

Manual

of Crime Risk Prevention of Neinor Homes

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Other references	<p>General State Prosecutor's Office; Circular 1/2016 on the criminal liability of legal entities under the reforms of the Criminal Code by Organic Law 1/2015 and Organic Law 1/2019.</p> <p>Judgments on criminal liability of legal entities.</p> <p>Laws: 231/2001 Italy; PSg80 Germany; UK Bribery Act; US Foreign Corrupt Practices Act; United States Sentencing Guidelines for Organizations; draft of King IV South Africa; UNE 19601 "Systems of Management of Criminal Compliance".</p>
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Executive Summary	<i>This Manual details the principles for the management and prevention of crimes within Neinor Homes, and the structure, elements and functioning of the Crime Risk Prevention model, in relation to Organic Law 1/2015 and 1/2019, of the Reforms of the Criminal Code.</i>

This is a literal translation of the Manual drafted in Spanish, provided for reviewing purposes. In the event of any conflict or inconsistency between the English and Spanish versions, the Spanish version shall prevail.

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1. INTRODUCTION

1.1. Crime Risk Prevention Model

This Crime Risk Prevention Manual (hereinafter the “Manual”) details the principles of management and prevention of crimes within Neinor Homes, and the structure and functioning of the Control and Monitoring Committee, in relation to Organic Law 1/2015 and 1/2019, of the Reforms of the Criminal Code.

This Model has been analyzed in depth, but its main objective is to strengthen and bring forward the establishing of a true culture of compliance and business ethics. For this reason, it is an additional instrument within the comprehensive monitoring system that Neinor Homes has set up to comply with the law in general, and as the best expression of this, with criminal law.

Neinor Homes currently has procedures and controls designed to prevent the commission, by all employees and persons working for the Company, of acts and conducts that could be classified as unlawful criminal acts. This Manual seeks to adapt the procedures and controls that Neinor Homes has already been applying to the latest regulatory developments, in order to bring them in line with the prevention of risks of criminality.

In order to systematize this Manual, an analysis of crime risk has been conducted, taking into account the Company’s controls and procedures, and the theoretical risks of criminality to which Neinor Homes processes might be subject based on the activities pursued, the nature of its transactions and the economic sector in which they are performed.

As a response to the above, the Crime Risk Prevention Model has been developed, which aims for on-going evaluation of the implementation of the Manual, with periodic checks on the efficacy of existing controls, and changes to the same, to provide a general picture of its criminal risks prevention model, and so the necessary measures can be taken to ensure they are adequate and efficacious. Such policy is supervised by the Control and Monitoring Committee, the responsibilities of which are set out below in [Section 3.2](#).

1.2. Scope

This Manual defines the criteria and procedures to be followed in Neinor Homes. Listed in [Annex 1](#) are the company, tax and registry data of Neinor Homes, S.A., and the corporate purpose and Company Tax ID Code (CIF) of its subsidiaries, to which the provisions of this Manual are equally applicable. Hereinafter references to “Neinor Homes” or “the Company” must be deemed to refer also to its subsidiaries.

The principles, values and controls contained in this Manual are applicable to:

- a. The legal representatives and directors in fact or in law of Neinor Homes, as well as those who, acting individually or as members of a body of Neinor Homes, are authorized to take decisions in the name of the legal entity or have control and organizational powers within it (hereinafter the “Executives”).

- b. Those persons who are subject to the authority of the legal representatives and directors of the company (hereinafter the “Employees”)
- c. All those legal entities or individuals who may directly or indirectly be subject to control or supervision by Neinor Homes.

The directors, representatives, employees and all persons providing their services in Neinor Homes are therefore within the scope of application of this Manual. It will also be applicable to agents, professionals and entities subcontracted, employed in work experience and interns, provided that in these cases Neinor Homes exercises control or supervision.

There must be no confusion with regard to persons who are linked as temporary or permanent fixed employees with the legal entity itself, as the concept “employees” appears to refer to, since the legal reference of Art. 31 bis 1 b) of the Criminal Code is considerably wider. In this connection the Criminal Code only requires the existence of a dependent, subordinated or submissive relationship between the individual committing the crime and the representatives or directors of the legal entity (the “Executives”), such that this is not a case of a legal or similar relationship with the legal entity itself, but rather a vertical link with other individuals, specifically those that are actors in the life of the company, and those to which we have made reference in the previous section.

Since the criminal conduct must be committed within the scope of the activity of the legal entity, the employment link with the latter will be the habitual relationship from which the dependent or subordinate relationship required by Art. 31 bis is derived; however, one cannot rule out other links involving a hierarchical dependence or submission or control, whether in the nature of an employment relationship or one of services, whether permanent, temporary or sporadic, or for the performance of a specific task, or with another form or cause, or type of remuneration received, provided the hierarchical dependence referred to is present, giving rise to a hypothetical possible inclusion within the regime relating to criminal liability of legal entities.

In the case of subcontracted businesses or professionals, those in charge of the Crime Risk Prevention Model will have to evaluate whether those in which (i) functions pertaining to the Company’s business are outsourced (ii) functions are performed with direct supervision by or under the direct control of the Company or (iii) those with respect to which the Company is its main customer, are subject such that the adoption of the principles of this Manual can be required of them.

Given all of the above, compliance with the principles of this Manual must be expressly guaranteed in the corresponding agreement with the subcontracted business or professional.

1.3. Objectives

The main objective of the Manual is to define rules for action and conduct governing the Company’s business, as well as the control systems it has implemented, in order to prevent the commission of crimes specified in the Criminal Code.

To this end, Neinor Homes bases the prevention of crimes on the preventive controls on which risk control is based, without prejudice to specific measures detected in relation to possible specific risks identified. Neinor Homes thus has fundamental rules, applicable to all personnel, on the basis of which the criminal risk control system is structured and implemented.

The main objectives of this Manual are as follows:

- a. To generate a true compliance and business ethics culture within Neinor Homes.
- b. To optimize and facilitate ongoing improvement of the crime risk prevention system in the Company.
- c. To set up a structured and flexible control and prevention system designed to reduce the risk of commission of crimes.
- d. To inform all legal representatives, executives and the rest of the personnel of Neinor Homes of the importance of compliance with our policies and the adoption of the ethical principles contained therein, so that they carry out their professional duties correctly.
- e. To inform all legal representatives, executives and the rest of the personnel of Neinor Homes that a breach of the rules contained in this Manual will mean the imposition of the opportune measures contained both in applicable employment legislation and in the specific Collective Agreement.
- f. To put on record expressly and publically that Neinor Homes completely condemns any kind of illegal behavior, stressing that in addition to being against the law, it is contrary to the ethical principles of Neinor Homes, which are established as key values of the Company in attaining its business objectives.
- g. To bring in line the existing control measures with the processes so that, if there is a risk of the commission of any crime, Neinor Homes can act quickly, both in terms of prevention and intervention.

1.4. Methodology used

The steps to follow in the design and in the Crime Risk Prevention Model are those described in the following sections:

1.4.1. Identifying risks

The crime risks of Neinor Homes have been initially identified through meetings with the evaluators/those in charge in the various departments, giving a general presentation of Organic Law 5/2010 of 22 June, amending Organic Law 10/1995, of 23 November of the Spanish Criminal Code, as well as the action to take in implementing a Crime Risk Prevention Model.

Subsequently, together with the evaluators/those in charge in the various departments, those activities that have a greater exposure to the commission of the crimes specified in the above-mentioned law have been identified, to thus enable the risk events to be described and incorporated in the “Controls and Risks Master Document”.

The identification, evaluation and update of the risks must be done annually.

1.4.2. Identification of key controls and principles of conduct

Neinor Homes has identified a series of policies/procedures and controls that are key to mitigating the risk of the commission of a crime, which are incorporated in the “Controls and Risks Master Document”.

The identification of the controls must be updated annually, as an inseparable part of the risk review exercise.

