



The following English translation is provided by the Company for information purposes only, based on the original and official document in Spanish available on the Company's website. In the event of any discrepancy between the English version and the Spanish original document, the latter will prevail.

ACTIVITY REPORT OF THE APPOINTMENTS AND REMUNERATION COMMITTEE OF CONSTRUCCIONES Y AUXILIAR DE FERROCARRILES, S.A. (CAF) FOR THE FINANCIAL YEAR 2025

1. Purpose of the Report

In accordance with the provisions of Article 3 of the Regulations of the Appointments and Remuneration Committee (hereinafter, the “**ARC**” or the “**Committee**”) of CONSTRUCCIONES Y AUXILIAR DE FERROCARRILES, S.A. (hereinafter, “**CAF**” or the “**Company**”), it is the Committee’s responsibility to issue, on an annual basis, a report on the Committee’s activities during the preceding financial year.

The purpose of this report is to inform shareholders and other stakeholders of the activities carried out by the Committee during the financial year ended 31 December 2025. For such purpose, it shall be published pursuant to Recommendation 6 of the Good Governance Code of Listed Companies issued by the Spanish National Stock Exchange Commission’s (CNMV) (hereinafter, the “**Good Governance Code**” or “**GGC**”).

The preparation of this report has taken into consideration the principles and criteria set out in CNMV Technical Guide 1/2019 on Appointments and Remuneration Committees, published on 27 February 2019 (hereinafter, the “**Technical Guide**”), particularly with respect to the structure and minimum content required under section 11 thereof for this type of document, as well as CNMV Technical Guide 1/2024 on Audit Committees of Public-Interest Entities (hereinafter, “**Guide 1/2024**”), insofar as its provisions may be applied to this Committee (jointly, the “**Technical Guides**”).

2. Regulation of the ARC

The legal framework governing the ARC is set out in the Company’s Articles of Association, in the Board of Directors’ Regulations, and in its own specific Regulations.

Specifically, Article 37 ter of the Articles of Association refers to the composition and duties of the Committee. Likewise, Article 12 of the Board Regulations establishes certain rules regarding its composition and functioning. Finally, the Committee’s own Regulations govern in greater detail essential aspects of this body—such as its powers, operating rules, and relations with other corporate bodies—in Chapters II, V and VI, respectively.

The regulatory rules governing the Company’s Corporate Governance bodies (i.e., Articles of Association, Regulations of the General Shareholders’ Meeting, the Board of Directors, and its Committees), as well as the Policies and other Corporate

Governance, Ethics, and Compliance standards, are available to the general public—on a permanent and updated basis pursuant to applicable regulations—in the “Corporate Governance” subsection within “Shareholders and Investors” section, on the corporate website (www.cafmobility.com).

3. Composition of the ARC during the year

Pursuant to Articles 37 ter of the Articles of Association, 12 of the Board Regulations, and 4 of the Committee’s own Regulations, the Committee is composed of three non-executive Directors, two of whom are independent. The Chair of the Committee has been appointed from among the independent Directors who serve on it.

The appointment of the members of the ARC is carried out by the Board of Directors, and their removal may occur by resignation, by resolution of the Board, by loss of their condition as Directors, or by failure to meet the requirements set out in the Regulations or in applicable legal provisions.

In determining both the quantitative and qualitative composition of this body, the Board of Directors takes into account the rules set out in Article 529 quidecies of the consolidated text of the Spanish Capital Companies Act (hereinafter, the “CCA”), Recommendation 47 of the GGC, and the guidelines included in the Technical Guide, adapting them to the circumstances and complexity of the organisation, with the aim of promoting diversity in its structure, its independence, and its decision-making effectiveness.

The members of the Committee, as members of the Board, have experience and knowledge in managerial, economic, financial, and business-related fields. Furthermore, all of them have been appointed taking into consideration the knowledge, skills, and experience required to perform their assigned duties, and in particular in the areas of corporate governance, human resources, selection of Directors and senior executives, senior management functions, and the design of remuneration policies and plans.

The composition of the Committee is diverse and balanced with respect to age, gender, professional experience, personal competencies, and industry knowledge.

