



**INTERNAL CODE OF CONDUCT  
IN THE SECURITIES MARKETS  
OF  
NEINOR HOMES, S.A.**

24th July 2019

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## 1. PURPOSE

This Internal Code of Conduct in Securities Markets (hereinafter, the “**Code**”) was approved by the Board of Directors of Neinor Homes, S.A. (hereinafter, “**Neinor**” or the “**Company**”) at its meeting held on 6 March 2017 pursuant to the rules of Article 225.2 of the consolidated text of the Securities Market Law (*Ley del Mercado de Valores*) approved by Royal Legislative Decree 4/2015 of 23 October 2015 (hereinafter, “**SML**”), and Regulation No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (hereinafter, “**MAR**”) and its implementing provisions.

As established in point 11 of this document (*Update*): *"In accordance with the provisions of applicable legislation, these Rules will be updated by the Board of Directors whenever necessary to adapt their content to the provisions in force that may be applicable, following a report from the Audit and Control Committee".*

For this reason, as a consequence of the wording of the ninth final provision of Royal Decree-Law 19/2018, which transposes a series of European directives and amends the revised text of the Securities Market Law (the “**TRLMV**”) to adapt it to, among others, Regulation (EU) 596/2014 of the European Parliament and of the Council of 16 April 2014, on market abuse (market abuse regulation) (the “**MAR**”) and complete the transposition of Commission Implementing Directive (EU) 2015/2392 of 17 December 2015 on MAR as regards the communication of possible or actual infringements (*see Annex I for details of the main changes*). The Board of Directors has decided to update this Regulation, which was approved by the Board of Directors held on July 24, 2019, in order to bring it into line with the abovementioned legislation.

Main changes:

- 1.- Redefine the privileged information and relevant information
- 2.-Delegation of the different responsibilities of the Legal Department to the Compliance Department, according with the listed companies best practices.
3. Include, clarify and standardize certain obligations for certain interest groups, such as in reference to RDP and related persons
- 4.- Inclusion of the communication action protocol that regulates requests for information from shareholders and directors of the company.
- 5.-It includes the obligation to the CEO and the CFO of their responsibilities to inform when they have knowledge of corporate transactions of insider information.
- 6.- Elimination of the justification to be submitted to the CNMV due to the delay of a relevant event as stipulated in the regulations.

The purpose of this Code is to set forth the rules of conduct that must be observed by the Company, its management bodies, employees and other covered persons in their activities

relating to the securities market, as provided in MAR, SML and their implementing legislation.

## **2. DEFINITIONS**

For the purposes hereof, the following terms shall have the following meanings:

- **Senior Managers:**

Those members of management that have regular access to Inside Information directly or indirectly relating to the Company, as well as the power to make management decisions affecting the Company's future development and business prospects<sup>1</sup>.

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<sup>1</sup> The definition of "Senior Managers" is included for the solely distinctive effects in the context of this document. Such definition shall not be interpreted or affect or change in any way the employment nature of the current relationship between the Company and the above workers. In no way can it be interpreted that their contracts are no longer employment contracts subject to the Workers' Statute. The definition of "senior manager" of this Regulation does not coincide with that provided in Royal Decree 1382/1985, of 1 August, on senior managers relationships.

- **External Advisors:**

Those natural or legal persons (and, in the latter case, the managers or employees thereof) that, while not holding the status of Grupo Neinor employees, provide advisory, consulting or other similar services to the Company or to any of its subsidiaries, provided that, as a result, have access to Inside Information and who are not already bound by a legal obligation of confidentiality due to their profession.

- **Relevant Documents:**

Support materials —written, in electronic format or any other kind— regarding Inside Information, which shall be strictly confidential in nature.

- **Neinor Group:**

The Company and, if any, all those subsidiaries and partly owned companies that are in the situation referred to in Article 42 of the Commercial Code (*Código de Comercio*) in relation to it.

- **Inside Information:**

As stated in Article 7.1 of the MAR and Article 226 of the LMV, this is "information of a specific nature which has not been made public, which refers directly or indirectly to one or more issuers or to one or more financial instruments or their derivatives and which, if made public, would be likely to have an appreciable influence on the prices of such instruments or of the derivative instruments relating to them".

- **Relevant Information:**

As established in Article 227 of the Securities Market Law, "other information of a financial or corporate nature relating to the issuer itself or to its securities or financial instruments that any legal or regulatory provision obliges them to make public in Spain or that they deem necessary, in view of their special interest, to disseminate among investors" by means of a relevant fact, communicating it to the National Securities Market Commission ("CNMV"), in accordance with the applicable legislation.

- **Insiders**

Each of the individuals, including External Advisors, who temporarily have access to Inside Information as a result of their participation or involvement in a transaction, during the time in which they are included in the Insider List of that project.

Insiders shall cease to be Insiders when the Inside Information that led to the creation of the said Insider List is publicised in the market by means of the disclosure required by the applicable law, and in any event when it is so announced by Secretary General.

- **Covered Persons:**

The following shall be considered Covered Persons:

1. Members of the Company's Board of Directors;
2. The Company's Senior Managers (together with the persons included in paragraph 1, "**Persons Discharging Managerial Responsibilities**", or "**PDMRs**");
3. If they are not members of the Board of Directors, the Secretary and Vice-Secretary of the Board of Directors, as well as, if applicable, the Secretary General of the Company and the legal counsel of the Board of Directors (when such offices are not also held by the Secretary).
4. The managers and employees of both the Company and the companies in Grupo Neinor that may be decided and that perform their duties in areas related to securities markets or that have regular access to the Inside Information and, in any case, the persons belonging to the financial, investor relations, legal and business development departments; and
5. Any other person that is included within the scope of application of the Code by a decision of the Secretary General in view of the circumstances of each case.

- **Associated Persons:**

In relation to the Covered Persons, the following shall be considered Associated Persons:

1. The spouse or person deemed equivalent by current national legislation;

2. a dependent child;
3. any other relatives that have lived with the Covered Person for at least one year prior to the date on which a transaction is conducted;
4. any legal entity or legal trust business or association in which the Covered Person or the persons defined in the preceding paragraphs hold(s) a management position or is/are in charge of its management; or any that is/are directly or indirectly controlled by such person; or that was created for his/her benefit; or whose financial interests are, to a great extent, equivalent to those of such person; as well as
5. any other individuals or entities that are given this status under the legal provisions in force at any given time.

- **Transferable Securities or Financial Instruments:**

Transferable Securities or Financial Instruments shall be defined as:

1. Fixed or variable income securities issued by any Grupo Neinor company that are traded in an official secondary market or other regulated markets, in multilateral trading systems or in other organised secondary markets (hereinafter, these shall all be referred to as “**secondary markets**”).
2. Financial instruments and agreements of any kind that grant the holder the right to acquire the aforementioned securities, including those that are not traded in secondary markets.
3. Financial instruments and agreements, including those that are not traded in secondary markets, whose underlying basis is composed of securities or instruments issued by any Grupo Neinor company.
4. Solely for the purposes of Article 5 hereof, any securities or financial instruments issued by other companies or entities in relation to which Inside Information is held.

### **3. SCOPE OF APPLICATION**

Unless otherwise expressly stated, this Internal Code of Conduct shall apply to Covered Persons.

