

	Policy on Nominations, Successions, and Compensation for Members of the Board of Directors	Version 1
		<u>Approval Date:</u> April 22, 2021

**Policy on Nominations, Successions, and
Compensation for Members of the Board of
Directors
LATAM LOGISTIC PROPERTIES, S.A.**

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POLICY ON NOMINATIONS, SUCCESSIONS, AND COMPENSATION FOR MEMBERS OF THE BOARD OF DIRECTORS FOR LATAM LOGISTIC PROPERTIES (HEREINAFTER THE “COMPANY” AND/OR “LLP”)

I. PURPOSE:

The purpose of this policy on Nominations, Successions, and Compensation (hereinafter the "Policy") is to establish the guidelines and parameters to ensure that people who hold a position as a member of the Latam Logistic Properties, S.A. (hereinafter “LLP” or the “Company”) Board of Directors are suitable and are adequately compensated based on their profile, skills, experience, and responsibility. Likewise, the purpose is to establish those criteria that should be considered when appointing and defining the succession plan for the members of the Company Board of Directors.

II. GUIDELINES FOR APPOINTING MEMBERS OF THE BOARD OF DIRECTORS.

As a best practice, it is believed that, for the Company to function properly, the Board of Directors must be “*sufficiently compensated*” to repay how they dedicate their time, their qualification for the position and availability to the company and the responsibility derived from their capacity as a Board of Directors’ member. From this perspective, excessively low compensation or testimonials condition the possibility of demanding the commitments acquired from being a member of the Board of Directors while, on the other hand, excessively high compensation may compromise their independence of judgment.

The current trend is to disclose, within the framework of information transparency by companies, the compensation paid to the members of the Board of Directors and to Upper Management.

The Company is committed to maintaining its tradition of inclusion and diversity within the Board of Directors and to ensuring that its non-discrimination policy based on race, color, religion, gender, national origin, ethnicity, age, disability, pregnancy, marital status, sexual orientation, or any other reason prohibited by law is applicable in evaluating and selecting all candidates.

III. SELECTION CRITERIA

To select the members of the Board of Directors and of its committees, their analytic and management skills, their strategic vision about the business, objectivity, capacity to present their points of view, their ability to evaluate upper management layouts, knowledge of the industry and of the environment, of good corporate governance, of financial issues, of risks, of legal and social matters, of international experiences, and of crisis management should be taken into consideration. Likewise, they must be committed to the Company’s corporate and strategic vision, they must also have a good name, and be recognized for their professional suitability and integrity.

The makeup of the Board of Directors’ members and its committees will entail a balance of skills, diversity, and experience so they collectively possess the qualities needed to deal with the Company’s size, complexity, and risk profile.

The General Shareholders’ Meeting will take the following issues into account, in addition to the issues that are established in the Articles of Incorporation and the Company Board of Directors’ Bylaws.

- a) The candidate must have a record of experience in participating in boards of directors for comparable companies at the domestic and/or international level.
- b) The candidate may not, whether directly or through another person, participate in activities that imply competition with the Company or any of its subsidiaries.

	Policy on Nominations, Successions, and Compensation for Members of the Board of Directors	Version 1
		<u>Approval Date:</u> April 22, 2021

- c) None of the employees, direct shareholders, spouses, or permanent companions, or anybody who has a kinship relationship up to the third degree of consanguinity in the Company or any of its subsidiaries may be considered as candidates.

The shareholders' simply evaluating the resumes is not considered to be a sufficient resource to determine the suitability of the candidates so there is an internal procedure to determine the candidates' suitability for evaluating incompatibilities or inabilities of a legal nature and the candidate's match with the Board of Directors' needs through the evaluation of the different criteria established in this Policy.

In addition, the procedure will verify compliance with the requirements established below to be considered as an independent member.

