

*This document is a translation of an original text in Spanish. In case of any discrepancy between both texts, the Spanish version will prevail.*

## **RULES GOVERNING THE RIGHT OF ATTENDANCE, PROXY REPRESENTATION AND REMOTE VOTING**

### **RIGHT OF ATTENDANCE**

Shareholders may attend the General Shareholders Meeting whatever the number of shares they hold, provided that said shares are registered in their name in the corresponding book entry registry five days before the date on which the Meeting is to be held, and such registration duly proven on entering the venue of the General Meeting, within the two hours prior to the commencement of the Meeting, by means of the corresponding attendance card indicating the number of shares held and the number of votes which may be cast. The attendance card will be issued by the entities participating in Iberclear to the owners of the shares that are able to prove that their shares were registered five days prior to the date on which the Meeting is to be held.

For the purposes proving the identity of the shareholders, or of their proxy representatives, those attending may be asked, at the entrance to the venue where the General Shareholders Meeting is to be held, to prove their identity by providing their National Identity Card or any other unexpired official document generally accepted for these purposes, together with the attendance card.

Once the process of registering the attendance, proxy and remote voting cards has been finished, and the existence of sufficient quorum is established, the list of participants will be drawn up.

### **PROXY AND REMOTE VOTING**

#### **A. Right to proxy representation and delegation by remote means**

In accordance with the provisions of article 22 of the Articles of Association and 13 of the Regulations of the General Meeting, all shareholders with the right to attend may be represented at the General Meeting by another person, even if such person is not a shareholder in the Company, meeting the requirements and formalities laid down by the applicable law, the Articles of Association and the rest of the internal regulations of the Company.

The delegation of proxy representation must be completed and signed by the shareholder, subscribing the corresponding attendance card issued by the participating entity in Iberclear.

The proxy must exercise said representation by attending the Meeting personally and handing in the attendance card issued by the participating entity in Iberclear at the shareholder registration desk, at the place and date indicated for the General Shareholders Meeting, within the two hours prior to the beginning of the meeting.

Proxy representation is always revocable. The personal attendance of the represented person to the General Meeting shall be construed as a revocation of the proxy delegation. Likewise, the vote of the shareholder shall take precedence over the proxy delegation and, therefore, the delegations previously issued shall be deemed revoked and the ones subsequently granted as not effected.

*This document is a translation of an original text in Spanish. In case of any discrepancy between both texts, the Spanish version will prevail.*

A separate power of proxy representation must be granted individually for each General Meeting, in writing and may be granted by remote means of communication.

If voting instructions have been given by the represented shareholder, the representative shall cast the vote in accordance with such instructions and shall be obliged to preserve the instructions for a period of one year from the date of the Meeting.

There is no limit to the number of shareholders that a proxy may represent. A proxy who represents several shareholders may cast different votes, in line with the instructions given by each shareholder.

In any case, the total number of represented shares shall be counted for the valid constitution of the Meeting.

The documents granting proxy representation at a General Shareholders Meeting must include, at least, the following:

- (i) The date of the General Shareholders Meeting and the Agenda.
- (ii) The identity of the represented shareholder and the proxy.
- (iii) The number of shares held by the represented shareholder.
- (iv) Instructions regarding how the votes of the represented shareholder are to be cast with regard to each of the items on the Agenda, if appropriate.

The President of the General Meeting, or the persons designated through the mediation of the President, shall be understood to be empowered to determine the validity of the proxy representation granted and its compliance with the requirements for attendance at the General Shareholders Meeting.

The provisions of the two above paragraphs shall not be applicable when the proxy is the spouse, ascendant or descendant of the represented shareholder and proof is provided of such relationship, nor shall they be applicable when the proxy holds a general power of attorney granted in a public deed, includes powers to administer all of the estate of the represented person within the Spanish territory and a copy of such deed is provided.

When granted by remote means of communication, proxy representation shall only be valid if granted:

#### **1. By post or by delivery**

The attendance card issued by the participating entity in Iberclear, with the corresponding section duly signed and completed by the shareholder, must be delivered or sent to the registered office of the Company (Neinor Homes, S.A., calle Ercilla, 24, segunda planta, 48011, Bilbao). The proxy representation granted and the identity of the represented shareholder must be clearly detailed.

In case that the attendance card issued by the participating entity in Iberclear does not include the

*This document is a translation of an original text in Spanish. In case of any discrepancy between both texts, the Spanish version will prevail.*

section relating to the delegation of representative power or if the section is incomplete, the shareholder may use the attendance card provided to shareholders by the Company on its website ([www.neinorhomes.com](http://www.neinorhomes.com)). Said attendance card, duly signed, must be delivered to the Company by post at the address given in the previous paragraph, together with the corresponding attendance card, duly signed, issued by the participating entity in Iberclear.