The Compliance Officer shall keep at all times an updated list of persons who are Covered Persons under this Internal Code of Conduct informing them about their inclusion or exclusion from this list. When communicating the inclusion in this list, the Compliance Officer will provide a copy of this Internal Code, informing about the obligation to comply with its provisions and about the applicable rules regarding data protection included in the applicable law. When notified about their inclusion, the Covered Person shall confirm the receipt of the notification.

Covered Persons will notify their Associated Persons, their corresponding duties under this

Internal Code of Conduct.

#### **4. RULES OF CONDUCT RELATING TO TRANSACTIONS CARRIED OUT ON A PARTY'S OWN BEHALF**

##### **4.1 Prohibition on Resale**

Under no circumstances can the Transferable Securities or Financial Instruments acquired be sold on the same day as that of the purchase transaction.

##### **4.2 Restricted Activity Periods**

Persons Discharging Managerial Responsibilities shall refrain from carrying out any transaction, either on their own account or on that of third parties, directly or indirectly, in relation to Transferable Securities or Financial Instruments during the 30 calendar days immediately preceding the date on which the quarterly, semi-annual and annual financial reports that the Company has to submit to the CNMV and the Stock Exchanges Governing Companies are made public (the “**Closed Periods**”).

Without prejudice to Articles 5.2 and 6.1 of this Code and other applicable laws and regulations, the Compliance Officer may expressly authorize the Persons Discharging Managerial Responsibilities to carry out transactions during Closed Periods, subject to proof by the Persons Discharging Managerial Responsibilities that the specific transaction cannot be carried out at any other time. The Compliance Officer may grant the referred authorization in, but no limited to, any of the following cases:

- (i) on a case by case basis, when there are exceptional circumstances, such as in the event of severe financial difficulties requiring the immediate sale of Negotiable Securities or Financial Instruments;
- (ii) when transactions are negotiated pursuant to, or in connection with, an employee savings or option plan or in relation to the rating or subscription of shares; or
- (iii) when transactions with no changes to the beneficial ownership of the Transferable Securities or Financial Instruments in question are negotiated.

The Compliance Officer may decide to either prohibit, or make subject to mandatory submission for prior authorization, transactions on Negotiable Securities or Financial Instruments by all or some Covered Persons during the period established by it, when so warranted by the circumstances. In this case, the authority to authorize personal transactions of the Compliance Officer on Transferable Securities or Financial Instruments will correspond to the Chairman of the Board of Directors.

##### **4.3 Disclosure Obligations**

1. The Persons Discharging Managerial Responsibilities established in Article 2 above, as well as their Associated Persons, must inform in writing of any transaction on the Company's Transferable Securities or Financial Instruments conducted on their own behalf to the Company and the CNMV. The disclosures must be carried out in the format, with the content and by the means established at the time. The disclosure must take place without delay and no more than three working days after the date of the

transaction. The Company shall strive to ensure that the information disclosed in accordance with the above is made public without delay and no later than within the stipulated time.

2. Also, Covered Persons other than the ones referred to in section 1 above of this Article, as from the date on which they become Covered Persons, must report any transaction on Transferable Securities or Financial Instruments of the Company carried out on their own behalf to the Company – addressed to the Compliance Officer. Such communications shall be made no more than five working days from the date of the transaction. Communications shall include the following information:
  - (a) The name of the Covered Person and, where appropriate, that of the Associated Person.
  - (b) The reason for the notification obligation.
  - (c) A description of the Transferable Security or Financial Instrument.
  - (d) The nature of the transaction.
  - (e) The date and market of the transaction.
  - (f) The price and volume of the transaction.
3. As an exemption to the foregoing and without prejudice to the transparency obligations applicable, among others, to the Company's directors, Covered Persons and their Associated Persons are not required to make the said disclosures mentioned in sections 1. and 2. of this Article 4.3 when, in a calendar year, the total amount of transactions on Negotiable Securities or Financial Instruments carried out on their own account does not exceed €20,000, that may be decided by the Spanish Securities Market Commission (CNMV). The €20,000 threshold shall be calculated by adding up all the transactions referred to in the preceding section, without the ability to offset transactions of a different nature (such as operations with opposite signs) against each other.

Accordingly, PDMRs other than directors and persons closely associated with all the PDMRs must report any transaction whereby the aggregate value of the issuer's financial instrument transactions during the current calendar year (without offsetting transactions of the opposite sign) reaches €20,000 and any subsequent transaction.

Directors and their associated persons must report any transaction with the issuer's financial instruments, irrespective of the amount.

4. For the purposes of this Article 4.3, transactions carried out by Associated Persons are deemed equivalent to transactions carried out on parties' own behalf, with the obligation to declare them.

#### **4.4 Portfolio Management**

The provisions of Articles 4.1 and 4.2 shall not apply to transactions on behalf of Persons Discharging Managerial Responsibilities carried out by a third party pursuant to the provision of a discretionary portfolio management investment service provided that:



1. **No prior notification:** There is no prior notification of the transaction between the portfolio manager and the Covered Person. The Compliance Officer may request a statement to that effect.
2. **Contents of the discretionary portfolio management agreements:** The agreement has been previously sent to the Compliance Officer and the latter has verified that:
  - (i) The agreement guarantees that the manager is acting for and on behalf of the principal but in a professional and independent manner, and lays down one or more of the following conditions:
    - (a) An express prohibition on the manager performing investment transactions on the Transferable Securities or Financial Instruments.
    - (b) An absolute and irrevocable guarantee that the transactions will be performed with no involvement whatsoever from the Covered Persons and, therefore, solely according to the manager's professional judgement and in accordance with the guidelines applied generally to clients with similar financial and investment profiles.
  - (ii) If the agreement does not expressly prohibit the manager from performing transactions on the Transferable Securities or Financial Instruments in accordance with section (i)(a) above, the agreement lays down the manager's duty to immediately report the performance of such transactions to the Person Discharging Managerial Responsibilities in order to enable him or her to comply with the duty of disclosure as provided in Article 4.3 above.
3. **Notification:** Persons Discharging Managerial Responsibilities that enter into discretionary portfolio management agreements must send a copy of such agreements to the Compliance Officer within five business days after signature thereof. If the Compliance Officer has justified reasons to judge that the agreement does not comply with the terms of this section, such party shall notify the Covered Person in order for the latter to amend the relevant aspects of the agreement. Until such adjustments have been made, the Covered Persons shall instruct the manager not to conduct any transactions whatsoever on the Transferable Securities or Financial Instruments.
4. **Reporting to the manager:** Persons Discharging Managerial Responsibilities must ensure that the managers of securities portfolios are aware of the rules of conduct applicable to the Covered Person and of the fact that those managers must act accordingly. Covered Persons shall be responsible for assessing the advisability of terminating the said agreement in the event of breach by the manager of the terms and conditions of this Code.
5. **Prior agreements:** Agreements entered into by Persons Discharging Managerial Responsibilities prior to the entry into force of this Code must be adapted to the terms hereof and, in the meantime, the terms set forth in the preceding section regarding the prohibition on conducting transactions with Transferable Securities or Financial

Instruments shall apply.

- 6 Information duty:** Persons with Management Duties will have the duty to order their managers to attend all information requirements made by the Company regarding transactions.

The provisions included in paragraphs 4.1 and 4.3 will not be applicable to transactions over Transferable Securities or Financial Instruments carried out on behalf of Associated Persons by a third party within the framework of a discretionary portfolio management agreement as long as the transactions are carried out without the participation of the Associated Party in question and, exclusively, in accordance with the professional criteria of the manager. However, Associated Persons must comply with the provisions included in paragraphs 3., 5. and 6. Additionally, in order for the Associated Persons of Persons Discharging Managerial Responsibilities to comply with the provisions of paragraph 4.3, they will also be subject to the provision included in paragraph 2.(ii) of this Article.

