INTERNAL REPORTING SYSTEM POLICY

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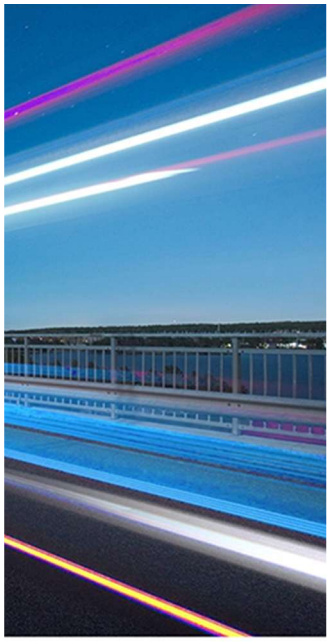

1. INTRODUCTION AND PURPOSE

This Policy develops the principles that govern and inspire the CAF Group's Internal Reporting System (hereinafter the "Internal Reporting System"), as the preferred channel for reporting acts or omissions constituting criminal or serious or very serious administrative wrongdoing (including breaches of European Union law), or breaches or indications of breaches of the Code of Conduct or any other regulation of the CAF Group's Internal Regulatory System.

As a sign of its commitment to a culture of ethics and compliance, the Board of Directors of Construcciones y Auxiliar de Ferrocarriles, S.A. (hereinafter "CAF, S.A"), as the parent company of the CAF Group and after consultation with the employees' legal representatives, has approved this Policy as a rule that sets out the principles and bases for the implementation of the Internal Reporting System, with the purpose of setting a standard of protection for Whistleblowers, as defined below, and facilitating the use of the reporting channels.

This Policy has been developed in accordance with the provisions of the different international and national regulatory requirements for the protection of whistleblowers and the fight against corruption, using as a basis the standards aligned with European regulations on the protection of whistleblowers and the personal data protection, as well as with the ISO 37002: 2021 standard, on whistleblowing management systems.

The Internal Reporting System replaces the pre-existing regulation on whistleblowing channels in accordance with the new legal framework applicable to CAF Group.

2. SCOPE

This Policy is applicable to and mandatory for all entities comprising the CAF Group, across all jurisdictions where it operates and for all employees, managers or members of a governing body of any CAF Group entity. This is regardless of the position they hold or their geographical location, without prejudice to the autonomy and independence of each company and the modifications or adaptations that may be necessary to comply with the applicable regulations in each case.

Likewise, the different protection measures provided for in this Policy will be exercised, as appropriate, on all Whistleblowers, Related Third Parties and Persons affected by the Report that may be collected in the CAF Group's Internal Reporting System.

3. DEFINITIONS

Definitions not expressly mentioned in this Policy are included in the Corporate Procedure for the Management of CAF Group's Internal Reporting System (hereinafter the "Corporate Procedure for the Management of the Internal Reporting System"), which has been simultaneously approved by the Board of Directors and will also be publicly accessible.

4. INTERNAL REPORTING SYSTEM

CAF Group has implemented several reporting and internal communication mechanisms in accordance with the diverse legislation and good practice guides in the countries where it operates in terms of whistleblower protection and use of information channels. The Internal Reporting System makes it possible to group all the specific and individualized channels, whether existing or newly created, that are applicable to each of the entities of the CAF Group on the same IT platform, and also to know who the recipients of the Reports are in each case.

Information that is reported to the CAF Group through the Internal Reporting System related to a certain type of wrongdoing (by action or omission) with regard to the regulations applicable to the CAF Group, which mainly occurs in a work or professional context, without prejudice to any other contact or relationship with the CAF Group, will be considered a "Report".

Employees, managers or members of a governing body of any CAF Group entity, regardless of the position they hold or their geographic location, must use the Internal Reporting System to submit any reports of wrongdoing of which they become aware.

In particular, the following will be understood as wrongdoings to be reported through the Internal Reporting System:

- Criminal or serious or very serious administrative wrongdoing.
- Breaches of CAF Group's Code of Conduct or any other regulation of the Internal Regulatory System.
- Breaches of European Union law relating to, among others, the following areas: public procurement, financial markets, prevention of money laundering and terrorist financing, product safety and compliance, transport safety, environmental protection, radiation protection and nuclear safety, food and feed safety, animal health and welfare, public health, consumer protection, protection of privacy and personal data, and security of networks and information systems, financial interests of the Union and internal market.

Reports may be written or verbal and also anonymous in any of the cases and at the Whistleblower's choice, except in those geographies that expressly prohibit it. The Corporate Procedure for the Management of the Internal Reporting System will set out, where applicable at any time, the additional channels that may be determined and the remaining conditions for the receipt and management of the Reports.

The Internal Reporting System gives the Whistleblower the chance to use, at their own discretion, the general channel of the parent company or any other communication channel provided for the entities and integrated into the System, thus preventing any potential conflict of interest that may be of concern to the Whistleblower or that may arise in connection with the Report. Access to the parent company's channel allows the Whistleblower to benefit from greater investigative capacity and the provision of greater resources and independence compared to smaller entities.

