

El Corte Inglés

NON-FINANCIAL
STATEMENT
FY 2023-2024



SHARED PASSION

Times are changing. And we are adapting. We continue to move out along a solid and sustainable roadmap for building the El Corte Inglés of the future.

Our ultimate goal is to keep our customers happy and remain at their sides, without ever losing sight of our values.

We share our values with those around us in just another example of the company's determination to remain at the forefront of the retail sector, offering pleasant places to shop that are in touch with society.

CONTENTS

| | |
|--|------------|
| Shared passion | 3 |
| Chairwoman's statement | 7 |
| Basis of preparation | 11 |
| El Corte Inglés in 2023: Passionate about our customers | 12 |
| Our Business Model | 19 |
| • Key Financial Figures | 25 |
| • El Corte Inglés Group Footprint | 26 |
| • Our Business Lines | 30 |
| - Awards and Accolades | 30 |
| - Retail Businesses | 31 |
| - Non-Retail Businesses | 45 |
| Our ESG Performance | 51 |
| • Our Corporate Governance | 61 |
| - Our Principles, Values and Commitments | 62 |
| - Our Corporate Governance Model | 68 |
| - Other topics related to the Highest Governance Body | 83 |
| • Our Customers | 91 |
| • Our Team | 119 |
| • Supply Chain | 153 |
| • Our Relationship with Society | 177 |
| • Our Environmental Management | 199 |
| - Circular Economy | 202 |
| - Climate Neutrality | 212 |
| - Sustainable Water Management | 225 |
| - Environmental Certification | 226 |
| - EU Taxonomy | 228 |
| Risk and Opportunity Management | 247 |
| Reporting Principles and Transparency | 259 |
| Our Collections | 266 |
| Appendices | 275 |
| I. Non-Financial Indicators | 276 |
| II. GRI Indicator Cross-References | 300 |
| III. Content index required under Law 11/2018 and Regulation (EU) 2020/852 | 315 |
| Independent Assurance Report | 323 |

CHAIRWOMAN'S STATEMENT



Dear reader,

It is my honour to introduce our non-financial statement for the 2023-2024 fiscal year. It was a year of growth, transformation and promises kept.

We are excited to be navigating a period of change and progress replete with new opportunities, albeit remaining true to our principles and responsible way of doing things and always with the overriding goal of making life easier for the people who shop with us. This thrust is translating into an effort to improve our offering, upgrade our stores and strengthen our financial position.

In the 2023-2024 fiscal year, we remodeled 25 El Corte Inglés stores, notably including major refurbishments at our department stores in Bilbao, A Coruña, Málaga, Talavera de la Reina, Serrano and Pozuelo (the last two in Madrid). We also started work on ambitious upgrades at other departments stores, including the Preciados (Madrid), Plaza de Catalunya (Barcelona) and Jerez (Cadiz) establishments, at a number of supermarkets, including those on Goya (Madrid), Pintor Sorolla (Valencia) and Mesa y López (Gran Canary Island), and at a series of Club del Gourmet sections.

In 2023 we acquired the Puerta del Sol, 10 building in Madrid, an emblematic property located in the heart of the city, adjacent to another El Corte Inglés establishment.

All of these efforts and improvements are targeted at our customers. Our ability to constantly transform and advance would not be possible without the commitment

and dedication of our employees; they are the company's most valuable asset and the cornerstone of this entire process. Their engagement, know-how and professional attitude are keeping us firmly on our roadmap towards excellence.

A roadmap that involves digitalisation and the adoption of new technology capable of optimising and streamlining our processes. Last year we created new apps designed to foster employee well-being and began to provide access to our medical professionals via video consultations. Our concern for our people is behind our effort to provide a safe and healthy place to work in all our stores and facilities.

We are committed to providing equal opportunities, supporting a diverse workplace and providing training as part of our career development effort.

Our suppliers are another pillar of our business model. We select them meticulously and collaborate with them to create high-quality, innovative and differentiated products. All of our suppliers must be aligned with best practices along the environmental, social and governance (ESG) dimensions, to which end we require them to endorse certain standards of ethics attuned with our corporate policies. We audit social and labour conditions in the factories that make our private label products.

The sum of the parts - our customers, our employees and our suppliers - is what allowed us to deliver our targets and register growth across all our financial metrics last

year. FY 2023 was a year of successes and the prospects for the future are bright.

With revenue of €16.33 billion, year-on-year growth of 5.4%, the Group posted its best performance in 15 years. EBITDA increased by 13.6% to €1.08 billion, while net profit amounted to €479.57 million. More importantly, recurring net profit amounted to €359.27 million, year-on-year growth of 73.7%. This solid earnings performance was accompanied by continued deleveraging, as borne out by our achievement of investment grade credit ratings.

In the 2023-2024 fiscal year, the retail business registered healthy growth across all areas, including the household, electronics, sports and leisure lines. However, that growth was particularly strong in all areas related with fashion and food.

In fashion, El Corte Inglés cemented its position as a trend-setter, putting out collections that stood out for their quality and designs. We revamped our private label sportswear brands: Boomerang, adding new fabrics and designs in running, yoga and fitness wear; Mountain Pro, introducing technical clothing for outdoor sports; and Verhunt, our hunting clothing and accessories brand.

In food retailing we stand apart for the quality and positioning of our fresh produce and the prominence we give the finest brands.

Beyond the retail business, leveraging the brand image built by El Corte Inglés, the Group continued to register growth in its other lines of business. In terms of revenue, the El Corte Inglés Travel Group stands out, having built itself into a benchmark in the national and international tourism segments. With over 700 travel agencies and an omnichannel approach, this line has a wide range of products for leisure travellers and for businesses, offering a unique service and value-added travel experiences.

The financial services unit, carried out through Financiera El Corte Inglés and the Insurance area, where we have partnered with benchmark firms, met all expecta-

tions. The new El Corte Inglés Card launched last year, which now permits universal usage, i.e., it can be used anywhere in the world, has proven tremendously popular. In the Insurance line, the development of new savings and investment products, as well as the creation of a securities brokerage, allowed us to address the needs of new customer categories.

The healthy results reaped in FY 2023 across all lines of business are the result of a judicious management model that keeps an eye on the present and thinks about the future. Against this backdrop, we closed transactions designed to streamline our asset portfolio and take advantage of opportunities in the market.

It was a busy year and a year of hard work. One that we feel proud of. We achieved the targets we set for ourselves and laid the foundations for embarking on a new period of growth and enhanced profitability. Above all it was a year in which we once again demonstrated that El Corte Inglés is driven by unwavering principles and values. It is a socially responsible business group that is committed to all of its stakeholders. We conduct ourselves ethically so as to shape the business in a manner that is transparent, effective and sustainable, and we take a zero tolerance stance towards corruption and fraud. All this is framed by best practices in corporate governance.

Last year, we once again renewed our commitment to the United Nations Global Compact; endorsed the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises; aligned ourselves with the European Union's Green Deal and the United Nations Framework Convention for Climate Change; and associated ourselves with the Global Code of Ethics for Tourism, developed by the United Nations World Tourism Organisation.

We continued to work hard to contribute to delivery of the United Nations Sustainable Development Goals (SDGs), especially those related with our business activities: health and well-being; quality education; gender equality; decent work and economic growth; reduced inequalities; responsible consumption and production; climate action; and partnerships for the goals.

To ensure we contribute to creating a better future in a sustainable environment, we continued to make good progress on execution of our ongoing 2021-2025 Sustainability and CSR Master Plan.

Under that plan, we advanced considerably on circular economy initiatives, increased our offering of sustainable products, improved our energy efficiency and continued to carry out social and environmental audits at the factories and workshops that make our private label products. In parallel, we carried out a range of initiatives to increase awareness around the need for responsible consumption. Thanks to all this hard work and these improvements, in 2023, El Corte Inglés achieved an AA ESG rating from MSCI.

We are sticking with our roadmap and remain true to our principles and values. From the beginning that has meant a commitment to society and our local communities. We do all this with the loyal support of our customers, a wonderful team of professionals, collaborative suppliers and the reputation and prestige of our umbrella brand: El Corte Inglés.

Tapping into this legacy, built up over the years, and a renewed impetus that is propelling us into the future, we feel motivated and ready to tackle new challenges and opportunities, framed by our commitment to continuous improvement and unwavering respect for all of our stakeholders.



Marta Álvarez
Chairwoman

BASIS OF PREPARATION

[GRI 2-1] [GRI 2-2] [GRI 2-3] [GRI 2-4]

This Non-Financial Statement (the 2023 NFS) is presented as a separate document, albeit part of El Corte Inglés Group's Consolidated Management Report for the 2023-2024 fiscal year.

It has been published in keeping with the requirements stipulated in Spanish Law 11/2018, of 28 December 2018, amending Spain's Code of Commerce, the consolidated text of the Corporate Enterprises Act, enacted by Legislative Royal Decree 1/2010, of 2 July 2010, and Spain's Audit Act (Law 22/2015), as regards non-financial and diversity reporting. The 2023 NFS meets the same approval, filing and publication criteria as the Management Report, both of which were approved by the Board of Directors of El Corte Inglés, S.A. on 29 May 2024.

This document is prepared annually and refers to the activities of El Corte Inglés, S.A. (with tax identification number (NIF) A-28017895 and registered address at calle Hermosilla, 112, in Madrid, hereinafter, El Corte Inglés or ECI), and its subsidiaries (hereinafter, El Corte Inglés Group or the Group) for the year elapsing between 1 March 2023 and 29 February 2024 (hereinafter, FY 2023 or 2023). This report also provides an account of the significant developments taking place between the end of the reporting period and the date of authorising it for issue.

Framed by the Group's commitment to transparent reporting, this report provides, among other things, the information needed by the reader to understand the Group's development, results, situation and key performance indicators along the environmental, social and governance ("ESG" dimensions).

It also identifies the risks and opportunities inherent to the Group's activities and the policies and management tools in place across the various companies for addressing non-financial matters, focusing on those identified as material.

A multidisciplinary team from a number of areas of the Group participated in the drafting of this report, which is, moreover, based on the non-financial reporting principles and standards outlined in Chapter 5, "Reporting principles and transparency" of this report. The Appendices provide tables with the Group's non-financial indicators, as well as lists of the disclosures required under GRI, Spanish Law 11/2018 and the EU Taxonomy Regulation (Regulation (EU) 2020/852), itemising where all of that content can be found in the 2023 NFS.

Lastly, the 2023 NFS takes into account the sector context and regulations, stakeholder demands and best practices in the sector to determine, by way of report contents, which non-financial matters are material for the Group. The information included in this document was assured by Ernst & Young, S.L. as independent assurance services provider, according to the wording provided by Law 11/2018 (of 28 December 2018) to article 49 of the Code of Commerce.

In 2024, the Group is working to meet its reporting requirements under the new European Corporate Sustainability Reporting Directive, or CSRD (Directive (EU) 2022/2464). The purpose of this directive is to harmonise the sustainability information reported by companies in a way that is similar to the existing financial reporting framework. It is also analysing its reporting requirements under the European Sustainability Reporting Standards, or ESRS, which will determine the common reporting criteria. These standards will make it possible to compare different companies' sustainability reports, rendering sustainability reporting clearer and more transparent.

¹ Defined as the corporate enterprises in which El Corte Inglés Group holds ownership interests of over 50%. They are itemised in Section 1. Corporate information of the consolidated financial statements for the 2023-2024 fiscal year.

EL CORTE INGLÉS IN 2023: PASSIONATE ABOUT OUR CUSTOMERS

PASSIONATE ABOUT OUR BUSINESS

We bring excitement and hard work to everything we do. A brand that inspires trust with a focus on making people's lives easier. That passion is pushing us out along a solid and sustainable roadmap for building the El Corte Inglés of tomorrow.

- 1. New terrace at El Corte Inglés of Pozuelo, Madrid.
- 2. El Corte Inglés of Jerez.
- 3. El Corte Inglés of Serrano, Madrid.
- 4. Atrium at El Corte Inglés of Pozuelo, Madrid.
- 5. El Corte Inglés of Castellana, Madrid.



PASSIONATE ABOUT OUR CUSTOMERS

They are the heart of our business, our reason for being. We are adapting for the times and transforming how we do things so as to keep our customers happy, remain at their sides, without ever losing sight of our values. Their close relationship with our employees is key to nurturing the trust they place in us.

- 1. Atrium at El Corte Inglés of Pozuelo, Madrid.
- 2. Personal Shopper Service at El Corte Inglés of Castellana, Madrid.
- 3. Cafeteria at El Corte Inglés of Bilbao.
- 4. El Corte Inglés of Serrano, Madrid.
- 5. Welcome Campaign.
- 6. Boadilla Supercor refurbishment, Madrid.
- 7. Gourmet Experience at El Corte Inglés of Malaga.
- 8. Shoe store at El Corte Inglés of Princesa, Madrid.



PASSIONATE ABOUT OUR PRODUCT

Passion for detail leads us to select and design our product assortment with the utmost care. Our private labels offer a unique combination of quality, style and innovation. We are the house of brands, which is why we offer products and solutions that help meet people's current and future needs. We seek out quality and responsible production hand in hand with our suppliers, whom we view as invaluable partners.



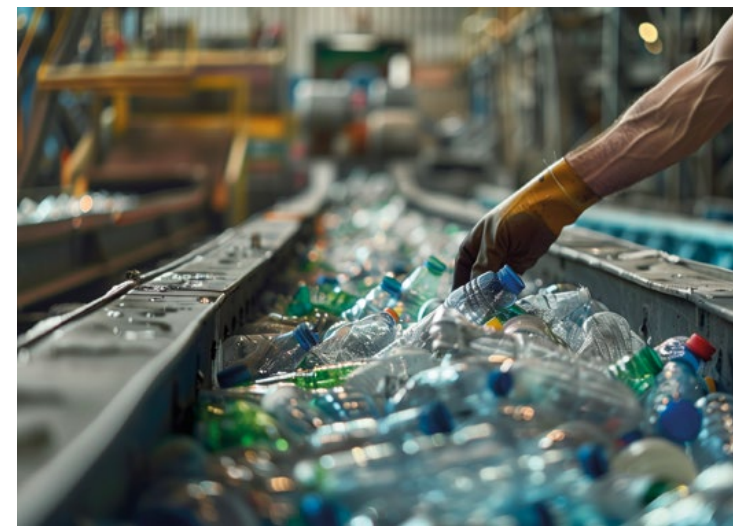
PASSIONATE ABOUT OUR STORES

New stores for new times. We are refurbishing and transforming our departments stores in order to stay fresh. Our stores are the place to discover the latest trends, newest technology, best traditional and modern food but above all they are where, with passion, we create new experiences and memories.



PASSIONATE ABOUT OUR SURROUNDINGS

We are passionately committed to creating shared wealth and value for society and our communities.



1. Refurbishment of the Bilbao El Corte Inglés.
2. Tintoretto at El Corte Inglés by José Mesa y López, Las Palmas.
3. Bilbao El Corte Inglés shoe store.
4. Refurbishment of the A Coruña Supermarket.



Our Business Model

[GRI 3-3]

El Corte Inglés' business model is designed around customer satisfaction and it is continually fine-tuned for society's emerging demands and needs. That is what enables it to marry its more than 80 years in business with a new forward-looking vision and transformational capabilities. Framed by that perspective and underpinned by solid principles around ethics, corporate responsibility and sustainability, El Corte Inglés has been able to respond to new challenges in the manner expected of an iconic premium retailer. It has prepared for a new era of transformation and change with updated and attractive stores, new brands and novel products and a decisive commitment to sustainability.

At the centre of everything lies the customer and El Corte Inglés' desire to be a company that thinks about others, providing a broad range of amenities suited for every moment and situation. That is why we are in the midst of refurbishing our retail establishments, turning them into attractive, highly visual, comfortable and experiential spaces. This is just another example of the company's determination to remain at the forefront of the retail sector, offering pleasant and modern-feeling places to shop. As part of this effort to address its customers' new concerns, El Corte Inglés continues to provide personalised and specialised service, reinforcing the human touch, albeit without renouncing the newest and emerging technology. To that end we strive to stay in constant communication with our customers and provide them with a host of channels so as to meet their expectations. This is what allows to preserve strong relationships based on long-term mutual trust.

These are new times. Our transformation thrust is not only translating into our concerted effort to update our stores; it is also palpable in the new and trend-setting firms that are joining our sales floors, the pioneering products on display in our stores and our private labels, which are coming up with new and innovative propositions.

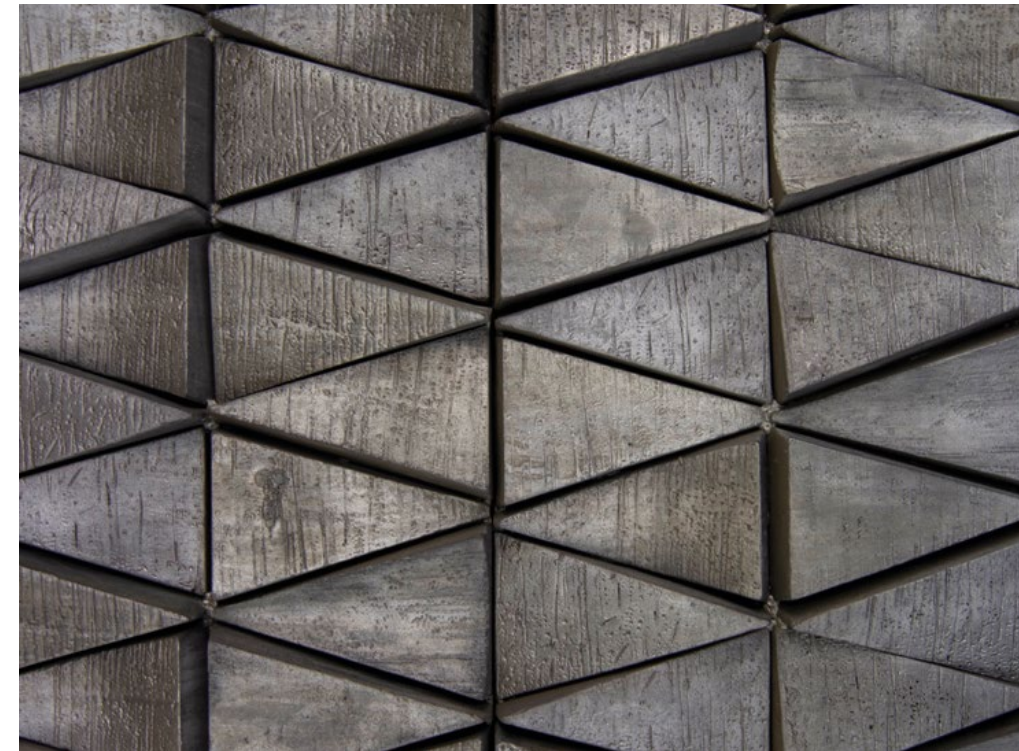
As we enter this new era, we are also widening our targeted customer base: we are reaching out to Gen Z by using new forms of communication, adopting their codes and language. In October 2023, we launched a novel campaign, NEW, targeted at this generation of consumers which will continue throughout 2024.

We also launched a new WhatsApp customer communication channel, which allows customers to find out about production on promotion and special offers tailored for individual user profiles, facilitating online shopping. In the home décor area we are using interactive catalogues and QR codes to communicate with potential buyers, reinforcing our omnichannel approach.

This total dedication to our customers and ability to transform would not be possible without the involvement of our employees. Their commitment and hard work attest to a business model oriented around satisfying the people who trust in us. Our professionals' experience and know-how are moving us inexorably towards our targets for excellence. This trajectory also involves digitalisation. Internally, we developed new tools to foster our employees' well-being; we created a new app dubbed My Health Service whereby employees can book in-person consultations with our medical professionals; and we implemented a video consultation service whereby any employee, regardless of their location, can contact our medical services online.

El Corte Inglés' commitment to progress, transformation and digitalisation has also prompted us to set up new work dynamics and innovative ways of engaging and communicating with our customers, employees and suppliers.

We build our relationships with suppliers around mutual trust so as to be able to offer the highest standards of quality, novel products and the latest market launches and we partner with them on projects to generate innovation and differentiation. That is why we select our business partners meticulously and ask them to comply with ethics standards aligned with our corporate policies.



El Corte Inglés of Princesa, Madrid.

This level of stringency in everything we do is allowing us to move forward on our corporate purpose, framed by best practices in corporate governance. A purpose our shareholders are fully behind. They too want to build a solid business endeavour capable of delivering ongoing growth as a quality retailer.

El Corte Inglés feels involved and vested with society. It is aware that it is a brand that inspires and generates trust and a lever that contributes to economic and social development in our business communities. We champion local production and collaborate with a host of charitable, cultural, sporting and environmental causes, as well as supporting a range of institutions, organisations and other social agents.

WHERE IT ALL STARTED: RETAIL

The retail business has always been and remains the axis underpinning El Corte Inglés' business model and development. It was the kernel that allowed us to grow into one of the largest business groups in Spain and expand into new and adjacent activities such as travel, insurance and security.

The importance of the retail side of the business is evident in the renovation of 25 El Corte Inglés stores in 2023, including the full refurbishment of the department stores in Bilbao, A Coruña, Málaga and Pozuelo (Madrid); the supermarkets on Goya (Madrid), Pintor Sorolla (Valencia) and Mesa y López (Gran Canary Island), the home decor

department in Talavera de la Reina; and new or renovated Club de Gourmet and ready-made dish sections in several establishments. All of these upgrades, together with others already underway (on Preciados in Madrid and Jerez in Cadiz, for example), also highlight the company's sensitivity to its local communities, which crystallises in marketing strategies tailored for the specific needs and preferences of each of the regions where it operates.

In addition to all of these renovations, in 2023, we acquired the Puerta del Sol, 10 building in Madrid, an emblematic property located in the heart of the city, adjacent to another El Corte Inglés establishment.

The retail business reported healthy growth across all of its lines of activity in 2023. Fashion is one of the chief reasons customers visit our retail establishments. They come to find major Spanish and international brands, which are displayed alongside our private label collections. The latter are always being improved to echo the latest market trends while remaining true to their hallmark personalities. In 2023, we revamped our private label sportswear brands: Boomerang (new fabrics and designs in running, yoga and fitness wear); Mountain Pro (technical clothing for outdoor sports); and Verhunt (our hunting clothing and accessories brand).

El Corte Inglés creates fashion and sets trends but it is also the house of brands for fashion, home furnishings and decor, beauty, sports, electronics and home appliances, leisure and entertainment and food, among other categories. A physical and online showroom.

A key development last year was the addition of a fine watch and jewellery boutique, TimeVallée, with prestigious international brands, to the department store on Madrid's Castellana.

Driven by its ambition to be of use to its customers and make them happy, El Corte Inglés is also a destination for experiences: a place where users can taste delicious food, choose from a broad range of fine food options, ask for personalised fashion advice, receive a beauty treatment, go to a book signing, attend an exhibition, participate in a children's entertainment event or sign up for a technology workshop, to name just a few of the activities on offer.

A BROAD SERVICE OFFERING

Framed by its commitment to constant improvement, long-term vision and responsiveness to society's emerging needs, El Corte Inglés has been adding to its suite of retail and non-retail services. Today, El Corte Inglés is a powerful business corporation that spans department stores, fashion stores, supermarkets, financial services, travel agencies and security services, among other businesses.

This strategy encompasses a series of partnerships with leading firms in their respective areas of expertise.

Within the non-retail activities, in terms of revenue, the Viajes El Corte Inglés Group (Viajes El Corte Inglés) stands apart, having built itself into a benchmark in the national and international tourism segments. It has achieved this positioning thanks to: its omniscustomer approach, providing each customer, in both the retail and business travel segments, with tailored solutions; its omnichannel vision, providing personalised service through its physical travel agencies, online agency, over the phone and through personal travel advisors; its multimarket orientation, with an international presence (and room for further expansion); and its multiproduct proposition, marked by a broad portfolio of offers and experiences that add significant value for travellers. The result is a group with a solid reputation which covers the tour operator, leisure travel, business travel, MICE and event ticket sales segments.

The financial services unit, made up of Financiera El Corte Inglés (FECI) and the Insurance area, is an example of how the company is able to constantly enhance its customer offering thanks to alliances with partners who are benchmarks in their respective sectors. The launch of the new El Corte Inglés Card, which now permits universal usage, i.e., it can be used anywhere in the world, has proven very popular with users.

Another good example of the Group's diversification strategy is the El Corte Inglés Energy (ECI Energy) business, its newly created utility which supplies electricity to individuals, framed by quality service and a commitment to energy efficiency.



Seguros El Corte Inglés of Jerez.

SUSTAINED AND SUSTAINABLE GROWTH

Continuous improvement of our management processes, the introduction of new technology and systems and the robustness of the principles that guide El Corte Inglés combined to make 2023 the Group's best earnings year in 15 years. Revenue increased by 5.4% year-on-year to €16.33 billion, driven by growth across all business lines. EBITDA amounted to €1.08 billion, up 13.6% year-on-year, while net profit was €479.57 million. This earnings momentum was shored up by continued deleveraging, a development that earned the Group an investment grade credit rating, despite not being a listed company.

The Group's steady growth in recent years is being accompanied by ongoing progress on the sustainability front. The company's commitment to best practices in ESG is enshrined in a compendium of implementing corporate policies and the ongoing 2021-2025 Sustainability and CSR Master Plan.

Guided by those policies and the Master Plan, we made considerable progress on circular economy initiatives, increased our offering of sustainable products, improved our energy efficiency and continued to carry out social and environmental audits at the factories and workshops that make our private label products. In parallel we collaborate with multiple initiatives aimed at raising social awareness about the need for responsible consumption. Thanks to these efforts and improvements, MSCI, a rating agency specialised in sustainability assessment, awarded El Corte Inglés an AA rating in 2023.

Today's sustainability effort simply deepens and extends the ties with society and its surroundings that have characterised El Corte Inglés from the outset, a desire to be close to people that is omnipresent across all its business activities.



El Corte Inglés of Pozuelo, Madrid.

KEY FINANCIAL FIGURES

[GRI 2-4] [GRI 2-6]

El Corte Inglés Group's total gross revenue increased by 5.4% year-on-year to €16.33 billion², driven by growth across all business lines. EBITDA amounted to €1.08 billion, up 13.6% year-on-year, while net profit came to €479.57 million. The Group's healthy business, earnings and managerial performance also materialised in a further reduction in net debt, which fell to its lowest level in 15 years, at €2.06 billion. This financial strength, coupled with the Group's bright prospects, earned it investment grade credit ratings despite not being a listed company. It is the only retailer to do have achieved this milestone.

One of the main highlights from 2023: In November 2023, the Group reached an agreement with the majority of its syndicate of banks covering the first extension of its loan for one more year, leaving all the other qualitative and quantitative terms and conditions largely unchanged.

The key financial metrics for FY 2023 by business line are shown below:

Total gross revenue El Corte Inglés Group

| FY 2023 | FY 2022 | FY 2021* |
|-----------|-----------|-----------|
| 16,333.04 | 15,494.11 | 12,989.54 |

| | Revenue | | | EBITDA | | |
|--|------------------|------------------|------------------|----------------|---------------|---------------|
| | FY 2023 | FY 2022** | FY 2021 | FY 2023 | FY 2022** | FY 2021 |
| Retail businesses ³ | 12,351.09 | 11,920.04 | 11,325.67 | 840.20 | 755.71 | 699.67 |
| Viajes El Corte Inglés Group | 1,926.89 | 1,676.94 | 472.12 | 92.83 | 50.31 | (56.78) |
| Other businesses | 267.27 | 273.85 | 304.70 | 25.31 | 30.46 | 41.64 |
| Consolidation adjustments and eliminations | (105.10) | (116.77) | (105.92) | 122.87 | 114.89 | 119.75 |
| El Corte Inglés Group | 14,440.15 | 13,754.05 | 11,996.57 | 1,081.2 | 951.37 | 804.28 |

Amounts in € million.

* The 2021 figure was restated for comparative purposes to reflect the criteria used to account for Direct Luxury and Digital Operations, Third-Party Operations, Ticket Sales and Telecor Recharges.

** Figures restated for the change in accounting criteria.

² Total gross revenue mainly includes gross revenue from the sale of transportation products, third-party travel packages, cruises and certain other products in respect of the Viajes El Corte Inglés Group business, whose sales are stated net within revenue.

³ In 2022, this category included Ízaro Films, formerly included under "Other business lines", and the 2021 figures were restated accordingly.

EL CORTE INGLÉS GROUP FOOTPRINT

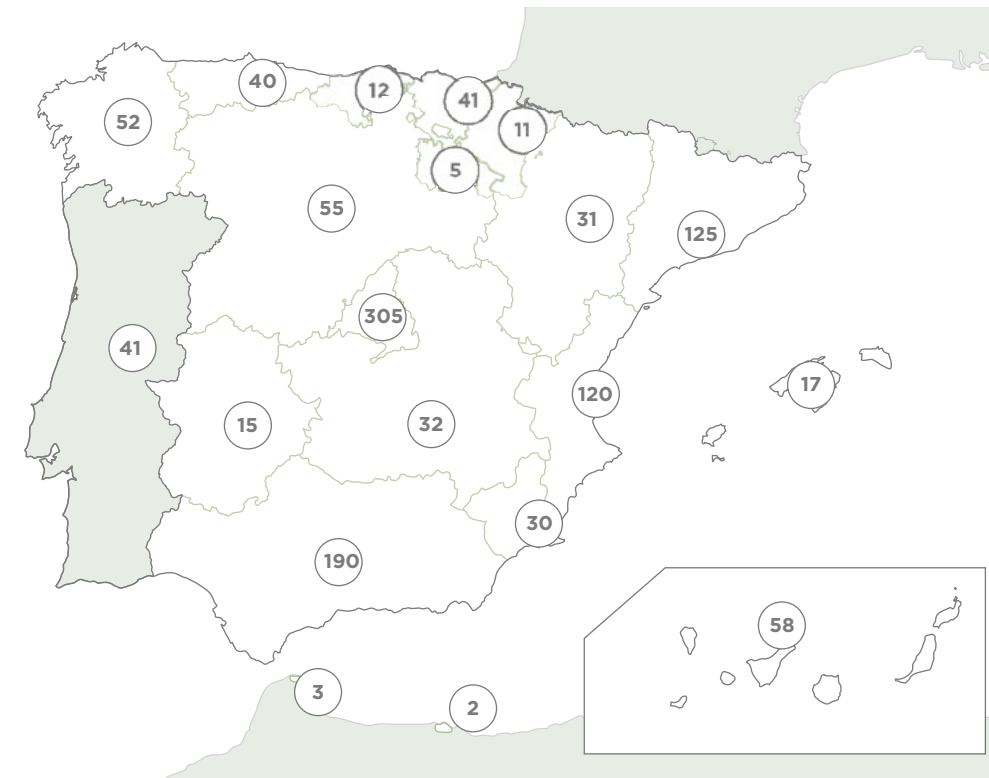
[GRI 2-1] [GRI 2-4] [GRI 2-6]

| Points of sale by business line | FY 2023-24 | | | Total | Total 2022-23* |
|---|--------------|-----------|-----------------|--------------|----------------|
| | Spain | Portugal | Other countries | | |
| Retail | 592 | 21 | 342 | 955 | 935 |
| El Corte Inglés | 404 | 15 | 342 | 761 | 740 |
| El Corte Inglés Grandes Armazéns | 72 | 2 | | 74 | 76 |
| El Corte Inglés supermarkets | 52 | 2 | | 54 | 54 |
| Hipercor supermarkets | 35 | | | 35 | 37 |
| Sfera | 172 | 10 | 342 | 524 | 490 |
| • Standalone stores | 103 | 8 | 55 | 166 | 164 |
| • Stores in ECI department stores | 69 | 2 | | 71 | 75 |
| • Franchises | | | 287 | 287 | 251 |
| Outlets | 50 | 1 | | 51 | 55 |
| Sportown stores | 6 | | | 6 | 11 |
| TMJ stores | 2 | | | 2 | 2 |
| El Corte Inglés Business offices | 15 | | | 15 | 15 |
| Supercor supermarkets | 188 | 6 | | 194 | 195 |
| Viajes El Corte Inglés Group | 540 | 19 | 162 | 721 | 733 |
| • Agencies (at dept. stores and standalone) | 400 | 15 | 162 | 577 | 569 |
| • Other PoS (implants, outplants) | 140 | 4 | | 144 | 164 |
| SICOR Groups (sales offices) | 12 | 1 | | 13 | 13 |
| CERA Publishing | 1 | | | 1 | 1 |
| TOTAL POINTS OF SALE | 1,145 | 41 | 504 | 1,690 | 1,682 |

* Not counting Bricor Points of Sale.

Total number of proprietary stores and agencies in:

| | |
|-----------|-------|
| Spain: | 1,145 |
| Portugal: | 41 |



Total number of proprietary stores, franchises and agencies in other countries

| Country | Standalone Sfera stores | Sfera franchises | Viajes El Corte Inglés Group |
|---------------|-------------------------|------------------|------------------------------|
| Chile | - | 62 | 19 |
| Colombia | - | - | 17 |
| Costa Rica | - | 7 | - |
| Cyprus | - | 2 | - |
| Ecuador | - | - | 3 |
| El Salvador | - | 13 | - |
| Arab Emirates | - | 3 | - |
| United States | - | - | 3 |
| Guatemala | - | 10 | - |
| Ireland | - | 22 | - |
| Mexico | 55 | - | 106 |
| Nicaragua | - | 3 | - |
| Panama | - | 11 | 5 |
| Paraguay | - | 12 | - |
| Peru | - | 45 | 7 |
| Qatar | - | 1 | - |
| Switzerland | - | 53 | - |
| Thailand | - | 43 | - |
| Uruguay | - | - | 2 |
| Total | 55 | 287 | 162 |

Markets in which our products and services are available (figures for 2023-24)

| Africa | Americas | Asia | Europe | Oceania |
|-------------------|---------------------|----------------------|-----------------|-----------|
| Angola | Argentina | Saudi Arabia | Germany | Australia |
| Algeria | Brazil | Bahrein | Andorra | |
| Cameroon | Canada | Bangladesh | Austria | |
| Chad | Chile | China | Belgium | |
| Congo | Colombia | South Korea | Bulgaria | |
| Ivory Coast | Costa Rica | Dubai | Bosnia | |
| Ethiopia | Cuba | United Arab Emirates | Croatia | |
| Gambia | Ecuador | Philippines | Cyprus | |
| Ghana | El Salvador | Hong Kong | Denmark | |
| Guinea Bissau | United States | India | Spain | |
| Ecuatorial Guinea | Guadalupe | Iran | Slovakia | |
| Kenya | Haiti | Israel | Slovenia | |
| Mali | Honduras | Japan | Estonia | |
| Morocco | US Virgin Islands | Jordan | Finland | |
| Niger | Jamaica | Kazakhstan | France | |
| Nigeria | Mexico | Lebanon | Greece | |
| Senegal | Nicaragua | Malaysia | Hungary | |
| South Africa | Panama | Mauritania | Ireland | |
| Tanzania | Paraguay | Mongolia | Italy | |
| Tunisia | Peru | Oman | Latvia | |
| Zimbabwe | Dominican Republic | Pakistan | Lithuania | |
| | Trinidad and Tobago | Qatar | North Macedonia | |
| | Uruguay | Thailand | Malta | |
| | Venezuela | | Norway | |
| | | | Netherlands | |
| | | | Poland | |
| | | | Portugal | |
| | | | United Kingdom | |
| | | | Czech Republic | |
| | | | Romania | |
| | | | Russia | |
| | | | Sweden | |
| | | | Switzerland | |
| | | | Turkey | |

OUR BUSINESS LINES

[GRI 2-6] [GRI 3-3]

AWARDS AND ACCOLADES

Several Spanish and international organisations have acknowledged the Group’s business success. Thanks to its values, the strength of the El Corte Inglés brand and its proven ability to innovate and improve the customer experience, the Group earned a series of accolades in different fields in 2023:

| | |
|---|--|
| 6th strongest retail brand in the world | El Corte Inglés features on the list of the 10 strongest retail brands in the world, according to a study carried out by the independent brand valuation consultancy, Brand Finance, in 2023. |
| Global Powers of Retailing 2023 | El Corte Inglés featured among the top 100 Global Powers of Retailing 2023, a report compiled by Deloitte. |
| 2nd highest rated company in the Merco Reputation Ranking | El Corte Inglés earned the number-two spot in the retail sector ranking and classified among the top 15 best-reputed firms in Merco’s overall ranking (Corporate Reputation Business Monitor). |
| Favourite multibrand in the Retail Performance Ranking 2023 | El Corte Inglés is consumers’ favourite multibrand according to the Retail Performance Ranking compiled by EY-Parthenon, a study of the brands and values prioritised by Spanish consumers. |
| IEI - Spanish Innovation Index | El Corte Inglés was flagged as one of the highest-rated Spanish firms for its ability to innovate in 2023, according to the Spanish Innovation Index (IEI) drawn up by Carlos III University’s Institute for Enterprise Development and Neovantas. |
| Business Success Study by Advice Strategic Consultants | El Corte Inglés was considered one of the best-reputed large companies in Spain in 2023, according to the Business Success Study carried out by Advice Strategic Consultants. |
| Customer Service of the Year for Viajes El Corte Inglés | Prize for Best Customer Service of 2024 in the travel category at the 13 th edition of Customer Service of the Year. |
| SUPER CARERS 2023 Award for SICOR’s telecare service | SICOR’s telecare service picked up the Super Carer 2023 Award in the healthcare category. |

RETAIL BUSINESSES

The retail business has built on the strength of the El Corte Inglés brand to become a benchmark in Spain and abroad. Our extensive experience in retailing has led us to set up a universe of companies that share the legacy business’s vocation to place the customer at the centre of everything.

El Corte Inglés has been able to stay with the times without straying from its hallmark principles: quality, assortment, service, innovation and guarantees.



Women Limited Collection. El Corte Inglés of Malaga.

EL CORTE INGLÉS

2.7 million
product skus listed
on our websites

825.4 million
visits to our websites
and apps

30+
Countries
Stock our private labels

El Corte Inglés is a familiar and trusted company. It adapts to its customers' evolving habits. Our customers can shop for fashion, beauty products, home furnishings and décor products, electronic and home appliances, leisure and entertainment products, sporting goods and food in our stores, on our websites and on our apps. A universe in which the physical and digital worlds come together and overlap.

Our establishments are located all over Spain, putting us in a position to promote local products and adapt to customer preferences from region to region, helping us build closer ties with our communities.

El Corte Inglés accounts for 80.4% of the Group's sales, and is therefore our core company. In 2023, it generated €11,604.18 million of revenue.

Our ambition to continue to move forward led us to refurbish several department stores and other establishments and open up new eateries and pop-up stores, with the aim of offering novel experiences.

This bid to adapt for the current times was behind a new campaign, dubbed "NEW", which is targeted at Generation Z. NEW is a new way of engaging with our youngest audience through innovative concepts and experiences designed to allow us to introduce our vast product portfolio speaking the language of GenZers.

El Corte Inglés is aware of the impact of its advertising campaigns and at Christmas time it launched its commercial "Floor 2½". This campaign, the most awaited and emblematic of the year, beat records in terms of number of views and became El Corte Inglés' best-performing commercial in terms of recognition.

Staying close to our customers

- **New customer communication channel:** WhatsApp has emerged as a powerful tool for enhancing the shopping experience and making it easier to view and query products on promotion.
- Full **digitalisation** of the **Tax Free service** for international shoppers.
- The **Tax Free Lounge** at the Serrano 47 store (Madrid) in partnership with Global Blue is providing international tourists with immediate reimbursement of their VAT.
- **Omnichannel services:** Ask an Expert, Click&Car, In-store Pick-up, Same-Day Delivery, appointments-only services, etc.

In order to continue to push forward and make people's lives easier, in 2023, we innovated across all areas of our business, improving the shopping experience, as we outline next.

BUSINESS LINES

FASHION AND ACCESSORIES

- **Woman** and **Lloyd's**, the Group's womenswear private labels, consolidated their market positioning with an attractive sales pitch and the support of seasonal campaigns featuring celebrities. New store signage was introduced to help flag the garments' characteristics.
- **Emidio Tucci** and **Dustin**, the menswear private labels, focused their efforts on redesigning their store layout and better displaying their merchandise in order to connect better with the different types of customers they target.
- For the younger generations, **Easy Wear** and **Green Coast** went for a markedly youthful style in both their clothing and their store spaces and used the social media to communicate. These labels also added new information about the technical features of their garments to help shoppers make informed choices. **Tintoretto** is another private label targeted at young women; it offers a line of exclusively designed premium products of superior quality.
- Our childrenswear label, **Coconut**, reinforced the quality and design of its products and unveiled a new image for its shop-in-shops which bring together the different categories (babies, kids and occasions) to make everything easier to find.
- **Sfera**, which has its own on-street establishments as well as shop-in-shops in our department stores, is our most international private label. Sfera embodies the latest trends in contemporary and novel designs and updates its women's men's and children's collections constantly. Its clothing and accessories are also sold through the label's proprietary website and app.



El Corte Inglés of Jerez.

- **Unit**, the private label that dresses the entire family, which until now had been sold primarily through Hipercor, opened two new stores, one in the El Corte Inglés supermarket in Marbella and the other in a shopping centre in Rivas Vaciamadrid (Madrid).
- In the lingerie and swimwear division, our **Énfasis** private label focused on design and quality. In parallel, the brand image was updated with new and value-adding packaging.
- Lastly, the accessory brands, **Latouche** and **Jo&Mr.Joe**, were reorganised to offer customers a new classic style, accompanied by a new image in our stores designed to display the products together and improve the shopping experience. In a new development, the Tintoretto label launched its own line of accessories.
- As for **external brands**, El Corte Inglés welcomed new firms and inaugurated a spectacular TimeVallée fine watch and jewellery boutique in our Castellana department store (Madrid). We also created pop-up stores in some of our department stores and new spaces for luxury brands for men and women.

BEAUTY

- Work was done last year to enhance the **health and beauty** areas of our department stores to give them a more attractive and innovative look.
- In collaboration with external partners, we inaugurated new **health & well-being spaces** in our department stores with dental clinics, physiotherapy units, beauty salons and hairdressers, adding to those already in existence in some of our establishments.
- We launched our first beauty advent calendar with the participation of leading perfume and cosmetics brands.

FOOD AND FAST-MOVING CONSUMER GOODS

- 2023 was marked by a new campaign, “**How can we help today?**”, designed to resolve customers’ needs in a personal and practical manner, prioritising customer satisfaction. Visually, the new line is clean and simple and projects an image of quality, order, elegance and proximity.
- The Supercor supermarket in Sotogrande (Cadiz) was overhauled to create the first **on-street El Corte Inglés supermarket**, with an assortment of 15,000 SKUs, a broad variety of fresh products and a deep range of local products. There is a dedicated cellar, an area for ready-made dishes and a nutrition and well-being section, as well as set-ups for specialist brands.
- We launched a “**Ready to go**” line, a selection of specific takeaway products, including products made in our kitchens, such as sandwiches, ready-made dishes and baked goods, and complementary goods made by a range of external suppliers. This line also includes promotional fixed menus and product packs.



El Corte Inglés of Pozuelo, Madrid.

LUXURY FOODS AND CATERING

- In 2023, **Club del Gourmet** celebrated its 40th anniversary, which it marked with special editions of some of its products, as well as promotions and draws for its customers and special anniversary packaging.
- We continued to refurbish our Club del Gourmet sections, work initiated in previous years, intervening last year at the food clubs in Pamplona, El Capricho (Marbella), Malaga, Sotogrande (Cadiz), Palma de Mallorca, Sanchinarro and Pozuelo (the last two in Madrid), Jerez (Cadiz) and Salamanca to align them with the new image and enhance the shopping experience. We also inaugurated a new Club del Gourmet at our Talavera de la Reina (Toledo) department store.
- We refurbished 11 **more ready-made dish counters**, likewise extending the work begun in previous years, and introduced this section for the first time in three Superior establishments. Each Christmas, an exclusive and temporary area is enabled on the El Corte Inglés website to sell ready-made dishes from a special online Christmas catalogue.



El Corte Inglés of Bilbao.

HOME FURNISHINGS AND DECOR

- Our physical and online stores provide a one-stop place for everything our customers need for their homes. In **Tableware** and **Kitchenware** we focused on products made from more environmentally-friendly materials: recycled glass and polyester, organic cotton and compostable materials. We also introduced new hand-made products, shining the spotlight on craftsmanship.

- We continued to promote the El Corte Inglés private label **furniture** range with personalised designs adapted for customers' needs using natural materials such as linen, cotton and natural oak. We created new and carefully curated in-store experiences which recreated different atmospheres depending on the season.
- We provide a broad range of services, including help with interior design, the possibility of personalising certain products, furniture delivery and assembly and removal of the old pieces, along with a range of financing facilities.
- Framed by our sustainability commitments, we gave more prominence to products made from FSC and PEFC certified wood in the **Terrace & Garden** furniture range, guaranteeing sourcing from forests that are managed sustainably.
- We participated once again in **Casa Decor**, an annual interior design exhibition staged in a selected residential building in Madrid, where we showcased a studio designed by our very own Decor Studio.
- Lastly, we enhanced our omnichannel approach by offering interactive catalogues and inserting QR codes into the messages sent to customers.

LEISURE AND ENTERTAINMENT

- We updated our **Culture & Leisure** sections in our department stores in Pozuelo (Madrid), Marbella and Bilbao to create unique, modern and welcoming spaces to showcase a very unique and top quality range of products.
- In line with our goal of making culture easily accessible to society, we organised gatherings with artists and record and book presentations in our department stores.
- Our toy sections introduced new charitable and sustainable toys, as well as a new summer range under the slogan "Go out and play!". We organised a number of store activities for children too, including face-painting, workshops and educational talks.
- One of the highlights last year was the celebration of Disney's 100th anniversary, which the Group marked with a 700m² installation in the car park outside its Castellana department store with 10 rooms for children to play with their favourite Disney characters.

SPORTS

- Some of our department stores revamped their sports sections' image to give them a more sporty and dynamic look and feel.
- We also updated our private labels, Boomerang and Mountain Pro. **Boomerang**, which is focused on running, yoga and fitness, introduced new fabrics, patterns and colours. **Mountain Pro** introduced new performance fabrics and garments for sports disciplines carried out in extreme weather conditions.
- **Verhunt**, meanwhile, our hunting clothing and accessories private label, updated its image and added innovative designs and finishes to provide the comfort and safety needed in this discipline. Some of the new SKUs feature certified sustainability attributes such as OEKO-TEX (tested for harmful substances) and BCI (responsibly sourced cotton).
- We continued to collaborate with different sports competitions and races for which the event vests are picked up in our sports departments; in that way we provide the participants with everything they need and encourage healthy lifestyles. In fact, our Boomerang label designed the official t-shirt for the San Silvestre Vallecana, Spain's most popular race, which takes place on New Year's Eve every year, and organised a series of draws for the running community under the scope of a sponsorship agreement signed with El Corte Inglés.



Verhunt Collection. El Corte Inglés of Jerez.

PETS

- We inaugurated **Contigo Cuidaros** an avant-garde beauty parlour for pets in our Castellana (Madrid) department store. This new concept comprises a team of expert dog and cat carers who offer grooming services, dental care, spa treatments and ozone therapy. The new section is accompanied by a boutique with unique pet products, including water and food bowls, beds and carriers, clothing and toys, among others.
- We once again sponsored **Perrotón**, a charity run organised in Madrid in which participants can run alongside their pet dogs. To raise this event's profile, the competition's welcome packs can be picked up from our pet departments.

ELECTRONICS AND HOME APPLIANCES

- We expanded the spaces managed by the external brands we collaborate with, such as Apple, Samsung, Motorola and Google. In these areas we offer our customers all the latest products, unique bundles, the possibility to test our devices and expert advice.
- Our stores hosted technology workshops in partnership with different brands to present the latest products, with a particular focus on photography and electronics.
- Some of our stores set up new home appliance departments.

Our commitment to sustainable development led us to select our products meticulously and responsibly. That approach extends to our private labels as well as outside brands, the goal being to configure a range of products with sustainability attributes, as outlined in further detail in "Our customers" later on in this report.

TAKING OUR BRANDS INTERNATIONAL

Our private label brands are present in over 30 countries around the world. In 2023, we continued to enhance our international footprint. To do that, we rely on the support of retail partners in each country which become the 'shop window' for our fashion, home furnishing, food and FMCG offerings.

In food, the highlight in 2023 was the introduction of our private label brands in Central America (specifically, El Salvador, Guatemala, Nicaragua and Costa Rica), where we launched a selection of El Corte Inglés and El Corte Inglés Selection branded products. We also reinforced our brands' presence in certain of our existing international markets, including Mexico, where we upped the number of SKUs on sale; there, too, our Club del Gourmet label took on particular importance in the luxury goods sector. Similarly in other countries, such as Belgium, Saudi Arabia and Paraguay, our brands have become ideal ambassadors for Spanish cuisine, having significantly increased the number of products on sale.

Sfera, our most international fashion and accessories lines, is currently present in 17 markets through a total of 524 points of sale. This fashion brand has 166 proprietary bricks-and-mortar stores, one online platform, 287 franchised stores outside of Spain and 71 shop-in-shops (69 in Spain and 2 in Portugal).

OTHER BUSINESS LINES

REAL ESTATE

El Corte Inglés Real Estate is the business unit specialised managing the Group's properties.

One of its key remits is to continually upgrade the Group's retail establishments, an ongoing project which advanced further in 2023. This unit finalised the strategic overhaul of the Group's department stores in Pozuelo (Madrid), where the main façade was extended and an atrium was created to bring all the floors together visually, and in Bilbao, where the cafeteria and its terrace were refurbished. We also finished the work on the luxury goods floor of the Castellana (Madrid) department store to reflect the latest trends and needs of discerning Spanish and international shoppers.

General refurbishment work was also undertaken at the Ramón y Cajal (A Coruña), Jerez (Cadiz) and Preciados (Madrid) department stores to alter the layouts, make better use of the space and update the stores' image, among a series of other updates intended to fine-tune the value proposition and enhance the customer experience.

We also fully reformed some of our El Corte Inglés supermarkets, including the Goya (Madrid), El Capricho (Marbella) and Libertad (Murcia) establishments, providing them with a more modern and attractive image. Other noteworthy projects included the refurbishment of the Supercor establishment in Boadilla (Madrid) and the transformation of the Sotogrande (Cádiz) Supercor into an El Corte Inglés supermarket.

Smaller scale interventions took place in most of our department stores to facilitate the introduction of external brands and improve the image of our own labels. With respect to the latter, it is worth highlighting the updates to the Tintoretto sections in Murcia, San José de Valderas (Madrid), Nervión (Seville), Salamanca and Las Palmas, the Jo&Mr.Joe sections of the Castellana and Sanchinarro department stores, both in Madrid, and the Sfera stores inside our department stores in Vigo (Pontevedra), Salamanca, Santiago de Compostela (A Coruña) and Costa Verde (Gijón).

In parallel, we continued to improve the infrastructure and energy efficiency of the Group's buildings, investing more to that end, in line with the priority lines of initiative set down in the 2021-2025 Sustainability and CSR Master Plan. We switched conventional bulbs for LED fittings across our El Corte Inglés supermarkets and car parks, introduced regulation systems in our industrial cooling facilities, upgraded our HVAC and energy consumption control systems and replaced and modernised our lift equipment.

We finalised the implementation, initiated in 2022, of a Building Information Modelling (BIM) system, collaborative work methodology for building project management using a digital mock-up. We also began to design our first construction projects using the new tool.

In 2023, we obtained our first digital department store floor layouts. To do so, we scanned the department stores' entire floor area with laser cameras and then modelled the buildings in three dimensions (3D), so generating information about their structure, architecture, installations and floor areas, as well as their evacuation routes, equipment and fittings.

As for projects carried out for third parties, this activity was ongoing in the hospitality and office segments. We all but completed the full refurbishment of the Only You in Seville, a 5-star boutique hotel, and carried out the works and fittings at the Hotel Gran Vía in Granada and the Hotel Pirámide in PortAventura. In the office space segment, significant refurbishment work was completed at a number of work centres and offices for important companies.



Atrium at El Corte Inglés of Castellana, Madrid.

EL CORTE INGLÉS-GRANDES ARMAZÉNS (PORTUGAL)

63.9 million
visits to our online store
(+17% vs. 2022)

333.1 million
worth of goods
purchased from
portuguese suppliers

866k
social media followers
(+5.4% vs. 2022)

**Awarded Best Online
Store 2023** by Grande
Consumo

**Master Experiência
Loja Física Award**

In Portugal, we do business through El Corte Inglés-Grandes Armazéns, which has two department stores, one in Lisbon and the other in Gaia (Porto), six Supercor establishments and one outlet. Our physical stores are complemented by our online shopping channels, www.elcorteingles.pt and the Portuguese app, which continued to evolve in 2023, in line with the Group's broader transformation and innovation thrust.

Indeed, El Corte Inglés-Grandes Armazéns' e-commerce platform was once again acknowledged by the journal, Grande Consumo, as the Best Online Store 2023 across seven categories: fashion accessories, toys, lingerie and underwear, women's fashion, men's fashion, sportswear and footwear. The prizes were awarded on the basis of feedback from Portuguese consumers and the journal analysed 276 Portuguese brands in 28 different categories in coming up with its verdicts. El Corte Inglés also received the Master Experiência Loja Física accolade from another journal, Distribuição Hoje, for the business that provided the best in-store shopping experience.

Our firm commitment to sustainability also translated into growth in the range of products with sustainability attributes on sale in Portugal. We reinforced relationships with Portuguese suppliers, purchasing local products to support the national economy and reduce company's carbon footprint.

In addition, El Corte Inglés-Grandes Armazéns participates in a number of taskforces that encourage businesses to embrace best practices in environmental management, corporate social responsibility and corporate governance.

The Portuguese circular economy initiatives included a new project for making ice-cream from the pineapples and bananas not sold in our supermarkets in partnership with a Lisbon ice-cream maker. We also continued our association with Crescer, whereby some of the proceeds from the sale of our "É uma Cerveja" beer (1,000 litres in 2023) made from leftover bread, are donated to this charity. We renewed our Zero Waste certification⁴ at our department stores in Lisbon and Gaia, our two logistics facilities and all of our Portuguese Supercor establishments.

⁴ Refer to chapter 3.3.1. Circular economy; section B. Zero Waste



Facade at El Corte Inglés of Porto, Portugal.

El Corte Inglés-Grandes Armazéns also renewed its Inclusive Employer Seal of Excellence from Portugal's Institute for Employment and Vocational Training. At present, 3.2% of the Portuguese business' employees are persons with disabilities. Indeed, El Corte Inglés-Grandes Armazéns' Diversity & Inclusion Policy makes it a benchmark in Portugal. The company was also recognised in the Randstad Employer Brand Research 2023 study as one of the three most attractive places to work in the retail sector in Portugal.

In 2023 we once again sponsored the São Silvestre El Corte Inglés run in order to encourage people to exercise and embrace healthy lifestyles. Over 8,000 athletes participated in the competition which took them running through Lisbon's main streets.

SUPERCOR

96.1% employees under permanent contracts

104 supercor stores with accessibility certification

88.2 milion visits to our stores

188 establishments throughout spain

Our Supercor establishments sell an extensive offering adapted to their local markets and tastes, staying in close touch with local customers and regional suppliers. They are associated with quality, service and product guarantees, customer care and extended opening hours. Last year we carried out pilot tests for keeping them open 24 hours at the Supercor Express establishments on Barquillo street in Madrid and on Roselló street in Barcelona.

The 188 Supercor and Supercor Exprés establishments are located all over Spain. They are the Group’s pioneering accessibility brands. Indeed, work continued to update and certify the stores in that respect: 104 establishments now boast accessibility certification, 15 of which obtained in 2023. All these stores have been adapted in keeping with new regulations and the Accessibility Indicator System (AIS) requirements, highlighting the company’s strong commitment to this matter.

Last year we refurbished the supermarkets on calle Barquillo and in Boadilla del Monte, both in Madrid, in order to create a more innovative supermarket concept capable of providing a better shopping experience.

Another highlight was the start of work on implementing AENOR’s Zero Waste Management System in all Supercor establishments, with certification obtained already last year at 40 supermarkets located in Galicia, Valencia, Murcia, Aragon and the Basque Country. The rest of the Spanish supermarkets will be certified within the next couple of years.

We obtained MSC and ASC chain of custody certification for our fresh fish, evidencing our commitment to the quality and sustainability of our products.

The Sanchez Romero supermarket chain, which was integrated into the Supercor store network in 2021, made progress on its strategy of building a bond with its customers through free cooking workshops. The work to refurbish the café-bar section of the Pinnea-Majadahonda Sanchez Romero (Madrid) finished, creating a cutting-edge space where customers can enjoy fine food.

In September 2023, the Group signed an agreement for the sale of 43 Supercor supermarkets considered non-core to Carrefour, retaining ownership, however, of the properties that are owned by El Corte Inglés. The sale agreement includes certain job retention requirements. This transaction will close after the end of FY 2023.

NON-RETAIL BUSINESSES

Our ambition to place our customers front and centre and adapt to the new times has led us to set up a number of business lines that complement our retail business. These newer businesses all share the values underpinning the trust associated with the El Corte Inglés brand.



Viajes El Corte Inglés in Cali, Colombia.

VIAJES EL CORTE INGLÉS GROUP

18

countries sell our travel services

61.4%

accessible leisure travel agencies in Spain

24.8

hours of training per employee receiving training

3.3

million social media followers

58.9%

of management positions held by women

99.8

of employees on permanent contracts

Viajes El Corte Inglés is a leading player in the travel sector. It is active in the leisure travel, business travel, event management (or MICE: meeting, incentives, conferences and exhibitions), bed bank (Smyrooms), receptive tour operation and holiday experiences segments.

The travel business boasts a strong presence in Spain, Portugal and Italy and has a meaningful footprint in the Americas as an outbound travel group with a presence in 11 countries there. In all, we market our travel services in 18 countries. We have over 540 agencies in Spain and 181 proprietary agencies and 1,844 affiliate agencies abroad. We use a broad network of third-party agencies to sell the company's proprietary products and through our own bed bank business we have a portfolio of customers (travel agencies) spread across 108 countries on all five continents.

Our strategy in this business relies on digitalisation and our multichannel, multimarket and multiproduct approach, which we see as essential for our diversification and growth in the global market. This approach is evident in our business diversification, structured to cover a broad spectrum of the travel market. In the leisure travel business, we operate under the Viajes El Corte Inglés, Logitravel.com and Utópica brand names; in tour operation, we use Tourmundial, Smytravel, Club de Vacaciones, Traveltool Partners and Tourenia; in the business travel segment our trademarks are Viajes El Corte Inglés and Holiday Clubs; in the MICE segment, we rely on the experience brought by Viajes El Corte Inglés; in the bed bank business, our brands are Smyrooms and Muchosol; and, lastly, as transportation aggregator, we work under the Passengy brand.

Our priority at Viajes El Corte Inglés remains that of providing premium quality service to our customers by offering them several contact channels: our physical travel agencies, our personal travel advisors, our websites, the Contact Centre and our Traveltool e-services.

We are strategically committed to tourism aligned with sustainable development and practices. Specifically:

- We have registered the carbon footprint of Viajes El Corte Inglés with Spain's Climate Change Office (under the Ministry for Ecological Transition and Demographic Challenge).
- We held our second Eco-conference, an open day for customers, employees, suppliers and other stakeholders organised to share all the latest news and what the Group is doing in the area of sustainable travel.
- We have entered into alliances with a number of organisations to carry out initiatives related with society (including Ecomar, Fundación También, Envera, Cooperación Internacional and Fundación Juan XXIII). We also participated in the second reforestation project in Cadalso de los Vidrios (Madrid).

- Viajes El Corte Inglés also participates in the UN Global Compact's working group tasked with designing the sustainability road map for businesses in the tourism sector, a document that sets out 10 priority transformation thrusts that was presented at the FITUR tourism trade fair in January 2024.
- We published the second edition of our Sustainable Development Tourism Guide which highlights our business partners' best practices and the progress we have made on ESG matters.
- We also updated our Top Ten "Tips for Responsible Tourism" in order to raise traveller awareness and engage them in the task of making the sector more sustainable.

Accolades

- Prize for Best Customer Service of 2024 in the travel category at the 13th edition of Customer Service of the Year.
- Our advertising campaign, "Amaze yourself", picked up a prize in the YouTube Awards 2023 as the "campaign that best demonstrates how YouTube can be used to generate sales".
- Viajes El Corte Inglés, Tourmundial and Club de Vacaciones received the Bequal Plus seal which flags organisations that are responsible with persons with disabilities.
- Prize for the Best Practice 2023 in management control during the Business Travel Gala. This prize, awarded by IBTA and the journal, Travel Manager, highlighted our commitment to excellence in business travel management.
- In the 27th edition of the "Protagonists at Sea" awards given by Costa Cruceros, we picked up two of the awards for best travel agencies in Spain: Viajes El Corte Inglés received the Over the TOP Award in Spain and Logitravel received the Over the TOP Award in Portugal.
- EcoVadis awarded the Group its sustainable company seal.
- The executive committee of the Spanish confederation for large families gave the travel group its Family-Friendly Tourism Seal.
- Lastly, at the 2024 Fitur trade fair, we were mentioned as one of the agencies with most bookings in Spain and Portugal on Amadeus NDC in 2023.

SICOR GROUP

SICOR Group addresses its services to retail and business customers, offering solutions related with security, temporary work, workplace integration and facility services, among others. Those services all have quality, specialisation and personalised care in common.

SICOR Seguridad provides customised responses to all sorts of physical or electronic security needs for individuals and businesses alike. The company has won tenders to provide services in different areas related with the provision of surveillance and security services. In electronic security, we offer an alarm service that uses advanced and innovative technology to create tailored solutions.

SICOR Teleasistencia was awarded the SUPER CARER 2023 PRIZE in the healthcare category last year. This business line provides assistance to people in need of dependent care, people with chronic illnesses and otherwise vulnerable groups. It makes use of cutting-edge technology with aim of providing well-being and making people's lives easier, ensuring the provision of optimal healthcare.

The purpose of **SICOR Interservicios ETT** is to facilitate access to employment, capturing talent by searching for professionals specialised in the logistics, warehousing and sales sectors so that they can develop personally and professionally.

SICOR Integra is our special employment centre for helping integrate people with disabilities into the workplace. It has been certified by the Madrid regional authorities to provide services such as: general cleaning, office building access control and concierge services, administrative services, phone line manning and packaging and boxing activities.

SICOR Servicios Integrales provides support services to businesses and individuals looking for efficiency: particular types of staff (hostesses, concierges, drivers, etc.), comprehensive building solutions, production outsourcing, social services and point of sale technologies, among others.

SICOR Limpieza specialises in cleaning and maintenance services (cleaning in conjunction with building work, mover services, furniture changes).

In January 2024, the company renewed its ISO 9001 certification which vouches for the adequacy of SICOR Seguridad's quality management system and its ISO 14001 environmental management system certification. Moreover, in 2023, it earned ISO 22301 certification for its business continuity management system.

EL CORTE INGLÉS ENERGY

El Corte Inglés Energy is the Group company that sells electricity. With this business we are seeking to reinforce the range of services we offer our customers framed by the transparency and credibility that characterise our brand. We guarantee 100%-renewable energy at competitive prices; we offer unique promotions and our customers are free to switch providers at any time.



Energy El Corte Inglés Stand.



Our ESG Performance

[GRI 2-23]

We are moving forward with the firm goal of developing our business sustainably, by integrating environmental, social and governance (ESG) aspects. Conducting ourselves ethically and responsibly has helped us build a solid reputation and credibility vis-a-vis our stakeholders.

The ESG initiatives we carry out generate shared value for the firm and for our stakeholders.

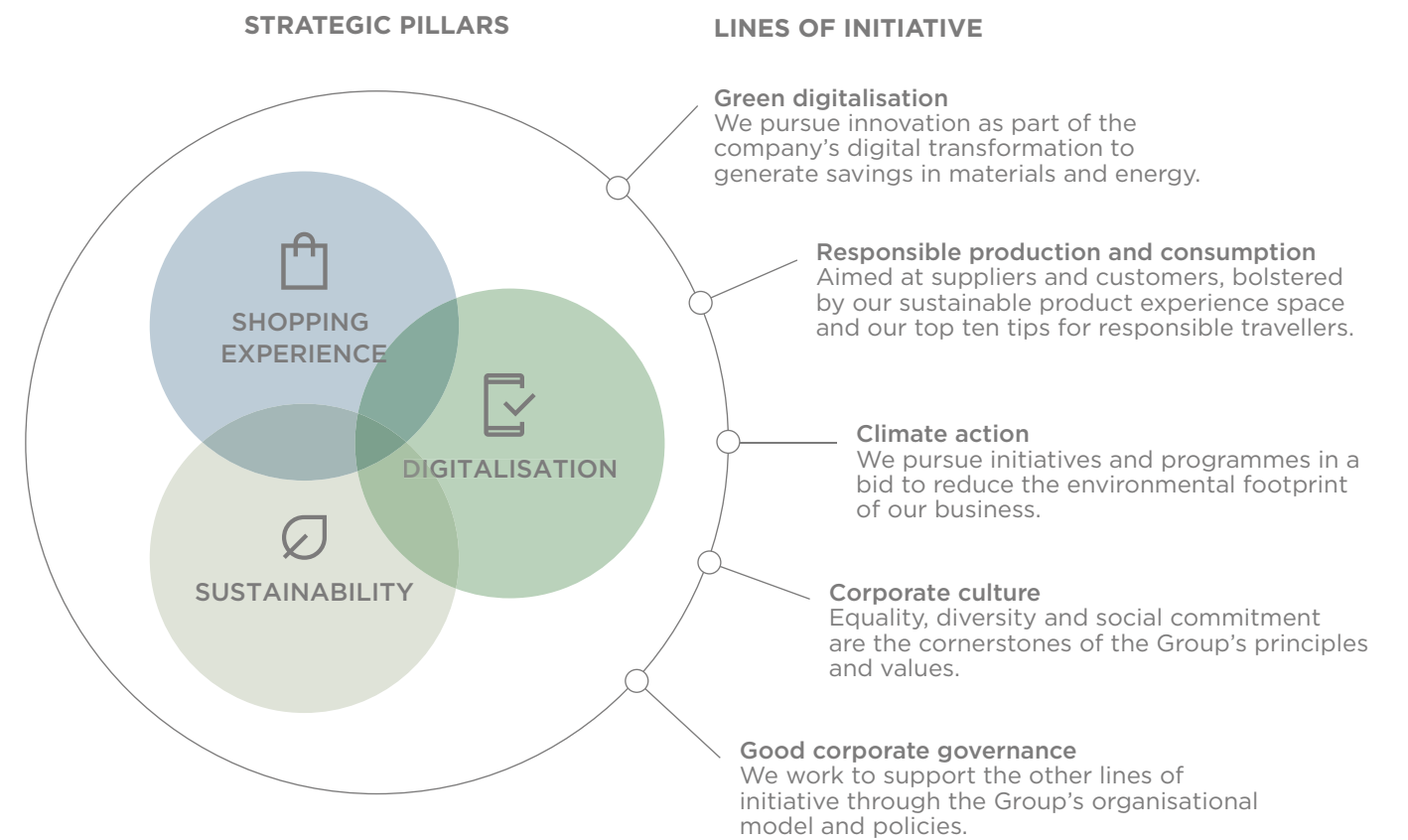
The Group is being guided by the 2021-2025 Sustainability and CSR Master Plan, coupled with our Corporate Sustainability Policy, which was approved by the Board of Directors in November 2022.

The **2021-2025 Sustainability and CSR Master Plan** is a crucial component of our sustainable management effort. It defines goals, sets out a roadmap and establishes concrete lines of initiative along the environmental, social and governance dimensions. In parallel, it generates shared value for the company and its stakeholders.

In defining these goals, we consider the commitments we have assumed voluntarily. To that end we have endorsed several **benchmark frameworks**:

- The United Nations Global Compact, so assuming its principles on human rights, labour rights, environmental protection and the need to fight corruption.
- The United Nations Sustainable Development Goals (SDGs), which are the compass for its sustainability targets.
- The United Nations Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises and, especially, application of the International Labour Organisation’s fundamental conventions.
- The principles and targets contained in the European Union’s Green Deal, integrating all of its implementing regulations with an impact on the Group’s business activities.
- The United Nations Framework Convention for Climate Change 2015 Conference of Parties agreement and targets (the Paris Agreement).
- The United Nations Children’s Rights and Business Principles, whose ratification formally embodies the Group’s active commitment to protecting children’s and young people’s rights.
- The Global Code of Ethics for Tourism, developed by the World Tourism Organisation, associated with the United Nations.

The 2021-2025 Sustainability and CSR Master Plan is in turn based on the following three strategic pillars and five specific lines of initiative:



The **Corporate Sustainability Policy** sets down the principles that guide our sustainability efforts as applicable to all of our stakeholders, Board of Directors, governing bodies and employees.

