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Remunerations policy for the members of the Board of Directors

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1. BACKGROUND AND SCOPE OF THE REMUNERATIONS POLICY

This document reflects the Remunerations Policy for the members of the Board of Directors of Neinor Homes, S.A. ("**Neinor**" or the "**Company**") in compliance with the statutory requirements in the Consolidated Text of the Capital Companies Law, approved by Royal Legislative Decree 1/2010, of July 2, 2010 (hereinafter, the "**Capital Companies Law**") (the "**Remuneration Policy**" or the "**Policy**").

The Remunerations Policy has been prepared by the Company taking into account the significance of the Company, its financial status and market standards for comparable companies. In this process, the Company has counted with the legal advice of Roca Junyent, S.L.P. In addition, the Company received advice in its initial implementation from Willis Towers Watson in the development of the Company's long-term variable compensation plans described in the Policy.

The remuneration programs defined below maintain a reasonable proportion to the relevance of the Company, its economic situation and the market standards of comparable companies and promote the Company's long-term profitability and sustainability. The remuneration policy also incorporates the necessary safeguards to avoid excessive risk-taking or rewarding unfavorable results, and to align the interest of the directors with those of the Company and its shareholders.

The review of the Remuneration Policy is carried out in order to adapt it to the provisions of Article 529 novodecies of the Capital Companies Act, as amended by Law 5/2021 amending the Capital Companies Act, which imposes new requirements on the content of the remuneration policies for directors of listed companies and requires the adaptation of the policies in force at the next General Meeting held by listed companies after the entry into force of said law in accordance with the First Transitional Provision of Law 5/2021. Additionally, aspects derived from the revision of the Good Governance Code of the National Securities Commission in June 2020 are incorporated.

In the event that this Remuneration Policy is approved, it shall be applicable as of the same date of approval and during the following three fiscal years, replacing and rendering ineffective the Remuneration Policy for the Company's Directors in force up to that time.

2. OBJECTIVES OF THE REMUNERATIONS POLICY

The Remunerations Policy is intended to define and control the remuneration programs of the Company relating to its directors in order to generate and increase the value of the Group for employees and shareholders, setting director remuneration in line with the size of the Group and establishing variable remuneration criteria aligned with the strategic business plan and the interests of the Group and measurable to adequately determine the degree of compliance.

In accordance with the above, the Remunerations Policy for the members of the Board of Directors seeks to establish an adequate remuneration scheme linked to the dedication and responsibilities assumed by the directors, and shall be applied to attract, retain and motivate the directors of Neinor. Also, the Remunerations Policy aims to encourage directors to meet the strategic objectives of Neinor, and its long-term sustainability, within the framework of its activity in accordance with current legislation.

3. GOVERNING PRINCIPLES AND CRITERIA OF THE REMUNERATIONS POLICY

In order to develop a good corporate governance framework, Neinor has considered appropriate to establish clear corporate governance principles to ensure that the remuneration strategy approved by the Board of Directors is implemented in accordance with the Company strategy, based on the principles of competitiveness and fairness, taking into consideration what is satisfied in the market in comparable companies by market capitalization.

In this respect, this Remunerations Policy shall be governed by the following principles:

3.1. Independent judgment

Remuneration shall be structured so that the independent judgment of non-executive directors is not compromised, with a special focus on the remuneration granted to independent directors.

3.2. Attraction and retention of the best professionals

Through the Remunerations Policy, the Company aims to offer a competitive compensation that attracts and retains talent that contributes to the value creation for the Company.

3.3. Long-term sustainability

Remuneration shall be compatible with the Company's long-term business interests and strategy, as well as its values and goals, and shall include appropriate provisions to avoid conflicts of interest, excessive risk-taking and rewarding unfavourable results.

3.4. Transparency

The Remunerations Policy and the specific rules for the determination of the remuneration amounts shall be explicit and disclosed in advance.

3.5. Simplicity and individualization

The rules governing the management and determination of compensation shall be drafted clearly and concisely.

