

TALGO, S.A.

STOCK MARKET CODE OF CONDUCT

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INTRODUCTION

The Stock Market Code of Conduct (the “**Code**”) of Talgo, S.A. (the “**Company**” or “**Talgo**”) is issued for implementation within the Company and its subsidiary companies in its Group, in accordance with Article 42 of the Spanish Commercial Code (the “**Group**”), establishing rules for the management and control of Inside Information, the transparent communication of Price-Sensitive Information, treasury stock transactions and the detection and management of conflicts of interest, and imposing certain obligations, limitations and prohibitions on Affected Persons, Insiders and Treasury Stock Managers in order to safeguard the interests of those investing in the Company and its Group and prevent any abuse, without prejudice to encouraging and facilitating the participation of its directors and employees in the share capital of the Company, while ensuring strict compliance with the law.

The approval of this Code entails a commitment to ensure it is kept up to date and that its content is known, understood and accepted by the people defined as within its scope.

PREFACE DEFINITIONS

Article 1. Definitions

The following definitions will apply for the purposes of this Code:

- (i) Directors of Talgo, S.A.: the members of the Board of Directors of Talgo, S.A., the Secretary and the Deputy Secretary to the Board.
- (ii) Senior Management: all managers who report directly to the Board of Directors, its Chairman or the General Manager of the Company; the Internal Auditor of the Group; and any other Group manager recognised as senior by the Board of Directors.
- (iii) External Consultants: people who, although they are not direct employees, provide financial or legal services, advice, or any other services to any company within the Group, independently or employed by others, and who have access to Inside Information or Price-Sensitive Information in the course of providing their services.
- (iv) CNMV: Comisión Nacional del Mercado de Valores, the regulatory body of the Spanish Stock Market.
- (v) Trading Day: a working day according to the schedules of the Stock Markets where Affected Financial Instruments are traded.
- (vi) Finance Department: the Finance Department of the Company and the Group, or the governing body which assumes its functions in the future.
- (vii) Confidential Documents: all documents in any format or medium containing Inside Information.

- (viii) Treasury Stock Managers: the person responsible for managing treasury stock, and the other people listed in Article 2 (iii) below.
- (ix) Inside Information: all information of a precise nature referring directly or indirectly to Affected Financial Instruments, the Company, or any of the companies in its Group, which has not been made public, and which if made public would have a significant effect on the price of the Affected Financial Instruments in a market or organised trading system.

Information considered to be likely to have a significant effect on prices is information a reasonable investor would be likely to use as part of the basis of his investment decisions.

Also, information shall be considered to be of a precise nature if it indicates a set of circumstances which exists or may reasonably be expected to come into existence, or an event which has occurred or may reasonably be expected to do so, and if it is specific enough to enable a conclusion to be drawn as to the possible effect of that set of circumstances or event on the prices of Affected Financial Instruments or related derivative financial instruments.

In relation to commodity derivatives, Inside Information is all information of a precise nature, which has not been made public, referring directly or indirectly to one or more derivative financial instruments, which users of markets in which the derivatives are traded would expect to receive in accordance with accepted market practices on those markets.

Users of the markets mentioned above are to be treated as expecting to receive information relating directly or indirectly to one or more such commodity derivatives when in accordance with accepted market practice, this is routinely made available to the users of those markets, or required to be disclosed in accordance with any statutory provision, market rules, or contracts or customs on the relevant commodity derivatives market.

This definition is also applicable to marketable securities or financial instruments for which admission has been sought for trading on a market or organised trading system.

- (x) Price-Sensitive Information: all information which, if known, could reasonably prompt an investor to acquire or sell Affected Financial Instruments, and therefore could substantially affect the share price in secondary markets.
- (xi) Insiders: the people defined in Article [2] (ii) below.
- (xii) LMV: Law 24/1988, of 28 July, on the Spanish Stock Market, or any future law amending or replacing it.
- (xiii) Affected Persons: the people defined in Article 2 (i) below.
- (xiv) List of Treasury Stock Managers: as established in Article 5 below.

- (xv) Lists of Insiders: as established in Article 4 below.
- (xvi) List of Affected Persons: as established in Article 3 below.
- (xvii) Director of Treasury Stock Management: the person appointed by the Finance Department to coordinate the people taking part in treasury stock transactions.
- (xviii) Unit: the Company's Compliance Unit, an internal body with tasks including enforcing compliance with this Code.
- (xix) Affected Financial Instruments: (a) marketable securities issued by the Company or the companies in its Group, admitted to trading on an official secondary market or other regulated markets, in multilateral trading facilities or other organised secondary markets; (b) financial instruments and contracts which grant the right to buy such securities; (c) financial instruments and contracts whose underlying assets are the securities, instruments or contracts indicated above; and (d) securities, instruments or contracts of entities other than the Company and its Group, concerning which the Affected Persons and Insiders have obtained Inside Information due to their link with the Company, and at all events, when thus specified by the Unit in strict compliance with this Code.

