



The following English translation is provided by the Company for information purposes only, based on the original and official document in Spanish available on the Company's website (www.caf.net). In the event of any discrepancy between the English version and the Spanish original document, the latter will prevail.

REPORT ON THE OPERATIONS OF THE AUDIT COMMITTEE OF CONSTRUCCIONES Y AUXILIAR DE FERROCARRILES, S.A. (CAF) FOR FINANCIAL YEAR 2022

1. Purpose of the report

In accordance with the provisions of Article 3 vii, e) of the Regulations of the Audit Committee (hereinafter the “**Audit Committee**” or the “**Committee**”) of CONSTRUCCIONES Y AUXILIAR DE FERROCARRILES, S.A. (hereinafter “**CAF**” or the “**Company**”), this Committee is responsible for issuing, on an annual basis, a report on the operation and activities of the Committee during the previous financial year.

The purpose of this report is to inform shareholders and other stakeholders of the activities carried out by the Committee during the financial year that ended on December 31, 2022, for which purpose it will be published in accordance with Recommendation 6 of the CNMV's Code of Good Governance for Listed Companies (hereinafter the “**Code of Good Governance**” or “**CBG**”) and will contain at least the aspects defined in the CNMV's Technical Guide 3/2017 on Audit Committees of Public Interest Entities (hereinafter the “**Technical Guide**”).

2. Regulations for the Audit Committee

The Audit Committee has a basic regulation in Article 37 bis of the CAF Bylaws, which includes the minimum composition of the Committee, which must be three directors, all of whom are non-executive, the majority of whom must be independent. This article also provides for the minimum functions assigned to it by the Bylaws, although these functions are complemented by those assigned to it by the regulations, which we will refer to below.

CAF's Bylaws also state that the Chairperson of the Committee shall be appointed from among the independent members of the Board for a maximum term of four years, and may be re-elected after one year has elapsed since their removal, and that resolutions shall be adopted by an absolute majority of the directors present. As with the functions, this basic Bylaw regulation on the composition and operating rules of the Audit Committee is also supplemented by regulations.

The Audit Committee has its own Regulations, which determine in detail the most relevant aspects of the Committee, including its nature, composition, functions and scope of application, operating rules, powers and relations with third parties. No changes were made to these Regulations during the financial year reported.

3. Composition of the Audit Committee during the financial year

The current composition of the Committee is as follows, without having undergone any modification during the financial year covered by this report:

| <i>Person</i> | <i>Position</i> | <i>Category</i> | <i>Seniority</i> |
|------------------------------|-----------------|-----------------|--|
| Ms. Carmen Allo Perez | Chairwoman | Independent | Appointed Director on 06/11/2016. Member of the Committee since February 27, 2019. She has been Chairwoman of the Committee since October 8, 2019. |
| Mr. Juan José Arrieta Sodupe | Member | Other External | Appointed Director on June 07, 2008. Member of the Committee since October 20, 2010. |
| Mr. Ignacio Camarero García | Member | Independent | Appointed Director on June 15, 2019. Member of the Committee since April 29, 2021. |

The members of the Committee, as members of the Board, have experience and knowledge in management, economic, financial and business fields. As a whole, they have the relevant technical knowledge in relation to the sector of activity to which the Company belongs, as well as in aspects of internal control and risk management and of the business.

All the members, and especially the Chairperson of the Committee, have been appointed on the basis of their knowledge and experience in the field of accounting, auditing and risk management, both financial and non-financial.

This complies with the provisions of article 529 quaterdecies of the Revised Text of the Capital Companies Act, approved by Royal Legislative Decree 1/2010 of July 2 (hereinafter, the "LSC"), internal regulations, and Recommendation 39 of the Code of Good Governance regarding the composition of the Audit Committee. The guidelines set out in points 13 and 14 of Technical Guide on the subject are also followed.

The members of the Committee are appointed by the Board of Directors and shall cease their roles (i) by resignation, (ii) when they cease to be directors, (iii) by resolution of the Board, or (iv) due to failure to comply with the requirements of the Regulations or the legal provisions.