In addition, principles of conduct have been identified which, while not yet having the preventive or detecting capacity of the controls, have been designed with the objective of guiding the actions of all personnel of Neinor Homes in order to prevent crimes.

1.4.3. Identification of evidence

Once the key controls have been identified, those in charge of the controls must have evidential support to back up a decision as to whether such controls have been implemented and function as they have been designed to do, i.e. they will keep adequate evidence to determine the effectiveness of the Crime Risk Prevention Model.

This evidence must be appropriate and sufficient, appropriate evidence being deemed that which complies with three characteristics: evidence that is relevant, reliable and objective.

In determining whether the information used to evaluate a specific control is adequate, its validity in terms of a criminal proceeding must be considered.

The Controls and Risks Master Document includes the description of the risk events, the associated controls to detect and mitigate these risks and the evidence that such controls have generated.

2. ELEMENTS OF THE CRIME RISK PREVENTION MODEL

2.1. Basic elements

The main elements of Crime Risk Prevention Model are the following:

- Governance: Monitoring and Control Committee
- Internal and external legislation:
 - ✓ Code of Ethics (Principles and values)
 - ✓ Principles and values
 - ✓ Behavioral principles (general and specifics)
 - ✓ Controls (general and specifics)
 - ✓ Value channel and procedures
- Ethical Channel
- Disciplinary system

2.2. Integrated Control System

The Crime Risk Prevention Model, although it has been subject to an individualized analysis for its implementation, forms part of the company's integrated control system as a whole and makes no sense if we see it only as a series of independent policies, controls and protocols.

This control model in Neinor Homes is called the “Integrated Control System” (“*Sistema Integrado de Control*”) and is referred to internally by its initials ICS (“*SIC*”).

The company has not developed this model to avoid a possible penalty under criminal law, but rather aiming to continue to strengthen the company’s integrated control system (ICS) and pursue and promote a true business ethics culture promoting the company’s ethical values and contributing to the establishing of a legal compliance model (which includes the criminal law part). The commitment of Neinor Homes to legal compliance is wholehearted and, there being no legislation more extreme than criminal law, compliance with such law represents the greatest obligation in relation to legal compliance.

2.3. Foundations and structuring of the prevention model

The company’s main aim in designing and implementing the entire compliance structure is education of and dissemination to the entire workforce of a business culture based on honesty, respect and abiding by and complying with the law in force.

Given the above, the protocols, policies and controls established have not been circumscribed solely to avoid events through which Neinor Homes might directly benefit in financial terms, but rather it has been taken into account that Neinor Homes could benefit both directly and indirectly.

In addition, such benefit has been given a broad definition, i.e. encompassing financial benefit, the obtaining of strategic or competitive advantages, advantages to reputation, improvement in image, brand, etc., all of which when obtained by an illegal activity.

Finally, although for many crimes it is difficult to identify if third parties have incurred loss, it must not be forgotten that in many of the cases analyzed in which the injured party appears to be exclusively the company, injured third parties and other customers or providers could appear, due to loss of commercial opportunities or the prevention of bids, or the employees of Neinor Homes themselves where their careers are closely aligned with the company’s progress.

In this way in addition all those activities subject to criminal liability have been included, even if at first glance injured third parties cannot be clearly identified, and the only injured party in principle appears to be Neinor Homes.

2.4. Pillars of the model

Set out below are the main areas and aspects making up the Crime Risk Prevention Model.

- Code of Ethics
- Risk analysis
- List of crimes with a risk of criminal liability for Neinor Homes
- Risk events or activities
- Training and communication channels

- Liability model
- Controls and conduct principles
- Disciplinary arrangements

2.4.1. Code of Ethics

Our Code of Ethics and Crime Risk Prevention Manual are our main source and a reflection of how the conduct of the entire workforce of Neinor Homes should be regulated. They have been communicated to and received by the entire workforce, and periodic training is also given for better comprehension and understanding.

Our Code of Ethics is delivered to our main customers and suppliers, and to new employees, also including clauses accepting the same in the agreements. Additionally, it is posted on the Neinor Homes website for consultation by all interested parties.

2.4.2. List of crimes with a risk of liability for Neinor Homes

The purpose of Organic Laws 5/2010, 1/2015 and 1/2019 all of them, Reforms of the Criminal Code, have to pursue an effective campaign against the new crimes developing in our society.

Article 31.1 bis of the Criminal Code governs the liability of legal entities for:

1. Crimes committed for or on behalf of the legal entity, and benefitting it, by its legal representatives and directors in fact or in law.
2. Crimes committed, when exercising company activities and on behalf of and to the benefit of legal entities, by those who, being subject to the authority of individuals with management powers, have been able to commit punishable acts, because effective control has not been exercised over them, given the specific circumstances of the case

To arrive at the list of crimes with a potential risk for Neinor Homes the following exercise has been performed:

1. We have obtained an ad hoc report on corporate criminal liability adapted to the reality of Neinor Homes in view of its business and transactions, prepared by an independent expert, with a preliminary analysis of risks and activities with the potential for criminal liability.
2. We have checked the above list against specialist industrial publications to analyze which activities or crimes are given particular importance in corporate crime prevention systems.
3. We have prepared, with the above information, a definitive list of crimes (or crime groups) with a potential risk of commission by in Neinor Homes.

In accordance with the above, the groups of crimes that, according to the new wording of the Criminal Code, can engender criminal liability for legal entities in the manner established in Article 31.1 bis of the Criminal Code and that could be applicable to Neinor Homes, are set out in the following list.

- a. Crime of bribery. Art. 419 et seq. C.C.
- b. Crime of private corruption. Art. 286 C.C.

- c. Fraud. Art. 248 et seq. C.C.
- d. Crime of misleading advertising. Art. 282 C.C.
- e. Crimes of discovery and disclosure of company secrets. Art. 278 C.C.
- f. Crimes against the Treasury and against the Social Security System. Art. 305 et seq. C.C. and subsidy fraud. Art. 308 C.C.
- g. Crime against Tax. Art. 310 C.C.
- h. Punishable insolvency. Art. 257 et seq. C.C.
- i. Crimes against natural resources and the environment. Art. 325 et seq. C.C.
- j. Crimes relating to industrial and intellectual property. Art. 270 et seq. C.C.
- k. Crime of computer damage. Art. 264 C.C.
- l. Crimes against personal and family privacy. Art. 197 C.C.
- m. Crimes against manipulation of prices, spreading news or fake rumors and deceptive signal transmission, Art. 284 C.C.
- n. Crimes against using of inside information, Art. 285 C.C. and disclosure of confidential information, Art. 285 bis C.C.
- o. Planning crimes. Art. 319 et seq. C.C.
- p. Crime of divulging trade secrets. Art. 278 et seq. C.C.
- q. Illegal immigration crimes. Art. 318 bis C.C.
- r. Crime of money laundering. Art. 301 C.C.
- s. Crime of illegal financing of political parties. Art. 304 bis and ter C.C.
- t. Crimes against workers' rights. Art. 311 et seq. C.C.
- u. Crimes against embezzlement committed by individuals. Art. 435 C.C.

2.4.3. Risk events or activities

Having prepared the above list, we have conducted the exercise of defining key personnel of the company of areas or with roles with the widest possible range of profiles, in order to cover, as far as possible, the entire operative reality of Neinor Homes.

This list of personnel was provided with files on crimes (or groups of crimes) in order to specify risky activities with the possibility of the commission of any of these crimes in Neinor Homes through the above-mentioned activities.

Everyone who participated in this exercise was also asked to define the job positions of those who might perform the above-mentioned activities with a potential risk of criminality.

Information was also requested about whether, prior to preparing this manual and the whole criminal risks prevention model, any control exists to prevent the risk of crimes being committed, and if this control is efficient or could be improved.

With this list of activities with the potential risk of causing the commission of crimes and criminal liability, other similar models were considered in order to identify if our systematic approach could have given rise to any important omission. In this way risk activities that were not initially identified in the internal analysis exercise could be included.

