



RENI CAPITAL FUND

Transparency of the promotion of environmental or social characteristics and of sustainable investments on websites - Publication referred to Article 10, par. 1, of Regulation (EU) 2019/2088 and Articles 25 to 36 of the Delegated Regulation (EU) 2022/1288

Version: I

Date: 15.12.2025

Summary

Reni Capital Fund (hereinafter also “the financial products”, “the Fund”) promotes environmental characteristics pursuant to Article 8 of Regulation (EU) 2019/2088 (SFDR) and although it does not have sustainable investment as its objective, it is committed to making a share of sustainable investments.

In particular, the Fund pursues climate change adaptation and mitigation, mainly through the sustainable redevelopment of existing real estate assets and land. Monitoring these objectives ensures that the Fund’s activities are consistent with the United Nations Sustainable Development Goals (SDGs).

For all underlying investments of the financial product that take into account the EU Taxonomy criteria, in order to ensure that no significant harm is caused to other sustainability objectives (DNSH), COIMA guarantees that the DNSH criteria relating to the relevant economic activity will be applied and verified. In addition, COIMA analyzes indicators of adverse impacts on sustainability factors (PAI, Principal Adverse Impacts) and aligns its practices with the OECD Guidelines, the United Nations Guiding Principles on Human Rights, and the United Nations Global Compact. COIMA is also a signatory to and takes into consideration the United Nations principles for responsible investments (UN PRI).

The Fund's strategy involves activities aimed at increasing the value of capital over time, while simultaneously promoting the ESG characteristics of its investments. The selection of individual investments is focused on sustainable value creation in order to achieve positive effects regarding environmental improvement and protection, as well as their impact on local communities and the real economy of the territory.

The investment allocation programmed to achieve the environmental characteristics promoted by Reni Capital Fund is at least equal to 80% of the investments. In addition, the Fund will have a minimum allocation of 80% in investments with sustainable objectives.

The methodologies used to measure the pursuit of the characteristics promoted by the Fund includes the use of the indicators referred to in Article 3 of Regulation (EU) 2020/852 and the technical screening criteria defined by Commission Delegated Regulation (EU) 2021/2139. The Fund also monitors KPIs relating to the proprietary tool “COIMA ESG Metrics”.

The data needed to determine the Fund's environmental characteristics and sustainable investment objectives are collected periodically from internal data rooms. COIMA is committed to ensuring the quality of the data collected and reported in relation to this financial product through data rooms designed to collect, aggregate, and manage the data needed to report on indicators promoting the Fund's environmental characteristics and pursuit of sustainable investment objectives.

The Fund's investment strategy incorporates environmental characteristics through a rigorous initial screening and selection of investment opportunities. During the due diligence phase, the ESG profile is assessed using an in-house methodology that evaluates the economic impact in relation to achieving ESG objectives.

Finally, the Risk Management function supervises the above-mentioned process with the aim of identifying, measuring, managing and continuously monitoring all financial and sustainability risks inherent to the Fund's investment strategy, and of verifying that the risk-return profile of the investments is consistent with the Fund's target profile.

COIMA is committed to a continuous dialogue and involvement of the Fund's stakeholders, not only with the aim of promoting sustainability and becoming a catalyst in the education and communication of ESG aspects, but also with the aim of reducing and mitigating the main negative effects deriving from its investments, by organizing, for example, periodic meetings with tenants, to measure their degree of satisfaction and spread the culture of sustainability.

At the moment, an index has not been designated as a benchmark to meet the environmental characteristics pursued by the financial product.

No sustainable investment objective

This financial product promotes environmental characteristics as defined by Article 8 of EU Regulation 2019/2088 and, while it does not have a sustainable investment objective, it is committed to making a portion of its investments sustainable. In particular, the Fund pursues climate change adaptation and mitigation through the economic activity "7.7 Acquisition and ownership of buildings" described in the EU Taxonomy, complying with the specific technical screening criteria defined by the legislation.

