

*Good Corporate Governance Code
Estrategias Inmobiliarias Trust*

**GOOD CORPORATE
GOVERNANCE CODE
ESTRATEGIAS INMOBILIARIAS
TRUST**



MAY 2016

Version approved by the Advisory
Committee

Table of Contents

1. INTRODUCTION	3
2. ADVISORY COMMITTEE	3
2.1 Composition of the Advisory Committee.....	3
2.2 Advisory Committee's Powers.....	4
2.3 Independent Members' Compensation.....	4
2.4 Corporate Governance Assessment.....	4
3. TRUST'S COMMITTEES	5
4. INFORMATION DISCLOSURE	5
4.1 Disclosure of Relevant Information.....	5
4.2. Disclosure of Information through the Trust.....	6
5. MECHANISMS TO ADDRESS CORPORATE GOVERNANCE COMPLAINTS	6
6. GENERAL DIRECTOR	6
6.1 Profile and Selection.....	6
6.2 Responsibilities.....	7
7. STATUTORY AUDITING	8
8. ESTRATEGIAS INMOBILIARIAS TRUST'S INVESTORS	8
8.1. Rights.....	8
9. EQUITY SECURITIES INVESTORS REPRESENTATIVE	8
10. CODE OF ETHICS	9
11. CONFLICTS OF INTEREST	9
11.1 Standards of Conduct relating to Conflicts of Interest.....	10
11.2 Resolution of Conflicts of Interests.....	11
12. INSIDE INFORMATION	11
12.1. Penalties.....	12

1. INTRODUCTION

The Estrategias Inmobiliarias Trust (“PEI” or the “Trust”) is a real estate investment vehicle created in 2006 as real estate securitization pursuant to article 5.6.6.1.1. of Decree 2555 of 2010. PEI invests, manages, and leases under a diversified real estate portfolio, permanently administered by a professional manager.

PEI’s Advisory Committee, aware of the need to implement different processes and practices to provide high levels of transparency, objectivity, and efficiency, has updated this Good Corporate Governance Code (the “Code”) approved by the aforementioned body in 2011. For this purpose, international and domestic standards and recommendations were the reference to implement high corporate governance standards, within the guidelines established in the Trust Agreement and the Prospectus, in accordance with the needs inherent to the vehicle.

The full text of this Code will be permanently available on Estrategias Inmobiliarias Trust’s webpage (www.pei.com.co).

Capitalized terms not defined in this Code shall have the meaning assigned thereto under PEI’s Equity Securities Issuance and Placement Prospectus (the “Prospectus”).

If, for any reason, mandatory regulations are in conflict with this Code, such regulations shall prevail. For any concerns on the application of this Code, please contact the Manager’s General Director.

2. ADVISORY COMMITTEE

Pursuant to the Prospectus, the Trust has an Advisory Committee composed by five (5) principal members, that will make decisions as to the Permitted Investments, Issuance Program, purchase and sales of Real Estate Assets, the Trust’s Financial Indebtedness, and distribution of semiannual returns, among others. The above decisions shall follow the guidelines included in the Prospectus and the Trust Agreement.

2.1 Composition of the Advisory Committee:

The Advisory Committee will consist of five principal members and the personal alternates of the independent members, and the Manager’s representative, elected for two-year periods. The following shall be members of the Advisory Committee:

- The Investors legal representative;

***Good Corporate Governance Code
Estrategias Inmobiliarias Trust***

- A representative of the Manager and its/his/her personal alternate;
- The Manager's General Director; and

Two independent professionals and their personal alternates (having such capacity in accordance with Act 964 of 2005), who shall have substantial experience in the corporate sector and comply with the

criteria set forth by the Manager and the Investors Representative. The independent members' alternates shall also be independent professionals meeting the criteria established by the Manager and the Investors Representative. For the Advisory Committee members' election, the Manager will consider the candidates' ethical stature and professional experience.

The Trust Company, in its capacity as PEI's Management Agent, may attend all meetings of the Advisory Committee with a voice but not a vote.

