

Criminal Compliance Policy of ITP Aero

All companies operating under the name ITP Aero, are subject to compliance with the standards of behaviour indicated in this Policy, which is mandatory and applies to all its employees and workers. This Policy sets out the minimum standard of compliance, in the event that there are any applicable laws or regulations that impose different or stricter obligations, such laws or regulations shall apply upon this Policy.

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Introduction

ITP Aero is globally committed to meeting the highest standards of quality, safety and business ethics in all its actions and businesses.

Thus, in the context in which the organization develops its activities, all of us who form ITP Aero must always be scrupulous in complying with the law, and in this case, **the laws that deal with and prosecute crimes and anti-legal conduct subject to criminal sanctions**. For this purpose, this Criminal Compliance Policy is promulgated, integrated within the Compliance System and developed by the Criminal Compliance Manual and the Compliance Program implemented in the business units and companies of ITP Aero.

The Criminal Compliance Policy of ITP Aero applies to the entire ITP Aero group, but it has its origin and starting point in Industria de Turbo Propulsores S.A. and in the compliance model determined by Spanish legislation to which it is subject. However, it has been conceived and constructed with the idea of being a Global Policy and to be implemented and followed throughout the Company, adjusting, if necessary, to the particularities that may exist in each jurisdiction.

For a better understanding of the context, it is necessary to know that with the legislative reforms of the Spanish Criminal Code in 2010, it was established for the first time (in Spain) the possibility of charging and convicting legal entities (companies) for criminal liability independently and differently from the eventual liability of the individual persons working in them, and with specific sanctions for them. This can mean for the company from economic sanctions to the suspension of activities and even force the dissolution. Hence, it is not only a matter of the company's responsibility to prevent the commission of crimes within the company by its employees and/or representatives, for which until now they were only personally liable, together with any subsidiary civil liability of the company, but also a requirement to avoid any possible criminal conviction of the company itself, with much greater scope and consequences and potential harm to the company as such.

In the event that a company commits a crime that may be attributable to it, the law establishes (under current legislation in Spain, but in a similar way in other jurisdictions where a similar model is applied) that in order to mitigate or, where appropriate, exempt the company from criminal liability, it is necessary to provide, beforehand, for the company to be held liable, *"an effective model of organisation and management, including appropriate monitoring and control measures, to prevent the commission of offences of the nature of the prosecuted offence or to significantly reduce the risk of their commission"*, and so that *"individual perpetrators who have committed the offence would have to fraudulently evade such organisational models and prevention, monitoring and control measures"* (ref. Criminal Code Art.31 bis).

In ITP Aero, this prevention model is articulated within the Criminal Compliance Management System, in which this policy is framed and served. The model can be exported to all the

Company's societies, both in Spain and abroad, and is binding on all of them, although, without prejudice to the foregoing, the specific features and legal regime of possible mitigation or exemption from liability that may exist in jurisdictions other than Spain must be taken into account in each case.

To this end, this Criminal Compliance Policy is established as the basic structure of the Criminal Compliance Management System in a way that allows compliance with the previous legal dictates and, in any case, favours the development of an ethical culture and rigorous compliance with the legal framework and the fight against crime within the company.

This Policy has been approved by the Board of Directors of Industria de Turbo Propulsores S.A. (hereinafter ITP, S.A.). It is strategic for all ITP Aero and must be complied with, applying to all employees and workers contractually linked to ITP Aero, administrators, representatives, collaborators and agents of ITP Aero, including ITP S.A. and all other companies of ITP Aero group (hereinafter jointly referred to as "ITP Aero" or "the Company"). Failure to comply with the provisions of this policy will result in appropriate corrective action, including labour discipline and even dismissal, or in any other case the immediate termination of other possible contractual relationships, depending on the seriousness and circumstances of the action, whether by action or omission.