In the "Shareholders and Investors" section of CAF's corporate website, up-to-date information regarding the composition of the Audit Committee (<http://www.caf.net/es/accionistas-inversores/gobierno-corporativo/comisiones-consejo.php>) and public information on each of the directors ([https://www.caf.net/pdf/Informacion-Publica-Consejeros-agosto-2022-\(ESP\).pdf](https://www.caf.net/pdf/Informacion-Publica-Consejeros-agosto-2022-(ESP).pdf)) can be found. The professional profiles of the current members of the Committee are as follows:

- **Ms. Carmen Allo Pérez** (Chairwoman) holds a degree in Exact Sciences and a Master's degree in Business Administration. She has extensive experience in the financial sector. She is Chairwoman of the Audit Committee of eDreams ODIGEO and an independent director of SAREB, forming part of its Audit

Committee and its Appointments and Remuneration Committee. She also chairs the Investment Committee of Crisae Private Debt SLU.

- **Mr. Juan José Arrieta Sudupe** (Member) has a PhD in Economic and Business Sciences. He has extensive experience in the management of financial institutions and prestigious business schools. He is currently a member of the Strategic Council of the Technology Center of the University of Navarra (CEIT) and member of the Executive Committee and Board of Directors of Elkargi.
- **Mr. Ignacio Camarero García** has a degree in the Physical Sciences. He has worked in the Telecommunications and Information Technology sectors, holding various senior management positions. He has been a member of the CAF Appointments and Remuneration Committee since June 11, 2022.

4. Functions and tasks performed throughout the financial year by the Audit Committee, changes thereto and reference to the regulations governing it

The duties and powers attributed to the Audit Committee are detailed in Articles 37 bis of the Bylaws and in **Articles 3 and 10 to 13** of its specific Regulations, without any of them having been modified during the reported financial year.

In accordance with the aforementioned Article 3, the Audit Committee has been assigned the following minimum powers:

- a) In relation to the General Meeting:
 - i. To inform the General Shareholders' Meeting about any matters raised that are under the Committee's responsibility, and in particular, regarding the results of the audit, explaining how this contributed to the integrity of the financial information and the role played by the Committee in this process.
 - ii. To ensure that the annual accounts presented by the Board of Directors to the General Shareholders' Meeting are prepared in accordance with accounting regulations. In the event that the auditor has included a qualification in his audit report, the Chairperson of the Committee will clearly explain the Committee's opinion on its content and scope at the General Meeting. A summary of this opinion will also be made available to shareholders at the time of publication of the notice of the meeting, along with the other proposals and reports of the Board.
- b) In relation to the internal control systems:
 - i. To supervise the preparation process, presentation, and the integrity of the financial and non-financial information in relation to the Company and, if applicable, the group, reviewing compliance with regulatory requirements, the appropriate delimitation of the consolidation perimeter and the correct application of the accounting criteria, and submit recommendations or proposals to the Board of Directors, aimed at safeguarding their integrity.
 - ii. To supervise the effectiveness of the Company's internal controls and in particular the Internal Control System for Financial Information (ICSFI).
 - iii. To supervise and evaluate the control and management systems for financial and non-financial risks relating to the Company and, where applicable, to the group, including operating, technological, legal, social, environmental, political, reputational, and corruption-related risk.

For the purposes of sections i. to iii. above, the Committee may, if appropriate, submit recommendations or proposals to the Board of Directors and the corresponding period of time for their follow-up.

