



Comunicato stampa

## COIMA ESG CITY IMPACT FUND RAISES OVER 500 MILLION EUROS FROM PRIMARY INSTITUTIONAL INVESTORS

- **Largest discretionary investment fund focused on urban regeneration ever raised in Italy**
- **Primary Italian investors join forces to increase impact on the real national economy**
- **ENPAM Foundation participates in the investment program as an anchor investor**
- **Next milestone target to reach over 600 million euros by the end of 2022**
- **Investment pipeline exceeds 1 billion euros**
- **Purpose of the fund: to contribute to sustainable urban regeneration and create neighborhoods and buildings in line with European environmental and social taxonomy**

Milan, 14 July 2022 - **COIMA SGR** - leader in the asset management of investment funds on behalf of institutional investors - announces that **ENPAM Foundation** - National Insurance and Assistance Body for Doctors and Dentists - has invested in the COIMA ESG City Impact Fund (CECIF) taking the total capital committed to **€ 521 million.**, Coima aims to raise **over € 600 million by the end of 2022**, on its way to reaching its target of over € 1 billion.

**ENPAM Foundation** joins other leading investors in the fund including: **Cassa Forense, Cassa Dottori Accountisti, Inarcassa, BCC Credito Cooperativo, CARIPARO Foundation, Compagnia di San Paolo and COIMA SGR** itself.

The announcement was made during a meeting with some of the most important national institutional investors to address the **impact of real assets** in the current economic context and how Italian institutional investors can support the country's competitiveness.

The meeting was attended by **Alberto Oliveti** (President of AdEPP and Fondazione ENPAM), **Sergio Corbello** (President of Assoprevidenza), **Giovanni Maggi** (president of Assofondipensione), **Francesco Profumo** (President of ACRI and the Compagnia di San Paolo Foundation).

**Alberto Oliveti:** *"Looking to the future, in this already difficult climate and international context, if we stand still we will lose money, if we are being prudent and forward looks we have to operate in a flexible and timely manner. This is will only be possible if we are not constrained by schemes of the past. This is the time to invest more in the country and we want to be able to do so. Develop by regenerating, and regenerate by respecting. I think this is the essence of an advanced urban planning project."*

**Sergio Corbello:** *"Overall pension funds fall into two opposing camps in their approach to investing in real assets: the "old ones" (reserves of 66.5 billion) practice it continuously while the "new ones" (63.5 billion) almost ignore it. Real estate-based AIFs could be the answer with a view to diversification and offsetting the negative performance of other asset classes. The role of government bonds, which have returned to attractive yields, should not be overlooked. This consideration also applies to types of investments linked to the transition of the country and to the PNRR. Pension funds, due to legal constraints and their own (pre-existing) choices, cannot carry out direct interventions. The forms may act indirectly, through the subscription to specialized AIFs."*



**Giovanni Maggi:** *"Pension funds are increasingly fundamental players in supporting the country's economy by investing a part of their huge resources in real assets and with an investment focus that is increasingly oriented towards ESG issues and the social impact of the investments themselves."*

**Francesco Profumo:** *"Institutions have learned to diversify and this diversification in recent years has been very positive even in difficult times. The COIMA ESG City Impact Fund focuses on environmental, social and digital issues which have become key focus areas for institutional investors in recent years. Looking ahead, the issue of urban regeneration will continue to be a priority for institutions."*

**Manfredi Catella,** COIMA Founder & CEO: *"Exceeding €500 million in capital committed by primary national institutional investors is an important milestone for the COIMA ESG City Impact Fund. This will ensure the fund can deliver on its mission of generating positive social and environmental impact through the sustainable reuse of buildings and urban regeneration, helping accelerate the transition of Italian cities to a low carbon economy. Over the first two years of the fund, we have been able to amplify its investments by over €1 billion with a multiplier of five times compared to its committed capital, and over the next 12 months we expect to undertake investments of over €2 billion."*

### **The Fund**

Established in July 2020, during the pandemic crisis, COIMA ESG City Impact Fund aims to **contribute to the environmental and social transition of Italian cities** by investing in **building reuse at the building level** and in **urban regeneration at the neighborhood level**.