CHAPTER I

PERSONAL SCOPE OF APPLICATION AND INCLUSION IN LISTS

Article 2. Personal scope of application

This Code shall apply to the following people:

- (i) The members of the Company's Board of Directors, the Secretary, the Deputy Secretary and Senior Management, and any other persons designated by the Unit, in accordance with the regulations in force at the time, due to their habitual and repeated access to information which could be considered Inside Information for the purposes of this Code.
- (ii) People, including External Consultants, who have temporary access to the Company's Inside Information due to their participation or involvement in a transaction, during the period in which they appear on a List of Insiders in accordance with Article 4 below, and until the Inside Information which led to the creation of the list is disclosed to the market by the announcement required by the applicable regulations, and at any event, when this is announced by the Unit or, by its delegation, the department responsible for the transaction (for example, if the transaction which generated the Inside Information is cancelled or abandoned).
- (iii) The Director of Treasury Stock Management and the Finance Department employees who the Unit, at the proposal of the Company's CFO, appoints to manage the Company's Treasury Stock, as described in Article 15 of this Code, or the persons whom it considers should be subject to the regulations of this Code, due to their repeated access to information relating to the Company's dealings with Affected Financial Instruments.

Article 3. Inclusion on the List of Affected Persons

1. Affected Persons will be added to the appropriate List of Affected Persons, to be created and maintained by the Unit. The list will include the following data:
 - (i) Identity of the Affected Persons.
 - (ii) Reason why these persons have been added to the List of Affected Persons.
 - (iii) Dates on which the list was created and updated.
2. The List of Affected Persons must be updated immediately in the following cases:
 - (i) When there is a change in the reason for a person being on the list.
 - (ii) When a new person is added to the list, in which case the date of the addition must be noted.
3. When an Affected Person on the List of Affected Persons no longer has access to Inside Information, in which case the date of the change must be noted. The Unit must check the identity of the people on the List of Affected Persons at least once a year.
4. The data on the List of Affected Persons must be kept for at least five years from the date of creation of the list, or from the date of its last update.
5. The Unit will inform the Affected Persons of their inclusion on the List of Affected Persons, and of their rights and other details of the applicable regulations on the protection of personal data. The Unit will also inform the Affected Persons that they are subject to the Code, that the information to which they have access is inside information, of their duty of secrecy regarding this information, of the prohibition on its use, and the breaches and penalties which may arise from an inappropriate use of Inside Information, and must give them a copy of this Code.
6. Affected Persons, in no more than fifteen days from reception of a copy of this Code, must sign and deliver to the Unit the statement of agreement appended as Annex 1 to this Code, which will specify the number and identities of the Affected Financial Instruments for which they are responsible.
7. The Unit will keep a copy of the List of Affected Persons in a computer file available to the supervising authorities.

Article 4. Inclusion on the List of Insiders

1. The department which takes specific responsibility for leading a transaction which may generate Inside Information for the purposes of this Code will appoint a manager to create and maintain a List of Insiders, to include the following data:
 - (i) Identity of the Insiders.
 - (ii) Reason why these persons have been added to the List of Insiders.

(iii) Dates on which the list was created and updated.

The manager of any List of Insiders must deliver a copy to the Unit.

The List of Insiders must be updated in the same cases as the List of Affected Persons. Also, the data on the List of Insiders Persons must be kept for at least five years from the date of creation of the list, or from the date of its last update.

2. The manager of a List of Insiders must inform the people on the list of their rights and the circumstances set out in Article 3.5 above, and of their obligation to inform the manager of the identity of any other person to whom they disclose the Inside Information in the normal course of their work, profession or position, in order to add these people to the List of Insiders.
3. The Unit will keep a copy of the List of Insiders in a computer file available to the supervising authorities, for which reason the manager of any List of Insiders must deliver a copy to the Unit.
4. The creation of a List of Insiders will not be necessary in relation to recurring transactions or processes (such as the drawing up of annual accounts and regulatory financial information) in which the only participants are Affected Persons who already appear in the list described in Article 3 above.

Article 5. Inclusion on the List of Treasury Stock Managers

1. Treasury Stock Managers will be added to the appropriate List of Treasury Stock Managers, to be created and maintained by the Unit. The list will include the following data:
 - (i) Identity of the Treasury Stock Managers.
 - (ii) Reason why these people have been added to the List of Treasury Stock Managers.
 - (iii) Dates on which the list was created and updated.
2. The List of Treasury Stock Managers must be updated immediately in the following cases:
 - (i) When there is a change in the reason for a person being on the list.
 - (ii) When a new person must be added to the list.
 - (iii) When the Unit, at the proposal of the Finance Department, determines that a person who appeared on the List of Treasury Stock Managers no longer participates in the Company's treasury stock transactions, in which case the date of their removal must be noted.

The Unit must check the identity of the people on the List of Treasury Stock Managers at least once a year.