Corporate sustainability policy

Goals:

- To nurture sustainability in every aspect of our corporate culture, in a cross-cutting manner, so helping generate credibility and shared value.

Specific operating principles:

- Complying with national and international law and other regulations in effect in the countries where it does business.
- Upholding the national and international sustainability-related commitments assumed voluntarily by El Corte Inglés.
- Structuring policy around ESG principles.

For further information:

<https://www.elcorteingles.es/recursos/informacioncorporativa/doc/portal/2024/03/25/corproate-sustainability-policy.pdf>

With the aim of building out our sustainable product offering, we have gone to lengths to improve our internal processes, as set down in further detail in the chapter of this report titled “Our customers”.











The assessments undertaken by the rating agencies that track our non-financial performance evidence the strides made in recent years. They also flag key areas where we can do better in light of their perceived importance to our stakeholders. For example:

- In 2023, Sustainalytics gave us the top sustainability risk rating in the Department Stores category.
- MSCI raised the Group’s score to AA in 2023.

These results echo successful delivery of the targets related with our green financing, which in turn strengthens our commitment to sustainable and responsible practices.




ACHIEVEMENTS UNDER THE SUSTAINABILITY MASTER PLAN

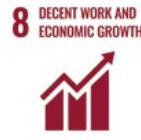

The targets and roadmap defined in the Sustainability Master Plan translate into specific actions which the Group has been executing in recent years. Among the milestones reached last year, we would highlight the following:




-  Consolidation of our sustainable offering (>130,000 SKUs).
-  100% of new El Corte Inglés suppliers with ESG scores (retail).
-  Implementation of the Zero Waste programme at 195 establishments of El Corte Inglés Group.
-  Plastic footprint in supermarkets down 25.85% since 2018.
-  Full carbon footprint measurement (Scope 3).
-  99.9% of electricity consumed in Spain with renewable Guarantee of Origin.
-  Corporate Diversity Policy approved by the Board of Directors.
-  New Equality Plan for El Corte Inglés and subsidiaries; Bequal Plus certification obtained and renewed.
-  Around 500 social actions carried out every year.
-  Corporate Sustainability Policy approved by the Board of Directors.

CONTRIBUTION TO THE SUSTAINABLE DEVELOPMENT GOALS (SDGS)

We are committed to helping deliver the Sustainable Development Goals emanating from the United Nations 2030 Agenda for tackling global sustainability challenges. We closely monitor our progress on achieving the targets set down in our 2021-2025 Sustainability and CSR Master Plan, which are designed to actively contribute to the SDGs, particularly the following goals:

| SDG | MASTER PLAN PROGRAMME | KEY INITIATIVES | KPIs |
|---|---|--|--|
|  <p>3 GOOD HEALTH AND WELL-BEING</p> | Healthy lifestyle, safety and well-being Committed team | Workplace health and safety | Certified health and safety management system In-house health service staffed by 135 healthcare professionals 83 medical centres 56,907 employees trained on workplace health and safety Over €8.2 million devoted to health and safety training 'ECI is Moving', programme that encourages exercise and healthy habits among employees |
| | | Cancer prevention activities and research funding | More than €200,000 donated to cancer research through a number of organisations |
| | | High standards of process and product quality and safety | 12,415 food and consumer products tested 1,392 food safety audits |
|  <p>4 QUALITY EDUCATION</p> | Corporate culture Equality, diversity and community commitment | Continuous staff training | 1,682,253 hours of training €16.9 million invested in training |
| | | University studies for employees at CEURA | 843 students |
|  <p>5 GENDER EQUALITY</p> | Committed team | Support for women at work and their career development | 62.0% of Group employees are women 33.0% of management positions held by women Third Equality Plan for the Group companies Equal employer seal |

| SDG | MASTER PLAN PROGRAMME | KEY INITIATIVES | KPIs | |
|--|---|--|--|--|
|  <p>8 DECENT WORK AND ECONOMIC GROWTH</p> | Committed team | Quality work | 97.3% of workforce has a permanent contract 63.1% of our new hires under the age of 30 | |
| | | Good labour practices | Our employees' starting salary exceeds the statutory minimum on average across the Group companies by 11.9% for male employees and 12.7% for female hires. Incentive scheme Flexible working arrangements and right-to-disconnect measures | |
| | | Policies, responsibility and due diligence | Application of due diligence measures along our supply chain | 2,699 ESG audits at private-label product supplier factories |
| | | | Human rights training | 551 security professionals trained in 2023 |
|  <p>10 REDUCED INEQUALITIES</p> | Committed team | Economic and social value creation | €14,681.6 million of value generated and €13,854.3 million of value distributed | |
| | | Sustainable products, services and businesses Local economy and proximity | Business model committed to workforce inclusion | 1,649 employees with disabilities Hiring of victims of gender-based violence Randstad award for the most attractive place to work in the retail sector |
| | | | Strategic commitment to generational diversity | 13.9% of the workforce is under the age of 30; 51.0% is aged between 30 and 50; and 35.1% is older than 50 |
| | | Healthy lifestyle, safety and well-being Local economy and proximity | Physical and digital accessibility | 104 Supercor stores with accessibility certification Accessible websites and apps |
| Connection with society through sports, cultural and community action activities | 2,970 interactions with society in Spain and abroad | | | |

| SDG | MASTER PLAN PROGRAMME | KEY INITIATIVES | KPIs |
|---|---|---|--|
| 12 RESPONSIBLE CONSUMPTION AND PRODUCTION  | Sustainable consumer habits | Extended information on product labels SKUs with sustainability attributes | Sustainable product guide 139,727 sustainable product SKUs, up 5.3% year-on-year |
| | Sustainable products, services and businesses | Digital product passport Reduction of food waste | 4,805,217.8 kilos of surplus food donated to charities |
| | Local economy and proximity | Strategic commitment to local production in Spain and Portugal | “Made in Spain” attribute (local production) 71.3% of suppliers based in Spain or Portugal |
| 13 CLIMATE ACTION  | Environmental footprint reduction | Energy efficiency measures Renewable energy thrust | Energy consumption reduced by 58,497,814 kWh 99.9% of electricity purchased in Spain comes from renewable sources Installation of photovoltaic panels at our establishments with power sent back to the grid |
| | | Sustainable packaging and plastic reduction plan | Supermarkets’ plastic packaging reduced by over 7.5% |
| | | Zero Waste | 195 establishments with Zero Waste certification 103,715 tonnes of waste recovered at our centres |
| | Sustainable logistics and mobility | Environmental certifications | Viajes El Corte Inglés awarded the EcoVadis sustainable company seal |
| | | Reduction of logistics carbon footprint by 6.9% | Efficient management of international and national transport routes Formulation of Green Handbook for Home Deliveries |
| 17 PARTNERSHIPS FOR THE GOALS  | Policies, responsibility and due diligence | Network of stable and solid alliances | Membership of 241 organisations and institutions |
| | | Permanent stakeholder engagement | 5 th Active Participation Stakeholder Day Dedicated stakeholder communication channels |



Tintoretto Collection. El Corte Inglés A Coruña.



Our Corporate Governance

The Group's corporate governance framework is underpinned by a series of ethical values and principles. This structure not only benefits El Corte Inglés' business but also generates additional value for our stakeholders. It ensures we follow responsible practices, act transparently and foster sustainable growth.

Our corporate governance actions are underpinned by principles related with ESG considerations, which are set down in our rules of conduct and corporate policies, especially our Corporate Sustainability Policy. Those principles are:

- The values and principles laid down in the Ethics Code.
- A unique business culture conducive to enabling innovation and sustainable development in the long term.
- A corporate governance model and structure aligned with best practices and codes in sustainability.
- A risk and opportunities control and management system that considers the impact and results of environmental and social action plans.
- High quality and transparent non-financial reporting.

SDGs and Related material topics



- Corporate governance
- Cybersecurity and data protection

OUR PRINCIPLES, VALUES AND COMMITMENTS

[GRI 2-15] [GRI 2-16] [GRI 2-23] [GRI 2-24] [GRI 2-25] [GRI 2-26] [GRI 3-3]



Integrity and responsibility



Customer guarantees and care



Respect for human rights



Relationship and engagement with society and communities



Respect for the environment and commitment to sustainable development

For us, ethical business conduct is a prerequisite. We are therefore committed to creating a culture free from conduct that is not aligned with our principles and values, which are enshrined in El Corte Inglés Group's **Ethics Code**.

That Code details the principles and conduct that all Group employees and executives must respect. It was approved by the Board of Directors in September 2017 and is revised from time to time to verify that its principles and values keep pace with legal and social developments. The Ethics Code was last updated in 2023. It is available in Spanish, English and Portuguese on the Group's corporate website.

Ethics Code

Goals:

- To define the ethics principles and codes of conduct which El Corte Inglés Group, through its employees and executives, commits to uphold in carrying out its business activities.

Under that pledge, the Group's employees and executives are bound to comply with the laws and regulations in effect, as well as internal rules, codes of conduct and good practices that the Group adopts voluntarily.

For further information:

<https://www.elcorteingles.es/informacioncorporativa/en/corporate-governance/ethics-and-compliance/ethical-standards/>

The Ethics Code is implemented by corporate policies, the Compliance Programme and the rest of the Group's body of in-house rules and procedures.

1. **Corporate policies:** These set the general principles that must be upheld by the Group companies' employees and executives, which also apply to dealings with their various stakeholders. They are approved by the Board of Directors of El Corte Inglés, the highest governance body, and are reviewed regularly to ensure the ongoing correct management of the ESG matters of importance for the El Corte Inglés Group. Throughout the remaining chapters of this report, we provide an account of the contents of the most important policies of relevance to the aspects being reported on.

| CORPORATE POLICIES | Date of last revision ⁵ |
|--|------------------------------------|
| Compliance | June 2023 |
| Corporate Crime Prevention | June 2023 |
| Anti-Money Laundering and Counter-Terrorist Financing | November 2022 |
| Anti-Corruption and Anti-Fraud | June 2023 |
| The three policies that implement the Corporate Anti-Corruption and Anti-Fraud Policy: | June 2023 |
| • Gifts and Business Courtesies | |
| • Donations and Sponsorships | |
| • Relations with Public Officials and Private Entities | |
| Sustainability | November 2022 |
| Human Resources | November 2022 |
| Equality and Diversity | June 2022 |
| Data Protection | June 2023 |
| Risk Control and Management | June 2023 |
| Information Security | June 2023 |
| Tax | June 2023 |
| Corporate Finance | June 2023 |
| Internal Control over Financial Reporting System ⁶ | June 2023 |
| Customer Service and Care | June 2023 |
| Competition | New. June 2023 |
| Business Continuity | New. June 2023 |
| Whistleblowing Channel | New. June 2023 |

Some of the Group's internal rules are policy-like in nature. Specifically:

- Compliance Function Charter
- Compliance Function Governance Regulations

⁵ The Corporate Competition Policy, Business Continuity Policy and the Corporate Whistleblowing Channel Policy were approved in June 2023 so that they are still in their first iteration.

⁶ This policy is not available on the corporate website as it is a tool for internal use only.

- Compliance and Risk Control Committee Regulations
- Internal Audit Charter

All of these policies are available on the corporate website: <https://www.elcorteingles.es/informacioncorporativa/en/corporate-governance/ethics-and-compliance/corporate-policies/> and the Group's employees can also access them through the corporate intranet, NEXO.

The Group's employees and executives manifest their commitment to complying with the Ethics Code and corporate policies by endorsing our High Ethics Standards. These are a series of basic principles which all Group employees and executives agree to abide by, with the level of stringency stipulated in our Ethics Code and other internal rules and regulations, which likewise set down the Group's corporate principles and values.

As required in our corporate policies, compliance with the rules that involve operating principles related with processes that are partially or fully certified under UNE/ISO or subject to a specific regulation is audited internally and externally. The corporate policies that were audited internally and externally in 2023 were the Anti-Money Laundering and Counter-Terrorist Financing, Information Security and Corporate Finance policies. Meanwhile, the Data Protection and Internal Control over Financial Reporting System policies are audited internally.

The Group notably approved three new corporate policies in 2023:

- **Competition:** Its goal is to establish the operating principles governing the defence of competition and provide a clear understanding of prohibited and undesirable forms of conduct.
- **Business Continuity:** Here the aim is to establish the basic operating criteria for responding appropriately to a potential disaster or catastrophic event in an attempt to minimise the impact on the business.
- **Whistleblowing Channel:** This policy outlines the principles and standards for using the Whistleblowing Channel and how the reports should be handled. It also identifies the conduct that potentially violates the law and the main contents of the Ethics Code and other applicable internal rules that need to be reported through this channel. This policy was drawn up in keeping with the requirements introduced via Spanish Law 2/2023 on the protection of persons reporting regulatory breaches and incidents of corruption.

Elsewhere, in order to reinforce awareness around the rules of conduct and compliance-related policies, the Group undertook a series of communication and training actions in 2023, notably including:

- Seminars for executives managers organised in the Ethics and Compliance Space (especially those titled: "Prevention and Corporate Security at El Corte Inglés Group", "Diversity and Inclusive Leadership", "Competition Defence at El Corte Inglés Group" and "Business Corruption").

- The sessions organised for the department store Management Boards and the Group subsidiaries' Management Committees.
- Training sessions and talks on specific topics, such as the session addressing control supervisors and executors.

2. **Compliance Programme:** This programme describes the compliance model implemented by the Group with reference to the related rules and procedures in place and the measures adopted to deliver the targets set in this area and assess, prevent, detect and proactively manage compliance risks, especially corporate crime related risks.
3. **Corporate Conflicts of Interest Management Procedure:** The aim of this procedure is to establish appropriate channels for managing potential conflicts so that they do not have an adverse effect on our business activity, the ethics principles that guide us or the legitimate interests of the parties involved.

We define "conflicts of interest" as a potential discrepancy between the interests of El Corte Inglés Group and those of its directors, executives or employees when the impartial conduct of the latter or those under their influence could be directly or indirectly compromised. This is an issue of serious concern for the Board of Directors.

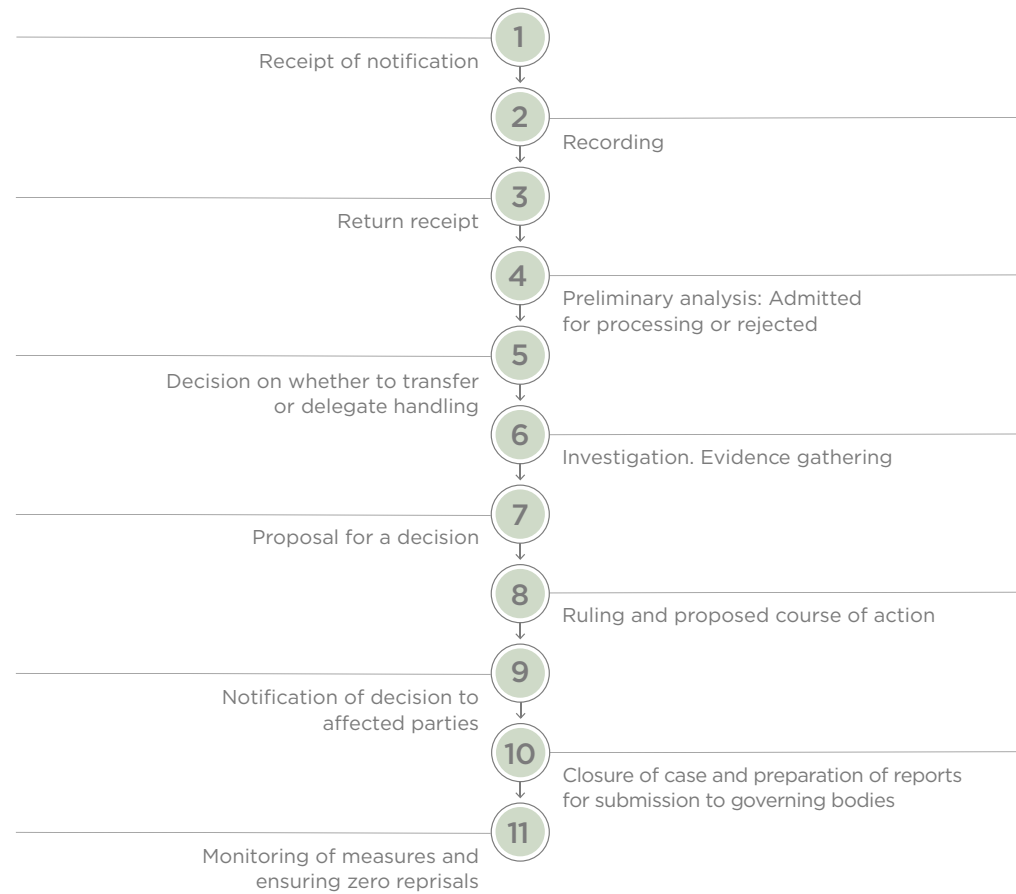
The members of the Board of Directors of El Corte Inglés, the Group's senior management team and the members of its corporate committees, as well as the Group's executives, employees and other partners, are obliged to notify any potential conflicts of interest.

Besides complying with our legal requirements at all times, ethical conduct involves upholding our internal commitments and standards and the best practices we adopt voluntarily.

Elsewhere, in order to be able to respond to any Ethics Code query, discrepancy or potential breach, the Group has a confidential Whistleblowing Channel which can be used by any member of the organisation and also by other stakeholders.

Its use is regulated in the **Corporate Whistleblowing Channel Policy and Corporate Whistleblowing Channel Management Procedure**, which sets out how notifications received through the channel must be handled. They provide the mechanisms needed to communicate and manage, on a timely basis, any report related with the scope, enforcement or interpretation of the regulations applicable to the organisation or with any conduct that could be considered a breach of the ethics principles or in-house rules and regulations in place, all of which ensuring due confidentiality, protection for the whistleblower and the absence of any retaliation.

The steps required to correctly manage notifications received through the channel are:



The various methods that can be used by employees, executives and third parties in general to make these reports are the following:

- **Whistleblowing Channel:** El Corte Inglés Group has set up a mailbox within its corporate website, which can be reached through the following link: <https://elcorteingles.canaletico.app/inicio>
- **By post at the following address:** El Corte Inglés, S.A. Chief Compliance Officer. Hermosilla Street, 112, 28009 Madrid.
- **By phoning the Compliance Department:** + 34 91 401 85 00
- **By requesting an in-person or online meeting.**

In 2023, the Whistleblowing Channel fielded 324 notices, of which 194 were classified as admissible (in 76 cases it was finally concluded that the key contents of the Ethics Code had not been breached, while, following a preliminary analysis, 130 notices were dismissed). In 2022, 162 notices were received, with 145 classified as admissible. The growth in the number of notices received and classified as admissible in 2023 (49, or 19.8% compared to 2022) stems from the progress being made on creating a culture of compliance⁷ among employees and other stakeholders and increased trust in this channel.

The notices received and processed were related with the following topics:

| | 2023 | 2022 |
|---|---------------|---------------|
| Number of notices declared admissible | 194 | 145 |
| Matter | | |
| Workplace or sexual harassment | 12.4% | 9.0% |
| Unethical conduct at work | 25.3% | 13.8% |
| Environmental damage | 0.0% | 0.7% |
| Discrimination or human rights violations | 0.5% | 0.0% |
| Fraud and corruption | 6.2% | 4.1% |
| Breaches of laws and internal regulations | 13.4% | 0.0% |
| Other | 6.6% | 6.9% |
| Business claims | 2.1% | 33.8% |
| Disrespectful, discriminatory or unjust treatment | 32.0% | 25.5% |
| Breach of intellectual and industrial property rights | 0.5% | 0.0% |
| Violation of data protection rules | 1.0% | 5.5% |
| Breach of anti-money laundering regulations | 0.0% | 0.7% |
| TOTAL | 100.0% | 100.0% |

The person in charge of the compliance function is also in charge of receiving and managing the notices received through the Whistleblowing Channel, handling the corresponding internal investigation and issuing the pertinent resolution. This figure is also tasked with reporting to the governing bodies through the Audit and Control Committee.

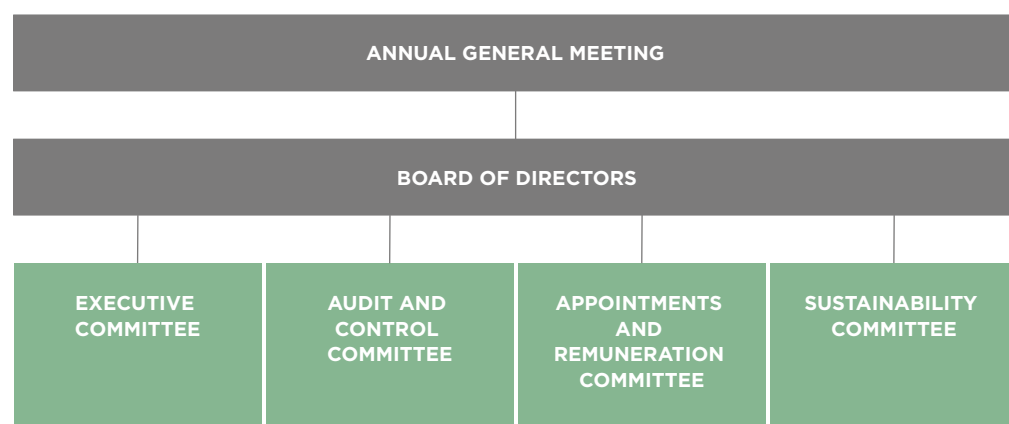
⁷ The information related with training provided in the areas of ethics and compliance can be found in the chapter titled "Our team", specifically section "A. Training programmes".

OUR CORPORATE GOVERNANCE MODEL

[GRI 2-1] [GRI 2-9] [GRI 2-11] [GRI 2-12] [GRI 2-13] [GRI 3-3]

The Group's corporate governance model allows it to establish and fortify a dynamic and effective governance structure for El Corte Inglés and its subsidiaries. The model is adapted continually for unfolding circumstances and developments, following the regulators' recommendations in order to uphold best practices and meet the standards expected of listed companies.

Within the Group's corporate governance structure, the Board of Directors of El Corte Inglés, S.A. is the highest decision-making body in relation to all matters not reserved specifically for the Annual General Meeting, the ultimate governance body.



The Board of Directors has **four committees**:

- The **Executive Committee**, whose main functions relate to supervision and control. The Executive Committee carries out all the Board duties that are not expressly reserved for the Board itself.
- The other three are advisory committees, without executive duties; their role is to inform, advise and make proposals within their purviews. They are the **Audit and Control Committee**, the **Appointments and Remuneration Committee** and the **Sustainability Committee**. Their powers are set down in El Corte Inglés, S.A.'s Bylaws.

For the first time in 2023, El Corte Inglés adopted certain recommendations with respect to assessment of the Board's performance, which are detailed in the section regarding the Appointments and Remuneration Committee.

Furthermore, the DiliTrust corporate governance management tool has been implemented across the different committees of the Company, in line with what the Company's Board of Directors had already been doing, thus promoting the security and control of the activity of these committees and the participation of its members.

ANNUAL GENERAL MEETING

El Corte Inglés, S.A.'s shareholders address and resolve on any and all matters within the purview of the Annual General Meeting, as set down in the company's Bylaws. General meetings can be ordinary or extraordinary and are called by the Board of Directors. They are also the key channel for communicating with and briefing the company's shareholders.

In 2023, the Annual General Meeting took place on 21 July 2023. The quorum was 99.46% of subscribed voting share capital. The resolutions ratified included the following:

- Approval of the individual and consolidated financial statements and management reports for the 2022/2023 fiscal year ending on 28 February 2023, duly audited.
- Approval of the Non-Financial Statement for the 2022/2023 fiscal year, duly assured.
- Approval of the Board of Directors' performance for the 2022/2023 fiscal year.
- Ratification of the own share purchase and sale transactions.
- Re-election of Corporación Ceslar, S.L., Cartera Mancor, S.L. and Mr. Fernando Bécquer Zuazua as directors and establishment of the number of members of the Board of Directors.
- Approval of director remuneration.
- Authorisation to buy back and sell own shares.

Shareholder structure as of 29 February 2024

The shareholders with interests of more than 10% in the share capital of El Corte Inglés, S.A. are: Fundación Ramón Areces, with a 40.040% shareholding; and Cartera de Valores IASA, S.L., with an interest of 18.401%.

BOARD OF DIRECTORS

[GRI 2-15] [GRI 405-1]

The Board of Directors' modus operandi and duties are set down in El Corte Inglés' Bylaws. The Bylaws stipulate that the Board meet at least eight times a year and at least once a quarter.

The various committees must provide the company's directors with information about any matters addressed in their respective sessions for each Board meeting, also submitting any proposals they have approved for authorisation by the Board itself.

In 2023, the Board of Directors met 10 times.

At the end of fiscal year 2023⁸, El Corte Inglés' Board of Directors was made up of the following members:

- Marta Álvarez Guil: Chairwoman
- Cristina Álvarez Guil: Director
- Cartera Mancor, S.L. (represented by Paloma García Peña): Director
- Corporación Ceslar, S.L. (represented by Carlota Areces Galán): Director
- Mutua Madrileña Automovilista, Sociedad de Seguros a Prima Fija (represented by Ignacio Garralda Ruiz de Velasco): Director
- Fernando Bécker Zuazua: Director
- Manuel Pizarro Moreno: Director
- Javier Rodríguez-Arias Ambrosini: Director
- José Ramón de Hoces Íñiguez: Director and Board Secretary

The Board of Directors is chaired by Marta Álvarez Guil, who serves as an executive director and also sits on the Executive Committee and the Appointments and Remuneration Committee.

As required under the Corporate Enterprises Act, the company carries out exhaustive controls to avoid potential situations of conflict of interest that may arise among any member of the Board of Directors.

All of the members of the Board of Directors are bound by the Group's Ethics Code and are required to confirm and report that they are not party to any conflicts of interest annually. There is a specific procedure whereby the Audit and Control Committee regularly verifies potential director conflicts of interest.

Among the most relevant developments affecting the Board of Directors of El Corte Inglés in 2023 was the re-election of Corporación Ceslar, S.L., Cartera Mancor, S.L., and Mr. Fernando Bécker Zuazua as directors for an additional term of five years..

BOARD COMMITTEES

A. EXECUTIVE COMMITTEE

The Executive Committee's main duty is to support the Board of Directors with supervision and control of the company's executive and management bodies, making sure the latter report to the Board of Directors as required.

In 2023, the Executive Committee was made up of the following executive directors: Marta Álvarez Guil (chairwoman), Javier Rodríguez-Arias Ambrosini and José Ramón de Hoces Íñiguez.

The company's two managing directors also sit on the committee as permanent guests: José M^a Folache González-Parrado, who is responsible for managing the retail businesses, and Santiago Bau Arrechea, who is in charge of existing corporate businesses and those of new creation. Both report directly to the Executive Committee and are supported by the Management Committee.

The Executive Committee met 30 times in 2023.

B. AUDIT AND CONTROL COMMITTEE

[GRI 2-25]

As per El Corte Inglés' Bylaws, the Audit and Control Committee must have between three and six members, all of whom must be non-executive directors.

In 2023, this committee had three members: Fernando Bécker Zuazua, who has been chairing this committee since June 2020, Cristina Álvarez Guil and Cartera Mancor, S.L. (represented by Paloma García Peña). José Ramón de Hoces Íñiguez, a Board director, serves as its secretary.

The Audit and Control Committee met 10 times in 2023.

The Audit and Control Committee's general duties notably include:

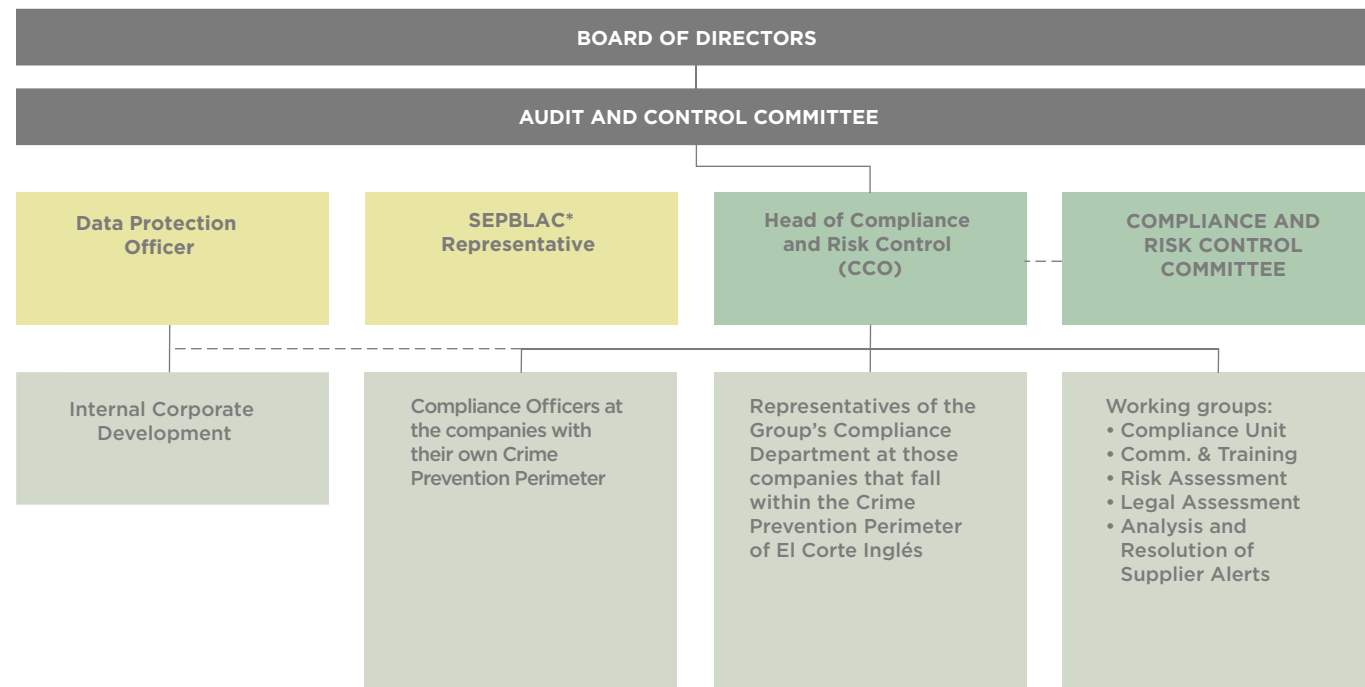
- Reporting at the Annual General Meeting, through its chairperson or secretary, on the matters dealt with within its purview, specifically including the outcome of the external audit.
- Supervising effectiveness of the internal control environment, internal audit function and risk management and control systems.
- Overseeing the financial reporting process.

⁸ For further information, refer to "Appendix I. Non-financial indicators. Our governance" on page 277.

- Supervising the external financial statement audit and making proposals to the Board for the selection, appointment, re-election and replacement of the financial statement auditor.
- Gathering information from the external auditor regarding its independence, the financial statement audit process and issuing a report on the external auditor's independence.
- Supervising the compliance function.
- Analysing tax matters and significant transactions with related parties.
- Providing the Board of Directors with a report addressing its critical concerns, having analysed the risks and controls performed by the various managers and the Risk Control Department.

The matters supervised directly by the Audit and Control Committee of relevance to El Corte Inglés' ESG effort include the compliance function and the risk control and management function, which we describe in greater detail in the following section.

The following organisational structure depicts how the compliance and risk management functions have to report to the Audit and Control Committee:



* SEPBLAC: acronym in Spanish for the Executive Branch of the Commission for the Prevention of Money Laundering and Monetary Infractions.
----- The relationship is based on collaboration, not hierarchical or functional dependence.

B.1 COMPLIANCE FUNCTION

[GRI 2-12] [GRI 2-16]

The compliance function's remit is to identify and assess the risk of breaches of the external and internal rules and regulations applicable to the Group and its various business activities. Its main duties include:

- To identify and analyse potential compliance risks and define the most suitable procedures for addressing, mitigating and preventing them.
- To alert the company of potential risks associated with regulatory developments. The Group has a dedicated regulation assessment taskforce in order to address and analyse relevant regulatory developments that could affect the Group companies' businesses.
- To develop, supervise and implement the compliance management system.
- To review and update the Ethics Code and its implementing policies and rules and to supervise their enforcement.
- To manage the Whistleblowing Channel.
- To raise employee and executive awareness about the importance of ethics and compliance and provide related training⁹.

At El Corte Inglés, the party **responsible for Regulatory Compliance and Risk Control** is a single-member body tasked with both the compliance and risk control functions (the Chief Compliance Officer), reporting directly to the Audit and Compliance Committee. The CCO is empowered to determine which initiatives to undertake and how to control them; among the duties of the CCO are making sure that the organisation's Compliance Management System and the Corporate Crime Prevention Management System are working as intended. This figure is also empowered to supervise compliance with the Group's body of internal risks and regulations, including the Ethics Code, the Corporate Crime Prevention Policy and the Corporate Anti-Corruption and Anti-Fraud Policy. The Group also has compliance officers at: Viajes El Corte Inglés, SICOR Group, El Corte Inglés-Grandes Armazéns and Telecor.

B.2 RISK CONTROL FUNCTION

The Risk Control function is carried out at the corporate level, under the supervision of the Audit and Control Committee. This function was incorporated into the Regulatory Compliance Department in 2022, which reports to the Chief Compliance Officer and is assisted by the Compliance and Risk Control Committee.

Its main purpose is to identify, assess and control potential risks for the organisation. It is also tasked with monitoring the Group's most significant identified risks, reporting on their status and prognosis to other functions within the governance system and the areas comprising the lines of defence.

⁹ The information related with training provided in the areas of ethics and compliance can be found in the chapter titled "Our team", specifically section "A. Training programmes".

Its chief responsibilities include:

- Establishing and managing a universe of procedures, guidelines, policies and indicators around potential risks and defining tolerance thresholds and tools for their approval and implementation.
- Identifying, analysing, monitoring and regularly reviewing the potentially significant risks.
- Assessing and verifying the potential risks using uniform, international methods and standards applicable to El Corte Inglés Group.
- Managing an internal control system designed to ensure compliance with the established policies, guidelines, procedures and limits and implement the contingency plans needed to mitigate the potential impact of those risks.
- Maintaining the Corporate Risk Map, an essential component of the integrated risk control and management system, examining it regularly and reporting on it to the Audit and Control Committee periodically.
- The risk control function is implemented within the Group's governance framework by:
 - Senior management, tasked with disseminating the control culture, effectively implementing the risk management strategy and supervising the processes and technology comprising the Group's risk control and management system through a series of committees and taskforces.
 - The Chief Compliance Officer, whose role is to control and foster the Group's operational, financial, compliance and strategic risk control and management system.

The main risks and opportunities identified by El Corte Inglés Group, along with the respective management strategies, are itemised in chapter 4 of this report.

C. APPOINTMENTS AND REMUNERATION COMMITTEE

[GRI 2-10] [GRI 2-17] [GRI 2-18] [GRI 2-19] [GRI 2-20]

The Appointments and Remuneration Committee, as set down in El Corte Inglés' Bylaws, must comprise between three and six directors. In 2023, it was made up of three female directors: Marta Álvarez Guil (who chairs it), Cristina Álvarez Guil and Cartera Mancor, S.L. (represented by Paloma García Peña). José Ramón de Hoces Íñiguez, a Board director, serves as its secretary. The Appointments and Remuneration Committee met 5 times in 2023.

Its key duties notably include:

- Evaluating the universe of skills, knowledge and experience needed on the Board of Directors and defining the roles and capabilities required of the candidates for each vacancy.

The Board of Directors and its committees' performance is evaluated annually. As a result of this evaluation process, the improvement measures to be implemented in the following year are agreed upon.

It has been decided to use an independent advisor for this evaluation process as of 2024.

In response to the evaluations carried out, certain recommended measures were implemented in 2023. Specifically:

- Approval of an annual schedule of Board and committee meetings at the start of the year with proposed agendas.

Continuous improvement regarding the documentation and information to be dealt with at the meetings of the Board and its committees further ahead of schedule.

- Approval of a Continuous Training Plan for directors, at the recommendation of the Appointments and Remuneration Committee.

The Board of Directors, at the proposal of the Appointments and Remuneration Committee, agreed to several training sessions on business management covering the key issues and challenges currently facing the company's directors. That training programme, which was provided by a prestigious post-graduate business school, focused on the current global context and business trends and the strategic implications for the future.

It has been decided to use an independent advisor to evaluate the committee's performance as of 2024.

- Bringing proposals to the Board of Directors for the appointment of directors, independent or otherwise, and for the re-election or removal of directors, for submission at the Annual General Meeting.

To select candidates for the Board and make proposals regarding the appointment, re-election and/or ratification of Board directors, the committee assesses their alignment with the company's interests and their ability to uphold their fiduciary duties of diligence, loyalty, good faith and care and respect widely accepted good practices. To do that it analyses their professional trajectories, assessing their track records respecting company law and other business regulations and practices, along with generally accepted good practice in the company's sector.

In the process, it analyses the aspects that allow it to assess their suitability, skills and experience, reputation, dedication, ability to exercise independent judgement and avoid conflicts of interest, among other factors. To this end, public sources of information are used and the candidates are asked to provide the information needed to assess their suitability, along with a declaration that they are not conflicted or otherwise disqualified from serving on the Board.

Each year the Appointments and Remuneration Committee assesses the skills and knowledge represented in the boardroom, presenting a report with its findings to the Board of Directors, which must in turn present it at the Annual General Meeting.

- Reporting on proposals to appoint other directors, whether via co-option or for submission at the Annual General Meeting, including proposals for the re-election or removal of such directors.
- Analysing and planning the succession of the chairperson of the Board of Directors and the company's chief executive, submitting resolutions to the Board of Directors to ensure that succession takes place in an orderly and planned fashion, as necessary.
- Reviewing the Director and Senior Management Remuneration Policy and making proposals to the Board of Directors for its update, as deemed necessary.

In keeping with the company's Bylaws, the directors are entitled to receive a fixed annual stipend which, on aggregate, may not exceed the cap determined to that end by the company's shareholders in general meeting. Independent external experts are brought in to advise on remuneration policies and rules that are approved at the Annual General Meeting. It is up to the Board of Directors to determine exactly how much to pay its directors within that limit as a function of the duties and responsibilities vested in each and, if necessary, the accrual of that remuneration over the course of each financial year.

The variable remuneration provided to the executive directors, officers and other key executives is conditional upon delivery of the targets set down in the company's Strategic Plan.

Director and Senior Management Remuneration

The average¹⁰ remuneration received by the members of the Board of Directors of El Corte Inglés, S.A., excluding termination benefits and incentive plans approved at the Annual General Meeting but including remuneration for membership of the boards of other Group companies, was €2,518,555 in the case of the female directors and €1,755,382 in the case of the male directors.

The Board of Directors, at the recommendation of the Appointments and Remuneration Committee, has approved director and officer remuneration policies.

Those remuneration policies were prepared in conjunction and coordination with the 2021-2026 Strategic Plan and layer in the Group's Sustainable Corporate Governance Objectives.

They are applicable between 2021 and 2026, unless modified by the company's shareholders in general meeting during their term of effectiveness.

They are designed to ensure that the remuneration earned by the company's directors and officers is competitive and proportionate to the dedication and responsibilities assumed, so contributing to their loyalty, motivation and development.

They are also designed to align the interests of the company's shareholders and those of the Group of companies whose parent is El Corte Inglés around the goal of optimally executing the new business strategy and the company's sustainability in the long term.

When designing these policies and determining the corresponding compensation amounts, input was gathered from expert consultants who benchmarked remuneration at comparable companies to ensure that what the Group pays is in line with market standards. In the case of the executive directors, that benchmarking exercise is undertaken annually.

Each year the Appointments and Remuneration Committee also evaluates the level of delivery of the pre-establish targets in order to provide an account of director remuneration and set the targets for the year ahead.

The rules set down in the remuneration policies are complementary and subsidiary to the provisions laid down in applicable company law and the Bylaws as they apply to the company's directors.

The principles of the remuneration policies are as follows:

- Reporting transparently on director and officer remuneration.
- Aligning remuneration with shareholder interests, the creation of value at the parent company and its Group in the long term and the targets set down in the 2021-2026 Strategic Plan.
- Ensuring the structure and amount of remuneration is in keeping with the company's strategic targets and corporate governance recommendations, while proving competitive in relation to comparable companies.
- Fostering customer care: remuneration should be conducive to delivering efficacy, professionalism, a service mentality and collaborative mindset in order to maximise customer satisfaction and provide customers with competitive and quality solutions.
- Ensuring commitment to the environment and sustainable economy by actively and responsibly managing environmental conservation, going beyond strict legal requirements. This means displaying commitment to the sustainable economy initiatives rolled out and acting with the utmost diligence to remedy any incidents so as to enhance environmental protection.

¹⁰ For further information, refer to "Appendix I. Non-financial indicators. Our governance" on page 276.

- vi. Encouraging innovation and continuous improvement to maximise quality framed by profitability criteria. Change management: fostering the pursuit of change aimed at delivering continuous improvement; anticipating change; encouraging others to show initiative, so long as risks are kept in check, and searching for new ways of solving problems.
- vii. Ensuring the remuneration system lends itself to attracting and retaining talent.
- viii. Aligning remuneration with market standards and making it flexible enough to allow for adaptation for different geographies and changes in the environment, sector or business.

The remuneration paid to directors for performance of their specific Board-related duties (in other words, for performing the duties intrinsic to their directorships and not for performing executive duties, as the case may be) is fixed and determined on the basis of their membership of the Board of Directors and its committees and attendance at the corresponding meetings. Non-executive directors do not earn variable remuneration.

For the executive directors, the remuneration policy contemplates a complementary annual bonus determined on the basis of delivery of specific and quantifiable individual and/or collective targets determined and disclosed by the company annually.

The monetary amount set aside annually for the company's directors' fixed and variable remuneration is limited to the cap approved at the Annual General Meeting.

These directors also earn long-term variable remuneration designed to provide them with an incentive to contribute to delivery of the company's long-term strategic targets. At the Annual General Meeting held on 23 July 2021, the company's shareholders approved a long-term incentive plan, to be settled in cash. The Group is recognising provisions for that bonus annually in keeping with the calculation and accrual criteria set down in the plan rules.

The amounts of the various items of remuneration are set as a function of earnings, financial, industrial and business criteria and must be formally documented, specific, quantifiable and aligned with the strategic targets of the parent and its Group.

The targets also factor in ESG considerations. The targets set for 2023 included targets around: corporate reputation and ethics management, measured using sustainability indices; continuous improvement; and the update of the corporate governance plans, in line with the initiatives contemplated in the Good Corporate Governance Plan.

It is important to note that none of the directors is a beneficiary of pension or saving schemes.

Senior management remuneration comprises fixed remuneration and an annual bonus based on delivery of individual and/or collective targets set and duly notified by the company annually. They also accrue a long-term bonus under a scheme designed to

motivate them to achieve the company's long-term strategic targets. As with the executive directors' scheme, a long-term cash incentive scheme for officers was ratified at the Annual General Meeting of 23 July 2021 and the corresponding annual provisions are being recorded.

The average amount of remuneration received by the company's key management personnel in 2023 was €903,918 in the case of the male executives¹¹ (€760,744 in 2022).

D. SUSTAINABILITY COMMITTEE

[GRI 2-14] [GRI 201-3]

The Sustainability Committee is made up of four directors: Manuel Pizarro Moreno, who has been chairing it since 2020, Cristina Álvarez Guil, Cartera Mancor, S.L. (represented by Paloma García Peña) and Corporación Ceslar, S.L. (represented by Carlota Areces Galán). José Ramón de Hoces Íñiguez, a Board director, serves as its secretary. The Sustainability Committee met 9 times in 2023.

Its responsibilities include spearheading and supervising El Corte Inglés' Non-Financial Statement, the ultimate expression of the company's sustainability performance and accountability. Its other responsibilities and duties include:

- Monitoring the Group's objectives, action plans, practices and policies along the environmental and social dimensions.
- Controlling the Group's sustainability strategy, policies and practices.
- Checking compliance with the Group's product health and safety standards.
- Confirming compliance with the most stringent environmental standards, contributing to the conservation of biodiversity and the sustainable management of natural resources in the use of raw materials in the company's productive processes, in the products it sells and in its store operations.
- Checking compliance with human rights policies along the Group's value chain.
- Controlling and providing an account, in line with benchmark international standards and applicable legislation, of the sustainability reporting process.
- Fostering a community engagement, sponsorship and patronage strategy that is aligned with the Group's policies.
- Facilitating and controlling the Group's contribution to delivery of the Sustainable Development Goals endorsed by the United Nations.
- Controlling other actions that could affect the Group's sustainability.

¹¹ Amount calculated considering the average salary accrued during the year, excluding in-kind payments. As there is only one female officer, disclosure of the average for female executives does not apply.

- The Sustainability Committee also drives, supervises and controls the Corporate Sustainability Policy by means of two key enabling tools: the Sustainability Master Plan and the Non-Financial Statement.

Engagement with the various organisations is channelled through the stakeholder working group set up in 2005, which is described in more detail in chapter 5 of this report.

In order to correctly manage ESG matters, the Sustainability Committee is assisted by the following bodies:

- **Executive Sustainability Commission:** Made up of the heads of the key functional areas, whose mission is to support the Sustainability Committee.
- **Sustainable Development Subsidiary Coordination Commission:** This taskforce brings together the various Group companies and their sustainability officers at a more operational level. Its main task is to bring proposals before the Executive Sustainability Commission and the Sustainability Committee.
- **Communication, Sustainability and Institutional Relations Department:** This area is tasked with suggesting action plans and executing and communicating the plans and programmes devised by the various governing bodies in the sustainability area. It is also responsible for formulating the Master Sustainability Plan and proposing it to the Sustainability Committee, preparing the Non-Financial Statement and, lastly, the Sustainability Dashboard for controlling, supervising and monitoring by the Sustainability Committee.

MANAGEMENT STRUCTURE AND TEAM

As of 29 February 2024, the Group's key management personnel were as follows:

- José María Folache: Chief Retail Officer
- Santiago Bau: Chief Business Officer
- Antonio Ortega: Director of Transformation
- Alfonso Gordon: Director of People and Talent Management
- Javier Catena: Director of Operations
- José Luis González-Besada: Director of Communication, Sustainability and Institutional Relations
- Catalina Polán: Director of Security
- Luis Santa-María: Director of Legal and Corporate Governance
- Rafael Díaz Yeregui: General Vice-Counsel

The structure of the various corporate committees is described next:

- **Communication Committee:** Tasked with coordination of the various initiatives with an impact on El Corte Inglés Group's image and brand. In particular, it monitors the Group's activities in relation to:
 - Institutional relations
 - The Communication Plan
 - The Sustainability Plan
- **Management Committee:** Tasked with raising the information in its functional area of responsibility to enable:
 - Identification, assessment and management of risks.
 - Business operations: Oversight of business operations and performance.
 - Execution of strategic planning.
 - Capital allocation proposals.
 - High-level governance of new products and services.
 - Financial, non-financial and management information and its accurate and transparent dissemination. Oversight of the internal controls over the company's financial, non-financial and management reporting, its disclosure controls and procedures, including the ability of the latter to detect and impede fraudulent activities.
 - Annual operating plans and budgets.
 - The management organisational structure.
 - Crisis recovery and readiness plans. Development, implementation and periodic review of the business resilience and recovery plans and crisis readiness and recovery plans.
- **Retail Management Committee:**
 - Executive decision-making over a monthly time horizon to ensure delivery of the Board-approved budget.
 - Preparation and execution of matters for the Group's Management Committee.

- **Corporate Committee:**

- Coordination of the corporate area in order to guarantee adequate management of the organisation's financial resources, ensure investment sustainability, liquidity and visibility and deliver the growth and diversification plans.
- Preparation and execution of matters for the Group's Management Committee.
- Proposal, appraisal and approval of real estate transactions, including the acquisition, lease or disposal of assets in the context of the Board-approved budget.
- Proposal and appraisal of corporate investment or disposal transactions outside of the ordinary course of the Group's businesses.

- **Transformation Committee:** Tasked with driving and overseeing the ongoing transformation projects under the scope of the Strategic Plan.

- **CapEx Committee:** This committee's duties include proposing, appraising and approving the most important investments in plant, equipment and technology at the Group in the context of the Board-approved budget.

- **Compliance and Risk Control Committee:** Tasked with advising the Group's Chief Compliance Officer on all matters deemed relevant to performance of the CCO's duties.

OTHER TOPICS RELATED TO THE HIGHEST GOVERNANCE BODY

ANTI-CORRUPTION, BRIBERY AND MONEY LAUNDERING EFFORT

[GRI 2-23] [GRI 3-3] [GRI 205-1] [GRI 205-2]

To address potential risks in the areas of corruption, bribery, fraud and money laundering, the Group has a series of specific corporate policies. These policies, listed below, are designed to prevent the materialisation of these risks and establish specific compliance programmes and systems and internal controls:

- Anti-Corruption and Anti-Fraud Policy
- Gifts and Business Courtesies Policy
- Relations with Public Officials and Private Entities Policy
- Donations and Sponsorship Policy
- Anti-Money Laundering and Counter-Terrorist Financing Policy

The Group also updated its High Ethics Standards in 2023 to align them with the latest regulatory framework. The employees and executives of El Corte Inglés Group have endorsed seven basic commitments, including two that are addressed in this section: pledges to prevent corruption and fraud and money laundering.



El Corte Inglés of Princesa, Madrid.

Corporate anti-corruption and anti-fraud policy

Updated in June 2023.

Goals:

- To promote a culture of prevention and zero tolerance of corruption or fraud by setting specific compliance criteria and principles.
- To implement organisational, technical and disciplinary measures to facilitate effective internal control.

Operational principles:

- Ban on all forms of corruption and fraud Zero tolerance
- Neither accepting nor offering gifts
- Proactive prevention
- Duty to report
- Transparency and lawfulness
- Compliance by business partners and third parties
- Relations with public and private institutions and organisations
- Whistleblower protection
- Staff training and awareness

For further information:

<https://www.elcorteingles.es/recursos/informacioncorporativa/doc/portal/2024/03/25/corporate-policy-against-corruption-and-fraud56052.pdf>

Every agreement and contract entered into with business partners and third parties includes a clause addressing compliance with the Group's anti-corruption effort and referencing our policy stipulations. We have added a second clause that allows us to unilaterally terminate a contract if we observe a lack of commitment to upholding that duty by any counterparty. Lastly, there are control mechanisms covering business dealings with the public sector which are checked regularly to ensure ongoing compliance with external regulations and our internal procedures.

The notifications received through our Whistleblowing Channel led to the identification of two instances of corruption, which were confirmed in 2023. As a result, an agreement with one business partner was terminated.

We also reiterate our public commitment to fighting corruption through the training and awareness sessions we organise in this area; the sessions provided through the Ethics and Compliance Space are particularly important in this respect.

CORPORATE ANTI-MONEY LAUNDERING AND COUNTER-TERRORIST FINANCING POLICY

Updated in November 2022 to adapt it for the role of the new Chief Compliance Officer.

Goal:

- To implement the Group's commitment to creating a proactive framework and programme establishing the principles and guidelines the Group companies need to pursue in order to prevent money laundering and/or terrorist financing.

Operational principles:

- Ban on any manner of transaction involving goods of known criminal origin.
- Compliance with prevailing legislation.
- Reporting to competent authorities.
- Implementation of internal anti-money laundering and counter-terrorist financing policy procedures.
- Training and suitability assessment of employees, executives and agents.
- Full collaboration with anti-money laundering and counter-terrorist financing policy efforts.

For further information:

<https://www.elcorteingles.es/recursos/informacioncorporativa/doc/portal/2024/03/25/corporate-policy-on-the-prevention-of-money-laundering-and-terrorist-financing.pdf>

The Anti-Money Laundering and Counter-Terrorist Financing Policy is revised annually and on an ad-hoc basis whenever there are changes in the Group's strategic targets or in applicable legislation. Any changes must be pre-approved by the Chief Compliance Officer, with the backing of the Compliance and Risk Control Committee.

That effort is complemented by an annual review of the internal control measures related with the contents of this policy by the internal audit function and an independent expert. In keeping with its regulatory requirements, in 2023, all of the required declarations were provided to the competent authority, SEPBLAC.

Three key bodies are tasked with ensuring correct application of this policy: a representative of El Corte Inglés Group before SEPBLAC; the Internal Control Body; and the Money Laundering Prevention Unit.

As a result of that collaborative effort, transactions are duly controlled and analysed and the required due diligence and risk assessment measures are carried out. In 2023, 52 risk files were reported to the Internal Control Body.

Of the risk files referred and analysed during the year, the Internal Control Body concluded that, in keeping with its obligations, there were grounds for reporting four of them to SEPBLAC.

As part of the initiatives programmed for last year, we drew up our Annual Anti-Money Laundering and Counter-Terrorist Financing (AML/CTF) Plan for 2023. That plan encompasses the recurring actions and continuous training to be carried out in this area and details specific initiatives in response to the recommendations emanating from the annual AML/CFT system audits. That training is targeted primarily at the employees that work in the departments affected by the transactions covered by AML regulations who carry out their duties at El Corte Inglés' department stores.

Last year we updated the contents of the training programmes to align them with the latest legal requirements and provided training sessions to middle managers and managers on transactions that present above-average risk.

INFORMATION SECURITY AND CYBERSECURITY

Our goal: To drive the organisation's digital transformation through management and control of cybersecurity risks. To achieve this goal, we also accompany our customers in their dealings with the organisation so that they are as secure as possible.

The use of digital technology has emerged as a crucial lever for progress and an enabler of excellent service standards. Digitalisation plays an essential rule in the development and constant improvement of the services we provide our customers. It is therefore vital that we configure an all-encompassing information security system that is capable of efficiently anticipating, identifying and responding to possible incidents or threats.

Information security policy

This policy was approved by the Board of Directors in 2020 and updated in November 2023. It lays the foundations for information security governance, management and operations, which fall to the Information Security Committee, the Information Security Steering Commission and the Security Operations Centre, respectively.

Goals:

- To guarantee adequate protection of the Group's information, no matter its form of presentation, so that the Group companies are prepared to prevent, detect, react to and recover from information security incidents.
- To implement the technical and organisational measures needed to protect the Group's information sufficiently against any threat with the potential to compromise its confidentiality, integrity or availability.

Governing principles:

- General principles
- Risk management
- Security incident management
- Principles related with the collection of data
- Principles related with security and confidentiality measures
- Principles governing the acquisition and sharing of data
- Principles regarding the engagement of data processors
- International data transfers
- Staff training and awareness

For further information:

<https://www.elcorteingles.es/recursos/informacioncorporativa/doc/portal/2024/03/25/corporate-policy-on-information-security.pdf>

Our Information Security Committee is responsible for driving development of an up-to-date regulatory dashboard so that we can efficiently address recent regulatory and organisational developments and newly detected risks. Given the pace at which the digital environment is evolving, cybersecurity is growing in importance all the time.

The Information Security Steering Commission plays a crucial role by directing, managing, coordinating and establishing information security initiatives and essential executive measures to streamline the work done by the committee.

Lastly, the job of the Security and Cybersecurity Operations Centre is to detect, appraise, analyse and respond to potential cybernetic risks and incidents. It also coordinates the technical teams during security incident investigations and responses and reports to the ad-hoc crisis committees, lending the experience and insight needed to take decisions in the event of materialisation of significant cybernetic threats.

In 2023, we continued to improve and perfect our security systems, adopting technology solutions designed to strengthen internal security, protect devices, manage digital credentials and certification and address security vulnerabilities.

We also carried out a series of strategic initiatives conceived of to strengthen cybersecurity in several areas of the organisation and increase awareness around possible social engineering attacks. More specifically, we simulated phishing and smishing attempts at several Group companies, including Viajes El Corte Inglés and El Corte Inglés-Grandes Armazéns.

Our commitment to earning and maintaining our customers' trust led us to embark on the process of certifying our Customer Information Security Management System under ISO 27001, the world's most stringent standard when it comes to best practice in information security management.

Lastly, in 2023 we implemented our Information Security Master Plan, designed to foster a solid cybersecurity culture across the organisation. The aim of the plan is to drive training, awareness and skill-building across the entire organisation in matters related with information security and cybersecurity. Its execution is expected to significantly bolster our readiness for current and prospective cybersecurity challenges.



El Corte Inglés of Castellana, Madrid.



552 million visits to our retail establishments (551.6 Million in 2022)

17.3 million online orders and reservations across the group (+8.5% vs. 2022)

139,727 Sustainable product SKUs in retail

8.7 million social media followers¹³ across the Group

960.7 million visits to the Group's websites and apps

11.8 million El Corte Inglés store card users

OUR SOCIAL DIMENSION

Our Customers

[GRI 2-4] [GRI 2-23] [GRI 2-24] [GRI 2-26] [GRI 3-3]

Passion for our customers is what primarily pushes El Corte Inglés to constantly do better, stay ahead of their needs and adapt for the times to stay attuned to society and its different generations. We go to lengths to select our product assortment with care and constantly explore innovative ways of resolving our customers' existing and emerging needs. Our continuous improvement thrust is also leading us to champion responsible production and consumption.

We carry out our business activities in an omnichannel blend of physical and online worlds in which we see constant dialogue as the key to solid and long-lasting customer relations.

The basic principles underpinning our approach to customer relations are set down in the Corporate Customer Service and Care Policy, Sustainability Policy and Data Protection Policies.

SDGs and Related material topics



- Responsible customer relations
- Cybersecurity and data protection
- Product and service safety
- Healthy products and lifestyles
- Sustainable product and service offering

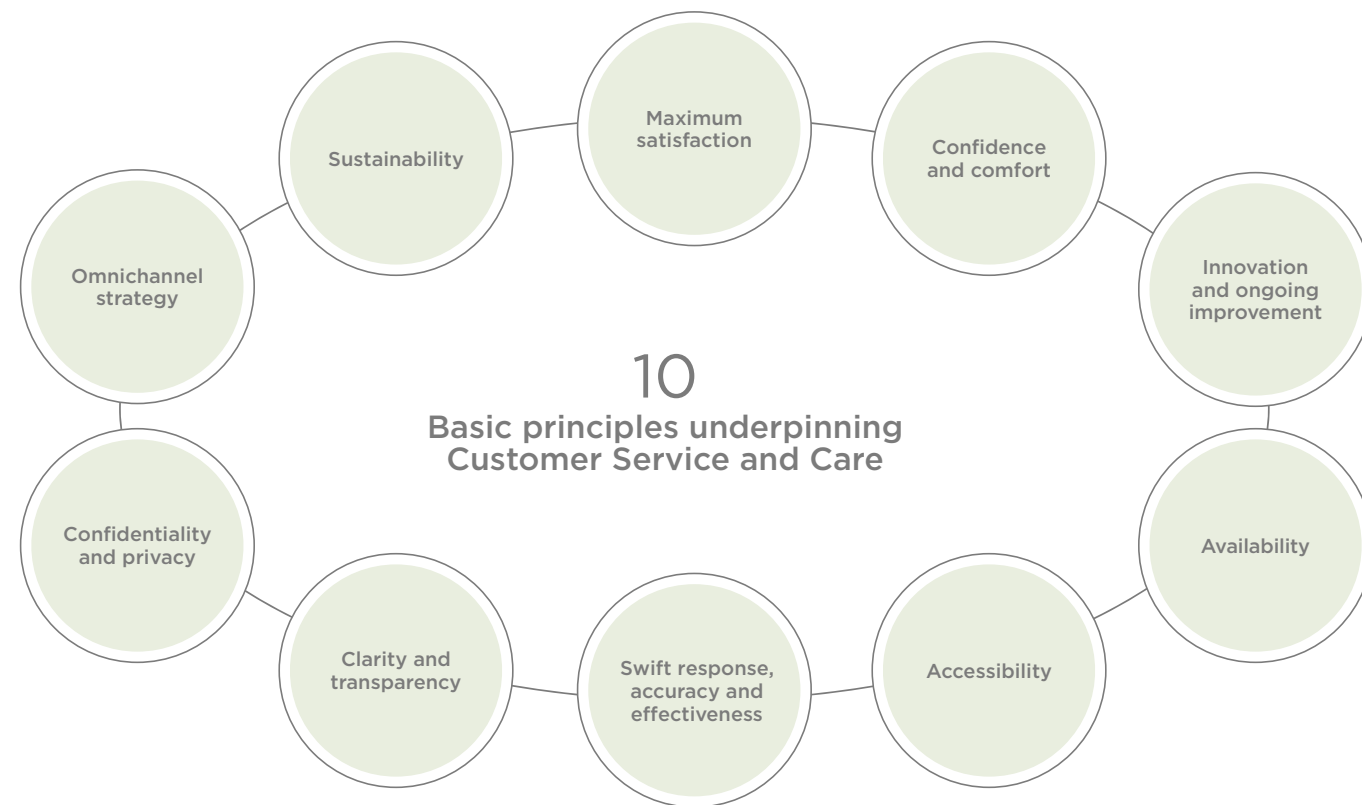
¹³ In contrast to prior years, the 2023 count includes the followers and visits to the social media handles of SICOR for the first time.

Corporate customer service and care policy

Goals:

- To implement the ambition enshrined in the Group's Ethics Code of maximising customer satisfaction by offering the highest standards of service, specialisation, quality and product and service guarantees.
- It sets down the general criteria and principles for guiding customer relations, care and service at El Corte Inglés Group.

Basic principles:



For further information:

<https://www.elcorteingles.es/recursos/informacioncorporativa/doc/portal/2024/03/25/corporate-customer-service-policy.pdf>

BROAD PORTFOLIO OF SERVICES FOR OMNICHANNEL CUSTOMERS

Our customer service orientation leads us to care for every detail of our - close - relationships with our customers, articulated around the provision of high standards of quality and specialist service. This dedication guides our tireless commitment to offering services that meet their expectations.

Our dual goal: To achieve excellent service and customer satisfaction. To create an environment, tailored for our customers' needs, that delivers an expectation-topping experience.

IMPROVING THE CUSTOMER EXPERIENCE

- Our **Customer Service Department** is crucial to providing our customers with uniquely personalised and meaningful responses. Our end-to-end management system allows us to handle each touch point optimally regardless of the channel used: phone, email, online forms, letters or social media. In addition to these channels, we provide in-person service in the dedicated customer service areas of our department stores, where we can easily resolve customers' enquiries and incidents and manage payment-related matters, among others.
- We rely on music as a unique way of connecting with our customers and continue to work to segment our public address systems and music choices to enliven our points of sale.
- Our **Extended Catalogue** service brings the full range of El Corte Inglés products to our customers. This product search tool is available at all of our establishments and covers all product categories.

SERVICE AND PRODUCT PERSONALISATION

- We train our employees to become trusted advisors across our various business lines, framed by our strategic commitment to personalisation and specialisation. The customer services we offer include personal travel advisors, the provision of interpreters, the immediate reimbursement of VAT for foreign tourists, personal shoppers and our Ask an Expert service.
- Our desire to offer personalised solutions has led to a host of initiatives, at our department stores and online, designed to allow us to get to know our customers better; we ask them about their tastes, preferences and interests (children's products, pet products, gastronomy, fashion, etc.) so as to adapt to and anticipate their demands.

- In home services, we are offering SICOR Telecare, a new service for dependent persons and people with chronic illness that leverages innovative technology to provide health assistance. We also offer an alarm service that provides our customers with a sense of safety at home and at their businesses.
- We pay special attention to groups with special needs. For example, in food retailing, we sell over 16,000 SKUs apt for people with Celiac disease and other food intolerances. To enrich our product offering, we also sell 344 kosher and halal products.

INNOVATION AND DIGITALISATION

- **WhatsApp** has emerged as a new channel for communicating with our customers, improving the shopping experience sending information about products on promotion.
- We continue to adapt for the latest **technology**. In 2023, we accelerated development and migration of the two main assets comprising our proprietary e-commerce platform (Firefly and Moonshine3). This platform is speeding up web-based processes so that product catalogue changes and launches can be updated virtually in real time.
- Online, we continue to fortify our **partnership programme** with leading brands, reaching new agreements in 2023 with the aim of adding value to the content we provide our customers. A good example was our first Live Shopping event online, which combined product demonstrations with real-time interaction via chat. This formula allows us to offer a more dynamic and participative shopping experience in which customers can interact directly with our products and get answers to their queries in real time.
- We look for **innovative solutions** for improving our processes, products and services. To that end we have created a multidisciplinary hub for customer relationship management which allows us to communicate with our customers nimbly, for example informing them about our latest offers.

Our digital channels have grown in relative importance in recent years, as is borne out by the growth in purchases made on the website or through our apps.

Key figures for the online environment in 2023

14.9 million online orders in retail

2.9 million SKUs posted on the retail websites (0.3% vs. 2022)¹⁴

960.7 million visits to the Group's websites and apps (965.6 million in 2022)

12.7 million customers registered on our retail websites (+8.5% vs. 2022)¹⁵

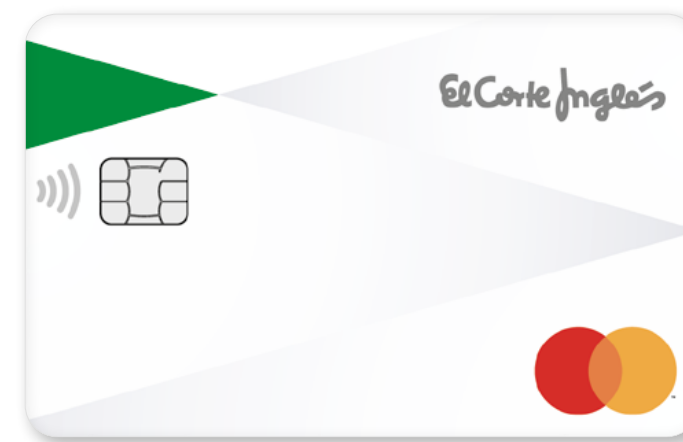
6.5 million El Corte Inglés app downloads

1.2 million multi-channel customers

EL CORTE INGLÉS STORE CARD

Today, some **11.8 million customers** have the El Corte Inglés store card. Of the total, **3.1 million** already have the new version of the card, which they can use in the Group's stores and also in any other establishment that accepts credit card payments. The card offers other advantages, such as interest-free payment deferral for 60 days, access to exclusive promotions and up to two hours of free parking at our establishments.

We allow other new payments methods, including Bizum, Alipay, WeChat and our Gift Card, which can also be used to pay for purchases from mobile devices.



El Corte Inglés Card.

¹⁴ In 2023 this count includes the SKUs published on the websites of El Corte Inglés-Grandes Armazéns.

¹⁵ This figure includes El Corte Inglés-Grandes Armazéns in 2023.

El Corte Inglés app

- Our app was downloaded 2 million times in 2023, to bring the total number of downloads to 6.5 million.
- We have identified over 3 million customers who have downloaded the app, of whom 70% use it regularly.
- The app received more than 150 million visits in 2023.
- The app accounts for 39% of total sales and is our online customers' preferred shopping channel.

Our app has also emerged as an important channel for getting in contact with our customers via push and inbox notifications. A growing number of customers are using the app to identify themselves and pay in our stores and to use a range of services, including parking, paperless receipts and eatery bookings.

Last year we reorganised the app home page to offer a greater variety of options tailored for our customers' preferences. Our personalisation strategy has also led us to add new browsing features:

- "Last products viewed"
- "Promotions for you"
- "Store mode"

We also introduced a new express shopping pick-up service at designated areas of some of our department stores and upgraded the notification system for outstanding orders.

We added new payment options to enhance the shopping experience, including NFC (contactless payment) technology, PayPal and QR codes.



Click & Car at El Corte Inglés of Jerez.

DIVERSE AND TOP QUALITY OFFERING

[GRI 417-1]

We are the house of brands: we offer a deep range of carefully curated products and services.

We are working hard to encourage responsible practices that are kind to the environment and contribute to well-being in the long run. We are committed to being able to trace our products, to which end we evaluate production and distribution processes exhaustively. This allows us to guarantee the transparency and quality of everything we sell.

A. A COMPREHENSIVE ASSORTMENT OF SUSTAINABLY-MADE PRODUCTS

Our goal: To increase the supply of sustainable SKUs by at least 5% annually through to 2026.

We are working actively to bring about responsible production and consumption all along our products' life cycle, taking an all-encompassing approach which is clearly reflected in our varied assortment.

Our strategy of responsibly selecting sustainable products encompasses our private labels and third-party brands, the goal being to offer a wide range of choices featuring sustainability attributes.