The risk events are recorded and continuously updated in the “Controls and risks matrix”, an external document in Excel format which forms part of the Integrated Control System for regulatory compliance issues.

2.4.4. Training and communication channels

Existing communication channels arise in the following way.

- From the organization to the whole workforce, through
 - Communication of implementation of the model.
 - Annual training on the new developments and updates to the model, and on the content of the same and control and conduct obligations it generates.
- A confidential and anonymous ethics channel is set up, the protocol for which is included in the Code of Ethics itself and the purpose of which is to serve as a way of reporting breaches of the law and of our conduct rules, principally the Code of Ethics, but also the protocols described in this Manual. This channel is published on our webpage and is included in the clauses of the main agreements signed by the company. Given that the channel is open both to internal and external communications, it serves to provide all our possible interested parties a way of making any kind of reporting of breaches.
- The training courses will specifically stress that the internal audit and compliance departments are entirely available to any employee at any time for a formal or informal communication.

2.4.5. Liability model

Liability for compliance with the criminal prevention model covers the entire organization.

Those responsible for the development and supervision of controls are described in the control and risks matrix. Following the usual naming protocols in this area, we are calling this level of supervision the first line of defense, in which the person responsible for performing the control and the person responsible for supervision are identified.

A monitoring and supervision layer are established from those in charge of compliance which, by a rotational system, will supervise the performance and efficacy of the model, and which forms the second line of defense. The Compliance Officer is responsible for the development and implementation of the compliance model, for its communication and update with regard to the risk events identified and the protocols and controls implemented.

A verification level is established in relation to compliance by the above levels from the Internal Audit Management, which we will call the third line of defense and which is included in the Internal Audit Annual Plan.

In addition, the committee for monitoring and control of criminal risk prevention is set up. The details of this committee, its functions, organization and members are listed in [Section 3.2](#).

Finally, the ultimate responsibility for the prevention model, its contents, functioning and supervision, falls to the Board of Directors, the ultimate body guaranteeing the entire structure for surveillance and prevention of crime, which in addition ratifies and approves this model, as described in the last section of this document, [Approval of the Manual and record of changes](#).

Both will report once a month annually to the Control and Monitoring Committee on the supervision activities performed.

There are more details on the whole liability and supervision scheme in [Section 3](#) of this Manual.

2.4.6. Controls and conduct principles

Conduct and control principles have been developed as an element of specific or general prevention of activities with risk. All of these can be either generic, to avoid any kind of criminal activity, or specific, designed for the prevention or detection of specific crimes and included in the controls and risks matrix of the ICS.

The principles of conduct are described in [Section 9](#) of this Manual, and the controls are described generically in [Section 8](#) and are detailed in the Controls and Risks Master Document.

2.4.7. Disciplinary system

Finally, the disciplinary system is described in [Section 4](#), as well as the disciplinary procedure in the event of detection of a breach of the policies described in this document.

3. INTERNAL ORGANIZATION WITH REGARD TO CRP

3.1. The Board of Directors

The company's Directors, as well as senior management, are the guarantors of compliance with the Integrated Control System established. In this connection, they have ultimate responsibility for personnel, third parties etc.

Directors' duties are the existence and supervision of the correct functioning of the model with due diligence and efficacy; for this and as evidence of their commitment they perform the following:

- They approve the Crime Risk Prevention Manual in the Board of Directors, to include chiefly the protocols, channels of communication, procedures and controls of the model, as well as the analysis of risks performed and the disciplinary measures envisaged.
- The setting up of an independent body is ratified, formed by authority of the CEO of Neinor Homes, called the Control and Monitoring Committee in relation to crime risk prevention, which coincides with the ethical committee described in the code of ethics of Neinor Homes.

- They provide the company with the human and material resources to ensure the model's compliance, and it is stressed that they must be independent and directly answerable to the Control and Audit Committee.
- They supervise model compliance through the communication established to this effect between the Audit Committee and the Internal Audit and Compliance departments.

3.2. Control and Monitoring Committee

The CEO of Neinor Homes approves and designates the Control and Monitoring Committee on 14th of January of 2016, as the body entrusted with promoting and coordinating the activity of implementation, supervision and control of the Crime Risk Prevention Model. Subsequent modifications of its members shall be approved by the Monitoring and Control Commission.

The members of this body must be aware of all the details of the activity of the business, also having the necessary authority and independence to guarantee the credibility and binding nature of the decisions made. They will also treat all the information they have with maximum confidentiality.

The Control and Monitoring Committee will organize a periodic six-monthly meeting, as well as any other extraordinary meetings it deems appropriate, if it detects a situation that requires it. Likewise, any other additional meetings will be held that may be called by any of its members, in order to exercise the functions specified in the Risk Prevention Manual and to adopt any measures deemed necessary.

3.2.1. Functions

The Control and Monitoring Committee must comply with the following functions as the internal body responsible for compliance and content of this Manual:

- a. Monitor the measures adopted within the framework of crime prevention and evaluate whether they are sufficient.
- b. Analyze and evaluate the measures or actions to take after receiving any kind of communication in the established channels.
- c. Inform at least every year the Neinor Homes Control and Audit Committee on what activities have been performed.
- d. Guarantee the dissemination of the principles of the Manual in the Company. Promote and control initiatives designed to disseminate the knowledge and understanding of the control system.
- e. Coordinate the internal work on supervision of the functioning of the prevention model.
- f. Analyze the legislative changes and other new developments that might affect the prevention model.
- g. Approve changes to this Manual and evaluate the scope of such changes in order to present the new versions to the Board of Directors for ratification.

The Control and Monitoring Committee will establish and maintain adequate procedures so that those responsible for the key business areas:

- Know the criminal risks and risk events within the area they are responsible for.
- Validate the policies and procedure applicable to them.
- Supervise all controls designed to manage or mitigate the risks affecting them.

3.2.2. Composition

The Control and Monitoring Committee of the Crime Risk Prevention Model is set up as a joint body composed of the Heads of the following areas:

- a. Legal Advice
- b. Compliance
- c. Human Resources
- d. Internal Audit

The members of this body will always act professionally, maintaining their autonomy and independence from the business they supervise. They will also treat all information available to them with the maximum confidentiality.

It is important to note that in order to guarantee the maximum efficacy of its activity the Committee will have free access to all documentation of Neinor Homes that may be useful to them. Equally the Control and Monitoring Committee may resort to experts to perform its functions where necessary because of the specifics of the area concerned or to maintain their independence from the review activities.

3.3. The Compliance Officer

The Compliance Officer has the following duties:

- Monitor the controls established in the Crime Risk Prevention Model and, in general, compliance with this Manual.
- Propose to the Control and Monitoring Committee any additional measures he/she deems appropriate to guarantee due compliance in the organization with the Crime Risk Prevention Manual and, in general, compliance with the objectives indicated in it.
- Communicate to the Control and Monitoring Committee any breaches of the policies detected when carrying out his/her duties.
- Prepare an annual report on the reviews performed, improvements, recommendations and a plan of action, and present it to the Control and Monitoring Committee for its information and ratification.

To this end, the Compliance Officer will have the duty to:

- Plan and execute any reviews to be done to check if the controls existing within the organization are sufficient and efficacious, i.e. whether they reasonably mitigate the risk.

- If breaches are detected, propose plans for rectifying the situation.
- Monitor and report to the Control and Monitoring Committee compliance with such plans.
- Present to the Control and Audit Committee proposals for changes to this Manual.

The scope of evaluation of the Crime Risk Prevention Model must be updated on a yearly basis and there must be testing of all the areas of Neinor Homes at least every three years from approval of the procedure, to guarantee the operational viability of the model.