3. The data on the List of Treasury Stock Managers must be kept for at least five years from the date of creation of the list, or from the date of its last update.
4. The Unit will inform the Treasury Stock Managers of their inclusion on the List of Treasury Stock Managers and of the rights and circumstances set out in Article 3.5 above. The Unit shall also inform the Treasury Stock Managers of the need to refrain from carrying out, ordering or taking part in the decision-making process of treasury stock transactions and to report such circumstances immediately to the Unit, and report to the Finance Department if, despite the precautions taken in compliance with the applicable law and the internal regulations of the Company, they should have access to any Inside Information, in order to comply with Article 15.3 of this Code; and of the special commitment to confidentiality in relation to the treasury stock transactions for which they are responsible.
5. If, with the approval of the Finance Department, the participation is determined of a Treasury Stock Manager in a transaction in the study or negotiation stage, in which information which could be considered Inside Information is received or generated, this manager will refrain from carrying out, ordering or taking part in the decision-making process or execution of treasury stock transactions. The manager should also be removed from the List of Treasury Stock Managers, noting the date of removal, and added to the List of Insiders of the transaction. When the Treasury Stock Manager is removed in turn from the List of Insiders, he must be added to the List of Treasury Stock Managers again, after authorisation by the Company's CFO and the Unit, noting the date of addition. If the Treasury Stock Manager affected by this measure should be the Director of Treasury Stock Management, the Finance Department must also appoint another person at the same time to act as Director of Treasury Stock Management until he returns, and report this to the CNMV.
6. Treasury Stock Managers, in no more than fifteen days from reception of a copy of this Code, must sign and deliver to the Unit the statement of agreement appended as **Annex 2** to this Code, which will specify the number and identities of the Affected Financial Instruments for which they are responsible.
7. The Unit will keep a copy of the List of Treasury Stock Managers in a computer file available to the supervising authorities.

CHAPTER II

TRANSACTIONS INVOLVING AFFECTED FINANCIAL INSTRUMENTS

Article 6. The concept of transactions involving Affected Financial Instruments

1. Transactions involving Affected Financial Instruments are considered to be those by Affected Persons, Treasury Stock Managers and Insiders involving the Affected Financial Instruments.

For the purposes of the above paragraph, “transactions” are considered to be any financial instruments or contracts by which Affected Financial Instruments or their associated voting rights are acquired or settled in spot, forward or future transactions, or which constitute rights to purchase or transmit the Affected Financial Instruments (including sale and purchase options and futures and warrants), whether temporarily

or definitively, in a restricted or unrestricted manner, or which trade or exchange, wholly or partly, economic flows and exposure to variations in the market price of the Affected Financial Instruments (including swaps).

2. For the purposes of this Code, transactions involving Affected Financial Instruments are considered to be carried out by Affected Persons, Treasury Stock Managers and Insiders not only when carried out by them directly, but also when carried out by any of the following people:
 - (i) The spouses of Affected Persons, Treasury Stock Managers and Insiders or any person connected to them by an equivalent relationship, in accordance with the applicable law.
 - (ii) Their dependent children.
 - (iii) Relatives dependent on them or living with them for at least one year before the date of the transaction.
 - (iv) Any legal entity or business trust directly or indirectly controlled by the Affected Persons, Treasury Stock Managers and Insiders or created for their benefit, or whose economic interests are largely equivalent to those of the Affected Persons, Treasury Stock Managers and Insiders.
 - (v) Intermediaries, understood to be those who carry out transactions in their own name involving Affected Financial Instruments on behalf of Affected Persons, Treasury Stock Managers or Insiders. This will be presumed to apply to people who are wholly or partly covered for the inherent risks of the transactions by the Affected Person, Treasury Stock Manager or Insider.
3. Affected Persons, Treasury Stock Managers, Insiders – except External Consultants – or the people related to them as described above, may only sign discretionary portfolio management contracts subject to the following rules:
 - (i) Informing the manager: Affected Persons, Treasury Stock Managers, Insiders or the people related to them as described above must inform the manager that the discretionary portfolio management contract is subject to this Code, and give them a copy of it.
 - (ii) Contracts: discretionary portfolio management contracts must contain clauses establishing one of the following conditions: (a) the explicit instruction that the manager cannot carry out transactions involving the Affected Financial Instruments prohibited by this Code or (b) an absolute and irrevocable guarantee that the transactions will be carried out without any intervention by the Affected Persons, Treasury Stock Managers, Insiders or the people related to them, and thus only according to the professional criteria of the manager, and in accordance with the criteria applied to normal clients with similar financial and investment profiles.
 - (iii) Authorisation: the Affected Persons, Treasury Stock Managers, Insiders or the people related to them who intend to sign a discretionary portfolio

management contract must request prior authorisation from the Unit, which will check that the contract complies with the above rules. Reasons must be given if authorisation is refused.

- (iv) Previous contracts: any contracts signed before this Code came into force must be adapted to comply with these rules. Until they are adapted, the Affected Persons, Treasury Stock Managers, Insiders or the people related to them must order the manager not to carry out any transaction involving the Affected Financial Instruments.

Article 7. Limitations on transactions involving Affected Financial Instruments

1. Affected Persons and Treasury Stock Managers may not carry out transactions involving the Affected Financial Instruments:
 - (i) When they have Inside Information relating to the Affected Financial Instruments or their issuer, in accordance with Article 9.5 of this Code, except for the cases stated therein.
 - (ii) During the seven days before each presentation of results, being informed of the date beforehand by the Unit. The Unit may establish a longer period than that indicated, and may apply the suspension transactions involving Affected Financial Instruments in other cases whose nature makes this advisable, informing the Affected Persons and Treasury Stock Managers.
 - (iii) When the Unit so determines in strict compliance with this Code.
2. Insiders, for their part, cannot carry out transactions involving Affected Financial Instruments as long as they are considered to be so, except for the cases specified in the aforementioned Article 9.5.
3. When Affected Persons – other than the Directors of Talgo, S.A. – or Treasury Stock Managers have any queries regarding transactions involving Affected Financial Instruments they must convey them to the Company's CFO or the director of the Unit, who may refer them to the Unit. Affected Persons and Treasury Stock Managers must refrain from taking any action until they have received a response to their query from the CFO or director of the Unit, as applicable.