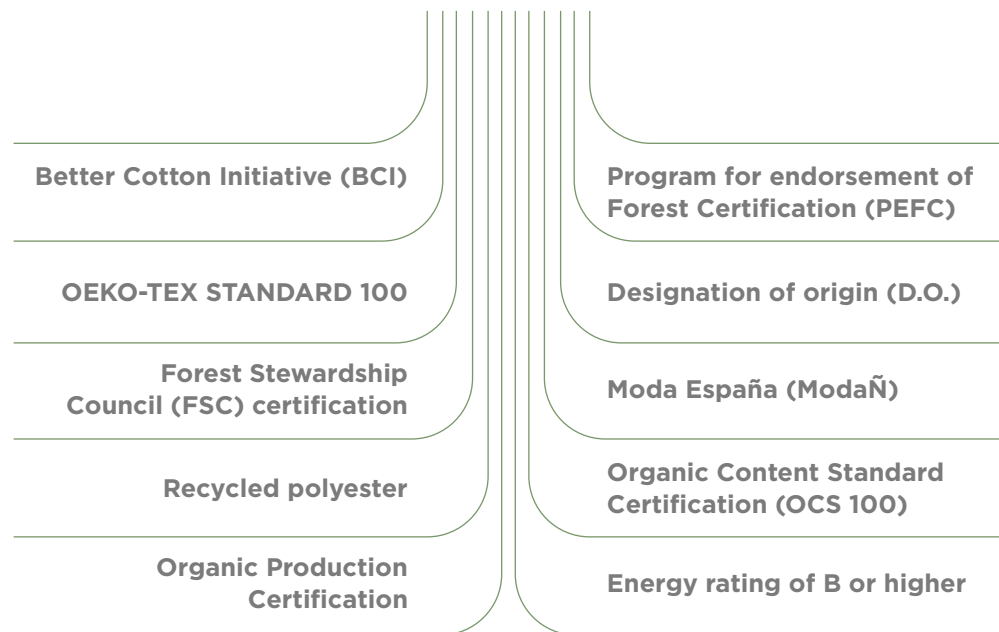
139,727

Sustainable SKUs in retail

At year-end 2023, we were selling 139,727 sustainable SKUs, year-on-year growth of 5.3%, in line with our target for the year.

| Sustainable SKUs | 2023 | % of total | Change vs. 2022 |
|--------------------------------------|----------------|-------------|-----------------|
| No. of SKUs - Private label | 65,987 | 47.0% | 4.5% |
| No. of SKUs - Third-party brands | 73,740 | 53.0% | 6.0% |
| Total no. of sustainable SKUs | 139,727 | 100% | 5.3% |

Top 10 sustainability attributes



Any product that features any kind of sustainability characteristic or attribute is labelled as such. This helps us monitor our **sustainable SKUs** and analyse our customers' preferences around more sustainably made products.

In 2023, we identified a **customer segment** which, on account of their shopping habits, can be classified as 'having an interest in sustainability', people who therefore prioritise the purchase of products with sustainable attributes. We are working on a specific strategy to target this customer profile. This will strengthen our bond with these sustainability-conscious customers and contribute actively to the promotion of sustainable business practices across the board.

The responsible purchasing policies and guides listed next, and our internal procedures, are available to all our stakeholders:

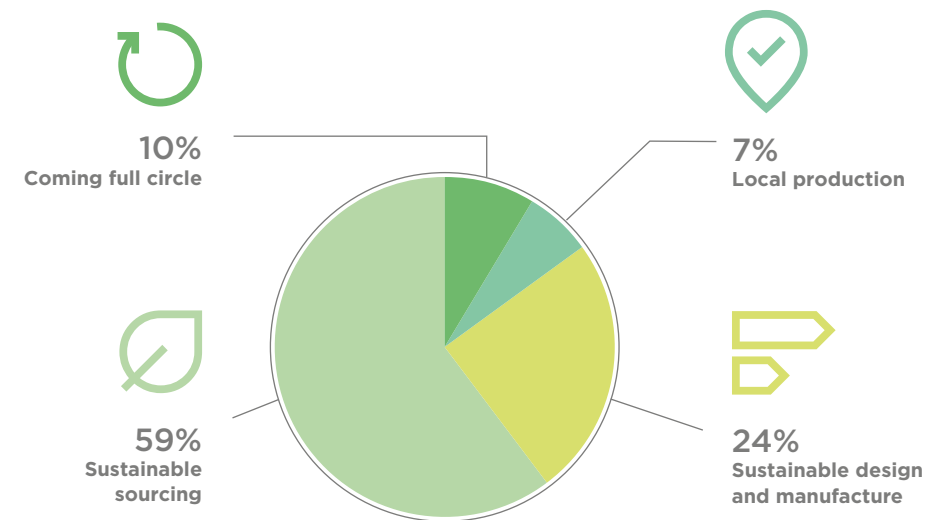
- **Sustainable Product Guide for Suppliers:** Contains a registry of the sustainability attributes accepted by El Corte Inglés for private label and third-party brand suppliers. These attributes are supported by certificates from an independent third party.
- **Internal Sustainable Procurement Procedure:** This procedure standardises the purchase of private label products with sustainability attributes so as to comply with the contents of the Guide.
- **Sustainable Packaging Guide.** This guide sets out the general packaging-related considerations to be borne by private label product suppliers.

- **Timber and paper Policy:** This policy lays down the procurement requirements around products made from sustainable timber, paper and derivatives.
- **Procedure for the Purchase of Wild and Farmed Fish** with MSC and ASC certification for subsequent sale.

Sustainable product guide

This guide describes **90 permitted sustainable attributes** which are classified into **four categories**, depending on the products' characteristics.

Our sustainable product mix is depicted graphically below:



Section 3.3.4. of this report, "Environmental certifications", itemises the certifications included in the Sustainable Product Guide. As part of our strategic commitment to local production, our internal "Produced in Spain" protocol was implemented in the children's wear division in 2023.

Also, Viajes El Corte Inglés published the second edition of its "Sustainable Development Tourism Guide" and updated its "Top Ten Tips for Responsible Tourism", targeted at getting all of its stakeholders to adopt sustainable practices in the tourism sector.

To encourage the expansion of our sustainable ranges, we are pursuing a range of initiatives, notably including:

- Participation in the so-called **More Humane Youth Award**, spearheaded by *Fundación Más Humano*, which aims to encourage social entrepreneurship among the new generations. El Corte Inglés sponsored the prize for entrepreneurship in the environment category. This year we evaluated over 185 projects in exhaustive detail.

The projects reflected the enterprising spirit of 540 youths and highlighted this generation’s essential role in looking for innovative solutions to the social and environmental challenges facing the world today.

- Partnership with the **Mares para Siempre**, or Seas Forever, campaign led by MSC to make end consumers aware of sustainable fishing practices through collaboration with the retail sector. The partnership between El Corte Inglés and MSC entails a commitment to increasing the number of species sold with this certification and training suppliers with respect to sustainable, fishing, production, manipulation and packaging practices.
- Membership of the Better Cotton Initiative (BCI) for the supply of responsibly grown cotton.
- We expanded the number of sustainable cotton SKUs: in young women’s fashion and accessories, 80.8% of the entire collections put on sale by our private labels **Green Coast** and **Southern Cotton** were sustainable SKUs, topping the forecast, ahead of schedule, for reaching 80% by 2024.
- El Corte Inglés launched a sustainability capacity-building programme for some of its main footwear and leather suppliers, in collaboration with the Spanish Network of the United Nations Global Compact and a prestigious multinational consultancy. The goal of this training initiative is to develop sustainable practices within our leather and footwear supply chain.

We also continued other initiatives started in previous years in favour of **animal welfare** such as endorsing the European Chicken Commitment, so pledging that 100% of the fresh chicken sold under the El Corte Inglés private label hails from slower growing breeds and features animal welfare certification. We also guarantee that 100% of our fresh private label eggs come from cage-free hens and combined systems. We achieved this target three years ahead of schedule, as it was initially slated for delivery in 2025.

These initiatives reflect our solid commitment and active contribution to building a more responsible and sustainable world. In parallel we are promoting the selection of locally made products and introducing new options to stay abreast of consumers’ evolving preferences and habits. We sell a broad assortment of premium quality fresh products: 118,444,946 kg in 2023.

Certified origins

El Corte Inglés is committed to **sustainable and responsible sourcing of raw materials**, using the following sustainability certifications for the products it distributes:

Seafood



Palm oil



Timber and paper



Beef and dairy



Leather



Cotton



During the year, progress has been made with respect to the deployment of these certifications among El Corte Inglés’ product offer, thus contributing to ensure the traceability to the place of origin of its products¹⁶.

¹⁶ The products certified under MSC (Marine Stewardship Council) and ASC (Aquaculture Stewardship Council), RSPO (Roundtable on Sustainable Palm Oil), FSC (Forest Stewardship Council), PEFC (Programme for the Endorsement of Forest Certification), Madera Justa, Rainforest Alliance, Leather Working Group Gold, GOTS (Global Organic Textile Standard), OCS (Organic Content Standard), GRS (Global Recycled Standard) and Recover ensure traceability to place of origin.

B. QUALITY AND SAFETY

[GRI 416-1]

Our goal: To look out for the health, well-being, protection and safety of our customers in all of the products and services we sell.

Continuous improvement and diversification of our product ranges, coupled with constant surveillance, ensure we uphold the highest standards of quality and safety. We are committed to being a fundamental pillar in the health and well-being of our customers. To that end, we assess the quality of our products stringently; we have teams of experts specialised in testing food, fast-moving consumer goods, soft lines (textiles) and hard lines and a proprietary laboratory for analysing food and textile products.

Our Product Quality and Safety Department also provides support and advice to other areas of the organisation so that we deliver our goals as a team.

In 2023 we launched a new briefing area within the NEXO Portal in order to rally all of our employees around our commitment to upholding the highest standards of quality and safety. All of the documents mapping out our in-house rules and procedures for all areas of product quality and safety control (food and FMCG, textile, accessories and hard line private labels) are available in this new section of the intranet.

Key figures for 2023

| | |
|-----------------------------|--|
| Food – FMCG | <ul style="list-style-type: none"> 12,415 food samples analysed |
| Soft lines | <ul style="list-style-type: none"> 4,842 garment and footwear tests to ensure they meet El Corte Inglés' quality standards. |
| Hard lines | <ul style="list-style-type: none"> 9,441 verifications and tests of hard line items |
| Private label food and FMCG | <ul style="list-style-type: none"> 926 product analyses 24 factory visits |

The Group has a product **Alert and Withdrawal Procedure** designed to quickly and effectively identify, locate and recall any product that could pose a potential risk to consumer health or safety. These procedures, which apply to food and non-food (consumer and health) products, involve active participation in several national alert networks. These networks are interconnected with their European and international counterparts, so configuring a global network capable of providing effective and coordinated responses to possible food and non-food product risks or alerts.

Our safety commitment is underpinned by **Certification of our Quality** management systems at several Group companies under the highest international standards. At El Corte Inglés Business Services, for example, three of its systems are ISO 9001:2015 certified (ER-1225/2011, ER-1006/2011 and ER-0207/1997). SICOR has also obtained ISO 9001:2015 certification for its different activities, demonstrating our commitment to excellence and continuous improvement across all Group operations.

FOOD – FMCG

1,392

Food safety audits in 2023

In 2023, we conducted 2.1% more food safety audits than in 2022 (1,364). Of the total, 77 audits were carried out in Portugal, compared to 71 in 2022 (+8.5%).

On the food safety front, our work is based on our Food Safety Policy, food safety management systems and our Food Safety Culture Plan.

One example of our sensitivity around this issue is the reinforcement last year of our quality and safety staff at our points of sale in order to ensure our product standards across our food, fashion, sports goods, home appliances and toy divisions.

We likewise reinforced the Continuous Training Plan to embed a culture of safety at all levels and in all positions, going beyond the professionals who handle food products, to make each professional aware of his or her responsibility with respect to product safety.

Our safety management systems evolve constantly in order to stay aligned with the business and its transformations; they cover all retail and sales channels so as to adapt to and encompass all of the Group's retail formats: Supermercados El Corte Inglés, Hipercor, Supercor, Supercor Exprés, Sanchez Romero, Stop&Go service stations, Club del Gourmet, hospitality and restaurant offerings, edibles sold in our health and beauty departments and our Outlets.

We regularly verify that these systems remain effective through our **Food Safety Audit Plan**, which covers our own facilities and those operated by third parties within our establishments. We also have an Analytical Plan to ensure implementation of rigorous hygiene measures at all of our facilities.

Our factories are certified under the ISO FSSC22000 food safety standard. This framework helps us with our mission of meeting our customers' expectations and earning and maintaining their trust. Thanks to the continuous improvement efforts required under this certifications, we have reinforced processes and controls at different facilities and lines of production.

Another step taken to reinforce the safety of our products was implementation of our Raw Material Allergens Plan. Under this plan, we prevent certain allergens from entering our factories, ensuring their absence from the products we make so that we can sell them safely to people with sensitivity to one or more ingredients that can cause allergies or intolerances.

The products we sell under our private labels are subject to a reinforced approach. To ensure their quality and safety, we ask our manufacturers to certify their operations under standards recognised by the Global Food Safety Initiative (GFSI). Lastly, in order to bolster our quality guarantee system, in 2023 carried out a series of documentation audits at suppliers to complement our visits to their facilities.

SOFT LINES (TEXTILES)

Thanks to our Textile, Footwear and Accessories Safety Standard, we communicate clearly and in detail with our suppliers about applicable rules and requirements in relation to banned and restricted chemical substances and recommendations for their use in manufacturing processes. This manual looks beyond chemical substances to tackle other issues of critical importance to guaranteeing safety, such as the specific criteria needed when making products targeted at children.

The contents of this standard are revised and updated continuously by experts to keep them aligned with the latest regulatory developments and any new commitments assumed by the Group. The Textile, Footwear and Accessories Safety Standard and other guidelines, including the Textile Testing Procedure, are available on the corporate website.

Textile, Footwear and Accessories Safety Standard:

<https://www.elcorteingles.es/recursos/informacioncorporativa/doc/portal/2022/08/24/el-corte-ingles-textile-footwear-and-accessories-safety-standard-2022.pdf>

As a result of the requirements stipulated in this standard, our suppliers are provided with the List of Restricted Substances in Manufacturing or Manufacturing Restricted Substance List (MRSL) in the form of a good practice manual.

In textiles, our teams follow an exhaustive sampling plan, which is designed to categorise any risks identified. This plan focuses not only on risk identification but also detailed verification to ensure strict compliance with all of the specifications stipulated in the safety standard.

| | Number of clothing, textiles and footwear safety control reports | Percentage of clothing reports related with hazardous chemical substance controls |
|------|--|---|
| 2023 | 7,722 | 79% |
| 2022 | 9,013 | 75% |

BAZAR - HARD LINES

In order to guarantee the safety and quality of the hard lines we sell, we carry out a range of exhaustive tests before they are put on sale. This category covers a wide range of products, including household goods, toys, electrical appliances, sports goods, furniture and items that come into contact with food (tableware, containers, etc.). These tests focus on compliance with applicable regulatory standards, while also seeking to surpass expectations around safety, durability and performance, ensuring that our customers enjoy products across all our hard lines that meet the highest standards of quality.

We first classify our products by risk level. Each supplier is obliged to meet the specific standard corresponding to its product category, as established by El Corte Inglés, which are set down in the GECI Quality Requirements. When implementing these standards we inform suppliers about requirements which run from legal obligations, the laboratory tests that need to be performed at source, tolerance thresholds and necessary product certifications, among others.

In the following product categories in which we sell products under private labels, we follow procedures designed to effectively manage all the risks identified.

| | |
|--|---|
| Electrical equipment | The presence of chemical substances in electrical components is subject to specific restrictions. We demand electrical safety certifications (Low Voltage Directive, electromagnetic compatibility, etc.) and chemical safety certifications (RoHS Directive). |
| Toys | In keeping with the provisions of Directive 2009/48/EC and subsequent amendments on the safety of toys, we carry out rigorous controls on substances and materials and perform physical, mechanical, chemical and flammability tests. |
| Products in contact with food | Regulated substances are subject to strict controls and for certain materials we follow the criteria set down in the guides published by the Joint Research Centre (JRC). |
| Candles, air fresheners and incense | The composition of candles, air fresheners and incense is analysed in accordance with the CLP Regulation (on classification, labelling and packaging of chemical substances and mixtures). Following those tests, the corresponding CLP pictograms are added to each product's label, so guaranteeing due disclosure of their risks and characteristics under applicable regulations. |

Our protocols are already aligned with the new Regulation 2023/988 of 10 May 2023, on general product safety, which has introduced changes designed to update and modernise the general product safety framework, addressing the risks posed by new technologies, online sales and product recalls, among other aspects. This Regulation takes effect from 13 December 2024 and will affect safety rules for all non-food consumer products.

In order to protect the environment and consumer health, on 25 September 2023, the European Commission adopted measures that restrict microplastics intentionally added to products, in keeping with the EU's legislation on chemical substances (REACH). Here at El Corte Inglés we have worked with our suppliers to get ready for the new rules, verifying that any intentionally added microplastics are biodegradable and/or soluble under the new regulatory framework.

C. PRODUCT LABELLING

[GRI 417-1]

Earning our customers' confidence also means giving them full and accurate information about the products we offer them. We have labelling protocols, detailed instruction manuals and meticulous packaging designs and we provide extensive additional information on our website. In sum, we provide our customers with the information they need to take informed decisions about our products.

Our labels are examined by specialist technicians for each product category to ensure accuracy and compliance. In the case of our private label food suppliers, our regular food safety audits include exhaustive reviews of their product labels. We also follow internal protocols detailing the essential information that must be provided to the people who consume the food products we handle and prepare in our retail establishments. This approach guarantees regulatory compliance, transparency and credibility vis-a-vis our customers with respect to the product information we provide.



New design of Saivod small appliance line.

Relevant information regarding our private label product labelling

| | |
|--|---|
| Electrical and electronic devices | Among the essential requirements, it is important to note the need for energy ratings on electronic devices. Our specialists meticulously verify the certificates provided by our suppliers from duly accredited laboratories attesting to their declared energy efficiency ratings. This process ensures the accuracy and reliability of the energy efficiency information provided on our products. |
| Food and FMCG | <p>As part of our effort to provide our customers with ample and accurate information, certain products carry claims, seals or other attributes related with a variety of quality, health, safety or sustainability aspects. All declarations regarding these attributes are tested and verified by means of certifications and/or analytical tests. These identifiers include protected designations of origin (PDO), protected geographical identification (PGI), animal well-being, organic and gluten-free labelling, the FSC and MSC seals, products low in salt/sugar, enriched products, etc.</p> <p>In line with the current "clean label" trend of providing food shoppers with simple and easier to understand labels, along with shorter ingredient lists, we are working together with our suppliers to simplify certain food labels by eliminating, reducing or replacing additives that can be removed without compromising product quality or safety.</p> <p>In 2023 we also adapted for the new European Union provisions on wine labelling. On new bottle labels, we are now providing additional nutritional and ingredient information, which is brought up via a QR code featured on the label, and is also available on our website.</p> |
| Soft lines | When analysing our clothing for quality and safety, we also verify the accuracy of the percentage fibre mix stated on the labels. This complementary process ensures that the information provided about the composition of the garments is precise and reliable, further evidencing our commitment to transparency and the provision of products that meet the standards declared on their labels. |

In addition the labels attached to our products, our website provides extended usage warnings, pictograms and declarations of conformity for products across our soft and hard line ranges in three different languages.

The sustainability home page of El Corte Inglés' commercial website and the online supermarket catalogue provide information about the sustainability certifications associated with each product: <https://www.elcorteingles.es/sostenibilidad/>

CONTINUOUS IMPROVEMENT AND PERMANENT DIALOGUE

We are in constant communication with our customers. We use our sales platforms and communication channels to interact with them and actively listen to their opinions. This approach allows smooth-flowing communication while guaranteeing the confidentiality of their personal data, framed by our transparency, privacy and customer care commitments.

A. PERMANENT MULTI-CHANNEL COMMUNICATION

We provide our customers with a range of channels so that they can get in direct contact with customer service using the one that suits them best, whether in-person at our stores or by phone, email, SMS, chat or online form, among others. We work hard to make sure these interactions go smoothly by being flexible around channels to ensure our customers' comfort and satisfaction. We also give them the chance to participate directly in a host of initiatives and involve them in a proposition that not only benefits society but also enriches their experience with us.

Key figures in 2023

| |
|---|
| 23.5 million incoming calls from customers |
| 7.8 million outgoing calls |
| 198,000 SMS sent |
| 1.2 million emails received |
| 560,000 emails sent |
| 960.7 million visits to the Group's websites and apps |
| 41.0 million social media visits |
| 8.7 million social media followers |
| 1.4 million live chats |

In order to understand our customers' perceptions and expectations and ensure we provide excellent customer care, in 2023 we carried out a total of 39,000 surveys (2022: 51,000) to assess the level of satisfaction with our alteration services, deliveries and El Corte Inglés establishments, obtaining an overall satisfaction score of 94.0% (2022: 93.7%).

Viajes El Corte Inglés and El Corte Inglés Business Services carried out 175,084 satisfaction surveys between them. El Corte Inglés Business Services repeated its score (8.1 in 2023 vs. 8.2 in 2022). Viajes El Corte Inglés Group improved its score to 8.9 points out of 10 for leisure travellers (8.7 in 2022) and 8 for business travel customers.



El Corte Inglés Call Center.

SOCIAL MEDIA

The social media have become an increasingly important part of our customer communication effort and allow us to adopt new ways of interacting with our younger customers. We use these channels to showcase our collections and campaigns, as a source of inspiration and as a space for engaging with our followers.

The diversity of social media channels allows us to interact in a more targeted way with our followers and gather their suggestions and recommendations in order to strengthen and cement trust in our online communities. We connect with a varied audience through our Facebook, X (Twitter), Instagram, YouTube, Pinterest, LinkedIn and TikTok handles and pages.

In 2023, we renewed our brand positioning and construction strategy, tailoring it for each of our social media channels. For example, we launched a novel campaign, "New", as a new way of introducing El Corte Inglés to young Gen Zers, adopting their codes and language, aiming to resonate with them via influencers and the media they look at the most, especially Instagram and TikTok, offering highly dynamic and personalised content.

Indeed, our TikTok community grew by +212% in 2023 to over 79,000 followers.

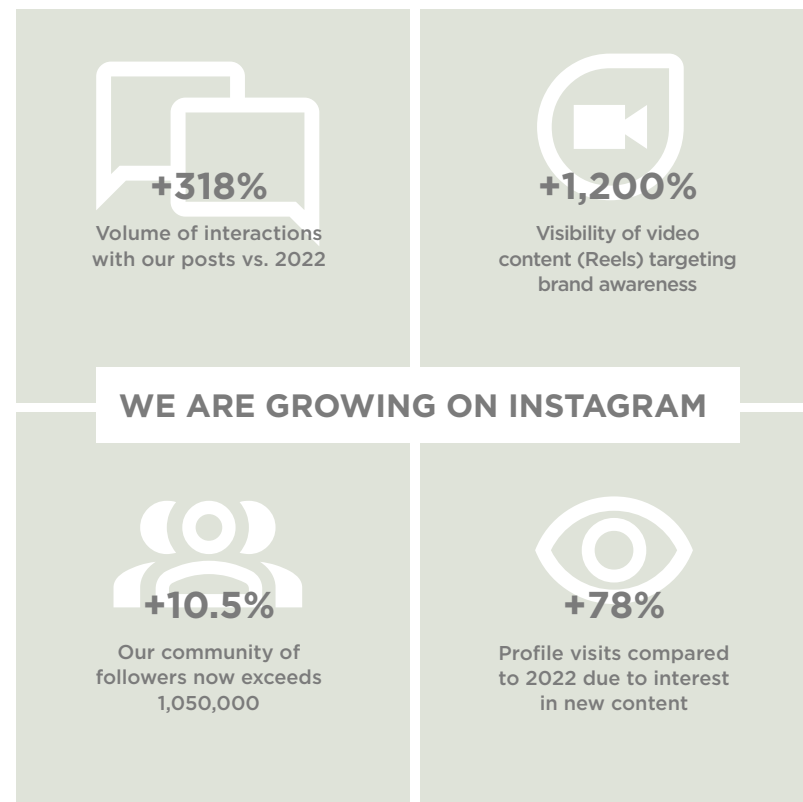
We also strengthened El Corte Inglés' brand positioning and reputation by creating new and innovative advertising formats that make use of emerging technology. For example, we increased our short video publications, this being the best format for generating interest, used advanced 3D designs and made creative use of artificial inte-

lligence and techniques, such as fake-out-of-home (FOOH) advertising, to boost our share of voice and advertising efficiency organically. We also increased the presence of influencers on our own channels.

We were the first brand in Spain to try out the Pinterest Trend Badges programme to publicise the Christmas collections among the platform’s users.

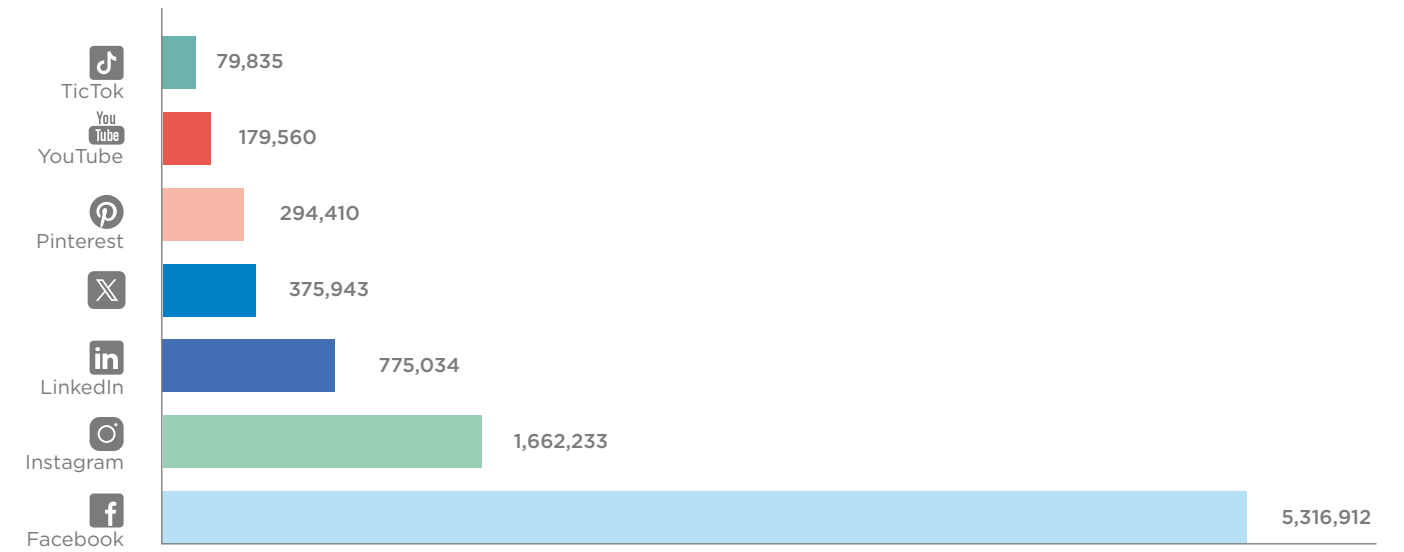
On Instagram, we worked to build our brand through the lenses of inspiration and innovation, highlighting El Corte Inglés’ main product lines, including fashion, home décor, beauty, leisure and music, focusing directly on our followers’ life styles.

Thanks to this new strategy, the Group’s presence and reach in **Instagram** increased significantly:

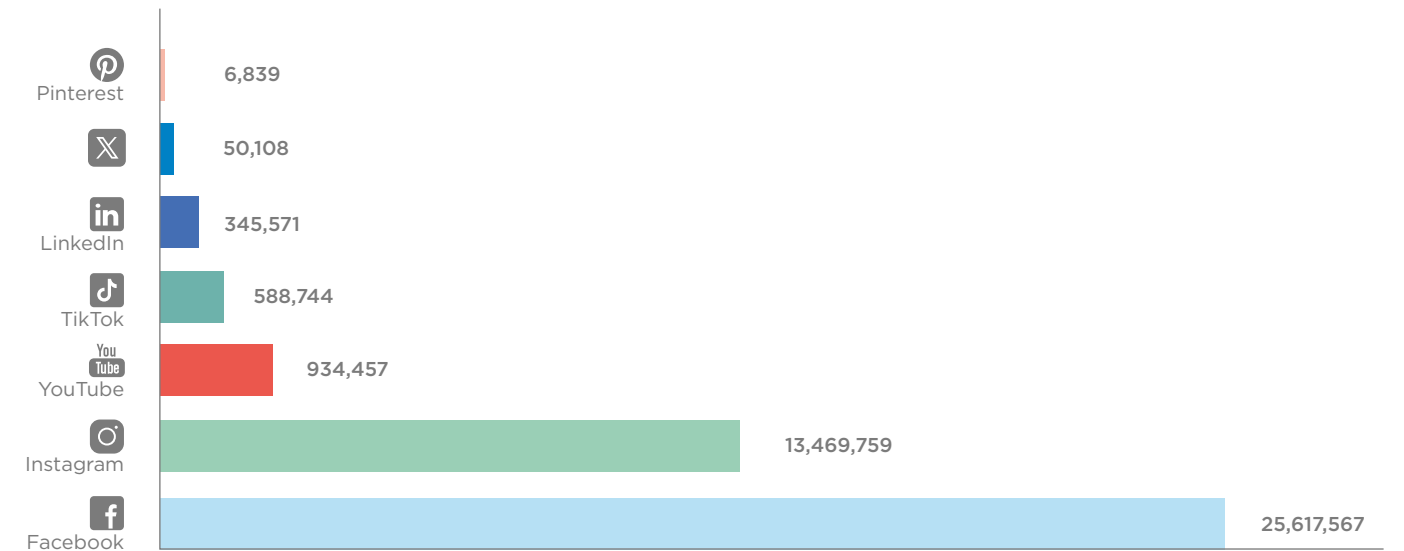


This move towards innovative formats and content generated for our channels bolstered our community of followers and their interaction with the brand. As a result, our social media following reached 8.7 million in 2023 (2022: 8.8 million followers). So far, most of our followers come from Facebook, at 5.3 million, followed by Instagram, with 1.7 million.

Social media users in 2023



Social media visits in 2023



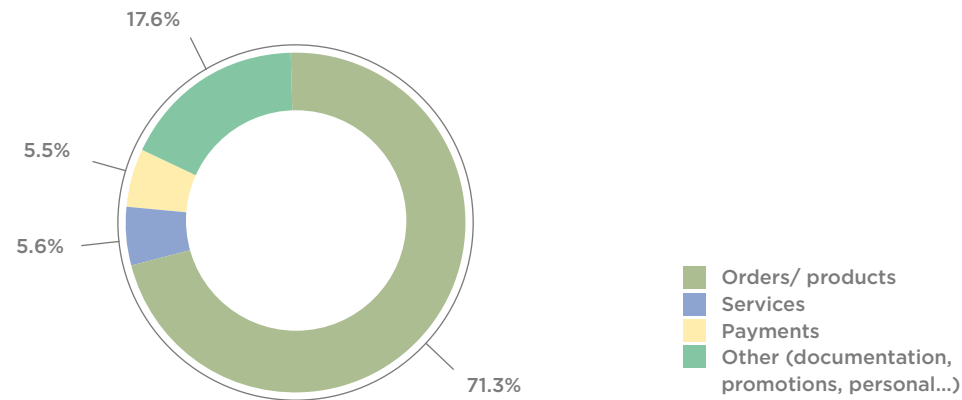
B. INCIDENT MANAGEMENT

Our commitment to our customers is also evident in our provision of the management mechanisms needed to effectively respond to any incidents or claims that may arise in the course of their dealings with us as swiftly as possible.

We have a system that centralises incidents, suggestions, complaints, claims or praise received through the customer support service available in our stores, via our call centre or through other channels, including social media, web forms, email or post.

In 2023, El Corte Inglés registered a total of 1,070,569 customer complaints and claims (2022: 353,656). Just 0.81% of that figure took the form of official claims and they were resolved in 11.8 days¹⁷ on average (2022: 3.96 days). We also handled 1,759,834 enquiries through our various channels, dealing with the matters depicted graphically in the next chart.

Reasons for contact made by customers



¹⁷ The increase in the average claims resolution time compared to 2022 is related with the inclusion of e-commerce incidents in the Salesforce platform and with the work involved in managing these incidents (which are growing in number and take longer to resolve compared with in-person processes).

As for the other Group companies, they recorded 2,686 official claims, broken down as follows:

| Company | Number of claims | | Average resolution time (days) | |
|--|------------------|-------|--------------------------------|------|
| | 2023 | 2022 | 2023 | 2022 |
| El Corte Inglés Business Services | | | | |
| Utilities | 8 | 8 | 106 | 30 |
| Works | 0 | 2 | 0 | 125 |
| Supercor¹⁸ | 148 | 11 | - | - |
| El Corte Inglés-Grandes Armazéns | 738 | 703 | 9 | 5 |
| Viajes El Corte Inglés Group | 1,776 | 1,152 | 42.6 | 47.5 |
| SICOR | 16 | 10 | 2 | 2 |

The reasons for the claims vary with each company’s activity, while the complexity of the underlying transaction and availability of resources in turn determines the response time.

C. DATA PROTECTION

[GRI 3-3] [GRI 418-1]

Our goal: To adopt the tools needed to guarantee the confidentiality, safety and protection of the personal data we handle.

We are committed to protecting our stakeholders’ data, prioritising the privacy of our customers’ data in particular. We have a specific corporate policy for mitigating the risks implied by the processing of personal data and ensuring they are kept confidential.

¹⁸ The year-on-year increase in the number of claims reflects the fact that the 2023 count includes all of the claims received nationwide, whereas the 2022 count only included those received in Madrid: as this is a manual process, the average resolution time is not available. These incidents are scheduled to be brought within the Salesforce tool in 2024.

Corporate data protection policy

Goals:

- To guarantee due protection of the data provided to us and service continuity so that the Group companies are prepared to prevent, detect, react to and recover from any potential security breaches.
- To implement the technical and organisational measures needed to sufficiently protect against any threat that could impact the confidentiality, integrity, availability, intended use or value of the data collected, or the continuity of our companies.

Operational principles:



For further information:

<https://www.elcorteingles.es/recursos/informacioncorporativa/doc/porta/2024/03/25/corporate-policy-on-data-protection.pdf>

The Board of Directors is responsible for approving the strategies defined in this policy and establishing the principles and commitments that are binding upon all of the people who work for the Group.

We have developed action plans to address potential data leaks based on the notification of personal data security breaches.

In implementing this policy, we exhaustively assessed the risks associated with the management of registers and use of personal data across all areas. Our Data Protection Officer supervises and directs these activities, fostering a proactive culture of privacy. In addition, our Internal Corporate Development Department duly manages all rights exercised by data subjects in relation to their personal data and the related internal controls.

We use the Salesforce tool to manage our customers' requests to exercise their data rights. This platform allows us to handle them within the deadlines stipulated in prevailing data protection regulations, irrespective of the channel our customers select for the purpose of exercising them. This same Department supervises the management of all these requests and their closure, ensuring compliance with the pre-established timeframes.

We updated our customer privacy policy to make it clearer, more transparent and more user-friendly. We also expanded its informational content, itemising the Group companies and their associates and the lawful bases they use to process data and we notified all of the customers registered in our database about these developments. In this manner we guarantee data subjects' ability to exercise all their rights.

In 2023, the Group received a total of five notifications from the Spanish data protection agency, AEPD, compared to 17 in 2022. 2 are pending resolution and 3 have been archived.

In 2021 and 2022, the IT Audit Support unit carried out an internal audit to determine whether the various procedures in place for processing personal data meet the applicable legal requirements with a reasonable level of assurance. It was determined that the processes and controls in place effectively minimise the risks around individuals' rights and freedoms and ensure that the personal data protection management system provides due service to the corresponding data subjects.

The Group has a mandatory online corporate training workshop which all employees must complete, in order to highlight the importance of data protection. It takes other steps to create awareness around this issue that are targeted at the groups directly involved in the data protection effort such as the functional managers and sales departments. Among these activities it is worth highlighting those targeted at the most exposed groups, namely the customer service teams and the Digital Contact Hub (DCH) staff.

The initiatives carried out in 2023 included:

- Reviewing suppliers that process personal data to assess the addition of specific data protection clauses in their contracts and the formal arrangement of data processing engagements via signature. Against that backdrop, we have developed two standard agreement templates.
- Conducting register processing risk analysis and completing the impact assessments conducted on the basis of that analysis.
- Developing specific rules for the adequate processing of data in the sales area.
- Adapting the Group's data protection management model, implemented in 2017, to align it with the new businesses and strategies. That implies configuring a coherent operating structure in terms of policies, standards and procedures, supported by a single tool for supervising all controls over personal data processing.
- Strengthening proactive responsibility in the high-risk areas: Customer Value, Customer, E-Commerce and Omnichannel.

We have set ourselves a series of goals going forward with the aim of continuing to perfect how we manage privacy and safeguard personal data:

- Providing continuous training to the functional managers in charge of data protection in the business units and subsidiaries and to the regional sales departments in order to strengthen their knowledge around privacy matters.
- Expanding the Group's data protection structure, adjusting it for its new business activities and emerging strategies.
- Constantly updating the registry tracking data processing activities.
- Analysing risks arising from new processing practices, addressing their different legal bases in the Group context.
- Performing objective analysis before implementing any novel processing activity or events for subsequent impact assessment.
- Developing an effective data governance model for the main principles established in the Internal Corporate Development Department.



El Corte Inglés of Pozuelo, Madrid.

D. TRANSPARENT COMMERCIAL COMMUNICATION

We continue to fine-tune our relationship with the customers that have consented to receive marketing messages through our various channels. We are working hard to offer them increasingly personalised proposals.

As a member of AutoControl, Spain's independent advertising self-regulation body, we prepare a quarterly compliance report which contains all incidents arising around our commercial messaging. This process ensures we comply with applicable regulations and mitigates any potential reputational risks. Before going live with messages, we also use the Copy Advice® to ensure they comply with the required standards. Likewise, we have implemented specific internal protocols for each product category, which itemise the relevant legal requirements around commercial content. This approach allows us to track, trace and handle any claim that may arise, so ensuring our commercial messages are ethical and lawful.

In 2023, we renewed our Corporate Social Responsibility certificate from AutoControl, evidencing that we complied with the association's code of conduct and that no claims or complaints concerning commercial communications were received over gender-based discrimination.



81,714
employees Group-wide

97.3%
of employees under permanent contracts

71.6%
of employees work full-time

16.2 years'
average length of service

€ 16.9 million
invested in training
(€ 16.8 million in 2022)

OUR SOCIAL DIMENSION

Our Team¹⁹

[GRI 2-4] [GRI 3-3]

Our people are the key to building the El Corte Inglés of the future. Their dedication and willingness to be there for the customer help to forge a strong relationship that is conducive to continuous improvement.

The Group works hard to ensure the well-being of its employees through equal opportunities, a merit-based culture, training, diversity and by fostering a healthy and safe working environment. These values are reflected in corporate policies there to nurture the growth of each individual, ensure the sound management of internal and external diversity and help to generate generation trust and shared value.

The **Corporate Human Resources Policy** sets out the basic principles of action guiding the management of our employees and is further enhanced by the **Corporate Equality and Diversity Policy** and the **Corporate Sustainability Policy**, as described below.

SDGs and Related material topics



- People and talent management
- Occupational health and safety
- Diversity, equality and inclusion

¹⁹ The boundary for data on workforce and training relates to the financial year. Meanwhile, the information on health and safety relates to the calendar year

Corporate human resources policy

Goals:

- To nurture the development of each and every individual on our team, by designing plans and strategies and simple, clear and flexible actions spanning the entire Group.

Principles:



For further information:

<https://www.elcorteingles.es/recursos/informacioncorporativa/doc/portal/2024/03/25/corporate-human-resources-policy87036.pdf>

OUR TEAM IN 2023

[GRI-2-6]

El Corte Inglés Group is a driver of job creation in the countries in which it operates. At year-end 2023, the Group had a total headcount of 81,714 employees, up 0.3% on the previous year (2022: 81,434 employees), of whom 50,679 were women and 31,035 were men.

The distribution of the workforce at year-end, according to the various breakdowns of non-financial indicators, as well as departures, can be found on pages 279 to 285 of Appendix I to this report, “Table of Non-Financial Indicators – Our team”, together with the trend for the previous two years.

OUR EMPLOYMENT FIGURES

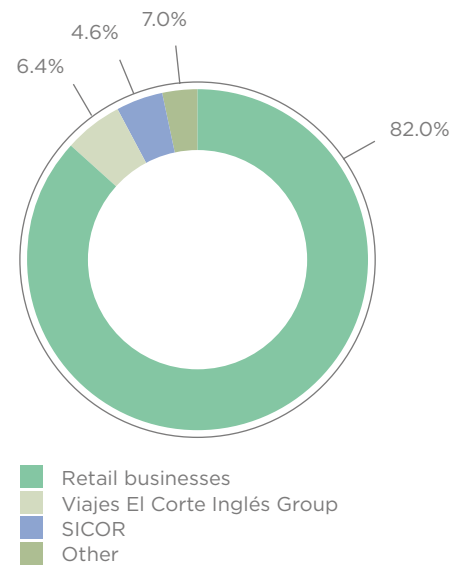
Our goal: To generate and preserve stable, quality and decently paid work conducive to achieving a healthy work-life balance, encouraging shared responsibility and ensuring a safe and healthy work environment.

Key information illustrating our firm commitment to **creating stable, quality employment:**

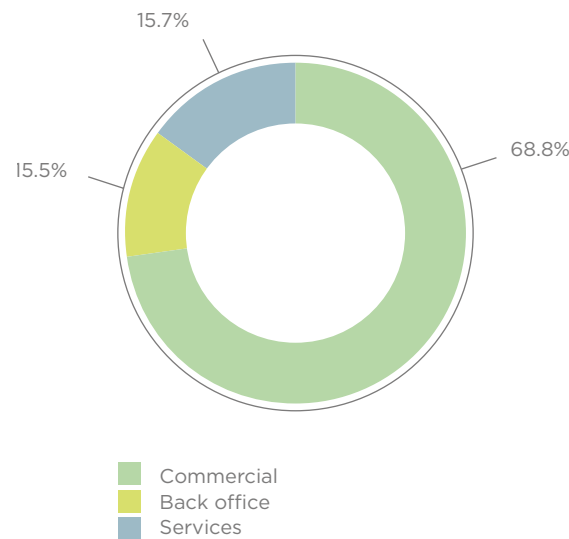
| | | |
|----------------------------|--------------------------------|-----------------------------|
| 71.6% | 28.4% | |
| Full time | Part time | |
| 97.3% | 2.7% | |
| Permanent contracts | Temporary contracts | |
| 26.4% | 17.9% | 55.7% |
| Length of service <5 years | Length of service 5 - 15 years | Length of service >15 years |
| 13.9% | 51.0% | 35.1% |
| Under 30 years old | Between 30 - 50 years old | Over 50 years old |

OUR TEAM BROKEN DOWN EMPLOYEE CATEGORY, BUSINESS LINE AND SEGMENT

Our team by business line



Our team by major category



GEOGRAPHICAL DISTRIBUTION OF OUR WORKFORCE

The main countries in which El Corte Inglés Group is present, according to the geographical distribution of its workforce, are as follows: Spain (93.1% of the workforce), Portugal (4.2%) and Mexico (1.8%). The remaining 0.9% is spread over a total of 23 countries, clearly reflecting our international presence. A full breakdown of the distribution of El Corte Inglés Group’s workforce by country can be found in Appendix I to this report, “Table of Non-Financial Indicators – Our team” (page 279).

| | | | Spain | Portugal | Mexico |
|---|---------------------|--------------|---------------|--------------|--------------|
| Workforce breakdown by contract type and gender | Permanent contracts | Mujeres | 46,098 | 2,140 | 722 |
| | | Hombres | 28,477 | 1,153 | 391 |
| | | Total | 74,575 | 3,293 | 1,113 |
| | Temporary contracts | Mujeres | 913 | 69 | 228 |
| | | Hombres | 585 | 35 | 100 |
| | | Total | 1,498 | 104 | 328 |
| Workforce breakdown by employment type and gender | Full-time | Mujeres | 28,715 | 1,716 | 889 |
| | | Hombres | 24,883 | 1,061 | 469 |
| | | Total | 53,598 | 2,777 | 1,358 |
| | Part-time | Mujeres | 18,296 | 493 | 61 |
| | | Hombres | 4,179 | 127 | 22 |
| | | Total | 22,475 | 620 | 83 |

ATTRACTING TALENT

[GRI 3-3] [GRI 401-1]

In order to nurture talent, it is essential to offer our employees a working environment in which they feel fulfilled, engaged and keen to remain with the Group. This allows us to attract new profiles that connect with our corporate culture in order to cater to the needs of the business.

DEVELOPING INTERNAL TALENT

Talent development remains one of the pillars of our Corporate Human Resources Policy. Notably, we give priority to internal talent when filling any vacancies that may arise at any Group company. We believe that internal upward mobility adds value to the business and builds employee loyalty.

We work hard to keep our employees engaged by giving them the opportunity to develop and make the most of their potential and skills. We view this as critical to the collective success and continuity of our business.

All this is reflected in our key performance indicators, which we monitor on an annual basis:

• **Promotions**

| Women | Men | Total 2023 |
|-------|-----|------------|
| 458 | 309 | 767 |

• **Succession Plan**

Through comprehensive succession planning, we identify and assess potential successors for top management positions within our organisation. We have designed specific action plans for each position. We currently have more than 100 positions with potential successors flagged, for whom we have designed individual training and development plans.

• **Recognition for length of service**

To show our appreciation for employees who have remained firmly committed to the Group over the years, we award commemorative badges to those who have been with the company for 25 and 15 years. Last year, we had the honour and privilege of handing out these badges to 3,260 employees, to celebrate their loyalty and contribution to the ongoing success of our Group.

| Gold 25 years | Silver 15 years | Total 2023 |
|---------------|-----------------|------------|
| 1,376 | 1,884 | 3,260 |

BRINGING IN EXTERNAL TALENT

During the year, we made efforts to enhance our brand as an employer, focusing on showcasing El Corte Inglés’ reputation as a great place to work.

We worked hard to convey an image that reflects the development opportunities we offer, as well as the professional projects in which employees can partake within our company. To succeed in this task, we attended 112 employment and academic internship events nationwide, taking part as sponsors, exhibitors and speakers. We also delivered numerous presentations at business schools, universities and other academic centres with the aim of informing students and professionals alike about the possibilities of internships and employment at our Company.

When recruiting external talent, we rely on various sources: business schools, vocational training centres, universities, foundations and associations, job boards of public bodies, professional job portals, LinkedIn and our own Job Portal.

As it happens, the Job Portal has been the main channel for attracting external candidates. In the last year, more than 277,000 new candidates were registered and upwards of 395,000 people were active users able to receive job postings and apply for available positions within El Corte Inglés Group. In total, more than 3.8 million people interacted and browsed our portal.

Thanks to all these processes, a total of 4,939 people joined the Group during the year.

Meanwhile, among those employees with permanent contracts, 4,804 people left voluntarily during the year, compared to 3,410 in the previous year. This gives a voluntary turnover rate for permanent staff of 5.9% (4.2% in the previous year), compared to 6.0% for the rate of new hires on permanent contracts (5.5% in the previous year). A total of 20,126 voluntary and non-voluntary departures were recorded during the year. Of that figure, 1,465 involved contract terminations carried out by the Company on justified grounds, with the distribution by gender, age group and employee category as shown in Appendix 1, “Non-financial indicators – Our team”.

We also made further progress in digitalising our selection processes, making our tools more user-friendly and improving the quality of the support we provide to candidates, with the aim of achieving greater efficiency and eliminating possible biases in their selection.

Our efforts have earned us various awards (for more details, see the end of this chapter).

CAREER DEVELOPMENT

The training and development of people is one of the key pillars of our Corporate Human Resources Policy. To succeed, we promote personal and professional growth through various initiatives to improve our employees’ knowledge, skills and expertise. Change management and the course our Company is taking go hand in hand with the training of employees and managers, as a strategic and fundamental pillar in helping us achieve our objectives.

Our goal: To foster training and internal promotion by nurturing talent in-house and enabling effective career development.

A. TRAINING PROGRAMMES

[GRI 3-3] [GRI 404-1]

We focus our efforts on the professional development of our employees by allocating resources for the training of the various groups and teams that make up our workforce. To this end, we have an extensive training catalogue of more than 1,100 different courses.

As a show of our commitment, we delivered a significant volume of training during the year, reaching a total of 1,682,253 hours of training, up 22.6% on the previous year.

Main training indicators in 2023

| | |
|--|------------|
| Total training hours ²⁰ | 1,682,253 |
| Training hours per employee (calculation based on total employees) | 20.30 |
| Training hours per employee (calculation based on total employees trained) | 15.57 |
| Number of students involved in training activities | 924,521 |
| Investment in training (€) | 16,945,687 |

Over the course of 2023, we increased our range of blended courses (combining both face-to-face and virtual training), with the aim of making training available to everyone. Some examples:

- In our Virtual Classrooms, which are connected to the department stores, we run courses that are simultaneously taught face-to-face.
- We broadcast online courses through our Aula@Eci platform, some of which have been previously carried out in classrooms while others are prepared specifically for this medium.

We also launched our brand new Immersive Classroom, an innovative methodology where students can interact with a variety of multimedia resources such as digital whiteboards and chatrooms. It ensures a faithful recreation of a face-to-face learning experience, while encouraging active participation and total immersion in the content.

²⁰ Of the total training hours delivered in 2023, 23,064 were provided to people who were not employees at the time of the training (13,010 people).

We have a wide range of training programmes tailored to each target audience. We train all our employees and deliver specific training courses to different profiles (sales team, management, etc.). Our courses also happen to be available for all employees and are sorted into subjects, including ethics and compliance, sustainability, and health and safety.

| | |
|--------------------------------|---|
| SALES TRAINING | <p>In 2023, we trained the entire sales team of the department stores in the use of personal digital assistants (PDAs), which are an agile tool when it comes to customer service.</p> <p>We also fine-tuned our commercial skills and sales techniques through a wide range of courses, with the main aim of cementing our status as leaders in customer service and commitment to service quality. The training also aimed to improve our employees' awareness and knowledge of product innovations, so as to ensure they give the right advice when selling new products. Notably, we continued to deliver training in personal beauty, such as the new space titled "The Hair Beauty", where we are pioneers in bringing the kind of experience and service you would expect to receive at a beauty salon to a retail space.</p> <p>In this regard, we delivered further training to improve our omnichannel strategy. More than 21,000 salespeople have received this valuable online training.</p> |
| MANAGEMENT TRAINING | <p>We run specific leadership programmes to develop the talent of managers and executives. These programmes are there to strengthen both management skills and management capacity in each sphere of responsibility.</p> <p>More precisely, we offered Management Development, General Management and Senior Management programmes to this segment alongside leading business schools and academic institutions.</p> <p>We also launched a new module based on agile methodologies for Project Management, as well as specific training to optimise Supplier Qualification processes in terms of ESG criteria.</p> |
| SUSTAINABILITY TRAINING | <p>In 2023, we carried out various training actions on the subject of sustainability, as a response to the core principles set out at the start of this report. A total of 38,279 people received training in sustainability over the course of the year.</p> <p>In October 2023, a course titled "The Faces of Sustainability" was launched via the ECI Classroom, offering a global vision of ESG aspects at El Corte Inglés. It falls within the broad framework of our Sustainability and CSR Master Plan and is seen as a cornerstone for improving knowledge in this field among all of our staff. By the end of the year, the course had already been viewed by 29,627 employees.</p> <p>The year also witnessed the completion of the training cycle on Sustainable Procurement, which had begun in 2022. This particular training initiative is aimed at the staff of the Procurement and Sourcing departments to strengthen internal purchasing procedures and sustainability labelling. A total of 258 employees received training in this area in 2023 (380 in the previous year), bringing the total number of people trained to 638.</p> <p>Specific training on the MSC and ASC Sustainability certifications was also delivered to the fishmongers who work at our El Corte Inglés, Supercor and Sanchez Romero supermarkets. This training will allow our teams to explain the meaning and importance of both standards to customers, as they ensure the sustainability of the fish and seafood we sell according to their source of origin. By year-end, almost 90% of our employees in this department had received this training.</p> <p>Meanwhile, at El Corte Inglés Travel we worked on training projects that address issues such as environmental awareness and the impact of tourism.</p> |

| | |
|-----------------------------------|--|
| HEALTH AND SAFETY TRAINING | <p>Our employees receive regular and mandatory health and safety training, which is essential in raising awareness of risks in the workplace and explaining the safety measures put in place by the Group to make our premises a safer place.</p> <p>We deliver specific training courses according to the target segment, such as the "Expert Health and Well-being Coordinator" course; "OHS - Health and Safety"; "Distance Work" (290 people), or "OHS - Management and Supervision. Offices" (280 people), aimed at employees who hold leadership roles at the central services of El Corte Inglés and El Corte Inglés Travel.</p> <p>The safety of the people on our premises is of paramount importance to us. For this reason, we have made significant efforts to train first responders in the event of an emergency. A total of 4,284 people have now undergone the training —both theoretical and practical— which aims to ensure that the "Emergency and Evacuation Plans" are duly followed.</p> |
|-----------------------------------|--|

| | |
|---------------------------------------|--|
| ETHICS AND COMPLIANCE TRAINING | <p>The NEXO Corporate Intranet includes an "Ethics, Compliance and Integrity" section, featuring courses, tutorials and news on these important topics, all with the aim of disseminating and facilitating this information among all employees. A total of 14 news items were posted during the period, garnering 41,701 visits.</p> <p>During the year, 59,686 employees received training in these subjects, for a grand total of 63,228 hours.</p> <p>With the aim of raising awareness among our executive team of the ethical rules and corporate policies on compliance, we ran various communication actions, including those given in the hybrid space "Ethics and Compliance" and the "Centre Management Tables", as part of the specific training events held for supervisors and those responsible for control processes, as well as training in KRIs (key risk indicators).</p> |
|---------------------------------------|--|

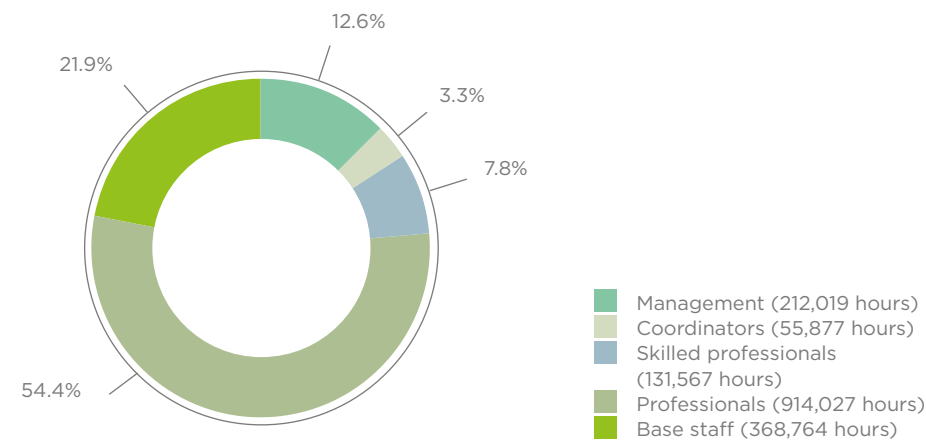
The following training sessions were delivered during the year in the "Ethics and Compliance" space:

- 1 Prevention and Corporate Security
- 2 Diversity and Inclusive Leadership
- 3 Anti-Trust System
- 4 Corruption in business
- 5 Product Quality and Safety

The following table shows the main indicators outlining the training actions to have been carried out during the year:

| Subject/area | Training actions | Hours | Student | Student hours |
|--|------------------|----------------|----------------|------------------|
| Commercial/Sales | 1,916 | 19,400 | 18,172 | 202,354 |
| Product, trades and occupational risk prevention | 9,011 | 49,664 | 62,609 | 455,344 |
| Sales and IT admin tasks | 3,500 | 19,741 | 34,056 | 206,890 |
| Management and executive skills | 613 | 4,861 | 7,215 | 58,488 |
| Languages | 943 | 31,286 | 3,918 | 127,661 |
| Other | 470 | 7,072 | 4,011 | 50,456 |
| Total in-person training | 16,453 | 132,024 | 129,981 | 1,101,192 |
| Virtual classroom training | 26,267 | 44,748 | 86,020 | 167,929 |
| Online training | - | - | 708,520 | 413,132 |
| TOTAL TRAINING | 42,720 | 176,772 | 924,521 | 1,682,253 |

Breakdown of training hours by employee category



The Ramón Areces University Study Centre, connected to Spain’s National University of Distance Education (Universidad Nacional de Educación a Distancia – UNED), offers Group employees the opportunity to complete their academic training by means of degree programs in the various subjects it teaches.

843

Employees gained access to university education

Employees can pursue the following studies, among others:

- Degree in Law (126 employees)
- Degree in Business Administration and Management (179 employees)
- Degree in Psychology (307 employees)
- Master’s in Cybersecurity at the University of Alcalá de Henares (37 employees)
- Master’s in Data Analytics in Digital Marketing (39 employees)

B. PERFORMANCE REVIEW

[GRI 404-3]

Employees who have been with the company for more than six months undergo regular performance reviews, looking at how well they perform their functions and responsibilities.

In 2023, a new performance review model was deployed and extended to all El Corte Inglés employees. This model consists of:

- Various quantitative targets aligned with the business objectives.
- Job-specific forms to be filled in.
- For the retail segment, a mid-year review of the targets set.

Viajes El Corte Inglés Group began its performance reviews during the year, starting with the employee category of managers. This involves a self-assessment by the employee and an assessment by his or her superiors through personal interviews.

In total, 63,482 performance appraisals were carried out across the Group (59,869 in the previous year), marking an increase of 5.7%.

The results of these reviews allow us to identify areas for improvement and to assess the strengths and performance of our employees, thus allowing us to promote those who have performed well, which in turn increases levels of staff motivation and engagement with the Group.

C. INTERNSHIPS

In 2023, a total of 1,239 students completed internships at our company: 173 university students, 923 vocational training students and 130 students from social organisations such as Fundación Oxiria, Fundación Adsics and the Red Cross. We signed several agreements with these entities, thus extending our pledge to help ensure the social integration of vulnerable segments of society.

The second edition of the “Excellence Internship Programme” was held during the year, with 31 academically outstanding students from the most prestigious universities around the country joining our company for their internship. This programme offers students the opportunity to complete a six-month internship at various departments of our Company. After successfully completing this period, many of these students are then hired by the Company in positions related to their academic training.



Herrera Oria Training Centre of El Corte Inglés, Madrid.

PROMOTION OF BEST EMPLOYMENT PRACTICES

A. SOCIAL DIALOGUE AND TRADE UNION REPRESENTATION

[GRI 2-29] [GRI 2-30] [GRI 201-3] [GRI 3-3]

Social dialogue is one of the cornerstones of solid labour relations. This reflects our commitment to respect workers’ rights, including union representation, freedom of association and collective bargaining.

In accordance with prevailing legislation, we address any organisational changes that may affect employees through collective bargaining processes with trade union representatives. In this context, we make sure to comply with communication and implementation deadlines following any technical, organisational or production changes that could affect our employees. These changes are negotiated with trade union representatives.

Dialogue with employees at El Corte Inglés Group is carried out through representative and collegiate bodies, such as the Intercentre Committee, the Works Councils and the staff representatives, who defend the interests of our workers. The Health and Safety Committees are also involved in managing these issues, as are the prevention officers, who deal with specific situations. Through these representatives, employees get involved in the management of the Company by receiving information, consulting and taking part in relevant decisions.

In February 2023, El Corte Inglés and the workers’ legal representatives unanimously reached two key agreements:

- One of them consisted of a voluntary incentive-based separation scheme for workers over 59 years of age, who could choose to terminate their employment relationship through a protection mechanism to facilitate their transition through to retirement. By the time this agreement ended on 29 February 2024, a total of 213 people had availed themselves of this option.
- The second agreement, which runs until 28 February 2025, consists of a staff restructuring plan whereby employees may be transferred from the central and regional services to our commercial establishments to improve local sales efforts and, therefore, improve customer service and support.

These agreements, which are complementary, will affect up to 2,100 workers.

Also during the year, all employees (1,169 people) who were affected by the closure of one or other of our centres were relocated to another centre. In all cases, unanimous agreements were reached with the workers’ legal representatives, reflecting our commitment to protecting jobs.

In our core business area, which covers Spain and Portugal, all our employees fall under the umbrella of a collective bargaining agreement specific to the kind of activities they perform. These collective agreements cover 97.3% of our total workforce.

In other locations where we are also present (e.g. Hong Kong, Bangladesh, India, Shanghai, Turkey, Morocco, Italy, Dubai and Vietnam), agreements are in place that provide better working terms and conditions, while extra steps are taken to expand workers' rights, all in keeping with our corporate values. A breakdown of the workforce covered by collective bargaining agreements across the various countries in which the Group operates can be found on page 287 of Appendix I — "Non-financial indicators. Our team".

We have a total of 12 collective bargaining agreements across the various companies that make up El Corte Inglés Group. For more information on our collective bargaining agreements, please see Appendix I of this report — "Non-financial indicators. Our team. I – Collective bargaining agreements" (pages 288 and 289. Notably, in March 2023 we signed the new collective agreement for the Department Store sector, which will run until 2026. This agreement covers 61,511 employees in our Group and states that, over the term of the agreement, wage increases will be made according to the percentages set out in the following table:

Fixed wage increase in the coming years

| 2023 | 2024 | 2025 | 2026 |
|------|------|------|------|
| 4.5% | 4.5% | 3% | 2% |

B. ORGANISATION OF WORKING HOURS AND FLEXIBLE WORKING ARRANGEMENTS

[GRI 2-23] [GRI 401-2] [GRI 401-3] [GRI 402-1]

El Corte Inglés Group is made up of companies belonging to various sectors, thus requiring different models for organising working time and distributing the annual working hours of the workforce. All of this is agreed upon in the relevant collective agreements.

We comply with the minimum notice periods required by law ahead of any significant operational changes that may affect our employees or their representatives.

As for the actual provisions of the different collective agreements, we apply improvements beyond minimum legal requirements to respect the rights of our employees, such as flexible working arrangements explicitly aimed at promoting a healthy work-life balance.

Details of the different measures for organising working time and labour flexibility measures in place at the different companies and countries in which El Corte Inglés Group operates can be found in Appendix I of this report — "Non-Financial Indicators. Our team. III – Labour conditions by country" (pp. 290 to 291).

Broadly speaking, here are some of the measures currently applied by our Group companies:

- **Flexitime measures** (workday start and finish times), which can and do vary, depending on the Group company or department concerned.

Certain central service teams of Supercor, El Corte Inglés Travel or SICOR are able to introduce shorter working days during the summer months of July and August.

Flexible arrival and departure times are also available in other locations where we operate, such as Portugal, Hong Kong, India, Morocco, Shanghai, Turkey, Vietnam and Bangladesh.

- **Remote working arrangements**, as well as permanent teleworking measures implemented throughout 2023.

The first Remote Working Agreement, which was approved in 2022, is now being applied to employees who work at the Customer Services, Telephone Sales and Customer Management departments of El Corte Inglés. In 2023, El Corte Inglés Travel implemented permanent teleworking measures at its Telephone Sales Division/Contact Centre and Business Travel Business Unit, following a pilot test with positive results in the previous year. Under this new working arrangement, employees work three full days remotely (60%) and two full days physically present (40%). Notably, some departments and areas of El Corte Inglés Travel have implemented 100% remote working arrangements.

In February 2024, the new Voluntary Flexible Working Model for Central Services of El Corte Inglés was approved, according to which working hours are distributed so that nobody has to work Friday afternoons and everyone can work remotely during one day of the week.

- **Right to disconnect measures.**

We are making progress in implementing digital disconnect measures across all Group companies. For instance, SICOR includes among its measures: a maximum time for disconnecting from work (set by each department), no work-related emails to be sent or phone calls made outside working hours (except in cases of force majeure or exceptional circumstances), respect for daily and weekly rest periods, leave or holidays, and management of working time by avoiding meetings or training outside working hours and making rational use of digital tools.

In 2023, El Corte Inglés-Grandes Armazéns deployed, as part of its Equality Plan, an awareness campaign on the importance of being able to disconnect digitally from work.

Other countries in which the Group operates have similar measures in place to promote digital disconnection.

• **Other specific work-life balance initiatives.**

We employ work-life balance measures that seek to balance work with the responsibilities of caring for children and other dependent family members. In this context, we promote shared responsibility. These measures are described in the section on “Equal opportunities, diversity and inclusion” and encompass the following commitments:

- Ensuring that people who exercise their rights to work-life balance do not have their careers or possibility of promotion adversely affected.
- Using the state of the art, whenever work permits, to avoid travel and optimise working time.
- Facilitating geographic mobility or mobility between work centres and, or changes in holiday shifts to take care of first degree dependent family members.
- Promoting, where practicable, a change in shift for workers undergoing assisted reproduction.
- Prioritising adaptation over reduction of working hours and promoting straight shifts over split shifts.
- Ensuring that those on leave of absence for family-related reasons can still take part in training courses.

• **Entitlement to parental leave.**

During 2023, a total of 1,026 women and 719 men exercised their right to take parental leave (1,696 women and 922 men in 2022). The Group evaluates the percentage of returning employees and retention rates in order to analyse the effectiveness of the work-life measures in place:

| Employees entitled to parental leave | Women | Men | Total 2023 |
|---|-------|-------|------------|
| Employees who exercised their right to parental leave (%) | 97.6% | 88.0% | 93.4% |
| Employees who returned to work | 78.8 | 97.6% | 86.6% |
| Retention rate (1 year later) | 81.9% | 85.7% | 83.7% |

In Spain, parental leave lasts 16 weeks. In other countries, this period may vary. To learn more, see pages 290 and 291 of Appendix I, Table of non-financial indicators – Our team. III. Working conditions by country.

Notably, El Corte Inglés-Grandes Armazéns continues to run the FLEXI 2.0 programme in order to improve the work-life balance of its employees, through four main components: (i) Flexi Time — Flexible working hours; (ii) Flexi Days — Day off — Birthday and half day off for children’s birthdays until they turn 18; (iii) Flexi Work — Working from Home; (iv) Flexi Baby ECI — Measures to support maternity or paternity leave.

C. COMPENSATION MODEL

[GRI 2-20] [GRI 202-1] [GRI 405-2]

For our company, rewarding our people’s dedication, responsibility and efforts is extremely important, as it helps their development, sense of achievement, engagement and brings out their individual talent.

Our remuneration policies are based on gender equality and non-discrimination, reflecting our firm commitment to equality. We rely on a key indicator to assess our remuneration system and the results of the annual pay gap survey. This analysis considers the gender pay gap in comparable positions for each employee category.

Pay gap by country

| | 2023 | 2022 |
|------------------------|------|--------------------|
| SPAIN ²¹ | 4.1% | 4.4% ²² |
| PORTUGAL ²³ | 5.5% | - |

Our remuneration scheme is based on an overall and fair compensation concept. With regards to fixed remuneration, the Group complies with the various collective bargaining agreements in effect. Meanwhile, variable remuneration is tailored to the specific circumstances of each company, with parameters related to individual, measurable and global results and the achievement of targets.

Remuneration in kind

To complement its various remuneration systems in Spain, the Group offers its employees what is known as Plan+. Under this plan, employees may choose to receive part of their gross annual remuneration in kind, thus benefiting from certain tax benefits in accordance with prevailing legislation. This in-kind remuneration includes restaurant, childcare and transport cards, as well as private medical insurance.

²¹ The pay gap in Spain has been obtained using the weighted median calculation method. It takes into account the requirements of RD 902/2020 in terms of the equalised remuneration register.

²² Data re-calculated because the Social Security contribution was included in the remuneration for cases of temporary incapacity for work, when only the supplement paid by the company should have been counted, according to the criteria of the Ministry of Equality for calculating the pay gap.

²³ In Portugal, the pay gap has been calculated as a weighted average. Note that only the company El Corte Inglés-Grandes Armazéns was considered. In addition, only workers who are full-time and who worked throughout all of October are counted.

EL CORTE INGLÉS

At El Corte Inglés, the system of fixed remuneration is as set out in Chapter III of the Collective Bargaining Agreement for Department Stores. This remuneration includes a basic salary, which depends on the employee's occupational category, plus certain salary supplements (personal bonus and seniority, job, quality or voluntary overtime allowances). For the "Managers" category, there is a Bonus System whereby employees are rewarded for achieving certain quantitative and qualitative targets.

Members of our sales team are covered by an Incentive System since 2014, which was renewed in 2021.

In 2023, a Variable Remuneration System was put in place for Central Services employees, based on good market practices and governed by:

- Transparency: a targets policy is in force, with the salary defined according to the market and occupational position.
- Competitiveness: with a remuneration scheme that helps to bring in talent.
- Merit-based management model: based on the definition and achievement of business targets.

