

Pei Asset Management
SUSTAINABLE
RESPONSIBLE INVESTMENTS MANAGER

Sustainability
Report 2021



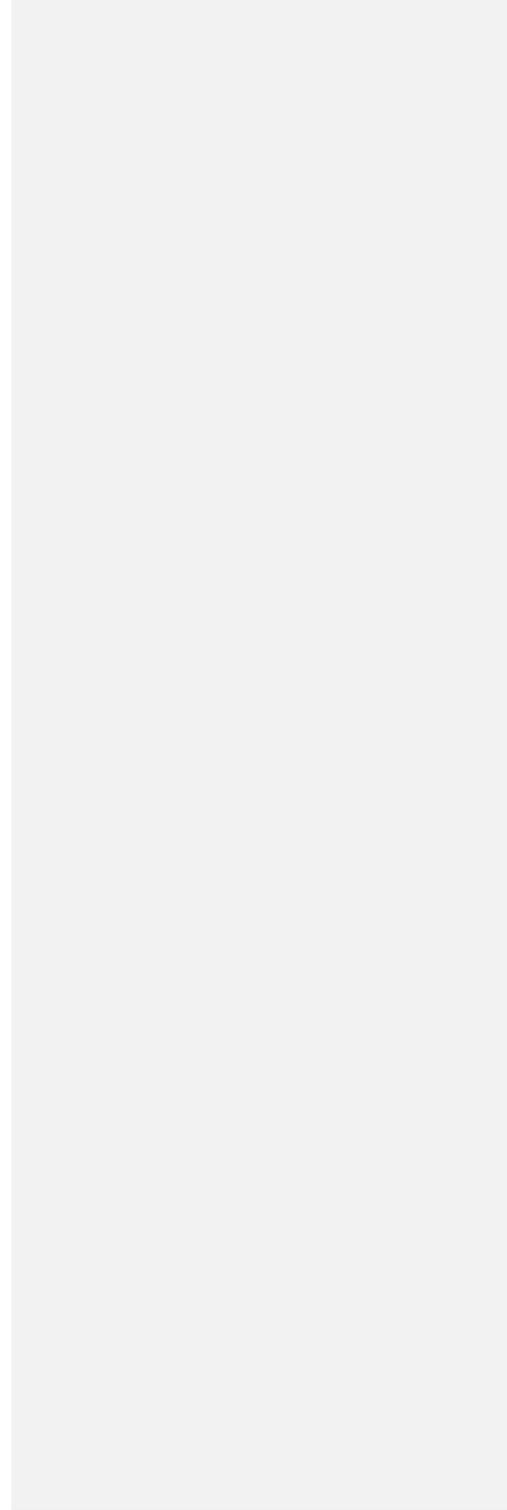
PEI Asset Management is a company specialized in structuring and managing real estate investment portfolios in Colombia.

PEI's team has a modern and strategic vision, and extensive knowledge of the real estate sector and the capital market, making it a pioneer in providing innovative investment alternatives.

Contents

1. President's Letter
2. Organization's profile
- 2.1. Value Generation
3. Structure and corporate governance
- 3.1. Business Ethics Program
- 3.2. Self-control and Comprehensive ML/TF/FPMDW Risk Management System – SAGRILAFT
4. Corporate Sustainability Model
5. Human Talent's Development and Well-Being
- 5.1. Talent's Engagement and Well-being
- 5.1.1 Occupational health and safety
- 5.1.2 Human Talent's Training and Education
- 5.1.3 Diversity, Equity, and Inclusion
6. Eco-efficiency and Adaptation to Climate Change
- Energy Management
- Waste Management
- Carbon Footprint
- Water Management
7. Contributing to the Community, Tenants, and Suppliers' Well-Being
8. Profitable Growth
9. Risk Management and Digital Innovation
- Risk Management
- Risk Control and Mitigation
- Supervision and Communication
- Digital Innovation
- Responsible Investments

President's Letter
"OUR NORTH IS
SUSTAINABILITY"



TENDENCIES AND STRUCTURAL DECISIONS PERVADE THE BUSINESS ENVIRONMENT. WHILE TENDENCIES ARE MORE RELATED TO TRANSIENT BEHAVIORS SUCH AS SEASONAL PRODUCTS, FASHION THEMES, AND SHORT-TERM CAMPAIGNS BY THE BRANDS TO BETTER RESPOND TO THEIR STAKEHOLDERS AT CERTAIN TIMES, CLEARLY THESE ARE JUNCTION-DRIVEN ACTIONS.

ON THE OTHER HAND, WE HAVE THE COMPANIES' STRUCTURAL DECISIONS, AIMED AT ACHIEVING THEIR LONG-TERM GOALS TO RESPOND TO ACTUAL AND INTRINSIC NEEDS AND WHICH DO NOT NECESSARILY OBEY TO MOMENTARY MARKET PREFERENCES.

This second scenario coincides with Pei Asset Management's sustainability goal, as this philosophy is transversal to all the organization's areas, committing the company with a long-term work plan and accurately responding to the globe's new dynamics. As commonly stated, this decision "is here to stay".

Accordingly, as the real estate portfolio managers of PEI –the real estate investment vehicle valid for 99 extendable years and valued in around 8 billion, consolidated in +150 properties representing over 1.1 million m2 of leasable areas in 32 cities and municipalities around the country--, our work for the environment, good governance and the community, guided by a huge responsibility.

This, not only because a defined sustainability strategy mitigates any potential financing risks and increases Pei Asset Management's competitive advantage and, therefore, that of the assets it manages, but because it is business model carefully thought to last for the long term and be sustainable over time. With this in mind, in 2019 Pei Asset Management joined the international investors network's PRIs (Principles for Responsible Investment), with an aim of implementing even more responsible investment policies. We have incorporated sustainability into the company's strategy, as an indispensable element of our higher purpose.

With this same north, in 2021 we structured a **Corporate Sustainability Model** that considers the interests of our different stakeholders, the Company, and the investment vehicle it manages (PEI), and develops a materiality matrix that prioritizes several and specific material issues.

All this, without neglecting, of course, the assessment and strategic appropriation of the **Six Sustainable Development Goals** enacted by the United Nations Organization, within the company's daily operations and PEI's management: Gender Equality; Affordable and Clean Energy; Decent Work and Economic Growth; Sustainable Cities and Communities; Responsible Production and Consumption; and Peace, Justice, and Solid Institutions.

These actions are the basis of our sustainability purpose and lead Pei Asset Management's path towards specific lines of work in the short, medium, and long terms. To summarize, **the Company will follow six material issues.**

The **first** deals with the environment and includes efforts to measure the assets' energy and water consumption, waste generation, the new acquisitions' eco-efficiency and comfort, and the structuring of a climate action plan.

The **second** material issue has to do with the mitigation of risks and digital innovation, encompassing information security protocols and the consolidation of strategic and operational risk management systems for both the vehicle and its manager.

SUSTAINABLE DEVELOPMENT GOALS Peace, Justice, and Solid Institutions; Gender Equality; Affordable and Clean Energy; Decent Work and Economic Growth; Sustainable Cities and Communities; Responsible Production and Consumption.

The **third**, focused on sustainable growth, aims at structuring a program to generate impact from the different assets. The **fourth** material issue, focused on the human talent's development and well-being, aims at implementing a diversity and inclusion program that enriches the Company workers' experience quality.

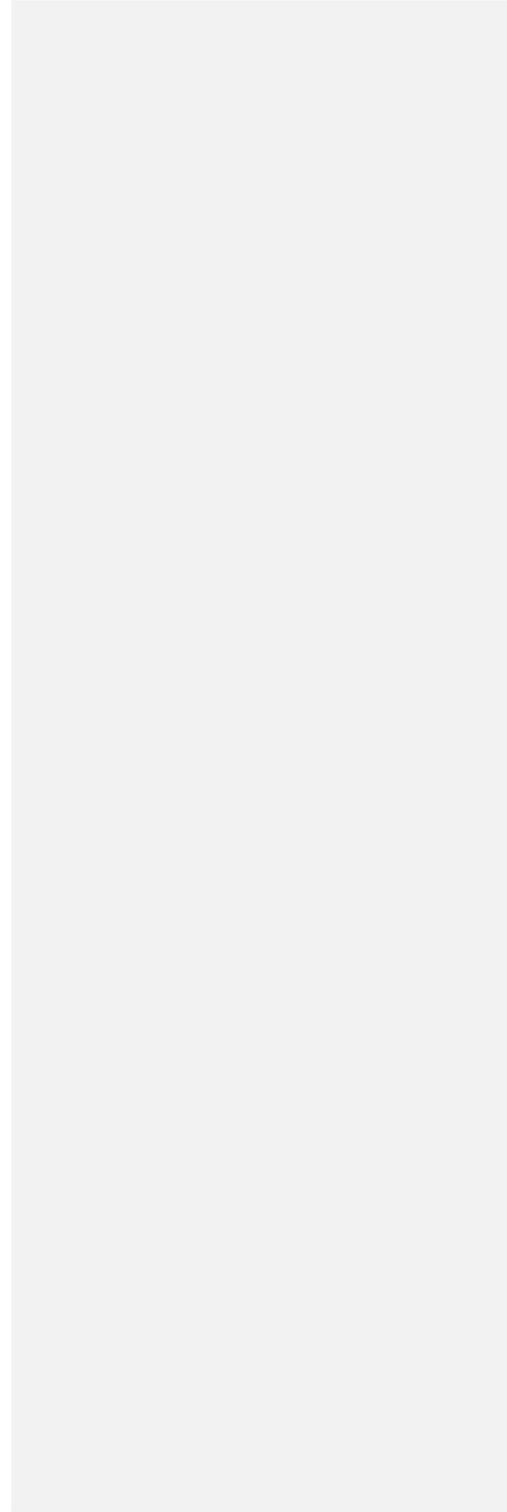
The corporate sustainability model's fifth material issue aims at contributing to the community's, tenants', and suppliers' well-being and encouraging sustainable practices among the different stakeholders. Finally, the **sixth** material issue, defined as the responsible investment line, aims at assessing any assets investment opportunities under ESG criteria.

The Company faces the coming decades led by a compass attuned toward protecting the essential: environment and its people.

Without a doubt, **this task will require constant learning and multiple adjustments to the strategy**. However, when it comes to the planet, no attempt is wasted, everything adds up, and Pei Asset Management is willing to walk this road to the end.

Jairo Alberto Corrales Castro **President**
Pei Asset Management

2. Organization's Profile



Organizational Details

Pei Asset Management S.A.S. ("Pei AM" or the "Company") specializes in structuring and managing real estate investment portfolios in Colombia.

Since 2009, BRC Standard & Poor's has awarded it the highest rating, G-AAA, for Portfolio Management Efficiency.

Through its strategic and modern vision, the Company has become knowledgeable in the real estate and capital market sectors, becoming a pioneer in the creation of innovative real estate investment alternatives.

Real Estate Investment Vehicles Manager

As a real estate investment vehicles manager, Pei AM handles the different tasks associated with these vehicles' administration and the democratization of real estate investments in the country. This is carried out through the structuring of equity and debt securities issuances in the capital market; the investment pipeline's preparation, presentation, and execution; the conservation, maintenance, and operation of the real estate assets under management; and the assets under management's marketing for lease purposes.

Currently, Pei AM is the manager of Colombia's leading real estate investment vehicle, the *Estrategias Inmobiliarias* Trust ("PEI"), which has been present for 15 years in the Colombian market. PEI is an investment alternative that enables all types of investors to participate in a diversified real estate income-generating portfolio through equity securities traded at the BVC (the Colombian Stock Exchange). Pei has **4,698 Investors**, that include institutional and non-institutional investors. The vehicle is structured as real estate securitization trust, replicating, in part, the international real estate trusts model, commonly known as REITs.

