

WHISTLEBOWING MANAGEMENT PROCEDURE

Elaborado por	Revisado por	Aprobado por
Compliance Officer	Internal Audit & Risks	Monitoring and Control Committee



Neinor
H O M E S

Control of reviews		
Review	Date*	Description of changes
Rev 0	14/06/2017	Initial version
Rev 1	10/05/2018	Rights of interested parties

*Date in which the procedure is approved by the Monitoring and Control Committee.

INDEX

1. Nature, object, scope and modification	3
2. Responsibilities	4
3. Whistleblowing management procedure	5
4. Appendix I. Detail of subsidiaries	9
5. Appendix II. Flow of the whistleblowing management procedure	10

1. Nature, object, scope and modification

Nature and object

Neinor Homes publishes the whistleblowing management procedure (hereinafter, “the procedure”) with the objective that all employees of Neinor Homes S.A and their subsidiaries (hereinafter, “the Group” or “Neinor Homes”) and other interested parties have the mechanisms to act when they want to use the whistleblowing channel, according to the best practices of international organisms, among other (Ley *Sarbanes Oxley*, article 50th of Good Governance Code of Listed Companies published by CMV in 2006; AEPD Report 2007/128 of whistleblowing mechanisms; UNE-ISO 19600 “Compliance Management Systems”; UNE-ISO 19601 “Systems of Management of Criminal Compliance”).

Additionally, this procedure details, among other, the responsibilities of Neinor Homes related to whistleblowing management and define the different activities of procedure.

Scope

The scope of this procedure applies to all activities related to compliance in Neinor Homes S.A and their subsidiaries as the Appendix I shows.

Modification

The modification of this procedure must be approved by the Monitoring and Control Committee.

2. Responsibilities

This paragraph details the different responsibilities to ensure compliance with the diligent and ethical behavior that is required of the whole company in their work or in those that may have repercussions on the reputational risk of the company, always respecting the values and ethical conduct emanated from the Code of Ethics of Neinor Homes, as well as the associated internal regulations.

Board of Directors: as the main driver of the implementation of an ethical culture throughout the company.

Audit and Control Committee: establish and supervise a mechanism that allows employees to communicate, in a confidential and anonymous way, irregularities of potential importance, especially financial and accounting that are noticed within the company (without limitation to other business actions and operations contrary to our Code of Ethics and other compliance policies approved within the company).

Monitoring and Control Committee: analyze and assess the measures or actions to be performed after receiving any type of communication in the established channels. As well as communicating main whistleblowing to the Governing Bodies.

Top Management: implement, ensure and disseminate with their practice the highest ethical standards and compliance with internal policies implemented. Encourage the channel of whistleblowing among employees.

Internal Audit Management: carry on the investigation of whistleblowing when the Monitoring and Control Committee request it.

Compliance Management: ensure the compliance and coordination of whistleblowing management procedure. Additionally, the Compliance Officer will be the secretary of Monitoring and Control Committee and will be update this procedure. The Compliance Officer will collaborate with Internal Audit Manager to solve the whistleblowing when it is necessary.

Employees: responsible persons to apply the ethical principles and values of the company.

3. Whistleblowing management procedure

Access to whistleblowing channel

The Group publishes in the corporate web a whistleblowing channel (canal.etico@neinorhomes.com) for that all interested parties can manage complaints or whistleblowing related to any irregularity or behavior against legislation or Ethical Code of Company.

The channel has been in operation since June 2015 and is internally managed, guaranteeing confidentiality and anonymity.

In compliance with the Organic Law 15/1999 of Personal Data Protection, 13th of December, (hereinafter, LOPD) and its development regulation, the Royal Decree 1720/2007, of 21st of December, by which is approved the development regulation of LOPD, Neinor Homes reports that the personal data that the whistleblowing includes will be integrated into a file owned by Neinor Homes, S.A., which complies with legal security measures.

The purpose of the treatment is the management of complaints received from interested parties in accordance with the company's internal policies and procedures. The personal data may be transferred to Group companies (see section 4. Appendix I) for the investigation, processing and / or resolution.

In addition, Neinor Homes reports that the interested party may exercise the rights of access, rectification, cancellation and opposition (hereinafter ARCO rights), communicating it through the company's data protection e-mail box (lopdp@neinorhomes.com).