EL CORTE INGLÉS-GRANDES ARMAZÉNS (PORTUGAL)

Our remuneration model is largely based on the concepts of fixed and variable remuneration. Fixed remuneration essentially refers to the basic salary set out in the Collective Bargaining Agreement for each employee category. Meanwhile, variable remuneration is associated with the type of function performed, be it night work, holiday work or sales incentives, with this particular item being particularly significant for our sales team. In January 2023, this individual incentive system applied to employees in Portugal was brought in line with the system employed in Spain. Also in 2023, the collective incentive system for the Fresh Produce Supermarket and Gourmet Club departments was switched to an automatic system.

SUPERCOR

The remuneration paid to Supercor staff is aligned with the new Remuneration System set out in the 2022–2025 Action Plan, but also features certain new items, thus ensuring greater transparency and objectivity when applying the wage policy.

When it comes to variable remuneration, certain employee categories, such as store managers and heads of certain areas, receive an annual bonus conditional on the achievement of certain targets set by the company's management in relation to EBITDA. Coordinators and supervisors are entitled to use of a company car as an additional component of their variable pay.

VIAJES EL CORTE INGLÉS GROUP

The pay structure is in accordance with the Collective Bargaining Agreement for the Travel Agencies Sector, comprising a basic salary, four extraordinary bonuses per year (which may or may not, at the employee's discretion, be prorated over 12 monthly payments) and various bonuses. These bonuses are based on various work circumstances and include transport/telework bonuses, post-specific bonuses (when they are different from those of their employee category) and voluntary performance-based bonuses. Staff members between 63 and 65 years old and at least 10 years' seniority at the company are eligible to receive a length of service bonus if they choose to terminate their employment contract. This bonus depends on the years during which the employee has been with the company and reflects the wage levels set out in the relevant collective agreement.

SICOR GROUP

Salaries for SICOR Group companies are determined on the basis of the employee categories included in the applicable collective bargaining agreements.

INTERNATIONAL SEGMENT

Outside Spain and Portugal, employees working in the main countries in which the Group operates, such as Turkey and Morocco, receive a total of 12 payments throughout the year, while in countries such as Hong Kong, India, Shanghai and Vietnam, it is 13.

Group employees receive a starting salary that exceeds the statutory minimum: 12.7% above in the case of women (23.3% in 2022) and 11.9% for men (17.5% in 2022). In Portugal, the standard starting wage is the same as the legal minimum wage for both women and men.

D. OTHER EMPLOYEE BENEFITS

All our employees enjoy the same perks and benefits, regardless of the type of contract they have.

During the year, financial support was granted on 1,080 occasions (1,033 in the previous year) to employees with children with disabilities, for a grand total of €520,600 (€502,250 in the previous year). Study grants are also awarded to the children of employees following a decision by the Appraisal Committee of Fundación Ramón Areces, covering not only higher secondary and vocational training, but also university and postgraduate studies. A total of 4,546 grants were awarded in 2023, compared to 3,800 in the previous year.

In addition to this aid, our employees are eligible for benefits such as life insurance, medical care and discounts on university studies through the CEURA Corporate University.

Group employees outside Spain and Portugal also enjoy benefits that vary according to the country in which they are located, notably:

| Geography | Extra benefits |
|--------------|--|
| Portugal | <ul style="list-style-type: none"> • Medical centre available to all employees • Maternity support measures: flexible working hours, free parking, maternity kit • Five extra days for bone marrow donors • Extra paid day off for corporate volunteering • Superior+ Programme, which fosters academic training for employees through various agreements with academic institutions, including discounts |
| Bangladesh | <ul style="list-style-type: none"> • Private health insurance for employees, their spouses and children • Life insurance for employees • Contribution to an employee pension fund by the employer according to the basic salary • Biannual medical check-up |
| Hong Kong | <ul style="list-style-type: none"> • Health insurance |
| Sfera Mexico | <ul style="list-style-type: none"> • Discounts on clinical analyses at partner laboratories • Discounts to pursue further education • Life insurance and insurance to cover major medical expenses for employees and immediate family members |
| Shanghai | <ul style="list-style-type: none"> • Health insurance • Monetary bonus for reaching 10, 15 and 20 years with the company |
| Turkey | <ul style="list-style-type: none"> • Private health insurance |

E. INTERNAL COMMUNICATION

[GRI 403-4] [GRI 403-6]

At El Corte Inglés we believe in the importance of building strong ties and fostering engagement with talent through communication and digitalisation. To achieve this, we use NEXO, both in its app version and on the web portal, to enable effective internal communication and streamline the daily running of the Company. We recently revamped this tool to make it more user-friendly and intuitive.

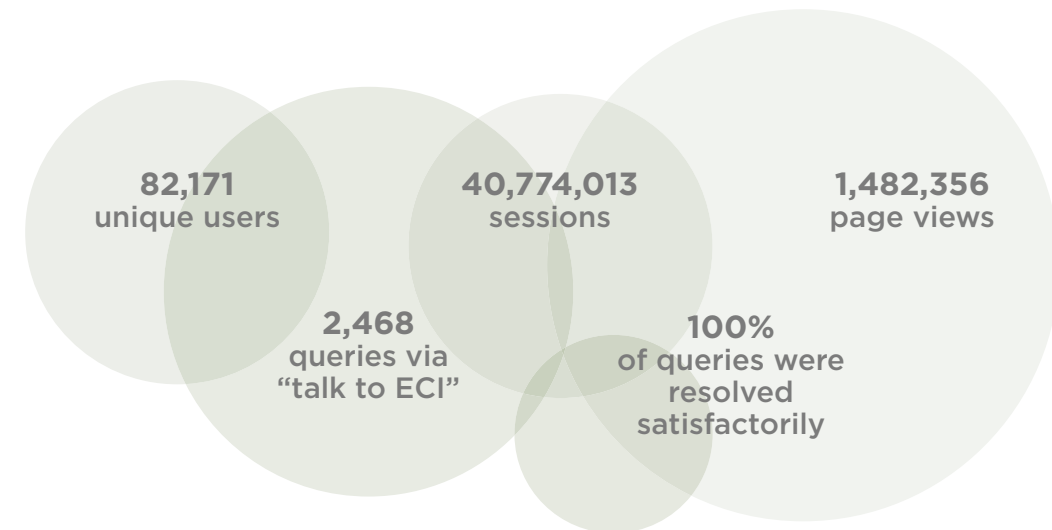
NEXO

We refresh the information published on NEXO each day to keep our employees in the loop. News content is now more streamlined and less cluttered, allowing users to see at a glance all the latest news (commercial campaigns, trends and inspiration, internal procedures and regulations, as well as the stories of our employees). A total of 605 news items were published in 2023.

Our employees are our most prized asset, and to ensure direct communication with them, we have set up “Talk to ECI”, a channel through which we receive their feedback, suggestions and first-hand comments to help us get better and move forward.

We are innovating in the way we share news and information, a prime example being the launch of En El Punto de Mira (EPM), an initiative that aims to strengthen the skills of our employees while raising awareness of certain aspects related to labour relations. The initiative takes the form of various interviews, each featuring a guest expert on the subject. In 2023, this format garnered more than 60,000 views.

Key figures for NEXO in 2023:



Specific internal communication channels

Around NEXO we have specific internal communication channels, such as Conectados (our internal podcast), En Conexión (communication channel and in-house chat) and our in-house social media platform, with upwards of 60,000 active users.

We also disseminate messages and principles through various internal campaigns to coincide with key dates on the calendar (such as Diversity Month, International Women’s Day, International Day of Persons with Disabilities, or International Day for the Elimination of Violence against Women). We likewise offer opportunities for our employees to take part alongside their families in sporting, social and cultural events through the NEXO EVENTS section.

We also happen to have “VECI News” for Viajes El Corte Inglés Group, which we use to share all the latest news related to the industry and employment. The channel is conducive to two-way interaction with our employees and strengthens their bond with the company. In addition, “VECI News” includes a television channel, known as VECI News TV, which airs audiovisual content.

EQUAL OPPORTUNITIES, DIVERSITY AND INCLUSION

[GRI 2-23] [GRI 405-1] [GRI 406-1]

At El Corte Inglés Group, we treat equal opportunities, non-discrimination and respect for the diversity of people as core values underpinning everything we do. These principles are reflected in our Code of Ethics and in the various policies we have put in place.

CORPORATE EQUALITY AND DIVERSITY POLICY

Our **Corporate Equality and Diversity Policy** is designed to ensure appropriate diversity management. Our aim is to achieve effective equal opportunity for all, regardless of individual circumstances, and to promote an inclusive and equitable environment where everyone can grow and develop to their full potential.

This policy tackles all potential grounds for discrimination, including cultural, gender, sexual identity and orientation, ability and generational diversity. It enshrines the fundamental principles that must guide all work interactions with our employees, in line with the guidelines set out in our Human Resources framework policy.

Corporate equality and diversity policy

Goals:

- To build strong employment and business relations based on equal opportunities, non-discrimination and respect for diversity.
- To lay down basic principles so as to ensure sound management of internal and external diversity.

Principles:

- Non-discrimination
- Diverse team
- Diverse customers
- Diverse society
- Supplier diversity

For further information:







<https://www.elcorteingles.es/recursos/informacioncorporativa/doc/portal/2024/03/25/corporate-equality-and-diversity-policy.pdf>

EQUALITY PLAN

All Group companies in Spain and Portugal have their own **Equality Plan**, based on the El Corte Inglés Equality Plan.

This initiative embodies our commitment to equity and diversity by adapting and contextualising the guidelines of our equality strategy to the specific circumstances and needs of each Group company. In 2022, the equality plans were renewed upon the approval of the 3rd El Corte Inglés Equality Plan, followed by the signing of the rest of the plans, in accordance with the new legal framework under Royal Decrees 901/2020 and 902/2020. Each Group company has an Equality Plan monitoring committee, which evaluates the dimensions of the plan in detail, jointly analysing the expectations and objectives set and identifying good practices. Positive assessments have been obtained, signalling achievement of the objectives set out in these plans.

The key lines of action set out in the 3rd El Corte Inglés Equality Plan, which the other Group companies also use as a benchmark, are as follows:

-  Ensure equal employment and promotion opportunities for men and women.
-  Offer opportunities for career advancement and development of staff within the Company as the best tool for retaining talent.
-  Improve work-life balance measures and continue to promote shared responsibility for equal career development opportunities for men and women.
-  Oversee wage transparency and ensure enforcement of the principle of equal pay for equal work.
-  Ensure a workplace environment that is free from any type of sexual and/or gender harassment, focusing on prevention as the best way to address potential incidents that may arise.
-  Reinforce the Company's commitment to women who are victims of gender-based violence.

El Corte Inglés-Grandes Armazéns also has an Equality Plan in place for the 2022–2023 period, showing various targets and initiatives distributed across 12 dimensions or lines of action. At the end of 2023, a monitoring report on the implementation status of each measure was drawn up.

We have a **Corporate Equality Group**, which works hard to monitor the equality plans and coordinates all initiatives and campaigns carried out in this regard. This team comprises representatives from all Group companies. These actions include:

- Issuing reports that show the findings of key performance indicators related to diversity and equality.
- Holding meetings with Human Resources teams on current issues, as well as training on regulatory compliance. More precisely, we devised a course titled “Advancing in Equality”, which is compulsory for all staff members, and we also staged a training event on diversity and inclusive leadership.
- Designing campaigns to commemorate international events, such as Women’s Day, Equal Pay Day, International Day of Women and Girls in Science, LGTBI Pride Week, campaigns against gender-based violence, or the European Diversity Month, involving all of our employees.
- Promoting staff access and recruitment processes that avoid both vertical and horizontal segregation.
- Helping to ensure that internal communication promotes an equal image of men and women.

As part of our commitment to equality, we are also members of the Portuguese Diversity Charter and have signed an accession agreement with the iGen-Forum of Equality Organisations, thus allowing us to do a better job in integrating the principles of gender equality at work into our strategies and management models.

Key equality, diversity and inclusion indicators in 2023

| | |
|--|--|
| Equal opportunities and gender diversity | Women account for 62.2% of the Group’s workforce (62% in 2022). |
| | 33% of positions of responsibility are held by women (31% in 2022). |
| | 53.4% of new hires on permanent contracts are women (56.7% in 2022). |
| | We hire 135 victims of gender-based violence. |
| Cultural diversity | Of our total employees, 4,374 are non-Spanish nationals (3,485 in 2022). In total, 80 nationalities other than Spanish are present across the Group. |
| Integration of vulnerable groups | 1,649 employees have some form of disability (1,600 in 2022). |
| | We collaborated with 41 special employment centres (51 in 2022). |

In 2023, 48,820 employees received training on equal opportunities, diversity and inclusion, while 11,669 received such training in 2022.

PREVENTION OF HARASSMENT

In our commitment to promoting equality, we strive to eradicate harassment by maintaining a zero tolerance stance towards any such behaviour. Notably, we have established, in collaboration with the workers’ legal representatives, a procedure for preventing and addressing situations of sexual and/or gender-based harassment. This procedure not only includes preventive measures, but also sets up what is known as the Harassment Investigation Committee.

This protocol was updated and reviewed with the workers’ legal representatives in December 2022 so as to bring it in line with new legislative developments in the field of equality. The Equality Plan Monitoring Committee Inglés ratified this protocol on 17 March 2022 in the case of El Corte Inglés, on 23 December 2022 for Supercor, and on 12 July 2023 for Viajes El Corte Inglés Group.

The committee is tasked with investigating and appraising all complaints of sexual and/or gender-based harassment within our Company. In 2023, we received a total of 38 complaints (15 in 2022).

Of the 31 complaints of harassment in the workplace reported: 16 were negative; two were positive; 12 were not entertained (four because they did not constitute harassment, four because they were not ratified by the complainant, 2 because the complainant asked that they be closed, and 2 because the complainant voluntarily withdrew their complaint); and 1 is still ongoing.

7 complaints of sexual harassment were received in the period: 4 were positive; 1 was negative; and 2 were not processed by the committee (1 because the complainant chose to pursue a different avenue, and 1 because the complainant withdrew their complaint).

AGREEMENTS WITH PARTNERS

In order to promote and disseminate these principles, we have agreements in place with various institutions and organisations, the actions of which are detailed on pp. 214 and 215 of Appendix I of this report, Table of non-financial indicators – Our team. II — Agreements with partners”. These agreements include the following:

| | |
|--------------------------------|--|
| Integration | |
| Accessibility | |
| Diversity and inclusion | |
| Gender equality | |

A SAFE AND HEALTHY WORKING ENVIRONMENT

[GRI 2-26] [GRI 2-29] [GRI 403-1] [GRI 403-2] [GRI 403-3] [GRI 403-5] [GRI 403-7] [GRI 403-8] [GRI 403-10]

OCCUPATIONAL HEALTH AND SAFETY

We are committed to the well-being and health of our team. That is why we prioritise the physical and emotional health of our employees and the maintenance of a safe working environment by fostering a preventive and participative culture.

El Corte Inglés Group has a Joint Prevention Service made up of 43 prevention officers and 135 health professionals, who work at our 83 Health Centres. The Joint Prevention Service’s mission is to add value by caring for the physical, psychological and social health of our workers in the workplace.

Notably, in 2023 we launched a video consultation service, available on the “My Health Service” platform on the NEXO Portal and app, offering fast service and absolute confidentiality. This tool brings our internal health services closer to employees and allows them to book their medical and nursing appointments.

OCCUPATIONAL HEALTH AND SAFETY GUIDELINES

Each Group company manages occupational health and safety on a stand-alone basis through individual action plans. We also have a common set of guidelines for our companies so as to ensure that we all meet the highest standards.

COMMON OHS (OCCUPATIONAL HEALTH AND SAFETY) GUIDELINES ACROSS EL CORTE INGLÉS GROUP COMPANIES

- 1 Integrating occupational health and safety into all levels of the organisation.
- 2 Fostering continuous improvement.
- 3 Promoting employee wellness.
- 4 Developing risk control systems.
- 5 Promoting training.
- 6 Reducing the accident rate.

COLLECTIVE BARGAINING AGREEMENTS

To ensure compliance with occupational health and safety regulations, companies of El Corte Inglés Group are subject to various collective bargaining agreements.

To monitor compliance with these rules and regulations, we have various Health and Safety Committees, which meet quarterly. These committees are composed of workers' representatives, works council members and company representatives.

At SICOR Seguridad, the Collective Bargaining Agreement envisions the setting up of an additional specific body tasked with scrutinising and, as the case may be, acting on proposals related to occupational health and safety at the sectoral level.

OCCUPATIONAL RISK PREVENTION SYSTEM

All Group companies in Spain have occupational health and safety management systems in place, covering 100% of the workforce. Our **Occupational Risk Prevention System** is up and running at all El Corte Inglés work centres and is certified every four years by an external, independent body. Moreover, all employees are covered by our own Prevention Service.

As for our centres in Portugal, all employees are likewise covered by a prevention system, although the main challenge now is to replicate a system substantially similar to the Group's current Joint Prevention Service in Spain.

We conducted a statutory audit of our Occupational Risk Prevention System during the year, in accordance with Chapter V of Royal Decree 39/97. We also carried out the first follow-up of the certification audit of the Occupational Risk Prevention Management System, according to ISO 45001, in relation to the Supplies unit attached to El Corte Inglés Business Services and for Real Estate. We secured a positive result in all cases.

With these management systems in place, we are able to coordinate the actions carried out by our prevention teams. This includes regular assessments of the risks faced by our employees, investigating potential incidents and implementing specific prevention plans to address the shortcomings identified in the assessments.

At the Group, we work hard to ensure the safety of our employees. We therefore include processes whereby employees can report any hazards they may spot while going about their work, so that they can then be assessed by the prevention teams and the necessary action taken.

The processes in place to identify occupational risks are part of the Occupational Risk Prevention System. These include risk assessment and preventive planning, treatment of especially sensitive workers, management of occupational accidents, health surveillance and management of personal protective equipment.

Worker participation is carried out in accordance with Chapter V of Law 31/95 on oc-

cupational risk prevention, with quarterly meetings of the Health and Safety Committees, at which the health and safety documentation indicated in the terms of reference of each committee is handed out. At centres with no committee, employee participation takes place through the prevention officers.

KEY SECURITY INDICATORS

Measuring and monitoring the safety indicators we have identified allows us to assess the effectiveness of the measures we have put in place at our establishments. It also helps us devise action plans to ensure the continuous improvement of our Occupational Health and Safety Management Systems. The main indicators in 2023 were as follows:

- **Accident rate:** we recorded 1,863 lost-day occupational accidents in 2023 (compared to 1,557 in 2022), of which 1,001 involved women and 862 involved men (compared to 793 women and 764 men in 2022). The most common injuries were the result of collisions or blows against objects, trips and falls, overexertion, and contact with sharp materials.

Meanwhile, 21 cases of occupational diseases were reported, of which 14 involved women and seven men, compared to 30 cases in the previous year (20 women and 10 men). These cases were mainly epicondylitis, carpal tunnel syndrome and tendonitis, affecting 14 women and 7 men.

- **Absenteeism:** looking at the number of hours of absenteeism due to common illness and non-occupational accidents, we recorded 7,588,693 hours in 2023 (compared to 7,407,953 hours in 2022). A further 281,367 hours of absenteeism due to occupational accidents in 2023 were also added (compared to 280,118 in 2022).

For further information on these indicators and their trend over the past two years, please see Table I, "Non-financial indicators. Our team".

The **targets** defined for each company and workplace are as follows:

- **Accident rate:**
 - frequency rate of lost-time occupational accidents of 12.
 - severity rate of lost-time occupational accidents of 0.20.

These targets provide a standard benchmark for our Health Services when managing various contingencies.

- **Hazardous work:**
 - To ensure the safety of all work considered hazardous within the Group by identifying it according to the seriousness of the risk it poses, omitting minor risks. Once the risks have been identified, all preventive actions needed to control the risks will be defined and documented in a working procedure to replace the

current ones. This document will set out various actions, such as new training courses devoted to each job, an amended “Preventive Resource” course, updated risk assessments and instructions for OHS, and emergency response protocols for collaborating companies at the work centres of the UCAGECI application.

- **Assessment of psychosocial factors:**

- The assessment will be carried out in 2024 at the Central Services of El Corte Inglés Travel, using methodologies already validated by the Prevention Service.
- At El Corte Inglés department stores, assessments will be carried out at regional and/or centre level to update the last assessments conducted in 2019.

COORDINATION THROUGH COMMERCIAL TIES

At El Corte Inglés Group, we also happen to have established a **Business Activity Coordination System**. Through this system, all supplier companies whose employees frequent our premises receive instructions on occupational risk prevention measures to be taken in the event of an emergency or evacuation.

These instructions identify the necessary liaisons or contact persons at El Corte Inglés so as to ensure the proper coordination of certain work considered to be particularly hazardous.

TRAINING IN HEALTH AND SAFETY

In 2023, we trained 56,907 employees in occupational health and safety, compared to 34,133 in the previous year. Total expenditure on the Occupational Health and Safety Service and the Medical service came to €8.2 million in 2023 (€9.2 million in 2022).

Aside from the regular and legally required training that our employees receive, we also conducted an 82-hour Wellness and Health Coordinator Expert course. This course was aimed at managers and other professionals working in occupational risk prevention, nursing and occupational medicine, as well as health science personnel working in people management.

Turning to training aimed at our employees, the online course titled “Take care of your health. Cardiopulmonary resuscitation and defibrillator use” (designed in 2022) was followed by 12,450 people during the year. We also delivered an in-person course in pulmonary resuscitation to more than 200 people (staff from the Security department of the Central Services of El Corte Inglés and SICOR, and Store Managers of Supercor and Outlets in Madrid).



Fishmonger at the Supermarket of El Corte Inglés of Pintor Sorolla, Valencia.

EMPLOYEE WELL-BEING

One of our top priorities is to ensure the well-being of our employees by taking care of their occupational health, which encompasses physical, mental and social aspects. To learn more about the engagement and sense of belonging among our employees, we regularly carry out an Employee Well-being Questionnaire.

During the year, we sent an opinion survey to employees of El Corte Inglés Central Services. The survey had been prepared by a prestigious consultancy firm with a tried and tested methodology that helps to build excellent places to work. The results obtained through the surveys will be tracked to draw up a detailed diagnostic report, enabling the Company to define concrete action plans that will help to improve the work climate and increase employee trust in our company.

The opinions of our employees matter and allow us to identify areas for improvement to make our company a safe and healthy place. They also help us to identify areas to target over the coming years when it comes to the management of psychosocial factors. These lines are set out in our Framework Action Plan for 2022–2025.

A new Annual Well-Being Questionnaire was also launched in Portugal in late 2023, comprising of two different surveys. The aim is to assess the well-being and health of employees, while also helping to raise awareness so as to prevent risks, promote health and prevent negative situations and stressful events from arising. They also help to reduce risk and other destabilising factors at work, such as conflicts, complaints, turnover and absenteeism.

At our Group, we champion values conducive to healthy lifestyles for our employees through various programmes, including “ECI se Mueve”. This particular initiative aims to raise awareness of the importance of maintaining a healthy balance through regular sport and to build stronger relations between employees.

AWARDS AND PRIZES IN 2023

Spain

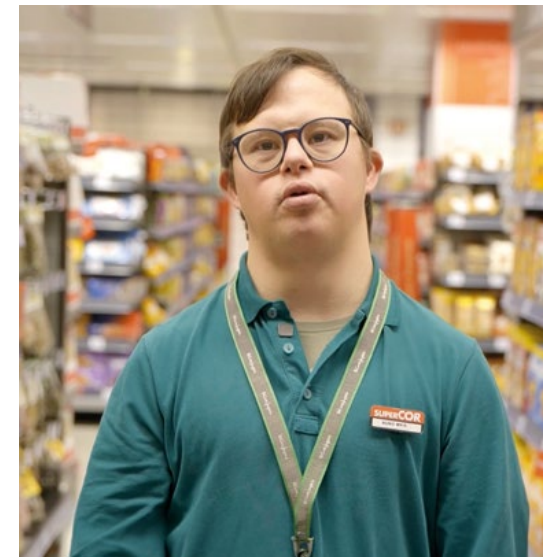
| | |
|---|---|
| Bequal Plus Seal | The Bequal Plus Seal, which recognises socially responsible work to support people with disabilities, was successfully renewed for El Corte Inglés, Supercor and part of the Viajes El Corte Inglés Group (Tourmundial, Club de Vacaciones and El Corte Inglés Travel). |
| Randstad: Most attractive company to work for | Prize awarded by Randstad for the most attractive place to work in the retail sector. |
| InfoJobs: Third best company to work for | At the InfoJobs Awards 2023, El Corte Inglés was named the third best company to work for in Spain, according to the users of this platform. |
| LinkedIn: Best Talent Attraction Team | Award for "Best Talent Attraction Team" among companies with more than 10,000 employees, at the LinkedIn Talent Awards. |
| Spanish Red Cross: Recognition in the Employment Plan | Recognition as an outstanding company in the Spanish Red Cross Employment Plan in several cities. |
| Asepeyo: Preventive work | Asepeyo has recognised our preventive work in the field of occupational risk prevention. |

Portugal

| | |
|---|--|
| Portuguese Diversity Charter: Diversity badge | El Corte Inglés-Grandes Armazéns has once again received the diversity seal in five categories, awarded by the Portuguese Diversity Charter. |
| Inclusive Company to Work For: Badge of excellence | We renewed the Inclusive Company to Work For badge of excellence, awarded by the Institute for Employment and Vocational Training in Portugal. |
| Governing Council of the Portuguese Association for Diversity and Inclusion | We were invited to join the Board of Directors of APPDI – Portuguese Association for Diversity and Inclusion. |

Main regional awards

- Named by Fundación Inserta ONCE as an outstanding company for the workplace inclusion of people with disabilities, in the region of Castile-La Mancha.
- Recognition as an inclusive company in Navarre by the Navarre Network of Inclusive Companies.
- Awarded the Jóvenes Futuro+ Award by Fundación FC Barcelona for employing young people at risk of exclusion.
- The Island Council of Tenerife granted El Corte Inglés an award for its role in employing disadvantaged segments of society.
- Company Solidarity Action award from Cáritas Alicante.
- Workforce for Equality accolade, awarded by the Spanish Red Cross in Malaga.



Supercor's partner.



47,889
suppliers

14,363.1
million in goods and
services purchased

2,699
factory ESG audits
in 2023

OUR SOCIAL DIMENSION

Supply Chain

[GRI 2-6] [GRI 2-23] [GRI 3-3]

At El Corte Inglés Group, our commitment to generating value for society drives us to meticulously select suppliers who uphold the highest standards of responsible production and adhere to our ethical principles. Our main concerns include respect for human rights within the supply chain and a strong commitment to environmental sustainability.

SDGs and Related material topics



- Social sustainability along the value chain

To ensure these standards, we have implemented a comprehensive sustainability management system and set several specific targets:

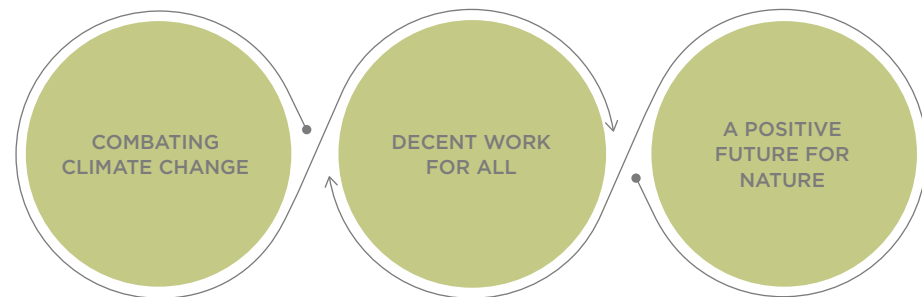
- Due diligence across the value chain: we operate a management system designed to identify, prevent, and, where necessary, mitigate and address adverse environmental, social and governance (ESG) impacts.
- ESG supplier qualification: all suppliers must sign an ESG Commitment Letter, undertaking to adhere to and share in our ethical principles.
- Enhanced due diligence for private label suppliers: we conduct regular audits on the ESG performance of our private label suppliers' production sites and follow up on the action plans put in place as a result of these checks.
- Grievance mechanisms: we have a grievance mechanism (Whistle-blowing Channel) and use internationally established external reporting channels, complying with a defined set of criteria.
- Sustainable transformation: we encourage our suppliers to adopt sustainable production systems that address and mitigate climate change, aiming for carbon neutrality by 2050 through a variety of initiatives.
- Support for local development: we promote sustainable development by supporting local and locally sourced products from small- and medium-sized enterprises and the social economy.

Key developments of the year

Cascale and environmental and social due diligence

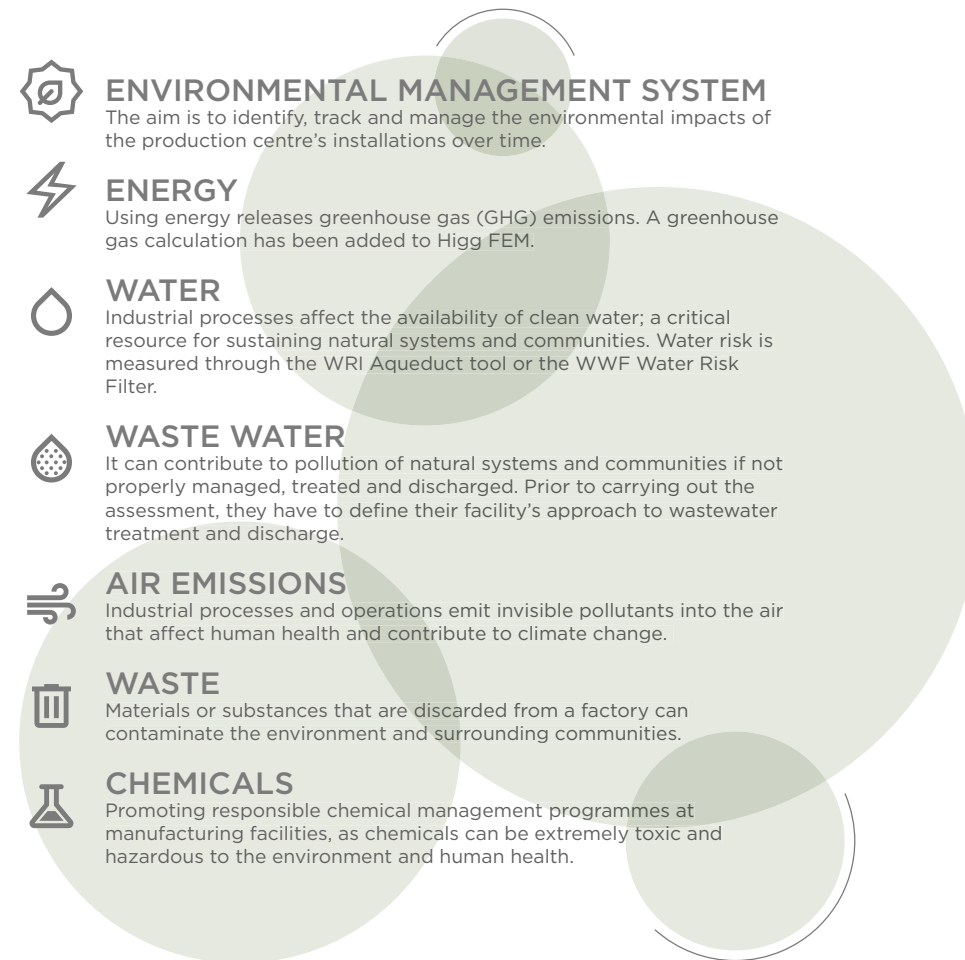
Since joining the Sustainable Apparel Coalition (SAC) in 2021, El Corte Inglés has been actively working to reduce the environmental impact of its factories. In February 2024, SAC rebranded as Cascale. It is a global non-profit alliance that empowers collaboration to drive equitable and restorative business practices in the consumer goods industry. Spanning over 300 retailers, brands, manufacturers, governments, academics, industry and NGOs/non-profits around the globe, Cascale's members are united to catalyse impact at scale and give back more to the planet than they take.

Cascale advances a unified strategy to transform the industry through programmes entailing collective action that guide members from action to impact. It entails three foundational pillars:



Through this alliance, impact programmes are being created and expanded that focus on responsible corporate practices, circular product design, and responsible manufacturing, while advancing effective policies that aim to leverage collective action to make systemic change possible.

El Corte Inglés conducts environmental performance assessments of its suppliers, requesting both general and specific environmental data throughout its supply chain:



During 2023, El Corte Inglés has been working with its textile factories, mainly, in countries outside the EU. The factories that account for more than 50% of said volume have presented the self-assessment questionnaire on the platform, and more than 30%, have been verified by an independent third party.

Key developments of the year

Multi-sectoral agreement with the CCOO and UGT trade unions

We continued to work with CCOO and UGT during the year under the Multi-sectoral Framework Agreement reached in 2021 to verify working conditions at suppliers' workplaces.

The main target was Spain's agri-food industry and we visited both farms and processing facilities together with local trade union representatives.

In November, we took a joint trip to China to explore industries supplying El Corte Inglés with private label products beyond textiles and apparel, such as household goods, toys, and furniture. This visit provided valuable insights into the improvements in working conditions in this Asian country since the pandemic-related crisis.

Key developments of the year

International Accord

IndustriAll and Uni Global Union, two global union federations, and textile industry representatives agreed to renew their International Accord, effective as from 1 November 2023.

This agreement builds on the Bangladesh Accords of 2013 and 2018 and the first International Accord signed in 2021. Its mission is to start up structural, electrical and fire safety programmes in textile and garment factories, with some 218 major global brands having so far signed.

OUR SUPPLIERS²⁴

[GRI 204-1] [GRI 308-1] [GRI 308-2]

Our goal: To promote sustainable development by supporting local and locally sourced products, paying due regard to the complexity of our supply chain.

We worked with a total of 47,889 suppliers in 2023, most of whom are located in Spain and Portugal. This figure refers to the number of active suppliers, i.e. those with whom El Corte Inglés Group companies carried out transactions during the year, with total purchases amounting to €14.4 billion.

The following tables show the distribution of the number of suppliers and purchase volume by business line and main geographical region.

Number of El Corte Inglés Group suppliers

| Business lines | Spain | Other EU countries | Third countries | Total 2023 | Total 2022 | Total 2021 |
|------------------------------|---------------|--------------------|-----------------|---------------|---------------|---------------|
| Retail companies | 16,178 | 3,787 | 2,034 | 21,999 | 22,398 | 22,777 |
| Viajes El Corte Inglés Group | 12,869 | 2,999 | 8,821 | 24,689 | 25,588 | 11,602 |
| SICOR Group | 681 | 14 | 4 | 699 | 730 | 654 |
| Other business lines | 402 | 8 | 92 | 502 | 385 | 464 |
| TOTAL | 30,130 | 6,808 | 10,951 | 47,889 | 49,101 | 35,497 |

Purchase volume - El Corte Inglés Group (€ million)

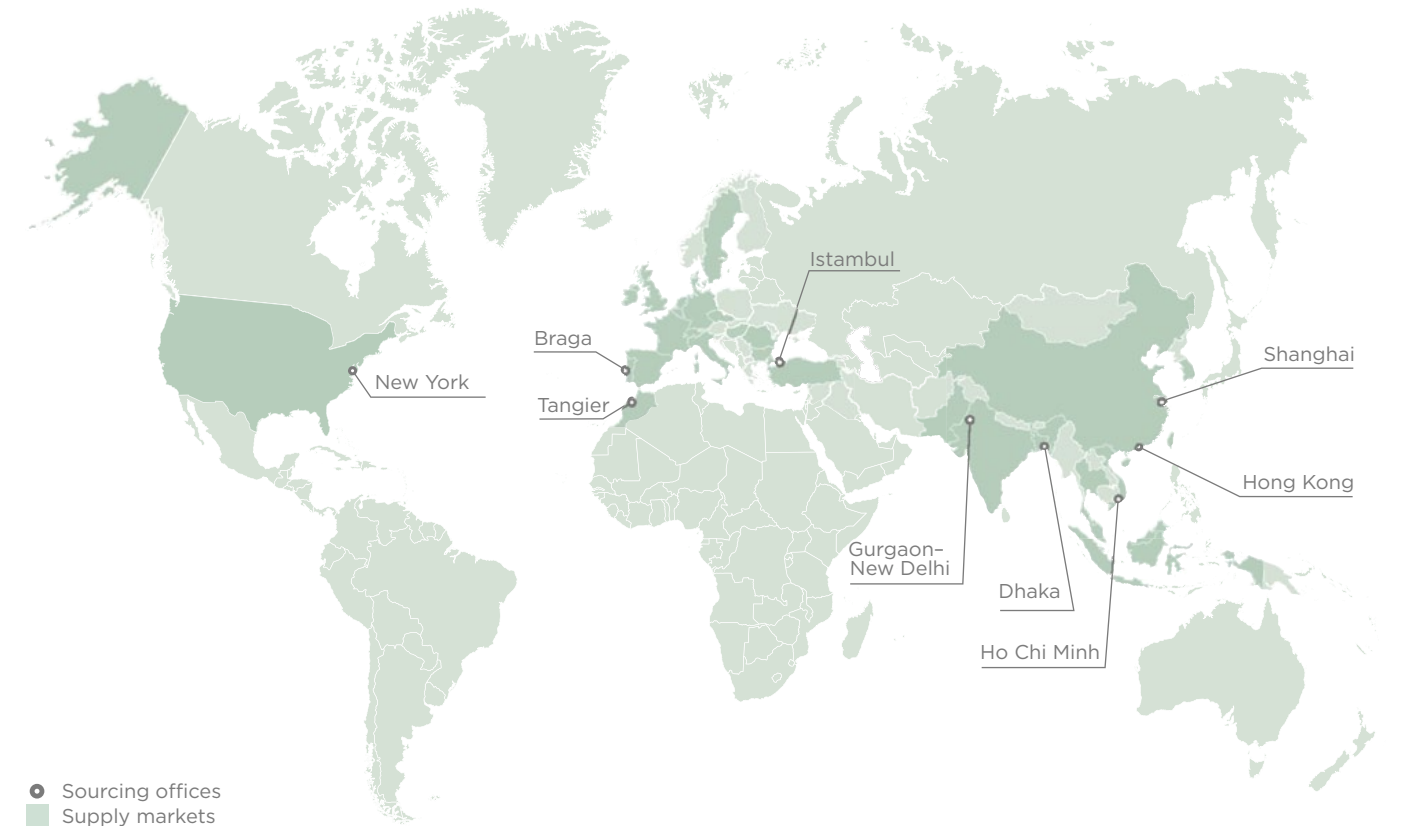
| Business lines | Spain | Other EU countries | Third countries | Total 2023 | Total 2022 | Total 2021 |
|------------------------------|------------------|--------------------|-----------------|------------------|------------------|-----------------|
| Retail companies | 9,696.7 | 1,046.51 | 635.60 | 11,378.81 | 9,669.23 | 8,620.17 |
| Viajes El Corte Inglés Group | 1,568.69 | 353.61 | 796.76 | 2,719.07 | 2,225.56 | 655.28 |
| SICOR Group | 31.78 | 0.21 | 0.02 | 32.01 | 19.22 | 27.53 |
| Other business lines | 230.53 | 0.74 | 1.95 | 233.22 | 305.54 | 170.88 |
| TOTAL | 11,527.70 | 1,401.07 | 1,434.33 | 14,363.11 | 12,219.55 | 9,473.86 |

²⁴ In 2023, the number and amount spent on Telecor suppliers, included in "Retail" the year before, were included in "Other business lines".

Our supply chain is made up of different types of suppliers to cater to the broad range of products and services we offer. Nevertheless, they exhibit several common features stemming from the principles and commitments upheld by the Group.

| | |
|--|--|
| <p>1. Optimisation of the supplier portfolio</p> | <p>In recent years, the Group has tended to concentrate its purchase volume among a select group of suppliers, forming the core of its supply chain. In doing so, we can ensure more efficient management and exercise better oversight of business practices.</p> <p>This explains the 2.5% decrease in the number of suppliers in 2023 from the year before. By optimising the supplier portfolio, we strengthened our relationships with these suppliers from both a business standpoint and in terms of ESG. This is also reflected in the higher purchase volume during the year. Average purchase per supplier was over 20% higher than in 2022.</p> |
| <p>2. Importance of the retail component and focus on private label suppliers</p> | <p>Retail suppliers account for the largest purchase volume to meet our business requirements. The fashion division represented 36.1% of sales for the year, FMCG (fast-moving consumer goods) 31.2%, leisure 19.0%, home products 11.6% and other categories 2.1%.</p> <p>El Corte Inglés differentiates between private label and external brand suppliers based on origin and brand ownership of the products. Private label suppliers, which represented 18.5% of retail sales in 2023, are required to undergo additional screening processes.</p> |
| <p>3. Commitment to local and proximity purchasing</p> | <p>The Group works mostly with suppliers in Spain and Portugal. Combined, these represent 71.3% of the total. Within this group, the Group looks first to purchase from local suppliers, i.e. those whose registered office is located in the country of origin from which the purchase is made.</p> <p>This percentage exemplifies the commitment to purchasing local products, thus showing our interest in fostering economic and social development.</p> <ul style="list-style-type: none"> Of the total 47,889 suppliers in our supply chain, 62.9% are located in Spain and account for 80.3% of total purchase volume. Of the firms that supply El Corte Inglés' department stores in Portugal, 70.4% are based in that country, with local purchases accounting for 70.7% of the total. <p>To raise the profile of products made nationally, the Group has its own "Made in Spain" label. This is one of the key features of our Sustainable Product Guide.</p> |
| <p>4. Global supply chain</p> | <p>We also have business dealings with suppliers from other EU countries and the rest of the world. Together, these make up a global supply network spanning 149 countries to cover the needs of our entire product range.</p> <ul style="list-style-type: none"> Of total suppliers, 28.7% are in countries other than Spain and Portugal. These suppliers account for 16.6% of total purchase volume. |

The Group exercises due diligence at local level through its Madrid head offices, while it also relies on its network of sourcing offices located in other countries; a 16-person dedicated team works on this. Of these employees, 19% are Spanish nationals and the rest are from the markets where the offices are located, as shown in the following map:



New checkout line at the El Corte Inglés Supermarket in Goya, Madrid.

| Sourcing offices | | Main supply markets in retailing | |
|---------------------------|---------------|----------------------------------|----------------|
| Braga (Portugal) | Germany | Hungary | United Kingdom |
| New York (US) | Bangladesh | India | Czech Republic |
| Tangier (Morocco) | Belgium | Indonesia | Romania |
| Istanbul (Turkey) | China | Ireland | Singapore |
| Hong Kong (China) | South Korea | Italy | Sweden |
| Shanghai (China) | Denmark | Luxembourg | Switzerland |
| Dhaka (Bangladesh) | Spain | Morocco | Thailand |
| Ho Chi Mihn (Vietnam) | United States | Netherlands | Taiwan |
| Gurgaon-New Delhi (India) | France | Pakistan | Turkey |
| | Hong Kong | Portugal | Vietnam |

The sourcing offices play a critical role in the local supervision of suppliers of our private-label brands and their factories, monitoring their progress as a result of the audit process, and more importantly, overseeing potential remediation plans that must be implemented by certain deadlines to reach compliance.

This infrastructure provides the most direct path of active listening to our main stakeholders in the supply chain (suppliers and their factories), rounded off with interactions in international associations, initiatives and forums with other retailers, trade unions and the third sector.

In line with our unwavering commitment to human rights, coupled with stakeholder engagement, we adjust our supply network to align with prevailing conditions in each country. Indeed, during the year El Corte Inglés began gradually, and responsibly, leaving the factories in Myanmar where some of our private label suppliers operate. This measure was aligned with initiatives undertaken by international unions and multinational retailers, as well as with European Sustainability Reporting Standards.



El Corte Inglés new truck.

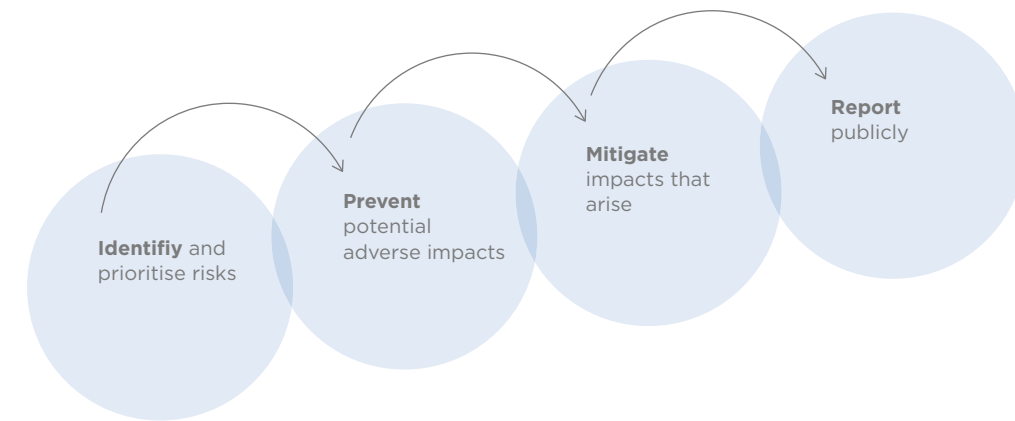
SUPPLY CHAIN DUE DILIGENCE

[GRI 2-12] [GRI 2-25] [GRI 2-26] [GRI 2-29] [GRI 3-3] [GRI 406-1] [GRI 407-1] [GRI 408-1] [GRI 409-1] [GRI 412-1] [GRI 412-2] [GRI 412-3] [GRI 413-2] [GRI 414-1] [GRI 414-2]

Our goal: To exercise due diligence along the supply chain through a management system that identifies and prevents the risk of adverse ESG impacts, or otherwise mitigates or remedies them should they materialise.

We are guided by a number of mechanisms that foster good environmental, social and governance (ESG) practices, focusing on due diligence. We pay special attention to protecting and respecting human rights, as well as our environmental impact.

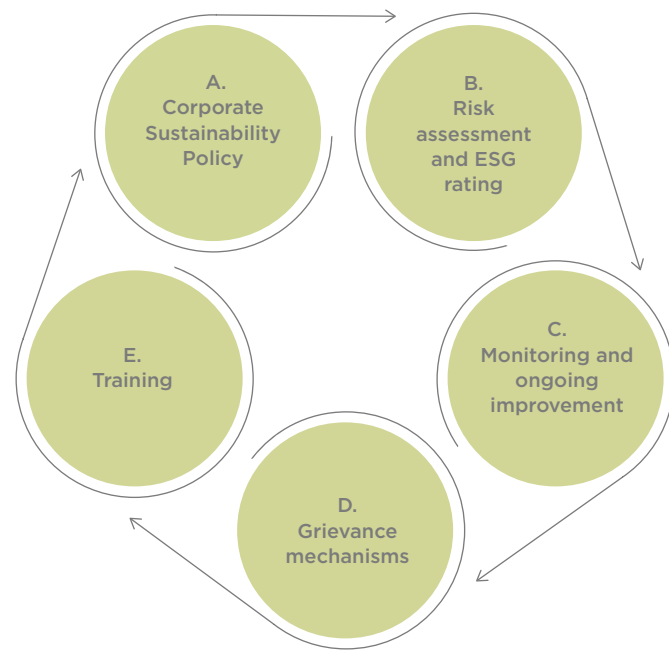
Good practice mechanisms



RETAIL COMPANIES

We follow an integrated supplier management approach through a unified management system in our retail companies, **El Corte Inglés, Supercor and El Corte Inglés-Grandes Armazéns**. This approach follows the guidelines set out in our “**Cycle of Good Practices**”, which is underpinned by recognised international standards; e.g. the Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises, the Tripartite Declaration of Principles concerning Multinational Enterprises and and Social Policy of the International Labour Organization (ILO). This framework ensures that we adhere to internationally recognised ethical principles and regulations.

Cycle of good practices at retail companies



NON-RETAIL BUSINESSES

In the non-retail businesses, specific suppliers of **Viajes El Corte Inglés** and **Telecor (Energía El corte Inglés)** are subject to the internal mechanisms in place to ensure responsible supplier management and alignment with the Group’s values and guidelines.

For instance, Viajes El Corte Inglés adds extra clauses in its business contracts regarding breaches that could result in contract termination.

During the year, Telecor included a sustainability clause in its supplier contracts. This clause refers to the El Corte Inglés Compliance Commitment Letter, which ties suppliers who sign the Code of Ethics to our corporate policies.

Those suppliers that also form part of our retail companies’ supply chain are included in the Cycle of Good Practices and subject to the procedures set out in this management system.

A. CORPORATE SUSTAINABILITY POLICY

As noted at the beginning of this chapter, we enforce the commitments enshrined in the Corporate Sustainability Policy to ensure responsible supply chain management. Indeed, we run our operations based on principles of due diligence, while we also subscribe to the Core Conventions and Recommendations of the ILO. This is a show of our commitment as a group, ensuring responsible and ethical management in everything we do at the highest level.

B. RISK ASSESSMENT AND ESG APPROVAL PROCEDURE

Risk assessment is performed using a three-pronged approach:



1. REPUTATIONAL RISK

Depending on the type of supplier, there is an inherent risk related to the responsibility for marketing products. Here, we can distinguish between external brand suppliers and private-label suppliers. Based on our assessment, we determine the level of due diligence applicable to each supplier. This differentiated approach enables us to management the risks specific to each type more effectively, with private label suppliers undergoing a more rigorous ESG assessment.

External brand suppliers: simplified due diligence

External brand suppliers are those that supply products or services under their own brand. In 2023, these accounted for 81.5% retail sales.

These suppliers are subject to simplified due diligence, which entails signing the **El Corte Inglés ESG Compliance Commitment Letter**. By doing so, they undertake to embrace and accept the Group’s ethical and business principles as their own. These principles include respect for human rights in relation to decent working, environmental and social conditions. This guarantees due diligence all along the supply chain, from sourcing of raw materials to delivery of the finished product, and ensures that the supply chain is aligned with our values and standards.

For further information, click on the following link to the ESC Compliance Commitment Letter: <https://www.elcorteingles.es/recursos/informacioncorporativa/doc/portal/2017/07/19/eng-nuevacartacompromiso-ingles.pdf>

Private label suppliers: enhanced due diligence

Private label suppliers are those that supply products whose brand is owned by El Corte Inglés. In 2023, these accounted for 18.5% of retail sales.

These suppliers are subject to enhanced due diligence and therefore must adhere to the Group’s Commitment Letter. They must also report all of their production facilities and agree to an ongoing ESG approval procedure by means of regular audits of their factories. All factories of private label suppliers recorded in our system are subject to our due diligence process, which includes assessments of ESG criteria.

2. PRODUCT RISK

High-risk suppliers are identified on the basis of various risk factors in the production sector related to issues such as low-skilled, labour-intensive production, products yielding a low sales margin for the supplier (causing a high risk of ESG non-compliance) and sourcing of migrant workers, among others.

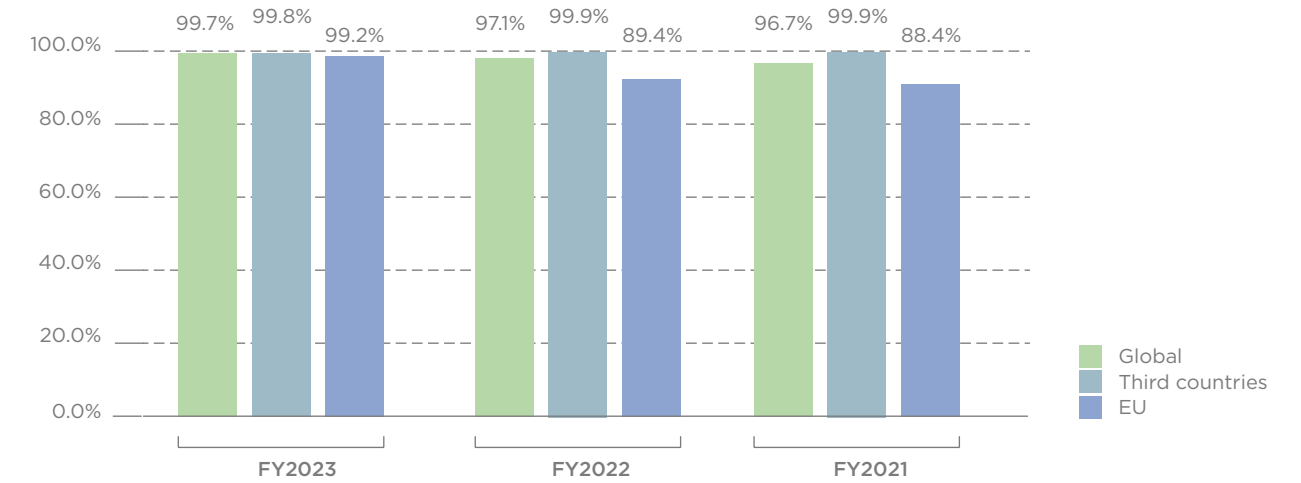
3. COUNTRY RISK

We use a dashboard prepared annually by the international organisation amfori BSCI, available on its platform, to determine country risk.

Existing country risks are identified and specific enhanced due diligence is applied to them. According to these factors, due diligence is carried out bearing in mind all product categories of our own brands, including fashion, home, leisure, electronics and fast-moving consumer goods, among others.

The Group monitors the coverage ratio of private label suppliers based on prior assessment, from which it obtains a number of factories assessed against the total number of factories reported by those suppliers. The coverage ratio was 99.7% in 2023.

TIER 1 factory coverage



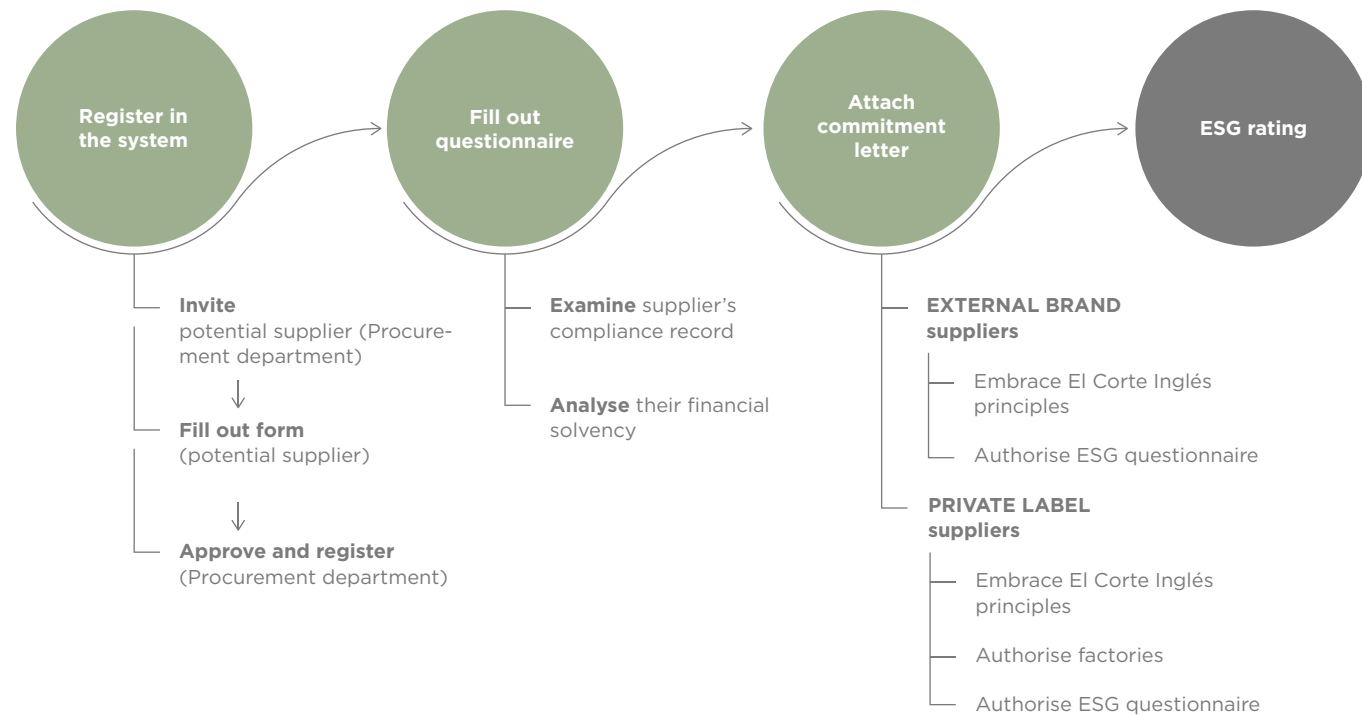
Coverage in general increased in 2023, encouraged by the EU and supported by non-EU countries.

As in previous reports, the following chart shows our Tier 1 coverage ratio; i.e. factories of our private label suppliers where final production is carried out.

Furthermore, as part of our ESG risk assessment framework, we conducted a pilot audit on Tier 2 private label apparel suppliers in Bangladesh (in the factories of intermediate processes required for final production, e.g. washing, dyeing, printing, etc.). The coverage ratio of these factories was 84.6%.

Lastly, suppliers must pass the ESG approval process. This process entails evaluating the supplier’s solvency and performance in terms of legal compliance before they can continue with the final approval process. High-risk suppliers are subject to enhanced due diligence based on audits and their follow-up.

B2B supplier ESG rating in El Coete Inglés supplier portal



New suppliers expressly invited by the Procurement department to undergo the approval process must complete this crucial control process before they can have any business relationship with El Corte Inglés. In 2023, all new suppliers that entered the supply chain of retail companies passed their ESG assessments.

C. MONITORING AND ONGOING IMPROVEMENT

Our goal: To perform enhanced due diligence on our suppliers classified as private label by regularly checking the ESG performance of their production sites and following up on the action plans put in place as a result of these checks.

To detect any risk, private label suppliers must also undergo regular ESG audits accepted by El Corte Inglés for each reported facility.

As member of the international amfori BSCI platform, we adhere to its Code of Conduct and require that our private label suppliers also comply with it. This code provides the framework for promoting compliance with ESG good practices at each reported facility. It is available for consultation at the following link:

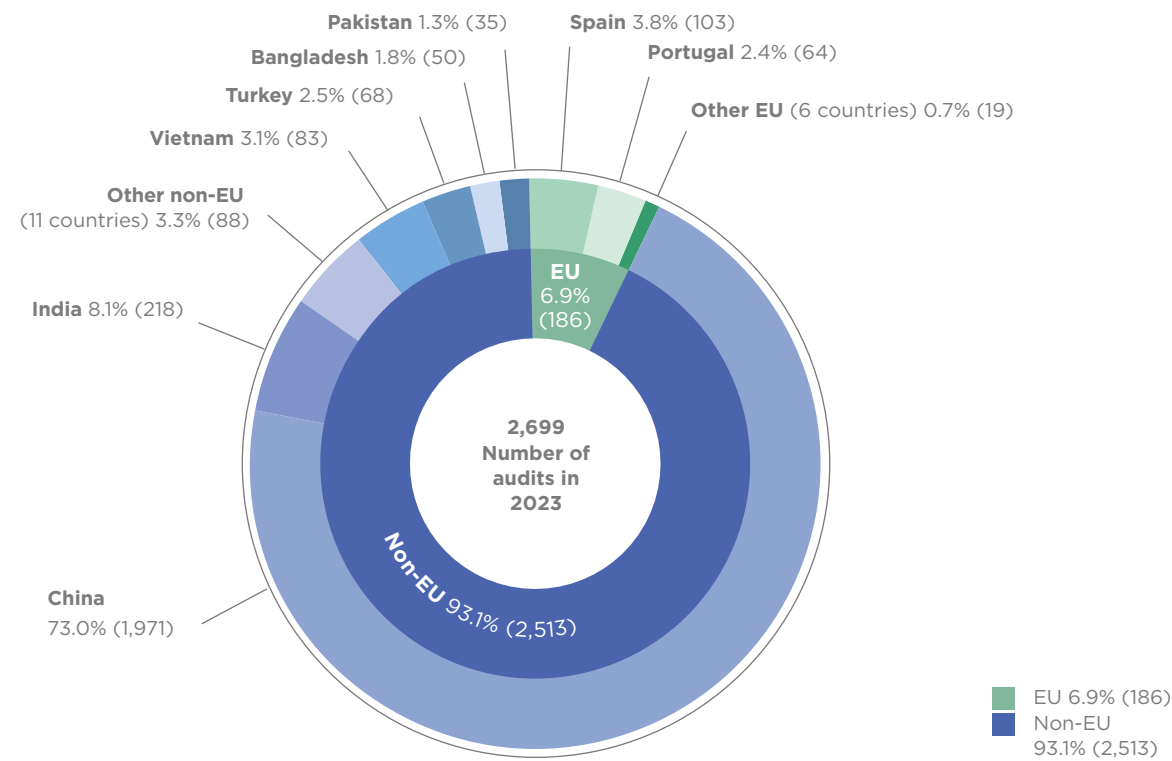
amfori BSCI Code of Conduct:
<https://www.elcorteingles.es/recursos/informacioncorporativa/doc/portal/2017/07/19/2a-codigo-amfori-resumen-ejecutivo-esp-eng-chi.pdf>

El Corte Inglés' own supplier audits (ECI FASP) are performed by its own internal auditors as well as external auditors. In addition, El Corte Inglés recognises other audits and has done for some time, such as SEDEX SMETA, ICS, ICTI, WRAP and SLCP. The following chart provides the total breakdown:

% of ESG audits by standard in 2023



In 2023, a total of 2,699 audits were carried out at suppliers' factories (2022: 2,534) in different countries. As illustrated, the amfori BSCI initiative still accounted for the largest share, representing 75.03% of total audits conducted.



Facilities rated A, B and C are approved by El Corte Inglés; those rated A and B are reaudited every two years. C-rated audits are reviewed annually, and therefore will undergo another audit next year.

In addition to the ongoing monitoring process, in case of working exceptionally with a factory classified as “D”, El Corte Inglés requires a remediation plan. Therefore, in 2023, 23 supplier factories underwent continuous engagement by the due diligence team, as a result of which either improvement plans were drawn up or a new audit was performed achieving a rating upgrade.

| Facility rating — Degree of compliance with El Corte Inglés’ Code of Conduct | Distribution of total audits in 2023 | Distribution of total audits in 2022 | Change in 2023 vs 2022 | Distribution of total audits in 2021 |
|--|--------------------------------------|--------------------------------------|------------------------|--------------------------------------|
| A (86-100%) | 6.3% | 7.5% | -1.1 pp | 8.4% |
| B (71-85%) | 8% | 10% | -2.00 pp | 9.9% |
| C (51-70%) | 83.6% | 80.9% | 2.70 pp | 79.5% |
| D (30-50%) | 2.1% | 1.7% | 0.40 pp | 2.2% |
| E (1-20%) | 0.0% | 0.0% | 0 pp | 0.0% |
| ZT (0%) | 0.0% | 0.0% | 0 pp | 0.0% |

Source of results: amfori, based on all audits shared by more than 2,400 members from over 50 countries.

The table of non-conformities with ESG issues highlights the different criteria assessed as part of the audit process.

| Percentage of (%) Non-Conformance by ESG aspect audited | 2023 | 2022 | Improvement in Non-Conformance in 2023 vs. 2022 | 2021 | Zero Tolerance | GRI indicator | ILO Fundamental Conventions | Associated SDG |
|---|--------|--------|---|--------|----------------|----------------------------|-----------------------------|----------------|
| Overall results of the amfori BSCI and ECI FASP audits conducted | 2.09% | 1.67% | ▼ -0.42% | 2.20% | | 414-1, 414-2 | | |
| ESG aspects audited | | | | | | | | |
| 1. Management system and cascade effect | 15.71% | 30.06% | ▲ 14.35% | 57.21% | | 414-1, 414-2 | | 8.5, 8.8 |
| 2. Worker involvement and protection | 0.83% | 0.79% | ▼ -0.04% | 0.98% | | 414-1, 414-2 | | 8.5, 8.8 |
| 3. Freedom of association and collective bargaining | 0.12% | 0.04% | ▼ -0.08% | 0.05% | | 414-1, 414-2 | X | 8.5, 8.8 |
| 4. Non-discrimination | 0.08% | 0.13% | ▲ 0.05% | 0.26% | | 414-1, 414-2 | X | 8.5, 8.8 |
| 5. Fair remuneration | 0.97% | 0.98% | ▲ 0.01% | 0.66% | | 414-1, 414-2 | | 8.5, 8.8 |
| 6. Decent working hours | 78.78% | 74.11% | ▼ -4.67% | 73.55% | | 414-1, 414-2 | | 8.5, 8.8 |
| 7. Occupational health and safety | 5.69% | 6.02% | ▲ 0.33% | 6.39% | X | 414-1, 414-2 | | 8.5, 8.8 |
| 8. Zero tolerance of child labour | 0.00% | 0.00% | = | 0.05% | X | 408-1, 414-1, 414-2 | X | 8.5, 8.7, 8.8 |
| 9. Special protection for younger workers | 0.00% | 0.05% | ▲ 0.05% | 0.11% | | 408-1, 414-1, 414-2 | | 8.5, 8.8 |
| 10. Zero tolerance of undocumented work | 0.00% | 0.00% | = | 0.05% | | 414-1, 414-2 | | 8.5, 8.8 |
| 11. Zero tolerance of forced labour | 0.12% | 0.00% | ▼ -0.12% | 0.10% | X | 409-1, 414-1, 414-2 | X | 8.5, 8.8 |
| 12. Environmental protection | 0.31% | 0.26% | ▼ -0.05% | 0.20% | | 308-1, 308-2, 414-1, 414-2 | | 8.4 |
| 13. Ethical business behaviour | 0.12% | 0.3% | ▲ 0.18% | 0.15% | X | 414-1, 414-2 | | 8.5, 8.8 |

The positive trend with respect to “Management system” (indicator 1) continued in 2023, while results were also positive for “Non-discrimination” (indicator 4), “Fair remuneration” (indicator 5), “Occupational health and safety” (indicator 7) and “Ethical business behaviour” (indicator 13).

We assess different indicators considered as Zero Tolerance, or ZT. These include child labour, forced labour, imminent risk to workers’ health and unethical conduct.

The following table provides an overall picture for the year with respect to ZT cases, and whether there was non-compliance in any of these areas that could lead to a remediation plan. If the ensuing remediation efforts prove unsatisfactory, the supplier will be permanently barred from working with the Group and its business relationship terminated.

| Zero Tolerance (ZT) aspects | Cases (no. of providers) in 2023 undergoing remediation | Cases (no. of suppliers) in 2023 successfully remediated | Cases (no. of suppliers) barred in 2023 |
|---|---|--|---|
| Child labour | - | - | - |
| Forced labour | - | 1 | - |
| Health and safety | - | - | - |
| Unethical conduct (including undeclared or unauthorised subcontracting) | - | -* | 2 |
| Total | - | 1 | 2 |
| Total suppliers with ZT in the year | | 3 | |

*In 2022, we had one case undergoing remediation which was resolved satisfactorily in 2023.

D. GRIEVANCE MECHANISMS

Our goal: To continue to run our own grievance channel (Whistle-blowing Channel), while also using external grievance channels with international coverage.

As part of its comprehensive approach to ethics and compliance oversight, El Corte Inglés Group employs a robust strategy for monitoring supplier performance that includes use of grievance mechanisms in addition to due diligence processes. These channels are available to employees, direct and indirect suppliers, customers and staff throughout all tiers of the supply chain, and used to detect any reported breaches or infringements of corporate values or ethical principles.

The Group has its own Whistle-blowing channel for reporting grievances. The process for submitting reports through this channel is described in the “Our corporate governance” section of this report. The Group has other grievance mechanisms as well, e.g. the general amfori BSCI channel, the S4C, also of amfori BSCI, or the International Accord’s complaints mechanism, and evaluates the complaints submitted.

amfori BSCI S4C channel

amfori BSCI’s “S4C” or “Speak For Change” is an independent, confidential, anonymous and multilingual grievance mechanism.

Operation

1. amfori’s S4C office decides whether a complaint received is admissible; i.e. it affects the amfori BSCI Code of Conduct, which is the one El Corte Inglés applies for its supply chain. In deciding its admissibility, the S4C team contacts the complainant for further information and any evidence they can provide that backs their complaint.
2. The office sets up a meeting with all amfori member retailers that carry out production at the factory where the complaint arose. At that meeting, a Lead Respondent Member (LRM) is appointed to take responsibility for handling the complaint internally and act as the main point of contact with the S4C team, the other amfori members and the factory involved.
3. The LRM, in coordination with the rest of the members interested in the complaint, appoints an investigation handler, i.e. an external expert, which must prepare an investigation report. This report states whether the complaint is substantiated or not. The factory involved and the complainant are consulted and can give their feedback on the investigation report before any decision is taken.
4. If the outcome of the report is that the complaint is warranted, the LRM, in agreement with the rest of the members, starts the remediation phase by appointing a remediation handler. The remediation handler, in contact with the factory involved and the claimant, oversees that the plan is effectively implemented. At the end of this phase, a remediation report is drawn up assessing whether the plan was carried out appropriately.
5. Lastly, amfori’s S4C offices publishes a summary of the case and includes it in its statistics.

amfori BSCI principles



The following table presents the number of complaints received in 2023, classified by grievance mechanism, subject matter and stage of handling.

| Grievance mechanism | No. of grievances in 2023 | Subject of the grievance | Stage of handling/ Comments |
|-------------------------|---------------------------|--------------------------|--|
| Whistle-blowing channel | 0 | - | - |
| amfori general | 0 | - | - |
| amfori S4C | 3 | Human Rights | One grievance closed and another two being processed |
| International Accord* | 11 | Human Rights | Eight grievances closed and three in progress |

*The two opened in 2022 were closed in 2023

E. ESG TRAINING

[GRI 410-1]

The Group made extra efforts in both internal and external training during the year as an effective tool for preventing adverse ESG impacts and, more so, to drive positive impacts.