Specifically invests in 4 real estate assets categories promoting the portfolio's diversification. These categories are:

Commercial
Corporate
Specialized
Warehouses

The portfolio's investment is represented in +150 assets corresponding to 1,139,232 square meters, in over 30 cities and municipalities of the country.

Pei AM is responsible for PEI's equity and debt securities issuance's structuring, addressing certain of the vehicle's investors issues, and maintaining a constant communication with those entities and guilds relevant to PEI. Finally, in its capacity as real estate manager, Pei AM monitors the vehicle's operation expenses and costs levels and structures financing schemes aimed at the vehicle's growth.

Pei AM, in its capacity as PEI's real estate manager, monitors the real estate market's performance and designs the investment vehicle's annual strategic plan so as to propose formulas that maximize the Investments' return.

Pei AM's job is to analyze, structure, and propose potential investments; ensure that the properties under management remain in good conditions; define marketing strategies to lease the spaces; be responsible for the relationship with the tenants; and manage the real estate assets' proper operation.

PEI's portfolio growth, coupled with the initiatives and work fronts determined under its strategic planning, has continued to drive the work team's strengthening process throughout the Company's different areas. As a result, at the end of 2021 the expert team reached **121 collaborators**, who work on a daily basis to build and maintain long-term relationships with the investors, tenants, and other stakeholders.

2.1.

Value Generation

GRI-3-3

Management of Material Issues

Pei Asset Management

Pei AM, in its capacity as real estate investment portfolios' manager in Colombia, aims at contributing to society's welfare by democratizing investment opportunities and generating physical spaces that benefit the community and foster its allies' development.

Its expert team of 121 collaborators, works daily to build and maintain long-term relationships with investors, tenants, and other stakeholders.

The real estate investment vehicle (PEI)

GRI 201-1

One of PEI's --real estate investment vehicle managed by Pei AM-- primary investment premises its long-term vocation, associated with the rental real estate business nature, whose purpose is to capitalize on the stabilization, appreciation, and commercial exploitation of the assets.

Pei continues to consolidate strong, long-term relationships with top-tier tenants, reaching almost 1,900 tenants in the different categories, currently managing more than **2,600 lease agreements**, representing an increase that exceeds over 700 leases achieved in 2021 and a tenants retention ratio close to **90%**.

PEI has also consolidated assets with the highest specifications in the different real estate assets categories. At the end of 2021, its portfolio registered

COP 7.61 BN in assets under management and a leasable area of

1,139.23 m2.

The PEI real estate investment vehicle consists of a diversified portfolio of assets located in different areas of Colombia and meeting their tenants and users' needs: One of PEI's primary investment premises is its long-term vocation, associated with the real estate rental business's nature.

DIVERSIFICATION PER CATEGORY, ACCORDING TO THE SHARE IN THE PORTFOLIO				
Shopping Centers	Commercial Premises	Corporate	Logistics	Specialized
38%	6%	34%	17%	5%

PEI's assets portfolio in 2021 generated income for COP 492,721 million, corresponding to a 12% increase compared to 2020. The most significant increase in revenues referred to the commercial category, given the businesses' reactivation --which contributed a greater share from variable income-- and a decrease of the reliefs granted to the tenants in 2020.

The vehicle's total operating expenses increased by 21%, compared to 2020, reaching **COP 90,226 million**. This increase resulted from the fewer pandemic-related restrictions, which promoted repair and maintenance works in the properties.

The accumulated net operating income ("NOI") for 2021 Increased by 10%, compared to 2020, reaching **COP 402,494 million**.

This, mainly associated with the NOI's 39% growth in the commercial category and 36 % growth in the specialized assets category, resulting from better revenues in 2021. Consequently, the NOI margin closed at 81.7%.

The "dividend yield" (value per security distributed as dividends on a yearly basis) paid for 2021 reached 4.8%, after calculating it with respect to the "average equity value" (portfolio assets' average book value) and remains on continues to remain on the same levels for the last five years. Finally, the vehicle's profitability, consisting of the flow paid to investors and the real estate assets' appreciation, closed at 6.5%. With the goal of continuing to generate value for our stakeholders, Pei AM planned the work route for the coming years, namely the "Strategy and Culture Plan".

This plan integrates the culture, vision, higher purpose, and strategic aspirations. The latter includes PEI's positioning on sustainability- related issues.

The Strategy and Culture Plan encompasses 3 dimensions that guide and cover the strategic pillars that the Company has been working on since the beginning of 2021, with a goal to continue to generate value for its different stakeholders.

3. Structure and Corporate Governance

GRI 2

GENERAL CONTENTS 202

COMPANY TYPE - PEI ASSET MANAGEMENT S.A.S.

Pei AM is a simplified stock company, domiciled in Bogota, Colombia. The company's shares are not listed with a stock exchange.

CORPORATE GOVERNANCE AND ASSEMBLIES IN 2021 - PEI ASSET MANAGEMENT S.A.S.

Pei AM's main governing body is its Shareholders General Assembly, governed by the Colombian regulations applicable to this type of company and the Company's bylaws.

Company. The Shareholders General Assembly meets once a year, at least, to discuss the financial results and management of the Company and approve those decisions, contracts, or appointments that, given their nature, duration, or amount, are subject to its authorization under the bylaws. The Shareholders General Assembly met twice in 2021.

In 2021, the Company was accepted as a member of the Colombian Institute for Corporate Governance [*Instituto Colombiano de Gobierno Corporativo*], a non-for-profit association consisting of companies seeking to promote best management and control practices to contribute to the country's sustainability and development. Pei AM also enrolled, in 2021, as a member of *Fundación Integral para el Desarrollo del Pacífico -Propacífico*.

Pei AM also participated in different scenarios where topics of its interest and PEI's were discussed, such as corporate governance, sustainability, regulatory affairs, and economic development. Pei AM is also a member of different trade associations, such as *Asociación Colombiana de Capital Privado -Colcapital*, *Asociación de Fiduciarias de Colombia -Asofiduciarias*, National Association of Real Estate Investment Trusts -Nareit, Camacol, and the Colombian Stock Exchange's Issuers Committee, where it actively participated in their congresses, thematic committees, and periodic meetings.

PEI ASSET MANAGEMENT'S MANAGEMENT TEAM

Pei AM's management team is made up by experts with extensive professional experience, as follows:

Carlos Angulo Ladish

Position: Executive Director

Years of experience: +30

Education: Economist from Universidad de los Andes.

MBA from J.L Kellogg School of Management. Part of Universidad de los Andes's High-Level Program

Years at Pei Asset Management: 14

Jairo Alberto Corrales Castro

Position: President

Years of experience: +21

Education: Civil Engineer with a Specialization in Finance from Universidad de los Andes.

Diploma on Shopping Centers' Management and Marketing from the International Council of Shopping Centers in Buenos Aires, Argentina.

Years at Pei Asset Management: 12.4

Andres Felipe Ruiz Vesga

Position: Financial and Administrative Vicepresident

Years of experience: +17

Education: Professional in Finance from the University of North Carolina. Value Investors Program at Columbia University.

Executive MBA from Cornell University.

Years at Pei Asset Management: 3.9

Ana Maria Bernal Rueda

Position: Legal and Corporate Affairs Manager

Years of experience: +15

Education: Lawyer with a Specialization in Capital Markets Law from Pontificia Universidad Javeriana and a Specialization in Business Law from Universidad de los Andes.

Master in public administration from Harvard University and Master of Laws from Cornell University.

Years at Pei Asset Management: 4.5

Jimena Maya Munoz Position: Investor Relations and Communications Manager

Years of experience: +20

Education: Industrial Engineer from Universidad de los Andes. MBA from INALDE.

Years at Pei Asset Management: 11.9

Alexander Alzate

Position: Commercial Manager

Years of experience: +13

Education: Lawyer from Universidad Externado de Colombia with a Master's in Business Law.

Years at Pei Asset Management: 2.7

Luisa Gonzalez Buendia

Position: Investments Manager
 Years of experience: +11
 Education: Economist from Universidad de los Andes.
 MBA from INSEAD in Singapore and Fontainebleau, France.
 Years at Pei Asset Management: 6.6

Maria Alejandra Cardozo

Position: Strategy and New Businesses Manager
 Years of experience: +11
 Education: Professional in Finance and International Relations from Universidad Externado.
 MBA from IE Business.
 Years at Pei Asset Management: 6.6

Ivan Dario Parra

Position: Asset Management Manager
 Years of experience: +11
 Education: Professional in International Relations from Universidad Jorge Tadeo Lozano with a Diploma on Financial Management and Administration and Real Estate Management.
 Years at Pei Asset Management: 5

Gina Castro

Position: Human Talent Manager
 Years of experience: +13
 Education: Psychologist from Universidad del Bosque with a Specialization in Human Management and Organizational Development from Universidad del Rosario and a certification in Change Management
 Years at Pei Asset Management: 4.2

The Executive Director, the President, and the aforementioned members of the Pei AM's management team, meet periodically in different committees to review the Company's management progress, prioritize projects, and discuss general interest issues and any relevant decisions.

Additionally, in 2021 the following committees, led by the Strategy and New Businesses Management Office, were created to monitor and supervise the progress of each of the management office's strategic initiatives, aimed at implementing the Strategy and Culture Plan: Leadership Committee and Strategic Advisory Committee.

PEI'S CORPORATE GOVERNANCE STRUCTURE

As mentioned in the organization's profile section, PEI is a real estate securitization vehicle structured as a trust. Accordingly, *Fiduciaria Corficolombiana S.A.*, acting as management agent; Pei AM, acting as real estate manager; the Advisory Committee, acting as the investment and financing decision-making body; *Fiduciaria Colombiana de*

ADVISORY COMMITTEE				
	Investors Legal Representative	Independent Members	Real Estate Manager	MANAGEMENT AGENT
	LEGAL ADVISOR	REAL ESTATE MANAGER		CONTROL AND REGULATORY ENTITIES
REAL ESTATE				INVESTORS
Sellers	Purchase and Sale of Real Estate Assets		Equity Securities	. Pension Fund Managers . Individuals . Entities . Insurance Companies . Other institutional investors
Tenants	Revenues from the assets' economic exploitation			PLACEMENT AGENTS
	BANKS	CREDIT	BONDS	ORDINARY BONDS
				BONDHOLDERS LEGAL REPRESENTATIVE

Comercio Exterior –Fiducoldex, acting as the Investors Legal Representative; the Investors General Assembly; *Fiduciaria Itáú* acting as the Bondholders Legal Representative; and *Corredores Davivienda, Alianza Fiduciaria, Casa de Bolsa, and Valores Bancolombia* acting as placement agents interact in connection with its management and operation.

1. Portfolio Management Efficiency Rating. Most recent report: Mar 2021.

2. Equity Securities Rating. Most recent report: Mar 2021.

3. Debt Securities Rating. Most recent report: Apr 2021.

ADVISORY COMMITTEE

Is the body responsible for deciding on the vehicle's investments, the issuance program, the purchase and sale of real estate assets, the Trust's financial indebtedness, and the distribution of returns to investors. The Advisory Committee oversees the vehicle's performance.

The Ordinary Advisory Committee meets every month and the Strategic Advisory Committee every quarter to review and discuss the progress of the vehicle's strategy implementation.