3.4. Persons Responsible for Controls

Persons Responsible for Controls identified in the Controls and Risks Master Document will be those entrusted to ensure that:

- The procedures/policies related to their department have been followed.
- Controls relating to their department have been performed.
- There have been changes to the control activities; only appropriate changes need to be indicated.
- All incidents identified have been resolved and communicated to the appropriate level, where necessary.

4. DISCIPLINARY SYSTEM

To efficiently implement the rules and principles of this Manual will require an adequate disciplinary system, which will be configured in the form of the internal procedure protection tool.

The system of penalties must be proportionate with respect to the violation of rules detected, mainly based on two criteria:

- Seriousness of violation of rules.
- Type of relationship with and hierarchical position in Neinor Homes of the infringing person.

In this connection, two breaches of the policies included in this Manual are established:

- Breaches of performance or supervision of controls detected by the control supervisor, the Compliance Officer or by the Internal Audit Department in reviews of the same, establishing that:
 - The first incident will be grounds for a written warning given to the infringing person, with a report of the same to the General Management concerned.
 - A second incident will mean a penalty set in the company's variable remuneration policy, and
 - Recurrent reiteration in the non-performance of controls will give rise as a consequence to an in-depth analysis of the situation by the control committee and the

relevant general management, which could lead to the termination of the employment contract.

- Breaches that directly involve the commission of a crime will always be matched by an analysis of the situation and, based on the willful misconduct, knowledge and intent of the person committing it, may involve termination of the employment contract.

5. PROTOCOL FOR ACTION WHEN FACED WITH A CRIMINAL ACT

The purpose of the protocol is as guidance tool for Neinor Homes for actions to take in cases where there is evidence that its executives, employees or those working for it are engaged in conduct that could be deemed criminal. Application of the same, together with the controls in force, will allow the following objectives to be attained:

- It will serve as a method of reacting against crimes that may be committed in Neinor Homes, at all times demonstrating cooperation with court authorities, attempting to ensure the validity of evidence within the framework of a court proceeding.
- Accreditation within the framework of a court process that efficient preventative arrangements have been set in place in Neinor Homes in relation to those criminal acts that could be committed in its business area.
- Accreditation within the framework of a court proceeding the exercise of due control over employees and persons working for the company, designed to avoid such persons committing criminal acts.
- Strengthening of the corporate image of Neinor Homes.
- In the event that a risk event results in criminal conduct within Neinor Homes, it is foreseeable that this will become known through the following methods specified in this section.

5.1. Knowledge through Ethics Channel or alternative ways facilitated by the Company

Any personnel who have indications or suspicions of the commission of any crime, or of the breach of any of the principles and values recognized in the Code of Ethics and the policies of the Company, of which this Manual is a reflection, must report this to the Control and Monitoring Committee through the Ethics Channel set up for this purpose in the Code of Ethics, or directly to the Control and Monitoring Committee.

All of these reports will be dealt with confidentially, protecting the identity of the reporting person, without prejudice to legal obligations and the protection of the rights of those who have been reported in the case of a false report.

The channel for such reports, which may be anonymous, is through the portal set up for this purpose on the corporate website: <https://neinorhomes.integrityline.com/frontpage>

Reporting through this channel may flag up any criminal activity or conduct or activity that contravenes the principles established in the Business Conduct Principles or those specified in the Crime Risk Prevention Manual.

In compliance with current rules on personal data protection, the data generated as a consequence of the use of the Reporting Channel will become part of a file controlled by Neinor Homes with high level of security, whose purpose is the management of the complaints filed by the interested parties. Personnel will have the possibility of exercising their rights by written communication to the above-mentioned channels.

A report on a possible criminal act, via Ethics Channel, or through the various methods made available to the employees by the Company, among which is the direct notification to the Control and Monitoring Committee, will be received in those cases where the Control and Monitoring Committee has knowledge of a criminal act, Neinor Homes having established a non-tolerance of such conduct and the duty of all employees to report the same.

In this case, the following procedure will be followed, which has been set up in Neinor Homes, from receipt of the report by the Control and Monitoring Committee, which will take whatever action may be necessary to check the truth of such report, with relevant legal advice in any event:

1. The complainant shall select the type of communication he/she wishes to make and shall relate the event reported, either in writing or by means of a sound recording.
 - He/She can enter his/her contact details or make the complaint anonymously, by ticking the box "I want to send an anonymous communication" and creating a password to access the secure communication mailbox, in order to communicate anonymously with the managers of the Ethics Channel.
2. Once the complainant has made the communication, he/she will immediately receive an acknowledgement of receipt indicating its correct reception together with the code to be used to access the secure communication mailbox, where he/she may be informed of the progress or results of the investigation being carried out or, if necessary, will be asked for additional information.
3. Once the report has been received, to which the platform automatically assigns an identification code, the management of the report begins, which consists of the following phases:
 - a. Classification according to the type of communication and whether it is admissible or if it is a communication not managed through the Ethical Channel.
 This phase will end with two possible decisions, which must be recorded in writing:
 - Dismissal or rejection of the complaint, replying to the informant and filing it.
 - Beginning of the investigation process.
 - b. Investigation and processing: In the case of a well-founded complaint, the Monitoring and Control Committee, with the collaboration of the external and/or internal bodies it deems appropriate, will carry out a preliminary analysis of the complaint to verify the verisimilitude of the reported facts.
 This phase will end with two possible decisions:

This is a literal translation of the Manual drafted in Spanish, provided for reviewing purposes. In the event of any conflict or inconsistency between the English and Spanish versions, the Spanish version shall prevail.

- File the report, noting the cause and communicating it to the informant.
- Initiate the investigation process, in which the persons under investigation may be informed of the existence of a communication about them and the summarized content thereof, respecting at all times the right to be heard and allowing them to state the facts they consider relevant and to provide evidence that may prove their innocence in the face of the facts reported.

In no case shall the persons under investigation be allowed to know the identity of the informant, nor the full content of the communication or any other information that could reveal the identity of the informant.

The maximum duration of the investigation proceedings may not exceed three months from the moment of receipt of the communication, except in cases of special complexity in which this period may be extended by up to another three months.

- c. Once the investigation process has been completed, the conclusions will be reflected in a report prepared by the Governance, Risk and Compliance, Internal Audit and Sustainability department, which will be forwarded to the CEO or the appropriate Senior Management to assess the facts reported and the proposed measures.

Once the resolution of the investigation has been produced, it shall be communicated to the parties involved.

Neinor Homes guarantees that no action will be taken against those who report or against their interests, unless, after a detailed examination within the Control and Monitoring Committee, it is deemed that such report is made in bad faith, merely with the intention of sullyng the professional reputation or the good name of the persons reported or with manifest falsehood in the facts reported.

5.2. Knowledge of the criminal act by summons

In those cases where Neinor Homes receives a requirement from the National Security Forces and Bodies, from the Tax Ministry, or from a Court, the legal representative of Neinor Homes or, the person specified by the Legal Department as the case may be, will give a statement within the framework of an investigation of criminal acts committed within the business activity of Neinor Homes, following the procedure described below:

- The Management of the Legal Department of Neinor Homes, or lawyer appointed by it (in-house or external) will collect from the Instructor of investigative proceedings whatever information is available about the subject-matter of the investigation, at all times showing an absolute willingness to cooperate in the investigation on behalf of Neinor Homes.
- The person appearing in response to the summons will be the representative specially designated for the proceeding, who will be accompanied by the legal advisor deemed appropriate in each case (it must be borne in mind that a failure of such representative to attend would not in any event prevent the proceeding concerned going ahead, which would be

performed with the head of the company's legal department or whoever is designated by him/her, pursuant to the provisions of Law 37/2011), of 10 October on procedural facilitation measures.

- An express mention will be made in the corresponding statement of the existence of the Crime Risk Prevention Model and of the Training Plan for training in this area given by Neinor Homes, documents which will if required be provided to the investigators in accordance with the following section.
- All necessary and available information will also be collected from the Control and Monitoring Committee responsible for the observance and implementation of the Crime Risk Prevention Model, such as:
 - Results of the Internal Audits referring to controls performed and compliance reviews.
 - External audits for those cases where required by law and that are detailed in the Annexes of this Manual
 - Minutes of regular meetings
 - External expert's report, as the case may be.

