



INCOMING INFORMATION MANAGING PROCEDURE

Content

| | |
|---|----|
| 1. PURPOSE..... | 1 |
| 2. GOVERNANCE OF THE INTERNAL INFORMATION SYSTEM..... | 1 |
| 3. MANAGEMENT PROCEDURE | 2 |
| 4. RECEPTION, ANALYSIS, AND RESOLUTION OF QUERIES AND COMPLAINTS..... | 4 |
| 5. INVESTIGATION FILE..... | 6 |
| 6. FALSE OR UNFOUNDED ALLEGATIONS..... | 11 |
| 7. DATA ANONYMIZATION | 11 |
| 8. DATA PROTECTION | 12 |
| 9. COMPLIANCE WITH THIS PROCEDURE..... | 14 |
| 10. MONITORING AND REVIEW | 14 |

Approved: February 2025

1. PURPOSE

On February 21, 2023, Spain's Official State Gazette published Law 2/2023 of February 20, regulating the protection of individuals who report regulatory violations and corruption (hereinafter, the "**Whistleblower Protection Law**"). The legislation entered into force 20 days after its publication and fulfills Spain's obligation to transpose the European Parliament and Council's Directive 2019/1937 of October 23, 2019, on the protection of people who report breaches of EU law (the "Whistleblowing Directive").

Through this Law, Spain strengthens a culture of compliance by safeguarding people who report workplace or professional misconduct. It mandates the implementation of internal reporting systems with effective processing, along with the implementation of internal reporting systems that ensure effective case handling, protect confidentiality, enable anonymous reporting, and provide clear protective measures for whistleblowers.

Through the development and implementation of this procedure for managing incoming information, the HERMES INSTITUTE FOUNDATION FOR CITIZEN EMPOWERMENT (the Hermes Foundation) reaffirms its commitment to promoting a corporate culture based on regulatory and ethical compliance.

The purpose of this internal information system is to identify irregular or illegal behavior within the organization and serve as a tool for receiving and addressing complaints.

2. GOVERNANCE OF THE INTERNAL INFORMATION SYSTEM

The Board of Trustees of the Hermes Foundation has appointed the **Ethics Committee** as the body responsible for the internal information system (the system management), which is composed of:

- The Secretary General of the Hermes Foundation
- Two trustees

The Ethics Committee is tasked with supervising the system's day-to-day running, integrating the guiding principles of the internal information system policy and ensuring due diligence throughout the process.

The committee delegates the day-to-day running of the system to the Secretary General of the Hermes Foundation (the Management Delegate), who is responsible for ensuring the timely and confidential processing of reports in accordance with the principles established in the internal information system policy.

Both the Ethics Committee and the Management Delegate must act independently and autonomously from the Foundation's other bodies. They may not receive instructions of any kind in the exercise of their duties and must have the necessary human and material resources to carry them out.

The appointment or dismissal of the individual appointed as Management Delegate, as well as that of the members of the Ethics Committee, must be notified to Spain's Independent Whistleblower Protection Authority (the AAI), or, where applicable, to the competent authorities or bodies of the countries' regional governments, within the scope of their respective powers (still pending establishment). In this case, the deadline for such notification will be ten (10) working days from the appointment or dismissal, specifying the reasons.

The Ethics Committee has developed a specific procedure for managing the internal information system, approved by the governing body of the Hermes Foundation, in order to ensure that all related processes are carried out diligently and in accordance with ethical and legal standards.

Key responsibilities of the collective body responsible for the internal information system include:

- Ensuring the proper functioning of the internal information system
- Safeguarding the confidentiality of all submitted and processed information
- Receiving, screening, and classifying reports, verifying their accuracy and requesting additional information if needed
- Protecting whistleblowers against reprisals, provided reports are made in good faith
- Referring investigations to the appropriate departments, provided reports meet the established criteria
- Reporting investigation outcomes to the Board of Trustees and recommending corrective actions where necessary
- Notifying both the whistleblower and the implicated parties of the investigation's outcome in a timely manner
- Compiling an annual report for the Board of Trustees detailing the number, nature, and outcome of the reports received

3. MANAGEMENT PROCEDURE

The management procedure detailed below has been prepared with the utmost rigor and in strict compliance with the general principles established in the internal information system policy.

