



INTERNAL REGULATIONS OF THE BOARD OF DIRECTORS OF LOG COMMERCIAL PROPERTIES E PARTICIPAÇÕES S.A.

INTERNAL REGULATIONS

Article 1 - These Internal Regulations, approved at a meeting of the Board of Directors held in November 16, 2018 ("Internal Regulations") regulate the operation, responsibilities, powers and attributions of the Board of Directors ("Board") of LOG Commercial Properties e Participações S.A. ("Company").

PRINCIPLES

Article 2 - In the exercise of its functions, the Board shall act in strict accordance with the Company's mission and values and conduct its work in accordance with the best corporate governance practices, the provisions of Law No. 6404 of December 15, 1976, ("Corporations Law"), the regulations issued by the Brazilian Securities and Exchange Commission ("CVM"), the Novo Mercado Regulation of B3 S.A. - Brasil, Bolsa, Balcão ("B3"), in effect as of January 2, 2018 ("Novo Mercado Regulation"), the Articles of Incorporation and shareholders' agreement of the Company.

POWERS

Article 3 - The Board is an administrative and joint decision-making body, which is primarily responsible for setting the general direction of the Company's business, as well as controlling and supervising its performance. The operation of the Board must be governed by the following guidelines:

- (i) making sure the Company's corporate purpose is achieved and assuring compliance with its limits
- (ii) safeguarding Company's values and purposes, and defining its strategic guidelines, including strategic planning and annual budget;
- (iii) making sure that the strategies and guidelines are effectively implemented by the Executive Board, continuously supporting and supervising the management of Company's business, including risks and persons, without interfering with operational matters;
- (iv) safeguarding the interests of the shareholders, taking into account the interests of other stakeholders, monitoring their relationship with them;



- (v) assurance of Company's longevity, within a sustainability perspective, which incorporates economic, social, environmental and good corporate governance considerations in the definition of business and operations;
- (vi) making sure that the Company's Executive Board adopts an agile management structure, consisting of qualified and reputable professionals, compatible with the Company's business segments; and
- (vii) making sure that the Executive Board adopts processes for prevention and management of situations of conflict of interest or divergence of opinions, so that the interests of the Company always prevail.

Article 4 - The Board shall approve the Company's Policies, including those determined by law and the applicable regulations, which shall be of a public nature, unless they place the Company's legitimate interest at risk.

Sole Paragraph - The Board shall establish the review and update cycles of each Policy it approves.

Article 5 - In the exercise of the powers provided for in article 23 of the Company's Articles of Incorporation, and without prejudice to provisions arising from shareholders' agreements of the Company, if any, the following is incumbent upon the Board:

- (i) approval of and/or any change to the Company's Business Plan;
- (ii) approval of annual operational and investment budgets and checking of compliance therewith;
- (iii) appointment and removal of the Executive Board members and determination of their powers, functions and compensation;
- (iv) control of the Officers' management, checking, at any time, of the Company's books and documents, request for information on contracts entered into or to be executed, and any other matters related to the Officers' management;
- (v) call for the Shareholders' Meeting when deemed convenient;
- (vi) statement about the management report and the accounts of the Executive Board, and submittal of the Financial Statements of the Company for approval at the Shareholders' Meeting;
- (vii) evaluation and approval of any transactions conducted directly or indirectly with related parties ;
- (viii) acquisition, divestiture and/or encumbrance of any interest in the capital stock, except for the organization of legal entities controlled by the Company, which have been organized in the form of a special purpose company for the implementation of one or more real property projects of the Company;



