

ITT GROUP
REPORTS MANAGEMENT
PROCEDURE

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1. Introduction

ITT GROUP has set up the internal reporting channel compliance@itt1878.com, as the preferred means for directors, employees, collaborators, suppliers, customers and other third parties to report concerns regarding possible non-compliance or violations of the Code of Ethics or other internal policies of the organization. It is also used to report any irregularities they identify in the course of their duties, as well as any infringement or omission of which they become aware that may constitute a violation of European Union law or its financial interests, or even to report criminal or administrative offenses under Spanish law, as explained in the ITT GROUP Internal Reporting System Policy.

This document establishes the Reports Management Procedure, which sets out the necessary provisions for the Internal Reporting System and the internal reporting channel for compliance with the requirements of Law 2/2023, of February 20, regulating the protection of persons who report breaches of regulations and the fight against corruption.

While the internal reporting channel is the preferred channel, individuals may also report actions or omissions committed to the Independent Authority for the Protection of Whistleblowers (hereinafter referred to as "A.A.I.") or to the corresponding regional authorities or bodies, either directly or after communicating through the internal channel, in accordance with the terms established in the aforesaid Law 2/2023.

2. Steps in the reports management procedure

2.1. Receipt of reports

At ITT GROUP, receipt of all reports made through the Internal Reporting System is managed by the Compliance Officer as the party responsible for the Internal Reporting System. The Compliance Officer ensures that the independence, confidentiality, data protection and the secrecy of reports are upheld at all times and only has access to the internal channel of the organization, which flows through the email inbox compliance@itt1878.com.

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Reports are made in writing and may be submitted anonymously or with a name attached. Reports are always treated as confidential and should include a description of the events, the identity of the individuals involved and, if possible, supporting evidence that substantiates the reported non-compliance. The reporter should also provide the circumstances under which they gained access to the information.

If, by way of exception, a report is received verbally, it must be documented either in writing with the whistleblower's consent or through a recording of the conversation or via a complete and accurate transcription of the conversation.

Similarly, if a report is received through internal channels other than those established by ITT GROUP or if it is directed to staff who are not responsible for handling reports, the organization still guarantees the confidentiality of the whistleblower. Any breach of this confidentiality would constitute a serious breach of the law, and the report should be forwarded immediately to the party responsible for the Internal Reporting System.

After receiving a report or information, the Compliance Officer, as the officer responsible for the system, will initiate an investigation, if applicable, to clarify the reported facts.

An acknowledgment of receipt will be sent to the whistleblower within seven (7) calendar days after the report is received. This acknowledgment is included in the file and must provide clear and accessible information about external channels for reporting to the competent authorities.

In situations where issuing an acknowledgment of receipt could jeopardize the confidentiality of the report, it will not be provided until a prudent amount of time has elapsed, so as to ensure confidentiality.

As mentioned above, in addition to this preferred internal channel, reports can also be made to the A.A.I. or the corresponding regional authorities or bodies regarding any action or omission that may constitute an offense that can be reported through the

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Internal Reporting System,¹ either directly or after prior communication through the internal channel, following the provisions outlined in Annex 1 regarding external channels for reporting.

2.2. Admission process

After receiving a report, the Compliance Officer will assign it a REGISTRATION NUMBER corresponding to its FILE, and a set of CODES to refer anonymously to the whistleblower, the subject of the report, the facts and any other third party who may be affected by the report.

If the Compliance Officer deems that the reported facts could constitute a criminal offense, he or she will immediately forward the information to management, which will decide whether to report it promptly to the public prosecutor.

It must be verified that the Compliance Officer is not implicated in the reported matter. Should he or she be implicated, he or she will be replaced by Miguel Ginesta, independent advisor, in order to continue the investigation in the most appropriate manner for the interests of the parties involved. Such substitutions and new appointments will be documented in writing in the minutes and at the opening of the file.

Finally, after receiving the report, the Compliance Officer will record the following information:

- The objective data of the report: facts, dates, names, amounts, locations, contacts, etc. provided by the whistleblower.
- The subjective data: opinions, rumors, ideas and assessments that the whistleblower considers necessary as part of the report narrative.
- The Compliance Officer's assessment of whether the report is associated with a possible or alleged violation or if it is merely a complaint or suggestion to improve a line of business, workplace situation, etc.

¹ See Section 3 "Content of the reports" of the Internal Reporting System Policy.

