

A woman with dark hair pulled back, wearing a vibrant red long-sleeved turtleneck, is captured in a close-up shot. She is looking down with a focused expression, holding a white marker with a green cap and writing on a surface. The background is softly blurred, showing a light-colored wall and a blue cushion or object. The overall mood is one of quiet concentration and purpose.

Human Rights 2021

About this report

The aim of this report is to spotlight the key aspects of Inditex's commitment with respect to human rights, the lessons learned so far and how we tackle the future from this standpoint.

In doing so, our reference is the Reporting and Assurance Frameworks Initiative (RAFI), the first comprehensive guide for companies reporting their progress on human rights^[1]. The framework enables companies to respond to increasing demands in connection with human rights among their stakeholders, and to guide and ensure best practices when it comes to disseminating and reporting information on their policies, processes and performance in this area.



1. Governance of Respect for Human Rights

- 1.1 Journey
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INDITEX

[1] Developed by Shift (in collaboration with the consultant Mazars UK), the leading centre of expertise on the UN Guiding Principles, which runs the Business Learning Program, a space to share practices and lessons in connection with fostering human rights at companies in various sectors, in which Inditex participates.



All human beings are born free and equal in dignity and rights. They are endowed with reason and conscience and should act towards one another in a spirit of brotherhood.

Article 1, Universal Declaration of Human Rights, 1948

Human rights are:

/ Inherent to all human beings, without distinction on the basis of nationality, place of residence, gender, national or ethnic background, colour, religion, language or any other condition.

/ Interrelated, interdependent and indivisible.

Inditex has a unwavering commitment to human rights, which entails an approach throughout the value chain and an alignment process with best practices to enable us to play an active role in promoting human rights and to work pro-actively in their respect.

In making this journey, we count, since 2016, with an strategy aligned with the UN Guiding Principles on Business and Human Rights and covers all the Group's operations.

Inditex's human rights strategy:

/ Covers the entire business model and the development of all our operations globally.

/ Involves all levels, both internal (employees) and external (customers, suppliers' workers, local communities and other stakeholders).

/ Encompasses the Group's own operations and business relations.

INDITEX'S HUMAN RIGHTS STRATEGY

INTEGRATING THE PROMOTION OF AND RESPECT FOR HUMAN RIGHTS THROUGHOUT OUR VALUE CHAIN



Policy on Human Rights

Approved by the Board of Directors in 2016. It applies to the entire Group.

Due Diligence

- ✓ Identifying potential impacts arising from operations and relationships.
- ✓ Prioritising impacts.
- ✓ Integration of the results in processes.



Grievance mechanisms

Underpin the identification of potential impacts and help strengthen aspects of the due diligence process.



1. Governance of respect for Human Rights

Respect for human rights
has accompanied
Inditex throughout its
growth and development.



How far should Inditex's responsibility regarding human rights go, in this context that basically encompasses society as a whole?

How can respect for human rights be ensured in our operations and relationships?

What partnerships help us to progress in this area?

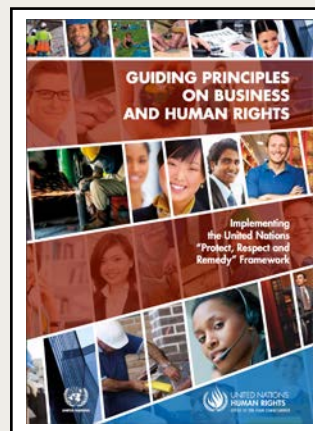
1.1 Journey

The commitment to human rights is at the very root of what is today the Inditex Group. The Company has always understood that the business must prioritise the people with whom it relates (internally and externally).

As Inditex has grown, this spirit has accompanied each new phase of growth and development. Accordingly, respect for human rights has been a constant, intrinsic to the understanding of its relationship with the background and context.

There are two relevant elements to take into account in this journey, and they are interrelated. Firstly, an increasingly complex environment. A multinational presence, online sales, a global supply chain or the constant interaction and greater interdependence of public and private players in international trade relations lead to a profound reflection on the Company's scope and role with respect to human rights.

The response to all these issues is the second disruptive element: the United Nations Guiding Principles on Business and Human Rights.



- ✓ The first framework that directly related companies to their human rights
- ✓ Approved in 2011 by the United Nations Human Rights Council
- ✓ 31 principles aimed mainly at governments and companies
- ✓ Responsibility beyond compliance with national and international laws

Guiding Principle 11

Business enterprises should respect human rights. This means that they should avoid infringing on the human rights of others and should address adverse human rights impacts with which they are involved.