Finally, given the information supplied by the compliance reports, the person responsible for control of the department affected by the crime will be asked for all information evidencing compliance with the recommended controls.

In any event, the Legal Department or whoever is designated by it will check and analyze the provision of any kind of documentation that may be necessary for the investigation of the facts and its appropriateness.

5.3. Access and custody of documentation

All information generated by the Control and Monitoring Committee and the Control Coordinator must be kept for a minimum of 10 years. In the event of internal crime notifications relating to the commission of a crime, facts not proven or deemed not useful in the investigative process will be immediately got rid of and deleted from the file. In the rest of the cases, the data will be kept and blocked for however long is necessary for the investigation of the Control and Monitoring Committee or for making it available to the relevant authorities or for the defense of the company in the courts.

Specifically, the responsibility for keeping and custody of such documents will correspond to the following areas of the company:

- Control and Monitoring Committee:
 - Minutes of regular meetings.
 - Case files derived from reports issued through the confidential procedure set up.
 - Any other documentation derived from the exercise of their responsibilities and attributed on the basis of the Crime Risk Prevention Manual and, especially, the analysis of the results of the declarations of self-evaluation, binding opinions adopted, decisions

on possible infringements of the Code of Conduct and of the Crime Risk Prevention Model, etc.

- The Compliance Officer:
 - Declarations of self-evaluation of the relevant responsible persons.
 - Plans for remedial action and documentation proving compliance.
 - Results of Evidential Plans.
 - Any other documentation that may be relevant for the exercise of their responsibilities attributed based on the Crime Risk Prevention Manual.
- Departments responsible for key controls:
 - Available evidence proving compliance with the key controls identified.
 - Any other documentation that may be relevant for the exercise of their responsibilities and attributed based on the Crime Risk Prevention Manual.

5.3.1. Crime Risk Prevention Archive (CRP Archive)

The information generated because of this procedure will be saved in the following way:

- Printed Format: (signed minutes of meetings, Annual Self-Evaluations, proof of controls etc.) will be stored in cabinets with restricted access with key-locked access doors. Making copies of the information in Printed Format is prohibited without the express authorization of one of the members of the Control and Monitoring Committee. Control of information access will be via an access record sheet which contains information on the details of the user and date.
- Electronic Media (Controls and Risks Master Document, working documentation on evidence of controls, etc.) will be archived in the Windows file created for this purpose:
[F:\GRC\Privado\PRP](#)
 Access to this file will be restricted to the members of the GRC Area and persons designated by them and will be periodically reviewed by the Compliance Officer.
- Case files of reports received and documentation of their investigation: all the information regarding the case file on reports or investigation of the same will be stored only in printed format or in electronic media or in both, such that it is systematically referenced.
- Emails received to the Ethics Channel email box. No copies of the information will be allowed on Paper Support, without the written authorization of one of the members of the Monitoring and Control Committee.

Once the period for custody is ended, the Printed Format documentation will be destroyed and Electronic Media deleted, ensuring there is no infringement of the confidentiality of the information contained in such media and formats.

6. CRP MANUAL REVIEW

6.1. Control and numbering of versions

This Manual will be subject to an ongoing review process to adapt it to any changes that become necessary under the legal framework, given the reality of the business of Neinor Homes and in the supervision, execution and control systems of Neinor Homes. For this reason, this Manual takes the form of a 'dynamic document'.

As a result of the provisions of the previous paragraph, this Manual will be kept permanently updated. Any relevant change in the obligations specified in the Criminal Code or additional legislation, as well as any relevant change in the persons in the organization in charge of monitoring, control and supervision of it, will involve the review of the rules included and, if appropriate, partial or total change of them. This same review will take place in those cases in which the ongoing risk identification process generates enough grounds to do so.

This Manual is deemed a "security document" and as with all security documents of Neinor Homes it must be reviewed by the Compliance Officer who must, in addition, sign it and keep it in his custody. An ongoing review procedure will be put in place to guarantee the Manual's integrity, accuracy, precision, and scope and to guarantee it is in line with the generally agreed standards in the area of Crime Risk Prevention and under the law in force. This ongoing review procedure is the task of the Compliance Officer who will also deal with changes suggested by any employee involved in the management, control and supervision of the system of prevention.

Each new version of this document will be stored in 'PDF' electronic format. The file name will be as follows:

"Manual PRP de Neinor Homes X.YY. pdf"

with 'X.YY' being the version number.

The Compliance Officer will store the latest version of this Manual as well as a record of reviews.

Any change to the main body of this Manual or to any of its annexes (including the inclusion or exclusion of any of them) will involve a change to the version number of the document. In this respect, the numbering of the versions will be in line with the following template:

"Version X.YY"

Changes in 'X': 'X' will rise by a consecutive number when the changes to the document can be deemed 'major', in particular:

1. Changes to the structure or identification of the persons responsible for the prevention system (these being understood as the Compliance Officer and the members of the Control and Monitoring Committee).
2. Legislative changes that affect this Manual's formal content and structure.
3. Changes that are the result of implementing measures mitigating the risks detected in the reviews described in this document.
4. Changes that in the judgment of the Compliance Officer, because of their importance, scope or repercussion, merit being deemed 'major'.

Changes in 'YY': 'YY' will rise by a consecutive number when the changes to the document are not of the extent specified above. These will run from '00' to '19'. A review of a document ver. X.19 will involve an increase in 'X'. For example, 4.19 will rise to 5.00. Moreover, a change in 'X' will involve 'YY' beginning from zero: 2.12 will become 3.00 and not 3.12.

Changes to this document will be reflected in the table included in the last section of this document, after the annexes, in [APPROVAL OF THE MANUAL AND RECORD OF CHANGES](#).

6.2. Procedure for approval of changes

The first version of this Manual will be presented to the Control and Audit Committee so that this can submit it to the Board of Directors for approval. Changes made to this Manual will be instigated by the Compliance Officer and presented to the Control and Monitoring Committee for approval of new versions.

The Control and Monitoring Committee will have the task of properly evaluating the scope of the changes made to each new version of this Manual. In doing so it must take into account that any changes with a significant scope or that limit the scope of controls or the supervision environment must be deemed to have a wide scope, and be submitted for approval or ratification to the Board of Directors or to the Control and Audit Committee, if this is the body delegated to supervise.

Versions that do not have such a wide scope can be approved by the Control and Monitoring Committee.

However, and at least on a yearly basis (and provided that changes have been made) a report will be presented to the Board of Directors or to the Control and Audit Committee, if this is the body delegated to supervise the model, of the changes made to the Manual, since the last intervention of any of such bodies for its approval or ratification.

7. DISSEMINATION AND TRAINING

7.1. Dissemination

Dissemination of this Manual is the responsibility of the Control and Monitoring Committee, who will oversee its dissemination to all addressees. Such dissemination will emphasize the importance of its compliance and the assumption by Neinor Homes of the principles that both the Code of Ethics and this Manual represent.

To this effect Neinor Homes has adopted the following measures to facilitate the initial knowledge of the Manual:

- Dissemination of the principles contained in this Manual of Crime Risk Prevention through the Company's intranet; as well as communication of its approval to all Personnel by email.
- Persons joining Neinor Homes will be delivered the Code of Ethics and this Manual, together with the documentation usually provided for hiring. There is a procedure for this called "Welcome Pack" which generates evidence of acceptance of various manuals and policies, by all those joining the workforce.

- All Personnel must confirm periodically and when receiving the relevant training their full knowledge and acceptance, committing to comply with the principles, rules and procedures contained in this document when performing any activity carried out in the interests of or for the benefit of Neinor Homes.

