









# OUR PEOPLE

*Our 174,386 employees represent 154 nationalities and speak 73 different languages. Their commitment creates a culture that is centred around diversity, humility, collaboration, innovation and sustainability. We are committed to providing them with stable and safe working environments where equal opportunities, professional development and continuous learning are a reality.*

**Photo:** Employees in Inditex's Paris offices.

SDG	TARGETS	INDITEX'S CONTRIBUTION
	3.4	In line with our Occupational Health and Safety Policy, we continued to make the highest health and well-being standards a priority and take all necessary actions to guarantee the safety of all our employees. Thus, in 2018, we continue to opt for the implementation and renewal of the OHSAS 18001:2007 certifications in our work centres.
	4.4	At Inditex, we believe that each and every person in our Company is the driving force behind what we do. Therefore, one of our main priorities is to give our employees training opportunities, so that they can acquire new skills and develop their talent. Our people philosophy is based on talent management from the perspective of a responsible employer.
	4.5	
	5.1	Women play an essential role at Inditex: they represent 75% of the Group's employees and hold 79% of the management positions. Hence, initiatives which aim at reinforcing gender equality are an essential part of our corporate culture.
	8.5	At Inditex, we are committed to guaranteeing stable and safe work environments that foster work-life balance as well as equal opportunities and professional development. Accordingly, continually improving employment quality is a priority for us.
	8.6	
	8.8	

 More information on pages 294 and 295 of this Annual Report.

### R&D INDICATORS – OUR PEOPLE

	<p>In 2018, Inditex invested over €6 million in R&amp;D activities in order to develop and overhaul the analytical tools that enable optimal management of all of the processes related with the Company's human capital. Those tools facilitate the talent attraction and recruitment processes, help plan Inditex's workforce optimally and contribute generally to diligent, swift and effective administration. Inditex also rolled out platforms that facilitate the tasks performed by its employees, as well as a number of tools in the areas of training, communication, the promotion of healthy habits and career development.</p> <p> More information about our R&amp;D projects on page 77 of this Annual Report.</p>	
	<b>Investment earmarked to R&amp;D</b>	€ 6,069,731

Inditex has engaged an independent study to identify and measure the R&D effort in each of the Group's areas. The results are reported on in the various chapters outlining Our Priorities and are expressed in terms of investment (in euros) and the key projects carried out. The overall results of the study as well as an explanation of the assessment and the criteria used, is available in the "Sustainability, in figures" chapter.

 More information on pages 292 and 293 of this Annual Report.

## What we are like

The 174,386 people working for Inditex in 2018 represent 154 nationalities and speak 73 different languages. Their commitment creates a culture that is centred around diversity, humility, collaboration, innovation and sustainability.

We have a team where women are the majority (75% of the workforce and 79% its management positions) and which is characterized by its generational diversity and its youth (62% of the employees are under 30 and the average age is 28.7). The store is the main area of operation (it involves 87% of the Group's staff and over 152,000 employees in total), and we have established a significant international store network (Spain, the market where our headquarters are based in, has around 48,000 people, 28% of the workforce).

Our organisation is strongly horizontal and focused on our activity to create and distribute fashion. The professional classifications (manager, supervisor and specialist) are wide and store employees play an important role in all of them.

We are committed to guaranteeing stable and safe work environments that foster as equal opportunities and professional development (especially through internal promotion and training programmes). Thus, in 2018, we invested over 2.7 million hours in training, with 146,446 participants. More than half of the positions related to the Zara product and marketing areas have been covered internally.

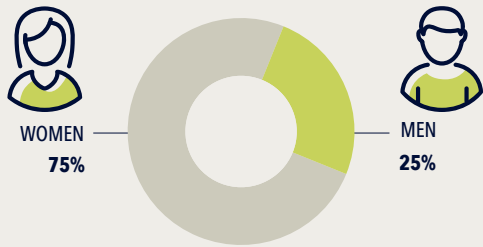
Our efforts in terms of employment quality also become evident when looking at the overall rate of employees with permanent employment contracts, which reaches 73%. As a result of the reality in the retail sector, where many employees seek to find a balance between their job and other activities, the percentage of full-time staff is 51%. In any case, FTE (full-time equivalent) employment amounted to 89.3% in 2018, which is a relevant indicator when it comes to explaining employment quality. With regard to remuneration, Inditex has wage parity: overall, the wage gap is 0.8% in favour of women.



