

LEGISLATION SUMMARY: SPAIN

Expectations towards suppliers as defined in the Guiding Principles and local legislation

1. Business Ethics

Guiding Principles: Companies are expected to uphold the highest standards of integrity and to operate honestly and equitably throughout the supply chain in accordance with local laws.

CSR Drive Principle	Local regulation	Briefing analysis
1. Responsible sourcing of materials	<ul style="list-style-type: none"> ○ Regulation (EU) 2017/821 of the European Parliament and of the Council of 17 May 2017 laying down due diligence obligations in the supply chain with regard to Union tin importers, tantalum and tungsten, its minerals and gold originating in conflict or high-risk areas. - Scope. On January 1st, 2021, a new EU legislation will come into force: the EU Conflict Minerals Regulation. It aims to help stem the trade in four minerals – tin, tantalum, tungsten and gold -, which sometimes finance armed conflict or are mined using forced labor. This Regulation shall not apply to Union importers of minerals or metals where their annual import volume of each of the minerals or metals concerned is below the volume thresholds set out in Annex I of the law. - Key points for suppliers. This Regulation lays down the supply chain due diligence obligations of Union importers of minerals or metals containing or consisting of tin, tantalum, tungsten or gold, as set out in Annex I of the law. - http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=OJ:L:2017:130:TOC 	<p>The law is in line with the Guiding Principles.</p>
2. Anti-corruption	<ul style="list-style-type: none"> ○ Organic Law 10/1995, of November 23, of the Penal Code. - Scope. The Penal Code defines the crimes and offenses that constitute the presuppositions of the application of the supreme form of the coercive power of the State: the criminal penalty. Consequently, it occupies a preeminent place in the whole of the order, to the point that, not without reason, has been considered as a kind of «Negative Constitution». The Penal Code has to protect the values and basic principles of the social coexistence. 	<p>The law is in line with the Guiding Principles. However, the law is more general, while the Guiding Principles specify issues (extortion, offering something of value in order to obtain business...)</p>

Expectations towards suppliers as defined in the Guiding Principles and local legislation

- **Key point for suppliers.**

Legal entities will be utterly responsible for:

Offenses committed for their own benefit (directly or indirectly) on their own's account, on their legal representative's account or on the account of those that are authorized to make decisions on behalf of the legal entity or that hold responsibilities and control within the legal entity;

Offenses committed during the implementation of social activities for their own benefit (directly or indirectly), by those that, being subject to the authority of the natural persons mentioned in the previous paragraph, have been able to commit the offense due to a failure in the supervision, monitoring and controlling duties.

Legal entities will be exempted from their responsibility if:

The administrative body has adopted and implemented organizational and management structures that include surveillance and controlling measures aimed at crime prevention.

Supervision and compliance monitoring of the prevention structure established has been trusted to a specific body within the legal entity that holds independent controlling and execution powers or that has been legally appointed to supervise the legal entity's internal control effectiveness.

Offenders have committed the offense have fraudulently avoided the organization and prevention structures.

The administrative body referred to in the second requirement has not been proven to omit or insufficiently perform its supervision, monitoring and controlling duties.

- <https://www.boe.es/buscar/pdf/1995/BOE-A-1995-25444-consolidado.pdf>

- o Code of good governance of listed companies. Recommendation 53.

- Scope. This Code is addressed to listed companies, meaning all those firms whose shares are admitted to trading on an official secondary market. It includes legal and optional requirements in order to contribute to a good corporate governance.

- **Key points for suppliers.** The task of supervising compliance with corporate governance rules, internal codes of conduct and corporate social responsibility policy should be assigned to one board committee or split between several, which could be

Expectations towards suppliers as defined in the Guiding Principles and local legislation

