

SUPPLIER CODE OF CONDUCT



The establishment of new commercial contracts with CAF involves the knowledge and full respect by the supplier of the principles of the Code of Conduct and the Supplier Code



Introduction

CAF Group's Code of Conduct (hereinafter "CAF" and the "Code of Conduct" respectively) sets out the rules and professional conduct general principles that apply to all CAF's employees, companies and suppliers. With regards to suppliers, compliance of these rules and principles is required for the establishment of new commercial relations and their continuity in time. These principles are in line with CAF's commitment to foster responsible practices among its suppliers adopted in CAF's Corporate Social Responsibility Policy.

This CAF's Supplier Code of Conduct (hereinafter the "Supplier Code"), develops the general principles of the Code of Conduct and intends to be a tool to help suppliers understand CAF's expectations with regards to their behavior in the market and for the appropriate development of their commercial relations with CAF.

Scope

The Code of Conduct, as well as this Supplier Code is valid both in Spain and abroad, always taking into account the cultural, linguistic, social and economic differences of the various countries where CAF does business.

Although this Supplier Code is applicable to its direct suppliers in a first place, CAF requests that its suppliers transfer the following principles to their own suppliers in the supply chain.

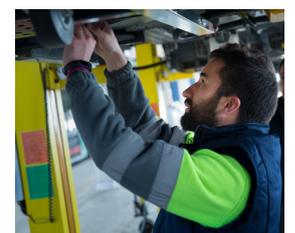
This Supplier Code must be interpreted without detriment of any other additional exigencies that may be established legally or contractually that may affect the commercial relation between CAF and its suppliers.

Compliance with the Law and Human Rights

All suppliers shall scrupulously respect the standing legal framework of the territories in which they operate and must respect the principles of the Universal Declaration of Human Rights and the United Nations Global Compact regarding Human Rights, Labor Rights, environmental respect and the fight against corruption.

Working Conditions

All suppliers must respect applicable labor laws and regulations including, at least, the minimum wage, equal treatment and non-discrimination, protection against child exploitation and against modern slavery, respect to diversity and promotion of social inclusion, length of the work day, days off, compensation, freedom of association and the right to collective bargaining.



Health and Safety

The health and safety of workers must be a priority for all CAF suppliers, and they must comply with all applicable laws, regulations and standards. Suppliers must take the appropriate measures to prevent occupational illnesses and workplace accidents and to provide their workers with a safe and healthy working environment.

CAF recommends that its suppliers:

- Communicate their commitment to health and safety improvement to their management, workers and suppliers, and provide training in this area.
- Obtain or maintain the OHSAS 18001 certification, or equivalent.
- Systematically assess their health and safety conditions through audits, and report their progress.

The Environment

CAF suppliers must carry out their operations under the premise of minimizing negative environmental impact and preventing pollution by promoting research, development and innovation to improve processes and providing training for their workers on proper environmental management and optimal management of natural resources.

CAF recommends that its suppliers:

- Communicate their commitment to environmental improvement to their management, workers and suppliers, and provide training in this area.
- Obtain or maintain the ISO14001 certification, or equivalent, and place importance on the criteria established therein in their management.
- Systematically assess their environmental impact through audits, and report their progress.

Business Ethics

CAF promotes integrity and ethics in all its activities. All CAF suppliers must comply with the applicable laws and regulations specially those related to the fight against corruption and bribery and must behave in compliance with the principles of fair competition, honesty and integrity not only in their relation with CAF but also with any other public or private body.

Suppliers must never make or approve illegal payments under any circumstances. Likewise, CAF shall not accept any kind of gift that may be interpreted as inappropriate to normal business or courteous practice.

Suppliers must bring any current or potential conflicts of interest to the attention of CAF Purchasing Management.

Confidentiality

All information of any nature obtained as a consequence of the relation with CAF must be managed with absolute restraint and confidentiality and the supplier will adopt the required safety measures in order to protect it, with a special focus in the respect of the regulations related to the Protection of Personal Data.

Governance

CAF reserves the right to verify its direct suppliers' compliance with this Supplier Code. Said verification may be done through various ways, for instance self-assessment surveys or audits of the supplier's facilities with sufficient advance notice.

If a supplier, in doing their work for CAF or in its participation in the market with a third party, displays behaviors that are not in line with the general principles of the Code of Conduct or this Supplier Code in particular, CAF shall have standing to take the appropriate measures, and may reject future collaborations with that supplier.

All suppliers may use the email address compras@caf.net to ask any questions about the Code of Conduct.