This Policy:

- establishes a specific action and management framework that determines the establishment of *prevention, surveillance and control measures suitable for preventing the commission of crimes within ITP Aero (Criminal Compliance Management System)*;
- is imposed on a mandatory and binding basis on all persons working at ITP Aero or administering and managing its business, under corrective and/or disciplinary measures of an individual nature.

Your responsibility

To read, understand and comply with this policy;

Raise any questions or concerns you might have. There is advice on how you can do so in Section 2.

Your manager's responsibility

To understand this policy and make sure that they do not ask you to work in a way that contravenes it.

Common Terms

Criminal Compliance

Specific concept, within the general concept of 'Compliance', referring in particular to the establishment and management of adequate processes and procedures to provide the organization with an effective management model that includes surveillance and control measures suitable to prevent and avoid the commission of crimes within the company's own sphere or to significantly reduce the risk of their commission.

Code of Conduct

Compilation of the rules and regulations that are required of ITP Aero employees and their behavior in relation to Ethics & Compliance.

ITP Aero has developed a code of conduct that establishes the ethical principles that should guide the performance of the daily activities of the people that work for ITP Aero and is an essential part of the *Compliance* Program.

Report channels

ITP Aero has a report channel called "Ethics Line" which allows any person, whether or not they are personnel of ITP Aero, to report anonymously or not, possible breaches or irregularities that are contrary to the ethics and the law, especially those that are contrary to Criminal Law and the Code of Conduct, with the maximum guarantees of confidentiality and without any reprisals.

Criminal Compliance Management System

A set of organizational elements that are interrelated or that act to specify and measure the level of achievement of objectives in the area of criminal compliance, as well as the policies, processes and procedures to achieve these objectives. The Criminal *Compliance* Management System covers the entire organization and allows the company to demonstrate its commitment to comply with criminal compliance regulations. ITP Aero's Criminal *Compliance* Management System is in accordance with the provisions of the UNE 19601 standard.

Anti-bribery and Corruption Management System

A set of organizational elements that are interrelated or that act to specify and measure the level of achievement of anti-corruption and bribery objectives, as well as the policies, processes and procedures for achieving these objectives. The Anti-Corruption and Bribery Management System covers the entire organisation and enables the company to demonstrate its commitment to comply with anti-corruption regulations. ITP Aero's Anti-Corruption Management System is in line with the ISO 37001 standard.

Compliance Program

An element of the Management System that covers the entire organization and allows the company to materialize its commitment to comply with regulations, especially those related to criminal and anti-corruption compliance, but not only. The Compliance Program contemplates the legal requirements, the contractual requirements with our clients, the industry codes, the organization's standards, as well as the standards of good corporate governance, best practices, ethics and the expectations of the community in general.

Disciplinary system

Adequate sanctions in accordance with the Penalty Procedure provided for in the applicable Collective Bargaining Agreement and the respective labour legislation, in the event of non-compliance with the Compliance Program.

Company

It refers, depending on the context, to the whole of ITP Aero or individually to any company in the ITP Aero group, including Industria de Turbo Propulsores S.A., the parent company Bain Propulsion Bidco, S.L. and their subsidiaries.

ITP Aero

This means, as appropriate, all the companies and centres that make up ITP Aero or any company thereof as defined above.

1. Criminal Compliance Policy of ITP Aero

1.1 Policy objectives

The purpose of this Policy is to establish an effective model of organization and management of Criminal Compliance, including surveillance and control measures suitable to prevent the commission of crimes of the nature of the prosecuted or to significantly reduce the risk of their commission, in all ITP Aero.

1.2 Scope of Application

The Criminal Compliance Policy applies to all employees and other workers and collaborators, managers and directors of ITP Aero, including those of the companies that are integrated in ITP Aero.

This Policy applies internally to ITP Aero without prejudice to the additional criminal regulations in force in each of the jurisdictions in which the Company operates.

