

FRAMEWORK AGREEMENT FOR UNION PARTICIPATION IN THE VALUE CHAIN OF EL CORTE INGLÉS

For one party, Comisiones Obreras de Industria (CCOO Industria), whose registered office is calle Ramírez de Arellano, 19, 6th floor, 28043 Madrid, with Fiscal ID Code G87048666, represented by Garbiñe Espejo Jairo, bearer of National ID Document no. 29034993T in her status as Secretary-General of the CCOO Industria Federation.

For another, the Industry, Construction and Agro-Industry Federation of Unión General de Trabajadoras y Trabajadores, (UGT FICA), whose registered office is Avenida de América, 25, 5th floor, 28002 Madrid, with Fiscal ID Code G87582524, represented by Pedro Luis Hojas Cancho, bearer of National ID Document no. 1312889B in his status as Secretary-General.

And for another, EL CORTE INGLÉS, S.A. (ECI), registered in the Commercial Register of Madrid, whose registered office is Calle Hermosilla, 112, 28009-Madrid, with Fiscal ID Code A-28/017.895, and represented at this act by Mr Eduardo Sotillos Diaz, bearer of National ID Document 50843168-N, as Director of Purchasing.

RECITALS

I. Whereas El Corte Inglés, through its Corporate Social Responsibility (CSR) Department, has acquired more than 10 years' experience cooperating with organised unionism, both national and international, to implement its Social Responsibility commitments in its value chain. This cooperation has proven to be useful and effective in advancing respect for basic human and employment rights in the workplaces of its own brand suppliers linked to that chain. A well-known example of this is the commitment and work carried out under the Bangladesh Accord framework from 2013 onwards, as well as joint visits to factories in its value chain in multiple countries, and the consensual solution of problems identified.

II. Whereas verifying the existence of matching goals, as well as the capacity, will and experience to work together, makes it possible to move towards a new stage of formalising the relationship, reaching a consensus on the rules to be specifically applied, defining each party's field of responsibility throughout the value chain, and establishing a method of work for all the above.

III. Whereas the current context and circumstances make this formalisation appear even more necessary due, on the one hand, to the impact of the Covid-19 pandemic on global economic activity and in particular on production chains, and on the other, on the desirability of jointly addressing the challenges of upcoming national and transnational human rights regulations and environmental due diligence in these global chains.

Therefore, the parties have decided to sign this partnership and coordinated work agreement, in accordance with the following:

CLAUSES

1. Purpose and scope

The purpose of this agreement is to establish a framework formalising the existing cooperative relationship, resulting from the goodwill between the parties, the common purpose of which is to respect and apply international human, employment, social and environmental rights standards to value chains, as well as joint participation in resolving through dialogue any incident or situation of non-compliance that may occur therein.

The scope is defined by the suppliers forming part of the value chains of El Corte Inglés's own brands, whatever the category of product and service or the place of production, since ECI does not have its own production centres, but has a commercial relationship with its suppliers for the supply of own branded products and associated services. Annex I lists El Corte Inglés's own retail brands classified by category.

2. Basis of cooperation

The parties base their cooperation on the following standards, conventions, principles, and documents:

- The Code of Ethics of El Corte Inglés.
- The Amfori Code of Conduct, signed by El Corte Inglés, which is based on international conventions such as the Universal Declaration of Human Rights, the Rights of the Child and Business Principles, the United Nations Guiding Principles for Business and Human Rights, the OECD Guidelines on Multinational Enterprises, the United Nations Global Compact and the Conventions and Recommendations of the International Labour Organisation (ILO), including the Tripartite Declaration of Principles on Multinational Enterprises and Social Policy, all of which are relevant to improving working conditions in value chains.
- Sectoral or business collective agreements, as well as employment and environmental legislation, applicable from time to time in any given location.

3. Lines of work

The parties organise their joint work taking into account the following items:

- a. Transparency and exchange of information. ECI will each year share with trade union representatives the list of all its suppliers and factories for its own brand production, established in the scope, indicating for each of them: their name and address, category of products, date of the last company audit and the qualification it obtained. This information may be expanded with any details deemed necessary for successfully planning each trip to or specific action for a given country or sector.

Trade union organisations are responsible for using this information exclusively for strictly achieving the aims of this agreement and are aware of the confidentiality of the information

provided by ECI, while being liable for its proper use by the local trade unions with which the activity is coordinated.

b. Method and work plan. Every year, the parties will design by mutual agreement a work plan with project and action priorities.

On these grounds, upon a proposal from either party, visits to value chain workplaces in which the signatory trade union organisations will take part, in coordination with those at the regional and/or local level of the workplace, will be organised to any countries they consider of interest. This will be in addition to any other activities that are necessary within the production chain, agreed beforehand between the signatory parties thereof.

