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**AUDIT AND CONTROL COMMITTEE CHARTER OF
NEINOR HOMES, S.A.**

April 13, 2022

**NEINOR HOMES, S.A. (THE “COMPANY”)
AUDIT AND CONTROL COMMITTEE CHARTER**

1. MEMBERSHIP

- 1.1. The Committee shall be made up of no fewer than three and no more than five directors. Members of the Committee shall be appointed by the Board of Directors of the Company (the “**Board**”), on the recommendation of the Appointment and Remuneration Committee in consultation with the Chairman of the Audit and Control Committee.
- 1.2. All the members of the Committee shall be non-executive directors and the majority must be composed by independent directors. As a whole, and especially its Chairman, should be appointed taking into account their relevant expertise in relation to the sector of activity to which the Company belongs, in addition to their experience in accounting, auditing (or both) and risk management, both financial and non-financial.
- 1.3. Only members of the Committee have the right to attend Committee meetings. However, the Company’s external auditor, the Director of Governance, Risk and Compliance and Internal Audit and the Chief Financial Officer will be invited to attend meetings of the Committee on a regular basis and other non-members may be invited to attend all or part of any meeting as and when appropriate and necessary. The guests shall be present only for the time necessary for the discussion of the agenda item that justifies their presence at the meeting and shall leave the meeting once said discussion has been completed and in any case before the vote, as the case may be, and in no case shall they be permanently present at the meeting.
- 1.4. The directors appointed to the Audit and Control Committee will remain in office as long as their appointments as directors of the Company remain in effect, unless the Board of Directors resolves otherwise. Renewal, re-election and removal of the directors comprising the Committee will be governed by resolutions of the Board of Directors.
- 1.5. The Board shall appoint the Committee Chairman. In the absence of the Committee Chairman and/or an appointed deputy, the remaining members present shall elect one of themselves to chair the meeting.

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1.6. The position of Chairman will be exercised for a maximum of three years, at the end of which the Chairman may not be re-elected as such until one year has passed after leaving office, without prejudice to continuing or being elected as a member of the Committee.

2. SECRETARY

The position of Secretary of the Audit and Control Committee will be performed by the person appointed by the Board of Directors. The Secretary of the Audit and Control Committee may not be a member of such Committee, in which case (i) it will not have the right to vote and (ii) it must not be a member of the Board of Directors. The Secretary of the Audit and Control Committee may be different to the Secretary of the Board of Directors.

3. QUORUM

There will be a quorum when one half plus one of the directors that are members of the Committee are present in person or by proxy.

4. FREQUENCY OF MEETINGS

4.1. The Committee shall meet at least four times a year at appropriate intervals in the financial reporting and audit cycle and otherwise as required.

4.2. It also will meet at the request of any of its members, of the external audit lead partner, or the head of internal audit, as well as when called by its Chairman. Furthermore, the Chairman is to call the meeting whenever the Board of Directors or its Chairman requests the issuance of a report or adoption of proposals and, in any event, whenever it is appropriate to the proper exercise of its authority.

4.3. Outside of the formal meeting program, the Committee Chairman will maintain a dialogue with key individuals involved in the Company's governance, including the Board Chairman and the Chief Executive Officer, the Chief Financial Officer, the Chief Compliance Officer, the external audit lead partner and the head of internal audit of the Company.

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5. NOTICE OF MEETINGS

- 5.1. Meetings of the Committee shall be convened by the Secretary of the Committee at the request of any of its members, its Chairman, the external audit lead partner or the head of internal audit if they consider it necessary.
- 5.2. Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed shall be forwarded to each member of the Committee, any other person required to attend no later than three working days before the date of the meeting. Supporting papers shall be sent to Committee members and to other attendees as appropriate, at the same time.
- 5.3. Notwithstanding the foregoing, meetings of the Committee are considered to be duly convened with no need for prior notice if all its members present in person or by proxy unanimously consent to hold a meeting and agree on the business to be transacted. Similarly, if no director objects, votes of the members of the Committee may be conducted in writing, without a meeting.
- 5.4. The Committee may also meet simultaneously in multiple locations connected by systems that allow the participants to be recognized and identified, allow continuous communication among the participants wherever they are and allow participation and voting, all this in real time. Subject to the foregoing, Committee meetings may take place by means of phone or video conferences, or any other similar means.