- iv. To supervise the Company's internal risk control and management system.
 - v. To ensure in general that the policies and systems established for internal control are effectively implemented in practice.
 - vi. To supervise compliance with the Company's internal codes of conduct.
 - vii. To establish and supervise a mechanism that allows employees and other people related to the Company and its Group such as directors, shareholders, suppliers, contractors, or subcontractors to communicate potentially significant irregularities, including financial and accounting irregularities, or any other kind of irregularity related to the company that they may notice within the Company or its Group. This mechanism should guarantee confidentiality and, in any case, provide for cases in which communications can be made anonymously, respecting the rights of the whistle-blower and the accused. Once the information provided through said mechanism has been analyzed, the Committee, should it deem it to be necessary, must propose the appropriate actions to improve its functioning and reduce the risk of irregularities in the future.
 - viii. To supervise the application of the general policy regarding the communication of economic-financial, non-financial and corporate information, as well as communication with shareholders and investors, voting advisors and other stakeholders. Also, to monitor the way in which the Company communicates and relates with small and medium-sized shareholders.
 - ix. To check that the financial information published on the Company's corporate website is constantly updated and that it matches that approved or prepared by the Board of Directors and published on the website of the Spanish Securities Market Commission. If the Committee should be unsatisfied with any aspect following this review, it must notify the Board of Directors of its opinion.
- c) Regarding the internal audit:
- i. To supervise the internal audit of the company. For these purposes, if applicable, the Committee will be able to submit recommendations or proposals to the Board of Directors indicating the corresponding period for follow-up.
 - ii. To ensure the independence of the unit that assumes the internal audit function, which will functionally depend on the Chairperson of the Committee or the non-executive Chairperson of the Board.
 - iii. To propose the selection, appointment and removal of the head of the internal audit service.
 - iv. To propose the budget for that service.

- v. To approve the orientation and annual work plan of internal audit, ensuring that its activity is mainly focused on relevant risks (including reputational risks).
 - vi. To receive regular information on the implementation of the annual plan and other activities carried out, including possible incidents and limitations to the scope that come up during their execution, the results and follow-up of its recommendations, and an activity report at the end of each year.
 - vii. To verify that senior management takes into account the conclusions and recommendations of its reports.
 - viii. To assess the functioning of the internal audit and the performance of its head.
- d) In relation to the external auditor:
- i. To submit proposals for the selection, appointment, re-election, and dismissal of the accounts auditor to the Board of Directors, being responsible for the selection process, in accordance with the provisions of articles 16, sections 2, 3, and 5, and 17.5 of (EU) Regulation no. 537/2014, of April 16, in addition to the contracting conditions.
 - ii. To regularly collect information on the audit plan and its implementation from them.
 - iii. To discuss significant weaknesses in the internal control system detected in the course of the audit with the accounts auditor, without infringing upon their independence. For these purposes, if applicable, the Committee will be able to submit recommendations or proposals to the Board of Directors indicating the corresponding period for follow-up.
 - iv. To preserve their independence in the performance of their functions and, in particular, to that end:
 - To establish an appropriate relationship with the external auditor to receive information on any matters that might imply a threat to their independence, for examination thereof by the Committee, and any other threat in relation to the accounts audit operating process and, where appropriate, the authorization of the services other than those prohibited, under the terms set out in Articles 5, Section 4, and 6.2.b) of (EU) Regulation no. 537/2014, of April 16, and in the provisions of Section 3 of Chapter IV of Heading I of Law 22/2015, of July 20, on Accounts Auditing, regarding the system of independence, in addition to other communications set out in the accounts auditing legislation and the audit regulations.
 - In any case, it must receive an annual declaration from external auditors regarding their independence in relation to the entity or entities directly or indirectly linked thereto, as well as the detailed and broken down information on any additional services of any kind rendered and the corresponding fees received from these entities by the external auditor or by the persons or entities linked to this party as established in the legislation that regulates the accounts auditing activity.

