



Corporate Sustainability Policy

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

Version 4.1 (29 October 2025)

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1. Introduction and Background

This Corporate Sustainability Policy (hereinafter referred to as the ‘Policy’) builds upon the Corporate Social Responsibility Policy, which was approved by the Board of Directors on 28 February 2018 and last reviewed on 30 November 2022.

The companies of the El Corte Inglés Group (hereinafter referred to as the “Group” or the “Organisation”) recognise sustainable development as a strategic pillar and have, from the outset, assumed their commitment as socially responsible companies, in line with the classification of El Corte Inglés, S.A. as a public interest entity under the applicable legislation.

The Group understands that integrating environmental, social and governance (ESG) matters into its business model contributes to its strategy across its different areas of activity, while generating and delivering shared value for both the Organisation and its stakeholders.

This Policy constitutes the general development of the sustainability-related principles set out in the El Corte Inglés Code of Ethics and shall be applied in conjunction with the specific sustainability-related provisions contained in other Corporate Policies.

The Group’s firm commitment to sustainable development is reflected in its adherence to leading global sustainability initiatives, including:

- the United Nations Global Compact, embracing its principles on human rights, labour rights, environmental protection and the fight against corruption;
- the United Nations Sustainable Development Goals (SDGs) as a guide for defining the Group’s sustainability objectives;
- the United Nations Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises, which inspire the Group’s participation in international initiatives aimed at ensuring respect for human and labour rights, with particular emphasis on the application of the Fundamental Conventions of the International Labour Organization (ILO) throughout its value chain;
- the adoption of the principles and objectives of the European Green Deal and the integration of all related regulatory developments impacting the Group’s activities;
- recognition of the agreements and objectives set out in the United Nations Framework Convention on Climate Change (Paris Agreement, 2015);
- ratification of the United Nations Children’s Rights and Business Principles, formalising the Group’s active commitment to children’s and youth rights;
- adoption of the Global Code of Ethics for Tourism, developed by UN Tourism.

This Policy necessarily adopts a long-term perspective, aligned with the objective of decarbonising the economy before 2050 and the Group’s commitment to achieving carbon neutrality across its business activities, while reconciling employment development, business profitability and value creation for society with the preservation of natural resources for future generations and the mitigation of and adaptation to climate change.

2. Purpose

This Policy constitutes the reference framework for continuing to strengthen and develop a socially and environmentally responsible approach across the Board of Directors, management bodies, employees, suppliers, customers and other stakeholders.

It is strategic in nature, as it contributes to the purpose and objectives of the Organisation and seeks to position it as a benchmark in Spain and Portugal for a responsible and sustainable quality model.

The purpose of this Policy is to promote sustainability across all aspects of the Group's corporate culture, on a cross-cutting basis, contributing to the generation of trust and shared value.

It is based on an open and collaborative approach with society and citizens; employees and shareholders; customers, suppliers and investors; and with institutions, organisations and public administrations that share the common goal of pursuing the common good.

3. Related Policies

This Policy is related to the Code of Ethics and other Corporate Policies, in particular those concerning Diversity, Equity and Inclusion, Human Resources, Procurement, Data Protection, Information Security, Customer Care and Service, Financial and Tax Matters, Anti-Corruption and Anti-Fraud, and the Integrity Policies.¹

4. Scope of Application

This Policy is mandatory for all Members of the Organisation, regardless of their position or the territory from which they operate, and applies globally to all companies within the Group. It also applies to all individuals, Business Partners and organisations that interact with them, including Stakeholders.

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

5. Principles of Action

As a general rule, this Policy is based on the following Principles:

- Compliance with laws and regulations, both national and international, in force in the countries in which the Group operates.
- Compliance with the voluntary commitments undertaken by the Group in the field of sustainability at national and international level.
- A due diligence approach.

The Sustainability Policy is structured around Environmental, Social and Governance (ESG) principles.

Environmental principles

The Group is committed to improving its environmental management by implementing standards, procedures and instructions on a cross-cutting basis, as well as measuring its environmental performance, with the aim of developing a business recognised for the sustainability of its actions.

¹ Integrity Policies: Corporate Gifts and Hospitality Policy, Corporate Policy on Relations with Public Authorities and Officials and Private Entities, and Corporate Donations and Sponsorship Policy.