HUMAN RIGHTS STRATEGY JOURNEY

2016



The Policy on Human Rights is approved

2017



Training the social sustainability team in due diligence processes

2018



Preparation of the impact matrix on supply chain

2019



Launch of the social sustainability strategy 'Workers at the Centre 2019-2022'

2020



Analysis of the impact of the covid-19 health crisis on human rights

2021



Development of the social sustainability strategy in the supply chain and extension to other relevant areas of the Company



A company can only be sustainable if respect for human rights is an integral part of the business model

Following the publication of the Guiding Principles, a new phase of the journey commenced. At that point, we started to align our processes to the spirit of the Guiding Principles, understanding respect for human rights not only as a natural way of doing things, but as a continuous and technical task involving the creation of specific policies and processes in this area.

Hence, in 2016 our Policy on Human Rights was approved, and our work was structured into a strategic framework.

In this report we outline the most recent milestones and, in particular, we continue to look forward on a path that is intrinsically linked to that of the Company itself. The evolution of the industry, and its transformation, can only be achieved in tandem with sustainability, and, at the same time, a company can only be sustainable if respect for human rights is an integral part of its business model.

INDITEX'S HUMAN RIGHTS STRATEGY



Policy on Human Rights



Due diligence



Grievance mechanisms



1.2 Policy

The Policy on Human Rights represents the first pillar of our strategy. The Board of Directors of Inditex approved the policy in 2016, after the Audit and Control Committee (now the Audit and Compliance Committee) and the Social Advisory Board issued favourable reports. This policy is binding upon the entire Group and its employees and extends to any

person associated with the company. It is based on the Universal Declaration of Human Rights, as well as on the main conventions of the International Labour Organization and the United Nations Guiding Principles on Business and Human Rights, among others, and embodies Inditex's commitment to the values that these frameworks represent.

Guiding Principle 12

The responsibility of business enterprises to respect human rights refers to internationally recognized human rights – understood, at a minimum, as those expressed in the International Bill of Human Rights and the principles concerning fundamental rights set out in the International Labour Organization's Declaration on Fundamental Principles and Rights at Work.



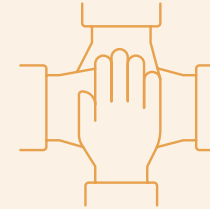
FURTHER INFORMATION

in the Policy on Human Rights

For Inditex, it is paramount to foster respect for all universally recognised human rights, and this policy is therefore consistent with the Company’s principles of action and with our objective of contributing to the 17 United Nations Sustainable Development Goals.

In a materiality exercise, the Policy also identifies the rights most directly connected with the business model.

POLICY ON HUMAN RIGHTS



RESPECT FOR ALL UNIVERSALLY RECOGNISED HUMAN RIGHTS

PRIORITISATION OF RIGHTS MOST CLOSELY LINKED TO THE BUSINESS MODEL

Non-labour human rights

- / Respect for the rights of minorities and communities.
- / Right to privacy.
- / Right to health.
- / Right to freedom of opinion, information and expression.
- / Right to security of the person.
- / Contribute to the fight against corruption.
- / Right to environment and water.

Labour human rights

- / Forced or compulsory labour is rejected.
- / Child labour is rejected.
- / Discrimination is rejected and diversity is promoted.
- / Respect for freedom of association and collective bargaining.
- / Protecting workers’ health and safety.
- / Fair, just and favourable working conditions.



FURTHER INFORMATION

on the policies at Inditex corporate website

The Policy on Human Rights is supported and fed by other Group codes and policies as well as mandatory standards for our employees, suppliers and other stakeholders.

Some of the most relevant of these policies and codes are:

INDITEX POLICIES AND CODES IN THE SPHERE OF HUMAN RIGHTS



Sustainability Policy

/ Aimed at defining Inditex's principles in this field and their integration into the Group's business model and activities.

/ Approved by the Board of Directors in 2015 and amended in 2020

/ Binding upon all the Company's staff



Diversity and Inclusion Policy

/ Establishing the diversity and inclusion framework undertaken by the Group. Recognising that people's differences and similarities are what make them unique, and strongly believing that having diverse talent allows for a better understanding and awareness of the diversity of its own customers and the communities with whom the Company engages. Furthermore, it advocates for a culture of inclusion, equality and respect.

/ Approved by the Board of Directors in December 2017 and amended in 2020

/ Binding upon all the Company's staff



Code of Conduct and Responsible Practices

/ Aimed at securing professional, ethical and responsible behaviour by Inditex and all its employees in the course of their activities, in any part of the world, as a basic element of the Group's corporate culture.

/ Defining the values and principles which shall govern the relationships between the company and its main stakeholders. Non-compliance may entail disciplinary consequences.

/ Approved by the Board of Directors and lastly updated in 2012

/ Binding upon all the Company's staff



Code of Conduct for Manufacturers and Suppliers

/ Defining the minimum standard on responsibility and ethical behaviour which must be observed by all the Group's manufacturers and suppliers throughout the entire supply chain, in accordance with Inditex Group corporate culture, firmly rooted in the respect for human rights and sustainability.

