CONSTRUCCIONES Y AUXILIAR DE FERROCARRILES, S.A.

(*incorporated in Spain in accordance with the Spanish Companies Act - Ley de Sociedades de Capital*)

SUSTAINABILITY-LINKED COMMERCIAL PAPER PROGRAMME CAF 2025

Maximum outstanding balance €250,000,000

BASE INFORMATION MEMORANDUM FOR THE ADMISSION TO TRADING OF COMMERCIAL PAPER ON THE SPANISH ALTERNATIVE FIXED-INCOME MARKET (*DOCUMENTO BASE DE INCORPORACIÓN DE PAGARÉS AL MERCADO ALTERNATIVO DE RENTA FIJA*)

1. GENERAL INFORMATION

Construcciones y Auxiliar de Ferrocarriles, S.A. ("**CAF**", the "**Company**" or the "**Issuer**", and together with the entities of the Issuer's corporate group (the "**Group**")), a public limited company (*sociedad anónima*) incorporated under the laws of Spain, with registered address at Calle J.M. Iturrioz, 26, 20200 Beasain Gipuzkoa, Spain, registered in the Commercial Registry of Gipuzkoa, in volume 983, sheet 144, page SS-329, with tax identification number A-20001020 and Legal Entity Identifier (LEI) code 95980020140005275134, will request the admission to trading (*incorporación*) of commercial paper notes (*pagarés*) (the "**Notes**") to be issued by the Company under the Sustainability-Linked Commercial Paper Programme CAF 2025 (the "**Programme**") in accordance with the provisions of this base information memorandum (*Documento Base Informativo*) (the "**Base Information Memorandum**") on the Spanish Alternative Fixed-Income Market (*Mercado Alternativo de Renta Fija*) ("**MARF**"). The Issuer's shares are listed on the Madrid, Barcelona, Bilbao and Valencia stock exchanges (the "**Spanish Stock Exchanges**") through the automated quotation system or "*Mercado Continuo*" of the Spanish Stock Exchanges under the symbol "CAF".

MARF is a multilateral trading facility (*sistema multilateral de negociación*) ("**MTF**") and it is not a regulated market, pursuant to the provisions of article 68 of the Spanish Securities Markets and Investment Services Act, of 17 March (*Ley 6/2023, de 17 de marzo, de los Mercados de Valores y de los Servicios de Inversión*) (the "**Securities Markets and Investment Services Act**").

This Base Information Memorandum on the admission of the Notes is the document required under Circular 1/2025 from MARF, of 16 June (*Circular 1/2025, de 16 de junio, sobre incorporación y exclusión de valores en el Mercado Alternativo de Renta Fija*) ("**Circular 1/2025**").

The Notes will be represented by book-entries (*anotaciones en cuenta*) registered with the Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A.U. ("**Iberclear**") which, together with its participating entities, will be the entity responsible for maintaining the corresponding accounting records (*registro contable*) of the Notes.

Neither MARF, the Spanish National Securities Market Commission (*Comisión Nacional del Mercado de Valores*) (the "**CNMV**") nor the Dealers have undertaken any kind of verification or testing with regard to this Base Information Memorandum, its schedules, or the content of the documentation and information provided by the Issuer in compliance with Circular 1/2025.

An investment in the Notes involves certain risks. Potential investors should consider carefully and fully understand the risks set forth herein under the "Risk Factors" section, along with all other information contained in this Base Information Memorandum, prior to making any investment decision with respect to the Notes.

Potential investors should note the statements regarding the tax treatment in Spain of income obtained in respect of the Notes and the disclosure requirements imposed by Law 10/2014, of 26 June, on the organization, supervision and solvency of credit institutions (*Ley 10/2014, de 26 de junio, de ordenación, supervision y solvencia de entidades de crédito*) on the Issuer relating to the Notes. In particular, payments on the Notes may be subject to Spanish withholding tax if certain information is not received by the Issuer in a timely manner.

ARRANGER

Kutxabank Investment S.V., S.A.U.

DEALERS

Banca March, S.A. | Banco Santander, S.A. | Kutxabank Investment S.V., S.A.U.

PKF Attest Capital Markets, S.V., S.A. | Renta 4 Banco, S.A.

REGISTERED ADVISOR (*ASESOR REGISTRADO*)

Kutxabank Investment S.V., S.A.U.

PAYING AGENT

Kutxabank Investment S.V., S.A.U.

The date of this Base Information Memorandum is 18 December 2025

2. OTHER INFORMATION

No action has been taken in any jurisdiction to permit a public offering of the Notes not exempted from the obligation to publish a prospectus or to permit the possession or distribution of the Base Information Memorandum or any other offer material in any country or jurisdiction where a specific action is required for said purpose. This Base Information Memorandum must not be distributed, directly or indirectly, in any jurisdiction in which such distribution represents a public offering of securities not exempted from the obligation to publish a prospectus. This Base Information Memorandum is not a public offering for the sale of securities nor a request for a public offering to purchase securities, and no offering of securities not exempted from the obligation to publish a prospectus shall be made in any jurisdiction in which such offering or sale would be considered in breach of the applicable legislation. Persons obtaining this Base Information Memorandum or any Notes or any interest in such Notes or any rights in respect of such Notes are required by the Issuer and the Dealers, to inform themselves about and to observe any restrictions on the distribution of this Base Information Memorandum and the offering for sale of Notes or any interest in such Notes or any rights in respect of such Notes.

In particular, this Base Information Memorandum does not represent a prospectus approved and registered with the CNMV and the subscription of the Notes issued under the Programme does not represent a public offering not exempted from the obligation to publish a prospectus pursuant to the provisions set out in Article 35 of the Securities Markets and Investment Services Act and Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market (the "**Prospectus Regulation**").

The Notes shall only be addressed in the European Economic Area ("**EEA**") to persons who have the status of qualified investors as defined in the Prospectus Regulation (or any equivalent legal concept in other jurisdictions).

MiFID II AND UK MIFIR PRODUCT GOVERNANCE - Solely by virtue of appointment as dealer on the Programme, neither the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of EU Delegated Directive 2017/593 or the UK MiFIR product governance rules set out in the FCA Handbook Product Intervention and Product Governance Sourcebook.

Solely for the purposes of the product approval process in respect of a particular Note issue, the target market assessment in respect of any of the Notes to be issued under the Programme has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in MiFID II; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "distributor") should take into consideration the Issuer's target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the Issuer's target market assessment) and determining appropriate distribution channels.

PROHIBITION OF SALES TO EEA RETAIL INVESTORS - The Notes to be issued under the Programme are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the EEA. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of Directive (EU) 2016/97 (the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently no key information document (KID) required by Regulation (EU) No. 1286/2014 on key information documents for packaged and retail and insurance-based investment products (the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

PROHIBITION OF SALES TO UK RETAIL INVESTORS – The Notes to be issued under the Programme are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (the "**UK**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of UK domestic law by virtue of the EUWA; or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (the "**FSMA**") and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client as defined in point (8) of Article 2(1) of UK MiFIR. Consequently no key information document (KID) required by the PRIIPs Regulation as it forms part of UK domestic law by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

In the UK, this document and the Notes would only be distributed to, and are intended for, and any investment and investment activity in the Notes referred to in this document is available only to, and will be subscribed to only by, "qualified investors", within the meaning of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (i) who are persons with professional experience in matters relating to investments falling within the definition of "investment professionals" in section 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "**Order**"); (ii) who are high net worth entities within section 49(2)(a) to (d) of the Order; or (iii) are other persons to whom they may otherwise lawfully be communicated (together, all such persons shall be described as "**relevant persons**"). Persons who are not relevant persons should not take any action on the basis of this communication document and should not act on or rely on it.

UNDER THE PROGRAMME, THE ISSUER MAY ISSUE NOTES OUTSIDE THE UNITED STATES PURSUANT TO REGULATION S ("REGULATION S") OF THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"). THE NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT AND, SUBJECT TO CERTAIN EXCEPTIONS, MAY NOT BE OFFERED, SOLD OR DELIVERED WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATION S).

Certain figures in this Base Information Memorandum, including financial, market and certain operating information, have been rounded to make them easier to understand. Accordingly, the sum of the figures shown in a column or row of a table may not add up exactly to the total figure shown for that column or row, and the sum of some figures expressed as a percentage may not add up exactly to the total percentage shown.

The information contained in this Base Information Memorandum is not and should not be construed as a recommendation by any of Banca March, S.A., PKF Attest Capital Markets, S.V., S.A., Banco Santander, S.A., Kutxabank Investment S.V., S.A.U. and Renta 4 Banco, S.A. (the "**Dealers**" and each of them, individually, a "**Dealer**"), or the Issuer, that any recipient should purchase Notes. Each such recipient must make and shall be deemed to have made its own independent assessment and investigation of the financial condition, affairs and creditworthiness of the Issuer and of the Programme as it may deem necessary and must base any investment decision upon such independent assessment and investigation. Potential investors should not base their investment decision on information other than that contained in this Base Information Memorandum.

The Issuer accepts responsibility for the information contained in this Base Information Memorandum. To the best of the knowledge and belief of the Issuer (which has taken all reasonable care to ensure that such is the case), the information contained in this Base Information Memorandum is in accordance with the facts and does not omit anything likely to affect the import of such information. The Issuer confirms that where information herein has been sourced from a third party, this information has been accurately reproduced, and so far as the Issuer is aware and is able to ascertain from the information published by such third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

None of the Issuer nor the Dealers accept any responsibility, express or implied, for updating the Base Information Memorandum and neither the delivery of the Base Information Memorandum nor any offer or sale made on the basis of the information in the Base Information Memorandum shall under any circumstances create any implication that the Base Information Memorandum is accurate at any time subsequent to the date thereof with respect to the Issuer or that there has been no change in the business, financial condition or affairs of the Issuer since the date thereof.

The Issuer has not authorised the making of any representation or provision of any information regarding the Issuer or the Notes other than as contained in this Base Information Memorandum, in the Dealer Agreement (as defined below), in any other document prepared in connection with the Programme or as approved for such purpose by the Issuer. Any such representation or information should not be relied upon as having been authorised by the Issuer or the Dealers.

The Dealers make no representation or warranty or undertaking (express or implied), and no responsibility or liability is accepted by it as to the authenticity, origin, validity, accuracy or completeness of, or any errors in or omissions from, any information or statement contained in this Base Information Memorandum or in or from any accompanying or subsequent material or presentation by the Dealers. The Dealers do not undertake to review the business or financial condition or affairs of the Issuer during the life of the Programme, nor do they undertake to advise any recipient of this Base Information Memorandum of any information or change in such information coming to their attention.

The Notes may not be a suitable investment for all investors. Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

(i) have sufficient knowledge and experience to make a meaningful evaluation of the relevant Notes, the merits and risk of investing in the relevant Notes and the information contained in this Base Information Memorandum or any applicable supplement;

(ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the relevant Notes and the impact such investment will have on its overall investment portfolio;

(iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the relevant Notes;

(iv) understand thoroughly the terms of the relevant Notes and be familiar with the behaviour of the financial markets in general; and

(v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

The Notes may be complex financial instruments and such instruments may be purchased by investors as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to their overall portfolios. A potential investor should not invest in Notes which are complex financial instruments unless it has the expertise (either alone or with the help of a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of such Notes and the impact this investment will have on the potential investor's overall investment portfolio.

There is no guarantee that the price of the Notes in the MARF will be maintained. There is no assurance that the Notes will be widely distributed and actively traded on the market because at this time there is no active trading market. Nor is it possible to ensure the development or liquidity of the trading markets for the Notes.

Issuances linked to sustainability targets

The issuance of the Notes will be linked to sustainability targets that have been set in accordance with the Green and Sustainable Financing Framework of the Company (available at https://admin.cafmobility.com/uploads/CAF_2024_Marco_Financiacion_Verde_Sostenible_EN_8924acff0f.pdf), and whose achievement will be assessed and announced annually by the Company.

DNV Business Assurance España, S.L. ("**DNV**") has issued a second-party opinion in connection with the Green and Sustainable Financing Framework of the Company (the "**Second-Party Opinion**"), available at https://admin.cafmobility.com/uploads/CAF_Green_and_Sustainability_Linked_Financing_Framework_DNV_SPO_April_2024_1_c227dd0ab9.pdf (neither the Second-Party Opinion nor the Green and Sustainable Financing Framework of the Company are part of this Base Information Memorandum). However, any opinions or reports (or any past or future second-party opinion) should not be relied upon in connection with making any investment decision with respect to any Notes to be issued under the Programme. Prospective investors must determine for themselves the suitability, reliability and relevance of any such opinion or certification and/or the information contained therein and/or the provider of such opinion, assurance or certification for the purpose of any investment in the Notes. In addition, no assurance or representation is given by the Company, the Dealers or any of their affiliates, as to the suitability or reliability for any purpose whatsoever of any opinion, report, assurance or certification of any third party in connection with the offering of any Notes issued under the Programme. Any such opinion, report, assurance or certification and any other document related thereto is not, nor shall it be deemed to be, incorporated in and/or form part of this Base Information Memorandum.

None of the Dealers nor the Issuer will verify or monitor if the Notes satisfy any investor's requirements or standards for investment in assets with sustainability characteristics, nor the consistency of the targets with the investment requirements and expectation of any potential investor in the Notes.

In addition, none of the Dealers is responsible for the assessment of the Sustainable Financing Framework of the Company.

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4. RISK FACTORS

Investing in the Notes issued under the Programme involves certain risks. Prior to investing in the Notes, prospective investors should carefully consider risk factors associated with any investment in the Notes, the business of the Group and the industry in which it operates together with all other information contained in this Base Information Memorandum, including, in particular the risk factors described below. Words and expressions defined in this Base Information Memorandum have the same meanings in this section.

The following is not an exhaustive list or explanation of all risks which investors may face when making an investment in the Notes and should be used as guidance only. Additional risks and uncertainties relating to the Group that are not currently known to the Issuer, or that it currently deems immaterial, may individually or cumulatively also have a material adverse effect on the business, financial condition and results of operations of the Issuer and, if any such risk should occur, the price of the Notes may decline and investors could lose all or part of their investment. Prospective investors should also read the detailed information set out elsewhere in this Base Information Memorandum and reach their own views prior to making any investment decision.

4.1 RISKS RELATED TO THE BUSINESS OF THE GROUP

Strategic Risks

Risk related to the current state of the global economy

The Group's business performance is influenced by the economic conditions of the countries in which it operates. Normally, robust economic growth in those areas where the Group is located results in greater demand for its services, whilst slow economic growth or economic contraction adversely affects demand for its services.

According to the World Economic Outlook ("**WEO**") report of the International Monetary Fund ("**IMF**") dated October 2025:

- Global growth is expected to slow from 3.3% in 2024 to 3.2% in 2025 and to 3.1% in 2026. The slowdown reflects headwinds from uncertainty and protectionism, even though the tariff shock is smaller than originally announced. On an end-of-year basis, global growth is projected to slow down from 3.6% in 2024 to 2.6% in 2025. Advanced economies are forecast to grow about 1½% in 2025–26, with the United States slowing to 2.0%. Emerging market and developing economies are projected to moderate to just above 4.0%.
- Inflation is expected to decline to 4.2% globally in 2025 and to 3.7% in 2026, with notable variation: above-target inflation in the United States—with risks tilted to the upside— and subdued inflation in much of the rest of the world.
- World trade volume is forecast to grow at an average rate of 2.9% in 2025–26—boosted by front-loading in 2025 yet still much slower than the 3.5% growth rate in 2024—with persistent trade fragmentation limiting gains.
- Risks to the outlook remain tilted to the downside, as they were in previous WEO reports. Prolonged policy uncertainty could dampen consumption and investment. Further escalation of protectionist measures, including nontariff barriers, could suppress investment, disrupt supply chains, and stifle productivity growth. Larger-than-expected shocks to labour supply, notably from restrictive immigration policies, could reduce growth, especially in economies facing ageing populations and skill shortages. Fiscal vulnerabilities and financial market fragilities may interact with rising borrowing costs and increased rollover risks for sovereigns.
- Commodity price spikes—stemming from climate shocks or geopolitical tensions—pose additional risks, especially for low-income, commodity-importing countries. On the upside, a breakthrough in trade negotiations could lower tariffs and reduce uncertainty. Renewed reform momentum in an effort to navigate the intensifying challenges could give a boost to medium-term growth.

According to the European Economic Forecast Autumn 2025 of the European Commission:

- Economic growth exceeded expectations in the first nine months of the year, with real GDP growth outperforming the annual expansion projected in spring. This better-than-expected performance was initially due to a surge in exports ahead of anticipated tariff increases, but investment in equipment and intangible assets also performed more strongly than expected. Continued growth in the third quarter is testimony to the resilience of the European economy and its ability to navigate unprecedented shocks. Data from the Commission surveys and PMIs in October suggest continuing growth momentum in the coming quarters. Key conditions for an expansion in economic activity remain in place, despite a challenging external environment and persistent uncertainty. Growth is supported by a resilient labour market, decreasing inflation and favourable financing conditions. In addition, policy support from the Recovery and Resilience Facility and other EU funding is cushioning the effect of tighter fiscal policy in several Member States.

- Altogether, this forecast projects real GDP to grow by 1.4% in the EU in 2025 and 2026, edging up to 1.5% in 2027. The euro area is expected to broadly mirror this trend, with real GDP growing by 1.3% in 2025, 1.2% in 2026, and by 1.4% in 2027. At the same time, potential growth is set to go down a notch from 1.5% in 2024 to 1.3% in 2027 in the EU, and from 1.4% to 1.2%, respectively, in the euro area, as growth in the working age population slows.

- Inflation is forecast to continue its decline in 2025, falling to 2.1% in the euro area, and then hover around 2% over the next two years. In the EU, inflation is set to remain marginally higher, falling to 2.2% in 2027.

- The Joint Statement on a US-EU framework on an agreement on reciprocal, fair and balanced trade, issued on 21 August 2025, establishes a headline tariff rate of 15%, but includes some important exemptions and carve-outs for sectors such as pharmaceuticals and semi-conductors, whilst imposing higher tariffs on steel and aluminium. Globally, the US tariffs are at their highest levels in nearly a century. The forecast assumes that all country- and sector-specific tariffs implemented or credibly announced by the US administration at the cut-off date will remain in place throughout the forecast horizon.

- Concerns about global demand have weighed on the price of oil. At the cut-off date of this forecast, Brent crude oil futures prices were 3% lower for 2026 than assumed in the Spring 2025 Forecast. They are expected to remain around USD 63 per barrel in 2027. Similarly, European gas spot and futures prices are lower than in spring, with prices assumed to average 32 EUR/MWh in the final quarter of 2025 and declining to 29 EUR/MWh in 2027. By contrast, although wholesale electricity prices are on average expected to decline softly throughout the forecast horizon, they are projected to be around 2% higher in 2026 than was projected in spring.

- In the EU, exports of goods and services rose by 1.9% in the first quarter, largely due to front-loading in anticipation of rising US import tariffs. As the effect of front-loading wanes, export growth in the remainder of the year is set to slow down significantly. Imports in the EU also grew faster than expected in the first quarter of 2025. Looking ahead to 2026, the growth of the EU's export markets is expected to slow down due to high global tariffs, leading to slower growth in goods exports. A rebound in goods export growth is anticipated in 2027, partly premised on the EU's tariff advantage in the US market compared to other major trading partners.

- Private consumption grew at a slightly slower pace than anticipated during the first half of 2025. After declining since late 2024, consumer confidence stabilised over the summer, although it remains below its long-term average. Whilst real household disposable income continued to rise, the saving rate remained relatively high and even increased in the first quarter, thereby limiting consumption growth. Over the forecast horizon private consumption is expected to support growth with a steady annual rate of 1.5%, helped by a gradual decline in the saving rate, to 14.4% in 2027. Public consumption growth is expected to lose steam over the forecast horizon, as growth in public wages and intermediate consumption decelerates.