A) Internal reporting system

Reports of irregularities, breaches or misconduct must be submitted exclusively through the internal reporting system. These reports will be initially reviewed by the Ethics Committee, which will conduct a preliminary assessment and identify any potential conflicts of interest.

The internal information system is a secure channel for reporting unethical behavior, violations of the Hermes Foundation's code of ethics or conduct that could constitute serious criminal or administrative offenses. The system is open to employees, collaborators, suppliers and other stakeholders, and is designed to preserve the confidentiality and security of all communications, thereby protecting both whistleblowers and individuals named in the reports.

This channel is strictly reserved for reports related to misconduct or legal breaches. It must not be used to submit general grievances or unrelated complaints, as outlined in the internal information system policy.

If a report is received through any channel not covered by this procedure, the recipient must immediately forward it to the Ethics Committee. The committee will then notify the whistleblower of their obligation to maintain confidentiality and inform them that the use of unauthorized channels may constitute a serious breach of legal confidentiality requirements.

B) Communications and access to the internal information system

Reports may be submitted in writing, verbally, or both.

Whistleblowers will be informed of their rights under data protection legislation and, in the case of verbal submissions, will have the opportunity to review and confirm the transcript of the report, signing it if applicable.

The Hermes Foundation makes the following means available to whistleblowers for submitting reports:

1. Verbal reports:

If made verbally, the Ethics Committee will inform the whistleblower that the conversation will be recorded and/or transcribed. The whistleblower will also be informed about the processing of their data, in accordance with the provisions of the relevant section on data protection in this procedure.

2. Written reports:

- **Email:** Reports may be sent to canaletico@fundacionhermes.org, which will be handled exclusively under the strictest duty of confidentiality.

- **By post:** Written reports may be sent to:

FAO Governance of the Internal Information System
Hermes Foundation
Calle Orense 81, Tetuán, 28020, Madrid

3. Verbal communication in person: At the request of the informant, communication may take place through a meeting, within a maximum period of seven (7) calendar days.

The written complaint must include at a minimum:

- A clear description of the reported irregularity, including relevant circumstances and, if possible, supporting documentation
- Identification of the individuals allegedly responsible

C) Registration and evaluation of reports

All reports submitted through the internal information system will be recorded in a secure and confidential registry.

Regardless of the submission method, reports will undergo a preliminary assessment by the Management Delegate, who is responsible for safeguarding the confidentiality of both the whistleblower and any individuals named in the report.

Each report will be assigned a unique identification number and entered into a tracking log. A comprehensive record will be maintained for each case, detailing all steps taken during its evaluation and resolution.

4. RECEPTION, ANALYSIS, AND RESOLUTION OF QUERIES AND COMPLAINTS

A) Processing complaints

Upon receipt of a complaint, which, as stated above, may be made verbally or in writing (unless the seriousness and/or complexity of the facts reported requires detailed written formulation), the first person responsible for accessing the complaint will be the Management Delegate.

The Management Delegate will then refer the situation to the Ethics Committee, which will immediately acknowledge receipt of the complaint to the whistleblower (within a maximum of 48 hours) and analyze the information provided, requesting further information from the whistleblower if the initial information is considered unclear or incomplete.

The Management Delegate must take the following steps upon receiving a complaint in the Internal Information System:

- **Acknowledgment of receipt:** Send confirmation of receipt to the whistleblower within seven (7) calendar days, except in cases where confidentiality might be compromised or if the complaint was submitted anonymously
- **Preliminary analysis:** Review the content and documentation to assess admissibility
- **Complaint registration:** Log the report into the official system.
- **Referral:** Forward the complaint to the Ethics Committee for investigation

If the information provided by the complainant is incomplete, even after requesting further information, a decision may be made not to initiate an investigation and instead to close the file.

If several complaints are received about the same incident or related incidents, it may be decided to combine the cases.

If the reported facts fall within the scope of **Article 2 of the Whistleblower Protection Act**, the whistleblower must indicate whether the matter has already been reported to another authority, such as the Public Prosecutor's Office or law enforcement. If such an investigation is already underway by competent national or supranational bodies, the Hermes Foundation's investigation will either be suspended or not initiated, and the Ethics Committee will cooperate with the relevant authority.