PEI's Advisory Committee consists of nine principal members, chosen based on their business careers, reputations, and experience. The Advisory Committee's composition is the following:

INDEPENDENT	REAL ESTATE MANAGER
<p>SOL BEATRIZ ARANGO Executive in Latin America's real and mass consumption sectors, with over 30 years of experience in strategy, international expansions and corporate development, new business models, ESG sustainability criteria, risk management, and organizational policies to boost competitiveness. Her track record as member of boards of directors and advisor in the real, financial, retail, and educational sectors, guilds and public-private missions, make her an outstanding and round professional.</p>	<p>CARLOS ABGULO LADISH Partner at Inversiones y Estrategias Corporativas S.A., advising companies in Colombia and the region. His experience focuses in advising private sector companies on mergers, acquisitions, and their linking with financial partners. He worked for 8 years at Goldman, Sachs & Co. in New York and is currently the Chairman for PEI's Advisory Committee.</p>
<p>JULIO MANUEL AYERBE Former President for Organizacion Corona S.A. and currently a partner at Ayerbe Abogados. Member of Organizacion Corona S.A.'s, Corona Industrial S.A.S.'s, Homecenter de Colombia S.A.'s, Banco Colpatría y Mercantil Colpatría's boards of directors, and MAS Equity's investment committee.</p>	<p>JAIRO ALBERTO CORRALES Pei Asset Management's President since 2009, structuring the acquisition of over 500,000m² under the different real estate categories (commercial, corporate, logistics, and specialized uses). Among others, he participated in the structuring of Isagen's Corporate Headquarters in Medellín, Plaza Central Shopping Center, and Atrio Tower.</p>
<p>MARIA VICTORIA RIAÑO Business Manager and MBA from Universidad de los Andes. President for Equion Energy 2011 – present. She held important positions in companies such as Ecopetrol and Fiduciaria Previsora, among others. Throughout her career, she has been member of 13 boards of directors, including Grupo Bolívar's, Terpel's and Colgas's.</p>	<p>CARLOS FRADIQUE-MENDEZ Partner at Brigard Urrutia, with over 25 years of experience advising a number of companies on Capital Markets, Banking and Finance, Foreign Exchange, Derivatives and Structured Products, Customs and Foreign Trade, and taxes.</p>
<p>ALBERO HOLGUIN Member of Banco Davivienda's, Constructora Bolívar's, and Grupo de Energía de Bogotá's Boards of Directors; Vice-chair for Universidad Jorge Tadeo Lozano de Bogotá's Council; member of Grupo Bolívar's Investment Committee.</p>	<p>ANA MARÍA BERNAL RUEDA She has been involved in a number of transactions in the financial sector and the private equity funds industry. Her experience focuses in financial and corporate law. She worked with the Financial Superintendency of Colombia; as In-house Legal Counsel at Holcim; and as attorney for the Capital Markets, Banking & Finance, and M&A areas of Philippi, Prietocarrizosa, Ferrero DU & Uria and Dentons Cardenas & Cardenas</p>

INVESTORS LEGAL REPRESENTATIVE

Its main duty is to ensure that PEI's investors rights and common interests are respected and protected. The Investors Legal Representative is a member of the Advisory Committee, with a voice and a vote. The Investors Legal Representative also attends and chairs the Investors General Assemblies and submits quarterly reports to the investors on the management, situation, and development of the trust assets.

To guarantee the Investors' participation in the vehicle's governance, an independent third party is chosen by the Investors Assembly with a special majority to represent them. In 2020, the Investors Assembly appointed *Fiduciaria Colombiana de Comercio Exterior – Fiducoldex* as the Investors Legal Representative.

INVESTORS GENERAL ASSEMBLY

Is the body made up by all of PEI's equity security holders. The Investors General Assembly meets at least once a year to review and approve the investment vehicle's annual report, the management report submitted by the real estate manager, and the vehicle's strategic plan. The Investors General Assembly, subject to any special majorities, also approves the amendments to the trust agreement through which the vehicle was created, as well as other relevant decisions.

PEI'S GOVERNANCE ASSESSMENTS

The members of the Advisory Committee carry out an annual self-assessment of the tasks and functions performed during the year, aimed at identifying any relevant improvement opportunities. **Pei AM is responsible for submitting to the Advisory Committee the assessment results and any plan proposals to work on the improvement opportunities found.**

Periodical evaluations of the governance practices are also carried out by a third-party evaluator to review the real estate vehicle's compliance with the good corporate governance practices and make any suggestions and recommendations deemed appropriate.

3.1. Corporate Ethics Program (CEP)

GRI 205

ANTI-CORRUPTION

As part of the deployment of the corporate governance model strategy, the Company designed a collaborative approach and continuous improvement audit plan, adopting the best market practices. Over the last three years, the internal audit area's support in connection with the different asset categories and Pei AM's internal areas, has facilitated the implementation of improvements, minimizing the existing risks. In compliance with External Circulars 100-000016 of

December 24, 2020 and 100-000004 of April 9, 2021, which fully modified Chapter X of the Superintendency of Companies' Basic Legal Circular and any other administrative acts modifying it from time to time, Pei AM modified its Self-control and Comprehensive ML/TF/FPMDW Risk Management System – SAGRILAF, updating the risk matrix, the policy, and the manual.

Additionally, Pei AM's workers yearly training included the SAGRILAF's main changes in 2021.

CORPORATE ETHICS PROGRAM

Our DNA: Making Things right.

Pei AM sets forth the rules of conduct applicable to all its employees in order to promote impartial, transparent, reliable, equitable, and lawful relationships, and ensure their ethical behavior within the company and in their relationships with third parties to protect and maintain the Company's reputation and goodwill.

Compliance officer

Person designated by Pei AM to design, plan, supervise, and control the CEP.

Ethics Committee

Administrative body in charge of reviewing the guidelines, policies, and procedures ensuring compliance with the CEP. This committee consists of the Executive Director, the President, the Compliance Officer, the Human Talent Manager, and the Legal and Corporate Affairs Manager.

Anti-corruption Policy

Guidelines to avoid corruption within the company or in the Company's relations with stakeholders.

Internal audit

Area in charge of the independent and objective assurance of the governance and risk management's effectiveness.

Data Processing Policy

Regulates the personal data collection and processing procedures in accordance with the Law.

Code of conduct

Set of values, rules, and principles part of Pei AM's culture.

Complaints channel

Guidelines for the proper management of any complaints received and the development of a control environment.

Pei AM's complaints channel is: buzoneticopei@deloitte.com

Conflicts of Interest Policy

Regulates the awareness on, management, and resolution of conflicts of interest.

CODE OF CONDUCT

Is the document establishing the values that the Company expects from its employees, so that they behave ethically in their day-to-day activities within the Company and interactions with Pei AM and PEI's stakeholders.

The Company seeks to define the general guidelines that collaborators must follow in connection with Pei AM's data protection, security, transparency, and intellectual property, and the communications and information accuracy.

Additionally, Pei AM's code of conduct stipulates

the procedures that must be followed to report any type of irregularities and suspicious activities, so that workers understand are aware thereof should any irregular situation arises and thus preserve the Company's integrity.

ANTI-CORRUPTION POLICY GRI 205-1 205-2

The Business Ethics Program's framework includes the Anticorruption Policy, whereby the Company formally establishes the guidelines to prevent any acts of corruption and bribery.

Pei AM is committed to disseminate the Anti-Corruption Policy within its community. For these purposes, the Compliance Officer will be in charge of disseminating among and training the Company's personnel in this connection.

ETHICS COMMITTEE

Pei AM formally organized its ethics committee since 2020. The Ethics Committee is responsible for the supervision and management of any complaints submitted to the ethics mailbox in relation with Pei AM and dealing with actual or alleged situations of non-compliance with the Code of Conduct, the ML/TF Risk Prevention and Control Manual, the Anti-Corruption Policy, or non-compliance issues having to do with Pei AM's Business Ethics Program.

The objective of the Ethics Committee's rules is to regulate its operation, so that due process is abided by under any situation that said corporate body is required to address.

3.2.

SELF-CONTROL AND COMPREHENSIVE ML/TF/FPMDW RISK MANAGEMENT SYSTEM – SAGRILAFI

Considering the issuance of External Circular 100-000016 “through which Chapter X of the Basic Legal Circular”, Pei AM updated its Self-control and Comprehensive ML/TF/FPMDW Risk Management System (hereinafter SAGRILAFI) in 2021, in accordance with the Company's particular characteristics. This update involved an assessment of the risks and the adoption of the Self-control and Comprehensive ML/TF/FPMDW Risk Management policy, which stands as the SAGRILAFI's fundamental pillar and route.

In 2021, Pei AM continued with the execution of the ML/TF/FPMDW risks' communications and training plan.

Pei AM also updated the SAGRILAFI's Procedures Manual, which establishes the System's functions and organizational structure, and the appropriate procedures and controls pursuing the due diligence to prevent the Company's use for illegal purposes, money laundering, or terrorism financing activities.

Pei AM continued to execute the communications and training plan throughout 2021, with the aim of raising awareness among officials and managers about the ML/TF/FPMDW risks.

Additionally, in 2021 Pei AM adjusted the organization's structure and both the principal and alternate Compliance Officers were changed, considering that, under the new regulations, the Compliance Officer's position can neither belong to the management or corporate bodies, nor to any internal or external audit or control bodies. Pei AM decided to outsource the compliance officer's services.

Thus, as of September 2021, Pei AM has new principal and alternate Compliance Officers that meet the legal requirements and have experience in the relevant matter.

COMPLAINTS MANAGEMENT PROCEDURE

The complaints management procedure sets forth the general conditions to receive complaints and manage any ethical dilemmas, explaining the steps that Pei AM must follow for their processing.

To guarantee the confidentiality and security of any complaints received by the Company, Pei AM hired Deloitte as the third party responsible for managing the ethics mailbox, whereby any complaints may be addressed to email buzoneticopei@deloitte.com.

Once any relevant complaint is received, it is delivered to the people in charge of managing it within the Company. On December 2021, Pei AM had not been notified of any complaint submitted through this mailbox.

The **Company is prepared to better manage and prevent** its risks, thus preserving its reputation and integrity

4. CORPORATE SUSTAINABILITY MODEL (CSM)

<p>Pei AM is aware that the survival of its business over time depends on the implementation of practices ensuring a sustainable development and the satisfaction of its different stakeholders' expectations. Therefore, as part of its strategic plan, Pei AM included sustainability in its vision, higher purpose, and strategic aspirations.</p> <p>In 2021, led by the Legal and Corporate Affairs Management Office, Pei AM structured a corporate sustainability model laying out the material issues that Company will manage, as well as its short- and long-term sustainability aspirations. Pei AM specifically aims at differentiating itself through its commitment with the eco-efficiency in the assets it manages, its contributions to education and inclusion and, finally, the trust it generates stemming from its transparency.</p> <p>Pei AM specifically aims at differentiating itself through its commitment with the eco-efficiency in the assets it manages and its contributions to education and inclusion.</p>					Pei AM and PEI's differentiators on ESG issues	Eco-efficiency	Development through education and inclusion	Trust and transparency	
			Supervision of Pei AM and PEI's performance		Sustainability initiatives and KPIs	Periodic sustainability reports	Sustainability certifications	Sustainability committee	
	Pei AM and PEI's materiality	Eco-efficiency and adaptation to climate change	Risks management and digital innovation	Profitable growth	Responsible investments	Human talent's development and well-being	Contribution to the community's, tenants', and suppliers' welfare		
14 initiatives supporting the material issues									
Alignment with Pei AM and PEI's strategy	Superior Purpose <ul style="list-style-type: none"> Contribute to society. Generate spaces that benefit the community. 			Vision Being recognized for our commitment with sustainability.			Superior Purpose <ul style="list-style-type: none"> Creating awareness among all employees. Development of enabling capacities. Review and inclusion of the sustainability model within the processes. 		
Normative and aspirational references	Regulations	Voluntary adhesion				Global and aspirational references			

1 Normative and aspirational references			
--	--	--	--

The CSM is based on a number of normative and aspirational references on sustainability issues, which inspired the best practices horizon that the Company will seek to achieve. We consulted these references to learn what kinds of practices are implemented or expected to be implemented to address the sustainability issues in the market.

Regulatory references:

- The Financial Superintendency of Colombia (FSC) is working in the incorporation of ESG factors within its institutional strategy. Therefore, we studied the FSC's considerations on the information that must be disclosed to the public in this matter and the methodologies considered therefor, among them the SASB and TCFD reporting standards.
- The Colombian Stock Exchange (BVC), through the IR Issuers' certification, also encourages market issuers to implement good practices in connection with the disclosure of information and their relationships with investors. The BVC included certain sustainability criteria that any issuer aspiring to be certified must be able to manage and disclose.