- The EU general government deficit is projected to increase from 3.1% of GDP in 2024 to 3.3% in 2025 and 2026 and 3.4% in 2027, on a no-policy change basis. Similarly, in the euro area the deficit is set to increase from 3.1% of GDP in 2024 to 3.2% in 2025, 3.3% in 2026 and 3.4% in 2027. This increase is driven by rising defence spending in the EU (from 1.5% of GDP in 2024 to 2% in 2027 (measured according to the Classification of the Functions of Government), along with continued growth in interest expenditure and some revenue shortfalls. However, fiscal adjustment plans in several Member States are expected to partially offset these deficit-increasing factors.

- Persistently high trade policy uncertainty continues to burden economic activity, whilst the economic impact of the current tariffs and non-tariff restrictions and resulting supply chain disruptions might be greater than expected. These factors could be weighing more heavily on EU exports and productive efficiency. Meanwhile, geopolitical tensions remain high, as evidenced by Russia's war of aggression against Ukraine, which has been weighing especially on the economic performance of neighbouring countries, whilst the October Gaza peace plan offers a glimmer of hope for regional stability in the Middle East. Continuous shifts in trade policy could increase volatility in global financial markets.

In addition to the above, the European Central Bank (the "**ECB**") cut rates once in June 2025 by 25 basis points, bringing the deposit facility rate to 2.00%. Since then, the ECB has held rates steady at 2.00% through September and October meetings, signalling a "good place" for policy and a data-dependent approach.

As noted above, there are a variety of macroeconomic factors which could have a negative impact on the Group's revenues and could increase the Group's financing costs. As a result, any of these factors could have a material adverse effect on the Group's business, financial condition and results of operations.

In addition, it should be noted that the Group may be exposed to adverse effects from the occurrence of future pandemics or other future extreme events.

Finally, the recent developments -or any changes thereafter- on the ongoing conflicts in Eastern Europe and the Middle East may result in an increase in geopolitical tensions in these regions that may have effects on the global or regional economies and, therefore, also on CAF and its operations in these regions.

Risks related to a decrease in the funds allocated to rail transport projects and bus acquisition programmes.

Rail and bus transport industries are usually resilient during economic downturns. Challenging economic and financial conditions in specific areas, however, may have a negative impact on some rail and bus operators. As public authorities respond to economic downturn cycles with budget austerity measures, or by increasing their level of indebtedness to fund economic stimulus plans, it may become more difficult for publicly owned rail and bus operators to obtain government funding.

The lack of funding may result in rail or bus transport-related projects being reduced in size, postponed, or even cancelled. Such actions by rail or bus operators or governments would negatively impact CAF's order intake and revenues, and put pressure on its cost structure. In addition, payment terms, including the level and timing of payments received prior to product delivery from CAF's customers, may deteriorate and negatively impact cash flows.

Some of CAF's clients currently benefit from funds granted by the EU, as well as from federal funds granted to clients for the acquisition of rolling stock in the United States. Due to political, economic or other considerations, these funds may no longer be available to CAF's clients or there may be delays in receiving funds. As a result, any of these factors noted above could result in cancellation of contracts, decreases of contractual scopes or delay in receipt of funds and disrupt the Group´s operations, which, in turn, may have a material adverse effect on the business, financial condition and results of operations of the Group.

Market Consolidation Risk

In recent years, there has been increased consolidation in the market segments in which CAF operates, which has placed increased competitive pressure on CAF's operations. As a consequence of further competitors' consolidation, CAF's market share could be eroded as competitors increase their presence in given products and geographical markets, potentially putting pressure on market prices that may lead to lower margins from CAF's operations.

Further competitors' consolidation may have a material adverse effect on the Group's business and financial condition.

Risks in relation to acquisitions, disposals and other external growth operations

As part of its development strategy, the Group may complete acquisitions of businesses and/or companies, as well as enter into joint ventures and partnerships. These operations include certain risks, including the difficulties that may arise in the process of evaluating assets and liabilities relating to these operations, in integrating staff, activities, technologies and products, in implementing governance, control and compliance systems and procedures, as well as in relation to potential political or economic instability in the relevant countries as the case may be. Although the Group monitors the risks relating to these operations, there can be no assurances that acquired businesses or companies do not have liabilities which were not identified at the time of the transactions for which the Group would have no or insufficient protection from the seller or partner.

Such acquisitions, or participation in joint ventures and partnerships may result in increased financing needs, additional acquisition and integration costs, as well as industrial property risks, disagreements or deadlocks between partners. In addition, actual business and financial performance may not be in line with the original assumptions. As a result, the risks associated with the valuation, as well as undeclared liabilities and the integration of operations (amongst others related to the integration of employees, products, technologies and other assets of the acquired company to ensure expected value and expected synergies) may be significant. The occurrence of such events is likely to have an adverse effect on the business activities, financial position, results or outlook of the Group.

Moreover, in joint ventures in which the Group is a minority participant, the Group may not be able to continue to benefit, over the long-term, from access to the operational activities of the joint venture. The Group is not involved in the daily management of the operations of the legal entities in which it is a minority participant, and therefore has only limited knowledge of their activities and performance.

Certain of the Group's business activities have been disposed of in the past or could be sold in the future. As applicable, the Group may make certain warranties or retain certain contracts and liabilities regarding the business activities sold. Therefore, the Group may be required to bear increased costs on retained contracts and liabilities, to pay indemnities or purchase price adjustments to the acquirer, or, even in the case where the liabilities associated with the business activities sold are transferred to the acquirer, be required to bear some of these liabilities.

The materialisation of risks associated with the valuation of assets, undeclared liabilities or integration of operations, the consequences that may derive from warranties made, retaining certain contracts and liabilities in relation to the business activities sold or any other risks related to the acquisitions, disposals and other growth operations, may have a material adverse effect on the business, financial condition and results of operations of the Group.

Business Strategy Risks

There can be no assurances that the Group will be able to implement its business strategy successfully.

If the Group fails to achieve its strategic objectives, or if those objectives, once attained, do not generate the benefits initially anticipated, this could have a material adverse effect on the Group's business, financial condition and results of operations.

Risks due to the further geographical expansion of the business

The Group plans a functional and geographical expansion of its business activities into new countries and markets. This expansion carries, in particular, the risk that the Group will not generate sufficient, or any, profits in the new business units and countries. There can be no assurances as to when such expansions may become profitable, if at all.

Losses and even a smaller level of profits would have a material adverse effect on the financial condition and the results of operations of the Group.

Risk arising from CAF obtaining a portion of its revenue from emerging markets

The Group operates on five continents. Revenues may arise from customers in emerging market countries, such as: Brazil, Mexico, Colombia, Chile, Turkey, Senegal, the Philippines, India, among others.

Operating in emerging market countries involves a number of risks that are more prevalent than in developed markets, such as economic downturns, civil disobedience or political instability or abrupt changes to regulatory policies, licensing requirements or taxation, imposition of restrictions on trade as a result of import or export control laws, tariffs, non-tariff barriers, economic sanctions and/or price controls, the nationalisation and expropriation of private property, payment collection difficulties, social problems or unrest, substantial fluctuations in interest and exchange rates, the unpredictability of enforcement of contractual provisions, heightened risks of unfair or corrupt business practices, limitations on the right to convert and repatriate currency and other unfavourable interventions or restrictions imposed by public authorities.

Any such adverse developments in an emerging markets country in which CAF operates could have a material adverse impact on CAF's business, results of operation or financial condition.

Risk of dependency on key personnel

The Group employs highly qualified technical and managerial staff. Should the Group fail to hire or retain sufficiently qualified technical and managerial staff, its business performance could be negatively affected. As a result, the exit of key employees may have a material adverse effect on the business of the Group.

<u>Operational Risks</u>

Risks related to contract execution

The Group's business includes major long-term contracts, in some cases executed in consortium.

Tenders for public transport-related projects entail a number of specific requirements, amongst others those related to rolling stock manufacturing contracts and those related to the delivery of buses, including numerous requirements concerning technical aspects and quality standards (with the introduction of high-tech products), requirements relating to fulfilment of certain contractual milestones, including delivery deadlines, certification and homologation needs, manufacturing location requirements and other operational risks which usually involve certain penalty levels and conditions subsequent or precedent. In this respect, discrepancies may arise regarding such requirements between the Group and its customers. This may result in claims for delays, incorrect performance of work or the performance of additional work.

The revenue, profitability and cash flow of a long-term project may vary significantly from initial estimates during the development of the relevant project; changes in initial estimates may be influenced by a variety of factors, over some of which the Group has limited control, including, but not limited to: unanticipated technical problems with equipment being supplied by third parties, postponement or delays in project implementation, financial difficulties of customers, withholding of payment by customers, the existence of geopolitical conflicts affecting contract execution and performance defaults by or financial difficulties of suppliers, subcontractors or consortium partners with whom the Group is jointly liable. Profit margins realised on certain of the Group's contracts may vary from their original estimates as a result of changes in costs, variations in detailed product design and productivity over their term.

As a result of this variability, the changes in the profitability of certain contracts from their original estimates may significantly impact the Group's income and cash flows in any given period. Although these cases remain extremely rare, the Group may have to face calls of first demand guarantees in relation to its contracts for potentially significant amounts.

Certain of the Group's projects are or may be subject to delays, cost overruns, or performance shortfalls which may lead to changes in the profitability of the projects from their original estimates, the payment of penalties or damages.

Such difficulties may have a material adverse effect on the business, financial condition and results of operations of the Group.

Design and use of complex technologies

The Group designs, manufactures and sells several products of significant individual value that are used in major rail and bus transport projects. The Group is required to address the evolution of customer demand for increasingly complex tenders, with higher performance risk allocation to the supplier, and with increasing constraints and uncertainties in homologations. The Group is also required to introduce new, highly sophisticated and technologically complex products in increasingly short timeframes. These facts may limit the time available for testing, thus increasing the risk of not being able to identify early potential product defects, which may have adverse financial consequences.

It is sometimes necessary to adjust or modify products after the Group begins manufacturing them or after its customers begin using them.

Because the Group manufactures some of its products in series, it may need to make such modifications during the production cycle.

At the same time, when the Group sells its products or enters into a maintenance contract, it may be required to accept onerous contractual penalties, in particular related to availability, performance and delay in delivering its products, as well as post-delivery period warranties. The Group's contracts may also include clauses allowing the customer to return the product if performance specifications or delivery schedules are not met, or to terminate the contract.

As a result of these contractual provisions and the time needed for the development, design and manufacturing of new products, eventual problems encountered with the Group's products may result in material unanticipated expenditures, including, but not limited to: additional costs related to the procurement of replacement parts and raw materials, delays and cost overruns in the manufacturing process, and incremental costs derived from delivering and implementing modified products and the related negotiations or litigation with affected clients.

In instances where such difficulties occur, the Group cannot ensure that the total costs that it ultimately incurs will not exceed the amount that it initially forecasted. Furthermore, given the technical sophistication of its products, there can be no assurances that the Group will not encounter new problems or delays in spite of the technical validation processes implemented within the Group.

Any such problems or delays may cause the Group's products to be less competitive than those of its competitors and have a material adverse effect on the business, financial condition and results of operations of the Group.

Cyber security Risk

Within the highly digitalised and interconnected environment in which the Group operates, the risk of a cyber security event with the potential to cause harm has escalated significantly, despite the existing cyber security measures implemented by the Group. The Group’s infrastructures are exposed to a spectrum of cyber threats that can target the Group’s own IT systems or those of third-party providers. These developments pose significant risks to the security of the Group’s products, systems, and networks, as well as to the confidentiality, availability, and integrity of the Group’s data and information.

A severe cyber security incident (whether through an IT system failure, an attack or otherwise) could have several adverse effects on the Group, such as disrupting business operations and compromising sensitive business information, and may also cause notable damage to the Group’s reputation.

Risk related to tender management

A substantial portion of the Group's work is awarded through competitive tender processes, and it is difficult to predict whether the Group will be awarded new contracts due to multiple factors, such as qualifications, references, experience, reputation, technology, customer relationships, financial strength, and ability to provide the relevant services in a timely, safe, and cost-efficient manner.

In these circumstances, the Group may be unable to secure contracts in the geographical areas in which it operates or may be obliged to accept the execution of certain projects with lower returns than those obtained in the past.

If the Group is unable to secure the award of sufficient projects or can only do so under less favourable terms, these circumstances could have a material adverse effect on the Group's business, financial condition and results of operations.

Bidding costs associated with tendering for new contracts, extensions in the scope of work, or renewals of existing contracts can be significant and may not necessarily result in the award of a contract. Furthermore, the preparation for bids occupies management and operating resources. If the Group fails to win a particular tender, bidding costs are generally not recoverable.

The Group participates in a significant number of tenders each year and the failure to win such tenders may have a material adverse effect on the business, financial condition, and results of operations of the Group.

Risks related to obtaining requisite government approvals for its projects

The Group is established in jurisdictions where the transportation industry in which it operates may be regulated. In order to bid, develop and complete a railway or bus transport project, the Group may need to obtain permits, licences, certificates, and other approvals from the relevant administrative authorities before bidding for the project or at various stages of the project process. There can be no assurances that the Group will be able to obtain or maintain such governmental approvals or fulfil the conditions required for obtaining the approvals or adapt to new laws, regulations or policies that may come into effect from time to time, without undue delay or at all.

If the Group is unable to obtain the relevant approvals or fulfil the conditions of such approvals for a significant number of its projects in a timely manner, this could negatively affect the Group´s business, financial condition and results of operations.

Risks related to unexpected adjustments and cancellations of projects

The Group's project portfolio is exposed to unexpected adjustments and cancellations. A material portion of the agreements entered into by the Group's companies to carry out their projects are usually entered into for periods of more than two years . This increases the risk of early cancellation of these agreements. Furthermore, in certain circumstances the Group's companies may not be entitled to reasonable compensation for early termination or not entitled to it at all. In addition, the scope of the agreed work as part of a project may change. This may lead to an increase in costs in connection with the project as well as to reduced profits or to losses.

Any cancellations of or changes in projects as well as changes in the corporate strategy of the clients of the Group may negatively affect its project portfolio, which may have a material adverse effect on the results of operations and the profit of the Group.

Risk of termination or early withdrawal of the concessions or long-term lease agreements by public authorities

The public authorities in those countries in which the Group has been awarded concessions or long-term lease agreements may unilaterally terminate or withdraw from such agreements on public interest grounds or otherwise.

There can be no assurances that the public authorities in those jurisdictions in which the Group operates will make decisions that adversely affect the business of the Group, for example by enacting new laws or regulations that are unfavourable to the Group's operations, or by amending existing laws or regulations, or the interpretation and implementation thereof, in ways that are similarly unfavourable.

If a public authority client of the Group decides to terminate or withdraw a concession or long-term lease agreement awarded to the Group, the Group may have a claim for compensation. However, such compensation may be insufficient to cover the full amount of the loss incurred by the Group, including lost profits.

In circumstances where a public authority has terminated a concession or long-term lease agreement due to a breach of the terms thereof by the Group, the Group may only have a limited claim for reimbursement of its investment. Should any such developments arise, this would have a material adverse effect on the business, the financial condition and the results of operations of the Group.

Risks related to the limited duration of the long-term lease agreements and concessions of rail assets

Upon termination of a concession or a long-term lease agreement, the Group must return the relevant assets to the competent governmental authority or owner, in an adequate state of repair, in many cases together with any assets and facilities required for operation, and receives no economic compensation whatsoever, as generally there is no residual value existing at the concession or long-term lease agreement's expiry date.

If the concession or leasing companies are unable to extend the duration of their concessions during their lifetime or if the Group is unable to secure new contracts of a similar nature to replace any concessions or long-term leases expired, terminated, or recovered, this could have a material adverse effect on the Group's business, financial condition and results of operations.

Risk due to the inability to negotiate adequate compensation for terminated and repurchased concessions or long-term lease agreements

The concession or lease companies derive most of their revenues from operations conducted under their relevant agreements. Under the relevant public laws, the governments of the countries in which their concessions are located may unilaterally terminate or repurchase concessions or long-term leasing contracts in the public interest, subject to judicial supervision. However, to date there have not been any such unilateral terminations, or any repurchases of the Group's concessions or long-term leasing contracts. If a governmental authority exercises its option to terminate or repurchase some of the Group's concessions or leasing contracts, in general it may receive the compensation provided by law or contract to cover its anticipated profits for the remaining duration of the concession agreements. There can be no assurances, however, that under such arrangements the Group would be sufficiently compensated for lost profits.

In certain cases, a governmental authority may decide to terminate the Group's long-term concession or lease agreements due to a serious violation of its contractual obligations. Each contract may have different provisions regarding the compensation provided by the relevant authority in the event of early termination of the agreement. Depending on each contract's terms and conditions, recovery of its investment might be limited to certain capped costs.

If the Group is unable to negotiate adequate compensation for terminated agreements or repurchased concessions or leased assets, the revenues of the concession or leasing companies in the future may be reduced, and the business, financial condition and results of operations of the Group may be materially adversely affected.

Risks in relation to intangible assets

The intangible assets associated with the Group's activities consist primarily of capitalised development costs, goodwill, patents, licences, computer software, and trademarks, as well as commercial relationships and client portfolio. Every year, the Group tests for the impairment of its non-amortised intangible assets. The Group believes that its consolidated financial statements give a true picture of its assets with respect to the IFRS rules endorsed by the EU. However, there can be no assurances that future events could give rise to the impairment of certain intangible assets on the Group's consolidated balance sheet.

Significant impairments (following changes in market conditions, development opportunities, growth rate or profitability, resulting from either external or internal factors to the business activity) could have a material adverse effect on the assets, financial position and results of the Group.

Risks in relation to deferred tax assets

CAF recognises deferred tax assets on its consolidated balance sheet for an amount that the Group expects to be able to recover. However, CAF may be unable to realise the expected amount of deferred tax assets if future taxable income is less than expected. CAF also bases its estimates regarding the collection of deferred tax assets on its understanding of the application of tax regulations, which could be called into question as a result of either changes in tax and accounting regulations, or tax audits or litigation likely to affect deferred taxes. During the fiscal year ended on 31 December 2024, CAF reassessed its ability to recover tax losses over a long-term period in each country and consequently adjusted the net deferred tax assets position on its consolidated balance sheet.

Risks in relation to railway or bus accidents

In the event of a railway or bus accident involving equipment or technology supplied by CAF, the customer, potential victims, or their insurers could take action against CAF in the context of legal proceedings with respect to damages suffered. Even if the cause of the accident cannot be immediately attributed to the failure of the equipment supplied by CAF, the simple fact that CAF supplied equipment involved in a railway or bus accident could suffice to implicate the Group in legal proceedings for as long as the circumstances surrounding the accident have not been clarified. This type of accident may also cause the authority responsible for transport safety to decide on the temporary suspension of a granted homologation. Furthermore, railway and bus accidents are typically subject to intense media coverage, which could potentially affect CAF's reputation as well as its public image regarding the reliability of its products.

CAF relies on many internal verification and approval procedures that enable it to control the quality and the safety of its equipment before it is made operational, in order to avoid the risk of an accident and to ensure the safety of passengers. Despite the existence of these procedures, CAF cannot guarantee that railway and bus safety will be risk-free.

The occurrence of a railway or bus accident involving equipment supplied by CAF could, in the event that equipment failure is found to be the cause of such accident, have a material adverse effect on the business activities, financial position, earnings, or future outlook of CAF, as well as on its reputation and that of its products.