To this end, it promotes respect for and conservation of the environment in which it operates, with the following objectives:

- To make a continuous effort to transform and adapt its activities in order to contribute to mitigating and reversing the effects of climate change, committing to carbon neutrality by 2050 and to science-based targets. To this end, the Group has a Net Zero Transition Plan, approved by the Board of Directors on 29 January 2025.
- To establish circular economy processes in its management, promoting closed-loop actions that ensure effective waste reduction and maximise the efficient use of resources within planetary boundaries, including participation in Extended Producer Responsibility schemes.
- To articulate biodiversity preservation measures aimed at halting ecosystem degradation and contributing to the regeneration of natural environments and resources, as well as promoting deforestation-free supply chains, nature-based solutions and responsible and sustainable management of natural capital throughout the value chain.
- To minimise the consumption of resources (energy, water and materials) in operational processes, prioritising, where feasible, the use of clean energy and environmentally friendly materials.
- To strengthen collaboration with institutions, initiatives and systems aimed at enhancing these commitments.
- To regularly report on environmental matters through the Group's usual communication channels.

Social principles

- Respect for Human and Labour Rights. As set out in its Code of Ethics, the Group respects — and requires respect for — Human and Labour Rights in all areas of its activity and in all commercial and third-party relationships.
- Internally, as highlighted in its Human Resources Policy, this principle is reflected in the creation and maintenance of employment that promotes equal opportunities, diversity, labour inclusion of people with disabilities or at risk of exclusion, universal accessibility, work-life balance and the fight against discrimination and harassment in any form. At the same time, the Group promotes its employees' intellectual capital, continuous training, digital skills development and professional growth.
- In its commercial and third-party relationships, the Organisation establishes that child labour, forced labour, health and safety risks and unethical conduct are incompatible with its Code of Ethics.
- In all cases, to observe and respect Labour Rights, particularly those set out in the Fundamental Conventions and Recommendations of the International Labour Organization (ILO) and its Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy.
- Contributing to local socio-economic development Taking UN Sustainable Development Goal No. 8 (Decent Work and Economic Growth) as a reference, the Group contributes to the economic and social progress of the countries in which it operates, with particular emphasis on communities and suppliers of goods and services based in Spain and Portugal. In this context, the Organisation supports small and medium-sized enterprises as generators of employment, industrial infrastructure and quality, value-driven and local products and services.

- Dialogue with Stakeholders, fostering their active participation in order to generate trust and credibility and to provide an appropriate response to their needs and expectations. Likewise, the Group promotes active participation in associations and entities of which it forms part, as well as ongoing and inclusive dialogue with all levels of public administrations and regulatory bodies.

Good Governance Principles

Corporate Governance in relation to sustainability is based on:

- The values and principles set out in the Code of Ethics.
- A corporate culture historically linked to innovation and long-term sustainable development.
- A corporate governance model aligned with best practices and sustainability standards.
- A due diligence system for the identification, control and management of risks and opportunities, taking into account the impacts and results of environmental and social programmes.
- Transparent and high-quality sustainability reporting, in accordance with applicable regulations.

6. Objectives

The Group has a comprehensive sustainability management system and periodically conducts a double materiality analysis in order to identify its stakeholders, maintain active engagement with them as a fundamental element of its relationship with society, and integrate their expectations into its sustainability strategy. As a result of this process, the Group adopts the following objectives:

With Respect to Customers

- To achieve excellence in service and customer satisfaction, a guiding principle that has been followed since the Group's inception. In line with this objective, to create an environment that is adapted to customer needs and delivers a relationship experience capable of exceeding expectations.
- To ensure the health, well-being, protection and safety of customers across all products and services marketed by the Group, and to adopt the necessary measures to guarantee the confidentiality, security and protection of their personal data.
- To promote responsible and sustainable consumption habits by expanding the omnichannel offering of products with sustainability attributes, prioritising a life-cycle approach that takes into account product recyclability and the promotion of the circular economy. In this regard, the Organisation identifies Sustainable Development Goal No. 12 (Responsible Consumption and Production) as its primary SDG.
- To adapt both physical spaces and digital platforms in order to achieve universal accessibility across all environments, goods, products and services, enabling all individuals to access, understand, use and enjoy them in a standardised, comfortable, safe and efficient manner.
- To foster innovation in sustainability, recognising that it is closely linked to green and inclusive digitalisation, which contributes to the achievement of both environmental and social sustainability objectives.

