



# **Policy on Anti-Money Laundering and Combating the Financing of Terrorism**

**Approved by the Board of Directors  
of El Corte Inglés, S.A.  
on 28 February 2018**

Version 2.2 (30 October 2024)

## Table of contents

<b>1. Introduction</b>	<b>1</b>
<b>2. Purpose of the Policy</b>	<b>2</b>
<b>3. Scope of Application and Relevant Bodies</b>	<b>2</b>
<b>4. General Principles</b>	<b>3</b>
<b>5. Third Party Due Diligence</b>	<b>4</b>
<b>6. Awareness and Statement of Compliance</b>	<b>5</b>
<b>7. Reporting of Non-compliance</b>	<b>5</b>
<b>8. Approval, Effective Date and Updating</b>	<b>6</b>
<b>9. Dissemination</b>	<b>6</b>
<b>10. Control, Follow-up and Supervision</b>	<b>7</b>
10.1 Control and Follow-up	7
10.2 Monitoring	7
<b>Annex 1 - Definitions</b>	<b>10</b>

## 1. Introduction

This Policy on Anti-Money Laundering and Combating the Financing of Terrorism (hereinafter referred to as the 'Policy') establishes the foundations and general principles that should guide the actions of the El Corte Inglés Group with regard to anti-money laundering and combating the financing of terrorism (hereinafter referred to as the '**AML/CFT Policy**').

The content and guidelines of this policy are aligned with the EU Corporate Sustainability Reporting Directive (CSRD) and take into account the relevant standards and third-party initiatives set out in the CSRD and the commitment to ensure compliance through implementation, including

- Universal Declaration of Human Rights
- Paris Agreement
- UN Global Compact
- ILO Declaration on Fundamental Principles and Rights at Work
- UN Guiding Principles on Business and Human Rights
- OECD Guidelines for Multinational Enterprises

This Policy is also consistent with national and international AML/CFT principles and regulations, primarily from the following sources:

- The Financial Action Task Force (FATF-GAFI): a body that provides a set of recommendations and new international standards against money laundering, the financing of terrorism and proliferation financing, as a minimum standard for incorporation into national regulations and in accordance with UN resolutions.
- EU legal framework to combat money laundering and the financing of terrorism: EU Directives on AML/CFT, which form the basis for Member States' national regulations in this area.
- National regulations: Local laws and legislation regarding the prevention of money laundering and the financing of terrorism in the territories where the obligated entities within the El Corte Inglés Group operate.

This Policy also expands on the Code of Ethics and is consistent with other corporate policies, in particular:

- Corporate Anti-Corruption and Anti-Fraud Policy
  - Corporate Gifts and Hospitality Policy
  - Corporate Policy on Relations with Public Authorities and Officials and Private Entities
  - Corporate Donations and Sponsorship Policy
-

- Crime Prevention Policy
- Compliance Policy
- Corporate Data Protection Policy
- Corporate Information Security Policy

## 2. Purpose of the Policy

This Policy sets out the El Corte Inglés Group's commitment to a proactive framework programme that establishes the principles and guidelines to be followed by the Group's entities in order to prevent money laundering and the financing of terrorism.

The El Corte Inglés Group is committed to complying with and enforcing all applicable laws at all times and in all locations, particularly AML/CFT regulations, and to exercising due diligence to prevent, detect and report any conduct, irregular action or even the mere attempt to do so.

In light of the above, the Group shall implement organisational, technical and disciplinary measures to ensure, as far as possible, effective internal control with regard to the prevention of money laundering and the financing of terrorism.

## 3. Scope of Application and Relevant Bodies

This Policy is applicable to the entire El Corte Inglés Group and is mandatory for all directors, employees, and representatives acting on their behalf. The Group shall implement the appropriate measures to ensure their awareness of this Policy, as outlined in the Dissemination section of this document.

In accordance with the provisions of Chapter IV of Law 10/2010, of 28 April 2010, on Money Laundering and the Financing of Terrorism, the El Corte Inglés Group has put in place an effective organisational and governance structure to identify, prevent and stop transactions related to money laundering or the financing of terrorism, and to report as required by the relevant legislation.

In this regard, the AML/CFT policies and procedures have been approved by the governing bodies of the Group's obliged entities, which in turn have accredited representatives and partners with the national AML/CFT supervisory authorities.

The Internal Control Body of the El Corte Inglés Group (referred to as the **ICB**) is responsible for coordinating the procedures related to the implementation of policies and measures for preventing money laundering and the financing of terrorism.

The Department for the Prevention of Money Laundering (hereinafter referred to as the **DPML**) is responsible for the prevention of money laundering and the financing of terrorism for the

companies of the El Corte Inglés Group, as well as for the correct application of this framework and the implementation and monitoring of the internal development regulations.

The DPML shall exercise its AML/CFT functions in relation to all Group companies and their subsidiaries.