3.6. Fairness of compensation

Remuneration shall be consistent with the dedication, qualification, experience and responsibilities of each director and the functions and tasks performed by such director. Also, the remuneration paid by the Company shall maintain a balance between market competitiveness and internal fairness.

Likewise, the conditions of the other employees of the group have been taken into account so that the principles of the remuneration system for executive directors are aligned with the general remuneration programs of the group. In this sense, certain remuneration elements such as other additional components to the remuneration, or the remuneration systems referenced to the value of the Neinor Homes share may only be offered to executive directors when similar elements are accessible to other employees of the Group.

4. REMUNERATION OF THE DIRECTORS

In connection with the remuneration payable to the members of the Board of Directors in their capacity as such, i.e., for the performance of their supervisory and decision-making functions within the Board of Directors, is intended to compensate them adequately and sufficiently for their dedication, qualification and responsibility, without compromising their independent judgment.

To that effect, Neinor has adopted a Remunerations Policy whereby only independent and "other external" directors have the right to receive compensation for the performance of their supervisory and collective decision-making functions, i.e., as members of the Board of Directors.

In accordance with Article 34 of the Bylaws of the Company, directors shall, as a general rule, be remunerated. Any such remuneration shall consist of three items, namely: (a) annual fixed remuneration; (b) attendance fees; and (c) share-based compensation or remuneration linked to the evolution of the share price.

The total amount payable by the Company as compensation to all of its directors for these three items may not exceed the relevant amount determined for these purpose by the General Meeting. The amount thus determined by the General Meeting shall apply unless and until the General Meeting approves other amount in accordance with applicable laws.

However, the determination of the specific amount to be paid to each director for these items within the maximum amount approved by the General Meeting shall be agreed by the Board of Directors in accordance with this Remunerations Policy. For such purpose, the Board shall take into account the office held by each director within the Board itself, as well as the membership and attendance of each director to any committees.

Finally, the Company shall pay for any premium due for any civil liability insurance policy taken out by the Company in respect of its directors upon customary market terms and commensurate with the circumstances of the Company.

4.1. Maximum amount of annual remuneration for directors

During the fiscal years in which this Policy is in force, considering all possible remuneration items, the maximum annual remuneration of all the Company's Board Members, regardless of their category, may not exceed six million euros, excluding the long-term variable compensation plan (LTIP) described below, and excluding payments made in respect of civil liability insurance premiums contracted by the Company for the Board Members.

This limit may be reviewed and modified if there are increases or decreases in the number of members of the Board of Directors of the Company, in order to maintain reasonable proportionality.

4.2. Annual fixed remuneration for the Directors as members of the Board

The Board of Directors shall establish the criteria in order to determine the remuneration payable to each director, taking into account:

- The category of the Director.
- The office held by the director in the Board of Directors and in any of its committees.
- The specific tasks and responsibilities assumed during the year.
- The experience and knowledge required to carry out those tasks.
- The amount of time and dedication required to carry out effectively such tasks.

Considering the above, only “independent” and “other external” directors shall be entitled to remuneration for their status as such. The individual amount to be received by independent and “other external” directors by way of fixed annual remuneration shall be as follows:

The remuneration received by all the directors as members of the Board, including the fixed remuneration of the Chairman of the Board of Directors, may in no case exceed 1,500,000 euros per year, not including payments for Civil Liability insurance premiums.

The maximum individual amount to be received by each of the aforementioned directors as fixed annual compensation is as follows:

- A maximum of EUR 150,000 for the Chairperson of the Board of Directors.
- A maximum of EUR 100,000 for each independent and “other external” directors.

These amounts are payable on the basis of a full tax year. Where a director sits in the Board for less than a full tax year, the amount payable to such a director shall be prorated proportionally (on a 12/360 basis) taking into account the period in which the director held the position.

If, following any increase in the number of directors sitting in the Board, the aggregate remuneration otherwise payable to them as members of the Board were to exceed the maximum annual amount of 1,500,00 euros referred in this Section, then the Board of Directors may reduce the individual remuneration described in this section on a proportional basis.

