style-type: none"> • Integration of the asset within the urban context and the community dynamics. • Creation of a high-quality asset, with spaces that help to improve the productivity and wellbeing of people
Promotion of sustainability protocols	<ul style="list-style-type: none"> • Implementation of best practices in architectural quality, efficiency and usability of spaces, modernity and systems innovation, quality and health of materials and products used. 	<ul style="list-style-type: none"> • Rise in the value of the property and higher attractiveness. • Shorter absorption timeframe. • Potential rise in the value of transactions.
Respect for places	<ul style="list-style-type: none"> • Open a dialogue with the Authorities and offices of the cultural heritage authority, for the optimization of the cultural heritage of assets and their recovery. • Contribute toward improving the quality and value of private and public places in the context in which COIMA operates. 	<ul style="list-style-type: none"> • Optimization of the building. • Improving the integration within the urban and social context.
Recovery of important places for the city	<ul style="list-style-type: none"> • Considering the fundamental principles of urban regeneration achieving greater connections and mobility. • Bringing life and visitors to places. • Contribute toward reactivating a piece of the city. 	<ul style="list-style-type: none"> • Optimization of the context surrounding the area subject to the regeneration. • Integration within the urban and social context. • Elimination of pre-existing fences and barriers and creation of green, open and shared public spaces.

 CASE STUDY



Gioia 22

Gioia 22 is a real estate development which consists in the construction of a 26-story office building, with the capacity to host up to 2,700 people. It is a building where technology and sustainability have been at the foundation of a project that, for the very first time, interprets the new generation of smart buildings. Extremely contained energy consumption is combined with an innovative use of spaces. A place built for the human scale, in which the quality of the occupants' working life is guaranteed.

The building has been integrated within the urban fabric providing connection to bike paths, providing new external pedestrian areas with green spaces. The building satisfies the growing demand for the "green" mobility, toward a healthy lifestyle, respectful for the environment.

GIOIA 22 moves the frontier of environmental sustainability:



design and construction approach based upon the concept of circular economy, with the use of certified Cradle-to-Cradle® materials and products



designed to achieve LEED Gold certification



designed to achieve WELL Building Standard



classified among the very first NZEB - "Nearly Zero Energy Consumption Buildings"

In 2018, the work activities focused on the cleanup of the pre-existing building and the complete demolition and excavation. The Initial building site activities began with the removal of all MMVF (Man-Made Vitreous Fiber) located on the various floors of the existing building.

The entire building was vacuumed and all materials qualified as SUWs (Solid Urban Wastes) were removed in a "free" area.

The site also contained ACMs (Asbestos Containing Materials): the materials containing asbestos were removed through vacuuming and encapsulation, prior transiting on platforms through a Unit for the Decontamination of Materials (UDM).

Overall, for the entire building, 200 tons of ACM and 48,000 sqm of MMVFs were removed. During all working activities, daily environmental monitoring have been performed using optical microscopy with contrast of phase and for ensure the complete removal of pollutants, a S.E.M. analysis (scanned electronic microscopy) were also carried out at work completion before the reclaim of the areas.



Property & Facility Management

CREATING AND MAINTAINING EXCELLENCE OVER TIME, MANAGING BUILDINGS WITH A VIEW TO MINIMIZE IMPACTS, OPTIMIZE OPERATIONAL EFFICIENCY AND CREATE VALUE.



The new market trends confirm the extent to which the tenants requirements and our clients are changing. We work with them on a daily basis on preparing the best strategies to optimize and enhance the assets through the sustainable management of resources and the supply of services.

Paola Visani
Head of Finance & Operations, COIMA Srl



COIMA Srl provide to its clients and investors its experience in managing complex real estate assets, with the goal to maintain and improve the value of the property over time.

COIMA's approach guarantees the pursuit of objectives and the achievement of results on the operational and energy efficiency of the property and the reduction in risks associated with real estate investment.

The Property Management activities are based on a careful analysis of the state of the property. In agreement with the owner, the best management strategy is defined with a view to improve the performance, the technological innovation and efficiency of the building. This approach, which brings advantages in terms of both reduction in consumption and

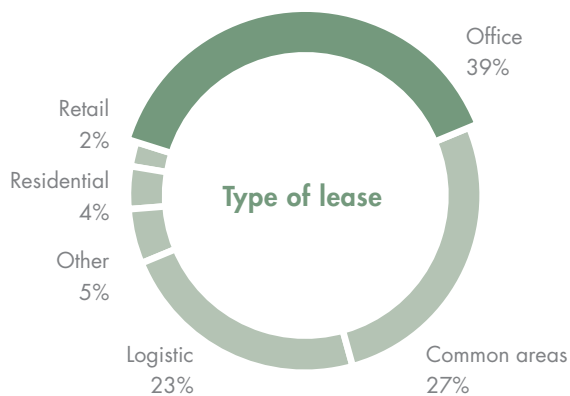
increase the useful life cycle of systems, is balanced with the investment strategy and use of the property by the owner. It also allows for the implementation of continuous monitoring process and performance assessment, that is flexible and adaptable to the strategies and the needs of the client and users/tenants.

COIMA Property Management uses services suppliers selected among the best players on the market through the preparation, coordination and management of competitive tender procedures and through the periodic monitoring of the quality of the services provided, with a collaboration with the Procurement Division for the update of the database. It provides assistance to its clients also during the acquisition phase and disposal of core assets or in the development, construction and renovation of new properties.

It collaborates and supervises external consultants and performs project monitoring activities with the aim to optimize the structures and the systems. This approach ensures positive, satisfactory and timely results for both the owner and the tenants in terms of profitability, savings, maintenance and creation of investment value and high quality standards. Recently, COIMA increasingly focused on the integration of

technological innovations and processes, particularly with regard to the "digitalization" of the properties and services. With the digitalization, it will be possible carry out precise analysis of performances through integrated cloud systems in real time, and to adopt Productive Maintenance and corrective measures to mitigate measures useful for further improving the performance of the assets under management.

Properties under management as of 31.12.2018



83
Buildings under management

1.5
million sqm
Area under management with a predominantly tertiary use

5%
Global increase in the areas managed by COIMA in 2018 (increase of **44%** since 2014)

Over **170€/Sqm**
Average under management fees

Over **27€/Sqm**
Average costs for managed services

Over **250**
Tenant under management ⁽¹⁾

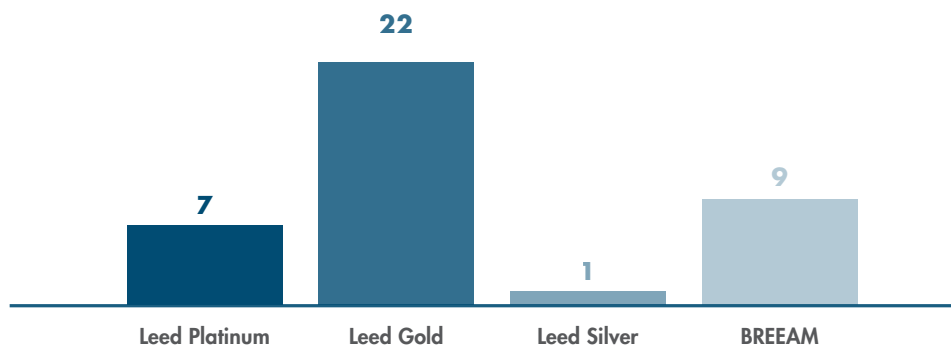
(1) INCLUDING RESIDENTIAL



S.r.l.

Certified properties under management

55% of the total surface of the portfolio of properties managed by COIMA Srl has obtained or maintained an energy certification, showing the high construction and management standards of the assets managed.



COIMA worked with attention on high value-added activities aimed at pursuing the objectives of environmental improvement and energy performance, such as:



analysis of the energy market and management of the utilities portfolio with a view to increase the portion of energy purchased with a certification guaranteeing the production from renewal sources;



ongoing monitoring of consumption and related physical figures for the purposes of identifying opportunities for improvement through management interventions;



planning of "ad hoc" measures for the improvement of energy performance from a building services and structural standpoint;



ongoing research for technological and building services solutions to reduce consumption and increase production from renewal sources;



give the maintenance of more complex technological equipment to enterprises of proven experience and with adequate structure to maintain the high efficiency of the parts and equipment over time, and, consequently preserve their value;



remote access and innovative supervision systems to monitor buildings through the implementation of systems capable of minimizing consumption and maximizing efficiency;



implementation of systems that allow for the recovery and use of water/rain water;



monitoring of the efficiency of the water systems and hydronic circuits;



adoption of systems for minimizing of drinking water consumption.

Relationships with tenants



Digital technologies represent the new frontier for the efficient and sustainable property management: with the ability to gather, transfer, elaborate and analyze data in real time, it is possible to respond in a timely manner to tenants' requests and ensure greater comfort for occupants. The implementation of artificial intelligence constitutes the challenge for the future.

Vincenzo Donnola

*Senior Manager, Property Management
& Member of the Sustainable Innovation Committee, COIMA*



Tenant satisfaction is a fundamental driver in the management of real estate assets. For this reason, COIMA measures the level of tenant satisfaction by engaging them through the "Tenant satisfaction survey", which is useful for determining the Kingsley Index (SM), index of measurement of the level of satisfaction of the customer and tenants. COIMA SGR tenants of the properties comprising its portfolio have been surveyed.

The questionnaires are personalized according to the type of space leased: office, retail or industrial. COIMA's results are compared with the data gathered in previous years, with the Kingsley index of the current year and are used to monitor the effects of the activities carried out, identifying in the meantime potential areas of improvement.

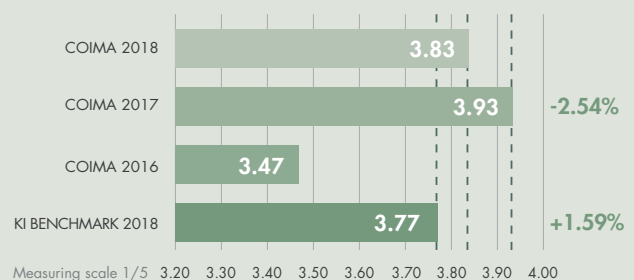
Data on the Kingsley Index (KI) (overall satisfaction with management on properties managed by COIMA)

The results of 2018 survey concerning tenant satisfaction with management activities, saw the performance levels of the previous year essentially confirmed.

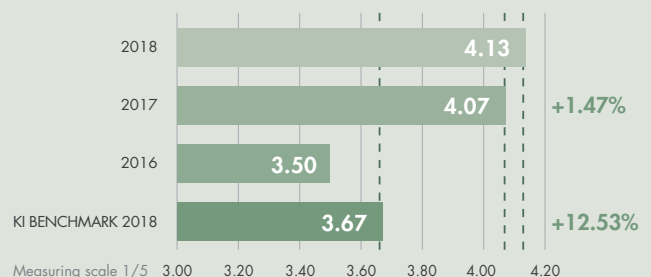
The "office" and "retail" assets under management maintain a positive trend with respect to the Kingsley Index(sm) at the European level, confirming the overall positive assessment of quality perceived by tenants with respect to our work, even though in respect to 2017, COIMA has acquired new management mandates and, therefore, new tenants from third party management.

Starting in June 2019, COIMA planned with its clients the calendar of meetings with the surveyed tenants in order to comment and gather feedback for a possible roadmap of activities improvement to carry out over the course of year 2019-2020.

Management - overall satisfaction - OFFICE



Management - overall satisfaction - RETAIL





Milan - Palazzo Aperti - Façade

 CASE STUDY


Palazzo Aporti

In 2011, Palazzo Aporti was recovered and transformed into a new office center through a project which combined aesthetics with functionality in architecture, for the design of the building's exterior and interior environments.

COIMA Srl, as Property and Facility Manager, managed the building since 2011 on behalf of the owner, with attention to environmental protection and the development of activities and new technologies capable to reduce the building's emissions and guarantee a high level of systems efficiency.

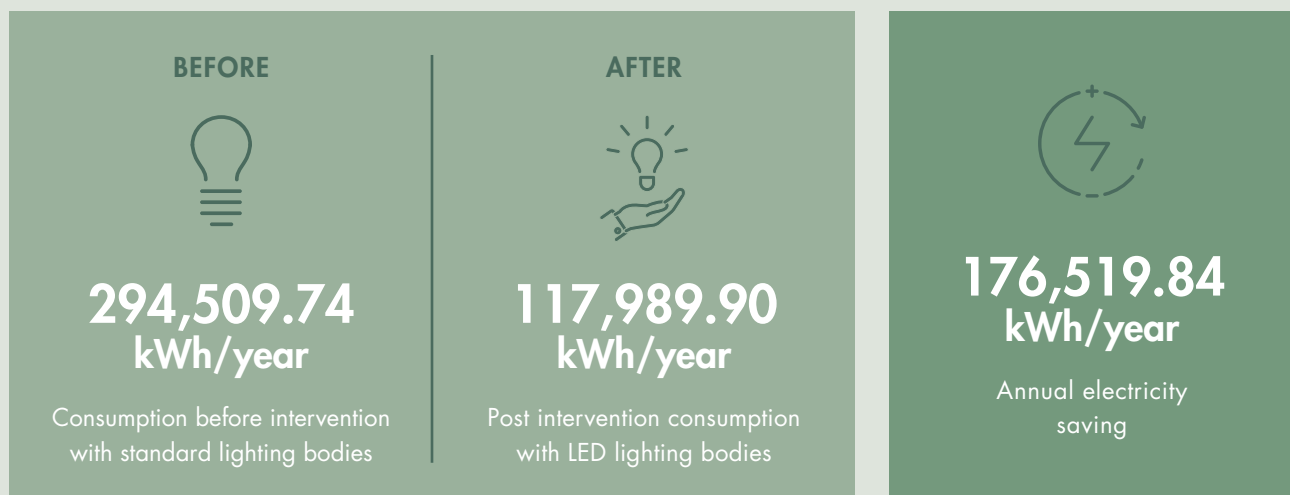
In 2018 two important activities were carried out:

**THE REPLACEMENT OF TRADITIONAL LIGHTING FIXTURES WITH LED TECHNOLOGY
IN THE PARKING AREA AND IN THE STAIRWELLS;**

**THE ANALYSIS OF THE FUNCTIONING OF SYSTEMS
IN ORDER TO IMPROVE ENERGY EFFICIENCY OF THE BUILDING.**

The Facility office, with support from the Procurement office, organized a tender procedure to select suitable lighting fixtures. The search has been focused on a high quality, reliable LED product, with the maintenance of lighting capacity for 50,000 hours (approximately 5 years).

The replacement of about one thousand lighting fixtures with new LED technology allowed for significant annual electricity savings achieved as well as a reduction in annual carbon emissions of approximately 56,000 Kg/CO₂.



COIMA Srl also proceeded, with the support of a consultant specialized in energy efficiency, in identifying actions for improving the building services and their components.

The improvements made allowed for a consumption reduction of 64,000 kWh/year, equal to the energy used for 12 hours per day by an office with an area of approximately 300 square meters, and lowering carbon emissions by 20,000 kg/year.