With Respect to Employees

- To generate and maintain high-quality, stable employment that is free from harassment and provides fair remuneration, supports work-life balance and promotes shared responsibility within a safe and healthy working environment.
- To ensure equal opportunities and non-discrimination, regardless of ethnicity, religion, beliefs, age, gender, sexual orientation or disability.
- To manage all forms of diversity, ensuring that the Organisation reflects the diversity of society.
- To advance the labour inclusion of people with disabilities and individuals belonging to groups at risk of social exclusion.
- To develop and ensure compliance with the objectives set out in the Equality Plans.
- To promote employee training and professional development, fostering internal talent retention and the development of career paths.
- To keep all employees informed of the Organisation's relevant sustainability initiatives, and to provide specific training on those practices related to their roles.
- To encourage employee participation and engagement through corporate volunteering programmes that incorporate social and environmental commitment projects.

With Respect to the Value Chain

- To exercise due diligence throughout the value chain by means of a management system that (i) identifies and assesses risks of adverse ESG impacts, (ii) prevents and mitigates such risks and, where appropriate, (iii) provides for remediation.
- To determine the ESG qualification of all suppliers, which includes, among other requirements, the signing of the Compliance Commitment Letter, through which suppliers accept and share the Ethical Principles governing the El Corte Inglés Group's relationships with suppliers, collaborators and business partners, acknowledge the Code of Ethics and Corporate Policies, and commit to complying with and implementing them within their scope of responsibility.
- To apply enhanced due diligence to suppliers classified as own-brand suppliers, by periodically verifying ESG performance at their production facilities and monitoring the action plans derived from such verifications.
- To collaborate with suppliers in verifying labour rights and working conditions at their production facilities, as well as in tracing and identifying potential upstream risks and adverse impacts affecting workers in their indirect supply chain. In this context, El Corte Inglés relies on the following instruments:
 - The Supplier Code of Conduct, based on international standards.
 - The Framework Agreement for trade union participation in the value chain, dated 14 July 2021, as a formal mechanism for channelling worker representation in global value chains.
- To maintain an internal reporting channel (Ethics Channel) and to make use of internationally implemented external reporting channels, all of which must meet the criteria of legitimacy, accessibility, predictability, fairness, transparency, continuous improvement, participation and dialogue, and compatibility with Human Rights.
- To promote the sustainable transformation of production systems in order to adapt to and mitigate climate change, with the objective of achieving carbon neutrality before 2050, through the progressive use of renewable energy, the adoption of circular economy programmes and sustainable raw material policies, while also taking biodiversity protection into account.
- To promote animal welfare in the responsible and sustainable sourcing of animal-based products, in accordance with the Five Freedoms principles of the World Organisation for Animal Health.

- To promote sustainable development through support for local and proximity products, small and medium-sized enterprises and the social economy.
- To respect, promote, protect and contribute to the protection of intellectual and/or industrial property rights, whether its own or those of third parties.

With respect to Society:

The Group maintains and strengthens its commitment to society as a whole by sharing its challenges and achievements and integrating itself into the territories and communities in which it operates, with the aim of:

- Integrating its activities into the community and collaborating with its institutions and cultural expressions, as well as participating in organisations and forums that analyse and promote economic development, particularly those focused on commerce and consumer services.
- Maintaining an open dialogue on community expectations and challenges, contributing its experience and incorporating the perspectives of its stakeholders.
- Incorporating the vision of the 17 Sustainable Development Goals into its relationships with the communities in which it operates or interacts, always seeking synergies in line with SDG 17: Partnerships for the Goals.
- Focusing its actions on the following priority areas: children and youth, health and well-being, and inclusive local progress.
- Harmonising the Organisation's activities in the locations in which it operates with the diverse social, linguistic and cultural realities present in those areas.
- Promoting social action projects linked to the Group's activities that generate shared value for society and incorporate active stakeholder participation, with a long-term sustainability perspective.
- Collaborating on specific projects in emerging countries linked to its value chain, as well as in areas affected by humanitarian crises.
- Supporting the promotion and preservation of cultural and artistic heritage in the territories and communities in which it operates.