/ Approved in 2001 by the Board of Directors and reviewed in 2007 and 2012

/ Binding upon the suppliers and manufacturers of the Company's supply chain



Other related policies and regulations:

- / The Statute of the Social Advisory Board
- / Regulations of the Audit and Control Committee
- / Regulations of the Ethics Committee
- / The Ethics Line Procedure
- / Corporate Citizenship Policy
- / Risk Management and Control Policy
- / Criminal Risk Prevention Policy
- / Compliance Policy
- / Ethics policies
- / Occupational Health and Safety Policy

- / Compliance Policy Regarding Data Protection and Privacy
- / Due Diligence Policy
- / Global Sexual Harassment and Sex or Gender Identity-based Harassment at the workplace Prevention Policy

All these policies are disseminated and communicated. In parallel, and as mentioned, their application and dissemination is implicit in all the work carried out by the Group's employees, as well as their relationships with third parties.

WE CONTINUE TO MOVE FORWARD

The policy is a key element for the implementation of our human rights strategy. It enshrines and embodies Inditex's stance concerning its commitment to the respect for internationally recognised human rights, as well as the establishment of the values and principles that guide its business activity in its spheres of action.

Hence, we continue to move forward on:

- / Reviewing and updating the policy so as to adapt it to any changes that might emerge in the business model or in the context in which the Group operates, at all times guaranteeing its effective implementation.
- / Aligning and developing the internal regulations and procedures underpinning the policy's implementation.
- / Disseminating and raising awareness internally and externally through training and sensitisation in human rights.

GOVERNANCE



FURTHER INFORMATION

in the section 4.2.1. Our approach to sustainability of the Statement of Non-Financial Information 2021

1.3 Embedding respect for human rights

The commitment to human rights and, above all, the integration thereof into the business model, is made possible by the belief and drive at the most senior levels of the company.

The Board of Directors is the body responsible for approving the sustainability strategy and the policy regarding human rights. The Board has a the Sustainability Committee, an informative and consultative body, responsible for advising, overseeing and controlling sustainability proposals, as well as fostering the company's commitment to the Sustainable Development Goals, human rights and relations with the various stakeholders in these matters.

The Group also has a Social Advisory Board, a collegiate body integrated by external independent experts, which advises on human rights, among other issues linked to sustainability.

The Chief Sustainability Officer, the Corporate Sustainability Department and the Heads of Sustainability of the Brands are in charge of managing all aspects of sustainability.





WE CONTINUE TO MOVE FORWARD

The involvement of senior management and the assignment of responsibilities in connection with human rights enables progress in the implementation of the strategy at all levels.

Hence, we continue to move forward on:

- / Periodic reporting to the Sustainability Committee.
- / Organizing meetings and exchange of ideas concerning relevant matters with the Social Advisory Board.
- / Involving various Company areas in responsibility with respect to human rights.

For comprehensive integration of respect for human rights throughout the Company, we consider that collaboration and communication are key. Every area develops specific actions in this regard, bonded together by the corporate human rights strategy. This integration permeates the entire corporate culture.

Likewise, the functions of various of the Company's areas include the daily management of potential impacts on human rights throughout the value chain. Sustainability, Regulatory Compliance, Risk Management or Human Rights, among others, develop policies and procedures to integrate the results of the due diligence process and permeate the entire company in practising respect for and promotion of human rights.

Inditex integrates responsible and ethical practices into everything we do, both internally and in our relations with third parties, to thus promote respect for human rights of all our employees and anyone we relate within the course of our business.

1.4 Awareness

Awareness is the cornerstone for the human rights culture to flourish throughout the organisation.

This culture is communicated both internally to the company's employees, and externally to suppliers, manufacturers and other stakeholders. Particularly in the supply chain, training is complemented by the work on responsible purchasing practices, with the aim of aligning commercial teams with our commitment to sustainability and human rights.



Specific training on human rights

We conduct specialised training in human rights, designed specifically for Inditex delivered through online content that covers aspects such as the definition of human rights, their relevance, the relationship between companies and human rights and, in particular, the role of Inditex in respect for human rights, in a journey along the entire value chain.

This training, received by key areas of the Company, has been complemented with more specialised interactive and in-person sessions for areas such as sustainability or logistics and distribution.



In particular, in 2021 we have provided training to suppliers in topics such as gender equality, freedom of association, health and safety issues. Furthermore, training has been provided in responsible purchasing practices for the buyers and commercial managers of the various concepts.

Parallel to the supply chain focus, the work we carry out to cover the rest of our activities and value chain is highly significant. In the last few years, training has been provided in business areas such as distribution, as well as fostering diversity and inclusion transversally throughout the value chain.