	<p>the audit committee, the appointments committee, the corporate social responsibility committee, where one exists, or a dedicated committee established ad hoc by the board under its powers of self-organisation, with at the least the following functions: Monitor compliance with the company’s internal codes of conduct and corporate governance rules.</p> <p>- https://www.cnmv.es/docportal/publicaciones/codigogov/codigo_buen_gobierno.pdf</p>	
<h3>3. Privacy</h3>	<p>o REGULATION (EU) 2016/679 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and the free circulation of such data and repealing the Directive 95/46 / CE (General Data Protection Regulation).</p> <p>- Scope: the regulation applies to: a) companies established in the EU, b) companies that provide services to EU citizens, c) companies that monitor human behaviour while their behaviour takes place within the EU.</p> <p>- Key points for suppliers. The most relevant modifications entailed by this new regulation are:</p> <ol style="list-style-type: none"> i. Data subject’s consent: it is mandatory to count with the natural person’s consent, obtained through a clear affirmative act establishing a freely given, specific, informed and unambiguous indication of the data subject’s agreement to the processing of personal data relating to him or her (i.e. implicit consent is not sufficient). ii. Data Protection Officer (DPO): a DPO shall be designated under certain circumstances indicated by the regulation. The DPO will be responsible for supervising, reporting and advising on the compliance with the applicable legislation. iii. One-stop-shop mechanism: companies within the scope of this regulation that are established in various EU countries or whose services or behavior monitoring activities address various EU countries are allowed to communicate solely with the supervisory authority in their main country of activity (e.g. for a company with headquarters in Spain, it is allowed to interact solely with the AEPD). In such cases, the supervisory authority will act as direct contact point and will communicate with the remaining involved authorities as required. <p>- https://www.boe.es/diario_boe/txt.php?id=DOUE-L-2016-80807</p>	<p>The law is lower compared to automotive GP (guiding principles).</p> <p>While the content is covered by law, the GP extend their responsibility “Companies are expected to ensure that they cascade these principles and contractual obligations in relation to data privacy to any subcontractors or Tier 2 suppliers who will be processing the personal data.”</p>

LEGISLATION SUMMARY: SPAIN

Expectations towards suppliers as defined in the Guiding Principles and local legislation

<p>4. Financial Responsibility/ Accurate Records</p>	<ul style="list-style-type: none"> ○ Royal Legislative Decree 1/2010, of July 2, approving the revised text of the Capital Companies Act. - Scope: the regulation applies to capital companies (the limited liability company, the limited company and the limited partnership for shares). The consolidated text of the Capital Companies Law is the fundamental legal regulation that regulates the operation of capital companies in Spain. It was approved by Royal Legislative Decree 1/2010, of July 2, in which the existing legislation on limited companies, limited liability companies, quoted corporations and limited partnerships for shares was unified in a single legal text, that is, the set of existing capital companies in the Spanish legal system. - Key points for suppliers. The obligation to prepare the annual accounts, the management report and the proposal to apply the result is included in article 253. - https://www.boe.es/diario_boe/txt.php?id=DOUE-L-2016-80807 	<p>The law is in line with the Guiding Principles.</p>
<p>5. Disclosure of Information</p>	<ul style="list-style-type: none"> ○ Royal Decree-law 18/2017, of November 24, by which the Commercial Code is modified, the consolidated text of the Capital Companies Law approved by Royal Legislative Decree 1/2010, of July 2, and the Law 22/2015, of July 20, on Audit of Accounts, regarding non-financial information and diversity. - Scope: the regulation applies to entities of public interest. It lays down the rules on disclosure of non-financial and diversity information by large companies. - Key points for suppliers. The entities affected shall include a “statement of non-financial information”. This means a declaration with information related to social responsibility, portraying the sustainability evolution of the business, the ESG policies and the results of them, as well as risks linked to sustainability issues. - https://www.boe.es/buscar/doc.php?id=BOE-A-2017-13643 	<p>The law is higher compared to automotive GP (guiding principles). The law indicates which, how and where this information must be provided. It is more specific.</p>
<p>6. Fair Competition/Anti-Trust</p>	<ul style="list-style-type: none"> ○ Law 3/1991, of January 10, on Unfair Competition. - Scope: The purpose of this law is the protection of competition in the interest of all those participating in the market, and to that end it establishes the prohibition of acts of unfair competition, including illicit advertising under the terms of the General 	<p>The law is higher compared to automotive GP (guiding principles). The law indicates more specifically which acts should be avoided such as unfair competition, for example:</p>

LEGISLATION SUMMARY: SPAIN

Expectations towards suppliers as defined in the Guiding Principles and local legislation