IV. INDEPENDENCE CRITERIA:

Individuals will be considered to be independent who in no case are:

- a) An employee or manager of LLP or any of its affiliates, subsidiaries, or controlling parties, including those people who may have held such a position during the year immediately preceding the designation except when dealing with the reelection of an independent person.
- b) Shareholders who directly or by virtue of an agreement direct, guide, or control the majority of the entity's voting rights or who determine the majority composition of the administrative or management bodies, or control thereof.
- c) A partner or employee of associations or companies who provide advisory or consulting services to LLP or to the companies that belong to the same economic group of which it is a part, when the revenue from said item represents twenty percent (20%) or more of their operational revenue.
- d) An employee or manager of any foundation, association, or company that receives major donations from LLP. Major donations will be considered to be those donations that represent more than twenty percent (20%) of the total donations received by the pertinent institution.
- e) Administrator of an entity in whose Board of Directors an LLP legal representative participates.
- f) Anybody who receives any compensation from LLP that is different than the fees as a Board of Directors' member, the auditing committee, or any other committee created by the Board of Directors.

V. NOMINATION AS CANDIDATE OF THE BOARD OF DIRECTORS AND COMMITTEES

Any shareholders who would like to nominate candidates, whether individually or jointly, or who would like to run for a position must send a written communication to the Board of Directors' Nominations, Succession, and Compensation Committee at email address llpnominations@latamlp.com with the names of the candidates who make up the list of independent members and the list of candidates who will not have such a qualification with the documents that are indicated in Section IX of this policy.

VI. RECOMMENDED CANDIDATES

The Board of Directors' Nominations, Succession and Compensation Committee will consider each and every one of the candidates who have been recommended as nominees for members of the Board of Directors and its committees by any member of the Upper Management, any member of the Board of Directors, or shareholder in the Company provided that, in the case of recommendations by shareholders, said recommendations meet the requirements for notification established in this policy for the nomination of a shareholder to be present at the annual shareholders' meeting and any other

	Policy on Nominations, Successions, and Compensation for Members of the Board of Directors	Version 1
		<u>Approval Date:</u> April 22, 2021

notification requirement applicable as established in the Articles of Incorporation. The Nominations, Succession and Compensation Committee may, in its entire discretion, also consider each and every one of the candidates recommended as nominees for members of the Board of Directors.

VII. RECOMMENDATIONS BY SHAREHOLDERS

The Nominations, Succession and Compensation Committee of the Company Board of Directors will identify any candidate recommended by shareholders who possess more than twenty percent (20%) of the common shares in the Company and will identify any shareholder who makes such a recommendation to the degree that is required.

VIII. PROFILE

The profile of the Board of Directors' members and its committees must include people with knowledge and experience in the LLP industry in general, and in managing the trends and risks and in other similar or complementary business dealings.

The Board of Directors' members and Committees must maintain said skills at all times, whether individually or collectively. Likewise, they must understand their supervisory and corporate governance role and be capable of exercising a firm, objective judgment in relation to issues related to LLP.

The Nominations, Succession and Compensation Committee will establish the processes needed to verify that the Board of Directors' members and members of the committees remain qualified to exercise that capacity.

The following are the elements that must be covered by the combination of members of the Board of Directors and of its committees which align the profiles with international strategy and standards:

- a) An in-depth, applied knowledge of the real estate industry and logistics and of trend and risk management, in particular, and of financial markets in general.
- b) In-depth experience and a vision of regional economic groups in the real estate and logistics area.
- c) High-level business experience.
- d) Relevant experience in institutional and regulatory relationships in the strategic markets.
- e) Experience in multinational corporate law.
- f) Relevant experience in growth, innovation, and new businesses.
- g) In-depth, applied knowledge of technology.
- h) In depth, applied knowledge of corporate governance and sustainability.
- i) Relevant experience in managing human talent in international business groups.
- j) Not be part of a cause of incompatibility or inability in the terms of applicable standards.

Other than the above, there are no minimum criteria established for the candidates to be members of the Board of Directors, members of the Board of Directors' Committees and of the Nominations, Succession and Compensation Committee to be able to consider other factors that are believed to be more appropriate for the Company's and its shareholders' interests.

The Nominations, Succession and Compensation Committee will take into consideration that at least one member of the Board of Directors and of the Auditing Committee must comply with the criteria of a financial expert.