Similarly, and in line with the internal control procedures adopted by El Corte Inglés Group due to its size, dedicated technical units have been set up in each of the Group's obliged entities. These units are responsible for processing and analysing transactional information in order to identify, assess, monitor, mitigate and report risk transactions to the DPML.

This commitment shall be formalised as set out in the Awareness and Statement of Compliance section of this Policy.

## 4. General Principles

This Policy is based on the following principles:

### A. Prohibition of transactions involving goods known to be derived from criminal activity.

The El Corte Inglés Group prohibits any transaction or participation in a transaction involving goods known to be derived from criminal activity or from participation in criminal activity.

In this regard, the Group shall not conceal or disguise the nature, origin, location, source or beneficial ownership of such goods.

### B. Compliance with applicable regulations.

The El Corte Inglés Group is committed to ensuring compliance with all applicable AML/CFT regulations. This commitment applies to all employees and directors and extends to any third party acting on behalf of the Group.

To this end, and in order to implement the relevant regulatory developments and control measures adopted, all employees and directors shall undertake this commitment, particularly in the departments responsible for preventing money laundering.

### C. Reporting to competent authorities.

In accordance with applicable regulations, any activity or transaction that is suspected or confirmed to be related to money laundering or the financing of terrorism shall be reported immediately to the appropriate public authorities in accordance with the applicable procedures.

In the same way, any Group employee or director may report any instance of non-compliance with the aforementioned aspects to the Ethics Channel or directly to the ICB.

- D. Adoption of internal procedures for the prevention of money laundering and the financing of terrorism.

In order to ensure that the Policy is applied and implemented across the El Corte Inglés Group and that the prevention system in place is effective, regular training, information and awareness-raising activities shall be carried out to promote a culture of prevention among all the Group's employees and directors.

- E. Training and suitability of employees, directors and agents.

Appropriate measures shall be taken to ensure that all managers and employees of El Corte Inglés Group companies and those acting on their behalf are aware of the internal policies and procedures regarding AML/CFT.

- F. Full cooperation in efforts to prevent money laundering and the financing of terrorism.

The El Corte Inglés Group shall cooperate fully with any request for information or assistance from the relevant AML/CFT authorities.

These principles relate to the management of the specific impacts, risks and opportunities identified in the 'Purpose of the Policy' section of this document.

## 5. Third Party Due Diligence

One of the fundamental principles of anti-money laundering and anti-terrorist financing legislation is identifying transaction owners. Accordingly, obliged entities are required to identify any natural or legal person with whom they intend to enter into a business relationship or conduct a transaction.

In this regard, the various AML/CFT regulations require the implementation of due diligence measures as a fundamental principle. These are understood as the set of policies and procedures that obliged entities shall apply to prevent and deter money laundering or terrorist financing-related operations.

In particular, the regulations require obliged entities to apply different due diligence measures based on the risk analysis carried out in relation to, among other things, the customer profile, the type of transactions conducted, the amount involved and the geographical location of the transaction.

For this purpose, and in view of the aforementioned risk analysis, the El Corte Inglés Group has implemented comprehensive due diligence measures in line with the reduced AML/CFT risk profile of its products and transactions.

In any event, if obliged entities identify cases or transactions that they consider to be higher risk or that they suspect may be related to money laundering or the financing of terrorism, they

shall inform the relevant AML/CFT authority in accordance with the regulatory requirements of each jurisdiction.

## 6. Awareness and Statement of Compliance

Compliance with ethical rules and standards represents both a corporate commitment and a strategic objective for the Organisation. Therefore, all Members of the Organisation are expected to be familiar with and adhere to the contents of this Policy. Likewise, all Business Partners are expected to act in accordance with its principles.

This commitment shall be formalised through:

- i. Statements of compliance with the principles set out in this Policy by Members of the Organisation, confirming their acceptance of **High Ethical Standards**.
- ii. The inclusion of **compliance clauses in contracts** with Business Partners
- iii. **Formal agreements or acknowledgement** by the governing bodies of the companies within the Corte Inglés Group in accordance with applicable internal regulations.

Such agreements and their renewals shall be notified to the El Corte Inglés Group's Chief Compliance and Risk Officer.

In the event of significant changes to this Policy, – i.e. changes that require formal approval from the Board of Directors at El Corte Inglés, S.A. – the preceding commitments shall be formally renewed.

The Organisation shall respond promptly to any breach of the provisions set out in this Policy, in accordance with its internal regulations and in compliance with all applicable legislation.