	<p>Advertising Law., The law is applicable to employers, professionals and individuals or legal entities that participate in the market.</p> <ul style="list-style-type: none"> - Key points for suppliers. It establishes the prohibition of acts such as considered as unfair competition, deceptive acts, deceptive omissions, aggressive practices etc. - https://www.boe.es/buscar/pdf/1991/BOE-A-1991-628-consolidado.pdf 	<ul style="list-style-type: none"> - The improper use, for one's own benefit or that of others, of the advantages of industrial, commercial or professional reputation acquired by another in the market. - The disclosure or exploitation, without authorization of its owner, of industrial secrets or any other kind of business secrets that have been legitimately accessed, is considered disloyal.
<p>7. Conflicts of interest</p>	<ul style="list-style-type: none"> o Royal Legislative Decree 1/2010, of July 2, approving the revised text of the Capital Companies Act. - Scope: the regulation applies to capital companies (the limited liability company, the limited company and the limited partnership for shares). The consolidated text of the Capital Companies Law is the fundamental legal regulation that regulates the operation of capital companies in Spain. It was approved by Royal Legislative Decree 1/2010, of July 2, in which the existing legislation on limited companies, limited liability companies, quoted corporations and limited partnerships for shares was unified in a single legal text, that is, the set of existing capital companies in the Spanish legal system. - Key points for suppliers. The article 229 establishes the duty of avoid situations of Conflicts of interest by the company administrator and people associated to this, as well as inform in a report in the case of occurrence. - https://www.boe.es/buscar/pdf/2010/BOE-A-2010-10544-consolidado.pdf 	<p>The law is in line with the Guiding Principles.</p>
<p>8. Counterfeit parts</p>	<p>It does not exist such specific law in this sense. The Royal Legislative Decree 1/2007, of November 16, approving the revised text of the General Law for the Defense of Consumers and Users and other complementary laws. It contains the regulation of general conditions that are included in contracts with consumers (they are natural or legal persons that acquire, use or enjoy goods and services as final recipients). It has the same regime as the General Conditions of the Contract. It has as a novelty that regulates abusive clauses, establishes general norms of what should be understood by an abusive clause, and sets forth a list of specific clauses that are abusive.</p>	<p>The law is lower compared to automotive GP (guiding principles). The GP are specific on counterfeit parts and it establish requirements for the companies in this sense. This are the GP requirements:</p> <ul style="list-style-type: none"> - Companies are expected to develop, implement, and maintain

Expectations towards suppliers as defined in the Guiding Principles and local legislation

	<p>If the consumers detect the parts they buy are counterfeit parts, they can exercise its right: The regime of verification, claim, guarantee and possibility of resignation or return established in the contracts, shall allow the consumer and user to ensure the nature, characteristics, conditions and utility or purpose of the good or service; can claim effectively in case of error, defect or deterioration; can make effective the guarantees of quality or level of provision offered, and obtain the fair return of the market price of the good or service, totally or partially, in case of non-compliance or effective compliance.</p> <ul style="list-style-type: none"> - https://www.boe.es/buscar/act.php?id=BOE-A-2007-20555 	<p>methods and processes appropriate to their products and services to minimize / minimise the risk of introducing counterfeit parts and materials into deliverable products.</p> <ul style="list-style-type: none"> - Companies are expected to establish effective processes to detect counterfeit parts and materials and, if detected, quarantine the materials and notify the Original Equipment Manufacturer (OEM) customer and/or law enforcement as appropriate. - Companies are expected to confirm that any sales to non-OEM customers are compliant with local laws and those products sold will be used in a lawful manner.
<p>9. Intellectual property</p>	<ul style="list-style-type: none"> o Law 24/2015, of July 24, on Patents. - Scope: It regulates patents. For the protection of industrial inventions, the following Industrial Property titles will be granted, in accordance with the provisions of this Law: <ul style="list-style-type: none"> a) Patents of invention. b) Utility models. c) Complementary certificates for the protection of medicines and phytosanitary products. - Key points for suppliers. It establishes patentable inventions and the procedure that must be followed. - http://www.oepm.es/export/sites/oepm/comun/documentos_relacionados/Publicaciones/monografias/Ley_de_Patentes_24_julio_2015.pdf 	<p>The law is higher compared to automotive GP (guiding principles). The law indicates the process that the company must follow to get a patent.</p>
<p>10. Export controls and</p>	<p>There is no specific law on the issues indicated by the GPs. Some laws cover certain aspects but don't fully cover the issues listed in the GP.</p>	<p>Thus, the automotive GP (guiding principles) is higher compared to law.</p>

LEGISLATION SUMMARY: SPAIN



Expectations towards suppliers as defined in the Guiding Principles and local legislation

**economic
sanctions**

This are the GP requirements:

- Companies are expected to establish appropriate policies and procedures to ensure compliance with applicable export controls and economic sanctions laws and regulations of all relevant countries. These laws and regulations impose restrictions on the export or re-export of goods, software, services, and technology to certain destinations, as well as prohibitions on transactions involving certain restricted countries, regions, entities and individuals.
- Appropriate policies and procedures may include: a statement of management's commitment to compliance; periodic training for relevant personnel; procedures for screening business partners (including suppliers, customers, service providers, and other relevant parties, as well as their beneficial owners) against applicable government lists of restricted parties; appropriate contractual provisions to ensure business partners comply with such applicable laws and regulations; an audit function; and policies and procedures for reporting and remediating potential violations.