7.2. Training

Neinor Homes has a specific training plan relating to Crime Risk Prevention materials designed for all its Personnel, which aims to ensure the knowledge and dissemination of the rules of conduct that have been put in place.

Implementation of this training plan is supervised by the Control and Monitoring Committee in coordination with the relevant departments.

There will be at least one annual training event covering the entire workforce and all general courses given to the workforce will include a test of aptitude in relation to their content.

8. CONTROLS

8.1. Controls and Risks Master Document

Neinor Homes has designed controls to mitigate the risk of commission of crimes or to detect the commission of the same.

These controls are listed in the ICS general archive with the name “Controls and Risks Master Document” and have a primary classification:

- General preventative controls, to prevent the commission of any kind of crime in Neinor Hoes and that are the only ones we list below.
- Specific controls, designed to prevent or detect the commission of specific crimes in accordance with the risk activities identified and that are integrated in the Controls and Risks Master Document.

8.2. General preventive controls

The Company structures the prevention of crimes on the basis, among other things, of the following general preventive controls which are the foundations of the structure of the risk prevention model, without prejudice to implementing specific measures to address the crime risks identified:

- Code of Ethics of Neinor Homes: where it is established that Neinor Homes commits to complying with all laws and regulations applicable to its business. The Code of Ethics is disseminated to all the employees of Neinor Homes who confirm its receipt and that they have read it.

- Making available to Employees, Executives, Customers and third parties an Ethical Channel (<https://neinorhomes.integrityline.com/frontpage>) which allows confidential communication of any irregularity of that could be important that, in their opinion, involves a violation of the Code of Ethics and of this Manual and of the legislation.
- Ethical Channel management procedure.
- Function of Internal Audit/Regulatory Compliance: tasked with the review of the correct application of the policies and procedures of Neinor Homes.
- External Audits: Annual accounting audit and audit of prevention of money laundering and terrorist financing and in relation to personal data protection.
- Separation of functions: establishing of a double level for the taking of certain decisions.
- IT tools: designed for the purposes of support of processes and controls.
- Training plan for all Neinor Homes personnel to disseminate the compliance policies of Neinor Homes and, in particular, those of this Manual.
- Standardization of the specific and recurrent agreements of the business (agreements for tendering, contracting and marketing and sales agreements), including compliance clauses.
- Protocol of approval and review in non-standardized agreements or standardized agreements with amendments, by the legal department.
- Control of informative and supporting documentation to be delivered to the customer.
- Protocol for dealing with and responding to claims.
- Protocol for accepting and communication of gifts and invitations received.
- Control of budget for items of Marketing corresponding to donations, sponsors, events etc.
- Structure of powers of attorney distributed with the various levels of approval.
- Budgetary tree implemented in the ERP.
- Flow of approval of approval of invoices implemented in the ERP.
- Protocol implemented for the authorization of payments with separation of functions.
- Annual training on compliance, ethics and regulations.
- Development of the financial information Internal Control System.
- Policy on expenses and allowances distributed and notified.
- Protocol for selection by tendering of large providers.
- Protocol for standardization of providers.
- Model for prevention of money laundering implemented.
- Protocol for selection of new hires of the workforce.

- Policy on related transactions and conflicts of interest approved and communicated.
- Data Protection Procedures.
- Neinor Homes Internal Code of Conduct for the Securities Market.

8.3. Specific controls

The Criminal Risk Matrix is integrated in the Corporate Risk Matrix of the ICS in which are identified the specific controls that mitigate the criminal risks.

The specific controls for each type of crime are contained in the Controls and Risks Master Document, which forms part of the Crime Risk Prevention Model, as does this Manual.

In order to guarantee enough stability to this document, a choice has been made to not include here the above-mentioned specific controls, and therefore avoid the amendment or review of this document each time one of these controls is reviewed.

In addition, the Controls and Risks Master Document is in the form of a dynamic document, with information that must be included at the level of each control (those responsible, evidence, exercises of implementation and supervision of control), impossible to reproduce here if a stable document is to be maintained.

9. PRINCIPLES OF CONDUCT

Article 31.1 bis of the Criminal Code establishes the implicit obligation of the employer to exercise proper control over the actions of his/her personnel and representative bodies, such that if due diligence is demonstrated, the legal entity would not be liable for crimes committed by its personnel in the exercise of its business activities

Article 31.4 bis of the Criminal Code, in the event the provision indicated above is not applicable, in any event specifies that a legal entity will be exonerated from liability if it has established efficacious measures to prevent and uncover crimes that may be committed with the resources, or under the cover of the legal entity itself.

Therefore, the ultimate purpose of this Manual is to serve as a means of prevention of the hypothetical commission of criminal acts by the personnel of Neinor Homes and in turn to provide evidence that it exercises proper control over its business activity, thus complying with the requirement specified in the Criminal Code.

So that the criminal risks control, management and organization model complies with the functions of prevention, detection, reaction and monitoring, the Company has centered on the following main principles:

- Communication and dissemination to all levels of the principles assumed and of the rules of conduct reflected in the manuals, policies and protocols of action of Neinor Homes, in its Code of Ethics.
- Periodic identification of activities that could potentially be affected by a crime risk.

- Setting up adequate controls in different processes, as well as measures to ensure their supervision.
- Generic principle of separation of functions and powers.
- Supervision and control of the conduct of the business, as well as of the functioning of the Crime Risk Prevention Model.
- Update of the functions and of the rules of conduct in relation to possible changes in the law in force.

The Company deems that the education of its Personnel is critical in preventing crime risks, and for this reason it performs the following activities:

- An effective communication of policies and procedures, involving all levels of the organization.
- The inclusion of material on crime risk prevention in the training programs for Personnel.

Defining of the Neinor homes control, management and organization model in relation to crime prevention, and the setting up of efficacious measures to control and prevent such crimes, are based on a review and analysis project, consisting of: (i) analysis of the sufficiency of activities, processes and controls developed in the various areas of the Company; (ii) review of manuals, policies, procedures and agreements employed in the implementation of its business activity and (iii) setting up an internal control body to monitor possible crime risks (Control and Monitoring Committee).

9.1. General principles

General principles of conduct exist that are applicable to the personnel of Neinor Homes, its representatives, directors, and executives, and externals over which an effective management or control is exercised. These general principles, set out below, are interlinked and applicable as preventive principles for all criminal acts within the Company, and not only to the list of crimes identified as being applicable to Neinor Homes because of its activity, sector, business profile and other considerations.

9.1.1. Principles and values of the Code of Ethics of Neinor Homes

The main orienting principle for all actions of the personnel of Neinor Homes will be honesty and integrity in relation to the law and to the Principles specified in the Code of Ethics in force of Neinor Homes. To summarize, these principles and values are listed below:

1. Compliance with the law
2. Zero tolerance of corruption
3. Prohibition on acting in cases of conflict of interest
4. Prevention of money laundering
5. Health and safety at work

6. Employment development, equality and prohibition of discrimination
7. Transparency
8. Professional secrecy and data protection
9. Good use of resources
10. Environmental protection
11. Control of financial information
12. Correct use of information
13. Media and internet

9.1.2. Reporting channel

The Code of Ethics also establishes the formula for making complaints through the ethics channel, which is available through the portal set up for this purpose on the corporate website: <https://neinorhomes.integrityline.com/frontpage>.

Two types of claims or communications are permitted through this channel:

- Those that have to do with breaches of the principles and values of the code of ethics or with other provisions contained therein, which make up the content of the basic rules of conduct, as such document does.
- Others, related to breaches of the law, including breaches of criminal law and, by extension, those that involve a breach of the principles, controls, procedures and policies defined by the crime risk prevention model.

As a result, personnel are duty-bound to report via any of the channels set up by Neinor Homes any indication of a crime that they may become aware of in the exercise of their employment responsibilities.

9.1.3. Obligation to undergo training activities

All personnel are duty-bound to undergo training activities, attend courses, comply with guidelines or circulars of internal communication that Neinor Homes proposes, implements and designs. Personnel must in addition confirm specific training activities, or take exams to prove their understanding, etc., which are relating to the courses given.