Covered Persons shall inform their Associated Persons the latter's obligations under Articles 4.3 and 4.4 in accordance with the form included in Schedule 4.

## **5. RULES OF CONDUCT REGARDING INSIDE INFORMATION**

### **5.1 General Principles of Action**

Persons who have Inside Information shall be required to:

1. Safeguard it, without prejudice to their duty to disclose and collaborate with legal and administrative authorities under the terms set forth in SML and other legislation;
2. Take appropriate measures to prevent such Inside Information from being subject to abusive or unfair use;
3. Immediately notify the Compliance Officer of any abusive or unfair use of Inside Information that comes to their knowledge.

### **5.2 Prohibition on Insider Dealing**

The persons who possesses Inside Information:

1. Shall refrain from acquiring, transmitting or assigning, directly or indirectly, either on their own behalf or for a third party, the Transferable Securities or Financial Instruments or any other security, financial instrument or agreement of any kind, whether or not it is traded on a secondary market, whose underlying asset is Transferable Securities or Financial Instruments to which the Inside Information relates. The use of this type of information cancelling or modifying an order relating to the Negotiable Security or Financial Instrument to which the information relates shall also be considered Inside Information if the order was given before the interested party became aware of the Inside Information. They must also refrain from mere attempts to perform any of the above transactions.

This does not apply to the preparation and performance of transactions whose existence

is itself Inside Information, or to transactions carried out pursuant to an obligation, that is already due, to acquire or assign such Transferable Securities or Financial Instruments, if such obligation is envisaged in an agreement concluded before the person with Inside Information was in possession of Inside Information. Transactions carried out in accordance with the applicable law are also exempted.

It is hereby noted for the record that the delivery of shares or stock options of the Company to Covered Persons who possess Inside Information pursuant to an obligation that has already become due, in the context of the remuneration systems approved by the Company, and not with the intention of circumventing the prohibition to carry out transactions with Inside Information shall not be deemed to be included in this section.

In addition, any permanent Insiders wishing to carry out any of the actions set forth in this section 1 must first obtain the authorisation of the Company's Audit and Control Committee, which shall grant it only after establishing that the permanent Insider is acting in good faith and not in order to circumvent the prohibition to carry out transactions with Inside Information.

2. Shall not communicate such Inside Information to third parties except when permitted or provided by law, directly or indirectly, such as: (i) communication of information required to prepare financial statements, and (ii) communication of information required to comply with disclosure requirements and, in addition, when the information is necessary or appropriate for the management of the group as a whole, provided that there is a common group policy (not common in listed companies).
3. Shall refrain from recommending to third parties, or inducing them to acquire, transfer or assign, Negotiable Securities or Financial Instruments, or to cancel or modify an order relating to them, or to make someone else acquire, transfer or assign them, or cancel or modify an order relating thereto, all this based on Inside Information.

The subsequent disclosure of such recommendations or inducements shall also constitute an unlawful disclosure of Inside Information where the person disclosing the recommendation or inducement knows or should know that it was based on Inside Information.

If the person is a legal person, this Article shall also apply to those natural persons who are involved in the decision to acquire, transfer or assign, or cancel or modify an order relating to, Transferable Securities or Financial Instruments on behalf of the legal person concerned.

4. In general, they shall comply with the provisions set forth in the applicable law and this Code.

### **5.3 Legitimate Conducts**

For the purposes of the above sections, unless the CNMV establishes that there is no legitimate reason for carrying out the transaction in question, a person in possession of Inside Information shall not be deemed to have engaged in insider dealing in the following cases:

1. Whenever such person performs a transaction to acquire, transfer or assign affected Securities or Financial Instruments and such transaction is carried out in good faith pursuant to an obligation that is already due and not in order to circumvent the prohibition on Insider Dealing; and:
  - (a) the said obligation arises from an order issued, or an agreement concluded, before the person concerned became aware of the Inside Information; or
  - (b) the aim of the transaction was to comply with a legal or regulatory provision predating the date on which the person concerned became aware of the Inside Information.
2. In general, provided that the transaction is carried out in accordance with the applicable law.

Neither will this Article be deemed to apply to transactions or orders originating from the Company's implementation of treasury shares buyback or security stabilisation schemes provided that the legal conditions are met.

#### **5.4 Inside Information Protection Measures**

During the study or negotiation stages of any legal or financial transaction that could have a significant effect on the price of the Negotiable Securities or Financial Instruments of any class issued by the Company:

1. Covered Persons in knowledge of a transaction that was considered or could be considered to be Inside Information will immediately inform the Compliance Officer about such transaction. The Compliance Officer, after consulting with the Chief of GRC and CEO (or, in lack of thereof, the Chairman of the Board of Directors) will qualify or not the transaction as Confidential with Inside Information. It is considered advisable to request and provide the information in writing, in addition to sharing the information subject to confidentiality commitments (i.e. the recipient of the information shall undertake to keep it confidential).
2. Knowledge of the information shall be strictly on a need-to-know basis for both persons within the organizations and external persons.
3. The Compliance Officer shall create and keep up to date an insider list setting out the identity of every person with access to Inside Information (the "**Insider List**").

The content and format of the Insider List shall comply with the applicable legislation. In any event, the Insider List shall be drawn up and maintained up to date electronically in accordance with the templates provided in **Schedule 5**.

The Insider List shall be divided into separate sections for different Inside Information. Each section will include only the details of those persons who have access to the Inside Information to which that section relates. The Company may include in its Insider List an additional section containing the details of those persons who have permanent access

to Inside Information. In such case, the persons appearing in that section must not be included in the other sections of the Insider List.

This Insider List must be updated immediately in the following cases:

- a. when there is a change in the reasons why a person appears in the said Insider List;
- b. when it is necessary to include a new person in that Insider List; and
- c. when a person who appears in the Insider List no longer has access to Inside Information, will be removed of the Insider List.

The details included in the Insider List must be kept for at least five years from the date of creation or from the last update if applicable.

The Compliance Officer shall expressly warn the persons included in the Insider List of the confidential nature of the information and of their duty of confidentiality in relation thereto, of the prohibition on its use and of the infringements and penalties, if any, arising from the misuse thereof (view bullet 12). Furthermore, the Compliance Officer must inform the interested parties of their inclusion in the Insider List and all other aspects envisaged in the data protection legislation applicable from time to time.

4. The necessary security measures to ensure the safekeeping, filing, reproduction and distribution of, and access to, the Inside Information, in accordance with the restrictive rules set forth in this Code, shall be established.
5. The Chief of Investor Relations, or the person or persons designated by him/her, shall monitor the development of the market for the Negotiable Securities or Financial Instruments issued by the Company and the news issued by professional broadcasters of financial information and the media that may affect them.
6. If there is an abnormal pattern of trading volumes or prices and there are rational indications that such pattern is the result of a premature, partial or distorted dissemination of the Inside Information, the Chief of Investor Relations, after consulting with the Secretary General and the Chairman of the Board of Directors shall take the necessary steps to immediately issue a Regulatory Disclosure clearly and accurately reporting on the status of the transaction being carried out or containing a preview of the information to be provided.

