

CORPORATE SOCIAL RESPONSIBILITY

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1 INTRODUCTION

At TRAM we are convinced that sustainable development is a requirement of today's society - the needs of the present cannot be met by compromising those of future generations - and that this sustainability must integrate not only environmental and economic factors, but also ethical and social ones. The integration of these four factors gives rise to what for us is Corporate Social Responsibility (CSR). A process of permanent renewal, which must lead us towards a "sustainable balance".

These convictions and our obligation to fulfil our mission, within the framework of the principles and values contained in our Code of Ethics, lead us to establish the following commitment to corporate social responsibility:

"TRAM is committed to ensuring that its legal, regulatory and contractual obligations are met, and that wealth is created for its shareholders, under fair conditions for society as a result of providing a quality service, efficient in the use of raw materials and energy and minimising the generation of waste, offering its employees an appropriate work environment and supporting vulnerable sectors of society through collaboration with third sector organisations."

2 PURPOSE

The purpose of this Corporate Social Responsibility model is to describe the scope of TRAM's commitment in this area and to establish the actions that allow it to be materialised after being incorporated into the company's management via the management system, evaluated and its compliance monitored.

3 DEFINITIONS

SWOT: Activity analysis tool used to analyse its internal characteristics (Weaknesses and Strengths) and its external situation (Threats and Opportunities) and depicts them in a square matrix.

CAME: Analysis tool used to identify strategies, based on SWOT analysis, applying the principle that Weaknesses must be Corrected, Threats must be Faced, Strengths must be Maintained and Opportunities must be Exploited.

4 ANALYSIS AND DIAGNOSIS

4.1 Analysis

As a preliminary step to the development of this model, an analysis of the current situation has been carried out. Consequently, a diagnosis of compliance with TRAM's commitments in terms of CSR has been carried out.

The starting point of the process has been the identification of the interested parties and their requirements, with the result reflected in Figure No. 1.