- To annually issue a report that expresses an opinion as to whether or not the independence of the accounts auditor or the auditing companies is compromised, prior to the issuing of the audit report. This report must contain, in any case, the reasoned appraisal of the provision of each and every additional service referred to in the preceding paragraph, considered on an individual basis and as a whole, other than the legal audit and in relation to their independence or the regulations regulating the accounts auditing activity.
- To ensure that the remuneration of the external auditor for their work does not compromise their quality or independence, and establish an indicative limit on the fees that the auditor may receive annually for non-audit services.
- v. To ensure that the external auditor holds an annual meeting with the Board of Directors in a plenary meeting to inform it of the work carried out and regarding the evolution of the Company's accounting and risk situation.
- vi. To ensure that the Company and the external auditor respect the regulations in force regarding the provision of services other than auditing, the limits on the concentration of the auditor's business, and in general, all other regulations regarding the independence of auditors.
- vii. In the event of the resignation of the external auditor, to examine the circumstances that lead to this.
- viii. To ensure that the Company notifies via the CNMV of the change of auditor and accompanies this with a declaration regarding the possible existence of disagreements with the exiting auditor and, if such disagreements exist, the contents thereof.
- ix. To complete a final evaluation of the auditor's performance and how they have contributed to the quality of the audit and the integrity of the financial information.

The provisions of sections i., ii., and iv above are notwithstanding the regulations governing the auditing of accounts.

e) Other functions:

- i. To report to the Board of Directors in advance on all matters provided for by law, these Bylaws, and the Regulations of the Board, and in particular, on the following:
 - the financial information and the management report, which shall include, where appropriate, the statutory non-financial information that the Company is required to disclose periodically, and
 - the creation or acquisition of equity interests in special-purpose entities or entities registered in countries or territories that are considered to be tax havens.
- ii. To report on those Related-Party Transactions that must be approved by the Shareholders in a General Meeting or the Board of Directors and to supervise the internal procedure the Company has established for

transactions whose approval has been delegated in accordance with the applicable regulations.

- iii. To stay informed regarding operations involving structural and corporate modifications the Company plans to carry out in order to analyze and report to the Board of Directors regarding their financial conditions and the accounting impact of the operations, and particularly, if applicable, regarding the proposed equation of exchange.
- iv. To propose the modification of the Regulations for the Board of Directors to said Board, whenever the Committee should deem this to be necessary, including the corresponding reasoning.
- v. To approve an annual work plan that takes into account the annual schedule for Committee meetings, among other matters, with the goal of facilitating efficient compliance with the goals sought.
- vi. To present an annual evaluation report to the Board of Directors regarding its own performance, within the framework of the annual evaluation of the Board of Directors and its Committees.
- vii. To issue a report on the functioning and activities of the Committee during the previous financial year.
- viii. Any other duty attributed thereto by Law, the company's Bylaws, the Regulations of the Board of Directors or the Board of Directors itself.

On the other hand, Article 10 of the Committee's Regulations assigns the Committee the following powers:

1. In order to adequately perform its functions, the Committee shall have full powers to access all types of information, documentation, or registers it should deem necessary to this end.
2. The Committee may request that the Board of Directors engage external advisory services for particularly relevant matters when it believes that these cannot be provided adequately or with the necessary independence by experts or technicians of the Company itself or other group companies.
3. Furthermore, the Committee may request the personal collaboration or a report from any member of the Company's management and/or that of other companies of its group, other directors, executive or otherwise, employees, or experts, whenever it should deem this necessary or convenient to fulfill its functions; likewise, upon the invitation of the Chairperson of the Committee, it may request the presence of any of these people at its meetings, although only to address the specific points on the agenda for which they are invited. Similarly, their presence should not become common practice, so they should only attend when necessary.

The foregoing is complemented by the powers resulting from the provisions of Articles 11 to 13, which regulate the Commission's relations with:

Shareholders (Art. 11)

1. The report on the operations and activities of the Committee during the previous financial year shall be sent out to the shareholders and other stakeholders with the convening notice for each Annual General Meeting.

2. Additionally, during the General Meeting, Shareholders may ask the Audit Committee questions, so that the members thereof can inform those present regarding matters under the Committee's responsibility.

Board of Directors (Art. 12)

The Chairperson of the Committee shall periodically inform the Board of Directors regarding its activities and shall provide advice and propose any measures it should deem convenient to implement within the scope of its duties.