Procurement & Conceptual Construction

COIMA'S PROCUREMENT TEAM SUPPORTS THE DEVELOPMENT & PROPERTY MANAGEMENT'S ACTIVITIES IN ALL PHASES OF THE ACQUISITION, THROUGH OPTIMIZED COMPANY PROCEDURE AND STANDARDS. IN ADDITION, THE CONCEPTUAL CONSTRUCTION TEAM HANDLES TECHNOLOGICAL RESEARCH AND INNOVATION TO BE APPLIED TO DEVELOPMENT INTERVENTIONS.



The Procurement team guarantees transparency and quality in the acquisition of goods and services and contributes toward affirming the corporate values of excellence, independence and integrity. In parallel, the “Conceptual Construction” team promotes the integration of digitalization of the building process, the research for new construction technologies and new materials contributing toward innovation in COIMA’s production processes.

Claudio Saibene
Director, Procurement & Conceptual Construction, COIMA



Within its Procurement Division, COIMA built a considerable network of qualified and reliable suppliers with whom it collaborates in order to achieve high quality standards in its properties, perfecting its attention towards sustainability, improving performance and maximizing economy of scale.

The supplier database contains up-to-date information on the general, financial, organizational and structural,






reputational and performance rating data on which the initial prequalification and final post purchase assessment are based.

The detailed and scrupulous procedures, for both the selection of supplier and tender procedures, allow the management with the utmost transparency and effectiveness, the purchases of services, suppliers and works.



In particular, the Procurement Division:

- » *defines the term sheets of the services and oversees the selection of suppliers;*
- » *prepares the technical and performance specifications of the properties and the plants/systems under management;*
- » *prepares the maintenance and performance-related term sheets;*
- » *defines the Key Performance Indicators to be monitored and the Service Level Agreements;*
- » *initiate the tender processes, defines the criteria for the assessment of bids, proceeds with the comparison and alignment of bids and concludes the process by drafting a final recommendation report which is shared with the owner;*
- » *prepares the supply contracts.*



Relationships with suppliers are based upon:

-  periodic monitoring of data, requisites and performance (rating, satisfaction of ISO 9000, 14000, 18000 certification criteria, adoption of sustainable internal procedures, etc.);
-  transparency in procedures for works appointments, through the traceability of all transactions concluded in the selection procedures;
-  implementation of up-to-date contractual documentation in line with the nature of the services to be commissioned for the protection of clients and in full compliance with the applicable labor laws, regulations, technical rules and standards;
-  optimization of operating costs and improvement of the quality/price ratio;
-  periodic auditing in order to verify compliance with the agreed quality during the contractual performance.

In relation to the prequalification of suppliers:

-  out of a total of approximately one thousand prequalified companies included within COIMA's supplier database, approximately 250 were subject to monitoring and updating tender procedures, including 150 "new entries";
-  with respect to the 250 prequalified companies over the course of 2018, there are approximately 100 professional consultants/advisors or consultancy firms and 150 services and supply companies.

In relation to the tender procedures:

-  in the last year, a total of over 60 tender procedures were held, subdivided among works, services and professional consultancy services;
-  approximately 350 companies took part in these tender procedures, for a total amount of over 150 million Euro, which is higher than past years since it includes the amount of the contracts for two tender procedures for the role of General Contractor for the construction of two important projects in Milan.

 CASE STUDY



Gioia 22

For Porta Nuova Gioia 22 project, a tender procedure was held for the selection of the General Contractor for the construction works on the new Property Complex.

The purpose of the work is the construction of a new class A offices “high rise” tower, with a total gross area of approximately 67,000 sqm, 41,000 sqm of which above-ground and 26,000 sqm below ground, with the aim to achieve the highest sustainability standards (LEED gold certification, use of “Cradle to Cradle” materials, class A1 energy certification) with high performance building services and facade.

A “turnkey” bid was requested, for a “Lump sum” figure that includes construction planning and works based on the Detail Design developed for tender.

The selection of the general contractors was initiated by searching through the company database of suppliers operating over the national territory; a first list of companies was selected according to “core business” criteria and “average annual turnover” in the last 5 years at least equal to the budget of the project.

The companies with a prevalence of public sector tenders were excluded from the list, thereby giving preference to companies with a 5 years track record in private contracts, preferably involving high-rise buildings, or complex projects.

An further assessment was then carried out to 9 companies found to be suitable, based upon the Works Track Record of each or, in other words, analyzing the size of projects completed, their level of sustainability and certification, and their technical and organizational complexity. In addition, assessments were carried out on “Reputational Rating” and “Financial Rating” in order to highlight any critical issues.

Within such latter assessments, and for the reputational rating, the following factors are assessed:



the company reliability



the directors and general managers involvement in legal proceedings



the list of pending legal proceedings



the list of projects in progress and under acquisition



the COIMA rating, if the company has already been engaged in the past, for the construction of other projects



a sector benchmark rating

By combining such assessments, with appropriately determined weights and points, a final list of suppliers is prepared. The tender procedure for the works was carried out in several phases with in-depth assessments which took a total period of six months after the Request for Proposal.

Of the 8 shortlisted companies invited to take part in the tender procedure, only 6 completed the tender process and were subjected to technical, economic and accountability assessments.

The combination of the points percentage for the three assessments yielded an overall final score assigned to the companies participating to the tender procedure, which served to support the recommendation to COIMA SGR for the decision of the General Contractor to be appointed.



03

Governance and risk management

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COIMA strives to ensure the utmost transparency to the market and to its stakeholders, including from a risk management perspective

Our governance

AN APPROACH INSPIRED BY THE BEST INTERNATIONAL STANDARDS WHICH FOCUSES ON TRANSPARENT DIALOGUE WITH ALL STAKEHOLDERS.

COIMA's Corporate Governance system is designed with the aim to contribute toward the achievement of stable business results that are in line with strategic goals, and sustaining its relationship of trust with all of its stakeholders. COIMA's governance structure, which is based upon a traditional organizational model, is inspired by the best international standards and aims to reinforce the capacity of inclusion and participation in decision-making processes.

COIMA's Steering Committee, chaired by Manfredi Catella and composed of 16 Managing Directors and Directors of COIMA SGR, COIMA Srl and COIMA RES, with solid experience in the real estate sector, fosters a shared strategy and bolsters the approach toward an integrated management, especially with respect to the development of human resources, business development opportunities and the involvement of stakeholders.



COIMA SGR's governance

COIMA SGR's Board of Directors is chaired by attorney Cristiana Pisor and composed by other six members, the Managing Director and two executive members in charge of the operational management as executives of the company, two independent directors, one director designated by the minority shareholder.



Members Board of Directors

Attorney Cristiana Pisor
Chairman

appointed chairman the 05/03/14
in office since 13/03/07

Dr. Manfredi Catella
Managing Director

in office since 13/03/07

Dr. Matteo Ravà
Director with mandate
in office since 16/09/15

Dr. Gabriele Bonfiglioli
Director with mandate
in office since 16/09/15

Dr. Matteo Bruno Renzulli
Director
in office since 12/05/15

Dr. Eva Bovolenta
Independent Director
in office since 25/01/16

Attorney Fabio Coppola
Independent Director
in office since 28/02/18

The decision-making processes of the Board of Directors is supported by four Committees: the Investments Committee, the Remuneration Committee, the Conflicts of Interests Committee and the Control and Operational Risk Committee.

The Investments Committee evaluates any investment or disposal considered by the company and reviews on a regular basis the business plans of the managed funds and their risk profile. The committee also assesses the budget proposed for the due diligence phase and monitors the quality of the analyses provided for the various opportunities under review.

The committee is formed by Executive Directors with extensive experience and professional expertise gained in various sectors and, through the control of risks and monitoring of management practices, it constitutes a key element of the standards of excellence pursued by COIMA SGR.

Members of the Investments Committee

Dr. Gabriele Bonfiglioli
Chairman
Managing Director Investment Area

Dr. Manfredi Catella
Member of the committee
Managing Director

Dr. Matteo Ravà
Member of the committee
Managing Director Asset Area

The Remuneration Committee supports the Board of Directors in defining the remuneration policy and verifying its correct application. The committee examines the congruousness of the annual remuneration and incentive plan with respect to the objectives of the plan, the risks managed and the market practices, and assesses the consistency of the criteria for the management of individual and team performances.

Members Remuneration Committee

Dr. Eva Bovolenta
Chairman
Independent Director

Attorney Cristiana Pisor
Member of the committee
Chairman of the BoD

Attorney Fabio Coppola
Member of the committee
in office since 28/02/18

The Committee for the Management of Conflicts of Interests" (hereinafter, the "Conflicts Committee") assesses the terms, conditions and structure of transactions that may have characteristics suggesting a potential for conflicts of interests.

It expresses its recommendations to the Investments Committee on the implementation of additional measures useful for ensuring that the company acts in the best interest of each AIF* and of the investors of each AIF.

Members of Conflicts Committee

Attorney Fabio Coppola
Chairman
Independent Director

Dr. Eva Bovolenta
Member of the committee
Independent Director

Attorney Cristiana Pisor
Member of the committee
Chairman of the BoD

* ALTERNATIVE INVESTMENT FUNDS

The Control and Operational Risk Committee has the task of supporting, with review, consultative and propositive functions, the assessments and decisions by the BoD in relation to the company's Internal Control and operational risk management System. In particular, the committee provides to the BoD:

- » *its opinion on the guidelines of the Internal Control and operational risk management System, such that the main risks of the company are correctly identified and adequately measured managed and monitored, and the compatibility of such risks with a business management approach consistent with the strategic objectives identified;*
- » *the approval, on an annual basis, of the integrated plan of controls prepared by the Head of the Internal Control function and the head of the Compliance/Anti-money-laundering function, after consulting with the Board of Statutory Auditors;*
- » *the draft of the Report on the Organizational Structure, with a representation of the Internal Control, Compliance/Anti-money-laundering and Risk Management System, as well as the assessment on the overall adequacy.*

Members of the Control and Operational Risk Committee

<p>Dr. Eva Bovolenta Chairman Independent Director</p>	<p>Dr. Fabio Di Rosa Member of the committee Head of Internal Audit</p>	<p>Dr. Valentina Maestri¹ Member of the committee Head of Compliance</p>
<p>Dr. Roberto Bellinello Member of the committee Risk Manager</p>	<p>Dr. Matteo Ravà Member of the committee Managing Director Asset Area</p>	<p>Dr. Miriam Michelutti Member of the committee Director Finance</p>
<p>Ing. Vincenzo Tortis² Member of the committee Managing Director Information & Digital Transformation</p>		<p>Dr. Paolo Sacchi Nemours Member of the committee Senior Manager Regulatory & Corporate Affairs</p>

The controls over corporate management are guaranteed, firstly, by the Board of Statutory Auditors and the internal functions of Compliance, Risk Management and Anti-money-laundering, as well as by Internal Audit.

The risk prevention of committing corporate criminal offenses is entrusted to the Supervisory Body, established in accordance with the requirements provided under decree 231/01, chaired by Attorney Mario Ippolito.

COIMA SGR is subject to regulatory oversight by Banca d'Italia and the Commissione Nazionale per le Società e la Borsa (CONSOB).

¹ DR. VALENTINA MAESTRI REPLACED DR. MASSIMILIANO FORTE, AS HEAD OF THE COMPLIANCE FUNCTION STARTING IN OCTOBER 2018

² MR. VINCENZO TORTIS JOINED THE COMMITTEE IN JUNE 2018

Degree of attendance in the Board and the Committees

MEMBERS AND ATTENDANCE	POSITION	BOARD OF DIRECTORS	INVESTMENTS COMMITTEE	CONFLICTS COMMITTEE	REMUNERATION COMMITTEE	CONTROL AND RISK COMMITTEE
CRISTIANA PISLOR	<i>Chairman of the BoD</i>	17/17	-	10/10	3/3	-
MANFREDI CAPELLA	<i>Managing Director</i>	16/17	31/42	-	-	-
GABRIELE BONFIGLIOLI	<i>Director with mandate</i>	16/17	31/42	-	-	-
MATTEO RAVÀ	<i>Director with mandate</i>	15/17	40/42	-	-	10/13
MATTEO RENZULLI	<i>Director</i>	13/17	-	-	-	-
EVA BOVOLENTA	<i>Independent Director</i>	17/17	-	10/10	3/3	13/13
FABIO COPPOLA	<i>Independent Director</i>	12/13	-	8/8	1/1	-
ROBERTO CALZONI	<i>Chairman of the Board of Statutory Auditors</i>	17/17	-	-	-	11/13
GRAZIANO VISENTIN	<i>Mayor in charge</i>	13/17	-	-	-	-
PAOLO CIOCCA	<i>Mayor in charge</i>	12/17	-	-	-	-
FABIO DI ROSA	<i>Head of Internal Auditing</i>	-	-	-	-	12/13
MASSIMILIANO FORTE/ VALENTINA MAESTRI	<i>Head of Compliance</i>	-	-	10/10	-	13/13
ROBERTO BELLINELLO	<i>Risk Manager</i>	-	-	-	-	12/13
VINCENZO TORTIS	<i>ITC</i>	-	-	-	-	6/6
MIRIAM MICHELUTTI	<i>Finance</i>	-	-	-	-	12/13
PAOLO SACCHI NEMOURS	<i>Corporate Affairs</i>	-	-	-	-	12/13

Topics covered within the COIMA SGR Board of Directors

2018	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
STRATEGY AND ITS IMPLEMENTATION												
Strategic plan	✓											
Funds business plan		✓										✓
Investments / disinvestments	✓	✓					✓		✓	✓		
Funding				✓	✓	✓			✓		✓	
Subscription to fund units	✓	✓							✓			
Other operations	✓											
RELATIONS CONTROL FUNCTIONS												
Relations control functions			✓									
Risk monitoring	✓	✓	✓				✓			✓		
GOVERNANCE												
Appoints Board members	✓	✓							✓			
RSO				✓								
Approval of financial statements	✓	✓	✓	✓	✓		✓					
Periodic reporting analysis		✓		✓		✓	✓				✓	
Board reporting	✓			✓		✓				✓		
Approval / modification of Regulations / Policy	✓	✓		✓	✓	✓				✓	✓	✓
Other Governance aspects	✓	✓		✓	✓	✓	✓		✓			✓
EVALUATIONS												
Conflicts of interest / Related parties	✓	✓		✓	✓					✓	✓	✓



S.r.l.

COIMA Srl's governance

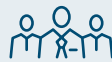
COIMA Srl's ownership structure is subdivided between the Catella family (52%) and the Lumina family (48%), represented by a financial holding company.

COIMA Srl's strategic and management guidance activities are carried out by its Board of Directors, which is comprised of five members.

COIMA Srl implements the Model provided under Legislative Decree 231/2001 for the prevention of corporate criminal offenses, and also has in place additional instruments aimed to protect the company's reputation. COIMA Srl has therefore

identified the sensitive or risky areas in relation to its business context and has defined control protocols, introducing ethical standard with a code of conduct with aim to prevent the commission of criminal offenses.

COIMA Srl has appointed a Supervisory Body that guarantees the effectiveness, the compliance with and the ongoing updating of the Model 231 and has defined a training plan to employees operating within areas at risk, introducing in the meantime a disciplinary system that sanctions the failure in respecting the Model.



Members of the Board of Directors

Manfredi Catella
Chairman

Vittorio Lumina
Director

Pierangelo Lumina
Director

Alida Forte Catella
Director with mandate

Paola Visani
Director with mandate

Risk management

COIMA'S RISK MANAGEMENT SYSTEM ALLOWS FOR A SOUND AND CAREFUL MANAGEMENT THAT IS CONSISTENT WITH ITS STRATEGIC AND OPERATIONAL OBJECTIVES.