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2.3. Investigation process

If the report is admitted for processing, the investigation will be directed and carried out by the Compliance Officer.

Firstly, and in agreement with the whistleblower, any preventive precautionary measures deemed appropriate will be taken.

If possible, the whistleblower may be asked to provide additional information to assist with the investigation resulting from their report.

During this stage, the INVESTIGATED INDIVIDUAL will be notified and INTERVIEWED, alerting them of their right to be informed about the actions or omissions attributed to them and allowing them to exercise their right to be heard, without disclosing the identity of the whistleblower.

Other relevant parties involved, if any, will also be summoned and interviewed to explain and provide statements. Any necessary investigative measures for the parties will be conducted, and a documentary record of all actions taken will be kept in the file.

Any investigative measures conducted with third parties or other bodies, departments or areas within ITT GROUP must protect the anonymity of the WHISTLEBLOWER and the INVESTIGATED INDIVIDUAL as well as the reasons for the report.

Confidentiality of information, the presumption of innocence and respect for the honor of all individuals involved must be ensured at all times.

During this stage, the Compliance Officer:

1. Investigates the reported facts, specifically:

- The objective and subjective elements provided by the whistleblower, prioritizing objective elements supported by documentation that verifies, either in whole or

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in part, the reported facts.

- The reputation, seriousness and reliability of the whistleblower.
- Any allegations and exculpatory evidence provided by the investigated individual.
- Evidence obtained from third parties or other related bodies, departments, or areas.

2. Analyzes and evaluates the potential consequences of the reported circumstances:

First, the Compliance Officer will verify whether these facts resulted from significant deficiencies in internal controls within ITT GROUP. If so, he or she will propose urgent remedial and preventive measures to avoid further risk.

Second, if the gravity, specificity, or complexity of the facts so requires, the Compliance Officer may appoint another director or a specialized third party to assist with the investigation. Additionally, if the reported facts could lead to a loss of assets, the Compliance Officer will take measures to halt or mitigate such losses. If there is a risk of loss or destruction of relevant evidence for the report, the Compliance Officer will ensure the preservation of evidence before initiating the investigation. The Compliance Officer will also assess whether it is necessary to inform the governing bodies about the report. Finally, he or she will examine the possibility of harm to third parties, evaluating the extent of the harm and the need to inform the affected third party.

The timeline for conducting the investigation and providing a response to the whistleblower about the actions taken and the outcome of the investigation depends on the severity of the reported facts and their potential consequences. The duration of this stage will be at the discretion and risk of the Compliance Officer. That said, in accordance with Article 9.2. d) of Law 2/2023, of February 20, regulating the protection of persons who report breaches of regulations and the fight against corruption, this period may not exceed three (3) months from the receipt of the report or, if no acknowledgment of receipt was sent to the reporter, three (3) months after the expiration of the seven (7) day period following the report. In cases of special

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complexity, the deadline may be extended for an additional three (3) months.²

If the report contains personal data of third parties other than the investigated individual (e.g., witnesses, suppliers, clients, etc.), the Compliance Officer will document in writing that unnecessary personal information provided should be deleted, and the affected third parties must be informed of the data processing. The information will comply with the data protection requirements, omitting the identity of the reporter, which must remain confidential.

All these notifications are decided by the Compliance Officer in her or her role as the party responsible for the system, must be documented in the file, and are carried out through the compliance@itt1878.com mailbox.

2.4. Conclusion of proceedings

After investigating the report and gathering the documentary evidence needed to clarify the facts, the Compliance Officer will issue a VERDICT or RESOLUTION containing the following:

- Description of the facts: reference number of the report; date of the report; reported facts; involved parties; documentation provided during the investigation by both parties (whistleblower and investigated individual), by other bodies, areas or departments or by third parties; interviews with the investigated individual and/or third parties, etc.
- Analysis and evaluation of the evidence.
- If the irregularity is confirmed, the Compliance Officer’s verdict will include a set of recommendations that he or she sees as necessary to improve the internal controls and protocols that were deficient in this particular case.
- Resolution: Subject to the approval of the governing bodies, the resolution will be reasoned and contain the grounds for either CLOSURE WITHOUT PENALTY or CLOSURE WITH PENALTY.

² These deadlines shall be upheld without prejudice to the provisions of the workplace regulations or collective bargaining agreement that applies to the report in question. The deadlines indicated therein take precedence should they contradict.