Risks related to Import / Export control

The act of exporting or importing products from the markets in which they are produced can be restricted or subject to checks or to the receipt of an export licence. Certain countries are subject to export control regulations, embargoes, economic sanctions or other forms of trade restrictions imposed by the United States, Canada, the EU or other countries or organisations ("**Sanctions**").

These Sanctions or expanded Sanctions imposed on countries may restrict or prevent the business of the Group in such countries or result in amendments to the Group's practices.

No assurance can be given that checks on exported or imported goods, or the imposition of import tariffs, to which the Group is subject, will not be made more stringent or more onerous, that new generations of products developed by the Group will not also be subject to similar checks, or even more rigorous checks, and that geopolitical factors or changes in the international context will not prohibit the receipt of export licences for certain customers or will not reduce the Group's ability to execute previously signed contracts.

Limited access to exported or imported goods could have a material adverse effect on the business activities, financial position, earnings, or future outlook of the Group.

The increase on existing import tariffs, or the imposition of new ones, may have an adverse effect on the business activities, financial position, earnings, or future outlook of the Group.

Risks related to costs and conditions to access certain manufactured goods and raw materials

In the course of its business, the Group uses raw materials and manufactured goods in amounts which vary according to the project. For the most significant raw materials and manufactured goods, the Group's general practice is to place orders and agree on the price when each new project commences, if market conditions allow. The risk of a rise in raw material prices adversely affecting the Group's contractual margins is thus partially hedged.

Given the difficulties and delays in the delivery of certain manufactured goods and the volatility of raw material prices, the Group cannot ensure that its procurement practices protect against changes in procurement estimates, which could potentially impact the profitability of its contracts and, in turn, may have a material adverse effect on the Group´s business, financial condition and results of operations.

<u>Financial Risks</u>

Interest rate risk

In the current economic context, interest rate risk stems from the monetary policy currently applied once the targeted price stability has apparently been reached. The central banks of the main developed economies have shown great determination in pursuing price stabilisation. Market expectations point to one-year interbank lending rates close to 2.0% and 4.0% in Europe and the US respectively, assigning a probability of progressive declines in the following years for the US and stability in rates in the case of Europe.

Interest rate risk is particularly relevant in relation to the financing of rail-related projects, bus supply contracts, concession arrangements, leasing contracts and other projects in which the project's cash flows and profitability are affected by possible changes in interest rates.

The Group's interest rate risk arises on borrowings. The Group's approach to working capital financing transactions is to resort to third-party borrowings. The reference interest rate for the Group's borrowing is mainly EURIBOR for transactions denominated in Euro, and WIBOR for transactions denominated in Polish Zloty.

For long-term financing transactions, the Group sets as an objective, to the extent permitted by the markets, the maintenance of a substantial part of its borrowings remunerated with a fixed interest rate structure.

The Group uses derivatives or fixed-rate denominated debt instruments to actively manage the interest rate risk and minimise its impact**.**

Variations in interest rates modify the reasonable value of those assets and liabilities that accrue a fixed interest rate as well as the future flows of assets and liabilities referenced against a variable interest rate.

Should the measures implemented by the Group to mitigate adverse effects caused by interest rate fluctuations prove to be inadequate, this could have a material adverse effect on the Group's business, financial condition and results of operations.

Exchange rate risk

The various Group companies operate on an international stage and, therefore, are exposed to foreign currency risk in their foreign currency transactions (currently the US dollar, the Brazilian real, the pound sterling, the Polish zloty, the Swedish krona, the Australian dollar, the Saudi riyal, the Mexican peso, the Japanese yen, the Colombian peso, the New Zealand dollar, the Israeli shekel, the Turkish lira, the Canadian dollar, the Taiwanese dollar, United Arab Emirates dirham and the Hungarian florin, among others).

The Group companies generally use forward contracts to hedge the foreign currency risk arising from future commercial transactions and recognised assets and liabilities. This risk arises when future commercial transactions or recognised assets and liabilities are denominated in a currency other than the functional currency of the Group (the euro).

CAF's standard practice is to hedge, provided that the cost is reasonable, the market risk associated with contracts denominated in currencies other than the functional currency of the relevant company. The hedges are intended to avoid the impact of currency fluctuations on the various agreements entered into, so that the Group's results fairly present its industrial and services activity.

However, should the measures implemented by the Group to mitigate adverse effects caused by exchange rate fluctuations prove to be inadequate, this could have a material adverse effect on the Group's business, financial condition and results of operations.

Credit Risk

Most of the Group's accounts receivable and work in progress relate to various customers in different countries. Contracts, in the majority of cases, include progress billings. The Group's standard practice is to evaluate at bid stage the convenience of pursuing the commercial opportunity on the basis of the credit risk of the counterparty, as well as the convenience of hedging against credit risk by taking out export credit insurance policies.

However, should the measures implemented by the Group to mitigate the credit risk exposure prove to be inadequate, this could have a material adverse effect on the Group's business, financial condition and results of operations.

Risk of working capital management

The structure and long-term nature of the Group's projects may result in payment of expenses before realisation of revenue. As a result, the Group's ability to negotiate and collect customer advances and milestone payments is an important element of its working capital management.

Any long-lasting decrease in global order intake or deterioration of its payment terms could have a material adverse effect on the evolution of working capital and could adversely impact the Group's financial situation and its liquidity.

Liquidity and availability of funding risks

The Group has working capital requirements and capital expenditure needs, the recovery of which, due to the nature of its business, occurs over a substantial period of time. For this reason, the Group must be able to secure significant levels of financing in order to continue its operations. The Group manages liquidity risk prudently.

To date, the Group has been able to secure adequate financing on acceptable terms through bilateral loans, syndicated bank borrowings, commercial paper issuance and project finance schemes, although there can be no assurances that it will be able to continue to secure financing on acceptable terms, or at all, in the future. Furthermore, financial markets can be subject to periods of volatility and shortages of liquidity.

If the Group is unable to access the banking and capital markets or other sources of finance at competitive rates over a prolonged period of time, its cost of financing may increase and its strategy may need to be reassessed, which could have a material adverse effect on the Group's business, financial condition and results of operations.

In addition to obtaining new funding, the Group may seek to refinance its existing debt. There can be no assurances as to the availability of financing on acceptable terms to refinance the Group's existing indebtedness. If new financing is not available or proves more expensive than in the past, the Group's business, financial condition and results of operations may be materially adversely affected.

The Group may not generate sufficient cash flow to fund its operations or capital expenditures, or its capital expenditures may not generate a positive return.

The Group's ability to fund its ongoing operations depends on its ability to generate cash and/or access capital, which in turn depends on many factors.

The Group has historically relied primarily on operating cash flows, long-term bilateral loans or syndicated borrowings, the issuance of short-term commercial paper and drawing under its credit facilities to ensure its working capital requirements and the Group expects to do so in the future. However, the liquidity and capital resource requirements may increase if the Group expands into additional areas of operation or if it makes future acquisitions, and it may not generate sufficient cash flow or have access to sufficient funding to meet these requirements.

If the Group fails to meet its funding requirements, its operations could be materially adversely affected and future growth could be materially curtailed, which could have a material adverse effect on its business, prospects, financial condition and results of operations. There can be no assurances that any such expenditure or current or future investments will generate a reasonable return.

Availability of bonds and guarantees, and execution risk.

It is customary for the Group to arrange guarantee bonds issued by third parties as a requirement for contract bidding, formalising agreements, or receiving advance and progress payments. If the Group is unable to obtain sufficient capacity from third parties for the issuance of such bonds or guarantees, it may be prevented from securing new contracts or receiving advance payments. Additionally, in the event of default on contractual obligations or the occurrence of defects or malfunctions in the services provided, customers may enforce these bonds or guarantees. In such cases, the Group could be obligated to reimburse the issuing third party for any disbursements made under the guarantee. Any of these circumstances may materially adversely affect the Group's business, financial position, operating results, and its capacity to secure future guarantee bonds.

Cash flow risk.

CAF's ability to make payments on its debt or to refinance any such debt will depend on its ability to generate cash. The ability of CAF to generate cash in turn depends on many factors, including, among others, general economic conditions and conditions affecting the availability of liquidity to customers; competition; the demand and price levels for the products and services; the ability to improve business processes and procedures; future operating performance; the level of capital expenditures; the ability to use carry-forward tax credits; the availability of financing in the financial and capital markets at attractive rates or at all; and legal, tax, litigation, regulatory and other factors affecting the business.

CAF's ability to raise capital or debt, or refinance its debt, depends on a number of factors, including the availability of bank financing, liquidity of the capital markets, and CAF may not be able to do so on satisfactory terms, or at all. In the event that CAF cannot raise additional capital or debt, or refinance its debt, CAF may not be able to meet its debt repayment obligations at maturity. In addition, the terms of any refinancing indebtedness may be materially more burdensome than the indebtedness refinanced.

Such terms, including additional restrictions on operations and higher interest rates, could have an adverse effect on the business, prospects, financial condition and results of operations.

The Group's inability to meet repayment obligations under the existing agreements could trigger various default provisions, accelerate a substantial portion (if not all) of its debt and materially adversely affect its business, prospects, financial condition and results of operations.

<u>Legal Risks</u>

Risks resulting from legal proceedings

CAF and its subsidiaries are parties to a series of judicial and other legal proceedings and disputes (as disclosed in the section "*Description of the Issuer – Litigation*" of the Base Information Memorandum).

In most cases, the pending proceedings and other legal disputes of the Group have their origin in the ordinary business activities of the Group. These judicial proceedings result from the Group's relations towards clients, suppliers, employees or authorities, or activities carried out by the Group entities. The outcome of these judicial proceedings and disputes is uncertain and cannot be predicted with full certainty.

Although the Group has implemented strict procedures to ensure compliance with the laws and regulations in each jurisdiction in which it operates, including the transmission to each employee of the CAF Code of Conduct, there can be no assurances that individual Group employees will adhere to the Group's procedures in all cases.

Even though the Group creates provisions in its accounts in accordance with the best possible estimates based on available information, any pending and future judicial proceedings or other legal disputes may have a material adverse effect on the business, the financial condition and the results of operations of the Group.

Risks due to tax disputes

The Group is exposed to at least two sources of tax risk. Firstly, there is a risk arising from changes in tax legislation that could not have been foreseen at the time when investment or commercial decisions were made. Such changes could affect the achievement of investment return targets or the margin of operations if the tax factor was relevant. Moreover, changes in tax laws could jeopardise the effective use of tax credits, resulting in deviations in cash flow for the payment of taxes. Secondly, although CAF is established in Spain, the Group also operates in several countries through a number of subsidiaries, each of which must comply with applicable tax regulations in their respective jurisdictions.

In this regard, although CAF's corporate tax best practices require that a prudent tax approach be followed, the interpretation of tax laws in different tax jurisdictions could give rise to material tax disputes or legal proceedings, which could materially adversely affect the business, financial condition, or results of operations of the Group.

Compliance Risks

Risks related to damage to the Group's reputation

Maintaining a positive reputation is critical to the Group's ability to attract and retain customers, investors, and employees. Damage to the Group's reputation can therefore cause significant harm to its business and prospects. Harm to the Group's reputation can arise from numerous sources, including, among others, employee misconduct, litigation or regulatory action, failure to deliver standards of service, compliance failures, unethical behaviour, and the activities of customers and counterparties.

The Group is increasingly exposed to risks related to Environmental, Social, and Governance ("**ESG**") factors. Stakeholders—including investors, customers, employees, and regulators—are placing greater emphasis on the Group's ESG performance and transparency. Failure to meet evolving ESG standards or stakeholder expectations could adversely affect the Group's reputation, access to capital, and market position. The Group may incur additional costs to monitor, report, and implement ESG initiatives. Any perceived shortcomings in ESG performance or reporting could result in reputational damage, reduced investor interest, or exclusion from certain investment portfolios.

Additionally, the Group is also exposed to risks arising from third-party opposition to its projects or activities—whether conducted directly or through its value chain—due to environmental or social concerns. Such opposition may result in project delays, operational suspensions, and reputational harm. Furthermore, increasingly stringent regulations have heightened litigation risk, which may lead to reputational damage, supply chain interruptions, and legal disputes, presenting significant risks to the Group's operations and future outlook.

Further, negative publicity regarding the Group, whether or not true, may result in harm to its prospects and, in turn, may have a material adverse effect on the Group´s business, financial condition, or results of operations.

Specific risks associated with health and safety

The wide scope of safety norms and regulations in the countries in which the Group operates, the diversity of the locations in which it operates (such as factories, infrastructure worksites, or railway networks), as well as the potential application of different safety standards by the Group's partners and clients, create risks that could lead to serious accidents. These risks could potentially cause harm to human lives or to the physical integrity of persons. Such risks can also trigger various criminal, civil, or administrative sanctions, including the temporary shutdown of an installation whilst authorities conduct their investigation.

Although the Group has developed strict rules on health and safety and conducts training sessions and audits to minimise these labour risks, their occurrence cannot be totally excluded. These elements could have a material adverse effect on the business activity, financial position, earnings, or future outlook of the Group, as well as on its reputation.

More generally, the Group's business activities could expose employees to substances that are not currently considered likely to cause health problems but that could be analysed differently in the future and lead employees to investigate the potential liability of the Group in the future. Similarly, it is important to note that regulations setting the tolerance levels and thresholds for exposure to certain substances have become increasingly stringent, which may imply an increase in compliance costs. The surveillance and security procedures implemented by the Group or changes in regulations can also lead the Group to relinquish the use of certain substances currently considered risk-free, to modify its industrial installations, or to make significant investments, which could generate additional costs that are not currently quantifiable.

These factors could potentially have a material adverse effect on the business activities, financial position, earnings, or future outlook of the Group, as well as on its reputation.

4.2 RISKS RELATING TO THE NOTES

Risks related to the Notes not being rated

Neither the Notes nor the Issuer's long-term debt are currently rated, which may limit their suitability for certain institutional investors. To the extent that any credit rating agencies assign credit ratings to the Notes, such ratings may not reflect the potential impact of all risks related to structure, market, additional factors mentioned in this Base Information Memorandum, and other factors that may affect the value of the Notes. A rating or the absence of a rating is not a recommendation to buy, sell or hold securities.

Risk of there not being an active trading market for the Notes

The Notes are new securities which may not be widely distributed and for which there is currently no active trading market, which may make it difficult for investors to sell their holdings prior to maturity. Moreover, the market price of the Notes may be influenced by many factors, some of which are beyond the Issuer's control. There is a risk of investors not finding a counterparty for the Notes when wishing to execute their sale before maturity (the Issuer has not entered into any liquidity agreement, and, consequently, no institution is obliged to quote sale and purchase prices). Although the admission of the Notes will be requested to MARF in order to mitigate this risk, an active trading on the market cannot be guaranteed. Accordingly, there is no assurance as to the development or liquidity of any trading market for the Notes.

Market risk

The market price of the Notes could be subject to significant fluctuations in response to actual or anticipated variations in the Issuer's appraisals, operating results, adverse business developments, changes to the regulatory environment in which the Issuer operates, changes in financial estimates by securities analysts and the actual or expected sale of a large number of Notes as well as other factors. In addition, in recent years the global financial markets have experienced significant price and volume fluctuations, which, if repeated in the future, could adversely affect the market price of the Notes without regard to the Issuer's operating results, financial condition or prospects.

Moreover, these are fixed-income securities and their market price are subject to potential fluctuations, mainly due to the evolution in interest rates, which may result in capital losses for investors if the Notes are sold before maturity. Consequently, the Issuer cannot guarantee that the Notes will be traded at a market price that is equal to or higher than the subscription price.

Credit risk

The Notes are subject to the risk of the Issuer defaulting on their obligations. Although the Notes benefit from the guarantee of the Issuer's total net worth, credit risk arises from the potential inability of the Issuer to satisfy the required payments under the Programme. The risk is that of the investor and includes loss of principal and interest. The loss may be complete or partial. If the Issuer defaults, investors may not be able to receive interest and principal. The Issuer's solvency could be deteriorated as a result, among others, of an increase in borrowings or due to deterioration in its financial ratios, which would represent a decrease in the Issuer's capacity to meet its debt commitments.

Risks relating to the Insolvency Law

The restated text of the Insolvency Law approved by Royal Legislative Decree 1/2020, of 5 May (*Texto refundido de la Ley Concursal*) ("**Insolvency Law**"), regulates pre-insolvency and court insolvency proceedings, as opposed to out-of-court liquidation, which is only available when the debtor has sufficient assets to meet its liabilities.

The Insolvency Law provides, among other things, that (i) provisions in a contract granting one party the right to suspend, modify or terminate by reason only of the other's insolvency or pre-insolvency declaration, or opening of the liquidation phase will not be enforceable, and (ii) accrual of unsecured interest shall be suspended from the date of the declaration of insolvency and any amount of unsecured interest accrued up to such date shall become subordinated.

The Insolvency Law may also have the effect of modifying or impairing creditors' rights even if the creditor, either secured or unsecured, does not consent to the amendment (i.e., creditors can be subject to cram down), either in a pre-insolvency (i.e., as result of a restructuring plan that has been judicially sanctioned (*homologado*)) or in an insolvency context (as a result of the approval of a creditors' agreement (*convenio concursal*)), in both cases subject to certain requirements (including majority support). These may include write-off or stay, conversion into (among others) a different financial instrument, convertible obligations, participating loans (*préstamos participativos*), exchange for equity, and even a change of the applicable law to the relevant claims.

In no case shall subordinated creditors be entitled to vote upon a creditors' agreement (*convenio concursal*) in insolvency proceedings, and accordingly, they shall be always subject to the measures contained therein, if passed by the relevant majorities.

In the event of insolvency of the Issuer, under the Insolvency Law, claims relating to the Notes will be ordinary unsecured credits (*créditos ordinarios*) as defined by the Insolvency Law, unless they qualify as subordinated credits (*créditos subordinados*) in the limited circumstances set out in Article 281 of the Insolvency Law. Ordinary credits rank below credits against the insolvency estate (*créditos contra la masa*), which include receivers' fees, and privileged credits (*créditos privilegiados*), which include certain labour and tax debt.

As such, certain provisions of the Insolvency Law could affect the ranking of the Notes or claims relating to the Notes on an insolvency of the Issuer.

Risks relating to the Spanish withholding tax regime

Income derived from securities originally registered with Iberclear will be paid by the Issuer net of Spanish withholding tax (currently, at a rate of 19%) if the recipient of the payment is an individual resident in Spain for tax purposes and subject to Spanish Individual Income Tax ("**IIT**").

Interest payments made by the Issuer in respect of the Notes for the benefit of non-Spanish tax resident investors, or for the benefit of Spanish Corporate Income Tax taxpayers, will not be subject to Spanish withholding tax, provided that the Iberclear members that have the Notes registered in their securities account on behalf of third parties, as well as the entities that manage the clearing systems located outside Spain that have an agreement with Iberclear, if applicable, provide the Issuer, in a timely manner, with a duly executed and completed statement (a "**Payment Statement**"), in accordance with section 4 of Article 44 of Royal Decree 1065/2007, of 27 July 2007, as amended by Royal Decree 1145/2011, of 29 July 2011 and section 4 of Article 56 of Foral Decree 47/2013 (please see "*Information on the Notes —Taxation of the Notes*").

If the Iberclear members fail or for any reason are unable to deliver a duly executed and completed Payment Statement to the Issuer in a timely manner in respect of a payment of income made by the Issuer under the Notes, such payment will be made net of Spanish withholding tax, currently at the rate of 19%. Should this occur, affected beneficial owners would receive a refund of the amount withheld, with no need for action on their part, if the Iberclear members submit a duly executed and completed Payment Statement to the Issuer no later than the 10th calendar day of the month immediately following the relevant payment date. In addition, beneficial owners may apply directly to the Spanish tax authorities for any refund to which they may be entitled, according to the procedures set forth in the Spanish NRIT Law (as defined in section "*Taxation of the Notes*").