They will be undertaken as previously, with visits to the facilities and interviews with the business management team, workers' representatives and individual workers as proposed by the trade union delegation.

Training plans may be made aimed at raising awareness of this Agreement and applying the standards provided for therein, as well as the criteria for their implementation, by encouraging social dialogue at all levels. This training will be directed at both workers' representatives and managers of the companies forming part of the production chain, as well as at those subsidiary or local trade union organisations agreed beforehand by the parties once they have been informed.

Upon notification to ECI's CSR department and the Management of the relevant supplier, trade union organisations may request access to production sites, without preventing the normal running of the production process. All this without prejudice to more flexible procedures that could be agreed as a result of the direct relationship between local trade unions and the corresponding company delegation. These visits will include a tour of the facilities, as well as interviews with the business management team, workers' representatives, and individual workers.

Where, in the field of industrial relations of one of its suppliers, there occurs an incident that is considered to fall within the scope of reference of the principles of clause 2 above, it shall be notified to the CSR department of El Corte Inglés and to the union coordinator of the nearest area, who shall within the framework of the goals of this agreement collaborate so that, through dialogue between the parties in disagreement, a satisfactory solution can be reached.

c. Costs. El Corte Inglés will bear the cost of the activities implementing these agreements, specifying for every case and by mutual agreement, their features, amounts and application procedure.

d. Informing the value chain. The relevant business and trade union structures of those countries in which the value chain is located shall be informed about this agreement, and the criteria for implementing it. Based on the projects to be determined each year, specific information activities may also be outlined for both workers' representatives and managers of supplier companies, to promote social dialogue at all levels and improve certain employment conditions.

4. Coordination and follow-up

A Joint Committee is set up to meet twice every year to monitor the implementation of these agreements, to determine work projects within its scope and to address any differences arising from their interpretation.

5. Duration

This Agreement shall come into force on the day it is signed and shall be automatically extended for unlimited successive one-year periods, unless one of the parties expresses at least 3 months in advance of its renewal their desire to review or cancel it.

6. Languages

This Agreement is signed in Spanish and English; in every case the Spanish version will prevail. In order to apply it, it will be translated into the languages corresponding to the supply chain production centres.

7. Notifications

All notices, requests, and other communiqués to be made by the parties in connection with this Agreement must be made in writing and delivered to the following addresses:

For CCOO Industria:

Victor Garrido

618 76 29 50

vgarrido@industria.ccoo.es

For UGT FICA:

Ambros Arias

696 11 14 03

aarias@fica.ugt.org

For EL CORTE INGLÉS, S.A.

Bernardo Cruza

649 19 23 91

Bernardo_cruza@elcorteingles.es

8.- Notification of claims. Where a dispute occurs that is considered to be within the scope of these rules, the CSR department of El Corte Inglés, as well as the trade union coordinators, will be notified, and they will attempt to resolve it. Failing that, they will pass it upwards to their respective higher departments. Where a conflict of interest is involved, this will be the subject of direct negotiation in the field between the trade union organisation and the factory. At all events the parties signing this Agreement will protect that said negotiations respect the fundamental employment rights set out herein, and they may in any case act to mediate.

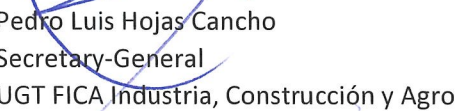
9.- Interpretation and compliance. Finally, in view of the possibility that disagreements may arise in interpreting the terms, the application or degree of compliance with this agreement, the parties agree to submit expressly to mediation as a formula for the resolution thereof, waiving any other law that may assist or correspond to them.

Where the discrepancy results from the interpretation of ILO Conventions and Recommendations, recourse to this international organisation may be used to correctly define it, in accordance with its own Tripartite Declaration of Principles on Multinational Enterprises and Social Policy.

In witness whereof, they sign this agreement in Madrid on 14 July 2021.



Garbiñe Espejo Jairo
Secretary-General
CCOO Industria



Pedro Luis Hojas Cancho
Secretary-General
UGT FICA Industria, Construcción y Agro



Eduardo Sotillos Díaz
Purchasing Director
EL CORTE INGLÉS, S.A.

