

Corporate Compliance Policy

# GROUP côralhomes

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This section shall include the successive amendments made to the present Policy.

## 1 Introduction

This document constitutes the Corporate Compliance Policy (the “**Policy**”) of the group that integrates companies Coral Homes Holdco, S.L.U. (as parent company), Coral Homes S.L., Servihabitat Servicios Inmobiliarios, S.L.U. and Serviland Gestión Urbanística, S.L.U. (as subsidiary companies), (hereinafter, they shall be jointly and indistinctly called, the “**Group**” or “**Coral Homes Group**”).

The Coral Homes Group expresses its commitment to comply with the legislation in force at all times and its internal regulations, according to the ethical values that it defends. Therefore, it sets out this *Policy* and undertakes to issue it to all levels of the integral companies and to provide the resources necessary in order for this Policy to be complied with.

## 2 Purpose

The purpose of this Policy is to establish the principles and commitments of the Coral Homes Group in terms of Compliance, as a cornerstone of its Compliance Management System (the “**System**”) as a whole or with regard to each of the integral companies of the Group.

This Policy is set out and approved based on that established in the Code of Ethics of the Coral Homes Group, by way of which, among others, the Group undertakes its commitment concerning Compliance to comply with the legislation and the regulatory obligations in force at all times, as well as its internal regulations, which shall always be based on ethical criteria in accordance with the values and principles of the Group.

## 3 Values and Principles

The Coral Homes Group is governed by the following ethical values and principles:

- **Integrity and transparency.** The trust of its clients, shareholders and, in general, the environment where it operates are the foundations upon which the business activity of the Coral Homes Group is built. Trust can only be earned if integrity and transparency are beyond question. Therefore, the Coral Homes Group opts for integrity and transparency towards society as the key values of its operation.
- **Excellence and professionalism.** Excellence and thorough, effective and professional work are some of the core values of the Coral Homes Group. Therefore, its professional activity is centred around the satisfaction of its clients and shareholders.
- **Respect.** At the heart of its activity, the Coral Homes Group undertakes to respect people and their dignity, as well as the environment. It also undertakes to preserve and protect the environment, while respecting the current legislation in this regard for every case and introducing procedures to reduce the environmental impact while carrying out its activities.



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- **Confidentiality.** The confidentiality of information relating to its clients and shareholders represents the cornerstone laid down by the relationship of trust, which is at the core of the activity of the Coral Homes Group.

### 4 Commitments

In order to implement its values and principles, the Coral Homes Group establishes the following commitments with regard to Compliance:

- Commitment to ensure that the Group acts in accordance with stipulations of its Code of Ethics and in the legislation in force at all times, and prevent misconduct or conduct which is contrary to the ethics or internal policies and regulations, which may be committed by the directors, managers and employees of the Group while carrying out their functions or by third parties acting for and on behalf of the Group.
- Encourage a zero-tolerance policy regarding conduct which may involve a failure to comply with the legislation in force at all times or with the internal regulations and procedures, particularly regarding any linked to criminal risks to which the Group is exposed within the scope of its activity.
- Commitment to create an environment where the risks of fraud and corruption are minimised to avoid the losses that these risks cause.
- Commitment to protect the confidentiality, integrity and availability of information and respect and protect the privacy of any person who, in their relations with the Group, provides the aforementioned with personal data or confidential information.
- Commitment to develop and maintain a risk management system, which includes implementing controls, regulations, procedures and the ongoing assessment of the aforementioned.
- Develop a Criminal Compliance Management System at a corporate level which meets the needs of the companies that integrate the Group.
- Commitment to guarantee the authority and independence of the Corporate Compliance Committee.
- Commitment to manage [the Corporate Whistleblowing Channel](#), [the Ethical Line of Servihabitat Servicios Inmobiliarios, S.L.U.](#), as well as [the Whistle-blowing Line of Serviland Gestión Urbanística, S.L.U.](#), [Coral Homes, S.L.](#) and [Coral Homes Holdco, S.L.U.](#), as well as [channels to report events or suspicious conduct relating to criminal risks](#) and to guarantee that there will be no retaliation against whistle-blowers.
- Commitment to provide training and raise awareness at all levels of the Group with respect to the Criminal Compliance Management Systems of the companies that integrate the Group and the internal regulations as regards Compliance. The directors and managers of the Group, including, within their scope and where applicable, any third parties related to the Group shall have a key role in this respect.



## 5 Basis and Elements of the Criminal Compliance Management System

The Criminal Compliance Management Systems of the companies that integrate the Coral Homes Group (the “Systems”) constitute the development of this Policy and this involves compiling the existing procedures and controls in the aforementioned companies linked to preventing, detecting and sanctioning unlawful activity, particularly criminal offences as these are the most serious. In this respect, the Systems are stated in the Manual of each of the companies of the Group, and the governing bodies of each of these companies shall be responsible, in all cases, for their respective internal Systems.