# Our people in 2018

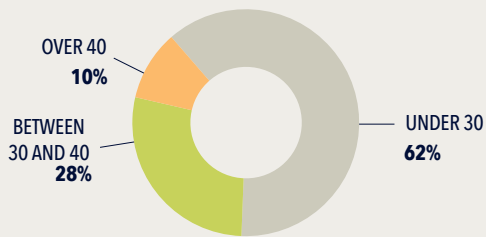


## WORKFORCE DISTRIBUTION BY GENDER (in %)

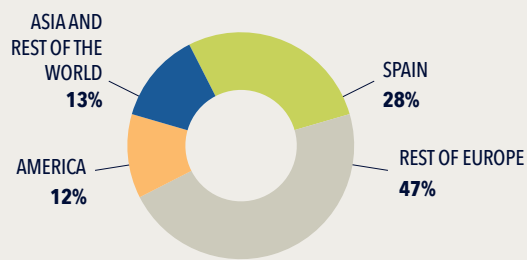


**154** NATIONALITIES  
**28.7** AVERAGE AGE OF THE WORKFORCE

## WORKFORCE DISTRIBUTION BY AGE (in %)

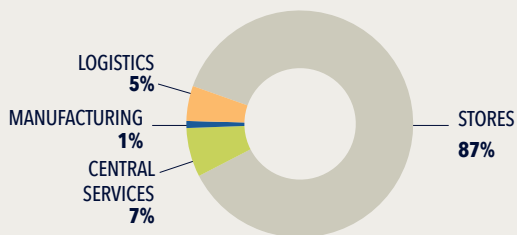


## WORKFORCE DISTRIBUTION BY GEOGRAPHIC AREA (in %)

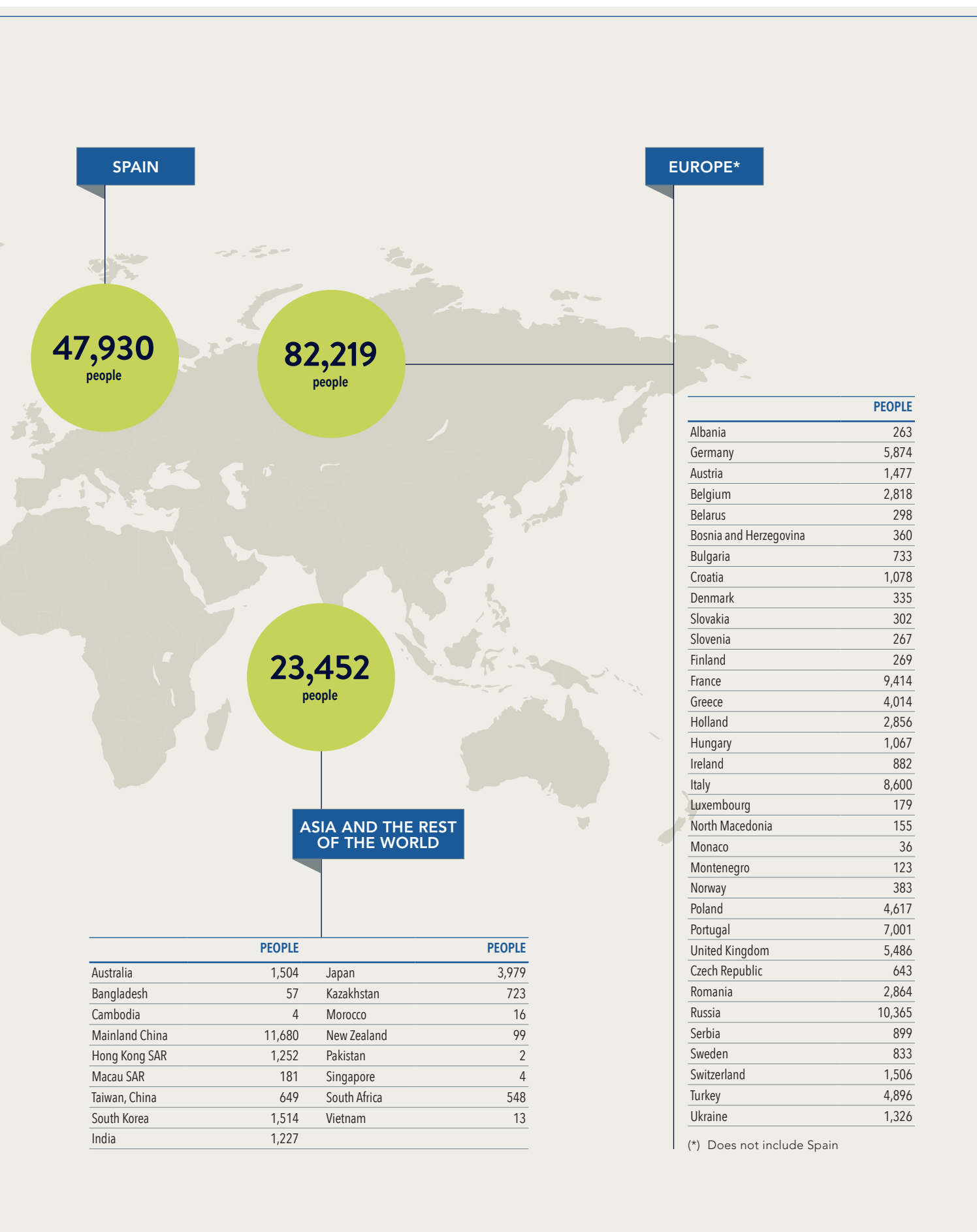


### AMERICA

## WORKFORCE DISTRIBUTION BY ACTIVITY (in %)



	PEOPLE
Argentina	885
Brazil	2,810
Canada	2,466
Chile	878
United States	6,267
Mexico	7,137
Uruguay	342



**SPAIN**

**47,930**  
people

**EUROPE\***

**82,219**  
people

**23,452**  
people

**ASIA AND THE REST OF THE WORLD**

	PEOPLE		PEOPLE
Australia	1,504	Japan	3,979
Bangladesh	57	Kazakhstan	723
Cambodia	4	Morocco	16
Mainland China	11,680	New Zealand	99
Hong Kong SAR	1,252	Pakistan	2
Macau SAR	181	Singapore	4
Taiwan, China	649	South Africa	548
South Korea	1,514	Vietnam	13
India	1,227		

	PEOPLE
Albania	263
Germany	5,874
Austria	1,477
Belgium	2,818
Belarus	298
Bosnia and Herzegovina	360
Bulgaria	733
Croatia	1,078
Denmark	335
Slovakia	302
Slovenia	267
Finland	269
France	9,414
Greece	4,014
Holland	2,856
Hungary	1,067
Ireland	882
Italy	8,600
Luxembourg	179
North Macedonia	155
Monaco	36
Montenegro	123
Norway	383
Poland	4,617
Portugal	7,001
United Kingdom	5,486
Czech Republic	643
Romania	2,864
Russia	10,365
Serbia	899
Sweden	833
Switzerland	1,506
Turkey	4,896
Ukraine	1,326

(\*) Does not include Spain

# 1. Diversity, inclusion, equality and work–life balance

Diversity, multiculturalism and respect are values which are part of the Inditex DNA. Our goal is that each person can be who they are and develop their maximum potential as part of a diverse, creative and innovative team, regardless of their race, ethnicity, gender or gender identity, sexual orientation, age, religion, nationality, or any other essential characteristics.

Therefore, fostering a diverse and inclusive work environment in order to improve the company performance and achieve the corporate goals is a priority for Inditex that has been endorsed at the highest level in its Diversity and Inclusion Policy.

Spearheaded by Senior Management and approved by the Board of Directors in 2017, the Diversity and Inclusion Policy sets out the framework for diversity, respect and integration and must be complied with in all segments and companies of the Group. Furthermore, it governs all actions with regard to Inditex's Human Resources: selection and recruitment, remuneration, benefits, promotions, transfers, professional development, and terminations, among other aspects.

By virtue of our Diversity and Inclusion Policy and the Code of Conduct and Responsible Practices – which determines that our employees must treat other employees as well as candidates, suppliers, contractors and customers with maximum respect – Inditex has a *zero-tolerance* policy regarding discrimination of any kind.

Furthermore, since early 2018, Inditex collaborates with ENAR (European Network Against Racism), an entity that works towards ending institutional racism and discrimination in Europe. In December 2018, Inditex hosted in Brussels the 10th meeting of the Equal@ work platform, which gathered companies, social partners, NGOs and public and academic authorities committed to diversity and inclusion in order to find solutions for the participation of ethnic minorities in the labour market.

Our goal is that each person can be who they are and reach their maximum potential as part of a diverse, creative and innovative team.

## 1.1. Gender equality

Women play an essential role at Inditex: they represent 75% of the Group's employees (131,385 people) and hold 79% of the management positions. Therefore, initiatives which aim at reinforcing gender equality are an essential part of our corporate culture.

In the case of Spain, the market where our headquarters are based in and where Inditex's design, manufacturing and logistics activities are centred, the already approved equality plans, as well as those which are being negotiated, include measures regarding selection, recruitment, promotion, training, occupational health, remuneration and work-life balance. Through them, we seek to avoid situations of inequality from a gender perspective and to guarantee equal opportunities.

These plans also provide action protocols against sexual harassment and/or harassment based on gender which have been developed within the negotiating commissions of these Plans.

### GEEIS: Gender equality certifications



In addition to the equality plans in Spain, in 2018, Inditex's subsidiaries have launched work plans which promote gender diversity, specifically through the GEEIS certification (*Gender Equality European and International Standard*).

Belgium has become the Group's first subsidiary to obtain this certification, which recognizes companies that promote equality between men and women within their organisation and help to define opportunities for improvement in promoting gender equality in the work centres.

 More information at <https://www.arborus.org>

Moreover, Inditex is strongly committed to the recruitment and integration of women who are victims of gender-based violence. In 2013, the Group and the Ministry of Health, Social Services and Equality signed a collaboration agreement to raise awareness of this problem and to foster the incorporation of victims in the workplace.

In this regard, the Salta project, which is implemented in 13 subsidiaries of the Group and which aims at the inclusion of vulnerable young people, also covers the victims of domestic violence as a group.

 More information on page 84 of this Annual Report.


In 2006 and in addition to these actions, Inditex ratified the *Equal Diversidad Activa* (Equal Active Diversity) project, which was co-financed by the European Union and directed by the Spanish Coordinator of the European Women's Lobby and Fundación Carolina.

*ClosinGap:*  
companies fighting  
against the gender  
wage-gap



In January 2019, Inditex joined the company cluster *ClosinGap*, which consists of eleven big companies whose objective is to quantify the economic impact of the wage gap on society, detect areas for improvement and to initiate public policies and corporate practices in this regard.

In order to quantify the impact, companies analyse existing gaps in health care, pensions, the digital environment, work-life balance and joint responsibility, leisure, tourism, consumption or mobility in bimonthly reports. Within the framework of this initiative, Inditex will develop a report about the gender gap in education.

 More information under <http://closinggap.com>

Women play an essential role at Inditex: they represent 75% of the Group's employees and occupy 79% of the management positions.

## 1.2. Inclusion of disabled people

At Inditex, we are committed to complying with the principles of universal accessibility, in particular, for our disabled employees and customers.

All our work centres are designed in a manner that allows accessibility and usability and also fosters the autonomy of disabled people. At the same time, we are committed to making specific technical changes regarding mobility or other sensory, visual or auditive impairments in the centres that require it.

As of the closing of the financial year 2018, Inditex directly employs 1,498 people with disability and has at the same time implemented alternative measures that are equivalent to 186 workers. The legislative heterogeneity in the markets where the Company operates implies that it is not always possible to talk about standards comparable to those in Spain. This may be due to the absence of minimum quotas or due to a strict respect for personal intimacy and, as a result, the right to not disclose the disability prevails.

Besides Spain, where there is strong awareness around integrating people with disabilities at work, action plans with different social agents have been launched in subsidiaries such as France and Uruguay in order to facilitate their access to employment.

An example of an initiative aimed at socio-occupational integration for people with disabilities is the *for&from* project, which consists of building a network of social franchises within different brands of the Group managed by non-profit organisations and, mainly, staffed by people with disabilities.