## **5.5 Dissemination of Inside and Relevant Information**

The Company shall make public the Inside and Relevant Information directly concerning it as soon as possible by means of a Regulatory Disclosure. It shall ensure that the Inside and Relevant Information is made public in a way that allows quick access and a full, correct and appropriate assessment of the information by the public. The content of the disclosure must be truthful, clear and comprehensive so as not to be confusing or misleading.

Regulatory Disclosure must be accessible through the Company's corporate website as soon as they have been released to the CNMV and/or the Market, as appropriate. The CNMV shall present such information separately (for which it has created a new register of issuer-related inside information) and the inside information must be expressly marked as such.

In order to comply with these rules, the Compliance Officer or the person or persons designated by him/her for this purpose shall present both Inside Information and Relevant Information, in two templates, so as to have (i) an insider trading template, which indicates that, in accordance with the provisions of Articles 17 of the MAR and 226 of the TRLMV, inside information is being notified; and (ii) another template for dissemination of relevant information, indicating that the relevant information is sent in accordance with the provisions of Article 227 of the TRLMV (and, where relevant, any other applicable provision).

The Chief of GRC, or the person or persons designated by him or her for that purpose, shall regularly monitor the content of the Company's corporate website to check that it complies with the above requirement and, in general, with all reporting requirements resulting from its status as a listed company.

The Chief of GRC, after consulting with the Chairman of the Board of Directors, shall confirm or deny, as appropriate, any public information on circumstances that are considered to be Regulatory Disclosure.

In order to ensure that the Inside and Relevant Information is disclosed to the market in a symmetrical and fair manner, Covered Persons and Insiders shall refrain from providing analysts, shareholders, investors or the press with information whose content is considered a Regulatory Disclosure that has not been previously or simultaneously provided to the market as a whole.

Covered Persons shall endeavour, with the utmost diligence, to properly preserve Relevant Documents and maintain their strictly confidential nature, so that the normal price of the Negotiable Securities and Financial Instruments cannot be affected by third parties' knowledge.

Schedule 5 details the protocol for disclosing Inside and Relevant Information between the Company, the main shareholder and directors.

External Advisors may only access Relevant Documents after signing a confidentiality agreement in which they shall be warned of the nature of the information they are being given and of the obligations they are assuming in relation thereto, as well as of the inclusion of their data in the Insider List

## **5.6 Delay in the Publication of Inside and Relevant Information**

Notwithstanding the foregoing, the Company may delay the publication of Inside and Relevant Information, under its own responsibility, provided that: (i) immediate publication could adversely affect the Company's legitimate interests, (ii) delaying its publication cannot confuse or mislead the public; and (iii) the Company is able to guarantee the confidentiality of the information.

The Company may also delay, under its own responsibility, the publication of Inside and Relevant Information relating to a lengthy process being carried out in different stages, which is intended to achieve, or results in, certain circumstances or a specific event.

In the event of delay in the dissemination of the Inside and Relevant Information, the Company must inform the CNMV, as appropriate, immediately after the information is made public, and submit a written explanation about how the conditions set forth in this Article were complied with, unless the CNMV, as appropriate, stipulates that issuers must only provide it with this information on its request. The CNMV plans to enable an option in Cifradoc so that issuers can, when submitting Inside Information, indicate directly whether its dissemination has been delayed.

In order to establish whether the publication of Inside and Relevant Information is delayed, the recommendations and guidelines that may be issued in this area by the securities markets' official supervisory bodies shall be taken into account.

If, having delayed the publication of Inside and Relevant Information, its confidentiality ceases to be guaranteed, the Company shall publish the information in question as soon as possible (including cases in which a rumour expressly refers to Inside Information whose publication has been delayed when the degree of the rumour is sufficient to indicate that confidentiality is no longer guaranteed).

## **6. RULES OF CONDUCT REGARDING MARKET MANIPULATION**

### **6.1 Prohibition of Market Manipulation**

Covered Persons shall refrain from manipulating, or attempting to manipulate, the market. The following are considered market manipulation:

1. Issuing orders or performing transactions in the market, or any other conducts that:

- (a) provide or could provide false or misleading signals as to the supply, demand or price of the Company's Transferable Securities or Financial Instruments;
- (b) fix or can fix the price of one or more of the Company's Transferable Securities or Financial Instruments at an abnormal or artificial rate;

unless the party that conducted the transactions or issued the orders or engaged in any other conduct can prove that such transaction, order or behaviour have been carried out for legitimate reasons and conform with an accepted CNMV market practice.

2. Actions by one or more people acting in concert to achieve a controlling position over the supply or demand of a Transferable Security or Financial Instrument that directly or indirectly affects, or may affect, the setting of sale or purchase prices, or that creates or can create other unfair trading conditions.

3. Issuing orders or performing transactions or engaging in any other conducts that affect, or may affect, the price of one or more of the Transferable Securities or Financial Instruments by means of fictitious mechanisms or other form of trick or artifice.
4. Broadcasting over any media, including the Internet, or by any other means, information that provides or can provide false or misleading signals as to the supply, demand or price of the Company's Transferable Securities or Financial Instruments, or the ability to thus set the price of one or more Transferable Securities or Financial Instruments at an abnormal or artificial level, including spreading rumours, where the party that spread them knew or should have known that the information was false or misleading.
5. Spreading false or misleading information, or supplying false data in relation to reference indices, when the party that spread such rumours or provided the information knew or should have known that the information was false or misleading.
6. The issue of orders at a trading venue, including the cancellation or modification thereof, through any available trading methods, including electronic means, as well as algorithmic and high frequency trading strategies, producing one or more of the effects envisaged in sections 1 or 2 above, if it:
  - (a) disrupts or delays the operation of the trading mechanism used or increases the likelihood of this happening;
  - (b) makes it more difficult for others to identify genuine orders in the trading mechanism or increases the likelihood of increasing such difficulty; or
  - (c) creates or may create a false or misleading signal regarding supply and demand or regarding the price of a Transferable Security or Financial Instrument.
7. Taking advantage of occasional or regular access to traditional or electronic media by expressing an opinion regarding the Transferable Securities or Financial Instruments, or indirectly on the issuer thereof, after taking positions on the Security or Financial Instrument, and then taking advantage of the impact of the opinion expressed on the price of such Security or Financial Instrument, without having simultaneously disclosed this conflict of interest to public opinion in an appropriate and effective manner.
8. The purchase or sale of Transferable Securities or Financial Instruments of the Company, during the opening or closing of the market, that generates, or may generate, confusion or error on the investors based on the listed price, including opening and closing prices.



9. Any other action that the Ministry of Economy, the CNMV or the European authorities list(s) or describe(s) as a practice that is contrary to free price formation.

The manipulation indicators envisaged in the legislation in force from time to time shall be taken into account when establishing whether a conduct constitutes market manipulation.

## **6.2 Exceptions**

This Article shall not apply to orders or transactions which:

1. originate from the Company's implementation of treasury share buyback or security stabilisation schemes provided that the applicable legal conditions are met; and
2. in general, those carried out in accordance with the applicable law.