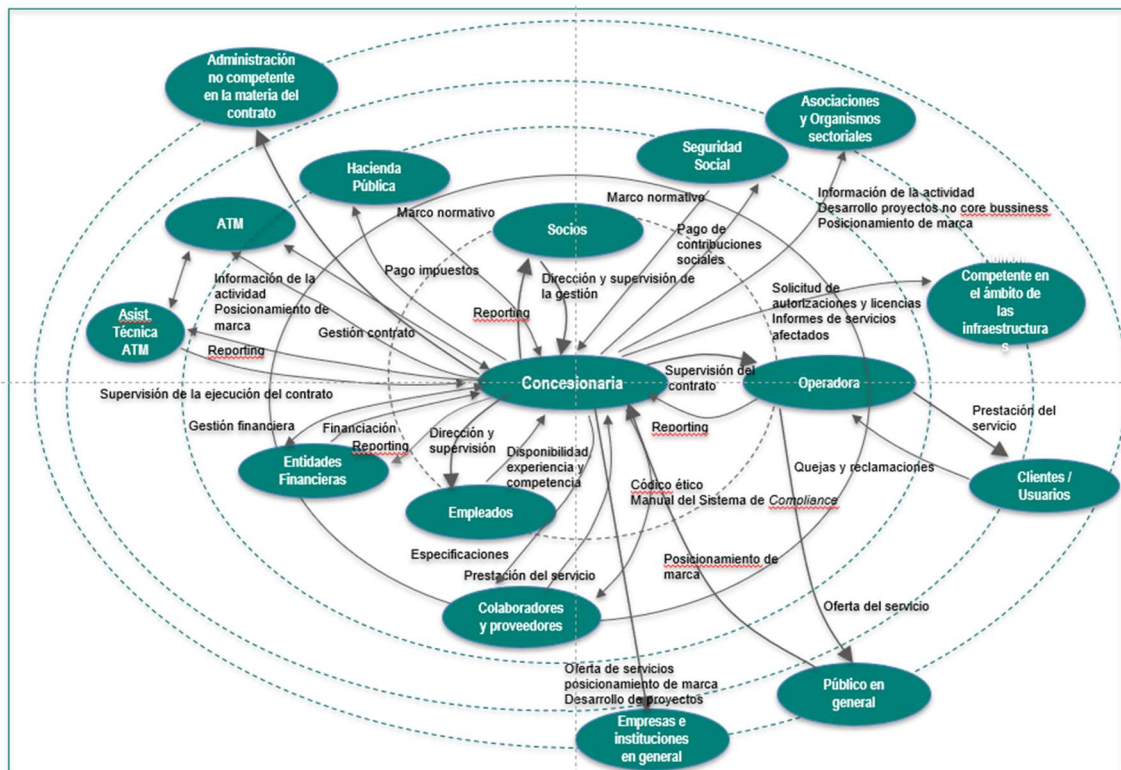


Fig. 1. TRAM Universe

The most relevant stakeholders and their requirements can be summarized as follows:

- **Our employees**, whose work enables us to carry out our activity; we are committed to maintaining a mutually satisfactory relationship.
- **Shareholders**, who demand compliance with the stated goals through ethical and transparent management.
- **Suppliers and collaborators**, who provide us with goods or services and are entitled to fair treatment.
- **Customers and users**, who benefit from the service we provide: safe, reliable and providing an adequate user experience, within the framework of our contractual obligations and our Service Charter.
- **Competitors**, who deserve respectful treatment and ethical behaviour.
- **Society in general**, which has the right to demand our activity is carried out in a sustainable way and benefits from our commitment to share part of the wealth generated through direct contributions to the common good.

See figure no. 2 for a description of how TRAM's organization is configured:

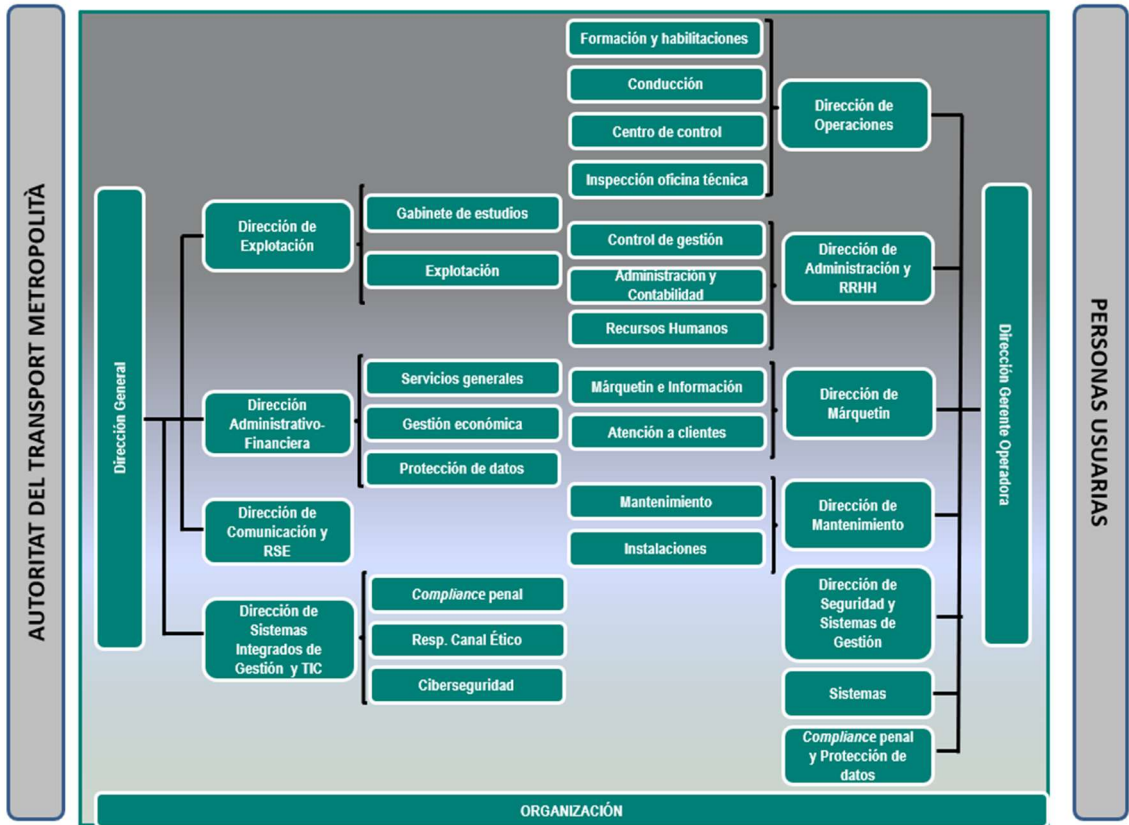


Fig. 2. Organization

4.2 Diagnosis

The diagram depicts TRAM's process map, the starting point for our diagnosis from the viewpoint of CSR.

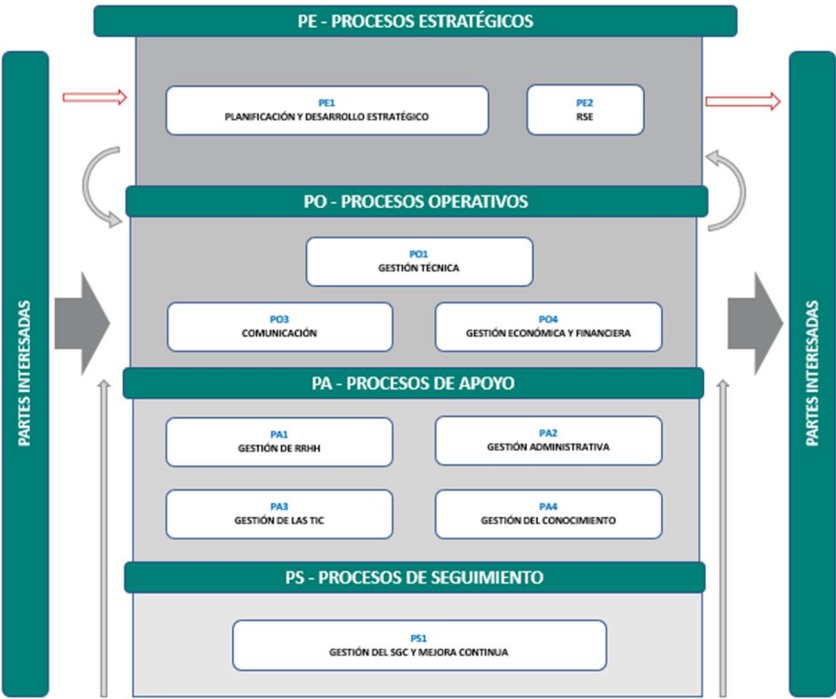


Fig. 3. Process map

5 ACTION PLAN

Based on the diagnosis, and to materialize the commitment made in terms of CSR, an action plan has been established, structured around three pillars: **internal commitment, commitment to our clients and users, and commitment to society.**

TRAM fully subscribes to the 17 Sustainable Development Goals (SDGs) approved by the UN, with particular emphasis on seven of them, selected for their close connection to the commitments derived from the three aforementioned pillars.:

- 3. Health and wellness.
- 5. Gender equality.
- 7. Affordable and clean energy.
- 8. Decent work and economic growth.
- 9. Industry, innovation and infrastructure.
- 11. Sustainable cities and communities.
- 12. To ensure responsible production and consumption.