To ensure no significant harm (DNSH) is caused to other sustainability objectives, COIMA:

- ensures the application and verification of DNSH principle related to the economic activity within the "7.7 Acquisition and ownership of buildings " of the EU Taxonomy, as required by EU Regulation 2020/852 and EU Regulation 2021/2139;
- takes into account the indicators of the negative effects on sustainability (PAI - Principal Adverse Impact Indicators) present in the Tables of Annex I of the delegated regulation (EU) 2022/1288.
- aligns its practices with the OECD Guidelines for Multinational Enterprises, the United Nations Guiding Principles on Human Rights, and the United Nations Global Compact.

With regard to PAI, the Fund takes into account all mandatory PAI indicators for the relevant sector and some optional PAI, specifically:

- Mandatory PAIs for Real Estate sector:
 - Fossil Fuel;
 - Energy efficiency.
- Optional PAIs:

- GHG Emissions;
- Energy consumption intensity.

These indicators are measured and analysed by the SGR at the Fund level, which establishes from the technical due diligence activity the mitigation actions to be taken. COIMA SGR also measures these indicators at a portfolio management level in order to assess the impacts of investment decisions on sustainability factors, taking into account tolerance thresholds. The data required for the determination of PAIs is also collected during the pre-acquisition due diligence of the assets subject to the investment.

In this regard, the results of PAI monitoring at portfolio level will be published on COIMA's website by June of each year, as required by EU Regulation 2019/2088 (SFDR).

Reni Capital Fund's sustainable investments are aligned with the OECD guidelines for multinational enterprises, the United Nations Guiding Principles on Human Rights and the United Nations Global Compact. The alignment with these international guidelines is supported by COIMA's sustainable investment strategy and translates not only into a formal commitment, but also into the adoption of risk-based due diligence aimed at identifying and managing potential negative impacts in areas such as the environment, human rights, corruption, and other areas covered by the Guidelines. This is accompanied by ongoing and meaningful dialogue with stakeholders to ensure the consistency and effectiveness of the approach adopted.

Furthermore, in its investment due diligence activities, COIMA takes into consideration the principles of the United Nations for responsible investments (UN PRI - *Principle for Responsible Investment*). COIMA also requires acknowledgment of its Code of Ethics, ensuring that stringent supervision and control requirements are complied with in places at greater risk for occupational health and safety, ensuring that equal opportunities and workers' rights are respected.

Environmental or social characteristic of the financial product

The Fund promotes environmental characteristics pursuant to Article 8 of EU Regulation 2019/2088.

The Fund's objective is to grow the value of capital over time and generate a stable, low-risk income through investments in high-quality real estate located in strategic locations. At the same time, the Fund is committed to promoting the sustainability of its investments, integrating sustainability risks into the decision-making process, as well as the criteria necessary to verify the achievement of its sustainable investment objectives. In particular, the Fund pursues the objectives of climate change adaptation and mitigation through the economic activity "7.7 Acquisition and ownership of buildings" for the sector "7. Construction and real estate activities" in line with the EU Taxonomy, respecting the technical screening criteria defined by the regulation.

Monitoring these objectives ensures that the Fund's activities are consistent with the United Nations Sustainable Development Goals (SDGs), which are reflected in the development of quality, reliable, sustainable, and resilient infrastructure (SDG 9) and in the improvement of urban planning and infrastructure to reduce their negative environmental impact (SDG 11).

The Fund's sustainability characteristics are to be achieved over its lifetime and guide the investment decisions that will be made from time to time for each asset.

Investment strategy

The investment process includes a careful analysis of the property upgrading and optimisation activities that are necessary to optimise environmental performance and energy efficiency in future management. With a view to achieving the Fund's objective, aimed at seizing the best opportunities offered by the market and developing a positive impact on the real economy, the portfolio will be predominantly invested with the objective of acquiring, developing, and managing real estate assets of a high qualitative level consistent with the sustainability characteristics promoted by the Fund.