As of the date of issuance of this report, the ARC is composed of the following members, and its composition has not undergone any changes during the reported financial year:

<i>Board member</i>	<i>Position</i>	<i>Category</i>	<i>Seniority</i>
Mr. Julián Gracia Palacín	Chairman	Independent	Appointed Director on June 10, 2017, has been a member of the Committee since May 6, 2020 and Chairman of the Committee since June 11, 2022, having been re-elected most recently by

			resolution of the General Shareholders' Meeting held on June 14, 2025.
Mr. Luis Miguel Arconada Echarri	Voting member	Other External	Appointed Director on January 29, 1992, has been a member of the Committee since February 25, 2015.
Ms. Carmen Allo Pérez	Voting member	Independent	Appointed Director on 11 June 2016, has been a member of the Committee since December 17, 2024.

The Secretary of this Committee is the same as that of the Board of Directors.

In the “*Shareholders and Investors*” section, “*Corporate Governance*” subsection, of CAF's corporate website, both the information relating to the composition of the Committee and the public information corresponding to each of the directors, including their respective professional profiles, are permanently updated.

4. Functions and activities performed throughout the year by the ARC, changes therein and reference to the Regulations that govern them

The duties and powers attributed to the Committee are set out in Article 37 ter of the Articles of Association and in Article 3 of its specific Regulations and have not undergone any modifications during the financial year covered by this report.

Pursuant to the aforementioned regulations, the Committee is entrusted with the statutory duties provided for in Article 529 *quindecies* of the CCA, as well as those recommended under Recommendation 50 of the GGC and by the Technical Guides applicable to this body. In addition to these responsibilities, the Committee is also entrusted with the oversight of compliance with Corporate Governance rules, the periodic evaluation of the Corporate Governance System and of the Sustainability Policy, the oversight of Sustainability practices, and the supervision of processes relating to stakeholders. These latter duties were assigned to the Committee as part of the allocation of responsibilities arising from Recommendations 53 and 54 of the GGC, which were distributed between both Committees.

5. Meetings held during the year and attendees

During the 2025 financial year, the Committee met on 6 occasions, with all of its members in attendance. In addition to the 5 ordinary meetings scheduled in the Activity Plan approved for the year, it was deemed necessary to hold 1 additional extraordinary meeting to address other matters falling within its remit.

All sessions were held in person, except for the extraordinary meeting of 13 March, which was conducted by means of a multi-party telephone call.

In all cases, the Directors were provided with the necessary documentation sufficiently in advance to consider the items included on the agenda.

<i>Meeting n°</i>	<i>Meeting date</i>	<i>Number of Committee members attending</i>	<i>Other attendees</i>
1	01/29/2025	3	<ul style="list-style-type: none"> • CEO. • Head of External Consultant Willis Towers Watson.
2	02/25/2025	3	<ul style="list-style-type: none"> • CEO. • Head of External Consultant Willis Towers Watson. • Head of the Sustainability Function.
3	03/13/2025	3	—
4	05/07/2025	3	<ul style="list-style-type: none"> • CEO.
5	11/12/2025	3	<ul style="list-style-type: none"> • CEO • Human Resources Director. • Head of External Consultant Willis Towers Watson.
6	12/15/2025	3	<ul style="list-style-type: none"> • CEO.

At the Committee’s meetings, matters falling within its remit are addressed, ensuring the free participation of all members in the deliberations.

Upon invitation from the Chair, other attendees have participated in certain meetings. Specifically, the CEO attended five sessions, the Head of the Sustainability Function participated in one meeting, and the Human Resources Director also took part in one session, as detailed in the table above. Additionally, the Committee met with representatives of an external consulting firm during the sessions held in January, February, and November.

The participation of external attendees in the sessions has always taken place at the Committee’s request, with their presence being limited to the matters within their respective areas of responsibility for which they were invited. The corresponding minutes duly record the entry and departure of the various guests.

The Secretary of the Committee draws up the minutes of the meetings, faithfully reflecting the discussions held and the resolutions adopted.

All matters discussed and resolutions adopted at each session have been duly reported at the subsequent meetings of the Board of Directors.

Annex I to this report sets out the schedule of meetings held and the matters addressed by the Committee during the 2025 financial year.

6. Most significant activities carried out during the year

During the year under review, the Committee has adequately carried out the functions provided for in the Articles of Association (art. 37 ter), and in its own Regulations (art. 3).

a. Appointment activities

- Issuance of reports on proposals for the appointment of senior executives reporting to the Chief Executive Officer, as well as on the basic terms of their contracts, for submission to the Board of Directors.
- Submission to the Board of Directors, for its referral to the General Shareholders' Meeting, of the proposal for the re-election of Mr Julián Gracia Palacín (Independent Director), formulated in accordance with the provisions of section 4 of Article 529 decies and section 3 of Article 529 quindecies of the CCA, and of Articles 15.2 of the Board of Directors' Regulations and 3 of this Committee's Regulations.