Prospective investors should note that the Issuer does not accept any responsibility relating to the lack of delivery of a duly executed and completed Payment Statement by Iberclear members in connection with each payment of income under the Notes. Accordingly, the Issuer will not be liable for any damage or loss suffered by any beneficial owner who would otherwise be entitled to an exemption from Spanish withholding tax but whose income payments are nonetheless paid net of Spanish withholding tax because the Payment Statement was not duly delivered to the Issuer.

The Issuer is not under any obligation to make additional payments in respect of the amount of any withholding or deduction for, or on account of, any present or future taxes (or stamp duty).

Holders must seek their own advice to ensure that they comply with all procedures to ensure the correct tax treatment of their Notes. The Issuer does not assume any responsibility in this regard.

Risk of the Notes not being a suitable investment for all investors seeking exposure to assets with sustainability characteristics

The issuance of the Notes will be linked to sustainability targets related to emissions reduction (KPI 1 of the Green and Sustainable Financing Framework of the Company: Scope 1 and 2 emissions reduction (%); and KPI 2 of the Green and Sustainable Financing Framework of the Company: emissions reduction (product use) (% g CO2e/passenger-km)). In particular the targets for the 2025 financial year will be 30% reduction (taking 2019 as base year) for the KPI 1 and a 35.3% reduction (taking 2019 as base year) for the KPI 2. The achievement of those targets will be assessed and announced annually by the Company. However, non-fulfilment of those targets will not result in a variation of the financial and/or structural characteristics of the Notes (but the Company will make a contribution of funds to a project of an NGO whose purpose is aligned with one of the pillars of its commitment to society, as set out in the Company's Sustainability Policy and, consequently, the Notes shall not be considered Sustainability-Linked Bonds in accordance with the International Capital Markets Association ("**ICMA**") Sustainability-Linked Bond Principles or with Regulation (EU) 2023/2631 of the European Parliament and of the Council of 22 November 2023 on European Green Bonds and optional disclosures for bonds marketed as environmentally sustainable and for sustainability-linked bonds (the "**EU Green Bond Regulation**"). This could result in reduced liquidity or lower demand or could otherwise affect the market price of any Notes issued under the Programme.

The sustainability-linked Notes are not being marketed as green bonds, social bonds, or similar purpose financing instrument, since the Company expects to use the relevant net proceeds for general corporate purposes, and therefore the Issuer does not intend to allocate the net proceeds specifically to projects or business activities meeting environmental, sustainability or social criteria, or be subject to any other limitations associated with such instruments.

The Notes may not satisfy an investor's requirements or any existing or future legal or quasi legal standards for investment in assets with sustainability characteristics (including in relation to the Regulation (EU) 2020/852 on the establishment of a framework to facilitate sustainable investment (the "**EU Taxonomy Regulation**") and any related technical screening criteria, the EU Green Bond Regulation, Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector) or any requirements of such standards as they may evolve from time to time. The related provisions and definitions may be inconsistent with investor requirements or expectations and there is no certainty to what extent the assets which are the subject of the investments planned in the Group's sustainability strategy will be aligned to such legislation and guidelines.

Although the Issuer targets a 30% reduction in Scope 1 and 2 emissions and a 35.3% reduction in Scope 3 emissions (product use) (% g CO2e/passenger-km) by the end of the 2025 financial year taking the 2019 financial year as base year, there can be no assurance of the extent to which it will be successful in doing so or that any future investments the Company makes in furtherance of these targets will meet investor expectations or any binding or non-binding legal standards regarding sustainability performance, whether by any present or future applicable law or regulations or by its own by-laws or other governing rules or investment portfolio mandates, in particular with regard to any direct or indirect environmental, sustainability or social impact. Adverse environmental or social impacts may occur during the design, construction, and operation of any investments the Company makes in furtherance of these targets.

Furthermore, in the event that such Notes are listed or admitted to trading on any dedicated green, environmental, sustainable or other equivalently-labelled segment of any stock exchange or securities market (whether or not regulated), no representation or assurance is given by the Company, the Dealers or any other person that such listing or admission satisfies, whether in whole or in part, any present or future investor expectations or requirements as regards any investment criteria or guidelines with which such investor or its investments are required to comply. Additionally, it should be noted that the criteria for any such listings or admission to trading may vary from one stock exchange or securities market to another. Nor is any representation or assurance given or made by the Company, the Dealers or any person that any such listing or admission to trading will be obtained in respect of any such Notes or, if obtained, that any such listing or admission to trading will be maintained during the life of the Notes.

As a result of the above, the Notes may not be in line with investors' expectations or requirements.

Risks due to a failure to meet the relevant targets

Although the Issuer targets a 30% reduction in Scope 1 and 2 emissions and a 35.3% reduction in Scope 3 emissions (product use) (% g CO2e/passenger-km) by the end of 2025 financial year taking the 2019 financial year as base year, there can be no assurance of the extent to which it will be successful in doing so or the Company may decide not to continue with achieving such targets. In case of failure by the Company to meet the targets, the Company would make a donation to a project of an NGO whose purpose is aligned with one of the pillars of its commitment to society, as set out in the Company's Sustainability Policy and, in particular, with the promotion of activities contributing to economic development, knowledge generation, promotion of education, and social and cultural promotion. However, the failure of the Issuer to make such a contribution (or to comply with the related disclosure and reporting obligations) will not constitute an event of default under the Notes, not result in a variation of the financial and/or structural characteristics of the Notes, nor will the Company be required to repurchase or redeem Notes, nor may impose any penalty on the Company, nor confer any rights whatsoever against the Company (and the company disclaims any liability in that regard).

In addition, a failure by the Company to satisfy those targets could also harm the Group's reputation or the Group's efforts in reaching the targets may become controversial or be criticised by activist groups or other stakeholders.

Any of the above could adversely impact the trading price of the Notes (as well as other securities of the Issuer) and the price at which a holder of Notes will be able to sell its Notes in such circumstances may be at a substantial discount from the issue price or the purchase price paid by such Noteholder.

Risks related to the non-assurance of suitability or reliability of any Second-Party Opinion or any other opinion or certification of any third party relating to any sustainability-linked Notes

On April 2024, DNV has issued an independent opinion on the Issuer's Green and Sustainable Financing Framework (the Second-Party Opinion). The Second-Party Opinion provides an opinion on certain environmental and related considerations and is a statement of opinion, not a statement of fact. No representation or assurance is given as to the suitability or reliability of the Second-Party Opinion or any other opinion or certification of any third party made available in connection with an issue of Notes. The Second-Party Opinion and any other such opinion or certification is not intended to address any credit, market or other aspects of any investment in ay any Note, including without limitation market price, marketability, investor preference or suitability of any security or any other factors that may affect the value of the Notes. The Second-Party Opinion and any other opinion or certification is not a recommendation to buy, sell or hold any such Notes and is current only as of the date it was issued.

The criteria and/or considerations that formed the basis of the Second-Party Opinion and any other such opinion or certification may change at any time and the Second-Party Opinion may be amended, updated, supplemented, replaced and/or withdrawn at any time. Any withdrawal of the Second-Party Opinion or any other opinion or certification may have a material adverse effect on the Notes and/or result in adverse consequences for certain investors with portfolio mandates to invest in securities to be used for a particular purpose. Prospective investors must determine for themselves the relevance of any such opinion or certification and/or the information contained therein. The Second-Party Opinion and any other such opinion or certification does not form part of, nor is incorporated by reference, in this Base Information Memorandum.

5. DESCRIPTION OF THE ISSUER

5.1 CORPORATE NAME, TAX IDENTIFICATION NUMBER AND LEGAL ENTITY IDENTIFIER (LEI)

The Issuer's legal name is Construcciones y Auxiliar de Ferrocarriles, S.A. and its commercial name is CAF.

The Issuer's tax identification number is A-20001020 and its Legal Entity Identifier (LEI) code is 95980020140005275134.

5.2 REGISTERED ADDRESS AND COMMERCIAL REGISTRY DATA

The Issuer has its registered address at Calle J.M. Iturrioz, 26, 20200 Beasain Gipuzkoa, Spain. The Issuer is registered in the Commercial Registry of Gipuzkoa, in volume 983, sheet 144, page SS-329.

5.3 CAPITAL AND SHAREHOLDERS

Capital Structure of CAF

The shares of CAF are admitted to listing and trading on the stock exchanges of Madrid, Barcelona, Bilbao and Valencia. Its current share capital is EUR 10,318,505.75, represented by 34,280,750 shares with a par value of EUR 0.301 each, forming a single class. The share capital is fully paid up.

Major Shareholders of CAF

As at the date of this Base Information Memorandum, according to the information publicly available at the website of the CNMV, the Issuer's shareholders with significant stakes in CAF are:

	% Voting rights attached to shares			**% Voting rights though financial instruments (B)**	**% Total Voting rights (A+B)**
Name	**% Total (A)**	**Direct %**	**Indirect %**		
Cartera Social, S.A. *	23,75	23,75	0,00	0,00	23,75
Indumenta Pueri, S.L. **	5,02	0,00	5,02	0,00	5,02
Fundación Privada Daniel Bravo Andreu ***	5,00	0,00	5,00	0,00	5,00
Instituto Vasco de Finanzas ****	3,00	0,00	3,00	0,00	3,00
Bilbao Bizkaia Kutxa Fundacion Bancaria *****	13,23	3,00	10,23	0,00	13,23

* The shareholders of this company are employees of CAF.

** Indumenta Pueri, S.L. is the indirect holder. The direct holder is Global Portfolio Investments, S.L., a company controlled by Indumenta Pueri, S.L.

*** Fundación Privada Daniel Bravo Andreu is the indirect holder. The direct holder is Danimar 1990, S.L., a company controlled by Fundación Privada Daniel Bravo Andreu.

**** The Instituto Vasco de Finanzas is the indirect holder. The direct holder is Finkatze Kapitala Finkatuz, S.A.U.

***** Bilbao Bizkaia Kutxa Fundación Bancaria, which controls Kutxabank, S.A. is the indirect holder. The direct holder is Kutxabank, S.A.

CAF has no knowledge of the existence of any shareholders' agreements, (as defined in article 530 of the Royal Decree 1/2010, of 2 July, approving the restated Spanish companies act (*Real Decreto Legislativo 1/2010, de 2 de julio, por el que se aprueba el texto refundido de la Ley de Sociedades de Capital*) (the "**Spanish Companies Act**")) which would or could regulate the right to vote at the General Meetings or which restrict or condition the free transferability of CAF's shares.

5.4 CORPORATE PURPOSE

The corporate purpose of the Issuer is as follows:

(1) The manufacture, repair, purchase, sale, leasing, maintenance and operation in any form, and the import and export of: (1.1) all types of items, equipment and materials, whether fixed or movable, and assets used for transport activities of any kind; (1.2) all kinds of products, goods and items for use in the metallurgical, iron and steel, plastics, sheet metal work and carpentry industries; (1.3) all kinds of industrial machinery, machine tools, machinery for public works and agricultural machinery; (1.4) all kinds of products, goods and items related to electrical, IT electronics and defence industries and activities; and (1.5) all kinds of items, goods and materials that are auxiliary to, supplementary to or derived from all activities included in the sections above;

(2) Conducting all kinds of real estate property activities. The purchase and sale of property, as well as leasing or transferring property in any manner. The development and sale of all kinds of works and buildings, similarly on the Issuer's behalf or for third parties.
(3) The rendering of services of all kinds and, in particular, research, consulting, engineering and technical assistance services related to the activities mentioned in sections (1) and (2) above.
(4) Holding shares, under the terms determined by the Board of Directors, in the capital of other companies with similar corporate purpose to that described in the preceding items.
(5) The performance of all kinds of industrial, commercial, financial, service, chattel, real estate, agricultural, livestock and forestry activities that are directly or indirectly related to the activities set out in the previous sections.
(6) The transport of passengers and freight by railway, with the supply of traction, in the terms established by the Railway lndustry Law and the relevant regulations. In addition, the Issuer can render additional, supplementary and auxiliary services directly or through third parties, on board services, maintenance and repair of rolling stock and other services and activities related to railways.
(7) Bid in all types of tenders for the concession or award for the construction, preservation and operation of road infrastructures, either for railways, metros or any type of transport, exercise the rights and meet the obligations resulting from these tender awards. The provision of private and public services, access, management and operation of any class of administrative concession, either directly or indirectly.
(8) The design, construction and execution, equipping, installation, commissioning, financing and transmission of all types of works and constructions, laying of tracks, cablecars or elevated railways, signalling and interlocks, railway electrification, as well as their maintenance and repairs, in both public or private terms, administrative concession or leasing, executed either directly or via subcontracting with third parties.
(9) The execution of any work which is the result of, supplements or is related either directly or indirectly with any of the activities provided for in the previous sections.

The aforementioned activities may be indirectly performed through a holding in other companies with either the same or a similar corporate purpose.

The Issuer may engage in these activities throughout Spain and abroad.

5.5 BUSINESS OVERVIEW

The Issuer was incorporated in San Sebastián (Gipuzkoa, Spain) on 4 March 1917, under the registered name of Compañía Auxiliar de Ferrocarriles. It adopted its current name, Construcciones y Auxiliar de Ferrocarriles, S.A. following the acquisition of Material Móvil y Construcciones, Antiguos Talleres Carde y Escoriaza, S.A., by virtue of the deed granted before the Notary of Villafranca de Ordizia (Gipuzkoa, Spain), Mr. Félix Ruiz-Cámara Ortún, on 10 March 1971. The Issuer is a public limited company (*sociedad anónima*) the Spanish Companies Act.

The Group has over 100 years of experience in the supply of comprehensive transit solutions positioned at the forefront of technology for high value added sustainable mobility. The Group is a leader in the railway and urban bus industries, offering a comprehensive and flexible array of products both in urban bus markets and in railway related markets, such as rolling stock, components, infrastructure, signalling and services (maintenance, refurbishing and financial services).

The Group is geographically diverse, with operations in more than 60 countries, throughout Europe and the Americas, as well as in the Middle East and Asia. Approximately 89% of the Group's revenues for the six-month period ended 30 June 2025 (89% for the year ended on 31 December 2024) were generated outside of Spain.

5.6 PRINCIPAL SUBSIDIARIES OF CAF

At the date of this Base Information Memorandum, the Group carried out its activities primarily through the fully-consolidated entities set out in the table below:

	Ownership	Registered Office	Activity	Share Capital as of 31 December

				2024 (€ thousands)
Construcciones y Auxiliar de Ferrocarriles, S.A.	Parent Company	Gipuzkoa	Rolling stock equipment and components related commercial and industrial activity	10,319
CAF USA, Inc.	100%	Delaware	Rolling stock manufacturing	54,283
CAF Rail UK Limited	100%	Belfast	Rolling stock maintenance and related services	108
CAF México, S.A. de C.V.	100%	México D.F.	Rolling stock manufacturing and maintenance	9,627
CAF Brasil Industrial e Comercio, S.A.	100%	Sao Paulo	Rolling stock manufacturing and maintenance	8,056
CAF Power & Automation, S.L.U.	100%	Gipuzkoa	Power and electronic equipment	6,090
CAF Turnkey & Engineering, S.L.U.	100%	Bizkaia	Engineering services	5,703
CAF Signalling, S.L.U.	100%	Gipuzkoa	Signalling	16,900
BWB Holdings Limited	100%	Nottingham	Engineering services	229
EuroMaint Groupen AB	100%	Solna	Rolling stock maintenance	10
Actren, S.A.	51%	Madrid	Rolling stock maintenance	3,000
Solaris Bus & Coach, S.A.	100%	Bolechowo	Bus manufacturing	37,166
CAF Investment Projects, S.A.U.	100%	Gipuzkoa	PPPs and concessions development	47,917
CAF Rail Australia Pty Ltd	100%	Sydney	Engineering, Construction and Rolling Stock Maintenance	74
CAF Arabia Company	100%	Riyadh	Rolling Stock Maintenance	316
CAF Reichshoffen SAS	100%	Reichshoffen	Rolling stock design and manufacturing	17,964

Rail Line Components SLU	100%	Gipuzkoa	Commercialization	60
CAF Italia SRL	100%	Roma	Rolling stock maintenance and related services	100

5.7 MANAGEMENT AND EMPLOYEES OF CAF

Board of Directors

CAF is managed by a Board of Directors which, in accordance with its by-laws (*estatutos sociales*) is comprised of no less than seven and no more than fifteen members appointed by the general shareholders meeting. Members of the Board of Directors are appointed for a period of four years and may be re-elected.

The members of the Board of Directors as of the date of this Base Information Memorandum are:

Name	Date of First Appointment	Position
Arizkorreta García, Andrés	26 December 1991	Chairman
Martínez Ojinaga, Javier	13 June 2015	CEO
Baztarrica Lizarbe, Marta	22 January 2016	Director and Secretary
Arrieta Sudupe, Juan José	7 June 2008	Director
Arconada Echarri, Luis Miguel	29 January 1992	Director
Allo Pérez, Carmen	11 Junio 2016	Director
Beltrán de Heredia Villa, Begoña	24 February 2023	Director
Domínguez de la Maza, Manuel	13 June 2020	Director
Gracia Palacín, Julián	10 June 2017	Director
Zenarrutzabeitia Beldarrain, Idoia	13 June 2020	Director

There are no conflicts of interest between the duties of the persons listed above to the Issuer and their private interests or other duties.

Audit Committee

CAF's Audit Committee comprises, at the date of this Base Information Memorandum, Ms. Begoña Beltrán de Heredia Villa as Chairperson of the committee, Ms. Carmen Allo Pérez and Mr. Juan José Arrieta Sudupe as voting members.

Appointments and Remuneration Committee

CAF's Appointments and Remuneration Committee comprises, at the date of this Base Information Memorandum, Mr. Julián Gracia Palacín, as Chairperson of the committee, Mr. Luis Miguel Arconada Echarri and Ms. Carmen Allo Pérez as voting members.

Employees

On 30 June 2025, the Group had 16,689 average employees worldwide.

5.8 AUDITORS

Ernst & Young, S.L. ("**EY**"), with corporate address at calle Raimundo Fernandez Villaverde 65 and registered in R.O.A.C. (*Registro Oficial de Auditores de Cuentas*) with number S0530.

The Issuer's individual financial statements for the financial years ended on 31 December 2023 and 31 December 2024, and the Issuer's consolidated financial statements for the financial years ended on 31 December 2023 and 31 December 2024, have been audited by EY without reservations.

5.9 MATERIAL JUDICIAL, ADMINISTRATIVE OR ARBITRATION PROCEEDINGS

Brazilian Antitrust Proceedings and Related Litigation Involving CAF Group Subsidiary

In March 2014, following completion of an administrative investigation process initiated in May 2013 into the participation of several rolling stock manufacturers in public tenders, one of which is a subsidiary of the CAF Group in Brazil, the Brazilian Administrative Council for Economic Defence ("**CADE**") initiated administrative proceedings arising from possible anti-competitive practices. In July 2019, the CADE tribunal issued an administrative decision ordering the subsidiary to pay a fine of BRL 167,057,982.53 (equivalent to EUR 25,947 thousand at 30 June 2025) and advised the competent authorities not to grant the subsidiary certain tax benefits for a five-year period. The Group posted a provision for this amount in 2019 with a charge to "Other operating expenses" in the consolidated statement of profit or loss and a credit to "Non-current provisions" in the consolidated balance sheet. The subsidiary has appealed CADE's decision in court.