Wherever the participants are, for the purposes of the Committee meeting they shall be considered to be attending the same single meeting. The meeting shall be deemed to be held in the place where there is the largest number of members or, in the event of a tie, where the Chairman of the Committee or the person chairing the meeting in the Chairman's place is located.

6. RESOLUTIONS

Unless otherwise specified by the law, the Company's Articles of Association or any other applicable rule, resolutions of the Committee shall be adopted by the absolute majority of the present members.

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7. MINUTES OF MEETINGS

- 7.1. The Secretary shall draft the minutes of the proceedings of all meetings of the Committee, recording the names of those present and in attendance and the approved resolutions.
- 7.2. Draft minutes of Committee meetings shall be circulated promptly to all members of the Committee. Once approved, minutes shall be circulated to all other members of the Board unless it would be inappropriate to do so in the opinion of the Committee Chairman.

8. ANNUAL GENERAL MEETING

The Committee Chairman shall attend the annual General Meeting to answer shareholder questions on the Committee's activities.

9. GENERAL DUTIES

The Committee shall carry out the duties set forth in the Capital Companies Act, in the Company's Articles of Association, in the Board of Directors Regulation and, specifically, the following:

9.1. Financial and non-financial reporting

- (a) The Committee shall monitor the preparation and integrity of the financial information of the Company and, where applicable, the group, including its annual and half-yearly reports, interim management statements, and any other formal announcement relating to its financial performance, reviewing and reporting to the Board on significant financial reporting issues and judgements which they contain, having regard to the matters communicated to it by the auditor.
- (b) In particular, the Committee shall review and challenge where necessary:
 - (i) the consistency of, and any changes to, significant accounting policies both on a year on year basis and across the Company/group;
 - (ii) the methods used to account for significant or unusual transactions where different approaches are possible - such as structural and corporate modifications, previously informing the Board of Directors about their

- economic conditions and their accounting impact and, in particular, when applicable, about the exchange ratio proposed;
- (iii) whether the Company has followed appropriate accounting standards and made appropriate estimates and judgements, taking into account the views of the external auditor;
 - (iv) the clarity and completeness of disclosure in the Company's financial reports and the context in which statements are made;
 - (v) the supervision of the preparation process, the content and quality of the non-financial information and its audit, the Company's Sustainability Plan, proposing initiatives to the Board on environmental, sustainability and governance (ESG) matters and monitoring the objectives and commitments acquired;
 - (vi) material information presented with the financial statements, such as the business review and the corporate governance statements relating to the audit and to risk management;
 - (vii) any material deviations from any business plan approved by the Board.;
and
 - (viii) ensure that the financial statements prepared by the Board of Directors are drawn up in accordance to accounting legislation.
- (c) Where the Committee is not satisfied with any aspect of the proposed financial reporting by the Company, it shall report its views to the Board.
 - (d) Ensure that the Board of Directors is able to present the financial statements to the General Meeting of shareholders without limitations or qualifications and that, in those cases where the auditors includes any reservation in its report, the Chairman of the Committee should give a clear explanation at the General Meeting of their opinion regarding the scope and content, making a summary of that opinion available to the shareholders at the time of the publication of the notice of the Meeting, along with the rest of proposals and reports of the board.

- (e) Issue a report on related party transactions to the Board of Directors prior to their approval, and assist in the preparation of an internal reporting and periodic control procedure when such approval is delegated, verifying the fairness and transparency of such transactions and, if applicable, compliance with applicable legal criteria.