2.2 Advisory Committee's Powers

Amongst its duties, the Advisory Committee will make PEI's investment, indebtedness, contracting, and issuance decisions, and fulfill any other duties assigned under the Trust Agreement, the Prospectus, and other documents.

Notwithstanding the diligence required from the Advisory Committee and its members, the Advisory Committee and its members' obligations are of means and not of result; therefore, despite the Advisory Committee and its members' best management efforts, they cannot guarantee any specific financial profit abilities or returns to the Investors.

The Advisory Committee and its members shall not be liable for any consequences to the Trust arising from: (i) Acts of God; (ii) Force Majeure; (iii) Market phenomena including, but not limited to, devaluation, revaluation, inflation, Securities depreciation, market fluctuations, interest or return rate variations, or freezing; (iv) Acts of authorities; (v) Public order alterations, stoppages, strikes, riots, uprisings; and (vi) The Permitted Investments depreciation.

2.3 Independent Members' Compensation

The Manager will determine the amount payable to the Advisory Committee's independent members for their attendance to the meetings. A base value will be determined as professional fees for each of the meetings and a premium, payable every year, shall be determined in accordance with their attendance.

2.4 Corporate Governance Assessment

The Advisory Committee will retain, every two years or less if necessary, the services of an external evaluator to perform an assessment of PEI's Corporate Governance and the Advisory Committee, aimed at reviewing compliance with PEI's corporate governance practices and submit any suggestions and recommendations deemed appropriate for the vehicle.

Additionally, the Advisory Committee's members, on a yearly basis, shall carry out an internal evaluation of the Advisory Committee's yearly tasks and duties. The Manager's General Director shall be in charge of

collecting and summarizing the results for discussion thereof at the follow-up meetings. Also, the Manager's General Director shall submit the internal assessment's findings to the Advisory Committee.

3. TRUST'S COMMITTEES

The Advisory Committee may establish committees where its members may participate in order to carry out analyses, supervise, and implement the policies established by the Advisory Committee for those areas critical for the Trust's operation. Additionally, committees may be created at the administrative level, integrated exclusively by the Manager's officers or any Manager's Related Parties, as such term is defined under the Related Party Transactions Policy.

Pursuant to the above, the Trust's Committees are currently:

- **Investment Committee:** Consisting of two legal representatives of the Manager, the Investment Manager, the Acquisitions Manager, the Investment Director, and financial analysts. The purpose of this committee is to assess potential acquisition opportunities for PEI's Permitted Investments.
- **Manager's Internal Committee:** Made up by the Manager's personnel (generally, the Asset Management Managers and General Directors). The purpose of this committee is to make decisions as to the contracting of PEI's goods and services suppliers, in accordance with PEI's Goods and Services Contracting Policies.
- **Manager's Operating Committee:** Consisting of two of the Manager's legal representatives, the Managers of each business unit, and the Investment and Administrative area managers. The purpose of this committee is to assess the results of the Manager's operation metrics and make decisions on operational matters.

Additionally, in performance of its duties, the Manager may create specialized committees for administrative matters.

4. INFORMATION DISCLOSURE

4.1 Disclosure of Relevant Information

The spirit guiding the communication efforts toward PEI Equity Securities' investors, PEI's ordinary bondholders, and the public in general, shall be of utmost transparency, openness, and equity. In this sense and, taking into account that the Trust is a securities issuer, accurate, clear, broad, and timely information on any situation relating to the Trust or the Issuance Programs that any prudent and diligent expert would take into account to sell, purchase, keep the Securities, or exercise the political rights inherent to such Securities at any time, shall be provided to the market through the Management Agent and the mechanism defined by the Financial

***Good Corporate Governance Code
Estrategias Inmobiliarias Trust***

Superintendency of Colombia. The Trust shall also comply

fully with the parameters established in Part Five (5) of Decree 2555 of 2010, concerning relevant information for the market.

4.2. Disclosure of Information through the Trust

Under the above subparagraph 4.1, notwithstanding any information that the Management Agent must disclose to the market through the Financial Superintendency of Colombia, the Management Agent, the Advisory Committee, and/or the Manager, at their discretion, may provide any information deemed relevant to PEI's Equity Securities investors or PEI's ordinary bondholders; in the case of relevant information, such information shall only be provided if it has already been disclosed to the market through the Financial Superintendency of Colombia.