- (ix)** any divestiture or encumbrance of the Company's real estate, the value of which the transaction exceeds R\$ 50,000,000.00 (fifty million reais);
- (x)** any divestiture or encumbrance of other assets of the Company, the value of which exceeds, in one or more operations of the same type, within the period of 12 (twelve) months, the amount of R\$ 50,000,000.00 (fifty million reais);
- (xi)** retaining of service providers whose annual compensation exceeds the amount of R\$ 15,000,000.00 (fifteen million reais), unless the retaining thereof has already been approved in the Annual Budget;
- (xii)** granting and obtaining loans, financing and/or discounts of trade notes or securitization of receivables, value of which exceeds the amount of R\$ 50,000,000.00 (fifty million reais);
- (xiii)** practice of any other acts and signature of any documents that bind the Company and/or release third parties from their responsibilities to the Company, involving amounts exceeding, in one or more transactions, within any period of 12 (twelve) months, the amount of R\$ 10,000,000.00 (ten million reais), except for the acquisition of land by the Company;
- (xiv)** appointment and removal of independent auditors, which must be registered with the CVM and conduct an annual audit with a quarterly review of the Company;
- (xv)** resolution on the acquisition of shares issued by the Company, for purposes of cancellation or holding in treasury, as well as on resale or new placement in the market, subject to the rules issued by the CVM and all other applicable legal and regulatory provisions;
- (xvi)** resolution on the issuance of debt securities in the international market for public or private distribution, and decision on the terms and conditions of the issue;
- (xvii)** resolution on the issuance of commercial papers for public distribution in Brazil or abroad, and decision on the terms and conditions of the issue;
- (xviii)** resolution on the issuance of debentures, including convertible debentures, for public or private distribution, and decision on the terms and conditions of the issue, pursuant to article 59, §§ 1 and 2 of the Corporations Law, and article 6, § 2 of the Articles of Incorporation;
- (xix)** proposing to the Shareholders' Meeting the statement of interim dividends, as well as interest on shareholders' equity, pursuant to the Corporations Law and other applicable laws;
- (xx)** approval of the granting by the Company of sureties, bonds, endorsements and other forms of guarantee in favor of third parties, except for those whose purpose is to guarantee obligations taken by the Company or its affiliates, subsidiaries and related to the fulfillment of the Company's corporate purpose; and
- (xxi)** the manifestation, favorable or otherwise, of any public tender offer ("IPO") for the



shares issued by the Company, by means of a prior informed opinion, disclosed within fifteen (15) days of the publication of the public tender offer, which should address at least: (i) the convenience and timing of the OPA regarding the interest of all shareholders and the liquidity of the securities held by them; (ii) the repercussions of the OPA on the Company's interests; (iii) the strategic plans disclosed by the offeror in relation to the Company; and (iv) other points that the Board of Directors considers pertinent, as well as the information required by the applicable rules established by the CVM.

COMPOSITION, TERM OF OFFICE AND INVESTITURE

Article 6 - The Board of Directors shall be composed of at least 03 (three) and at most 09 (nine) effective members and for at least 01 (one) and at most 09 (nine) alternate members, elected by the Shareholders' Meeting, whose terms of office shall be unified and last for 02 (two) years, counted from the date of election, and with the possibility of reelection.

Article 7 - Of the members of the Board of Directors, at least 02 (two) or 20% (twenty percent), whichever is greater, shall be Independent Directors, as defined in the Novo Mercado Regulation, and the characterization of those appointed to the Board as Independent Directors shall be decided at the Shareholders' Meeting that elects them.

§ 1 - When, as a result of the calculation of the percentage referred to in the paragraph above, the result generates a fractional number of Directors, the Company shall proceed to the rounding up to the next higher whole number.

§ 2 - It shall be included in the management's proposal regarding the Shareholders' Meeting that elect the Board members, its opinion with regard to **(i)** the adherence of each candidate to the position of Board member to the Company's Managers Appointment Policy; and **(ii)** the reasons, in light of the provisions of the Novo Mercado Regulations and the statement provided for in article 17, which establishes the qualification of each candidate as Independent Director.

Article 8 - The Board members shall be invested in their respective positions by signing an Instrument of Investiture, which shall be available to the Directors immediately after their election and which shall include their subjection to the arbitration clause of the Articles of Incorporation and shall comply with the rules set out in the Novo Mercado Regulation, the Articles of Incorporation and Internal Regulations, Policies and Code of Conduct of the Company. The Directors must also provide a statement of qualification for the exercise of the position, pursuant



to the Corporations Law, which may be made in their own instrument or in conjunction with the Instrument of Investiture, which shall be filed at Company's headquarters.

§ 1 - Notwithstanding the provisions set forth in the head provision of this article 8, the Directors hereby undertake to execute any other documents necessary for their investiture, in accordance with the applicable legislation and the Company's internal standards.

Article 9 - The appointment of members of the Company's Board of Directors, including independent members, shall consider the following criteria, in addition to the legal and regulatory requirements, and those expressed in the Company's Articles of Incorporation, the Managers Appointment Policy, Company's Conduct Code and Novo Mercado Regulation:

- (i) The number of positions to be filled, and the current composition of the Board;
- (ii) The strategy and objectives of the Company and the Board;
- (iii) The complementarity and diversity of experiences, considering the other Board members, academic formation, availability of time for the performance of the function, ethics, diligence, competence, previous experiences and professional trajectory, knowledge of the corporate governance standards and the fiduciary responsibilities pertaining to management members, unblemished reputation, personal, moral and professional integrity, independence, area of expertise, ability to aggregate and contribute, and corporate experience; and
- (iv) Availability of time to perform the duties as a member of the Board of Directors and appropriately dedicate themselves to the position and responsibility taken.