 More information on page 84 of this Annual Report.



## 1.3. LGBTI+ inclusion

In order to ensure an inclusive work environment also for the LGBTI+ community (lesbians, gays, bisexuals, transgender and intersexual people), we signed *the Standards of Conduct for Business for LGBTI+ inclusion* promoted by the United Nations in 2018. Those standards, which have been drafted in collaboration with the *Institute for Human Rights and Business*, are based on the Guiding Principles on Business and Human Rights and include the contributions of hundreds of companies from a variety of sectors.

At the international level, Inditex has been a member of the *Open for Business* coalition since 2016, which brings together leading global companies that advocate for the inclusion and rights of the LGBTI+ community. This international platform works to show that more inclusive companies are better for business and that companies that promote the inclusion of the LGBTI+ community are more dynamic, productive and innovative.

### REDI: LGBTI+ inclusion in companies



RED EMPRESARIAL POR LA DIVERSIDAD E INCLUSIÓN LGBTI+

In 2018, Inditex joined REDI (Red Empresarial por la Diversidad y la Inclusión LGBTI+ – Corporate Network for Diversity and LGBTI+ inclusion) in Spain, a platform which aims at promoting an inclusive environment within organisations and supports the fact that employees are valued regardless of their identity, gender expression or sexual orientation. Together with the other associated companies, Inditex advocates for raising awareness among employees to help eradicate stereotypes that can make the full integration of LGBTI+ people in the workplace difficult.



More information at <http://www.redi-lgbti.org>

## 1.4. Work–life balance

At Inditex, we believe that professional and personal life must be balanced in order to guarantee optimal performance and the fulfilment of our people.

In this sense, we encourage measures, especially within the framework of equality plans, that facilitate work-life balance and emphasize joint responsibility in particular.

During the financial year 2018, more than 2,000 employees in Spain benefitted from maternity and paternity leave and 99.3% of them came back to their position. Furthermore, 16% of the employees benefitted from part-time to care for children.

At the international level, Inditex also promotes work-life balance policies and policies to improve the rights guaranteed by local laws. In Italy or France, we take measures which focus on the quality of the working life to develop talent and professional motivation. Furthermore, there is commitment to provide more flexible work hours and limit night and Sunday shifts. With regard to professional development, we seek to avoid that employees are penalized in their professional lives because of maternity and/or paternity leaves as well as any other absence due to a family situation.

Moreover, thanks to the Spanish Law on the Protection of Personal Data and the Guarantee of Digital Rights adopted in 2018, we are committed to guaranteeing the right to digitally disconnect from working life. This policy, which aims at guaranteeing that rest times, leaves and holidays are respected, will define the right to disconnect, including actions for training and raising awareness regarding the reasonable use of technical tools.

Notwithstanding the actions that Inditex may present at a corporate level, the right to digitally disconnect is already part of Massimo Dutti's second Equality Plan, and it will be included in the negotiations of upcoming equality plans of the different Group companies.

At the international level, these policies already exist also in subsidiaries such as France, a pioneer in this matter, where we currently advocate for a digital disconnection linked to an improved work-life balance.

## 2. Talent management and employee experience

Talent is a key element so that Inditex can transfer its passion for responsible fashion to its customers. This enthusiasm is shared by all our people whose work is characterized by their drive, commitment, creativity and customer-orientation.

Our people philosophy is based on talent management from the perspective of a responsible employer. Therefore, we thrive on offering quality employment in a motivating environment that allows our employees to experience professional growth.

### 2.1. Talent attraction

#### *Inditex Careers*

*Inditex Careers* is the Group's employer brand, which channels our actions to attract better talent through the different contact points with candidates: social media, stores, universities or schools.

We publish all our job offers for the different business areas, markets and brands on our website ([www.inditexcareers.com](http://www.inditexcareers.com)). We also give our people a channel where they share who we are, as well as their everyday experience working in our teams. With over six million visits from 217 markets in 2018, *Inditex Careers* is already our main source of contact with potential candidates.

#### *Inditex Careers* in social media

In 2018, we have continued to strengthen the presence of *Inditex Careers* through our official profiles on LinkedIn, Facebook, Instagram, Twitter, Wechat and Weibo – the last two target the Chinese market. We regularly offer relevant contents for our candidates using these profiles: from *Inditex* employee stories to local and international news and projects.

*Inditex Careers'* social media contents and channels are managed in a coordinated manner from nine relevant new markets for the Company. More than 25 people from the local recruitment teams, *Talent Centres* and Communication, are directly involved in this effort. This way, we ensure that we represent different realities and offer relevant local stories for our potential candidates in their own language, while also conveying how *Inditex* and our employer brands work.

Our official profiles on social media have over 1.3 million followers, and we have published over 1,900 original contents throughout the financial year.



*"This project has been a challenge and a learning experience for me because it included designers with a very diverse international background."* **VIEW.S project**

### Attracting talent for our stores: *Talent Centres*

The *Talent Centres* have been operated for over a decade and are present in 10 markets which are relevant for the Group from a commercial point of view, where we have over 3,000 stores. They work as meeting points with our candidates where recruitment tasks and talent management for all Inditex brands are carried out.

After opening the *Talent Centre* in Lisbon towards the end of 2018, we are already present in 12 cities, along with Madrid, Barcelona, London, Milan, Paris, Moscow, Istanbul, New York, Mexico City, Shanghai and Beijing.

### Attracting creative talent and product-oriented roles

The eight Inditex brands have a multidisciplinary team focused on developing and creating the collections that are sold in the 202 markets where we operate through our integrated platform of stores and online. There are more than 700 designers in this team, and their work is complemented by the Purchasing, Marketing and Pattern areas of each brand, all centralized in Spain.

Attracting creative talent and product-oriented roles is, therefore, key for the Group, and this involves two lines of action: opting for the best talent from the leading design schools, and developing an important branding strategy that seeks to consolidate Inditex as an attractive company for these multidisciplinary profiles.

Our collaboration with design schools is dynamic and has a long tradition. In 2018, we worked with 36 schools in eight different markets, which we visited to explain our project personally and get to know their students. Within the framework of this project, we have an international and national scholarship programme which was created in 2015 and targets students of the penultimate year studying fashion design and styling. During the financial year, we repeated our collaboration with London's prestigious Central Saint Martins and supported five students with the collection they present as their final project.

We also search for creative talent through the main international fashion fairs: Los Angeles, New York, Paris, London, Milan, Copenhagen and Berlin. And we actively identify talent through social media campaigns, such as Instagram, LinkedIn and channels that specialise in fashion.

### VIEW.S project

VIEW.S is a collaboration between Zara and the main fashion schools, whereby students create a capsule collection together with Zara's design teams.

The first VIEW.S collection was developed in Japan and is the result of the cooperation between Zara Man and Bunka Gakuen University design school. The collection was available at the stores in Shinjuku, Nagoya and Shinsaibashisuji as well as on [zara.com](http://zara.com).



Photo: Collection VIEW.S

*"I've learned things that you can't learn at school: working as a team with a global company and thinking about the needs of real customers. In addition, I felt like I was growing and expanding my possibilities for the future." VIEW.S project*

### Attracting technological and digital talent

Attracting and hiring technological profiles is a challenge for our Company's future growth and development. In 2018, we dealt with two topics in this regard: hiring a significant number of such digital profiles and incorporating them in the business teams, which meant change for the organisational model and the way of working.

In order to give visibility to this strategy, we have created our own technology brand, ZARA TECH ([techteams.es](http://techteams.es)), and with it, we have participated in the main events of the sector. Through these events, we bring Zara's technology closer to the community and we connect our teams to new methodologies and digital environments.

During the financial year, we also launched our Cantera Tecnológica Programmes for Big Data (DATA\_GO) and Development (ZARA\_CODE).



**Carolina.** Born 24 years ago in Ibiza, she balanced her studies at the University of Barcelona with a job at one of our Zara stores where she became an assistant manager in one of the establishments. She applied for the **Zara Go!** Programme and is now a buyer at Zara Woman.

**Teresa.** Born 22 years ago in Ourense, she studied Advertising and Public Relations in Madrid. She joined the Company through the creative profile junior talent Programme **Zara Go!** and currently works as a stylist on the zara.com set team.