The subsidiary rejects CADE's assessment of the facts when imposing the aforementioned penalty and argues that, with respect to the facts under investigation, it has always acted in strict compliance with the applicable law. The subsidiary's legal advisers consider there to be a reasonable chance that the penalty will ultimately be reduced to an amount that is substantially lower than the one mentioned, and they do not rule out the total annulment of the fine.

Also, as a result of the investigations conducted by CADE, other authorities, including the Sao Paulo State Public Prosecutor, initiated administrative and judicial proceedings, in relation to which the Group has already presented its corresponding defences. Similarly, as a result of CADE's investigations, an administrative procedure was initiated by the Court of Auditors in relation to which the subsidiary presented its preliminary defence during the first semester of 2016. Following a ruling by the Court of Auditors considering the existence of any irregularity to be unproven, as a result of the sentence imposed by CADE, in 2022, the Court of Auditors decided to continue with the procedure and during the first semester of 2025, the procedure was filed without any consequences for the CAF Group subsidiary in Brazil. Lastly, also as a result of the investigations conducted by CADE, the Sao Paulo Economic Court, processed an administrative procedure in relation to which the subsidiary filed initial claims during the second half of 2018.

The CAF Group continues to defend its interests in these proceedings. However, it is not possible to determine the result or the impact that these proceedings might have on the Group's consolidated financial statements should the outcome be unfavourable.

Legal Proceedings and Sanctions Related to Tramway Project Consortium in Brazil

The CAF Group subsidiary in Brazil is also part of a consortium in Brazil set up to perform a construction contract for a new tramway and the supply of rolling stock for the tramway. CAF's role in the consortium is essentially to supply the rolling stock and signalling equipment. Currently, various administrative and court proceedings have been initiated in relation to this project, in which, among other issues, the potential termination of the contract, alleged irregular practices, the imposition of payments for damages, fines and penalties or the potential breach of contract by both the consortium and the customer are under analysis, mainly in relation to civil engineering works. The CAF Group's subsidiary in Brazil is a defendant in these proceedings. In relation to the potential breach of contract, this process has been suspended pursuant to an agreement dated July 2024. This agreement also provides for the definitive cancellation of said proceeding, once certain established conditions are met. Furthermore, in one of these proceedings, the competent judge granted an interim injunction against the subsidiary in Brazil in the form of a prohibition to dispose of real estate and vehicles as security for possible liabilities that may result from an eventual court ruling against the subsidiary. The subsidiary is continuing to defend its interests in these proceedings. Meanwhile, in another administrative process initiated by the authorities of the State of Mato Grosso in relation to this project in the second half of 2021, the administrative body fined the Consortium and its members BRL 96,170,604.55 (equivalent to EUR 14,937 thousand at 30 June 2025) (the subsidiary holds a 36.8% stake in the Consortium which, were the fine to be distributed in proportion to the interests in the consortium, would be equivalent to approximately EUR 5.5 million), and a prohibition on contracting with public entities for five years in the State of Mato Grosso and for two years in Brazil. The consortium and the subsidiary have filed an appeal against this administrative sanction. Furthermore, they have obtained from the judicial authorities a precautionary suspension of the effectiveness of the fine imposed and of the prohibition on arranging public contracts in Brazil.

Also, in relation to this project, the subsidiary continues to challenge in court the termination of the contract requested by the State of Mato Grosso and the consequences arising from this decision, in relation to which the competent courts ordered the precautionary suspension of the effectiveness of the fine imposed as a result of the termination. In relation to the above, the proceedings in progress against the State of Mato Grosso and the fines and sanctions imposed on the consortium have been suspended, pursuant to the abovementioned agreement dated July 2024. This agreement also provides for the definitive cancellation of said proceedings, fines and penalties, once certain established conditions are met.

CNMC Sanctioning Proceedings and Appeal Involving CAF Signalling and CAF

On 27 August 2018 the National Commission for Markets and Competition (the "**CNMC**") initiated sanctioning proceedings against various companies, including CAF Signalling, S.L.U. and its parent CAF (considered jointly and severally liable), in relation to alleged anti-competitive practices. The case opened concluded with the notification of the resolution on 30 September 2021, putting an end to the administrative route and which has been the subject of an administrative appeal before the National Court. The main aspects of the case and the decision, which affect the subsidiary company CAF Signalling, S.L.U., are that in 2015 this CAF subsidiary joined the cartel initiated in 2002 by other entities, consisting of distribution agreements between the various companies involved. The subsidiary was charged with exercising this conduct for a shorter duration than all the other sanctioned companies (from April 2015 to December 2017) and was handed a fine of EUR 1.7 million. CAF is jointly and severally liable for payment of the fine based on the economic unit that makes up the parent company and subsidiary for the purposes of competition regulations. As part of this same case, two former directors of CAF Signalling, S.L.U. were also fined. CAF and CAF Signalling, S.L.U. had filed an administrative appeal against the CNMC resolution before the National Appellate Court, following the approval of the precautionary suspension of payment of the fine until the National Appellate Court rules on the merits of the case. The proceedings relating to the prohibition on public tendering have also been suspended.

The Group's legal advisors consider that an unfavourable outcome for the CAF Group is unlikely and that the lawsuit will not materially affect its financial statements for the years in which the amounts are ultimately paid, if at all. Therefore, no provision was recognised in this respect at 30 June 2025.

6. REGISTERED ADVISOR

Kutxabank Investment S.V., S.A.U. ("**Kutxabank Investment**" or the "**Registered Advisor**") is a Spanish public limited company (*sociedad anónima*) with tax identification number A-48403927 and Legal Entity Identifier (LEI) code 549300O4R80KGT0Y1X66, registered with the Bizkaia Commercial Registry in volume 2,205, book 1,639, page 32, sheet BI-16,034, with registered office at Bilbao, Torre Iberdrola, Planta 26, Plaza Euskadi nº5. Kutxabank Investment S.V., S.A.U. is registered in the Registry of Registered Advisors pursuant to Operative Instruction (*Instrucción Operativa*) 10/2014, of 23 June, in accordance with section 2 of the Circular 2/2025, of 16 June, on Registered Advisors on the Alternative Fixed-Income Market (*Circular 2/2025, de 16 de junio, sobre Asesores Registrados del Mercado Alternativo de Renta Fija*) ("**Circular 2/2025**").

The Issuer has appointed Kutxabank Investment as the Issuer's registered advisor in the MARF and has undertaken to comply with the obligations set out in Circular 2/2025, in the MARF Regulations dated 30 May 2018, and in the applicable legislation.

7. PERSONS RESPONSIBLE

Mr. Antonio García-Zarandieta Oliveira, on behalf of CAF and the Group, as Corporate Financial Director, expressly authorized by the resolution of the Issuer's Board of Directors dated 16 December 2025, hereby assumes responsibility for the content of this Base Information Memorandum.

Mr. Antonio García-Zarandieta Oliveira, hereby declares that the information contained in this Base Information Memorandum is, to the best of his knowledge and after executing its reasonable diligence to ensure that it is as stated, compliant with the facts and does not suffer from any omission that could affect its content.

8. TERMS AND CONDITIONS OF THE PROGRAMME

8.1 FULL NAME OF THE PROGRAMME

"SUSTAINABILITY-LINKED COMMERCIAL PAPER PROGRAMME CAF 2025" or "Programa de Pagarés Vinculado a la Sostenibilidad CAF 2025".

8.2 MAXIMUM OUTSTANDING BALANCE OF THE PROGRAMME

The maximum amount of Notes issued by the Issuer under the Programme from time to time will be €250,000,000 in nominal value. This amount is understood to be the maximum balance to which the aggregate nominal value of the outstanding Notes issued under the Sustainability-Linked Commercial Paper Programme CAF 2025 and admitted (*incorporados*) on the MARF by virtue of this Base Information Memorandum at any given time shall be limited during the term of the Programme.

8.3 DESCRIPTION OF THE TYPE AND CLASS OF SECURITIES. NOMINAL VALUE

The Notes are securities with an implicit positive, zero or negative yield, so that their return (positive, zero or negative) results from the difference between the subscription or acquisition price and the redemption price, with no right to receive a periodic coupon.

The Notes represent a debt for the Issuer and will be reimbursed at maturity at their face value.

An ISIN (International Securities Identification Number) code will be assigned to each issuance of Notes that has the same maturity period.

Each Note will have a nominal value of EUR 100,000; therefore, the maximum number of these Notes outstanding at any given time shall not exceed 2,500.

8.4 GOVERNING LAW OF THE NOTES

The Notes are issued in accordance with the Spanish legislation (*Derecho común español*) applicable to the Issuer and to the Notes. More specifically, the Notes will be issued in accordance with the Spanish Companies Act, the Securities Markets and Investment Services Act, and their respective implementing or concordant regulations.

The courts and tribunals of the city of Madrid (Spain) have exclusive jurisdiction to settle any disputes arising from or in connection with the Notes (including disputes regarding any non-contractual obligation arising from or in connection with the Notes).

8.5 REPRESENTATION OF THE NOTES THROUGH BOOK-ENTRIES (*ANOTACIONES EN CUENTA*)

The Notes, that will be incorporated on MARF, shall be represented in book-entry form (*anotaciones en cuenta*), as set out in the mechanisms for trading on MARF.

The party in charge of the accounting records is Iberclear, with registered office at Madrid, Plaza de la Lealtad, 1, together with its participating entities, pursuant to Article 8.3 of the Securities Markets and Investment Services Act and to Article 158 and subsequent of Royal Decree 814/2023, of 8 November, on financial instruments, admission to trading, registration of securities and market infrastructures (*Real Decreto 814/2023, de 8 de noviembre, sobre instrumentos financieros, admission a negociación, registro de valores negociables e infraestructuras de mercado*).

8.6 CURRENCY OF THE NOTES

The Notes to be issued under the Programme will be denominated in Euros.

8.7 STATUS OF THE NOTES: RANKING

The Notes will not be secured by any *in rem* guarantees (*garantías reales*) or by third parties. The principal and the interest of the Notes will benefit from the guarantee of the Issuer's total net worth.

The payment obligations of the Issuer pursuant to the Notes constitute and at all times shall constitute unsubordinated and unsecured obligations of the Issuer and upon the insolvency (*concurso*) of the Issuer (and unless they qualify as subordinated debts under Article 281 of the Insolvency Law or equivalent legal provision which replaces it in the future, and subject to any applicable legal and statutory exceptions and subject to any other ranking that may apply as a result of any mandatory provision of law (or otherwise)) rank *pari passu* and rateably without any preference among themselves and *pari passu* with all other unsecured and unsubordinated indebtedness, present and future, of the Issuer.

In the event of insolvency (*concurso*) of the Issuer, under the Insolvency Law, claims relating to Notes (unless they qualify as subordinated credits under Article 281 of the Insolvency Law) will be ordinary credits (*créditos ordinarios*) as defined in the Insolvency Law. The claims that qualify as subordinated credits under Article 281 of the Insolvency Law include, but are not limited to, any accrued and unpaid interests (including, for Notes sold at a discount, the amortisation of the original issue discount from (and including) the date of issue to (but excluding) the date upon which the insolvency proceeding *(concurso*) of the Issuer commenced). Ordinary credits rank below credits against the insolvency estate (*créditos contra la masa*) and credits with a privilege (*créditos privilegiados*). Ordinary credits rank above subordinated credits and the rights of shareholders.

8.8 DESCRIPTIONS OF THE RIGHTS INHERENT TO THE NOTES AND THE PROCEDURE FOR EXECUTING THOSE RIGHTS. METHODS AND DEADLINES FOR PAYMENT OF THE SECURITIES AND HANDOVER OF THE SAME

In accordance with the applicable legislation, the Notes issued under the Programme will not grant the investors any present and/or future political rights over the Issuer.

The economic and financial rights of the investor associated to the subscription (or acquisition) and holding of the Notes will be those arising from the conditions of the nominal interest rate, yield and redemption price applicable to the issue, specified in sections 8.9, 8.10 and 8.12 below.

The date of disbursement of the Notes will coincide with its date of issuance, and the effective value of the Notes will be paid to the Issuer by Kutxabank Investment S.V., S.A.U. (as paying agent) (the "**Paying Agent**"), in the account specified by the Issuer on the corresponding date of issuance.

The Dealers or the Issuer, as appropriate, may issue a nominative and non-negotiable certificate of acquisition. This document will provisionally evidence the subscription of the Notes until the appropriate book-entry (*anotación en cuenta*) is registered, which will grant its holder the right to request the relevant legitimacy certificate (*certificado de legitimación*). Furthermore, the Issuer will report the disbursement to MARF and Iberclear through the corresponding certificate.

8.9 ISSUE DATE. VALIDITY OF THE BASE INFORMATION MEMORANDUM

The Base Information Memorandum will be valid for (1) one year from the date of its admission (*incorporación*) with MARF. As the Programme is of a continuous type, the Notes may be issued and subscribed on any day during the validity of the Base Information Memorandum. However, the Issuer reserves the right, at its sole discretion, to not issue new Notes as it deems appropriate, pursuant to cash needs of the Issuer of because it has found more advantageous conditions of funding.

The issue date and disbursement date of the Notes will be indicated in the complementary certificates (*certificaciones complementarias*) corresponding to each issue. The date of issue, disbursement and admission (*incorporación*) of the Notes may not fall after the expiration date of this Base Information Memorandum.

8.10 NOMINAL INTEREST RATE. INDICATION OF THE YIELD AND CALCULATION METHOD

The annual nominal interest rate for the Notes will be set in each issue.

The Notes will be issued under the Programme at the nominal interest rate agreed between the Issuer and the Dealers or, as the case may be, the Issuer and the investors. The yield shall be implicit in the subscription or acquisition price of the Notes, considering that they will be reimbursed on the maturity date at their face value.

The price at which the Dealers transfer the Notes to third parties will be the rate freely agreed between the relevant Dealer and the interested investors.

As these are Notes issued at a discounted subscription price and with an implicit yield, the cash amount to be paid out by the investor (effective value) varies in accordance with the nominal interest rate and term agreed. Therefore, the cash amount (effective value) of each Note may be calculated by applying the following formulas:

- When Notes are issued for a maximum term of 365 days: $E = N / [1 + (in * (n/365))]$
- When Notes are issued for more than 365 days: $E = N / [(1 + in) ^ (n/365)]$

Where:

- E = cash amount (effective value) of the Notes.
- N = nominal amount of the Notes.
- n = number of days from the issue date until maturity.
- in = nominal interest rate, expressed as a decimal.

A table is included to help the investor, including the effective value scenarios for different rates of interest and redemption periods, and a column is also included showing the variation of the effective value of the Notes by increasing such period in 10 days.

The calculation basis used for each of the commercial paper issuances in the following table is Act/365. Since the calculation basis for each issuance may be either Act/360 or Act/365, if the basis is Act/360, the table may vary.

Effective value of a Note with a nominal value of €100,000

(Less than one year term)

	7 DAYS			14 DAYS			30 DAYS			60 DAYS		
Nominal rate (%)	Subscription price (euros)	IRR/AER (%)	+10 days (euros)	Subscription price (euros)	IRR/AER (%)	+10 days (euros)	Subscription price (euros)	IRR/AER (%)	+10 days (euros)	Subscription price (euros)	IRR/AER (%)	+10 days (euros)
0.25	99,995.21	0.25	-6.85	99,990.41	0.25	-6.85	99,979.46	0.25	-6.85	99,958.92	0.25	-6.84
0.50	99,990.41	0.50	-13.69	99,980.83	0.50	-13.69	99,958.92	0.50	-13.69	99,917.88	0.50	-13.67
0.75	99,985.62	0.75	-20.54	99,971.24	0.75	-20.53	99,938.39	0.75	-20.52	99,876.86	0.75	-20.49
1.00	99,980.83	1.00	-27.38	99,961.66	1.00	-27.37	99,917.88	1.00	-27.34	99,835.89	1.00	-27.30
1.25	99,976.03	1.26	-34.22	99,952.08	1.26	-34.20	99,897.37	1.26	-34.16	99,794.94	1.26	-34.09
1.50	99,971.24	1.51	-41.06	99,942.50	1.51	-41.03	99,876.86	1.51	-40.98	99,754.03	1.51	-40.88
1.75	99,966.45	1.77	-47.89	99,932.92	1.76	-47.86	99,856.37	1.76	-47.78	99,713.15	1.76	-47.65
2.00	99,961.66	2.02	-54.72	99,923.35	2.02	-54.68	99,835.89	2.02	-54.58	99,672.31	2.02	-54.41
2.25	99,956.87	2.28	-61.55	99,913.77	2.27	-61.50	99,815.41	2.27	-61.38	99,631.50	2.27	-61.15
2.50	99,952.08	2.53	-68.38	99,904.20	2.53	-68.32	99,794.94	2.53	-68.17	99,590.72	2.53	-67.89
2.75	99,947.29	2.79	-75.21	99,894.63	2.79	-75.13	99,774.48	2.78	-74.95	99,549.98	2.78	-74.61
3.00	99,942.50	3.04	-82.03	99,885.06	3.04	-81.94	99,754.03	3.04	-81.72	99,509.27	3.04	-81.32
3.25	99,937.71	3.30	-88.85	99,875.50	3.30	-88.74	99,733.59	3.30	-88.49	99,468.59	3.29	-88.02
3.50	99,932.92	3.56	-95.67	99,865.93	3.56	-95.54	99,713.15	3.56	-95.25	99,427.95	3.55	-94.71
3.75	99,928.13	3.82	-102.49	99,856.37	3.82	-102.34	99,692.73	3.82	-102.00	99,387.34	3.81	-101.38
4.00	99,923.35	4.08	-109.30	99,846.81	4.08	-109.13	99,672.31	4.07	-108.75	99,346.76	4.07	-108.04
4.25	99,918.56	4.34	-116.11	99,837.25	4.34	-115.92	99,651.90	4.33	-115.50	99,306.22	4.33	-114.70
4.50	99,913.77	4.60	-122.92	99,827.69	4.60	-122.71	99,631.50	4.59	-122.23	99,265.71	4.59	-121.34

Effective value of a Note with a nominal value of €100,000

	(Less than one year term)						(Equal to one year term)			(More than one year term)		
	90 DAYS			180 DAYS			365 DAYS			730 DAYS		
Nominal rate (%)	Subscription price (euros)	IRR/AER (%)	+10 days (euros)	Subscription price (euros)	IRR/AER (%)	+10 days (euros)	Subscription price (euros)	IRR/AER (%)	+10 days (euros)	Subscription price (euros)	IRR/AER (%)	+10 days (euros)
0.25	99,938.39	0.25	-6.84	99,876.86	0.25	-6.83	99,750.62	0.25	-6.81	99,501.87	0.25	-6.81
0.50	99,876.86	0.50	-13.66	99,754.03	0.50	-13.63	99,502.49	0.50	-13.56	99,007.45	0.50	-13.53
0.75	99,815.41	0.75	-20.47	99,631.50	0.75	-20.39	99,255.58	0.75	-20.24	98,516.71	0.75	-20.17
1.00	99,754.03	1.00	-27.26	99,509.27	1.00	-27.12	99,009.90	1.00	-26.85	98,029.60	1.00	-26.72
1.25	99,692.73	1.26	-34.02	99,387.34	1.25	-33.82	98,765.43	1.25	-33.39	97,546.11	1.25	-33.19
1.50	99,631.50	1.51	-40.78	99,265.71	1.51	-40.48	98,522.17	1.50	-39.87	97,066.17	1.50	-39.59
1.75	99,570.35	1.76	-47.51	99,144.37	1.76	-47.11	98,280.10	1.75	-46.29	96,589.78	1.75	-45.90
2.00	99,509.27	2.02	-54.23	99,023.33	2.01	-53.70	98,039.22	2.00	-52.64	96,116.88	2.00	-52.13
2.25	99,448.27	2.27	-60.93	98,902.59	2.26	-60.26	97,799.51	2.25	-58.93	95,647.44	2.25	-58.29
2.50	99,387.34	2.52	-67.61	98,782.14	2.52	-66.79	97,560.98	2.50	-65.15	95,181.44	2.50	-64.37
2.75	99,326.48	2.78	-74.28	98,661.98	2.77	-73.29	97,323.60	2.75	-71.31	94,718.83	2.75	-70.37
3.00	99,265.71	3.03	-80.92	98,542.12	3.02	-79.75	97,087.38	3.00	-77.41	94,259.59	3.00	-76.30
3.25	99,205.00	3.29	-87.55	98,422.54	3.28	-86.18	96,852.30	3.25	-83.45	93,803.68	3.25	-82.16
3.50	99,144.37	3.55	-94.17	98,303.26	3.53	-92.58	96,618.36	3.50	-89.43	93,351.07	3.50	-87.94
3.75	99,083.81	3.80	-100.76	98,184.26	3.79	-98.94	96,385.54	3.75	-95.35	92,901.73	3.75	-93.65
4.00	99,023.33	4.06	-107.34	98,065.56	4.04	-105.28	96,153.85	4.00	-101.21	92,445.62	4.00	-99.29
4.25	98,962.92	4.32	-113.90	97,947.14	4.30	-111.58	95,923.26	4.25	-107.02	92,012.72	4.25	-104.86
4.50	98,902.59	4.58	-120.45	97,829.00	4.55	-117.85	95,693.78	4.50	-112.77	91,573.00	4.50	-110.37

Given the different types of issues that will be applied throughout the Programme, it is not possible to predetermine the internal rate of return ("**IRR**") for the investor. In any case, it will be determined in accordance with the formula detailed below for Notes with a term of up to 365 days:

- IRR = [(N/E) ^ (365/d)] – 1

Where:

- IRR = Effective annual interest rate, expressed as a decimal.
- N = Nominal amount of the Notes.
- E = Cash amount (effective value) at the time of subscription or acquisition.
- d = Number of calendar days between the date of issue (inclusive) and the date of maturity (exclusive).

