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## **REPORT OF THE AUDIT COMMITTEE ON THE INDEPENDENCE OF THE ACCOUNTS AUDITOR OF CONSTRUCCIONES Y AUXILIAR DE FERROCARRILES, S.A. AND SUBSIDIARIES (CAF GROUP) FOR THE 2024 FINANCIAL YEAR**

### **1. INTRODUCTION**

Article 529 quaterdecies section 4.f) of the Revised Text of the Capital Companies Act, approved by Royal Legislative Decree 1/2010, of 2 July (hereinafter "**Capital Companies Act**"), attributes the following function to the Audit Committee:

*“Annually issuing a report that expresses an opinion regarding the independence of the accounts auditor, prior to the issuing of the audit report. This report shall contain, as applicable, the appraisal of the provision of the additional services referred to in the previous section, considered individually and as a whole, other than legal auditing and in relation to their independence or the legislation that regulates auditing activity.”*

In compliance with the above obligation and in accordance with article 3.d) iv) section 3 of the Regulations of the Audit Committee of Construcciones y Auxiliar de Ferrocarriles, S.A. (hereinafter "**CAF**"), the Audit Committee issues this report in relation to the independence of CAF and its consolidated group's accounts auditor, prior to issuing the audit report on the accounts.

### **2. ANALYSIS OF THE STATUTORY AUDITOR'S INDEPENDENCE**

#### **2.1 Appointment and Relationship with the auditor**

The Ordinary General Meeting of Shareholders of CAF held on June 15, 2024 agreed to the re-election of EY as the accounts auditor of CAF and its consolidated group for 2024, 2025 and 2026.

In accordance with the provisions of Article 529 quaterdecies section (4) (e) of the Capital Companies Act, article 3.d) iv) of the Audit Committee's Regulations provides that the Audit Committee must establish the appropriate relations with the external auditor in order to receive information on matters that may jeopardise its independence.

In 2024, the external auditor appeared on three occasions before the Audit Committee and, more specifically, at the meetings held on 26 February, 30 July and 13 November.

In these meetings, the external auditor did not reported on matters that might jeopardize its independence.

## **2.2 Auditor's Statement of Independence**

On 25 February 2025, the Audit Committee received from the external auditor the written declaration of its independence in relation to the audit of the individual and consolidated annual accounts of the CAF Group for the year ended 31 December 2024, referred to in the aforementioned art. 529 quaterdecies section 4.e) of the Capital Companies Act and article 3.d) iv) paragraph 2 of the Commission's Regulations.

The aforementioned statement contains written confirmation of the independence of the team in charge of the audit assignment, the auditing company EY, S.L. and other firms in the network with the applicable extensions, as well as information on the audit and non-audit services provided to CAF and its subsidiaries. In addition, it shows that during the 2024 financial year, the auditor has not identified any circumstances that could pose a threat to its independence and which, therefore, require the application of safeguard measures or which could give rise to causes of incompatibility.

## **2.3 Services provided**

The CAF Group has an internal procedure for contracting additional services to the audit of accounts from the auditor or companies in its network, which requires the prior approval of the Audit Committee, to ensure that the services do not pose a conflict of independence. This procedure is defined in the internal regulation "Contracting of services from the accounts auditor", which is mandatory in the CAF Group.

The breakdown of the fees for the services provided by EY in the 2024 financial year is as follows (in thousands of euros):

	EY, S.L.	EY Network	<b>Total</b>
Verification Services	139	34	173
Tax Services	-	53	53
<b>Total non-audit services</b>	<b>139</b>	<b>87</b>	<b>226</b>
<b>Audit Services</b>	<b>414</b>	<b>846</b>	<b>1,260</b>

For the purposes of Article 24 of the Law on Account Auditing, it has been verified that the fees corresponding to audit services are not contingent.

#### Verification Services

Included under the heading "Verification Services" are:

- €19 thousand corresponding to reports on agreed procedures: (i) on financial ratios associated with bank debt and (ii) on certain financial information to be submitted in bids in tenders.
- €13.5 thousand for reports of agreed procedures on the detail of unpaid invoices, issued to comply with the requirements of article 13.3 bis of General Law 38/2003, of 17 November, on Subsidies, and for the review of the subsidy justification account.
- €22.5 thousand for reasonable assurance work in accordance with ISA 3000 on whether the expenses incurred in R+D projects subsidized by the European Union are presented in accordance with the applicable regulation.
- €46 thousand correspond to the fees for the limited revisions of the interim financial statements of the CAF Group and the subsidiaries Ctrens and Solaris Bus&Coach.
- €51 thousand for verification services of the Consolidated Non-Financial Information Statement and Sustainability Information.
- €6 thousand for services to verify the performance indicators required by the Green and Sustainable Finance Framework, and

- €15 thousand for verification services of the information relating to the ICSFI included in the annual corporate governance report.

### Tax Services

Under the heading "Tax Services" are included fees amounting to 48 thousand euros derived from the audit of Form No. 3CD in India and the review of certain tax information in the subsidiaries in Mexico, both required by law, and 5 thousand euros for the audit of the income tax in Israel.

Article 4.2 of Regulation (EU) No 537/2014 provides that the amount of the total fees received for non-audit services may not exceed 70% of the average of the fees paid in the three previous consecutive years by the statutory audit of the audited entity.

In the 2024 financial year, the first in which the aforementioned limit is applicable to current auditors, the fees for additional services outside the audit of accounts provided by EY, S.L., excluding the verification of the statement of non-financial information required by law, represent 26.4% of the average fees paid in the last three consecutive years for legal audits of companies of the CAF Group. Therefore, they do not exceed this maximum limit of fees for services other than auditing, nor the most restrictive limit established internally by agreement of this Committee, set at 50% of the average fee received for audit work in the last three years.

The Audit Committee has assessed and approved the provision of the non-audit services detailed above and states that they are not among the services prohibited by the Audit Act.

### **2.4 Duration of the Audit Contract and Rotation of Auditors**

Article 17.1 of Regulation (EU) No 537/2014 provides for the maximum duration of the audit contract. In relation to the rotation of auditors, Article 40.2 of the Audit Act together with Article 17.7 of Regulation (EU) No. 537/2014, establish, among other issues, that the main auditors responsible for the statutory audit work must be replaced once five years have elapsed since the initial contract.

The 2024 financial year is the fourth audited by EY, responsible for the statutory audit of the annual accounts of CAF and its consolidated group.

In accordance with the foregoing, the Audit Committee finds that the legal obligations regarding the duration of the audit contract and the rotation of the auditors have been met.

### **3. CONCLUSION**

Based on the information obtained and the above considerations, CAF's Audit Committee has not identified aspects that call into question compliance with the current regulations on accounts auditing in terms of auditor independence.

This report was unanimously approved at the meeting of the Audit Committee held on 25 February 2025, and will be published on the corporate website sufficiently in advance of the Ordinary General Shareholders' Meeting, as established in Recommendation No. 6 of the Code of Good Governance of Listed Companies.

In San Sebastián, 25th of February, 2025