ITP Aero should try to link its various partners (customers, suppliers, consultants and other collaborators and business partners) to achieve effective compliance with this Policy and with the controls and measures set out in the Criminal Compliance Management System, promoting the implementation of specific and effective programmes for compliance with this Policy.

1.3 Policy development

1.3.1. Commitment to Comply with the Compliance Objectives and the Compliance Program.

The Board of Directors of the parent company of ITP Aero, in its position as the highest level of the organisation and management of ITP Aero, has determined the need to implement the Criminal Compliance and Anti-Corruption Management System and is committed to the monitoring and enforcement of this system. Therefore, it has approved this Criminal Compliance Policy, which forms part of the Criminal Compliance and Anti-Corruption Management System, and which favours the establishment at ITP Aero of suitable surveillance and control measures to prevent the commission of crimes potentially attributable to the different companies under the corresponding legal system

Beyond the above, the Criminal Compliance Policy, the Compliance Program and the rest of the internal regulations contribute to the development of an ethical culture and rigorous compliance with the legal framework and the fight against crime within each company throughout ITP Aero.

1.3.2. Identification of the activities within the scope of which the crimes to be prevented may be committed

ITP Aero is a group of societies governed by private law, with legal entity and full capacity to act for the fulfilment of its purposes, under different legal frameworks and jurisdictions in the various countries where it operates.

ITP Aero is a leading global company (with societies in Spain, Mexico, Great Britain, India and Malta) in designing, development, manufacture and maintenance of aeronautical engines and components.

ITP Aero carries out a wide range of activities in the different societies that compose it including research, design, development, production and assembly with a focus on six product lines: low-pressure turbines, radial structures, compressors, external connection systems (externals), nozzles and castings.

1.3.3. Risks applicable to ITP Aero arising from its main activities

ITP Aero assumes a commitment of particular vigilance and control of those activities carried out in all ITP Aero and in which the commission of certain crimes or criminal offences may materialise and of which it may be directly accused as a legal person in each of the areas described. The risks of direct or indirect commission (through employees, directors or representatives of the company) have been previously defined in a risk map, taking into account the criminal regulations, the main activities and the circumstances of the company, which is constantly updated and it is included in the Criminal Compliance Management System Manual and the criminal risk register of ITP Aero. The criminal offences identified that apply to ITP Aero are mostly economic offences and offences related to intellectual and industrial property, among others.

In addition, those behaviours that could more typically lead to the commission of such crimes have been identified and based on this, a series of controls and measures have been developed to prevent and mitigate their possible commission, either by action or omission.

1.3.4. Prohibition of non-compliance and explanation of the consequences of non-compliance.

The Policy determines "zero tolerance" with respect to behaviour that means non-compliance with the model and evasion of the established controls, which are equally applicable to directors and members of the governing bodies, managers and employees of ITP Aero, but are also applicable to all partners in the Company's business and operations. Any breach will be subject to the appropriate sanctioning and disciplinary regime foreseen for essential breaches of the various applicable contracts, including the disciplinary measures applicable under the employment

contract, including the dismissal or immediate termination of other possible contractual relationships.

1.3.5. Minimizing exposure to criminal risks

The Criminal Compliance Policy, as well as the development regulations, establish a preventive culture based on zero tolerance to conducts contrary to the regulations, especially those of a criminal nature.

In order to minimize ITP Aero's exposure to regulatory risks, the decision-making process of all members of the Board of Directors, executives and employees of ITP Aero and business partners must carefully analyse and study possible criminal contingencies, discarding those actions that may represent a temporary or economic saving but that expose the company to a significant risk.