## **7. RULES REGARDING TREASURY SHARE TRANSACTIONS**

1. For the purposes of this Code, treasury share transactions shall be construed as those conducted directly or indirectly by the Company with the Company's treasury shares, as well as with financial instruments or agreements of any kind, whether or not they are traded in the Stock Market or other organised secondary markets, that grant the right to acquire, or whose underlying basis is, the Company's shares.
2. Treasury share transactions will be carried out within the limits set forth in the authorization made by the General Shareholders Meeting and shall always have legitimate aims, such as, among others, providing investors with adequate liquidity and depth in trading the Company's shares, fulfilling previously made legitimate commitments or any other aims allowed under the applicable law. Under no circumstances can treasury share transactions be conducted for the purpose of tampering with the free price formation process or benefiting specific shareholders.
3. The Company's treasury share transactions shall under no circumstances be conducted based on Inside Information.
4. Treasury shares shall be managed in a completely transparent manner as regards the market's supervisors and regulatory bodies. Additionally, treasury shares transactions will comply with the provisions included in the applicable law and will take into account the recommendations made by the corresponding authorities.
5. Treasury share transactions will be carried out by the Economic-Financial Department of the Company, without prejudice to the possibility of entering into a liquidity contract for a financial institution to independently manage the Company's treasury stock according to the regulations governing such arrangements as an accepted market practice.

When management of the treasury shares has not been delegated to a financial entity, the Company ensure that the management is isolated and separate from the other activities of the Company. For these purposes, the Board of Directors will appoint a Person Responsible for the Treasury Shares who will not have regular access to Inside Information, who will not carry out other relevant activities in the Company and who will not carry out transaction relating to or in connection with Transferable Securities and Financial Instruments of the Company on behalf of third parties. The Person Responsible for Treasury Shares will keep a registry of all the treasury shares transactions ordered or executed and will inform the corresponding Follow-up Commission and the Audit and Control Commission, on a monthly basis, of the transactions carried out over treasury shares.

6. The Economic-Financial Department will be in charge of:
  - (a) Manage the treasury shares of the Company in accordance with the provisions of this Article and the applicable law.
  - (b) Monitoring the performance of the Company's shares in markets, reporting any significant price changes there to the Chief of Investor Relations.
  - (c) Keeping a record of all treasury stock transactions approved and executed.
  - (d) Periodically reporting the treasury stock transactions that have been carried out to the Chief of Investor Relations, who, where applicable, shall report them to the CNMV.
7. Staff in the Economic-Financial Department will make a special confidentiality undertaking in relation to treasury stock transactions.
8. The Chief Financial Officer will perform his duties in relation to compliance with this Article and periodically report to the Board of Directors on treasury stock transactions.
9. Treasury shares transactions shall not be carried out during Closed Periods.
10. In its treasury stock transactions, in addition to the provisions of this Article, the Company will comply with all obligations and requirements under the laws and regulations in force from time to time.

## **8. CORRESPONDENCE RECORDS AND REGISTER OF ACTIVITIES**

The Compliance Officer shall be required to keep duly filed records of the correspondence, notices and any other activities related to the obligations contained herein.

The Compliance Officer shall also keep a record of information regarding the Company's Transferable Securities and Financial Instruments held by Covered Persons. At least once a

year, Covered Persons shall be asked to confirm the balances of the Transferable Securities and Financial Instruments included in the records.

The data in these records shall be strictly confidential. The Compliance Officer shall periodically inform the Board of Directors about the content of these records and at any time at the request of the Board.

## **9. REGISTER OF COVERED PERSONS AND RELATED PERSONS**

Covered Persons shall be included in the appropriate Register of Insiders, in which includes at least: (i) the identity and position of each Covered Persons; and (ii) the dates of creation and updating of the Register.

The Compliance Officer shall keep at all times an up-to-date list of Covered Persons and shall review on an annual basis the identity of the persons included in the Register of Insiders.

The Compliance Officer must keep the information contained in the Register of Insiders for at least five (5) years from the date of creation of the Register or since its last update if this is later and must also keep it available to the CNMV.

## **10. SUPERVISION OF COMPLIANCE WITH THE INTERNAL CODE OF CONDUCT**

According to the Company's Articles of Association and Board of Directors Regulations, the Board of Directors, the Audit and Control Committee shall be responsible for supervising proper compliance with the obligations set forth herein, to which end it has the following powers:

1. To observe, and enforce observance of, the rules of conduct of the securities markets and the rules of this Code, their procedures and any other present or future additional laws and regulations.
2. To foster awareness among Covered Persons of the Code and other rules of conduct of the securities markets.
3. To develop, where appropriate, implementation rules and procedures as they deem fit for the application of this Code.
4. To interpret the rules contained in this Code and resolve any questions or issues that may be raised by Covered Persons.
5. To conduct disciplinary proceedings in relation to Covered Persons for breach of the rules of this Code.
6. To propose to the Company's Board of Directors any amendments or improvements to this Code that it may deem appropriate.

The Audit and Control Committee will have all powers needed to perform its functions, and is specifically authorized, inter alia, to:

1. To demand any details or information from Covered Persons that it may deem necessary.
2. To establish reporting requirements, control rules and other measures that it may deem appropriate.

The Audit and Control Committee will give a yearly report, as well as when it considers necessary or is instructed to do so, to the Board of Directors on the measures taken to ensure compliance with the provisions of the Regulation, on the level of compliance and on any incidents that have occurred and cases opened in the period of reference.

## **11. REVISION**

Pursuant to the terms of the applicable law, this Code shall be revised by the Board of Directors whenever necessary in order to adapt its content to the applicable provisions in force, after a report of the Audit and Control Committee.

## **12. BREACH**

Breach of the terms established in this Code of Conduct shall give rise to the consequences set forth in the current legislation and, where applicable, in the disciplinary rules established by the Company. Penalties for very serious and serious infringements are detailed in Schedule I.

## **13. ENTRY INTO FORCE**

This consolidated text of the Code of Conduct shall remain valid for an indefinite period and shall enter into force on the date on it is approved by the Company's Board of Directors. The Compliance Officer shall inform the Covered Persons of such circumstance, striving to ensure that the content of this Code is known, understood and accepted by all Covered Persons to whom it applies.

## **SCHEDULES**

**SCHEDULE 1**  
**OBLIGATIONS RELATING TO THE NEW MARKET ABUSE RULES SET**  
**OUT IN ROYAL DECREE-LAW 19/2018 OF 23 NOVEMBER 2008**

On 25 November 2018, **Royal Decree-Law 19/2018 of 23 November on payment services and other urgent financial measures** entered into force.

In addition to transposing a series of European directives, the ninth final provision of Royal Decree-Law 19/2018 **amends the consolidated text of the Securities Market Law (the "TRLMV") to adapt it to, among others, Regulation (EU) 596/2014 of the European Parliament and of the Council, of 16 April 2014 on market abuse (the "MAR")** and complete the transposition of Commission Implementing Directive (EU) 2015/2392 of 17 December 2015 on MAR as regards the communication of possible or actual infringements. The main changes are as follows:

- The **distinction between inside information and relevant information** is recovered, defined as any financial or corporate information relating to the issuer or its financial instruments that must be disclosed or that the issuer deems necessary to disclose because of its special interest.
- The threshold above which Persons Discharging Managerial Responsibilities ("**PDMRs**") and their closely associated persons must report their transactions **is raised from €5,000 to €20,000**, without prejudice to the transparency obligations applicable to directors.
- **The obligation for issuers to have an internal code of conduct (ICC)** in the securities markets is **eliminated**.
- **The supervisory and inspection powers of the CNMV are expanded**, and the CNMV is now empowered to require telephone and data communication records.
- MAR infringements are categorized as **very serious or serious infringements** and the **penalties** associated with them are specified.

