

Sustainability Rating Certificate for Inmobiliaria Colonial.

Colonial has solicited V.E to conduct an independent ESG and sustainability rating.

As of end October 2021, Colonial obtains an A1+ rating, based on an overall score of 64/100. Colonial ranks within the top 3% of all companies rated by Vigeo Eiris worldwide (4,892 in total) and fourth out of 90 within the sector Financial Services – Real Estate. The company’s overall score has increased by 5 points since our 2020 review. Colonial displays an advanced willingness and capacity to integrate ESG factors into its strategy, operations and risk management, with advanced average scores on the environmental and social pillars and a robust score on the governance one.



Rank in Sector	4/90
Rank in Region	95/1615
Rank in Universe	100/4892

ESG Reporting Rate	95%
Sector average	67%

ESG AND RISKS MANAGEMENT PERFORMANCE (./100)



KEY TAKEAWAYS

Impacts: Colonial displays an advanced energy transition score. KPIs demonstrating its social footprint (in terms of gender diversity, career management, health and safety and employment) reveal mixed trends. Colonial’s portfolio includes a major share (above 50%) of buildings certified to stringent environmental standards (such as BREEAM or LEED), which represents a positive contribution to UN 2030 Agenda objectives N°9 (Industries, Innovation and Infrastructure), N°11 (Sustainable Cities and Communities) and N°13 (Climate Action).

Risks: Colonial’s risk management system appears robust, with a global risk mapping encompassing both financial and most material ESG risks (including human capital and climate change). The company displays an advanced capacity to safeguard and enhance its human capital cohesion, operational efficiency, and legal security, and a robust performance in terms of reputation.

Management: Colonial has efficiently structured its capacity to integrate ESG factors into its strategy and operations over the past years. Quantified targets strengthen its commitments regarding its most material challenges, which are supported by comprehensive means and processes.

This issuer-solicited corporate ESG rating was produced using research about Colonial from V.E's database as well as on-line interviews with 6 managers and 1 employee representative, conducted from 30/09/2021 to 14/10/2021.

V.E's 15 pages assessment report was delivered on 10/12/2021, covering 6 domains and 21 sustainability drivers. It is structured around 3 key pillars:

1. The social and environmental impacts of Colonial's services, its strategy for the future, and its ability to invest in and create sustainable value;
2. Colonial's capacity to identify and mitigate its ESG risks and to preserve and increase the value of its strategic assets (including reputation, human capital, operational efficiency and legal security);
3. The strategic and operational integration of social responsibility topics in Colonial's governance, operations and reporting, including the balance and dynamics of stakeholder relationships.

V.E's analysis aims to inform investors, asset managers and other relevant stakeholders of the nature, weighting and level of integration of ESG factors by the Company, as well as its ability to identify and mitigate related risks.

Colonial owns, manages, develops and renovates office buildings for rent in Spain and France (through Société Foncière Lyonnaise - SFL). After acquiring the start-up dedicated to coworking Utopicus in 2017, the Company merged with Axiare Patrimoine Socimi, S.A in 2018.

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