## 2.2. Talent development

Convinced that our growth and evolution is closely linked to our people, at Inditex, we continue to believe in internal promotion. This policy is especially visible in the store. In 2018 for example, over half of the positions related to the Zara product and marketing segments have been covered internally by the store's staff.

In addition to the store, we continue setting professional development programmes in the logistics area, which is a key segment of our business.

The main resources we use to grow internal talent are training and development programmes for our teams and initiatives in order to find talent and foster internal promotion, among which we highlight continuing projects such as *InTalent* and *Inditex Go!*, and specific initiatives such as *Misión Holanda*.

### *InTalent*

Through our *InTalent* Programme, available in 41 markets, we give the store teams internal growth opportunities within the Company. It's a simple tool that we use to internally connect people looking for a new challenge through job openings. In 2018, over 48,000 people were registered, and over 3,000 opportunities were offered.

### *Inditex Go!*

The *Inditex Go!* Project has become a vehicle to train our future managers. It serves to identify, select and develop young talent from among the employees in our stores and recent university graduates. The people selected through this programme spend between three and six months training in store before they are incorporated into the position that best suits their profile. Once there, they are included in a professional development programme, where they take on responsibilities from day one.

The profile selected and the areas it is applied to have also evolved alongside business needs. The programme started in 2013 as a response to the needs of the Zara commercial departments. The warm welcome for this type of profile in the teams led it to be expanded to Massimo Dutti, Oysho, Zara Home and Pull&Bear as well as the logistics area. Furthermore, from purely focusing on commercial profiles, like *product manager*, the programme has opened to other types of profile, such as purchasing, distribution, logistics and management control.

Over 200 people have participated since the launch of the programme. The majority continues to be with Inditex, growing and acquiring new responsibilities.

We have training and development programmes for our teams and initiatives to find talent, notably *InTalent*, *Inditex Go!* and *Misión Holanda*.

*What really motivated me to take part in Misión Holanda was the desire to learn and work in a completely new place. The Company gave me this opportunity and I believe that it is a great recognition — **José Manuel, Automatic Systems***

*During my training in Spain, I was warmly welcomed by my Spanish and Dutch co-workers. The atmosphere was fantastic and made working in Lelystad easier and more fun — **Merel, Automatic Systems***

*I had the training in Zaragoza's Plataforma Europa. I acquired all the information needed for a good start in Lelystad in a short period of time — **Niels, Area Manager***

## Misión Holanda

On the occasion of the start of operation of Zara's new Logistics Connection Point in Lelystad (Netherlands) in 2019, we worked on two specific development programmes in 2018: one to find talent in our distribution centres in Spain to work on the centre's launch and another one to develop at the local team.

Through the *Misión Holanda* Programme, we selected a team of 60 people from our distribution centres. This team will support the launch of the new Logistics Connection Point in Lelystad (Netherlands) throughout 2019. The participants took part in a specific development programme with internal trainers, including language courses, and training in leadership, diversity and ability to give *feedback*.

Furthermore, a training and development programme for the local team in Lelystad has been launched. A total of 80 warehouse managers, automatic systems managers, transport technical assistants and administrative assistants, among others, have been trained at the Group's headquarters and Zara distribution centres in Spain (Zara Logística, Plataforma Logística Meco, Plataforma Europa and Plataforma León).

The plan covered three areas: business (including training in the store, technical training on the job and technical training in departments of the distribution centre); skills (the selected candidates received training in personal efficiency, leadership, ability to give *feedback* and diversity); and languages.



## 2.3. Training

Training is another lever we use for talent development. Inditex's culture is eminently practical and, as a result, team training mainly takes place on the job (*on-the-job* training). Furthermore, Inditex's policy in this regard is based on an internal training model. To make sure this model works correctly, Inditex identifies and maintains a network of internal trainers to convey the Company's culture and operations and ensure the success of new recruits.

Training in our stores is focused on three types of contents: product knowledge, store processes and customer-orientation. In addition, cross-sectional contents

are included, such as occupational health and safety or diversity and inclusion. The training for people who are in charge of teams focuses on technical aspects of their role and people management.

Since 2017, Inditex has *ON Academy*, an online (eLearning) training platform for employees of all brands. This project is available in 11 markets (Spain, the United Kingdom, Ireland, the United States, France, Italy, Germany, Mexico, Romania, Greece and Portugal) and reaches over 105,000 people.

During the financial year 2018, we invested over 2.7 million hours in training, corresponding to programmes which target a variety of groups within the Inditex Group. The training has reached a total of 146,446 participants.



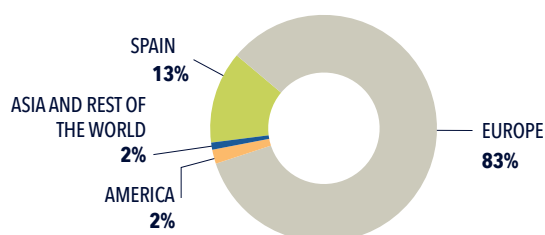
we invested over 2.7 million hours in training and reached a total of 146,446 participants.

## Training for our employees in 2018

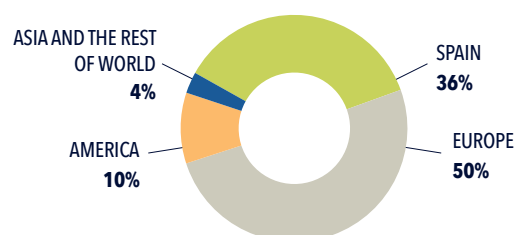


	STORE		LOGISTICS	MANUFACTURING	CENTRAL SERVICES
	SALES ASSISTANTS	MANAGERS			
ONBOARDING TRAINING	Mentorship Programme		Onboarding plan	Onboarding training	
CLASSROOM-BASED ONBOARDING TRAINING	Onboarding training courses		Onboarding training		Welcome
	Initial training at our Talent Centres (virtual reality)				
TECHNICAL/SPECIALISATION TRAINING	Customer service, training on the product (On Academy, Versus), store processes	Product: Visual merchandising Processes: RFID People: Employment law	Fork-lift training, Working at height, etc.	AccuMark CAD, Fabrics, etc.	Job-specific training
SKILLS	Development days	A Medida, skill workshops	Communication, Teamwork		Personal effectiveness, Communication
LANGUAGES	busuu			English	Chinese, Spanish, French and English
IT			Office software		Office software, Specific programmes: Power BI
HEALTH AND SAFETY	Health and Safety				
SUSTAINABILITY	Sustainability				Sustainability
DIVERSITY AND INCLUSION		Diversity and inclusion			Diversity and inclusion

TRAINING HOURS BY GEOGRAPHIC AREA IN 2018 (in %) (\*)



Training participants by geographic area in 2018 (in %) (\*)



Total training hours: **2,751,823 hours**

Total training participants: **146,446**

(\*) Data on training hours and participants for 44 markets, which represent 94.5% of Inditex employees. 40% of the total training corresponds to in-store onboarding training. Different criteria, established for each country and brand, and for different jobs, are applied to generate estimates for this training.