A preliminary analysis of the reported facts must be carried out within **10 working days** of receiving the initial or additional information. If the seriousness of the facts so warrants, the procedure may proceed directly to the opening of a formal investigation.

The preliminary analysis is to determine:

1. Whether the report is complete and meets admissibility criteria (clarity, good faith, relevance to this procedure)
2. Whether there are reasonable indications of irregular or unlawful conduct, or breaches of internal policies or the Foundation's Code of Ethics

Based on this analysis, one of the following decisions may be made:

- **Admissible:** If the complaint is deemed credible and within scope, an investigation will be initiated.
- **Rejected:** If the complaint lacks relevance, sufficient clarity, or appears unfounded, it will be dismissed. However, recommendations may still be issued if deemed appropriate

If it is decided not to initiate an investigation, but recommendations on the case are considered necessary, these may be communicated to the parties concerned.

Any decision not to accept a complaint will be duly documented in the minutes of the relevant meeting within **15 working days** of receipt of the complaint.

B) Analysis and verification

The Ethics Committee may engage external auditors or other advisors to investigate and analyze the reported facts, ensuring maximum confidentiality in the processing of data, and then:

- Request further information from the whistleblower
- Notify the person(s) concerned, giving them the opportunity to present their views or provide a defense

During the investigation, the **presumption of innocence** of the accused will be respected and the confidentiality of both the whistleblower and the accused will be guaranteed.

The maximum timeframe for concluding the investigation and issuing a final report will not exceed **three (3) months** from the receipt of the complaint, or from the expiry of the period of seven (7) calendar days if no acknowledgment of receipt was sent. If necessary, this period may be extended for an additional **three (3) months**.

The final report will include:

- A summary of the complaint received
- An evaluation and classification of the complaint
- Documentation and findings from the investigation
- Conclusions and any proposed corrective or disciplinary measures

5. INVESTIGATION FILE

A) Opening the investigation file

If, following the preliminary analysis of the complaint, carried out in accordance with section 4 A) above, it is considered that there are reasonable grounds to believe that an action or omission has been committed by a professional of the Hermes Foundation contrary to the policies and procedures of the Foundation, the Code of Ethics, professional ethics or the provisions of the compliance policy, where applicable, an investigation file will be opened immediately.

The purpose of the investigation file is to:

- Clarify the facts

- Identify responsibilities
- Determine the degree of accountability

Depending on the nature of the complaint, the matter may be shared with other departments of the Hermes Foundation for support and participation in the processing and resolution of the case, as needed.

All professionals involved in the investigation are bound by strict confidentiality and are required to act with objectivity and independence.

If any member of the investigation team has a conflict of interest or there are justifiable grounds for exclusion, they must recuse themselves immediately. Failing that, they may be challenged and removed by majority decision of the investigation team.

B) Appointing an investigator

When the collegiate body responsible for the internal information system agrees to open an investigation file, it will appoint one of its members as the **Investigator**. This person will oversee the full investigation, ensuring all stages are properly documented through to final resolution.

C) Notifying the subject of the investigation

The person under investigation will be promptly informed of the initiation of proceedings and the appointment of the Investigator, via an **opening notice**.

This notice will:

- i. Notify the person reported of the facts that have led to the opening of the proceedings, by (i) forwarding the complaint letter submitted (if applicable) or (ii) providing a detailed description of the facts reported, including the identity of the complainant, unless the latter has expressed their opposition to this and the collegiate body responsible for the Internal Information System, in view of the circumstances, has agreed on the possibility/necessity of omitting such information.
- ii. The subject will be given a maximum of five working days from the date of notification of the opening of the proceedings to present their arguments, either orally or in writing, and to propose any evidence they deem necessary in defense of their interests.
- iii. The subject will be summoned to an interview in which they must answer the questions put to them in order to clarify the facts reported. Before, during, or after the interview to take statements, the person reported may

submit written statements or propose any evidence they deem necessary (documents, witnesses, etc.).

