

CORPORATE GOVERNANCE POLICY

Prepared by	Reviewed by	Approved by
Legal Department	GRC Management and Internal Audit	Board of Directors



Neinor
H O M E S

Control of revisions		
Revision	Date*	
Rev 0	10/05/2022	Initial version of the Policy

*Date of the Committee at which the procedure is submitted for adoption

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1. General aspects

The Board of Directors of Neinor Homes S.A. (hereinafter, "Neinor Homes" or the "Company"), under the provisions of its Rules of Procedure¹, is responsible for approving the Company's general policies and strategies, and specifically, it must approve, among others, the Corporate Governance Policy.

In this regard, this Policy aims to provide for the generation of value for Neinor Homes' stakeholders (shareholders, executives, employees, customers, suppliers, etc.), given that the company is committed to good corporate governance as a relevant factor for improving economic and social efficiency and reinforcing investor and customer confidence.

2. Purpose

The purpose of this document is, therefore, to establish the basic principles, guidelines and commitments of action in matters of good governance that the Company assumes and which allow it to align itself with the best practices and recommendations in this area.

3. Scope

This Policy is applicable to the Neinor Homes Group and its subsidiaries.

¹ Article 5 on "Powers of the Board" of the Regulations of the Board of Directors of Neinor Homes S.A. establishes the responsibility of the Board to approve the Corporate Governance Policy.

4. Description of the Policy

4.1. General principles

The basic guidelines that govern the performance of Neinor Homes in the area of good governance are mainly based on the following pillars:

- Transparency and truthfulness of information.
 - Providing adequate and truthful financial and non-financial information to the market and to shareholders and investors about the Company, the performance of its activities and its actions, which generates confidence and credibility (e.g. financial reports, relevant information, annual report on activities, annual corporate governance report, annual report on directors' remuneration, treasury stock transactions, significant shareholdings, among others).
 - Reviewing and updating the content of the corporate website (<http://neinorhomes.com>), as the main information channel, to ensure that it is presented in a clear, complete and comprehensible manner.

- Supervision of actions and operations.
 - Ensuring due diligence in the control and supervision of the company's operations and processes, implementing adequate internal regulations and corporate guidelines, as well as establishing the appropriate controls to contribute towards generating an effective monitoring framework, with subsequent review of the effectiveness and compliance thereof.
 - Providing a balance between verification and management of the Company, allocating follow-up and final validation responsibilities to the management bodies, without requiring the involvement of the same in operational management issues, which will be delegated to the various management teams set up in each area (e.g., GRC and Internal Audit, Legal, Finance, etc.).
 - Setting up the mechanisms necessary for Neinor Homes to identify, analyse and adopt, where appropriate, the best practices, principles and recommendations in the area of good corporate governance, in line with the principle of excellence adopted by the company.

- Adapting the structure and composition of the management bodies of Neinor Homes and their rules of operation and organisation to corporate governance market practices to ensure efficient operation.

- Regulatory compliance in all areas.
 - Ensuring compliance with internal and external regulations and applicable requirements and periodically reviewing the Company's compliance by conducting internal and external audits of the various areas of compliance, processes and the control environment.
 - Providing training on the various areas and processes of the Company, as well as on the applicable regulations, in order to raise awareness of the rules and guidelines to be followed when carrying out activities and fulfilling assigned roles and responsibilities.
 - Monitoring the implementation of improvements identified by the supervisory bodies.

- Shareholder protection and equal treatment.
 - Ensuring equal treatment in the recognition and exercise of the rights of shareholders who have identical status and favouring their informed participation, as well as their rights to attend and vote at General Shareholders' Meetings.
 - Providing communication mechanisms with shareholders, investors and key stakeholders to facilitate dialogue and exchange of possible consultations.

4.2. Good governance model and practices implemented at Neinor Homes

The Board of Directors of Neinor Homes is in charge of defining the culture, values and principles of the organisation, although it is all the people who form part of the company (employees, managers, directors, etc.) who, through their actions, contribute to the smooth running of the company and to compliance with the standards of conduct of the Code of Ethics and good governance implemented.

In this respect, the appropriate definition and communication of the organisational and responsibility structure, as well as the flow of information for decision-making, enables the subsequent review and monitoring of compliance.

In addition, Neinor Homes has established a model for continuous monitoring of the good governance practices implemented in which:

- It is verified that for each of the non-delegable responsibilities of the Board of Directors, the responsible persons have been assigned internally and the execution and management of the activities have been adequately delegated (top-down structure).
- It is verified that control weaknesses identified in all the company's processes are reported to the management bodies (bottom-up structure), taking into account the correct segregation of functions.

As part of the good governance model, Neinor Homes has a "corporate governance scorecard" that facilitates the preparation and presentation in due time and form of all corporate governance matters to be dealt with by Neinor Homes' governing bodies, distributing the tasks at the various planned meetings and deadlines set in an orderly and rational manner. This scorecard enables the company to ensure compliance with the Company's obligations as a listed company, as well as to anticipate and prioritise the actions to be taken at all times.

In addition, this tool is fed by the Integrated Control System implemented at Neinor Homes, which considers the risks associated with the various processes that affect the company (ICFR, PRP, AML-TF, data protection, business areas, fraud and corruption, etc.) and the control activities, in which the responsibilities and mechanisms for their periodic review have also been identified. In this way, Neinor Homes maintains continuous monitoring of its control system and its good governance model.

5. Supervision and control of the Policy

The Legal Department and the GRC and Internal Audit Department, in collaboration with the rest of the company's departments, shall ensure compliance with and application of this Corporate Governance Policy, reporting periodically to the Board of Directors.

In addition, the GRC and Internal Audit Department, as the delegated supervisory body of the Audit and Control Committee, will review compliance with the guidelines set out in this Policy.

6. Entry into force and effectiveness

This Corporate Governance Policy shall enter into force as from its approval by the Board of Directors of Neinor Homes on 10 May 2022.