In addition, Directors shall be entitled to receive meal allowances, for attending each meeting of the Board of Directors and of the Committees in the amount established by the Board, which shall be within the aforementioned maximum annual limit.

If the number of members of the Board of Directors were increased within the limits foreseen in the Company’s by-laws, the fixed remuneration payable to any additional director shall be determined in accordance with the provisions above.

4.3. Variable remuneration of directors in their condition as such.

Non-executive directors might receive variable remuneration through the delivery of shares prior to the corresponding corporate transactions, provided that it is conditional upon them maintaining the shares until they cease to be directors, except for those shares that they need to trade with to meet the costs related to their acquisition.

5. REMUNERATION OF THE DIRECTORS FOR PERFORMING EXECUTIVE DUTIES

The Appointments and Remuneration Committee shall follow the principles outlined above when determining the remuneration mix for directors performing executive duties in the Company.

In accordance with the current composition of the Board of Directors, only two directors perform executive functions in the Company: the Chief Executive Officer (the "**CEO**") and the Executive Director (the "**Executive Directors**").

5.1. Annual fixed remuneration

Directors' fixed remuneration shall be determined on the basis of the responsibility, hierarchical position and experience of each executive director, bearing in mind the specific characteristics of each function and the dedication required and any market analysis reports prepared by independent consultants in the field, in order to establish a competitive base salary to attract and retain talent that may contribute to the value creation.

Each of the Company's executive directors shall be entitled to receive an amount not exceeding €900,000 as fixed annual remuneration.

For illustrative purposes, it is reported that for the 2022 the fixed remuneration of the Executive Directors will be 600,000 euros for the CEO and 475,000 euros for the Director.

5.2. Variable remuneration

Taking into due consideration the compensation and employment conditions of the Company's employees, the executive directors' variable remuneration may benefit from the incentives with variable components that, in general, the Company recognizes for its senior executives. In addition, in justified cases, the Company may approve a discretionary incentive or bonus subject to the fulfilment of certain objectives for the benefit of executive directors, which may be paid in cash and/or include the delivery of shares or share-based instruments, provided that the legal requirements established for this purpose are met.

Variable remuneration is based on the principles of the Remuneration Policy described above and will therefore have specific, predetermined, quantifiable and measurable objectives assigned to it, linked to variables that are related to its performance and to financial and non-financial factors and are in line with the Company's strategy, promoting its sustainability and the Group's profitability in the long term. In this regard, variable remuneration will take into account the elements described in the following sections.

The contracts entered into with the executive directors will establish clawback clauses that force the director to repay the Company and empower the Company to claim the repayment of all or part of the variable remuneration in the event of the occurrence of any circumstance that results in the alteration or negative variation, on a definitive basis, of the financial statements, results, economic data, performance data or other data on which the accrual and payment to the Executive Director of any amount of variable remuneration was based.

Currently, only executive directors receive the variable components of their compensation.

5.2.1. Annual variable remuneration (bonus plan)

The Company's executive directors may receive annual variable remuneration, in accordance with the provisions of their respective individual contracts with the Company, as well as participate as beneficiaries in the variable remuneration plans (bonus) approved by the Company, as the case may be.

The annual variable remuneration of the executive directors may in no case exceed 100% of the amount of the fixed remuneration.

The annual variable remuneration approved by the Company, as the case may be, may be paid in cash and/or include the delivery of shares or share-based instruments, provided that the corresponding threshold is reached in the indicators established with respect to what is foreseen in the business plan. In this regard, the parameters to be taken into consideration by the Board of Directors to set the amount of variable remuneration must be specific, predetermined, quantifiable and measurable and be aligned with the Company's strategy, promote its sustainability and the Group's long-term profitability. These parameters could be such as:

- Financial performance parameters: level of compliance with general objectives linked to the Company's revenues, Ebitda/Margin, profitability (measured in cost efficiency), level of operational expenditures, delivery timing; as well as level of compliance with individual objectives that are associated with their status as executive director and that are not directly linked to the Company's overall results (such as, for example, development and/or execution of new projects for the Company).