This document was made available to shareholders on the corporate website as from the call to the General Shareholders' Meeting.

- Verification of compliance with the Diversity and Director Selection Policy during the 2025 financial year.
- Review of the Board's skills matrix with the aim of ensuring appropriate alignment between existing competencies and required profiles, and of identifying potential areas for improvement in order to strengthen performance across the Board's fields of activity.

b. Remuneration activities

- Submission to the Board of Directors of the Directors' Remuneration Report corresponding to the 2024 financial year.
- Verification of compliance with the predefined financial, economic and non-financial parameters applicable to the accrual of variable remuneration for the 2024 financial year.
- Submission to the Board of the proposed Variable Remuneration Plan for the 2025 financial year.
- Monitoring and proposals for the review of the remuneration of Executive Directors and senior executives.
- Submission to the Board of Directors of the proposed allocations to the Long-Term Savings Scheme for the 2025 financial year.
- Monitoring of the strategic analyses commissioned from a specialised external consultancy firm regarding organisational structure and positions, and senior management remuneration.

c. Corporate Governance and Sustainability activities

- Review of the Consolidated Non-Financial Information Statement and Sustainability Information for the 2024 financial year, prior to its submission to the Board of Directors for approval.
- Review of the “Modern Slavery Statement” reports corresponding to the 2024 financial year, prior to their approval by the Board of Directors and signature by the Chief Executive Officer.
- Verification of the category assigned to each Director in the context of preparing the Annual Corporate Governance Report.
- Oversight of effective compliance with corporate governance rules and evaluation of the Corporate Governance System in 2025, preparing the corresponding report confirming that the System fulfils its mission of promoting the corporate interest and safeguarding the legitimate interests of other stakeholders.
- Oversight of the Sustainability Policy to verify that it promotes the corporate interest, taking into account the interests of affected stakeholders, as well as review of the Company’s sustainability practices during the 2025 financial year to ensure alignment with the established strategy and policy.

For the proper performance of their duties in the field of Sustainability, the two Committees operate in a coordinated manner. Specifically, at the session held on 25 February 2025, the members of both Committees jointly participated in a presentation delivered by the Head of the Sustainability Function on the Non-Financial Information Statement and Sustainability Information. This session facilitated the sharing of criteria, alignment of approaches and strengthening of joint oversight of key Sustainability matters, in line with best corporate governance practices.

- Preparation and submission to the Board of Directors of the Succession Plan for the Chair and the Chief Executive Officer.

d. Other activities

- Approval of the Activities Report of the Appointments and Remuneration Committee corresponding to the 2024 financial year. This Report was made available to shareholders on the occasion of the last Ordinary General Meeting.
- Authorisation for the renewal of the D&O insurance policy.
- Approval of the Committee’s Activity Plan for 2026.

In addition, within the framework of the Directors’ Training Programme, the members of the Committee attended training sessions on various matters relevant to the Company and, in particular, on Sustainability, with special focus on environmental and social issues, Artificial Intelligence, Cybersecurity and Anti-corruption.

e. Follow-up activities to the Committee's own action plans

Throughout the financial year covered by this report, the Committee has continuously monitored the 2025 action plans proposed in the Report on the annual evaluation of the performance of the Board of Directors and its Committees for 2024, confirming that they have been satisfactorily implemented.

7. Scope of the evaluation of the functioning and performance of the Board and of the CNR itself, including the areas evaluated, the evaluation methods used, and the extent to which the evaluation has led to significant changes in the organization

At its meeting held on 15 December 2025, the Committee approved the Report on the Annual Evaluation of its own performance in 2025, as well as the Report on the Annual Evaluation of the Board of Directors and its Committees for the same year, in compliance with Recommendation 36 of the GGC, for submission to the Board of Directors.

The evaluation process carried out by the Committee regarding its own performance and that of the Board and its Committees has included, among other aspects: (i) the quality and efficiency of the performance of the Board of Directors and its Committees, including the effective use made of the contributions of their members; (ii) the size, composition and diversity of such bodies; (iii) the performance of their members; (iv) the frequency and duration of meetings; (v) the content of the agenda and the sufficiency of the time allocated to address the various items; (vi) the quality of the information received; (vii) the breadth and openness of the debates; and (viii) whether the decision-making process is dominated or strongly influenced by one member or a small group of members.