To exercise the above power, the Management Agent, the Advisory Committee, and/or the Manager shall use the most appropriate disclosure mechanisms, seeking to take the most advantage of the latest technological advances. When disclosing information to the investors, the Management Agent, the Advisory Committee, and/or the Manager shall follow the parameters under the Investor Relations Policy approved by the Advisory Committee and, in any event, may resort to an Internet space allowing Investors and the market in general to access the information on PEI's financial performance, the Manager and/or Management Agent's organizational structure, and other relevant matters concerning PEI. This information and the Investor Relations Policy are available on the webpage www.pei.com.co

5. MECHANISMS TO ADDRESS CORPORATE GOVERNANCE COMPLAINTS

Regardless of any information that the Trust discloses to the market through the Financial Superintendency of Colombia, PEI's Equity Securities investors or PEI's ordinary bondholders may file complaints on the infringement of any of the provisions set forth in this Code and/or the Prospectus, using the mechanisms provided for in the Investor Relations Policy.

6. GENERAL DIRECTOR

The Manager's General Director may be any legal representative of PEI's management company and his/her mission will be to implement the guidelines and strategies approved by the Advisory Committee. The General Director will be in charge of directing and managing PEI's portfolio, observing the provisions in the Prospectus, the Trust Agreement, the Real Estate Management Agreement, and the Advisory Committee's decisions.

6.1 Profile and Selection

The Manager's General Director shall meet the following profile:

***Good Corporate Governance Code
Estrategias Inmobiliarias Trust***

- Solid academic education, broad experience, knowledge, and understanding of the real estate sector;

- Managerial skills and experience organizing, directing, and managing internal and external relations at the highest levels.
- Leadership skills to guide the Manager's activities.
- Renowned reputation in his/her career development.
- Clear understanding of the changes and trends that, both at the national and international levels, impact the Trust's business development.

6.2 Responsibilities

In addition to the duties entrusted by the Manager, the Manager's General Director will fulfill the following duties:

- Protect the rights of the individual and/or entity stakeholders interested in the Trust's wellbeing and good performance, by effectively complying with this Code;
- Comply and enforce the Investors General Meeting and Advisory Committee's decisions;
- Ensure the proper collection and investment of the Trust's resources;
- Appoint and remove all of Terranum Inversión S.A.S.'s employees whose appointment and removal are not incumbent upon other bodies of such company;
- Submit to the Advisory Committee all reports required, among them, the following:
 - Monthly, semiannual, and annual reports on the development of businesses furthered by the Manager, the investments performance, the guarantees provided, and the financial results.
 - Any other reports or information requested by the Advisory Committee from time to time.
- Submit any required reports to control entities and other parties involved with the Trust;
- Comply, enforce, and adequately disseminate this Code and all other policies relating to the Trust's performance upon approval thereof by the Advisory Committee;
- Implement the investor information and service programs, regarding the

***Good Corporate Governance Code
Estrategias Inmobiliarias Trust***

vehicles managed;

- Enter into and perform all agreements and acts pertaining to its corporate purpose, which are not exclusively incumbent to the Advisory Committee and whose amount does not exceed the limit established by the Advisory Committee for any contracts where it acts on behalf of the Trust.

7. STATUTORY AUDITING

The Trustee, in its capacity as PEI's Management Agent, for internal purposes and on a monthly basis, shall issue PEI's Financial Statements. Investors will have the end-of-period Financial Statements at their disposal.

PEI will have its own statutory auditing, exclusive and independent from that of the Management Agent. PEI's statutory auditor may be the same or other than that of the Management Agent, as determined by the Advisory Committee. All of the Statutory Auditing findings and reports shall be disclosed in the reports submitted to the Investors General Meeting and the notes to the end-of-period financial statements.

Notwithstanding the foregoing, the Manager may, at any time, retain an independent public accounting firm to perform any audits deemed necessary.