## Main training programmes

Initiatives	Description	Scope	Goals
ON ACADEMY	Online training platform ( <i>eLearning</i> )	<ul style="list-style-type: none"> <li>- Launched in 2017 for store employees from all brands.</li> <li>- Available in 11 markets (Spain, the United Kingdom, Ireland, the United States, France, Italy, Germany, Mexico, Romania, Greece and Portugal).</li> <li>- It reaches over 105,000 people.</li> </ul>	The platform contains different learning units about products and the world of fashion in general. Employees can follow the sessions voluntarily and at their own pace from any mobile device.
ONBOARDING PROGRAMME (VIRTUAL REALITY)	An experience launched in 2018 to welcome new store employees using virtual reality.	<ul style="list-style-type: none"> <li>- Over 1,000 new recruits have already tried it in four Talent Centres (Madrid, Barcelona, Milan and Beijing).</li> </ul>	<ul style="list-style-type: none"> <li>- Acquaint the new employees with the Group and the store operation.</li> </ul>
EFASHION	220 hours of online training on comprehensive fashion business management, designed in collaboration with the IED Madrid ( <i>Istituto Europeo di Design</i> )	<ul style="list-style-type: none"> <li>- Started in 2012 for store teams.</li> <li>- Since its launch, it made the training of 998 people possible through its different editions in Spain, France and Italy.</li> </ul>	The course is structured into three learning units: product, business and image, and communication. It aims to improve the professional skills and competencies of participants.
VERSUS	Gamification initiative to provide training on the world of fashion and textile products.	<ul style="list-style-type: none"> <li>- A game between employees from different countries and brands launched in 2017 which continued to grow throughout 2018.</li> <li>- Since its beginnings, over 22,750 employees from 23 markets and all of the Group's brands have participated. They compete in individual and team-based rankings using their knowledge of the product and the fashion industry.</li> </ul>	Participants compete in individual and team-based rankings (one for each store) and test their knowledge of the product and the world of fashion in general.
BUSUU	Mobile application for language learning	<ul style="list-style-type: none"> <li>- Launched in 2017, at the end of 2018 it was available in 53 markets.</li> <li>- Over 58,000 people signed up after the last invitation to join.</li> <li>- Over 4,500 people have achieved at least one official certificate.</li> <li>- Nearly 17,000 employees did the in-store English course.</li> </ul>	<p>The <i>app</i> lets users learn up to 12 languages (English, Spanish, French, German, Italian, Portuguese, Polish, Turkish, Russian, Arabic, Chinese and Japanese) from basic to upper-intermediate level (levels A1 to B2 of the Common European Framework of Reference for Languages).</p> <p>It offers the option to obtain official certificates for languages (available in six languages at the moment) as well as an English course for in-store customer service custom-made for Inditex.</p>
A MEDIDA PROGRAMME	A training programme for the development of people management skills for store managers.	<ul style="list-style-type: none"> <li>- Between 2017 and 2018 over 2,000 people have been trained in Europe and North America.</li> <li>- They received training in skills such as communication, motivation, organisation, delegation, performance orientation or the ability to give feedback.</li> </ul>	<ul style="list-style-type: none"> <li>- The training is given through practical 2-hour workshops for each skill taught to small groups by the Company's internal trainers and very close to the reality in the stores.</li> <li>- Each person finishes the workshop by defining a small action plan for the skill they are working on.</li> </ul>
ADVANCED MANAGEMENT PROGRAMME	An advanced training programme designed in collaboration with <i>Instituto de Empresa</i> business school.	<ul style="list-style-type: none"> <li>- Created in 2017. Its duration is 13 months and its first edition ended in October 2018.</li> <li>- Development for 60 Inditex employees with various profiles.</li> </ul>	<p>The programme, which involves 180 class hours and lasts 13 months, combines video conferences and in-person sessions to complete the management and retail training of future managers.</p> <p>The content is about strategy, management and leadership skills. New trends in the sector are also discussed through innovation-project tasks, talks given by experts and a personal development plan.</p>

## Testimonials

### On-Boarding VR

The new store employees who joined the VR Onboarding Programme in 2018 describe it as “a very fun experience” which allowed them to “learn how the store works”.

The project's goal is to acquaint them with the Group and the store operation. According to the balances, it meets its goals, as it allows to put the training into practice. “It allowed me to get an idea of what I will have to do when I start working in the store,” they recall.

### eFashion

According to one of the employees at Oysho, who followed the programme, this online training programme offers, “an inspiring, creative and very motivating vision of the world of fashion” and provides “relevant knowledge about fabrics, patterns or store operation” which, in the case of another trainee, helped them to “discover a creative part inside me that I did not dare to experiment”.

Those who participated in the initiative also highlight that it means “a great challenge, at a professional and personal level” and “a great opportunity to learn, create and renew our knowledge”.

### Versus

With Versus, training and fun go together. Two employees in Greece highlight the “constant motivation” and that the learning process is “really a lot of fun”. For some teams, it even becomes “an obsession”. “We played all the time because we wanted to be one of the top teams and accomplished to be number one,” the participants say. For them, those were “10 very intense days” that help to foster teamwork, “We all came together and made a great team”.

### busuu

The reactions of the employees who download and use this mobile language learning application leave no doubt about its success. “Once more, Inditex helps us to continue evolving. Thank you, Inditex. Thank you, busuu,” was the evaluation of one user. Another one of our people rejoiced and commented “I love this app! It's really addictive, it is a lot of fun and like a game!”.

### A MEDIDA

#### **Josefine (Commercial Supervisor at Zara)**

“I was in a workshop about Organisation. We worked in a team to solve daily tasks and achieve the best results in the store. It was very interesting and useful, especially working and deciding as a team.”



#### **Artem (Store Manager at Zara)**

“I took part in the A Medida Motivation workshop. I learned that five minutes are enough to understand how we can motivate someone.”



#### **Veronika (Commercial)**

“The Feedback workshop gave us the opportunity to share our experiences with co-workers, analyse our own mistakes and charge positive energy.”



## 2.4. Engagement

One of the lines of work that Inditex follows to manage our people's talent is to promote initiatives and projects which help create a motivating environment. *INet*, the Group's intranet, plays a key role. It is a tool that allows

us to constantly communicate with the employees in a direct and easily accessible manner, thanks to its digital services.

### *INet*, connecting with our people

*INet* is our main internal communication channel. It eliminates the distribution of printed materials, with the subsequent reduction of carbon footprint; and digitalizes the information to respond to the needs of our people. It is also coherent with the Company's strategy regarding innovation.

The content offered through *INet* makes it much more than an intranet and allows us to reach all of our employees who are spread out geographically and have very different work profiles. During 2018, the platform registered over 13 million logins.

*INet* is available for web browser and as a mobile *app* and is constantly evolving. We include new features and contents each year and we digitalise processes, such as viewing the payroll or accessing sites about benefits, among others.

The *INet* mobile *app*, which has nearly 137,000 users connected in 49 markets all over the world, underwent a full revamp in 2018 in order to improve the user experience with a new clean and practical design that simplifies usability as much as possible. A new *newsfeed* was designed, so the latest news can be viewed, as well as a new customizable menu where icons to access the different sections can be organised.

The *INet* *app*'s new version opts for quality content and, as a new feature, includes the inspiration section, which encourages the users to participate. Its first global project was *World of Fashion by VOGUE*, an exclusive collaboration with VOGUE Spain that allows

our employees to view new articles about the world of fashion that are released especially for our staff on a daily basis.

The *app* also integrates new projects, such as *Inquietos* (Spain) or *Eu Sou* (Portugal), where we invite our employees to be the protagonists in a documentary mini-series. Thanks to this, we can discover special talents beyond the work sphere, from musicians to elite athletes, filmmakers or dancers.

*INet* also serves as the Company's channel to convey messages and values through internal campaigns with a global reach, notably Earth Hour or the International Day for the Elimination of Violence against Women, among others.

### 2018 figures for *INet*

*INet* is available in 22 languages and reaches 96% of the workforce.

#### Audience data (\*):

- Page views: 54 million
- Monthly average page views: 4.5 million
- Logins: 13.4 million
- Monthly average logins: 1.1 million
- Devices: 59% mobile phone / 40% PC / 1% tablet

**Mobile application:** 137,000 users connected in 49 markets

(\* Source: Google Analytics)



## R&D TO THE SERVICE OF OUR PEOPLES



### PROJECTS UNDERTAKEN IN 2018

At Inditex, we encourage all of the people working in our organisation to be open-minded about innovation and to search tirelessly for new ways of doing things.

This innovative approach is also evident in how we manage our people, in the services we offer them (information management, talent attraction, recruiting, career development and training opportunities) and in how we encourage their engagement.

#### HUMAN CAPITAL MANAGEMENT

Inditex develops solutions based on big data analytics with clearly measurable outputs (KPIs). These KPIs in turn, help us draw clear lines in decision-making processes related with employee performance, their progress within the organization and full development of their knowledge and skills.

Modules updated:

Organisational structure	Personal area	Training
Payroll	Recruitment	Compensation website
Time & Attendance	Work shift planner	

Data inputs

We adapt and update the human resources management software in key areas such as Time & Attendance, Payroll, Training and the employee's personal areas with multiple goals: efficiently consolidating relevant information about Inditex's human capital and its management; ensuring full and optimal use of our people's skills and know-how; and standardising information across our business markets.

Data outputs

Creation of human resources datamarts that enables the processing and use of large volumes of information and the identification and resolution of problems.