Voluntary Adhesion References

SUSTAINABLE DEVELOPMENT GOALS

To build the CSM, the Company also considered standards, criteria, or objectives of the organizations committed with the implementation of practices aimed at ensuring sustainable development on a global level. Among the main references considered by the Company are the **United Nations Sustainable Development Goals (SDGs)**.

The Company conducted an exercise to choose the goals to which it may contribute through its business model and in a manner consistent with the stakeholders' expectations. The Company decided to focus the CSM on the contribution to the following SDG:

5. Gender Equality

5.5 Ensure women's full and effective participation and equal opportunities for leadership at all political, economic, and public life's decision-making levels.

Affordable and Clean Energy

7.2 Significantly increase the renewable energy's share within the pool of energy sources by 2030.

Decent Work and Economic Growth

8.5 Achieve full and productive employment and decent work for all women and men, including youth and people with disabilities, as well as equal pay for works of equal value by 2030.

Sustainable Cities and Communities

11.3 Increase inclusive and sustainable urbanization and the capacity for a participatory, integrated, and sustainable planning and management of human settlements in all countries by 2023.

Responsible Production and Consumption

By 2030 (i) 12.2 Achieve the sustainable management and efficient use of any natural resources; and (ii) 12.5 Through prevention, reduction, recycling, and repurposing activities, significantly reduce the generation of waste.

Peace, Justice, and Solid Institutions

(i) 16.5 Substantially reduce all forms of corruption and bribery; and (ii) 16.6 Create effective, accountable, and transparent institutions at all levels.

(i) 16.5 Substantially reduce corruption and bribery in all their forms and (ii) 16.6 create effective, accountable and transparent institutions at all levels.

Similarly, considering that one of its main tasks as a real estate investment vehicle's manager is to identify investment opportunities to add to the portfolio, Pei AM incorporates ESG factors in its investments decision-making process. This, because the business's survival depends on an appropriate management of the relationships with and expectations of the Company and the vehicle's stakeholders.

In line with the above, the Company joined the Principles for Responsible Investment - PRI association in 2019, with the purpose of continuing to strengthen its ESG practices, network of contacts developing and promoting these practices, and keeping up-to-date or contributing to any trends in this respect.

PRI is an association made up by signatories from all over the world, that promotes the incorporation of ESG factors by investors, managers, and service providers in the sector. Through this support network, PRI encourages investors to make responsible investments in order to improve both the returns and risks management.

Global and aspirational references

Finally, the Company used as a reference the reporting standards designed by the Global Reporting Initiative (GRI), which promotes the use of a common language by companies report their information, so that it is uniform and understandable for any interested reader.

Global and aspirational references

On the other hand, the Company consulted indexes and international associations to learn about their criteria to qualify, evaluate, or analyze the sustainability practices of the companies and entities aspiring to participate in this type of assessments or indices in the future, such as Company B, the Dow Jones Sustainability Index, and Nareit.

2 Alignment with the strategy

Based on the abovementioned references, we aligned our model with the superior vision and purpose to permeate the company's organizational culture with what sustainability means. This was done through strategic planning workshops supported by the external consultant.

3 Identification of stakeholders

We followed the steps below to define Pei AM's and PEI's materiality: Pei AM made a list of the stakeholders interacting with Pei AM and PEI. **It identified the individuals, groups, entities, and others (i) Whose decisions or opinions have an impact on the business; and/or (ii) Who are impacted by Pei AM's actions.** The following stakeholders were ultimately defined:

STAKEHOLDERS	IDENTIFICATION OF GAPS	ASPIRATIONS AND GOALS
Identification of Pei AM and PEI's stakeholders	Benchmark on good practices, considering the assessments made and the international references.	Company's definition of aspirations and goals for prioritized material issues
STEPS	CHARACTERIZATION	MATERIALITY MATRIX
	Characterization exercise and learning about the stakeholders	Design of the materiality matrix and prioritization of Pei AM's and PEI's material issues

Suppliers and operators

- . Pei AM's and PEI's Suppliers
- . Operators

Lessees and concessionaries of the assets managed by Pei AM

Investors

Investors in the assets managed by Pei AM

Capital providers

- . Shareholders
- . Financial entities
- . Sellers of the assets

Strategic allies

E.g., PEI's Advisory Committee, Corficolombiana, Fiducoldex, BU, and BVC.

Workers and their families

Communities

- . Visitors of the assets managed by Pei AM
- . Employees of the tenants in the assets managed by Pei AM
- . Suppliers of the tenants in the assets managed by Pei AM
- . Dwellers of the cities where the assets managed by Pei AM are
- . Workers of the suppliers of the assets managed by Pei AM

Entities and guilds

- . Government entities, including any belonging to the Treasury sector. E.g., Financial Superintendency of Colombia, Colombian Stock Exchange
- . Guilds and regional associations E.g., *Propacífico*, *Asociación de Fiduciarias de Colombia (Asofiduciarias)*, *Asociación Colombiana de Capital Privado (Colcapital)*, *Cámara Colombiana de la Construcción (Camacol)*, *Nareit*, Principles for Responsible Investment (PRI), etc.
- . Multilateral Entities.

Project partners

Persons sharing the assets ownership with us, and who may operate them.

To get to know and understand the stakeholders and their expectations, priorities, Interests, or concerns regarding Pei AM and Pei, any available information was collected within PEI; surveys, interviews, and meetings were carried out; and any available public information was reviewed.

Additionally, to find out the issues whose sustainability management is required in general and for the industry in particular, certain evaluations were conducted to find the gaps between what the Company does today and the best practices in the market.

Finally, based on the information collected from the stakeholders and assessments' results, Pei AM's management team and PEI's Advisory Committee participated were part of an exercise to identify which issues should be prioritized.

4.

Material Issues

As a result of this exercise, the materiality matrix was built, and six material issues were prioritized and grouped, supported by the **14 initiatives** on which Pei AM will focus its management efforts.

Eco-efficiency and Adaptation to Climate Change	Risk Management and Digital Innovation	Profitable Growth	Human Talent's Development and Well-Being	Contributing to the Community's, Tenants', and Suppliers' Well-Being	Responsible Investments
<ul style="list-style-type: none"> 1. Renewable and clean energies 2. Carbon Footprint 3. Water Management 4. Waste Management 	<ul style="list-style-type: none"> 5. Risk Management 6. Corporate Governance, compliance, and corporate ethics 7. Innovation, digitalization, and information security 	<ul style="list-style-type: none"> 8. Economic development and contribution to the capital market's growth. 	<ul style="list-style-type: none"> 9. Talent's well-being and commitment. 10. Professional development and career plan 11. Diversity, equity, and inclusion 	<ul style="list-style-type: none"> 12. Development of tenants and suppliers. 13. Social impact (donations, territory's development, and civic commitment). 	<ul style="list-style-type: none"> 14. Integration of ESG factors in the selection of assets.

5 CSM's Performance Monitoring

To keep track of each of the material issues' progress and management, we established long-term aspirations and goals to serve as guidelines to trace the route for the activities that will be carried out in 2022. Similarly, as of 2022, a Sustainability Committee will be responsible for supervising the implementation of the Company's corporate sustainability model.

To ensure the goals' compliance, a sustainability leader was assigned for each area and every month the sustainability team will monitor the progress of 2022's KPIs.

7 Differentiators on ESG Matters

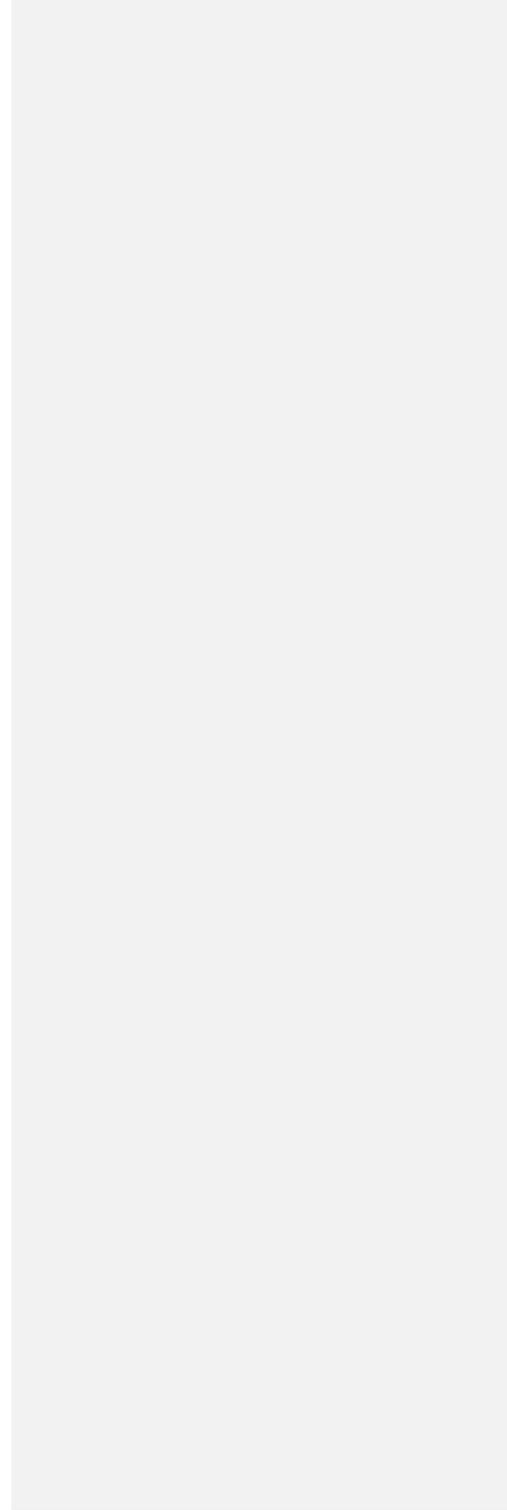
As for any differentiators, Pei AM will strive for the CSM's material issues to be oriented toward creating value while generating trust through transparency, the assets under management's becoming ecoefficient, and our contribution to social development through education and inclusion.

Also, within the Company's annual training plan (detailed below), special emphasis was placed on the expansion and strengthening of the knowledge on what sustainability and responsible investments mean, through our employees' involvement in the following spaces:

SUSTAINABILITY TRAINING PLAN - 2021

<p>100% of Pei AM's employees attended the "1 Sustainable" training gave by María Victoria Riaño, aimed at making creating awareness on what sustainability is from a personal standpoint.</p>	<p>Investors Climate Initiative Latam SUSTAINABILITY REPORT 2021 58 CORPORATE SUSTAINABILITY MODEL</p>	<p>9 employees are attending PRI's training sessions on climate change risks management, to support its signatories.</p>
<p>2 employees from the Legal and Corporate Affairs Department attended a certified training on this reporting methodology.</p>		<p>1 employee from the Investments Management Office attended a training on the financial structuring of sustainable projects.</p>
<p>23 employees, selected by each of the management offices to be leaders in sustainability matters, are attending a training on companies' sustainable management.</p>		<p>3 employees from the Assets Management Office, the Investor Relations Management Office, and the Legal Management Office attended the trainings on Cero Carbon Buildings.</p>
<p>10 employees from the Financial Vice-presidency, the Legal and Corporate Affairs Management Office, and the Investor Relations Management Office are attending a training on the preparation of sustainability reports.</p>		<p>1 employee from the Investment Management Office attended a training on green sustainable finances.</p>
		<p>3 employees from the Assets Management Office, attended the training on Zero Carbon Building Systems.</p>
		<p>3 employees from the Investor Relations Management Office, attended a training "ESG Factors' Evolution in Colombia - Toward a Sustainable Finance Model".</p>

HUMAN TALENT'S DEVELOPMENT AND WELL-BEING



GRI 3-3

Material Issues' Management of

Why is it a material issue for the CSM?