Auditors and internal audits (Art. 13)

1. Communication between the Committee and the accounts auditors shall be free-flowing, continuous, and in accordance with the obligations established in the legislation regulating the accounts auditing activity, without compromising the independence of the auditor or the efficiency of the audit or audit procedures performed.
2. Communication with the accounts auditor must be included on an annual meeting schedule, most of these meetings without the presence of the Company's management.
3. The Audit Committee shall regularly gather information on the accounts auditing process from the accounts auditors, in particular regarding any discrepancies that might arise between the accounts auditors and the Company's Management. At the end of the audit, the Committee and the external auditor shall jointly review the latter's significant findings, in addition to the content of its mandatory reports.
4. Supervision of the internal audit shall be supported by constant interaction with the internal auditor, based on an established annual plan.

In addition to the other contact occurring in the course of its work, the Committee must inform the internal auditor of the conclusions of the assessment of the internal audit process operations and performance of the person responsible therefor.

The following sections detail the main activities carried out by the Committee in the exercise of its powers detailed above during the 2021 financial year.

5. Meetings held during the financial year and number of Committee member attendees and other attendees

During the 2022 financial year, the Committee met 7 times, with all of its members in attendance. In addition to the regular meetings foreseen in the Plan of Activities approved for the year, it was deemed necessary to hold one additional meeting to address other matters within its competence. One of the meetings was held by videoconference, while the other six were held in person, with all members having the necessary documentation and sufficient time in advance to address the items on the agenda.

| <i>Meeting no.</i> | <i>Date</i> | <i>Number of Committee member attendees</i> | <i>Other attendees</i> |
|--------------------|-------------|---|---|
| 1 | 1/25/2022 | 3 | <ul style="list-style-type: none"> • Managing Director • Head of Internal Audit. • Head of Sustainability. |
| 2 | 2/25/2022 | 3 | <ul style="list-style-type: none"> • Economic-Financial and Strategy Director. • Head of Internal Audit. • External Auditors: Partner in charge of E&Y and its team. |
| 3 | 5/05/2022 | 3 | <ul style="list-style-type: none"> • Economic Director. • Head of Internal Audit. |
| 4 | 6/30/2022 | 3 | -- |
| 5 | 7/28/2022 | 3 | <ul style="list-style-type: none"> • Economic-Financial and Strategy Director. • Head of Internal Audit. • External Auditors: Partner in charge of E&Y and its team. |
| 6 | 11/09/2022 | 3 | <ul style="list-style-type: none"> • Economic Director. • Head of Internal Audit. • Head of the Fiscal Area. |
| 7 | 12/19/2022 | 3 | <ul style="list-style-type: none"> • Head of Internal Audit. |

The Committee meetings cover matters within its competence, facilitating the free participation of all members in the deliberations.

The Secretary of the Committee drafts minutes of the content of the meetings, accurately reflecting the discussions and resolutions adopted.

Everything discussed and agreed at each meeting has been reported on in due course at the following meetings of the Board of Directors.

Annex I to this document details the schedule of meetings held and the matters addressed by the Committee in the 2022 financial year.

6. Number of meetings held with the internal auditor and the external auditor

During the 2022 financial year, a total of six meetings were held with the internal auditor and two meetings were held with the heads of the external auditing firm.

7. Significant activities carried out during the period

The main activities carried out by the Committee during the financial year reported are as follows:

i. Financial and non-financial reporting activities and associated internal control mechanisms

- Examination, prior to their presentation to the Board of Directors for filing, of the individual and consolidated Annual Accounts and Management Reports of CAF, S.A. and the CAF Group, respectively, for the 2021 financial year. The Management Report includes the Statement of Non-Financial Information, which contains information on non-financial indicators relating to environmental activity, social issues, human resources, respect for human rights, and the fight against corruption and bribery.
- Examination, prior to their submission to the Board of Directors for approval, of the individual and consolidated quarterly and half-yearly financial statements.
- Review of the remaining information to be made available to the market or to the supervisory bodies during the financial year.