IX. SUBMITTAL OF PROPOSALS

	Policy on Nominations, Successions, and Compensation for Members of the Board of Directors	Version 1
		<u>Approval Date:</u> April 22, 2021

Shareholders must submit proposals for candidates to the Nominations, Succession and Compensation Committee within five (5) business days following calling for a meeting of the Company's General Shareholders.

The proposal must be accompanied by the following documents subscribed to by each one of the candidates:

- a) Resume that indicates, as a minimum, the studies completed, positions held, and boards to which they belong or have belonged.
- b) Letter of acceptance for addition to the list.
- c) Declaration of potential conflicts of interest.

In addition, the candidates to be independent members must attach: Declaration of compliance with the independence requirements.

X. CANDIDATE EVALUATION

Once the proposals have been received, the Nominations, Succession and Compensation Committee will perform an evaluation to determine whether the candidates meet the profile and comply with the selection and independence criteria established in this Policy and in the Company Corporate Governance Code.

The Nominations, Succession and Compensation Committee will consider any member of the Board of Directors or member of any committee that he or she has indicated to the Nominations, Succession and Compensation Committee his or her willingness to be submitted for reelection as well as anybody else who is recommended by any shareholder in the Company in line with the procedures described in points VII, VIII, and IX. The Nominations, Succession and Compensation Committee may also undertake its own process to search for candidates and may hire the services of professionals from search companies or other third parties to help identify and evaluate any possible candidates and, if professional fees are paid to these people, it must be reported in the annual profit and loss report for said year.

The Nominations, Succession and Compensation Committee may use any process that it considers to be appropriate to evaluate the candidates that is consistent with the policies established in the Articles of Incorporation, the Corporate Governance Code, and this Policy. This process may include, without limitation, personal interviews, background checks, written submittal of the candidates, and the references of third parties. Although the Nominations, Succession and Compensation Committee may search for candidates who have different qualities and experiences at different times to maximize the experience, the qualities and strong points of the members of the Board of Directors. Anybody who is nominated for each election or appointment of directors will be evaluated using a substantially similar process and in no case may the Nominations, Succession and Compensation Committee evaluate candidates recommended by a Company shareholder in conformity with a process that is substantially different from the process used for other nominees for the same election or appointment of directors.

XI. RECOMMENDATION CATEGORIZATION.

To facilitate the disclosure required in the call for an election and on the webpage, the Nominations, Succession and Compensation Committee will identify and organize recommendations for the nominees received by the Nominations, Succession and Compensation Committee (except the nominees who are members who appear for reelection) in line with one or more of the following categories of people or entities that recommend that candidate:

- a) a shareholder, a 25% shareholder, an independent member, the Executive Director, or other member of the Company Upper Management;

	Policy on Nominations, Successions, and Compensation for Members of the Board of Directors	Version 1
		<u>Approval Date:</u> April 22, 2021

- b) a third-party search company used by or on behalf of the company; and
- c) any other specified source.

XII. DISCLOSURE OF THE PROPOSAL EVALUATION

Should any shareholder exercise the right to submit proposals in the form set forth in section VII, any evaluation performed by the Nominations, Succession and Compensation Committee will be reported to the shareholders by the Office of Investor Relationships by posting on the Company webpage no fewer than ten business days in advance of the date set for the General Shareholders Meeting where the pertinent election will take place.

The decision contained in the evaluation is not subject to any appeal.

XIII. VACANCIES AND REELECTION

As a general rule, for situations where resignations or vacancies are submitted by the Board of Directors' members or members of LLP Committees, the President of the Company Board of Directors will call for a Special Meeting to hold a new election. Should there be any re-election of the members of the Board of Directors, the Nominations, Succession and Compensation Committee must also review:

- a) The results of the self-evaluation of the Board of Directors for the preceding period;
- b) That the average attendance at the Boards of Directors and its Committees is equal to or greater than 80% of the total for meetings that have been called,
- c) That the Board member continues to comply with the requirements and qualities required for his or her election.

XIV. APPOINTMENT OF MEMBERS OF THE BOARD OF DIRECTORS.

The Board of Directors' member election will be held in conformity with the provisions in the Articles of Incorporation and the Board of Directors' Bylaws. Consequently, Company shareholders must cast their vote in conformity with the terms established in said set of standards.