Moreover, since October 2021, all our people have had access to a new online training platform, TRA!N, in which specific courses on Compliance and Diversity & Inclusion have been provided. The same platform hosts Zara Camp, which offers a number of specific courses on product sustainability, sustainability audits and responsible labelling.

It is worth noting that our people also receive a range of trainings when they join the Company, including on sustainability and respect for human rights.

WE CONTINUE TO MOVE FORWARD

The awareness and training of all our people is fundamental to create a culture of respect for human rights.

Hence, we continue to move forward on:

- / Developing training content and specific skills in regard to sustainability in the online platforms TRA!N and Zara Camp
- / Continue working as part of the Workers at the Centre strategy in the supply chain, in the training programmes to suppliers and workers in connection with social dialogue, protection of migrants or gender equality, among others.



FURTHER INFORMATION

in the section 5.1.2.
Talent management
of the Statement
of Non-Financial
Information 2021



FURTHER INFORMATION

at Workers at
the Centre 2021
Report



2.

Defining the approach

The due diligence process is the tool whereby we identify the potential impacts on human rights of our value chain in order to prioritise them and implement the right mechanisms to prevent and mitigate them.

INDITEX'S HUMAN RIGHTS STRATEGY



Policy on Human Rights



Due diligence



Grievance mechanisms

Guiding Principle 17

In order to identify, prevent, mitigate and account for how they address their adverse human rights impacts, business enterprises should carry out human rights due diligence. The process should include assessing actual and potential human rights impacts, integrating and acting upon the findings, tracking responses, and communicating how impacts are addressed.

Due to the characteristics of the Company and the sector, the approach to applying due diligence within the framework of the human rights strategy entails two parallel lines of work, sharing lessons learned and strengthening synergies.

2.1 Due diligence in value chain

In keeping with the Guiding Principles, we extend the human rights strategy throughout the entire

value chain, which means identifying and prioritising potential impacts to incorporate the findings into our activities. The design of these processes involves all the key areas of the Company, such as Human Resources and Risk Management, and it is constantly reviewed and updated.

In this regard, the various processes are undertaken in the understanding of what the potential impacts are, what tools are currently in place to prevent or mitigate them, and how these tools might be continuously enriched or added to. Equally as

important are the connection and synergies between the Company's various areas in this process.

For example, notable in this regard is the collaboration between the Human Resources Diversity and Inclusion team and the team that develops the strategy for Gender, Diversity and Inclusion in the supply chain. We endeavour to share best practices so as to replicate actions, and to train the social sustainability team with the aim of implementing projects that drive the empowerment of the workers in the supply chain.

Human rights and environment

There is currently a consensus that the regulations concerning human rights apply to all environment-related spheres. In recent years, the reports and meetings of the United Nations Special Rapporteur on Human Rights have discussed issues such as a safe climate (2019), a healthy biosphere (2020) and the global water crisis (2021). Moreover, in October 2021, the UN Human Rights Council approved a resolution recognising access to a healthy and sustainable environment as a universal right, without which it is difficult to exercise other human rights, such as the right to health or to life.

At Inditex, we understand this relationship and our focus on identifying and managing human rights therefore includes a broad view of the environment. We include environmental aspects in our due diligence process and take a holistic approach to issues linked to the climate, water or biodiversity, which, furthermore, are fundamental for human life and well-being.



2.2 Due diligence in supply chain

Due to our business model, our supply chain is one of the most critical parts of our value chain, in which we place a special focus on the promotion of and respect for workers' human rights. To achieve this, our sustainability team has developed the social sustainability strategy 'Workers at the Centre 2019-2022'. Its aim is to generate a positive impact on the workers of our supply chain as the main beneficiaries of its programmes and projects.

In 2018, we conducted a due diligence process, underpinned by the organization Shift (experts in the field), through which the main potential risks in connection with human rights were identified, creating heat maps for each of our clusters and implementing the principles of severity and likelihood.








As a result of this process, we created seven Priority Impact Areas into which the strategy is structured, encompassing the issues identified.