LEGISLATION SUMMARY: SPAIN

Expectations towards suppliers as defined in the Guiding Principles and local legislation

11. Protection of identity and nonretaliation

The Draft Organic Law for the Protection of Personal Data establish the information systems for internal complaints in the private sector: “The necessary measures must be taken to preserve the identity and guarantee the confidentiality of the data corresponding to the persons affected by the information provided, especially that of the person who had reported the facts to the entity, if it had been identified”.

- http://www.congreso.es/public_oficiales/L12/CONG/BOCG/A/BOCG-12-A-13-1.PDF

It is a draft legislation. The legislative project covers the protection of identity, but no the nonretaliation.

This are the GP requirements:

- Companies shall develop and implement grievance mechanisms.
- Companies shall assure that employees and business associates will not be subject to termination, threats, harassment or other adverse action by reason of making a grievance report. Companies shall also provide appropriate disciplinary action on against those who seek to take retaliatory action on against a person “blowing the whistle”.

2. Working conditions and Human Rights

Guiding Principles: Companies should respect the human rights of workers, and treat all people with dignity as recognized by the international community.

CSR Drive Principle	Local regulation	Briefing analysis
1. Child labour and young workers	<ul style="list-style-type: none"> o Royal Legislative Decree 2/2015, of October 23, approving the revised text of the Law on the Workers' Statute. - Scope: Its mission is to regulate labor relations, those that arise between the employer and the employee based on an employment contract. It establishes the obligations and rights of both parties. - Key points for suppliers. <ol style="list-style-type: none"> 1. Admission to work is prohibited for children under sixteen years of age. 	The law is in line with the Guiding Principles.

LEGISLATION SUMMARY: SPAIN

Expectations towards suppliers as defined in the Guiding Principles and local legislation

	<p>2. Workers under eighteen years of age will not be able to do night work or those activities or jobs with respect to which limitations are established in accordance with the provisions of Law 31/1995, of November 8, of Prevention of Labor Risks, and in the applicable regulations.</p> <p>3. It is forbidden to perform overtime for those under the age of eighteen</p> <p>- https://www.boe.es/buscar/pdf/2015/BOE-A-2015-11430-consolidado.pdf</p>	
<p>2. Wages and benefits</p>	<p>o Royal Decree 1077/2017, of December 29, which establishes the minimum interprofessional salary for 2018.</p> <p>- Scope and key points for suppliers: This royal decree establishes the amounts which shall apply from January 1, 2018, both for permanent workers and temporary workers, as well as for domestic employees. The new amounts represent an increase of four percent with respect to those effective between January 1 and December 31, 2017.</p> <p>- https://www.boe.es/boe/dias/2017/12/30/pdfs/BOE-A-2017-15848.pdf</p>	<p>The law is in line with the Guiding Principles.</p>
<p>3. Working hour</p>	<p>o Royal Legislative Decree 2/2015, of October 23, approving the revised text of the Law on the Workers' Statute.</p> <p>- Scope: Its mission is to regulate labor relations, those that arise between the employer and the employee based on an employment contract. It establishes the obligations and rights of both parties.</p> <p>- Key points for suppliers. The duration of the working day will be agreed in collective agreements or employment contracts. The maximum duration of the ordinary working day will be forty hours per week of average effective work in annual computation. Extra hours will be considered those additional hours of work beyond the ordinary working day. Through a collective agreement or, failing that, an individual contract, one will opt between paying overtime in the amount that is set, which in no case may be less than the value of the ordinary hour, or compensate them for equivalent times of paid rest. In the absence of a pact in this regard, it shall be understood that extraordinary work carried out shall be compensated by means of rest within the four months after its completion. The number of overtime hours may not exceed eighty per year.</p>	<p>The law is in line with the Guiding Principles.</p>