9.2. Narrative reporting

Where requested by the Board, the Committee shall review the content of the annual report and accounts and advise the Board on whether, taken as a whole, it is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's performance, business model and strategy.

9.3. Internal controls and risk management systems

The Committee shall:

- (a) review the adequacy and effectiveness of the Company's internal financial controls and internal control and financial and non-financial risk management systems, including the supervision of the Internal Control Systems over Financial and Non Financial Reporting (SCIIF / SCIINF), so that the main risks are properly identified, managed, measured and reported, and ensure that those systems adequately mitigate risks, within the framework of the policy that, if any, is set by the Board of Directors; and
- (b) review and approve the statements to be included in the annual report concerning internal controls and risk management.

9.4. Compliance, whistleblowing and fraud

The Committee shall:

- (a) review the adequacy and security of the Company's arrangements for its employees and other persons related to the Company (such as directors, shareholders, suppliers, contractors or subcontractors) to confidentially and, where feasible and appropriate, anonymously, report any possible irregularity, especially financial and accounting irregularities or other matters. The

Committee shall ensure that these arrangements allow proportionate and independent investigation of such matters and appropriate follow up action;

- (b) review the Company's procedures for detecting fraud;
- (c) review the Company's systems and controls for the prevention of bribery and receive reports on non-compliance;
- (d) review regular reports from the Chief Compliance Officer;
- (e) keep under review the adequacy and effectiveness of the Company's anti- money laundering systems and controls;
- (f) keep under review the adequacy and effectiveness of the Company's data protection systems and controls;
- (g) keep under review the adequacy and effectiveness of the Company's compliance function; and
- (h) keep under review the adequacy and effectiveness of the Company's Corporate Defense Model for criminal offenses.

9.5. Internal audit

The Committee shall:

- (a) safeguard the independence and effectiveness of the internal audit function, which shall organically report to the Chairman of the Board of Directors and to the Chairman of the Audit and Control Committee;
- (b) make proposals to the Board of Directors for the selection, appointment, reappointment and removal of the head of the internal audit department;
- (c) review and approve the charter of the internal audit function, propose its budget and ensure the function has the necessary resources and access to information for it to fulfil its mandate and is equipped to perform in accordance with appropriate professional standards for internal auditors;
- (d) ensure the internal auditor has direct access to the Board Chairman and to the

Committee Chairman and is accountable to the Committee;

- (e) review and assess the annual internal audit work plan;
- (f) receive and review any reports that are prepared on results of the internal auditor's work on a periodic basis, including any incidents or scope limitations arising during its implementation, the results and monitoring of its recommendations. It shall also submit an activities report at the end of each fiscal year;
- (g) review and monitor management's responsiveness to the findings and recommendations;
- (h) the Chairman of the Committee shall maintain fluid communication with the head of internal audit and shall meet at least twice a year, without the presence of management;
- (i) in the event of a proposal for dismissal or resignation of the head of internal audit, the Chairman of the Committee shall inquire into the causes and circumstances leading to such proposal for dismissal or resignation and, in particular, into the possible existence of disagreements of the head of internal audit with policies or actions of the Company or its employees, shall report on the proposal for dismissal and shall assess the advisability of adopting internal measures in this respect; and
- (j) monitor and review the effectiveness of the Company's internal audit function in the context of the Company's overall risk management system.

9.6. External Audit

The Committee shall:

- (a) Consider and make recommendations to the Board to be presented to shareholders for approval at the annual General Meeting, in relation to the appointment, re-appointment and removal of the Company's external auditor;