When the Report is sent through other reporting channels than the ones enabled for this purpose, or to persons not responsible for dealing with it, the recipient of the Report will be obliged to immediately forward it to the Internal

Reporting System Manager, as defined below, or the relevant Channel Manager in application of the Corporate Procedure for the Management of the Internal Reporting System.

"Whistleblower" refers to any person who makes a Report. The figure of the Whistleblower includes not only public employees or workers employed by others, but also all self-employed workers, shareholders, participants and members of the governing, management or supervisory body of the company, persons working for or under the supervision of Third Parties, volunteers, apprentices and workers in training, as well as persons whose employment or statutory relationship has been terminated or has not yet begun, or any other person to whom the law attributes such status.

Reports received may relate to events occurring in a work or professional context, or to any other contact or relationship with the CAF Group. In the case of an employment or professional relationship, the facts may relate to a relationship that (i) is still in force, (ii) has already terminated or (iii) has not yet begun (for example, if it concerns wrongdoing relating to selection processes or in the context of a precontractual negotiation).

All Reports will be dealt with in accordance with the terms described in the Corporate Procedure for the Management of the Internal Reporting System.

In any case, the CAF Group will ensure that the Internal Reporting System constitutes a secure and confidential means, complying with the applicable personal data protection regulations and guaranteeing the rights of the Whistleblowers, Related Third Parties and Persons affected by the Report. Likewise, the CAF Group will ensure that no retaliation is taken against Whistleblowers when they use the Internal Reporting System in good faith.

Compliance with this Policy and the Corporate Procedure for the Management of the Internal Reporting System will be mandatory in order to benefit from Whistleblower protection in applicable cases.

The Internal Reporting System, and especially the information on access to the communication channels comprising it, will always be accessible on the CAF Group's corporate website, in accordance with the provisions of section 7 of this Policy.

CAF Group will also disseminate and provide information on the existence of external reporting channels implemented by authorities and regulators when required by applicable laws and regulations.

5. PROTECTION PRINCIPLES AND PARAMETERS

5.1. PERSONS ELIGIBLE FOR PROTECTION

CAF Group will protect both the Whistleblower of good faith and Related Third Parties from any harm that they may suffer as a result of reporting any possible wrongdoing of which they have become aware.

Likewise, persons who make a public disclosure of acts or omissions constituting criminal or serious or very serious administrative wrongdoing will be subject to the protection scheme when the conditions set out in the applicable regulations are met.

Likewise, the CAF Group will extend protection, under the terms legally provided for in this case, to the Persons affected by the Report.

5.2. CONDITIONS FOR PROTECTION

A Whistleblower of good faith is one who has reasonable grounds to believe that the information referred to is true at the time of the Report or public disclosure, even if they do not provide conclusive evidence, and that such information falls within the scope of this Policy.

Information contained in Reports that have been previously analyzed and rejected in any of the communication channels that make up the Internal Reporting System in application of the provisions of the Corporate Procedure for the Management of the Internal Reporting System after being submitted through the appropriate channel is expressly excluded from the protection provided by the Internal Reporting System.

In particular, information whose facts do not fall within the definition of a Report and information that lacks plausibility, is duplicated, refers to facts that have already been submitted without new indications or evidence to justify its admission, merely involves interpersonal conflicts that have nothing to do with the CAF Group, or concerns information that is completely available to the public or that constitutes mere rumors, among others, will be inadmissible.

5.3. PROTECTION MEASURES FOR WHISTLEBLOWERS AND RELATED THIRD PARTIES

The CAF Group is responsible for ensuring the protection of Whistleblowers and Related Third Parties. Both the Internal Reporting System Manager and the different Channel Managers comprising it are responsible for ensuring that such protection measures are effectively carried out.

5.3.1. Prohibition of retaliation

Any employee, manager or member of a governing body of any CAF Group entity is prohibited from retaliating against Whistleblowers of good faith, including threats of retaliation and attempted retaliation.

Retaliation is understood as any act or omission that is prohibited by law, or that, directly or indirectly, involves unfavorable treatment that places the persons who suffer it at a particular disadvantage with respect to another in a work or professional context, solely because of their status as Whistleblowers or Related Third Parties, or because they have made a public disclosure.

If the CAF Group becomes aware that retaliation is occurring or has occurred, reasonable steps will be taken to stop and deal with it. In this regard, measures will be taken to remedy the situation of the Whistleblower or Third Party, ensuring a situation equivalent to the previous situation that existed before having suffered retaliation.

5.3.2. Confidentiality and personal data protection

The CAF Group has the obligation to protect the identity of the Whistleblower and Related Third Parties, as well as to ensure the confidential treatment of their data.

In this regard, the Internal Reporting System is designed and managed in a secure manner to ensure the confidentiality of the identity of the Whistleblower and of any third party mentioned in the Report, and of the actions carried out to manage and process it, as well as the protection of personal data, preventing access by unauthorized persons, except in those cases where it is legally required.

The CAF Group undertakes not to process personal data that is not necessary for the knowledge of the acts or omissions reported in the Reports included in the Internal Reporting System and for which it does not have the appropriate legal basis, proceeding, in that case, to its deletion.