CECIF invests at the beginning of the project with **long-term national capital** that allows it to implement a transformational investment policy based on fundamentals. At the end of the valuation process, the fund keeps the properties in the portfolio, benefiting from the flow of income and allowing for the distribution of a regular dividend.

COIMA ESG City Impact Fund combines **financial investment** with an **ESG impact** structured according to measurable quantitative objectives, established ex-ante, project by project (Scope 1,2,3). One of the main objectives is to amplify the scale of impact by increasing the investment and impact capacity through **partnerships with private and public operators**. For example, in the case of the regeneration of the Porta Romana railway yard with Prada Holding and Covivio and with RFI and with the Milan Foundation, Cortina and Intesa San Paolo in financing the urban regeneration operation.

Furthermore, public-private partnerships with primary public entities such as CDP, Invimit, RFI, Regions, Municipalities, public companies, etc., will be a possible strategic way of amplifying the reach of the fund.

### **Collection and investments**

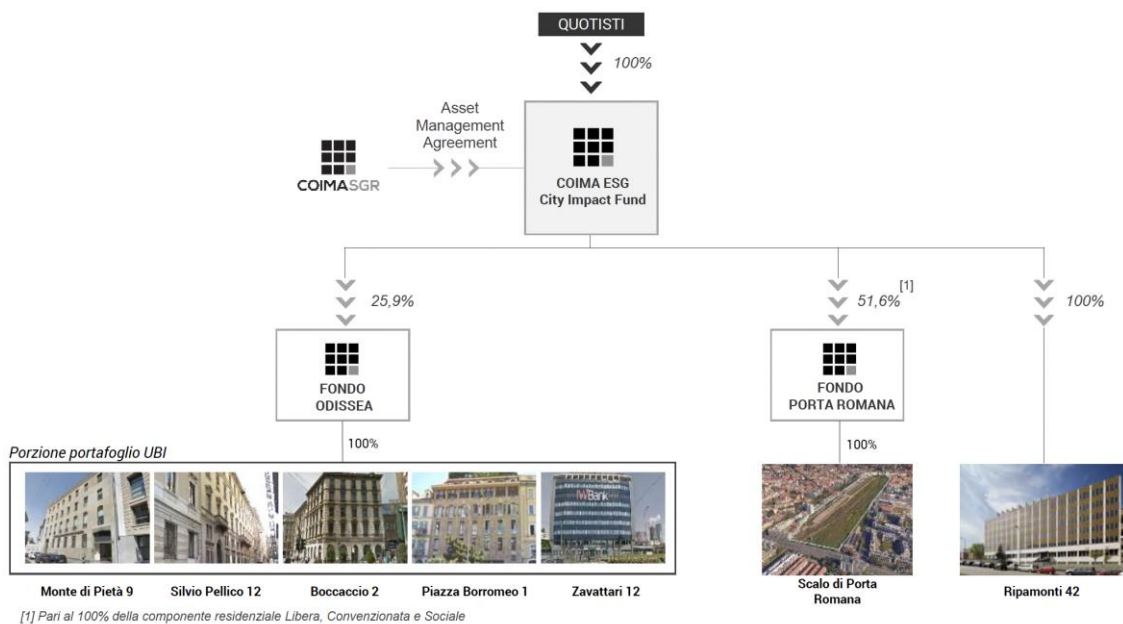
The CECIF fund is structured with a scalable approach and with the **potential to expand its economic, environmental and social impact through co-investments, partnerships and contributions in addition to banking and supranational body leverage**. Through subsequent capital increases during the life of the fund (for a total of 20 years), the COIMA ESG City Impact Fund aims to achieve **deposits of over €1 billion with the ability to develop over €4 billion of investments** with an ESG impact on the region and the real economy.

**The investment pipeline currently exceeds €1 billion** and the total investments completed exceed € 1.5 billion with 1.5x equity multiple.

