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JUSTIFICATION REPORT BY THE BOARD OF DIRECTORS REGARDING THE PROPOSED RE-ELECTION OF MR. MANUEL DOMÍNGUEZ DE LA MAZA AS A PROPRIETARY DIRECTOR OF THE COMPANY, INCLUDED UNDER ITEM 6.4 OF THE AGENDA OF THE GENERAL SHAREHOLDERS MEETING

1. PURPOSE OF THE REPORT

Pursuant to the provisions of Article 529 decies of the Revised Text of the Capital Companies Act and Article 15.2 of the Regulations of the Board of Directors, the proposal for the appointment or re-election of the members of the Board of Directors who are not independent corresponds to the Board. This proposal shall be accompanied by a report from the Board of Directors assessing the competence, experience and merits of the proposed candidate, which will be attached to the minutes of the general meeting or that of the Board. The proposal for the appointment or re-election of any non-independent director shall also be preceded by a report from the Appointment and Remuneration Committee.

This report is issued by the Board of Directors of CONSTRUCCIONES Y AUXILIAR DE FERROCARRILES, S.A. ("CAF" or the "Company") in order to (i) justify the proposal to re-elect Mr. Manuel Domínguez de la Maza as proprietary director for a term of four years and (ii) assess the competence, experience and merits of the proposed candidate.

2. JUSTIFICATION OF THE PROPOSAL FOR THE RE-ELECTION OF MR. MANUEL DOMÍNGUEZ DE LA MAZA

Mr. Manuel Domínguez de la Maza holds the position of proprietary director of the Company, representing the significant shareholder Indumenta Pueri, S.L., holder of an indirect shareholding (through the company Global Portfolio Investments, S.L.), reported to the CNMV, of 5.022% of the share capital.

In view of the forthcoming expiry of Mr. Manuel Domínguez's term of office, at the end of the four-year term since his appointment by resolution of the Shareholders in their Ordinary General Meeting of June 13, 2020, the aforementioned shareholder has expressed to the Board its willingness to propose the re-election of Mr. Domínguez de la Maza on behalf of its shareholding interests.

In this context, the Board assessed its current needs and composition, as well as the candidate's competence, experience and merits. As a result of this analysis, the Board hereby issues its report justifying the proposal to re-elect Mr. Domínguez as a proprietary director of the Company for the statutory term of four years, for which the following factors have taken into consideration, among others:

Mr. Manuel Domínguez de la Maza has a degree in Economics from the University of Málaga, an MBA from IESE and a Master's degree in Leadership from Columbia University, as well as other postgraduate studies. He has spent most of his career at Mayoral Moda Infantil, S.A. where he has been the General Manager since 2007. He is also a member of the Board of Directors of Indumenta Pueri, S.L.

The Board has found that Mr. Domínguez:

- i) Continues to meet the legal requirements, as well as those of the Regulations of

the Board of Directors and the Company's Diversity and Director Selection Policy, for appointment as a Board Member.

- ii) Has not been nor is currently subject to any legal prohibition or incompatibility, nor do any of the circumstances in which he must tend his resignation to the Board apply, in accordance with Article 18 of the Company's Regulations of the Board of Directors.
- iii) Since his appointment, he has satisfactorily performed the duties entrusted to him on the Board. He also has the time and capacity required to continue to fulfill his obligations as a board member in an equally satisfactory manner.
- iv) He has the skills and knowledge necessary for board member candidates. In particular, his impressive curriculum vitae and experience in the fields of business management are valued.
- v) He maintains the legal and statutory conditions required to be included in the category of proprietary director, as he has been appointed by the significant shareholder Indumenta Pueri, S.L. to represent it on the Board.
- vi) According to the information provided by the candidate, no potential conflicts of interest have been identified that could negatively affect his ability to perform his duties properly.

It is noted that the candidate has ratified his agreement with the obligations of the office of board member, as well as with the Company's rules and policies.

Pursuant to the provisions of the Regulations for the Board of Directors and the Company's Diversity and Director Selection Policy, the Appointment and Remuneration Committee has issued the mandatory prior report, favorably assessing the re-election of the proposed candidate.

The Committee has verified that Mr. Manuel Domínguez de la Maza meets the requirements to continue in the position of board member, under the category of proprietary director, in accordance with the provisions of the law and internal regulations.

In particular, the Committee views Mr. Domínguez's performance of in his duties as board member to date favorably, as they do his knowledge and experience in the areas of business management and strategy, market expansion, and senior management, all of which add value to the Board, in accordance with the skills matrix.

The aforementioned prior report of the Committee is made available to the shareholders together with this report by the Board.

3. CONCLUSION AND PROPOSED RESOLUTION

In view of the foregoing, the Board considers the following proposed resolution to be justified and it will be submitted to the General Meeting of Shareholders for decision in a separate vote under item **6.4** of the agenda:

*"Six: Re-election of Board Members and fixing of the number of Board Members:
(...)*

6.4. Re-elect Mr. Manuel Domínguez de la Maza as a Proprietary Director for the statutory period of four years.

(...)"

In San Sebastian, on May 9, 2024.