- iv. They will communicate the precautionary measures adopted, as well as their duration. If the reported facts could constitute a very serious offense, or if necessary to prevent the loss or manipulation of information and the obtaining of evidence, the Investigator may agree, where appropriate, to suspend the person accused from their job, but not from their salary, while the case is being processed, and/or take any other urgent precautionary measures necessary to prevent the process from being frustrated or further harm being caused to those affected by the reported facts.

Notwithstanding the foregoing, and always respecting the principle of presumption of innocence, in exceptional cases where immediate notification of the opening of the investigation to the person reported poses a risk of manipulation or elimination of evidence necessary for the investigation, it may be agreed to delay such notification for the time necessary to adopt the relevant precautionary measures to ensure the successful completion of the investigation or even for the early collection of any evidence that is absolutely necessary for the investigation.

In accordance with the provisions of Article 31.2 of the Whistleblower Protection Act, the person to whom the reported facts refer will not be informed in any case of the identity of the whistleblower or of the person who made the public disclosure.

D) Evidence

The Investigator is responsible for completing all necessary actions for the identification and resolution of reported irregularities or non-compliance, as well as the collection of documentation and evidence that provide sufficient proof of the facts, while ensuring adherence to the principles of proportionality, objectivity, and legal due process, particularly regarding the rights of the whistleblower and the confidentiality of information.

The evidence will be examined for as long as necessary to ensure that all the information required to adopt a reasonable decision is available. The evidence, whether testimonial, documentary, expert, or other, will be examined by the Investigator at the request of the complainant, the person complained against, affected third parties, or ex officio, always in accordance with the provisions of the Whistleblower Protection Act.

E) Proposed resolution

Once the evidence has been examined, the Investigator will assess the content of the allegations and evidence obtained and prepare the corresponding proposed resolution in writing. The proposed resolution will contain:

- i. A brief description of the background to the case and the evidence examined
- ii. A determination of the facts considered to be proven
- iii. A proposed resolution, which may consist of a sanction, a reminder of the work duties of the person reported, or the dismissal and closure of the file
- iv. The reasons for the proposal

F) Approval of the proposed resolution

Once the proposed resolution has been received from the Investigator, the Ethics Committee will assess the proposal as soon as possible and obtain any advice it deems necessary from other internal functions.

The proposed resolution will be considered approved when it is supported by a simple majority of the members present at the voting meeting.

If amendments to the proposed resolution are submitted and approved by a majority, the Investigator will incorporate them into the final version.

G) Resolution of the complaint

A final resolution must be issued within 30 working days, with a possible extension of 15 additional working days for particularly complex cases.

The resolution must:

- Confirm or dismiss the reported irregularities
- Identify any breaches of the code of ethics or applicable laws
- Recommend appropriate corrective or disciplinary measures and sanctions
- Propose steps to mitigate harm and protect those affected

If the findings suggest criminal activity, the Head of the internal information system will immediately notify the Public Prosecutor's Office or the European Public Prosecutor's Office if the matter involves EU financial interests.

H) Possible outcomes

One or more of the following decisions may be taken:

1) Request further evidence, if the evidence already gathered is not conclusive and/or sufficient. In this case, the file will be returned to the Investigating Officer to complete the investigation and issue a new Proposed Resolution as soon as possible.

2) Or declare that irregular or unlawful conduct has been committed, or an irregularity in relation to compliance with the Code of Ethics and/or the policies and procedures of the

Hermes Foundation, or a violation of those indicated in Article 2 of the Whistleblower Protection Act. In addition, its seriousness will be assessed and declared, proposing the adoption of any of the measures to be set out below.

I) Disciplinary system

The Hermes Foundation applies a graded disciplinary system aligned with:

- The Hermes Foundation's code of ethics
- Internal policies and procedures
- Article 2 of the Whistleblower Protection Act

Factors considered in determining penalties include:

- Severity of the offense
- Repetition of misconduct
- Harm caused
- Hierarchical relationships
- Impact on the workplace

Depending on the nature of the breach:

- Minor violations may result in a formal reminder
- Serious breaches may require formal disciplinary proceedings, avoiding redundancy with other internal processes

The process may be closed if:

- No breach is found
- The reported facts are unsubstantiated
- The subject's innocence is proven

Witnesses will be identified anonymously in internal decisions to prevent reprisals. Their identity may only be disclosed under legal obligation or for the exercise of legal defense, with appropriate safeguards.

