

Annex:

On compliance with NCP recommendations

There are discrepancies between CAF and the complainant. The NCP has not expressed an opinion as of this date.

CAF in its Public Report on Non-financial Information,
[https://www.caf.net/upload/accionista/Informe-Sostenibilidad-2022_EN\[1\].pdf](https://www.caf.net/upload/accionista/Informe-Sostenibilidad-2022_EN[1].pdf),
page 103, says the following

'No human rights complaints have been received in 2022.

The following table summarises the monitoring and progress of the complaints received regarding Human Rights within the CAF Group over the last few years:

2022 2021 2020 Target

Number of complaints received 0 0 1 0

Cases of Human Rights violations detected 0 0 0 0

As a follow-up to what was reported in the Statement of Non-Financial Information - Sustainability Report in the previous two years, in reference to the complaint received in 2020 regarding a project developed in Jerusalem to the National Contact Point ("NCP") based on an alleged misapplication of the OECD Guidelines, in 2022 CAF has received the final report of the NCP.

The NCP report does not identify any regulatory or legal non-compliance with CAF's participation in the Project, nor any violation of any rights, nor any breach with the UN Guiding Principles on Business and Human Rights or the OECD Guidelines for Multinational Enterprises.

The NCP concludes its report with three recommendations, two of which have already been fulfilled by CAF (improvements in internal regulations and in aspects related to the disclosure of information) without prejudice to the commitment to maintain continuous improvement in all areas and, in particular, in relation to its Corporate Governance and Compliance Systems.

The third recommendation was related to request a social impact assessment of the project to an independent third-party, which was duly commissioned. For the preparation of the report, the independent consultant carried out an extensive analysis of the systems, processes and internal controls adopted by the company in relation to the Jerusalem project. It also carried out a firsthand verification of CAF's activities and the operation of the tramway through an on-site visit to Jerusalem. After all this, the independent expert has issued his final report with favourable conclusions, confirming the following:

"CAF's activities in Jerusalem show a high level of compliance with the main international standards for corporate social responsibility and sustainability in its three dimensions (governance, social and environmental). All this suggests a positive social impact of CAF's activities in the city of Jerusalem."

This report has been duly forwarded to the NCP, following its recommendation, and the procedure has been closed.'

CSCA

The CSCA has demanded the delivery of the Report (PNC) delivered by CAF to the PNC. To this date he has not received it. Only the public transcript of CAF's Sustainability Report is known where reference is made to that Report

Recomendación 1

Given that the layout of the tram lines has been carried out by the Israeli authorities and they order the pertinent expropriations to be carried out, we do not know that CAF has bothered to seek and repair the damage destroyed to the expropriated Palestinians, expelled from their homes for the layout of the works carried out by the occupation authorities;

We are not aware of any contact between CAF and the Palestinian authorities, affected by the deepening of the Israeli occupation, colonization and apartheid, aided by CAF.

According to known public data, it persists in its activity of supporting and profiting from the occupation and colonization. CAF is part of the companies bidding on the new blue line that will also run through the Occupied Palestinian Territories, facilitating the transfer of population from the occupying power to the Occupied Territory, such as the Gilo colony, in violation of the Fourth Geneva Convention, <https://en.globes.co.il/en/article-5-groups-approved-for-jerusalem-light-rail-blue-purple-line-tender-1001380503>

They continue to have as a partner in the management of the red line, such as the construction of the green line and the bidding for the blue line, Shapir, an Israeli company that is on the list of companies that the United Nations considers to be part of and profit from of the Israeli occupation of the Palestinian Territories. Its suppliers, among others, are Banco Hapoalim and, as a client, Egged. All of them in the United Nations Database. It is not seen that CAF has a due diligence, worthy of the name.

Recomendación 2

Five times in the CAF text, including the independent consultant's paragraph, it says that the line extension project and its management is in **Jerusalem** and omits that it is in the part in the **OPT**.

Of course, CAF continues without informing investors, the media, the CNMV, etc., that the project won in 2019 is carried out in the Occupied Palestinian Territories -including East Jerusalem-, not in West Jerusalem and areas of Israel prior to 1967 .

There has been no rectification to the Relevant Fact of obtaining the contest offered by the Israeli occupation authorities. CAF continues to name and describe its actions as being carried out in Jerusalem (Israel), omitting that it is carried out in the Occupied Palestinian Territories, exceeding what could be done in territory considered Israeli, outside of West Jerusalem and the municipal area of Jerusalem prior to 1967 and in against the will of the Palestinians and their representatives,

Recomendación 3

We verified that no independent consultant has contacted the CSCA to verify the information and data that we provided in Case E-009 and the existing extensions to it.

We do not have in our possession any Reports, from any known Independent Consultants. From what appears in CAF's Sustainability Report, public, not even that supposed independent expert consultant knows geography or international law, nor has he consulted experts in these matters.