For Notes with a term of more than 365 days, the IRR will be the equivalent to the annual interest of the Notes described in this section.

In case that the Notes are originally subscribed by the Dealers in order to have them transferred to the investors, the price at which the Dealers may transfer the Notes will be freely agreed among them and investors, which may not be the same as the issue price.

8.11 DEALERS, PAYING AGENT AND DEPOSITARY ENTITIES

The initial dealers of the Programme are:

Banca March, S.A.

Tax Identification Number:	A-07004021
Address:	Avenida Alejandro Rosselló 8, 07002, Palma de Mallorca, Spain

Banco Santander, S.A.

Tax Identification Number:	A-39000013
Address:	Ciudad Grupo Santander, Avenida de Cantabria, Edificio Encinar, s/n, planta 0, 28660 Boadilla del Monte, Madrid, Spain

Kutxabank Investment S.V., S.A.

Tax Identification Number:	A-48403927
Address:	Plaza Euskadi, 5, planta 26 de Torre Iberdrola, 48009 Bilbao, Spain

PKF Attest Capital Markets, S.V., S.A.

Tax Identification Number:	A-86953965
Address:	Calle Orense 81, 7ª planta, 28020 Madrid, Spain

Renta 4 Banco, S.A.

Tax Identification Number:	A-48403927
Address:	Paseo de la Habana, 74, 28036, Madrid, Spain

The Issuer and the Dealers have executed a dealer agreement in connection with the Programme for the placing of the Notes, which includes the possibility to sell Notes to third parties (the "**Dealer Agreement**").

The Issuer reserves the right at any time to vary or terminate the relation with any of the Dealers in accordance with the Dealer Agreement and to appoint other Dealers. Notice of any change in the dealer syndicate shall promptly be communicated to MARF by means of the corresponding notice.

Kutxabank Investment S.V., S.A.U. shall act as Paying Agent. Acting under the paying agency agreement and in connection with the Notes, the Paying Agent acts solely as agent for the Issuer and does not assume any obligations towards or relationship of agency or trust for or with any of the holders of the Notes. Notice of any change of the Paying Agent shall promptly be communicated to MARF by means of the corresponding notice.

Although Iberclear will be the entity entrusted with the book-keeping (*registro contable*) of the accounting records corresponding to the Notes, the Issuer has not designated a depository entity for the Notes. Each subscriber or acquirer of the Notes shall appoint, among Iberclear's participating entities, the entity which shall act as depositary of the Notes. Holders of the Notes who do not have, directly or indirectly through their custodians, a participating account with Iberclear may participate in the Notes through bridge accounts maintained by each of Euroclear Bank, SA/NV or Clearstream Banking, Société Anonyme, Luxembourg, as appropriate.

8.12 REDEMPTION PRICE AND PROVISIONS REGARDING MATURITY OF THE NOTES. DATE AND METHODS OF REDEMPTION

The Notes to be issued under the Programme will be redeemed at its face value on the maturity date indicated in the terms and conditions of each issue, withholding the corresponding tax amount, if applicable.

Given that the Notes will be traded on the MARF, their redemption will take place in accordance with the operating rules of the clearance system of Iberclear, so that, on maturity date, the nominal amount of the Notes is paid to their legitimate holder. The Paying Agent does not take any liability whatsoever regarding the investors' expected reimbursement from the Issuer on the maturity date of the Notes.

Should the reimbursement coincide with a non-business day according to the T2 calendar (*Transeuropean Automated Real-Time Gross Settlement Express Transfer System*), reimbursement will be deferred to the first subsequent business day. In this case, there will be no effect on the amount to be paid.

8.13 VALID DEADLINE WITHIN WHICH REIMBURSEMENT OF THE PRINCIPAL MAY BE CLAIMED

Pursuant to the provisions set out in Article 1964 of the Spanish Civil Code, actions to request the reimbursement of the Notes' face value may be exercised during five (5) years from the date on which they become due.

8.14 MINIMUM AND MAXIMUM REDEMPTION PERIOD

The Notes may be issued with a redemption period of between three (3) business days and seven hundred and thirty (730) calendar days (that is, twenty-four (24) months).

8.15 EARLY REDEMPTION

The Notes will not include an early redemption options either for the Issuer (call) or for the holder of the Notes (put). Notwithstanding the foregoing, the Notes may be redeemed prior to maturity if, for any reason, they are in legitimate possession of the Issuer.

8.16 RESTRICTIONS ON THE FREE TRANSFERABILITY OF THE NOTES

In accordance with current legislation, there are no specific or general restrictions on the free transferability of the Notes to be issued.

8.17 SUSTAINABILITY LINKED TO THE ISSUANCE OF THE NOTES

The Company wishes to meet certain sustainability targets, aligned with its Green and Sustainable Financing Framework (available at https://admin.cafmobility.com/uploads/CAF_2024_Marco_Financiacion_Verde_Sostenible_EN_8924acff0f.pdf).

On 18 April 2024, the Company obtained the Second-Party Opinion issued by DNV, confirming that the Green and Sustainable Financing Framework meets the criteria established within the International Capital Market

Association (ICMA) Green Bond Principles (GBP) and Sustainability-Linked Bond Principles 2020 (SLBP) and the Loan Market Association (LMA) Green Loan Principles (GLP) and Sustainability-Linked Loan Principles 2023 (SLLP). The Second-Party Opinion remains valid in the 2026 financial year and is available at https://admin.cafmobility.com/uploads/CAF_Green_and_Sustainability_Linked_Financing_Framework_DNV_SPO_April_2024_1_c227dd0ab9.pdf.

The Company has selected the following key performance indicators (KPIs) that reflect strategic sustainability objectives to be achieved by 2026, which are aligned with CAF's medium-term ESG roadmap:

- KPI 1: Scope 1 and 2 emissions reduction (%)

  In relation to this indicator, the sustainability objective for the 2026 financial year is a reduction of 30% taking the 2019 financial year as the base year (the "**2026 First Target**").

- KPI 2: Scope 3 emissions reduction (product use) (% g CO_2e/passenger-km)

  In relation to this indicator, the sustainability objective for the 2026 financial year is a reduction of 40% taking the 2019 financial year as the base year (together with the 2026 First Objective, the "**2026 Targets**").

The development of the two sustainability indicators and the degree of compliance with the targets will be verified annually by the Company's sustainability department. External verification of the Issuer's Sustainability Report will be carried out by EY.

The Issuer will publish, through the publication of the Issuer Sustainability Report for 2026, the measurement of the sustainability indicators and the results achieved in relation to the 2026 Targets once the Issuer's individual and consolidated annual accounts and statement of non-financial information for the financial year 2026 have been prepared.

In case of failure to comply with any of the sustainability targets, the Company will contribute funds to a project of an NGO whose purpose is aligned with one of the pillars of its commitment to society, as set out in the Company's Sustainability Policy and, in particular, with the promotion of activities contributing to economic development, knowledge generation, promotion of education, and social and cultural promotion (the "**Project**").

The Company's Sustainability Policy, which is not part of this Base Information Memorandum, is available at https://admin.cafmobility.com/uploads/SGC_0009_Politica_Sostenibilidad_EN_80dd312be8.pdf.

In the event of non-compliance with any of the sustainability targets for a given year (the "**Relevant Year**"), the Issuer will make, in the financial year following the Relevant Year, and in any case within 90 calendar days from the date on which the Company states in its relevant Sustainability Report validated by EY (or by whoever may replace it, as the case may be) that it has not complied with the sustainability targets set for the Relevant Year, a contribution of funds to the Project.

In case of non-compliance with 2026 Targets, the contribution will be calculated as follows:

- In the event of non-compliance with one of the 2026 Targets, the amount will be 0.7 basis points on the average annual balance of outstanding Notes issued by the Company during calendar year 2026.

- In the event of non-compliance with the two 2026 Targets, the amount will be 1.5 basis points on the average annual balance of outstanding Notes issued by the Company during calendar year 2026.

The Company will inform the Registered Advisor of the calculations made in accordance with the paragraphs above and about the contributions made.

9. TAXATION

Pursuant to applicable law, the Notes qualify as a financial asset bearing an implicit yield for tax purposes. The income arising therefrom is subject to personal income tax ("**PIT**"), Corporate Income Tax ("**CIT**") and Non-Resident Income Tax ("**NRIT**") and the corresponding system of withholdings on account, under the terms and conditions established in their respective regulating laws and other implementing regulations.

In any case, given that this summary is not a thorough description of all the tax considerations, we recommend investors to consult with their own legal or tax advisors, who may render tailored advice in view of their specific circumstances. Additionally, investors and potential investors should take into consideration the changes in legislation or interpretation criteria's that may take place in the future.

10. INFORMATION RELATING TO THE ADMISSION OF THE COMMERCIAL PAPER

Publication of the Base Information Memorandum

This Base Information Memorandum will be published on the MARF's website (www.bolsasymercados.es).

Description of the placement system and, if applicable, subscription of the issue

Placement by the Dealers

The Dealers may act as intermediaries in the placement of the Notes, without prejudice to the Dealers being able to subscribe the Notes in their own name.

For these purposes, the Dealers may request the Issuer on any business day, between 10:00 and 14:00 (CET), volume quotations and nominal interest rates for potential issues of Notes in order to carry out the corresponding book building process among qualified investors (including eligible counterparties and professional clients) as defined in the Prospectus Regulation.

The amount, nominal interest rate, dates of issuance and disbursement, maturity date and the remaining terms and conditions of each issuance so placed by the Dealers shall be determined by agreement between the Issuer and the Dealer(s) concerned in each specific issuance. The terms of such agreement will be confirmed once a document setting out the terms and conditions of the issue is sent by the Dealers to the Issuer and the Issuer has accepted such agreement returning it duly signed.

In the event that an issue of the Notes is initially subscribed by the Dealers and subsequently sold to the final investors, the price may be freely agreed between the Dealers and the interested parties and might not coincide with the issue price (i.e. with the cash amount).

Issue and subscription of the Notes directly by investors

It is also possible that final investors having the status of qualified investors (including eligible counterparties and professional clients), as defined in the Prospectus Regulation, subscribe the Notes directly from the Issuer, provided these comply with all current legal requirements.

In such cases, the amount, nominal interest rate, dates of issue and disbursement, maturity date and the remaining terms and conditions of each issue so arranged shall be determined by agreement between the Issuer and the final investor concerned in each specific issue.

Admission to trading (Incorporación)

Application for admission (*incorporación*) of the Notes to trading on the MARF. Deadline for admission to trading (*incorporación*)

The admission (*incorporación*) to trading of the Notes described in the Base Information Memorandum will be requested to MARF. The Issuer hereby undertakes to carry out all the necessary actions so that the Notes are listed on MARF within seven (7) days from the date of the issue of the Notes. For these purposes, as stated above, the date of issuance shall coincide with the date of disbursement. In the event of breach of the aforementioned deadline, the reasons for the delay will be notified to MARF and will be published as relevant information ("*Otra información relevante*") on the MARF's website (www.bolsasymercados.es). This is without prejudice to any possible contractual liability that may be incurred by the Issuer. The date of admission (*incorporación*) of the Notes must be, in any event, a date falling within the validity period of the Base Information Memorandum.

MARF is structured as a MTF under the terms set out in the Securities Markets and Investment Services Act.

Neither MARF, the CNMV or the Dealers have approved or carried out any verification or testing regarding the content of the Base Information Memorandum or the audited financial statements of the Issuer. The intervention of MARF does not represent a statement or recognition of the full, comprehensible and consistent nature of the information set out in the documentation provided by the Issuer.

It is recommended that the investor fully and carefully reads the present Base Information Memorandum prior to making any investment decision regarding the securities.

The Issuer hereby expressly declares that it is aware of the requirements and conditions necessary for the admission, permanence and removal of the Notes on MARF, according to current legislation and its requirements, and expressly agrees to comply with them.

The Issuer hereby expressly declares that it is aware of the requirements for registration and settlement on Iberclear. The settlement of transactions will be performed through Iberclear.

Publication of the admission (*incorporación*) of the issues of the Notes

The admission (*incorporación*) of the Notes will be reported on the MARF's website (www.bolsasymercados.es).

In Madrid, 18 December 2025.

ISSUER

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REGISTERED ADVISOR (*ASESOR REGISTRADO*)

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ADDITIONAL INFORMATION OF THE ISSUER AND ITS BUSINESS

1. RECENT EVENTS

The following are the most significant developments affecting the business and operations of CAF and the Group in 2025:

<u>Awards and new contracts</u>

In the first quarter of 2025, Solaris secured two contracts for the supply of nearly 70 electric buses in Poland

Solaris signed two contracts with the Polish operators MZA Varsovia and MPK Poznań for the supply of 50 and 17 electric buses, respectively. The combined value of the contracts exceeds EUR 50 million. In both cases, the model selected is the 18-metre Urbino articulated bus, Solaris' flagship zero-emission vehicle and one of the most successful models among urban transport authorities and operators in the European market.

In February 2025, CAF secured a major intercity train contract in Morocco

ONCF (*Office National des Chemins de Fer*), the national railway operator of the Kingdom of Morocco, has awarded CAF a contract to supply 30 modern *intercity* trains to operate on the country's railway network. The contract also includes an option to increase the scope in the future, with the delivery of 10 additional units, as well as the possibility of providing technical assistance and spare parts supply services for ONCF.

Valued at nearly EUR 600 million - not including any potential options that ONCF may choose to exercise later - this contract will be financed by the Spanish Government's FIEM (Business Internationalisation Fund).

The units designed by CAF for this project are *intercity* trains offering the highest levels of performance and comfort, built to operate at a speed of 200 km/h. In addition, the trains will have a high transport capacity, with more than 500 seats, and space for people with reduced mobility.

ONCF plans to use the supplied trains to connect Morocco's main cities on the Fez-Marrakech and Kenitra-Fez lines. The new rolling stock is expected to significantly improve the quality of rail services in the country, strengthen regional connectivity, and increase passenger transport capacity.

In March 2025, CAF was selected as preferred bidder by Belgian railway operator SNCB for the supply of its new fleet of trains

Following a European tender, CAF was selected as the preferred bidder for the development, manufacture, and supply of AM30 trains for the operator NMBS (SNCB-National Society of Belgian Railways).

The Board of Directors of NMBS has approved the continuation of the procurement process with the company selected as the preferred bidder, with the aim of concluding the framework agreement award.

This framework agreement would have a maximum scope of units for 170,000 seats, with an initial base commitment of EUR 1.7 billion (units for 54,000 seats).

As of 23 July 2025, further to the resolution of the Council of State, the Board of Directors of NMBS (SNCB – National Society of Belgian Railways) confirmed CAF as the preferred bidder for the AM30 train development, manufacture, and supply contract. Accordingly, it approved the continuation of the procurement process with the selected company, with the aim of concluding the framework agreement award.

Final award and contract signature are still pending as at the date of this Information Memorandum.

In March 2025, Solaris won its first contract in Canada

TransLink, the Vancouver transportat network, has selected Solaris for the supply of 107 trolleybuses worth approximately EUR 120 million, with options to increase the number of units.

The newly secured contract with the City of Vancouver, Canada, further reinforces the achievement of one of the priority objectives of the CAF Group's 2026 Strategic Plan for the bus business: to enter the North American market with a unique value proposition for zero-emission vehicles. The agreement with TransLink covers the supply of 107 12-metre trolleybuses as a base order, with options for up to 201 additional 12-metre units and up to 204 additional 18-metre articulated units. The implementation of these options would make this one of the company's largest projects. Under the terms of the contract, the first deliveries are scheduled for the second half of 2026 and will continue through 2027.

In March 2025, CAF signed a contract to supply 19 Urbos trams to the French city of Tours

CAF signed a contract with the Syndicat des Mobilités de Touraine (Tours) to supply the new fleet for the upcoming Line 2 of the city's tram network, which will link the communes of La Riche and Chambray lès-Tours. This contract covers the supply of 19 Urbos trams together with the necessary depot parts and special tools.

The new trams will be similar in design to those currently operating on Line 1 of this network. They will have a low floor for easy accessibility, a length of 42 metres, and a passenger capacity of up to 280. Designed with passenger safety and comfort in mind, each new tram will feature multi-purpose areas with ample space for prams, bicycles, and wheelchairs.

They will also be tailored to the specifications of the Tours tram network, enabling them to serve both the new Line 2 and the existing Line 1. The trams will be equipped with on-board energy storage modules that will allow them to run completely autonomously without the need for overhead wires, in particular, on the approximately 2 km long section between the Tours railway station and Choiseul Square, in the historic centre of the city. This solution provides an optimal alternative to traditional catenary systems, preserving the urban landscape while reducing infrastructure costs.

In April 2025, Solaris secured two new contracts in Sweden for the supply of a total of 170 electric buses. The combined value of both agreements exceeds EUR 100 million.

The Swedish operator Nobina Sverige AB has ordered 89 Solaris electric buses for operation in Stockholm, adding to a series of recent orders. In 2024, Solaris supplied 55 electric buses to Nobina for use on routes in the Swedish capital, along with 28 additional units for the operator’s services in the southern province of Skåne. This latest batch comprises Solaris Urbino 15 LE electric models, scheduled for delivery in the first half of 2026. They will operate on both urban and suburban routes in the Stockholm area.

In addition, VR Sverige AB, one of Sweden's leading public transport operators, will receive 81 electric buses, also of the Solaris Urbino 15 LE model. The new vehicles will enter service in the second quarter of 2026 on suburban routes around Stockholm.