All professionals at the Hermes Foundation must adhere to the compliance system and this procedure, which not only meets criminal code requirements for legal entities but also enhances regulatory risk prevention and detection.

Labor-related consequences will be proportionate and lawful. Violations of the Internal Information System may result in fines up to €1,000,000, as per Articles 63 and 65 of the Whistleblower Protection Act.

J) Communication with the whistleblower

If it does not affect the ongoing investigation, the whistleblower may be informed about the progress of the process and, where appropriate, about the need to extend the investigation.

This will apply if the total period of 45 working days from the opening of the investigation file has elapsed and it is still not considered that there is reasonable and sufficient information available to resolve the process with the necessary guarantees.

Likewise, once the investigation file has been closed, the complainant will be notified of the outcome of the investigation and informed of the procedure followed. They will be informed whether or not the reported facts constitute irregular or unlawful conduct, or an irregularity in relation to compliance with the Hermes Foundation's Code of Ethics and/or policies and procedures, or a violation of those indicated in Article 2 of the Whistleblower Protection Act, and if so, they will be informed of its classification.

This communication will not include details of the actions taken. Under no circumstances will the evidence gathered or the decision be shared, in order to guarantee the protection of the rights of the person reported, the witnesses, and other persons involved in the process.

Communication with the whistleblower will be made by the means deemed most appropriate and relevant by the body responsible for the Internal Information System, depending on the circumstances of the case, taking into account possible effects on the rights to privacy, honor, personal image, or other rights of the parties or third parties, among other factors.

6. FALSE OR UNFOUNDED ALLEGATIONS

Deliberately false or malicious allegations will be treated as serious misconduct, subject to disciplinary or criminal penalties. Such conduct may constitute:

- False accusation or reporting (Article 456 of the Criminal Code)
- Slander (Article 205 of the Criminal Code)

7. DATA ANONYMIZATION

In accordance with the provisions of Article 24 of Organic Law 3/2018, of December 5, on the Protection of Personal Data and Guarantee of Digital Rights, three months after the data has been entered into the System by any means, it must be deleted, unless the purpose of its retention is to leave evidence of the functioning of the model for the prevention of crimes committed by the legal entity.

Internal communications that have not been acted upon may only be recorded in anonymized form, without the obligation to block them as provided for in Article 32 of the aforementioned regulation.

8. DATA PROTECTION

Personal data obtained in the context of the complaint and the internal investigation will be processed solely for the management and control of this Procedure.

The personal data of the whistleblower will only be disclosed if necessary to carry out an investigation or to comply with legal requirements, respecting the provisions on personal data protection established in Title VI of the Whistleblower Protection Act.

1. Information on data protection and the exercise of rights

Reports will be recorded in the processing activity Log. The person making the report will be informed about the collection and processing of their personal data, as well as how to exercise their rights of access, rectification, erasure, withdrawal of consent, restriction, portability, and objection, by sending an email to: palvarez@fundacionhermes.org

Employees and third parties must be informed about the processing of their personal data within the framework of the Internal Information System. The information provided must include at least the following aspects:

a) Collection and processing of personal data

In the context of information management through the Internal Information System, personal data of whistleblowers may be collected and processed. Under no circumstances will personal data be collected that is not clearly necessary for the processing of specific information, or, if collected accidentally, it will be deleted without undue delay.

b) Data protection principles

Processing of personal data will be carried out in accordance with the following principles:

- **Lawfulness, fairness, and transparency:** Personal data will be processed lawfully, fairly, and transparently in relation to the whistleblower
- **Purpose:** Personal data will be collected for specified, explicit, and legitimate purposes and will not be processed in a manner incompatible with those purposes
- **Data minimization:** Only personal data that is necessary and adequate for the established purposes will be collected and processed

- **Accuracy:** Personal data will be kept up to date and accurate, taking reasonable steps to rectify or delete inaccurate or incomplete data
- **Limitation of storage period:** Personal data will be kept only for as long as necessary to fulfill the established purposes, unless there is a legal or contractual obligation requiring its storage for a longer period
- **Security:** Appropriate technical and organizational measures will be implemented to ensure the security of personal data and protect it against unauthorized access, disclosure, or accidental or unlawful destruction

c) Purpose of processing

The collection of data from the whistleblower will be carried out exclusively for the purposes of prevention, detection, investigation, and prosecution of criminal offenses, as well as for possible violations of the Whistleblower Protection Act, considering the processing necessary for its correct application to be lawful.