At the II Eco-conference hosted by Viajes El Corte Inglés, at which its suppliers were the main guests, the focus was on the Group’s Corporate Sustainability Policy, presenting and raising awareness about the importance of our commitment to ethical principles.

For more information on employee training on ESG topics, see the “Our team - Sustainability” chapter on page 126.

Internal training

In 2023, extending the trend seen the two previous years, 551 security personnel received training on human rights (2022: 730).

An in-person course for procurement personnel was given on “Supplier ESG approval”. Interactive workshops were also held, in which 499 buyers from different retail areas of El Corte Inglés (fashion, home, leisure and FMCG) took part on:

- **Main ESG aspects**
 - El Corte Inglés Sustainability Policy
 - Global Compact and SDGs
 - OECD and ILO
 - amfori’s voluntary best practices
- **Relevant legislation**
Due Diligence and Sustainability Directive in particular
- **Internal process for assessing supplier esg performance**
- **Digital consultation of supplier assessment status**
And of their factories, in the case of private label suppliers.
- **Support tools for supplier assessments available through El Corte Inglés B2B supplier portal**
- **Overview of the main concepts of responsible purchasing**

External training (suppliers)

The Group continued with its programme of training in human rights of third-party organisations that provide security services at our establishments. A total of 51 people from other companies received training during the year (2022: 122).

Aware of the importance of respecting human rights, the Group offered its private label suppliers the opportunity to use the amfori Academy's resources in human rights and labour rights issues.

In parallel, after the amfori S4C - Speak for Change grievance mechanism was set up in Turkey, Bangladesh and part of India, amfori delivered training courses on its Code of Conduct and on use of this channel and the factories of our private label suppliers in those countries.

This onboarding programme included 39 El Corte Inglés private label production factories, of which 19 are in Bangladesh, 11 in Turkey and nine in India. The training was given in English and local languages.

These sessions were given online, after which the factories were then responsible for arranging courses for their personnel and transferring the knowledge acquired.



Valdemoro Logistics Centre, Madrid.



€14.7 billion
in economic value
generated

€2 billion
in public taxes paid

2,970²⁵
social, cultural and
sporting activities

104
Supercor stores with
accessibility certification

241
institutions and
associations to which the
group is adhered

**One of the AECC's five
biggest benefactors**

OUR SOCIAL DIMENSION

Our Relationship with Society

[GRI 3-3] [GRI 201-1]

Our business model and geographic reach enables us to have a positive impact on social progress. Through our long-standing relationships with our stakeholders, we can help maintain or drive society's and the environment's sustainable transformation. The Group's integrated and collaborative approach reinforces its business ethics and ability to make a significant contribution to investment in the community, underpinned by its participation in social, sports cultural and sporting activities.

SDGs and Related material topics



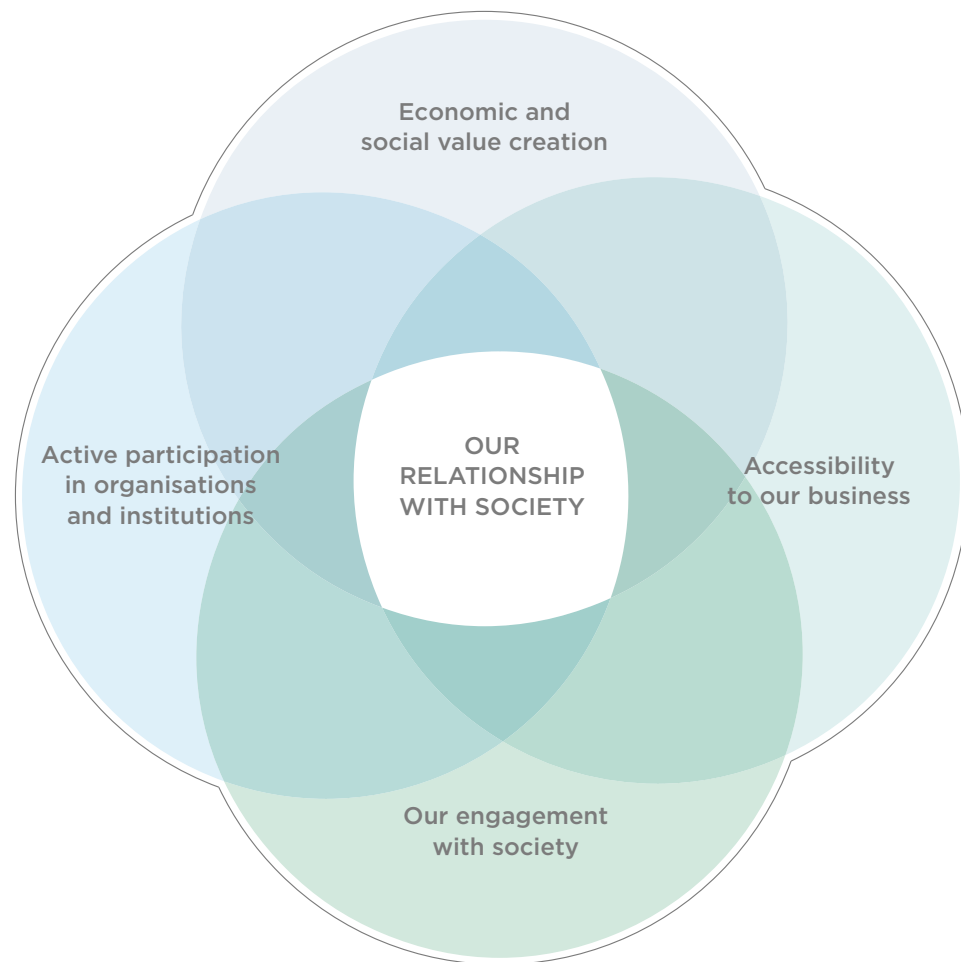
• Contribution to social development

²⁵ No Pitiflú children's activities were held in 2023.

Our pledge to society is backed by the principles set out in our Sustainability Policy:

- Contributing towards local social and economic development.
- Engaging stakeholders and encouraging their active participation.

The **pillars of these principles** to which El Corte Inglés Group is committed are:



GENERATION OF ECONOMIC VALUE AND SOCIAL IMPACT²⁶

El Corte Inglés Group's activities foster economic and social development in all our markets of operations, especially Spain and Portugal. We have cemented our status as one of Spain's biggest private sector employers, creating both direct and indirect jobs. We also contribute to the business fabric by working together with numerous suppliers, generating a high economic impact that favours continuity of operations.

Our revenue and tax payments are aligned with value creation through our tax strategy.

The Group has activities in a broad range of sectors, generating €14.68 billion of economic value in the year (2022: €14.84 billion), with revenue accounting for 98.4%.

Of that economic value, 94.4% or €13.85 billion (2022: €11.51 billion) was distributed among social agents, while value retained in 2023 was €827.3 million (2022: €1.33 billion).

Economic value distributed, generated and retained (€ m)

| | 2023 | 2022 |
|-----------------------------------|-----------------|-----------------|
| Economic value distributed | 13,854.3 | 13,508.2 |
| Suppliers | 10,968.7 | 10,684.8 |
| Shareholders and financiers | 295.9 | 255.4 |
| Employees | 2,520.8 | 2,353.4 |
| Public authorities | 68.9 | 214.5 |
| Economic value generated | 14,681.6 | 14,838.9 |
| Economic value retained | 827.3 | 1,330.7 |

²⁶ Figures for 2022 restated due to change in policy.

CORPORATE TAX STRATEGY AND POLICY

[GRI 2-29] [GRI 3-3] [GRI 207-1] [GRI 207-2] [GRI 207-3]

Our goal: To ensure absolute compliance with tax obligations through responsible tax practices.

At El Corte Inglés Group, we are aware of the significant impact of our operations on our business communities. We understand that honouring our tax obligations is not only a legal responsibility, but also a direct show of our commitment to generating value and driving the social and economic development of the territories where we are present.

Our commitment to complying with our tax obligations is much more than merely obeying the law; we go to great lengths to ensure that all our activities are carried out correctly and in a socially responsible manner, adhering to principles of ethical conduct and transparency.

This vision is reflected in the Group's **Corporate Tax Policy**, which sets out specific guidelines and its firm commitment to social responsibility.



Façade at El Corte Inglés of Pozuelo, Madrid

Corporate tax policy

Goals:

- To define a framework of fiscal and tax conduct based on the values and principles set out in the Code of Ethics, regulatory compliance and good tax practices.
- To service as a reference, through the values, principles and good practices underlying the policy, for decision-making at all organisational levels and in all Group companies, and guide the conduct of employees, executives and directors in their relations with partners, customers, suppliers, government institutions, private entities and other stakeholders.

General principles:

- Comply with and enforce compliance with the laws and regulations applicable at times and in all places, and with internal rules of conduct and any fiscal and tax-related rules or regulations undertaken voluntarily.
- Prevent and mitigate significant tax risks.
- Maintain due diligence for the prevention, detection and eradication of any non-compliance with the law or irregular conduct.
- Foster a relationship with government institutions and regulatory bodies based on respect for the law, loyalty and mutual trust, collaboration and good faith.
- Ensure that financial information, accounts, contracts and ancillary documentation faithfully record the nature of the transactions carried out by Group companies.
- Avoid duplication and inefficiencies in fiscal or tax area.
- Consider that the taxes and duties paid by El Corte Inglés Group are its main contribution to sustaining public finances and, accordingly, one of the Group's contributions to society.

Specific operating principles:

- Good corporate governance
- Regulatory compliance
- Good tax practices
- Staff training and awareness

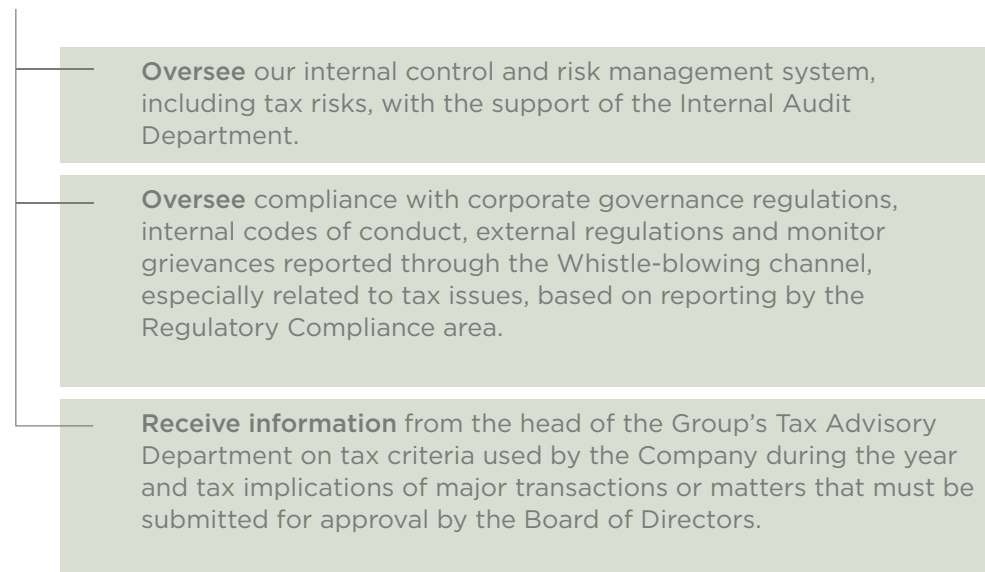
For further information:

<https://www.elcorteingles.es/recursos/informacioncorporativa/doc/portal/2024/03/25/corporate-tax-policy.pdf>

The Board of Directors is responsible for approving El Corte Inglés' Corporate Tax Policy (available on the corporate website and first published in 2020). It is also in charge of reviewing the policy annually and updating it as needed. It was last updated in June 2023. This policy clearly defines our tax strategy, focusing on adopting good practices in tax-related decision-making and actions. This focus is aligned with the principles set out in our Code of Ethics, which includes our commitment to sustainable development.

The Board of Directors, as the competent authority, is tasked with approving any transaction or investment decision with tax implications. It liaises with the Audit and Control Committee to ensure full and effective compliance with our tax responsibilities, including the promotion and development of our Corporate Tax Policy. The Audit and Control Committee has the following duties:

TASKS OF THE AUDIT AND CONTROL COMMITTEE



The Tax Advisory department is responsible for analysing and managing the tax affairs of the various businesses and advising all Group companies on such matters, and identifying opportunities for improvement. To ensure continuity in applying the general principles of the tax strategy, we drew up a Comprehensive Training and Development Plan to ensure that the future successors of key tax-related positions are fully prepared.

El Corte Inglés looks to foster collaboration, mutual trust and good faith with the tax authorities and other stakeholders. We align our tax policy with society's needs and expectations so we can contribute responsibly to creating a fairer and more equitable tax framework.

Our commitment to transparency and cooperation is reflected in our participation in Spain's Forum of Large Companies, a space where large undertakings work together with the tax authorities. At the forum, we encourage mutual trust, facilitating knowle-

dge-sharing and discussions on the future challenges for applying the tax system. We have endorsed the Code of Best Tax Practices since it was approved in 2020 and pledge to follow its recommendations.

To promote ongoing dialogue with stakeholders and social, economic and political agents, we are also members of several economic and business organisations. Together, we work to deliver solutions aligned with good governance and transparency principles. By doing so, we can be prepared to deal with potential regulatory changes and minimise the related risks and impacts.

We have regular controls in place, both automatic and manual, designed to ensure that risks are managed effectively and minimised. These controls are designed to identify and mitigate potential threats arising from differences in interpretation of tax matters with the Government, which could give rise to contingent liabilities, fines or difficulties recovering tax assets.

There are also several tax-related internal procedures that allocate specific responsibilities for each stage of tax management and outline the necessary steps for preparing tax returns and settlements. These procedures ensure traceability and reliability of reporting and regular reviews.

These internal procedures and the controls implemented, including the system of Internal Control over Financial Reporting (ICFR), are periodically assessed by a team of internal auditors. The team verifies that they are in line with the Group's current needs and comply with prevailing tax legislation to maintain a low risk profile.

Here, we use corporate structures responsibly and where there is good reason in keeping with our commitment to good tax practices and value creation. These structures are based on substantive business reasons and we reject any transfer of profits or value to low-tax jurisdictions. In addition, transactions among Group companies are carried out at arm's length, in line with principles of value creation and fair competition.

Our policy entails avoiding the use of legal structures for opaque tax purposes and not setting up any establishments in tax havens, uncooperative jurisdictions or similar.

Aware that tax responsibility is becoming increasingly important for businesses and, therefore, maintaining contact with our principle stakeholders²⁷ through the organisations noted previously, we also design and deliver training and working arrangements for our people. The aim of these activities is to strengthen the overall ethics and compliance culture and better identify and manage the relevant risks.

²⁷ Stakeholders include public administrations, suppliers, employees, customers and financial institutions, among others.

TAX CONTRIBUTION

[GRI 201-4]

El Corte Inglés Group makes a sizeable contribution to government tax revenue by honouring its tax obligations. This contribution takes the form of the taxes effectively borne and paid by our companies during the year, as well as the specific taxes levied on our economic activity and our social security contributions.

In 2023, the tax contribution totalled €2.00 billion (2022: €1.87 billion), divided into the following categories²⁸:

TYPES OF TAX

| | |
|---|--|
| 1 | Income tax Taxes levied on profits earned by the Group's various companies and those collected. |
| 2 | Personal taxes Employment-related taxes, covering both taxes borne and collected, including employees' personal income tax and social security payments made by the company. |
| 3 | Product taxes Indirect taxes on the production and consumption of goods and services, such as VAT and customs duties. |
| 4 | Property taxes Taxes arising from the ownership, sale, transfer or occupancy of property by the Company. |
| 5 | Environmental taxes Taxes related to the supply, use or consumption of products and services that directly or indirectly impact the environment. |
| 6 | Other payments Includes payments made to authorities for the use of goods or services, even if they are not strictly considered taxes. Other payments include fees and licences. |

²⁸ The information shown includes a further breakdown of the category of taxes paid in previous years. Therefore, comparisons with respect to the previous year are not meaningful.

Breakdown of the Group's total tax contribution:

| Taxes borne (€ 000) | 2023 | 2022 | Taxes collected (€ 000) | 2023 | 2022 |
|--------------------------------------|------------------|------------------|-------------------------|--------------------|--------------------|
| On profits | 51,776.4 | 36,681.5 | On profits | 7,957.6 | 9,280.6 |
| Personnel | 587,137.9 | 548,424.1 | Personnel | 388,835.3 | 380,505.5 |
| On products | 62,014.5 | 58,450.4 | On products | 822,922.0 | 750,952.7 |
| On property | 79,193.0 | 80,238.4 | On property | 21.2 | 29.1 |
| Environmental | 1,386.8 | 3,012.7 | Environmental | - | - |
| Other | 2,070.8 | 1,386.3 | Other | 811.5 | 917.9 |
| Total | 783,579.4 | 728,193.4 | Total | 1,220,547.6 | 1,141,685.8 |
| Total tax contribution - 2023 | | | 2,004,127.0 | | |
| Total tax contribution - 2022 | | | 1,869,879.2 | | |

We also obtained grants and public aid amounting to €6.6²⁹ million (2022: €11.4 million), of which €6.3 million related to grants. Of grants received, 99.9% were awarded in Spain and 0.1% in Portugal and other countries (2022: 99.0% in Spain and 1.0% in Portugal).

See Appendix I. Table of non-financial indicators. Society. Taxes borne and Taxes collected 2023 (pages 292 to 294) for disclosures of tax metrics by country.

²⁹ The decrease in the amount compared to the previous year corresponds, mainly, to the fact that in fiscal year 2022 the Viajes El Corte Inglés Group received aid for the ERTE derived from COVID 19.

ACTIVE PARTICIPATION IN ORGANISATIONS AND INSTITUTIONS

[GRI 2-28]

Our Goal: To enter into strategic alliances with other entities and organisations to promote sustainable economic development.

We participate in a significant role in several business and economic organisations. The aim of these alliances is to analyse and understand the political, regulatory and economic context of our industry so we can anticipate changes that might affect the business.

During the year, we continued our collaboration with 241 associations between Spain and Portugal. The main ones were:

| | |
|---|--|
| <p>ASSOCIATIONS / INSTITUTIONS</p> | |
| <p>ASSOCIATIONS/ INSTITUTIONS TRAVEL SECTOR</p> | |
| <p>ASSOCIATIONS / INSTITUTIONS RETAIL SECTOR</p> | |

Our commitment to sustainable development also includes participating in business and industry forums and initiatives in a significant role. In 2023, we partnered up with 14 national, including the Spanish Global Compact Network, Forética, Fundación SE-RES and the Forum for Socially Responsible Procurement, among others.

Internationally, we continued to cooperate with Accord Foundation, Amfori, Global G.A.P. Foodplus GMBH, International Featured Standards (IFS), Green & Human and The Consumer Goods Forum, among others.

OUR ENGAGEMENT WITH SOCIETY

[GRI 3-3] [GRI 413-1]

Our goal: To align the Group activities in all places where we operate with the different social, linguistic and cultural realities, adapting to diversity and making a positive contribution to society by carrying out initiatives.

To deliver this goal, we are involved in three main areas:



In 2023, we carried out more than 2,970 sports, cultural and community action activities in Spain and internationally (2022: 3,304).

SPORTS

Sports is one of our key lines of initiative to promote and nurture both internal and external relationships. We sponsor local and national popular events in addition to professional competitions and federations. Our sponsorships bring us closer to society and, through them, we promote personal achievement, perseverance, healthy lifestyles and teamwork.



Presentation of Ámbito Cultural, at El Corte Inglés in Lisbon, Portugal.

For the first time ever, El Corte Inglés was the official sponsor of the popular San Silvestre road race held annually in Madrid on New Year’s Eve. As part of its sponsorship deal, our own brand, Boomerang, was the maker of the race’s official jersey. We also sponsored the São Silvestre El Corte Inglés road race held in Lisbon.

In 2023, the La Cursa El Corte Inglés charity race held each year raised over €22,000 for Pasqual Maragall Foundation’s “A future without Alzheimer’s disease” in T-shirt and bracelet sales. A total of 26,412 people signed up to run in this year’s edition. They learned about the foundation’s work, the main characteristics of this disease, the research being carried out, and the treatment and assistance offered to people with loved ones suffering from Alzheimer’s.

We supported a number of other activities and events during the year related to football, racquet sports and other popular races. In all, we sponsored a total of 238 sports initiatives (2022: 195), for a total investment of €1.7 million.

Flagship sports sponsorships



Elsewhere, we run corporate sponsorships, supporting sports-related charity projects with government institutions and initiatives linked to the press and media, as well as popular events in various regions. In all, we carried 128 of these actions.

ARTS AND CULTURE

Our goal: To forge lasting relationships with cultural institutions and stage events that help promote and conserve the cultural and artistic heritage of the territories and communities where we have operations.

Culture is and has always been a valuable tool for promoting social and economic development. This is why we sponsor and work together with artists, institutions and initiatives, whether literature, art, cinema, photography and music, as they all bring culture closer to a full range of audiences. In 2023, we carried out 192 activities (2022: 180), with investment of €1.5 million.

The way culture has evolved has prompted us to cater to new formats and trends that are more in tune with younger generations. On this front, we stepped up our support of musical events, e.g. the Nights at the Botanical festival, Starlite Christmas and sponsorship of the Latin Grammy Awards —the top Latin music awards— held, for the first time outside the United States. Aside from these are the flagship agreements with which we have been associated for several years now.

We also promote several cultural actions related to museums, theatres, music, institutions and fairs, while also supporting new authors and established artists.

Flagship cultural sponsorships



CULTURAL PROGRAMME

El Corte Inglés’s cultural programme (Ámbito Cultural) has been promoting cultural activities to enrich different artistic disciplines and share them with the wider society for over 25 years now. For example, our stores and establishments have been showcases for a range of initiatives held at the programme’s 20 cultural venues in Spain and 20 in Portugal. During the year, we opened a room at the Gaia (Portugal) department store which, for the first time, has its own venue, while we also revamped and opened a new hall in Badajoz. In all, we staged 1,853 free cultural activities, of which 1,482 were in Spain and 371 were in Portugal, attended by an estimated 112,121 people and helping to spread culture in both countries.

Meanwhile, we streamed 101 broadcasts from the Callao hall in Madrid and on our Facebook and YouTube channels, with nearly 600,000 streams.

Also as part of our commitment to promoting culture, since 1989 the Group has its technical and academic publishing house, Editorial Universitaria Ramón Areces, which still provides it with a collection of university text books and academic publications. It has added a variety of collections over the years, some through agreements with universities or institutions, building up an academic heritage through an understanding between the university and the Company. It has also added informative publications, while maintaining strict academic rigour, for training in the business world, self-learning, trainer training or handbooks, etc.

The live published collection currently comprises over 400 hard back titles and more than 120 e-books, which are also sold through online subscription libraries. Our more than 700 authors are professors or leading personalities at university level and academia as a whole. The areas of knowledge targeted by the publications include law, economics and business, history and geography, engineering, and management.

The Rubiños 1860 publishing house is the oldest and most venerable publishing house in Spain. Renowned for the dissemination of Slavic languages, since 2017 the team of Editorial Universitaria Ramón Areces has been managing the entire publishing process, from selecting originals, editing, publishing and marketing, to expanding the catalogue with new literary genres, such as narrative, poetry and essays.



With the Spanish Association Against Breast Cancer.

COMMUNITY ENGAGEMENT

Our goal: To promote social pursuits linked to the Group's activity that generate shared value for society and achieve the active engagement of stakeholders.

458

Community engagement initiatives

3.6

Million to non-profit organisations and entities

Framed by our Sustainability and CSR Master Plan, we contribute to the progress of society through our partnerships with several public interest associations and foundations. We also encourage our employees to participate and become invested through corporate volunteering programmes that integrate social responsibility projects. In 2023, the Group earmarked €3.6 million for non-profit organisations and foundations (2022: €4 million).

Our community commitment targets three main areas:



Over the course of 2023, the Group's contribution to community initiatives in Spain and Portugal combined came to €2,856,174 (2022: €1,579,702), broken down as follows:

- El Corte Inglés: €2,735,801, of which €730,087 were direct donations and €2,005,713 were donations raised from customers at our stores.
- El Corte Inglés-Grandes Armazéns: €88,169 (€36,030 of donations by the Company and €52,139 of third-party contributions).
- Viajes El Corte Inglés: €32,204 donated.

El Corte Inglés' contributions went mostly to projects that promote inclusive local development, representing 39.6% of the total. Contributions in the realm of health and well-being accounted for 31.5%, while those to children and youth initiatives represented 15.6%. The remaining 13.3% went to activities involving all strategic pillars.

A. HEALTH AND WELL-BEING

We promote a healthy lifestyle, active collaboration with the world of sport and have commitments to different associations. This involvement is illustrated by financing projects and making donations that significantly help to improve people's health and well-being.

- For over 10 years now, we have been supporting the **Spanish Association Against Cancer Society** (AECC) by financing breast cancer research projects, becoming one of its five biggest Spanish corporate benefactors. We managed to promote a wear pink movement around the #ECISeVisteDeRosa hashtag to raise awareness about the fight against breast cancer. To further this commitment, we entered into a new partnership with the aim of fully funding a new 5-year research project led by Dr Julio Delgado for the treatment of HER2-positive breast cancer.
- We are still working with the Sueño de Vicky Foundation in support of childhood cancer research, donating a portion of the proceeds from the sale of the children's fashion collections bearing the UNIT brand.

B. CHILDREN AND YOUTH

We were Spain's first retailer to embed the UN's Children's Rights and Business Principles in its corporate policies, in a show of our efforts to understand and address the impact of business activities on children's well-being. We are firmly committed to protecting children's rights, in line with UN principles.



Culture and Leisure at El Corte Inglés in Bilbao.

For instance, we contribute to several projects that promote education and improving conditions of vulnerable children and teenagers. As an example, we delivered over 19,050 toys for Christmas.

- We are closely committed to Fundación Aladina, which helps children and adolescents with cancer. We raise funds for the foundation through an array of initiatives, including the Animaladinos charity project, a 100% sustainable stuffed animal drive that each year has a special edition with new celebrities. During 2023, almost 4,500 of these toys and the Foundation has received a donation of €26,405.
- Through the Toys for Worthy Causes campaign, we were able to donate more than 4,850 toys to the Spanish Red Cross Youth and Fundación Aladina.
- We made direct donations of toys to more than 30 NGOs, foundations, parishes and charity flea markets aimed at promoting child and adolescent education and creating a happier childhood for them.
- We work with ASION Foundation to improve the quality of life of children with cancer, furnishing flats so that their stay is more comfortable when their families have to travel for treatments. Several volunteering actions are organised at our establishments as part of the therapy with the assistance of volunteers.
- We played an active role in the Crecer Jugando Foundation's Share and Recycle campaign. This initiative drives the circular economy of the toy industry. Aligned with the SDGs, it advocates respecting the environment, doing charity work and integrating people with disabilities into the workplace. Our customers donated more than 115,552 kg of used toys for children in a position of vulnerability at the drop-off points set up in our department stores. We also contributed, by donating an extra 14,200 new toys to the foundation.

C. INCLUSIVE LOCAL DEVELOPMENT

At El Corte Inglés, we have always shown a great deal of sensitivity and dedication to the local communities in which we operate. For instance, we promote myriad initiatives in partnership with a range of organisations to contribute to these communities' well-being and development.

- We work with the most vulnerable through food drives. In May's Operation Kilo, the Group donated €553,150.40 worth of food, while a total of €978,243.84 was raised through December's Gran Recogida food drive, 6% more than the year before.
- We donated apparel to women victims of gender violence to help them with efforts to help them build a career or business. Specifically, we worked with Ellas lo Bordan, a social impact sewing workshop recognised as a work integration social enterprise.
- In partnership with Caritas, we set up a total of 70 containers to collect used clothing at our department stores and work centres. This project targets recycling of garments and providing employment and training to people at risk of exclusion, helping to integrate them into the labour market. It is a major project for the circular economy in the textile industry.
- With the Solidarity Cards available at the checkout lines of El Corte Inglés, Hiperco, Supercor and Sanchez Romero supermarkets, customers can donate to certain associations. The system provides rotating support for the different NGOs with which the Group has partnership agreements. NGOs taking part in 2023 included Caritas, Fundación Altius and Fundación Inocente Inocente.

ACCESSIBILITY TO OUR BUSINESS

[GRI 203-1]

Our goal: To achieve universal accessibility for all our premises, facilities, goods, products and services.

We encourage and foster an **inclusive society** that integrates diversity into our communities. We work to create an accessible business for everyone, including our establishments and online portals bearing in mind the different needs and circumstances existing within society.

PHYSICAL ACCESSIBILITY

We endeavour to adapt the physical spaces of our stores to make it easier access them and enhance the shopping experience for everyone, irrespective of their personal situation. As an example, we renewed the Bequal seal for El Corte Inglés, Supercor, Viajes El Corte Inglés, Tourmundial and Club de Vacaciones. This seal demonstrates excellence in disability, reflecting the work carried out along these lines targeting all areas of the company.

Viajes El Corte Inglés's current physical sales network includes 152 accessible offices. In 2023, we remodelled six offices, installing ramps for easier access to facilitate service for people with reduced mobility. We also completed the full refurbishment of our headquarters at Avenida de Cantabria, 51 (Madrid), making improvements in fittings to enhance accessibility. Our goal for FY 2024 is to continue with similar renovations to improve accessibility of a total of 30 offices.



Supercor of Valdebebas, Madrid.

Viajes El Corte Inglés also entered into an agreement with Tur4all travel, an agency specialised in accessible travel, to market its travel programmes through our sales network.

Supercor has cemented its position as a benchmark within the Group thanks to the “adaptation and certification programme” for accessibility to its establishments, enabling access without any help for people with disabilities or mobility issues. A total of 95 establishments were verified during the year and 15 others were certified with some type of accessibility accreditation, for a total of 104. We also adapted all stores verified in 2022 for compliance with new regulatory requirements and AIS (Accessibility Indicator System) certification, the leading international standard in this field.

Meanwhile, we have had a seat on the Advisory Board of the ONCE Foundation’s Por Talento Digital programme to improve digital skills training for people with disabilities.

ONLINE ACCESSIBILITY

Our multichannel approach extends to accessibility, offering an advanced online shopping experience. The aim here is to incorporate the right technology into our websites and remove any barriers that could arise during the search and purchasing process.

This year, Ilunion conducted an accessibility assessment of all Group companies’ websites and apps. Based on the findings, it drew up a proposal for improvements to both, achieving level AA accessibility. This ensures that customers with some type of disability can access the websites easily. The improvements are already being implemented at some Group companies.

We train employees so they can provide quality and personalised service. We also have a telephone hotline staffed by specialists to provide support for people with disabilities and the elderly that prevent them from visiting our stores in person.

We started work on a number of new projects during the year as a show of how important it is to us to incorporate accessibility into every aspect of our business.

Key accessibility projects

SVISUAL

We were the first to implement a video interpreting service in Spanish sign language in Spain, available on mobile phone or tablet. The aim is to address communication needs of the Deaf or hearing impaired, as well as for those who hear. It was launched in the Levante.

INCLUSIVE TOYS

We added inclusive items to our toy catalogue. The purpose is to help children to understand the value of playing together with other people, teaching values for future generations.

INCLUSIVE MANNEQUINS

We set up inclusive mannequins at some of our department stores inspired by people with a physical disability as a further example of our support of the social integration of people with disabilities.



195
zero waste certified
group establishments and
platforms

99.9%
of electricity consumed
in Spain with Renewable
Guarantee of Origin

94.7%
of waste recovered at
stores and platforms with
a Zero Waste System

Our Environmental Management³⁰

[GRI 2-4] [GRI 3-3]

We made strides in our commitment towards an environmentally sustainable model. Our aim is to further optimise and manage waste, turning it into a new resource, energy efficiency and a means for preserving the natural environment.

Our responsibility to preserve the environment is also enshrined in the values set out in our Code of Ethics, which outlines our commitment to reduce and mitigate any negative environmental impacts.

Our goal: To minimise the consumption of resources (energy, water and materials) in our operating processes by using clean energies and sustainable materials.

SDGs and Related material topics

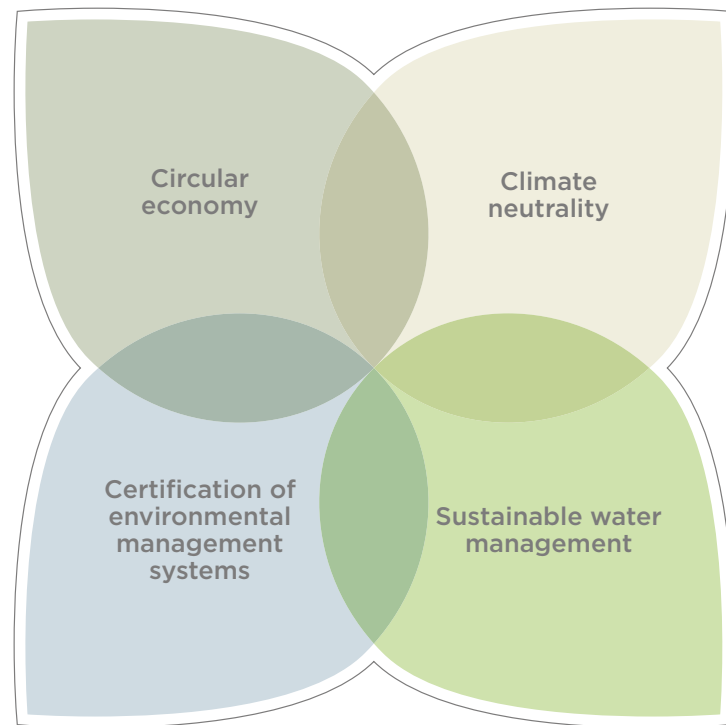


- Circular economy
- Eco-friendly packaging
- Energy efficiency of facilities
- Use of renewable sources of energy
- Sustainable logistics and transportation

³⁰ The boundary for data includes the retail companies in Spain and Portugal, Viajes El Corte Inglés Group, and Sidor Group. Other companies are not considered either due to lack of data or because of their scant contribution to the total. Data for 2021 were restated due to the exclusion of the Insurance Group companies.

The 2021-2025 Sustainability and CSR Master Plan sets out four guidelines for environmental management. They steer our initiatives for driving sustainability and promoting responsible business practices in all our operations.

Lines of initiative on environmental matters



Key developments of 2023

| | |
|--|---|
| Net Zero Transition Plan | As part of El Corte Inglés Group’s objective of becoming carbon neutral by 2050, in 2023 it began drawing up its strategy for transitioning to carbon neutrality, setting short and long-term decarbonisation commitments that are aligned with the Paris Agreement’s goal of limiting global mean temperature increase to 1.5°C. |
| Portuguese retailers business association | El Corte Inglés-Grandes Armazéns is also committed to fighting climate change. In 2023, it was part of an advisory group for the project to decarbonise the retail industry with Portugal’s retailers business association. |
| Zero Waste | We continued to deploy waste management systems in Spain and Portugal, achieving Zero Waste certification for our outlets and Supercor establishments in Galicia, Asturias, the Basque Country, Aragon, Valencia and Murcia. So far, 195 El Corte Inglés Group establishments (stores and platforms) carry that seal. |
| Textile take-back scheme | El Corte Inglés joined the Association for Textile Waste Management, which aims to create an extended producer responsibility scheme for textile and shoe waste in Spain. This membership marks a milestone, since it is the first time Spanish fashion, footwear, sports and décor retailers have teamed up to comply with their extended producer responsibility under the new Law 7/2022 of 8 April on waste and contaminated soils for a circular economy. This law is effective starting in 2025 and is Spain’s transposition of Directive 2008/98/EC on waste. This initiative is one of Europe’s largest intercompany alliances. By joining, El Corte Inglés shows that it is firmly committed to sustainability and moving towards a circular economy model where materials can be reused, recycled or repaired. |
| Stop food waste project: sustainable beer | During the year we launched a craft beer, Mica de Pan, made with leftover bread from the bakeries at our Valladolid stores. This is a sustainable project that completes the circle by using unsold bread at the end of each day. Mica de Pan is brewed by a Spanish supplier in keeping with local sourcing criteria and in line with the Zero Waste strategy and circular economy criteria by recovering leftover food to create a new product. The packaging also considers sustainability and circular economy criteria, since the bottles are made from recycled glass and the labels are FSC-certified, made from waste in the beer manufacturing process or bagasse. The new beer, which stems from a similar project carried out at our department stores in Portugal, is sold at El Corte Inglés and Hipercor supermarkets, Supercor stores in Valladolid and in Boadilla, El Escorial and Palacio de Hielo in Madrid. |
| Global Compact: Sustainability for the tourism sector | Viajes El Corte Inglés Group is on the UN Global Compact’s Working Group tasked with designing the sustainability road map for the tourism sector. The document sets out 10 transformations identified as priorities for the sustainable progress of the tourism industry and was presented in January 2024 at the FITUR tourism trade fair. |

CIRCULAR ECONOMY

[GRI 3-3]

Our goal: To put circular economy processes in place in our operations, promoting initiatives to complete the cycle that ensure waste is effectively reduced, and contribute to maximising the use of resources.

The circular economy enables the recovery of used materials either through reuse or transformation into new raw materials. The approach aims to maximise the value of resources, reduce waste and promote sustainability in production processes.

At El Corte Inglés Group, we champion the circular economy through different types of action:



A. SUSTAINABLE PACKAGING PLAN

[GRI 3-3] [GRI 301-1] [GRI 301-2] [GRI 301-3]

Our short-term goals:

- To reduce plastic packaging at our physical stores, online orders and deliveries to suppliers by 2025.
- To use only reusable, recyclable or compostable plastics in packaging (primary and secondary packaging) by 2025.
- To reduce our plastic footprint in supermarkets by 5% a year to 2026.

The Sustainable Packaging Plan responds to the need to use packaging that minimises the Group's environmental impact. The Sustainable Packaging Committee, composed of representatives from different areas, sets the guidelines and, through different working groups, designed a planned for delivering this objective.

| DESIGNED A PLANNED FOR DELIVERING THIS OBJECTIVE | | | |
|--|---|---|---|
| <p>ECODESIGN</p> <p>We choose the most suitable materials or combinations of materials, based on sustainability and recyclability concerns.</p> | <p>OPTIMISATION OF RESOURCES</p> <p>We promote the reuse of packaging and products and prioritise the use of recycled raw materials.</p> | <p>CONTROL OVER CONSUMPTION</p> <p>We minimise our consumption of packaging material while ensuring it remains fit for purpose, considering aspects such as health, safety and economic viability.</p> | <p>COMMUNICATION AND TRAINING</p> <p>We take action to raise awareness among staff and customers of the importance of reuse and recycling.</p> |

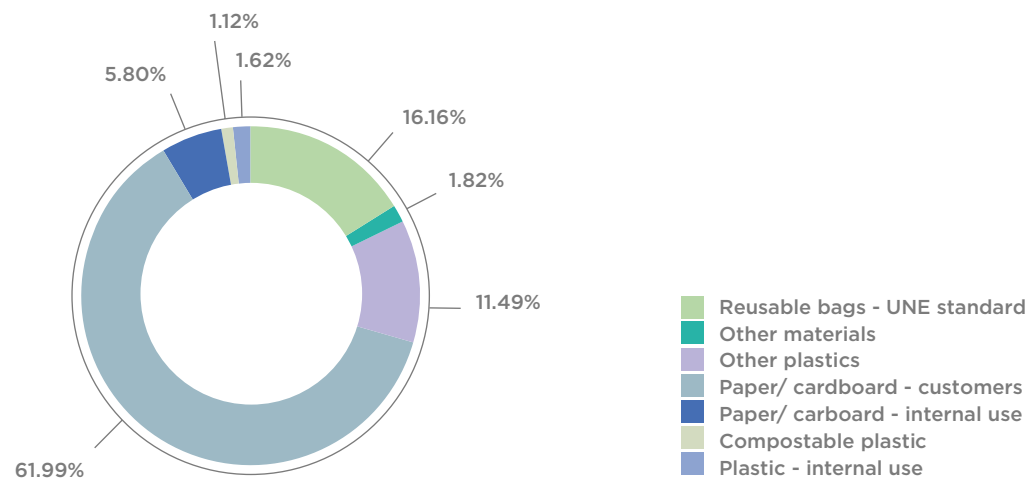
The Group is committed to reducing its plastic footprint and continues working on several initiatives to do so, such as:

- Providing customers the possibility of bringing their own packaging for food in any Group establishment.
- Using only compostable fruit and vegetable trays at El Corte Inglés and Supercor food sections.
- Using only compostable gloves in self-service areas in our supermarkets.
- Having 100% of our boxes made with recycled cardboard.
- Making plastic bags and hangers using the chips obtained from our plastic packaging waste.

- Shipping merchandises in environmentally-certified bags. Plastic bags must be made with at least 70%-recycled plastic and be certified for reuse. Paper bags must be FSC- or PEFC-certified.
- Replacing individual garment packages with bundle packages for third-country fashion merchandise shipping packaging.
- Replacing the protective netting on virgin polypropylene bottles with fully recycled polystyrene. The same goes for all plastic bubble wrap and other items with common bags.
- Using water based inks in bag production.
- Using plastic packaging in the prepared food sections that comply with the UNE standard on reuse.
- Replacing plastic bags with paper bags in the fruit and vegetable area in all supermarkets and Supercor stores in Portugal.
- Having beverage machines that can stop using disposable cups and eliminating single-use cups from the employee cafeteria at the Viajes El Corte Inglés Group.

We performed an in-depth assessment of our packaging mix:

Breakdown of packaging 2023



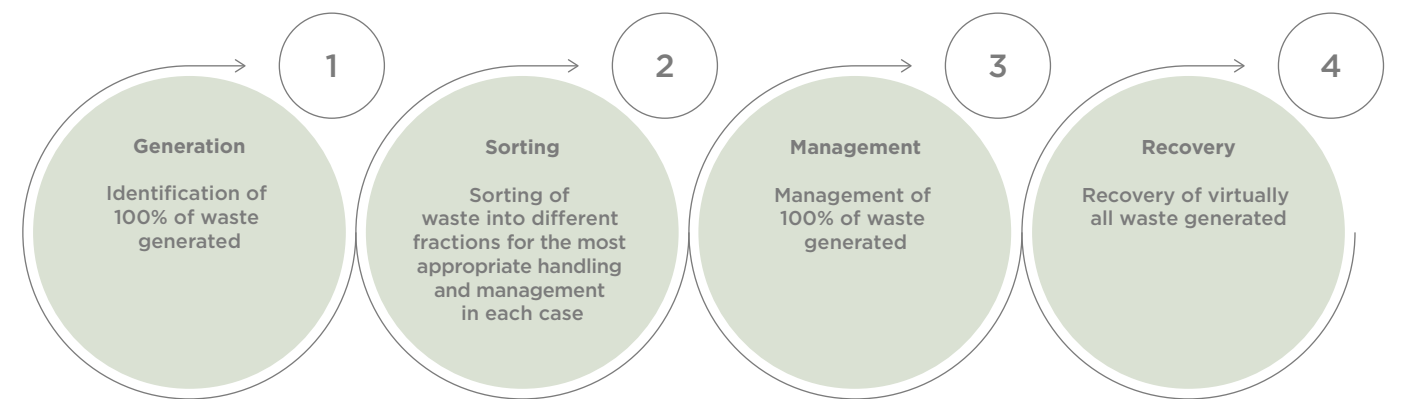
These results show a 7.5% reduction in the use of plastic in Supermarkets and a 33% reduction in total shopping bags. We also achieved a 18% decrease in the use of all container and packaging materials used by our customers with respect to the year before.

B. ZERO WASTE

[GRI 3-3] [GRI 301-2] [GRI 306-1] [GRI 306-2] [GRI 306-3] [GRI 306-4] [GRI 306-5]

The El Corte Inglés Zero Waste project is our environmental waste management system. It was designed to help us move towards environmentally-friendly waste management that contributes to sustainable development. Since we started in the project in Galicia in 2018, we have certified 195 of the Group’s establishments and platforms in Spain and Portugal; i.e. 60.94% of the total certifiable.

Waste is reused as a new resource, thereby helping to preserve the environment through sustainable management. Our department stores follow this management approach in compliance with the requirements of the AENOR certification scheme, managing to recover over 90% of the waste they generate. By implementing this strategy, we can reduce the waste generated and recycle it into new raw materials that can re-enter the value chain.



We prefer recovery over elimination of waste. This can be achieved by:

- Restructuring facilities and containers, classifying fractions, and management waste flows.
- Enhancing the quality of waste to achieve a more effective subsequent recovery.
- Optimising the paths related to waste storage and transportation.
- Using a software application to guarantee utmost transparency and traceability.
- Defining specific roles and providing comprehensive training to all our people; the high participation rate has been crucial for the project’s success.
- Partnering with leading local waste managers and recovery operators.
- Teaming with charities to donate or reuse anything that still has value.

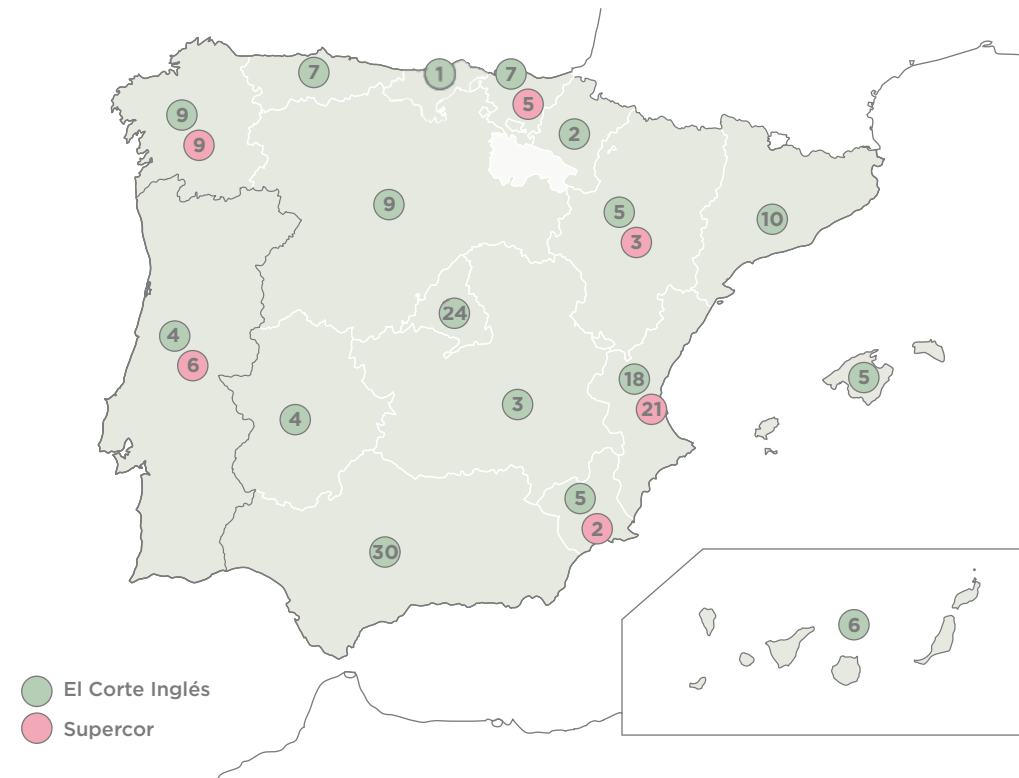
Our short-term goal:

- To obtain certification for viable Supercor and outlet stores by 2026, now that our department stores and platforms have been certified.

In line with this goal, Supercor began implementing Zero Waste by regions in 2023 and set a calendar for the coming years. By the end of the year, we had a total of:

195

Zero Waste certified establishments in the Group



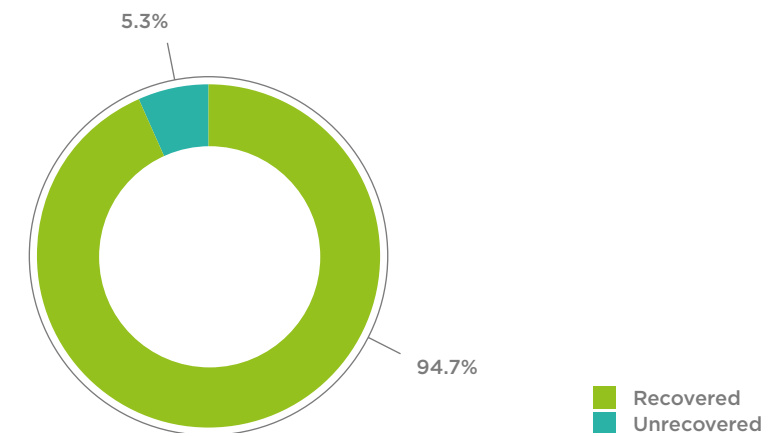
We generated the following waste destined for recovery during the year:

| Waste destined for recovery | 2023 (t) | 2022 (t) | 2021 (t) | Recovery operation |
|-----------------------------|---------------|---------------|---------------|--|
| Hazardous waste | 201 | 195 | 181 | Recycling/controlled disposal |
| Cardboard packaging | 28,714 | 29,274 | 30,561 | Production of recycled paper pulp |
| Plastic packaging | 2,985 | 2,592 | 1,884 | Production of recycled chips |
| Oils, fats and proteins | 3,684 | 3,673 | 3,491 | Biodiesel and manufacture of animal feed |
| WEEE* | 20,303 | 19,897 | 20,329 | Reuse/Recycle of parts |
| Total | 55,887 | 55,631 | 56,446 | |

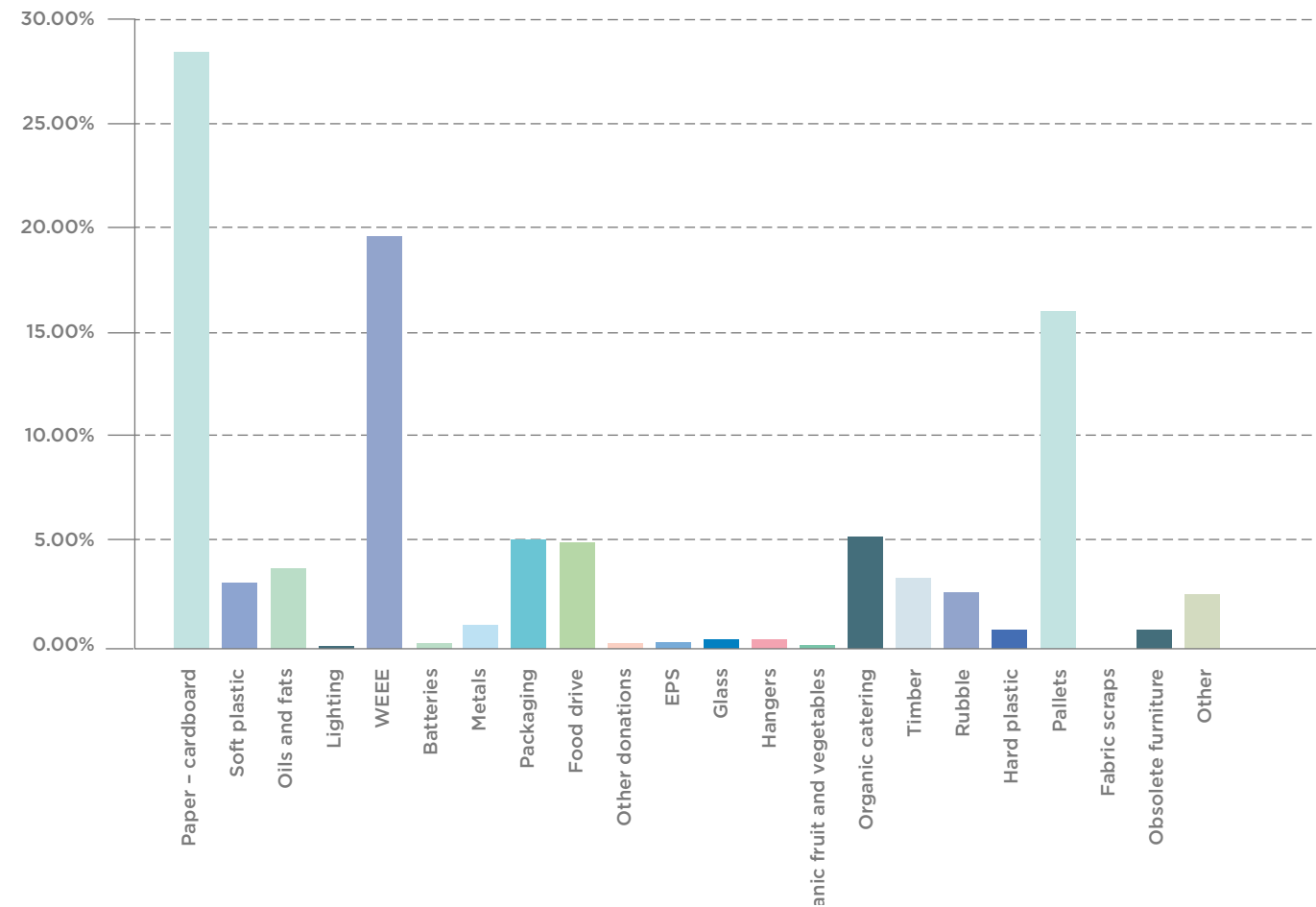
* WEEE Waste electrical and electronic equipment.

During the year, we recovered 94.72% of all waste generated by the platforms and establishments where the Zero Waste management system had been put in place.

Waste recovered at Zero Waste establishments



Waste recovered by type



C. REDUCTION OF FOOD WASTE

El Corte Inglés’ involvement in the fight against food waste entails stepping up our commitment to preventing the social, economic and environmental impacts it causes.

When it comes to prevention, we actively work to improve our purchasing, distribution, handling and sales processes so that no food is wasted. Our goal is to provide for prevention and efficiency practices all across the food value chain to avoid waste.

One line of initiative entails our efforts to maximise use of surpluses arising in the various stages of the chain.

Our redistribution and reuse endeavours are linked primarily to a charitable purpose: promoting the direct donation of food to the needy or at risk of exclusion continuously throughout the year. We donate products withdrawn from sale, normally when they are close to their sell-by date or have some small defect or deficiency that prevent them from being sold, but are still fit for consumption. During the year, we donated 4,805,217.8 kilos of food to food banks and other charities that work with those in need.

Meanwhile, certain fruits and vegetables or bakery goods that are not fit for human consumption are donated for animal feed at zoos and local farms, preventing nearly 754,430 kilos of waste. As an alternative, some surpluses are used to generate biofuel.

| Autonomous Community | Receiving Entity |
|----------------------|--|
| Andalusia | Municipal zoo of Cordoba |
| Balearic Islands | Puig Galatzó wildlife reserve |
| Canary Islands | Crocodile Park |
| Cantabria | CANTUR nature park |
| Castile - La Mancha | Municipal zoo of Guadalajara |
| Castile & Leon | Luna Foundation |
| Catalonia | Món La Bassa animal sanctuary |
| Madrid | Alcorcón animal shelter |
| Valencia | Río Safari Elche |
| Extremadura | Badajoz animal shelter |
| Galicia | Pastos do Enxilde - Mourelos Valle S.C. farm |
| Murcia | Terranatura nature park |
| Asturias | El Bosque zoo |

This year, we launched a new craft beer under the Mica de Pan brand on the market. This beer is brewed using leftover bread not sold in the bakeries of our department stores in Valladolid, as noted in the key developments in this chapter. This beer is an expression of El Corte Inglés’ commitment to innovation through pioneering products on the market to avoid food waste and promoting the circular economy and driving business for local producers at the same time.

Lastly, in line with our efforts to inform and raise awareness among our customers and people, we took part again last year in the Food waste action week. Now in its

6th edition, this event is spearheaded by AECOC (the Spanish association of food manufacturers and distributors) framed by the “Food has no waste. Use it” initiative we have belonged to since 2012. Our involvement included putting up posters, using loudspeakers, the intranet, commercial website and social media to promote the value of food and using it wisely.



Beer made with surplus bread from El Corte Inglés Supermarkets.

D. OTHER CIRCULAR ECONOMY PROJECTS

During the year, we continued to champion projects and initiatives to help our operations transition towards a circular economy.

Moda re-

To give a second life to clothes, El Corte Inglés partners with Caritas’ Moda re-, placing containers for donating our surplus, unsold apparel and clothes our customers no longer use. They can be reused at second-hand charity stores or recycled to make new clothes and other products.

A total of 556,317 kg of clothes were collected during the year.

| | 2023 | 2022 |
|--|------------|------------|
| El Corte Inglés collection points | 70 | 61 |
| Amount of clothes collected at establishments | 531,383 kg | 466,198 kg |
| Amount of clothes collected at offices | 24,934 kg | 28,625 kg |
| Reuse of clothes collected | 66.05% | 62.69% |
| Conversion of clothing into new fibres (recycling) | 25.37% | 29.52% |
| Energy recovery | 8.58% | 7.79% |

WASTE ELECTRICAL AND ELECTRONIC EQUIPMENT

We kept up efforts to encourage the collection of WEEE (waste electrical and electronic equipment) in containers placed at our establishments to ensure it is recycled and reused. In this vein, we pledge to extend the useful life of electronic devices through our “Repurposing” space. The products, from stores displays or customer returns, or damaged slightly in our warehouse but still work properly offer consumers a sustainable alternative.

OFIMEDIA REPARACIONES AGREEMENT

SICOR Seguridad continued its partnership with Ofimedia Reparaciones to repurpose devices used in alarm and teleassistance systems. Devices that cannot be repurposed are handed in to SICO-authorized managers, along with the rest of the waste generated in the repair or repurposing process. The aim is to promote recovery of the input materials.

SUSTAINABLE MERCHANDISING PRODUCTS

Viajes El Corte Inglés came up with a project to make the merchandising products offered to customers sustainable; e.g. reusable water bottles, cotton bags, and travel kits made with sustainable materials.

CLIMATE NEUTRALITY

[GRI 2-12] [GRI 3-3]

Our goal: To transform and adapt our operations so that they help to mitigate and reverse the impacts of climate change, as part of our commitment to achieve carbon neutrality by 2050 through science-based objectives.

Aware of the need to make a meaningful contribution to climate change action, the Group has committed to becoming climate neutral by 2050. To deliver on this pledge, its focus is on reducing the emissions generated by its operations and implementing compensation measures.

It follows the recommendations of the Task Force on Climate Related Financial Disclosures (TCFD) with the aim of increasing its level of transparency in the identification, management and disclosure of climate change risks and opportunities. We also provide detailed information on our climate change activities and results through the Carbon Disclosure Project (CDP) platform. This focus is a prime example of the Group's commitment to being environmentally responsible and creating a sustainable future.

GOVERNANCE

El Corte Inglés Group has a governance structure in place for tackling the challenges of climate change by taking a comprehensive sustainability management approach.

The Board of Directors, as the highest governing body, approves the Corporate Sustainability Policy, which sets out the strategic vision for climate change and oversees that it is enforced. The Audit and Control Committee reviews the corporate risk map regularly to verify the effectiveness of the internal control and the risk management systems, including climate risks. The Sustainability Commission oversees the climate strategy and compliance with sustainability legislation.

The Communication, Sustainability and Institutional Relations Department coordinates and monitors the climate strategy, working closely with the Executive Sustainability Committee. It verifies that legal requirements are met, while also overseeing and controlling the environmental reporting process to ensure coherence and transparency in all climate change-related activities.

At a more operational level, the Environment Department carries out scheduled tasks so that the Group can achieve its climate change objectives. The Sustainable Development Subsidiary Coordination Commission consolidates the implementation of initiatives and relevant climate change data of each Group subsidiary.

STRATEGY

El Corte Inglés Group addresses the climate emergency challenge with a strategic vision that covers both climate change mitigation and climate change adaptation. These two key areas steer our actions towards sustainability and resilience in the industries in which we operate.

CLIMATE CHANGE MITIGATION

To face the decarbonisation challenge, El Corte Inglés Group is developing its **Net Zero Transition Plan**. This plan is underpinned by a commitment to reduce our greenhouse gas (GHG) emissions to zero and make a contribution to climate change mitigation. It sets out short- and long-term targets for delivering this goal.

- **Emission reduction:** Commitment to reduce absolute Scope 1 and 2 emissions in line with the path toward global warming of 1.5° C under the Paris Agreement and continuing reducing them over time.
- **Renewable energy:** Acquisition of 100% of our electricity consumed from renewable sources with guarantee of origin, thereby furthering our commitment to sustainable energy sources.
- **Supplier commitment:** Encouraging our suppliers to set targets for reducing their footprint, contributing to reduce Scope 3 emissions.
- **Efficiency in the supply chain:** Taking measures to reduce absolute Scope 3 GHG emissions.

To deliver on these objectives, we placed special emphasis on key levers; e.g. electrification and use of biofuels in the workplace, promotion of low-carbon purchases and use of low-emission fleets for product transport and distribution.

CLIMATE CHANGE ADAPTATION

In response to the increasingly pressing need caused by the climate crisis, El Corte Inglés Group takes a comprehensive approach to climate change adaptation. This means recognising the importance of increasing our operational resilience and addressing emerging challenges through a process of continuous identification, assessment and proactive response to climate risks.

CLIMATE CHANGE RISK AND OPPORTUNITY MANAGEMENT

El Corte Inglés Group has a process in place for identifying and assessing climate risks and opportunities so it can address environmental challenges as they arise and position itself as a sustainable and resilient company. This process is based on a proven approach that enables it to identify, assess and manage climate risks, while seizing climate change-related opportunities.

This exercise was developed taking account of do no significant harm (DNSH) criteria to the EU Taxonomy’s environmental objectives, as described towards the end of this chapter, and applicable requirements in Spanish law on climate change and energy transition. The process entails several key stages:

1. IDENTIFYING CLIMATE-RELATED RISKS AND OPPORTUNITIES

Climate-related risks can derive from the direct impacts of an acute or chronic weather event, depending on the duration of its impacts over time, or from the transition to a low-carbon economy. A distinction is made between physical risks and transition risks. Transition risks include risks arising from regulatory, market, reputation and technological changes. Opportunities refer to potential positive impacts related to climate change from efforts to mitigate or adapt to climate change.

To identify the potential climate-related risks and opportunities that could affect El Corte Inglés Group, we first define the relevant business metrics and then assess deployment of the value chain. This includes analysing the locations and sites of the Group’s operations and defining the importance of certain locations based on their vulnerability to climate-related risks. We then analyse the economic activity to identify which climate-related risks may affect its performance during its expected lifetime.

Through this exercise (primarily covering the retail business in Spain), we identified a total of seven physical risks (five acute and two chronic) and nine transition risks (three regulatory, three market, one technology and two reputational) that could affect El Corte Inglés Group’s activities. The assessment is described in the following section. Our initial analysis provides insight into the Group’s exposure to climate-related risks and lays the foundations for expanding the analysis to cover other of the Group’s business and geographical areas going forward.

El Corte Inglés Group identifies climate-related opportunities that it can take advantage of to drive its long-term growth and sustainability. Leveraging on this proactive approach, it aims to strengthen its competitive positioning in the market and effectively contribute to sustainable development. The opportunities identified are aligned with the market’s needs and changing consumer behaviour.

| Opportunity | Type | Description / justification of relevance for El Corte Inglés |
|---|-----------------------|---|
| Increased demand for low-carbon products and services | Products and services | More customers are basing their purchasing decisions on sustainability features, e.g. lower carbon footprint, so development of a low carbon product and service offering can lead to higher revenue. |
| Reinforcement of the omnichannel business | | New efficient store models and retail digitalisation can lower companies’ operating expenses, while boosting sales by bringing in new customers. |
| Promotion of renewable sources of energy | Energy source | Replacing carbon-intensive with renewable energy sources at facilities as well as in transport and related services enables companies to move towards meeting their decarbonisation challenge and the targets set by the European Commission (55% reduction of GHG emissions by 2030 and 100% by 2050) and improving their image in the market. |
| Reduction in operating costs and profit generation through renewable electricity production | | Producing renewable energy can help reduce companies’ dependence on the grid and, therefore, exposure to price fluctuations or supply interruptions. Moreover, it can reduce operating costs from electricity consumption while at the same time generate revenue from the sale of surplus output. |
| Access to new financing schemes | Resilience | Lenders and investors are attaching greater importance to ESG criteria, opening up access to new financing schemes that are more favourable for companies that deliver good sustainability and, specifically, climate change performance. The emergence of new financing tools on the market subject to environmental performance indicators broadens the range of available financing options. |
| Improved reputation by reporting progress on climate-related issues | | Society’s perception of a better climate performance can attract a market that is increasingly demanding and sensitive to these issues, resulting in revenue growth. |

2. CLIMATE RISK ASSESSMENT

The Group follows the procedure described below for assessing its climate risks:

- i. **Climate-related scenario selection.** The assessment of climate risks was carried out considering the climate projections in the IPCC scenarios, specifically the RCP 2.6 and 8.5 scenarios, spanning time horizons for the short term (2030), mid-term (2040) and long term (2050). These scenarios represent extreme and opposing climate trajectories, allowing for a robust analysis of the impacts of climate-related risks under a worst-case scenario and identification of business exposures. Depending on the scenarios selected, the Company can assess the probability of occurrence and potential impact of the risks identified taking the projections for the specific scenario.
 - Scenario RCP 8.5, which projects high greenhouse gas emissions, considerable global warming, and greater intensity of extreme weather events, is used to evaluate physical risks resulting from climate change.
 - Scenario RCP 2.6, which assumes ambitious political and regulatory decarbonisation, limiting the global temperature increase to 1.5°C or less by 2100, and significant social transformation, is used to measure transition risks.

This in-depth evaluation provides greater insight into climate change risks and allows for more suitable mitigation and adaptation measures to be taken. Depending on the climate scenarios used, the underlying assumption is that the Company is exposed to higher transition risks in the short term, while physical risks will materialise with greater severity over the long term.

- ii. **Risk measurement.** We can obtain a risk score by aggregating the result assigned to each element of the value change based on a matrix of probability of occurrence and level of impact. The main conclusions are:
 - a. Risk is estimated to be low as a result of the resilience of El Corte Inglés' business model, characterised by a diversified product mix.
 - b. Transition risks are the more relevant for the short term (2030), potentially affecting infrastructure, including fixed assets and supplies.
 - c. Physical risks may become more important over a longer time horizon (2050), but the impact should be limited and partially absorbed by suppliers. Potential impacts are identified for infrastructure and for the food and retail businesses.

The following tables set out the risks assessed, the potential impacts on El Corte Inglés Group's business and the conclusion regarding the level of risk for each over the different time horizon in which they can materialise the most.