*For further information, the link to the BOE presentation on this subject is provided:*

*<https://www.boe.es/boe/dias/2018/11/24/pdfs/BOE-A-2018-16036.pdf>*

### **Dissemination of inside and relevant information**

Articles 226 and 227 of the TRLMV are amended to distinguish between the dissemination of inside information, the definition of which is included by reference to the MAR, and the dissemination of relevant information, which is defined as the remaining information of a financial or corporate nature relating to the issuer or its securities or financial instruments that the issuer must publish in Spain due to legal or regulatory provision or that it considers necessary to disseminate due to its special interest.

Both inside information and relevant information must be sent, as hitherto, to the CNMV for its publication on its website and simultaneously hosted on the issuer's own website. The CNMV will present such information separately (for which it will create a **new register of inside information** relating to issuers) and the inside information must be expressly marked as such.

In order to comply with these rules, **it appears necessary for issuers to split their current workforce or relevant fact model in two in order to have:**

- (i) **an insider trading template**, indicating that under Articles 17 of MAR and 226 of TRLMV the issuer notifies inside information; and
- (ii) **another template for the dissemination of relevant information**, indicating that the issuer sends relevant information in accordance with the provisions of Article 227 of the TRLMV (and, where relevant, any other applicable provisions).

On the other hand, the new Article 229 of the TRLMV exempts the issuer that decides to delay the dissemination of inside information from justifying to the CNMV the concurrence of the conditions that allow such delay, unless the CNMV expressly requests it (although the existence of such delay must be communicated to the CNMV). The CNMV plans to enable an option on Cifradoc so that

issuers can, when sending inside information, directly indicate whether its dissemination has been delayed.

### **Notifications of PDMRs and closely associated person transactions**

Under Article 19.9 of the MAR, the new Article 230 of the **TRLMV raises the notification threshold for transactions carried out by PDMRs and their closely associated persons from €5,000 to €20,000**. This does not alter the transparency obligations applicable to directors. Accordingly, PDMRs other than directors and persons 5 closely associated with all PDMRs must report any transaction by virtue of which the aggregate value of the issuer's financial instrument transactions carried out during the current calendar year (without offsetting transactions of the opposite sign) reaches €20,000 and any subsequent transaction.

However, issuers must **review their respective internal rules of conduct in the securities markets** (if they hold them), to verify whether they include a numerical reference to the numerical limit of €5,000 in force until now or whether, on the contrary, they include a generic forecast ("the one set at any given time by the CNMV") that allows this change to be accommodated automatically, and to inform, if appropriate, their PDMRs of this change. Under Royal Decree-Law 19/2018, the CNMV is empowered to develop the technical means by which each issuer must disseminate information relating to such transactions in order to comply with its obligation to ensure the dissemination thereof under Article 19.3 of the MAR.

### **Removal of the obligatory nature of the Internal Code of Conduct**

**The obligation for issuers to draw up and submit to the CNMV an internal code of conduct in the securities markets is eliminated**, although it appears to be **advisable to maintain it** as part of the prevention, compliance and internal control system, as well as to guarantee that subjects with obligations derived from market abuse regulations are aware of and comply with said obligations. In this regard, the CNMV recommends issuers maintain internal rules, measures and procedures that promote compliance with the regulations by the regulated entities, whether or not in the form of internal rules<sup>1</sup>.

### **Powers of supervision and inspection of the CNMV**

**New supervisory and inspection powers of the CNMV** are introduced to supervise compliance with market abuse rules. These include the powers of:

- (i) **requiring telephone and data traffic records** held by natural and legal persons subject to the MAR and, on a subsidiary basis and in accordance with the applicable data protection regulations, collect the data that are essential for the exercise of the duties of the CNMV from the providers of electronic communications services and or of the information society; and
- (ii) **require the PDMRs and their closely associated persons to immediately publish any information** that the CNMV deems pertinent **regarding their activities related to the securities market** or that may influence it (or, if the request is not complied with, to publish such information directly).

### **Categorisation of infringements and setting of associated penalties**

MAR infringements are categorized as very serious or serious infringements and the penalties associated with them are specified. By way of example, the following are **very serious**

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<sup>1</sup> CNMV communiqué addressed to issuers of listed securities on the new European market abuse regulatory framework of 22 January 2019 ([http://www.cnmv.es/loultimo/ISMAR\\_ok.pdf](http://www.cnmv.es/loultimo/ISMAR_ok.pdf)).



## **infringements:**

- (i) **Carrying out or attempting to carry out insider trading**, recommending or inducing a third party to carry out **insider trading** or **unlawfully disclosing inside information** when (a) the amount of funds used or the volume or value of the instruments is material, (b) the actual or potential profit or loss avoided is material, or (c) the infringer has known the inside information by virtue of being a director or by virtue of the exercise of his/her profession, work or functions or is or should be on an insider list.
- (ii) **Failure to keep insider lists or the keeping them with essential errors or defects** that prevent knowledge of the identity of insiders or the exact date and time of this access.
- (iii) **Breach of the obligation to notify transactions** of PDMRs and their closely associated persons when there is an **interest in concealment or serious negligence**, taking into account the relevance of the communication not carried out and the delay incurred.
- (iv) The lack of dissemination of inside information where market transparency and integrity has been seriously compromised.

These infringements shall be punishable by **finest of between 2,000,000 and 30,000,000 euros or 30% of the total annual turnover** according to the latest available accounts approved if the offender is a **legal person** and **between 1,000,000 and 10,000,000 euros** if a **natural person**.

**Serious infringements** include, but are not limited to, the following:

- (i) The above infringements when they do not meet the requirements to be considered very serious.
- (ii) Non-compliance with the PDMRs prohibition on operating in **closed periods**.

These infringements shall be punishable by **finest of between 1,000,000 and 15,000,000 euros or 15% of the total annual turnover** according to the latest available accounts approved if the offender is a **legal person** and **between 500,000 and 5,000,000 euros** if a **natural person**.

In addition, the infringements described may be penalised with other measures such as the restitution of the profit obtained or the loss avoided or public admonishment through the BOE. Likewise, when the offender is a legal person and those responsible for the offence hold management or directors' positions in it, these may be penalised, inter alia, by **permanent disqualification from holding management or directors' positions** when they have already been penalised for committing, within a period of ten years, two or more breaches of the prohibitions on transacting with inside information, recommending or inducing a third party to carry out such transactions, illegally communicating inside information or manipulating or attempting to manipulate the market.

**Entry into force.** The amendments to the TRLMV introduced by Royal Decree-Law 19/2018 have been **in force since 25 November 2018**.

**SCHEDULE 2**  
**COMMITMENT TO UPDATE THE INTERNAL CODE OF CONDUCT IN**  
**SECURITIES MARKETS OF**  
**NEINOR HOMES, S.A.**

Mr [●]

COMISIÓN NACIONAL DEL MERCADO DE VALORES

Edison, 4

28006 Madrid (Spain)

Madrid, on [●] [●] [●]

Pursuant to the terms of Article 225.2 of the consolidated text of the Securities Market Law approved by Royal Legislative Decree 4/2015 of 23 October 2015, Neinor Homes, S.A. (the “**Company**”) hereby undertakes to revise its Internal Code of Conduct in Securities Markets whenever necessary in order to adapt its content to the applicable provisions in force, and it also hereby declares that the content of this Internal Code of Conduct in Securities Markets is known, understood and accepted by all those persons to whom it applies.

Kind regards,

Neinor Homes, S.A.