FURTHER INFORMATION

at Workers at
the Centre 2021
Report

MAIN HUMAN RIGHTS LINKED TO PRIORITY IMPACT AREAS

	 Worker participation	 Living wages	 Gender, diversity and inclusion	 Occupational Health and Safety	 Protection of migrants and refugees	 Social protection	 Protection of labour rights in the production of raw materials
Fair and favourable working conditions		✓	✓	✓			✓
Non-discrimination		✓	✓		✓		
Adequate standard of living		✓	✓			✓	✓
Education		✓	✓	✓	✓	✓	
Health		✓	✓	✓		✓	
Life		✓	✓	✓	✓		
Not being subject to degrading treatment			✓				
Not having to endure harassment			✓				
Equal pay			✓				
Freedom of movement			✓		✓		✓
Freedom and security of the person			✓				
Engagement in public life			✓				
Rights of employees with disabilities			✓				
Reproductive rights			✓				
Freedom of association	✓			✓	✓		✓
Healthy environment							✓
Ban on forced labour					✓		✓
Collective bargaining	✓	✓					
Collective rights of communities							✓
Social protection						✓	
Freedom of thought, conscience and religion					✓		✓
Privacy					✓		✓
Protection against violence					✓		✓
Healthcare					✓		✓
Freedom of opinion and expression					✓		✓
Property		✓			✓		✓



These working areas make up the 'Workers at the Centre 2019-2022' strategy. Each of them entails a specific objective and action lines, and has a specialised working group. They each comprise the three dimensions in which we work transversally across all the Priority Impact Areas:

/ Workplace: ensuring that all production facilities are compliant with our social and human rights standards

/ Well-being: fostering the development of the communities where workers live

/ Industry: generating partnerships to tackle shared global challenges involving the various actors in the sector and industry

WE CONTINUE TO MOVE FORWARD

For Inditex, it is essential to work on processes of continuous improvement and due diligence that help us to fuel our human rights strategy and to constantly identify the foremost issues in this area in order to prevent and mitigate any possible negative impact. Hence, we continue to move forward on:

/ Identifying new potential human rights challenges and risks throughout our value chain, with the aim of preventing and mitigating them

/ Updating the supply chain due diligence exercise that resulted in the seven Priority Impact Areas, identified in 2018, that make up our current Workers at the Centre strategy 2019-2022.



3.

Management of Salient Human Rights Issues

We use various tools and mechanisms to manage the potential human rights impacts identified in order to prevent and mitigate them. In addition, the third pillar of our strategy—Grievance Mechanisms—allows us to identify salient related issues within our operations, thus enabling us to include them for management. Collaboration, interaction and dialogue with the various stakeholders are essential to this task.



3.1 Stakeholder engagement

Communication with stakeholders feeds our due diligence process. Our close collaboration with them allows us to obtain information from different sources to fuel our strategy. The flexibility and speed with which we act on any emerging human rights challenge allows us to incorporate new mechanisms and tools or develop new plans to help us identify, prevent, mitigate and, if necessary, remedy potential impacts.

In this regard, there is no overstating the importance of the solid relationships we forge with expert organisations in the field who support us in developing specific projects, as well as in training and in creating and implementing our strategies, among other activities. Prominent examples of this are our partnerships with the International Labour

Organization, the trade union federation IndustriALL Global Union or UNI Global Union, the United Nations Global Compact, or Shift – the leading expertise centre on the UN Guiding Principles on Business and Human Rights.

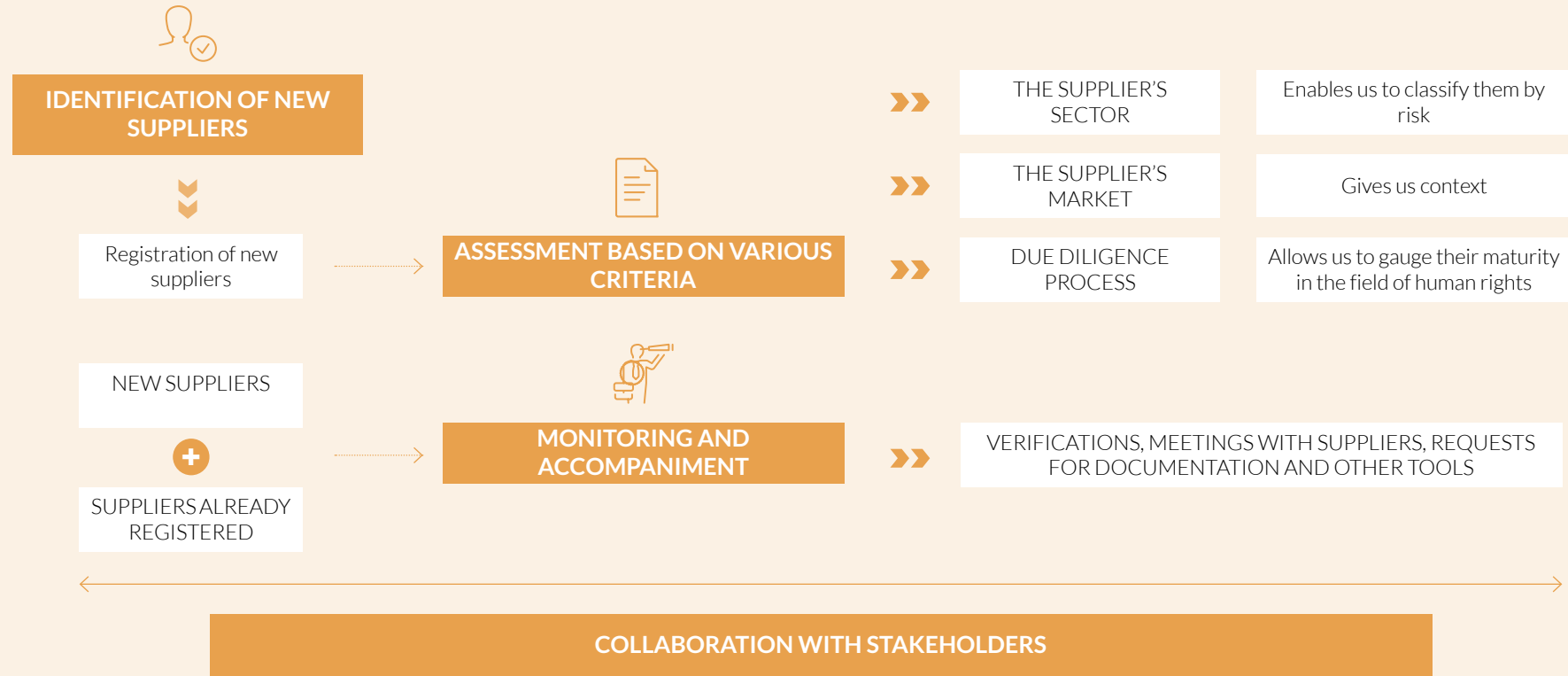
It is also essential to establish a dialogue with the groups potentially impacted by the Company's operations, liaising both directly and through their representatives. Listening, understanding and responding to their expectations is part of the due diligence process and, more generally, of weaving respect for human rights into operations and relationships. Employees, customers and workers in the supply chain are some of the groups with whom we maintain an open and transparent dialogue.