The Solaris Urbino 15 LE electric bus, selected for both contracts, is designed for both urban and suburban transit. Certified as a Class II vehicle, it will mainly operate on intercity and metropolitan routes. Each vehicle will be equipped with high-capacity Solaris High Energy batteries, ensuring an extended operating range.

In the second quarter of 2025, two new maintenance contracts were signed in the United Kingdom and Colombia

The Company has recently signed two new servicing contracts in the UK and Colombia, with a total value of almost EUR 400 million, demonstrating its commitment to growth in the Rail Service sector. CAF currently manages over 150 service contracts in more than 20 countries, supported by a workforce of almost 4,000 people.

Renewal of Long-Term Rolling Stock Maintenance Agreement with Northern Trains and Eversholt Rail

Northern Trains Limited, Eversholt Rail Limited, and CAF have renewed their collaboration for the maintenance of the British operator's rolling stock fleet. The new contract provides for the provision of maintenance services for a period of 10 years and confirms the confidence placed by Northern and Eversholt Rail in CAF's experience and reliability.

Under this agreement, CAF will provide comprehensive technical support, including initial corrective maintenance, spare parts supply, and major equipment overhauls. This collaboration continues a highly successful working model where Northern provides direct labour for maintenance activities, while CAF provides management, technical, support and the supply of spare parts and services. Eversholt Rail will support both parties with its experienced and multidisciplinary team.

The train fleet covered by this contract was built by CAF for Eversholt Rail between 2018 and 2020 and consists of 101 trains: 12 four-car electric units, 31 three-car electric units, 25 two-car diesel units, and 33 three-car diesel units. Since their commissioning, these trains have played a key role in the modernisation and efficiency of the region's rail service.

Long-cycle maintenance contract with the Medellín Metro

CAF has also signed a service contract with the Medellín Metro for the long-cycle maintenance of 38 units of its fleet. These units have been supplied by CAF in successive contracts since 2009.

The scope of the agreement includes the general overhaul of 25 trains and the intermediate overhaul of 13 trains, confirming CAF's commitment to the reliability and efficiency of rail services in the capital of Antioquia. Each of the 38 units consists of three cars and is currently operating on the Medellín metropolitan area metro, a key system for urban mobility in the Colombian city.

In June 2025, CAF was awarded a contract to supply trams for New Taipei City in Taiwan

At the beginning of June 2025, CAF entered into a framework agreement with the prestigious Malaysian construction company Gamuda Berhad to supply up to 23 Urbos trams. These will operate on the Xidong and Keelung lines in New Taipei, which are operated by its transport agency, Rapid Transit Systems Department. The contract also covers the supply of spare parts, depot equipment, and a driving simulator. Taking all options into consideration, the framework contract could be worth around EUR 200 million.

CAF will supply Urbos platform vehicles consisting of nine aluminium modules, each measuring over 55 metres in length. Each will have a maximum passenger capacity of up to 615 passengers per unit and will be fully accessible for people with reduced mobility. It should also be noted that these units will be equipped with state-of-the-art technology tailored to this type of vehicle and the specific weather conditions of the region, while also meeting the demands of the system in New Taipei's metropolitan area, which has a high population density.

In June 2025, CAF was awarded two service contracts in Brazil and New Zealand

These are two new train maintenance contracts, worth more than EUR 100 million in total, under which CAF will carry out maintenance work on train fleets that it has manufactured and supplied. CAF is therefore making progress towards strengthening its commitment to train maintenance.

CAF entered into a contract with Motiva Group (formerly CCR), the Brazilian concessionaire that operates Line 5 of the São Paulo Metro. The agreement covers 14 years of comprehensive maintenance for the 26 six-car units supplied by CAF under the 2011 contract awarded by São Paulo Metro. This work will be carried out at the Capão Redondo and Guido Caloi workshops.

CAF also signed a new services contract with Auckland One Rail Limited (AOR), a private company owned 50% by ComfortDelGro and UGL Rail Services, which is responsible for the operation and maintenance of Auckland's electric rail network, the most extensive in New Zealand, belonging to Auckland Transport. The system has four lines, with a total length of 94 km and 42 stations, making it a key hub for urban mobility in the country.

The scope of the contract covers the provision of engineering services, training, and spare parts for the fleet of 95 electric units supplied by CAF to Auckland Transport since 2011. The contract will last for five years, and the work will be carried out at the workshop located in Wiri, Auckland, where these units are maintained.

In June 2025, BVG confirmed a new order to Solaris for 270 electric articulated buses in Germany

Berlin's main public transport company, Berliner Verkehrsbetriebe ("**BVG**"), which operates the city's metro, tram, bus, and ferry networks, has placed a new order for Solaris electric articulated buses under the existing framework agreement. Following the recent delivery of the first batch of 50 18-metre Solaris electric buses, the Berlin transport operator has ordered a further 270 similar vehicles. This is one of the largest electric bus procurements in the company’s history, with an order value exceeding EUR 220 million.

This agreement builds on the order previously placed in December 2023, which included the first 50 Solaris articulated buses, many of which are already operating in the German capital. The framework agreement originally entered into with BVG envisaged the supply of up to 700 electric buses over eight years. The buses will be equipped with Solaris High Energy batteries; they can be charged via both a standard current collector or a pantograph.

In July 2025, CAF secured two new rolling stock contracts in France

CAF secured two new contracts in France worth a combined total of over EUR 300 million, consolidating its operations in the French railway market.

One of the contracts, awarded to CAF by Syndicat Mixte des Mobilités de L'Aire Grenobloise -SMMAG- (Mixed Union of Mobility of the Grenoble Area) involves supplying 38 Urbos trams, with an option to extend the contract by up to nine additional units.

Also, the Bourgogne-Franche-Comté region has placed its trust in the company by awarding the CAF-Alstom consortium a new order for 14 Coradia Polyvalent regional trains. This new order consists of five electric Intercités trains, each comprising six cars, with a seating capacity of 355 passengers, and nine bi-mode TER trains, each comprising four cars, with 228 seats. This contract stems from the agreements in place between CAF and Alstom following CAF's acquisition of the Reichshoffen plant in 2022. Accordingly, CAF is responsible for the design and manufacture of the units in this platform, while Alstom supplies some of the equipment.

In August 2025, Solaris signed a contract in Scandinavia for the delivery of 180 electric buses to the Swedish city of Malmö

Nobina Sverige AB, one of the largest public transport operators in Scandinavia, has confirmed a new contract with Solaris for the delivery of 180 zero-emission Urbino electric buses to be operated in Malmö, Sweden. This contract is worth around EUR 150 million.

This is one of the largest electric bus orders in Solaris's history in this region, and it marks a new stage in the long and successful collaboration between Solaris and Nobina. The new fleet, made up of 180 electric buses, is scheduled for delivery between 2026 and 2027.

Specifically, the agreement includes 78 Solaris Urbino 18 articulated electric buses fitted with 600 kWh batteries, 36 Solaris Urbino 24 electric buses with 700 kWh batteries, 65 Solaris Urbino 15 LE low-floor electric buses with 500 kWh batteries, and one Solaris Urbino 12 electric bus with a 400 kWh battery. This wide range of vehicle lengths and configurations allows the fleet to be optimally adapted to the diverse operational needs in the city and its surroundings.

The vehicles will serve urban and suburban routes in Malmö, Sweden's third-largest city. This major investment marks a significant step towards the full electrification of Malmö's public transport system.

In September 2025, Solaris expanded its order book in Poland, supplying 109 electric buses to Warsaw and Gdansk

Solaris will supply 79 and 30 electric buses to the cities of Warsaw and Gdansk, respectively, deals which amount to a combined value of over EUR 80 million.

Solaris and the Polish operator MZA Warsaw entered into a contract for the supply of 79 electric buses. The agreement includes the delivery of 50 articulated Urbino 18 electric buses and 29 Urbino 12 electric buses. It also includes an option to purchase an additional 79 vehicles with a similar model distribution to that of the base contract.

Solaris will supply 30 electric buses to Gdansk, a port city on Poland's Baltic coast. Scheduled for delivery in Gdansk in September next year, the fleet will consist of 18 standard 12-metre buses and 12 articulated 18-metre buses. They will be operated by the publicly owned transport company Gdańskie Autobusy i Tramwaje.

In September 2025, CAF secured contracts for the modernisation and maintenance of Cairo metro units

CAF signed three contracts with the National Authority for Tunnels (NAT), the state-owned company responsible for Egypt's metro network. The contracts cover the comprehensive modernisation of 39 units on Line 2, as well as the maintenance of units on Lines 1 and 2 of the Cairo Metro. Valued at over EUR 450 million, these contracts strengthen CAF's operations in Egypt through new projects while further solidifying its strategic relationship with NAT and the Egyptian Ministry of Transport.

These contracts will be financed by the Business Internationalisation Fund (FIEM), overseen by the Spanish Secretary of State for Trade. This instrument promotes public funding for flagship projects completed by Spanish companies in international markets, in furtherance of the global reach of cutting-edge services and technology.

The scope of the contracts includes the following:

- Complete modernization of 39 units on Line 2 to extend their service life by 20 years. This involves replacing the traction and TCMS systems, as well as auxiliary converters, upgrading the braking system, installing new passenger information systems, CCTV, and Wi-Fi connectivity, and refurbishing interiors and exteriors. The Shubra workshop will also be upgraded to accommodate maintenance operations and mass production of the upgraded units.

- Complete maintenance of the 39 units on Line 2 for 10 years, including resetting systems and mechanical components. This maintenance work will be carried out concurrently with the upgrading work.

- Complete maintenance of the 23 units on Line 1, which are currently being upgraded by CAF in a contract entered into in 2021 for 10 years, commencing once the upgrading process is complete.

In October 2025, Solaris signed agreements to supply nearly 150 electric buses to the Netherlands and Poland

Solaris continues to consolidate its position as a leader in the European zero-emission urban bus market by securing three new contracts with the operators Transdev Nederland, GZM Metropolis, and MZA Warsaw. These agreements have a combined value of over EUR 110 million. These agreements build on Solaris's record year for order intake, further confirming the market's confidence in its technological and operational solutions.

Transdev Nederland has entered into a contract with Solaris for the supply of 55 electric buses. The contract includes both the shortest electric bus in Solaris's range, the Urbino 9 LE, and the longest double-articulated vehicle, the 24-metre Urbino, with deliveries scheduled for summer 2026.

The order for the Polish capital consists of 50 articulated 18-metre buses, equipped with modular propulsion systems and Solaris High Energy batteries with a capacity of over 700 kWh., which will be added to the recent order for another 79 electric buses also awarded to Solaris in September 2025.

GZM Metropolis (the Association of Municipalities in the Silesia region of Poland) has ordered 42 electric buses from Solaris, as well as the charging infrastructure for the depot. According to the agreement, PKM Świerklaniec, the public transport operator in southern Poland, will receive 24 12-metre-long Urbino electric buses and 18 18-metre-long articulated Urbino electric buses.

2. BUSINESS OF CAF

Segments

The Group provides a range of products and services covering rolling stock, rail components and transport system solutions through four main business segments: Rolling Stock, Services, Buses (Solaris) and Other Businesses. For six month period ended 30 June 2025, the Rolling Stock business segment represented approximately 44% of the Group's total revenues (42% for the year ended on 31 December 2024), Services represented approximately 17% of the Group's total revenues (16% for the year ended on December 2024), Components, Equipment, Signalling, Systems and other in aggregate approximately 15% (20% for the year ended on December 2024) (this includes the business lines of "Wheelsets" and "Other Business" described below) and the business of Solaris represented 24% (22% for the year ended on December 2024).

Business lines

With multiple activities and plants and a leader in the railway industry, the Group offers its customers a wide and flexible product range, from integrated transport systems to rolling stock and buses, components, infrastructure, signalling and services (maintenance, refurbishment and financing).

The table below shows the revenue of the main business lines of the Group for the six-month period ended on 30 June 2025 and for the years ended 31 December 2024 and 31 December 2023:

Euro Thousand	**June 2025**	**2024**	**2023**
Trains	951,659	1,777,388	1,745,633
Services	365,293	654,597	586,685
Buses	519,017	926,869	819,374
Integral Systems, Equipment and Others(*)	337,667	852,689	673,593

Total	**2,173,636**	**4,211,543**	**3,825,285**

(*) Mainly civil construction, signalling and engineering contract revenue.

Rolling Stock

In the railway sector, CAF has a robust industrial infrastructure in Spain, France, the United Kingdom, the United States, Brazil, and Mexico, as well as more than 100 maintenance centres worldwide. The company has executed over 225 projects valued at approximately EUR 35,000 million, supplied more than 5,000 trains, and refurbished over 1,000 carriages. In recent years, the Group has strengthened its commercial focus in Europe, expanded its industrial capacity in France, and established a new production base in Newport (United Kingdom).

In addition to its geographical diversification, CAF has a varied portfolio in terms of rolling stock. As at 30 June 2025, most of the Group's sales in rolling stock were derived from high-speed, regional, and commuter trains.

The table below shows the sales of the portfolio of the rolling stock business line of the Group for the six-month period ended on 30 June 2025 and for the years ended 31 December 2024 and 31 December 2023:

Euro Thousand	**June 2025**	**2024**	**2023**
High-speed, Regional and commuter	494,524	1,096,484	972,322
Metros	175,863	249,464	262,706
Tram and light rail	268,658	380,497	467,678
Bogies and other	12,794	50,943	42,927

Regional and commuter trains

The Group provides a range of high-performance regional trains capable of offering competitive traveling times with the capacity to transport a large number of passengers for medium and long-distance services.

The family of modular and low floor Civity trains is oriented toward commuter and regional services. By way of example, Civity trains are used widely for commuter services in the main cities in Spain and in part of the Italian network.

Metros

The Group has designed its Inneo family of trains to deliver operational flexibility and reduced operating costs. Inneo trains are in operation in the metros of Madrid, Barcelona, Brussels, Rome, Istanbul and Santiago de Chile.

Tram and light rail vehicles

The strategic development of cities and the need to link them to the neighbouring towns and villages has led to the creation of new tram-train transport solutions. These units not only run on the city's tram lines but also make use of the commuter line infrastructure to link the city to other urban areas.

The Group has designed the family of Urbos trams to address this niche. In addition, CAF has developed an innovative mobility concept called Greentech for the catenary-free operation of trams, already implemented in projects in Zaragoza (Spain), Kaohsiung (Taiwan) and Luxembourg.

The Group has supplied tram and light rail vehicles to cities and urban areas including Pittsburgh (USA), Sacramento (USA), Amsterdam (The Netherlands), Monterrey (Mexico) and Cádiz-Chiclana-San Fernando (Spain).

High speed trains

CAF has extensive experience in this area and plays an important role in the supply of the high-speed Spanish train (AVE) for the Madrid - Sevilla line. In addition to the Spanish high-speed railway network, the Group has supplied 12 trains for the Turkish railway network.

The Group's family of high-speed trains is called Oaris, trains and offering a capacity of more than 500 places. The Oaris fleets are modular, enabling CAF to configure the trains to each customer's specific requirements.

Services

As well as supplying rolling stock to its customers, the Group offers rail services in connection with the operation of the Group's fleets of trains. The Group's maintenance and after-sales services are provided not only to CAF's trains, but also to the rolling stock produced by other manufacturers.

The Group also provides structured financing to clients, through Public Private Partnerships and concession arrangements, participating in the equity of the relevant project companies. The activities carried out within the Services business segment of the Group include train refurbishment, the provision of Equipment for Workshops and the Management of Spares on behalf of clients. The Group's service offering also includes the training of mechanics or drivers and maintenance engineering support services.

Wheelsets

CAF has more than 80 years' experience in the design, manufacture and sale of wheelsets, including wheels, axles, gear units and couplers for the rail market. The range of equipment and components designed by the Wheelsets business segment is intended not only for the rolling stock made by CAF, but also for many other rail authorities and rolling stock manufacturers.

CAF is approved by the major European rail operators and authorities, including RENFE (Spain), SNCF (France), DB (Germany), OBB (Austria) and SBB (Switzerland).

Integral Systems, Equipment and Other Business

The Group develops turnkey solutions that cover more than just the supply of rolling stock for those contracts which include a wider range of activities such as viability studies, civil works, electrification and signalling, maintenance and even the operation of the system. This enables CAF to provide global railway solutions adapted to particular customer requirements.

CAF guarantees the integration and compatibility of all the sub-systems in its projects, starting with the civil works and construction, followed by electrification, signalling, communications and ticketing, right up to the operation of the rail services.

Buses

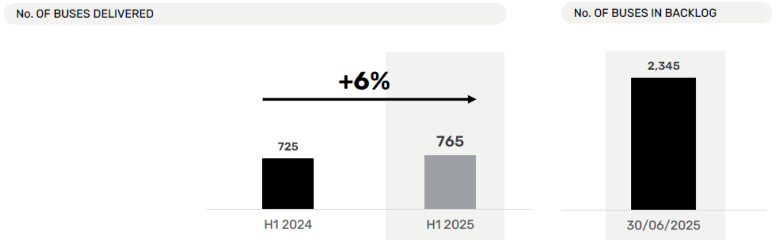
From the acquisition of Solaris in September 2018, the capacities of the Group include the design, production and delivery of buses, including conventional models (diesel and CNG) and a growing number of e-mobility vehicles, where it offers the widest available range of solutions, e.g. hybrid buses, trolleybuses, full-battery and hydrogen fuel cell powered public transport vehicles. Among others, the Group has manufactured a significant amount of buses for Poland, Spain, Italy, Belgium, Lithuania and Germany.

Solaris operates an industrial plant in Poland, with a consolidated presence in more than 870 cities in 33 countries and more than 25,000 buses in operation.

Solaris delivered 1,525 buses in 2024,. The number of buses delivered by Solaris by June 2025 rose by 6% with respect to the same period of 2024.

The backlog reached an all-time high both in terms of volume and mix

BUS REVENUE



		H1 2024	H1 2025	30/06/2025	
Zero Emissions	% **electric** buses (electric and hydrogen)	40%	64%	82%	This includes 1st contract in the USA
	% **trolleybuses**	20%	4%	12%	This includes 1st contract in Canada
Low emissions	% **hybrid** buses	30%	7%	3%	
	TOTAL % **emobility** buses (zero and low emissions)	90%	75%	97%	

Solaris supplied 765 buses in the first half of 2025 (+6% y-o-y), **in line with the backlog implementation plan** which anticipated an increasing volume of deliveries in the first half of the year, although lower than envisaged in the second half (with **a high concentration in Q4 2025**).

The proportion of zero emission buses supplied increased from 60% to 68%.

In the zero-emission sector, of particular note is the **increase in sales of electric buses** (battery or hydrogen), which accounts for 64% of total supplies (489 buses compared to 287 supplied in H1 2024), highlighting **Solaris' leading position in this market**.

The **backlog reached record highs** in both volume and composition, driven by market trends, Solaris' strong market position and the implementation of a selective commercial strategy. Accordingly,

- 2,000 units have been surpassed for the first time
- 94% of the units are zero emission vehicles

The after-sales service backlog also recorded year-on-year growth.

TAXATION OF THE NOTES

The following summary is a general description of certain tax considerations relating to the Notes. It does not constitute tax advice and does not purport to be a complete analysis of all tax considerations relating to the Notes, as applicable, whether in Spain or elsewhere, and does not deal with the tax consequences applicable to all categories of investors, some of which might be subject to special rules. Prospective investors should consult their own tax advisors as to the consequences under the tax laws of the country of which they are resident for tax purposes and under the tax laws of Spain of acquiring, holding and disposing of Notes and receiving payments of under the Notes. Furthermore, this summary does not take into account the regional special tax regimes in force in the Basque Country and Navarre, or the regulations adopted by the Spanish Autonomous Regions.

