

Related-Parties Transactions Policy
Estrategias Inmobiliarias Trust

RELATED-PARTIES TRANSACTIONS POLICY
ESTRATEGIAS INMOBILIARIAS TRUST



PEI

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1. INTRODUCTION

PEI's Advisory Committee, in exercise of its powers under PEI's Equity Securities Issuance and Placement Program's Prospectus

and, particularly, its Internal Operating Regulations, hereby establishes the following "Related-Parties Transactions Policy" (hereinafter the "Policy").

This document sets forth the procedure to follow whenever the Estrategias Inmobiliarias Trust –hereinafter "PEI Trust" or, simply, "PEI"– acquires, sells, or co-invests in a real estate asset together with any Manager's Related Party.

Any transactions not dealing with the acquisition or sale of a real estate asset or any co-investment therein, which are to be carried out together with any Related Party shall be regulated by PEI's Goods and Services Procurement Policy.

2. DEFINITIONS

- **Manager's Executive Team:** It is made up by the people holding the highest-level hierarchical positions in the administrative or corporate areas of the Manager. These individuals are responsible, along with the Manager's General Director, for the ordinary course of business and the formulation, compliance, and monitoring of the Manager's objectives and strategies.
- **Fairness Opinion:** It is a professional's or third party's independent and expert opinion delivered to the Manager in connection with the terms of a transaction with a Related Party, i.e., the acquisition or sale of any of PEI Trust's real estate asset or co-investment therein.

This expert opinion involves a thorough analysis of the transaction, market conditions, inter-company

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synergies, and other factors ensuring the operations' feasibility.

- **Related Party:** Based on international standards¹, the following individuals and entities are deemed Related Parties:
 - i. Any companies whose corporate control is exercised by PEI's Manager, i.e., Terranum Inversion, in the terms of Article 261 of the Commerce Code.
 - ii. Any persons directly or indirectly holding corporate interests equal to or exceeding 10% of the Manager.
 - iii. Any companies whose corporate control is exerted by any person directly or indirectly holding 10% or more of the Manager's share capital.
 - iv. The Manager's direction bodies members and directors, as well as any companies where the above directly or indirectly exercise any corporate control.
 - v. The Advisory Committee's members, as well as any companies where the above directly or indirectly exercise any corporate control.
 - vi. Any close relatives² to the Manager's Advisory Committee members, direction bodies' members, and directors.

Any capitalized terms not expressly defined in this Policy will have the meaning assigned thereto under PEI's Equity Securities Issuance and Placement Program Prospectus (the "Prospectus").

3. TRANSACTIONS REGULATED BY THIS POLICY

This Policy regulates any eventual transactions between PEI and any Related Parties, classified as follows:

- a. PEI's acquisition (purchases) of assets from a Related Party .
- b. Co-investments in any assets between PEI and any Related Party.
- c. PEI's assets sales to or disposals in favor of a Related Party.

¹ Definition of "Related Party" as provided under the Financial Superintendency of Colombia's Code of Best Corporate Practices 2014 –Country Code– and International Accounting Standard No. 24 (IAS 24).

² "Close Relatives" under the definition of IAS 24 are "those family members who may influence, or be influenced by, the individual in their relationships with the entity. These may include: (a) The spouse or individual with a similar emotional relationship, and the children; (b) The children of the spouse or individual with a similar emotional relationship; and (c) The persons under the individual's care or under the care of the spouse or person with a similar emotional relationship."

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4. PROCEDURE TO CARRY OUT ANY TRANSACTIONS BETWEEN RELATED PARTIES

The above transactions, provided that they meet the criteria established under the "Related Parties" definition hereof, shall abide by the following procedure:

A. ACQUISITIONS AND CO-INVESTMENTS:

1. Presentation of the Business Opportunity

Any business opportunity that may result in a purchase of or co-investment in an asset, together with a Related Party, as described in this Policy, shall be presented to the Advisory Committee by the Manager's executive team.

The proposed purchase or co-investment shall be included as an independent point in the relevant meeting's agenda, informing whether it constitutes or not a "Related Party Transaction," as defined in this Policy.

During the presentation of the business opportunity to the Advisory Committee, the Manager shall include all the information provided by the Related Party up to that moment, including the general business conditions and risks disclosed to the Manager's Executive Team.

The Advisory Committee will decide whether or not to continue with the business opportunity's assessment. Accordingly, the Advisory Committee will decide whether the business opportunity, given its characteristics, is interesting and feasible enough so as to continue with its evaluation. For this purposes, the Advisory Committee shall meet without the presence of any members that may potentially have a conflict of interest, including the Manager's Executive Team and/or other members of the Advisory Committee, who shall withdraw from the discussion and decision-making process.