The Systems of the Group are based on four (4) essential components: prevention, detection, reaction and monitoring, and continuous improvement. These Systems are formed of the following elements:

1. **Corporate Compliance Committee:** This is the body responsible for supervising and monitoring on the Systems, so that the main criminal risks are suitably identified and managed within the Group. In addition, the companies Coral Homes Holdco, S.L.U. and Coral Homes, S.L., and, conversely, Servihabitat Servicios Inmobiliarios, S.L.U. and Serviland Gestión Urbanística, S.L.U., respectively have a Chief Compliance Officer who, in short, shall perform the functions referred to in article 31 bis. 2. 2 on the Criminal Code. As well as reporting internally to their respective governing bodies, each Chief Compliance Officer must report to the Corporate Compliance Committee, which, in turn, shall report to the Board of Directors of Coral Homes Holdco, S.L.U., as parent company of the Group.
2. **Management Model for Financial Resources:** The Group has a series of controls and procedures in the financial and economic field, with full transparency in its accounting books, its transactions and, in general, its economic management. Likewise, in the budgetary sphere, a heading and/or resources are established for the requirements of the Corporate Compliance Committee and the respective Chief Compliance Officers in order for them to carry out their functions, thus ensuring that the Systems have enough human and financial resources.
3. **Criminal Risk Matrix and Map:** The companies of the Group have an inventory of criminal risks inherent in their activity, in addition to the assessment and prioritising of these risks. The resulting map is a mechanism managed by each Chief Compliance Officer, as this is a tool which is used to measure the development of risks, as well as the existing controls over time. This map is reviewed and, where appropriate, updated annually and brought to the attention of the Corporate Compliance Committee.
4. **Manuals, Policies, Procedures and Protocols:** Their purpose is to ensure the effective ethical culture and compliance within each of the integral companies of the Coral Homes Group, as well as across the Group, in addition to guaranteeing the effectiveness of control regulations and procedures which minimise the risk of unlawful conduct of employees or third parties that act for and on behalf of the companies that integrate the Group. Each Chief Compliance Officer, as well as the area managers and governing body of each company of the Group, are responsible for keeping their procedures updated, in addition to scrupulously complying with the aforementioned, particularly when dealing with a guideline of the Group.
5. **Training and Issuing of the Systems:** The Corporate Compliance Committee must have an annual training plan aimed at all employees, managers, any third-party collaborators chosen by the aforementioned

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Committee and directors of the companies that integrate the Coral Homes Group. Likewise, any new members joining the Group must receive this Policy and other specific regulations, as well as the Code of Ethics and the Anti-corruption and Fraud Prevention Policy.

6. ~~Corporate Whistleblowing Channel~~~~Whistle-blowing Line/Ethical Line~~: The Corporate Compliance Committee, through each Chief Compliance Officer, is responsible for the appropriate management of mechanisms belonging to the Group which detect irregularities.
7. **Disciplinary System**: The Corporate Compliance Committee, through each Chief Compliance Officer, is responsible for the appropriate execution of the disciplinary system, with regard to the applicable regulations and without prejudice to the intervention of other functional areas of the companies that integrate the Group in the correct sanctioning of irregularities.
8. **Monitoring and Reporting Procedure of the Systems**: The main objective is to continuously validate the correct execution of the Model, making it possible to regularly check the effectiveness of the existing policies, procedures and controls, as well as the development of the aforementioned, so that the Group can have an overall perspective of its System, allowing it to take the actions needed to ensure it appropriately carries out its functions to prevent, manage and control criminal risks. Thus, the Corporate Compliance Committee shall have a unique Procedure, which includes monitoring and verification tools, and the Corporate Compliance Committee shall also be under an obligation to report to the Board of Directors every year, by means of an Annual Compliance Report, which includes the work carried out in this respect, incidents detected, regulatory changes which have affected the System, improvements implemented and to what extent the Action Plan has been followed-up on.

## 6 Disciplinary System

In the event there is a breach against the precepts included in this Policy, the disciplinary system established in the Code of Ethics of the Coral Homes Group shall be applied.

## 7 Approval, Follow-up and Review

This Policy has been approved by the Board of Directors of Coral Homes Holdco, S.L.U. (as parent company of the Group) on 24 July 2019 and has been last reviewed and updated on ~~02-01~~ December ~~2021~~2022.

This Policy together with its amendments shall take effect upon its approval by the Board of Directors of Coral Homes Holdco, S.L.U.

In order to ensure the effectiveness of this Policy and other internal regulations that implement it, these shall be regularly reviewed and updated by the Corporate Compliance Committee.

All significant amendments made to the policy shall be subject to the approval of the Board of Directors of Coral Homes Holdco, S.L.U., except for amendments of a clerical or developmental nature, which do not entail a considerable change to the values and principles of the Coral Homes Group, or to its commitments regarding Compliance. In these cases, only the approval of the Corporate Compliance Committee shall be required.



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In any case, an amendment shall be understood to be significant when it may have an effect on the compliance with the stipulations of the applicable regulations.

Likewise, the Corporate Compliance Committee and/or the Chief Compliance Officers shall inform the governing bodies of the Coral Homes Group about the application of this Policy and the internal regulations that implement it.