WE CONTINUE TO MOVE FORWARD

Collaboration and dialogue with our stakeholders is fundamental to developing a robust human rights strategy. As experts in different subjects, they help us to enrich our work plan. Hence, we continue to move forward on:

- / Collaborating with our stakeholders the promotion of human rights such as the right to freedom of association and collective bargaining
- / Continuing to provide the necessary tools for workers to exercise their rights through social dialogue
- / Strengthening communication and collaboration with our main stakeholders in this area.

IDENTIFICATION, EVALUATION AND MONITORING OF VALUE CHAIN SUPPLIERS



3.2 Assessing impact

a. Value chain

A key pursuit is the evaluation and monitoring of the suppliers of all the operations in the value chain, who are analysed even before starting their relations with Inditex. Here, the dual objective is to detect potential impacts in connection with human rights and to immediately establish with suppliers a dialogue and expectations of co-responsibility in terms of respect for human rights.

With this in mind, the different sectors to which the suppliers belong (all those suppliers of goods and services that do not form part of the supply chain, i.e. not directly related to the manufacture of the products that Inditex markets) have been identified and analysed. Each sector poses different human rights challenges, depending, among other factors, on the type of workers or the type of process or service they carry out.

Another aspect to take into account in due diligence are the different geographies in which suppliers operate, for which we use a range of specialised benchmarks to identify the potential impacts and the most sensitive areas in each country or region.

TOOLS



We also take into account the type of relationship between suppliers and Inditex, among other things to determine the influence that the company can exert in ensuring best practices in human rights.

The combination of these factors allows us to fine-tune both the type of pre-assessment for each supplier and the subsequent monitoring throughout the commercial relationship.

The diversity of sectors and their varying degrees of maturity when it comes to the implementation of policies and procedures aimed at respecting human rights means that, in addition to individual due diligence, collaboration with other stakeholders is necessary to collectively infuse this culture of diligence and respect.

In the company's distribution and logistics area, human rights training was provided to the different teams, working together to establish due diligence processes. These processes are then materialised in a more operational manner, through new tools such as the labour and social audits at distribution

centres that are already being carried out, with the support of the Human Resources Department. Specifically, in 2021 we conducted 27 audits.

At the same time, companies in our supply chain are subject to our Code of Conduct for Manufacturers and Suppliers. They must meet the standards set forth in the Code in order to join and remain part of the supply chain. We have verification and compliance improvement tools that cover the entire supply chain and enable us to sustainably and responsibly manage our suppliers.

b. Supply chain

particularly in the supply chain, progress is being made in the seven Priority Impact Areas identified and framed in the Workers at the Centre 2019-2022 strategy.

This has allowed us to reach in 2021 the 85% of progress in our strategic plan, a year before the end of our strategy, benefitting 1,366,420 workers, through 46 projects we develop involving 1,153 manufacturers and suppliers only this year.



