



# SUPPLIERS CODE OF SYSTEMU CONDUCT

## 1. 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 behaviour in the market and for the appropriate development of their commercial relations with CAF.

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.

## 2. 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.

### **3. COMPLIANCE WITH THE LAW AND HUMAN RIGHTS**

All suppliers will maintain strict compliance with the general principles of the Code of Conduct (“General Principles of the Code of Conduct”), which are standards of conduct and imperative ethical standards, which are specified in scrupulous respect for laws, rights Human rights, public liberties and Fundamental Rights, the principles of equal treatment and non-discrimination, protection against child labour exploitation and any other principles contained in the Universal Declaration of Human Rights and the Global Compact of the United Nations on Human Rights, labour, environmental and anti-corruption rights

#### **3.1 Working conditions**

All suppliers must respect applicable labour 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.

#### **3.2 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/ISO 45001 certification, or equivalent.
- Systematically assess their health and safety conditions through audits, and report their progress.

### 3.3 The environment

CAF suppliers must carry out their activity under the premise of minimizing negative environmental impacts and preventing pollution, ensuring compliance with legal requirements, promoting research, development and innovation that improves processes and ensuring the training of their workers on adequate environmental management.

CAF recommends its suppliers:

- Identify, evaluate and control the environmental aspects of the activities carried out, with the aim of continuous improvement.
- Raise awareness and sensitize the entire organization in environmental matters, so that the performance of its activities is aligned with the commitments acquired.

### 3.4 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, as well as any breach of the principles of commercial ethics included in this section by CAF professionals through the e-mail address: [whistleblowerchannel.suppliers@caf.net](mailto:whistleblowerchannel.suppliers@caf.net).

## 4. 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.

## 5. 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 behaviours 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 and even terminate the current relationship, in response to the concurrent circumstances.

All suppliers may use the email address [procurement@caf.net](mailto:procurement@caf.net) to ask any questions about the Code of Conduct.

To facilitate their knowledge by those interested and recipients thereof, this Supplier Code of Conduct will be published on the Company's website ([www.caf.net](http://www.caf.net)), as well as on the CAF Group Portal.

**Signature: Eduardo Gálvez**  
**Quality, Safety and Approvals Director**

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HISTORICAL	DATE
Initial edition of corporate document, although its origin comes from the Vehicle Business (document CAFVH. P14.MA. 000-GN). This version also includes changes in sections 3.2., 3.3., 3.4., and 5	2019-12

Note: the changes suffered by the document will be marked in red