Below we detail a description of the use of rights during the complaint management process:

- The right of access. The interested party shall have the right to obtain from the Person in Charge of Processing the confirmation of whether personal data concerning him / her are being processed or not, and in such a case, the right of access to his / her personal data.
- The right of correction. The interested party shall have the right to obtain, without justified delay, from the Person in Charge of Processing the rectification of the inaccurate personal data concerning him/her.

- The right of suppression (right to be forgotten). The interested party will have the right to have the data controller delete the personal data.
- The right to limitation of treatment. This right implies a "marking" of the personal data kept in order to limit the treatment in the future.
- The right of portability of the data. The interested party shall have the right to receive data from the Responsible for the Treatment, in a structured format, common usage and mechanical reading, and to transmit them to another Treatment Manager without being prevented by the Responsible Party to whom they were provided.
- The right of opposition. The interested party may object that the personal data that concerns him or her is subject to treatment by the Person in Charge of the Treatment, including the profiles.
- The right to decide on automated treatments. The interested party shall have the right not to be the subject of a decision based solely on automated processing, including profiling, which produces legal effects on him/her or which significantly affects in a similar way.
- The right of information. The interested party shall have the right to know about the origin of any available information, the right to be informed of adequate guarantees regarding the transfer of data to a third country or international organization and the right to request and receive a copy of the personal data processed.
- The right of claim. The interested party shall have the right to present a claim before a Control Authority, and the right to judicial protection, in particular in the Member State of his habitual residence if he/she considers that rights are violated in accordance with the General Data Protection Regulations (GDPR).

Content of whistleblowing

Although the management of the complaint will be anonymous and confidential, the person who does the whistleblowing must identify himself by providing, in addition to the identification document, the following information on the whistleblowing: the date on which the denounced act, motive, description and denounced person, if applicable. If on the other

hand the person who does the whistleblowing prefers to remain anonymous for fear of retaliation, the complaint will continue during the investigation and whenever the identification of the complainant is not necessary to conclude, the anonymity of the complainant will be respected.

Reception and assessment of the whistleblowing

Once the whistleblowing is received through the ethical channel will be manage it. For this a classification is made depending on whether it is a relevant complaint or on the contrary it is another type of communication unrelated to the subject matter of this channel. In this last case, it is discarded by answering the interested party and filing it.

In the case to be a real complaint that contains an illegal behavior and against to the Ethical Code of Neinor Homes, the Monitoring and Control Committee meets to establish the correct way to act. After that, the phase of analysis and investigation will begin by Internal Audit Management as the function independent and delegated of Internal Audit and Control Committee or by and external expert.

Committee in charge of its analysis

The Monitoring and Control Committee is the body responsible, among other functions, for studying, processing and resolving the whistleblowing received through the ethical channel.

This Committee will be integrated by managers of different areas: Legal; Human Resources; Compliance and Internal Audit. These members will have the professional skills to solve the whistleblowing with the enhanced diligence and they will treat the information with the maximum confidentiality.

To ensure the maximum effectiveness of its activity, the Monitoring and Control Committee will have free access to all the documentation of Neinor Homes that may be useful for investigation. Likewise, this Committee may serve as experts for the development of its functions, when necessary because of the specificity of the matter, to safeguard independence or to have a conflict of interest when making decisions.

Investigation and management

The investigation and processing phase begins with a preliminary analysis of the whistleblowing by the Internal Audit Department, which, in collaboration with the Compliance

Department, and if it is necessary, will submit it to the Monitoring and Control Committee. This Committee will study the content of the whistleblowing and may request the Internal Audit Department to carry out the appropriate investigations.

In the investigation process, the accused may be informed so that he can expose the facts that he considers relevant and provide all the evidence that may prove his innocence as far as the accusation is concerned.

Resolution and communication

Once the investigation has been carried out, the final conclusions of the investigation will be reflected in a report prepared by the Internal Audit Department in collaboration with the Compliance Department. The report will reflect, among other aspects, the description of the whistleblowing, data provided, the work done, the supporting documentation, the evaluation of the same and the proposed measures. The report shall be submitted to the Monitoring and Control Committee for analysis, approval and ratification of the proposed measures. The analysis and proposals will be transferred to the Top Management or to the Audit and Control Committee depending on the criticality or conflict of interest that may occur.

Internal Audit or Compliance shall notify the interested party within a maximum period of 1 week from the date of the resolution and approval of the report of the Monitoring and Control Committee and the proposed measures are approved.