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- I. CLOSURE WITHOUT PENALTY: After the investigation, if it is concluded that the reported violation is clearly minor and does not require further action, the file will be CLOSED. Closure will also be appropriate in cases of repeat reports that do not provide new and significant information about previously reported violations and for which the investigation procedure has already been concluded unless new circumstances of fact or law justify a different course of action. In such cases, the resolution must be communicated to the whistleblower and must be duly justified.
- II. CLOSURE WITH PENALTY: The Compliance Officer may propose the imposition of a penalty, but the decision lies with the governing body in coordination with Human Resources in keeping with the procedures for disciplinary measures within the organization.
- III. REPORTING TO AUTHORITIES: If the initial report appears to be related to the commission of a criminal offense, the Compliance Officer will immediately notify the directors to assess reporting the offense to the public prosecutor.

In this regard, Article 259 of the Spanish Code of Criminal Procedure states that anyone who witnesses the commission of a public offense³ is obliged to immediately report it to the investigating judge, local magistrate, or prosecutor closest to the place where the offense occurred, under a penalty of a fine ranging from 25 to 250 pesetas.⁴

That said, criminal law heightens the duty to report certain offenses to the competent authorities. On this matter, Art. 450 of the Spanish Criminal Code⁵ addresses “failure to fulfill the duty to prevent crimes or promote

³ The classification of a crime as a public offense is related to who drives the prosecution (ex officio or by the injured party). Public offenses may be prosecuted ex officio without the requirement of a prior complaint by an injured party. In addition to crimes against life and liberty, the catalog of crimes that result in criminal liability of legal entity include but are not limited to the following: fraud, bribery, influence peddling, money laundering, financing of terrorism, crimes against the Public Treasury and Social Security, crimes against the environment and natural resources, crimes against territorial planning, crimes against fundamental rights and public liberties and smuggling. Private offenses, by contrast, are slander and injury between private parties (the justice system can only act when the injured party files a complaint or suit). Semi-public crimes may be prosecuted ex officio after an injured party has filed an initial complaint (crimes of discovery and disclosure of secrets, intellectual property violations, assaults, harassment and sexual abuse, etc.).

⁴ According to the current wording of Art. 259 of the Spanish Code of Criminal Procedure.

⁵ Art. 450 of the Spanish Criminal Code: “1. Whoever is able, by his immediate intervention and without risk to himself or another, and does not prevent a criminal offense being committed that affects the life, integrity or health, freedom or sexual freedom of persons, shall be punished with a sentence of imprisonment of six months to two years if the criminal offence is against life, and that of a fine from six to twenty- four months in the other cases, except if the criminal offence not prevented is subject to an equal or lower

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their prosecution,” punishing those who are able, by immediate intervention and without risk to themselves or another, but do not prevent the commission of an offense that affects the life, integrity or health, freedom or sexual freedom of persons, and those who, being able to do so, do not go to the authority or its agents for them to prevent one of these offenses when informed that it is about to be, or is being committed.

Therefore, if the completed investigation confirms the veracity of the report, ITT GROUP will take all necessary measures to put an end to the reported incident and, if applicable and considering the nature of the incident, apply appropriate actions in accordance with the disciplinary rules, labor legislation, and, where applicable, the aforementioned criminal legislation.

Any internal measures that may be imposed will not limit ITT GROUP from taking legal action if deemed necessary.

In all cases, NOTICE of the RESOLUTION will be sent to both the whistleblower and the investigated individual, respecting the maximum period of three (3) months from receipt of the report. Notice will not be provided to the whistleblower if they have waived it, their contact information is not available, or if the whistleblower is anonymous.

Afterward, the Compliance Officer will order the CLOSURE of the case file, ensuring compliance with the current data protection legislation.

In the event of a CLOSURE WITH PENALTY, the notice to the investigated individual will include the contractual, disciplinary or judicial measures that will be taken.

ITT GROUP guarantees, as stated in its Internal Information System Policy, that no retaliatory measures will be taken against any person who, in good faith, reports the

punishment, in which case a lower degree punishment than that for the actual criminal offence shall be imposed. 2. The same penalties shall be incurred by whoever, being able to do so, does not resort to the authority or its agents in order for them to prevent a criminal offence of those foreseen in the preceding Section when informed that it is about to be, or is being committed.”

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commission of an illegal act, cooperates in its investigation, or assists in its resolution. This guarantee does not apply to those who act in bad faith with the intention of spreading false information or harming others. Against such unlawful conduct, ITT GROUP will take appropriate legal or disciplinary measures.

