

“El Corte Ingle’s response”, 23 January 2024

Thank you for making us aware of this new allegation concerning Universal Garment in Myanmar.

After checking with the producer and the auditors that conducted the unannounced audit late in 2023, we have been unable to gather evidence concerning this new allegation.

In any case, this new finding does not change the course of action we had already adopted concerning this supplier and our sourcing policy in Myanmar. Let me just remind you what we communicated to you last January 4th:

"As a result, we have asked the Korean management of the company to implement a corrective action plan, but we will also move out productions in an orderly manner from the factory.

Further to the findings identified at Universal Apparel, we have also conducted a comprehensive survey of our supply chain in the country and we have gathered the position of different stakeholders concerning actual and potential risks and impacts in labour conditions related to our sourcing in Myanmar.

This report has been escalated to our Sustainability Committee and our top management. The decision has then been made to gradually phase out all productions and have a responsible exit from Myanmar that should be completed in the course of 2025. ""

Of course, as we phase out productions, we will endeavour to monitor that human and labour rights are respected, to the extent this is possible in the current uncertain environment in Myanmar.