The management of COIMA SGR

For COIMA, the reduction in the risk profile of its portfolio constitutes a strategic priority, achieved by anticipating any changes in the market that could impact its capacity to generate value, preventing and limiting the consequences of possible unexpected results.

COIMA SGR's risk management system is comprised of instruments, organizational structures and corporate procedures and rules that are consistent with its strategic and operational objectives. It complies with the applicable laws and regulations on this matter (compliance) and includes a correct and transparent reporting, both within the company and to the market (reporting).

Since 2017, with a view to strengthening its internal control and operational risk monitoring safeguards, COIMA SGR has established the Control and Operational Risk Committee which meets on a monthly basis and is attended by the heads of the operational and control functions, including the Risk Manager, the Chairman of the Board of Statutory Auditors and the Compliance Function.

COIMA SGR's Risk Manager also attends the meetings of the Investments Committee and evaluates the

extraordinary transactions of the funds and the interaction with the risks already present in other investments under way, supporting an overall analysis of the risk of all of the actors involved.

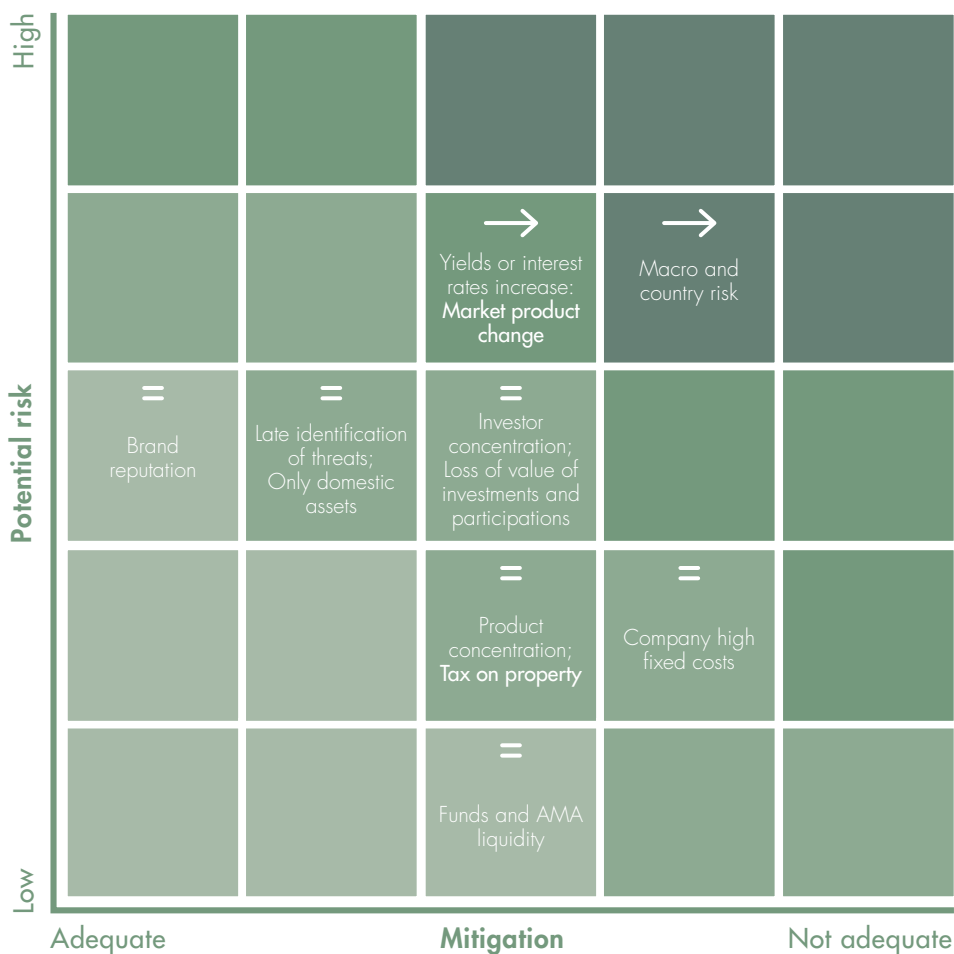
COIMA SGR has adopted a model for the management of risks related to the properties and the real estate funds which defines risk indicators for monitoring over time the risk profile of each fund. In order to define the risk profile of a fund, a scoring model is implemented, based upon over fifty characteristics that allows for the calculation of specific risk indicators. In particular, the following factors are taken into consideration:

- macroeconomic and market trends
- the type of counterparty
- the credit risk
- the operational risks
- the ESG risks

Set forth below are two analyses that summarize the company's positioning with respect to the main Business and Operations risk factors, along with the mitigation actions in the process of being implemented.



Risk Matrix - Business



Legend

- Bold:** risk factor not present in the 2017 analysis
- =** stable risk level with respect to the 2017 analysis
- greater risk level (movement toward the right) with respect to the 2017 analysis

Risk mitigation actions - Business

- Investing in primary dynamic areas, taking advantage of growth trends and key infrastructures.
- Accelerating the sale of assets with lower qualitative standards in secondary locations.
- Anticipating refinancing strategies in order to extend loan terms; reducing exposure to fluctuations in interest rates.
- Fostering rotation of capital for long-term strategic funds.
- Developing new generation investment vehicles and property services following an approach based upon sector fundamentals, covering structural gaps, supplying integrated services, with a focus on sustainable innovation.
- Maintaining equity endowments and reserves exceeding the regulatory requirements.
- Investing in technology in order to anticipate market trends, to improve the reliability of data and to improve organizational efficiency.
- Pursuing performance objectives following an approach based upon risk management.

Risk Matrix - Operations

Potential risk	High		= Outsourcing of key processes			
			= Market, asset, assessment, DD process; post sale issues	= Conflict of interest; manual processes; technology		
			= Ineffective procedures, business continuity	= NAV mis-computation; quality effectiveness of reporting; bus. continuity	= Key Person dependency; Weak BP execution	
		= AML non compliance; Surv. Capital Adequacy	= Weak assets allocation; Fund's regulation limits	= Staff turnover, loss of talent; non-compliant processes		
	Low					
		Adequate	Mitigation		Not adequate	

New item vs last year analysis

Risk mitigation actions - Operations

- Consolidating the governance mechanisms related to conflicts of interests, strengthening controls and completing the implementation of new contractual standards .
- Focus on the analysis of risk and on the measurement of performance by implementing standards

Technology

- Automation of the Business Planning process
- Implementation of a middleware for filing and sharing company data
- Completion of transfer of digital files onto a new shared platform
- Migration to a new advanced accounting system with applications for treasury management and the management of the fulfillment of regulatory requirements and formalities

Persons

- Internalizing the risk manager figure
- Improving the selection process by engaging expert, reliable and motivated headhunters
- Developing the soft skills and technical skills of senior management
- Encouraging the delegation and the documentation of processes
- Strengthening the role of young talents.





S.r.l.

The management of COIMA Srl

For COIMA Srl, the assessment of the risk profile of its operational and business model constitutes a key priority, accomplished by anticipating possible changes on the market that may impact its capacity to provide its services, the continuity of its business and, therefore, preventing and limiting the consequences of possible unexpected results.

During year 2018, with a view to analyzing its operational risks, analyses of the operational risks of the main corporate components of Development Management and Property Management were carried out.

This analysis allowed for the identification of the likelihood, seriousness of the risk and the determination of the necessary controls for mitigation.

The main operational risks:



Misunderstanding and misinterpretation of the Client's brief



Forming a project team with inadequate skills and experience



Failure to monitor and manage the timing and costs of development and management



Mistakes/omissions in procedural operations due to the lack of detailed operational instructions

04



COIMA for people and territories

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Biblioteca degli Alberi park	118



**Strengthening relationships
with stakeholders to contribute
to economic and social
territorial development.**

Our relationships with stakeholders

COIMA HAS BUILT LONG-LASTING, SOLID AND POSITIVE RELATIONSHIPS WITH ITS STAKEHOLDERS OVER TIME.

Having a transparent and a long-lasting relationship with stakeholders is fundamental in order to develop trust in COIMA's business and to launch qualified initiatives bringing value to the entire community.

COIMA bases its relationships on dialogue with its stakeholders, with its investors and potential investors, with local institutions, suppliers and partners, with tenants and with citizens where COIMA develops.

COIMA's approach toward the stakeholders engagement aims to:



identify the various categories of external parties with whom the companies interact, in relation to the evolution of the context and the business development;



understand the stakeholders profile and the companies positioning with respect to the stakeholders;



keep the stakeholders periodically updated on the results of operations and environmental, social and governance aspects influenced by COIMA, with different methods based upon the relationship.

With the intention of proposing a proactive communication and ongoing dialogue with its stakeholders, COIMA has developed, over the time, a set of specific instruments and channels in order to manage optimally the relationships and to facilitate opportunities for sharing ideas, generating exchanges and discussions.



COIMA stakeholder map



Fostering dialogue with stakeholders

COIMA's relationships with stakeholders are multichannel and include participation to company events on various real estate themes, with organization of events dedicated to institutions and investors, presentations to the community of new projects, as well as opportunities for a dialogue with employees outside the ordinary work environment.

The COIMA Real Estate Forum is the most important annual event addressed to public and private, domestic and international investors in order to discuss forecasts on the Italian real estate market. The seventh edition of the Forum saw the participation of over 200 operators, representing approximately 50 primary Italian and international institutional investors – including Ivanhoé Cambridge, ADIA, QIA, Enasarco, Cassa Ragionieri, Intesa Sanpaolo Vita, Vittoria Assicurazioni – with total assets of over two trillion Euro. Innovation, technology, sustainability and regeneration of the territory were just some of the themes discussed during the event.

Another important institutional event was the celebration of COIMA SGR's tenth business anniversary, since its establishment in 2007, through in-depth discussions on the growth of the company over the past decade and the presentation of the new headquarters in Porta Nuova.

New real estate projects have always represented a matter of significant interest for local institutions and citizens who are interested in knowing, in advance, how their local territory will evolve. In 2018, COIMA presented two developments that will have an important impact for Milan: Corso Como Place, the first Milanese office building that will obtain the WELL Building Certificate and will lead to the construction of a new piazza with bike paths, pedestrian walkways and green areas and San Fedele, heart of late 19th century Milanese culture located in the city center, that will be requalified, preserving and enriching the elegance and beauty of its original environments. On the public spaces, the city has finally had the opportunity to see and embrace a place that has been long awaited, the Biblioteca degli Alberi, the third largest public park in the center of Milan, inaugurated in October by the Mayor, Giuseppe Sala. The innovative park, an urban botanical library featuring an extraordinary botanical heritage comprised of over 135,000 plants of 100 different species, 500 trees and 22 circular forests, represents a virtual connection among

the Garibaldi, Varesine and Isola districts in Porta Nuova, and the largest pedestrian area in Milan, with its 170,000 sqm and 5 km of bike lanes. A further important opportunity for exchanging ideas was organized in Venice, where COIMA organized for the reopening of a number of rooms at the Hotel Des Bains to host "Il Cinema in Mostra" on the occasion of the Biennale and for celebrating the 75th years of the Mostra del Cinema. COIMA is currently active on the Venice Lido in the requalification of the historical hotels Excelsior and Des Bains.

Participation in important national and international real estate events is strategic for establish relationships with investors and partners. Presentations and round tables on issues of particular and current interest are regularly organized, both privately and publicly, including the main real estate conferences and summits. During MIPIM, the annual event that brings together the most important international operators and investors in the real estate world, COIMA won awards for two projects, Porta Nuova in the "Best Urban Regeneration Project" category and Feltrinelli Porta Volta in the "Best Office & Business Development" category which competed against primary competitors at a worldwide level. The promotional campaign #mipim2milano, launched on the social networks in collaboration with influential figures in the Milanese cultural scene linked to the local urban development, provided an opportunity to raise awareness with the public on the importance of these awards for the city and, in a broader sense, for Italy.

Likewise important are the relationships with universities, training schools and local entities interested in exchanging views on responsible territorial development projects and delving into issues of sustainability in architecture. Some examples are the frequent exchanges with SDA Bocconi or the Polytechnic Institute in Italy, or meetings with international organizations such as those held in 2018 with the University of Philadelphia or the Paris Sud Aménagement.

Among COIMA's stakeholders, a key role is played by COIMA's collaborators, who are regularly involved in Corporate Quarterly Updates, quarterly meetings for updates on business trends and prospects. In addition, periodical in-depth discussions are organized on various issues, often held by international professionals leaders in the real estate sector, meetings dedicated to families, such as Kids Day

in collaboration with the association Dynamo Camp, and every two years a three-day corporate Retreat conceived by diverse groups of colleagues who participate in a dedicated "contest". In 2018, the Retreat destination was Trentino, with a series of meetings, workshops and team-building moments dedicated to the issue of sustainability.

Lastly, it is worthwhile outline the instruments of multi-stakeholder dialogue, such as COIMA's digital channels, which are continuously evolving and represent a reliable

and the official voice of the platform. In 2018, COIMA's LinkedIn profile was launched, dedicated to the world of professionals, which in its first year alone exceeded 12,000 followers. A dramatic restyling was carried out on COIMA RES' website, which was noted among the best improvers of the Italian ranking Webranking by Comprend, the main European survey that assesses transparency on digital channels of listed companies, basing its assessment on the fundamental requests of stakeholders.

Main sector context in which COIMA is involved

Green Building Council	GRESB
EPRA	Aspesi
INREV	Assolombarda

Key Engagement Events 2018

EPRA Annual conference <i>Madrid</i>	EPRA Sustainability Conference <i>London</i>
MIPIM <i>Cannes</i>	GRESB Annual conference <i>London</i>
Urban Land Institute annual conference <i>Milan</i>	GRESB Annual conference Italia <i>COIMA HQ, Milan</i>
MIPIM PropTech <i>Paris</i>	IoT world congress <i>Barcelona</i>
Smart City World Congress <i>Barcelona</i>	Sustainability Leadership congress <i>Berlin</i>
Cantieri d'Italia <i>Milan</i>	Rebuild <i>Riva del Garda / Milan</i>
COIMA Real Estate Forum <i>Milan</i>	IPE Conference and Awards <i>Dublin</i>
RE Italy <i>Milan</i>	PIE Summit <i>London</i>
	Scenari Immobiliari <i>Santa Margherita Ligure</i>



 CASE STUDY



Biblioteca degli Alberi is born in Milan

The Park “Biblioteca degli Alberi”, opened to the public at the end of October 2018, was one of the first areas designed for the development of the Porta Nuova area (2003-2004) and among the last to be completed (2017-2018).

The large public space (a sort of Milanese Central Park) surrounded by the new towers and lower pavilions is the central core of the development of the new district.

The idea at the heart of the compositional structure of the Park is simple and immediate: a “network” of pedestrian walkways connecting parts of the city which were disjointed and with a lacking of direct connecting pathways for decades.

Furthermore, the “network” is an abstract concept that goes beyond the limits of the Park’s space, with a view to ideally connect the entire city.

The areas formed among the pathways are themed fields developed differently, which together form a contemporary Botanical Garden, a mosaic of gardens, with mineral spaces which provide to a broad range of public uses.