8. ESTRATEGIAS INMOBILIARIAS TRUST'S INVESTORS

The vehicle's securities are registered with the *Registro Nacional de Valores y Emisores* [Securities and Issuers National Registry] and the Colombian Stock Exchange, and are destined to the public in general, including pension and *cesantías* funds.

The Manager shall guarantee to all of PEI's Equity Securities investors and PEI's ordinary bondholders equal treatment by way of mechanisms enabling them, in arms' length conditions, access to sufficient information and the filing of complaints, if any.

8.1. Rights

PEI's Equity Securities Investors and PEI's ordinary bondholders rights and obligations are set forth in the prospectus pertaining to each type of issue. This Code describes the mechanisms designed to ensure that such rights are respected and allow investors to enforce them.

9. EQUITY SECURITIES INVESTORS REPRESENTATIVE

The Equity Securities Investors Representative shall be an entity, technically and administratively suitable; fully independent and with no conflict of interests with PEI's investors, the Manager, or its shareholders, with renowned experience representing holders of institutional securities issues, whose management follows prudent practices and financially sound and solvent.

The Equity Securities Investors Legal Representative for the Issuance Program shall exercise the Equity Securities investors' rights and defend their common or

***Good Corporate Governance Code
Estrategias Inmobiliarias Trust***

collective interests in accordance with Decree 2555 of 2010, the Prospectus, and the Trust Agreement.

The Equity Securities Investors Representative will be in charge of carrying out any actions necessary to exercise the Equity Securities investors' rights and defend their common interests in accordance with this Prospectus and the Trust Agreement.

Additionally, the Equity Securities Investors al Representative may request the Manager and the Advisory Committee any relevant information on the issue, the managers and the directors' performance, the issuer or mass of securitized assets' main risks, and the Manager's internal control activities.

The legal representative for the Equity Securities Investors Representative shall, at all times, be a member of the Advisory Committee.

10. CODE OF ETHICS

Credibility and success in the development of PEI's activities depend on the proper conduct and ethical behavior of all agents, employees, and managers in fulfillment of their duties. Ethics and transparency are at the core of all of PEI's aspects and aim at guaranteeing and protecting the investors, employees, stakeholders, and parties' interests, directly or indirectly related to its operation, thereby creating trust and a leading market position.

The conduct of all persons related to PEI, and the ethics with which the business must be conducted shall be exemplary. All of the Advisory Committee's employees and members shall act with the highest personal and professional integrity standards. Any conflict of interest in personal or professional relationships shall be handled honestly, ethically, and according to the guidelines provided for in this section.

11. CONFLICTS OF INTEREST

The Manager and Management Agent's employees and the Advisory Committee's members and independent members' personal alternates, and the Manager's representative shall act in accordance with PEI's interests and avoid situations leading to any conflict between their own interests and the Trust's interests.

A conflict of interest means any situation where any Manager or Management Agent's employee or manager, or Advisory Committee's members and independent members' personal alternates, or the Manager's representative, faces different alternatives of conduct with respect to incompatible interests, none of which may prevail upon the other in accordance with its/his/her obligations to the Trust.

Likewise, a conflict of interests shall be understood to exist whenever PEI's interests are contrary to the personal interests of family members or persons related to an employee or director of the Manager, the Management Agent, or any member of the Advisory Committee, including the independent members' personal alternates, and the Manager's representative, none of which may be privileged considering its/his/her obligations to the Trust.