If the Advisory Committee decides to continue assessing the business opportunity, it will proceed with the "Analysis and Evaluation of the Business Opportunity" (step 2) and one or more members of the Advisory Committee will be designated to procure an external opinion or "Fairness Opinion" in connection therewith. The Fairness Opinion shall be paid in equal parts between PEI and the Manager. An investment bank or independent appraiser may be hired to obtain this external opinion, as the Advisory Committee deems fit.

2. Analysis and Evaluation of the Business Opportunity

If the Advisory Committee decides to continue with the business opportunity's evaluation, at least two appraisals of the relevant assets shall be conducted: A first internal appraisal, carried out by the Manager; and a second external appraisal, corresponding to the "fairness opinion".

- a. Internal Appraisal: The Manager shall conduct the asset's appraisal.

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- b. Fairness Opinion: The Advisory Committee or its delegate shall invite any appraisal firms it deems fit to submit their appraisal proposals for the asset, directly requesting the Related Party to deliver any information necessary for the relevant analysis and evaluation of the transaction.

One (1) of the invited firms will be chosen and a Confidentiality Agreement on the asset's appraisal shall be executed. The Advisory Committee will deliver to the selected firm any information relevant for the assessment.

The assessments (both internal and external) shall be separately submitted to the Advisory Committee. Upon submitting the external assessment, any of the Manager's members that are also members of the Advisory Committee shall withdraw from the relevant meeting.

Each appraisal shall include the analysis and recommendations on the general structure of the business, the economic conditions, and the feasibility of the transaction.

Any appraisal reports on the "purchase" of an asset, together with a Related Party to the Manager, shall consider the following: i) Guaranteed rent; ii) Price; iii) Payments Scheme; and iv) Analysis of the main risks, to the extent applicable to the relevant business opportunity.

Appraisals of "Co-investments" may consider, in addition to those criteria established for the purchase of assets, the following: Preferential flow, acquisition percentage for each of the parties, funds required to manage the assets, and the transaction's governance, i.e., the new scheme applicable to any governing bodies, political and economic rights granted to the parties, and the form and mechanisms to make any decisions.

If the Advisory Committee decides to continue with the acquisition process, it shall inform the relevant guidelines and conditions under which the "purchase" or "co-investment" will be conducted to the Manager and the Management Agent. The Advisory Committee's opinion shall consider the criteria analyzed during the evaluation processes (internal and external).

3. Approval of the Transaction

The Advisory Committee will be responsible for approving any transactions entered into with the Manager's Related Parties. These decisions shall have, in all cases, the unanimous affirmative vote of the Advisory Committee's independent members, and neither the Manager's nor any persons linked to the Manager's Related Parts shall attend the relevant meeting.

4. Closing of the Transaction

The Manager and the Management Agent will be responsible for executing the decision made on the acquisition process, based on the Advisory Committee's directions. In these cases, the Advisory Committee may delegate one of its members to supervise and support the relevant

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transaction's closing process.

B. SALES TO RELATED PARTIES

1. Invitation to Bidders

In all cases of sale of a portfolio asset to a Manager's Related Party, the Manager shall comply with the Advisory Committee's decision on the sales process mechanism and on whether the invitation thereto should be public or not.

In any case, PEI will proceed with the sale provided that it is carried out under free competition and market transparency conditions, and that the best results are sought for the investors.

The following procedure will apply in case of sale of any of PEI's assets to any Manager's Related Party:

- i. Invite at least two (2) bidders (including the Related Party), that in the Advisory Committee's opinion have the economic and operating capacity to make the purchase.
- ii. Receive the offers within the term established by the Advisory Committee.
- iii. Verify the bidders' compliance with the criteria and requirements established by the Manager for purposes of any sale process of PEI's assets.
- iv. If at least one of the bidders meets the criteria and requirements established by the Manager and approved by the Advisory Committee, the Transactions will proceed to evaluation (step 2).

2. Transaction's Assessment

Whenever a Related Party participates as bidder under any of PEI's assets sale process, the transaction shall be assessed and approved by the Advisory Committee, without the Manager's or the Related Party's representatives participation in the relevant meetings.

If the only bidder is a Related Party, the Advisory Committee shall ensure that the offer's invitation procedure was transparent (Invitation to Bidders) and fully abided by. To this end, the Advisory Committee may request any information it deems relevant or that was collected during the Invitation to Bidders process and shall issue an opinion on its transparency.

The transaction's and the sale process's approval will follow the procedure established in Step 3 (Approval of the Transaction) and Step 4 (Closing of the Transaction), as per that provided for in this Policy in connection with Purchases and Co-investments with Related Parties.