- Non-financial performance parameters: such as those linked to the progress of the Group's Sustainability Plan, compliance with Corporate Governance, implementation of ESG improvements, measurement and offsetting of the carbon footprint, employee training, level of customer satisfaction, equality and non-discrimination objectives, and similar. The weight of non-financial objectives will be a maximum of 25%.

The details of the financial and non-financial performance parameters set as objectives for each year will be approved at the beginning of the year by the Appointments and Remuneration Committee, recorded in the minutes, and published at the end of the year in the Annual Report on Directors' Remuneration.

The above criteria have been established based on their contribution to the achievement of the Group's long-term objectives by pursuing sustainable revenue growth with a debt ratio appropriate to the Group's capital structure, while the Company takes into due consideration the non-financial parameters that, among other aspects, promote the stability of the working personnel to ensure talent retention and service excellence and the Group's ESG concerns, all in the interest of maximizing shareholder value creation.

The Appointments and Remuneration Committee shall determine the extent to which the performance criteria have been met prior to the payment of variable remuneration and the criteria and methods for such verification shall be disclosed in the annual directors' remuneration report. Such determination shall take into account any qualifications, if any, contained in the external auditor's report.

The contracts entered into by the Company with the beneficiaries of the annual bonus plans shall contemplate that, in the event that (i) any event or circumstance occurs that has as a consequence the alteration or negative variation, of a definitive nature, of the financial statements, results, economic data, performance or any other type in the financial statements, results, economic data or any other type in the annual bonus plans, (ii) such alteration or variation determines that, had it been known on the date of accrual or payment, the beneficiary would have received an amount lower than the amount initially paid and the beneficiary shall be obliged to reimburse the Company for the excess amount received, and the Company shall be entitled to claim such reimbursement. This provision is independent of any liability that the beneficiary may have in the alteration or negative variation referred to above. The Company may offset the amount claimed against any other amount due to the beneficiary.

Long-term incentive plan (LTIP)

Executive directors may as beneficiaries participate in the long-term incentive plans implemented by the Company from time to time, upon a proposal by the Appointments and Remuneration Committee.

The parameters for determining compliance with long-term incentive plans may include variables linked to the achievement of a combination of quantitative objectives (economic-financial, non-financial, operational and/or value creation) and specific, predetermined and quantifiable qualitative objectives, aligned with the Company's interest and strategy. The objectives may include metrics related to the Company's business, to the creation of shareholder value and to long-term sustainability.

The Appointments and Remuneration Committee is responsible for evaluating performance and determining compliance with the pre-established parameters, for which purpose it may rely on the collaboration of the Audit Committee and the advice of an independent expert. The proposal of the Appointments and Remuneration Committee shall be submitted to the Board of Directors for approval. In addition, the Appointments and Remuneration Committee shall have the power to propose to the Board of Directors the cancellation of the payment of the long-term incentive to executive directors, in whole or in part, in the event of certain supervening circumstances (reduction and recovery clauses).

The Company's long-term incentive plans shall consist of the payment in cash and/or the delivery free of charge of shares of the Company, subject to the fulfilment of certain objectives, the beneficiary's permanence in the Company and provided that the requirements set forth in the corresponding Regulations are met.

At the proposal of the Appointments and Remuneration Committee, which shall be submitted to the Board of Directors for approval, the plans may (i) provide that the executive directors may not transfer the shares received under the plan for a period of 1 year as from the delivery of such shares, and/or (ii) be composed of one or more cycles of three years each, in which case the delivery of the shares to each beneficiary may be carried out upon completion of each of the cycles or deferred in time and once the corresponding tax obligations have been fulfilled. These provisions may not be included in the plans approved by the Company.

In order to calculate the payment coefficient achieved, at the beginning of each cycle a scale of achievement will be determined for each of the metrics, which will include a minimum threshold (below which no incentive is paid) and a maximum level. The Company currently has the 2020 Long-Term Incentive Plan in place.