Members of the Board of Directors will follow the same procedure, conveying their queries to the office of the Secretary of the Board of Directors, which will answer them, consulting the Unit if necessary.

4. The Unit may agree to subject to prior authorisation any transactions involving Affected Financial Instruments, or those worth more than a certain threshold, informing the Affected Persons and Treasury Stock Managers of this.

Article 8. Reporting transactions involving Affected Financial Instruments

1. Affected Persons and Treasury Stock Managers will notify the Unit by any reliable method within five Trading Days of transactions involving Affected Financial

Instruments, indicating the date, owner, type, volume, transaction cost, number and description of the Affected Financial Instruments, the proportion of voting rights associated with the Affected Financial Instruments they hold after the transaction, the market where the transaction was carried out, the name of the Affected Person or Treasury Stock Manager, or where applicable the identity of any of the people referred to in Article 6.2 above who carried out the transaction, and the intermediary used.

In the case of Board members, the requirement of informing the Unit of the proportion of voting rights associated with the Affected Financial Instruments they hold will also apply when they accept their appointment or removal as directors, with the period beginning the Trading Day after their acceptance in the case of appointments.

2. Affected Persons (other than the Directors of Talgo, S.A.), Treasury Stock Managers and Insiders (except External Consultants) will inform the Unit of any new portfolio management contracts within five working days after the date of signature. A copy of the information the manager sends them relating to the Affected Financial Instruments must be sent to the Unit every six months, noting the date, number, price and type of transactions carried out. The Directors of Talgo, S.A. and the secretaries to the committees of the Board of Directors will send these reports in same terms to the office of the Secretary of the Board of Directors.
3. Similarly, the Unit may require any Affected Person, Treasury Stock Manager or Insider (except External Consultants) to inform it with sufficient detail, or expand on the information supplied, on any transaction which might be included in this Code, including their position in relation to the Affected Financial Instruments. A response to this requirement must be sent within seven working days.
4. The Unit will maintain a record of the communications referred to above. The content of the record will be confidential and may only be revealed to the Board of Directors or to whom the Board determines during a given action, and to legal and government authorities in the context of relevant procedures.
5. The rulings above are without prejudice to the requirements for Board members and Senior Management to report transactions involving Affected Financial Instruments to the CNMV in compliance with the applicable regulations.

The Unit will inform each person to whom this section applies of their obligation to comply.

CHAPTER III TREATMENT OF INSIDE INFORMATION AND PRICE-SENSITIVE INFORMATION

Article 9. Inside Information

1. Managers of the different departments, or of financial or legal transactions in the study or negotiation stage, in which information which could be classified as Inside Information is generated or received, must report this to the Unit on a case-by-case basis as soon as the circumstance occurs, by a sufficiently confidential means. The Unit will then declare whether it is Inside Information.

2. All Affected Persons and Insiders (except External Consultants) are required to be aware of and comply with the established internal regulations and procedures on the confidentiality of Inside Information.
3. In the case of External Consultants, before the transmission of any Inside Information, they must sign a confidentiality agreement with the Company, unless already subject to professional secrecy requirements. All External Consultants will be informed of the non-public nature of the information to be provided to them, of their obligations regarding it, and their inclusion on the List of Insiders, and will be required to declare they are aware of all such information.
4. Those dealing with Inside Information must:
 - (i) Limit its disclosure strictly to people within or outside the Group with an essential need to know, taking particular care not to disclose it to any Treasury Stock Manager.
 - (ii) Maintain a List of Insiders for each transaction, as established in Article 4 of this Code.
 - (iii) Establish security measures for its safeguarding, filing, access, reproduction and distribution.
 - (iv) Monitor variations in the price and volumes traded of the Affected Financial Instruments in the market, and any rumours and news about them from financial information professionals and the media. This task falls to the Company's Finance Department, in coordination with the Unit.
 - (v) Immediately inform the Unit of the status of current transactions or provide them with an advance report if there should be an atypical change in the volumes traded or the prices of the Affected Financial Instruments and there are reasonable indications that this change was caused by premature, partial or distorted information about the transaction.
 - (vi) Apply measures to transactions involving treasury shares or financial instruments linked to them which avoid the possibility of Inside Information affecting investment or divestment decisions.
5. All Affected Persons or Insiders with Inside Information must refrain from the following activities, on their own behalf or for others, directly or indirectly:
 - (i) Preparing or carrying out any type of transaction involving the Affected Financial Instruments to which the information refers. This restriction does not apply to the preparation and execution of transactions whose existence in itself is Inside Information, or to transactions carried out in compliance with a due obligation to acquire or transmit marketable securities or financial instruments when this obligation forms part of an agreement signed before the person in question acquired the Inside Information, or by a manager through a discretionary portfolio management contract signed by the Affected Person, Insider or any of the people related to them as established in Article 6.2, and

other transactions carried out in compliance with the applicable regulations.