NEAR TERM (2030)

| Risk type | Risk | Impact on the value chain | Main potential impacts | Risk level |
|---------------|---|---|--|------------|
| Regulatory | Increase or appearance of new regulatory climate change specifications for products or services | Infrastructure, Logistics and Distribution, Sales and Marketing | <ul style="list-style-type: none"> • Regulatory requirements regarding carbon emission reduction entails reforming infrastructures, replacing equipment and modes of transport, changing the energy mix, and adjusting the product offering, resulting in hefty payments in the form of investments or costs. • Increase in carbon prices and emissions taxes. | HIGH |
| | Increased disclosure requirements on the Company's climate change performance | Infrastructure, Operations | <ul style="list-style-type: none"> • Greater efforts gathering environmental data (CO₂), impacting investment and related costs, and requiring process, technology and measurement system adaptation. • Increase in reporting requirements in supplier approval and procurement processes. | AVERAGE |
| Market | Increased cost of raw materials or other inputs due to partial or complete supply chain disruptions due to extreme weather events | Procurement | <ul style="list-style-type: none"> • Difficulties procuring raw materials because of extreme weather events, resulting in market shortages and higher raw material costs and prices. | LOW |
| | | Sales and Marketing | <ul style="list-style-type: none"> • Supply issues for certain products at department stores, with impacts on sales. | |
| | Fluctuation of availability and costs of energy, understood as electricity and any type of fuel | Infrastructure | <ul style="list-style-type: none"> • Increased energy supply costs for real estate caused by restrictions on fossil fuels and intermittent renewable sources. | AVERAGE |
| | | Logistics and Distribution, Procurement | <ul style="list-style-type: none"> • Transfer of increases in energy and fuel prices to the supply chain and higher procurement and transport costs. | |
| Technological | Need to adapt assets for the transitions towards a low-carbon economic model | Infrastructure | <ul style="list-style-type: none"> • Increase in demands in terms of efficiency and emissions applied to real estate assets, pushing up expenses and investment in construction and refurbishment. • Decrease in value of assets that cannot adapt to new requirements (stranded assets) and capital loss. | AVERAGE |
| Reputational | Restriction on access to finance | Financing and Capital | <ul style="list-style-type: none"> • Potential impact on the ability to attract investment and/or raise green financing. • Potential impact on finance terms and conditions and interest rates offered. | LOW |

Mid-term (2040)

| Risk type | Risk | Impact on the value chain | Main potential impacts | Risk level |
|--------------|---|---------------------------|---|------------|
| Regulatory | Increased exposure to lawsuits and fines for breach of climate change laws and regulations | Infrastructure | <ul style="list-style-type: none"> Increase in expenditure related legal proceedings and litigation for failure to comply with decarbonisation requirements, mostly for facilities and real estate assets. Non-recurring costs for fines and sanctions related to potential breaches. | VERY LOW |
| Market | Changing customer behaviour due to a preference or propensity towards low-carbon products and services | Sales and Marketing | <ul style="list-style-type: none"> Tailoring of the sales and marketing strategy for consumers' new preferences for less pollutant and more sustainable products or competitors. Stigmatization in the market and among consumers of products with a higher climate impact. | VERY LOW |
| Reputational | Perception among stakeholders of poor performance in the contribution to climate change mitigation and adaptation | Sales and Marketing | <ul style="list-style-type: none"> Potential damage to reputation and stigmatization of the Company, adversely impacting its market share because of a less ambitious position on sustainability than the market average. | LOW |

Long term (2050)

| Risk type | Risk | Impact on the value chain | Main potential impacts | Risk level |
|-----------|-----------------|---------------------------|--|------------|
| Acute | Heat wave | Infrastructure | <ul style="list-style-type: none"> Potential shortening of the useful life of equipment and facilities and their depreciation schedules. Longer periods during which HVAC equipment must operate at fully capacity. Increase in energy supply cost of fixed assets due to greater cooling needs. | VERY LOW |
| | | Procurement | <ul style="list-style-type: none"> Potential issues regarding the supply and offering of certain foods and raw materials due to extreme temperatures. | |
| Acute | Cold wave/frost | Infrastructures | <ul style="list-style-type: none"> Potential shortening of the useful life of equipment and facilities and their depreciation schedules. Increased repair costs due to structural damage caused by heavy snowfall and extreme temperatures. | VERY LOW |
| | | Sales and Marketing | <ul style="list-style-type: none"> Sporadic fluctuations in footfall and consumer shopping patterns at department stores due to a reluctance to travel and mobility issues. | |
| | | Employees | <ul style="list-style-type: none"> Difficulties for staff travel to work because of weather conditions, resulting in higher absenteeism. | |

| Risk type | Risk | Impact on the value chain | Main potential impacts | Risk level |
|-----------|----------------------------|---|---|------------|
| Acute | Floods/heavy precipitation | Logistics and Distribution, Procurement | <ul style="list-style-type: none"> Costs for physical damage to stock and merchandise in warehouse. Increased purchase prices due to supply issues. Increased product and raw material shipping costs and times due to structural damage to communications. | LOW |
| | | Sales and Marketing | <ul style="list-style-type: none"> Impacts on product and service availability for customers caused by procurement problems. | |
| Acute | Drought | Logistics and Distribution, Procurement | <ul style="list-style-type: none"> Reduced supply of certain raw materials, especially food products from suppliers in areas of stress. Increased procurement and raw material costs due to product shortages. | VERY LOW |
| | | Infrastructure | <ul style="list-style-type: none"> Greater difficulties and higher costs of supplying water to infrastructures and potential need to increase mechanisms and installations for efficiency in consumption. | |
| Chronic | Temperature variability | Sales and Marketing | <ul style="list-style-type: none"> Swings in demand for seasonal products and services due to atypical and lower temperatures. Gradual shift of market consumption trends, requiring new supply planning and sales strategy. | LOW |
| | | Infrastructure | <ul style="list-style-type: none"> Potential adaptation of real estate assets and equipment located near the sea to prevent potential erosion caused by water seepage and salinisation. Anticipation of potential structural damages to public accesses, streets and areas adjacent to the department stores, impacting services and requiring costs of adaptation. | |

The climate risks assessed are included in the Corporate Risk Map to achieve consistent and efficient management throughout the organisation, ensuring that they are factored into business and strategic decisions. This means implementing specific measures and actions to mitigate the risks identified, thereby reducing the vulnerability of operations to climate change and strengthening the Company's resilience.

iii. **Financial impact assessment.** With the financial impact assessment, El Corte Inglés Group determines which accounting items can be affected most by the climate-related risks detected previously. Based on a study of the Company's accounts, certain risks were mapped to specific line items, enabling the Company to prepare itself so it can mitigate the impacts identified.

The main accounting items showing the greatest potential material impacts of climate-related risks are sales and cost of sales in Food and Fashion. The study indicated that potential impacts could also be relevant on OpEx and property, plant and equipment.

PERFORMANCE METRICS AND INDICATORS

[GRI 302-1] [GRI 302-3] [GRI 302-4] [GRI 302-5] [GRI 305-1] [GRI 305-2] [GRI 305-3] [GRI 305-4] [GRI 305-5]

In line with its commitment to transparency and climate action, El Corte Inglés Group carries out precise measurements of its GHG emissions, framed by its sustainability strategy. These measurements provide a benchmark for assessing the Company’s environmental impact and reporting on the implementation of specific emission-reduction measures.

El Corte Inglés Group is also developing its Net Zero Strategic Plan for addressing emissions and moving towards a more sustainable business model. This plan sets out clear and achievable targets, along with specific actions for delivering a significant reduction in GHG emissions until ultimately reaching carbon neutrality.

Following is a detailed table presenting complete GHG emission metrics including full Scope 1, Scope 2 and Scope 3 emissions³¹. We calculated the emissions of our value chain and all our products and services. It illustrates El Corte Inglés Group’s commitment to environmental responsibility and the transition towards a low-carbon economy.

Complete measurement of GHG emissions in 2023³²

| | CO ₂ (t CO ₂ e) | CH ₄ (t CO ₂ e) | N ₂ O (t CO ₂ e) | GFEI (t CO ₂ e) | TOTAL CO ₂ e (t CO ₂ e) |
|--|--|--|---|-------------------------------|--|
| Scope 1 | 30,145.01 | 72.85 | 33.93 | 32,102.95 | 62,354.74 |
| Stationary fuel sources | 27,768.50 | 69.76 | 15.64 | 0,00 | 27,853,89 |
| Mobile fuel sources | 2,376.51 | 3.09 | 18.29 | 0.00 | 2,397.90 |
| Fluorinated gas leakages | 0.00 | 0.00 | 0.00 | 32,102.95 | 32,102.95 |
| Scope 2 | 14,516.49 | 17.91 | 41.09 | 0.00 | 14,575.49 |
| Electricity acquired and consumed (market criteria) | 14,516.49 | 17.91 | 41.09 | 0.00 | 14,575.49 |
| Scope 3 | 2,824,914.04 | 580,176.84 | 143,612.01 | 0.00 | 3,548,702.89 |
| Life cycle of fuels and electricity (3) | 7,420.46 | 2,753.94 | 90.77 | 0.00 | 10,265.17 |
| Purchased goods and services (1) and capital goods (2) | 2,657,936.07 | 573,872.24 | 141,318.74 | 0.00 | 3,373,127.05 |
| Commuting (7) | 58,210.33 | 124.94 | 465.89 | 0.00 | 58,801.16 |
| Waste management (5) | 3,904.45 | 3,354.79 | 707.31 | 0.00 | 7,966.55 |
| Downstream transportation (9) | 94,615.40 | 67.85 | 1,008.53 | 0.00 | 95,691.78 |
| Business travel (6) | 2,827.33 | 3.07 | 20.78 | 0.00 | 2,851.18 |
| General total | 2,869,575.54 | 580,267.60 | 143,687.03 | 32,102.95 | 3,625,633.11 |

³¹ We analysed the 15 categories of the GHG Protocol and excluded from the measurement those that are not significant and/or for which data are not available, so their calculation is not technically feasible or economically viable.

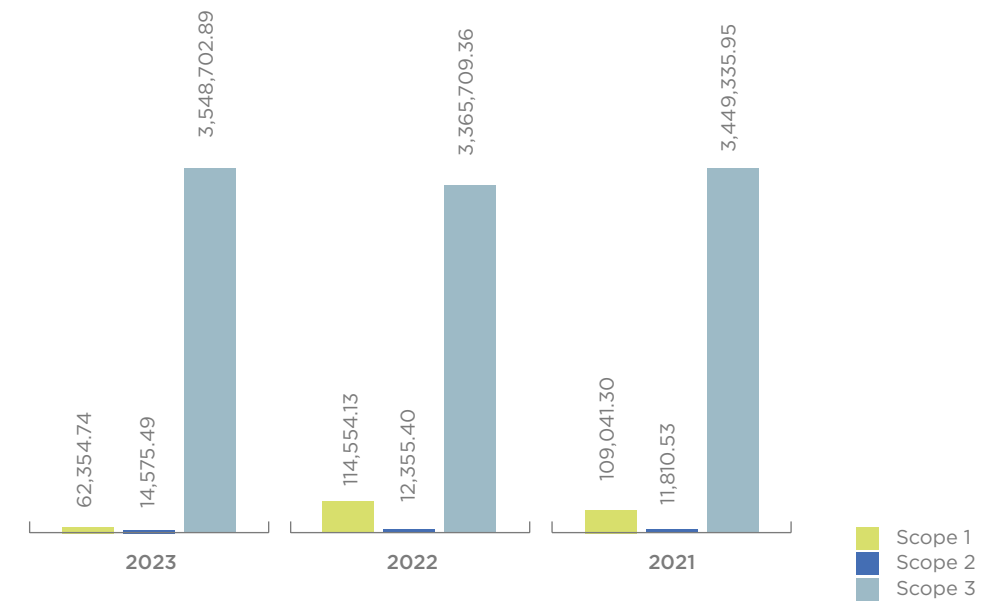
³² We calculated our emissions by multiplying consumption by the corresponding emission conversion factor:

- For fuel and electricity, we used the factors of Spain’s National Inventory Report (NIR) Edition 2023 (1990-2021) of March 2023 (Annex 7) and from the MITERD (Ministry for the Ecological of June the Demographic Challenge) Carbon Footprint Registry, and the 2006 Intergovernmental Panel on Climate Change (IPCC) Guidelines for National Greenhouse Gas Inventories.
- For mobile sources and employee travel (business and commuting), we used the emission conversion factors from the DEFRA tool, UK Government GHG Conversion Factors for Company Reporting 2023, and the 2006 IPCC Guidelines for National Greenhouse Gas Inventories.
- For emissions related to products and services, we used the input-output approach, applying statistical industry emissions data and output in euros published by the INE (Spanish national statistics institute).
- For emissions derived from waste management, we used the calculation of corporate GHG emissions derived from municipal waste management (February 2020) from the Catalonia regional government.

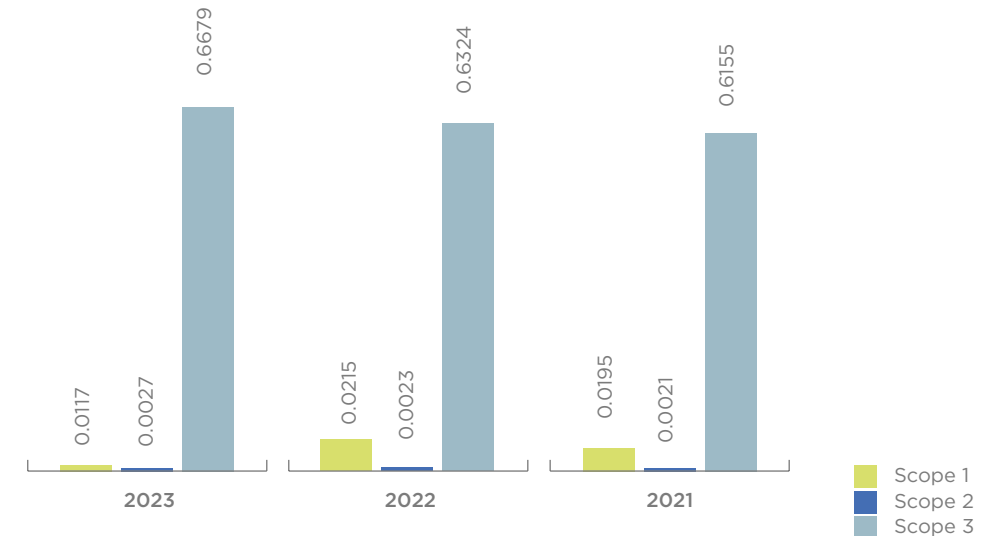
The boundary for data includes the retail companies in Spain and Portugal, the Viajes El Corte Inglés Group in Spain and Portugal, and SICOR Group.

Total emissions in the year were 3.8% higher than the recalculated emissions of previous years. This was not only because the Group did not have a complete inventory of its emissions, but also because of data processing and collection improvements.

t CO₂e



t CO₂e/m²



A. LOGISTICS

Logistics operations entail the transport/shipping of goods and services. As such, they have a major impact on carbon footprint.

The Group makes a distinction between specific actions to minimise impact between national and international transport and by land, sea or air.

NATIONAL TRANSPORT

- Optimisation of vehicle routes and load capacity:** Use of DUO and MEGA trailers on routes with sufficient round-trip flow, that is routes with return i.e. round trips. This way, we benefit from taking two full trailers each trip. The current DUO trailer fleet is 60% larger than the year before, while the MEGA trailer fleet is 20% larger.
- Use of vehicles with an eco or zero-emission label:** We upgraded our reserve vehicle fleet, adding electric vehicles. These are used to provide ad hoc services from the department store in compliance with regulatory restrictions in low-emission areas of cities such as Madrid and Barcelona. Furthermore, other contracted transport agencies in home delivery flows and in the flow of delivery of food and mixed merchandise, have also replaced gas vehicles for electric vehicles, the latter under the SEUR NOW operator.

INTERNATIONAL TRANSPORT

The Group uses maritime, air and road transport for its international shipments. The share of cubic metres transported by type is as follows, maritime being the most used:



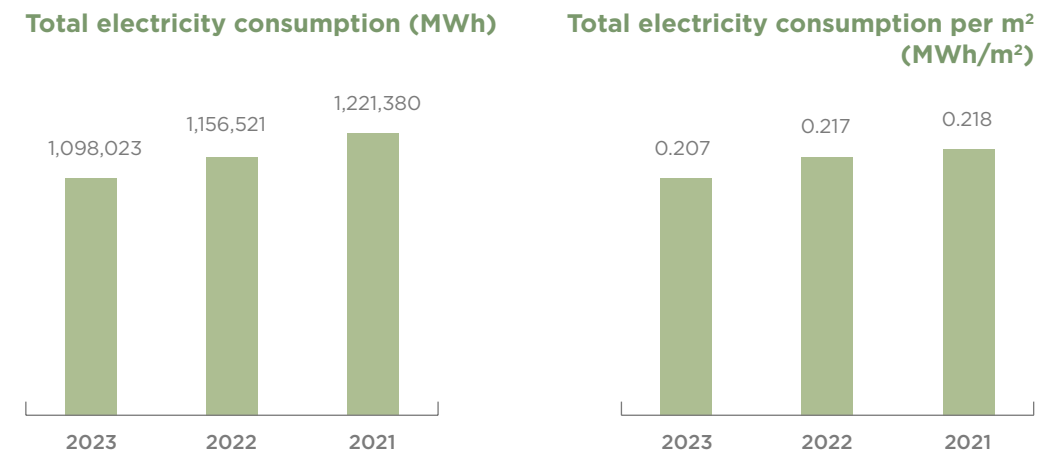
| | |
|---------------------------|--|
| Maritime transport | Total volume of cargo shipped by sea decreased by 10%. |
| Air transport | Air volume (0.88% of annual CBM) also decreased by 46% with respect to 2022. |
| Road transport | The flow of road transport was down 65%, mostly thanks to a reduction in international container haulage at the end of the supply chain. |

B. ENERGY CONSUMPTION AND EFFICIENCY

The Group’s environmental pledge also includes a commitment to energy efficiency. During the year, we reduced consumption by 5.06% from 2022 by implementing energy efficiency measures across all stores and distribution centres.

We have been lowering our energy consumption for several years now by rolling out energy saving initiatives, e.g. targeting lighting and HVAC systems, and extended the trend in 2023.

We also managed to cut consumption by over 5% from the year before, taking the cumulative reduction for the last 6 years to 20.67%.



El Corte Inglés Group also made further progress on its sustainability strategy by signing two PPAs (power purchase agreement) through its Telecor subsidiary for long-term solar photovoltaic (PV) energy. The power generated at its Olmedilla and Sabinar PV plants in Cuenca will cover more than half of the Group’s energy consumption in 2024. Combined, these two plants have 300 MW of installed capacity, making them one of the biggest PPAs of their kind signed in Europe.

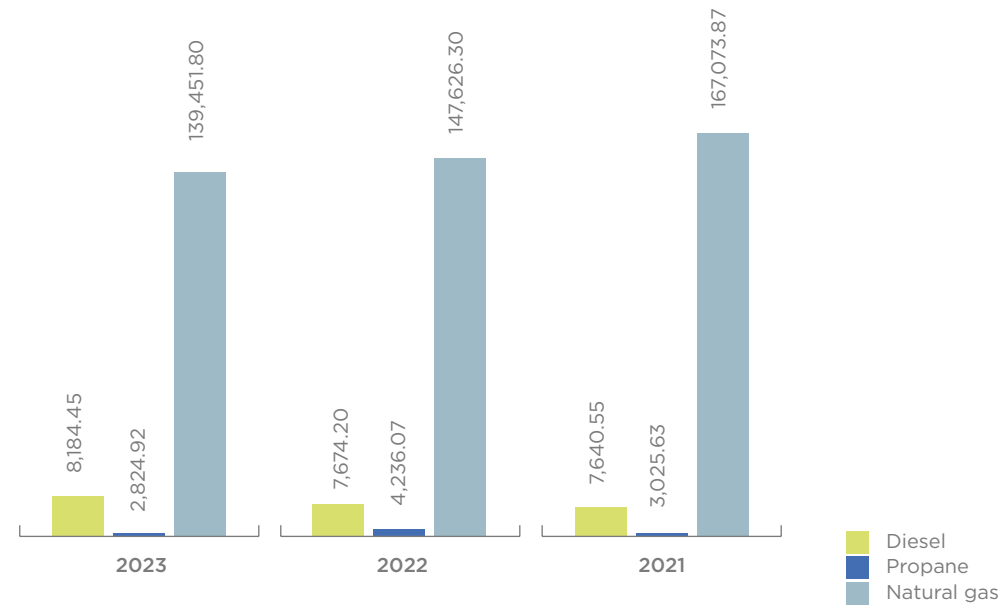
We continued to promote having all our energy come from renewable sources free of CO₂ emissions and by means of guarantee of origin (GO) certificates. We acquired GO certificates for consumption not covered by PPAs, meaning 100% of our supply is zero footprint.

The Group participates directly in wholesale production markets through a direct consumer, thus becoming more actively involved in the energy sector.

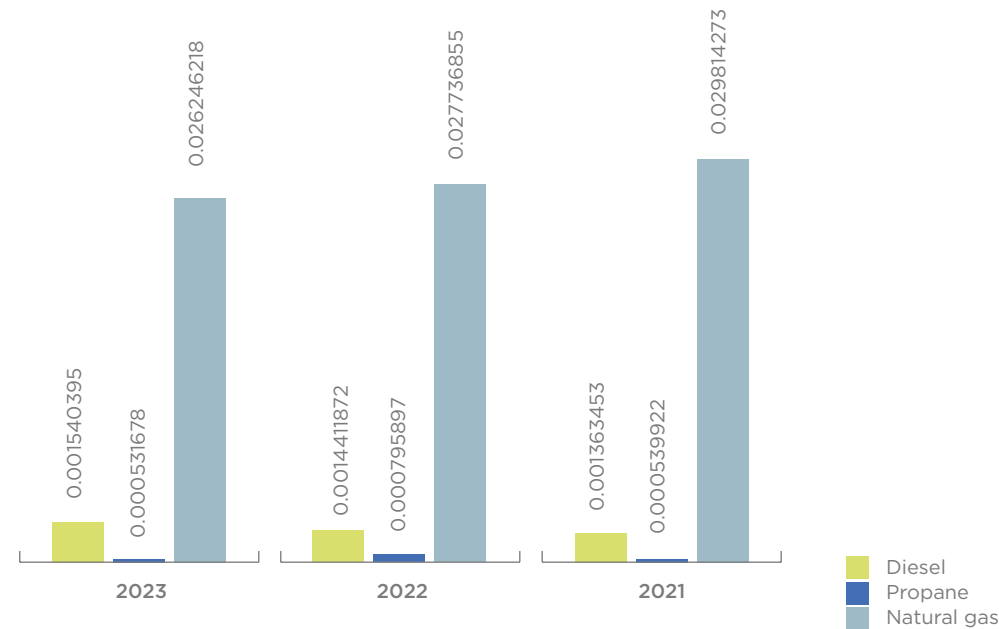
El Corte Inglés-Grandes Armazéns implemented a raft of energy consumption-reduction measures. These included controlling car park lighting with motion sensors and replacing of emergency lighting with more efficient models using LED technology, compliance with current regulations.

Fuel consumption³³

Fuel consumption (MWh)



Fuel consumption per m² (MWh/m²)



SUSTAINABLE WATER MANAGEMENT

[GRI 3-3] [GRI 303-1] [GRI 303-2] [GRI 303-3] [GRI 303-4] [GRI 303-5] [GRI 306-1]

El Corte Inglés Group is committed to using water responsibly to avoid any potential adverse impact on its performance and has a Sustainable Water Management Plan in place.

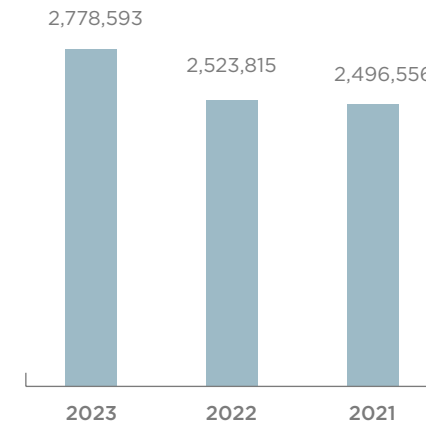
The Group consumed 2,778,593 m³ of water in 2023 compared with 2,523,815 m³ the year before. Noteworthy here is that all water it uses comes from the public water supply network and therefore has no impact on protected habitats.

Our facilities are equipped with treatment systems that include separating grease, hydrocarbons and solids before the water is discharged into the public sewer system to mitigate the environmental impact of discharges. Additional biological treatments are applied where needed.

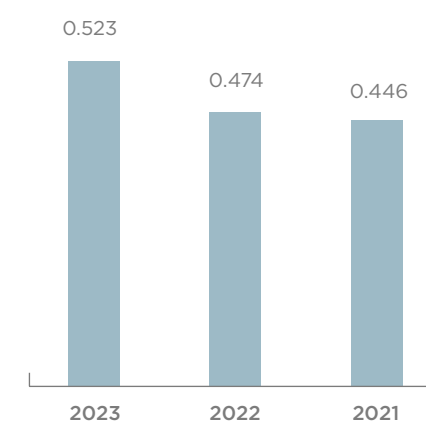
The effectiveness of these systems is inspected by staff duly qualified in best operating practices.

Beyond general control and maintenance, several actions were carried out during the year to treat and adapt the sewerage system and wastewater pumps, and to install grease separators.

Total water consumption (m³)



Total water consumption per m² (m³/m²)



³³ The boundary for data includes the retail companies in Spain and Portugal, the Viajes El Corte Inglés Group in Spain and Portugal, and SICOR Group.

ENVIRONMENTAL CERTIFICATION

[GRI 2-23] [GRI 2-24] [GRI 3-3]

We have several environmental certifications that are a testament to our dedication to sustainable development and responsible environmental management in all our activities. This also guarantees our compliance with all applicable laws and regulations.

The following table sets out the main certifications obtained by the various Group companies.

| AREA/COMPANY CERTIFIED | TYPE OF CERTIFICATION | SCOPE CERTIFIED | CERTIFYING ENTITY |
|----------------------------------|---|---------------------------|--------------------|
| El Corte Inglés | Waste management traceability system Zero Waste | Establishments in: | AENOR RC-2019/0001 |
| | | • Andalusia | AENOR RC-2022/0008 |
| | | • Aragon | AENOR RC-2023/0006 |
| | | • Balearic Islands | AENOR RC-2024/0007 |
| | | • Canary Islands | |
| | | • Cantabria | |
| | | • Catalonia | |
| | | • Castile-La Mancha | |
| | | • Castile & Leon | |
| | | • Navarre | |
| | | • Madrid | |
| | | • Valencia | |
| | | • Extremadura | |
| | | • Galicia | |
| | | • Basque Country | |
| | | • Asturias | |
| | | • Murcia | |
| Supercor | Waste management traceability system Zero Waste | Supercor stores: | |
| | | • Galicia | |
| | | • Aragon | |
| | | • Valencia | |
| | | • Murcia | |
| | | • Basque Country | |
| El Corte Inglés-Grandes Armazéns | Waste management traceability system Zero Waste | Establishments: | AENOR RC-2021/0011 |
| | | • Lisbon department store | |
| | | • Gaia department store | |
| | | • Alcochete warehouse | |
| | | • Olival warehouse | |
| | | • Beloura Supercor store | |
| | | • Braga Supercor store | |
| | | • Coimbra Supercor store | |
| | | • Expo Supercor store | |
| | | • Fluvial Supercor store | |
| | | • Restelo Supercor store | |

| AREA/COMPANY CERTIFIED | TYPE OF CERTIFICATION | SCOPE CERTIFIED | CERTIFYING ENTITY |
|-----------------------------------|---|--|--|
| El Corte Inglés Business Services | Environmental management system UNE-EN ISO 14001 | The scopes were combined and modified: | AENOR |
| | | A. Sales and supply of professional attire, food services products, consumables, sanitary material and products for promotional campaigns. | GA-2007/0668 |
| | | B. Storage, handling and logistics for these products. | |
| | | Sites: El Corte Inglés Business Services - Supplies, Tomás López 10, St. (Madrid) and Las Canteras (Madrid). | |
| El Corte Inglés Empresas | Carbon footprint calculated in accordance with the standards of the GHG Protocol | Emissions from the management of production, sale and supply of professional attire, food services products, sanitary material and products for promotional and incentive campaigns at the store located at Tomás López 10, St. - 28009, Madrid. | APPLUS+ Certification HDCG-0054-24/23 |
| | | | |
| SICOR Seguridad | Environmental management system UNE-EN ISO 14001 | Video surveillance and alarm system design, assembly, installation and maintenance. Private surveillance service in Madrid. | BUREAU VERITAS ES118061-1 |
| | | | |
| Viajes El Corte Inglés | Environmental management system UNE-EN ISO 14001 | Business travel management | AENOR GA-021/0251 |
| | | | |
| Viajes El Corte Inglés | Carbon (CO ₂) footprint calculated ISO 14064-1 | Emissions from operations carried out by the organisation and workplaces located in Spain, including 333 agencies. | AENOR HCO-2021/0066 |
| | | | |

EU TAXONOMY

Taxonomy Regulation (EU) 2020/852 establishes a framework for determining whether an economic activity qualifies as being sustainable for its potential contribution to one of the six environmental objectives set by the European Commission to promote sustainable development.

Since the Regulation became effective in 2021, El Corte Inglés Group has used it as an instrument to drive the transformation of its business model, while fulfilling its related reporting obligations. It assesses, on an annual basis, the proportion of its economic activities that, considering the applicable requirements in the Taxonomy, can be considered environmentally sustainable.

New developments in legislation in 2023 expanded the classification of sustainable economic activities:

- New activities were included for the climate change mitigation and climate change adaptation objectives applicable in previous years: activities 3.18 to 3.21 and 6.18 to 6.20 in Annex I (climate change mitigation) and activities 5.13, 7.8, 8.4, 9.3, 14.1 and 14.2 of Annex II (climate change adaptation). According to the assessment carried out, none of these are related to El Corte Inglés Group's activities.
- Meanwhile, Commission Delegated Regulation (EU) 2023/2486 of 27 June 2023 was published, introducing the remaining four environmental objectives that had yet to be approved: sustainable use and protection of water and marine resources, the transition to a circular economy, pollution prevention and control, and the protection and restoration of biodiversity and ecosystems. These have been included in the assessment described below.

In addition to the eligibility and alignment for the climate change mitigation and climate change adaptation objectives, for disclosures related to financial year 2023 all companies subject to the Regulation must extend their assessment to include eligibility and alignment for these new activities and environmental objectives.

In accordance with the complementary Delegated Act on climate and after assessing Delegated Regulation 2022/1214, we concluded that the Group is not involved with any nuclear energy- or natural gas-related activities. Therefore, El Corte Inglés Group believes this section meets the disclosure requirement for disclosing its involvement in these activities and in the specific reporting templates.

While El Corte Inglés Group was carrying out its Taxonomy assessment, the European Commission issued FAQs, but they did not result in any change in its assessment of the eligible and aligned activities identified or its current interpretations.

ACCOUNTING METRICS

The key performance indicators (KPIs) that undertakings must disclose, e.g. total turnover, capital expenditure and operational expenditure, are covered by Commission Delegated Regulation (EU) 2021/2178.

The accounting policies considered were used to calculate the numerator and denominator of the financial KPIs stipulated by the Taxonomy Regulation regarding eligibility and alignment for eligible and aligned activities, eligible and not aligned activities, and non-eligible activities, applying the following ratios:

- Numerator: The portion of turnover/CapEx/OpEx from products or services associated with Taxonomy-aligned economic activities.
- Denominator: The Group's total turnover/CapEx/OpEx.

As in previous reporting periods, the amounts allocated to each activity were obtained from the accounting records of the related Group companies; i.e. the amounts of turnover, CapEx and OpEx based on the previous definitions and fully linked to the eligible activities (classified as either aligned or non-aligned). Amounts of unidentified items were considered to be immaterial. Data of the consolidated KPIs (turnover, CapEx and OpEx) were obtained from the 2023 consolidated financial statements.

Each item is determined in accordance with the specifications for each KPI, as follows:

1. **KPI related to turnover.** The proportion of turnover referred to in Article 8 (2), point (a), of Regulation (EU) 2020/852 was calculated as the part of the net turnover derived from products or services, including intangibles, associated with Taxonomy-aligned economic activities (numerator), divided by the net turnover (denominator) as defined in Article 2, point (5), of Directive 2013/34/EU: "The amounts derived from the sale of products and the provision of services after deducting sales rebates and value added tax and other taxes directly linked to turnover".

Turnover also covers the revenue recognised pursuant to International Accounting Standard (IAS 1), paragraph 82 (a), as adopted by Commission Regulation (EC) No 1126/2008; i.e. revenue considered sustainable.

In calculating the indicator for El Corte Inglés Group, the denominator includes revenue and income from ordinary EU Taxonomy-eligible activities, with a breakdown between Taxonomy-aligned and non-aligned activities.

Data for 2023 are presented below:

Table 1: Proportion of turnover from products or services associated with Taxonomy-aligned economic activities - disclosure covering 2023.

| ECONOMIC ACTIVITIES | Code(s) | Turnover | Proportion of Turnover, year 2023 | Substantial Contribution Criteria | | | | | | DNSH criteria ('Does Not Significantly Harm') | | | | | | Proportion of Taxonomy aligned (A.1) or eligible (A.2) turnover year 2022 | Category enabling activity | Category transitional activity | |
|---|---------|---------------------------|-----------------------------------|-----------------------------------|---------------------------|----------------------------|---------------|------------------|-----------------------------|---|---------------------------|----------------------------|-----------|------------------|-----------------------------|---|----------------------------|--------------------------------|--------------------|
| | | | | Climate change mitigation | Climate change adaptation | Water and marine resources | Pollution | Circular economy | Biodiversity and Ecosystems | Climate change mitigation | Climate change adaptation | Water and marine resources | Pollution | Circular economy | Biodiversity and Ecosystems | | | | Minimum safeguards |
| A. TAXONOMY-ELIGIBLE ACTIVITIES | | | | | | | | | | | | | | | | | | | |
| A.1 Environmentally sustainable activities (Taxonomy-aligned) | | | | | | | | | | | | | | | | | | | |
| Collection and transport of non-hazardous waste in source segregated fractions | CCM 5.5 | €3,828,297.76 | 0.026% | Y | N | N | N | N | N | Y | Y | Y | Y | Y | Y | Y | 0.000% | | |
| Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1) | | €3,828,297.76 | 0.026% | 0.026% | 0.000% | 0.000% | 0.000% | 0.000% | 0.000% | 0.000% | Y | Y | Y | Y | Y | Y | 0.000% | | |
| Of which Enabling | | €0.00 | 0.000% | 0.000% | 0.000% | 0.000% | 0.000% | 0.000% | 0.000% | Y | Y | Y | Y | Y | Y | Y | 0.000% | E | |
| Of which Transitional | | €0.00 | 0.000% | 0.000% | | | | | | Y | Y | Y | Y | Y | Y | Y | 0.000% | | T |
| A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) | | | | | | | | | | | | | | | | | | | |
| Electricity generation using solar photovoltaic technology | CCM 4.1 | €124,602.45 | 0.001% | EL | N/EL | N/EL | N/EL | N/EL | N/EL | | | | | | | | 0.001% | | |
| Collection and transport of non-hazardous waste in source segregated fractions | CCM 5.5 | €0.00 | 0.000% | EL | N/EL | N/EL | N/EL | N/EL | N/EL | | | | | | | | 0.003% | | |
| Acquisition and ownership of buildings | CCM 7.7 | €11,119,951.69 | 0.077% | EL | N/EL | N/EL | N/EL | N/EL | N/EL | | | | | | | | 0.084% | | |
| Data processing, hosting and related activities | CCM 8.1 | €3,549,447.27 | 0.025% | EL | N/EL | N/EL | N/EL | N/EL | N/EL | | | | | | | | 0.043% | | |
| Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2) | | €14,794,001.41 | 0.102% | 0.102% | 0.000% | 0.000% | 0.000% | 0.000% | 0.000% | | | | | | | | 0.130% | | |
| A. Turnover of Taxonomy eligible activities (A.1+A.2) | | €18,622,299.17 | 0.129% | 0.129% | 0.000% | 0.000% | 0.000% | 0.000% | 0.000% | | | | | | | | 0.130% | | |
| B. TAXONOMY-NON-ELIGIBLE ACTIVITIES | | | | | | | | | | | | | | | | | | | |
| Turnover of Taxonomy-non-eligible activities | | €14,429,030,018.91 | 99.871% | | | | | | | | | | | | | | | | |
| TOTAL | | €14,447,652,318.07 | 100 % | | | | | | | | | | | | | | | | |

Table 2: Proportion of turnover/Total turnover, Taxonomy-aligned per objective, and Proportion of turnover/Total turnover, Taxonomy-eligible per objective (Template subscript (c) in Annex I of Delegated Regulation 2023/2486).

| | Proportion of turnover/Total turnover | |
|-----|---------------------------------------|---------------------------------|
| | Taxonomy-aligned per objective | Taxonomy-eligible per objective |
| CCM | 0.026% | 0.129% |
| CCA | 0.000% | 0.000% |
| WTR | 0.000%* | 0.000% |
| CE | 0.000%* | 0.000% |
| PPC | 0.000%* | 0.000% |
| BIO | 0.000%* | 0.000% |

*Due to the reporting obligations for financial year 2023, alignment for the four new objectives should not be disclosed.

2. **KPI related to capital expenditure (CapEx).** The proportion of CapEx referred to in Article 8 (2b) of Regulation (EU) 2020/852 was calculated as follows:

a. Numerator: The part of the capital expenditure on intangible assets and property, plant and equipment that:

- Is related to assets or processes associated with Taxonomy-aligned economic activities.
- Includes investments related to individual measures that enable or lead to greenhouse gas reductions implemented and operational within 18 months.

b. Denominator: All additions to tangible and intangible assets during the financial year considered before depreciation, amortisation and any re-measurements, including those resulting from revaluations and impairments, for the relevant financial year and excluding fair value changes.

The denominator also covers any additions to tangible and intangible assets resulting from business combinations.

For El Corte Inglés Group, these additions are disclosed in notes 5 Property, plant and equipment, 6 Investment properties and 8 Other intangible assets of the 2023 consolidated financial statements. Leases that do not lead to the recognition of a right-of-use over the asset were not included.

Table 4: Proportion CapEx/Total CapEx, Taxonomy-aligned per objective, and Proportion of CapEx/Total CapEx, Taxonomy-eligible per objective (Template subscript c in Annex II of Delegated Regulation 2023/2486).

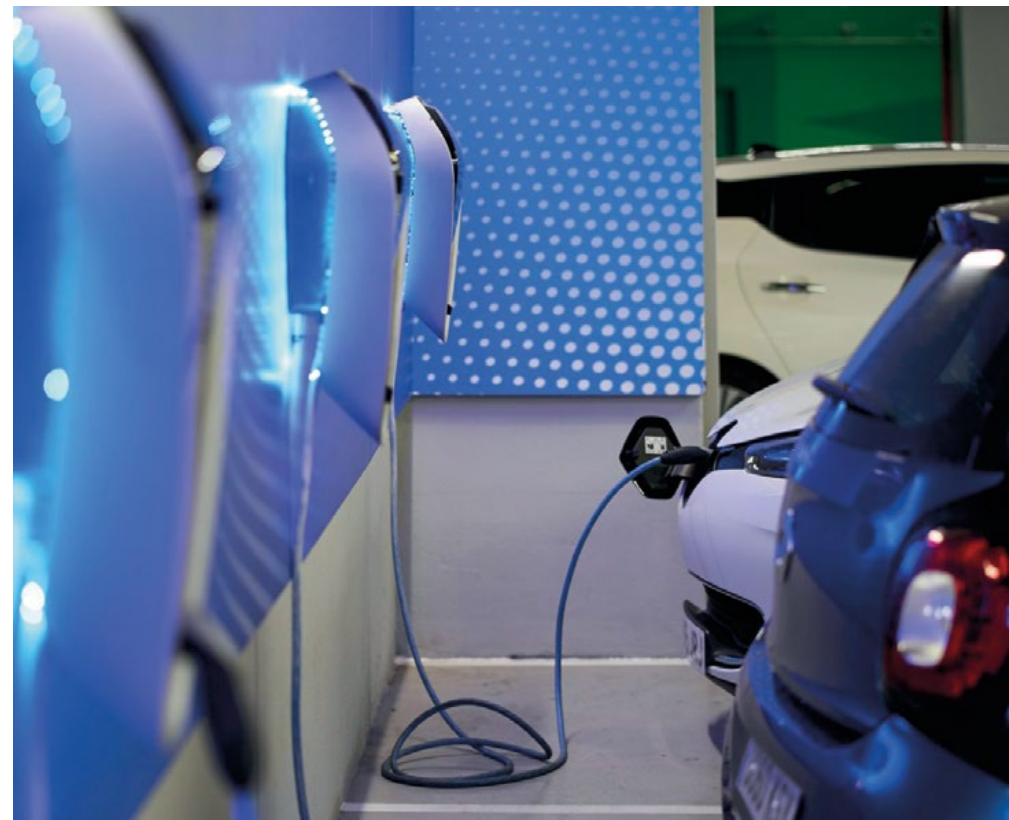
Proportion of CapEx/Total CapEx

| | Taxonomy-aligned per objective | Taxonomy-eligible per objective |
|-----|--------------------------------|---------------------------------|
| CCM | 1.739% | 24.606% |
| CCA | 0.000% | 0.000% |
| WTR | 0.000%* | 0.018% |
| CE | 0.000%* | 0.000% |
| PPC | 0.000%* | 0.000% |
| BIO | 0.000%* | 0.000% |

*Due to the reporting obligations for financial year 2023, alignment for the four new objectives should not be disclosed.

3. **KPI related to operating expenditure (OpEx):** The proportion of OpEx referred to in Article 8 (2b) of Regulation (EU) 2020/852 includes in the numerator the part related to assets or processes associated with Taxonomy-aligned economic activities, including training and other human resources adaptation needs, and direct non-capitalised costs that represent research and development; and the part of operating expenditures related to the purchase of output from Taxonomy-aligned economic activities and to individual measures enabling the target activities to become low-carbon or to lead to greenhouse gas reductions, as well as individual building renovation measures.

The denominator covers direct non-capitalised costs that relate to research and development, building renovation measures, short-term leases, maintenance and repair, and any other direct expenditures relating to the day-to-day servicing of assets of property, plant and equipment by the undertaking or third party to whom activities are outsourced that are necessary to ensure the continued and effective functioning of such assets. In addition to these items, also included are lease costs of non-financial undertakings that apply national generally accepted accounting principles (GAAP) and are not capitalising right-of-use assets.



El Corte Inglés charging point at Sanchinarro, Madrid.

Table 6: OpEx for/Total OpEx, Taxonomy-aligned per objective, and Proportion of OpEx/Total OpEx, Taxonomy-eligible per OpEx (Template subscript c in Annex II of Delegated Regulation 2023/2486).

Proportion of OpEx/Total OpEx

| | Taxonomy-aligned per objective | Taxonomy-eligible per objective |
|-----|--------------------------------|---------------------------------|
| CCM | 1.615% | 25.269% |
| CCA | 0.000% | 0.000% |
| WTR | 0.000%* | 0.000% |
| CE | 0.000%* | 0.000% |
| PPC | 0.000%* | 0.000% |
| BIO | 0.000%* | 0.000% |

*Due to the reporting obligations for financial year 2023, alignment for the four new objectives should not be disclosed.

Table 7. Nuclear and fossil gas related activities.

| Nuclear energy related activities | | |
|-----------------------------------|--|----|
| 1. | The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle. | NO |
| 2. | The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies. | NO |
| 3. | The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades. | NO |
| Fossil gas related activities | | |
| 4. | The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels. | NO |
| 5. | The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels. | NO |
| 6. | The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels. | NO |

ELIGIBILITY AND ALIGNMENT ASSESSMENT

The multi-disciplinary working group set up by different El Corte Inglés Group areas and companies to assess and interpret the Taxonomy eligibility and alignment criteria proceeded with its work during the year, implementing the new criteria applicable to financial year 2023 as discussed below.

As for the Taxonomy-eligibility and alignment of the climate change mitigation and climate change adaptation environmental objectives required to be reported relative to the previous year, since no economic activity could be counted as Taxonomy-aligned in 2022 all the alignment criteria were included to provide the necessary evidence to complete the assessment. We also assessed whether El Corte Inglés Group’s activities would fit those considered in the four environmental objectives approved in financial year 2023 to broaden, as appropriate, the scope of the disclosures to be reported.

The scope considered in the assessment and reported disclosures required by the Taxonomy includes all companies consolidated in El Corte Inglés Group’s consolidated financial statements.

There were no material changes in El Corte Inglés Group’s business model in financial year 2023. Therefore, the activities identified as eligible for the climate change mitigation and climate change adaptation environmental objectives did not change from the previous year except for the inclusion of activity 8.2 Data-driven solutions for GHG emissions reduction. The proportion of the resulting economic activities was calculated based on financial data for 2023. During the current year, we also assessed and managed the Group’s risks in accordance with the criteria for doing no significant harm to the climate change adaptation environmental objective, which provided evidence of alignment of activities 5.5 Collection and transport of non-hazardous waste in source segregated fractions, 7.3 Installation, maintenance and repair of energy efficiency equipment, 7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings and 7.5 Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings.

During the year, we expanded the eligibility assessment to the new activities of the rest of the environmental objectives. We identified activity 2.2 Urban waste water treatment for the sustainable use and protection of water and marine resources objective in which we are investing.

To avoid double counting, we reviewed the data using a single source of information for each indicator. When assessing the eligibility of the El Corte Inglés Group’s economic activities for the Taxonomy’s six environmental objectives we noted that an economic activity could, potentially, contribute to one or more several objectives. To avoid double counting in the financial KPIs, we considered only the objective for which each of the Group’s economic activities had the highest potential to make a substantial contribution.

Taking our eligibility assessment, we reviewed and validated compliance with the substantial contribution criteria, the DNSH criteria and the minimum social safeguards of activities identified as Taxonomy-eligible to classify these as Taxonomy-aligned.

SUBSTANTIAL CONTRIBUTION CRITERIA (SCC)

For 2023, as a preliminary step, we reviewed and validated the Taxonomy-eligible economic activities identified in El Corte Inglés Group companies and then differentiated between Taxonomy-aligned and Taxonomy-not aligned economic activities. This process was carried out with advice from external experts and the eligibility and alignment criteria applied were discussed with the external verifier of the 2023 NFS.

Activities 4.1 Electricity generation using solar photovoltaic technology, 7.2 Renovation of existing buildings, 7.7 Acquisition and ownership of buildings, 8.1 Data processing, hosting and related activities and 8.2 Data-driven solutions for GHG emissions reduction do not meet the criteria for substantial contribution to the climate change mitigation objective, so they are Taxonomy-eligible but not Taxonomy-aligned.

| EU Taxonomy environmental objective | EU Taxonomy activities | Description of the EU activity Remarks regarding ECI Group activities |
|-------------------------------------|--|--|
| Climate change mitigation | 4.1 Electricity generation using solar photovoltaic technology | <p>Construction or operation of electricity generation facilities that produce electricity using solar photovoltaic (PV) technology.</p> <p>This activity, which applies to the PV facilities for self-consumption at some El Corte Inglés and Supercor stores considered eligible but not aligned due to the inability to provide evidence of fulfilment of their substantial contribution to the objective.</p> <p>For the eligibility assessment, we considered turnover from electricity generated at buildings with solar PV panels installed.</p> |
| Climate change mitigation | 5.5 Collection and transport of non-hazardous waste in source segregated fractions | <p>Separate collection and transport of non-hazardous waste in single or comingled fractions aimed at preparing for reuse or recycling.</p> <p>Activities related to the Zero Waste circular economy programme³⁴, where the Group implemented a waste management system audited by Aenor. This system verifies the traceability of the supporting documentation for management of all waste generated. As climate risk is assessed at corporate level, it fulfils the substantial contribution and DNSH criteria.</p> <p>Accordingly, this activity is considered eligible and aligned.</p> |

| EU Taxonomy environmental objective | EU Taxonomy activities | Description of the EU activity Remarks regarding ECI Group activities |
|-------------------------------------|---|--|
| Climate change mitigation | 6.5 Transport by motorbikes, passenger cars and light commercial vehicles | <p>Purchase, financing, renting, leasing and operation of vehicles designated as category M1 and N1, both falling under the scope of Regulation (EC) No 715/2007 of the European Parliament and of the Council, or L (2- and 3-wheel vehicles and quadricycles).</p> <p>We analysed leasing of vehicles for the related personal mobility categories that meet the substantial contribution criteria for specific CO₂ emissions. However, given the difficulty providing evidence of compliance with DNSH criteria, this activity was reported as eligible but not aligned.</p> |
| Climate change mitigation | 6.6 Freight transport services by road | <p>Purchase, financing, leasing, rental and operation of vehicles designated as category N1, N2 or N3 falling under the scope of EURO VI, step E or its successor, for freight transport services by road.</p> <p>Acquisition and rental/leasing under an operating lease of the related category of freight transport equipment.</p> <p>As in the previous reporting period, because of the difficulty providing evidence of compliance with the criteria, this activity was reported as eligible but not aligned.</p> |
| Climate change mitigation | 7.2 Renovation of existing buildings | <p>Construction and civil engineering works or preparation thereof.</p> <p>CapEx and OpEx related to the Group's building and infrastructure refurbishment and maintenance projects, namely logistics platforms, department stores and offices.</p> <p>Renovation was performed on Group buildings, but they cannot be considered major renovations according to the substantial contribution criteria. Nor did they give rise to an improvement of energy performance of over 30%. Accordingly, this activity is eligible but not aligned.</p> |
| Climate change mitigation | 7.3 Installation, maintenance and repair of energy efficiency equipment | <p>Individual renovation measures consisting in installation, maintenance or repair of energy efficiency equipment.</p> <p>CapEx related to the installation, maintenance and repair of energy efficiency equipment in the Group (e.g. replacements of accumulators and inter-accumulators, recirculation pumps, etc.).</p> <p>All efforts undertaken of this kind (installation, replacement, maintenance and repair of heating, ventilation and air-conditioning —HVAC— and water heating systems, including equipment related to district heating services, with highly efficient technologies) meet the substantial contribution criteria, and since there is a certified environmental management system (in compliance with DNSH criteria for pollution and appendix C) and a climate risk assessment at corporate level, this activity was considered eligible and aligned.</p> |
| Climate change mitigation | 7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings) | <p>Installation, maintenance and repair of charging stations for electric vehicles in buildings and parking spaces attached to buildings. Installation and operation of electronic vehicle recharging stations.</p> <p>This activity is eligible and aligned.</p> <p>The Group has recharging points installed in the car parks of its offices and department stores that meet both the substantial contribution and DNSH criteria since the climate risk assessment was conducted at corporate level.</p> |

³⁴ See B. Zero waste in section 3.3.1 Circular economy.

| EU Taxonomy environmental objective | EU Taxonomy activities | Description of the EU activity Remarks regarding ECI Group activities |
|--|---|---|
| Climate change mitigation | 7.5 Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings | Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings Adaptation and installation, maintenance and repair of smart meters for gas, heat, cool and electricity and energy saving initiatives at El Corte Inglés, Supercor and ECIGA establishments. All these projects meet the substantial contribution criteria and, as there is a climate risk assessment at corporate level, also the DNSH criteria. Therefore, this activity is Taxonomy-eligible and Taxonomy-aligned. |
| Climate change mitigation | 7.6 Installation, maintenance and repair of renewable energy technologies | Installation, maintenance and repair of renewable energy technologies, on-site. Installation of PV panels on Group buildings. Since the substantial contribution criteria are not met, this activity is eligible but not aligned. |
| Climate change mitigation | 7.7 Acquisition and ownership of buildings | Buying real estate and exercising ownership of that real estate. The metrics for this activity increased during the year because of the inclusion of Sfera Mexico in the scope of the disclosures. This activity does not meet the substantial contribution criteria since it has not earned an 'A' Energy Performance Certificate and, therefore, it is eligible but not aligned. |
| Climate change mitigation | 8.1 Data processing, hosting and related activities | Storage, manipulation, management, movement, control, display, switching, interchange, transmission or processing of data through data centres, including edge computing. Investments in DPC transformation and infrastructure. OpEx for DPC, hosting and Cloud hosting services, etc. Turnover from hosting services. The assessment showed that this activity is eligible but not aligned since evidence of compliance with substantial contribution criteria could not be provided. |
| Climate change mitigation | 8.2 Data-driven solutions for GHG emissions reductions | Development or use of ICT solutions that are aimed at collecting, transmitting, storing data and at its modelling and use where those activities are predominantly aimed at the provision of data and analytics enabling GHG emission reductions. Investment in software to collect data enabling GHG emission reductions. When assessing this activity for alignment, we could not justify whether an alternative solution/technology was already available on the market that could achieve greater life-cycle GHG emission savings, so this activity does not comply with substantial contribution criteria and was considered eligible but not aligned. |
| Sustainable use and protection of water and marine resources | 2.2 Urban waste water treatment | Construction, extension, upgrade, operation and renewal of urban waste water infrastructure including treatment plants, sewer networks, storm water management structures, connections to the waste water infrastructure, decentralised wastewater treatment facilities, including individual and other appropriate systems, and discharge structures for treated effluent. Investment in sewerage, waste water pumping systems and grease separators at El Corte Inglés establishments to enhance quality of discharge and water management. Since this was a new objective during the reporting period, assessment for alignment was not required, but rather only for eligibility. This activity is eligible but not aligned. |

DO NO SIGNIFICANT HARM (DNSH):

• **DNSH to climate change adaptation:**

In line with El Corte Inglés Group’s commitment to fighting climate change, described in further detail in the “Climate neutrality” section of this report, as part of the process for identifying and assessing its climate change risks and opportunities, in 2023 El Corte Inglés Group worked on including the specific requirements outlined in Appendix A of Annex I of Delegated Regulation 2021/2139 and the Annexes of Delegated Regulation 2023/2486 of the Taxonomy.

As part of this exercise, it determined physical risks in relation to the risks listed by the Taxonomy that could affect the Group’s main economic activities considered eligible. It conducted a robust climate risk and vulnerability assessment based on future climate projections of GHG bearing in mind the nature and expected duration of the Group’s activities. El Corte Inglés Group’s Taxonomy-eligible economic activities are limited to its real estate assets (department stores and warehouses) so the assessment focused on them. Accordingly, we considered that the climate risks identified have the same impact on all the Taxonomy-eligible activities carried out on an asset because they materialise on the asset’s infrastructure. Lastly, in accordance with the regulation, assessments of adaptation solutions that can reduce the identified physical climate risks that are material to each activity were conducted.

• **DNSH to sustainable use and protection of water and marine resources:**

This DNSH does not apply in the corporate-wide assessment of the Taxonomy-alignment of eligible activities except climate change mitigation activities 7.2 Renovation of existing buildings and 8.1 Data processing, hosting and related activities because, as noted previously, their alignment could not be established as no evidence of their substantial contribution was provided.

• **DNSH to transition to a circular economy:**

By implementing the Zero Waste management system³⁵, the requirements defined in the DNSH were met regarding the waste management plan, enabling compliance with the requirements defined for activity 5.5 Collection and transport of non-hazardous waste in source segregated fractions.

However, for activities 8.1 Data processing, hosting and related activities and 8.2 Data-driven solutions for GHG emissions reductions, despite compliance with this DNSH, we could not provide evidence of their alignment with the substantial contribution criteria.

Here, activities considered eligible for climate change mitigation 6.5 Transport by motorbikes, passenger cars and light commercial vehicles and 6.6 Freight transport services by road, since the criteria are highly specific and the required evidence is difficult to account for, we could not justify their alignment.

³⁵ See B. Zero waste in section Circular economy (pp. 205 a 208).

- **DNSH to pollution prevention and control:**

To ensure that economic activities do no significant harm to pollution prevention and control, for activity 7.3 Installation, maintenance and repair of energy efficiency equipment, we assessed the criteria outlined in Appendix C of the Delegated Act. The Group responds to these with the environmental management systems put in place. Moreover, the waste management plans drawn up list the materials handled in the Group's activities. None of the components listed in this DNSH were found.

For the remaining activities covered by this criterion, activity 6.5 Transport by motorbikes, passenger cars and light commercial vehicles and 6.6 Freight transport services by road, because of the difficulty providing evidence of compliance with DNSH criteria for circular economy, they are reported as eligible but not aligned. For activity 7.2 Renovation of existing buildings, since it does not meet the substantial contribution criteria, there is no evidence of this DNSH and its alignment could not be justified.

- **DNSH to protection and restoration of biodiversity and ecosystems:**

This DNSH does not apply to the eligible and aligned activities identified in the Group's Taxonomy assessment, so there is no significant harm to this objective (5.5 Collection and transport of non-hazardous waste in source segregated fractions, 7.3 Installation, maintenance and repair of energy efficiency equipment, 7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings and 7.5 Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings). For the only activity considered eligible for the Group to which this DNSH applies, 4.1 Electricity generation using solar photovoltaic technology, we did consider this because we could not provide evidence that it contributed substantially to climate change mitigation.

MINIMUM SOCIAL SAFEGUARDS:

Article 18 of Regulation (EU) 2020/852 defines 'Minimum safeguards' as follows: Minimum safeguards are procedures implemented by an undertaking that is carrying out an economic activity to ensure the alignment with:

- The OECD Guidelines for Multinational Enterprises.
- The UN Guiding Principles on Business and Human Rights, including the principles and rights set out in the eight fundamental conventions identified therein.
- The International Labour Organisation Declaration on Fundamental Principles and Rights at Work and International Bill of Human Rights.

According to the OECD Guidelines for Multinational Enterprises and the rest of the applicable regulations, the following categories of mandatory compliance were identified:

- Human rights
- Anti-corruption, bribery requests and other types of extortion
- Competition
- Taxes

During the reporting period, ethics training initiatives were reinforced through online classrooms, ethics and compliance spaces, and management round tables at the stores, promoting an organisational culture predicated on integrity and zero tolerance for corruption, and promoting ethical values all throughout the Company.

For El Corte Inglés Group companies, consideration and compliance with the content and issues set out in each of the previous blocks are outlined in our Code of Ethics and corporate policies. For further information, see section 3.1 OUR CORPORATE GOVERNANCE. Moreover, compliance is illustrated by the absence or immaterial level of incidents related to these issues reported in our Whistle-blowing channel, or, as appropriated, by potential legal rulings handed down. There were no such rulings in FY 2023.

Based on these considerations, in our assessment of Taxonomy-alignment/non-alignment of eligible economic activities, we consider that in all cases El Corte Inglés Group meets the required minimum social safeguards.

Risk and Opportunity Management

[GRI 2-12] [GRI 2-16] [GRI 2-23] [GRI 2-24] [GRI 2-25] [GRI 2-29] [GRI 201-2]
[GRI 207-1] [GRI 207-2] [GRI 3-3] [GRI 403-2]

Organisations have put in place coordinated and advanced control models to tackle today's challenges, such as macroeconomic uncertainty, geopolitical tensions and regulatory pressure, to name a few. This enables them to anticipate the materialisation of any event that can jeopardise the achievement of their objectives.

Aware of the importance of risk management and in keeping with best risk management practices, El Corte Inglés has implemented an **integrated risk control and management system** to respond to these challenges in coordination with all areas of the organisation. The Audit and Control Committee regularly reviews the system's effectiveness, while the Board of Directors is responsible for ensuring that the system is appropriate and effective.

Moreover, rolling out the integrated risk control and management system helps create a resilient control model at El Corte Inglés for identifying both current and emerging risks and, subsequently, classifying and monitoring them multiple early warnings. This allows for carrying out preventive actions, mitigating potentially adverse events that could materialise and seizing the opportunities that could arise in the market.



Lastly, El Corte Inglés Group has a specific corporate policy in place for mitigating the risks to which it could be exposed.

Risk control and management policy

Goals:

- To establish the basic principles and general framework of action for the identification, assessment, control and management of risks of any nature that the Group may face.

Basic risk control and management principles:

- Risk management protects value and contributes to the achievement of the organisation's strategic objectives.
- It must be integrated into all organisational processes, especially the decision-making process.
- It should ensure that adequate control mechanisms are in place to eliminate or mitigate risks.
- The Group's Risk Control and Management Policy should be aligned with other more specific management policies.
- It should collect and report on the organisation's potential risks in a transparent manner, as well as on the functioning of the system developed to control and manage them.
- It should be dynamic, regularly reviewed and take into account the external and internal context of the organisation.
- It should be participatory: ownership ensures that management and control are kept applicable and up to date.
- It should act in accordance with the law and the relevant regulations in each case, as well as act in accordance with the Corporate Governance System, in particular its Code of Ethics and compliance programme.

For further information:

<https://www.elcorteingles.es/recursos/informacioncorporativa/doc/portal/2018/01/30/risk-control-and-management-policy.pdf>

The **main achievements** in risk control and management in 2023 included:

- Completing the third stage of continuous monitoring through key risk indicators (KRIs) and identification of controls. This system currently monitors all corporate risks. Residual risks (i.e. after executing control activities) in the Corporate Risk Map are 'very high' and 'high'.
- Expanding the portfolio of controls related to residual risks considered very high and high, strengthening the control system in place.
- Implementing improvements to our approach to evaluating the reputational impact of risks. We moved from a subjective assessment to a four-stage approach, resulting in a more in-depth analysis of risks and a more accurate understanding of their scope and potential impact on corporate reputation.
- Updating the El Corte Inglés-Grandes Armazéns (Portugal) Risk Map at 28 February 23.
- Updating our Climate Risk Matrix. We conducted an in-depth assessment of both transitional and physical risks and identified climate change-related opportunities and potential financial impacts for the organisation over short term (< 1 year), mid-term (1-5 years) and long term (to 2030 or 2050) time horizons.
- Fostering a risk control culture through risk control and management training and awareness of managers and employees.
- Creating, in August 2023, a working group to assess risks related to artificial intelligence (AI). The overarching objective is to ensure the correct and reliable use of AI by all members of the organisation in managing information.

The Audit and Control Committee held 10 meetings in 2023. Topics addressed included the increased exposure to risk during the year compared to the previous assessment. Meanwhile, the Compliance and Risk Control Committee met four times, taking decisions on the integrated risk control and management system.

PRINCIPAL RISKS

El Corte Inglés believes that identifying risks is crucial for its decision-making. The Risk Control and Management Function, in conjunction with senior management, performs an in-depth assessment to detect all potential risks that could affect the achievement of the objectives in the Strategic Plan.

In addition to this assessment, it studies market reports and reports from leading institutions in detail to gain insight into external viewpoints and identify trends that could potentially be relevant to our assessment. Then, we classify these risks by criticality based on their potential impact (financial, reputational and/or corporate responsibility) and probability of occurrence.

Taking the most widely recognised benchmark models, we classify risks into **four main categories**:

Principal risk categories

| Strategic | Operational | Financial | Compliance |
|--|--|---|--|
| <ul style="list-style-type: none"> Social and political environment* Transformation and omnichannel retailing Real estate management Customer and stakeholder engagement* Sustainability and social responsibility* | <ul style="list-style-type: none"> Supply and logistics chain* Systems and technology Products and services Human resources and talent management* | <ul style="list-style-type: none"> Finance* Responsible tax policy* Financial and management reporting | <ul style="list-style-type: none"> Internal compliance Regulatory compliance: <ul style="list-style-type: none"> Criminal law Corporate regulations |

* Risks with significant ESG (environmental, social and governance) impact.

After identifying, classifying and assessing each risk, we draw up the necessary procedures to help detect them before they materialise. To do so, we use key indicators that help prevent or mitigate the adverse impacts on these risks if they do materialise. The system is aligned with the **ERM-COSO** (Enterprise Risk Management-Committee of Sponsoring Organizations of the Treadway Commission) **model**.

STRATEGIC

Social and political environment

The impacts of ongoing wars, coupled with social and political disputes, have particularly undermined the availability of certain products and cost of supplies. This has led to macroeconomic uncertainty with major implications at all levels, including inflation and rising interest rate hikes.

Considering the individual impact of each risk event and the potential for their simultaneous occurrence is crucial, as they can exacerbate the overall impact as correlated factors come into play.

Some experts use the term VUCA (volatility, uncertainty, complexity and ambiguity) to describe today's challenges for business decision-making. Events unfold quickly and are often unpredictable, e.g. the wars in Europe and the Middle East.

Framed by this macroeconomic landscape, governments and central banks have taken steps that bode well for a recovery in activity in 2024, with Next Generation EU funds as one driver. The new economic backdrop will likely help transform Spain's business fabric, bring down inflation and lift wages, directly impacting household disposable income.

To address this complex situation, the Group responds promptly to any new event that arises in the economy and analyses the various possible scenarios considering all the variables that affect its business. Moreover, it takes in account the interaction between these variables so it can take the best decisions based on probability of occurrence.

Transformation and omnichannel retailing

Technological changes have opened the door to new market entrants, more aggressive commercial policies, price discounts and broad flexibility to make change. Meanwhile, the health crisis prompted many competitors to strengthen their online sales, which they have continued to do since then.

Today's consumers want to have all potential sales channels at their fingertips, so they choose which one they want to do their shopping (multichannel customer).

The omnichannel strategy is part of El Corte Inglés' commercial commitment: to provide quality service to customers irrespective of the sales channel they use to make purchases (physical or online). These channels are conceived as a single platform that should provide a cohesive shopping experience, upholding the same standards of quality and excellence that are the organisation's hallmark.

Leveraging its competitive advantages, such as the prime locations of its department stores, its service quality, and its broad and integrated retail offering across all sales channels, El Corte Inglés offers a unique customer experience.

The Company has also implemented a number of initiatives to ensure and enhance customer experience by:

- Investing in its retail establishments and rolling out new transformation initiatives at Group companies.
- Meeting the digital transformation head on using the right tools.
- Innovating through the use of new technologies.
- Entering into alliances with strategic partners and digital platforms.

The Company is constantly weighing up potential initiatives to retain customer loyalty and offer new customer experiences.

Real estate management

El Corte Inglés has acquired real estate since its beginnings, thanks to its expansion and commitment to Spanish society of providing customers with quality services within their reach.

Considering real estate as a competitive advantage, our goal is to ensure that all our assets are fully operational and being used in the best way possible, pinpointing needs for investment, maintenance or, where appropriate, restructuring.

The Group's Real Estate area proactively manages the real estate portfolio, tracking macroeconomic variables that could have an impact on its value. The aim is to limit the related risks and find the best opportunities in the market that can add value to our business model.

Customer and stakeholder engagement

El Corte Inglés has built a unique brand image, primarily by continuously striving for excellence in customer service through employee engagement and hard work, but also by providing quality product and services, and assuming a responsibility, with Spanish and Portuguese society, of supporting the most important charities and social causes.

The Company considers fluid communication with customers and other stakeholders to be a crucial driver for generating value and trust.

We have control tools in place for this, including a reputational risk assessment model, ongoing monitoring of mass and social media, and surveys to continuously improve and strengthen the trust of our stakeholders.

Through this engagement, the organisation identifies potential opportunities in other sectors of activity that it can tap to improve and broaden its product and service offering to all stakeholders.

Sustainability

Sustainability has become one of the top challenges for governments around the world. As a result of its increasing importance, myriad laws have been enacted and there have been numerous developments in legislation. This trend is likely to gather momentum to address and meet the sustainable development goals (SDGs) set out in the 2030 Agenda. Our organisation must adapt to these legislative initiatives, while addressing other needs inherent to the business.

Climate change has direct impacts on the retail sector. Extreme weather events, which are becoming increasingly frequent, are an example of the global climate change trend.

With respect to supply, risk could materialise directly from the occurrence of dramatic weather events, preventing the free movement of goods, or water shortages for crops, resulting in a reduction in key raw materials for textiles. The Group is currently diversifying its purchasing channels to prevent excessive reliance on countries that are more exposed to the impacts of climate change already taking place.

Climate change also affect sales, making it necessary to adapt the sales offering to new seasonality. We mitigate the potential adverse impacts of this sector by closely managing our assortment of products and services and seasonal inventory levels.

The UN endeavours to mitigate and manage these risks through legally binding agreements. However, there is widespread concern among the main institutions tasked with measuring these environmental factors, as they fear that the steps taken are insufficient and that these agreements will not be honoured.

A detailed assessment of climate-related risks and opportunities is provided the "Our environmental management" chapter.

Stakeholders are demanding that companies not only deliver a good financial performance, but also commit to finding a solution to social problems. El Corte Inglés views meeting stakeholder expectations to be essential and has implemented initiatives to promote a more inclusive, diverse and, therefore, better society.

It is aware of the need for proactive project management to help ensure the well-being of society bearing in mind strategic risks, like the demographic challenge. Furthermore, being linked to society, the Organization is significantly affected by the increase in inequalities in the social sphere. This close relationship means that the progress of the Organization also depends on the progress of the society where it carries out its activity.

OPERATIONAL

Supply and logistics chain

In recent years, companies have developed global supply chains to ensure a high level of specialisation in each link. This strategy provides them with several benefits, such as cost savings and, therefore, a competitive advantage.

Nevertheless, geopolitical tensions in recent years have shown just how vulnerable supply chains are and how important it is to take steps to make them more resilient. El Corte Inglés has supply chains that provide it with a broad range of products from different sources and with different destinations.

That's why we have geared our efforts towards strengthening relationships with suppliers of goods and services so as to ensure stable supply and be ready for any potential disruptions. Key initiatives include implementing an integrated logistics management model that coordinates and optimises all areas, along with planning and demand forecasting. We have also improved point-of-sale supplies by adopting state-of-the-art IT tools.

Systems and technology

Through massive use of technological devices, the Company is now hyperconnected. This increases exposure to attacks by cybercriminals, who use advanced automation techniques and algorithms to detect weaknesses of supply chain operators. This is forcing these operators and all organisations in general (including El Corte Inglés Group) to step up their cybersecurity and data protection efforts considerably if they want to safeguard their systems' integrity.

Operationally, we must control situations like loss of availability due to failures in systems or equipment so we can continue to operate. It is also important to shorten system response times, as otherwise this could have major financial, reputational and even legal consequences.

When it comes to protecting IT infrastructure, the data processing centres (DPC) play a crucial role in ensuring service continuity through the contingency plans in place. These plans include DPC redundancy, communications, critical services and information, along with regular testing to verify capacity and effectiveness.