The investments of the CECIF are mainly focused on **urban regeneration and building reuse interventions** that contribute to the updating of the national physical infrastructure in response to evolving demand and technological innovations that will enable new social and physical models. The **priority sectors have been identified are residential and tourism**, particularly on a **neighborhood scale**.

During the **first 24 months of its life**, the fund invested both in building reuse projects and in urban regeneration projects at the neighborhood level. In particular:

- a portfolio of five properties in the historic center of Milan belonging to the **Odissea Fund**, part of the former UBI Banca portfolio acquired by COIMA SGR in 2020, that will be subject to regeneration
- the redevelopment project of the **Porta Romana Railway Yard** in Milan, which will host the 2026 Winter Olympics Village and regenerate, in collaboration with Covivio and Prada Holding, an abandoned area comparable in quality, size and purpose to the best urban interventions at Europe-wide.
- a property located in **via Ripamonti 42**, in the area of Porta Romana Railway Yard in Milan, known for having been the headquarters of the Superintendency of Studies, which will be completely renovated to bring it into line with the highest international standards for office buildings



In terms of **governance**, at the management company level, the investment committee draws upon the capabilities of COIMA's Sustainable Innovation Committee; at fund level, in addition to the Advisory Committee of the unitholders, a Steering Committee has been set up.

The **Steering Committee**, chaired by **Nunzio Luciano**, former President of Cassa Forense, has among its members **Stefano Distilli**, President of Cassa Nazionale Dottori Commercialisti, in addition to representatives of primary quoted shareholders and **Giovanna Melandri**, President of Human Foundation, **Ersilia Vaudo Scarpetta**, Chief Diversity Officer European Space Agency and **Luca Valerio Camerano**, Professor at LUISS University, as independent members. The Steering Committee is tasked with a periodic review of the ESG priorities in the fund's agenda, current

investment projects, ensuring that the investment process follows international best practices and developing governance and planning proposals that may also be useful for the public sector.

### The impact on the real economy

The creation of the fund was an historic transformational moment thanks to the opportunities that can be generated through the PNRR funds.

According to research undertaken by COIMA, Italy's **National Recovery and Resilience Plan** (which covers digitization, innovation, competitiveness and culture; green revolution and ecological transition; infrastructures for sustainable mobility; education and research; inclusion and cohesion; and research) could collectively contribute over €54 billion to urban regeneration. That figure could exceed €85 billion including investments in infrastructure.

## RIGENERAZIONE URBANA, RUOLO CHIAVE NEL PNRR



Source: M&M Minima Moralia 2022

This capital could generate and support an important process of nationwide land regeneration - to which the ESG City Impact fund wants to contribute and could involve over **350 million sqm** of the public administration real estate assets that need **redevelopment** (about 220 million sqm by municipalities, 42 million sqm by central administrations, 78 million sqm by local authorities, 8 million sqm by the Regions and 5 million sqm by public funds and social security institutions).

To study the opportunities in the PNRR, COIMA SGR has joined the **PNRR Lab created by SDA Bocconi together with M&M Minima Moralia** to assess the impact of the Plan and promote partnerships between the public and private sectors. The Laboratory will not only monitor the implementation of the PNRR, but also analyze the economic, environmental and social impact of the reforms and investments of the plan and identify the ideal conditions for private investments with a multiplier effect nationally and locally.

### Ecological Transition

COIMA's organization provides investment and asset management expertise (COIMA SGR) combined with building development and management technical expertise (COIMA REM). These two capabilities have allowed COIMA to put together a unique portfolio in Italy with **over 80% of its**



**portfolio already environmentally certified and an objective of 100% alignment of all buildings according to the parameters of the Paris Agreement by 2030.**

As further evidence of its ongoing commitment to sustainable real estate development, COIMA received the **USGBC Leadership Award in 2021** from the US Green Building Council. This is awarded annually to a globally selected company that **displays leadership in green building, corporate responsibility and community involvement.**

COIMA's commitment to ESG was made even more concrete by being the first SGR in Italy to the publish the disclosure required by the European regulation 2019/2088 (SFDR) and to adopt the "comply" approach when considering the negative effects of its investment decisions on ESG factors.