- (ii) Communicating this information to third parties, except in the normal course of their work, profession or position, as long as such third parties are legally or contractually obliged to confidentiality and have confirmed to the Company that they have the means necessary to safeguard it.
 - (iii) Recommending to a third party that they acquire or transfer the Affected Financial Instruments or instruct another third party to acquire or transfer them based on this information.
6. Also, any Affected Person or Insider who has Inside Information must:
- (i) Safeguard it, without prejudice to their duty to report to and collaborate with legal and government authorities in the terms of the LMV and other applicable legislation.
 - (ii) Adopt appropriate measures to avoid the abusive or unfair use of the Inside Information.
 - (iii) Report immediately to the Unit any abusive or unfair use of Inside Information which comes to their notice.
7. Except for the case described in Article 5.5 of this Code, sections 1 to 6 above of this Article will not be applicable to Treasury Stock Managers, who are not authorised to access Inside Information.
8. If, despite the precautions taken in compliance with the applicable legislation and the Company's internal regulations, a Treasury Stock Manager should have access to any Inside Information, he must refrain from carrying out, ordering or taking part in the decision-making process or execution of treasury stock transactions.

He must also immediately report this circumstance to the Unit and the Company's CFO, who will take appropriate measures, including the temporary substitution of the person who accessed the Inside Information in his duties relating to treasury stock.

If the Treasury Stock Manager who accessed the Inside Information should be the Director of Treasury Stock Management, and the measure consists of his temporary substitution, the CFO must appoint another person at the same time to act as Director of Treasury Stock Management for the period of the substitution.

Article 10. Confidential Documents

1. Affected Persons and Insiders holding Confidential Documents must take care in their use and handling, and are responsible for their safekeeping and confidentiality.
2. In particular, without prejudice to any additional measures the Unit may establish, the use, handling and treatment of Confidential Documents will be subject to the following regulations:

- (i) The people responsible for their safekeeping will be indicated, and will be those in charge of coordinating the work to which the Inside Information refers.

In the case of documents in the form of computer files, appropriate security mechanisms will be established to ensure they are accessed only by the people responsible.

- (ii) They must be marked with the word “confidential” and with an indication of restricted use. In the case of documents in the form of computer files, their confidential nature will be indicated before the information is accessed.
- (iii) They will be stored in a differentiated location, with specially designated files, cabinets or computer media equipped with special protection.
- (iv) Their reproduction must be authorised by the director of the department responsible for safeguarding them. The recipients of reproductions or copies must be warned of the prohibitions against making further copies or using the information for purposes other than that for which it was provided to them.
- (v) Hard copies should preferably be delivered by hand. Where this is not possible, extreme care must be taken to protect them, with responsibility falling to the people designated to safeguard them. If the documents are distributed as computer files, it must be ensured that only the recipient can access them.
- (vi) If deleted or destroyed, the measures used must ensure their complete destruction.

- 3. Departments with Inside Information, and those determined by the Unit, will not permit access to their records, files and computer systems to any outside person, unless authorised by the director of the department in question, in the normal decision-making processes previously established by the Company; nor to any Treasury Stock Manager.

Article 11. Price-Sensitive Information

- 1. All Price-Sensitive Information will be immediately reported to the CNMV as soon as the event is known, the decision is made or the agreement or contract is signed. Price-Sensitive Information may not be published by any other medium until it has been published on the CNMV website. Also, the content of the Price-Sensitive Information disclosed to the market by any information or communication channel other than the CNMV must be consistent with that reported to the CNMV. When there is a significant change in the reported Price-Sensitive Information, this must be disclosed to the market immediately in the same way.
- 2. The content of the communication must be truthful, clear and complete. The information will be presented neutrally, without bias or value judgements which could prejudice or distort its scope, applying the same criteria to Price-Sensitive Information regardless of whether it may have a favourable or adverse effect on the trading price of the Affected Financial Instruments.

Whenever possible the content of the information must be quantified, indicating the corresponding amount, if any. If the data are approximate, this will be specified, and where possible an estimated range will be provided.

Also, the report will include any records, references or points of comparison considered advisable in order to facilitate its understanding and scope.

If the reported Price-Sensitive Information refers to decisions, agreements or projects whose effectiveness depends on prior authorisation or later approval or ratification by another body, person, entity or public authority, this will be specified.

3. The Price-Sensitive Information will be published on the Company's website. The content and publication of Price-Sensitive Information will in all cases adhere to the current stock market regulations applicable to regulated information.

Thus, Price-Sensitive Information will be transmitted to the CNMV in a way that ensures the security of the communication, minimises the risk of data corruption and unauthorised access, and provides certainty as to the source of the regulated information, remedying as soon as possible any failure or disruption in the communication of regulated information. It must be clear that it is Price-Sensitive Information and clearly identify the Company as the issuer, the subject matter of the information and the time and date of the communication.

In addition to the above, the Company must also be able to report to the CNMV, in relation to the disclosure of Price-Sensitive Information:

- (i) The name of the person who reported the information.
 - (ii) The security validation details.
 - (iii) The medium on which the information was reported.
 - (iv) If applicable, details of any restriction placed by the Company on the Price-Sensitive Information.
4. Reports on Price-Sensitive Information must be provided to the CNMV by the Secretary to the Board of Directors, or if unavailable, by the Deputy Secretary to the Board of Directors or a person designated by any of the above, informing the Unit of the content of the Price-Sensitive Information report, according to the terms and procedures established in the relevant regulations.
 5. The Company will appoint at least one authorised spokesperson to deal with the CNMV and respond promptly and effectively to its queries, checks and requests for information relating to the disclosure of Price-Sensitive Information.