During the investment phase, sustainability risk management consists of the following activities:

- Screening and selection of investment opportunities (negative screening): this activity is carried out on the base of specific exclusion criteria. The exclusion criteria considered are the following:
 - Exclusion of the possibility of developing in protected natural areas;
 - Exclusion of the possibility of constructing new buildings intended for the extraction, storage, transport or production of fossil fuels.
- Due Diligence: due diligence is performed with the aim of
 - Understanding the financial and sustainability risks of the investment
 - Verifying that the risk-reward profile is in line with the risk profile of the Fund
 - Verifying the Fund's alignment with the objectives for the share of sustainable investments by applying the technical screening criteria set out in Article 3 of Regulation (EU) 2020/852.
- Calculate the sustainability risk associated with the investment using the COIMA ESG Metrics analyses:
 - "As is" Situation: assessment of the risk associated with the investment at the time of acquisition and throughout the management period;
 - "Target" Situation: assessment of the risk associated with the investment following the redevelopment interventions or the new construction of the building.

This analysis will also be conducted during the investment management phase. The constraining elements of the investment strategy can be traced back to:

- ESG rating calculated using COIMA ESG Metrics equal to maximum: 40/100
- Two exclusion criteria¹:
 - Exclusion of the possibility of developing in protected natural area
 - Exclusion of the possibility of constructing new buildings intended for the extraction, storage, transport or production of fossil fuels
- Verification of the indicators referred to in Article 3 of Regulation (EU) 2020/852 and of the technical screening criteria defined by Commission Delegated Regulation (EU) 2021/2139 for the share of sustainable investments.

¹ It should be noted that the exclusions provided for in Article 12(1)(a) to (g) of RDC (EU) 2020/1818 apply exclusively to any shareholdings held by the fund, without extending to the properties owned directly by it.

The Fund's ESG investment strategy and process are monitored on a regular basis with regards to specific roles and responsibilities attributed to the governance described below and in particular by the Fund Manager with the contribution of the Sustainable Innovation Committee (SIC):

- Board of Directors: approves the investment transactions, the business plan of the Fund and of the investments and any annual changes, taking into account the Policy for Integrating Sustainability Risks into the Investment Process
- Investment Committee: is responsible for applying the ESG guidelines defined in the Policy for Integrating Sustainability Risks into the Investment Process to the selection process of each investment. It has an advisory function in defining the proposals to be presented to the Board of Directors regarding sustainable and responsible investment issues, aimed at guaranteeing the innovation of the methodologies and processes adopted, the monitoring of compliance with the ESG indicators and the ways in which they are taken into account for the various products and services offered to customers
- *COIMA Sustainable Innovation Committee (SIC)*: is an advisory and proactive committee set up to support the Chief Executive Officer of COIMA SGR in the corporate management of "ESG" (Environmental, Social & Governance) issues, "Impact Investing" and product innovation.
- Control Functions: the Risk Management function is responsible for monitoring and assessing the impact of ESG factors on the risk of the Fund and on its financial performance

With regard to the policy for the assessment of good governance practices of the companies benefiting from the investments, it should be noted that given the type of asset class, as well as the intrinsic characteristics of the real estate sector, this assessment is of limited applicability.

However, COIMA ensures compliance with good governance requirements across all its processes through a system of safeguards, policies, and procedural frameworks designed to guarantee solid management standards and a transparent, ethical, and effective governance structure. The organizational framework includes well-defined governing bodies and independent committees, such as the Risk Committee, the Conflicts Committee, and the Sustainability and Innovation Committee. Risk management, which is integrated with ESG principles and described in the *Policy for the Integration of Sustainability Risks into Investment Processes*, is supported by transparent decision-making processes and effective control systems.

COIMA's governance system is designed to ensure maximum transparency towards stakeholders, compliance with tax and legal obligations, and the continuous monitoring and updating of conflict-of-interest mapping, as well as the mitigation of corruption risks through traceable decision-making processes and the oversight activities of independent committees.

COIMA is also committed to promoting its personnel through policies focused on diversity, inclusion, and gender equality. In terms of remuneration, COIMA applies a consistent compensation policy across all organizational levels, differentiated according to responsibility and experience, and constantly monitored by the Remuneration Committee.