LEGISLATION SUMMARY: SPAIN

Expectations towards suppliers as defined in the Guiding Principles and local legislation

<p>4. Forced labour</p>	<ul style="list-style-type: none"> - https://www.boe.es/buscar/pdf/2015/BOE-A-2015-11430-consolidado.pdf o This is regulated in different laws and international declarations, such as the Royal Legislative Decree 2/2015, of October 23, approving the revised text of the Law on the Workers' Statute, Universal Declaration of Human Rights, Organic Law 10/1995, of November 23, of the Penal Code etc. - Key points for suppliers. For example, the Article 312 of the Penal Code prohibits the smuggling of the workforce and the hiring of undocumented workers in working conditions below the permitted standards and punishes them with sentences of two to five years in prison and a fine of six to twelve months. - https://www.boe.es/buscar/pdf/2015/BOE-A-2015-11430-consolidado.pdf 	<p>The law is in line with the Guiding Principles, except for previously indicated.</p> <p>Almost all the issues of the Guiding Principles are cover by different laws. This is:</p> <ul style="list-style-type: none"> i. All work should be voluntary on the part of the employee. ii. Companies and agents should not hold, destroy, conceal, confiscate or deny access to employee identity documents unless required by applicable law. iii. Human Trafficking: Forced, bonded (including debt bondage) or indentured labor/labour, involuntary prison labor/labour, and slavery or trafficking of persons should not be used by any company. This includes, but is not limited to transporting, harboring, recruiting, transferring or receiving persons by means of threat, force, coercion, deception, abduction or fraud for labor/ labour or services. <p>However, regarding this issues of the Guiding Principles:</p>
--------------------------------	--	--

LEGISLATION SUMMARY: SPAIN



Expectations towards suppliers as defined in the Guiding Principles and local legislation

		<ul style="list-style-type: none"> i. Companies should ensure that workers are not required to pay recruitment fees or related fees of any type for employment – not regulated by law. ii. Companies should ensure all workers receive a written contract or ensure they understand the terms of employment in a language well understood by the worker – According to the Royal Legislative Decree 2/2015, of October 23, approving the revised text of the Law on the Workers' Statute, the employment contract could be written or oral. However, there are some kind of contract that compulsory must be written (for example, practices) and when it is require by the worker or contractor.
<p>5. Freedom of association</p>	<ul style="list-style-type: none"> o Organic Law 1/2002, of March 22, regulating the Right of Association. - Scope: The objective is to develop the right of association recognized in article 22 of the Constitution. - Key points for suppliers. The right of association includes the freedom to associate or create associations, without the need for prior authorization. 	<p>The law is in line with the Guiding Principles.</p>

LEGISLATION SUMMARY: SPAIN

Expectations towards suppliers as defined in the Guiding Principles and local legislation

<p>6. Health and safety</p>	<ul style="list-style-type: none"> - https://www.boe.es/boe/dias/2002/03/26/pdfs/A11981-11991.pdf o Law 31/1995, of November 8, on Prevention of Occupational Risks, Royal Decree 485/1997, of April 14, on minimum provisions regarding safety and health at work signage, Royal Decree 486/1997, of April 14, which establishes minimum safety and health provisions in workplaces, etc. - Scope. Its purpose is to promote the safety and health of workers through the application of measures and the development of the necessary activities for the prevention of risks derived from work. - Key points for suppliers. For example, companies must protect their employees on labour risks through a labour risk program, which includes knowing the risks of the company, knowing how these can affect or are affecting the workers and, consequently, plan and establish measures to avoid or minimize risks, providing the worker with information, training, the appropriate means and encouraging their participation. - https://www.boe.es/buscar/pdf/1995/BOE-A-1995-24292-consolidado.pdf 	<p>The law is in line with the Guiding Principles.</p>
<p>7. Harassment</p>	<ul style="list-style-type: none"> o Organic Law 1/2004, of December 28, on Comprehensive Protection Measures against Gender Violence. - Scope: This law establishes integral protection measures whose purpose is to prevent, punish and eradicate violence against women, their minor children and minors subject to their guardianship. The gender-based violence referred to in this Law includes all acts of physical and psychological violence, including assaults on sexual freedom, threats, coercion or arbitrary deprivation of liberty. - Key points for suppliers: The law establishes different rights of women who are victims of gender-based violence. For example, workers who are victims of gender violence shall have the right, under the terms set forth in the Workers' Statute, to reduce or re-arrange working time, to geographical mobility, to the change of work center, to the suspension of the working with reservation of work and termination of employment contract. 	<p>The law is higher compared to automotive GP (guiding principles). The law provides specific situations and penalties of the issues named by the GP.</p>