9.1.4. Prohibition on making payments in cash

Neinor Homes personnel must abstain from making payments in cash while carrying out commercial or contractual transactions with customers, providers or third parties. This prohibition has two exceptions:

- When payment of very low amount must be made, relating to logistic aspects or management of the offices of Neinor Homes, so that they can have a limited amount of petty cash in each branch.

- Maintenance and travel expenses paid by the personnel of Neinor Homes in their work trips and urban travel.

Any other exception must have the prior written approval of the Internal Audit Officer.

9.2. Specific principles

In tandem with the above, we have also identified principles of conduct that are in the form of special prevention of specific criminal acts; although some of them are repeated, the list is an attempt to mitigate the risk of commission of specific crimes, and for this reason they are listed below in relation to the crime which they are intended to prevent.

9.2.1. Planning crimes

In relation to this risk, the general principles of conduct that all personnel and the legal representatives of Neinor Homes must comply with will be, without prejudice to subsequent amendment, the following:

1. It is mandatory to accept and follow the procedures set up in order not to contravene planning rules.
2. It is prohibited to perform any works of construction, demolition, renovation, restoration etc. without having obtained the corresponding authorizations and licenses.

9.2.2. Bribery, influence peddling or economic malfeasance

In relation to this risk, the general principles of conduct that all personnel of Neinor Homes must comply with will be as follows:

1. The Personnel must abstain from offering or accepting gifts or presents exceeding the limits considered reasonable in corporate custom, as well as those that have a clear and evident purpose of corrupting the correct, impartial and objective pursuance of the function entrusted to a Public Official.
2. The Personnel who are going to have contact with the Public Administrations must be assigned in advance by their direct manager in order to act on behalf of Neinor Homes.
3. Personnel with management roles are expressly prohibited from assigning to personnel the management of the contact with the Public Administrations, wherever there is any kind of risk of conflict of interest.
4. Personnel are expressly prohibited from making payments in cash while such contact is taking place.
5. Personnel are not authorized to deliver any documentation to the Public Administrations without checking its accuracy.
6. Any person detecting the possibility of there being a conflict of interests in the framework of that person's contact with public officials or public administrations must notify this to the person's Supervisor and the Control and Monitoring Committee or the Compliance Officer.

7. Personnel with contact with the Public Administrations must keep and retain the documentation exchanged, including the data and decisions taken. It is recommended that: (i) at least two people from Neinor Homes attend meetings with the Public Administrations and (ii) minutes are drawn up after meetings held with the Public Administrations.

9.2.3. Discovery and disclosure of business secrets

In relation to this risk, the general principles of conduct that all personnel of Neinor Homes must comply with will be as follows:

1. The use of confidential information from third companies in professional activities is prohibited. In the event of any doubt, the legal department must be consulted.
2. Duties of confidentiality derived from handling the information referred to will remain indefinitely, even when the connection of the personnel with Neinor Homes has ended.

9.2.4. Private corruption

In relation to this risk, the general principles of conduct that all the personnel of Neinor Homes must comply with will be, without prejudice to subsequent amendment, the following:

1. Personnel must refrain from offering or accepting presents or gifts that exceed the limits deemed reasonable in corporate custom, as well as when they have the clear and evident purpose of corrupting free competition between businesses.
2. Personnel are not authorized to receive any kind of remuneration from customers or providers, nor in general to accept any kind of remuneration from third parties for services derived from the employee's own activity.
3. The contracting of external services and supplies and relations with suppliers in general, including those referring to computer services and systems areas, must be done through transparent procedures that are in line with best competition and marketing criteria. Any commission, discount or commercial advantage offered must be rejected or must be reflected in a lower cost or greater income for Neinor Homes.
4. Personnel who receive or deliver, by themselves or for a family or friend, a courtesy gift or present with a significant value that exceeds corporate custom must make this known to their supervisor and the Monitoring Committee or Compliance Officer.
5. Personnel must avoid any kind of interference or influence by customers, providers or third parties, that might alter the impartiality and professional objectivity of the personnel, an obligation that specially affects personnel who have to take decisions on contracting supplies and services and those that decide the financial terms of transactions with customers.

9.2.5. Crimes against the environment

In relation to this risk, the general principles of conduct that all the personnel and legal representatives of Neinor Homes must comply with will be, without prejudice to subsequent amendment, the following:

1. All personnel are covered by the principle of protection of the natural environment and must ensure that no action of theirs may harm or cause damage to the environment.
2. Falsification or omission of information on any environmental aspect is prohibited.
3. Every subcontracted company must adhere to the values and principles of protection of the environment governing this area.

9.2.6. Cries against family and personal privacy

In relation to this risk, the general principles of conduct that all personnel of Neinor Homes must comply with will be as follows:

1. Personnel are obligated to respect the family and personal privacy of all persons, whether personnel of the company or any other persons, the data of which they have access to. Such respect must cover those personal, medical, financial or any other kind of data that may in any way affect the private and personal sphere of the person they relate to.
2. It is obligatory for all authorizations of the use of data to be in response to specific requests, and that the data that are used are also specific.
3. Personnel must always be bound by the duty of secrecy in their contact with other customers and third parties, and with the other employees of Neinor Homes, except where there are professional reasons justifying the communication of the information within the limits set by law.
4. Confidentiality duties arising from the handling of the information referred to will remain in place indefinitely, even when the connection of the personnel with Neinor Homes has ended.

9.2.7. Computer crimes

In relation to this risk, the general principles of conduct that Neinor Homes personnel must comply with will be as follows:

1. Personnel must respect the specific regulations on the use of email, internet access or other similar possibilities made available to them and must under no circumstances make an inappropriate use of the same.
2. Personnel must not use the computer facilities made available to them by Neinor Homes for illicit purposes or for any other purpose that might harm the image or interests of Neinor Homes, of its customers or of third parties, affect the service and dedication of the employee or harm the functioning of the Company's computer resources.
3. Personnel are expressly prohibited from accessing applications or computer equipment of third parties without prior authorization.

9.2.8. Illegal immigration

In relation to this risk, the general principles of conduct that all Neinor Homes personnel must comply with will be as follows:

1. The construction of developments of Neinor Homes must not be contracted to companies that have been found guilty of crimes of illegal immigration or trafficking of persons.
2. Personnel of Neinor Homes will ensure the adequate legal situation of migrants in hiring processes.

9.2.9. Crimes against industrial and intellectual property

In relation to this risk, the general principles of conduct that all Neinor Homes personnel must comply with will be as follows:

1. Personnel must not install or use in the computer equipment of Neinor Homes, software licenses, programs or applications, the use of which is illegal or could damage the systems or harm the image or interests of the company, of customers or of third parties.
2. Personnel must in any event respect the industrial and intellectual property of third parties, and not use in any way any material that could infringe such rights.
3. Personnel are prohibited from using any kind of material (images, texts, drawings etc.) without prior evidence that Neinor Homes has acquired the corresponding rights and/or licenses. In particular, the use of images, texts and drawings in advertising and communication must be approved by the relevant department before it can be used.
4. Personnel is only authorized to use the material delivered by Neinor Homes to pursue their employment activity.

9.2.10. Fraud

In relation to this risk, the general principles of conduct that all Neinor Homes personnel must comply with will be as follows:

1. Personnel must comply with the principles of honesty, impartiality, respect, trust, and integrity, and are obligated to ensure that no action of theirs can be interpreted as fraud to the detriment of customers, providers or third parties.
2. Personnel must refrain from signing agreements through model contracts or clauses that are different from those authorized by Neinor Homes.
3. Personnel are not authorized to negotiate agreements or business in the name of Neinor Homes without previously having informed their hierarchical superior or the head of that area of the company.