Proportion of investments

The minimum allocation of the investment used to achieve environmental characteristics in Reni Capital Fund, in compliance with the binding elements referred to in the previous paragraph, is equal to at least 80% of the investments. Furthermore, at least 80% of the investments are classified as sustainable investments in economic activities considered environmentally sustainable in accordance with the EU Taxonomy, as provided for by the "Climate Change Adaptation" and "Climate Change Mitigation" objectives.

The remaining part includes investments of the financial product that are not aligned with the environmental and/or social characteristics, nor are they considered sustainable investments. It should be noted that, also for these investments, the exclusion criteria of the investment strategy of the financial product are respected and a sustainability risk analysis is carried out.

Finally, it should be noted that Reni Capital Fund does not use derivatives to achieve the environmental objectives set by the financial product but only as a risk hedge.

Monitoring of environmental or social characteristics

During the entire life cycle of the financial product, a rigorous procedure is followed for monitoring the performance of the Fund. Through the periodic calculation of the indicators referred to in Article 3 of Regulation (EU) 2020/852 and the monitoring of the technical screening criteria defined by Commission Delegated Regulation (EU) 2021/2139, the achievement of the sustainability objectives promoted by the Fund is assessed.

The Fund also monitors sustainability Key Performance indicators (KPIs) identified within the COIMA ESG Metrics (a description of the methodology is provided in the following paragraph); where necessary, any corrective actions are considered to improve the Fund's ESG performance or reduce the Fund's ESG risks. The Risk Management function supervises the entire process.

Investors will be provided with a periodic report illustrating the evolution of the investment's ESG and financial performance, with respect to the identified targets: the identification, analysis and continuous management of ESG risks and opportunities are an integral part of the active management of assets owned by the Fund.

Methodologies

The pursuit of the characteristics the Fund has identified is assessed and measured through the indicators referred to in Article 3 of Regulation (EU) 2020/852 and the technical screening criteria defined by Commission Delegated Regulation (EU) 2021/2139, in particular to:

- contribute substantially to the achievement of one or more environmental objectives referred to in Article 9 of Regulation (EU) 2020/852;
- do no significant harm to any of the environmental objectives referred to in Article 9 of Regulation (EU) 2020/852;
- be carried out in compliance with the minimum safeguards set out in Article 18 of Regulation (EU) 2020/852;
- be consistent with the technical screening criteria established by the European Commission.

The Fund also monitors sustainability Key Performance Indicators (KPIs) identified within the proprietary COIMA ESG Metrics tool².

The COIMA ESG Metrics includes three areas of analysis:

- Environmental, area in which the risks and related environmental objectives and parameters are identified:
 - Calculation of the physical risk of the asset;
 - Calculation of asset transition risk;
 - Application of voluntary environmental certifications (e.g. LEED® Leadership in Energy and Environmental Design) of buildings and neighbourhoods;
- Social, area in which risks and related objectives and parameters are identified in terms of integration and/or social impact such as:
 - Decent working conditions;
 - Living standards and well-being;
 - Community and society;
 - Engagement and relationship with stakeholders.
- Governance, area in which risks and related objectives and parameters are identified in terms of corporate governance of sustainability:
 - Ethics;
 - Transparency;
 - ESG Rating of the company

It is also important to note that the monitoring of the indicators used to assess the achievement of the sustainable investment objectives is carried out across all properties held for the entire reporting year, excluding non-relevant assets that are not eligible for calculation purposes, for example, areas or buildings used as garages and/or ancillary spaces not subject to an Energy Performance Certificate.

Data sources and processing

The data needed to determine the environmental characteristics or sustainability goals of the investment is collected on a periodic basis from internal data rooms. In these data rooms, information about the materials used, the Energy Performance Certificate of the building, the sustainability certifications achieved, etc. is available. In some cases, the data are also obtained from regional or national public databases, while the data relating to the consumption and actions of tenants or suppliers are collected by filling in specific questionnaires relating to their ESG performance.