The Group's commitment to society also entails appropriate compliance with its tax obligations through the application of responsible tax practices, as set out in the Corporate Tax Policy, which reflects the principles and commitments to society adopted since the Group's adherence to the Code of Good Tax Practices in 2010.

With respect to Shareholders and Investors

The Group aims to create long-term sustainable value and to provide accurate and transparent information in its relationships with shareholders, investors and the various stakeholders within the financial and non-financial communities.

7. 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 herein by Members of the Organisation, through their adherence to the High Ethical Standards.
- (ii). Compliance clauses included in contracts with Business Partners.

(iii). Formal agreements or acknowledgement by the governing bodies of the companies within the El Corte Inglés Group, in accordance with applicable internal regulations.

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

In the event of significant changes to this Policy (i.e. changes that require formal approval from the Board of Directors of 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.

8. Structure and Management of Sustainability

The Board of Directors of El Corte Inglés, S.A. is the highest governing body in matters of Sustainability, without prejudice to the powers of the General Shareholders' Meeting, which is responsible for approving this Policy and, where applicable, for its amendment or replacement.

The adherence of the Group's companies to this Corporate Policy shall be formalised by a decision of their respective governing bodies, as set out in the section 'Awareness and Statement of Compliance' of this Policy.

Pursuant to Article 47 *quater* of the Company's Articles of Association, the Sustainability Committee is the delegated body of the Board of Directors responsible for:

- (i) Becoming acquainted with, promoting, guiding and supervising the Company's objectives, action plans, practices and policies in environmental and social matters;
- (ii) Monitoring and assessing the strategy, as well as environmental and social policies and practices;
- (iii) Monitoring and assessing the Company's sustainability strategy and policies;
- (iv) Verifying compliance with health and safety standards applicable to the products marketed by the Company;
- (v) Verifying compliance with the most demanding environmental standards, promoting biodiversity conservation and the sustainable management of natural resources in the use of raw materials, production processes, products and retail operations;
- (vi) Verifying compliance with the Company's human rights policies throughout the value chain;
- (vii) Overseeing the sustainability reporting process in accordance with applicable legislation and internationally recognised standards;
- (viii) Promoting a coordinated strategy for social action, sponsorship and patronage aligned with the Company's policies;
- (ix) Supporting and supervising the Company's contribution to the achievement of the United Nations Sustainable Development Goals (SDGs);
- (x) Monitoring any other areas or initiatives that may have an impact on the Company's sustainability.

The Sustainability Committee promotes, supervises and oversees the Corporate Sustainability Policy, in particular through two key instruments:

- the Sustainability Master Plan, monitored through a Sustainability Scorecard;
- the Group Sustainability Report, as the primary expression of the Group's sustainability performance and accountability.

In addition, the Audit and Control Committee has among its responsibilities:

- overseeing risk assessment processes, including social and environmental risks;
- supervising the Sustainability Report, insofar as it forms an integral part of the Company's Management Report.

Specifically with regard to the Sustainability Report, the Audit and Control Committee is responsible for informing the Sustainability Committee about the preparation and presentation process of such report, as well as its clarity and the integrity of its content. This report shall be issued prior to the report to be prepared by the Sustainability Committee and before its formulation by the Board of Directors.

The Corporate Governance System in the area of Sustainability establishes shared responsibility among all key actors within the Organisation. Sustainability is therefore a cross-cutting function involving all governing bodies, functions and departments.

In particular, in order to ensure the development of sustainable business management at executive level and compliance with this Policy, the following bodies have been established:

- Sustainability Executive Committee: composed of directors from the main functional areas, its primary mission is to lead and promote, in a transversal and coordinated manner, the integrated management of programmes, campaigns and initiatives aimed at generating and showcasing progress in sustainability, including its integration into the commercial strategy, particularly in relation to customers.
- Subsidiaries Coordination Committee for Sustainable Development: operating at a more operational level, this committee brings together representatives from the Group's companies and sustainability delegates from all Group entities. Its primary mission is to submit proposals to both the Sustainability Executive Committee and the Sustainability Committee.
- Communications, IR and Sustainability Department: this department is responsible for proposing action plans and coordinating the execution and communication of the sustainability plans and programmes defined by the governing bodies. Its core responsibilities include:
 - ✓ preparing and proposing to the Sustainability Committee the Sustainability Master Plan, which on a multi-year basis sets out the roadmap and developments for sustainability across the Group's companies. This Master Plan is implemented through annual action plans;
 - ✓ drafting the Sustainability Report each year and submitting it to the Sustainability Committee;
 - ✓ preparing the Sustainability Scorecard for the monitoring, supervision and follow-up carried out by the Sustainability Committee.