If the whistleblowing is rejected at any stage of the process, it will be informed within the same period and the reasons for the decision.

In addition, if it is considered necessary inform about the resolution of the whistleblowing to the denounced person, it will be carried out in the terms that protect the confidentiality, so that neither the identity of the person who does the whistleblowing nor the area or department where it was originated, nor any other information that may facilitate the identification of the person who does it.

Disciplinary system

Section 4 of the Company's Manual on Crime Prevention System details the disciplinary system that Neinor Homes will adopt in the event of possible legal breaches or contrary to

the Company's Code of Ethics detected through the management of the whistleblowing received.

Keeping

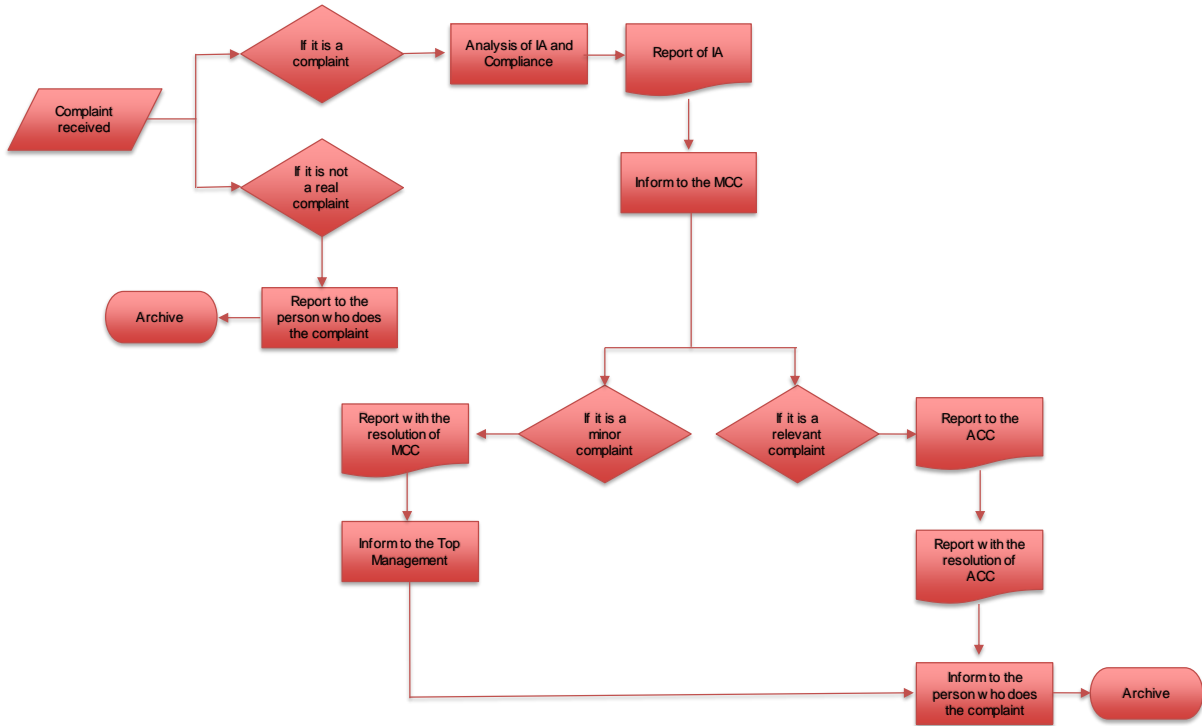
The data of the whistleblowing used during the investigation must be kept for the time strictly necessary to comply with the objective of the investigation, that is, to analyze possible irregular behaviors within the organization.

4. Appendix I. Detail of subsidiaries

The subsidiaries of Neinor Homes S.A. (N.I.F A9575317) are the following:

Company	N.I.F.
NEINOR NORTE S.L.	B95788626
NEINOR PENINSULA S.L.	B95788634
NEINOR SUR S.A.U.	A14646350
PROMOCIONES NEINOR 1, S.L.	B20914289
PROMOCIONES NEINOR 2, S.L.	B20839296
PROMOCIONES NEINOR 3, S.L.	B20851283
PROMOCIONES NEINOR 4, S.L.	B20835914
PROMOCIONES NEINOR 5 S.L.	B20835922

5. Appendix II. Flow of the whistleblowing management procedure



IA: Internal Audit

MCC: Monitoring & Control Committee

ACC: Audit & Control Committee