² The COIMA ESG Metrics is a proprietary sustainability risk measurement and monitoring tool that allows for a quantitative assessment in the form of a score on a 100 basis (where 0 is minimum ESG risk and 100 is maximum risk) of the investment's contribution to the sustainability dimensions indicated below. In particular, the process of investing in the Fund is tied to the achievement of a maximum ESG risk score of 40/100, which will be monitored throughout the life of the Fund.

The quality of the data is verified through control measures that are carried out during due diligence and periodic annual checks. In most cases the data are actual and real, but, when necessary, estimations are made. Those could occur because data that comes from third parties is not directly controllable by COIMA.

Limitations to methodologies and data

COIMA is committed for ensuring the quality of the data collected and reported in relation to this financial product through dedicated data rooms aimed at the collection, aggregation, and management of the data necessary for reporting the indicators promoting environmental characteristics and pursuing the Fund's sustainable investment objectives.

With regards to environmental data, particularly physical and transition risk, COIMA uses third-party tools. However, the lack of a guideline on benchmarks and reference scenarios makes it difficult to compare data at market level. Nevertheless, COIMA does not consider these limitations to have a significant impact on the reliability of the measurement of the data used to determine the environmental characteristics and sustainable investment objectives of the Fund.

With regards to social data, at the time of writing the Social Taxonomy is not yet being finalized, therefore, the requirements of the first two social indicators explained in the "Methodologies" will not necessarily be aligned with what will be requested in the final version of the Social Taxonomy.

Furthermore, with regard to data relating to "Stakeholder engagement", this data will be progressively collected by tenants and contractors, therefore it can be estimated or not on the basis of the availability of information received from stakeholders. In any case, COIMA will try to minimize the use of estimates, so that the characteristics of the investment are not affected.

Due Diligence

The Risk Management function supervises the entire due diligence process, which is performed with the aim of:

- a. understanding the investment risks and the ESG risks associated with investments through the evaluation of specific elements included in the COIMA ESG Metrics;
- b. verifying that the risk-return profile is in line with the risk profile of the Fund;
- c. verifying alignment with taxonomic objectives;
- d. analysing the areas for improvement in terms of the ESG objectives of the investment identified, with the purpose to identify an "as is" and a "target" scenario.

The results of the analysis and the ESG targets for investment management are integrated in the investment memorandum presented to the Investment Committee and the Board, which also contains a summary of the main findings of the due diligence.

Engagement policies

Investment preferences, in addition to stakeholder involvement, are crucial elements for COIMA's business: collaboration is an integral part of all projects and is necessary to obtain the best results on the market and to be a catalyst in the education and communication of ESG issues.

Through the commitment with the Stakeholders, COIMA aims not only to promote sustainability but also to

reduce and mitigate the main negative effects deriving from its investments. The cultural events organized by the Riccardo Catella Foundation, for example, intend to involve the public and non-profit sector with the aim of developing civic projects for the community aimed at spreading the culture of sustainability and promoting a responsible approach to urban development. This culture is further developed with the involvement of contractors and service providers engaged in the building construction/refurbishment process, who are reminded of the importance of using eco-sustainable and recycled materials as much as possible, in order to promote economic circularity and use of renewable sources.

In meetings with tenants, the degree of satisfaction with the management of the property is measured, while the need to adopt sustainable behaviours within their homes and offices is also underlined, encouraging lower energy consumption, where possible. In the same way, the engagement with designers and architects aims to promote the reduction of energy use and greenhouse gas emissions, through the development of buildings characterized by advanced insulation and ventilation systems and the use of low energy consumption equipment / appliances.

Finally, COIMA is aware of the influence that the choices of investors and partners have in promoting a more sustainable future. For this reason, the Company is committed to promoting the choice of ESG investments during quarterly updates and industry conferences and events, in order to direct towards increasingly sustainable investments.

Designated reference benchmark

An index has not currently been designated as a benchmark to meet the environmental or social objectives pursued by the financial product.