The goal of constantly improving its environmental performance has led to creation of the Gioia 22 project, the largest nZEB building in Italy. With the more than 2 billion euros of projects under development, and the CECIF fund, COIMA aims to create an **innovative Italian model** that can become world benchmark for sustainable urban development.

### **Social inclusion**

The COIMA ESG City Impact fund has started the construction of the Olympic Village in Milan which will be **transformed into social housing and student residences** with over 1,400 rooms at controlled prices following the games.

The fund is also deepening a **partnership in social and subsidized housing** that can be scaled nationally.

In **Porta Nuova**, in Milan, COIMA has developed an urban environment that allows for a constant interaction between nature and architecture. Since 2005, through the Riccardo Catella Foundation, COIMA has been supporting the community with a series of projects that promote sustainable and responsible land development through the animation of public areas. Since 2019, thanks to an innovative public-private partnership with the Municipality of Milan, the Foundation is responsible for the management, safety, maintenance and cultural program of the public park BAM - Biblioteca degli Alberi Milano which hosts a **diversified program more than 200 cultural events and activities each year**. The overall goal of which is to build and promote civic engagement with a sustainable business model that can be replicated in other parks and cities around the world.

### **Digitization**

COIMA has launched a **neighborhood digitization pilot project in Porta Nuova in Milan** with the aim of accelerating and amplifying the social and environmental impact. After the pre-development phase started in 2020, and with the support of McKinsey and Accenture, the development phase of the IoT infrastructure and the Portanuova Milano neighborhood app has begun, aimed at integrating physical and digital spaces. The digital platform was designed by COIMA and McKinsey and is being implemented by COIMA Human Technologies together with Accenture.

COIMA is also one of the promoters of **HabiTech, an accelerator for startups that develop services for the proptech sector** through the application of technological and digital solutions aimed at real estate, launched by **CDP Venture Capital SGR**.

A total of € 5.75 million is available for investment in the accelerator and post-accelerator phase to help the growth of young companies specialized in high-potential markets. COIMA will make the District management platform implemented in the Porta Nuova district available and will **host the Habitech offices in this area**. This will allow startups of being completely immersed in a real, live



environment to test their prototypes which will accelerate the development and scale-up process, as a result of real-time feedback from the field.

The COIMA ESG City Impact fund will help **scale the best experiences gained in the Porta Nuova pilot project** for other projects, starting with the Porta Romana district.

### **Regeneration of neighborhoods**

Real Estate has an important role to play in combating climate change and promoting diversity in a meaningful way by integrating ESG principles by setting measurable objectives and communicating them transparently. **Neighborhood-scale real estate redevelopments** can effectively transform urban spaces provide services that promote inclusive communities.

Among the main **projects underway**, the Group is active in Milan both in the Porta Romana railway yard, in partnership with Covivio and Prada Holding, and in the Valtellina area within the Scalo Farini, and in the extension project of Porta Nuova.

By working on areas to be redeveloped, such as disused railway yards in Milan, it is possible to create new neighborhoods with affordable housing, spaces for education and health, or workspaces that promote innovation. These developments not only improve living standards, but also create jobs in both the construction and management phases, as well as generating economic development through increased tourism. ESG-compliant property design can play a crucial role in supporting **long-term growth**, not only by stimulating economies through investment, but also by supporting Europe's global ESG initiatives to build a more sustainable economy in line with the EU framework for the European Green Deal.

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### **COIMA**

COIMA è specializzata nell'investimento, sviluppo e gestione di patrimoni immobiliari italiani per conto di investitori istituzionali, con un approccio integrato di impatto ESG. COIMA Holding controlla le società operative, fra cui COIMA SGR, investment & asset manager che gestisce 30 fondi immobiliari con oltre 9 miliardi di euro di investimenti; COIMA REM, development e property manager che in oltre 40 anni ha sviluppato e gestito immobili per oltre 5 milioni di metri quadrati; COIMA HT, che opera in ambito tecnologico per supportare l'abilitazione digitale degli spazi fisici.

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