Signed: \_\_\_\_\_  
[Name]

**SCHEDULE 3**

**COMMITMENT TO ADHERE TO THE INTERNAL CODE OF CONDUCT IN  
SECURITIES MARKETS OF  
NEINOR HOMES, S.A.**

**Neinor Homes, S.A.**  
**C/ Ercilla, 24**  
**48011 Bilbao**  
**Spain**

For the attention of the Secretary of the Board of Directors

Dear Sir/Madam,

The undersigned party,....., holding Spanish Tax ID....., declares to have received a copy of the Internal Code of Conduct in Securities Markets from Neinor Homes, S.A. (the “**Code**”), and expressly declares his/her knowledge of and conformity with the rules contained in the Code.

Furthermore, the party also declares that he/she is the direct or indirect holder of the following Affected Securities and Financial Instruments (as this term is defined in the Code):

<b>Nature of the Security</b>	<b>Issuer</b>	<b>Direct securities</b>	<b>Indirect securities (*)</b>

(\*) Via:

<b>Name of the Direct Holder of the Security</b>	<b>Tax ID of the Direct Holder of the Security</b>	<b>Issuer</b>	<b>Number</b>

Moreover, he/she declares to have been informed of the fact that:

1. Inappropriate use of any Inside Information to which he/she may have access, as well as breach of the other obligations set forth herein, could constitute a very serious offence under Article 282 of the consolidated text of the Securities Market Law approved by Royal Legislative Decree 4/2015 of 23 October 2015 (“**SML**”), a serious

offence under Article 295 of the said Law, or an offence of insider trading in the stock market under Article 285 of Organic Law 10/1995 of 23 November 1995 on the Spanish Criminal Code (the “**Criminal Code**”).

2. Inappropriate use of Inside Information, as well as breach of the other obligations contained in the Code, is punishable as provided in Articles 302 and 303 SML and in Article 285 of the Criminal Code, with fines, public warnings, dismissal from office and incarceration.
3. Inappropriate use of Inside Information, as well as breach of the other obligations contained in the Code, is punishable as provided in Articles 30 of Regulation No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse and its implementing regulations.

Finally, pursuant to the provisions of Organic Law 15/1999 of 13 December 1999 on the Protection of Personal Data, the undersigned party has been informed of the fact that his/her personal data, contained in this statement and for the purposes of notifications made in compliance with the Code, will be included in an automated file belonging to Neinor Homes, S.A., who is the file controller, with address at Edificio Moyúa, Calle Ercilla, 24, 48011 Bilbao, Bizkaia, Spain, for the purposes of compliance with the terms of the Code.

Likewise, the party declares that he/she has been informed of the opportunity to exercise his/her rights of access, rectification, cancellation or objection, based on the terms established in the current applicable legislation, by contacting the file controller in writing.

With regard to any data that may have been supplied regarding other individuals, he/she hereby states for the record that such persons were previously informed of the fact that their data would be processed by Neinor Homes, S.A. and of their corresponding rights as provided above.

In ....., on ..... 20....

Signed: .....

**SCHEDULE 4**

**MODEL FORM FOR NOTIFYING ASSOCIATED PERSONS**

Dear [●],

In compliance with current legislation and in accordance with the provisions of the Internal Code of Conduct in the Securities Markets (the "**Rules**") of NEINOR HOMES, S.A. (the "**Company**"), you are notified that as a Person subject to compliance with the Regulations you must inform any Person Associated<sup>2</sup> with you of their existence and the obligation to comply with the same.

The Associated Person is therefore subject to the arrangements and obligations that the Rules, the revised text of the Securities Market Law approved by Royal Legislative Decree 4/2015, of 23 October (hereinafter the "LMV"), Regulation 596/2014 of the European Parliament and of the Council, of 16 April 2014, on market abuse (market abuse regulation) (the "MAR") and its implementing regulations provide for those persons who have the aforementioned status of Associated Person.

In particular, Associated Persons shall be subject to the arrangements for trading and the duty of disclosure provided for in Article 19 of the MAR and Article 4.3 of the Rules.

Moreover, the relationship that unites Associated Persons with persons with management responsibilities, and for which they are attributed this status, exposes them in a particularly intense way to the possibility of being recipients of inside information (as defined in the applicable regulations and in the Rules) of the Company and, in this connection, you are informed that:

1. Inappropriate use of inside information to which you may have access, as well as any breach of the other obligations provided for in the Rules may constitute a very serious infringement provided for in Article 282 of the consolidated text of the LMV, a serious infringement provided for in Article 295 of the aforementioned Law or an offence of abuse of inside information on the stock market provided for in Article 285 of Organic Law 10/1995, of 23 November, of the Criminal Code (the "Criminal Code").
2. Inadequate use of inside information, as well as any breach of other obligations under the Rules, may be penalised as provided in Articles 302 and 303 of the LMV and in Article 285 of the Criminal Code, with fines, public reprimands, removal from office and deprivation of liberty.
3. Inappropriate use of inside information, as well as breach of the other obligations under the Rules may be penalised in the manner provided for in Article 30 of the MAR and its implementing regulations.

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<sup>2</sup> Spouse or partner, dependent children, relatives sharing the same household for at least one year on the date of the transaction and legal person in which the person subject to these regulations has an executive or managerial position.



Finally, you declare that you have communicated as a Subject Person to the Associated Persons the existence and obligations of the Rules.

***Date***

***First Name and Surname(s)***

***Role / position***

***Signature***

**SCHEDULE 5**  
**PROTOCOL OF PROCEDURE FOR DIVULGING INSIDE AND RELEVANT**  
**INFORMATION BETWEEN COMPANY-MAIN SHAREHOLDER-**  
**ADVISORS**

<b>1. Communication of information from the company to the main shareholder</b>	
<b>General Principle</b>	<p><u>When the information is relevant, communication to the shareholder is not permitted</u> unless the same information is made available to all shareholders.</p> <p>Whether or not the information is relevant will be analysed on a case-by-case basis.</p>
<b>Restrictions and legal principles</b>	Communication of inside information <sup>3</sup> to third parties is prohibited (very serious infringement of the LMV; possible criminal offence).
	<p>The Company's directors and officers are subject to a duty of confidentiality that prevents them from providing information to a particular shareholder. Failure to comply with this obligation may give rise to liability actions brought by the company against the directors.</p> <p>All private information of the company will, in principle, be considered confidential, unless it is absolutely irrelevant to any external observer. However, this general principle has some exceptions (see below "<i>Exceptions to restrictions</i>").</p>
	The principle of equal treatment of shareholders prohibits directors and officers from engaging in discriminatory disclosure practices. There should be no unequal treatment with regard to the proper disclosure of information.
<b>Exceptions to restrictions</b>	<p>When permitted or provided by law, directly or indirectly, such as:</p> <p>Communication of the information necessary for the preparation of the financial statements; and</p> <ul style="list-style-type: none"> <li>- Communication of information required to meet disclosure requirements.</li> </ul>
	Where the information is necessary or appropriate for the unitary management of the group, provided that there is a common group policy (not common in listed companies).
<b>Precautions</b>	It is advisable to request and provide information in writing.
	It is advisable to make shared information subject to confidentiality commitments (i.e. the recipient of the information will undertake to keep it confidential).
<b>1.1 Provision of information at the request of the Company's shareholders or investors</b>	
<b>General Principle</b>	Communication of inside information to third parties is prohibited.
<b>Step 1</b>	Any request for information from a shareholder or investor to the Director, officer or employee of the Company (the "Contact Person") shall be forwarded to the Head of Investor Relations of the Company (the "Investor Relations Officer" or "IR Officer") (Mr Juan Gómez Vega - email: investor.relations@neinorhomes.com) Tel: 91 287 51 30.

