



PEOPLE POLICY

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.

INDEX

1. OBJECT.....3

2. SCOPE3

3. BASIC PRINCIPLES.....3

4. METRICS AND TARGETS4

5. GOVERNANCE.....5

6. APPROVAL AND PUBLICATION5



1. OBJECT

The Board of Directors of CONSTRUCCIONES Y AUXILIAR DE FERROCARRILES, S.A. is empowered to approve corporate policies that set the basis for standardize practice within the CAF Group (hereinafter “CAF”) in certain matters, establishing, among other measures, general principles and criteria.

In accordance to the provisions of the Sustainability Policy, the purpose of this Policy is to establish the basic principles for having people necessary to ensure CAF's strategy deployment in a consistent manner, guaranteeing a safe, fair and inclusive working environment, promoting the well-being, development and commitment of people aligned with CAF's values, and ensuring compliance with high ethical and labour standards.

2. SCOPE

This Policy applies to all CAF entities and compliance with this Policy is the responsibility of all employees, managers or members of a governing body of any CAF entity, regardless of the position they hold or their geographical location.

For investee companies that do not belong to CAF because they do not have sufficient shareholding to ensure control, it is encouraged that their principles of action are consistent with the provisions of this policy, at least as far as they coincide with the General Principles of the CAF Group's Code of Conduct.

Similarly, in application of the due diligence criteria, these principles can be extended to third parties in the value chain (Business Partners), in particular to their project partners, agents and suppliers and, where appropriate, to their customers, depending on the

type of business relationship, in a reasonable manner and proportionate to the risk. To define the specific requirements for the different types of Business Partners, objective factors such as whether CAF has operational control or decisive influence over the third party, or similar criteria recognized in the main international best practice guides.

3. BASIC PRINCIPLES IN PEOPLE

In order to achieve the implementation of the commitments, CAF will be guided by the following basic principles of action:

Principle 1: Provide a safe and quality working environment.

CAF ensures a working environment that meets the highest standards of Occupational Health and Safety, implementing risk management systems and workplace wellness initiatives. It also fosters an environment free of harassment, ensuring that all workers are treated with dignity and respect. It is committed to provide secure employment, complying with local and international regulations, offering people adequate working conditions.

Principle 2: Secure the necessary talent.

CAF is committed to offering a value proposition that, aligned with its values, attracts and engages the talent that the business requires, while ensuring adequate sizing. In addition, CAF guarantees recruitment processes that are free from any form of discrimination.

Principle 3: Develop a continuous learning ecosystem.

CAF is committed to promoting a learning ecosystem that enables the continuous development of talent. Professional development opportunities are provided to all people, recognising that their growth is key to

the company's sustainability. In addition to offering training programs, from technical training to training in interpersonal skills, CAF includes in its talent management processes activities that promote the development of people to achieve business objectives.

Principle 4: Provide decent and equitable wages.

CAF is committed to providing people with salaries that ensure a proper standard of living. The organization establishes mechanisms to guarantee pay equity, ensuring that all people, regardless of gender, race, sexual orientation, gender identity, ethnicity, disability, age, religion or other status, receive fair and equitable compensation.

Principle 5: Guarantee association and bargaining rights

CAF respects and guarantees the right of workers to associate freely and to engage in collective bargaining on working conditions. It encourages open and constructive dialogue between the company and employee representatives, recognising the importance of employee participation in decisions affecting their working conditions. CAF supports the establishment of representative bodies that facilitate communication and collaboration, ensuring that workers can exercise their right to defend their interests.

Principle 6: Promote diversity, equality and inclusion.

CAF is committed to promoting a diverse, inclusive and equitable work environment where diversity is valued and respected. To ensure this commitment, CAF establishes initiatives that guarantee and promote equal opportunities for all people, regardless of their origin, gender, ethnicity, sexual orientation,

gender identity, age, religion, marital status, socioeconomic status or ability. It adopts measures that ensure an equitable application of people's processes throughout their working life. CAF also promotes the deployment of reconciliation measures.

Principle 7: Eradicate child and forced labour.

CAF does not contemplate child and forced labour in its operations. To this end, it undertakes to establish the necessary measures to guarantee this, implementing control and monitoring processes to ensure compliance.

4. METRICS AND OBJECTIVES

To ensure compliance with the principles and commitments set out in People Policy, CAF has established a robust monitoring and control system based on performance indicators and clearly defined short-, medium-, and long-term objectives. These are reported annually in the Sustainability Report.

The regular monitoring of performance indicators makes it possible to evaluate the progress made in achieving the short, medium and long term objectives previously defined. This makes it easier to identify areas that need attention and improvement and enables the right decisions to be made and appropriate corrective action to be taken. This ensures a cycle of continuous improvement and optimizes performance and efficiency at all levels of the organization.

To ensure their effectiveness, performance indicators must meet the following criteria:

- Relevance: Indicators must accurately and meaningfully measure and reflect progress towards a specific goal, providing information that can be used to make decisions and take action.

- True representation: Data sources must be reliable, and measurement methods must be standardized. The information presented through the indicators must be complete, neutral and accurate.
- Timeliness: The frequency of indicator measurement must be adequate for timely decision-making.
- Ease of use: They must be easy to understand and interpret, both for those who produce them and for those who analyze them.
- Effective Communication: The results of the indicators must be communicated clearly and concisely at all levels of the organization.

The aim of this approach is to ensure that sustainability is a transverse axis in decision-making at all levels of the **CAF**, so that its activities generate value for both its shareholders and its Stakeholders.

5. GOVERNANCE AND OVERSIGHT

The **Executive Committee** is responsible for ensuring compliance with this **Policy**, under the leadership of the **Corporate Human Resources Officer (CHRO)**, without prejudice to the supervision and control of the Board of Directors through the Appointments and Remuneration Committee. For these purposes, the following internal control mechanisms are established:

Corporate Human Resources Officer (CHRO)

In the area of People, the key responsibilities of the Corporate Human Resources Officer include the implementation of **CAF**'s people strategy established by the Board of Directors, the approval and high-level monitoring of the People Policy, as well as the monitoring of the strategic objectives and key performance metrics (KPIs) defined for People at corporate level, all of which the Human Resources

Department must report periodically to the Appointments and Remuneration Committee.

Head of Corporate HR

The Head of Corporate HR contributes to defining and monitoring the Group's People plan and strategies. To do so, it collects and analyses relevant data on the status of the plan, including performance indicators, ongoing initiatives and potential risks, and facilitates strategic decision-making.

Corporate HR Committee

The Corporate HR Committee, under the Corporate Human Resources Officer and coordinated by the Head of Corporate HR, oversees all People-related activities. Its main function is to periodically analyse progress indicators and ongoing initiatives to identify potential risks and areas for improvement.

Business Management

The Business Management is responsible for the deployment of the People Policy in the Business. Its key responsibilities are the designation of the Head of People in the Business, as well as ensuring the definition and monitoring of the deployment plans for the development of the corporate guidelines on People within the Business.

Business HR Manager

The Business HR Manager coordinates the Business-level People-related efforts within its scope to ensure the deployment of the corporate people guidelines in the Business, identifying any specific needs that the Business may have.

6. APPROVAL AND DISSEMINATION

This **Policy** is approved by the **Corporate Human Resources Management (CHRO)**.

In order to facilitate its content for interested parties and recipients, this **Policy** will be published on **CAF's** website.

Date: December 2024
Signature: Gorka Zabalegi Aginaga
Corporate Human Resources Officer (CHRO)

HISTORICAL	DATE
Initial edition.	2024-12

Note: changes to the document will be marked in red.