Article 10 - In case of vacancy of the position of any Board member, the alternate shall be appointed by the remaining Directors and shall serve until the first subsequent Shareholders' Meeting. In case of vacancy of the majority of the positions, a Shareholders' Meeting shall be called so that a new election may be held. For purposes of this article, a vacancy occurs with removal, death, resignation, proven impediment or disability. In case of absence or temporary impediment of any member of the Board of Directors, the respective alternate shall take over the functions during the absence or temporary impediment.

RIGHTS AND OBLIGATIONS

Article 11 - The Directors shall have access to all documents and information deemed necessary for the performance of their duties, except for questions of conflict of interest. Requests for documents or information should preferably be made in writing, addressed to the Chief Executive



Officer or to the Investors' Relation Officer, which shall be responsible, where appropriate, for disclosing the same information to the other Directors.

Sole Paragraph - If a conflict of interests is identified in relation to a specific resolution, the Board member involved shall not receive any document or information on said matter, and shall withdraw from the discussions, without neglecting their legal duties.

Article 12- The Directors may, when they deem it necessary, propose the hiring by the Board of external experts, to assist them in specific decisions, in observance of the powers attributed to them by the Company's Articles of Incorporation.

Article 13- It is the obligation of all Directors, in addition to those provided for in the Corporations Law, the applicable regulation, Company's Conduct Code and the Articles of Incorporation:

- (i) acting in the Board seeking to add value to the Company and in defense of the shareholders' long-term interests;
- (ii) attending meetings of the Board and of the Committees to which they are a party, duly prepared, by examining the documents made available, actively and diligently participating in them;
- (iii) maintaining the confidentiality of Company's information to which they have access due to the exercise of the position, and requiring the same confidential treatment of the professionals who advise him, using said information only for the exercise of their functions as advisor, under penalty of answering for the act that contributed to its undue disclosure;
- (iv) declaring, prior to the resolution that, for any reason, they have a particular interest conflicting with that of the Company in relation to a certain matter submitted for their review, refraining from its discussion and vote;
- (v) assuring the adoption of and compliance with good corporate governance practices by the Company.
- (vi) informing, upon taking up the position and on a monthly basis to the Chief Investor Relations Officer of the Company, the quantity, characteristics and trading of securities issued by the Company of which they are the holder, or those of their spouse, partner and of the dependents included in the annual income tax return, and of companies directly or indirectly controlled by them, and they must inform the stock movement, if any, within 5 (five) days from the trading, mentioning the date, quantity, characteristics, and form and price of purchase and/or sale of shares, being certain that such information shall be provided to the CVM, pursuant to CVM Instruction no. 358/2002 and its amendments;



- (vii) refraining from any kind of direct or indirect advantage because of the position they occupy;
- (viii) making sure that the Board's relationship with the Committees, the Executive Board, the independent auditors and the shareholders occurs in an efficient and transparent manner; and
- (ix) communicate the Company of their participation in the Board of Directors, Committees or other corporate bodies of other companies, at the time of their election or resignation/removal.

MEETINGS OF THE BOARD OF DIRECTORS

Article 14– The Board of Directors shall meet ordinarily every 03 (three) months and, extraordinarily, whenever convened by its Chairperson or by any of its members, by means of a written notice delivered at least 10 (ten) business days in advance, which shall include the agenda.

§ 1 - Meetings shall be admitted by means of teleconferencing or videoconferencing, with recording and transcription thereof allowed. Such participation shall be deemed a personal presence at said meeting. In that case, members of the Board of Directors who participate remotely in the Board meeting may cast their votes, on the date of the meeting, by means of a letter or facsimile or digitally certified e-mail.

§2 - As a matter of urgency, the meetings of the Board of Directors may be called by its Chairperson without observing the aforementioned period, provided that all other Board members are unequivocally aware of it. The calls may be made by letter, return receipt requested, fax or by any other means, electronic or not, which allows proof of receipt.

§ 3 - Irrespective of the formalities provided for in this article, a meeting of the Board of Directors shall be considered regular if all the Directors are in attendance.