Elsewhere, the Company's increasing interconnection and the digital monitoring of its activities have led to the development of new advanced tools that leverage data to identify emerging consumption patterns or even shifts in demand. The data increase the chances of success of decision-making. The end result is an unparalleled customer database that provides data on customers' purchasing preferences so offers can be more tailored to their needs. Use of the data affords a competitive advantage in the marketplace. However, it also poses challenges that require meticulous coordination across the entire organisation to ensure that data are used in compliance with the General Data Protection Regulation.

Robotisation and artificial intelligence (AI) in their myriad applications must be analysed so we identify these activities and assess the related risks in terms of training, operation, review and compliance of the AI models used by both our people and El Corte Inglés Group partners in managing the organisation's information.

Products and services

El Corte Inglés offers an extensive and varied range of products and services through a portfolio designed to meet the needs of all our customers. However, this diversification exposes us to several types of risk related to management of merchandise available for sale. These include inventory measurement, stock rotation, potential obsolescence, sudden fluctuations in demand and shrinkage (e.g. theft, waste, or administrative errors).

To address these situations, we implement a range of initiatives designed to minimise human error and set formal review and product safety procedures. We also continuously analyse data to detect changes in consumer behaviour and demand, so we can determine the most effective pricing strategies.

Human resources and talent management

One of El Corte Inglés' most valuable resources is its committed people. The organisation recognises the importance of having employees who have a sense of belonging to the organisation, are aligned with its strategy and culture, and are capable of tackling current and future challenges.

El Corte Inglés Group is one of Spain's biggest employers, with over 80,000 direct hires. To get to here required implementing an organisational management strategy that defined the functions and dependency relationships of all the organisation's members.

Key challenges include identifying and garnering the loyalty of talent. Offering each employee training, career and compensation plans that are in line with the market based on their skills and areas for improvement constitute a competitive advantage for the organisation and an opportunity to strengthen a corporate culture that can adapt to needs as they arise.

El Corte Inglés has rolled out initiatives to address these challenges, providing access to continuous training, offering employee benefits, and promoting flexibility and work-life balance for all employees.

FINANCIAL

Finance

Financial markets are being hit by economic, social and political uncertainty, making it difficult to predict and anticipate common financial risks, e.g. interest rate and foreign currency risks.

In the current inflationary environment, the main central banks are implementing restrictive monetary policies, hiking interest rates to control the amount of money in circulation while also attempting to curb the widespread increase in prices.

These measures, coupled with other factors such as the energy crisis and supply chain disruptions, sparked reactions by financial markets during the year, causing companies' finance costs to rise. The Group enters into derivative financial instruments to mitigate this exposure based on its outlook for interest rates and its long-term capital structure targets. Management performs sensitivity analyses to ensure that potential changes in interest rates do not have major repercussions.

To avoid exchange rate volatility, El Corte Inglés' approach focuses on reducing price uncertainty by entering into currency hedges or long-term fixed price contracts, all in an attempt to minimise the potential adverse implications for profitability.

This way, El Corte Inglés remains committed to reducing liabilities, adapting to the prevailing market situation and meeting expectations of rating agencies and investors. Moreover, the financing obligations assumed by the Company are linked to sustainability objectives, which strengthens its commitment to the wider society and sustainable finance.

Management has defined an appropriate framework for controlling the Group's liquidity needs in the short, medium and long term. The Group manages liquidity by maintaining adequate funds, using appropriate bank services, keeping undrawn credit and loan facilities and continuously monitoring prevailing and forecast cash flows, matching them with the maturity schedule of its financial assets and liabilities.

Responsible tax behaviour

Risk related to responsible tax behaviour covers actions by the Group that could, for instance, involve taking the wrong decisions regarding taxes that could give rise to contingent liabilities, penalties, or long-term tax assets whose recovery could be difficult.

Subjective interpretation of tax laws, not to mention continuous changes to taxes, could result in the Group's having different interpretations than the government and taking tax-related decisions that are not aligned with government expectations.

In this scenario, El Corte Inglés analyses all applicable tax laws as it strives to prevent differences of interpretation.

As one of Spain's largest organisations, El Corte Inglés makes a significant tax contribution, paying both direct taxes (e.g. personal income tax withholding, corporate income tax), and indirect taxes (VAT), in addition to other contributions. Our stakeholders are lobbying more and more for solidarity-based management of local, regional, national and international taxes.

Moreover, different areas in the organisation execute and review the automatic controls put in place to minimise risk arising from manual operations and ensure tax compliance at all levels.

Financial and management reporting

The financial and management information produced by all areas of the organisation is crucial for ensuring effective and efficient decision-making.

The organisation has started up projects with the aim of ensuring that the information used is unique, traceable, updated, complete and reliable.

Meanwhile, as a public-interest entity according to Spain's Audit Act, El Corte Inglés must assure that the financial information generated in its business areas is reflected correctly in its annual financial statements. To do so, the organisation has an Internal control over financial reporting (ICFR) system that complies with the requirements of Spain's securities market regulator (Comisión Nacional del Mercado de Valores or "CNMV"). The effectiveness of this control system is verified either independently by the Group's internal audit function, which reviews a sample of controls included in this model, or by the first and second lines, Operations and Control bodies, respectively, which carry out self-assessments of controls.

As for non-financial reporting, the organisation has a Sustainability area, which continuously analyses legal requirements and potential initiatives that could be implemented to enhance the quality and reliability of the sustainability information produced.

COMPLIANCE

Compliance risks are risks to which El Corte Inglés Group is exposed for its obligations to comply with:

- i. Spanish or international laws and regulations covering all areas of law; e.g. administrative, civil, business, labour and, especially, criminal.
- ii. Codes of conduct or best practices endorsed voluntarily by the Group.
- iii. Ethics principles and the implementing internal rules and regulations.

The creation of the Compliance Function in 2017 marked a further step forwards by the Group in defence of regulatory compliance and ethical, upstanding and socially responsible behaviour in performing its corporate activity. Its objectives, in terms of compliance risk, include:

- i. Advising the Board of Directors on compliance with applicable legal and regulatory provisions and self-regulatory rules and principles developed internally or which it has endorsed.
- ii. Preventing, detecting and responding to compliance risks, especially crime risks.
- iii. Reporting, regularly and systematically, material compliance incidents and incidents related to the effectiveness of the compliance system, especially criminal incidents.
- iv. Supervising the effective functioning of the Group's compliance model in general and the crime prevention model in particular.
- v. Evaluating the impact that any changes in Spanish or international laws or case law could have on the Group's operations, activities and resulting compliance risks.
- vi. Promoting awareness campaigns and training on the knowledge and skills required for everyone in the organisation to assume their responsibilities for preventing, detecting and managing crime risks.

Specific compliance-related actions are presented in the "Compliance function" section of the "Our governance" chapter (pp. 73 and 74).



Reporting Principles and Transparency

[GRI 2-29]

This report has been prepared using the Global Reporting Initiative (GRI) Standards for sustainability reporting and elements of the EU Corporate Sustainability Reporting Directive (CSRD). It also took into consideration the principles of the United Nations Global Compact, of which El Corte Inglés is a signatory since 2002, and the Sustainable Development Goals (SDGs).

The report addresses the recommendations of the Spanish National Securities Market Commission's Guide for the preparation of management reports of listed companies, and Law 11/2018 on non-financial and diversity reporting.

The main principles applied to prepare this report were:

| | |
|-------------------------------|--|
| Accuracy | Qualitative and quantitative information is reported so all stakeholders can assess the Group's sustainability performance. |
| Balance | The reported information reflects all aspects of El Corte Inglés Group's performance to enable a reasoned assessment of overall performance. |
| Clarity | Information is presented in a manner that is understandable, organised and accessible to all stakeholders. |
| Comparability | The report mostly follows the international GRI reporting standards, which include indicators that enable stakeholders to make comparisons with the previous year and with other sector companies that adhere to these standards and analyse the Group's performance on certain material issues. |
| Completeness | The NFS includes coverage of the material topics identified in the materiality assessment and the related impacts. |
| Sustainability context | The Group has a materiality assessment in accordance with the GRI standard, which entailed analysis of El Corte Inglés' sustainability context. This report includes disclosures on sustainability topics that are material for the Group. |
| Timeliness | El Corte Inglés Group publishes the NFS annually for each financial year and makes it available to all stakeholders on the corporate website, in Spanish and English. |
| Verifiability | This report is subject to external assurance to assess the quality and credibility of the qualitative and quantitative information presented by the organisation. |

STAKEHOLDER ENGAGEMENT

El Corte Inglés Group establishes ongoing dialogue with stakeholders to know and address their needs and expectations, in order to keep their trust. Feedback provided in communications was used in preparing this report.



| | |
|---------------------------|---|
| Customers | Consumers of our products and services: our raison d'être. |
| Opinion leaders | Media, analysts and social media influencers. They provide the quickest way to communicate with the rest of our stakeholders. |
| Business community | Spanish and international business associations and bodies with which we share experiences. |
| Institutions | The governments and local, regional and international representatives with which we work for the betterment of society. |
| Employees | Our team is the Group's main asset for carrying on its business. |
| Suppliers | The brands and companies with which we develop long-term business relationships based on ethics and trust. |
| Capital | Individuals, legal entities and entities with capital interests. They provide us with the financial resources to achieve sustainable growth. We include rating agencies in this block, as they are essential for defining out agenda. |
| Society | Local communities, NGOs, academia, civil society and environmental organisations. |

El Corte Inglés Group uses a broad range of communication channels to notify each of its stakeholder groups of its most important developments and news and to maintain dialogue with them:

- Customer service
- Social media
- Corporate website
- El Corte Inglés store websites and app
- Whistle-blowing channel
- Complaint box
- Surveys
- Forums
- Events
- Newsletters
- The NEXO intranet

Since 2005, El Corte Inglés has had steady and ongoing dialogue with a stakeholder working group comprising representatives of consumer associations, trade unions, NGOs and the academic world.

The 5th Active Participation Stakeholder Forum was held on 7 February 2024. This year's edition was articulated around an ESG approach, with three thematic roundtables. Each was composed of an expert member from El Corte Inglés and guests who contributed their theoretical view of the specific ESG topic or experience with joint projects carried out with the Company:

- Table E: Working towards circularity
- Table S: Sustainable customers
- Table G: ESG risk control

The event is designed to present the progress made by El Corte Inglés in the area of sustainability to its stakeholders and obtain their feedback (i.e. concerns and expectations).

Some of the sustainability topics that interested the Company's stakeholders were: global traceability of the supply chain, managing the environmental impact of textiles, reinforcing the sustainable product offering, raising customer awareness about responsible consumption and keeping up with our community action activities.

Approximately 200 people attended (in-person and online).

MATERIALITY ASSESSMENT

El Corte Inglés Group's materiality assessment was performed in accordance with GRI 3: Material Topics, also using as a reference, the recommendations issued by the European Financial Reporting Advisory Group (EFRAG), appointed technical advisor to the European Commission developing and issuing European Sustainability Reporting Standards (ESRS) under the framework of the Corporate Sustainability Reporting Directive (CSRD).

An in-depth study of the topics affecting our businesses was carried out to determine the list of material topics related to sustainability around which this report is articulated. First, the organisation's context was analysed. This entailed considering the types of activities the Company carries out, its business relationships and the sustainability context, focusing on initiatives at global, European and national level. Examples include: the UN Sustainable Development Goals, the Carbon Disclosure Project, the European Green Deal, the Proposal for a Directive on Corporate Sustainability Due Diligence to address human rights and environmental impacts, future European law to fight global deforestation, New Consumer Agenda 2020-2025, Waste Law 7/2022, Circular Economy Action Plan 2020.

Then, the Group identified its actual and potential impacts on the economy, environment and people, considering its activity, business lines, business relationships and the sustainability context. It recorded the positive and negative impacts, evaluating their importance and identifying those that could affect human rights.

By grouping the priority impacts into common topics and subsequently benchmarking them against peers in the Group's geographical environment or with a similar business model, leading non-financial reporting standards and evaluation criteria of ESG rating agencies, a series of customized material topics for the Group were determined. These topics are grouped into four categories: Planet, Customers, Company and Society, and Value Chain.

LIST OF MATERIAL TOPICS

[GRI 3-2]

The topics identified were prioritised and reviewed in a consultation process with the Company's stakeholders. We contacted both internal stakeholders (i.e. various business lines and functions) and external stakeholders (e.g. representatives of customers, institutions and civil society, suppliers, trading partners and financial institutions). The consultation process entailed a combination of interviews and surveys, including questionnaires used to collect responses that we could then use to assess the importance of the material topics according to their impact on the business, society and the environment.

| PLANET | CUSTOMERS | COMPANY AND SOCIETY | VALUE CHAIN |
|---|---|---|--|
| <p>Promotion of practices and business models with a commitment to the environment.</p> <ul style="list-style-type: none"> • Circular economy • Eco-friendly packaging • Energy efficiency of facilities • Use of renewable sources of energy | <p>Customer relations and impact through our service offering.</p> <ul style="list-style-type: none"> • Responsible customer relations • Cybersecurity and data protection • Product and service safety • Sustainable product and service offering • Healthy products and lifestyles | <p>Social and organisational components with the company and its surroundings.</p> <ul style="list-style-type: none"> • Good governance • People and talent management • Diversity, equality and inclusion • Occupational health and safety • Contribution to social development | <p>Assessment of the value chain from the Social and Environmental dimensions.</p> <ul style="list-style-type: none"> • Value chain emissions • Logistics and sustainable transport • Social sustainability in the value chain • Natural resources |

El Corte Inglés Group materiality matrix

| | | | |
|---|---|---|---|
| + COMMUNITY AND ENVIRONMENTAL IMPACT | | <ul style="list-style-type: none"> • Occupational health and safety | <ul style="list-style-type: none"> • Responsible customer relations • Cybersecurity and data protection • Product and service safety |
| | <ul style="list-style-type: none"> • Sustainable product and service offering | <ul style="list-style-type: none"> • Social sustainability along the value chain • Energy efficiency of facilities • Eco-friendly packaging • Circular economy • Diversity, equality and inclusion • Contribution to social development • Value chain emissions • Natural resources | <ul style="list-style-type: none"> • Good governance |
| | <ul style="list-style-type: none"> • Use of renewable sources of energy • People and talent management • Sustainable logistics and transportation • Healthy products and lifestyles | | |
| - | | IMPACT ON THE BUSINESS | |

- Priority topic
- Very important
- Important
- Relevant

Within the materiality matrix, we categorised topics as priority, important or relevant.

Coverage of material topics in the NFS

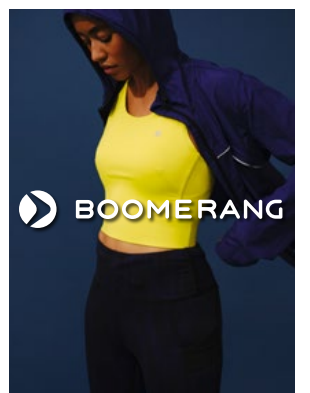
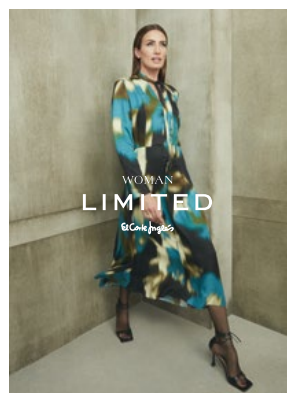
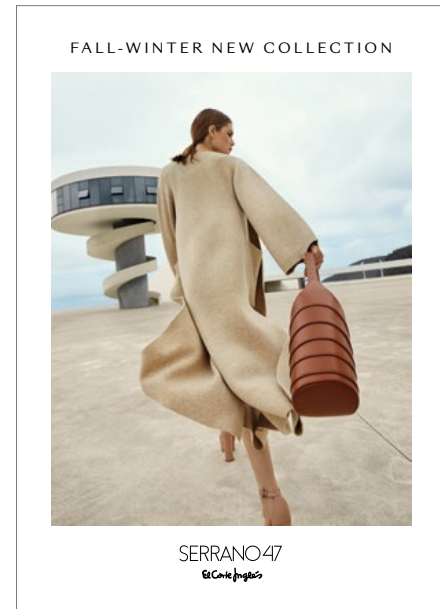
| Scope | Material topic* | Chapter in this report | Link to SDG |
|---------------------|--|--|--------------------------|
| Planet | Circular economy | 3.3 Our environmental management | 2, 9, 11, 12, 15 |
| | Eco-friendly packaging | 3.3 Our environmental management | 9, 12 |
| | Energy efficiency of facilities | 3.3 Our environmental management | 7, 9, 11, 13 |
| | Use of renewable sources of energy | 3.3 Our environmental management | 7, 13 |
| Customers | Responsible customer relations | 3.2.1 Our customers | 3, 10, 12 |
| | Cybersecurity and data protection | 3.1 Our corporate governance 3.2.1. Our customers | 9 |
| | Product and service safety | 3.2.1. Our customers | 3, 12 |
| | Sustainable product and service offering | 3.2.1 Our customers | 3, 9, 11, 12, 13, 14, 15 |
| Company and Society | Healthy products and lifestyles | 3.2.1 Our customers | 3, 12 |
| | Good governance | 3.1 Our corporate governance | 8, 16 |
| | Occupational health and safety | 3.2.2 Our team | 3, 8 |
| | Diversity, equality and inclusion | 3.2.2 Our team | 5, 10 |
| Value chain | People and talent management | 3.2.2 Our team | 4, 8 |
| | Contribution to social development | 3.2.4 Our relationship with society | 1, 4, 8, 10, 16, 17 |
| | Value chain emissions | 3.3 Our environmental management | 7, 9, 13, 17 |
| | Logistics and sustainable transport | 3.3 Our environmental management | 9, 13 |
| | Social sustainability in the value chain | 3.2.3 Supply chain | 8, 16, 17 |
| | | 3.3.1 Circular economy | 6, 13, 14, 15 |

* The material topics are the same as in 2022.

This materiality assessment, based on the GRI, is currently being reviewed with the recommendations set out in the Implementation Guidance for the Materiality Assessment, published at the end of 2023 by EFRAG, applying the principles of ‘double materiality’.

This exercise constitutes a workstream as part of the project to align the Group’s current non-financial reporting framework with the requirements set out in the EU Corporate Sustainability Reporting Directive (CSRD).

OUR COLLECTIONS



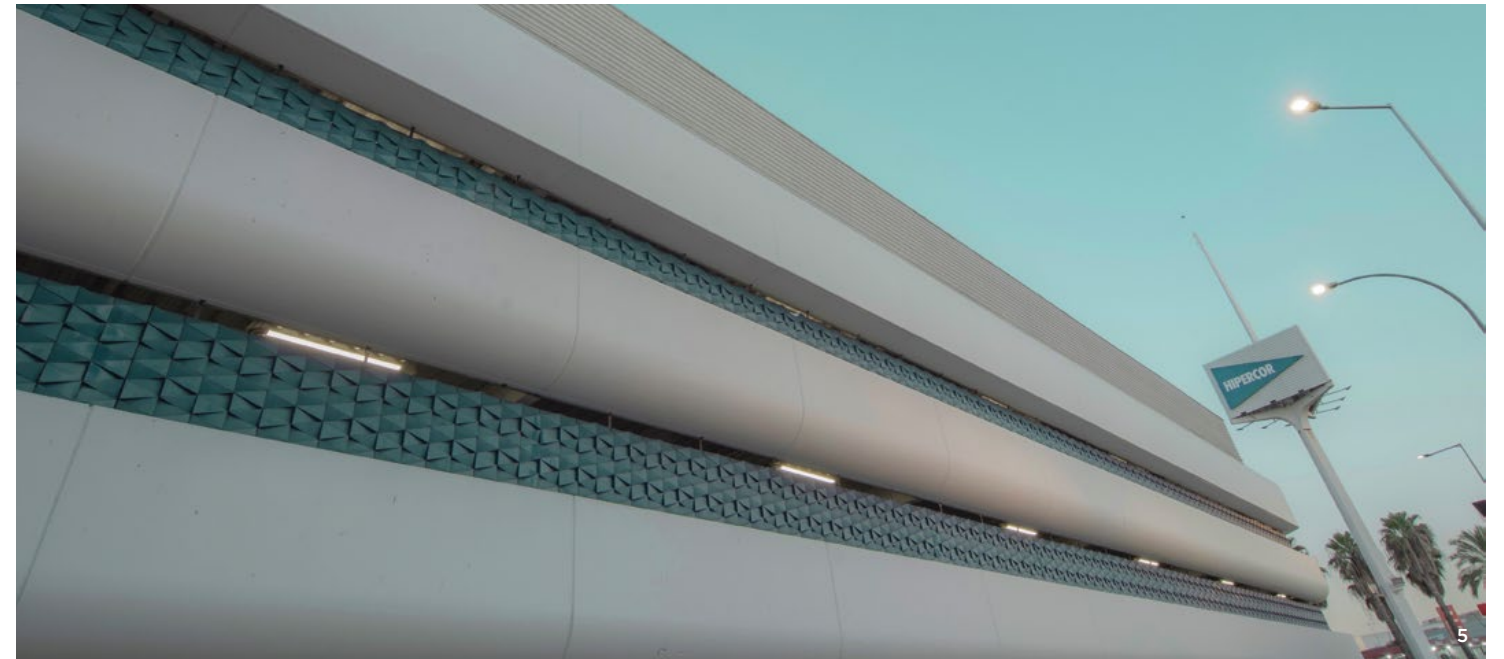
OUR STORES, IN CONSTANT FLUX

Providing all our customers with an unbeatable shopping experience. That has always been our dream. For them, we spent the past year upgrading our stores and other venues and creating innovative establishments and facilities.

Some of these improvements are on display across our Bilbao, Pozuelo, Jerez, Serrano stores, among others.



1. Sfera in Mexico.
2. Gourmet Club in Jerez.
3. Refurbishment of El Corte Inglés in Jerez.
4. UNIT Store in Rivas Vaciamadrid.
5. Ready Meals Counter at El Corte Inglés Goya, Madrid.
6. Refurbishment at El Corte Inglés of Serrano, Madrid.
7. Refurbishment at El Corte Inglés of Preciados, Madrid.
8. Facade at El Corte Inglés of Pozuelo, Madrid.



1. New terrace at the Gourmet Club of Pozuelo, Madrid.
2. Shoe store at El Corte Inglés of Jerez.
3. Boadilla Supercor refurbishment, Madrid.
4. El Corte Inglés of Castellana, Madrid.
5. Hipercor of Jerez.
6. Francesc Macià Supercor refurbishment, Barcelona.
7. Sanchez Romero Supermarket of Castelló-Goya, Madrid.



SURPRISE WITH UNIQUE EXPERIENCES

Beyond unique experiences, our goal is to create unforgettable moments for our clients.



1. Cortylandia at El Corte Inglés of Preciados, Madrid.
2. Latin Grammy Gala.
3. Mr. Gay Pride Gala Spain.
4. San Silvestre, Madrid.
5. "Antes del tiempo" by Isabel Muñoz at the storefronts of El Corte Inglés of Preciados, Madrid.
6. New Event.
7. Arrival of the Foc at El Corte Inglés of Maisonnave in Alicante.
8. The magic of Christmas at El Corte Inglés of Castellana, Madrid.
9. VIII King Juan Carlos boat race, Sanxenxo.

Appendices

I. NON-FINANCIAL INDICATORS

[GRI 2-6] [GRI 2-7] [GRI 2-9] [GRI 2-19] [GRI 2-30] [GRI 207-4] [GRI 3-3] [GRI 402-1]
[GRI 403-9] [GRI 403-10] [GRI 404-1] [GRI 405-1] [GRI 405-2] [GRI 416-1]

OUR GOVERNANCE

| INDICATOR | Women | Men |
|--|-------------------|-------------------|
| Average remuneration by gender of members of the Board of Directors in 2023 | | |
| Remuneration associated with the exercise of director duties | €1,761,250 | €733,000 |
| Wages and salaries | €757,305 | €1,022,382 |
| Average remuneration excluding termination benefits | €2,518,555 | €1,755,382 |
| Termination benefits | €0 | €0 |
| Average remuneration 2023 | €2,518,555 | €1,755,382 |
| Average remuneration by gender of members of the Board of Directors in 2022 | | |
| Average remuneration 2022 | €1,760,953 | €1,757,715 |
| Average remuneration by gender of members of the Board of Directors in 2021 | | |
| Average remuneration 2021 | €1,697,034 | €1,566,555 |

GRI 2-9 Governance structure and composition

| Position | Full name / Company name | Representative | Gender | Date of first appointment and latest reappointment | Age group | Executive or non-executive | Independence | Number of other significant positions and commitments held and their nature |
|--------------|--|----------------------------------|--------|--|-----------|----------------------------|--------------|---|
| Chairwoman | Marta Álvarez Guil | | F | 08.30.15 (D) / 07.10.19 (C) / 07.26.20 (D)(C) | > 50 | Executive | No | • Trustee of Ramón Areces Foundation |
| Board member | Cristina Álvarez Guil | | F | 08.30.15 / 07.26.20 | > 50 | Non-executive | No | • Trustee of Ramón Areces Foundation |
| Board member | Fernando Bécker Zuazua | | M | 08.26.18 / 07.21.23 | > 50 | Non-executive | Yes | |
| Board member | Cartera Mancor, S.L. | Paloma García Peña | F | 08.31.08 / 07.21.23 | > 50 | Non-executive | No | • Director of Viajes El Corte Inglés Group |
| Board member | Corporación Ceslar, S.L. | Carlota Areces Galán | F | 08.26.18 / 07.21.23 | > 50 | Non-executive | No | • Director of Viajes El Corte Inglés Group |
| Board member | Manuel Pizarro Moreno | | M | 08.31.14 / 08.25.19 | > 50 | Non-executive | Yes | • Director at Sanitas • Director at Henneo Media, S.A. |
| Board member | José Ramón de Hoces Íñiguez | | M | 02.26.20 (S) / 07.26.20 (D) | < 50 | Executive | No | • Trustee of Ramón Areces Foundation |
| Board member | Javier Rodríguez-Arias Ambrosini | | M | 03.28.22 / 07.22.22 | > 50 | Executive | No | • Director of Viajes El Corte Inglés Group • Director of Seguros ECI • Director of CESS |
| Board member | Mutua Madrileña Automovilista Sociedad de Seguros a Prima Fija | Ignacio Garralda Ruiz de Velasco | M | 05.31.22 | >50 | Non-executive | No | • Independent director of ENDESA • Director of Autoclub Mutua Madrileña, S.L. |

OUR CUSTOMERS

| INDICATOR | 2023 | 2022 | 2021 |
|--|-----------|---------|---------|
| Product quality and safety | | | |
| Number of food safety audits at our establishments | 1,392 | 1,364 | 1,200 |
| Customer incident management | | | |
| Number of incidents ³⁷ | 1,145,362 | 383,787 | 501,192 |

| Retail | Certifications and programmes | |
|------------------------------------|--|---|
| Food - FMCG | Marine Stewardship Council (MSC) Aquaculture Stewardship Council (ASC) Forest Stewardship Council (FSC) Programme for the Endorsement of Forest Certification (PEFC) Roundtable on Sustainable Palm Oil (RSPO) Rainforest Alliance Ecolabel Fair Trade Ecocert | GGN Certified Global GAP Animal Welfare Certified (IAWS) Natural cosmetics certification (ICEA) Organic production Sustainable Dairy Products Seal (PLS) Welfair World Fair Trade Organization (WFTO) Spain designation of origin Portugal designation of origin Protected Geographical Identification (PGI) Made in Spain |
| Textil, Hogar, Moda y Complementos | Forest Stewardship Council (FSC) Programme for the Endorsement of Forest Certification (PEFC) Leather Working Group Gold Organic Content Standard - 100% OCS Organic Content Standard - Blended OCS Better Cotton Initiative (BCI) Cotton made in Africa (CmiA) Global Organic Textile Standard (GOTS) Recycled cotton Econyl Global Recycled Standard Thread Recovery Orange Fiber Piñatex Recycled plastic Recycled feather Recycled polyester Recycled Claim Standard (RCS) 100 Recycled Claim Standard (RCS) Blended Refibra by TENCEL Roica | Seaqual Singtex Bluesign Cradle to Cradle Ecolabel JEANOLOGÍA water-saving patent Livaeco Made in Green by OEKO-TEX Standard 100 by OEKO-TEX Fair Trade ECOCERT GGN Certified Global GAP LENZING ECOVERO TENCEL modal fiber Organic production Responsible Down Standard (RDS) Responsible Wool Standard (RWS) TENCEL Lyocell Made in Portugal Protected Geographical Identification (PGI) Spanish fashion (ModaÑ) Made in Spain |
| Hard goods | Forest Stewardship Council (FSC) Programme for the Endorsement of Forest Certification (PEFC) Leather Working Group Gold Organic production Organic Content Standard - 100% OCS Global Organic Textile Standard (GOTS) Made in Green by OEKO-TEX Standard 100 by OEKO-TEX Econyl Global Recycled Standard Orange Fiber | Recycled plastic Recycled glass Energy rating of B or higher Cradle to Cradle Ecolabel Blue Angel ECOCERT LENZING ECOVERO Responsible Minerals Initiative Made in Portugal Protected Geographical Identification - PGI Made in Spain |

OUR TEAM

| INDICATOR | 2023 | 2022 | 2021 |
|---|-------------------|-------------------|-------------------|
| Workforce breakdown by gender | | | |
| Women | 50,679 | 50,323 | 49,402 |
| Men | 31,035 | 30,549 | 28,801 |
| Total | 81,714 | 80,872 | 78,203 |
| Workforce breakdown by country | | | |
| | 2023 Total | 2022 Total | 2021 Total |
| Spain | 76,073 | 75,357 | 73,138 |
| Portugal | 3,397 | 3,565 | 3,361 |
| Mexico | 1,441 | 1,225 | 999 |
| China | 159 | 163 | 157 |
| Bangladesh | 70 | 0 | 0 |
| Chile | 147 | 127 | 117 |
| India | 50 | 50 | 52 |
| Colombia | 121 | 101 | 52 |
| Greece | 27 | 45 | 41 |
| Argentina | 0 | 12 | 30 |
| Vietnam | 25 | 26 | 29 |
| Poland ³⁸ | 0 | 0 | 26 |
| Morocco | 20 | 21 | 21 |
| Turkey | 18 | 20 | 21 |
| Peru | 43 | 33 | 19 |
| Hong Kong | 12 | 12 | 13 |
| Panama | 12 | 12 | 11 |
| United States | 6 | 6 | 10 |
| Ecuador | 15 | 12 | 10 |
| France | 3 | 7 | 8 |
| Italy | 17 | 0 | 6 |
| Uruguay | 16 | 6 | 5 |
| Dominican Republic ³⁹ | 0 | 0 | 3 |
| Germany | 1 | 0 | 0 |
| Arab Emirates | 41 | 0 | 0 |
| Total | 81,714 | 80,872 | 78,203 |
| Workforce breakdown by age bracket | | | |
| Under 30 | 11,364 | 11,043 | 9,737 |
| 30 to 50 | 41,671 | 44,264 | 44,949 |
| Over 50 | 28,679 | 25,565 | 23,517 |
| Total | 81,714 | 80,872 | 78,203 |

³⁷ Includes data on complaints, official grievances and other incidents. Data for 2023 are not comparable with previous years due to changes in the organisational chart of Salesforce and the inclusion of e-Commerce in Salesforce.

³⁸ There were no employees in Poland in 2023 after Sfera discontinued its operations in the country.

³⁹ There were no employees in the Dominican Republic in 2023 after the discontinuation of the Viajes El Corte Inglés Group's activity.

| INDICATOR | 2023 Total | 2022 Total | 2021 Total | | | | | | |
|---|---------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Workforce breakdown by employee category | | | | | | | | | |
| Managers | 7,269 | 7,143 | 7,625 | | | | | | |
| Coordinators | 2,772 | 3,165 | 3,300 | | | | | | |
| Skilled professionals | 6,369 | 5,977 | 4,976 | | | | | | |
| Professionals | 51,327 | 52,701 | 53,202 | | | | | | |
| Staff ⁴⁰ | 13,977 | 11,886 | 9,100 | | | | | | |
| Total | 81,714 | 80,872 | 78,203 | | | | | | |
| Workforce breakdown by area | | | | | | | | | |
| Sales | 56,180 | 57,180 | 56,985 | | | | | | |
| Administration | 12,707 | 11,240 | 11,490 | | | | | | |
| Services | 12,827 | 12,452 | 9,728 | | | | | | |
| Total | 81,714 | 80,872 | 78,203 | | | | | | |
| Workforce breakdown by business line | | | | | | | | | |
| Retail | 71,138 | 71,345 | 69,091 | | | | | | |
| Viajes El Corte Inglés Group | 6,653 | 5,732 | 5,641 | | | | | | |
| SICOR Group | 3,848 | 3,721 | 3,419 | | | | | | |
| Other | 75 | 74 | 52 | | | | | | |
| Total | 81,714 | 80,872 | 78,203 | | | | | | |
| Employees with disabilities | | | | | | | | | |
| Number of employees with disabilities | 1,649 ⁴¹ | 1,600 | 1,250 | | | | | | |
| Workforce breakdown by seniority | | | | | | | | | |
| Less than 5 years | 21,622 | 20,526 | 18,551 | | | | | | |
| From 5 to 15 years | 14,623 | 14,619 | 16,335 | | | | | | |
| Over 15 years | 45,498 | 45,727 | 43,317 | | | | | | |
| Total | 81,714 | 80,872 | 78,203 | | | | | | |
| Workforce breakdown by contract type and gender | | | | | | | | | |
| | 2023 | | | 2022 | | | 2021 | | |
| | M | W | Total | M | W | Total | M | W | Total |
| Permanent contracts | 30,231 | 49,255 | 79,486 | 29,612 | 48,612 | 78,224 | 26,524 | 46,154 | 72,678 |
| Temporary contracts ⁴² | 804 | 1,424 | 2,228 | 937 | 1,711 | 2,648 | 2,277 | 3,248 | 5,525 |
| Total | 31,035 | 50,679 | 81,714 | 30,549 | 50,323 | 80,872 | 28,801 | 49,402 | 78,203 |
| Workforce breakdown by contract type and age bracket | | | | | | | | | |
| INDICATOR | 2023 Total | 2022 Total | 2021 Total | | | | | | |
| Permanent contracts | Under 30 | 10,280 | 9,726 | 6,796 | | | | | |
| | 30 to 50 | 40,661 | 43,079 | 42,640 | | | | | |
| | Over 50 | 28,545 | 25,419 | 23,242 | | | | | |
| | Subtotal | 79,486 | 78,224 | 72,678 | | | | | |

⁴⁰ The number of staff increased by 18% from the year before due to new hires.

⁴¹ Number of El Corte Inglés Group employees in Spain and Portugal with disabilities in 2023. More employees with disabilities were hired during the year compared to 2022, in line with the Group's commitment to society.

⁴² The decrease in temporary contracts was the result of the increase in permanent hires in accordance with Royal Decree-Law 32/2021.

| INDICATOR | 2023 Total | 2022 Total | 2021 Total | | | | | | |
|---|-----------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Temporary contracts | Under 30 | 1,084 | 1,317 | 2,941 | | | | | |
| | 30 to 50 | 1,010 | 1,185 | 2,309 | | | | | |
| | Over 50 | 134 | 146 | 275 | | | | | |
| | Subtotal | 2,228 | 2,648 | 5,525 | | | | | |
| Total | 81,714 | 80,872 | 78,203 | | | | | | |
| Workforce breakdown by contract type and employee category | | | | | | | | | |
| Permanent contracts | Managers | 7,259 | 7,140 | 7,617 | | | | | |
| | Coordinators | 2,753 | 3,147 | 3,275 | | | | | |
| | Skilled professionals | 6,024 | 5,558 | 4,908 | | | | | |
| | Professionals | 50,969 | 52,281 | 51,800 | | | | | |
| | Staff | 12,481 | 10,098 | 5,078 | | | | | |
| Subtotal | 79,486 | 78,224 | 72,678 | | | | | | |
| Temporary contracts | Managers | 10 | 3 | 8 | | | | | |
| | Coordinators | 19 | 18 | 25 | | | | | |
| | Skilled professionals | 345 | 419 | 68 | | | | | |
| | Professionals | 358 | 420 | 1,402 | | | | | |
| | Staff | 1,496 | 1,788 | 4,022 | | | | | |
| | Subtotal | 2,228 | 2,648 | 5,525 | | | | | |
| Total | 81,714 | 80,872 | 78,203 | | | | | | |
| Workforce breakdown by employment type and gender | | | | | | | | | |
| | 2023 | | | 2022 | | | 2021 | | |
| | M | W | Total | M | W | Total | M | W | Total |
| Full-time | 26,707 | 31,824 | 58,531 | 26,704 | 32,009 | 58,713 | 25,160 | 29,832 | 54,992 |
| Part-time | 4,328 | 18,855 | 23,183 | 3,845 | 18,314 | 22,159 | 3,641 | 19,570 | 23,211 |
| Total | 31,035 | 50,679 | 81,714 | 30,549 | 50,323 | 80,872 | 28,801 | 49,402 | 78,203 |
| Workforce breakdown by employment type and age bracket | | | | | | | | | |
| INDICATOR | 2023 Total | 2022 Total | 2021 Total | | | | | | |
| Full-time | Under 30 | 6,617 | 6,858 | 5,599 | | | | | |
| | 30 to 50 | 29,722 | 31,804 | 31,230 | | | | | |
| | Over 50 | 22,192 | 20,051 | 18,163 | | | | | |
| | Subtotal | 58,531 | 58,713 | 54,992 | | | | | |
| Part-time | Under 30 | 4,747 | 4,185 | 4,138 | | | | | |
| | 30 to 50 | 11,949 | 12,460 | 13,719 | | | | | |
| | Over 50 | 6,487 | 5,514 | 5,354 | | | | | |
| | Subtotal | 23,183 | 22,159 | 23,211 | | | | | |
| Total | 81,714 | 80,872 | 78,203 | | | | | | |

| INDICATOR | | 2023 Total | 2022 Total | 2021 Total | | | | | | |
|---|-----------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Workforce breakdown by employment type and employee category | | | | | | | | | | |
| Full-time | Managers | 6,653 | 6,615 | 7,166 | | | | | | |
| | Coordinators | 2,467 | 2,865 | 3,018 | | | | | | |
| | Skilled professionals | 5,457 | 5,040 | 4,011 | | | | | | |
| | Professionals | 35,474 | 36,753 | 35,611 | | | | | | |
| | Staff | 8,480 | 7,440 | 5,212 | | | | | | |
| | Subtotal | 58,531 | 58,713 | 55,018 | | | | | | |
| Part-time | Managers | 616 | 528 | 459 | | | | | | |
| | Coordinators | 305 | 300 | 282 | | | | | | |
| | Skilled professionals | 912 | 937 | 965 | | | | | | |
| | Professionals | 15,853 | 15,948 | 17,591 | | | | | | |
| | Staff | 5,497 | 4,446 | 3,888 | | | | | | |
| | Subtotal | 23,183 | 22,159 | 23,185 | | | | | | |
| Total | | 81,714 | 80,872 | 78,203 | | | | | | |
| Average annual contracts by contract type, employment type and gender | | | | | | | | | | |
| | | 2023 | | | 2022 | | | 2021 | | |
| | | M | W | Total | M | W | Total | M | W | Total |
| Permanent contracts | Full-time | 25,927 | 30,141 | 56,068 | 24,872 | 29,566 | 54,438 | 23,711 | 27,974 | 51,685 |
| | Part-time | 4,069 | 18,750 | 22,819 | 3,170 | 17,792 | 20,962 | 2,738 | 18,730 | 21,468 |
| Temporary contracts | Full-time | 875 | 1,377 | 2,252 | 1,359 | 2,241 | 3,600 | 1,240 | 1,640 | 2,800 |
| | Part-time | 452 | 901 | 1,354 | 609 | 1,024 | 1,633 | 861 | 1,228 | 2,089 |
| Total | | 31,323 | 51,169 | 82,493 | 30,010 | 50,623 | 80,633 | 28,550 | 49,572 | 78,124 |
| Average annual contracts by contract type, employment type and age bracket | | | | | | | | | | |
| | | 2023 Total | 2022 Total | 2021 Total | | | | | | |
| Permanent contracts | Full-time | Under 30 | 5,565 | 4,645 | 3,492 | | | | | |
| | | 30 to 50 | 29,428 | 29,762 | 30,052 | | | | | |
| | | Over 50 | 21,074 | 20,030 | 18,142 | | | | | |
| | Subtotal | 56,067 | 54,437 | 51,686 | | | | | | |
| | Part-time | Under 30 | 4,300 | 3,367 | 2,292 | | | | | |
| | | 30 to 50 | 12,282 | 12,180 | 13,460 | | | | | |
| Over 50 | | 6,237 | 5,415 | 5,717 | | | | | | |
| Subtotal | 22,819 | 20,962 | 21,469 | | | | | | | |
| Temporary contracts | Full-time | Under 30 | 1,173 | 1,827 | 1,469 | | | | | |
| | | 30 to 50 | 950 | 1,566 | 1,270 | | | | | |
| | | Over 50 | 129 | 208 | 141 | | | | | |
| | Subtotal | 2,252 | 3,601 | 2,880 | | | | | | |
| | Part-time | Under 30 | 976 | 1,100 | 1,431 | | | | | |
| | | 30 to 50 | 337 | 463 | 576 | | | | | |
| Over 50 | | 41 | 70 | 82 | | | | | | |
| Subtotal | 1,354 | 1,633 | 2,089 | | | | | | | |
| Total | | 82,492 | 80,633 | 78,124 | | | | | | |

| INDICATOR | | 2023 Total | 2022 Total | 2021 Total | | | | | | |
|---|-----------------|-----------------------|---------------|---------------|--------------|-----|--------------|------------|-----|------------|
| Average annual contracts by contract type, employment type and employee category | | | | | | | | | | |
| Permanent contracts | Full-time | Managers | 6,705 | 6,706 | 6,765 | | | | | |
| | | Coordinators | 2,550 | 2,900 | 3,072 | | | | | |
| | | Skilled professionals | 4,743 | 4,609 | 4,317 | | | | | |
| | | Professionals | 35,561 | 35,709 | 35,282 | | | | | |
| | | Staff | 6,508 | 4,513 | 2,250 | | | | | |
| | Subtotal | 56,068 | 54,437 | 51,686 | | | | | | |
| | Part-time | Managers | 579 | 484 | 489 | | | | | |
| | | Coordinators | 306 | 293 | 311 | | | | | |
| | | Skilled professionals | 934 | 960 | 1,031 | | | | | |
| | | Professionals | 16,320 | 15,976 | 18,183 | | | | | |
| Staff | | 4,680 | 3,249 | 1,455 | | | | | | |
| Subtotal | 22,819 | 20,962 | 21,469 | | | | | | | |
| Temporary contracts | Full-time | Managers | 9 | 32 | 7 | | | | | |
| | | Coordinators | 14 | 20 | 26 | | | | | |
| | | Skilled professionals | 302 | 478 | 54 | | | | | |
| | | Professionals | 345 | 610 | 882 | | | | | |
| | | Staff | 1,583 | 2,462 | 1,911 | | | | | |
| | Subtotal | 2,252 | 3,602 | 2,880 | | | | | | |
| | Part-time | Managers | 0 | 12 | 0 | | | | | |
| | | Coordinators | 0 | 0 | 0 | | | | | |
| | | Skilled professionals | 2 | 18 | 2 | | | | | |
| | | Professionals | 78 | 198 | 290 | | | | | |
| Staff | | 1,274 | 1,404 | 1,797 | | | | | | |
| Subtotal | 1,354 | 1,632 | 1,797 | | | | | | | |
| Total | | 82,493 | 80,633 | 78,124 | | | | | | |
| Breakdown of employee terminations by gender | | | | | | | | | | |
| | | 2023 | | | 2022 | | | 2021 | | |
| | | M | W | Total | M | W | Total | M | W | Total |
| Number of employee terminations by gender | | 607 | 858 | 1,465 | 542 | 666 | 1,208 | 375 | 334 | 709 |
| | | 2023 Total | 2022 Total | 2021 Total | | | | | | |
| Breakdown of employee terminations by age bracket | | | | | | | | | | |
| Under 30 | | 165 | | | 189 | | | 153 | | |
| 30 to 50 | | 711 | | | 551 | | | 345 | | |
| Over 50 | | 589 | | | 468 | | | 211 | | |
| Total | | 1,465 | | | 1,208 | | | 709 | | |

| INDICATOR | 2023 Total | | | 2022 Total | | | 2021 Total | | |
|--|---------------------------|--------|----------------|------------------|--------|----------------|------------------|--------|----------------|
| Breakdown of terminations by employee category | | | | | | | | | |
| Managers | 145 | | | 116 | | | 121 | | |
| Coordinators | 55 | | | 23 | | | 13 | | |
| Skilled professionals | 95 | | | 63 | | | 32 | | |
| Professionals | 959 | | | 846 | | | 396 | | |
| Staff | 211 | | | 160 | | | 147 | | |
| Total | 1,465⁴³ | | | 1,208 | | | 709 | | |
| Average hours of training⁴⁴ by employee category and gender | | | | | | | | | |
| | 2023 | | | 2022 | | | 2021 | | |
| | M | W | Total | M | W | Total | M | W | Total |
| Managers | 30.33 | 26.80 | 212,019 | 27.58 | 26.70 | 193,141 | 18.8 | 15.9 | 135,565 |
| Coordinators | 19.36 | 21.08 | 55,877 | 14.57 | 17.85 | 46,631 | 19.6 | 26.0 | 66,377 |
| Skilled professionals | 21.32 | 20.32 | 131,567 | 20.43 | 18.02 | 97,497 | 19.7 | 15.7 | 78,489 |
| Professionals | 17.31 | 18.05 | 914,027 | 12.52 | 12.36 | 647,820 | 11.3 | 12.5 | 633,446 |
| Staff | 23.28 | 25.70 | 368,764 | 11.40 | 16.85 | 387,130 | 12.0 | 14.7 | 120,926 |
| Total | 1,682,254 | | | 1,372,219 | | | 1,034,803 | | |
| Breakdown of female workers by job category | | | | | | | | | |
| | 2023 | | | 2022 | | | 2021 | | |
| Managers (%) | 33.0 | | | 30.9 | | | 32.8 | | |
| Coordinators (%) | 46.3 | | | 48.2 | | | 47.9 | | |
| Skilled professionals (%) | 66.2 | | | 66.2 | | | 67.8 | | |
| Professionals (%) | 66.9 | | | 67.1 | | | 68.7 | | |
| Staff (%) | 60.2 | | | 61.0 | | | 59.5 | | |
| Breakdown of female workers by age bracket | | | | | | | | | |
| Under 30 (%) | 57.7 | | | 58.1 | | | 57.0 | | |
| 30 to 50 (%) | 64.5 | | | 64.9 | | | 66.0 | | |
| Over 50 (%) | 60.2 | | | 59.4 | | | 60.4 | | |
| INDICATOR | Men | | | Women | | | Total 2023 | | |
| Employees entitled to parental leave | | | | | | | | | |
| Employees entitled to and who took maternity/paternity leave (%) | 88.0 | | | 97.6 | | | 93.4 | | |
| Employees that returned to work (%) | 97.6 | | | 78.8 | | | 86.6 | | |
| Retention rate (1 year after) (%) | 81.9 | | | 85.7 | | | 83.7 | | |
| Average gross remuneration⁴⁵ - El Corte Inglés Group | | | | | | | | | |
| | 2023 | | | 2022 | | | 2021 | | |
| | M | H | Total | M | H | Total | M | H | Total |
| Average gross remuneration⁴⁶ by gender (€) - El Corte Inglés Group | 27,309 | 22,408 | 24,321 | 27,837 | 22,676 | 24,668 | 28,008 | 23,315 | 25,038 |

⁴³ The increase in 2023 from 2022 was due to the increase in involuntary dismissals for the unilateral decision to make a substantial change in working conditions. Relates to employees of the Group in Spain and El Corte Inglés-Grandes Armazéns.

⁴⁴ The increase in training hours is particularly evident for skilled professionals and professionals. Training hours of staff employees remained high in 2023, with many hours of onboarding training given.

⁴⁵ Data re-calculated because the Social Security contribution was included in the remuneration for cases of temporary incapacity for work, when only the supplement paid by the company should have been counted.

⁴⁶ Average gross remuneration of employees at Group companies in Spain.

| Average gross remuneration by employee category and gender (€) - El Corte Inglés Group | | | | | | | | | |
|---|---------------|---------------|---------------|--------|--------|---------------|--------|--------|---------------|
| | 2023 | | | 2022 | | | 2021 | | |
| | M | W | Average | M | W | Average | M | W | Average |
| Managers | 60,082 | 46,318 | 55,802 | 60,702 | 47,433 | 56,764 | 57,067 | 45,239 | 53,521 |
| Coordinators | 31,666 | 28,678 | 30,323 | 31,249 | 28,482 | 30,035 | 30,832 | 28,395 | 29,749 |
| Skilled professionals | 39,306 | 33,241 | 35,372 | 39,098 | 33,797 | 35,616 | 37,126 | 31,821 | 33,523 |
| Professionals | 23,732 | 22,401 | 22,857 | 24,113 | 22,594 | 23,107 | 23,829 | 23,248 | 23,433 |
| Staff | 16,684 | 16,854 | 16,786 | 16,384 | 16,719 | 16,588 | 15,799 | 16,773 | 16,414 |
| Average gross remuneration by age bracket and gender (€) - El Corte Inglés Group | | | | | | | | | |
| | 2023 | | | 2022 | | | 2021 | | |
| | M | W | Average | M | W | Average | M | W | Average |
| Under 30 | 17,277 | 17,347 | 17,317 | 17,293 | 17,435 | 17,375 | 17,678 | 17,588 | 17,630 |
| 30 to 50 | 25,992 | 22,622 | 23,839 | 26,389 | 22,931 | 24,169 | 27,531 | 24,073 | 25,176 |
| Over 50 | 37,974 | 26,173 | 30,920 | 38,854 | 26,316 | 31,328 | 39,370 | 25,962 | 30,977 |
| Absentee rate⁴⁷ (common illness + non-occupational accidents) by company and gender | | | | | | | | | |
| | 2023 | | | 2022 | | | 2021 | | |
| | M | W | Total | M | W | Total | Total | | |
| El Corte Inglés | 4.67 | 7.15 | 6.23 | 4.21 | 6.75 | 5.79 | 5.99 | | |
| El Corte Inglés-Grandes Armazéns | 2.81 | 3.60 | 3.32 | 2.18 | 3.65 | 3.14 | 0.01 | | |
| Supercor | 5.75 | 9.13 | 7.67 | 5.08 | 8.33 | 6.90 | 6.09 | | |
| Viajes El Corte Inglés | 2.90 | 4.81 | 4.42 | 5.28 | 3.01 | 4.78 | 3.95 | | |
| Club de vacaciones | 0.59 | 6.56 | 5.29 | 5.37 | 0.77 | 4.31 | 1.13 | | |
| Tourmundial | 2.87 | 4.36 | 3.99 | 4.83 | 1.24 | 2.10 | 3.81 | | |
| Logitravel | 0.86 | 2.64 | 1.22 | 0.99 | 3.62 | 2.27 | - | | |
| El Corte Inglés Cadena de Suministro | 7.53 | 12.68 | 9.92 | 5.78 | 11.59 | 8.62 | - | | |
| SICOR Seguridad | 0.05 | 0.49 | 0.12 | 3.86 | 6.87 | 4.40 | 7.98 | | |
| Sicor Servicios Integrales | 0.01 | 0.53 | 0.26 | 4.68 | 7.36 | 5.88 | 9.91 | | |
| Sicor Integra | 0.00 | 0.00 | 0.00 | 21.49 | 0.19 | 9.68 | - | | |
| Sicor Inteservicios E.T.T. | - | - | - | 0.72 | 0.98 | 0.72 | - | | |
| Sicor Limpieza | 0.00 | 0.036 | 0.029 | - | - | - | - | | |

⁴⁷ Relates to data of employees of El Corte Inglés Group in Spain and El Corte Inglés-Grandes Armazéns in Portugal.

| INDICATOR | 2023 | | | 2022 | | | 2021 | | |
|---|-----------|-------|-------|-----------|-------|-------|-----------|-----|-------|
| | M | W | Total | M | W | Total | M | W | Total |
| Number of hours of absenteeism (common illness + non-occupational accidents) | 7,588,693 | | | 7,407,953 | | | 6,577,535 | | |
| Number of hours of absenteeism due to occupational accidents | 281,367 | | | 280,118 | | | 284,445 | | |
| Number of cases of occupational accidents with lost days | 862 | 1,001 | 1,863 | 764 | 793 | 1,557 | 770 | 821 | 1,591 |
| Number of work-related fatalities⁴⁸ | 2 | 0 | 2 | 1 | 0 | 1 | | 0 | |
| Number of cases of occupational disease | 2 | 0 | 2 | 1 | 0 | 1 | | 0 | |
| Number of work-related fatalities arising from an occupational disease | 0 | 0 | 0 | 0 | 0 | 0 | | 0 | |
| INDICATOR | 2023 | | | 2022 | | | 2021 | | |
| | M | W | Total | M | W | Total | Total | | |
| Work-related injury rates by company and gender⁴⁹ | | | | | | | | | |
| 1. Injury rate: (No. of injuries/total hours worked)*1,000,000 | | | | | | | | | |
| El Corte Inglés | 14.04 | 12.29 | 12.96 | 13.36 | 9.81 | 11.17 | 11.90 | | |
| El Corte Inglés-Grandes Armazéns | 25.00 | 18.67 | 44.00 | 30.33 | 28.45 | 29.11 | 5.71 | | |
| Supercor | 15.73 | 22.24 | 19.36 | 23.82 | 20.08 | 21.80 | 20.36 | | |
| Viajes El Corte Inglés | 0.75 | 1.15 | 1.07 | 0.71 | 0.39 | 0.46 | 0.55 | | |
| Club de vacaciones | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | | |
| Tourmundial | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | | |
| Logitravel | 1.31 | 6.20 | 3.54 | 1.77 | 0.00 | 0.90 | 0.00 | | |
| El Corte Inglés Cadena de Suministro | 41.02 | 41.02 | 41.02 | 19.95 | 15.43 | 17.80 | - | | |
| SICOR Seguridad | 24.07 | 18.19 | 23.03 | 16.36 | 11.12 | 15.43 | 17.25 | | |
| Sicor Servicios Integrales | 15.65 | 7.55 | 11.77 | 57.53 | 35.81 | 47.85 | 56.72 | | |
| Sicor Integra | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | - | | |
| Sicor Inteservicios E.T.T. | 30.42 | 40.12 | 34.09 | 39.81 | 38.51 | 39.31 | - | | |
| 2. Severity rate: (Lost days/working hours) *1,000 | | | | | | | | | |
| El Corte Inglés | 0.28 | 0.24 | 0.26 | 0.29 | 0.21 | 0.24 | 0.29 | | |
| El Corte Inglés-Grandes Armazéns | 0.52 | 0.41 | 0.45 | 0.92 | 0.58 | 0.70 | 0.49 | | |
| Supercor | 0.19 | 0.33 | 0.27 | 0.24 | 0.25 | 0.25 | 0.31 | | |
| Viajes El Corte Inglés | 0.00 | 0.20 | 0.20 | 0.01 | 0.02 | 0.02 | 0.01 | | |
| Club de vacaciones | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | | |
| Tourmundial | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | | |
| Logitravel | 0.04 | 0.25 | 0.13 | 0.00 | 0.00 | 0.00 | - | | |
| El Corte Inglés Cadena de Suministro | 0.52 | 0.44 | 0.48 | 0.72 | 0.40 | 0.56 | - | | |
| SICOR Seguridad | 0.87 | 0.50 | 0.81 | 0.64 | 0.16 | 0.56 | 0.75 | | |
| Sicor Servicios Integrales | 0.29 | 0.20 | 0.25 | 9.18 | 1.13 | 10.31 | 1.28 | | |
| Sicor Integra | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | - | | |
| Sicor Inteservicios E.T.T. | 0.25 | 0.43 | 0.32 | 0.24 | 0.24 | 0.24 | - | | |

⁴⁸ The two work-related fatalities recorded in 2023 occurred as a result of accidents while commuting. The death in 2022 was due to a heart attack at the workplace.

⁴⁹ 2022 data included accident rates for Logitravel and El Corte Inglés Supply Chain (ECICSA) for the first time, with no comparatives for previous years. ECICSA figures are included in total figures for El Corte Inglés for 2021 and 2020; Logitravel is part of the Travel Group since 2022.

| INDICATOR | 2023 | | | 2022 | | | 2021 |
|--|------|-------|-------|--------------|-------|--------|--------------|
| | M | W | Total | M | W | Total | Total |
| 3. Incidence rate: (No. of incidents/total employees)*100 | | | | | | | |
| El Corte Inglés | 1.65 | 1.31 | 1.43 | 1.52 | 1.00 | 1.18 | 1.37 |
| El Corte Inglés-Grandes Armazéns | 4.46 | 3.30 | 3.70 | 5.24 | 4.91 | 5.47 | 5.71 |
| Supercor | 1.69 | 2.34 | 2.06 | 2.60 | 2.10 | 2.32 | 2.27 |
| Viajes El Corte Inglés | 0.11 | 0.16 | 0.15 | 0.10 | 0.05 | 0.06 | 0.08 |
| Club de vacaciones | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Tourmundial | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Logitravel | 2.29 | 10.90 | 6.23 | 6.21 | 0.00 | 3.16 | - |
| El Corte Inglés Cadena de Suministro | 4.71 | 4.60 | 4.66 | 2.43 | 1.80 | 2.12 | - |
| SICOR Seguridad | 4.45 | 4.19 | 4.41 | 2.27 | 1.54 | 2.14 | 2.40 |
| Sicor Servicios Integrales | 3.47 | 3.49 | 3.48 | 8.01 | 4.98 | 6.66 | 7.92 |
| Sicor Integra | 0.00 | 0.00 | 0.00 | 26.34 | 47.05 | 143.78 | - |
| Sicor Inteservicios E.T.T. | 5.02 | 0.64 | 5.66 | 55.45 | 53.65 | 54.76 | - |
| Employees covered by collective bargaining agreements by country⁵⁰ (Percentage of staff covered) | | | | | | | |
| Spain | | | | 100 % | | | 100 % |
| Portugal | | | | 100 % | | | 100 % |
| Mexico | | | | 79% | | | 79% |
| China | | | | - | | | - |
| Chile | | | | - | | | - |
| Bangladesh | | | | - | | | - |
| India | | | | - | | | - |
| Colombia | | | | - | | | - |
| Greece | | | | - | | | - |
| Argentina | | | | - | | | - |
| Vietnam | | | | - | | | - |
| Poland | | | | - | | | - |
| Morocco | | | | - | | | - |
| Turkey | | | | - | | | - |
| Peru | | | | - | | | - |
| Hong Kong | | | | - | | | - |
| Panama | | | | - | | | - |
| United States | | | | - | | | - |
| Ecuador | | | | - | | | - |
| France | | | | 100 % | | | 100 % |
| Italy | | | | - | | | - |
| Uruguay | | | | - | | | - |
| Dominican Republic | | | | - | | | - |
| Bulgaria | | | | - | | | - |

⁵⁰ All El Corte Inglés Group employees in countries that have collective bargaining agreements are covered by them, except key management personnel in Mexico.