The talent's development is essential to promote innovation, commitment, and attract and retain the best talent. For people to perform their duties efficiently, the company needs to promote their physical, mental, and emotional health care.

Which SDGs does it contribute to?

- Gender Equality
- Decent Work – Economic Growth

Note: See the goals in the SDG table on pages 24-26 of the report.

Which of the CSM's initiatives support it?

- Talent's well-being and engagement
 - Professional development and career plan
- Diversity, equity, and inclusion.

Part of Pei AM's strategy is to promote the development

and attraction of the most highly educated and experienced talent. Therefore, it recognizes the importance of promoting and encouraging people's training and well-being, so that there is a balance between their personal and work lives.

In this connection, the Company is consolidating 3 programs, as part of the material issues under the corporate sustainability model, in order to meet the different needs of team:

On the other hand, the Company acknowledges that promoting gender equity within its organizational culture is crucial, above all, because diversity ensures and fosters respect for those different from us. In line with this, the Company maintains parity between men and women in the different positions, particularly leadership positions, ensuring equal conditions such as standard remuneration schemes per position.

To maintain and strengthen its equality standards, Pei AM evaluates its practices through independent mechanisms, so that any opportunities for improvement and trends may be identified. One of the Company's main initiatives, implemented in 2021 for these purposes, was Aequales survey, whose results will be essential to develop the diversity, equity, and inclusion issue.

Talent's well-being and engagement	Professional development and career plan	Diversity, equity, and inclusion
---------------------------------------	--	-------------------------------------

5.1.

TALENT'S WELL-BEING AND ENGAGEMENT

5.1.1. Occupational health and safety

GRI 403-1, 403-2, 403-4, 403-5, 403-6, 403-8, 403-10, 403-5

Pei AM watches over its employees' health and safety in the performance of their duties, which is why it continuously analyzes any risks they may face.

To this end, Pei AM has developed a system with different stages: planning, doing, checking, and acting (PDCA). Pei AM employees' health and safety is guided by the Occupational Health and Safety Policy, the organizational model, the planning methodology of the actions supporting its management, application and assessment processes, and a series of external audits aimed at anticipating, evaluating, and managing any safety and health risks at the workplace, in accordance with the Occupational Health and Safety Management System's Minimum Standards applicable in Colombia.

Additionally, Pei AM's employees are involved in the different committees that the Company has.

EMPLOYEES' WELLNESS PROGRAMS

GRI 401-2, 401-3

Below are some of the benefits implemented by Pei AM under its employees' wellness program:

BENEFIT

- Family time
- Marriage license
- Life Insurance
- Sports culture
- Extended Maternity and Paternity
- Refreshments
- Additional vacation days

IDENTIFICATION OF RISKS AND INCIDENTS

GRI 403-1, 403-2, 403-9,403-10

Pei AM has an ongoing procedure to manage any work-related incidents and accidents within the Company. This procedure includes the relevant reporting and investigation guidelines, to ensure due process, the timely report and investigation of the incident's causes, and the assignment of any relevant corrective measures.

Currently, all of Pei AM's employees can report any unsafe or risky actions through email copasst@pei.com.co

Additionally, the Human Talent area offers a direct communication line to report any news related with occupational health and safety risks. A live virtual training was designed in 2021 and will be conducted in 2022, to inform employees about all the MS-HSW's components and Company programs for the benefit, health care, and safety of its employees and stakeholders.

In relation with the identification of risks, Pei AM has worked with an external consultant since 2019, conducting work sessions with the different area leaders --who identify the main activities conducted by their teams and thus note any possible risks--. Because this is carried out periodically, the information is constantly updated.

Pei AM has used Colombian Technical Guide (GTC 45) to identify the hazards and assess any work-related security and health risks. In addition to the above, the LRM that the Company's employees are enrolled with, verifies the Company's compliance with the minimum legal requirements on the risks' identification, assessment, and management and recommends the adoption of preventive or corrective measures to ensure the employees' health and safety.

In 2021, there was only one work-related accident, associated with a sports activity carried out by the Company for the sake of its collaborators' integration.

OCCUPATIONAL HEALTH SERVICES

GRI 403-4, 403-6, 403-7, 403-8

Pei AM implements actions aimed at ensuring the health of its employees. One of Pei AM's action to highlight in 2021, is the acquisition of Covid-19 vaccines through ANDI and the National Government's program.

The vaccines were offered to 100% of the employees.

The company also made available to any employee suspected of being infected with Covid-19, free home PCR tests.

Another action by Pei AM relating to its employees' health, is the implementation of ergonomic elements in the workstations to ensure the employees' comfort. The Company has verified that its employees' workstations comply with ergonomic, proper ventilation, lighting, and safety signage characteristics.

During the period in which employees worked from home due to the pandemic, Pei AM subsidized the purchase of tools to adapt their workstations at home and delivered the office and personal protection elements required by workers to We reiterate our commitment with the safety and well-being of Pei Asset Management's team members.

A live virtual training was designed in 2021 and will be conducted in 2022, to inform employees about all the MS-HSW's components and Company programs for the benefit, health care, and safety of its employees and stakeholders.

perform their jobs.

The Company also made available to its employees a free virtual consulting service to assess their workstations' ergonomic conditions and consult nutritionists, psychologists, and other health experts.

In 2021, occupational medical examinations were periodically made to check on the employees' health and ensure their basic health conditions. Additionally, several epidemiological surveillance programs were carried out, focused on preventing the Covid-19 risk factors among the collaborators.

In 2021, the total number of workers covered under Pei AM's health system

Comentado [MC1]: Esto está cortado. No se terminó la idea.

EMPLOYEES' TRAINING ON HEALTH AND SAFETY AT THE WORKPLACE

GRI 403-5

Pei AM identifies the main needs and issues to address through trainings on Health and Safety at the Workplace. Based on the results obtained from the hazard matrix's identification, the annual trainings for the Company's workers are prioritized.

In 2021, trainings focused on preventive and care measures against the Covid -19's spread within the facilities. These training sessions consisted not only of practical activities, but of a theoretical component to fully inform Pei AM's entire community about the virus. The topics addressed during the training were the following:

- Return to the office.
- Training on Covid -19 and vaccination.
- Mental health and biosafety.

At the end of the year, the following results were obtained with respect to the employees' attendance to the trainings.

Up to date, **no worker has been excluded from the Occupational Health, and Safety Management System's coverage.**

			DIRECT WORKERS	SUPPLIERS AND CONTRACTOR'S WORKERS
			4	3
		Number of occupational health and safety trainings carried out		
		Total workers trained on occupational health and safety	100	10
		Total hours of training eleven	25	11

5.1.2. HUMAN TALENT'S TRAINING AND EDUCATION

GRI 404-1, 404-2, 405-3, 405-1, 405-2

TRAINING AND EDUCATION PROGRAMS

To manage one of the CSM's material issues on the human talent's development, Pei AM strengthens the work team's technical and managerial capacities that are useful to perform their jobs and/or adapt to new the technologies and trends.

e-Learning

One of the programs made available by Pei AM to its employee, to strengthen and enhance the Company's profiles, was an e-learning or online learning platform with a catalog of over **600 courses** on soft and technical skills and topics such as leadership, sales, digital marketing, among others. A minimum content was designated to be studied by each worker, according to their profile, though they could voluntarily access the entire course catalog. The online tool facilitates access to the content and each employee may adjust the intensity depending on their schedule preference.

Annual training plan

Furthermore, the Company organizes each year, together with the leaders of each of the areas, a training schedule on the issues or topics necessary for their work team to acquire or update its knowledge on any relevant topics or trends.

This year, **3,430 hours** were spent on the employees training.

Condonable Education Credit

The Company encourages workers to continue growing as professionals and study any academic training courses contributing thereto. To this end, the Company offers a monetary aid, so that employees may study any type of course, undergraduate degrees, specializations, and master's degrees.

PERFORMANCE REVIEW

GRI 404-3

The Company makes an annual performance review. In 2021, 92 workers --equivalent to 100% of the people to evaluate in the year-- were subject to the performance review.

2021's performance review will take place in March 2022.

5.1.3. DIVERSITY, EQUITY, AND INCLUSION

GRI 405-1, 405-2

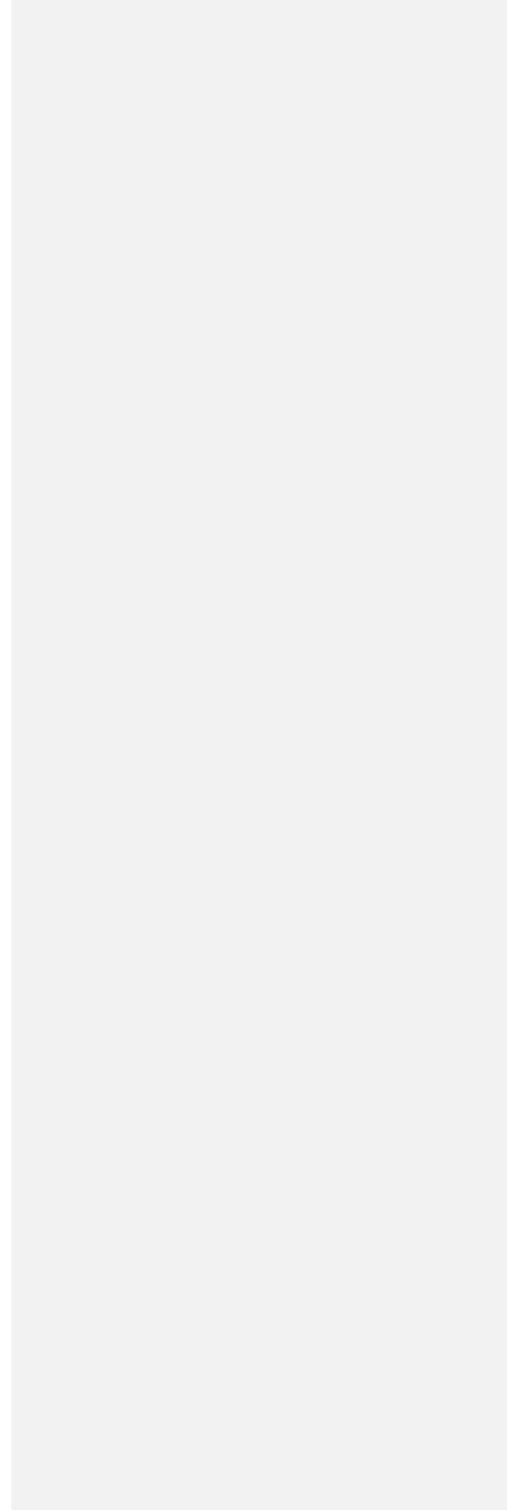
Because the development of mechanisms to ensure equality is essential for Pei AM, equity and inclusion are material issues within the Company's strategic framework.

At the end of 2021, balance between men and women throughout all the Company's positions was achieved. On the other hand, most of the labor force is between 30 and 50 years old, followed by the range between 18 and 30 years old.

Pei AM makes no gender-related differences with respect to its employees' compensation and currently uses a score-based methodology with certain determining factors to establish the relevant positions' level and requirements.

	60 Men	61 Women		
--	--------	----------	--	--

6. ECO-EFFICIENCY AND ADAPTATION TO CLIMATE CHANGE



GRI 3-3

MANAGEMENT OF MATERIAL ISSUES

Why is it a material issue for the CSM?

Managing the environmental impact of the assets under management is important to preserve the environment and ensure PEI's survival.

Note: See the goals in the SDG table on pages 24-26 of the report

Which SDGs does it contribute to?

- . Affordable and Clean Energy
- . Sustainable Cities and Communities
- . Responsible Production and Consumption

Which of the CSM's initiatives support it?