3. Logging reports

The system manager will keep a log of the reports received and the resulting internal investigations. This log will serve as a tool for storing and/or retrieving key information about each incident, including the date and source of the original report, the investigation plan, findings from interviews or any other investigative procedures, outstanding tasks, the final resolution as well as the chain of custody for any essential evidence or key information.

4. Personal data protection

As stated in the ITT GROUP Internal Reporting System Policy, the processing of personal data resulting from the application of said policy and this Reports Management Procedure shall be governed by the provisions of Title VI of Law 2/2023; the provisions of Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016; Organic Law 3/2018, of December 5, on the Protection of Personal Data and guarantee of digital rights; and Organic Law 7/2021, of May 26, on the protection of personal data processed for the purposes of prevention, detection, investigation, and prosecution of criminal offenses and the execution of criminal sanctions.

Considering the principle of data minimization under the General Data Protection Regulation as stated in Law 2/2023, ITT GROUP only processes personal data that is necessary for awareness and investigation of actions or omissions under investigation through the internal system. Therefore, when collected personal data is deemed unnecessary or if it is proven to be inaccurate, ITT GROUP will proceed with its deletion pursuant to the provisions of Article 32 of Law 3/2018.⁶

⁶ In the case of deletion, ITT GROUP will block the data by taking all necessary measures to prevent the processing of blocked information (except for making it available to judicial authorities, the public prosecutor or competent public administrations for the enforcement of potential liabilities) for the time necessary to preserve evidence of the system's operation. Considering the prescription periods indicated in Law 2/2023, this retention period is set at three years. It should be noted that the obligation to block and retain data does not apply to personal data contained in non-investigated reports, and they may only be retained in anonymized form.

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Furthermore, ITT GROUP may only process special categories of data⁷ when necessary for the adoption of corresponding corrective measures or potential sanctioning procedures. Otherwise, they must be deleted immediately in accordance with the aforementioned terms.

Finally, ITT GROUP must ensure that individuals whose personal data are processed as a result of the investigation may exercise their rights of access, rectification of inaccurate data, erasure, deletion, portability, objection and to not be subject to automated decision-making. It should be noted that the right of access shall not include information about the whistleblower, and the right to object of individuals under investigation may be denied for legitimate reasons.

5. Approval

This Reports Management Procedure was approved by the board of directors and may be amended to improve confidentiality and how effectively the reports are managed.

Moreover, this policy will be reviewed and/or modified by the COMPLIANCE OFFICER, who may outsource the service to specialized professionals:

- In the event of relevant changes in the organization, control structure or activity carried out by the company that warrant such a change.
- In the event of legal modifications that warrant such a change.
- In the event of significant violations of its provisions that warrant such a change.

This policy will be revised, even when none of the circumstances described above occur, at least once per year.

⁷ Personal data that reveal a person's ethnic or racial origin, political opinions, religious or philosophical convictions or union membership and the processing of person's genetic, biometric, health data or data related to their sexual life or sexual orientation.

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6. Version history

Version	Date	Approved by	Reason for change
Original	19 April 2022	Compliance Committee and Board of Directors	
V.1.0	05 June 2023	Board of Directors of Grupo ITT, S.A.	Adaptation to Law 2/2023, of February 20, regulating the protection of persons who report breaches of regulations and the fight against corruption

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7. Annex 1: External reporting channels

7.1. External reporting channel of the Independent Authority for the Protection of Whistleblowers (A.A.I.)

All individuals may report the commission of any action or omission referred to in the ITT Group Internal Reporting System to the Independent Authority for the Protection of Whistleblowers (A.A.I.) or to the corresponding regional authorities or bodies, either directly or after communicating through the internal channel compliance@itt1878.com.

7.2. Infraude

The National Anti-Fraud Coordination Service (SNCS),⁸ as the national body responsible for coordinating actions aimed at protecting the financial interests of the European Union, operates under the supervision of the General Intervention of the State Administration. It enables individuals to report any facts they become aware of that may constitute fraud or any other irregularity related to projects or operations funded by the European Union.

A form for reporting frauds and irregularities (also known as Infraude) is available through its website and can be used with guaranteed confidentiality:

<https://www.igae.pap.hacienda.gob.es/sitios/igae/en-GB/snca/Paginas/ComunicacionSNCA.aspx>

⁸ <https://www.igae.pap.hacienda.gob.es/sitios/igae/es-ES/snca/paginas/inicio.aspx>