1.3.6. Criminal Risks management

The Criminal Compliance Policy establishes a specific framework for the definition, review and achievement of particular criminal compliance objectives, through an adequate criminal risk management system that determines appropriate processes aimed to:

- a. Identify the behaviours and situations of probable risk that the organization can reasonably contemplate associated with the different crimes contemplated.
- b. Analyse the specific risk of non-compliance (commission of a crime) identified in each case.
- c. Assess the consequences of committing crimes in each of the identified risk situations.
- d. Manage and review prevention, risk mitigation and correction measures in the event of non-compliance with established controls

To this end, and in order to guarantee the effective management of the planned model, sufficient human and material resources must be provided within the Company, under the supervision of a Crime Prevention Committee and the Ethics & Compliance Area, in order to ensure the achievement of compliance objectives and its effective operation.

1.4 Instruments of criminal prevention

1.4.1. Policies and procedures developed

ITP Aero has developed a series of internal policies, guidelines and procedures with the intention of regulating the actions of the Company, promoting an ethical culture and preventing the commission of crimes within the Company.

In this regard, the Board of Directors of the parent company has approved, among others, the following instruments with global application necessary in all ITP Aero:

- Global Code of Conduct
- "Speak-up" Policies and Ethics Line.
- Anti-Bribery and Corruption Policy ("ABC") and other associated policies ("ABC" Policies, Global Data Privacy Policy, People Policy, etc.) all of which are directly or indirectly effective in preventing criminal offences within the scope of ITP Aero.

The above internal rules are communicated and available to all the members of ITP Aero. In addition, continuous training is given to employees in general or specific subjects for any particular area.

1.4.2. Corporate Governance

ITP Aero has its own autonomous governing and management bodies, which are responsible for making decisions and for ITP Aero's profit and loss account, as well as for looking after the interests of the various stakeholders of ITP Aero and its action is always determined by absolute respect for the various applicable rules of Corporate Governance, by law or by good practice, including ethical, diligent and responsible conduct in all areas of management and action in business and including adequate corporate management and control of the Company's business.

1.4.3. Governance Structure

The bodies involved in the Policy and the high-level detail of the related functions are described below.

A. Board of Directors

The Board of Directors of ITPSA, as the Company's parent company, is the highest governing and administrative body of the business and operations of ITP Aero and of the global and corporate management and performance of the Company at a global level. It therefore establishes the Company's global strategies and objectives, including the supervision and control of

management mechanisms, including risk management, and the viability of the Company. In this way, it assumes the competence to supervise the Company's compliance management, including in this case, criminal compliance. To this end, the Board defines the main lines of the Compliance Group, approves the Company's global compliance policies and carries out appropriate monitoring and control of the Criminal Compliance and Anti-Corruption Management System, through the regular report it receives from the Crime Prevention Committee.

To this end, the Board of Directors must be informed periodically, at least once a year, of the results of the activities carried out by the Crime Prevention Committee, of the status of the Criminal Compliance Management System, and at any time when it is necessary or when any breach or news occurs that could affect the interests of the Company.

B. Crime Prevention Committee

It is the body appointed by the Board of Directors of ITPSA (and in each company by its corresponding administrative body) as responsible for caring for and supervising the effective operation of the Criminal Compliance Management System. It is a collegiate body, including transversal functions of the company, and endowed with autonomous powers of initiative and control and independence in the exercise of its functions, as established in the Procedure of the Crime Prevention Committee. It is the maximum guarantor of the functioning of the Criminal Compliance and Anti-Corruption Management System. The main function is therefore to ensure due compliance with this Criminal Compliance Policy, including the Anti-Bribery and Corruption Policy and the other ABC Policies, and in the part related to it, with the Code of Conduct.

Reporting periodically to the Board of Directors and making an Annual Plan of control, supervision, evaluation and updating of the Criminal Compliance Management System are some of the responsibilities of this Committee, among others, as described in the Criminal Compliance Manual.

C. Senior Management

In order for Senior Management to review periodically ITP Aero's Criminal Compliance and Anti-Corruption Management System, there is a forum composed of the Executive Committee, the General Counsel and the Head of Ethics & Compliance. This review is understood as the process by which, based on the result of the review of the Criminal and Anti-Bribery Compliance System carried out by the Crime Prevention Committee and the Ethics & Compliance function, the Senior Management analyses the information available and adopts the appropriate decisions for the effective implementation and execution of the controls and measures necessary for the proper functioning of the Criminal and Anti-Bribery Compliance System at ITP Aero, reporting on this review to the governing body.