FURTHER INFORMATION

in section 5.5.1. Sustainable management of the supply chain of the Statement of Non-Financial Information 2021



FURTHER INFORMATION

at Workers at the Centre 2021 Report

WE CONTINUE TO MOVE FORWARD

The development of mechanisms that support us in preventing and mitigating any potential risks in our value chain and supply chain is paramount to the continuous improvement and ongoing due diligence processes that define our strategy. Hence, we continue to move forward on:

- / Collaborating with our stakeholders to develop tools and methodologies that facilitate the identification of potential risks in our operations
- / Developing new lines of action in the supply chain that provide us with an increasingly deeper understanding of workers' needs in order to generate a positive impact.



1,366,420

WORKERS

benefited from the 'Workers at the Centre' strategy in 2021



1,153

SUPPLIERS AND FACTORIES

involved by the "Workers at the Centre" strategy in 2021



46

PROJECTS

developed by the 'Workers at the Centre' strategy in factories and/or communities in 2021

85%

PROGRESS

of the 'Workers at the Centre' strategy*

«« **Protection of labour rights in the production of raw materials** »»

Improving the human and labour rights of the workers in the supply chain of raw materials through proactive actions in terms of the workplace, the community, and industry.

«« **Social Protection** »»

Enabling the well-being of happy and healthy workers in the supply chain.

«« **Protection of migrants and refugees** »»

Ensuring that the rights of refugees and migrants are upheld and that a decent workplace is provided in factories, supporting cohesion.

«« **Occupational Health and Safety** »»

Guaranteeing that workers in the supply chain are protected against risks to their occupational health, safety, and well-being.



»» **Worker Participation**

Developing and improving social dialogue to achieve mature industrial relations and to promote worker satisfaction.

WELL-BEING

»» **Living wages**

Facilitating that workers in the supply chain earn a living wage.

»» **Gender, diversity and inclusion**

Promoting that all the women in the supply chain benefit from the best conditions and opportunities, while fostering gender equality in a cross-cutting manner, and creating a diverse, safe and inclusive work environment.



THREE ELEMENTS



»» **THE WORKER**

The worker in the supply chain is placed in the centre as the main beneficiaries of the strategies and programmes based on their empowerment and participation.



»» **THE DIMENSIONS**

Workplace

We ensure that all the facilities in the supply chain meet the standards that guarantee respect for human and labour rights.

Well-being

Our goal is the development of the workers and their communities, in order to bring about a transformative social change.

Industry

We firmly believe that the solution to many of the challenges in the sector lies in joint commitment and collaboration of all the players in the industry.



»» **DUE DILIGENCE**

This is an ongoing process, based on the **United Nations Guiding Principles on Business and Human Rights**, which has enabled us to identify seven Priority Impact Areas in which we have established strategic action lines.

* Includes activities defined under the strategic plan that are complete or have been in progress since the strategy began

INDITEX'S HUMAN RIGHTS STRATEGY



Policy on Human Rights



Due diligence



Grievance mechanisms

3.3 Grievance and remediation mechanisms

Grievance mechanisms, the third pillar of the human rights strategy, are key to improving the due diligence process, as they help identify potential impacts, and allow us to react and mitigate any risk in advance.

Our main grievance mechanism is the Ethics Line, which is available both to Inditex employees and to manufacturers, suppliers or third parties with a direct relationship or a legit commercial or personal interest. This channel enables queries and communications related to the interpretation of and compliance with the internal rules of conduct to be sent to the Ethics Committee so that it can analyse them and adopt any necessary measures. The Procedure, modified in december 2019 by the Board of Directors, is aligned with the principles of the Directive (EU) 2019/1937 on the Protection

of Whistleblowers. Particularly, It is also aligned with the regulatory requirements regarding data protection and the rights of users of whistleblowing mechanisms, as well as with international best practices in the field of human rights. This Procedure offers the following guarantees and measures for the protection of the parties in the process: i) utmost confidentiality; ii) presumption of innocence and preservation of the right to honour of the accused; iii) non-retaliation; iv) appropriate use of the personal data processed; v) The parties' right to be heard.

Another important mechanism is the one established under the umbrella of our Global Framework Agreement with the IndustriALL Global Union federation of industry trade unions. Thanks to the Global Framework Agreement, in force since 2007 and renewed in 2019, we reach out to workers in the supply chain through their representatives to promote social dialogue. The aim of the Framework Agreement is 'to guarantee respect for human rights in the social and labour environment by upholding labour standards throughout the Inditex supply chain'. It covers the 8,756 factories that form part of the Inditex supply chain and employ more than 3 million workers worldwide. On this path of dialogue and respect, we have laid the groundwork to effectively secure the proposed goals, creating a communication channel, strengthening local trade unions, training workers, their representatives and company management in the Global Framework Agreement and its contents, creating the figure of trade union experts for support in the resolution of incidents and, recently, creating the Global Union

Guiding Principle 29

To make it possible for grievances to be addressed early and remediated directly, business enterprises should establish or participate in effective operational-level grievance mechanisms for individuals and communities who may be adversely impacted.