The person appointed as Authorised Spokesperson must meet the legal requirements for the post and his appointment will be reported to the CNMV in accordance with the relevant regulations.

6. Studies, preparations or negotiations before making decisions considered

price-sensitive are exempt from the duty to report, as long as measures to safeguard confidentiality are retained. In particular, current negotiations or circumstances relating to them, when the result or normal progress of such negotiations could be affected by the publication of the information, and the decisions or contracts formed by the Company's governing bodies that need approval by another body within the Company or the Group to become effective, if the publication of the information before such approval would endanger the correct evaluation of the information by the market.

Notwithstanding the above, the Company must immediately disclose the information if it cannot guarantee its confidentiality.

7. General meetings with analysts, investors or media must be planned in advance so that the people taking part do not reveal Price-Sensitive Information which has not already been disclosed to the market as described in this Article.

Article 12. Market manipulation

1. Affected Persons, Treasury Stock Managers and Insiders must refrain from preparing or carrying out any type of practice which distorts price formation on the stock market.
2. Transactions or orders are considered as such if they:
 - (i) Give, or may give, false or misleading signals as to the supply of, demand for or price of marketable securities or financial instruments.
 - (ii) Secure by a person or persons acting in collaboration, the price of one or several financial instruments at an abnormal or artificial level, unless the person carrying out the transaction or issuing the orders can demonstrate a legitimate reason in accordance with accepted market practices on the regulated market concerned.
 - (iii) Employ fictitious devices or any other form of deception or contrivance.
 - (iv) Disseminate information through the media, including the Internet, or any other medium, which gives or is likely to give false and misleading signals as to financial instruments, including the dissemination of rumours and false or misleading news, where the person who made the dissemination knew, or ought to have known, that the information was false or misleading.
3. In particular, the following types of conduct will be considered practices which distort price formation:
 - (i) Conduct by a person, or persons acting in collaboration, to secure a dominant position over the supply of or demand for a financial instrument which has the effect of fixing, directly or indirectly, purchase or sale prices or creating other unfair trading conditions.
 - (ii) The buying or selling of financial instruments at the close of the market with the effect of misleading investors acting on the basis of closing prices.

- (iii) Taking advantage of occasional or regular access to the traditional or electronic media by voicing an opinion about a financial instrument or indirectly about its issuer, while having previously taken positions on that financial instrument and profiting subsequently from the impact of the opinions voiced on the price of that instrument, without having simultaneously disclosed that conflict of interest to the public in a proper and effective way.
4. This Article does not include the following transactions or orders:
- (i) those originating in the Company's own share repurchase programmes, as long as they comply with the legally established requirements; and
 - (ii) in general, those which comply with the applicable regulations.

CHAPTER IV TREASURY STOCK TRANSACTIONS

Article 13. Treasury stock transactions involving Company shares

1. For the purposes of this Code, treasury stock transactions are those carried out by the Company, either directly or through any company in its Group, involving Company shares, or financial instruments or contracts of any kind, which may or may not be traded on the Stock Exchange or other organised secondary markets, which grant acquisition rights to Company shares, or where the underlying shares are Company shares.
2. Treasury stock transactions must always have a legitimate purpose such as providing suitable depth and liquidity for investors when trading Company shares, executing share repurchase programmes approved by the Board of Directors or the General Meeting of Shareholders, fulfilling legitimate previously agreed commitments, or any other acceptable purposes in accordance with the applicable regulations. In no case may treasury stock transactions be intended to interfere with the free price formation process, generating misleading signals as to volume, which may make it appear that the volume of demand or supply of Company shares is greater than would result from the free interplay of supply and demand, and misleading investors as to its degree of liquidity. In particular, any of the types of conduct referred to in Articles 83.ter.1 of LMV, 2 of Royal Decree 1333/2005, of 11 November, implementing the LMV, on market abuses, and 12 of this Code.
3. In no case may the Group's treasury stock transactions be based on Inside Information.
4. Treasury stock will be managed with total transparency in relations with market supervisors and regulators.
5. The Finance Department, as the body carrying out treasury stock transactions, will have the following responsibilities:
 - (i) Appointing the Director of Treasury Stock Management, who will report monthly to the Unit on the trading of Company shares and financial instruments and contracts of all kinds traded in organised secondary markets granting

acquisition rights to such shares, or which such shares underlie.

- (ii) Managing treasury stock as established in this Article.
 - (iii) Monitoring the variations of Company shares in the markets.
 - (iv) Maintaining a file of all ordered and executed treasury stock transactions.
 - (v) Through the Director of Treasury Stock Management, report to the Unit, at its request, on the variations in price of Company shares in the markets and on the treasury stock transactions carried out, and report to the CNMV, in compliance with the applicable regulations, on these transactions and on the liquidity contracts the Company has signed or plans to sign with a member of the market.
6. The Company will ensure that treasury stock management is kept separate from the rest of its activities. For this purpose, the Treasury Stock Managers will agree to a special confidentiality commitment regarding treasury stock transactions.
7. As well as the provisions of this Article, the Group will respect all obligations and requirements arising from the applicable regulations on treasury stock transactions at any time, diverging from the guidelines on discretionary treasury stock transactions recommended by the supervisory bodies only when there are reasons justifying this. In the case of such divergence, the Director of Treasury Stock Management must report this to the Audit and Risk Committee.