The “Biblioteca degli Alberi” is the natural library where 23 different species of trees, representing different biodiversities, are collected and arranged circularly to form a functional rooms (referred to a circular forests).

There is the circle of Birch trees, for example, which delineates an area featuring chaise-longues for relaxation and the circle of the Liquidambar trees, where an open-air gym is installed, with fitness equipment and a 100-meter fitness circle for athletic training. The circle of Willow trees features swings for children, but also for adults.

In addition, there are uniquely designed benches and a large fountain with aquatic plants, currently colonized by several ducks.

The park, designed by Inside | Outside Petra Blaisse in collaboration with the local studio Simona and Franco Giorgetta, with its 10 hectares of extension and its extraordinary botanical collection, is a unique example of contemporary garden in Italy. It’s also a place to find a collection of incredible botanical species.

The park has a wide variety of plants distributed in gardens with an innovative design and is enriched by the presence of over 10,000 square meters of perennial gardens designed specifically by the Dutch landscape architect Piet Oudolf, truly render the project one of a kind.

It will be a dynamic park, a space that will represent a peaceful oasis for the public and city users. A hub for collective and cultural experiences that will reinforce the dynamic identity of the new district.

The works contract, was awarded through an international public tender procedure, was completed within the contractual terms. A new challenge is coming: the management of the park and its maintenance.

Focusing attention on people

COIMA PROMOTES THE DEVELOPMENT OF ITS RESOURCES, FROM BOTH A PERSONAL AND A PROFESSIONAL STANDPOINT, LISTENING CLOSELY TO THEIR NEEDS AND IMPLEMENTING SHARED RESPONSES.

COIMA is dedicated to attract talents and to ensure their growth, satisfaction and wellbeing over the long term. It strives to maintain enthusiasm and satisfaction levels high, in a challenging environment that is at the same time constructive and open to dialogue.

In a society and market rapidly changing, it is essential for COIMA to reflect on the changing needs of people. In particular, it becomes imperative to focus on what can attract and motivate the younger generations who express increasingly openly their

need for flexibility, mobility and a strong exposure to all corporate levels, following a more immediate and independent approach. In this scenario, COIMA is striving to respond to these needs, by providing targeted and innovative solutions.

COIMA's new headquarters is strongly emblematic of its corporate culture and its new working style: it is a smart workplace, fostering socialization, collaboration and exchanges of information, meeting requirements calling for concentration and confidentiality as well.

Attracting and motivating talented people

People are the key element for COIMA's success, and they represent its primary capital and investment.

For this reason, extensive energy is dedicated to ensure, during the selection phase, that the values in which COIMA believes are aligned with the candidates' values.

Characteristics such as passion for hard work, desire to take on new challenges daily, ability to work in teams and to share know-how, are as important as technical preparation and the capacity to achieve high performance levels.

In order to continue to pursue excellence, it is fundamental to attract and integrate the best talents on the market, with reference to both junior profiles and to those with more consolidated experience in the sector.

The channel of contact with candidates is the Career section of the corporate site and LinkedIn, where open searches are published, along with detailed descriptions of the roles

requested and additional information useful to become familiar with the company and to embrace a career in the real estate sector.

Partnership with primary head-hunting firms and use of highly specialized websites serve as an instrument enabling COIMA to identify more senior figures with strategic expertise.

Participation at university events, such as Career Days, and the numerous internship opportunities constitute the preferred channels for selecting young talent. In 2018, COIMA took part in two Career Days, the Career Day at the Polytechnic Institute of Milan and the Bocconi & Jobs in November. Both events provided a useful opportunity to meet young students and recent graduates, where it was possible to talk about the company and discuss the growth opportunities COIMA offers.

A number of students introduced to COIMA in that context joined COIMA's team shortly thereafter.



Participating in Career Day was a valuable chance to share ideas and reflections with students on their future careers. Having attended numerous Career Days as a student, I was able to see myself in those young people, and to perceive their emotions and sensations, coupled with curiosity and indecision typical of that phase of transition. The importance of events like Career Days is fundamental in order to bring together the world of business and the world of academics, bridging the gap between two realities that often fail to interact adequately.

Giulio Montanini, Assistant, Development Management, COIMA

The selection process aims to ensure the maximum alignment between candidate's profile such as characteristics and technical preparation required by the role. It involves representatives from various functions to whom the resource would interact while performing his/her work responsibilities, from management to peers.

For COIMA, promoting the growth of talents and supporting them in achieving their objectives is fundamental and, for this reason, it invests in training, which represents one of the essential competitive factors in a context of a continuous evolution.

COIMA's people follow a personalized training path, structured on the basis of the needs of the individual and focused not only on technical training, but also on cross skills. The individual training plan, maps out the specific needs, and is structured in agreement with the heads of the various functions.

In 2018, trainings were focused on soft skills. COIMA's idea is focused on everyone being capable of responding to a need within the organizational environment, transforming knowledge into conduct. In view of the speeches planned for the corporate retreat, a public speaking course was held; the course embraced various issues related to communication with a focus on the creation of effective presentations, verbal and non-verbal communications, emotional intelligence and optimization of one's personal individual style during the "on stage" presentation.

This was a very positive and engaging experience, thanks to the use of unconventional training methods (board games and video recordings) and the strong complicity developed with the instructor.



With this approach, a training on project management was organized. The course, aimed to improve teamwork planning and organization, was managed with a very concrete approach focused on planning, project management, resource optimization, soft skills for leading with success.

» | *Knowledge sharing - expertise and typical aspects of day-to-day work*

» | *Lesson learnt - teachings drawing upon projects managed*

» | *Excellent speakers - participation of external presenters to address the most innovative topics in the sector.*

For COIMA, another occasion for sharing and learning is represented by the Corporate Quarterly Update (CQU) meetings, which form the essential part of the dialogue between the company and its people, focusing on the sharing the fundamental information on results, events, current and future projects. In this scenario, even the youngest participants can be protagonists, presenting practice cases and new ideas. An additional instrument implemented by COIMA aiming to simulate the professional growth of resources is the Performance

Alongside traditional training methods, less conventional meetings were held, giving employees possibilities to share their experience on actual issues and situations. An example is the "Knowledge Sharing Program", launched by the Values Task Force and structured through monthly meetings falling within three categories:

Review. Based upon key principles, such as meritocracy, transparency, fairness and culture of mutual feedback, the process was designed to assign to all employees challenging objectives at all corporate levels and to reward results on the basis of the actual commitment and quality of the individual performance. In particular, the review process allows to align the business results with the corporate strategy, to measure the results achieved transparently, to foster a sense of belonging, to encourage dialogue through mutual feedback.

Improvement, a constant commitment for COIMA

COIMA considers extremely important to ensure the satisfaction of its people and is open to listen to its employees requests and suggestions in order to improve the organization.

In October 2018, a new survey on work environment was conducted. This year, the choice was directed toward a leading international player in the field, Great Place to Work, with the aim of comparing the company with the most structured national and international organizations, in line with the company's desire to excel also in the management and optimization of its human capital.

The survey gathered opinions on important issues such as trust in the management, sense of belonging, attention to people, engagement and professional development.

The answer rate was 91% and features such as ethics and integrity (80%), diversity (91%) and the work environment (90%) were the most appreciated by COIMA's employees.

The results of the survey on work environment will be shared with the staff during the second Corporate Quarterly Update of 2019 and represent the starting point for conceiving and planning improvement actions over the next three years.

The areas of attention, on which the company will focus its initiatives in 2019, concern the improvement of the workloads distribution and strengthening certain teams, in terms of both instruments and resources, to favor work-life balance.

The issue on rewards will also be the focus of 2019 and, on this point, the company has already executed concrete actions during the Performance Review process that was completed last December, with which COIMA conducted a remuneration policies comparison with benchmarks, verifying that are sufficiently competitive in the Real Estate market.

COIMA's current remuneration policy is based upon principles of fairness and meritocracy. The fixed component is supplemented with an incentivizing variable component envisaged for all corporate levels, both short-term and long-term. Moreover, with a view to aligning individual interests and the results of the management of the real estate funds, COIMA SGR's plan of incentives envisages, for a specific managerial category, participation in commissions of funds performance. Part of senior management participates to the company earnings.



COIMA Knowledge Sharing Program

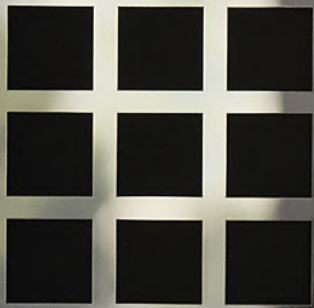


The events of the Knowledge Sharing Program 2017, had the main scope of providing updates on issues related to day-to-day work and sharing lessons learned from personal acquired experience, and were considerably participated by COIMA's employees.

For 2018, the Values Task Force has planned a new series of monthly meetings which have been mainly dedicated to the presentations of the latest new issues by external speakers. The program was also integrated with the organization of tours to the building sites and the newly purchased properties in order to give all employees the opportunity to perceive how much the work of each contributes in creating value for architectural projects, capable of regenerating the urban landscape and impacting on the daily life of the community.

Knowledge Sharing Program 2018

Lesson Learned	<i>Due Diligence during the acquisition phase</i>	Gabriele Bonfiglioli, Franco Gerbino, Luigi Massimilla, Stefano Corbella
Excellent Speakers	<i>Pelli Clarke Pelli Architects, Best practices worldwide</i>	Gregg Jones (PCPA)
Knowledge Sharing	<i>Office benchmarking - comparing Porta Nuova with international standards</i>	Stefano Corbella, Francesco Moretti
	<i>How we choose where we invest</i>	Gabriele Bonfiglioli, Edoardo Schieppati
	<i>At the beginning of the Gioia 22 construction.</i>	Danilo Indrio, Francesco Moretti
	<i>Innovation in Safety</i>	Giuseppe Amaro - Gae Engineering
Excellent Speakers	<i>Global economic overview</i>	Komal Sri Kumar
Knowledge Sharing	<i>The era of Real Estate "Digital Transformation"</i>	Vincenzo Tortis, Stefano Corbella
	<i>Workshop Update on Trends in Architecture</i>	Nicola Leonardi
	<i>Global Real Estate Sustainability Benchmark (GRESB)</i>	Paul Bosworth - Ramboll UK



COIMA

Real Estate Management

 CASE STUDY



COIMA Innovation Award

The COIMA Innovation Award was conceived, promoted and organized by COIMA's Values Task Force.

This initiative, like all the Values Task Force's initiatives, was launched with the aim to foster one of COIMA's five key values: enterprising spirit. The value of entrepreneurship is fundamental, since it is strictly linked to company's values and aims to achieve the highest qualitative standards of innovation through new challenges to be addressed creatively and rigorously, all of which are characteristics shared with the Italian excellences.

We keep raising the bar

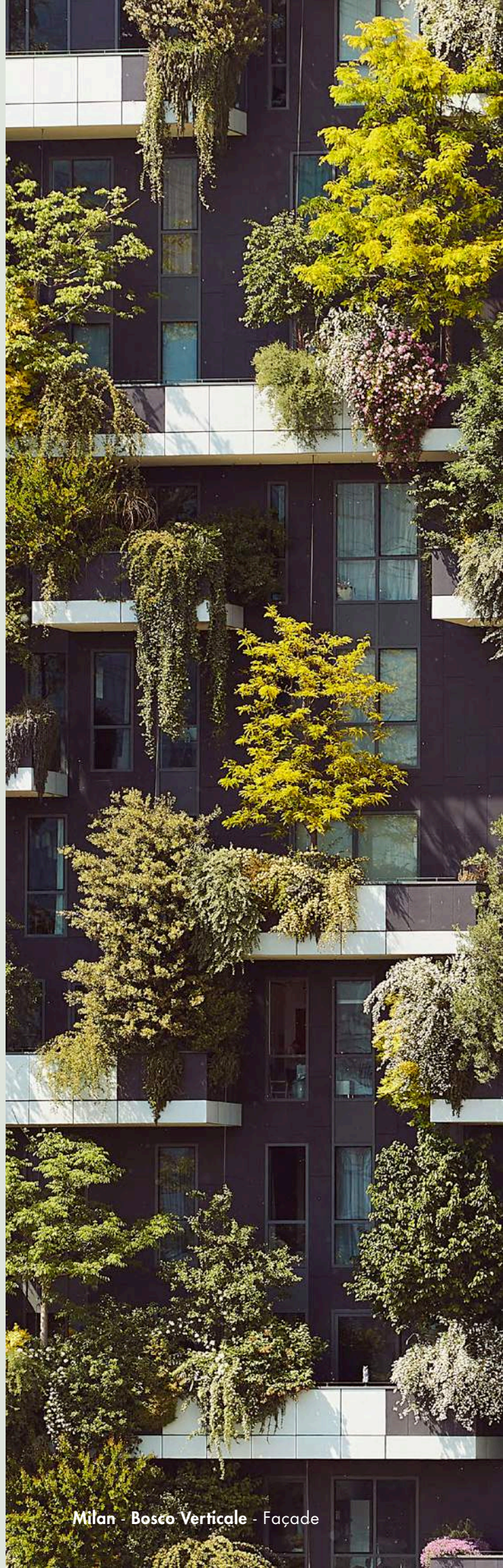
From the difference between enterprise, which is commonly associated with the capacities of the individual, and the organized structure of a company, commonly associated with a top-down hierarchical decision-making system, has born the spontaneous need to create an instrument for giving everyone the opportunity to propose innovative ideas through a bottom-up mechanism, capable of inverting the traditional rules of enterprise.

People as a creative engine

A competition of ideas was created and opened to COIMA's entire staff, with the purpose to give everyone the possibility to express their spirit of entrepreneurship by proposing ideas that may improve COIMA's day-to-day work or its positioning on the market. The competition was launched officially in December 2017 through a promotional video recorded in a television studio, having as its protagonists two members of the VTF group who played for a day as real actors.

The rules

The Competition was structured through rules which set the requirements for participation, the timeframe, the admission criteria and the criteria for evaluating the proposals and all of the required information for participating. It was organized in order to allow the participation of individuals and groups up to three members.



Milan - Bosco Verticale - Façade

The competition

After being launched officially in March 2018 through a mail explaining the rules, the competition gave the possibility to present proposals until the end of September.

Five proposals were presented, with the involvement of 9 people from COIMA.

Out of the 5 proposals, 3 were admitted to the final phases and a jury was later established to announce the winners, along with a vote by all of COIMA's employees.

The jury was comprised of 6 members, with representatives of the various COIMA's Companies, gender equality and different levels of seniority. An external member was also involved in order to give a more objective opinion. The votes were expressed on the basis of four assessment criteria that had been predetermined in the initial rules. A weight of 60% was attributed to the jury's vote, while a weight of 40% was given at the votes of COIMA's employees.

The finals

The finalist groups presented their projects to the jury and subsequently to COIMA's employees and after the presentation, the final vote was held. The voting of the COIMA staff amounted to 75.4%, considered as a very high percentage confirming the high interest in this initiative.

The winners

The winners were Laura Nigro and Pierfrancesco Nicotra, who presented a project for introducing standards and procedures in the context of BIM (Building Information Modelling).

Evidence to the high qualitative standard of the proposals, a tie was declared for the second-place ranking awarded to the proposals presented by the team composed by Simona Pozzoli, Danilo Indrio and Samuel Cocci and by Cristian Signoretto.