## **2. By electronic communication**

Proxy representation granted by electronic means will be accepted as from March 9, 2018 through the Company's website ([www.neinorhomes.com](http://www.neinorhomes.com)), by accessing the representation section and following the procedure established therein.

To do this, it is necessary to hold a recognised electronic signature, under the terms laid down in Law 59/2003, of 19 December, on Electronic Signatures, which must be based on a recognised electronic certificate for which there is no record of its revocation and which (i) is a User Electronic Certificate issued by the Spanish public certification authority, CERES, of the Spanish national mint (*Fábrica Nacional de Moneda y Timbre*); or which (ii) is incorporated into an Electronic National Identity Card issued pursuant to Royal Decree 1553/2005, of December 23, which regulates the issue of National Identity Cards and electronic signature certificates.

## **B. Voting rights and the exercise of remote voting rights**

Shareholders with attendance and voting rights may cast their votes on the proposals made with respect to the items on the Agenda prior to the Meeting, by post or electronically, under the terms laid down in the law, in article 22 of the Articles of Association and articles 11.4 and 26 of the Regulations of the General Meeting.

### **1. Vote by post or by delivery**

In order to cast a vote by post, the shareholder must fill in and sign the attendance card issued in their name by the participating entity in Iberclear, in which the shareholder must specify the vote (in favour, against, abstention or blank), marking with a cross the corresponding box in the table which appears on the attendance card issued by the participating entity in Iberclear.

Once the corresponding section has been completed and the attendance card signed, the shareholder must deliver or send it by post to the registered office of the Company (Neinor Homes, S.A., calle Ercilla, 24, segunda planta, 48011, Bilbao).

In case that the attendance card issued by the participating entity in Iberclear does not include the section relating to remote voting or if the section is incomplete, the shareholder may use the attendance card provided to shareholders by the Company on its website ([www.neinorhomes.com](http://www.neinorhomes.com)). Said attendance card, duly signed, must be sent to the Company by post at the address given in the previous paragraph, together with the corresponding, duly signed attendance card issued by the participating entity in Iberclear.

*This document is a translation of an original text in Spanish. In case of any discrepancy between both texts, the Spanish version will prevail.*

## **2. Electronic voting**

As from March 9, 2018, the shareholder may also cast its votes by authorised electronic means, using the shareholder's legally-recognised electronic signature under the same terms as those laid down in point 2 of section A above, regarding the grant of proxy representation, and in section C, below. The vote should be cast through the Company's website ([www.neinorhomes.com](http://www.neinorhomes.com)) by accessing the designated section and following the procedure established therein.

## **C. General provisions regarding delegation and remote voting**

Valid proxies granted and votes cast by remote means of communication (postal or electronic) must be received by Company before 23:59 hours on the day immediately prior to the date on which the General Meeting is to be held, otherwise the proxy shall be taken not to have been conferred and the vote not to have been cast. After the expiry of this deadline, only votes cast in person at the General Shareholders Meeting by the shareholder or the person validly representing the shareholder will be allowed.

Proxy representative may only exercise the right to vote of the represented shareholder by personally attending the Meeting. On the day and at the venue of the Meeting, the proxy representatives, whether appointed by post or electronically, must identify themselves within the two hours prior to the commencement of the Meeting, by means of their National Identity Card or any other unexpired official document which is generally accepted for these purposes, in order for the Company to verify the power of representation granted, and providing a copy of the attendance card issued by the participating entity in Iberclear sent to the Company (by post) or of the electronic document which the shareholder completed on the website of the Company in order to grant such power of representation.

When the shareholder exercises the right to vote or grants power of proxy representation using remote means of communication, such actions must be recorded in the shareholder's name in the corresponding book entry registry at least five days in advance of the date on which the General Meeting is to be held.

Likewise, the validity of the proxy representation granted and of the remote vote will be subject (with the file provided by Iberclear) to a check of the status as a shareholder. In case of discrepancy between the number of shares notified by the shareholder granting proxy representation or casting a vote remotely and the number which appears in the book entry registry notified by Iberclear, the number of shares notified by Iberclear shall be considered valid for the purposes of quorum and voting, unless proof to the contrary is provided.

The power of proxy representation granted and the vote cast by post or electronically may be rendered without effect by express revocation by the shareholder. Such revocation must use the same mean as that used to grant the power of proxy representation or to cast the vote and must be exercised within the deadline established (this is, before 23:59 hours on the day immediately prior to the date on which the General Meeting is to be held).