CHAPTER V THE COMPLIANCE UNIT

Article 14. Regulations applicable to the Unit in the context of this Code

1. The Unit will ensure compliance with this Code, and therefore its duties will include:
- (i) Complying with and enforcing compliance with the standards of conduct of the stock markets and with these Regulations, their procedures and additional present or future regulations.
 - (ii) Promoting awareness of this Code and the standards of conduct in relation to the stock market among the Affected Persons, Treasury Stock Managers and Insiders, and in the Group in general.
 - (iii) Responding to any queries in relation to the content, interpretation, application of or compliance with this Code from the Affected Persons, Treasury Stock Managers, Insiders, the Finance Department or the office of the Secretary of the Board of Directors, without prejudice to submitting to the Board of Directors any matters the Unit considers necessary or advisable.
 - (iv) Determining who should be considered Affected Persons for the purposes of this Code, as established in Article 2.
 - (v) Creating and updating the List of Affected Persons and the List of Treasury

Stock Managers as established in Articles 3 and 5 above.

- (vi) Informing Affected Persons and Treasury Stock Managers of their inclusion in the List of Affected Persons or the List of Treasury Stock Managers, as applicable, and of the other circumstances referred to in Articles 3.5 and 5.4 above, as applicable.
- (vii) Keeping a copy of the List of Affected Persons, the Lists of Insiders and the List of Treasury Stock Managers in a computer file available to the supervising authorities, as established in Articles 3, 4 and 5 above.
- (viii) Determining the securities, instruments and contracts which, as established in Article 1 (xviii) above, must be considered Affected Financial Instruments for the purposes of this Code.
- (ix) Granting the appropriate authorisations to let Affected Persons, Treasury Stock Managers, Insiders or people related to them arrange a discretionary portfolio management contract, as established in Article 6.3 above.
- (x) Determining the transactions involving Affected Financial Instruments considered to be prohibited, as established in Article 7.1.(iii) above.
- (xi) Declaring the information to be considered Inside Information for the purposes of this Code, as established in Article 9.1 above.
- (xii) Establishing and modifying criteria, definitions and procedures relating to the duties and obligations of this Code where necessary for its correct interpretation and implementation.
- (xiii) Determining the records, files and electronic systems to which access must be restricted for the purposes of the use, treatment and handling of Inside Information, as established in Article 10 above.
- (xiv) Designating the persons, apart from the Company's Board of Directors and Senior Managers who must be classified as subject to rules on conflict of interest, as established in Article 13.1 above.
- (xv) Filing and safeguarding all communications sent to it in compliance with this Code.
- (xvi) Drafting the procedures and regulations it deems appropriate for the application of this Code, which may be subjected to regular assessment by an internal or external body or entity, independent of the Unit, which will analyse the effectiveness and suitability of the procedures and regulations for the application of this Code.
- (xvii) Proposing to the Company's Board of Directors the reforms or improvements it deems advisable in these Regulations.
- (xviii) Any other one-time or ongoing duties which may be assigned to it by the

Company's Board of Directors.

2. The Unit may ask the Finance Department, or any other department of the Company, for any data and information it deems necessary for the performance of its duties.
3. La Unit will report to the Board of Directors, at least once a year and whenever it considers it necessary or is required to do so, on the measures adopted to promote awareness of and ensure compliance with this Code and the applicable stock market regulations.
4. The Unit will also inform the Board of Directors and the Finance Department of its conclusions and the resolutions it adopts in the course of its duties.
5. The Unit may take appropriate actions to promote awareness of this Code and the standards of conduct in the stock markets among the professionals of the Group, and may set up computer applications which, among other options, will enable Affected Persons, Treasury Stock Managers and Insiders to:
 - (i) Consult this Code.
 - (ii) Consult the regulations implementing it which may be approved by the Board of Directors or the Unit itself.
 - (iii) Read the Unit's interpretations of aspects of this Code which may have raised questions.
 - (iv) Download forms for requesting authorisations or for mandatory reporting.
 - (v) Inform the Unit, via the computer application, of their transactions involving Affected Financial Instruments, as established in Article 8 of this Code, or any other transactions which must be reported according to the Code.
 - (vi) Inform the Unit, via a dedicated email account, of any abusive or unfair use of Inside Information which comes to their notice, as established in Article 9.6.(iii) of this Code.
6. The members of the Unit will keep its deliberations and agreements secret, and in general, will refrain from disclosing the information, data, reports and records to which they have access in the course of their duties or from using them for their own profit or that of third parties, without prejudice to the transparency and reporting requirements of this Code and the applicable legislation. The duty of confidentiality of the members of the Unit will continue even if they leave the post.

CHAPTER VI BREACHES AND ENTRY INTO FORCE

Article 15. Breaches

Breaches of this Code will incur the consequences established in the applicable legislation.

Article 16. Entry into force

This Code will enter into force on the date on which the Company's shares are officially admitted to trading on the Spanish Stock Exchanges.