The first COIMA Innovation Award was completed in December 2018, with the award ceremony.



The COIMA Innovation Award fits perfectly within a context of ongoing research and innovation that commits us on a day-to-day basis. This contest aims to provide to the entire staff - without any limitations on role, with a bottom-up approach - the possibility to contribute toward the creation of a culture of innovation with the aim to achieve the highest qualitative standards.

Angelo Briancesco
Associate, Development Management, COIMA

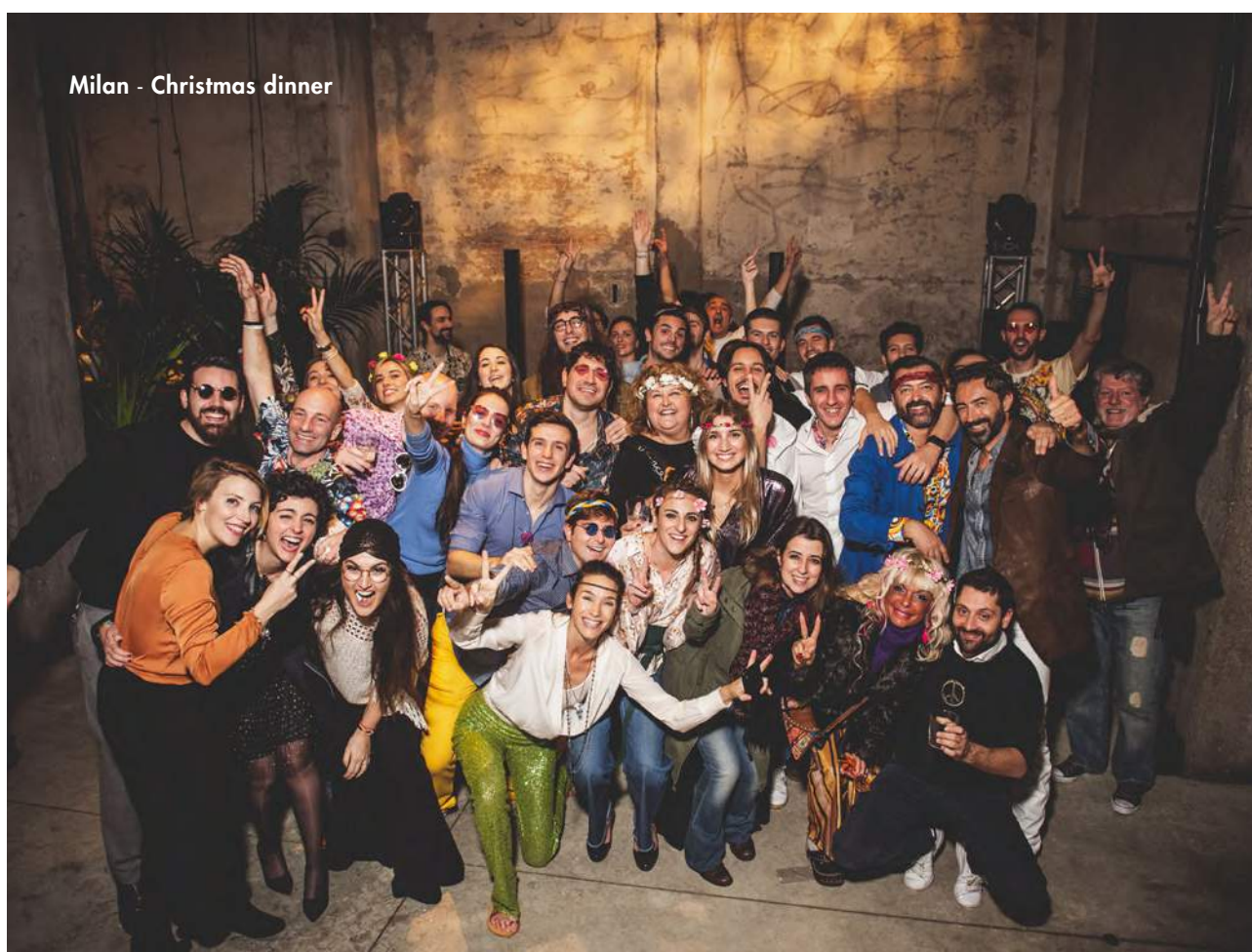
Generating wellness and sense of belonging

COIMA guarantees a safe, welcoming and comfortable work environment, with great attention on safety and health of people. For this purpose, various initiatives have been carried out to promote employee wellbeing.

At the beginning of 2018, the COIMA Wellness program was launched, in collaboration with the professional trainers of Gymmo PT Studio. Pilates lessons and functional training, focusing on wellness of the worker, have been held twice a week in the polyfunctional room of the headquarters. The lessons also provide an opportunity to improve group closeness and spirit, with a playful and fun atmosphere.

The COIMA Cafè has a similar aim; located on the top floor of the headquarters, in a prestigious position, it features a large exterior terrace with a panoramic view overlooking the Porta Nuova Garibaldi and Isola districts. This is a space designed to foster moments of relax and informal

exchanges and is endowed with everything necessary to enjoy a lunch break far away from the surrounding frenzy. The COIMA Cafè can also be used as an individual work space since it is perfectly covered by the Wi-Fi network. In order to encourage a sense of belonging, enthusiasm and team spirit, significant importance is attributed to internal social events, including the annual Christmas dinner. The event, which is organized in the most exclusive locations, features a different theme each year: in 2018, was held at Carlo e Camilla in Segheria with a "Peace & Love" dress code. Lastly, a number of colleagues took part in the amateur football tournament "Real Estate Asset & Fund Management CUP", organized by World Capital. After the defeat in the first year, the final game saw COIMA as winner, after penalty kicks, against Dea Capital. The tournament concluded with a triumphant raising of the cup finally achieved.





COIMA Retreat 2018

With COIMA to the peak

COIMA Retreat is a biennial event organized for the employees who, for few days, abandon their daily office work rhythms to take part to teamwork's sessions and specialized activities in a different location.

The second edition of the Retreat was organized using the same competition-style method used for the first edition held in 2016.

The event started as an internal contest, open to all COIMA's employees: the initiative saw the various competitors involved in preparing a proposal that would include both organizational and content-based aspects. Voting by all of COIMA's staff, along with the votes expressed by a dedicated jury, resulted in the selection of the winning proposal presenting Trentino Alto Adige with the theme "With COIMA to the peak".

The program for the three days, from the 7th to 9th of June, envisaged team building sessions aimed to improve relationships between colleagues and addressing issues for a collective improvement, linked to the sustainability and responsibility of the company.

In addition to the management's update and the working group's focus on projects under way, a challenge session was introduced by three working teams addressing macro topic challenging in an intense competition, the winner of which was proclaimed by an external super partes judge.

The event included plenty of occasions for fun, which contributed toward letting the participants immerse themselves in the untouched nature of Trentino Alto Adige, a resounding example of sustainability and respect for the environment, the fundamental issues on which this COIMA Retreat was based; the next edition will be held in 2020.



Winning Team

Angelo Briancesco

Associate, Development Management, COIMA Srl

Tiziana Cristini

Manager, Asset Management, COIMA SGR

Samuel Cocci

Manager, Property Management, COIMA Srl

Simona Pozzoli

Secretary, Property Management, COIMA Srl

Edoardo Nicolini

Associate, Development Management, COIMA Srl



Retreat Support Team

Alessia Lionello

Associate, Marketing & Communication, COIMA SGR

Eloisa Miucci

Associate, Marketing & Communication, COIMA Srl





Kids Day



An important initiative where COIMA was involved in 2018 was the Kids Day.

COIMA, along with the leading companies present in the Porta Nuova district, supported the association DYNAMOCAMP Onlus which has the sole purposes of social solidarity and non-profit work in the social assistance and support sector.

On 30 May 2018, a playful sports event was organized with the objective of donating and charity the employees children at the offices of their moms and dads.

It was an intense afternoon full of events and fun, which had its display case in THE MALL, a space that was specially outfitted for the occasion as a sports gym, with corners with various disciplines (dance, boxing, rugby, baseball) and for entertainment (inflated, theater and face painting).

The success of this first edition served as an incentive to continue this initiative in 2019 as well.

The Values Task Force

During 2018 the Values Task Force, a group of employees of COIMA's platform who voluntarily chose to dedicate their time to promote initiatives for translating the corporate values into concrete actions, has focused on consolidating and finalizing the projects launched in 2017.

Progress state of the 2018 initiatives

COIMA GREENER	Improvement in waste collection, activation of printing through badges, reduction in the use of plastic bottles.
COIMA KNOWLEDGE SHARING PROGRAM	Organization of seminars for updating and sharing lessons learned.
COIMA RESPONSIBLE	Organization of charitable sales to support non-profit entities and days dedicated to participation in corporate volunteer programs.
COIMA INCENTIVE SYSTEM	Revision of the corporate incentive system in order to clarify and more transparent the criteria for incentives, aligning the procedures applied for the performance reviews among the various companies of the Group.
COIMA INNOVATION AWARD	Organization of a contest of ideas aimed to stimulate the personnel's spirit of enterprise, creating opportunities for the employees to propose innovative projects.

COIMA Greener



Thanks to the DRINK PLASTICLESS project, with the aim to implement the use of personalized mugs and glass cups for the consumption of water and other beverages, reducing the use of plastic bottles, it was possible to save 650 kg of plastic in one year.

During the year a badge-controlled printing system was introduced, along with greater awareness-raising on the documentation production solely in electronic format, promoted by the COIMA PAPERLESS project. Next year, the impact on the reduction in paper consumption will be considerable.

In order to reduce further the volume of non-recyclable wastes produced, during 2018 COIMA took action to find a supplier of compostable coffee pods to replace the existing ones starting at the beginning of 2019.

COIMA Wellness



The pilates and functional training courses, organized in collaboration with the company Gymmo and proposed on a weekly basis in the polyfunctional room at COIMA HQ, were very much appreciated by COIMA's employees who actively participated and, therefore, the same formula was proposed for 2018 as well, taking advantage of the opening of the Biblioteca degli Alberi to organize a number of outdoor activities.

COIMA Social Responsibility



In order to go further with the commitment that COIMA has dedicated for years, together with Riccardo Catella Foundation, in the field of social responsibility, the Values Task Force decided to support charitable institutions to guarantee a better future for the next generations. In December 2018, for the second consecutive year, a charitable market was set up in the lobby of COIMA HQ open to not only employees, but also to tenants and residents of the properties managed by COIMA, whose incomes were donated to projects promoted by Francesca Rava Foundation which is active in Italy. These projects include the reconstruction of schools in central Italian areas affected by the earthquake and in Latin America, along with, in particular, the population of Haiti, through the organization Nuestros Pequeños Hermanos.

Riccardo Catella Foundation

OVER 10 YEARS OF PROJECTS FOR SUSTAINABLE URBAN DEVELOPMENT IN MILAN.

COIMA is committed to supporting the communities in which it operates and in which its employees live and work through the support of a series of projects promoted by the Riccardo Catella Foundation. Since 2007 the Foundation aims to promote sustainable and responsible territorial development by contributing proactively toward improving the quality of

urban life through projects aimed at improving and animating public spaces and green areas. The Foundation works to strengthen relationships with all stakeholders and to build connections with the local community with a view to support local development.

The Foundation:



Disseminates the culture of sustainable territorial development

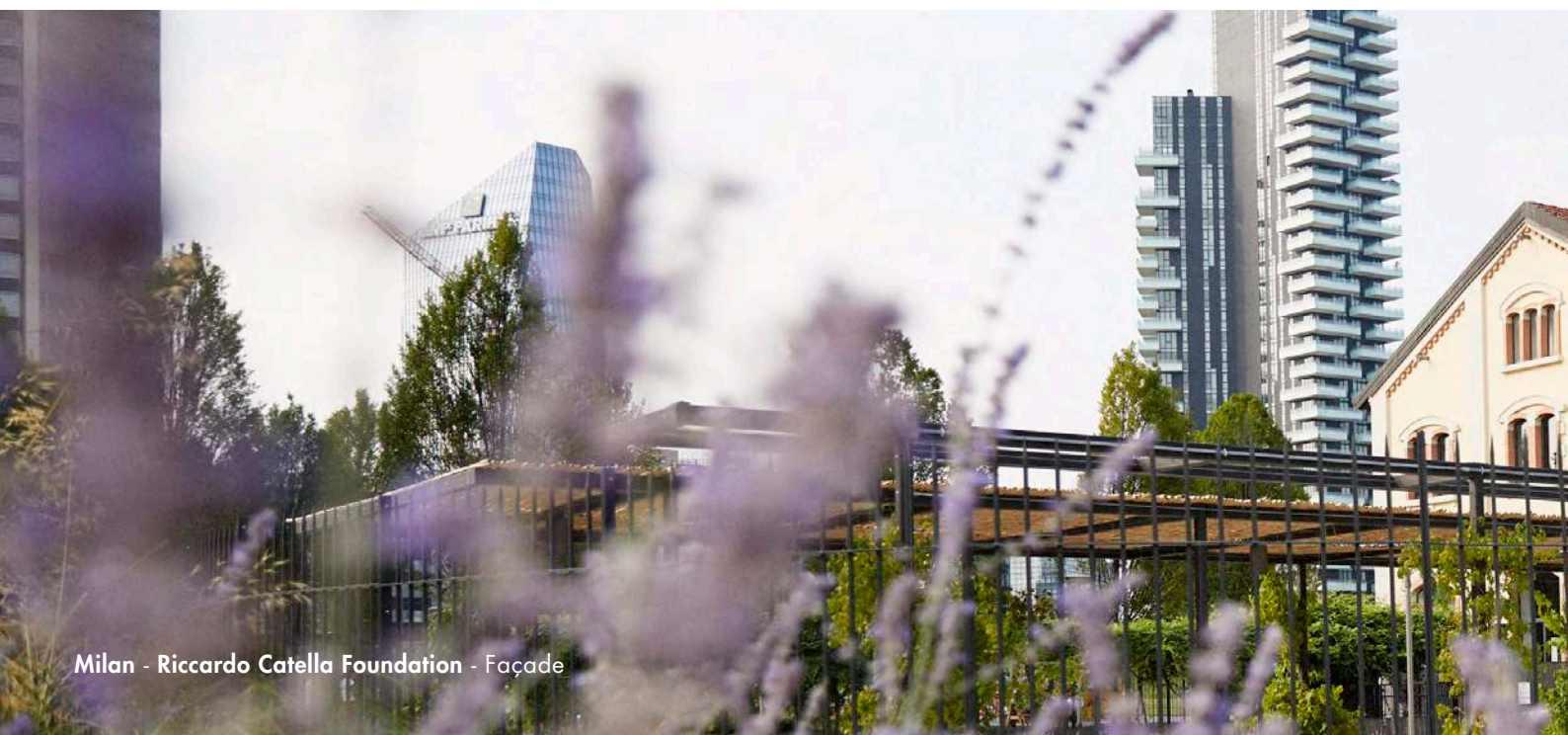


Develops civic projects aimed at improving the quality of community life



Promotes an open collaboration with non-profit institutions and the public sector

At the head of the Foundation there is a Board of Directors, assisted by a Scientific Committee with specialized competences.