#### TALENT ATTRACTION

Inditex Careers

This is our employer brand, which we articulate around our employment website and with an active social media presence. We manage vacancies and candidates using the New Recruitment Tool (NRT), which was developed in-house.

Chatbot Inditex Careers

We have launched a chatbot to enable candidates to register directly from their social media accounts (we have started off with Facebook Messenger). Developed in four markets, it makes it easier for candidates to sign up for available job opportunities.

Gamification in recruitment

In 2018, we tested Inditex Careers Challenge, which introduces gamification into our recruitment processes with the aim of better identifying the skills our candidates have.

#### SKILLS DEVELOPMENT AND TRAINING

Inditex actively searches for innovative methodologies for the training and development of its employees.

**In 2018, 1,576 of Inditex's people worked on projects related to R&D**

Onboarding with virtual reality

We use virtual reality technology to receive our new sales assistants during their welcome training.

Gamification

Thanks to Versus, a quiz app about the world of fashion, we enhance knowledge about our products.

#### ENGAGEMENT AND INTERNAL COMMUNICATION

Innovation has been key in developing and reinforcing our internal communication effort and in inspiring and engaging our professionals with the organisation and its strategic objectives.

INet

We use INet to facilitate the flow of information and communication within the organisation. Available in app and website format, in 2018 we added new services and features.

Digitalisation

We highlight two projects: payroll digitalisation, a function already available in 34 markets; and extension of the extension of employee QRs in services such as vending machine and lunchroom payments and its use as a discount card.

Inspiration:

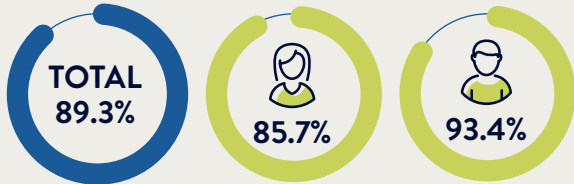
World of Fashion by Vogue

Through the site World of Fashion by Vogue we provide daily updates about the latest trends in fashion.

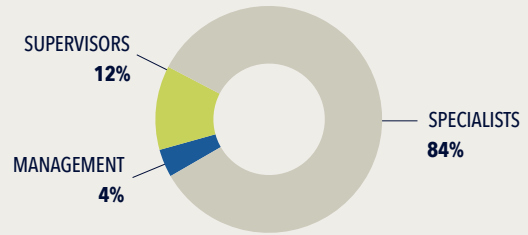
**At year-end 2018, the INet application was available in 49 markets with over 137,000 employees connected**

# Inditex employment in figures

## | % FTE EMPLOYEES (Full-Time Equivalent)



## | WORKFORCE DISTRIBUTION BY JOB CLASSIFICATION (in %) (\*)



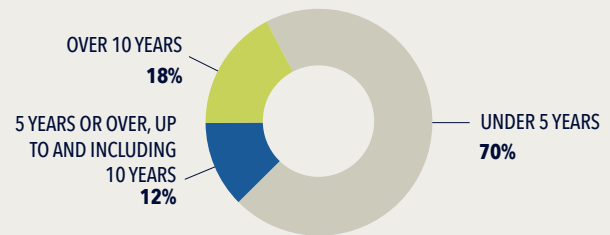
## | WORKFORCE DISTRIBUTION BY ACTIVITY AND GENDER (in total figures)

	STORES	LOGISTICS	CENTRAL SERVICES	MANUFACTURING	TOTAL
Female	119,447	4,125	7,110	691	131,373
Male	32,610	5,804	4,437	162	43,013
<b>WORKFORCE</b>	<b>152,057</b>	<b>9,929</b>	<b>11,547</b>	<b>853</b>	<b>174,386</b>

## | WORKFORCE DISTRIBUTION BY RETAIL FORMAT AND GENDER (in %)

	Female	Male
ZARA	74%	26%
ZARA HOME	77%	23%
PULL&BEAR	71%	29%
MASSIMO DUTTI	72%	28%
BERSHKA	77%	23%
STRADIVARIUS	87%	13%
OYSHO	96%	4%
UTERQÛE	85%	15%

## | WORKFORCE DISTRIBUTION BY TIME AT THE COMPANY (in %)

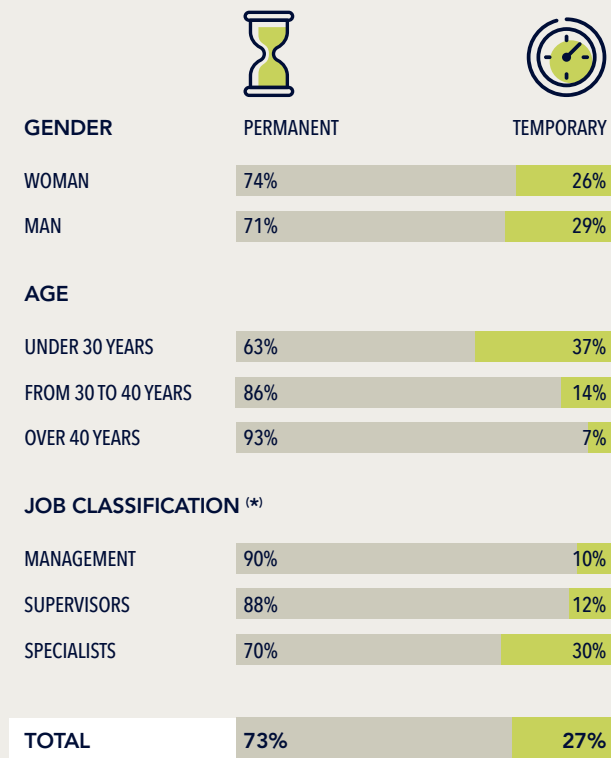


### IN SPAIN:

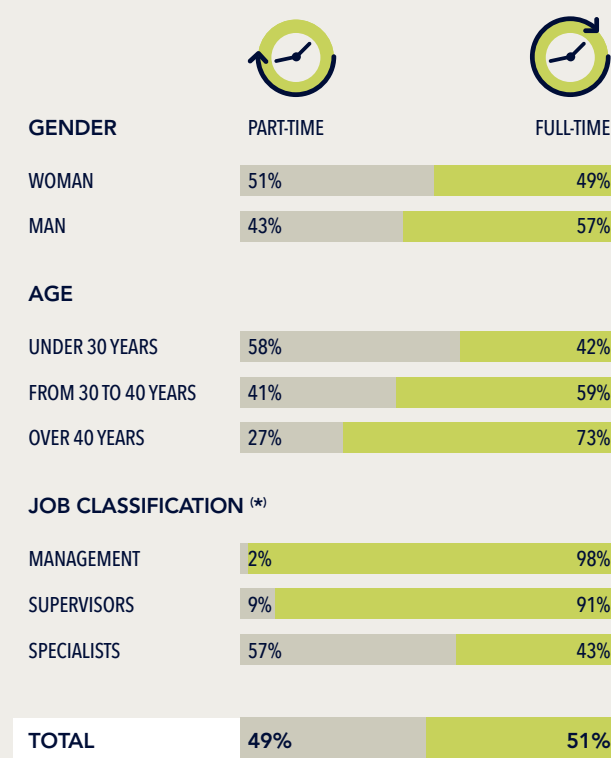


(\*) Management: Employees in management positions with responsibilities for interdisciplinary work groups related to design, manufacturing, distribution, logistics, stores, technology, sustainability and further, broader services. Store managers are included in this category. Supervisors: employees that comprise part of the interdepartmental and transversal work groups in design, logistics and stores, as well as sustainability, technology and further, broader services. Specialist: employees who contribute individually to Groups activities in design, manufacturing, distribution, logistics, stores, technology, sustainability and its broader services.