ii. Related party activities

Preparation of the mandatory report on related-party transactions subject to the approval of the Board of Directors. In relation to the transactions reported, the Committee has reported on the assumptions on which the evaluation is based and the methods used, verifying in all cases that they were fair and reasonable and that they obeyed normal market conditions and rates. The Committee has also analyzed the need to proceed with the publication of the proposed related-party transactions, in the event that they are authorized by the Board. In particular, in its report dated June 30, 2022, the Committee concluded that the publication was appropriate because all the transactions carried out with a related party during the previous twelve months exceeded the thresholds established in the legislation in force, and the corresponding communication was made to the market.

iii. Activities in the area of the sustainability policy and terms of implementation in the financial year

Activities in the area of Sustainability are attributed to the Appointments and Remuneration Committee, notwithstanding verification by the Audit Committee of the information on this matter included to the extent that it forms part of the Management Report accompanying the individual and consolidated Annual Accounts of CAF, S.A. and the CAF Group, respectively. However, the Committee invited the Company's Head of Sustainability to one of its meetings, to report on risks in this area, as will be indicated below.

iv. Risk management and control activities

- Continuous evaluation of the internal control system of financial information (ICSFI) and analysis of the recommendations and plans for improvement of the same, proposed by the Internal Audit.
- Supervision of the Risk Management Unit. In the exercise of this function, the Committee has received a report from the Corporate Head of the Risk

Management Department, regarding the main risks and contingencies of the Company and its Group, including the following aspects:

- Monitoring the Unit's Plan of Activities.
- Periodic supervision of the assurance map and, in particular, of financial, operational and compliance risks, distinguishing those that affect each project and their evolution over the financial year.
- Supervision of the risk management system implemented by the Company in the different Businesses and Projects.
- Supervision of ESG risks, with the Company's Head of Sustainability reporting to the Committee at its January meeting on this issue, in execution of one of the Committee's Action Plans foreseen for 2022.
- Supervision of the actions of the Company's internal Tax Function, responsible for the control and management of tax risks in the Group, with in-person intervention of its Head to report on the inspections underway, transactions carried out, evolution of the risk matrix, monitoring of compliance with the tax policy, and new developments in tax matters most relevant to the Company.
- Evaluation of everything in relation to the company's non-financial risks, including operating, technological, legal, social, environmental, political, and reputational or corruption-related risk.
- Supervision of compliance with the internal codes of conduct and the reporting channel.

v. Activities related to internal audit

The Committee has directly and continuously analyzed and supervised the actions carried out by the Internal Audit Department of the Company.

In addition to the above, the Committee has carried out the following actions:

- Review of the Annual Internal Audit Activity Report for the 2021 financial year, which includes the follow-up of internal control recommendations made by Internal Auditing through different reports, with special interest in certain areas such as Cybersecurity.
- Approval of the Internal Audit Work Plan for 2022, which includes:
 - Review of information published periodically (six-monthly and quarterly financial statements, annual accounts and management report);
 - Quarterly monitoring of the main financial and fiscal risks.
 - Monitoring of recommendations.
 - Risk-based audit work rotation plan: business continuity and crisis management, Solaris procurement, CAF Signalling and Sustainability control framework.
- Monitoring the execution of the Internal Audit Work Plan throughout the financial year.

- Evaluation of the functioning of Internal Audit and the performance of its head.

vi. Activities related to the external auditor

- Analysis of the external auditor's reports on the Company's individual and consolidated annual accounts for the 2021 financial year.
- Analysis of the limited review report on the 2022 half-yearly financial statements.
- Request for written confirmation of independence issued by the auditor, and preparation of the auditor's independence report, in connection with the audit of the 2021 annual accounts.
- Approval of the non-audit services proposal for the 2023 financial year and the corresponding budget. Verification of the actual fees incurred for services contracted for 2022, according to the approved budget, verifying that the budgeted amounts have not been exceeded, nor unapproved services contracted by the Committee.
- Evaluation of the external auditor's performance.