D. Ethics & Compliance Area

The Crime Prevention Committee delegates to the Ethics & Compliance Area some of its oversight functions regarding the operation of the Criminal Compliance and Anti-Corruption Management System, in relation to controls and crime prevention measures, apart from those that are its own responsibility. Among such surveillance functions are the review and update of the Criminal Risk Map, the proposal to the Crime Prevention Committee of the Compliance Objectives, the identification of controls and/or aspects of improvement or the effective communication of controls of the Management System.

The Ethics & Compliance area will meet periodically to discuss the responsibilities entrusted to them and will periodically report the results and status of its functions to the Crime Prevention Committee, for its knowledge and subsequent report to the Board of Directors, as indicated in the ITP Aero Criminal Compliance Manual.

1.4.4. Ethics Line

ITP Aero makes available, both to employees and to any stakeholder, the "Ethics Line" where anybody can make a report of any suspicious fact or behaviour of which they are aware, anonymously or not.

All of us at ITP Aero have the inexcusable obligation to report, on the basis of reasonable evidence, facts or conduct that are suspected of constituting a criminal act or a breach of the principles of the Code of Conduct, our policies or applicable regulations. We also have the obligation to communicate any doubts or suggestions regarding the interpretation of this Criminal Compliance Policy or the rest of the rules on compliance through the "Ethics Line" or the appropriate channels established in the "Speak-Up" Policy. Any kind of retaliation against an informant who acts in good faith is prohibited and measures must be taken to protect him/her, both members of the organization and third parties. Any action contrary to the above will be sanctioned.

1.4.5. Penalty regime, consequences of not complying with the established requirements.

ITP Aero requires its governing body, managers, employees, business partners and other stakeholders to comply with this preventive culture based on zero tolerance of conducts that are contrary to regulations, especially of a criminal nature. In the event that any infringement should materialise within its organisation, ITP Aero establishes a proportionate sanctioning and disciplinary regime for fraudulent, disruptive and/or criminal actions and conducts that expose the company to criminal risks. This will lead to the application of disciplinary measures that may consist of warnings, even involving the termination of the employment relationship or collaboration between ITP Aero and the offending party, always in strict compliance with the established collective agreements and with the rest of the labour regulations of the applicable jurisdiction, guaranteeing full respect for the rights of offenders.

In the case of offences that constitute crimes, the conduct shall be reported to the competent authorities.

1.4.6. Updating, improvement and publication of the Criminal Compliance and Anti-bribery Management System

ITP Aero is committed to updating and improving the Criminal Compliance and Anti-bribery Management System, implementing specific management mechanisms that allow the system to be reviewed at regular intervals, performance evaluation and the deployment of actions that promote continuous improvement.

The Criminal Compliance Policy will be reviewed by the Ethics & Compliance Area periodically, at least once every 3 years, and in any case, when there is a change in the regulations that involves updating or modifying them.

The Criminal Compliance Policy will be published through ITP Aero's ordinary means of communication via the intranet, and will be available on the ITP Aero website, for the purposes of full knowledge by the Company's governing body, directors and employees, as well as business partners and stakeholders, where appropriate. A copy will be given to all new members of ITP Aero and will be permanently available on the GMS ("Global Management System") site of the intranet to facilitate rapid access by any interested party.

2 Where to get more information and other documents to read

Any communication related to this Policy, either on additional information or non-compliance can be done through the channels established in the Speak Up Policy.

Other documents related to this Policy are

- The ITP Aero Code of Conduct.
- Global Compliance Policy of *ITP Aero*.
- The ABC Policies
- The guidance documents on the E&C site of ITP Aero's intranet

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