- . Renewable and clean energies
- . Carbon footprint
- . Water management
- . Waste management

Pei AM, as a real estate investment portfolios manager, **recognizes that an increasing number of investors, upon choosing an investment product, appeal to criteria additional to mere profitability, among them, their environmental impact.**

Environmental protection is essential to ensure the business's continuity. Therefore, Pei AM has stated that the Eco-efficiency of the assets it manages is a priority and material issue, fundamental to its management.

In 2021, Pei AM began to structure a management strategy aimed at reducing the environmental impact of the assets under management.

The strategy seeks to measure the assets' energy and water consumption, generation of waste, and carbon footprint so that to actions or technologies are implemented to improve the assets' Eco-efficiency.

In furtherance of the proposed strategy, in 2021, PEI AM and a third-party expert, carried out the Eco-efficiency diagnosis for **17 of PEI's assets** (representing 28% of the leasable area and 312,000 m²), to establish their water and energy consumption and sources thereof, the amount of waste generated, supervise their waste disposal practices, and assess their climatic and lighting comfort. These diagnoses facilitated the consolidation of the information on the assets' consumption and shed light on the adoption of alternatives in the short, medium, and long terms to improve the assets' Eco-efficiency.

At the same time, in 2020, Pei AM started to measure the carbon footprint of its corporate facilities and 4 assets of PEI's portfolio representing 15% of the leasable area and 163,000 m² (*Amadeus, Atlantis Shopping Center, Plaza Central Shopping Center, and Cittium*). To consolidate the calculations, the methodological levels 1 and 2 were used, in accordance with the good practices suggested by the Intergovernmental Conference of Experts' Panel Guidelines on Climate Change – 2006 (IPCC, 2008) for each of the categories identified as emission sources.

6.1.

ENERGY MANAGEMENT

GRI 302-1, 302-2,
302-4, 302-5

7 Affordable and clean energy

With a management approach aimed at contributing to the SDGs in 2021, Pei AM advanced with the installation of 2,320 solar panels at *Plaza Central* and *Ideo Cali*, completing a total of **7 assets** with this technology, equivalent to 12% of the portfolio's GLA. The Company also monitors its own energy consumption, to generate more eco-efficient actions:

Pei AM eco-efficient approach in connection with PEI's assets is evident from the very moment of the acquisitions. We have purchased LEED-certificated assets in the Core & Shell category, equivalent to 20% of the portfolio's GLA. The certified assets are *Plaza Central Shopping Center*, *Atrio*, *Elemento*, *Isagen*, *One Plaza*, *Cittium*, and *Nutresa's Logistics Portfolio*.

6.2.

WASTE MANAGEMENT

GRI 306-1, 306-2, 306-3

As part of Pei AM's commitment with Eco-efficiency, waste management is one of the relevant factors to mitigate the environmental impact. The horizontal property where Pei AM's corporate offices are, was linked to the *Asociación de Recicladores Puerta de Oro Bogota* (a recyclers association), which supports the disposal of waste through the material's recycling and use.

Moreover, Puerta de Oro's members benefit from the revenues obtained from the sales of these materials. For example, in May 2021, the entity achieved 617 kilograms (Kg) of Potentially Recyclable Materials (PRM) distributed as follows:

- Cans
- Colored plastic
- Scrap
- Files, Documents
- Newspaper
- Plastic bottles and containers
- Foldable cardboard packages
- Glass
- Selection bags
- PET
- Cardboard

As for PEI's real estate portfolio, Pei AM, its manager, is committed with the assets' operators compliance with the applicable environmental regulations on waste disposal. In this connection, certain operators are already gathering the waste, to later classify it between usable and unusable.

6.3.

CARBON FOOTPRINT

GRI 305-1, 305-2, 305-3, 305-4, 305-5

With an external advisor's support, in 2021 Pei AM managed to measure the carbon footprint of **4 of PEI's portfolio assets** representing **14% of the leasable area** and, in 2022, will continue to fine-tune the measurement in order to deploy a carbon footprint-reduction strategy.

In 2020, Pei AM generated a total of 15,090 tons of CO₂ equivalent (tCO₂e), 0.25 tCO₂e of which came from of paper its consumption. Compared to 2019, emissions decreased, driven by the fewer air trips made (-94.64%), resulting from the Covid-19 pandemic-related travel restrictions.

1 Certificate delivered by Asociación de Recicladores Puerta de Oro Bogota.

6.4.

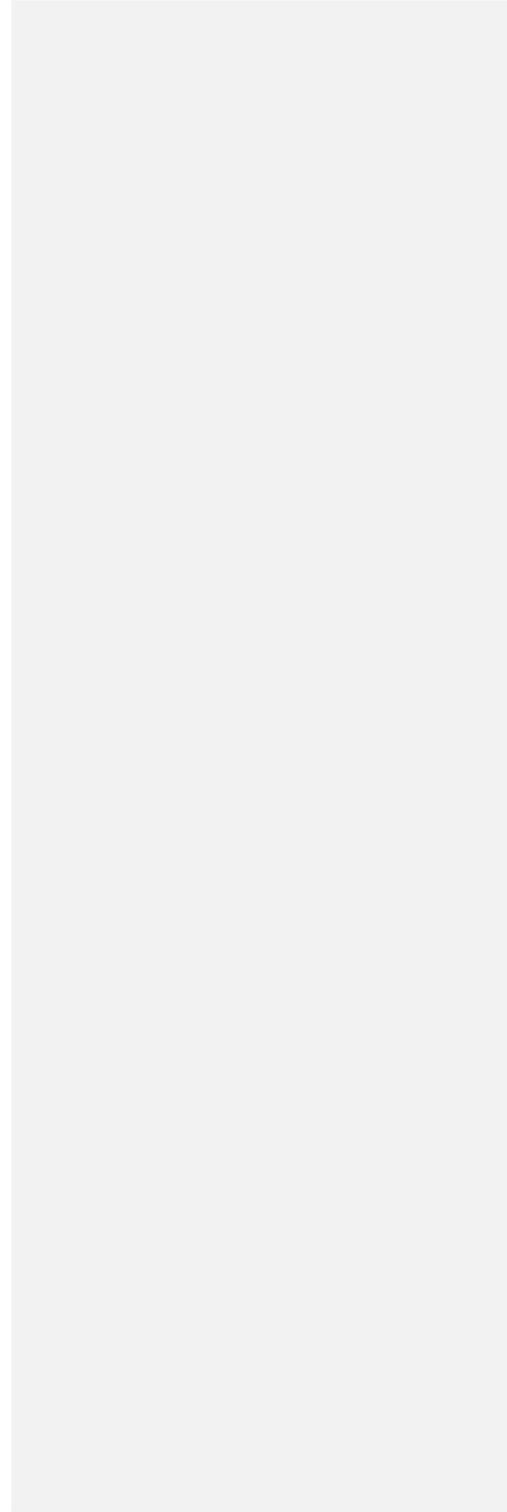
Water management

GRI 303-1, 303-5

Water consumption in Pei AM's corporate offices amounted to 555.3 m3 in 2021, based on the average for September, October, and November; the Company increased its water consumption by 13.1% in these months, compared to 2020, due to the collaborators return to the office.

The water resource was supplied by the Bogotá Aqueduct.

7. CONTRIBUTING TO THE COMMUNITY, TENANTS, AND SUPPLIERS' WELL-BEING



CONTENTS 3-3

MANAGEMENT OF MATERIAL ISSUES Why is it a material issue for the CSM?

Because tenants and concessionaires are an essential and crucial part of PEI's business, supporting their growth and development is vital to Pei AM. Suppliers have a permanent relationship with the operation of the assets under management, so it is ideal for their practices to align with Pei AM and PEI's aspirations.

We also wish to imbue the value chain with good sustainability practices, to create greater value and impact. Furthermore, the positive impact on the neighbouring communities to the assets benefits the tenants and their workers, creating a sense of belonging and development that ensures PEI projects' success.

Which SDGs does it contribute to?

- . Decent work Economic Growth
- . Sustainable cities and communities

Note: See the goals in the SDG table on pages 24-26 of the report

Which of the CSM's initiatives support it?

- . Tenants and suppliers' development
- . Social impact.

As of December 31, 2021, Pei AM managed PEI's portfolio, consisting of **150 assets** representing 1,139,232 m² (including 187 hotel keys), located in over 30 cities and municipalities of Colombia.

* Departments with more than 10 assets

* Departments with 1- 10 assets

* Departments with no PEI assets

PEI's portfolio consists of **four real estate categories**, pillars of its diversification. These categories are commercial, corporate, warehouses, and specialized assets, where health centers and student residences stand out;

The portfolio has **1,876 tenants**.

Mindful of its potential impact on tenants, suppliers and the assets' neighbouring community, part of Pei AM's sustainability strategy focuses on contributing to these stakeholders' growth and well-being.

TENANTS AND CONCESSIONAIRES' DEVELOPMENT

TENANTS

Because tenants and concessionaires are an essential and crucial part of PEI's business, supporting their growth and development is vital to Pei AM.

In 2021, the Company worked on the design of several service alternatives enabling the tenants to exclusively concentrate on their business, without needing to worry for the facilities.

SOCIAL IMPACT

Contribute to the community's well-being in those regions where PEI is present.

SUPPLIERS

GRI 414-1, 414-2

Along the same lines, Pei AM will ensure to learn from and promote among another of its main stakeholders --Suppliers-- the implementation of good practices on ESG matters.

During 2021, Pei AM put into place a new Procurement and Purchase Policy that includes the processes aimed at guaranteeing that the suppliers are hired objectively, and that the public is provided in advance with the relevant information on Pei AM's selection procedures and criteria. Additionally, within their selection and hiring processes, suppliers are invited to share their sustainability practices with the Company; this may be considered as an additional factor for to ponder during the selection process.

Caring for this stakeholder's development, Pei AM assesses its suppliers twice a year, providing feedback on their strengths and opportunities for improvement.

In 2021, 307 Type 1 evaluations (Evaluation of providers of services other than works) were conducted on 205 Pei AM and PEI's suppliers; and 281 Type 2 evaluations (Evaluations of works suppliers) were conducted on 96 Pei AM and PEI providers.

Tenants and concessionaires are an essential and crucial part of PEI's business.

COMMUNITY

GRI 413-1, 413-2

The real estate sector may become a great facilitator for the creation of social value through the provision of workplaces for the local population; decent public spaces that better the cities, improve security, and promote businesses and high-quality investments on health, education, and welfare; and the promotion of the community's integration.

Hence, Pei AM believes in its great potential to contribute to the **SDG on Sustainable Cities and Communities**.

As manager of the top real estate investment vehicle in the country, present in over **30 regions and municipalities of Colombia**, Pei AM works for the welfare of those communities neighbouring the assets, which may be positively impacted through the generation of employment, spaces for work, business, or recreation, or the development of public use and safe spaces, among others.

Pei AM works continuously to generate social value for these communities. For example, with the acquisition of the *Calablanca* Hotel in Baru, in 2021, almost 295 new jobs were created, 20% of which perform members of the Island of Baru's community.

Similarly, Atrio and City U in Bogotá, in addition to their technical specifications guaranteeing comfort and the city center's beautification, have renovated the area.