I - COLLECTIVE BARGAINING AGREEMENTS

[GRI 2-30]

| Collective agreement | Companies affected | Status | Date of signing | Term | Signatory trade union(s) |
|--|---|--|--|--|---|
| Collective bargaining agreement for the department store sector (ANGED) | El Corte Inglés (Spain) El Corte Inglés Supply Chain | Effective | March 2023 | 2023-2026 | CCOO, Valorian, Feticio and UGT |
| Portuguese retailers business association | El Corte Inglés (Portugal) El Corte Inglés Branch (Sfera Portugal) | FETESE (Federation of Trade Unions of Industry and Services) version approved in September 2022; pending negotiation | Published in September 2022 and ordinance extended in May 2023 | 2022 Renewed until new negotiation | SITese (UGT) |
| Portuguese association of insurance brokers (APROSE) | Centro de Seguros e Servicios, Correduría de Seguros, S.A. | Version approved in February 2023 | Published in February 2023 | 2023 | STAS |
| Portuguese insurance agency association (AES) | Sicor - Seguridad El Corte Inglés SL- Branch in Portugal | Version approved in January 2023 | SITese (service sector trade union) | 2023 | STAD |
| Portugal travel agency and tourism association (APAVT) | Informática El Corte Inglés, S.A. | Version approved in January 2023 | Published in January 2023 | 2023 | SIMAMEVIP |
| Supercor collective agreement | Supercor | Effective | December 2021 | 2022 and 2023 Renewed until new negotiation | Fasga (actualmente Valorian), Feticio y UGT |
| Collective agreement for the travel agency sector, specific to Spain, Portugal, France and Italy | Viajes El Corte Inglés | Effective | September 2023 | 2023-2024 | CEAV (employers' representation) and Valorian, CCOO, UGT (trade union representation) |
| State collective agreement for security firms | SICOR Seguridad | Effective | October 2022 | 2023 - 2026 | FeSMC-UGT, CCOO-Habitat, FTSP-USO |
| Collective agreement for building and premises cleaning service companies in Madrid | Sicor Servicios Integrales | Effective | September 2022 | 2022 - 2024 | CCOO-Habitat Madrid, FeSMCUGT |
| XV General collective agreement for centres and care services for people with disabilities | Sicor Integra | Effective | July 2019 | 2019-2021 renewed until December 2024 | FE-CCOO, FeSPUGT |

| Collective agreement | Companies affected | Status | Date of signing | Term | Signatory trade union(s) |
|--|---|-----------|-----------------|---------------------------------------|------------------------------|
| State collective agreement for temporary work agencies | Sicor Interservicios E.T.T. | Renewed | October 2018 | 2011-2020 renewed until December 2023 | CCOO - servicios FeSMC - UGT |
| State collective agreement for graphic arts, paper processing, cardboard handling, publishing and auxiliary industries | Editorial Centro de Estudios Ramón Areces | Effective | January 2023 | 2023 - December 2025 | CCOO-UGT |

II - AGREEMENTS WITH PARTNERS

| Partner | Action |
|---|---|
| The Spanish Red Cross | We entered into a partnership agreement to facilitate workplace integration of women who are victims of gender-based violence and at risk of social exclusion. We also signed an agreement with the Spanish labour authorities (SEPE) that addresses training, on-the-job training, and hiring of women who are victims of gender-based violence. |
| Secretary of State for Equality and Against Gender Violence | We design training programmes to hone the working skills and increase the employability of women who are victims of gender-based violence. This initiative is framed by a partnership protocol with the Secretary of State and the Spanish Red Cross. |
| Integra Foundation | We have a partnership agreement geared towards facilitating the integration of women who are victims of gender-based violence into the workplace. We stage awareness workshops to raise awareness within the community and promote corporate volunteering. |
| ONCE Foundation | As a show of our commitment to corporate social responsibility, we entered into a partnership with the foundation that address key issues, such as universal accessibility, job creation and training for people with disabilities. Meanwhile, we are also a member of the Advisory Board of the ONCE Foundation's Por Talento Digital project in a significant role, set up to enhance digital skills training for people with disabilities. |
| REDI | We are a member of the Business Network for LGBTI Diversity (REDI), which aims to promote best practices and awareness. |
| SERES Foundation | We take part in generational diversity and inclusion 'labs' set up by SERES designed for companies to share experiences, analyse trends, and develop practical knowledge. |
| CEO Alliance for Diversity | We are part of this alliance, which seeks to promote innovation in diversity, equity and inclusion strategies at Spanish companies. This alliance is promoted by the CEOE Foundation, the Adecco Foundation and more than 60 CEOs of Spanish companies. |
| Women's Empowerment Principles - UN Women | As signatories of the Women's Empowerment Principles (WEPs), we adhere to the guidelines issued by UN Women and the UN Global Compact. These principles offer guidance on how to advance gender equality and women's empowerment in the workplace and community. |
| Target Gender Equality (TGE), United Nations Global Compact | We are part of this initiative, along with over 300 companies from 19 countries, designed to collectively tackle barriers to the economic empowerment of women. Our involvement aims to contribute to the achievement of SDG 5 to ensure women's full and effective participation and equal opportunities for leadership by 2030. This year the initiative addressed the pay gap and the promotion of women to management positions. |
| Down's Syndrome Foundation | We support this foundation, which promotes training and integration of people with intellectual disabilities into the workplace and stages awareness campaigns on this issue. |
| Secretariado Gitano Foundation | We implement a programme focused on training and inclusion labour market of young Roma people through an internship programme at our facilities, providing new opportunities for career development. |

| | |
|--|---|
| Caritas | We hold training workshops for young people at risk of exclusion through the Caritas Campus. |
| ILUNION | We support and promote accessibility of persons with disabilities. |
| Rey Ardid Foundation | We arrange the sale for charity of products made by people with disabilities at our Zaragoza store. |
| Adecco Foundation | We hold a summer campus for women who are victims of gender-based violence. |
| World Places Project - Speak | We take part in the Portuguese language and culture learning programme for refugees and migrant women. Volunteers from HR participate as trainers. |
| Agreement against gender-based violence and trafficking with the Commission for Citizenship and General Equality (CIG) | We signed a commitment to support victims of gender-based violence and trafficking, holding corporate workshops on how to prevent and respond to these practices. |
| Action Aid NGO | We help integrate socially vulnerable young people into the workplace. |
| SIS - Social Innovation Sports | We support this NGO in helping integrate young refugees into the workplace. |
| Dress For Success Lisbon | We train women in situations of vulnerability to work in retail. |
| Associação Salvador | Together with the Porto city council, we set up campaigns to employee people with motor skills disorders and cognitive disabilities. |
| European Anti Poverty Network | With this NGO, we set up a programme for training and integrating the neediest. |
| Centro Inclusão Magarão | We partner this social inclusion centre of the Gaia city council. |

III - WORKING CONDITIONS BY COUNTRY

| | |
|---------------------------------------|--|
| SPAIN | |
| Working hours | Sicor Integra and El Corte Inglés: 1,770 hours/year Viajes El Corte Inglés: 1,752 hours/year Supercor: 1,784 hours/year Sicor Servicios Integrales: 1,804 hours/year |
| Holidays | At El Corte Inglés, Supercor, Viajes El Corte Inglés, Sicor Seguridad and Sicor Servicios Integrales: 31 calendar days Sicor Interservicios E.T.T.: 30 calendar days Sicor Integra: 25 business days |
| Notice periods | El Corte Inglés: 7 business days for changes in employees' scheduled working hours. Between 15 and 30 days for substantial changes. Supercor: 15 days in general. The period stipulated in the Workers Statute. Viajes El Corte Inglés Group: 15 days in general (the period stipulated in the Workers Statute) SICOR: Notification of dismissal in accordance with the employee category: <ul style="list-style-type: none"> • 15 days in general • 30 days for geographic mobility • 2 months for voluntary termination if the worker is a manager, graduate or skilled worker. • 10 business days for subrogation of security firms. |
| Additional work-life balance measures | A new Voluntary Flexible Working Model for Central Services of El Corte Inglés, which includes Friday afternoons off. |
| PORTUGAL | |
| Working hours | 40 hours/week |
| Holidays | National law stipulates 22 business days. In 2023, the number of extra days of holidays was changed to one, two and three depending on the number of hours of absenteeism the previous year. |
| Notice periods | El Corte Inglés-Grandes Armazéns (Portugal): There is notice period. |

| | |
|---------------------------------------|--|
| Additional work-life balance measures | El Corte Inglés-Grandes Armazéns continued its FLEXI 2.0 programme. |
| MEXICO | |
| Working hours | Sfera Mexico: Full time: 45 hours/week Sfera Mexico: Part-time: 24 hours/week |
| Holidays | Sfera Mexico: 10-32 days/year depending on the number of years worked. Sfera Mexico: Each employee is allowed to take one day off during the month of their birthday. |
| Notice periods | El Corte Inglés: 2 weeks' advance notice in general. Viajes El Corte Inglés: 15 days in general. |
| Additional work-life balance measures | Sfera Mexico: One personal day off/month in Mexico for birthday. |
| OTHER INTERNATIONAL | |
| Working hours | Bangladesh: 48 hours/week Turkey: 40 hours/week |
| Notice periods | El Corte Inglés (Hong Kong): 1 to 4 weeks, depending on the issue. El Corte Inglés (India): 4 weeks. El Corte Inglés (Morocco): 15 days in general. El Corte Inglés (Shanghai): 4 weeks in general. El Corte Inglés (Turkey): 10 days in general. El Corte Inglés (Vietnam): 15 days in general. El Corte Inglés (Bangladesh): 1 or 2 weeks, depending on the issue. Viajes El Corte Inglés (Panama, Colombia, Peru, Ecuador, Chile and Uruguay): 15 days in general. |
| Additional work-life balance measures | Maternity/paternity and marriage leave <ul style="list-style-type: none"> • In Hong Kong, maternity leave is 14 weeks. • In Bangladesh, maternity leave is 24 weeks and paternity leave seven days. In addition, employees are allowed to work for home two days a week for up to eight weeks. • In Shanghai, maternity leave is 158 days plus 15 days for births with medical intervention. • In Hong Kong, paternity leave is five days with full pay. • Paternity and maternity leave in India, Morocco and Vietnam all exceed the legal minimum. Discretionary leave <ul style="list-style-type: none"> • In Shanghai, employees are eligible to take 3-7 days of paid leave a year at their choosing. Employees with children under 3 get an extra 5 days off per year. In addition, all employees are allowed a 3-7 days of discretionary leave depending on the number of years worked in the Company. This also applies to Hong Kong. • In Turkey, since 2023 employees get 1 family day to be used under certain pre-determined conditions. Tests/exams <ul style="list-style-type: none"> • Employees at Viajes El Corte Inglés Group in Uruguay are eligible for 12 additional days off per year for certain exams or tests. • Employees in India and Vietnam have the possibility to have an extra day off for exams. Death of a family member due to illness <ul style="list-style-type: none"> • In Peru, employees have up to 4 calendar days off for the illness of a direct relative and in Panama leave of 5 business days for death of a direct relative. • Staff in Turkey can choose to either work remotely from home due to illness that does not require medical leave, or other circumstances that prevent them from travelling to the office. |

SOCIETY

| Country | 2023 | | | | | | |
|------------------|--------------------|------------------|---|-------------|------------------|---------------------|---------|
| | Taxes borne (€000) | | | | | | |
| | Income tax paid | Other income tax | Employer social security contributions and other employment-related taxes | Goods taxes | Properties taxes | Environmental taxes | Other |
| Germany | - | - | 8.1 | - | - | - | - |
| Saudi Arabia | 4.0 | - | - | - | - | - | - |
| Argentina | - | - | 11.2 | 44.9 | - | - | 4.1 |
| Austria | - | - | - | - | - | - | - |
| Bangladesh | - | - | - | - | - | - | 0.3 |
| Brazil | - | - | - | - | - | - | - |
| Belgium | - | - | - | - | - | - | - |
| Bulgaria | - | - | - | - | - | - | - |
| Chile | 7.0 | - | 77.6 | 723.4 | 44.8 | 41.1 | - |
| China (Shanghai) | 12.6 | - | 1,265.4 | 372.2 | - | - | 24.0 |
| Cyprus | - | - | - | - | - | - | - |
| Colombia | (54.3) | - | 128.3 | 47.4 | 8.0 | 12.5 | 109.4 |
| Costa Rica | - | - | - | - | - | - | - |
| Croatia | - | - | - | - | - | - | - |
| Denmark | - | - | - | - | - | - | - |
| Ecuador | - | - | 19.8 | 27.2 | - | - | 17.2 |
| Arab Emirates | - | - | - | - | - | - | - |
| Slovakia | - | - | - | - | - | - | - |
| Slovenia | - | - | - | - | - | - | - |
| Spain | - | 34,285.9 | 554,976.5 | 57,814.8 | 78,345.2 | 1,332.7 | 1,436.4 |
| Estonia | - | - | - | - | - | - | - |
| Finland | - | - | - | - | - | - | - |
| France | - | - | 160.7 | - | 4.8 | - | 2.4 |
| Greece | - | - | 242.0 | - | - | - | 20.5 |
| Hong Kong | 8.9 | - | 23.1 | - | - | - | 0.4 |
| Hungary | - | - | - | - | - | - | - |
| India | - | - | - | - | - | - | - |
| Ireland | - | - | - | - | - | - | - |
| Italy | 30.1 | - | 127.5 | - | - | - | - |
| Latvia | - | - | - | - | - | - | - |
| Lithuania | - | - | - | - | - | - | - |
| Luxembourg | - | - | - | - | - | - | - |
| Malta | - | - | - | - | - | - | - |
| Morocco | 0.3 | - | 54.5 | - | - | - | 2.0 |

| Country | Taxes borne (€000) (cont.) | | | | | | |
|--------------------|----------------------------|------------------|---|-----------------|------------------|---------------------|----------------|
| | Income tax paid | Other income tax | Employer social security contributions and other employment-related taxes | Goods taxes | Properties taxes | Environmental taxes | Other |
| Mexico | 11,312.0 | - | 3,452.0 | 2,624.9 | - | - | 179.3 |
| Netherlands | - | - | - | - | - | - | - |
| Panama | 23.4 | - | 39.1 | 20.5 | 0.5 | - | 10.9 |
| Peru | 115.2 | - | 35.9 | (302.3) | - | - | 21.0 |
| Poland | - | - | - | - | - | - | - |
| Portugal | 6,009.9 | - | 26,500.6 | 613.2 | 758.1 | 0.5 | 240.8 |
| Dominican Republic | - | - | - | 2.4 | 2.7 | - | - |
| United Kingdom | 3.7 | - | - | - | - | - | - |
| Czech Republic | - | - | - | - | - | - | - |
| Romania | - | - | - | - | - | - | - |
| Serbia | - | - | - | - | - | - | - |
| Sweden | - | - | - | - | - | - | - |
| Turkey | - | - | - | - | - | - | 1.5 |
| Uruguay | 3.3 | - | 1.6 | 25.9 | 17.7 | - | 0.5 |
| USA | 14.4 | - | 14.0 | - | 11.2 | - | - |
| Total | 17,490.5 | 34,285.9 | 587,137.9 | 62,014.5 | 79,193.0 | 1,386.8 | 2,070.8 |

| Country | 2023 | | | | | | |
|------------------|-------------------------|--|--------------------------------|-------------|------------------|---------------------|-------|
| | Taxes collected (€ 000) | | | | | | |
| | Income tax | Employee social security contributions | Other employment related taxes | Goods taxes | Properties taxes | Environmental taxes | Other |
| Germany | - | 5.9 | - | 49.2 | - | - | - |
| Saudi Arabia | - | - | - | - | - | - | - |
| Argentina | 1.7 | 7.0 | 0.3 | 58.1 | - | - | - |
| Austria | - | - | - | 4.7 | - | - | - |
| Bangladesh | - | - | - | - | - | - | - |
| Brazil | - | - | - | - | - | - | - |
| Belgium | - | - | - | 15.9 | - | - | - |
| Bulgaria | - | - | - | 2.2 | - | - | - |
| Chile | 48.6 | 590.5 | 134.7 | 1,063.5 | - | - | - |
| China (Shanghai) | - | 618.1 | 183.9 | - | - | - | - |
| Cyprus | - | - | - | 3.2 | - | - | - |
| Colombia | - | 53.6 | 15.9 | 240.9 | - | - | - |
| Costa Rica | - | - | - | - | - | - | - |

| Country | Taxes collected (€ 000) (cont.) | | | | | | |
|--------------------|---------------------------------|--|--------------------------------|------------------|------------------|---------------------|--------------|
| | Income tax | Employee social security contributions | Other employment related taxes | Goods taxes | Properties taxes | Environmental taxes | Other |
| Croatia | - | - | - | 2.3 | - | - | - |
| Denmark | - | - | - | 5.4 | - | - | - |
| Ecuador | - | 15.4 | 0.2 | 61.8 | - | - | - |
| Arab Emirates | - | - | - | 2,393.1 | - | - | - |
| Slovakia | - | - | - | 1.1 | - | - | - |
| Slovenia | - | - | - | 1.4 | - | - | - |
| Spain | 7,904.9 | 114,816.6 | 243,743.3 | 756,507.6 | - | - | 172.9 |
| Estonia | - | - | - | 2.1 | - | - | - |
| Finland | - | - | - | 3.7 | - | - | - |
| France | - | 43.1 | 14.1 | 532.3 | - | - | 24.3 |
| Greece | - | 54.8 | - | 1,221.5 | - | - | - |
| Hong Kong | - | 22.7 | - | - | - | - | - |
| Hungary | - | - | - | 2.9 | - | - | - |
| India | - | - | - | - | - | - | - |
| Ireland | - | - | - | 31.1 | - | - | - |
| Italy | - | 15.5 | - | 26.7 | - | - | - |
| Latvia | - | - | - | 3.5 | - | - | - |
| Lithuania | - | - | - | 1.5 | - | - | - |
| Luxembourg | - | - | - | 3.5 | - | - | - |
| Malta | - | - | - | 8.9 | - | - | - |
| Morocco | - | - | - | - | - | - | - |
| Mexico | - | 886.6 | 2,308.4 | 6,737.9 | - | - | 57.9 |
| Netherlands | - | - | - | 20.6 | - | - | - |
| Panama | 2.5 | 24.2 | 2.9 | 8.6 | - | - | 19.7 |
| Peru | - | - | 83.8 | 573.5 | - | - | - |
| Poland | - | - | - | 26.5 | - | - | - |
| | - | - | - | 26.5 | - | - | - |
| Portugal | - | 14,298.4 | 10,862.4 | 52,943.0 | 21.2 | - | 536.8 |
| Dominican Republic | - | - | - | 2.0 | - | - | - |
| United Kingdom | - | - | - | (40.1) | - | - | - |
| Czech Republic | - | - | - | 2.2 | - | - | - |
| Romania | - | - | - | 6.2 | - | - | - |
| Serbia | - | - | - | 7.1 | - | - | - |
| Sweden | - | - | - | - | - | - | - |
| Turkey | - | - | - | - | - | - | - |
| Uruguay | - | 17.2 | 5.3 | - | - | - | - |
| USA | - | (13.3) | 23.6 | 386.5 | - | - | - |
| Total | 7,957.6 | 131,456.4 | 257,378.9 | 822,922.0 | 21.2 | - | 811.5 |

| Country | 2023 (€ 000) | | | | |
|--------------------|--------------------------------|---|--|--|--------------------|
| | Revenue from third-party sales | Revenue from intragroup transactions with other countries | Profit/(loss) before tax and consolidation adjustments | Tangible assets other than cash and cash equivalents | Income tax accrued |
| Germany | 30.6 | 538.8 | 10.8 | - | - |
| Argentina | 3,536.9 | 41.6 | 2,261.6 | 98.8 | (1,394.1) |
| Brazil | (0.6) | 0.9 | (34.3) | - | - |
| Chile | 58,235.7 | 2,149.7 | 2,299.9 | 4,695.6 | 52.5 |
| China (Shanghai) | 60.1 | 7,565.0 | 254.7 | 30.2 | (12.7) |
| Colombia | 12,382.1 | 271.9 | 51.0 | 558.7 | 47.5 |
| Ecuador | 3,373.7 | 8.3 | (86.9) | 341.0 | - |
| Arab Emirates | 145,873.4 | 80,230.7 | 1,672.7 | 208.9 | (129.0) |
| Spain | 13,314,772.2 | 2,212,588.6 | 453,122.5 | 7,365,460.1 | 69,796.7 |
| France | 3,138.2 | 890.8 | (305.6) | - | (5.0) |
| Greece | 3,581.3 | - | (1,543.3) | - | - |
| Hong Kong | 29.5 | 2,004.7 | 45.2 | 91.5 | (2.5) |
| Italy | 2,506.1 | 2,511.3 | 97.7 | 10.3 | (4.7) |
| Mexico | 378,812.1 | 6,814.7 | 36,858.5 | 57,754.5 | (10,192.8) |
| Panama | 5,228.9 | 25.7 | (247.0) | 1,113.6 | (15.0) |
| Peru | 16,462.0 | 8.1 | 75.8 | 752.7 | 36.9 |
| Portugal | 675,568.5 | 8,447.3 | 48,474.8 | 311,564.3 | (11,244.1) |
| Dominican Republic | 8.9 | - | 49.7 | - | (2.7) |
| United Kingdom | 464.9 | 3,552.0 | 78.0 | - | - |
| Russia | 1.6 | 520.4 | 150.2 | - | - |
| Uruguay | 92,231.5 | 31,647.9 | 3,505.2 | 9.8 | (4.8) |
| USA | 13,408.4 | 696.2 | 290.8 | 483.7 | 304.9 |
| Total | 14,729,705.7 | 2,360,514.7 | 547,082.1 | 7,743,173.7 | 47,231.0 |

| Country | 2022 | | | | | | |
|--------------|--------------------|------------------|---|-------------|------------------|---------------------|-------|
| | Taxes borne (€000) | | | | | | |
| | Income tax paid | Other income tax | Employer social security contributions and other employment-related taxes | Goods taxes | Properties taxes | Environmental taxes | Other |
| Germany | - | - | - | - | - | - | - |
| Saudi Arabia | - | - | - | - | - | - | - |
| Argentina | - | - | 53.1 | 19.8 | 208.6 | - | - |
| Austria | - | - | - | - | - | - | - |
| Bangladesh | - | - | - | - | - | - | - |

| Country | Taxes borne (€000) (cont.) | | | | | | |
|------------------|----------------------------|------------------|---|-------------|------------------|---------------------|-------|
| | Income tax paid | Other income tax | Employer social security contributions and other employment-related taxes | Goods taxes | Properties taxes | Environmental taxes | Other |
| Brazil | - | - | - | - | - | - | - |
| Belgium | - | - | - | - | - | - | - |
| Bulgaria | - | - | - | - | - | - | - |
| Chile | 7.8 | - | 94.7 | 624.7 | 39.3 | 42.4 | 0.9 |
| China (Shanghai) | 14.2 | - | 988.2 | 476.5 | - | - | - |
| Cyprus | - | - | - | - | - | - | - |
| Colombia | 28.9 | - | 78.3 | 30.1 | 8.0 | 31.2 | 105.2 |
| Costa Rica | - | - | - | - | - | - | - |
| Croatia | - | - | - | - | - | - | - |
| Denmark | - | - | - | - | - | - | - |
| Ecuador | - | - | 16.7 | 28.9 | - | - | 10.6 |
| Arab Emirates | - | - | - | 397.4 | - | - | - |
| Slovakia | - | - | - | - | - | - | - |
| Slovenia | - | - | - | - | - | - | - |
| Spain | 1.7 | 32,423.8 | 514,062.0 | 53,568.4 | 78,986.6 | 2,938.6 | 998.4 |
| Estonia | - | - | - | - | - | - | - |
| Finland | - | - | - | - | - | - | - |
| France | - | - | 115.8 | - | 30.4 | - | - |
| Greece | - | - | 10.6 | - | - | - | - |
| Hong Kong | 3.4 | - | 22.7 | - | - | - | - |
| Hungary | - | - | - | - | - | - | - |
| India | - | - | - | - | - | - | - |
| Ireland | - | - | - | - | - | - | - |
| Italy | - | - | 111.5 | 17.2 | - | - | - |
| Latvia | - | - | - | - | - | - | - |
| Lithuania | - | - | - | - | - | - | - |
| Luxembourg | - | - | - | - | - | - | - |
| Malta | - | - | - | - | - | - | - |
| Morocco | 0.3 | - | 56.1 | - | - | - | 2.4 |
| Mexico | 4,404.3 | - | 2,370.0 | 1,949.3 | - | - | - |
| Netherlands | - | - | - | - | - | - | - |
| Panama | - | - | 42.5 | 34.8 | 2.8 | - | 43.9 |
| Peru | 42.6 | - | 10.1 | 53.2 | - | - | 0.5 |
| Poland | - | - | 36.8 | - | - | - | - |
| Portugal | (277.7) | - | 30,132.1 | 1,210.2 | 916.8 | 0.5 | 207.2 |

| Country | Taxes borne (€000) (cont.) | | | | | | |
|--------------------|----------------------------|------------------|---|-----------------|------------------|---------------------|----------------|
| | Income tax paid | Other income tax | Employer social security contributions and other employment-related taxes | Goods taxes | Properties taxes | Environmental taxes | Other |
| Dominican Republic | - | - | 2.9 | 1.1 | 6.8 | - | - |
| United Kingdom | - | - | 3.4 | 3.0 | - | - | - |
| Czech Republic | - | - | - | - | - | - | - |
| Romania | - | - | - | - | - | - | - |
| Serbia | - | - | - | - | - | - | - |
| Sweden | - | - | - | - | - | - | - |
| Turkey | - | - | 152.5 | - | - | - | 0.9 |
| Uruguay | 3.3 | - | 48.0 | 36.0 | 17.7 | - | 0.5 |
| USA | 28.8 | - | 15.9 | - | 21.6 | - | - |
| Total | 4,257.7 | 32,423.8 | 548,424.1 | 58,450.4 | 80,238.4 | 3,012.7 | 1,386.3 |

| 2022 | | | | | | | |
|------------------|-------------------------|--|--------------------------------|-------------|------------------|---------------------|-------|
| Country | Taxes collected (€ 000) | | | | | | |
| | Income tax paid | Employee social security contributions | Other employment related taxes | Goods taxes | Properties taxes | Environmental taxes | Other |
| Germany | - | - | - | 49.2 | - | - | - |
| Saudi Arabia | - | - | - | - | - | - | - |
| Argentina | 3.3 | 76.7 | 25.0 | 302.4 | - | - | 620.1 |
| Austria | - | - | - | - | - | - | - |
| Bangladesh | - | - | - | - | - | - | - |
| Brazil | 4.0 | - | - | - | - | - | - |
| Belgium | - | - | - | 19.0 | - | - | - |
| Bulgaria | - | - | - | 2.0 | - | - | - |
| Chile | 32.8 | 475.6 | 148.9 | 809.8 | - | - | - |
| China (Shanghai) | - | 357.8 | - | 383.7 | - | - | - |
| Cyprus | - | - | - | 3.3 | - | - | - |
| Colombia | - | 41.6 | 10.4 | 156.3 | - | - | - |
| Costa Rica | - | - | - | - | - | - | - |
| Croatia | - | - | - | 2.1 | - | - | - |
| Denmark | - | - | - | 5.5 | - | - | - |
| Ecuador | - | 13.0 | 0.7 | 64.1 | - | - | - |
| Arab Emirates | - | - | - | - | - | - | - |

| Country | Taxes collected (€ 000) (cont.) | | | | | | |
|--------------------|---------------------------------|--|--------------------------------|------------------|------------------|---------------------|--------------|
| | Income tax paid | Employee social security contributions | Other employment related taxes | Goods taxes | Properties taxes | Environmental taxes | Other |
| Slovakia | - | - | - | 2.1 | - | - | - |
| Slovenia | - | - | - | 1.6 | - | - | - |
| Spain | 6,951.2 | 111,254.2 | 256,629.2 | 697,684.5 | - | - | - |
| Estonia | - | - | - | 1.6 | - | - | - |
| Finland | - | - | - | 3.7 | - | - | - |
| France | - | 43.6 | 49.3 | 1,314.5 | - | - | - |
| Greece | - | 8.5 | 1,442.4 | 8.3 | - | - | - |
| Hong Kong | - | 22.5 | - | - | - | - | - |
| Hungary | - | - | - | 2.3 | - | - | - |
| India | - | - | - | - | - | - | - |
| Ireland | - | - | - | 27.6 | - | - | - |
| Italy | - | 30.2 | 146.0 | 18.2 | - | - | - |
| Latvia | - | - | - | 2.4 | - | - | - |
| Lithuania | - | - | - | 2.0 | - | - | - |
| Luxembourg | - | - | - | 5.0 | - | - | - |
| Malta | - | - | - | 9.5 | - | - | - |
| Morocco | - | - | - | - | - | - | - |
| Mexico | 440.5 | 649.3 | 1,612.3 | 3,532.0 | - | - | - |
| Netherlands | - | - | - | 29.9 | - | - | - |
| Panama | (8.1) | 25.4 | 3.1 | 25.3 | - | - | - |
| Peru | - | 0.1 | 14.9 | 95.6 | - | - | - |
| Poland | - | 39.7 | 48.0 | 5.4 | - | - | - |
| Portugal | 1,841.6 | 6,955.5 | 430.9 | 46,120.5 | 29.1 | - | 278.4 |
| Dominican Republic | - | 1.1 | 2.5 | 2.8 | - | - | - |
| United Kingdom | - | - | 18.9 | - | - | - | - |
| Czech Republic | - | - | - | 1.7 | - | - | - |
| Romania | - | - | - | 6.3 | - | - | - |
| Serbia | - | - | - | 7.1 | - | - | - |
| Sweden | - | - | - | - | - | - | - |
| Turkey | - | - | - | - | - | - | - |
| Uruguay | 15.4 | 31.1 | 5.3 | - | - | - | - |
| USA | - | 15.7 | 31.7 | 240.3 | - | - | - |
| Total | 9,280.6 | 120,041.8 | 260,619.5 | 750,952.7 | 29.1 | - | 917.9 |

| Country | 2022 (€ 000) | | | | |
|--------------------|--------------------------------|---|--|--|--------------------|
| | Revenue from third-party sales | Revenue from intragroup transactions with other countries | Profit/(loss) before tax and consolidation adjustments | Tangible assets other than cash and cash equivalents | Income tax accrued |
| Germany | 613.8 | 5.9 | 18.3 | - | 5.5 |
| Argentina | 1,092.4 | 33.2 | (1,202.3) | 2,275.3 | 103.8 |
| Brazil | 3.0 | 1.6 | (60.0) | - | 40.7 |
| Chile | 46,803.9 | 2,224.2 | 659.6 | 4,869.6 | (201.4) |
| China | 8,245.7 | 71.7 | 287.7 | 19.1 | 11.1 |
| Colombia | 4,383.3 | 36.3 | (90.3) | 498.7 | (145.9) |
| Ecuador | 939.7 | 29.1 | (18.4) | 402.2 | - |
| Arab Emirates | 136,301.4 | 52,120.1 | 1,383.2 | 24.9 | - |
| Spain | 13,071,593.8 | 2,086,098.7 | 761,440.5 | 7,482,032.1 | 114,866.7 |
| France | 2,604.7 | - | 40.9 | 15.7 | 5.5 |
| Greece | 7,175.8 | - | 77.1 | - | - |
| Hong Kong | 2,278.8 | 64.3 | 86.7 | 62.0 | 9.3 |
| Italy | 2,279.4 | 2,030.4 | 168.8 | 2.2 | 19.7 |
| Mexico | 183,666.3 | 2,732.7 | 20,979.7 | 52,208.1 | 2,983.7 |
| Panama | 1,443.8 | 20.0 | (448.3) | 1,520.2 | 17.4 |
| Peru | 3,558.0 | 8.8 | (237.9) | 717.8 | - |
| Poland | 677.7 | - | (1,802.7) | - | - |
| Portugal | 626,020.4 | 9,704.5 | 32,494.7 | 306,327.5 | 7,486.4 |
| Dominican Republic | 560.8 | 3.2 | (42.4) | 190.1 | 6.8 |
| United Kingdom | 2,307.8 | 597.6 | 87.6 | 0.1 | 8.3 |
| Russia | (58.4) | 631.4 | 504.7 | - | - |
| Uruguay | 77,742.8 | 53,998.6 | 2,063.1 | 13.9 | 3.5 |
| USA | 11,272.3 | 1,994.8 | 427.5 | 513.7 | 29.2 |
| Total | 14,191,507.3 | 2,212,407.0 | 816,817.9 | 7,851,693.1 | 125,250.3 |

II. GRI INDICATOR CROSS-REFERENCES

STATEMENT OF USE

El Corte Inglés, S.A. has presented the information itemised in this GRI content index for the period from 1 March 2023 to 29 February 2024 using the GRI Standards as a reference.

| GRI indicator and description | Section of the report | Comments/Scope limitations or omissions | Global Compact | SDGs |
|---|--|--|----------------|------|
| GRI 2: GENERAL DISCLOSURES 2021 | | | | |
| Organisational profile | | | | |
| 2-1 Organizational details | Basis of preparation (p. 11) El Corte Inglés Group footprint (p. 26 and 27) Our corporate governance model (p. 68) Supply chain (p. 159 to 162) | | | |
| 2-2 Entities included the organization's sustainability reporting | Basis of preparation (p. 11) | | | |
| 2-3 Reporting period, frequency and contact point for questions about the report or reported information | Basis of preparation (p. 11) | Prepared for the annual period; i.e. from 1 March 2023 to 29 February 2024. Contact point: Institutional Relations and Sustainability Department of El Corte Inglés, S.A. | | |
| 2-4 Restatements of information | Basis of preparation (p. 11) The Group's key financial metrics (p. 25) El Corte Inglés Group footprint (p. 26) Our customers (p. 91) Our team (p. 119) Supply chain (p. 157) Our relationship with society (p. 177) Our environmental management (p. 199) | Restatements of information are referenced in each chapter. | | |
| 2-5 External assurance | Independent assurance report (p. 324 to 327) | | | |
| 2-6 Activities, management chain and other business relationships | Chairwoman's statement (p. 7) The Group's key financial metrics (p. 25) El Corte Inglés Group footprint (p. 27 and 28) Our business lines (p. 30 to 49) Our team (p. 121 to 132) Supply chain (p. 153 to 175) Table of non-financial indicators - Our customers (p. 278) | | | |

| GRI indicator and description | Section of the report | Comments/Scope limitations or omissions | Global Compact | SDGs |
|---|---|---|----------------|-------------|
| 2-7 Employees | Our team (p. 119, 121 and 122) Table of non-financial indicators - Our team (p. 279 to 282) | | | |
| 2-8 Workers who are not employees | | El Corte Inglés has workers who are not employees; however, it does not control their work. Therefore, this information is not available for El Corte Inglés Group. Reporting is the responsibility of the contractors hired to provide these services. | 6 | 8.5 10.3 |
| 2-9 Governance structure and composition | Our corporate governance model (p. 68) Table of non-financial indicators - Our governance (p. 277) | | | 5.5 16.7 |
| 2-10 Nomination and selection of the highest governance body | Our corporate governance model (p. 74 to 76) | | | 5.5 16.7 |
| 2-11 Chair of the highest governance body | Our corporate governance model (p. 68 to 76) | | | 16.6 |
| 2-12 Role of the highest governance body in overseeing the management of impacts | Our corporate governance model (p. 68 to 82) Supply chain (p. 163 to 175) Climate neutrality (p. 212) Risk and opportunity management (p. 250) | Notes to El Corte Inglés Group's consolidated financial statements: Note 25 Environmental disclosures. | | 16.7 |
| 2-13 Delegation of responsibility for managing impacts | Our corporate governance model (p. 68 to 74) | | | |
| 2-14 Role of the highest governance body in sustainability reporting | Our corporate governance model (p. 79 and 80) | | | |
| 2-15 Conflicts of interest | Our principles, values and commitments (p. 65) Our corporate governance model (p. 70) | | | 16.6 |
| 2-16 Communication of critical concerns | Our principles, values and commitments (p. 65 to 67) Our corporate governance model (p.73 and 74) Risk and opportunity management (p. 252) | | | |
| 2-17 Collective knowledge of the highest governance body | Our corporate governance model (p. 74 to 76) | | | |
| 2-18 Evaluation of the performance of the highest governance body | Our corporate governance model (p. 74 to 76) | | | |
| 2-19 Remuneration policies | Our corporate governance model (p. 76 to 78) Table of non-financial indicators - Our governance (p. 276) | Notes to El Corte Inglés Group's consolidated financial statements: Note 24.2 Director remuneration. | | |

| GRI indicator and description | Section of the report | Comments/Scope limitations or omissions | Global Compact | SDGs |
|--|---|--|----------------|------|
| 2-20 Process to determine remuneration | Our corporate governance model (p. 74 and 75) Our team (p. 135 to 137) | Our Group is subject to collective bargaining, with union representation in the various sectors of our businesses, determining the various remuneration items. This is done with the knowledge of our works council. | | 16.7 |
| 2-21 Annual total compensation ratio | | Annual total compensation ratio: 129.4 in 2023 (77.6 in 2022). Percentage increase in total annual compensation in 2023: -36.7 (-276.5 in 2022). | 3 | 8.8 |
| 2-22 Statement on sustainable development strategy | Chairwoman's statement (p. 8) | | | |
| 2-23 Policy commitments | Our ESG performance (P. 51 to 54) Our principles, values and commitments (p. 63 to 65) Other topics related to the highest governance body (p. 83) Our customers (p. 91 and 98) Our team (p. 132 to 134 and 142 to 143) Supply chain (p. 158 to 162) Environmental certifications (p. 226 and 227) Risk and opportunity management (p. 247 to 249) | The Appointments and Remuneration Committee stipulates directors' training needs on good corporate governance and training plans are developed accordingly. | 10 | 16.3 |
| 2-24 Embedding policy commitments | Our principles, values and commitments (p. 63 to 65) Our customers (p. 91 to 98) Our team (p. 132 to 134 and 142 to 143) Supply chain (p. 158 to 162) Environmental certifications (p. 226 and 227) Risk and opportunity management (p. 247 to 249) | | 10 | 16.3 |
| 2-25 Processes to remediate negative impacts | Our principles, values and commitments (p. 63 to 65) Our corporate governance model (p. 71 to 73) Supply chain (p. 167 to 172) Risk and opportunity management (p. 247 to 249) | | | |
| 2-26 Mechanisms for seeking advice and raising concerns | Our principles, values and commitments (p. 65 and 66) Our customers (p. 112) Our team (p. 149) Supply chain (p. 170 to 172) | | | |

| GRI indicator and description | Section of the report | Comments/Scope limitations or omissions | Global Compact | SDGs |
|--|---|--|----------------|------|
| 2-27 Compliance with laws and regulations | | In 2023 and 2022, the Group did not incur any fines or sanctions for non-compliance with environmental laws. Notes to the El Corte Inglés Group's consolidated financial statements: Note 25. In 2023 and 2022, no fines or monetary sanctions were received for non-compliance with social or economic laws and regulations related to, e.g. accounting fraud, discrimination in the workplace or corruption. | 8 | 16.3 |
| 2-28 Membership of associations | Our relationship with society (p. 186) | | | |
| 2-29 Approach to stakeholder engagement | Our team (p. 131 and 144) Supply chain (p. 161) Our relationship with society (p. 182 and 183) Risk and opportunity management (p. 252) Reporting principles and transparency (p. 259 to 265) | | | |
| 2-30 Collective bargaining agreements | Our team (p. 131 and 132) Table of non-financial indicators. Our team. I. Collective agreements (p. 282 and 289) | | | |

| GRI indicator and description | Section of the report | Comments/Scope limitations or omissions | Global Compact | SDGs |
|---|---|---|----------------|-------------------------------|
| MATERIAL TOPICS | | | | |
| ECONOMIC TOPICS | | | | |
| Economic performance | | | | |
| 3-3 Management of material topics | Chairwoman's statement (p. 8 and 9) Our relationship with society (p. 177 to 185) Table of non-financial indicators - Society (p. 292 to 299) | | | |
| 201-1 Direct economic value generated and distributed | Our relationship with society (p. 179) | | | 8.1 8.2 9.1 9.4 9.5 |
| 201-2 Financial implications and other risks and opportunities due to climate change | Risk and opportunity management (p. 249 and 253) | | | 13.1 |
| 201-3 Defined benefit plan obligations and other retirement plans | Our corporate governance model (p. 78) Our team (p. 131) | | | |
| 201-4 Financial assistance received from government | Our relationship with society (p. 185) | | | |
| Market presence | | | | |
| 3-3 Management of material topics | Our business model (p. 19 to 23) Our business lines (p. 31 to 49) | | | |
| 202-1 Ratios of standard entry level wage by gender compared to local minimum wage | Our team (p. 137) | As reported in several sections of the NFS, Spain and Portugal are recognised as the main countries where El Corte Inglés Group does business (as reflected in data on headcount). Therefore, this indicator is reported for these two geographies, since they are the locations/regions with significant operations. | | 1.2 5.1 |
| 202-2 Proportion of senior management hired from the local community | | El Corte Inglés Group operates primarily in Spain. Therefore, most senior managers are Spanish. | | 8.5 |
| Indirect economic impacts | | | | |
| 3-3 Management of material topics | Our relationship with society (p. 179) | | | |
| 203-1 Infrastructure investments and services supported | Our relationship with society (p. 195 a 197) | | | 5.4 9.1 9.4 11.2 |
| 203-2 Significant indirect economic impacts | Our relationship with society (p. 179) | | | 1.2 1.4 3.8 8.2 8.3 8.5 |

| GRI indicator and description | Section of the report | Comments/Scope limitations or omissions | Global Compact | SDGs |
|---|--|---|----------------|------|
| Procurement practices | | | | |
| 3-3 Management of material topics | Supply chain (p. 153 to 156) | | | |
| 204-1 Proportion of spending on local suppliers | Supply chain (p. 157 and 158) | | | 8.3 |
| Anti-corruption | | | | |
| 3-3 Management of material topics | Other topics related to the highest governance body (p. 83 and 84) | | | |
| 205-1 Operations assessed for risks related to corruption | Other topics related to the highest governance body (p. 83 and 84) | Significant risks identified: <ul style="list-style-type: none"> Private corruption Public corruption Money laundering and terrorist financing Illegal financing of political parties Corruption in international business transactions Bid rigging in public tenders and auctions | | |
| 205-2 Communication and training about anti-corruption policies and procedures | Other topics related to the highest governance body (p. 83 and 84) | No. of employees trained on anti-corruption, corporate crime and other matters in Spain (33,882): <ul style="list-style-type: none"> Managers: 2,689 Coordinators: 1,051 Skilled professionals: 2,596 Professionals: 18,709 Staff: 8,837 No. of employees trained on anti-money laundering matters at El Corte Inglés in Spain (1,025 in 2023 and 2,587 in 2022): <ul style="list-style-type: none"> Managers: 78 Coordinators: 23 Skilled professionals: 6 Professionals: 533 Staff: 385 | 10 | 16.5 |
| 205-3 Confirmed incidents of corruption and actions taken | | In 2023, of the 13 notifications received, no evidence of irregularities was found in 11 cases; in the two for which breaches were established, both of the affected employees were terminated. In 2022, of the 10 notifications received, no evidence of irregularities was found in eight cases; in the two for which breaches were established, both of the affected employees were terminated. | 10 | 16.5 |

| GRI indicator and description | Section of the report | Comments/Scope limitations or omissions | Global Compact | SDGs |
|---|---|--|----------------|------------------------------|
| Anti-competitive behaviour | | | | |
| 3-3 Management of material topics | Our corporate governance model (p. 73 and 74) Other topics related to the highest governance body (p. 83 and 84) | | | |
| 206-1 Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices | | In 2023, a case was opened related to potential concerted practices. The Company did not incur any sanctions in this connection. See Note 16.2 Sureties and guarantees extended to third parties and other contingent liabilities to El Corte Inglés Group's consolidated financial statements for 2023 for disclosures on litigation and other contingencies of the Company and its Group. In 2023 and 2022, the Group did not receive any fines or monetary sanctions for non-compliance with laws for anti-competitive behaviour, anti-trust and monopoly practices. | | 16.3 |
| Tax | | | | |
| 3-3 Management of material topics | Our relationship with society (p. 180 to 183) | | | |
| 207-1 (2019) Approach to tax | Our relationship with society (p. 180 to 183) Risk and opportunity management (p. 256) | | | 1.1 1.3 10.4 17.1 17.3 |
| 207-2 (2019) Tax governance, control, and risk management | Our relationship with society (p. 180 to 183) Risk and opportunity management (p. 256) | | | 1.1 1.3 10.4 17.1 17.3 |
| 207-3 (2019) Stakeholder engagement and management of concerns related to tax | Our relationship with society (p. 180 to 183) | | | 1.1 1.3 10.4 17.1 17.3 |
| 207-4 (2019) Country-by-country reporting | Table of non-financial indicators (p. 292 to 298) | Supplementary information contained in the notes to the consolidated financial statements: Note 22 Taxes payable receivable and tax matters | | 1.1 1.3 10.4 17.1 17.3 |
| ENVIRONMENTAL TOPICS | | | | |
| Materials | | | | |
| 3-3 Management of material topics | Our environmental management (p. 199 to 201) | | | |
| 301-1 Materials used by weight or volume | Circular economy (p. 202 to 208) | | 7 | 8.4 12.2 |
| 301-2 Recycled input materials used | Circular economy (p. 202 to 208) | | 8 | 8.4 12.2 12.5 |
| 301-3 Reclaimed products and their packaging materials | Circular economy (p. 202 to 208) | | 8 | 8.4 12.2 12.5 |

| GRI indicator and description | Section of the report | Comments/Scope limitations or omissions | Global Compact | SDGs |
|--|---------------------------------------|--|----------------|-----------------------------|
| Energy | | | | |
| 3-3 Management of material topics | Climate neutrality (p. 220 to 224) | | 7 y 8 | 7.2 7.3 8.4 12.2 13.1 |
| 302-1 Energy consumption within the organization | Climate neutrality (p. 220 to 224) | | 8 | 7.3 8.4 12.2 13.1 |
| 302-3 Energy intensity | Climate neutrality (p. 220 to 224) | | 8 y 9 | 7.3 8.4 12.2 13.1 |
| 302-4 Reduction of energy consumption | Climate neutrality (p. 220 to 224) | | 8 y 9 | 7.3 8.4 12.2 13.1 |
| 302-5 Reductions in energy requirements of products and services | Climate neutrality (p. 220 to 224) | | 8 y 9 | 7.3 8.4 12.2 13.1 |
| Water | | | | |
| 3-3 Management of material topics | Sustainable water management (p. 225) | | | |
| 303-1 (2018) Interactions with water as a shared resource | Sustainable water management (p. 225) | | | |
| 303-2 (2018) Management of water discharge-related impacts | Sustainable water management (p. 225) | | | |
| 303-3 (2018) Water withdrawal | Sustainable water management (p. 225) | | 7 y 8 | 6.3 6.4 6.A 6.B 12.4 |
| 303-4 (2018) Water discharge | Sustainable water management (p. 225) | | | |
| 303-5 (2018) Water consumption | Sustainable water management (p. 225) | | | |
| Biodiversity | | | | |
| 304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas | | El Corte Inglés Group's facilities are located on land zoned as urban and have no significant impacts on biodiversity of protected areas or areas of high biodiversity, so this indicator is not considered material. Considering El Corte Inglés Group's business, this indicator is not material. | | |
| 304-2 Significant impacts of activities, products, and services on biodiversity | | Considering El Corte Inglés Group's business, this indicator is not material. | | |
| 304-3 Habitats protected or restored | | Considering El Corte Inglés Group's business, this indicator is not material. | | |
| 304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations | | Considering El Corte Inglés Group's business, this indicator is not material. | | |

| GRI indicator and description | Section of the report | Comments/Scope limitations or omissions | Global Compact | SDGs |
|---|---|---|----------------|---|
| Emissions | | | | |
| 3-3 Management of material topics | Climate neutrality (p. 220 and 221) | | | |
| 305-1 Direct (Scope 1) GHG emissions | Climate neutrality (p. 220 and 221) | | 7 y 8 | 3.9 12.4 13.1 14.3 15.2 |
| 305-2 Energy indirect (Scope 2) GHG emissions | Climate neutrality (p. 220 and 221) | | 7 y 8 | 3.9 12.4 13.1 14.3 15.2 |
| 305-3 Other indirect (Scope 3) GHG emissions | Climate neutrality (p. 220 and 221) | | 7 y 8 | 3.9 12.4 13.1 14.3 15.2 |
| 305-4 GHG emissions intensity | Climate neutrality (p. 220 and 221) | | 7 y 8 | 13.1 14.3 15.2 |
| 305-5 Reduction of GHG emissions | Climate neutrality (p. 220 and 221) | | 7 y 8 | 14.3 15.2 |
| 305-6 Emission of ozone-depleting substances (ODS) | | El Corte Inglés Group does not emit any ODS. | 7 y 8 | 3.9 12.4 |
| 305-7 Nitrogen oxides (NOx), sulphur oxides (SOx), and other significant air emissions | | El Corte Inglés Group does not have NOx and SOx emissions or cause any relevant light or noise pollution to respond to this section of the law. | 7 y 8 | 3.9 12.4 14.3 15.2 |
| Effluents and waste | | | | |
| 3-3 Management of material topics | Circular economy (p. 205 to 208) | | | |
| 306-1 Waste generation and significant waste-related impacts | Circular economy (p. 205 to 208) Sustainable water management (p. 225) | | 8 | 3.9 6.3 6.4 6.6 11.6 12.4 12.5 14.1 |
| 306-2 Management of significant waste-related impacts | Circular economy (p. 205 to 208) | | 8 | 3.9 6.3 11.6 12.4 12.5 |
| 306-3 Waste generated | Circular economy (p. 205 to 208) | | 8 | 3.9 6.3 6.6 11.6 12.4 12.5 14.1 15.1 |
| 306-4 Waste diverted from disposal | Circular economy (p. 205 to 208) | | 8 | 3.9 11.6 12.4 12.5 |
| 306-5 Waste directed to disposal | Circular economy (p. 205 to 208) | | 8 | 3.9 6.6 11.6 12.4 12.5 14.2 15.1 15.5 |

| GRI indicator and description | Section of the report | Comments/Scope limitations or omissions | Global Compact | SDGs |
|---|--|--|----------------|---------------------|
| Supplier environmental assessment | | | | |
| 3-3 Management of material topics | Supply chain (p. 153 to 156) | | | |
| 308-1 New suppliers that were screened using environmental criteria | Supply chain (p. 156 to 160) | | 8 | |
| 308-2 Negative environmental impacts in the supply chain and actions taken | Supply chain (p. 161 to 170) | | 8 | |
| SOCIAL TOPICS | | | | |
| Employment | | | | |
| 3-3 Management of material topics | Our team (p. 119 and 122) | | | |
| 401-1 New employee hires and employee turnover | Our team (p. 124) | | 6 | 5.1 8.5 8.6 10.3 |
| 401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees | | All employees have the same benefits, irrespective of their contract type. | | 3.2 5.4 8.5 |
| 401-3 Parental leave | Our team (p. 134) | | 6 | 5.1 5.4 8.5 |
| Labour-management relations | | | | |
| 3-3 Management of material topics | Our team (p. 131 and 132) | | | |
| 402-1 Minimum notice periods regarding operational changes | Our team (p. 132) I. Table of non-financial indicators (p. 290 and 291) | | 3 | 8.8 |
| Occupational health and safety | | | | |
| 3-3 Management of material topics | Our team (p. 145 to 149) | | | |
| 403-1 (2018) Occupational health and safety management system | Our team (p. 145 to 149) | | | 8.8 |
| 403-2 (2018) Hazard identification, risk assessment, and incident investigation | Our team (p. 146 to 148) | | | 3.3 3.9 8.8 |
| 403-3 (2018) Occupational health services | Our team (p. 145) | | | 3.3 3.9 8.8 |
| 403-4 (2018) Worker participation, consultation, and communication on occupational health and safety | Our team (p. 138 and 139) | | | 8.8 16.7 |
| 403-5 (2018) Worker training on occupational health and safety | Our team (p. 148) | | | 8.8 |
| 403-6 (2018) Promotion of worker health | Our team (p. 149) | | | 3.3 3.5 3.7 3.8 |

| GRI indicator and description | Section of the report | Comments/Scope limitations or omissions | Global Compact | SDGs |
|---|---|--|----------------|---------------------------------------|
| 403-7 (2018) Prevention and mitigation of occupational health and safety impacts directly linked by business relationships | Our team (p. 149) | | | 8.8 |
| 403-8 (2018) Workers covered by an occupational health and safety management system | Our team (p. 145 to 148) | | | 8.8 |
| 403-9 (2018) Work-related injuries | Table of non-financial indicators - Our team (p. 286) | | | 3.6 3.9 8.8 16.1 |
| 403-10 (2018) Work-related ill health | Our team (p. 147) Table of non-financial indicators - Our team (p. 286) | | | 3.3 3.4 3.9 8.8 16.1 |
| Training and education | | | | |
| 3-3 Management of material topics | Our team (p. 121) | | | |
| 404-1 Average hours of training per year per employee | Our team (p. 125) Table of non-financial indicators - Our team (p. 284) | | 6 | 4.3 4.4 4.5 5.1 8.2 8.5 10.3 |
| 404-2 Programs for upgrading employee skills and transition assistance programs | | The Company does not have a specific programme for this. | | 8.2 8.5 |
| 404-3 Percentage of employees receiving regular performance and career development reviews | Our team (p. 129) | | 6 | 5.1 8.5 10.3 |
| Diversity and equal opportunities | | | | |
| 3-3 Management of material topics | Our corporate governance model (p. 70 and 71) Our team (p. 119 and 120) | | | |
| 405-1 Diversity of governance bodies and employees | Our corporate governance model (p. 70) Our team (p. 140 to 143) Table of non-financial indicators - Our governance (p. 277) | | 6 | 5.1 5.5 8.5 |
| 405-2 Ratio of basic salary and remuneration of women to men | Our team (p. 136) Table of non-financial indicators - Our governance (p. 285) | | 6 | 5.1 8.5 10.3 |
| Non-discrimination | | | | |
| 3-3 Management of material topics | Our principles, values and commitments (p. 62 to 67) | | | |
| 406-1 Incidents of discrimination and corrective actions taken | Our team (p. 143) Supply chain (p. 161 to 172) | | | 5.1 8.8 |

| GRI indicator and description | Section of the report | Comments/Scope limitations or omissions | Global Compact | SDGs |
|---|------------------------------|---|----------------|-------------|
| Freedom of association and collective bargaining | | | | |
| 3-3 Management of material topics | Supply chain (p. 153 to 156) | | | |
| 407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk | Supply chain (p. 161 to 174) | | 3 | 8.8 |
| Child labor | | | | |
| 3-3 Management of material topics | Supply chain (p. 161 to 174) | | | |
| 408-1 Operations and suppliers at significant risk for incidents of child labour | Supply chain (p. 161 to 174) | | 5 | 8.7 16.2 |
| Forced or compulsory labour | | | | |
| 3-3 Management of material topics | Supply chain (p. 161 to 174) | | | |
| 409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor | Supply chain (p. 161 to 174) | | 4 | 8.7 |
| Security practices | | | | |
| 3-3 Management of material topics | Supply chain (p. 174) | | | |
| 410-1 Security personnel trained in human rights policies or procedures | Supply chain (p. 173) | | | 16.1 |
| Human rights assessment | | | | |
| 3-3 Management of material topics | Supply chain (p. 161 to 172) | | | |
| 412-1 Operations that have been subject to human rights reviews or impact assessments | Supply chain (p. 161 to 172) | | | 8 |
| 412-2 Employee training on human rights policies or procedures | Supply chain (p. 161 to 172) | | | 8 |
| 412-3 Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening | Supply chain (p. 161 to 172) | | | 8 |

| GRI indicator and description | Section of the report | Comments/Scope limitations or omissions | Global Compact | SDGs |
|--|---|--|----------------|-----------------|
| Local communities | | | | |
| 3-3 Management of material topics | Our relationship with society (p. 177 to 194) | | | |
| 413-1 Operations with local community engagement, impact assessments, and development programs | Our relationship with society (p. 187 to 194) | | 1 | |
| 413-2 Operations with significant actual and potential negative impacts on local communities | Supply chain (p. 161 to 172) | | 1 y 2 | 1.4 2.3 |
| Supplier social assessment | | | | |
| 3-3 Management of material topics | Supply chain (p. 161 to 172) | | | |
| 414-1 New suppliers that were screened using social criteria | Supply chain (p. 161 to 172) | | 2 | 5.2 8.8 16.1 |
| 414-2 Negative social impacts in the supply chain and actions taken | Supply chain (p. 161 to 172) | | 2 | 5.2 8.8 16.1 |
| Public policy | | | | |
| 3-3 Management of material topics | Other topics related to the highest governance body (p. 83 to 88) | | | |
| 415-1 Political contributions | | According to El Corte Inglés Group's Code of Ethics, no Group employee contributed to any political party and/or their representatives in 2023 and 2022. | 10 | 16.5 |
| Customer health and safety | | | | |
| 3-3 Management of material topics | Our customers (p. 102 to 107) | | | |
| 416-1 Assessment of the health and safety impacts of product and service categories | Our customers (p. 102 to 107) Table of non-financial indicators - Our customers (p. 278) | | | |
| 416-2 Incidents of non-compliance concerning the health and safety impacts of products and services | | In 2023 and 2022, no fines or sanctions were received for non-compliance with applicable regulations related to product health and safety. | | 16.3 |

| GRI indicator and description | Section of the report | Comments/Scope limitations or omissions | Global Compact | SDGs |
|---|--|--|----------------|---------------|
| Marketing and labelling | | | | |
| 3-3 Management of material topics | Our customers (p. 106 and 107) | | | |
| 417-1 Requirements for product and service information and labelling | Our customers (p. 106 and 107) | | | 12.8 |
| 417-2 Incidents of non-compliance concerning product and service information and labelling | | In 2023 and 2022, the Group did not receive any fines or monetary sanctions for non-compliance with product labelling. | | 16.3 |
| 417-3 Incidents of non-compliance concerning marketing communications | | In 2023 and 2022, no fines or economic sanctions were received for non-compliance with applicable regulations related to marketing; e.g. advertising, promotions and sponsorships. | | 16.3 |
| Customer privacy | | | | |
| 3-3 Management of material topics | Our customers (p. 113 to 116) | | | |
| 418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data | Our principles, values and commitments (p. 86 to 88) Our customers (p. 112 and 113) | | | 16.3 16.10 |

III. CONTENT INDEX REQUIRED UNDER LAW 11/2018 AND REGULATION (EU) 2020/852

| Contents of Law 11/2018 on non-financial reporting | | Section of the report | Comments / Scope limitations or omissions |
|--|--|--|---|
| Business model | | | |
| Description of the Group's business model | Brief description of the Group's business model, including disclosures relating to its business environment, organisation and structure, markets in which it operates, objectives and strategies, and the main trends and factors that may affect its future development. | Our business model (p. 19 to 29) El Corte Inglés Group footprint (p. 26 to 29) Our business lines (p. 30 to 49) Our corporate governance model (p. 68 to 82) Supply chain (p. 153 to 162) Risk and opportunity management (p. 247 to 257) | |
| Environmental information | | | |
| Policies | Policies pursued by the Group, including due diligence processes implemented to identify, assess, prevent and mitigate significant risks and impacts and for assurance and control, and the measures that have been taken. | Supply chain (p. 163) Our environmental management (p. 199 to 219) | |
| Principal risks | The principal risks related to those matters linked to the Group's operations including, where relevant and proportionate, its business relationships, products or services which are likely to cause adverse impacts in those areas, and how the Group manages those risks, explaining the processes undertaken to detect and assess them in accordance with national, EU-based or international frameworks for each. Disclosures should be included on the impacts detected, with a breakdown of the risks, in particular the principle short medium- and long-term risks. | Our corporate governance model (p. 73 and 74) Climate neutrality (p. 212 to 219) Risk and opportunity management (p. 250 and 253) | |

| Contents of Law 11/2018 on non-financial reporting | Section of the report | Comments / Scope limitations or omissions |
|--|---|--|
| General | Effects of the company's activities on the environment, health and safety. | Our team (p. 146 to 149) Our environmental management (p. 202 to 213) Risk and opportunity management (p. 250 to 257) |
| | Environmental assessment or certification procedures. | Environmental certifications (p. 226 and 227) |
| | Resources dedicated to the prevention of environmental risks. | Our ESG performance (p. 51 to 55) Our corporate governance model (p. 72) Our environmental management (p. 202 to 216) Risk and opportunity management (p. 247 to 253) |
| | Application of the precautionary principle. | Supply chain (p. 161 to 172) Our environmental management (p. 199 to 219) |
| | Amount of provisions recorded or guarantees extended for environmental claims. | In 2023 and 2022, the Group did not incur any fines or sanctions for non-compliance with environmental laws. El Corte Inglés has civil liability insurance covering its environmental risks. |
| Pollution | Measures to prevent, reduce or repair carbon emissions that seriously affect the environment, taking into account any type of air pollution specific to an activity, including noise and light pollution. | Our environmental management (p. 199 to 201) Climate neutrality (p. 212 and 213) |
| | Measures to prevent pollution. | Our environmental management (p. 199 to 201) Climate neutrality (p. 212 and 213) |
| Circular economy and waste prevention and management | Measures for the prevention, recycling, reuse and other forms of recovering and eliminating waste. Actions to eliminate food waste. | Our environmental management (p. 201) Circular economy (p. 202 to 211) |
| Sustainable use of resources | Water consumption and supply, in keeping with local limitations. | Sustainable water management (p. 225) |
| | Consumption of raw materials and measures taken to use them more efficiently. | Circular economy (p. 202 to 211) |
| | Direct and indirect energy consumption. | Climate neutrality (p. 212 and 213) |
| | Energy efficiency measures taken. | Climate neutrality (p. 212 and 213) |
| | Use of renewable energy. | Climate neutrality (p. 213 and 215) |

| Contents of Law 11/2018 on non-financial reporting | Section of the report | Comments / Scope limitations or omissions |
|--|--|---|
| Climate change | Greenhouse gas emissions. | Climate neutrality (p. 212 to 215) |
| | Measures taken to adapt for the consequences of climate change. | Climate neutrality (p. 212 to 215) |
| | GHG emission-reduction targets. | Climate neutrality (p. 212 to 215) |
| Biodiversity protection | Measures taken to preserve or restore biodiversity. | El Corte Inglés Group's facilities are located on land zoned as urban and have no significant impacts on biodiversity of protected areas or areas of high biodiversity, so this indicator is not considered material. |
| | Impacts caused by activities or operations in protected areas. | El Corte Inglés Group's facilities are located on land zoned as urban and have no significant impacts on biodiversity of protected areas or areas of high biodiversity, so this indicator is not considered material. |
| Social and employee-related matters | | |
| Policies | Policies pursued by the Group, including due diligence processes implemented to identify, assess, prevent and mitigate significant risks and impacts and for assurance and control, and the measures that have been taken. | Our corporate governance model (p. 62 to 67) Our team (p. 120) |
| Principal risks | The principal risks related to those matters linked to the Group's operations including, where relevant and proportionate, its business relationships, products or services which are likely to cause adverse impacts in those areas, and how the Group manages those risks, explaining the processes undertaken to detect and assess them in accordance with national, EU-based or international frameworks for each. Disclosures should be included on the impacts detected, with a breakdown of the risks, in particular the principle short medium- and long-term risks. | Our corporate governance model (p. 73 and 74) Risk and opportunity management (p. 255) |

| Contents of Law 11/2018 on non-financial reporting | Section of the report | Comments / Scope limitations or omissions |
|--|--|---|
| Employment | Total number and breakdown of employees by gender, age, country and job category. | Appendices: I. Table of non-financial indicators - Our team (p. (279 to 281) |
| | Total number and breakdown of types of employment contracts. | Appendices: I. Table of non-financial indicators - Our team (p. 280 and 281) |
| | Average annual number of permanent, temporary and part-time contracts by gender, age and job category. | Appendices: I. Table of non-financial indicators - Our team (p. 282 and 283) |
| | Number and breakdown of dismissals by gender, age, and job category. | Appendices: I. Table of non-financial indicators - Our team (p. 283 and 284) |
| | Average remuneration by gender, age, employee category or equivalent metric. | Appendices: I. Table of non-financial indicators - Our team (p. 284 and 285) |
| | Gender pay gap. | Our team (p. 135) |
| | Remuneration per equivalent job or company average. | Appendices: I. Table of non-financial indicators - Our team (p. 284) |
| | Average remuneration of directors and executives, by gender. | Our corporate governance model (p. 76 and 79) Appendices: I. Table of non-financial indicators - Our governance (p. 276) |
| | Right to disconnect measures. | Our team (p. 133) |
| | Employees with disabilities. | Our team (p. 142) Appendices: I. Table of non-financial indicators - Our team (p. 280) |
| | Organisation of working hours. | Our team (p. 132) |
| | Number of hours of absenteeism. | Our team (p. 147) Appendices: I. Table of non-financial indicators - Our team (p. 285 and 286) |
| | Measures to facilitate work-life balance. | Our team (p. 132 to 134) |
| | Health and safety | Health and safety at work. |
| Number of work-related accidents by gender. | | Appendices: I. Table of non-financial indicators - Our team (p. 286 and 287) |
| Injury rate by gender. | | Appendices: I. Table of non-financial indicators - Our team (p. 286) |
| Severity rate by gender. | | Appendices: I. Table of non-financial indicators - Our team (p. 286) |
| Number of occupational diseases by gender. | | Appendices: I. Table of non-financial indicators - Our team (p. 286) |

| Contents of Law 11/2018 on non-financial reporting | Section of the report | Comments / Scope limitations or omissions |
|--|--|---|
| Social relations | Organisation of management-labour engagement. | Our team (p. 131 and 132) |
| | Mechanisms and procedures that the company has in place to promote worker involvement in the company's management in terms of information, consultation and participation. | Our team (p. 131 and 132) |
| | Percentage of employees covered by collective bargaining agreements. | Appendices: I. Table of non-financial indicators - Our team (p. 287) |
| | List of collective bargaining agreements with respect to occupational health and safety. | Our team (p. 131 and 132) Appendices: I. Table of non-financial indicators - Our team (p. 288 and 289) |
| | Training | Training policies. |
| Total training hours by employee category. | | Our team (p. 128) Appendices: I. Table of non-financial indicators - Our team (p. 284) |
| Accessibility | Universal accessibility of people with disabilities. | Our relationship with society (p. 195 to 197) |
| Equality | Gender equality measures. | Our principles, values and commitments (p. 63) Our team (p. 140 to 143) |
| | Equality plans. | Our team (p. 141 and 142) |
| | Measures to promote employment. | Our team (p. 121 and 122) |
| | Anti-sexual/gender harassment protocols. | Our team (p. 143) |
| | Anti-discrimination and diversity management policy. | Our team (p. 140 to 142) |
| Respect for human rights | | |
| Policies | Policies pursued by the Group, including due diligence processes implemented to identify, assess, prevent and mitigate significant risks and impacts and for assurance and control, and the measures that have been taken. | Supply chain (p. 161 to 172) |
| Principal risks | The principal risks related to those matters linked to the Group's operations including, where relevant and proportionate, its business relationships, products or services which are likely to cause adverse impacts in those areas, and how the Group manages those risks, explaining the processes undertaken to detect and assess them in accordance with national, EU-based or international frameworks for each. Disclosures should be included on the impacts detected, with a breakdown of the risks, in particular the principle short medium- and long-term risks. | Supply chain (p. 163 to 166) Risk and opportunity management (p. 254) |

| Contents of Law 11/2018 on non-financial reporting | Section of the report | Comments / Scope limitations or omissions |
|--|--|---|
| Human rights | Implementation of due diligence processes. | Supply chain (p. 161 and 162) |
| | Prevention and management measures of possible abuses. | Supply chain (p. 163 to 172) |
| | Reports of human rights abuses. | Our principles and commitments (p. 67) Supply chain (p. 172) |
| | Promotion and compliance with ILO provisions. | Supply chain (p. 163) |
| Anti-corruption and bribery effort | | |
| Policies | Policies pursued by the Group, including due diligence processes implemented to identify, assess, prevent and mitigate significant risks and impacts and for assurance and control, and the measures that have been taken. | Other topics related to the highest governance body (p. 83 to 86) |
| Principal risks | The principal risks related to those matters linked to the Group's operations including, where relevant and proportionate, its business relationships, products or services which are likely to cause adverse impacts in those areas, and how the Group manages those risks, explaining the processes undertaken to detect and assess them in accordance with national, EU-based or international frameworks for each. Disclosures should be included on the impacts detected, with a breakdown of the risks, in particular the principle short medium- and long-term risks. | Risk and opportunity management (p. 257) |
| Corruption and bribery | Anti-corruption and bribery measures. | Our principles, values and commitments (p. 68) Other topics related to the highest governance body (p. 83 to 85) |
| | Measures taken to combat money laundering. | Other topics related to the highest governance body (p. 85 and 86) |
| | Contributions to foundations and non-profit organisations. | Our relationship with society (p. 191) |
| Society matters | | |
| Policies | Policies pursued by the Group, including due diligence processes implemented to identify, assess, prevent and mitigate significant risks and impacts and for assurance and control, and the measures that have been taken. | Supply chain (p. 161 to 172) |

| Contents of Law 11/2018 on non-financial reporting | Section of the report | Comments / Scope limitations or omissions |
|--|--|---|
| Principal risks | The principal risks related to those matters linked to the Group's operations including, where relevant and proportionate, its business relationships, products or services which are likely to cause adverse impacts in those areas, and how the Group manages those risks, explaining the processes undertaken to detect and assess them in accordance with national, EU-based or international frameworks for each. Disclosures should be included on the impacts detected, with a breakdown of the risks, in particular the principle short medium- and long-term risks. | Other topics related to the highest governance body (p. 86 to 88) Supply chain (p. 163 to 172) Risk and opportunity management (p. 251) |
| Commitment of the Company to sustainable development | Impact of the undertaking's activities on society in terms of employment and local development. | Supply chain (p. 158 and 159) Our relationship with society (p. 179 to 183) Risk and opportunity management (p. 251 to 253) |
| | Impact of the undertaking's activities on society in terms of local communities and territories. | Supply chain ((p. 158 and 159) Our relationship with society (p. 179 to 183) Risk and opportunity management (p. 251 to 254) |
| | Engagement with local communities. | Our relationship with society (p. 187 to 194) Reporting principles and transparency (p. 259 to 262) |
| Subcontracting and suppliers | Association or sponsorship actions. | Our relationship with society (p. 186 to 193) |
| | Inclusion in the procurement policy of social, gender equality and environmental matters. | Supply chain (p.161 to 166) |
| | Consideration of social and environmental responsibility concerns in relations with suppliers and subcontractors. | Supply chain (p. 161 and 162) |
| Consumers | Supervision and audit systems and their outcomes. | Supply chain (p. 164 to 172) |
| | Consumer health and safety measures. | Our customers (p. 102 to 106) |
| | Complaint and grievance management system. | Our customers (p. 112 and 113) |
| Tax information | Country-by-country profit | Appendix I. Non-financial indicators - Society (p. 295) |
| | Income tax paid. | Appendix I. Non-financial indicators - Society (p. 292 and 293) |
| | Government subsidies received. | Our relationship with society (p. 185) |

Independent assurance report

Independent Assurance Report on the Consolidated Non-Financial Report for the year ended February 29, 2024

EL CORTE INGLÉS, S.A. AND SUBSIDIARIES



Ernst & Young, S.L.
C/ Raimundo Fernández Villaverde, 65
28003 Madrid

Tel: 902 365 456
Fax: 915 727 238
ey.com

INDEPENDENT ASSURANCE REPORT ON THE CONSOLIDATED NON-FINANCIAL REPORT

Translation of a report originally issued in Spanish. In the event of discrepancy, the Spanish-language version prevails

To the shareholders of El Corte Inglés, S.A.:

Pursuant to article 49 of the Commercial Code, we have performed a verification, with a limited assurance scope, of the accompanying Consolidated Non-Financial Report (hereinafter NFR) for the year ended February 29, 2024 of El Corte Inglés, S.A. and subsidiaries (hereinafter, the Group), which is part of the Group's 2023 Consolidated Management Report.

The content of the NFR includes additional information to that required by prevailing mercantile regulations in relation to non-financial information report that has not been subject to our verification. In this regard, our review has been exclusively limited to the verification of the information shown in "Disclosures required by Law 11/2018 and the (EU) Regulation 2020/852 - Taxonomy" and "GRI Indicators cross-references", included in the accompanying NFR.

Responsibility of the Board of Directors

The preparation of the NFR included in the Consolidated Management Report of the Group, as well as its contents, is the responsibility of the directors of El Corte Inglés, S.A. The NFR was prepared in accordance with the content required by prevailing company law and in conformity with the criteria outlined in reference the *Global Reporting Initiative Sustainability Reporting Standards* (GRI standards) according to core option, as well as other criteria, including Financial Services Sector Disclosures, described in the section provided for each subject matter in "Disclosures required by Law 11/2018 and the (EU) Regulation 2020/852 - Taxonomy" and "GRI Indicators cross-references", included in the accompanying NFR.

The Board of Directors are also responsible for the design, implementation and maintenance of such internal control as they determine is necessary to enable the preparation of an NFR that is free from material misstatement, whether due to fraud or error.

They are further responsible for defining, implementing, adapting and maintaining the management systems from which the information necessary for the preparation of the NFR is obtained.

Our independence and quality management

We have complied with the independence and other ethics requirements of the International Code of Ethics for Accounting Professionals (including international standards on independence) issued by the International Standards Board on Ethics for Accounting Professionals (IESBA) which is based on the fundamental principles of integrity, professional objectivity, competence and diligence, confidentiality and professional behaviour.

Domicilio Social: Calle de Raimundo Fernández Villaverde, 65. 28003 Madrid - inscrita en el Registro Mercantil de Madrid, tomo 9.364 general, 8.130 de la sección 3ª del Libro de Sociedades, folio 68, hoja nº 87.690-1, inscripción 1ª. C.I.F. B-78970506.

A member firm of Ernst & Young Global Limited.



2

Our firm applies current international quality standards and maintains, consequently, a quality system that includes policies and procedures related to compliance with ethical requirements, professional standards and legal provisions and applicable regulations.

The engagement team consisted of experts in the review of Non-Financial Information and, specifically, in information about economic, social and environmental performance.

Our responsibility

Our responsibility is to express our conclusions in an independent limited assurance report. Our review has been performed in accordance with the requirements established in prevailing International Standard on Assurance Engagements 3000 "Assurance Engagements Other than Audits or Reviews of Historical Financial Information" (ISAE 3000 Revised) issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC) and the guidelines for verifying Non-Financial Statement, issued by the Spanish Official Register of Auditors of Accounts (ICJCE).

The procedures carried out in a limited assurance engagement vary in nature and timing and are smaller in scope than reasonable assurance engagements, and therefore, the level of assurance provided is likewise lower.

Our work consisted in requesting information from Management and the various Group units participating in the preparation of the NFR, reviewing the process for gathering and validating the information included in the NFR, and applying certain analytical procedures and sampling review tests as described below:

- ▶ Meeting with the Group personnel to know the business model, policies and management approaches applied, the main risks related to these matters and obtain the necessary information for our external review.
- ▶ Analyzing the scope, relevance and integrity of the content included in the NFR for the fiscal year ended February 29, 2024 based on materiality assessment made by the Group and described in section "About this Report", considering the content required by prevailing mercantile regulations.
- ▶ Analyzing the processes for gathering and validating the data presented in the NFR for the year ended February 29, 2024.
- ▶ Reviewing the information on the risks, policies and management approaches applied in relation to the material aspects presented in the NFR for the year ended February 29, 2024.
- ▶ Verification, through testing, based on the selection of a sample, of the information relating to the contents included in the INF for the annual fiscal year ended February 29, 2024 and its appropriate compilation from the data provided by the information sources.
- ▶ Obtaining a representation letter from the Board of Directors and Management.



3

Paragraph of emphasis

Pursuant to Regulation (EU) 2020/852 of the European Parliament and of the Council of June 18, 2020 on the establishment of a framework to facilitate sustainable investment, and pursuant to the Delegated Acts enacted in accordance with the provisions of that Regulation, undertakings shall disclose information on how and to what extent the undertaking's activities are associated with eligible economic activities in relation to the following environmental objectives: the sustainable use and protection of water and marine resources, the transition to a circular economy, pollution prevention and control, and the protection and restoration of biodiversity and ecosystems (other environmental objectives). For certain new activities included in the climate change mitigation and adaptation objectives, undertakings shall disclose for the first time for the year 2023 additional information on eligible and aligned activities that was already required in 2022 in relation to the climate change mitigation and adaptation objectives. As a result, no comparative information on eligibility has been included in the accompanying NFS in relation to other environmental objectives listed above or to the new activities included in the climate change mitigation and adaptation objectives. Additionally, to the extent that the information relating to 2022 was not required with the same level of detail as in 2023, the information disclosed in the accompanying NFS is not strictly comparable, either. Furthermore, it should be noted that El Corte Inglés, S.A., directors have included information on the criteria that, in their opinion, allow for better compliance with the aforementioned obligations. These criteria are defined in Note Annex A "EU Taxonomy" chapter of the accompanying Consolidated Management Report. Our conclusion has not been modified in relation to this matter.

Conclusions

Based on the limited assurance procedures conducted and the evidence obtained, no matter has come to our attention that would cause us to believe that the Group's NFR for the year ended February 29, 2024 has not been prepared, in all material respects, in accordance with the contents required by prevailing company law and with the criteria outlined in reference the Global Reporting Initiative Sustainability Reporting Standards (GRI standards) according to core option, as well as other criteria, including Financial Services Sector Disclosures, described in the section provided for each subject matter in "Disclosures required by Law 11/2018 and the (EU) Regulation 2020/852 - Taxonomy" and "GRI Indicators cross-references", included in the accompanying NFR.

Use and distribution

This report was prepared in response to the requirement established by prevailing company law in Spain and may not be appropriate for other uses and jurisdictions.

ERNST & YOUNG, S.L.

(Signed in the original version)

Elena Fernández García

June 3, 2024

El Corte Inglés

©2024 El Corte Inglés, S.A.
Hermosilla, 112
28009 Madrid

elcorteingles.es