Article 15 - The meetings of the Board of Directors shall be installed on first call with the presence of the majority of its members, and on second call with any number. The resolutions of the Board of Directors listed in article 5 above shall be taken by a favorable vote of the majority of the members in attendance, or who have cast their vote in the manner set forth in the Company's Articles of Incorporation, subject to any qualified quorums set forth in a shareholders' agreement filed at Company's headquarters.

Sole Paragraph - The Chairperson shall preside over the meetings of the Board of Directors and shall appoint the secretary. In the event of temporary absence or impediment of the Chairperson



of the Board of Directors, the Vice-Chairperson shall preside these meetings or, if also temporary absent or impediment, other member of the Board of Directors appointed by the Chairperson shall preside these meetings.

COMMITTEES OF THE BOARD OF DIRECTORS

Article 16 - For better performance of its obligations, the Board of Directors may arrange for the creation of technical and advisory committees, with defined objectives and functions, consisting of members of the Company's management bodies or not.

Sole Paragraph - It shall be incumbent upon the Board of Directors to set the rules applicable to the committees, including rules on their composition, term of office, compensation and operation.

CHAIRPERSON AND VICE-CHAIRPERSON OF THE BOARD OF DIRECTORS

Article 17 - The Board of Directors shall have 1 (one) Chairperson and 1 (one) Vice-Chairperson, who shall be elected by a qualified majority of votes of the Directors in attendance, at the first meeting of the Board of Directors held immediately after the investiture of said members, or whenever there is any vacancy of said positions.

Sole Paragraph - The Vice-Chairperson shall exercise the functions of the Chairperson during his absences and temporary impediments, regardless of any formality. In case the Vice-Chairperson is absent or temporarily impeded, the role of the Chairperson shall be carried out by another Board member appointed by the majority of votes of the other members of the Board of Directors and the Chairperson shall appoint the secretary of the meeting.

Article 18 -The Board Chairperson shall have the following attributions:

- (i)** to convene, call to order and chair the Board meetings;
- (ii)** to install and chair the Shareholders' Meeting;
- (iii)** as Chairperson of the Shareholders' Meeting, to appoint a shareholder to act as Secretary, to assist them during the Shareholders' Meeting;
- (iv)** to comply and cause compliance with these Internal Regulations;
- (v)** to organize and coordinate the agenda of the meetings, if necessary, the other Directors, the Chief Executive Officer and other Officers of the Company;
- (vi)** to coordinate the Board activities, with a view to ensuring the effectiveness and good performance of the Board and of each of its members, serving as a link between the



- Board and the Chief Executive Officer;
- (vii) to lead a structured and formal process of evaluation of the Board and its Committees - as joint committees - of the Board Chairperson, and the individual Directors, and the results of the Board's evaluation shall be disclosed to all Directors;
 - (viii) to inform the Company's Chief Investor Relations Officer of the process of evaluation of the Board and its Committees, including information on the methodology used, in order to allow such information to be disclosed in a timely manner in the Company's Reference Form, in compliance with the provisions of the Novo Mercado Regulation;
 - (ix) to reconcile the activities of the Board with the interests of the Company, its shareholders and other stakeholders;
 - (x) to arrange for the call for Board meetings, informing the Directors and possible participants of the place, date, time and agenda; and to convene, whenever necessary, Company's Officers and/or employees to attend the meetings and provide clarifications or information on the matters under consideration;
 - (xi) to make sure that the Directors receive full and timely information on the items on the agenda of the meetings;
 - (xii) proposing to the Board the annual corporate calendar, which shall contain at least the dates of the events listed below:
 - a. Disclosure of the complete annual financial statements and standardized financial statements (DFP);
 - b. Disclosure of the quarterly information (ITR);
 - c. Holding of the Annual Shareholders' Meeting; and
 - d. Disclosure of the Reference Form.
 - (xiii) to organize and coordinate, together with the Chief Executive Officer, upon the election of a new Board member, a program for induction and training of the new director, allowing them to get familiar with the activities and obtain information on the Company; and
 - (xiv) to ensure that the Board resolutions are duly implemented by the Executive Board, and that the Company provides the information requested by the Directors, maintaining regular control of relevant pending issues.

GENERAL PROVISIONS

Article 19 - The omissions of these Internal Regulations, doubts of interpretation and possible amendments to their provisions shall be decided at a Board meeting, as provided for in the Articles of Incorporation and these Internal Regulations.



Article 20 - These Internal Regulations shall enter into force on the date of their approval by the Board, and shall be filed at Company's headquarters.

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