Expectations towards suppliers as defined in the Guiding Principles and local legislation

	<ul style="list-style-type: none"> - https://www.boe.es/buscar/pdf/2004/BOE-A-2004-21760-consolidado.pdf o Organic Law 10/1995, of November 23, of the Penal Code. - Scope. The Penal Code defines the crimes and offenses that constitute the presuppositions of the application of the supreme form of the coercive power of the State: the criminal penalty. Consequently, it occupies a preeminent place in the whole of the order, to the point that, not without reason, has been considered as a kind of «Negative Constitution». The Penal Code has to protect the values and basic principles of the social coexistence. - Key points for suppliers: The law establishes different penalties in the event that harassment situation occur. For example, “Whoever inflicts degrading treatment on another person, seriously undermining his moral integrity, shall be punished by imprisonment from six months to two years. With the same penalty will be punished those who, in the sphere of any employment or civil service relationship and prevailing in their superiority relationship, repeatedly carry out hostile or humiliating acts against another, which, without constituting degrading treatment, constitute serious harassment against the victim.” - https://www.boe.es/buscar/pdf/1995/BOE-A-1995-25444-consolidado.pdf 	
<p>8. Non discrimination</p>	<ul style="list-style-type: none"> o Organic Law 3/2007, of March 22, for the effective equality of women and men, Royal Legislative Decree 1/2013, of November 29, which approves the Consolidated Text of the General Law on the rights of persons with disabilities and their social inclusion, Organic Law 7/1980, of July 5, on Religious Freedom, etc. - Scope. The organic law 3/2007 establish that women and men are equal in human dignity, and equal in rights and duties. The purpose of this Act is to give effect to the right to equal treatment and opportunities between women and men, in particular through the elimination of discrimination against women, whatever their circumstance or condition, in any area of life e.g. in the political, civil, labor, economic, social and cultural spheres to achieve a more democratic, more just and more solidary society. 	<p>The law is in line with the Guiding Principles.</p> <p>Different laws cover the issues named by the Guiding Principles (race, color/colour, age, gender, sexual orientation, gender identity...).</p>

Expectations towards suppliers as defined in the Guiding Principles and local legislation

Key points for suppliers: For example, the Law establishes principles of action of the Public Powers, regulates rights and duties of natural and legal persons, both public and private, and provides for measures to eliminate and correct in the public and private sectors, all forms of discrimination based on sex.

For example, In the case of companies with more than two hundred and fifty employees, they must draw up and apply an equality plan, with the scope and content established in the law, which must also be negotiated in the manner determined in the labor legislation.

- <https://www.boe.es/buscar/pdf/2007/BOE-A-2007-6115-consolidado.pdf>

3. Environment

Guiding Principles: Companies are expected to support a proactive approach to environmental responsibility by protecting the environment, conserving natural resources and reducing the environmental footprint of their production, products and services throughout their life-cycle.

CSR Drive Principle	Local regulation	Briefing analysis
(General environmental legislation)	<p>Law 26/2007, of October 23, on Environmental Responsibility. This law regulates the responsibility of operators to prevent, avoid and repair environmental damage, in accordance with Article 45 of the Constitution and with the principles of prevention and that "the polluter pays".</p> <p>https://www.boe.es/boe/dias/2007/10/24/pdfs/A43229-43250.pdf</p>	
(General environmental legislation)	<p>Law 2/2011, of March 4, on Sustainable Economy. The purpose of this Law is to introduce into the legal system the structural reforms necessary to create conditions that contribute to sustainable economic development.</p> <p>https://www.boe.es/buscar/pdf/2011/BOE-A-2011-4117-consolidado.pdf</p>	
1. Energy consumption and greenhouse	<ul style="list-style-type: none"> o Package of measures on climate and energy until 2020 - Scope. It includes the review of Directive 2003/87 / EC of European Trade in Emission Rights, to improve and expand the community regime of greenhouse gas emission 	The law is in line with the Guiding Principles.