Likewise, the CAF Group undertakes to comply with the deadlines set by the applicable regulations and the Corporate Procedure for the Management of the Internal Reporting System.

5.4. PROTECTION MEASURES FOR PERSONS AFFECTED BY THE REPORT

The main protection measures to be implemented for the Persons affected by the Report are as follows:

- Right to the presumption of innocence;
- Right of defense.
- Right of access to the inquiry;
- Protection of their identity, ensuring the confidentiality of the facts and data of the procedure.
- Complying with the deadlines set by the applicable regulations and the Corporate Procedure for the Management of the Internal Reporting System.

The scope of these measures will be limited by the specific features that, depending on each type of Report or its matter, are applicable by virtue of the legal regulations in force.

5.5. ACTIVATION OF PROTECTION

The measures to protect the Whistleblower, Related Third Parties and Persons affected by the Report will be activated as soon as the Report is received, if it is then admitted, and will continue after the conclusion of the investigation process or management of the Report during the legal term established for each case. The application of these protection measures will be carried out in accordance with the legal requirements in force.

6. DISCIPLINARY SYSTEM

The establishment of an adequate disciplinary system is essential for any Compliance system to be considered effective. The CAF Group companies have established a disciplinary system in accordance with current labor legislation. Mechanisms have also been put in place when entering into contracts with Third Parties, particularly in the CAF Group Supplier Code of Conduct.

When a breach is investigated and confirmed under the terms of paragraph 1 of this Policy, disciplinary measures (in the workplace) or contractual measures (in business relationships with Third Parties) will be taken as deemed proportionate to the wrongdoings committed.

The Compliance Function or, where appropriate, the relevant Delegate, will act immediately, notifying the competent authorities of the matter if it also constitutes a crime or wrongdoing of any kind.

7. DISSEMINATION AND TRAINING

Information regarding the Internal Reporting System, including this Policy, the Corporate Procedure for the Management of the Internal Reporting System and other relevant information regarding access to and use of the channels, will be available on the home page of CAF Group's corporate website www.cafmobility.com in a separate and easily identifiable section. Where appropriate, information will be included on other CAF Group websites to facilitate access to the Internal Reporting System, as the case may be.

Through the above, CAF Group will always be able to disseminate and inform potential stakeholders of the necessary information regarding the Internal Reporting System, as well as the different channels comprising it, and also the principles, safeguards and obligations that govern its operation.

Notwithstanding the foregoing, the CAF Group Compliance Function will set out the appropriate additional dissemination and training actions for its employees in compliance with current legal regulations and this Policy.

8. POLICY DEVELOPMENT

The CAF Group Compliance Function, the Internal Reporting System Manager, or the Compliance Delegates within the framework of their respective competencies and powers and under the premises established by the Board of Directors of CAF, S.A., may approve the rules for the development of this Policy and the Corporate Procedure for the Management of the Internal Reporting System to ensure that the latter works properly.

9. INTERNAL REPORTING SYSTEM MANAGER

The Board of Directors of CAF, S.A. will designate, remove or dismiss the individual responsible for the management of the Internal Reporting System or the **"Internal Reporting System Manager".**

If the System Manager is a body, it must delegate the powers to manage the Internal Reporting System and to process the investigation files to one of its members.

The appointment and removal or dismissal of the Internal Reporting System Manager, as well as of the members of the body, where appropriate, will be notified to the competent authorities in accordance with the applicable legal requirements, specifying, in the case of dismissal, the reasons justifying it.

The System Manager, a natural person or the person to whom the body has delegated its duties, must be a manager of the entity, must perform their duties independently of the entity's administrative or governing body, may be the person responsible for the regulatory compliance function, may not receive instructions of any kind in the performance of their duties, and must have all the personal and material means necessary to carry them out.

The powers of the System Manager and the different Channels Managers comprising it will be defined in the Corporate Procedure for the Management of the Internal Reporting System.

10. MONITORING AND CONTROL

As of the date of approval of this Policy, the Audit Committee has been assigned the duty of establishing and supervising a mechanism that allows employees and other persons related to the Company and its Group, such as Board Members, shareholders, suppliers, contractors or subcontractors, to report any potentially significant irregularities, including financial and accounting irregularities, or any other irregularities related to the Company that they may notice within the Company or its Group, in accordance with best practices in matters of Good Corporate Governance, without prejudice to the legal power of the Board of Directors to approve this Policy.

In accordance with the foregoing, the Audit Committee will be responsible for the monitoring and control of this Policy, except in all matters reserved for the Board of Directors by law.

11. REVIEW AND UPDATE

The Board of Directors will update the Policy upon the proposal of the Audit Committee.

12. APPROVAL AND ENTRY INTO FORCE

Following approval by the Board of Directors of CAF, S.A. at its meeting on May 5, 2023, this Policy will replace any previous provision of the Internal Regulatory System regarding whistleblowing channels, coming into effect on that date.

Date: 5th May 2023

HISTORICAL	DATE
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Note: changes to the document will be marked in red