The 2020 Long Term Incentive Plan ("**2020 LTIP**") consists of the payment by means of free delivery of Company shares to the beneficiary, subject to the fulfilment of certain strategic objectives of the Company, the permanence in the Company by the beneficiary and provided that the requirements set forth in the corresponding Regulations are met. The LTIP 2020 contributes to the achievement of the objectives indicated in section 2 by aligning the interest of its beneficiaries with the sustained growth of the Group's results and the creation of value and shareholder remuneration.

The LTIP 2020 consists of a single three-year cycle. The achievement period starts on January 1, 2020 and ends on December 31, 2022. At the end of the achievement period, the number of shares for each beneficiary will be calculated taking into account the level of achievement of certain previously approved metrics, together with the shares equivalent to the dividends paid, both in accordance with the following:

- 50% of the shares obtained will be delivered at the end of the three-year achievement period (initial payment), plus a number of shares that will be equivalent to the dividends that theoretically would have been paid to that 50% of the shares obtained from the beginning of the 2020 LTIP (January 1, 2020) and up to the day of payment, divided by the average share price in the 6-month period prior to the end of the cycle.
- 25% of the shares obtained will be delivered one year after the initial payment, provided that the beneficiary remains in the Company and subject to malus provisions, plus a number of shares equal to the dividends that would theoretically have been paid on these 25% of the shares obtained from the beginning of the 2020 LTIP (January 1, 2020) and until the day of payment, divided by the average share price in the 6-month period prior to the end of the 2023.

- 25% of the shares obtained will be delivered two years after the initial payment, provided that the beneficiary remains in the Company and subject to malus provisions, plus a number of shares equal to the dividends that would theoretically have been paid on these 25% of the shares obtained from the beginning of the 2020 LTIP (January 1, 2020) and up to the day of payment, divided by the average share price in the 6-month period prior to the end of 2024.

In relation to the shares to be delivered to the beneficiaries in an amount equal to the dividends that would theoretically have been paid to them in accordance with the above, the beneficiaries will not be entitled to receive payment of the dividends distributed to Neinor Homes' shareholders between the start date of the 2020 LTIP (January 1, 2020) and until each of the payment dates indicated above, as if the beneficiaries were holders of such shares from January 1, 2020.

The target number of shares equals each beneficiary's target incentive divided by the initial share price of €11. The final number of shares to be awarded under the 2020 LTIP is linked to the target number of shares to be awarded to each beneficiary and the degree of achievement of the following weighted indicators:

- 50% of the amount to be paid is determined based on the degree of achievement of the Company's EBITDA. EBITDA will be measured on a cumulative basis, the target being set at the beginning of the cycle. It is defined as the sum of the EBITDA targets for the 3 years of the cycle and the achievement is based on the sum of the different final EBITDA during the same period. The LTIP 2020 regulation includes the definition of EBITDA and states, in a clear way, the included and excluded items that, if included, may have an impact on the budgeted EBITDA, the EBITDA calculation will not include the cost of any special incentive or LTIP.
- 50% of the amount payable will be determined based on the total return to shareholders, which will be calculated as the evolution of the share price plus the value of dividends, if any, during the period assuming they are reinvested in Neinor Homes shares on the day they are received. The initial share price will be 11 euros. The closing price will be taken as the average closing price in the trading sessions of the 6 months prior to the end of the cycle (from July 1, 2022 to December 31, 2022, both dates included).

In addition, the Appointments and Remuneration Committee shall have the faculty to propose to the Board of Directors the cancellation of the payment of the 2020 LTIP to the executive directors, in whole or in part, in the event of certain supervening circumstances (reduction, or *malus*, and clawback clauses): (a) losses in the Neinor Homes Group (negative EBITDA / Profit after tax) in the year following the end date of the 2020 LTIP attributable to management decisions taken in the achievement period of each year; (b) material restatement of the Group's financial statements, when so deemed by the external auditors, except where appropriate due to a change in accounting standards; (c) serious breach of the internal code of conduct by the executive director. The *malus* clause applies during the LTIP 2020 payment deferral period, while the clawback clause applies during the year following the delivery of the shares, in both cases only in respect of the shares to be delivered in each payment (after tax).