LEGISLATION SUMMARY: SPAIN

Expectations towards suppliers as defined in the Guiding Principles and local legislation

<p>gas emissions</p>	<p>rights trading: It is established as objective for 2020 that the set of sectors affected by the emission rights trading reduce their emissions by 21% compared to 2005 levels.</p> <ul style="list-style-type: none"> - Key points for suppliers. The automotive auxiliary industry, as part of the sectors affected by the emission rights trading, companies have to measure, monitoring and act according to the emissions limits defined. - https://ec.europa.eu/clima/policies/strategies/2020_es 	
<p>2. Water quality and consumption</p>	<ul style="list-style-type: none"> o Royal Decree 849/1986, of April 11, which approves the Regulation of the Hydraulic Public Domain, which develops the preliminary titles I, IV, V, VI and VII of Law 29/1985, of August 2, Waters. <p>Much of the legislation in this area is developed at autonomous community level.</p> <ul style="list-style-type: none"> - Scope. As established in the Regulation of the Hydraulic Public Domain, the direct or indirect discharge of water and waste products susceptible to pollute the continental waters or any other element of the Hydraulic Public Domain is prohibited in general, unless prior authorization is granted. by the Basin Agency, competent both in the case of direct discharges to surface or underground waters and in the case of indirect discharges to groundwater. - Key points for suppliers. It is usually defined at autonomous community level. It usually require a discharge authorization, maximum amount of discharge, contaminant monitoring... - https://www.boe.es/buscar/pdf/2003/BOE-A-2003-3596-consolidado.pdf 	<p>The law is lower compared to automotive GP (guiding principles). The GP establish specific criteria on different issues not covered by law:</p> <ul style="list-style-type: none"> - Companies are expected to preserve water resources through an assessment of water stress in operations and throughout the life-cycle and integrate water management into the business plan. - Companies are expected to develop a water assessment and water balance for each operation and site, establish a baseline, set goals for reduction (e.g. cubic meters per unit), set objectives and methods to reduce with efficiency and conservation projects and measure and compare progress to goals to close gaps.
<p>3. Air quality</p>	<ul style="list-style-type: none"> o Law 34/2007, of November 15, on air quality and protection of the atmosphere. - Scope. The purpose of this law is to establish the bases for prevention, monitoring and reduction of air pollution in order to avoid and when this is not possible, to reduce the damage that may be caused to people, the environment and other goods. of any nature. 	<p>The law is in line with the Guiding Principles.</p>

Expectations towards suppliers as defined in the Guiding Principles and local legislation

	<ul style="list-style-type: none"> - Key points for suppliers. It establishes the criteria to define administrative infractions, which are classified as very serious, serious and minor. It also defines emission limit values for pollutants, - https://www.boe.es/buscar/pdf/2007/BOE-A-2007-19744-consolidado.pdf 	
<p>4. Natural resources management and waste reduction</p>	<ul style="list-style-type: none"> o Royal Decree 20/2017, of January 2017, on vehicles at the end of their useful life. - Scope. The main novelties introduced by the royal decree are derived from the approval of the Law 22/2011, of July 28, on waste and contaminated soils, and the consequent need to adapt to their requirements the production and management regime of the vehicles at the end of their useful life, in particular as regards the waste hierarchy, to the extended responsibility of the producer and the information obligations. <p>The purpose of the law 22/2011 is to regulate the management of waste by promoting measures that prevent its generation and mitigate the adverse impacts on human health and the environment associated with its generation and management, improving efficiency in the use of resources.</p> <ul style="list-style-type: none"> - Key points for suppliers. Royal Decree 20/2017 1. The reuse of parts, materials and components that come from vehicles at the end of their useful life is encouraged. For the purpose of reuse, the Royal Decree requires that all these vehicles be treated in an Authorized Transformation Center, where the parts that can be reused, after being decontaminated, will be chosen. 2. The manufacturers and importers of vehicles have the obligation to organize the collection and management of these at the end of their useful life, supported by waste managers. 3. Minimum preparation goals for reuse, recycling and recovery are introduced for the first time. This gives public administrations a way to know how many pieces that are in the second-hand market. <p>Law 22/2011</p>	<p>The law is in line with the Guiding Principles.</p>

Expectations towards suppliers as defined in the Guiding Principles and local legislation