vii. Activities on financing

Analysis of the proposed annual renewal of the promissory note issuance program in MARF, registered for the first time in December 2020, and proposal to the Board of Directors for approval.

viii. Follow-up activities to the Committee's own action plans

Throughout this financial year, the Committee has verified the action plans for 2022, proposed in the Report on the annual assessment of its performance, approved at its meeting on December 16, 2021:

ix. Other activities

- Proposal to the Board of Directors for the implementation of a contract to promote the liquidity of transactions and the regularity of the Company's share price.
- Approval of the report on the operation of the Audit Committee for the 2021 financial year.
- Supervision of the activity of the Shareholder and Investor Relations (IR) Area during the financial year and of its Business Plan for 2022.
- Preparation of the Report on the Annual Evaluation of its performance, within the framework of the evaluation of the Board of Directors, in accordance with the provisions of Recommendation 36 of the Code of Good Governance for Listed Companies.
- Approval of an annual work plan for the 2023 financial year which includes the annual schedule of meetings of the Committee with the external auditors.

x. Nature and scope of communications, where appropriate, with regulators

The Board of Directors of CAF has established that communications with the Spanish Securities Market Commission will be carried out through the Secretariat of the Board. In turn, responsibility for relations with the markets and stock

exchanges on which the Company is listed lies with a specific department within the Company (Shareholder and Investor Relations Area or “Investor Relations”), which reports to the Economic, Financial and Strategy Department.

In any case, the members of the Audit Committee are completely free and independent to establish direct communications with the regulators, if they consider it necessary for the adequate performance of their functions, as well as to supervise those carried out by the aforementioned bodies.

In particular, during the financial year reported, the Committee has not maintained communications with the regulators, notwithstanding having reviewed the responses to the requests for information that they have addressed to the Company, in relation to matters that affect areas of its competence.

8. Evaluation of the functioning and performance of the Audit Committee and methods of assessing its effectiveness

The Audit Committee has issued the required prior report on the evaluation of its operations and performance in 2022 for the consideration of the Company's Board of Directors, in compliance with the provisions of Section 1 of Article 529 nonies of the LSC, Article 5 of the Board Regulations, and Recommendation 36 of the Code of Good Governance.

The Audit Committee has favorably evaluated its performance this year, following an analysis of the aspects summarized below.

From a methodological standpoint, the Committee has taken into consideration, among other indicators, the degree to which the Committee has followed the recommendations of the CGG and the applicable Technical Guides, as well as its adaptation to the current legal framework in matters of corporate governance. The areas under evaluation have been the following:

- Quality and efficiency of the operation of the Committee, and assessment of the degree to which it makes effective use of the contributions of its members.
- Size, composition and diversity of the Committee.
- Frequency and duration of meetings.
- Content of the agenda and adequacy of the time allocated to addressing the different issues according to their importance.
- Quality of the information received.
- Breadth and openness of the debates.
- Whether the decision-making process is dominated or strongly influenced by one member or a small group of members.

In addition, the Commission has verified compliance with the plans and objectives proposed for 2022.

As a result, the Audit Committee has concluded that during the 2022 financial year:

- i. The annual assessment of the Committee's performance has given a positive result, as it appropriately fulfilled the duties assigned thereto, in addition to the improvement initiatives established for this financial year.

- ii. It has had the necessary resources to carry out its tasks.
- iii. The Directors who are members of the Committee have satisfactorily fulfilled their responsibilities.
- iv. The results of the evaluation have not led to significant changes in their internal organization and procedures.

9. Information on the Audit Committee's opinion on the account auditor's independence

On February 25, 2022, the Audit Committee drew up the report referred to in Article 529 quaterdecies, Section 4.f), of the LSC for the financial year that ended on December 31, 2021.

This report assessed the non-audit services provided by the external auditor in that financial year, analyzing their nature and amount. Similarly, the statement of independence sent by the external auditor was reviewed, along with the information on the services provided to CAF and its subsidiaries, and the corresponding fees received.