Commitment for optimizing urban green areas and public spaces:

For over 10 years, the Foundation has realized civic-cultural projects in order to engage the public and raise awareness on the importance of quality urban green spaces in the city. Thanks to an agreement with the Municipality of Milan, the

Foundation manages, maintains and cares for the public garden surrounding its headquarters, ensuring safety and preservation through:



Ordinary and extraordinary maintenance



Cleaning and maintenance the green spaces and playground areas



Security service



Opening and closing of park entrances

In July 2018, the Riccardo Catella Foundation, together with COIMA SGR, responded to a tender that the Municipality of Milan opened to identify a private entity responsible for the management, maintenance and safety of the large park In Porta Nuova, Biblioteca degli Alberi and the development of a cultural program. It is an innovative model for Italy in which a public-private governance will be experimented in the management of a public green area*.

* THE AGREEMENT AMONG THE MUNICIPALITY OF MILAN, COIMA SGR AS SPONSOR OF THE PROJECT AND RICCARDO CATELLA FOUNDATION FOR THE MANAGEMENT OF THE PARK WAS FORMALIZED IN JULY 2019. RICCARDO CATELLA FOUNDATION WILL BE RESPONSIBLE FOR THE MAINTENANCE, SAFETY AND CULTURAL ENHANCEMENT OF THE PARK THROUGH A SCHEDULE OF AROUND 280 ANNUAL EVENTS.





Porta Nuova Smart Camp:

Porta Nuova Smart Camp is a project promoted by the Riccardo Catella Foundation in collaboration with Dynamo Camp and L'abilità Onlus and supported by COIMA in 2018, with sponsorships both by the Municipality of Milan and the Cariplo Foundation.

The Camp offers, in an inclusive and accessible manner, educational and recreational activities during the summer

period to children ranging between the ages of 6 and 12, some of whom have disabilities or suffer from serious and chronic illnesses.

The project envisaged the possibility of enabling children to experience the city's public areas and green areas, involving leading players in sustainable architecture, technological innovation and digital sectors present in Porta Nuova.






Objectives:

- » Offer to children with serious illnesses an educational experience together with fun and games
- » Support children's families, promoting free educational and recreational activities at the end of the yearly school period
- » Promote and protect the wellness of children with disabilities, fostering their autonomy and participating in community life
- » Promote CSR activities for companies located in the territory which allow children to visit their offices, raising awareness with employees through volunteer activities







Topics:

 <p>NATURE AND OPEN AIR</p> <p>Outdoor activities in the public park "Biblioteca degli Alberi"</p>	 <p>TECHNOLOGICAL INNOVATION</p> <p>Visits at high tech companies in Porta Nuova</p>	 <p>SUSTAINABLE ARCHITECTURE</p> <p>Visits to sustainable and inclusive buildings in Porta Nuova</p>	 <p>ENTERTAINMENT</p> <p>Recreational and play-cultural activities</p>
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Activities

 Radio	 Garden therapy	 Visits to companies in Porta Nuova	 Musicals	 Circus
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Pilot edition highlights

 <p>4</p> <p>non profit organizations</p>	 <p>45</p> <p>children</p>	 <p>90</p> <p>parents</p>	 <p>20</p> <p>staff</p>	 <p>25</p> <p>volunteers</p>	 <p>5</p> <p>Porta Nuova companies</p>
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“

These are the kind of proposals, well-structured in Milan, that are helpful for children with disabilities. The level of integration is also excellent, a winning idea!

Parent of a child with disabilities

“

We initially trusted in Riccardo Catella Foundation, which we already knew, but we have found so much more than what we expected.

Parent of a healthy child

Milan - Riccardo Catella Foundation - Porta Nuova Smart Camp





Thanks to projects like Porta Nuova Smart Camp, children may strengthen their self-confidence, while having fun thanks to educational and recreational activities, while also being in close contact with nature in an urban context that must always be conceived and designed for everyone, in an inclusive manner.

Martina Pislor

Project coordinator, Riccardo Catella Foundation



Milan - Riccardo Catella Foundation - Porta Nuova Smart Camp



MiColtivo, Orto a scuola



Between 2012 and 2018, the Foundation developed 8 educational vegetable and fruit gardens in Milanese Schools, supporting teachers in integrating horticulture and education on correct nutrition into the scholastic program.

Education and regeneration are the two primary themes of MiColtivo: a program dedicated to children, encouraging correct and healthy nutrition through a hands-on experience

in the educational gardens installed in the courtyards and public schools gardens, aiming to achieve a broader requalification of these school areas.

During the school year 2017/2018, the program MiColtivo, Orto a Scuola, was held once again, with the involvement of a new school in Milan (Istituto comprensivo Sant' Ambrogio).

MiColtivo, Orto a Scuola in Milan

MiColtivo gardens held from 2012 to 2018

with support from Cariplo Foundation and Romeo and Enrica Invernizzi Foundation:



● MiColtivo gardens held from 2012 to 2018:

- 1 Istituto Comprensivo "Italo Calvino"
- 2 Istituto Comprensivo "Renzo Pezzani"
- 3 Istituto Comprensivo "Ilaria Alpi"
- 4 Istituto Comprensivo "Maffucci"
- 5 Educandato Statale "Emanuela Setti Carraro Dalla Chiesa"
- 6 Istituto Comprensivo "F. S. Cabrini"
- 7 Istituto Comprensivo "Tolstoj"
- 8 Istituto Comprensivo "Sant' Ambrogio"



Vegetable garden in the public garden surrounding the Riccardo Catella Foundation

Highlights of the program (from 2012 to 2018):



8

Milan schools
reached



11,000

Students involved
over the years



165

Teachers



31,000

Parents & relatives

Biblioteca degli Alberi park

THE OPENING OF BIBLIOTECA DEGLI ALBERI. AN IMPORTANT EVENT THAT THE CITY OF MILAN HAD BEEN AWAITING FOR SOME TIME, ALSO INCLUDED A CULTURAL PROGRAM LAUNCHED BY RICCARDO CATELLA FOUNDATION: "AWAITING THE OPENING" OF THE PARK



The opening of Biblioteca degli Alberi to the public

Saturday, 27 October 2018, Biblioteca degli Alberi opened its doors to the city of Milan. The new public park, a green lung and central element in the development of Porta Nuova, connects public spaces, infrastructures, and vertical and horizontal architectures of the surrounding districts. With its grounds spanning 10 hectares and its extraordinary botanical collection, it is a one-of-a-kind example of a contemporary garden in Italy.

The park, designed by the Amsterdam firm Inside Outside|Petra Blaisse, was realized by COIMA which, in June 2015, took over for the Municipality of Milan in implementing the works as an intervention to be completed as part of the large urban development project of Porta Nuova.

The opening ceremony saw the participation of Giuseppe Sala, Mayor of Milan; Pier Francesco Maran, Assessor of Urban Planning, Green Areas and Agriculture of the Municipality of Milan; Manfredi Catella, Founder and CEO of COIMA; Petra Blaisse, Inside Outside Studio.

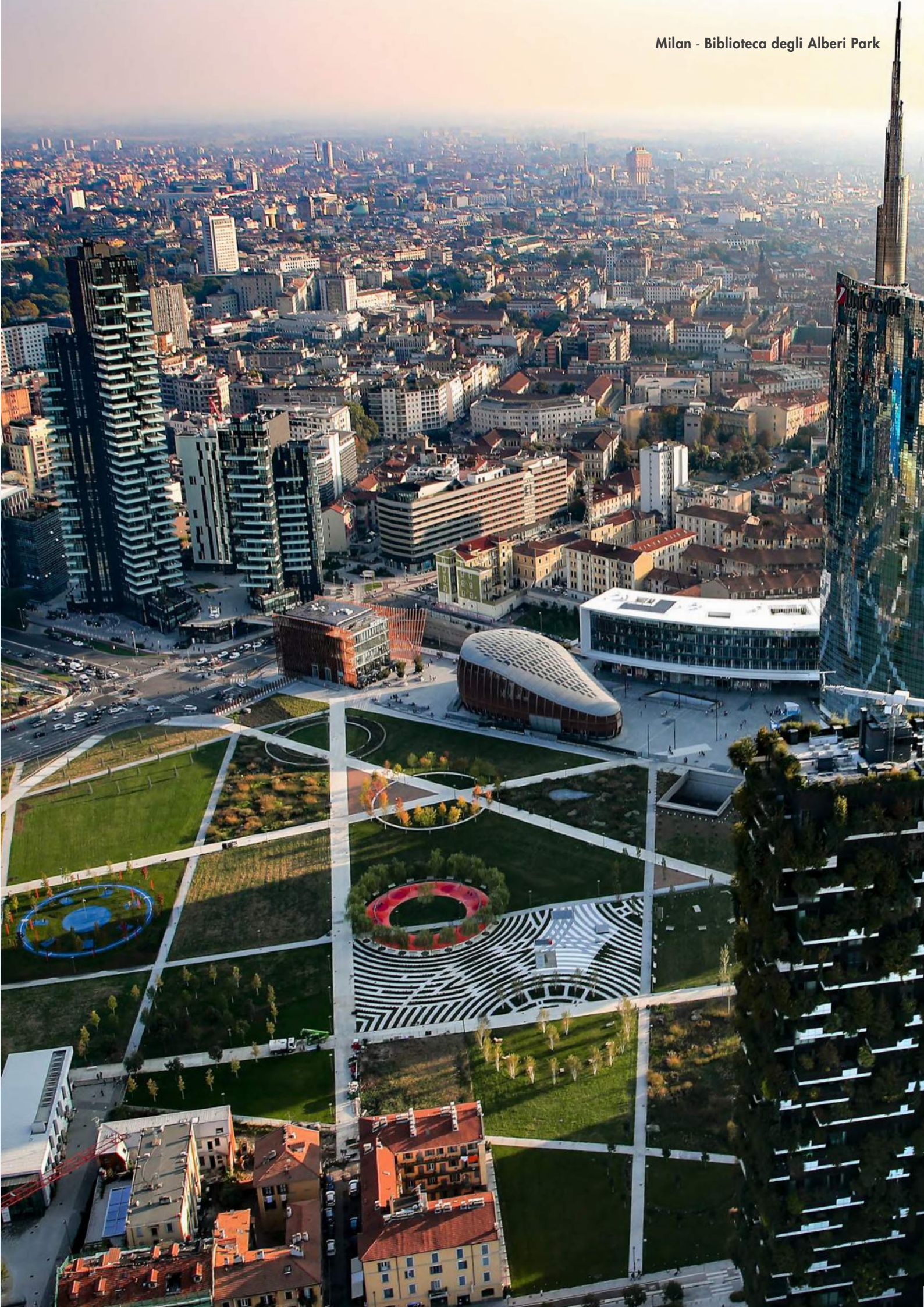
Mayor Sala's ribbon-cutting ceremony was accompanied by music played by the brass section of Teatro alla Scala of Milan, including works by Haendel (Royal Fireworks), Charpentier (Te deum), Mouret (Rondeau), as well as the Marcia Trionfale from Verdi's Aida.

“The Biblioteca degli Alberi, with its variety, will astonish the Milanese and accompany them in a truly extraordinary experience of green space, just like in the most beautiful cities in the world.

Giuseppe Sala, Mayor of Milan

“It is an innovative park, with characteristics reminiscent of the green spaces designed in Northern Europe as regards the variety and richness of its vegetation. Biblioteca degli Alberi represents a novelty from a standpoint of its management (...) It is a new model of public-private collaboration that we envisage to replicate again in the next few years.

Pierfrancesco Maran, Assessor of Urban Planning, Green Areas and Agriculture



“Awaiting the Opening” of the Park

A program of extraordinary openings of the building site and cultural initiatives in the park over the period leading up to the opening of Biblioteca degli Alberi.

Over the course of 2018, the Foundation launched a program of cultural initiatives and educational activities in the park, with concerts, guided tours, laboratories in the vegetable gardens and creative laboratories, involving over 1,500 citizens.

Highlights

APPROXIMATELY 1.500 PEOPLE INVOLVED IN THE CULTURAL PROGRAM “AWAITING THE OPENING” OF THE PARK



500

Participants at
“#PercorsiPoetici”



360

Participants at
“Note nel Parco”



100

Participants at the
Lecture “From park to park”



260

Participants at
“Summer Party”



60

Participants at
“Giornata di Yin Yoga”



130

Participants at
“Alberi in Gioco”



150

Participants at
“L'Isola Sboccia!”



80


Participants at
“Parole in giardino”



100

Participants at
“Coro Gospel nel parco”



Event	Description	When	Partic.
	<p>"Note nel Parco"</p> <p>A concert - launched as part of Piano City Milano in collaboration with Accademia di Imola Foundation - for an extraordinary day in the building site of the park, with a musical marathon featuring as its protagonists four young talents of the Accademia di Imola winners of the most important international awards.</p>	20 May	360
	<p>Lecture "From park to park" with Charlie Peel</p> <p>On the occasion of About a City - an initiative launched by G. Feltrinelli Foundation on sustainable urban development - a lecture on the role of nature in cities and on the best practices of London's parks, with the landscape architect Charlie Peel, expert in the design of green spaces. Afterward, a guided tour, offered as a preview, to discover Milan's new park.</p>	25 May	100
	<p>Summer Party with musical visit to the park</p> <p>An extraordinary opening of the building site of Biblioteca degli Alberi on the occasion of European music day, with a musical visit accompanied by the MagicaBoola Brass Band, while discovering the colors and floral nuances of the park.</p>	21 June	260
	<p>"Alberi in Gioco"</p> <p>An evening of fun to disseminate the culture of board games in collaboration with Excalibur Games: 40 games for adults and kids, inspired by Nature, Biodiversity and Sustainable Development.</p>	22 July	130



“#PercorsiPoetici” at Biblioteca degli Alberi

A creative contest dedicated to residents to enhance appreciation for the botanical richness, design and cultural vocation of the park

Riccardo Catella Foundation, in collaboration with the Municipality of Milan, launched a creative context from December 2017 until February 2018 open to all residents, to conceive and write 20 poetic phrases to write on the concrete pathways of the Biblioteca degli Alberi park.

Through an invitation published on the social networks of the “Porta Nuova Smart Community”, residents were invited to come up with compositions, phrases, aphorisms or short poems dedicated to the trees, parks or the importance of green spaces in cities, inspired by the beauty of nature and the fundamental role it plays in the ecosystem, climate and human wellness.

Over 500 people took part in the initiative with their own #PercorsiPoetici, proactively contributing toward completing the design of the new park.