This summary is based upon the law as currently in effect and is subject to any change in law that may take effect after this date. As a result, this description is subject to any changes in such laws or interpretations occurring after the date hereof, including changes having retroactive effect.

References in this section to prospective investors include the beneficial owners of the Notes. Investors should also note that the appointment by an investor in the Notes, or any person through which an investor holds Notes, of a custodian, collection agent or similar person in relation to such Notes in any jurisdiction may have tax implications. Investors should consult their own tax advisors in relation to the tax consequences for them of any such appointment.

This information has been prepared in accordance with the following Spanish tax legislation in force at the date of this Base Information Memorandum:

- Law 35/2006, of 28 November, governing Personal Income Tax and partial amendment of the laws on Corporate Income Tax, Non-residents Income Tax and Wealth Tax (*Ley 35/2006, de 28 de noviembre, del Impuesto sobre la Renta de las Personas Físicas y de modificación parcial de las leyes de los Impuestos sobre Sociedades, sobre la Renta de no Residentes y sobre el Patrimonio*) (the "**PIT Law**"), as well as those contained in Articles 74 *et seq* of Royal Decree 439/2007, of 30 March, which approves the Regulation on Personal Income Tax and modifies the Regulations on Pension Funds and Plans approved through Royal Decree 304/2004, of 20 February *(Real Decreto 439/2007, de 30 de marzo, por el que se aprueba el Reglamento del Impuesto sobre la Renta de las Personas Físicas y se modifica el Reglamento de Planes y Fondos de Pensiones, aprobado por Real Decreto 304/2004, de 20 de febrero*) (the "**PIT Regulations**").

- Law 27/2014, of 27 November, of the Corporate Income Tax Law (*Ley 27/2014, de 27 de noviembre, del Impuesto sobre Sociedades*) (the "**CIT Law**") as well as Articles 60 et seq of the Corporate Income Tax Regulations approved through Royal Decree 634/2015, of 10 July (*Reglamento del Impuesto sobre Sociedades aprobado por el Real Decreto 634/2015, de 10 de julio*).

- Royal Legislative Decree 5/2004, of 5 March, which approves the recast text of the Non- residents Income Tax Law (*Real Decreto Legislativo 5/2004, de 5 de marzo, por el que se aprueba el texto refundido de la Ley del Impuesto sobre la Renta de no Residentes*) (the "**NRIT Law**") and those contained in Royal Decree 1776/2004, of July 30, 2004 which approves the regulations in respect of Non-residents Income Tax (*Real Decreto 1776/2004, de 30 de julio por el que se aprueba el Reglamento del Impuesto sobre la Renta de no residentes*).

- Law 19/1991, of 6 June, on the Wealth Tax and Law 38/2022, for the establishment of temporary levies on energy and on financial credit institutions and introducing a temporary solidarity tax on large fortunes.

- Law 29/1987, of 18 December, on the Inheritance and Gift Tax and its regulations contained in Royal Decree 1629/1991, of 8 November.

All the above, without prejudice to any regional tax regimes approved by the Autonomous Regions which may be applicable, particularly those corresponding to the historic territories of the Basque Country and the Regional Community of Navarre, or any other regimes that could be applicable due to the particular circumstances of the investor.

Furthermore, those regulations included in the First Additional Provision of Law 10/2014, of 26 June, on the organization, supervision and solvency of credit institutions (*Ley 10/2014, de 26 de junio, de ordenación, supervisión y solvencia de entidades de crédito*) (the "**Law 10/2014**"), and Royal Decree 1065/2007, of 27 July, which approves the General Regulations on the actions and procedures of tax audit and tax inspection and on the development of the common rules of the procedures for the application of taxes, as amended by Royal Decree 1145/2011 of 29 July 2011 (the "**Royal Decree 1065/2007**") and Foral Decree of Gipuzkoa 47/2013, of 17 December, regulating the formal tax obligations in Gipuzkoa ("**Foral Decree 47/2013**") must also be taken into consideration. According to Article 91.2 of PIT Regulations, the Notes are classified as financial assets with implicit yield. As a general rule, in order to dispose of or obtain reimbursement of financial assets with implicit yield, prior acquisition of the same as well as the transaction price must be evidenced by a public notary or the financial institutions obliged to withhold.

In any case, given that this summary is not a thorough description of all the tax considerations, we recommend investors to consult with their own legal or tax advisors, who may render tailored advice in view of their specific circumstances. Additionally, investors and potential investors should take into consideration the changes in legislation or interpretation criteria's that may take place in the future.

Investors that are individuals with tax residency in Spain

Personal Income Tax

The net income obtained as a result of the transfer, redemption, exchange or reimbursement of the Notes will be considered as an implicit income from movable capital and will be included in the PIT taxable savings base for the financial year when the sale, redemption or reimbursement takes place. PIT will be paid at the rate in force from time to time for taxable savings, which is currently at 19% up to EUR 6,000.00, 21% from EUR 6,000.01 up to EUR 50,000.00 23% from EUR 50,000.01 up to EUR 200,000.00, 27% from EUR 200,000.01 to EUR 300,000.00 and 30% from EUR 300,000.01 upwards.

Negative income derived from the transfer of the Notes, in the event that the investor had acquired other homogeneous securities within the two months prior or subsequent to such transfer or exchange, shall be included in his or her PIT base as and when the remaining homogeneous securities are transferred.

When calculating the net income, expenses related to the management and deposit of the Notes will be deductible, excluding those pertaining to discretionary or individual portfolio management.

Generally, income derived from the Notes will be subject to withholding tax on account of PIT at the current rate of 19%. Any withheld amounts may be credited against individuals' final PIT liability. Such income shall be calculated by the difference between the redemption, reimbursement or transfer value and the acquisition or subscription value of the Notes (without deducting expenses).

With respect to any income derived from the transfer of the Notes, the financial institution acting on behalf of the transferring party will be obliged to apply any relevant withholding. Where the income is obtained from the reimbursement, the issuer or the financial institution responsible for the transaction will be the entity required to apply the relevant withholding.

The transfer or reimbursement of the Notes will require that its prior acquisition as well as the transaction price is evidenced by a public notary or the financial institutions obliged to apply the relevant withholding.

Wealth Tax and Solidarity Tax (Impuesto Temporal de Solidaridad de las Grandes Fortunas)

Individuals with tax residency in Spain will be subject to Wealth Tax which imposes a tax on property and rights in excess of EUR 700,000 held on the last day of any year.

Spanish tax resident individuals whose net worth is above EUR 700,000 and who hold Notes on the last day of any year would therefore be subject to Wealth Tax for such year at marginal rates varying between 0.2% and 3.5% of the average market value of the Notes during the last quarter of such year, as published by the Spanish Ministry of Revenues on an annual basis.

However, those rates may vary depending on the autonomous region of residency of the investor. As such, prospective investors should consult their tax advisers.

The Solidarity Tax may be levied in Spain on tax resident individuals, on a worldwide basis.

In particular, individuals with tax residency in Spain are subject to the Solidarity Tax to the extent that their net worth exceeds EUR 3,000,000. Therefore, they should take into account the value of the Notes which they hold as at 31 December each year, the applicable rates ranging between 1.7 per cent. and 3.5 per cent.

Since the autonomous regions apply the current regional Wealth Tax (as described above), in order to avoid double taxation, the amount paid for the current regional Wealth Tax should be deductible from the Solidarity Tax.

The rates of the "Solidarity Tax" are:

Taxable base up to (Euros)	Tax due (Euros)	Rest of taxable base (Euros)	Rate
0.00	0.00	3,000,000.00	0%
3,000,000.00	0.00	2,347,998.03	1.7%
5,347,998.03	39,915,97	5,347,998.03	2.1%
10,695,996.06	152,223,93	Any excess	3.5%

Inheritance and Gift Tax

Individuals resident in Spain for tax purposes who acquire ownership or other rights over any Notes by inheritance, gift or legacy will be subject to the Inheritance and Gift Tax (the "**IGT**") in accordance with the applicable Spanish regional or State rules (subject to any regional tax exemptions being available to them). The applicable effective tax rates can range between 0% and 81.6% subject to any specific regional rules, depending on relevant factors (such as previous net wealth, family relationship among transferor and transferee or applicable tax laws approved by autonomous communities).

Investors that are entities with tax residency in Spain

Corporate Income Tax

Income derived from the transfer, redemption, exchange or reimbursement the Notes will be subject to CIT at the general flat tax rate of 25% in accordance with the rules established for such tax.

Such income will be exempt from withholding tax on account of CIT providing that the Notes (i) are registered by way of book-entries (*anotaciones en cuenta*); and (ii) are traded in a Spanish official secondary market of securities (such as AIAF *Mercado de Renta Fija*) or MARF.

In the event that this exemption was not applicable, this income would be subject to Spanish withholding tax at the rate currently in force of 19%. Withheld amounts may be credited against entities' final CIT liability.

In any case, no withholding on account of CIT will be imposed on income derived from the redemption or repayment of the Notes provided that certain requirements are met, including that the Iberclear Members that have the Notes registered in their securities account on behalf of third parties, as well as the entities that manage the clearing systems located outside Spain that have an agreement with Iberclear, provides the Issuer, in a timely manner, with a duly executed and completed Payment Statement, as defined below. See "Information about the Notes in Connection with Payments."

The transfer or reimbursement of the Notes will require that its prior acquisition as well as the transaction price is evidenced by a public notary or the financial institutions obliged to apply the relevant withholding.

Wealth Tax and Solidarity Tax (Impuesto Temporal de Solidaridad de las Grandes Fortunas)

Legal entities are not subject to Wealth Tax nor to Solidarity Tax.

Inheritance and Gift Tax

Legal entities are not subject to IGT.

Investors that are not tax resident in Spain

Non-residents Income Tax for investors not resident in Spain acting through a permanent establishment

If the Notes form part of the assets affected to a permanent establishment in Spain of a person or legal entity that is not resident in Spain for tax purposes, the tax rules applicable to income deriving from such Notes are, generally, the same as those set forth above for Spanish CIT taxpayers.

Ownership of the Notes by investors who are not resident in Spain for tax purposes will not in itself create the existence of a permanent establishment in Spain.

Non-residents Income Tax for investors not resident in Spain not acting through permanent establishment

Income derived from the transfer, redemption or repayment of the Notes, obtained by individuals or entities who are not resident in Spain for tax purposes and who do not act, with respect to the Notes, through a permanent establishment in Spain, are exempt from NRIT and therefore no withholding on account of NRIT will be levied on such income provided certain requirements are met, including that, in respect of payments from the Notes carried out by the Issuer, the Iberclear Members that have the Notes registered in their securities account on behalf of third parties, as well as the entities that manage the clearing systems located outside Spain that have an agreement with Iberclear, provide the Issuer, in a timely manner, with a duly executed and completed Payment Statement, as defined below, as set forth in Article 44 of the regulations approved by Royal Decree 1065/2007 and Article 56 of Foral Decree 47/2013. See "Information about the Notes in Connection with Payments."

If the Iberclear Members fail or for any reason are unable to deliver a duly executed and completed Payment Statement to the Issuer in a timely manner in respect of a payment of interest under the Notes, the Issuer will withhold Spanish withholding tax at the then-applicable rate (the current rate is 19%) on such payment of income on the Notes.

Investors not resident in Spain for tax purposes and entitled to exemption from NRIT but where the Issuer does not timely receive the information about the Notes in accordance with the procedure described in detail under "Information about the Notes in Connection with Payments" would have to apply directly to the Spanish tax authorities for any refund to which they may be entitled, according to the procedures set forth in the NRIT Law.

Wealth Tax and Solidarity Tax (Impuesto Temporal de Solidaridad de las Grandes Fortunas)

Notwithstanding the provisions included in the double tax treaties entered into by Spain, non-Spanish tax resident individuals whose net worth related to property located, or rights that can be exercised, in Spain is above EUR 700,000 and who hold Notes on the last day of any year would be subject to Wealth Tax for such year at marginal rates varying between 0.2% and 3.5% of the average market value of the Notes during the last quarter of such year, as published by the Spanish Ministry of Revenues on an annual basis. However, non-Spanish individuals will be exempt from Wealth Tax in respect of Notes which income is exempt from NRIT.

Individuals that are not resident in Spain for tax purposes may apply the rules approved by the autonomous region where the assets and rights with more value (i) are located, (ii) can be exercised or (iii) must be fulfilled.

Non-Spanish resident individuals whose properties and rights are located in Spain, or that can be exercised within the Spanish territory, and exceed €3,000,000 may be subject to the Solidarity Tax. In such event, Investors should take into account the value of the Notes which they hold as at 31 December each year, the applicable rates ranging between 1.7 per cent. and 3.5 per cent.

Since the autonomous regions apply the current regional Wealth Tax (as described above), in order to avoid double taxation, the amount paid for the current regional Wealth Tax should be deductible from the Solidarity Tax

Noteholders should consult their own tax advisors regarding how this tax may apply to their investment in the Note.

Non-Spanish resident legal entities are not subject to the Solidarity Tax.

The rates of the "Solidarity Tax" are:

Taxable base up to (Euros)	**Tax due (Euros)**	**Rest of taxable base (Euros)**	**Rate**
0.00	0.00	3,000,000.00	0%
3,000,000.00	0.00	2,347,998.03	1.7%
5,347,998.03	39,915,97	5,347,998.03	2.1%

10,695,996.06	152,223,93	Any excess	3.5%

Non-Spanish resident legal entities are not subject to Net Wealth Tax nor to Solidarity Tax.

Inheritance and Gift Tax

Non-Spanish tax resident individuals who acquire ownership or other rights over Notes by inheritance, gift or legacy, will be subject to IGT in accordance with the applicable Spanish regional and state rules, unless they reside in a country for tax purposes with which Spain has entered into a double tax treaty in relation to IGT. In such case, the provisions of the relevant double tax treaty will apply.

If the provisions of the foregoing paragraph do not apply, such individuals will be subject to IGT in accordance with Spanish legislation. As such, prospective investors should consult their tax advisers.

Non-Spanish resident legal entities which acquire ownership or other rights over the Notes by inheritance, gift or legacy are not subject to the IGT. Such acquisitions will be subject to NRIT (as described above), except as provided in any applicable double tax treaty entered into by Spain. In general, double tax treaties provide for the taxation of this type of income in the country of tax residence of the Investor.

Indirect taxation in the acquisition and transfer of the Notes

Whatever the nature and residence of the investors, the acquisition and transfer of the Notes will be exempt from indirect taxes in Spain, i.e., exempt from Transfer Tax and Stamp Duty, in accordance with the Consolidated Text of such tax promulgated by Royal Legislative Decree 1/1993, of 24 September, and exempt from Value Added Tax, in accordance with Law 37/1992, of 28 December, regulating such tax, and Article 338 of the Securities Markets and Investment Services Act (*Ley 6/2023, de 17 de marzo, de los Mercados de Valores y de los Servicios de Inversión*).

Information about the Notes in Connection with Payments

As described in previous sections, to the extent that the conditions set forth in Law 10/2014 are met, income in respect of the Notes for the benefit of non-Spanish tax resident Investors, or for the benefit of Spanish CIT taxpayers, will not be subject to Spanish withholding tax, provided that the Iberclear Members that have the Notes registered in their securities account on behalf of third parties, as well as the entities that manage the clearing systems located outside Spain that have an agreement with Iberclear, if applicable, provide the Issuer, in a timely manner, with a duly executed and completed statement (a Payment Statement), in accordance with section 4 of Article 44 of the regulations approved by Royal Decree 1065/2007 and section 4 of Article 56 of Foral Decree 47/2013, containing the following information:

1. Identification of the Notes.
2. Total amount of the income paid by the Issuer.
3. Amount of the income corresponding to individuals residents in Spain that are PIT taxpayers.
4. Amount of the income that must be paid on a gross basis.

If the Iberclear Members fail or for any reason are unable to deliver a duly executed and completed Payment Statement to the Issuer in a timely manner in respect of a payment of income made by the Issuer under the Notes, such payment will be made net of Spanish withholding tax, at the current rate of 19%.

If this were to occur, affected Investors will receive a refund of the amount withheld, with no need for action on their part, if the Iberclear Members submit a duly executed and completed Payment Statement to the Issuer no later than the 10th calendar day of the month immediately following the relevant payment date. In addition, Investors may apply directly to the Spanish tax authorities for any refund to which they may be entitled, according to the procedures set forth in the NRIT Law.

FINANCIAL STATEMENTS

1. INDIVIDUAL AND CONSOLIDATED ANNUAL ACCOUNTS OF THE ISSUER

The Issuer's individual financial statements for the financial years ended on 31 December 2023 and 31 December 2024, and the Issuer's consolidated financial statements for the financial years ended on 31 December 2023 and 31 December 2024 have been audited without reservations.

The English language translation of the audited individual financial statements of CAF as of and for the twelve-month period ended 31 December 2024, together with its management report, can be found at:

https://admin.cafmobility.com/uploads/Memoria_individual_2024_CNMV_ingles_1_80825a6f23.pdf

The Spanish version of the audited individual financial statements of CAF as of and for the twelve-month period ended 31 December 2024, together with its management report, can be found at:

https://admin.cafmobility.com/uploads/CCAA_Individuales_2024_c4f95fca69.pdf

The English language translation of the audited individual financial statements of CAF as of and for the twelve-month period ended 31 December 2023, together with its management report, can be found at:

https://admin.cafmobility.com/uploads/Informe_anual_del_ejercicio_2023_de_CAF_S_A_EN_83061f7758.pdf

The Spanish version of the audited individual financial statements of CAF as of and for the twelve-month period ended 31 December 2023, together with its management report, can be found at:

https://admin.cafmobility.com/uploads/Informe_anual_del_ejercicio_2023_de_CAF_S_A_ES_e2973dae1b.pdf

The English language translation of the audited consolidated financial statements of CAF as of and for the twelve-month period ended 31 December 2024, together with its management report, can be found at:

https://admin.cafmobility.com/uploads/CAF_2024_english_764e86c619.pdf

The Spanish version of the audited consolidated financial statements of CAF as of and for the twelve-month period ended 31 December 2024, together with its management report, can be found at:

https://admin.cafmobility.com/uploads/CAF_2024_castellano_e1783361af.pdf

The English language translation of the audited consolidated financial statements of CAF as of and for the twelve-month period ended 31 December 2023, together with its management report, can be found at:

https://admin.cafmobility.com/uploads/Memoria_CAF_2023_english_1_7153945f84.pdf

The Spanish version of the audited consolidated financial statements of CAF as of and for the twelve-month period ended 31 December 2023, together with its management report, can be found at:

https://admin.cafmobility.com/uploads/Memoria_CAF_2023_castellano_1_2ba77128ad.pdf

2. INTERIM CONSOLIDATED 2025 FINANCIAL STATEMENTS

The English language January-September 2025 Results Presentation of CAF can be found at:

https://admin.cafmobility.com/uploads/9_M_2025_Results_Presentation_1_957f6b8469.pdf

The Spanish language January-September 2025 Results Presentation of CAF can be found at:

https://admin.cafmobility.com/uploads/Presentacion_de_Resultados_9_M_2025_1_c0eaf8abad.pdf

The English language translation of the unaudited interim consolidated financial statements of CAF as of and for the six-month period ended 30 June 2025, together with its management report, can be found at:

https://admin.cafmobility.com/uploads/Memoria_semestral_consolidada_2025_vdef_CNMV_ingles_5a2e7bdde4.pdf

The Spanish version of the unaudited interim consolidated financial statements of CAF as of and for the six-month period ended 30 June 2025, together with its management report, can be found at:

https://admin.cafmobility.com/uploads/Memoria_semestral_consolidado_2025_vdef_CNMV_f4267738e0.pdf