To comply with the contents of the Articles of Incorporation, the shareholders are responsible for naming the members of the LLP Board of Directors and for compliance with the provisions related to candidate evaluations, the deadlines for submitting and reviewing resumes, and verification of compliance with requirements prior to the General Shareholders' Meeting where the members of the Board of directors will be elected.

The electoral quotient system will be applied to elect the members of the Board of Directors. Therefore, the number of valid votes issued will be divided by the number of members to be designated. The ballot counting will begin with the list with the most votes and then in descending order, the winners will be gleaned from the lists by declaring that the people with the most votes from all the lists have been chosen. If there are any positions that have not been designated, they will go to the highest left over, counting the ballots in the same descending order. In the case of a tie of leftovers, it will be decided by chance. The blank votes will only be calculated to determine the electoral quotient. The name of a candidate on a list will not be repeated on that list.

As an exception to the electoral quotient system for election of Board members, new Company shareholders may nominate and appoint up to two (2) independent Board members, in accordance with the following parameters:

	Policy on Nominations, Successions, and Compensation for Members of the Board of Directors	Version 1
		<u>Approval Date:</u> April 22, 2021

1. This right is reserved solely and exclusively for the five (5) new shareholders with the most shares of the Company's subscribed and paid capital ("New Shareholders"), provided they meet the following criteria:
 - a. They are all legal entities.
 - b. Collectively they represent at least ten percent (10%) of the Company's subscribed and paid capital.
2. If the New Shareholders represent ten percent (10%) of the Company's subscribed and paid capital, they may nominate and appoint one (1) independent Board member.
3. If the New Shareholders represent twenty percent (20%) of the Company's subscribed and paid capital, they may nominate and appoint two (2) independent Board members.
4. Candidates proposed under this extraordinary regime shall meet the profile and selection criteria established by the Company's Nomination, Succession, and Compensation Committee.
5. New Shareholders may only exercise this right collectively and once (1 time) every calendar year. This right will also be conditioned to compliance with the formalities established in the Company's Nomination, Succession, and Compensation Policy.
6. Provided the requirements established in this section are met, all Company shareholders shall issue their vote in the Shareholder's Meeting to permit appointment of the independent member or members.
7. Independent members elected by means of this exceptional system will be subject to the same binding duties and rights as the other Board members elected by the electoral quotient system.

XV. COMPENSATION

CRITERIA FOR SETTING THE AMOUNT

The compensation for the members of the Board of Directors will be set by the General Shareholders' Meeting. The Nominations, Succession and Compensation Committee will submit the compensation plan to the General Shareholders' Meeting for approval. Therefore, the following issues will be taken into account:

- a) Board of Directors' structure
- b) Obligations and responsibilities
- c) Time that must be dedicated to the activity
- d) Legal responsibility based on the current set of standards
- e) Indexing with other comparable companies at the domestic and international level

The compensation plan must be objectively measurable and subject to being audited as well as posted on the Company webpage.

The members of the Board of Directors who are appointed by the shareholders and independent members are expressly excluded from any compensation systems that contain share options and variable compensation linked to the absolute variance in a share quote.

FEE PAYMENT FREQUENCY DEFINITION

	Policy on Nominations, Successions, and Compensation for Members of the Board of Directors	Version 1
		<u>Approval Date:</u> April 22, 2021

Fees paid to the members of the LLP Board of Directors and its Committees will be set at a meeting that they attend and payable three (3) business days after that meeting has been held.

Compensation paid to the directors for participating in the Board Committees where the fee payment is set will take place in the regular or special meeting where they have in fact attended, either in person or by some other medium.

DEFINITION OF FEES FOR MEMBERS OF THE BOARD OF DIRECTORS AND COMMITTEES.

The amount of the fees to be received by the members of the Board of Directors and the Committees will be defined annually by the Board of Directors and will take effect the following calendar year.