WORKFORCE DISTRIBUTION BY CONTRACT TYPE AND GENDER, AGE AND JOB CLASSIFICATION (in %)



WORKFORCE DISTRIBUTION BY TYPE OF WORKING DAY AND GENDER, AGE AND JOB CLASSIFICATION (in %)



GENDER PAY GAP (in %) (\*\*)

	2018
SPAIN	1.0%
EUROPE (EXCLUDING SPAIN)	0.2%
AMERICA	0.3%
ASIA AND THE REST OF THE WORLD	0.0%
<b>TOTAL</b>	<b>0.8%</b>

AVERAGE PAY BY JOB CATEGORY (in total numbers) (\*)

JOB CATEGORY	TOTAL SALARY IN EUROS
MANAGEMENT	47,804
SUPERVISORS	27,963
SPECIALISTS	18,480

AVERAGE PAY (in total numbers) (\*\*\*)

GROSS ANNUAL SALARY IN 2018 IN EUROS IS 20,996

(\*\*) In order to calculate the wage gap, the average salary of each market is taken as the basis and weighted according to the weight of each area of the Group (stores, logistics, central services and factories). This average is then weighted relative to the weight of each market out of the total number of Inditex employees. A positive magnitude indicates that the gap is in favour of women. This way, we get a global and reliable indicator for the pay gap between men and women in the Group.

(\*\*\*) The average pay is defined as the mean value of salaries in the entire Group converted to euros using the average exchange rate in 2018.

### 3. Employment quality

#### 3.1. Remuneration policy

Concerning compensation, Inditex keeps common criteria which are applied to the entire Group and adapted to the specific characteristics of each market and work environment where we operate, always in line with its culture and values while bearing in mind the identity of each brand of the Group.

In 2018, personnel expenses were 4.135 billion euros. Out of this total, 3.428 billion were paid in salaries. Another 707 million euros were social security contributions for our employees.

This sum includes, within the financial year, a total amount of 619 million euros for bonuses and variable remuneration. The variable remuneration is one of the key elements of our compensation policy and applies to employees of all areas of business in the Group.

Inditex's most characteristic variable remuneration system is the monthly commission which rewards the store employees' commitment to relevant aspects, such as opinion about the product, store coordination and organization as well as sales results. Decision-making and initiative are encouraged at all levels and the responsibility taken is rewarded proportionally.

#### | Personnel expenses (in thousands of euros)

	2018	2017
Salaries	3,428,015	3,274,697
Inditex's social security contributions	707,672	686,540
<b>TOTAL</b>	<b>4,135,687</b>	<b>3,961,237</b>

In addition to the *variable* remuneration, during the financial year 2018, Inditex distributed 32 million euros among 92,000 employees who have been with us for more than two years. This is the second cycle of the Profit Sharing Plan 2017-2018, through which 10% of the increased revenue is distributed among the workforce.

Out of the 32 million euros distributed, seven million correspond to the profit increase and 25 million correspond to an additional contribution made by the Company to complete the Plan. Since the first plan was approved for the 2015-2016 period, Inditex has distributed 153 million euros among its employees. As of 2019, a new plan starts with specific objectives, which, in the case of stores teams, will be linked to the store's increase in sales.

#### Merco and Universum: Inditex's employer brand

- For an eighth consecutive year, **Merco Personals** has named Inditex the *Best Company to work for in Spain*.
- **Universum**, on the other hand, ranks the 100 best companies to work for based on university student surveys. In 2018, Inditex once again received the third place in the Business and Sales category, which also achieved in 2015, 2016 and 2017.

Beyond these policies, Inditex has formulas adapted to the interests of its employees under the labour legislation framework for each of its subsidiaries. An example of this is flexible remuneration, which is available to all employees in Spain and lets employees choose products and services, such as medical insurance, the restaurant card or the nursery cheque, which lead to tax savings.

Regarding employee benefits, Inditex has the *Más x Menos* service, a specialized site that channels third-party discounts for employees of the Group. It is available in Spain, Portugal, Italy and Mexico and gives employees access to discounts from other countries, which considerably broadens the range of offers available.

#### 3.2. Gender pay gap

In terms of methodology, wage gap is the most representative indicator to review gender wage gap. Wage gap is calculated based upon the median salary in each market, weighted with the weight of each activity area within the Group (store, HQ, logistics and factories). Such median is weighted in turn with the weight of each market on the aggregate number of employees. As a result, a global reliable indicator of wage gap between male and female workers is obtained.

The outcome of the analysis carried out shows wage parity between men and women at Inditex. In terms of aggregate remuneration, women are paid 0.8% more than men in the Group.

Since the approval of the first Profit Sharing Plan in 2015, Inditex has distributed a total of 153 million euros among its employees.

When divided by geographic areas, the percentage does not vary much: in Spain a woman's pay is 1% above a man's pay; in Europe and America it slightly falls to 0.2% and 0.3% respectively; in Asia and the rest of the world salaries for men and women are practically at the same level (0%).

Furthermore, due to the method used at Inditex, where employment is converted to the *full-time-equivalent (FTE) model*, the percentage of the total is 89.3%, which is equivalent to 155,727 full time employees.

In this sense, the overall average pay at Inditex – understood as the mean value of salaries in the entire Group converted to euros using the average exchange rate in 2018 – reached an annual gross salary of 20,996 euros.

To put this figure in context, it is important to point out that Inditex's workforce in Spain, the market where its headquarters are based, only represents 28% of the total and a relevant part of the remaining 72% of the workforce are located in markets where salaries converted to euros translate into lower average remunerations.

### 3.3. Social relations

Inditex is firmly committed to respecting the labour rights of its employees throughout the world and, in particular, the right of participation, which is viewed as an essential component of sustainable development in its business model.

An important part of this commitment is the Global Agreement which Inditex signed with the global union federation UNI Global Union in 2009. It encompasses commerce and distribution unions, among others, and represents more than 20 million workers worldwide. The Agreement applies to 100% of the Group's workforce and

sets out minimum rights, given that legal and contractual provisions and collective bargaining agreements which grant more rights, are observed in any case.

Regarding collective bargaining by country, the percentage of employees covered by local agreements in Europe is about 70%. Due to opening new markets (especially in Asia) this percentage with regard to local collective bargaining agreements is slightly lowered to 60% at a global level.

#### Inditex's European Works Council

100% of the Inditex Group's employees are covered by a Global Agreement signed with UNI Global Union. Furthermore, in Europe, their interests will be strengthened thanks to the implementation of the European Works Council.

This is the result of continuous, open and constructive dialogue between Inditex and the trade unions. On September, 25th 2018, the Agreement for the foundation of the European Works Council was signed within the Inditex Group, a step which shows the relationship between Inditex and the trade unions.

This Council was created to become a body that guarantees and ensures the effectiveness of information and acts as an advisory body for the workers in transnational matters. The European Works Council's first plenary meeting took place during the first semester of 2019.



## 3.4. Occupational Health and Safety

Index's Occupational Health and Safety Policy firmly upholds that occupational health and safety enable and increase productivity and guide the way in which the Company carries out its business activities.

Thanks to these rules, we keep the achievement of the highest standards in Health and Safety a priority and take all actions to guarantee the safety of the workers, customers and suppliers in the work centres.

During the financial year 2018, we continue to opt for the implementation and renewal of the OHSAS (*Occupational Health and Safety Assessment Series*) 18001:2007 certifications, which define the requirements for establishing, implementing and operating an effective Occupational Health and Safety system. The standard was renewed for all companies and brands of the Group in Spain, Italy, the United Kingdom, Ireland, Portugal, Mexico, Greece and Turkey and it was extended to Japan and Croatia.

The estimation for 2019 is to advance with the transition to the new ISO 45001:2018 certification system, the highest international standard for Management Systems. Besides including all companies of the Group which have already been certified under OHSAS 18001, it will be extended to Russia, Germany, and Bulgaria. The first Distribution Centre outside of Spain in Cajamar (Campinas) in Brazil will also be certified.

During the financial year the following external OHSAS 18001:2007 management audits have been carried out:

Management System Audits	Number
Own Managed Stores	628
Logistic Centres	5
Factories	4
Central Services	19

Throughout 2018, we have taken different actions to ensure safety in the work centres. We have implemented Emergency and workplace Self-protection plans in 33 markets, South Korea, United States, Greece, Italy, Japan, Mexico, Poland, the United Kingdom, Romania, Russia, South Africa and Turkey, among others.

Furthermore, we have developed evacuation simulations or fire safety training and actions that address special situations in case of civil emergencies. For example, in Turkey 228 stores in nine cities developed a protocol for the event of natural disasters. And in France 382 store managers, cashiers and sales teams have been trained by specialists to manage customer relations.

As part of the actions taken to intensify traffic safety in the logistic centres, a Mobility Plan was implemented in 2018 for Plataforma Europa in Zaragoza and another one for Plataforma Mecos and the procedure for the plan regarding the logistic centre in Arteixo has been started. During 2019, the plans will be launched for the platforms in León, Narón and Cabanillas.