9. Information and Communication

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

Likewise, the Compliance and Risk Control Department shall promote the necessary actions to ensure its proper dissemination and awareness.

Transparency and communication are essential factors in fostering trust and credibility among markets and investors, as well as employees, customers and other stakeholders. The Organisation therefore commits to:

- a. Maintaining responsible communication, marketing and advertising criteria, taking into account the reputational risks that may arise from any failure to comply with this Policy;
- b. Disseminating relevant and reliable information on the Group's ESG sustainability performance and activities, in particular in relation to shareholders, institutional investors, the financial community and financial and non-financial rating agencies;
- c. Promoting transparency and accountability, by committing to the preparation and annual publication of financial and non-financial information relating to its activities. The Organisation shall also make public both the additional information required under the applicable regulations in each country and any information disclosed on a voluntary basis. The Sustainability Report incorporates the content required under Spanish legislation and the EU Corporate Sustainability Reporting Directive, in accordance with internationally recognised standards and subject to external verification.

10. Reporting of Non-Compliance

The Compliance and Risk Control Department must be made aware of any potential breach of this Policy or of the applicable legislation in this area in order to address the matter promptly and effectively. Accordingly, any Member of the Organisation, Business Partner or Third Party with a direct relationship and a legitimate commercial or professional interest, or any other interested party, who detects a breach of this Policy or who has doubts as to whether an observed practice may constitute an unlawful act shall be obliged to immediately contact the Compliance and Risk Control Department of the El Corte Inglés Group. This shall be done via the Ethics Channel, using any of its available means of communication:

- **Digital Channel:**

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

https://www.elcorteingles.es/informacioncorporativa/es/gobierno_corporate/ethics-and-compliance/

This access is available on the corporate website and, additionally, on the NEXO intranet for Members of the Organisation.

- **Postal address:**

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

- **Compliance and Risk Control Department – Phone number: 91 401 85 00**
- **Request for a face-to-face or remote meeting**

The information communicated through this Channel is confidential, as is the identity of reporting persons acting in good faith, whose cooperation the Organisation appreciates and in respect of whom it guarantees the absence of retaliation of any kind.

Additionally, the Compliance and Risk Control Department may act on its own initiative.

11. Approval, Effective Date and Updating

This Corporate Sustainability Policy was approved by the Board of Directors of El Corte Inglés, S.A. at its meeting held on 29 January 2025, following a prior report from the Sustainability Committee.

From that date, the Policy has been fully effective in all its terms.

This Policy shall be reviewed whenever changes occur in the Organisation's strategic objectives or in the applicable legislation. Any proposal for amendment shall be submitted to the Sustainability Committee, which shall, where appropriate, refer it to the Board of Directors for approval.

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 | 31/Jan/2019 | Change of name | Company name |
| 3.0 | 30/Nov/2022 | <ul style="list-style-type: none"> - Change of name - Regulatory adaptations | <ul style="list-style-type: none"> - Principles - Objectives |
| 4.0 | 29/Jan/2025 | <ul style="list-style-type: none"> - Align Policy with new regulatory requirements. - Due diligence approach. - Include 'Awareness and Statement of Compliance' section. - Include 'Reporting of Non-Compliance' section - Minor formal changes | <ul style="list-style-type: none"> - Principles of Action - Objectives - Awareness and Statement of Compliance - Reporting of Non-Compliance |
| 4.1 | 29/Oct/2025 | <ul style="list-style-type: none"> - Amend the environmental principles - Standardise the Dissemination section | <ul style="list-style-type: none"> - Principles of Action - Information and Communication |

Last revision, 29 October 2025