To conduct this evaluation process, consideration was given, among other indicators, to the degree of compliance with regulatory requirements and guidelines on corporate governance, as well as the level of achievement of the plans and objectives set for the 2025 financial year.

The results of the assessments carried out were positive, and specific action plans for the 2026 financial year have been proposed to the Board of Directors.

The results of the evaluation have not given rise to any significant changes in the internal organisation or procedures of these bodies.

8. Information on any practical guidelines on appointment and remuneration committees that are being followed, specifying which ones and to what extent

Since the publication of the Technical Guide, the Appointments and Remuneration Committee has followed these guidelines as a framework for the performance of its duties, as well as the recommendations of the Good Governance Code, in accordance with the principle of proportionality, applying them to the extent that they are appropriate to the structure, size, and complexity of the Company.

The Committee also takes into account, where applicable, the Guide 1/2024 on Audit Committees of Public-Interest Entities.

9. Significant deviations from the procedures adopted or irregularities that have been reported in writing to the Board in matters falling within the Committee's remit

No significant deviations from the procedures adopted nor irregularities in matters within the competence of this Committee have been reported to the Board.

10. Conclusions

As a result of the foregoing, the Appointments and Remuneration Committee considers that its organisation and functioning during financial year 2025 comply with the provisions set out in the law, the Articles of Association, the Board Regulations and its own Regulations.

Likewise, particular attention has been paid to the principles and guidelines contained in the CNMV Good Governance Code and its Technical Guides.

The Committee believes that, through the work carried out throughout the year, it has duly fulfilled the functions entrusted to it. Notwithstanding this positive assessment, the Committee reaffirms its commitment to continue improving the effectiveness of its operations and the fulfilment of its purposes, in line with best practices in Corporate Governance.

This report was issued by the Appointments and Remuneration Committee on January 29, 2026.

Approval by the Board of Directors and disclosure:

This report was approved by the Board of Directors of CAF at its meeting held on January 30, 2026.

In accordance with Recommendation 6 of the Good Governance Code, this report shall be published on the Company's website sufficiently in advance of the Annual General Meeting.

ANNEX I

Schedule of meetings held in 2025

- | | |
|-------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| January 29 | <ul style="list-style-type: none">• Follow-up on the Job Framework Study.• Follow-up on the External Competitiveness Study regarding Senior Management remuneration.• Preliminary analysis of the Succession Plan.• Annual self-assessment of the Committee’s performance for financial year 2024.• Report on the Committee’s activities corresponding to financial year 2024.• Miscellaneous. |
| February 25 | <ul style="list-style-type: none">• Presentation by the consulting firm Willis Towers Watson of the studies on: (i) Job Framework, and (ii) External Competitiveness of Senior Management remuneration.• Presentation by the Chief Executive Officer of the Variable Remuneration Plan for financial year 2025 and the Committee’s proposal in this regard.• Review of the Annual Directors’ Remuneration Report for financial year 2024.• Review of the “Modern Slavery” Statement for financial year 2024.• Proposal to renew the D&O Insurance Policy, following a report from the Economic Department.• Presentation by the Head of Sustainability of the Consolidated Non-Financial Information Statement and Sustainability Information corresponding to financial year 2024.• Miscellaneous. |
| March 13 | <ul style="list-style-type: none">• Report on the proposed appointment of Senior Executives. |
| May 7 | <ul style="list-style-type: none">• Follow-up on matters with the Chief Executive Officer.• Proposals for the re-election/appointment of Directors.• Proposal of the Succession Plan.• Miscellaneous. |

- November 12
- Update on the project by Willis Towers Watson regarding the design of the job framework and compensation structure.
 - Follow-up on matters with the Chief Executive Officer.
 - Proposal for allocations to the long-term savings scheme.
 - Miscellaneous.
- December 15
- Follow-up on matters with the Chief Executive Officer.
 - Review of the skills matrix of the Board of Directors.
 - Report on the supervision of the Sustainability Policy and environmental and social practices.
 - Verification of compliance with the Diversity and Director Selection Policy.
 - Report on the Supervision and Evaluation of the Corporate Governance System.
 - Annual assessment of the Committee's and the Board's performance for financial year 2025.
 - Approval of the 2026 Activity Plan.
 - Miscellaneous.