5.1 Internal commitment

5.1.1 People employed

One of TRAM's strengths is its human capital, which contributes its work and experience to carry out the company's mission. Our commitment to our staff is reflected in the set of decisions and actions listed in the attached table:

Decision	Continuous improvement
To maintain a safe and healthy working environment and conditions	<ul style="list-style-type: none"> • To ensure compliance with health and safety legislation. • To identify potential risks and take preventive actions, involving the people employed in this task, since they have a greater perspective of the problems and possible solutions. • To ensure that all employees are aware of the health and safety procedures in their workplace.
To promote ethical behaviour in management	<ul style="list-style-type: none"> • To promote the adoption of an ethical culture and corporate regulations, based on the organization's Criminal Compliance System, which encourages and promotes the correct development of our activity.
To develop the skills/resources to ensure good job performance	<ul style="list-style-type: none"> • To identify current professional skills/resources and those necessary for the proper development of the work. • To invest in training and personal development to overcome any gaps between requirements and competence/experience.

To facilitate a better work-life balance	<ul style="list-style-type: none"> To take into account the personal situation of employees and, to the extent possible, facilitate work-life balance through flexible hours, equitable distribution of work and remote work.
To promote equal opportunities	<ul style="list-style-type: none"> To guarantee throughout the process that the following are included: staff selection, hiring, remuneration, continuing training and professional development; and that gender, cultural background, sexual orientation and religion do not affect the decisions taken.
To provide job security and decent pay	<ul style="list-style-type: none"> To prioritise stable, quality employment over subcontracting or temporary contracts. To ensure remuneration in a timely manner.
To develop fluid communication	<ul style="list-style-type: none"> To promote employee participation. To ensure that employees have access to the company's management. To communicate goals, action plans and their evolution to employees.

5.1.2 Shareholders

At TRAM, CSR is a shared commitment between owners and managers. The table below shows the decisions and actions established for this group.

Decision	Continuous improvement
To promote ethical behaviour in management	<ul style="list-style-type: none"> To exercise, in an informed and responsible manner, their voting rights at the General Shareholders' Meetings and, in doing so, always demand the ethical conduct of the company, including the approval of the corresponding Code of Ethics and Manual of Conduct, seeking its effective application. To configure the company as an instrument for the creation of wealth, making its unavoidable purpose of obtaining benefits compatible with sustainable and environmentally friendly social development, ensuring that all its activity is carried out in an ethical and responsible manner.
To provide transparent information	<ul style="list-style-type: none"> To provide truthful information regarding aspects of company management To prepare and publish an annual CSR report.
To make an express commitment to CSR	<ul style="list-style-type: none"> To have a CSR Model and commit to its implementation.

5.1.3 Supplier and collaborating companies

TRAM understands that the excellence of its service is the result, among other factors, of best practices in the selection and management of supplier and partner companies, with which we seek a level of engagement and commitment comparable to that of a strategic partner. The attached table outlines the decisions and actions established for this group:

Decision	Continuous improvement
To ensure ethical and regulatory practices of supplier and collaborating companies, guaranteeing consideration of CSR aspects	<ul style="list-style-type: none"> • To select supplier and collaborating companies based on the suitability of their products or services, as well as their price, delivery conditions and quality, not accepting or offering gifts or commissions, in cash or in kind, that may alter the rules of free competition in the production and distribution of goods and services. • To require that supplier and collaborating companies have a valid Code of Ethics or Criminal Compliance System, or if they do not have one, the adoption of the TRAM Criminal Compliance System.
To build mutually beneficial relationships	<ul style="list-style-type: none"> • To foster long-lasting relationships. • To promote efficient practices in relation to suppliers and collaborating companies.

5.2 Commitment to our clients and users

The table below reflects the set of decisions and actions planned for this group:

Decision	Continuous improvement
To ensuring the safety and quality of service	<ul style="list-style-type: none"> • To have a certified Quality Management System based on ISO9001. • To have a certified Service Charter based on the UNE93200 standard. • To respond quickly and efficiently to consumer and user complaints, seeking their satisfaction beyond mere compliance with current regulations.
To know the degree of satisfaction and loyalty of our customers and users	<ul style="list-style-type: none"> • To conduct periodic satisfaction surveys. • To evaluate the company's vision.
To encourage fluid communications	<ul style="list-style-type: none"> • To have fluid and efficient communication channels: customer service phone, suggestion box, email, social networks, etc.
To transmit our environmental and social sensitivity	<ul style="list-style-type: none"> • To inform about the environmental and social benefits of our service. • To disseminate the Compliance Policy and the Code of Ethics through the website • To disseminate actions/campaigns in favour of sustainability and the most disadvantaged groups.