9.2.11. Punishable insolvencies

In relation to this risk, the general principles of conduct that all Neinor Homes personnel must comply with will be, without prejudice to subsequent amendment, as follows:

1. Personnel are prohibited from disposing of, transferring, assigning, concealing etc. any asset owned by Neinor Homes (funds, real estate etc.) for the purpose of avoiding compliance with obligations to creditors thereof.

2. The relations of the Company and its personnel with media are reserved to the Marketing and Communication Areas.
3. Except for legal, administrative or judicial provision, the contribution, transmission or dissemination of information of this nature to any person without the authorization of their immediate hierarchical superior is prohibited.
4. The confidentiality duties derived from the handling of the referred information will remain indefinitely, even when the staff member's relationship with the Company has ended.
5. The use of any type of deception, threat, violence or use of privileged information or fraudulent means with the purpose of altering the prices of things that would result from the free concurrence of products is absolutely prohibited.

9.2.12. Alteration of raw materials and market prices

In relation to this risk, the general principles of conduct that all Neinor Homes personnel and legal representatives must comply with will be, without prejudice to subsequent amendment, as follows:

1. Dissemination of false information that may affect in some way the price or trading of any product is prohibited.
2. The relationship between the Company and its personnel with the media are restricted to the Marketing and Communication Department.
3. Unless imposed by law, the administration or the courts, it is prohibited for the personnel to provide, transfer or disseminate information of this kind to anyone without the authorization of their immediate hierarchical superior.
4. The confidentiality duties arising from the handling of the information referred to will remain in force indefinitely, even when the connection between the member of staff and the Company has ended.
5. The use of any kind of fraud, threat, violence or use of insider information or fraudulent means for the purpose of altering the prices of items that would have resulted from unrestricted market prices is absolutely prohibited.

9.2.13. Crimes against the Tax Authorities, the Social Security Authorities and subsidy fraud

In relation to this risk, the general principles of conduct that all Neinor Homes personnel must comply with will be as follows:

1. Falsification, concealing or simulating of accounting data, items and/or transactions, having a dual accounting system, invoices etc. that are for the purpose of the avoidance of payments, or obtaining of illicit benefits, to the detriment of the Tax Authorities, is prohibited.
2. Personnel must under all circumstances avoid the use of opaque structures for tax purposes, these being deemed structures in which, through the intervention of special purpose vehicles through tax havens or territories that do not cooperate with tax authorities, are

designed for the purpose of preventing knowledge on the part of the authorities of the ultimate party responsible for the activities or the ultimate owner of the assets or rights involved.

3. The use of any financial product that might also involve the illicit avoidance of payments, or the obtaining of improper benefits, to the detriment of the Tax Authorities, on behalf of Neinor Homes, is prohibited. Personnel entrusted with accounting must keep and conserve all documentation used in the corresponding file in order to carry out their work.
4. Obtaining subsidies, tax deductions or aid from the Public Administrations by falsifying data or conditions of any kind to the benefit of the Company is prohibited.
5. No member of staff may falsify any data to favor or harm Neinor Homes. If such action is directly proposed by the public authority or official, it must be rejected and communicated to his/her Supervisor and to the Control and Monitoring Committee.

9.2.14. Crime of Money Laundering and Terrorism Financing

In relation to this risk, the general principles of behavior that must be complied with by all Neinor Homes staff are as follows:

1. Unlawful conduct is prohibited on its own account or in collaboration with a third party, favoring money laundering or terrorist financing.
2. The commercial managers must ensure the proper application of the due diligence of the sales operations of the company carried out by the commercial agents.
3. Cash payments made by customers are prohibited.
4. All staff are required to comply with all policies established in the company in the areas of money laundering and terrorist financing prevention, updated periodically through the different reviews and transferred in training courses.

9.2.15. Misleading advertising

In relation to this risk, the general principles of conduct that all Neinor Homes personnel must comply with will be as follows:

1. Commercial relationships with customers must be governed by criteria of the maximum quality and transparency of prices and other conditions. Customers will be duly informed of offers of products and services and risks of the same and any conduct in advertising, marketing and sales that might involve misinformation, a lack of relevant information, abuse or price-fixing will be avoided.
2. Personnel, when conducting the tasks assigned to them, must ensure the truthfulness of the characteristics and conditions of the products offered to the customers irrespective of the means by which these are carried out.

9.2.16. Illegal financing of political parties

In relation to this risk, the general principles of conduct that all Neinor Homes personnel must comply with will be as follows:

1. Any and all kinds of donations, gifts, privileges or presents to any and all political parties are prohibited.
2. Whoever, in the course of the appropriate tasks of his/her employment, receives a proposal from a politician to give especially favorable treatment, facilitate bureaucratic formalities, grant licenses or similar item, will be obligated to make this known to the Control and Monitoring Committee through the Ethics Channel.

9.2.17. Crimes against workers' rights

In relation to this risk, the general principles of conduct that all Neinor Homes personnel must comply with will be as follows:

1. Neinor Homes is committed to the strictest compliance with employment and social legislation.
2. The Human Resources Officer will ensure that employment conditions are in line with general law and specifically with employment law, including industry collective agreements.

Annex 1. List of companies

Name of Parent Company: NEINOR HOMES SOCIEDAD ANÓNIMA

Registered Office: C/ ERCILLA 24 2ª; BILBAO 48011 - BIZKAIA

Tax ID No. (N.I.F.): A95786562

Corporate Purpose: Development, management and implementation of all kinds of urban development and real estate transactions.

National Classif. of Activities: 4110 – Real estate development

The subsidiaries of Neinor Homes, S.A. are included below:

Company Name	Tax ID No.
NEINOR NORTE, S.L.	B95788626
PROMOCIONES NEINOR 1, S.L.	B20914289
PROMOCIONES NEINOR 2, S.L.	B20839296
PROMOCIONES NEINOR 3, S.L.	B20851283
PROMOCIONES NEINOR 4, S.L.	B20835914
PROMOCIONES NEINOR 5, S.L.	B20835922
NEINOR PENINSULA, S.L.	B95788634
NEINOR SUR, S.A.U.	A14646350

APPROVAL OF THE MANUAL AND RECORD OF CHANGES

This Manual of the Neinor Group for Crime Risk Prevention has been approved in the meeting of the **Board of Directors** at the meeting held on 15 June 2016.

Included below is the digital signature confirming the legitimacy and current validity of this version of the Manual.

In accordance with the provisions of this Manual, its changes will be recorded in the following table:

Record of reviews conducted			
Version	Details of the revisions conducted	Author	Date updated
0.01	Creation of the draft, for internal discussion and polishing of content	MRC	03/10/2016
1.00	The structure of some of the sections of the document is changed; comments from Kutxabank are included so that this Manual serves to mitigate its own criminal corporate liability; the content of the essential elements of the model are simplified; certain focusing contributions are incorporated from the draft of the law King IV of South Africa.	MRC	15/06/2016
1.01	Inclusion of a new epigraph 2.1, schematic of the elements that make up the PRP model. Minor modifications.	MRC	31/08/2016
1.02	Section 2.4.1 modification of the delivery and publication of the Code of Ethics. Section 3.2. The reference in Annex 2 is deleted and the date on which the constitution of the Monitoring and Control Committee was approved. Section 5.1 modification of the purpose of the Complaint Channel file. Section 5.3.1 modifies the file format of received emails. Section 8.2 adds the information security procedure and the Internal Code of Conduct as generic controls. Section 8.3 amends the wording of the specific controls integrated in the Corporate Risk Matrix. Section 9.2.12 changes the title of the heading. Paragraph 9.2.14 includes behavior to avoid the crime of money laundering. Annex 2 Constitution of the Monitoring and Control Commission is deleted. Minor modifications.	PGL	13/06/2017
2.00	Adaptation of the Criminal Risk Prevention Manual to new crimes that apply to the company according to the new reform of Organic Law 1/2019.	PGL	14/10/2019
3.00	Ethical channel data update and minor changes.	ACH	21/06/2022

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