<sup>1</sup>As a matter of principle, inside information is specific information, directly or indirectly related to the company or its securities or financial instruments, which is not public and which, if it were made public, could have or could have had a significant influence on the price of the securities in question. Confidentiality will be maintained, and its use is prohibited until it is made public in accordance with the law through the disclosure of a relevant fact.

Step 2	<p>The Investor Relations Officer will evaluate the request for information and consult with the Director of GRC, the Secretary of the Board and external legal advisors (internal: Mr Alvaro Conde Herranz - alvaro.conde@neinorhomes.com; external: Ms Silvia López Jiménez - Silvia.Lopez@fieldfisher.com Mr Gabriel Núñez - gabriel.nunez@uria.com; Mr Enrique Nieto - enrique.nieto@uria.com; Mr Andrés Alcalá - andres.alcala@uria.com) and determine whether or not such information is relevant.</p> <p>(a) <u>If the information is significant</u>, the IR Officer will check whether the information has already been made public or not.</p> <ul style="list-style-type: none"> <li>- If the information has already been made public, the response to that request must reproduce the public information or redirect the shareholder or investor to the website, register or document (relevant fact) in which that information is available.</li> <li>- If the information has <b>not</b> been made public (therefore, it can be considered "inside"), the request for information will be refused.</li> </ul> <p>(b) <u>If the information is not significant</u>, the request may be answered with appropriate explanations.</p> <p>The relevant response may be provided, once the above process has been completed and fulfilled, by either the Contact Person or the IR Officer.</p>
Step 3	<p>The IR Officer shall create a record which shall include:</p> <ul style="list-style-type: none"> <li>– The shareholder or investor requesting the information.</li> <li>– The date of the request.</li> <li>– The information that has been requested.</li> <li>– The steps that were taken to respond to that request.</li> <li>– Any information provided to the shareholder or investor.</li> </ul>
<b>2. Disclosure of information <u>by nominee directors to the shareholder they represent</u></b>	
<b>General Principle</b>	Information may be disclosed subject to the following restrictions and observations
<b>Relationship: main shareholder → Nominee director</b>	Directors must perform their duties as loyal representatives, in good faith, acting independently and in the best interests of the company.
	Nominee directors are not bound by the instructions of the shareholder they "represent" and will not assume any commitment to abide by their instructions.
	Shareholders may make recommendations or indications from nominee directors in relation to certain matters. It is up to the Director to evaluate and decide, in the company's best interests, whether or not to follow these recommendations or indications.
	In the event of non-compliance with the duty of loyalty, the Director must indemnify any damages caused to the company's assets and return any capital gains unjustly obtained.
<b>Relationship: Nominee Director → main shareholder</b>	The Directors shall not (i) disclose any information, data, reports or background to which they have access by virtue of their office, nor (ii) use the confidential information of the Company for private purposes.
	Nominee directors may communicate information to the principal shareholder provided that:

	<ul style="list-style-type: none"> <li>- the communication is justified by the ordinary performance of the position of nominee director and by the supervisory function thereof;</li> <li>- information is management information that is not normally relevant to "dispersed" shareholders<sup>2</sup>;</li> <li>- the information does not place the main shareholder in a privileged position (advantage) nor does it give the same an economic advantage over the rest of the shareholders;</li> <li>- there is a duty of confidentiality preventing the main shareholder from using the information or disclosing it to third parties;</li> <li>- there is no conflict between the interests of the company and those of the main shareholder; and</li> <li>- the nominee director does not foresee that the information will be used for purposes not in the corporate interest.</li> </ul> <p>In any event, the main shareholder shall not use the information to make personal or business decisions other than in the context of the company. The prohibition on inside information applies to the main shareholder.</p>
<b>2.1 Provision of information at the request of the Company's Directors</b>	
<b>General Principle</b>	Directors may request information on any matter under the authority of the Board and may therefore examine the books, records, documents and other documentation of the Board.
<b>Step 1</b>	<p>Requests for information shall be addressed in writing to the Secretary of the Board or, as the case may be, to the head of the Board, with a copy to the Secretary of the Board, who shall evaluate whether the information has been made public or not:</p> <p>(a) <u>In the event that the information has already been made public</u>, the response to such request must reproduce the public information or redirect the Director to the web page, register or document (relevant fact) where the information is available.</p> <p>(b) <u>In the event that the information has not been made public</u>, the Secretary of the Board shall forward the request to the Chairman of the Board of Directors with a copy to the appropriate person in the Company.</p> <p>The Chair will approve or reject the provision of relevant information and communicate his or her decision to the Secretary. The Chair may refuse to provide the information if he or she considers it appropriate: (i) that the information is not necessary for the correct exercise of the functions of the Director or (ii) that the cost of the information is not reasonable in view of the importance of the problem and the magnitude of the Company's assets and income.</p> <p>Once the Chair notifies the Secretary of his or her decision, the latter shall inform the Director of the Chair's decision and, if the communication of the information has been approved, of the confidential nature of the information requested and received, as well as the duty of confidentiality incumbent upon him or her by virtue of applicable legislation and the Rules of the Board of Directors of the Company.</p>
<b>Step 2</b>	The Secretary shall keep a record of requests for information and the steps taken.

<sup>2</sup> This means minority shareholders that are not grouped together (*dispersed shareholders*).

**SCHEDULE 6**

**TEMPLATES FOR DRAWING UP AND UPDATING**  
**THE INSIDER LIST**

## TEMPLATE 1

Insider list: section relating to [name of the inside information relating to a specific transaction or event]

**Date and time (of creation of this section of the insider list; i.e. the time when knowledge of this inside information was acquired):** [yyyy-mm-dd; hh:mm UTC (Coordinated Universal Time)]

**Date and time (latest update):** [yyyy-mm-dd; hh:mm UTC (Coordinated Universal Time)]

**Date of submittal to the competent authority:** [yyyy-mm-dd]

Name(s) of the person with access to inside information	Surname(s) of the person with access to inside information	Previous surname(s) of the person with access to inside information (if different)	Business telephone numbers (direct line and mobile)	Company name and address	Role and reason for having access to inside information	Obtained	End of access (date and time when the person ceased to have access to the inside information)	Date of birth	National identification number (if applicable)	Personal telephone numbers (landline and mobile)	Full home address (street, number, city, post code, country)

## TEMPLATE 2

**Date and time (of creation of the section on persons with permanent access to inside information):** [yyyy-mm-dd; hh:mm UTC (Coordinated Universal Time)]

**Date and time (latest update):** [yyyy-mm-dd; hh:mm UTC (Coordinated Universal Time)]

**Date of submittal to the competent authority:** [yyyy-mm-dd]

<b>Name(s) of the person with access to inside information</b>	<b>Surname(s) of the person with access to inside information</b>	<b>Previous surname(s) of the person with access to inside information (if different)</b>	<b>Business telephone numbers (direct line and mobile)</b>	<b>Company name and address</b>	<b>Role and reason for having access to inside information</b>	<b>Inclusion (date and time of inclusion of a person in the section on persons with permanent access to inside information)</b>	<b>Date of birth</b>	<b>National identification number (if applicable)</b>	<b>Personal telephone numbers (landline and mobile)</b>	<b>Full home address (street, number, city, post code, country)</b>