## 7. Reporting of Non-compliance

The Chief Compliance and Risk Officer shall be informed of any potential breach of this Policy or applicable law to ensure the matter is addressed promptly and effectively. Accordingly, any Member of the Organisation, Business Partner or Third Party with a direct relationship and legitimate commercial or professional interest, or any other interested party, who becomes aware of a violation of this Policy or who is in doubt as to whether an observed practice may constitute a breach, whether in the public or private sector, shall immediately contact the Chief Compliance and Risk Officer of the El Corte Inglés Group. This should be done via the Ethics Channel, using any of the available options:

- **Digital Channel:**

The El Corte Inglés Group's digital channel can be accessed via the following website:

<https://www.elcorteingles.es/informacioncorporativa/es/gobierno-corporativo/etica-y-cumplimiento/>

Access to this resource is available on the company's website and on the NEXO intranet for the Members of the Organisation.

- **Mailing address:**

El Corte Inglés, S.A.  
Chief Compliance and Risk Officer  
Hermosilla, 112  
28009 Madrid

- **Telephone number of the Compliance Officer:** 91 401 85 00

- **Requesting a face-to-face or virtual meeting**

The information submitted through the Ethics Channel is confidential, as is the identity of the whistleblower. The Organisation values their contribution and guarantees that there will be no retaliation against them.

The Chief Compliance and Risk Officer may also independently investigate any evidence of non-compliance with this Policy.

## 8. Approval, Effective Date and Updating

This Policy shall become effective on the date of its approval by the Board of Directors of El Corte Inglés S.A.

This Policy shall be updated on a regular basis. To this end, it shall be reviewed annually as a standard practice and, additionally, whenever necessary. In particular, the Policy shall be promptly reviewed if there are any changes to the Organisation's strategic objectives or any internal, external, or regulatory changes that require an update or modification.

The **Chief Compliance and Risk Officer**, with the assistance of the Compliance and Risk Control Committee, shall review any suggested amendments.

If the amendments are substantial, they must be submitted to the Board of Directors for approval following a recommendation from the Audit and Control Committee.

## 9. Dissemination

Once approved by the Board of Directors of El Corte Inglés, S.A., this Policy shall be accessible on NEXO for all Members of the Organisation and on the corporate website for all ECI Group stakeholders.

The Chief Compliance and Risk Officer shall ensure that the Policy is effectively communicated and understood throughout the Organisation.

---

## 10. Control, Follow-up and Supervision

### 10.1 Control and Follow-up

The Corporate Prevention and Security Department, assisted by the Anti-Money Laundering Department, shall be responsible for controlling and continuously monitoring compliance with this Policy in accordance with the procedure set out in the Charter and the Regulations of the Compliance Function Bodies.

In the countries in which the Group operates, the relevant bodies shall establish local internal procedures that implement the principles set out in this Policy, adapting their content to comply with the applicable laws in their respective jurisdictions, and shall inform the ICB accordingly. The DPML is required to intervene in this process.

### 10.2 Monitoring

The Internal Audit Function shall assess the adequacy and effectiveness of the measures taken to ensure compliance with this Policy and shall report its findings to the Audit and Control Committee.

Additionally, an external expert shall conduct a review of the AML/CFT prevention system and internal control measures in cases specified in the AML/CFT regulations.

The Chairperson of the ICB shall submit the results of the audits to the Chief Compliance and Risk Officer, who shall then forward them to the Audit and Control Committee.

In any case, any deficiencies and recommendations identified in both external and internal audits shall be addressed through corrective actions.

## VERSION HISTORY

Version 1.0 approved by the Board of Directors on 28/Feb/2018

Version	Date of amendment	Purpose of the amendment	Sections affected
2.0	30/June/2021	- Reflect the nature of the new Compliance and Risk Committee	- Approval, Effective Date and Updating
2.1	30/Nov/2022	- Reflect the nature of the new Chief Compliance and Risk Officer	
2.2	30/Oct/2024	<ul style="list-style-type: none"> <li>- Align Policy with the requirements of the Corporate Sustainability Reporting Directive.</li> <li>- Expand the content and information contained in the document to provide greater clarity and detail in most sections.</li> </ul>	- All sections have been modified to some extent.

Last revision, October 2024

## Annexes

## Annex 1 - Definitions

Below are the definitions of the most frequently used terms in this document, as well as other terms of particular importance.

- **Financing of terrorism:** Providing, depositing, distributing or collecting funds or assets by any means, directly or indirectly, with the intention or knowledge that they will be used, in whole or in part, for the commission of any of the terrorist offences defined in the Criminal Code
- **Internal Control Body (ICB):** In accordance with Law 10/2010 on AML/CFT, obliged entities are required to establish an Internal Control Body (OCI), composed of representatives from the different business areas of the reporting entity and responsible for implementing policies and procedures to prevent money laundering and the financing of terrorism at the Group level.
- **Money laundering:** Participation in any activity designed to acquire, possess, use, convert, transfer, conceal or disguise the true nature, source, location, disposition, movement or ownership of property, knowing that such property is derived from criminal activity or from an act of participation in criminal activity, as well as any form of association for the purpose of committing, attempting to commit, aiding or abetting such acts.