*This document is a translation of an original text in Spanish. In case of any discrepancy between both texts, the Spanish version will prevail.*

A shareholder who grants power of proxy representation by electronic means undertakes to notify the designated representative of the granted proxy. When the power of proxy representation is granted to the President of the Board of Directors or of the Meeting, or to a Director, or to the Secretary or the Vice-Secretary of the Board of Directors of the Company, this notification shall be understood to have been given through the reception by the Company of the electronic delegation. The power of proxy representation must be accepted by the representative; otherwise, it shall not be considered valid.

Before its appointment, the proxy representative must inform the shareholder of the existence of any conflict of interest. If the conflict of interest arises after the appointment and the represented shareholder was not warned of its possible existence, the shareholder must be informed immediately. In both cases, if new, precise voting instructions are not received with respect to each of the items on which the proxy representative is to vote in the name of the shareholder, the proxy should abstain from casting a vote.

For the purposes of the provisions included in articles 523 and 526 of the Spanish Companies Act (Ley de Sociedades de Capital), it is put on record that the President of the Meeting, and other members of the Board of Directors, may be in a situation of conflict of interest with respect to (i) items Three (Review and approval, if appropriate, of the management and activities of the Board of Directors during the financial year ended on December 31, 2017), item Seven (Approval, where appropriate, of the amendment to the directors remuneration policy, applicable to the financial years 2017, 2018 and 2019), item Eight (Approval, where appropriate, maximum annual global remuneration of the directors in their capacity as such), item Ten (Consultative vote on the annual report on the remuneration of directors for the financial year ended on December 31, 2017) of the Agenda; and (ii) the cases described in sections a), b), c) and d) of article 526.1 of the Spanish Companies Act (appointment, re-election or ratification of directors, removal, separation or discharge of directors, the exercise of corporate liability action and approval and ratification of the transactions of the Company with a director) which may be tabled outside the Agenda, in accordance with the law. Furthermore, director Mr Alberto Prieto Ruiz may be in a conflict of interest situation regarding item Six of the Agenda (Ratification of the appointment and reelection of Mr Alberto Prieto Ruiz as director, with the category of independent director, for the statutory period of three years) and director Mr Juan José Pepa may be in a conflict of interest situation regarding item Six ter. (Appointment of Mr Jorge Pepa as director, with the category of proprietary director, for the statutory period of three years).

If the proxy has been validly granted pursuant to applicable regulations and the internal regulations of the Company but does not include instructions regarding the exercise of the vote or if there is any doubt regarding the identity of the representative or the scope of representative power, it shall be understood that (i) the delegation is made to the President of the Board of Directors, without prejudice to the stipulations below for cases of conflict of interest; (ii) it refers to all the items included on the Agenda of the General Shareholders Meeting, (iii) the vote is favourable to all of

*This document is a translation of an original text in Spanish. In case of any discrepancy between both texts, the Spanish version will prevail.*

the proposed resolutions by the Board of Directors; and (iv) it also covers the off-Agenda items which may arise, with respect to which the proxy shall abstain from voting, unless there are sufficient elements to judge that it would be more favourable to the interests of the represented shareholder to vote in favour or against such proposed resolutions.

Without prejudice to the provisions of the previous paragraph, in case the proxy representative is in a situation of conflict of interest, it shall be understood that the represented shareholder has also designated as successive joint and several representatives the President of the General Shareholders Meeting and, if the President is in a situation of conflict of interest, the Secretary of the General Shareholders Meeting and if, in turn, the Secretary is also in a situation of conflict of interest, the non-executive Vice-Secretary of the Board of Directors, if appointed.

Likewise, a shareholder who casts a vote by post or electronically and does not mark one or any of the boxes indicating the vote with respect to the items on the Agenda, it shall be understood that the shareholder wishes to vote in favour of the respective proposals made by the Board of Directors.

The rules of precedence between delegation, remote voting and personal voting at the Meeting are as follows:

- (i) The personal attendance at the Meeting of a shareholder or of the representative of the shareholder which is a legal person who has delegated a vote or who has already voted remotely, whatever the means used to cast the vote, shall cancel such delegation or vote.
- (ii) As a particular rule, a vote cast by any remote means of communication shall cancel any grant of proxy representation made electronically or by means of a printed card, whether prior, in which case it shall be taken to be revoked, or subsequent, in which case it shall be taken not to have been made.
- (iii) Both the proxy representation and the vote cast remotely shall lose all effect if, to the knowledge of the Company, the shares which carry the attendance rights have been disposed of.

The Company will provide shareholders with forms which they may use for proxy delegation and voting by post or remotely on its website ([www.neinorhomes.com](http://www.neinorhomes.com)) under the terms laid down in this announcement.