In that framework, it was verified that no legally prohibited services were provided and that the amount of these services was below the limit set by the applicable regulations as well as the more restrictive limit established by the Audit Committee itself.

As a result, it was concluded that the Audit Committee has not identified any aspects that would call into question compliance with current regulations applicable to the accounts auditing activity in terms of auditor independence.

10. Information on which, if any, practical guides on audit committees are being followed and to what extent

Since the publication of the Technical Guide on this subject, the Audit Committee has followed these guidelines as a guide to action in the performance of its functions.

11. Conclusions

As a result of the above, the Audit Committee considers that its organization and operation during the 2022 financial year are in line with the provisions of the law, the Corporate Bylaws, and its own Regulations.

In addition, all the recommendations of the Code of Good Governance concerning audit committees, contained in Section III.3.4.2, and other related sections, to which CAF attaches particular importance, have been complied with.

The Commission also believes that, through the work carried out throughout this year, it has faithfully fulfilled the duties entrusted to it.

Notwithstanding this positive assessment, the Committee reaffirms its willingness to continue improving the efficiency of its operation and compliance with its goals, in line with best practices in the area of Corporate Governance.

This report was issued by the Audit Committee on Tuesday, January 24, 2023.

Approval by the Board of Directors and Dissemination:

This report was approved by CAF's Board of Directors during its meeting on January 25, 2023.

In accordance with Recommendation 6 of the CNMV's Code of Good Governance for Listed Companies, this document will be published on the Company's website (www.caf.net) sufficiently in advance of the Ordinary General Meeting.

ANNEX
Calendar of meetings in 2022

| Date | Issues addressed |
|-------------|--|
| 1/25/2022 | <ul style="list-style-type: none">○ Proposed liquidity contract.○ 2021 Internal Audit annual activities report.○ ICSFI Report.○ 2022 Internal Audit Activity Plan.○ ESG risk management.○ Report on the operation of the Committee for the 2021 financial year.○ Miscellaneous |
| 2/25/2022 | <ul style="list-style-type: none">○ Presentation by the external auditors of the conclusions of the audit for the 2021 financial year.○ Review of the annual accounts and management report for the 2021 financial year.○ Approval of the Report on the Independence of the External Auditor.○ Evaluation of the External Auditor's performance.○ Evaluation of the functioning of Internal Audit and the performance of its head.○ Miscellaneous |
| 5/05/2022 | <ul style="list-style-type: none">○ Quarterly Interim Statement.○ Monitoring of the main financial and fiscal risks.○ Financial Information Risk Map.○ Improvements Plan in the ICSFI Report.○ Follow-up and compliance plan for Internal Auditing recommendations on cybersecurity.○ Report on the relationship with shareholders and investors.○ Miscellaneous |
| 6/30/2022 | <ul style="list-style-type: none">○ Analysis of Related-Party Transactions for proposal to the Board of Directors.○ Miscellaneous. |

7/28/2022

- Presentation by the external auditors of their limited review report on the financial statements for the first half of the year.
- Review of the financial information for the first half of the year for proposal to the Board.
- Monitoring of the main financial and fiscal risks.
- Evolution of the 2022 internal audit plan.
- Miscellaneous.

11/09/2022

- Quarterly Interim Statement for the third quarter of the 2022 financial year.
- Monitoring of the main financial and fiscal risks.
- Approval of the Non-Audit Services Budget for the 2022 financial year.
- Report on the Tax Function.
- Risk Management Unit Report.
- Miscellaneous.

12/19/2022

- Evolution of the 2022 Internal Audit Plan.
- Approval of the Non-Audit Services Budget for the year 2023.
- Proposal for the renewal of the Short-term promissory note issuance program in MARF.
- Report on Related-Party Transactions and analysis of new Transactions Proposed by Management.
- Report on compliance with Internal Codes of Conduct and the Whistle-Blower Channel.
- Annual evaluation of the Committee's Performance.
- Approval of the Plan of Activities for 2023.
- Miscellaneous.