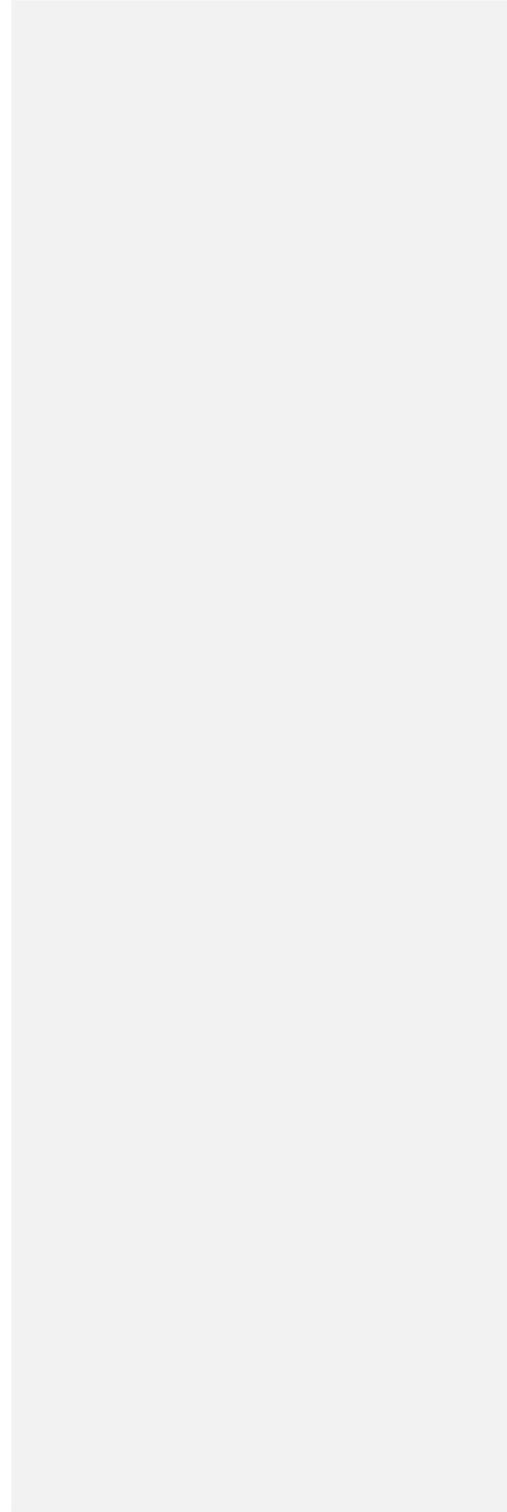
Within Pei AM's commitments with the growth and sustainable development of the regions where PEI owns any assets, such as Cali, in 2021 allied with *Fundación para el Desarrollo Integral del Pacífico – Propacífico*. This foundation leads the implementation of programs to promote economic progress, environmental sustainability, and social and collective prosperity in Cali, Valle del Cauca, and the Pacific region.

Pei AM has also maintained the recurring practice --supported by its shareholders-- of financing young people's education. Continuing with the work done for several years, in 2021 the Company made donations to Universidad de los Andes's "Quiero estudiar" ["I want to study"] program, supporting students with the completion of their studies.

Pei AM, together with the operators of several of PEI's assets, have developed social, environmental, and social investment programs. **Pei AM allied with *Fundación para el Desarrollo Integral del Pacífico – Propacífico* to support the implementation of social programs aimed at promoting economic progress, environmental sustainability, and collective prosperity.**

Some of the main initiatives working toward the community's benefit during the year were implemented at the *Nuestro* shopping centers in Bogota, Monteria, and Cartago. These initiatives seek to create a positive change for and improve the quality of life of the *Calablanca-Baru* community.

8. PROFITABLE GROWTH



CONTENTS 3-3

MANAGEMENT OF MATERIAL ISSUES

Why is it a material issue for the CSM?

Continuing to manage the Company and the vehicle so that they generate economic value for the shareholders, investors, and other stakeholders, depends on the market continuing to grow and the ability to adapt to changes in the environment.

Which SDGs does it contribute to?

DECENT WORK

ECONOMIC GROWTH

Which of the CSM's initiatives support it?

Note: See the goals in the SDG table on pages 24-26 of the report.

Profitable growth crucial to the Company because it fosters economic growth and imbues the assets under management, consistently with the investors' expectations, while positively and indirectly impacting stakeholders and the community in general.

PEI ASSET MANAGEMENT

GRI 201-1

2021 was a year of recovery and stabilization: the business adapted and found flexible alternatives to continue to provide investments and assets management services.

The Company continued to grow in 2021. Personnel increased to tackle the challenges arising throughout the year, achieve the new goals, and execute the projects proposed under the strategic planning.

In connection with the Company's operating results, revenues from the ordinary activities in 2021 amounted to **COP 70,039 million**.

In the same period, operating expenses stood at **COP 24,193 million**.

THE REAL ESTATE INVESTMENT VEHICLE (PEI)

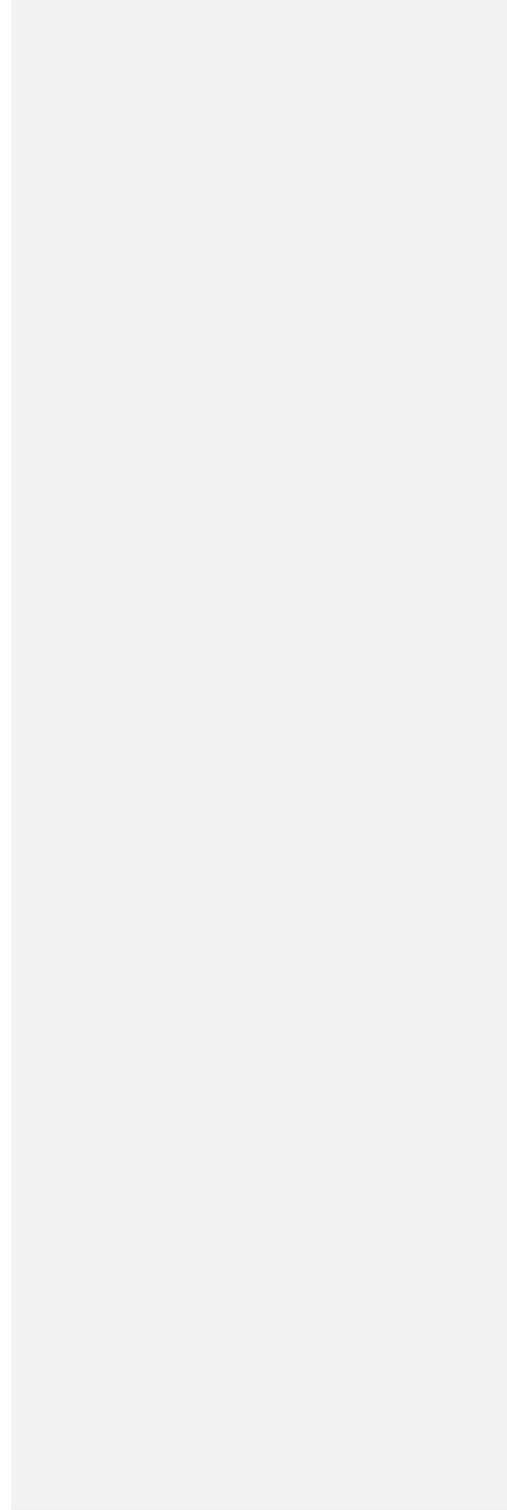
GRI 201-1

2021 was a year marked by the recovery of all of PEI's portfolio categories. After a challenging 2020, the pandemic carried restrictions and required efforts throughout 2021 on all commercial, operating, and asset management levels to strengthen the relationship with the tenants through initiatives aimed at satisfying their needs while having the least impact on the business results. This required of adjustments to the assets through innovative proposals offering added value to the existing and potential tenants, aimed at attracting new customers.

Understanding the changes in people's, organizations', and communities' habits as a result of the pandemic was a key factor in structuring the new business strategies. Thanks to Our close relationship with and permanent support to the tenants, PEI managed to retain 92% of the agreements expiring in 2021.

New tenants were added to all categories, generating corrections in the portfolio's occupancy. The portfolio's occupancy in 2021 performed fairly positive, showing a steady recovery as the year progressed. The portfolio's average occupancy during the year stood at 91%.

9. RISK MANAGEMENT AND DIGITAL INNOVATION



CONTENTS 3-3

MANAGEMENT OF MATERIAL ISSUES

Why is it a material issue for the CSM?

Identifying, managing, and timely monitoring the risks shields and prepares the Company and the vehicle to appropriately deal with risk-generating situations, ensuring the business's survival.

Offering innovative services, ensuring the information's security, and having the right technology is important to quickly adapt to any changes in the environment and remain competitive within the market.

Which SDGs does it contribute to?

PEACE, JUSTICE, AND SOLID INSTITUTIONS

Note: See the goals in the SDG table on pages 24-26 of the report.

Which of the CSM's initiatives support it?

- . Risk management
- . Corporate governance, compliance, and business ethics
- . Innovation, digitization, and information security

9.1.

RISK IDENTIFICATION

General contents

2021: 2-16

Pei AM's analysis of the **strategic and operational risks management is important to ensure the business's survival**.

Pei AM periodically assesses the risks associated with the business, to keep the risks matrix duly updated and implement any necessary mitigation and control mechanisms in a timely fashion. In 2021, the strategic risks were aligned with the strategic pillars to update PEI's risk profile. An external consulting company supported us with this exercise.

9.1.1. RISK CONTROL AND MITIGATION

It is noteworthy that, after carrying out the exercise, we concluded that Pei AM has implemented controls to manage 100% of the strategic and emerging risks faced by both the Company and PEI.

On the other hand, Pei AM has an Insurance Department that, through its global rental insurance program and the portfolio assets' insurance policies, performs a prior analysis and follow-up of the tenants' financial situation in order to mitigate the risk and properly cover and protect the assets.

9.1.2. SUPERVISION AND COMMUNICATION

Pei will maintain the risk management plans aimed at preventing and mitigating any risks.

9.2. DIGITAL INNOVATION

To manage the risks identified and implement strategies ensuring innovation within the Company, three fundamental topics have been established to comply with this objective:

.Risk Management

.Corporate Governance, Compliance, and Ethics

.Innovation, Digitization, and Information Security

Within its risk management duties, Pei AM permanently strives to streamline the processes and redesign its business model so that it is more sustainable and effective against any potential market changes.

Specific action plans were executed in 2021 by means of new digital solutions, with great impact for the Company. Through the projects and initiatives of the plan, repetitive processes with high manual load and no added value are reduced, (i) Taking full advantage of the people's talent and focusing the teams on strategic functions; and (ii) Diminishing as much as possible any errors, duplicate works, and inefficiencies resulting from operational or repetitive processes.

The Digital Innovation Department, in charge of the Plan's implementation process of the through the following 4 major stages, was created in 2020:

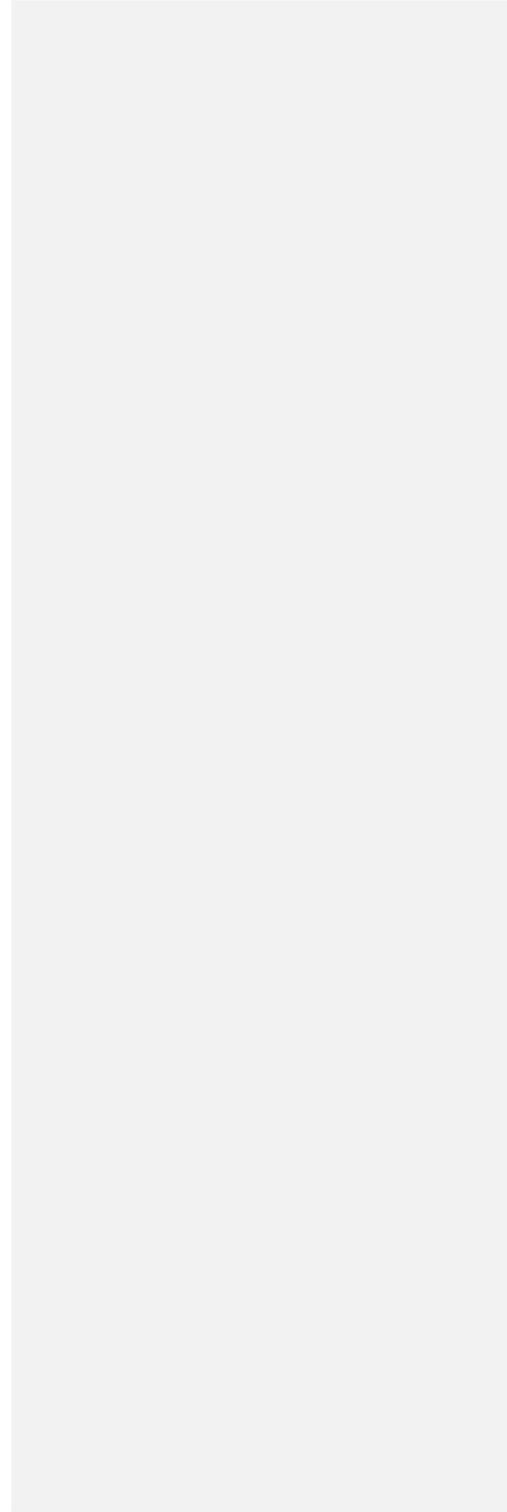
.Modernization

.Digitization

.Automation

.Digital Innovation

10. RESPONSIBLE INVESTMENTS



CONTENTS 3-3 MANAGEMENT OF MATERIAL ISSUES

Why is it a material issue for the CSM?