Committee as a management and representation body for all areas of the world to ensure global implementation. A direct channel has also been established with them for the resolution of incidents worldwide.

Similarly, one of the main pillars of the ACT (Action, Collaboration, Transformation) initiative, of which we are members, is the creation of an incident resolution mechanism. A total of 19 retail brands, suppliers and trade unions (IndustriALL Global Union) are engaged in this initiative.

Despite having mechanisms in place to identify and prevent potential negative impacts, sometimes a right needs to be redressed and in such cases it is important to analyse the breach in context, address the demands of the affected parties and provide the most appropriate type of remedy where needed.



FURTHER INFORMATION
on the Ethics Line at Inditex corporate website.



FURTHER INFORMATION
on how the Ethics Line works in section 5.9.2. Compliance and criminal risk prevention systems of the Statement of Non-Financial Information 2021

In this connection, in addition to respecting mechanisms external to Inditex, we have our own specific mechanisms and procedures for remedy.

We sometimes work in collaboration with various organisations that help us to carry out the most appropriate actions in each situation. For example, we

have various supply chain remediation programmes and tools, both in the form of corrective action plans for breaches of the [Code of Conduct for Manufacturers and Suppliers](#) in factories and, more specifically, remediation programmes for migrants or refugees, such as our collaboration with the organisation MUDEM in Turkey, for example.



FURTHER INFORMATION
in the Corrective Action Plans in section 5.5.1. Sustainable management of the supply chain of the Statement of Non-Financial Information 2021

Supply chain – Workers at the Centre: Remediation of refugee workers in supply chain factories

Related rights: Freedom of association, non-discrimination, education, life, property, ban on forced labour, freedom of thought, belief and religion, privacy, protection from violence, and health.

At Inditex we have developed a due diligence process in the area of human rights in the supply chain which has enabled us to identify those priority areas where we can have a greater impact. One of these areas is the Protection of Migrants and Refugees. This group of workers is especially vulnerable because of the various factors that shape their professional and personal lives. To address the challenges of belonging to this group of workers in a global supply chain, we have created three lines of action to help us identify their needs and risks: remediation schemes for refugees and migrants, fair employment and recruitment practices for

migrants and refugees, and strengthening social and labour cohesion, the first being the most defining at this point in the report.

In Turkey, specifically, we work with the expert organisation MUDEM. We jointly conduct assessments that allow us to identify the situation of a migrant worker or refugee using various tools, and to support them in the remediation and regularisation of their case, adapting to each of the specific circumstances.

In 2021, we implemented 104 remediation plans for migrants and refugees at 28 factories in our supply chain.

WE CONTINUE TO MOVE FORWARD

As grievance mechanisms are the third pillar of our strategy and therefore a key part of its rollout, we will continue to work on their implementation as a source of information for identifying relevant human rights issues. Hence, we will continue to move forward on:

- / Identifying all the formal and informal grievance mechanisms
- / Providing training on grievance mechanisms from a human rights perspective
- / Developing remediation mechanisms

INDITEX ´S ROADMAP IN THE RESPECT OF HUMAN RIGHTS

GOVERNANCE OF RESPECT FOR HUMAN RIGHTS

- ✓ Inditex's journey since the approval of its Policy on Human Rights
- ✓ The Policy, its main elements and its relationship with the Company's other policies and standards
- ✓ The integration of and commitment to human rights at all levels of the Company
- ✓ The need to raise awareness and sensitise the Company's own workers and those of the supply chain in connection with human rights



Pillar 1 of our strategy
THE POLICY



DEFINING THE APPROACH

- ✓ Due diligence as a mechanism to identify potential impacts in connection with human rights
- ✓ Due diligence in our value chain
- ✓ Due diligence in our supply chain that enables us to trace our 'Workers at the Centre 2019-2022' strategic plan, which comprises the seven priority impact areas identified



Pillar 2 of our strategy
DUE DILIGENCE



MANAGEMENT OF SALIENT HUMAN RIGHTS ISSUES

- ✓ The importance of synergies, dialogue and internal and external partnerships to facilitate the integration and implementation of the human rights strategy at Inditex
- ✓ The creation of tools and working plans to integrate due diligence in management
- ✓ Grievance mechanisms that feed our due diligence processes and support us in our continuous improvement



Pillar 3 of our strategy
GRIEVANCE MECHANISMS



We want to count with you for this journey.
We hear you at sustainability@inditex.com

INDITEX

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