The amount of the fees received by each Member of the Board of Director will specifically depend on the capacity that the Director displays in the pertinent Board of Directors in conformity with the following rules:

- a) For independent members and shareholder appointed members, 100% of the fees approved by the Shareholders Meeting for each meeting that they attend, whether they are regular and/or special meetings, that are called even when the call to meeting is skipped.
- b) The Directors will receive compensation for each meeting that they attend for their participation in the Board of Directors' Committees.
- c) In any case, the members of Upper Management or employees of any company that is part of LLP will not receive any fee for their participation in the Board of Directors or in the Board of Directors' Committees.
- d) The members of the Board of Directors who attend Committees as guests, will receive the fee defined by the members of the Committees for their attendance at those Committees.
- e) Directors will receive no additional fees for their participation in workshops or training sessions with the understanding that the Committee will pay for their expenses in conformity with the current policies.
- f) Fees will be paid for the following Committees: Audit; Corporate Governance, Compliance and Risks; Nominations, Successions, and Compensation, as well as any other that may be approved by the Shareholders' Meeting. The amount of the fees will be determined by each Board of Directors in observance of the criteria established herein.

The General Shareholders' Meeting or the LLP Board of Directors will define which Board of Directors' Committees will pay fees to their members in addition to the fees mentioned previously.

COSTS

The Company will pay for any reasonable and necessary costs so members of the Board of Directors and its Committees may act properly to exercise their functions including the following: a) expenses for traveling, lodging, and transportation; b) supplying technology and transmitting information; c) expenses related to training, updates, and hiring external advisors; d) policy premium for members of the Board of Directors, members of the Committees and Upper Management; e) Training; f) any others that are deemed to be necessary for their functions to be performed properly. Each year the Company Executive Director will submit a budget proposal to the General Shareholders' Meeting to handle these costs along with a report on executing the approved budget in the immediately preceding year.

As an exception, the Company may hire external advisors as required by the Board of Directors or its Committees.

Each year the General Shareholders' Meeting will approve the Board of Directors' maximum cost for all the compensatory components approved.

	Policy on Nominations, Successions, and Compensation for Members of the Board of Directors	Version 1
		<u>Approval Date:</u> April 22, 2021

The Company's Corporate Governance Report will include the information pertaining to the actual total cost for the Board of Directors during the period that was evaluated, including all of the compensatory components that were paid to the members of the Board of Directors and the information for the expenses that were entailed. The Board of Directors will define the level of detail used to incorporate this information.

XVI. DIRECTOR REMOVAL DUE TO NON-ATTENDANCE

The President of the Board of Directors may propose the removal of a member when that member does not attend three meetings of the Board of Directors or of the Committees without justification in an annual period.

XVII. SUCCESSION

In relation to the succession plans for the members of the Board of Directors, the Nominations, Succession and Compensation Committee will be in charge of the following activities:

- a) It will maintain an inventory of the personal and professional qualities and the experience of the members of the Board of Directors.
- b) It will prepare and update a list of possible candidates who may be added to the lists to be considered in the General Shareholders' Meeting.
- c) It will interview possible candidates to become members of the Board of Directors.
- d) It will propose potential candidates to the Board of Directors to be members of that Board of Directors for possible presentation to the General Shareholders' Meeting.

XVIII. PARTIES RESPONSIBLE FOR THE POLICY

The General Shareholders' Meeting is responsible for approving this Policy and for complying with its provisions.

The Board of Directors, upon recommendation by the Nominations, Succession and Compensation Committee as it relates to its functions, is responsible for proposing adopting and modifying this Policy to the General Shareholders' Meeting as well as for ensuring compliance.

XIX. ANNUAL REVIEW

The Nominations, Succession and Compensation Committee will review this Policy each year and if necessary, will suggest modifications to the Policy to the General Shareholders' Meeting. Material changes in the procedures for nomination must be reported as a relevant event by the Company for the period for submitting reports when those material changes took place.

VI. UPDATES

This Policy may be updated by the General Shareholders' Meeting based on a recommendation made by the Board of Directors' Nominations, Succession and Compensation Committee.

VII. DISCLOSURE

Since this Policy has a special impact on the Company Shareholders, it must be posted on the LLP webpage once it has been approved by the General Shareholders' Meeting.