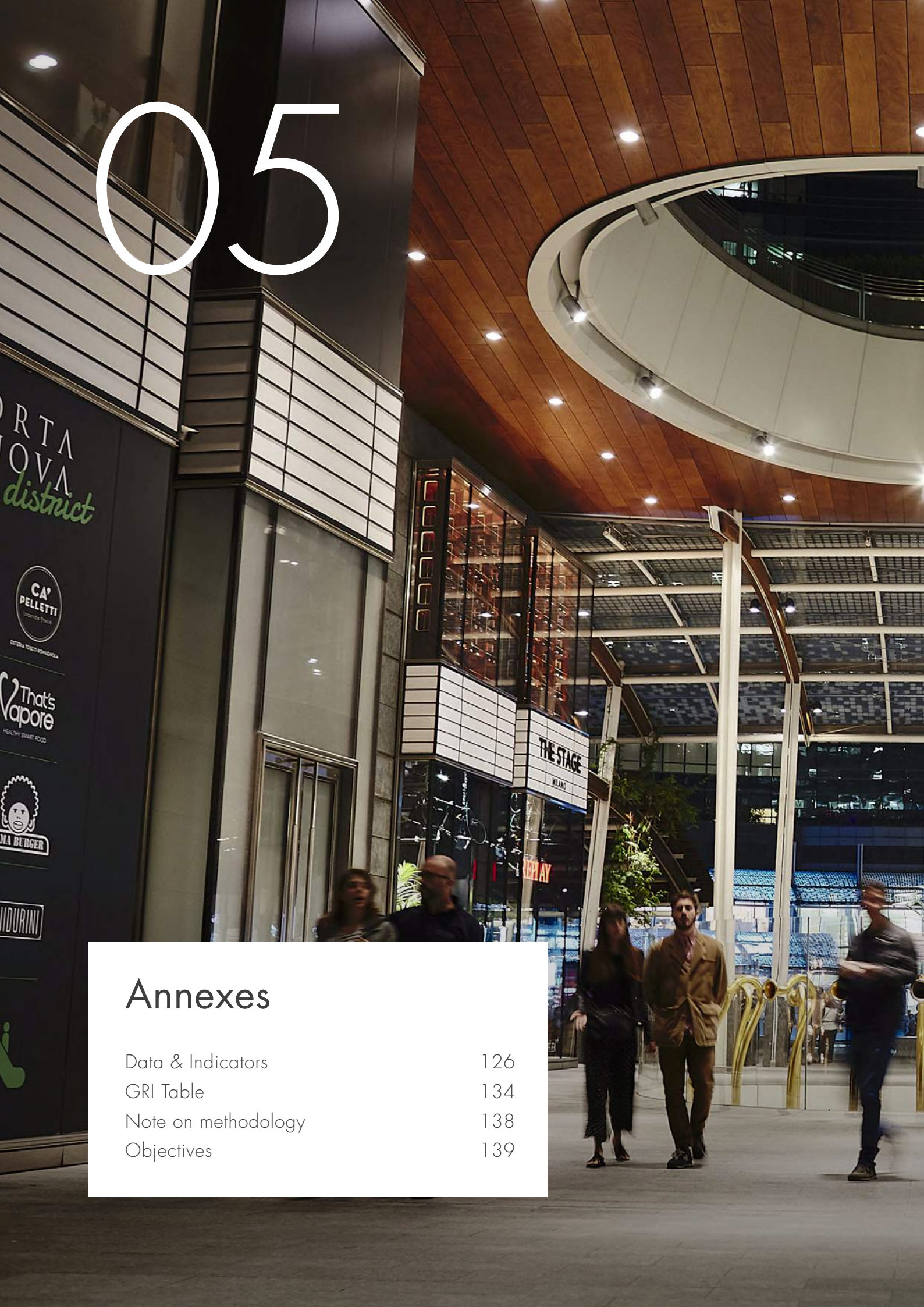
On 16 February 2018, the 20 winning phrases were published - after being selected by a jury comprised of representatives of the Municipality of Milan and by the designer of the park Petra Blaisse, on the social channels of the “Porta Nuova Smart Community”. The 20 phrases were inscribed in the concrete walkways of the park, accompanied by the name and age of the author.



05

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PORTA
NUOVA
food district



ITALIAN
BAKERY



12!
Coffee joints

Data & Indicators

ENVIRONMENTAL PERFORMANCE - HEADQUARTERS OF COIMA SGR AND COIMA S.r.l.			
	Unit of Measure	2018	GRI
CONSUMPTION OF MATERIALS			GRI 301 - 1
Printing paper including packaging			
COIMA SGR	t	1.59	
COIMA S.r.l.	t	2.50	
CONSUMPTION			
Electricity			
COIMA SGR (Piazza Gae Aulenti)	kWh	25,610.00	
COIMA Srl (Piazza Gae Aulenti)	kWh	26,710.00	
CO₂ EMISSIONS			GRI 305-2
COIMA SGR	t	13.39	
COIMA S.r.l.	t	11.18	
EFFICIENCY OF THE BUILDINGS			
Energy intensity			
COIMA SGR	kWh/m ² year	51.22	
COIMA S.r.l.	kWh/m ² year	53.42	
Carbon intensity			
COIMA SGR	t CO ₂ /m ²	0.02	
COIMA S.r.l.	t CO ₂ /m ²	0.02	

ENVIRONMENTAL PERFORMANCE OF THE ASSETS

	Unit of Measure	Residential	Offices	Retail	Hotels	Logistics	Other	Total	GRI
DIRECT CONSUMPTION OF ENERGY FROM PRIMARY SOURCES									GRI 302-1
Consumption of electricity	MWh	8,977.0	23,698.1	844.8	-	1,056.9	5,028.3	39,605.2	
- of which, electricity from renewable sources	MWh	8,366.0	1,395.1	844.8	-	657.4	5,028.3	34,291.6	
Photovoltaic production	MWh	55.9	107.8	8.2	-	-	-	171.9	
Consumption of natural gas	thousands Sm ³	115.7	603.3	0.0	0,0	0.0	7.0	725.9	
WATER CONSUMPTION									GRI 303-1
Drinking water	thousands m ³	46.29	149.20	1.92	-	3.28	38.15	238.84	
Other sources	thousands m ³	7,827.40	8,025.34	760.23	-	-	-	16,612.97	
Total water consumption	thousands m³	7,873.69	8,174.54	762.15	-	3.28	38.15	16,851.81	
GREENHOUSE GAS EMISSIONS*									
Emissions of CO ₂ (scope 1)	t	228,07	1.189,62	-	-	-	13,81	1.431,50	GRI 305-1
Emissions of CO ₂ (scope 2) location based	t	2.840,33	7.498,09	267,29	-	334,40	1.590,96	12.531,07	GRI 305-2
Total Emissions of CO₂, location based	t	3.068,40	8.687,72	267,29	-	334,40	1.604,76	13.962,57	
Emissions of CO ₂ (scope 2) market based**	t	295,29	2.079,61	-	-	193,09	-	2.567,99	GRI 305-2
Total Emissions of CO₂, market based**	t	523,36	3.269,24	-	-	193,09	13,81	3.999,99	
Emissions of CO ₂ avoided through photovoltaic production	t	17,69	34,10	2,59	-	-	-	54,38	GRI 305-5
Emissions of CO ₂ avoided through the purchase of energy from renewable sources	t	2.647,01	6.136,61	267,29	-	207,99	1.590,96	10.849,86	GRI 305-5

* Emission factors TERNA/ISPRA

** Emission factors European Residual Mix 2018 for Italy - AIB

EFFICIENCY OF THE BUILDINGS

Energy intensity	kWh/mq	82.26	95.19	207.31	-	5.49	73.20	63.54	CRE1
Water intensity	m ³ /mq	0.42	0.60	0.47	-	0.02		0.38	CRE2
Carbon intensity*	t CO ₂ /mq	4.84	13.26	-	-	1.02	0.20	6.48	CRE4

*Calculated on the emissions of CO₂ following a Market-based approach

SOCIAL PERFORMANCE		COIMA Srl			COIMA SGR			
	Unit of measure	2016	2017	2018	2016	2017	2018	GRI
CONSISTENCY OF PERSONNEL								GRI 102-8
Employees at 1/1	no.	44	56	58	33	47	52	
Arrivals	no.	15	6	4	16	13	14	
Departures	no.	3	4	2	2	8	8	
Employees as at 31/12	no.	56	58	60	47	52	58	
COMPOSITION OF PERSONNEL								GRI 102-8
By gender								
Men	no.	35	36	40	22	27	29	
Women	no.	21	22	20	25	25	29	
By level								
Executives	no.	7	5	6	5	8	11	
- women	no.	2	2	2	0	2	3	
Mid-level managers	no.	7	8	8	15	16	22	
- women	no.	1	2	2	9	8	11	
White collar employees	no.	42	45	46	27	28	25	
- women	no.	18	18	16	16	15	15	
TEMPORARY WORKERS								GRI 102-8
Temporary workers	no.	3	1	1	n.a.	n.a.	n.a.	
- women	no.	2	1	1	n.a.	n.a.	n.a.	
PRESENCE OF WOMEN								GRI 405-1
Executives	%	29	40	33	0	25	27	
Mid-level managers	%	14	25	25	60	50	50	
Employees	%	44	40	35	59	53	60	
Total	%	38	38	33	52	48	50	
Interim workers	%	67	100	100	n.a.	n.a.	n.a.	
EMPLOYEES BY AGE CATEGORY								GRI 405-1
Under 30	%	11	10	13	17	21	17	
Between 30 and 50	%	75	78	82	74	73	71	
Over 50	%	14	12	5	8	6	12	
AVERAGE SENIORITY WITH THE COMPANY								
Total	no. years	3.2	3.8	4.4	5.0	4.8	5.1	
EMPLOYEES BY CONTRACTUAL TYPE								GRI 102-8
Indefinite term	no.	47	52	55	41	49	55	
- women	no.	18	21	20	21	22	27	
Fixed term	no.	8	6	5	6	3	3	
- women	no.	3	0	0	4	3	2	

SOCIAL PERFORMANCE		COIMA Srl			COIMA SGR			
	Unit of measure	2016	2017	2018	2016	2017	2018	GRI
TRAINING - WORK								GRI 102-8
Traineeships	no.	0	0	0	0	0	0	
Internships/New hires	no.	3	3	1	3	3	3	
Total	no.	3	3	1	3	3	3	
% interns and trainees out of total employees	%	5.4	5.2	1.7	6.4	5.8	5.2	
PART-TIME								GRI 102-8
Employees with part-time contract	no.	0	0	0	3	2	2	
- women	no.	0	0	0	2	1	2	
% Employees with part-time contract	%	0	0	0	6	4	3	
- women	%	0	0	0	2	2	3	
NEW HIRES*								GRI 401-1
By age								
Under 30	no.	2	2	2	8	7	4	
Between 30 and 50	no.	11	4	2	8	6	8	
Over 50	no.	2	0	0	0	0	2	
By gender								
Women	no.	4	2	0	8	4	6	
Men	no.	11	4	4	8	9	8	
By role								
Executives	no.	0	0	0	1	1	2	
Mid-level managers	no.	2	1	0	4	3	6	
Employees	no.	13	5	4	11	9	6	
DEPARTURES*								GRI 401-1
By reason								
Resignation	no.	3	2	2	0	8	7	
Retirement	no.	0	0	0	0	0	0	
Death	no.	0	0	0	0	0	0	
Dismissal	no.	0	0	0	0	0	0	
Other	no.	0	2	0	2	0	1	
By age								
Under 30	no.	0	0	0	0	3	2	
Between 30 and 50	no.	3	2	2	2	5	5	
Over 50	no.	0	2	0	0	0	1	
By gender								
Women	no.	1	1	2	0	4	2	
Men	no.	2	3	0	2	4	6	

SOCIAL PERFORMANCE		COIMA Srl			COIMA SGR			
	Unit of measure	2016	2017	2018	2016	2017	2018	GRI
EMPLOYEES TRAINED								
Employees participating in at least one training course	no.	56	58	60	47	52	58	
Employees trained	%	100	100	100	100	100	100	
TRAINING GRI 404-1								
Total hours	no.	425	1,144	2,468	2,228	1,521	2,456	
- women	no.	162	577	867	1,002	429	909	
- men	no.	263	943	1,601	1,226	1,092	1,547	
Average hours by employee	no.	8	20	41	47	29	42	
- women	no.	8	52	43	40	17	31	
- men	no.	8	31	40	56	40	53	
EMPLOYEES SUBJECT TO ANNUAL FEEDBACK INTERVIEWS GRI 404-3								
Executives	%	100	100	100	100	100	100	
Mid-level Managers	%	100	100	100	100	100	100	
Employees	%	100	100	100	100	100	100	
Total	%	100	100	100	100	100	100	
Total female employees	%	100	100	100	100	100	100	
RETURN TO WORK AND RATES OF RETURN TO WORK FOLLOWING PARENTAL LEAVE BY GENDER GRI 401-3								
Employees who took advantage of parental leave	no.	4	5	3	2	4	1	
-women	no.	4	5	3	2	4	1	
Employees who during the year ended their parental leave and returned to work	no.	3	4	3	0	1	1	
- women	no.	3	4	3	0	1	0	
HOURS OF ABSENCE GRI 403-2								
Illness	no.	960	2,968	1,808	619	737	1,827	
- women	no.	448	1,976	1,064	224	466	1,250	
Accident*	no.	56	0	88	0	48	0	
- women	no.	0	0	48	0	48	0	
Maternity	no.	2,240	2,944	1,336	3,036	5,280	1,976	
- women	no.	2,240	2,944	1,336	3,036	5,280	1,976	
Paid leave	no.	0	0	0	52	341	416	
- women	no.	0	0	0	48	207	204	
Unpaid leave	no.	0	0	0	0	0	128	
- women	no.	0	0	0	0	0	128	
Other	no.	498	462	658	406	297	184	
- women	no.	354	238	502	254	141	80	
Total	no.	3,754	6,374	3,890	4,113	6,703	4,531	
- women	no.	3,042	5,158	2,950	3,562	6,142	3,638	

* The hours stated include commuting accidents

SOCIAL PERFORMANCE		COIMA Srl			COIMA SGR			
	Unit of measure	2016	2017	2018	2016	2017	2018	GRI
COLLECTIVE CONTRACTS								GRI 102-41
Employees covered by CCNL	no.	56	100	60	47	52	58	
Employees covered by CCNL	%	100	100	100	100	100	100	
LEGAL PROCEEDINGS PENDING WITH EMPLOYEES								
Existing as at 31/12	no.	0	0	0	0	0	0	
BASE SALARY RATIO WOMEN/MEN								GRI 405-2
Top Management	%	91	94	97	n.d.	42	54	
Management	%	75	80	77	67	92	90	
White collar employees	%	78	87	82	123	86	92	
TURNOVER OF PERSONNEL (RESIGNATIONS)								GRI 401-1
By age category								
Under 30	%	0	0	0	0	37	29	
Between 30 and 50	%	100	50	100	0	63	71	
Over 50	%	0	50	0	0	0	0	
By gender								
Women	%	34	25	100	0	50	29	
Men	%	66	75	0	0	50	71	
By role								
Executives	%	34	1	0	0	0	0	
Mid-level managers	%	0	0	0	0	25	0	
Employees	%	66	3	100	0	75	100	
By seniority								
Seniority under 3 years	%	66	50	0	0	37	29	
Seniority ranging between 3 - 10 years	%	0	25	0	0	63	71	
Seniority over 10 years	%	34	25	100	0	0	0	
ACCIDENTS IN THE WORKPLACE								GRI 403-2
Accidents that occurred to employees of the Group (>1 day of absence, excluding commuting accidents)	no.	0	0	0	0	1	0	
- women	no.	0	0	0	0	1	0	
Days lost due to accidents (excluding commuting accidents)	no.	0	0	0	0	7	0	
- women	no.	0	0	0	0	7	0	
Fatal accidents	no.	0	0	0	0	0	0	
Cases of work-related illness	no.	0	0	0	0	0	0	
HEALTH AND SAFETY OF WORKERS								CRE6
Employees which work in compliance with a H&S management system	%	100	100	100	100	100	100	

In 2018 there were no cases of judicial or arbitration disputes with employees.