### | Accident rate indexes:

SPAIN			
	Incident Rate <sup>1</sup>	Frequency Rate <sup>2</sup>	Severity Rate <sup>3</sup>
<b>OWN MANAGED STORES</b>			
Women	18.00	14.70	0.41
Men	20.70	14.60	0.25
<b>LOGISTIC CENTRES</b>			
Women	107.80	70.90	1.96
Men	126.50	78.80	1.65
<b>OWN FACTORIES</b>			
Women	73.80	53.60	1.82
Men	167.70	102.00	3.00
<b>CENTRAL SERVICES</b>			
Women	3.20	1.80	0.05
Men	2.20	1.20	0.07

EUROPE		
	Incident Rate <sup>1</sup>	Frequency Rate <sup>2</sup>
Women	19.30	16.90
Men	17.00	14.70

ASIA AND REST OF THE WORLD		
	Incident Rate <sup>1</sup>	Frequency Rate <sup>2</sup>
Women	6.70	5.40
Men	3.50	2.80

AMERICA		
	Incident Rate <sup>1</sup>	Frequency Rate <sup>2</sup>
Women	12.00	9.10
Men	11.40	8.50

[1] Rate of Incidents with leave = (Number of accidents resulting in leave \*1,000) / Average number of workers.

[2] Frequency Rate = (Number of accidents resulting in leave \*1,000,000) / Number of hours worked.

[3] Severity Rate = (Number of leave days \*1,000) / Number of hours worked.



## Fostering healthy habits

Inditex encourages and promotes its identity as a Healthy Workplace, a distinction based on the World Health Organization's model which identifies the mainstreaming in people's Health and Safety management based on physical and psychosocial aspects, resources allocated to the workers' health and participation in the community. All companies in Spain already received the certification in the year 2015, in 2018 the United Kingdom and Ireland received it and Italy will be included in 2019.

In 2018, the World Day for Safety and Health at Work was dedicated to the prevention of accidents while travelling to work and a global awareness campaign was carried out with the participation of all markets where Inditex operates and all companies of the Group in Spain.

Among the specific actions, *INhealth* is noteworthy. This is a site that focuses on promoting health and healthy habits for employees of the Group and was joined by Switzerland and Turkey in 2018. As of the closing of the financial year, it had 60,173 active users in Spain, Greece, Italy, Mexico, Portugal, the United Kingdom, Switzerland and Turkey.

Other notable actions related to health were the organization of the Pink October for breast cancer prevention in markets such as Brazil, the United Kingdom, Italy and Spain; the implementation of a

protocol to prevent harassment and discrimination with the participation of 165 workers from Australia; or the *Fit@Work* bag activity launched in Germany. The latter activity included 2,000 workers receiving a healthy pack to do specific exercises for the prevention of musculoskeletal disorders.

Furthermore, 199 of our people in the United Kingdom took part in the Wellness Week in Central Services, which included healthy breakfasts, personal ergonomics advice or Batak Wall classes; and in Brazil SIPAT (*Internal Work Accident Prevention Week – in Spanish: Semana Interna de Prevención de Accidentes de trabajo*) was implemented, which gave 300 workers from stores in Sao Paulo a chance to do postural *blitz* gymnastics to prevent ergonomic risks as well as to get specific health checks.

The dozens of actions to promote healthy habits carried out in Spain also deserve special mention. Notably the Three Solidarity Miles, our charity race at our headquarters in Arteixo where 700 people participated to collaborate with the Asociación de Enfermos de Alzheimers (Association for persons suffering from Alzheimer's disease) from A Coruña. The campaign *#fumaryanoescool* (smoking is not cool anymore), a challenge to go 100 days without smoking through the *INhealth* platform, was launched in all Pull&Bear stores; and the *I love Heart* health campaign for cardiovascular risk prevention was launched in Stradivarius.

## 4. Social commitment

Inditex's human resources policy reflects accurately our commitment to the community. It is expressed in two ways: through promoting the employment of groups with special needs or that are in vulnerable situations, and through launching social projects driven by employees.

Hundreds of employees contribute individually and voluntarily from their workplace to projects and initiatives which have shown to be very useful for society and participants alike. In 2018, the most notable news in this regard were the opening of a new store of the *for&from* solidarity franchise in Madrid, which involved the inclusion of Uterqüe in the project; the continuous growth of the Salta project that now reaches more markets; and new innovative projects that had a social impact, such as holding the *Social Energy* event in all central offices.

### 4.1. Salta Project

The Salta Project, which aims to improve the employability of young people in vulnerable situations in our stores, factories and logistic centres is operating in 13 markets. In 2018, it was introduced in South Korea and Turkey and was continued in the countries where it had already been implemented: Spain, France, Italy, Greece, Germany, the United Kingdom, Poland, Portugal, Mexico, Brazil and the United States.

Thanks to this project, 197 people were hired at Inditex in 2018. Furthermore, 480 employees participated as trainers, tutors and mentors to ensure proper inclusion of the new employees on the job and in the Group.

This project was created in 2008 in France under the name *Project Jeunes* and has provided work for a total of 1,170 people over the course of 11 years, 52% of which continue to work in the Group. In addition, collaborations with over 40 organisations and foundations have come to fruition since its beginnings.

### 4.2. Teaming

*Teaming* is an initiative that enables employees to donate a fixed monthly amount out of their payroll to one out of three suggested social projects and Inditex will, in turn, double the donated amount. It is operating in nine markets of the Group (Spain, Portugal, France, Italy, Germany, Poland, the United Kingdom, Ireland and Mexico) and over 30,000 people participated in its first edition, which was extended until February 2018 and raised nearly a million euros.

Each employee chooses to donate to one out of three projects selected by Inditex. In 2018, the project that received the highest commitment from our people was *Childhood and nutrition for the future* by MSF (Médecins Sans Frontières), which received the support by 62% of the people involved and achieved that 4,700 children received treatment against malnutrition and that 2,300 women and their babies received care during childbirth in Guinea-Bissau. Moreover, almost 24,000 children were vaccinated against measles.

29% opted for Oxfam's *Project Water, Source of Life* to provide sanitation for over 15,000 people in the city of Bangui in the Central African Republic as well as drinking water to over 2,000.

9% of our people selected the Red Cross's project *Dreams without malaria* which succeeded in reducing the mortality of the population served in the Democratic Republic of the Congo by 22.5% while raising awareness of this disease among 1,300 families.

### 4.3. for&from

*for&from* is an Inditex programme for socio-occupational integration for people with disabilities and it takes form by launching stores under the image of the different brands of the Group. The stores follow an outlet model. They are managed by non-profit organisations and staffed by people with disabilities.

Following an initial investment by Inditex to build the store, the model becomes self-sustainable for the social organisations through product sales. The *for&from* stores supply clothes and accessories from the preceding season sold at competitive prices, and the generated profits are reinvested entirely in the organisations that manage them in order to fund projects that provide care for people with disabilities.

During 2018, a new store was launched in San Sebastián de los Reyes (Madrid) under the Uterqüe brand and in collaboration with Fundación Prodis. Furthermore, the Oysho store that was already operating in Palafolls was relocated and enlarged.

The programme has 14 stores, which generate 166 jobs. In 2018, turnover from the programme reached 11 million euros and generated a profit of more than one million euros, which was entirely reinvested into the social organisations that manage the stores: Fundación Molí d'en Puigvert; the Confederación Galega de Persoas con Discapacidade (COGAMI); non-profit cooperative Moltacte; the Asociación Pro-discapacitados Psíquicos de Alicante (APSA); and Fundación Prodis.



#### 4.4. Social Energy

In 2018, all of Inditex's central offices in Spain launched *Social Energy*, an initiative that unites sports and solidarity in our central offices' gyms and facilities in A Coruña, Barcelona and Alicante. Our people generate solidarity points through guided sessions and the use of sports equipment, and Inditex converts each accumulated point into one euro. A total of 72,970 solidarity points was achieved which translated to a total amount of 72,970 euros in donations for two social initiatives: the *Cuida'm* project by the Hospital Sant Joan de Déu and the *Journey to Life Programme* by the *Fundación Tierra de Hombres*.