- (b) compare the quality and effectiveness of the services provided by the current auditor with those of other audit firms; and oversee the selection process and ensure that all tendering firms have the necessary access to information during the tendering process;
- (c) if an auditor resigns, investigate the circumstances leading to this and decide whether any action is required;
- (d) oversee the relationship with the external auditor including (but not limited to):
 - (i) issuing recommendations on their remuneration, including both fees for audit and non-audit services, and overseeing that fees are appropriate to enable an effective and high quality audit to be conducted, without compromising their independence;
 - (ii) approving the terms of engagement, including any engagement letter issued at the start of each audit and the scope of the audit;
 - (iii) assessing annually the external auditor's independence and objectivity, taking into account relevant professional and regulatory requirements and the relationship with the auditor as a whole, including the provision of any non-audit services; to that end, the Committee shall (i) ensure that the Company notifies any change of auditor to the National Securities Market Commission (CNMV) through Communication of Other Relevant Information, accompanied by a statement of any disagreement with the outgoing auditor and, if there had been, their content; (ii) ensure that the Company and the auditor comply with applicable rules on the provision of non-audit services and, in general, any other requirements designed to safeguard the auditor's independence;
 - (iv) assessing actual or potential conflicts (employment, investment, financial or business) between the auditor and the Company (other than in the ordinary course of business) which could adversely affect the auditor's independence and objectivity;

- (v) agreeing with the Board a policy on the employment of former employees of the Company's auditor and monitoring the implementation of this policy;
 - (vi) monitoring the auditor's compliance with relevant ethical and professional guidance on the rotation of audit partner,
 - (vii) guarantying that the fees paid by the Company for the auditors work does not compromise its quality or independence;
 - (viii) assessing annually the qualifications, expertise and resources of the auditor and the effectiveness of the audit process, which shall include a report from the external auditor on their own internal quality procedures;
 - (ix) seeking to ensure co-ordination with the activities of the internal audit function; and
 - (x) evaluating the risks to the quality and effectiveness of the financial reporting process and consideration of the need to include the risk of the withdrawal of their auditor from the market in that evaluation;
- (e) meet regularly with the external auditor (including once at the planning stage before the audit and once after the audit at the reporting stage) and at least once a year, without management being present, to discuss the auditor's remit and any issues arising from the audit;
 - (f) ensure that the external auditor meets, at least, once a year with the Board of Directors in order to inform about its work and the accounting and risk status of the Company;
 - (g) review and approve the annual audit plan and ensure that it is consistent with the scope of the audit engagement, having regard to the seniority, expertise and experience of the audit team;
 - (h) review the findings of the audit with the external auditor. This shall include but not be limited to, the following:

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- (i) discussion of any major issues which arose during the audit;
 - (ii) key accounting and audit judgements;
 - (iii) levels of errors identified during the audit; and
 - (iv) the effectiveness of the audit process.
- (i) review any representation letter(s) requested by the external auditor before they are signed by management, as well as the management letter and management's response to the auditor's letter; and
 - (j) develop and implement a policy on the supply of non-audit services by the external auditor to avoid any threat to the auditor's objectivity and independence, taking into account the current regulations on the provision of non-audit services and any relevant ethical guidance on the matter.

9.7. Risk management

The Committee shall:

- (a) identify and assess the different types of risk (operational, technological, financial, legal, social, environmental, political, tax, reputational, or those related to corruption) to which the Company is exposed, including, among the financial or economic risks, the Company's contingent liabilities and other off-balance-sheet risks;
- (b) identify the setting of the levels of risk the Company considers acceptable;
- (c) identify the measures established to mitigate the impact of the identified risks, should they occur; and
- (d) identify the information and internal control systems that will be used to control and manage said risks, including contingent liabilities and off-balance sheet risks.

10. SPECIFIC OBLIGATIONS TO LISTED COMPANIES

The Committee shall report to the Board, before it makes the corresponding decisions, on:

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- (a) the financial information and the management report, which shall include, where appropriate, the mandatory non-financial information that the Company, as a listed company, must publish periodically. The Audit and Control Committee shall ensure that the half-yearly financial reports and the interim management reports are prepared in accordance with the same accounting criteria as the annual financial statements and, to that end, shall consider the need for a limited review of the half-yearly financial reports by the external auditor;
- (b) the creation or acquisition of interests in special purpose entities or entities resident in countries or territories considered to be tax havens and any other transactions or operations of a comparable nature whose complexity might impair the transparency of the Group;
- (c) related transactions, as defined by the legislation applicable at any given time, which shall be approved by the General Shareholders' Meeting or the Board of Directors. In addition, the Committee shall supervise the internal procedure established by the Company for those related transactions whose approval has been delegated; and
- (d) amendments to the Internal Code of Conduct.