11.1 Standards of Conduct relating to Conflicts of Interest

- The Manager or Management Agent's employees, Advisory Committee's members, personal alternates of independent members, and the Manager's representative shall refrain from advancing any financial, commercial, or other relationships that may be contrary to PEI's interests.
- The Manager or Management Agent's employee, Advisory Committee's member, personal alternate of independent members, and the Manager's representative shall refrain from participating in decisions or transactions, or promoting or engaging in businesses, or defining policies, standards, or procedures, should they have any financial, personal, or family interests related thereto.
- The Manager or Management Agent's employee, Advisory Committee's member, personal alternate of independent members, and the Manager's representative shall disclose any economic or other interests that, personally or through family members, are held in companies engaging in or intending to engage in transactions with PEI or having any relation with any of PEI's activities.
- The Manager and the Management Agent may engage in transactions with any of PEI's investors under transparent financial conditions, corresponding to or determined according to market prices and conditions and in strict compliance with PEI's principles and guidelines. The same conditions established herein shall apply to transactions carried out with individuals or entities linked or related to the Manager's shareholders, investors, directors, and employees.
- No Manager or Management Agent's employee or director, or member or personal alternates of the Advisory Committee's independent members, or the Manager's or representative, shall make comments or engage in any actions detrimental to PEI, the Manager, the Advisory Committee's members or alternates thereof, or the Management Agent's competitors, employees, clients, suppliers, and others related thereto.
- The Manager or Management Agent's employee, Advisory Committee's member, independent members' personal alternate, and the Manager's representative are strictly forbidden from, directly or indirectly, using the opportunities arising for PEI and that they become aware of through information provided on account of their corporate position, for their own benefit and to the detriment of PEI's interests, unless such opportunities were previously presented to and rejected by PEI and the Advisory Committee authorized such employee, manager, or Advisory Committee's member to take such opportunity.

11.2 Resolution of Conflicts of Interests

- Any Manager or Management Agent's employee or manager facing a situation that is or may be deemed to create a conflict of interest shall inform it in writing to his/her immediate superior and, in the last instance, to the Manager's General Director or the Trust's President, and shall obtain their consent to begin or continue with the transaction.
- Conflicts of interests of the Manager's General Director shall be resolved by the Advisory Committee; the General Director and, in the last instance, the Advisory Committee shall resolve any conflicts of the executive level employees. The Advisory Committee or the Manager's General Director, respectively, shall resolve the conflict by authorizing or prohibiting the alternative conduct generating the conflict, pursuant to the rules set forth in this section.
- The Advisory Committee's members and independent members' personal alternates, as well as the Manager's representative shall inform any direct or indirect relationships between them and the Trust, suppliers, clients, or any other stakeholders that may give rise to conflicts of interests or influence their opinions or votes, to the other members and personal alternates of the Advisory Committee whose opinion is not influenced thereby.
- Any conflict of interests of a member of the Advisory Committee and their personal alternates or the Manager's representative will be resolved by the remaining members of such committee. In such cases and in accordance with the terms in the preceding subparagraph, the member or personal alternate of the Advisory Committee with the conflict of interest shall provide to the Advisory Committee all relevant information for decision-making purposes. In the relevant decision, the vote of the Advisory Committee's member or alternate with the conflict of interest shall be excluded. If the Advisory Committee determines that a conflict of interests exists, the relevant member or personal alternate shall not attend any meetings of the Advisory Committee where the matter underlying the conflict of interest is to be discussed, nor vote at any meetings where decisions will be made in connection with such matter.

12. INSIDE INFORMATION

A responsible use of the information is critical for the business's success. For this reason, the Management Company and Management Agent's employees and directors, and the Advisory Committee's members and independent members' personal alternates, and the Manager's representative shall abide by the following guidelines whenever handling confidential information.

- Any information obtained from the clients, suppliers, or persons having or intending to have a commercial relationship with PEI, shall be treated as

confidential.

Good Corporate Governance Code
Estrategias Inmobiliarias Trust

- Any information obtained in furtherance of PEI's business shall be treated confidentially, unless it is evident that such information is public.
- No person directly related to PEI, the Manager, or the Management Agent, nor members of the Advisory Committee, including personal alternates of independent members, and the Manager's representative, may transfer, publish, use, or disclose any information beyond what is strictly necessary under the normal course of business.
- No employee or director of the Manager, the Management Agent, Advisory Committee's member or personal alternate of independent members, or the Manager's representative may benefit, directly or indirectly, from any confidential information obtained on account of their position.

12.1. Penalties

Those Manager and Management Agent's employees or directors and Advisory Committee's members and their personal alternates who improperly disclose confidential information for their benefit or that of a third party, shall be subject to the administrative, civil, criminal, and contractual actions and proceedings established under the applicable legal provisions.