5.3 Commitment to the community

5.3.1 Social programs

TRAM wants to play an important role in people's lives, not only by providing a quality public service, but also as agents of community development, returning to the community part of the wealth generated. The table below shows the decisions and actions planned for this group.

Decision	Continuous improvement
To carry out social activities	<ul style="list-style-type: none"> • To collaborate in the implementation of social institutions' programs, through monetary or in-kind contributions. • To develop awareness-raising actions regarding civility and responsible mobility, through an educational program. • To develop actions dedicated to improving the levels of social care for the most disadvantaged.
To carry out marketing actions for good causes	<ul style="list-style-type: none"> • To conduct fundraising campaigns for social or environmental causes in the local or global community, linked to our service offering.

5.3.2 Environment

The table below shows the decisions and actions planned for this group.

Decision	Continuous improvement
To minimize consumption of natural resources	<ul style="list-style-type: none"> • To have procedures in place for efficient water consumption practices. • To use renewable energy, such as solar, through our own facilities. • To purchase equipment that minimizes energy consumption whenever possible. • To implement efficient driving policies in place which will reduce energy consumption.
To minimize the resources generated by our activity	<ul style="list-style-type: none"> • To have a certified Environmental Management System based on ISO14001. • To use biodegradable products whenever possible.

5.3.3 Competitors

The position of Operator of the public transport system of the Metropolitan Region of Barcelona, in which all modes are integrated both tariff-wise and technologically, does not allow for the identification of competitors in the strict sense. However, it does include other organizations that provide complementary services to those of TRAM, such as buses, the metro, or other modes. TRAM's relationship with these organizations facilitates the sharing of experiences, in a manner similar to its participation in sectoral associations, such as In-Move by RailGrup or UITP. The attached table outlines the set of decisions and actions planned for this group:

Decision	Continuous improvement
To ensure an ethical and lawful relationship with competitors.	<ul style="list-style-type: none"> • To compete fairly with other companies, cooperating to achieve a free market based on mutual respect among competitors, refraining from engaging in unfair practices.

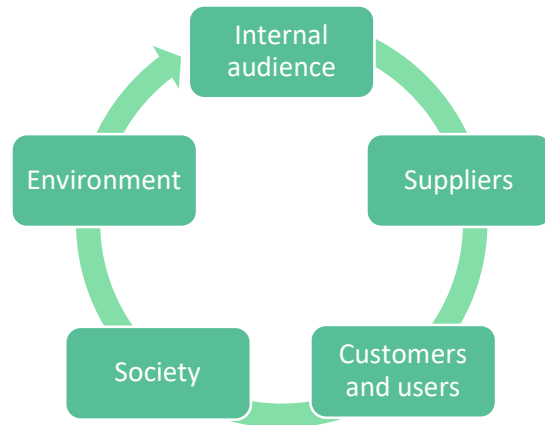
To promote CSR in Associations TRAM belongs to

- To incorporate CSR topics into conferences and congresses.
- To share and open to third parties the CSR projects promoted by TRAM.

6 MEASURING CSR PERFORMANCE

The development of TRAM's activities in the area of CSR is assessed within the framework of the Quality Management System through KPIs (Key Performance Indicators).

The activities carried out throughout the year in the field of CSR are included in the sustainability report, which is prepared annually in accordance with the GRI Guidelines, in its G4 version.



7 COMMUNICATION

This CSR model will be disseminated by placing it on the TRAM website, together with the Sustainability Report.