11. CORPORATE GOVERNANCE

The Audit and Control Committee shall:

- (a) Periodically review the Company's internal corporate governance regulations and make recommendations to the Board of Directors for the approval or submission to the General Meeting of shareholders, as appropriate, of any amendments or revisions that will serve to develop or improve the regulations.
- (b) Drive the Company's corporate governance strategy and supervise compliance with legal requirements, internal codes of conduct and the Company's internal corporate governance regulations.
- (c) Supervise and assess relations with the different stakeholder groups and, specifically, supervise the strategy for communication and relations with shareholders and investors, including small and medium-sized shareholders.

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- (d) Know, drive, guide, supervise and assess the extent to which the Company's strategy and practices in matters of corporate social responsibility and sustainability comply with recommendations, ensuring that they are oriented to value creation, and report on said strategy and practices to the Board of Directors, the CEO or the Executive Committee, as applicable.
- (e) Know, drive, guide and supervise the Company's actions in matters of corporate reputation and report on them to the Board of Directors, the CEO or the Executive Committee, as applicable.

12. REPORTING RESPONSIBILITIES

- 12.1. The Committee Chairman shall report formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities and shall also formally report to the Board on how it has discharged its responsibilities.
- 12.2. The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.
- 12.3. The Committee shall compile a report on its activities to be included in the Company's annual report. The report shall include an explanation of how the Committee has addressed the effectiveness of the external audit process; the significant issues that the Committee considered in relation to the financial statements and how these issues were addressed, having regard to matters communicated to it by the auditor; and all other information required by law or regulation.
- 12.4. In compiling the reports referred to in this article, the Committee shall exercise judgement in deciding which of the issues it considers in relation to the financial statements are significant, but should include at least those matters that have informed the Board's assessment of whether the Company is a going concern. The report to shareholders need not repeat information disclosed elsewhere in the annual report and accounts, but could provide cross-references to that information.
- 12.5. The Committee shall coordinate non-financial and diversity reporting, in accordance with applicable laws and regulations and international standards.

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12.6. Report on the Company's Annual Corporate Governance Report, prior to its approval, gathering information for that purpose from the Appointments and Remuneration Committee in relation to the sections of the report that relate to that Committee's responsibilities.

13. OTHER MATTERS

The Committee shall:

- (a) have access to sufficient resources in order to carry out its duties, including access to the Company's Secretary for assistance as required;
- (b) be provided with appropriate and timely training, both in the form of an induction program for new members and on an ongoing basis for all members;
- (c) be responsible for co-ordination of the internal and external auditors;
- (d) report on the possible amendments to the Regulations of the Board of Directors;
- (e) oversee any investigation of activities which are within the scope of this charter; and
- (f) arrange for periodic reviews of its own performance and, at least annually, review its charter to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board.

14. AUTHORITY

The Committee is authorized to:

- (a) seek any information it requires from any employee of the Company in order to perform its duties;
- (b) obtain, at the Company's expense, independent legal, accounting or other professional advice on any matter it believes it necessary to do so;
- (c) call any employee to be questioned at a meeting of the Committee as and when required; and
- (d) have the right to publish in the Company's annual report details of any issues that cannot be resolved between the Committee and the Board.

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15. RULES OF PREVALENCE

This Charter develops and complements the provisions included in the Company's Articles of Association and in the Regulations of the Board of Directors. The Company's Articles of Association and the Regulations of the Board of Directors shall prevail in case of discrepancy with this Charter.