Any of the joint holders of depositary receipts for shares may vote, delegate and attend, and the rules of precedence established above shall be applicable among them. For the purposes of article 126 of the Spanish Companies Act, it is assumed that a joint holder who at any time attends, delegates or votes in the exercise of the rights of the joint holders does so by the designation of the rest of the joint holders.

In the case that the shareholder is a legal person, it must notify the Company of any modification or revocation of the powers held by its representative and, therefore, the Company shall bear no responsibility until such notification is given.



*This document is a translation of an original text in Spanish. In case of any discrepancy between both texts, the Spanish version will prevail.*

Shareholders hold exclusive responsibility for the custody of their own electronic signatures.

The electronic document completed by the shareholder on the Company website, authorised with the shareholder's recognised electronic signature, shall be taken as a copy in unalterable electronic format of the attendance card and proxy delegation for the purposes of compliance with the provisions of the Regulations of the General Meeting and of the Articles of Association for the delegation of representation and the electronic casting of votes.

The Company reserves the right to modify, suspend, cancel or restrict the remote voting and proxy delegation mechanisms should technical or security reasons so require or oblige. Likewise, the Company reserves the right to request such additional identification means as it deems necessary in order to guarantee the identity of participants, the authenticity of the vote and of the proxy representation granted and, in general, the legality of the acts of the General Shareholders Meeting.

Neinor Homes, S.A. shall bear no responsibility for any damages which may be caused to the shareholder as a result of breakdowns, overloads, fallen lines, connection failures, malfunction of the postal service or any other eventuality of the same or similar nature which is beyond the control of the Company, and which prevent the use of the remote proxy delegation and voting mechanisms.

With respect to shareholders which are legal persons, when the postal service is used to grant representation remotely to a third party or to vote remotely, at the request of the Company, it must send, together with the rest of the documentation required under these rules, a copy of the power of attorney of the physical person who, in the name of and representing said shareholding legal person, grants power of representation to a third party or exercises the remote vote.

Shareholding legal persons and non-residents in Spain should consult the department for Investor Relations ([investor.relations@neinorhomes.com](mailto:investor.relations@neinorhomes.com)) in order to consider the possibility, if appropriate, of adapting, with all due guarantees, the remote voting and representation mechanisms to their particular situations.

Likewise, if the shareholder is a legal person, it must communicate to the Company any modification or revocation of the powers held by its representative and, therefore, the Company shall bear no responsibility until such notification is given.

The computer programs used to exercise the right to vote and for delegation by electronic means will be operative as from March 9, 2018 and will close at 23:59 hours on the day immediately prior to the date on which the General Meeting is to be held. For these purposes, the Company shall implement an electronic dating system, through a third party and with an objective time source (time stamping) to certify the moment at which the vote and/or electronic representation was received, as well as, if applicable, the acceptance or rejection of the same.

### **PROTECTION OF PERSONAL DATA**

The personal data provided by shareholders to the Company for the exercise or delegation of their voting and attendance rights at the General Meeting or which are provided for these purposes by the

*This document is a translation of an original text in Spanish. In case of any discrepancy between both texts, the Spanish version will prevail.*

banks and stock agencies and companies in which the shares of the shareholders are deposited or under custody, or by the entity which is legally entitled to keep the register of book entries, Iberclear, shall be processed by the Company for the purpose of managing the development, fulfilment and control of the current relationship with shareholders (in particular, but not limited to, the organisation, convening and holding of the General Meeting). For these purposes, the data will be incorporated into files for which Neinor Homes, S.A. is responsible. The data may be communicated to the Notary attending the General Meeting, and to those third parties who have a recognised right to the information under the law, or may be made accessible to the public to the extent that it appears in the documentation available on the Company website or is provided at the General Meeting, which may be recorded in video and publicly distributed on said website. By attending the General Meeting, shareholders give their consent to such recording and distribution.

The owner of the data will, in any case, and when this is legally applicable, have the right to access, rectify, challenge and cancel the data collected by Neinor Homes, S.A. Such rights can be exercised, in accordance with the provisions of Constitutional Act 15/1999 of December 13 on Personal Data Protection, by written communication (enclosing a photocopy of the National Identification Number or other identifying document) to the attention of the Responsible for Personal Data Protection (Responsable de LOPD) of Neinor Homes, S.A. – Calle Ercilla 24, 48011 Bilbao, or through email ([lopd@neinorhomes.com](mailto:lopd@neinorhomes.com)).

In the case that the attendance card includes personal data referring to physical persons other than the holder, the shareholder must inform them of the contents of the above paragraphs and comply with any other requirements which may be applicable for the legal assignment of personal data to the Company, without the need for the Company to take any further actions.

\* \* \*