d) Rights of whistleblowers

Whistleblowers will have the right to exercise their rights in relation to their personal data, including access, rectification, erasure, restriction, and objection to processing. The Hermes Foundation will provide the necessary mechanisms to enable whistleblowers to exercise their rights effectively.

e) Data protection officer

Any communication related to data protection may be sent to the data protection officer of the Hermes Foundation at: palvarez@fundacionhermes.org

The data protection officer of the Hermes Foundation will be responsible for ensuring compliance with data protection provisions in the context of the management of complaints submitted.

f) Data transfer

The Hermes Foundation undertakes not to transfer the personal data collected to third parties unless this is necessary to comply with legal obligations or for the purposes established in the context of information management. In the event of data transfer, the necessary measures will be taken to ensure an adequate level of protection of personal data.

2. Access to data within the system

Access to personal data contained in the Internal Information System (Article 32 of the Whistleblower Protection Act) will be restricted, within the scope of their powers and functions, exclusively to:

- a) The System Manager and those who directly manage it.
- b) Any data processors who may be appointed.
- c) The Data Protection officer, where applicable.

Under no circumstances will non-relevant personal data be processed. Specifically, it will be deleted immediately if it is not relevant. Likewise, all personal data that may have been communicated and that refers to conduct that is not included in the scope of application of the Whistleblower Protection Act will be deleted.

If the information received contains personal data included in the special categories of data, it will be deleted immediately, without being recorded or processed.

The data subject to processing may be kept in the internal information system only for the time necessary to decide whether to initiate an investigation into the reported facts.

If it is determined that the information provided or part thereof is not true, it will be deleted immediately unless this constitutes a criminal offense, in which case the information will be kept for the time necessary to process the legal proceedings.

If no investigation has been initiated within three months of receipt of the complaint, it will be deleted, unless it is retained as evidence of the functioning of the System.

Communications that are not followed up may only be recorded in anonymized form, without the blocking obligation provided for in Article 32 of Organic Law 3/2018 of December 5 on the Protection of Personal Data and Guarantee of Digital Rights being applicable.

9. COMPLIANCE WITH THIS PROCEDURE

The Hermes Foundation will ensure that these procedures are shared with all members of the organization and other related third parties.

10. MONITORING AND REVIEW

The content of this Procedure will be reviewed periodically by the Ethics Committee in its capacity as the internal information system manager with the aim of ensuring that the Hermes Foundation complies with best practices and the applicable regulatory framework in this area.

This Procedure will be reviewed at least once a year, and any changes or updates made will be communicated to the Board of Trustees of the Hermes Foundation for approval.

In addition to the periodic review, the Procedure will be updated and amended when specific circumstances arise, including, but not limited to, the following:

- Changes in the applicable regulatory framework, both national and European, that affect the content or implementation of the Procedure
- Recommendations issued by the Independent Whistleblower Protection Authority or other administrative, regulatory, or supervisory authorities that impact the internal information system
- Modifications to the organizational structure of the Hermes Foundation, including changes to the regulatory compliance bodies or the Ethics Committee
- Strategic adjustments or changes to the objectives of the Hermes Foundation that may affect the compliance policy or internal regulations related to this Procedure
- Significant changes in other related procedures that affect the scope or operation of the internal information system
- Results of the monitoring and control of the internal information system that recommend adjustments to improve its level of compliance, impact, or effectiveness in the organization and among stakeholders

The collegiate body responsible for the internal information system will be responsible for supervising compliance with this Procedure and any approved amendments, ensuring their proper integration into the Hermes Foundation's operations and compliance with the ethical principles on which it is based. It will also ensure that updates are duly documented and archived in accordance with legal and transparency standards.

Through the above, the Hermes Foundation reinforces its commitment to continuous improvement and the promotion of an organizational culture based on transparency, ethics and regulatory compliance.

This document has been approved by the Board of Trustees of the Hermes Foundation and as such is now valid.