ANNEX I

Product Category	Private Label
001 – HOME APPLIANCES	DIGRATO
	EL CORTE INGLES
	NMP
	SAIVOD
	SAIVOD AIRE
002 – FASHION AND LEATHER ACCESSORIES	DUSTIN
	E. TUCCI
	ECI MEN
	EL CORTE INGLES
	ELOGY
	GLORIA ORTIZ
	GREEN COAST
	JO & MR.JOE
	JO & MR.JOE MEN
004 - FOOTWEAR	S. COTTON
	TINTORETTO
	ANTEA
	BASS 10
	BROTES
	DUSTIN
	E. TUCCI
	EL CORTE INGLES
	FORMULA JOVEN
	GLORIA ORTIZ
	GREEN COAST
	KIDS COLLECTION
	L'ATOUCHE
005 – MENSWEAR	TIZZAS
	ZENDRA
	ADENY&BOUTROY
	BASICS ECI
	DUSTIN
	E. TUCCI
	E.TUCCI BLACK
	EL CORTE INGLES
	GLORIA ORTIZ
	HOMINEM
	LLOYD'S
006 – YOUNG MENSWEAR	PANTHER
	UNIT
	EASY WEAR
	FORMULA JOVEN
	GREEN COAST
	NUDOS
007 - CHILDRENSWEAR	OT2-DTR
	STUDIO CLASSICS
	B CON B
	BASS 10
	BASS 3
	BBEST

Product Category	Private Label
	BELLE&REBEL
	BROTES
	COTTON JUICE
	DULCES
	DULCES GALLERY
	FREE STYLE
	O.T.S.
	TIZZAS
	VOLTERETA
	WINNER
008 - WOMENSWEAR	ALIA
	AMITIE
	ANTEA
	BASS 3
	COUCHEL
	EL CORTE INGLES
	ELOGY
	LLOYD'S
	S. COTTON
	SINTESIS
	WOMAN
	WOMAN PLUS ECI
	YERA
009 – YOUNG WOMENSWEAR	ZENDRA
	ZENDRA PETITE
	EASY WEAR
	ESSENTIALS
	FORMULA JOVEN
010 – SPORTSWEAR AND GEAR	GREEN COAST
	TINTORETTO
	BOOMERANG
	B-PRO
	C32
	MOUNTAIN-PRO
	RUNFIT
	TIJUANA
	TINTORETTO
011 – HOME TEXTILE	VERHUNT
	BASICS ECI
	DALINI
	EL CORTE INGLES
	MINI HOME
	NMP
012 - FURNITURE	PRIVUM
	ROOM
	BASICS ECI
	EL CORTE INGLES
	INVES
	MINI HOME
	NMP
	ROOM
014 – READY TO WEAR HIPERCOR	SAIVOD
	UNIT
	USUAL
	CEDOSCE
015 - HARDGOODS	EASY WEAR
	RUNFIT
016 - SUPERMARKET	UNIT
	RUNFIT
	UNIT
	ALIADA
	ALL INTENSE
	AMBASCIATORI
	BEAT'S
	BISCHOFSHOF
	BOCA CHICA
	CASA MAYOR

Product Category	Private Label
	CASTELLTORT
	DANKOFF
	DIGRATO
	ECI BIO
	ECI SELECTION
	EL CORTE INGLES
	EL RECTOR
	FRED & RITA
	GLENBARON
	INVES
	KATAKAN
	PAZO DE USIA
	PLASCEPU
	SAVANNA
	SPECIAL LINE
	SPECIAL LINE CI
	TIERRA DE ORO
	VECKIA
	VERNOTTI
	WESTENDERS
	ZURITO
021 - ELECTRONICS	INVES
022 – LEISURE / STATIONERY	EL CORTE INGLES
	FROST
	SFERA
028 – UNDERWEAR / SWIMWEAR	EASY WEAR
	EL CORTE INGLES
	ENFASIS
	ENFASIS BLACK
	FORMULA JOVEN
	GREEN COAST
	LAZO
	LAZO PLUS
	LAZO PREMAMA
	LAZO UNDERWEAR
	MOON RIVER
	TOPPRIVEE
	VERANGO
	VERANGO PLUS
	VERANGO POST.
	VERANGO PREMAMA
029 – D-I-Y	EL CORTE INGLES
	INVES
	SAIVOD
	USUAL
031 - HOMEWARE	BASICS ECI
	BY TABLE
	CASUAL HOME
	EL CORTE INGLES
	INVES
	INVOC A
	MINI HOME
	NMP
	ROOM
032 – JEWELRY / WATCHES	UNIT
	ECI BISUTERIA
	ECI JOYERIA
	EL CORTE INGLES
	GLORIA ORTIZ
036 - CATERING	PONTINA
	EL CORTE INGLES
037 - TOYS	ECI EDULAND
	ECI JAPPY
	ECI MIYO
	ECI MIYO BABY
	ECI PLAYLAND
	ECI PLAYLAND OU

Product Category	Private Label
	ECI ROLLRUN
	ECI RPLAY
	EL CORTE INGLES
	INVES
	UNIT
042 - COSMETICS	EL CORTE INGLES
046 - GOURMET	CLUB GOURMET
	EL CORTE INGLES
050 - SFERA	SFERA
056 - PERFUMERY	ALL INTENSE
	EL CORTE INGLES
059 - OUTLET	FOR US
	RUNFIT
	SFERA
	TINTORETTO
	UNIT