The remuneration limit of the 2020 LTIP, in the event of an overachievement of objectives, will be 2,700,000 euros in the case of the CEO and 2,475,000 euros in the case of the Director, or 1,800,000 and 1,650,000 euros, if there is no such overachievement of objectives, so that in due compliance with the recommendations of Good Governance, a significant percentage of the variable remuneration of the executive directors is linked to the delivery of shares or financial instruments referenced to their value.

5.3. Main terms and conditions of the contracts of the executive directors

The remuneration, rights and compensation of economic content of the executive directors shall be determined in their respective contracts, always respecting the provisions of the Bylaws and this Policy.

The contracts of executive directors may have a fixed or indefinite term, and include their right to receive compensation for early termination in the event of termination of the employment relationship for reasons not attributable to them, which may not exceed two annual payments of their fixed remuneration.

In addition, the contracts entered into between the Company and the executive directors may provide for exclusivity, post-contractual non-competition and permanence or loyalty agreements, under the terms and within the limits established by law, and must establish a notice period of at least one month.

The remuneration of the post-contractual non-competition commitment may not exceed 70% of the fixed remuneration at the time of termination of the contract. Other payments for termination or extinction of the contract may not exceed an amount equivalent to two years of the total annual remuneration.

The Chief Executive Officer and the Executive Director have each entered into a contract with the Company, which will remain in force for as long as they remain Chief Executive Officer and Chief Executive Officer of the Company or Executive Director of the Company, respectively.

In relation to the foregoing, the service contracts signed with the Company provide for the following:

- An agreed financial compensation for termination of the relationship, when applicable, equal to two annual payments of their fixed remuneration;
- That the provision of services by each Executive Director shall be carried out on an exclusive and full dedication basis;
- That, for a period of one year after the termination of the service contract signed with the Company, each Executive Director shall refrain from carrying out activities concurrent with those of the Company or any company of the Neinor Homes Group, either on his own account or on behalf of a competing company. In compensation for this non-competition commitment, the Executive Directors shall receive compensation equal to 70% of their fixed remuneration in force at that time.

5.4. Remuneration in kind

The executive directors may benefit from compensation in kind that, in general, the Company recognizes for senior executives or other employees of the Company. In addition, the Company may grant executive directors certain benefits in kind, in accordance with market practices, and certain social benefits, such as medical insurance, contributions to pension plans, life insurance, permanent, total, absolute or invalidity disability, credit coupons, company car, relocation payments, among others.

In any case, the value of the remuneration components in kind, such as contributions to pension or retirement plans, company car, health insurance, among others, may not exceed 10% of the fixed remuneration.

For illustrative purposes, it is reported that the current contract signed with the Chief Executive Officer establishes the right to the social welfare benefits indicated below:

- Medical assistance insurance;

- Life insurance, permanent total, absolute or severe disability insurance covering (i) a gross benefit in the form of a capital sum of 1,000,000 euros in the event of permanent total, absolute or severe disability and (ii) a gross benefit in the form of a capital sum of 1,000,000 euros in the event of death;
- Directors and officers insurance (D&O);
- Any other social welfare benefits generally recognized by the Company for the group of directors or executives, if so established by the Board of Directors, following a report from the Appointment and Remuneration Committee.

On the other hand, the contract signed with the Executive Director establishes the right to have family medical assistance insurance.

5.5. Appointment of new executive directors

The remuneration of new executive directors will be, as far as possible, in line with the Remuneration Policy of the current directors. At the time of their appointment, the fixed remuneration of new executive directors will be set taking into account market conditions and comparable positions and their level of experience. The new executive directors will be able to participate in the variable remuneration on the basis of the same principles as the current directors. The Board of Directors, subject to a report from the Appointment and Remuneration Committee, reserves the right to deviate from the established practice to the extent necessary to ensure the recruitment of suitable candidates, in the best interests of the Company and in accordance with this Policy.