An investment's decision-making process should involve an analysis of the investment's economic, social, and environmental impact, to ensure that it will be aligned with the different stakeholders' expectations and the pillars required for business's survival over time.

Note: See the goals in the SDG table on pages 24-26 of the report.

Which SDGs does it contribute to?

Which of the CSM's initiatives support it?

. Integration of ESG factors in the selection of assets.

PEI's business structure has established it as a pioneer real estate management vehicle. PEI is also a benchmark on the integration of innovative strategies in the acquisition and operation of assets, classified as top quality.

Pei AM is acutely aware that responsible investments ensure a stable and long-lasting business.

For this reason, the **environmental, social, and corporate governance factors' (ESG Factors) incorporation** in the investments decision-making process has become fundamental to the Company and PEI. In addition to the positive effect on the investments, making responsible investment decisions where the ESG factors are considered, is an increasingly relevant issue for investors upon selecting their investment portfolios.

Similarly, this is an increasingly relevant issue for any tenants in search of assets aligned with their sustainability strategies, so that they continue to promote actions that ensure the care and well-being of the environment and their collaborators.

Internal factors:

- Sustainable and responsible business model
- aimed at generating a positive impact on the environment and society.
- Part of the organizational culture

External factors:

- Individuals' needs have changed
- The market has new demands
- Stakeholders strive to engage in more sustainable practices

Sustainability became a fundamental aspect of the Company's Investment Management. In 2020, when Pei AM became a signatory to the Principles of Responsible Investment or PRI, it developed a Responsible Investment Policy with the main factors to consider upon evaluating any investments in assets.

The Sustainability Matrix was also developed to assess the main ESG criteria. Though the Matrix is a tool that will continue to evolve over time, it currently includes **22 criteria** and a total possible score of **120 points**.

Currently, the Sustainability Matrix's score is an additional element to consider upon approving or rejecting any investment opportunity

Currently, the Sustainability Matrix's score is an additional element to consider upon approving or rejecting any investment opportunity. If the investment is approved, the Sustainability Matrix traces the route in connection with the asset's aspects needed to improve in light of the ESG factors.

The Investment Management Office, to complement the Sustainability Matrix, decided to include within its due diligence process of any properties approved for acquisition, an eco-efficiency diagnosis conducted by a supplier expert in sustainability. Implementation thereof began at the end of 2021 with the *Sanitas Toberin*, *Rivana*, and *Calablanca* properties, whose diagnoses are being prepared.

The above makes it possible to identify opportunities for improvement in terms of the asset's sustainability and define a roadmap to ensure the property's increase on added value over time, through innovative mechanisms and tools promoting responsible practices and a reduction in the assets' obsolescence and operating costs.

Furthermore, the above will possibly entail more satisfaction for the tenants and, consequently, higher retention levels.

Pei AM is acutely aware that responsible investments ensure a stable and long-lasting business

GRI CONTENT INDEX	PEI ASSET MANAGEMENT S.A.S has reported in accordance with the GRI Standards for the period
Statement of use	01/01/2021 to 31/12/2021
GRI 1 used	GRI 1: Fundamentals 2021
Applicable Sector Standards	Not Applicable

GRI STANDARDS / OTHER SOURCES	CONTENTS	LOCATION	PAGE
GENERAL CONTENTS			
GRI 2: General contents 2021	2-1 Organizational details	Organization's Profile	13
	2-3 Reporting period, frequency, and point of contact	Year 2021, annual, person responsible: Ana María Bernal.	
	2-6 Activities, value chain, and other business relationships	Value Generation	20
	2-7 Employees	Diversity, equity, and inclusion	74
	2-8 Collaborators who are not employees	Diversity, equity, and inclusion	74
	2-9 Governance structure and composition	Structure and Corporate Governance	24
	2-10 Appointment and selection of the highest governance body	PEI's corporate governance structure	28
	2-11 President of the highest governance body	Jairo Alberto Corrales Castro	
	2-12 Highest governance body's role in overseeing the impacts management	Pei Asset Management's Management Team	
	2-13 Delegation of responsibility on impact management	Risk control and mitigation	105
	2-14 Highest governance body's role in the sustainability report	PEI's corporate governance structure	28
	2-15 Conflicts of interest	Code of conduct	36
	2-16 Communication of critical concerns	Identification of risks and incidents	105
	2-18 Assessment of the highest governance body's performance	PEI's governance assessments	
	2-19 Compensation Policies	Diversity, equity, and inclusion	74
	2-22 Statement on sustainable development strategy	Corporate Sustainability Model ("CSM")	42
	2-23 Political commitments	Anti-corruption Policy	37
2-25 Processes to remedy any negative impacts	Risk control and mitigation	105	
2-27 Compliance with laws and regulations	Normative and aspirational references	46	
2-28 Memberships in associations	Normative and aspirational references	46	
2-29 Approach with stakeholders	Identification of stakeholders	52	

VALUE GENERATION			PAGE
GRI 3: MATERIAL ISSUES 2021	3-3 MANAGEMENT OF MATERIAL ISSUES	VALUE GENERATION	
GRI 201: Economic performance 2016	3-3 Management of material topics	Value generation	20
	201-1 Economic value generated and distributed	Pei Asset Management and the real estate investment vehicle (PEI)	20
	201-2 Financial implications, and other risks and opportunities from climate change	Culture and Strategy Plan	23
GRI 205: Anti-corruption 2016	205-1 Transactions evaluated in connection with corruption-related risks	Anti-corruption Policy	36
	205-2 Communication and training on anti-corruption policies and procedures	Anti-corruption Policy	36
HUMAN TALENT'S DEVELOPMENT AND WELL-BEING			
GRI 3: MATERIAL ISSUES 2021	3-3 MANAGEMENT OF MATERIAL ISSUES	CONTENTS 3-3 MANAGEMENT OF MATERIAL ISSUES	63
GRI 403: Occupational health and safety 2016	403-1 Employees' representation at formal company-employees' health and safety committees	Talent's engagement and well-being	64
	403-2 Types and rates of accidents and occupational diseases, days lost, absenteeism, and number of work-related fatalities	Identification of risks and incidents	67
	403-3 Employees with a high incidence or risk of work-related diseases	Identification of risks and incidents	67
	403-4 Health and safety issues covered under formal agreements with unions	Health services at work	68
	403-5 Employees' training on occupational health and safety	Employees' training on occupational health and safety	71
	403-6 Promotion of worker health	Health services at work	68
	403-7 Prevention and mitigation of impacts on occupational health and safety directly linked to business relationships	Health services at work	68

GRI 305: Emissions 2016	305-1 Direct greenhouse gas emissions (scope 1)	Carbon footprint	87
	305-2 Indirect greenhouse gas emissions from energy consumption (scope 2)	Carbon footprint	87
	305-3 Other indirect greenhouse gas emissions (scope 3)	Carbon footprint	87
	305-4 Intensity of greenhouse gas emissions	Carbon footprint	87
	305-5 Reduction of greenhouse gas emissions	Carbon footprint	87
GRI 303: Water and effluents 2018	303-1 Interactions with water as a shared resource	Water Management	88
	303-5 Water consumption	Water Management	88
CONTRIBUTION TO THE COMMUNITY'S, TENANTS', AND SUPPLIERS' WELL-BEING			
GRI 3: MATERIAL ISSUES 2021	3-3 MANAGEMENT OF MATERIAL ISSUES	CONTENTS 3-3 MANAGEMENT OF MATERIAL ISSUES	93
GRI 413: Local Communities 2016	413-1 Transactions dealing with local communities' relations, impact assessments, and development programs	Community	96
	413-2 Transactions with actual or potential material negative impacts on the local communities	Community	96
GRI 414: Suppliers' corporate assessment 2016	414-1 New Suppliers assessed using social criteria	Suppliers	94
	414-2 Supply chain's negative social impacts and measures adopted	Suppliers	94
PROFITABLE GROWTH			
GRI 3: MATERIAL ISSUES 2021	3-3 MANAGEMENT OF MATERIAL ISSUES	CONTENTS 3-3 MANAGEMENT OF MATERIAL ISSUES	100
GRI 201: Economic performance 2016	201-1 Generated and distributed economic value	"Pei Asset Management and the real estate investment vehicle (PEI)"	101
GRI 203: Indirect economic Impacts 2016	203-1 Investments in infrastructure and services	The real estate investment vehicle (PEI)	101
	203-2 Significant indirect economic impacts	The real estate investment vehicle (PEI)	101

GRI 403: Occupational health and safety 2016	403-8 Employees covered by an occupational health and safety management system	Health services at work	68
	403-9 Work-related injuries	Identification of risks and incidents	67
	403-10 Work-related illnesses	Identification of risks and incidents	67
GRI 404: Training and education 2016	404-1 Employee's average hours of training per year	Annual Training Plan	73
	404-2 Programs to improve employee skills and retirement assistance	Training and Education Program	72
	404-3 Percentage of employees receiving performance and career development reviews	Performance Review	74
GRI 405: Diversity and equal opportunities 2016	405-1 Governance bodies and employees' diversity	Diversity, equity, and inclusion	74
	405-2 Base salary to men's and women's compensation ratio	Diversity, equity, and inclusion	74
	406-1 Discrimination Incidents and corrective actions implemented	Diversity, equity, and inclusion	74
ECO-EFFICIENCY AND ADAPTATION TO CLIMATE CHANGE			
GRI 3: MATERIAL 2021	3-3 Management of material issues	Contents 3-3 Management of material issues	79
GRI 302: Energy 2016	302-1 Organization's energy consumption	Energy Management	82
	302-2 Energy consumption outside the organization	Energy Management	82
	302-3 Energetic intensity	Energy Management	82
	302-4 Reduction of energy consumption	Energy Management	82
	302-5 Reduction of products and services' energy requirements	Energy Management	82
GRI 306: Waste 2020	306-1 Generation of waste and significant waste-related impacts	Waste Management	86
	306-2 Management of significant impacts related to waste	Waste Management	86
	306-3 Waste generated	Waste Management	86

RISK MANAGEMENT AND DIGITAL INNOVATION			
GRI 3: MATERIAL 2021	3-3 Management of material issues	Contents 3-3 Management of material issues	104
GRI 3: Material Issues 2021	3-3 Management of material issues	Contents 3-3 Management of material issues	104
General contents 2021	2-16 Communication of critical concerns	General contents 2021: 2-16	105
SOCIALLY RESPONSIBLE INVESTMENTS			
GRI 3: Material Issues 2021	3-3 Management of material issues	Contents 3-3 Management of material issues	110
GRI 203: Indirect economic impacts 2016	203-1 Investments in infrastructure and services	Responsible investments	110
	203-2 Significant indirect economic impacts	Responsible investments	111
GRI 204: Procurement practices 2016	204-1 Proportion of spending on local suppliers	Responsible investments	112