INVESTMENTS IN THE COMMUNITY	GRI 203-1
RICCARDO CATELLA FOUNDATION 2018	EURO
MOTIVATION	
Investment in the community	118,439.25
Charity	-
Sponsorships	63,000.00
TOTAL	181,439.25
FIELD	
Other	0.00
Education and youth development	37,046.02
Environment	14,000.00
Health	0,00
Economic development	0,00
Art and Culture	52,884.52
Social welfare	77,508.71
TOTAL	181,439.25
TYPES	
Monetary contributions	118,439.25
Donations in kind	63,000.00
TOTAL	181,439.25
COIMA SGR 2018	EURO
MOTIVATION	
Charity	3,000.00
Investment in the community	39,649.32
Sponsorships	21,300.00
TOTAL	63,949.32
FIELD	
Other	17,469.32
Education and youth development	1,000.00
Environment	1,880.00
Economic development	25,000.00
Health	10,500.00
Emergencies	200.00
Culture of sustainable investments	4,900.00
Art and Culture	3,000.00
TOTAL	63,949.32

GRI Table

GRI STANDARD	DESCRIPTION	Page
PROFILE OF THE ORGANIZATION		
102-1	Name of the company	COIMA SGR, COIMA srl
102-2	Trademarks, products and services	10, 38
102-3	Location of central headquarters	Piazza Gae Aulenti 12, Milan
102-4	Location of business/transactions	14 - 17
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102-6	Markets served	14 - 17
102-7	Size of the organization	39
102-8	Information on employees and other workers	132, 133
102-9	Supply chain	70, 71
102-10	Material changes in the organization and its supply chain	No material change
102-11	Precautionary principle or approach	82 - 87
102-12	External initiatives	110 - 127
102-13	Membership in associations	GRESB, European Real Estate association
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102-14	Declaration by the main decision-maker	4, 5
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102-16	Values, principles, standards and rules of conduct	11
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102-43	Approach to stakeholder engagement	90 - 93
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102-45	Scope of the report	142
102-46	Definition of contents of the report and limits on topics	34, 35
102-47	List of material topics	34, 35
102-48	Redefinition of information with respect to previous reports	No material change
102-49	Changes in material topics and the relevant scope	142
102-50	Period covered by the report	142
102-51	Date of the most recent report	2017
102-52	Frequency of reporting	Annual
102-53	Contacts related to requests on the report	146
102-54	Declaration of compliance with Standard GRI	142
102-55	GRI Index	138 - 140
102-56	External assurance	The report is not subject to any assurance

Specific disclosure

GRI STANDARD	DESCRIPTION	Page
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103-2, 103-3	Approach by management and its members	23
303-1	Water withdrawals by source	131
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103-1	Explanation of material issues and their scope	34, 35
103-2, 103-3	Approach by management and its members	23, 51
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CRE1	Energy intensity of buildings	130, 131
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103-1	Explanation of material issues and their scope	34, 35
103-2, 103-3	Approach by management and its members	23, 51
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103-1	Explanation of material issues and their scope	34, 35
103-2, 103-3	Approach by management and its members	40, 41
CRE8	Type and number of sustainability certifications of the buildings	29
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103-1	Explanation of material issues and their scope	34, 35
103-2, 103-3	Approach by management and its members	100
403-2	Type of accidents and rate of accidents in the workplace, work days lost, absenteeism and total number of deaths	134, 135
CRE6	Employees who work in compliance with an H&S management system	135
HEALTH AND SAFETY OF CONSUMERS		
103-1	Explanation of material issues and their scope	34, 35
103-2, 103-3	Approach by management and its members	23
413-2	Impact on local communities	61



Note on Methodology

In 2015, COIMA started the reporting process of its sustainability performance. In the following three years resources and the governance structure of sustainability (Sustainable Innovation Committee) have been defined and identified the quantitative and substantial objectives to be achieved.

Following the presentation of the 2017 results, the objectives and the budget were presented and approved by the respective

parties Boards of Directors of COIMA SGR and COIMA Srl.

The structured work carried out in the year 2018 allowed the completion of this document and progress towards full achievement of the objectives. This document has been presented and approved by the Board of Directors of COIMA SGR on 19 June 2019 e by the BoD of COIMA Srl on 6 May.

Guidelines used and materiality

With the aim of providing a complete and transparent picture of its sustainability profile and the impacts generated by its business and activities, COIMA has decided to use the Sustainability Report as a tool for non-financial reporting. The information set forth has been selected in accordance with the principle of materiality and monitored through the GRI Standard guidelines published in the Global Reporting Initiative, following a "GRI Referenced" level of

compliance. The materiality analysis process, which identifies the key issues, on both the internal and external front, was updated by combining the results of a desk analysis with those of a structured listening activity by the management of COIMA SGR and COIMA Srl. The outcome of the analyses may be viewed within this document in the materiality matrix set forth in the dedicated paragraph on p. 34 and 35.

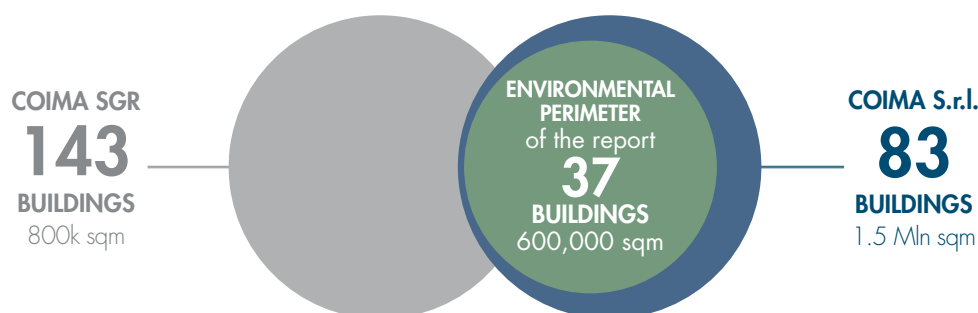
Reporting process and perimeter

This sustainability document reports the data and information concerning financial year 2018, with a snapshot as at 31 December. The functions of COIMA SGR, COIMA S.r.l. and Riccardo Catella Foundation took part in the reporting, by providing the information falling within their respective areas of competence. In line with the previous reporting cycle, the perimeter of the information concerning environmental performance set forth in the Report includes all assets held in COIMA SGR's portfolio with respect to which COIMA S.r.l. performs Property Management services, along with the buildings for which COIMA S.r.l. performs Property services and for which it controls consumption and directly intervenes to improve their performance levels. The perimeter also includes the building hosting the headquarters of Riccardo

Catella Foundation, owned by the Municipality of Milan and managed by COIMA S.r.l. and COIMA's new headquarters, in Piazza Gae Aulenti, open since 1 August 2017.

In total, the environmental perimeter of the sustainability report refers, therefore, to 37 buildings, comprising over 600,000 sqm and does not include the related parking areas.

COIMA SGR's total portfolio is comprised of 143 properties, with total surface area of approximately 800k sqm (GBA). The Property Management business of COIMA S.r.l., on the other hand, covers 83 properties with total surface area of approximately 1,5 Mln sqm (GBA), plus two properties owned by COIMA RES, Riccardo Catella Foundation and COIMA's new headquarters in Piazza Gae Aulenti, Milan.



For further information on COIMA RES, see the 2018 Annual Report http://www.coimares.com/assets/annual_report_2018_EN/

Objectives

COIMA targets its objectives on a three-year basis, some of which can be completed within the year, others have necessarily a multi-year time horizon. From year to year the objectives are reviewed and, if completed, they are marked (C) in the status column, and are not reported among the goals of the following year. For partially completed (PC) or unfinished (NP) targets, which are then in processing, remain reported among the objectives of the next three-year period.

COIMA: OBJECTIVES 2018-2020

ESG	Material issues	Objectives	Status	Comment
E	Responsible investments	Elaborating a group of "key performance indicators" that indicate the sustainability criteria in due diligence in the acquisition phase.	PC	COIMA has developed a sustainability checklist to be adopted during the pre-acquisition Due Diligence phase. The checklist aims to identify ESG risks and possible mitigation strategies. The checklist is currently in the testing phase which we expect to complete by the end of 2019 in order to adopt it as a standard procedure for all acquisitions.
		Defining the year 2018 as "base line" for the definition of long-term sustainability objectives, by 2020 for year 2030.		The data compiled in 2018 will be used as a "baseline" for defining long-term environmental objectives.
E	Certification of properties and reduction of environmental impact	Implementing standards and procedures for identifying actions for improving ESG performance levels. Starting in 2019, developing a method of classification of ESG performance levels through the Global Real Estate Sustainability Benchmark (GRESB) on a number of real estate funds under management and achieving the GRESB Green Star level.	PC	COIMA has identified two Funds whose ESG performance levels will be classified in accordance with the Global Real Estate Sustainability Benchmark (GRESB).
		Applying at least one sustainability certification in all of the buildings that have been under direct management for at least two years, by 2030 (one of the following certifications, LEED C&S, LEED O&M, BREEAM in-use, Fitwell, WELL or others)	PC	COIMA currently has 73% (by value) of its properties certified. COIMA is working on an analysis for its portfolio, for identifying opportunities for certifying assets lacking certifications, including the "in-use" protocols for the operational phase of the buildings.
		Analyzing the integration of biodiversity in one of its next buildings in development.	PC	COIMA promotes the implementation of biodiversity and green areas in real estate development and management. In the Corso Como Place and Gioia 22 projects, currently under construction, the creation of public spaces and private spaces for public uses featuring urban greenery is envisaged.
		Purchasing of energy only from energy produced using renewable sources for the directly managed buildings by the end of 2025.	PC	COIMA is reviewing its energy supply contracts, identifying suppliers that ensure 100% of the supply is from renewable sources.
S	Stakeholder engagement	Developing a "Green procurement guide" for the Property Manager which promotes a sustainability-based approach throughout the entire supply chain by the end of 2019	PC	COIMA is working on drafting a "green procurement guide" aligned with international best practices.

COIMA: OBJECTIVES 2018-2020

ESG	Material issues	Objectives	Status	Comment
S	Wellness, health and safety	Maintaining an excellent level of wellbeing, health and safety in all locations in which we operate.	PC	COIMA operates both as manager and developer. Issues related to the health and safety of occupants are regularly verified. In new developments, COIMA also promotes the integration of international certifications of the buildings that promote the wellbeing of occupants (WELL).
S	Human capital development	Promoting equality and integration, gender diversity.	C	COIMA has revised its Code of Ethics, completing a general revision that has expanding the section on human rights and gender equality.
		Organizing specific sessions, within the Knowledge Sharing, on specific sustainability and innovation issues.	C	During the year, through the "knowledge sharing" program and the quarterly updates, various presentations were organized on topics concerning sustainability and innovation in real estate development.
S	Community and volunteering	Promoting, through Riccardo Catella Foundation, civic and cultural initiatives aimed at fostering the dissemination of sustainable and responsible practices in the planning and development of the territory, favoring community engagement for improving the quality of urban life.	C	Riccardo Catella Foundation has launched various initiatives. The "MiColtivo" program has created an urban vegetable garden involving students of the Istituto Sant' Ambrogio of Milan and the "Porta Nuova Smart Camp" project which involved children with disabilities in educational and recreational activities.
S	Tenant satisfaction and service quality	Developing an "action plan" for each asset in response to comments received during the survey on Tenant satisfaction, by the end of 2019.	C	Following the results of the tenant satisfaction surveys, an action plan was developed to mitigate the critical issues raised.
		Developing a document to be agreed upon that contains contractual "green clauses" to be proposed to the Tenants by the end of 2019.	C	COIMA has completed a complete review of its standard lease agreement, introducing various updates, and in particular, with greater involvement of tenants and for sharing information on ESG performance.
G	Promote safety, health and well-being	Applying the WELL Building Standard certification for one of the developments by the end of 2020.	PC	The Corso Como Place project, which is expected to be completed in 2020, will be WELL certified.
G	Governance transparency	Subjecting the environmental data gathered to an independent verification by the end of 2019.	PC	An independent consultant will be involved for the verification and certification of the data.
		Organizing training sessions open to all employees in relation to matters of Code of Conduct and professional ethics.	C	In 2018, training sessions were organized on the code of ethics, professional ethics and confidentiality of information.
G	Economic performance	Elaborating a study for measuring the creation of value through sustainability initiatives promoted in one of the next developments, with the aim of elaborating the key performance indicator that may identify the impacts on the assets under management.	PC	The data gathered in 2018 will be used for an analysis that will be completed in the two years 2019-2020.

COIMA SGR E COIMA SRL: OBJECTIVES 2019 - 2021

ESG	Material issues	Objectives
E	Responsible investments	To elaborate a group of key performance indicators that integrate sustainability criteria into the due diligence process during the acquisition phase.
		To define year 2018 as the "base line" for defining long-term sustainability objectives, by the end of 2020 for year 2030.
E	Certification of properties and environmental impact reduction	To implement standards and procedures for identifying actions for improving ESG performance. Starting in 2019, to develop a method of classifying ESG performance levels through the Global Real Estate Sustainability Benchmark (GRESB) on some of the real estate funds under management and to achieve the GRESB Green Star level.
		To apply at least one sustainability certification in all of the buildings that have been directly managed for at least two years. By the end of 2030 (one of the following certifications: LEED C&S, LEED O&M, BREEAM in-use, Fitwell, WELL or others).
		To analyze the integration of biodiversity into one of the next buildings under development.
		To purchase from the energy market only energy from renewable sources for the buildings under direct management by the end of 2025.
S	Stakeholder engagement	To develop a "Green procurement guide" for the Property Manager that encourages a sustainability-based approach throughout the entire supply chain by the end of 2019.
S	Human capital development	To organize specific sessions, within the Knowledge Sharing Program, on sustainability and innovation issues.
S	Community and volunteering	To promote, through Riccardo Catella Foundation, civic and cultural initiatives aimed at fostering the dissemination of sustainable and responsible practices in the planning and development of the territory, favoring community engagement for improving the quality of urban life.
S	Tenant satisfaction and service quality	To develop an "action plan" for each asset in response to the comments received during the Tenant satisfaction survey by the end of 2019.
G	Promote safety, health and well-being	To apply the WELL Building Standard certification for one of the developments in the requalification phase by the end of 2020.
G	Governance transparency	To subject to independent verification the compilation of the environmental data gathered by the end of 2019.
G	Economic performance	To elaborate a study for measuring the creation of value through sustainability initiatives promoted in one of the next developments, with the aim of elaborating the key performance indicators that may identify the impacts on the assets under management.



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COIMA S.R.L.

Piazza Gae Aulenti, 12
20154 - Milan
www.coima.it

COIMA SGR S.P.A.

Piazza Gae Aulenti, 12
20154 - Milan
www.coimasgr.com

COIMA RES S.P.A. SIIQ

Piazza Gae Aulenti, 12
20154 - Milan
www.coimares.com

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Piazza Gae Aulenti, 12
20154 - Milan
www.coimaimage.it

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Andrea Cherchi
Donato Di Bello
Andrea Martiradonna
Carlo Perazzolo

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