ANNEX I
STOCK MARKET CODE OF CONDUCT

Statement of Agreement of Affected Persons

To the Compliance Unit

I, the undersigned, _____ with ID no./Passport no. _____, state that I have received a copy of the Stock Market Code of Conduct (the “**Code**”), and expressly declare my agreement with its content.

I also declare that I am the direct or indirect holder of the following Affected Financial Instruments (as this term is defined in the Code):

Type of instrument	Issuer	Direct financial	Indirect financial

(*) Through:

Name of the direct holder of the instrument	NIF/Passport of the direct holder of the instrument	Issuer	Number

I also declare that I have been informed that:

- (i) Inappropriate use of the Inside Information to which I may have access could constitute a very serious offence as specified in Article 99.o) of Law 24/1998, of 28 July, on the Stock Market (“**LMV**”), a serious offence as specified in Article 100.x) of the same law, or an abuse of inside information on the stock market as specified in Article 285 of Organic Law 10/1995, of 23 November, of the Penal Code (the “**Penal Code**”).
- (ii) Inappropriate use of Inside Information may be penalised as established in Articles 102 and 103 of the LMV and Article 285 of the Penal Code, with fines, public censure, removal from office and prison sentences.

Finally, in accordance with Organic Law 15/1999, of 13 December, on the Protection of Personal Data, I the undersigned declare that I have been informed that my personal data, noted in this statement and subsequently used for communications in compliance with the Code, will be processed and added to a file under the responsibility of Talgo, S.A., with the business address Paseo de Tren Talgo 2, Las Rozas, Madrid, for the purposes of application and monitoring of the Code, and give my consent to this.

I also state that I have been informed of the possibility of exercising my right to access,

rectify, cancel or oppose the use of my information as established in the relevant legislation, by writing to Talgo, S.A. at the address stated above.

Regarding the personal data of other individuals which I may have provided, I the undersigned state that I have previously informed them of their processing by Talgo, S.A. and of their corresponding rights in the terms indicated above, and have obtained their consent, undertaking to provide Talgo, S.A., on request at any time, written proof of said consent.

In _____, on _____ 20____.

Signed: _____

ANNEX II
STOCK MARKET CODE OF CONDUCT

Statement of Agreement of Treasury Stock Managers

To the Compliance Unit

I, the undersigned, _____ with ID no./Passport no. _____, state that I have received a copy of the Stock Market Code of Conduct (the “**Code**”), and expressly declare my agreement with its content.

I also declare that I am the direct or indirect holder of the following Affected Financial Instruments (as this term is defined in the Code):

Type of instrument	Issuer	Direct financial	Indirect financial

(*). Through:

Name of the direct holder of the instrument	NIF/Passport of the direct holder of the instrument	Issuer	Number

I also declare that I have been informed that:

- (i) In no case may the treasury stock transactions of the Talgo, S.A. Group be based on Inside Information.
- (ii) Inappropriate use of the Inside Information to which I may have access could constitute a very serious offence as specified in Article 99.o) of Law 24/1998, of 28 July, on the Stock Market (“**LMV**”), a serious offence as specified in Article 100.x) of the same law, or an abuse of inside information on the stock market as specified in Article 285 of Organic Law 10/1995, of 23 November, of the Penal Code (the “**Penal Code**”).
- (iii) Inappropriate use of Inside Information may be penalised as established in Articles 102 and 103 of the LMV and Article 285 of the Penal Code, with fines, public censure, removal from office and prison sentences.
- (iv) If, despite the precautions taken in compliance with the applicable law and the internal regulations of Talgo, S.A., I should have access to any Inside Information, I must refrain from carrying out, ordering or taking part in the decision-making process of treasury stock transactions and report the

circumstances immediately to the Compliance Unit and the CFO.

- (v) Without prejudice to my duty of confidentiality as an employee of Talgo, S.A., as a Treasury Stock Manager I undertake a special commitment to confidentiality in relation to treasury stock transactions.

In particular, I undertake to keep confidential any information relating to the strategy or treasury stock transactions of Talgo, S.A., or any other information which, while included on the List of Treasury Stock Managers, I become aware of due to my management of the treasury stock of Talgo, S.A., and not to reveal such information to third parties, either directly or indirectly, without its consent, except in the course of my duties relating to management of treasury stock, or when so required by law.

I also undertake to use such information only for the purposes of managing the treasury stock de Talgo, S.A., and to refrain from carrying out any transaction which would constitute its use for my own profit or that of third parties.

Finally, in accordance with Organic Law 15/1999, of 13 December, on the Protection of Personal Data, I the undersigned declare that I have been informed that my personal data, noted in this statement and subsequently used for communications in compliance with the Code, will be processed and added to a file under the responsibility of Talgo, S.A., with the business address Paseo de Tren Talgo 2, Las Rozas, Madrid, for the purposes of application and monitoring of the Code, and give my consent to this.

I also state that I have been informed of the possibility of exercising my right to access, rectify, cancel or oppose the use of my information as established in the relevant legislation, by writing to Talgo, S.A. at the address stated above.

Regarding the personal data of other individuals which I may have provided, I the undersigned state that I have previously informed them of their processing by Talgo, S.A. and of their corresponding rights in the terms indicated above, and have obtained their consent, undertaking to provide Talgo, S.A., on request at any time, written proof of said consent.

In_ , on_ - 20_ .

Signed: _