6. GOVERNANCE MATTERS

6.1. Preparation, approval and review of this Remunerations Policy

The Board of Directors, acting upon a favourable report by the Appointments and Remuneration Committee, shall submit to the General Meeting a proposal for a Remunerations Policy in respect of directors at least every three years. This proposal shall be submitted as a separate item on the Agenda.

The report of the Appointments and Remuneration Committee shall be attached to the proposal of the Board of Directors.

The proposed Remunerations Policy submitted by the Board of Directors and the report prepared by the Appointments and Remuneration Committee shall be available to shareholders on the Company’s website as of the date of the notice of call for the General Meeting. Shareholders may also request that a copy be sent to them, free of charge. The notice shall make a reference to this right.

Any amendment or replacement of this Remuneration Policy during such period shall require prior approval by the General Meeting in accordance with the provisions herein.

If the proposal for a new remuneration policy is rejected by the general meeting of shareholders, the Company will continue to remunerate its directors in accordance with the remuneration policy in effect on the date of the general meeting and must submit a new remuneration policy proposal to the next ordinary general meeting of shareholders for approval. In addition, if the annual report on directors' remuneration is rejected in the advisory vote at the annual general meeting, the company may only continue to apply the remuneration policy in force at the date of the annual general meeting until the next annual general meeting.

The Appointments and Remuneration Committee shall periodically review the Policy and its manner of implementation when necessary or merely desirable, for example to perform a comparative analysis (benchmarking) of the remuneration systems applicable to comparable companies and, if necessary, propose appropriate revisions to the Board. The Board of Directors may decide, if the Appointments and Remuneration Committee so proposes, engaging an external expert to review the Remuneration Policy.

Likewise, said Committee may propose to the Board the application of temporary exceptions to the variable components of the remuneration of executive directors when this is necessary to serve the long-term interests and sustainability of the Company as a whole or to ensure its viability.

6.2. Supervision and application of the Remunerations Policy

The Board of Directors is responsible for establishing a control and supervision regime in respect of the specific requirements set out in the Remuneration Policy, while the Appointments and Remuneration Committee is responsible for compliance and effectiveness of the referred policy, assisted by the Governance, Risk and Compliance and Internal Audit Department.

6.3. Term of the Remunerations Policy

The Remuneration Policy will be applicable from the same date on which it is approved by the Ordinary General Shareholders' Meeting for de 2022 fiscal year, scheduled to be held on April

13, 2022, and for the three fiscal years following the 2022, corresponding to the date of approval, i.e., until December 31, 2025. The General Shareholders' Meeting of Neinor Homes may amend, modify or replace this Remuneration Policy at any time in accordance with the procedures established in the preceding sections.

In any case, this Remuneration Policy shall be understood without prejudice to:

(i) the possibility that, from time to time, the Company may pay to a director a certain remuneration that is not provided for in this policy. Article 529.novodecies.5 of the Capital Companies Act provides for the possibility of the General Shareholders' Meeting expressly approving remuneration not provided for in the Remuneration Policy, provided that it is preceded by the corresponding proposal from the Board of Directors, which in turn must be supported by an explanatory and justifying report from the Appointments and Remuneration Committee; and

(ii) if applicable, the amounts that a director may additionally be entitled to receive as other fees or salaries as a result of an employment relationship with the Company or the provision of professional services other than the executive functions of directors with such category.

7. EXPLANATION OF SIGNIFICANT CHANGES

As indicated in the introduction, this Policy includes the changes necessary to adapt it to the requirements of the new article 529 novodecies of the Capital Companies Act.

Likewise, the considerations of the Proxy Advisors have been taken into account, which have led to adjustments in the greater detail of the remuneration of the directors, particularly the executive directors.

The Annual Directors' Remuneration Report has been approved in past Shareholders' Meetings with a large majority, so it has not been considered appropriate to make structural changes in the Remuneration Policy.

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