	<p>1. The competent administrations, in the development of policies and legislation on prevention and waste management, will apply to achieve the best overall environmental result, the hierarchy of waste in the following order of priority a) Prevention; b) Preparation for reuse; c) Recycling; d) Another type of valuation, including energy recovery; e) Elimination</p> <p>However, if it is necessary to deviate from this hierarchy in order to achieve the best overall environmental result in certain waste streams, a different order of priorities could be adopted after justification for a life cycle approach to the impacts of the generation and management of those waste, taking into account the general principles of precaution and sustainability in the field of environmental protection, technical and economic feasibility, protection of resources, as well as the set of environmental impacts on human health, economic and social.</p> <p>- https://www.boe.es/boe/dias/2017/01/21/pdfs/BOE-A-2017-656.pdf</p>	
<p>5. Responsible chemical management</p>	<ul style="list-style-type: none"> ○ Regulation (EC) No 1907/2006 of the European Parliament and of the Council of 18 December 2006 on the registration, evaluation, authorization and restriction of chemical substances and mixtures (REACH), establishing the European Agency for Chemical Substances and Mixtures. <p>Regulation (EC) No 1272/2008 of the European Parliament and of the Council of 16 December 2008 on the classification, labeling and packaging of substances and mixtures, and amending and repealing Directives 67/548 / EEC and 1999 / 45 / EC and Regulation (EC) No 1907/2006 is amended (relevant text for the purposes of the EEA).</p> <p>- Scope.</p> <p>The REACH Regulation, the acronym for Registration, Evaluation, Authorization and Restriction of Chemical Substances and Mixtures, came into force on June 1, 2007 and has as its main objective to improve the protection for human health and the environment against the risk that it may entail the manufacture, commercialization and use of chemical substances and mixtures.</p> <p>In principle, REACH applies to all chemical substances present in daily life, either as such, in the form of mixtures or contained in articles, and is therefore applicable in economic sectors of a diverse nature.</p>	<p>The law is in line with the Guiding Principles.</p>

Expectations towards suppliers as defined in the Guiding Principles and local legislation

<ul style="list-style-type: none"> - Key points for suppliers. <ul style="list-style-type: none"> i. Registration: all manufactured / imported substances must be registered in quantities equal to or greater than 1 ton / year. ii. Evaluation): the risks to health and the environment of any substance that poses a risk according to the criteria established for the assignment of priorities will be evaluated. iii. Authorization: an authorization of use must be requested for any substance considered to be of great concern under the REACH Regulation. iv. Restriction: certain uses of the substance will be prohibited or restricted when they pose an unacceptable risk to human health and the environment. v. Labeling and packaging hazardous chemical substances or mixtures according to the standardized system established by the Regulation on Classification, Labeling and Packaging (CLP), in such a way that workers and consumers know their effects before handling them. - https://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CONSLEG:2006R1907:20111210:ES:PDF 	
<ul style="list-style-type: none"> o Law 22/2011 of July 28, on waste and contaminated soil. - Scope. The purpose of this Law is to regulate the management of waste by promoting measures that prevent its generation and mitigate the adverse impacts on human health and the environment associated with its generation and management, improving efficiency in the use of resources. It also aims to regulate the legal regime of contaminated soils. - Key points for suppliers. These are some of the most relevant aspects that could affect the auxiliary companies of the automobile: <ul style="list-style-type: none"> • Be authorized as the producer or manager of hazardous waste in the corresponding Community. • In the case where the producer is not responsible for the waste treatment, he must hire an authorized manager or dealer. • Comply with the storage and labeling requirements for hazardous waste 	<p>The law is in line with the Guiding Principles.</p>

Expectations towards suppliers as defined in the Guiding Principles and local legislation

- Complete the chronological file with all the details of quantity, nature, origin, destination and method of treatment of the waste, the means of transport and the frequency of collection.
- In application of the expanded responsibility and in order to promote and improve the reuse, recycling and recovery of waste, producers of products may be required to:
 - Design products so that the impact and generation of waste is reduced in their life cycle.
 - Develop, produce, label and market products suitable for multiple uses, durable and that, after having become waste, it is easy and clear its separation, reuse and recycling.
 - Accept the return of reusable products, the delivery of waste generated after the use of the product, assume the management of waste and financial responsibility.
 - Establish deposit systems that guarantee the return of the amounts deposited and the return of the product for reuse or treatment.
 - Total or partial responsibility for the organization of waste management.
 - Use materials from waste in the manufacture of products.
 - Provide information on the placing on the market of products that become waste with the use and management thereof, as well as perform economic analyzes or audits.

- <https://www.boe.es/buscar/pdf/2011/BOE-A-2011-13046-consolidado.pdf>