Social

- 7.1. Our people
- 7.2. Workers in the supply chain
- 7.3. Communities
- 7.4. Our customers



7.1. Our people

Material topic: Fair working conditions; Diversity, equality and inclusion; Talent management; Health, safety and well-being.













7.1.1. About us

GRI 2-4; 2-7; 3-3; 404-2; 405-1; 405-2; AF22

At Inditex we believe that our teams are the engine of the Company's transformation and continuous growth, thanks to their talent, commitment and capacity to adapt to environmental changes.

Our aim is to help all of our people develop their full potential as part of a diverse, creative and innovative team. To achieve this, we foster opportunities for their development and training, with the aim of contributing to their professional and personal growth.

The people strategy rests on four pillars: promoting our values and our culture; diversity and inclusion in our teams, with equal opportunities; a firm commitment to talent, providing opportunities for development, internal promotion and mobility; and guaranteeing the safety, health and well-being of our teams, with quality, stable and stimulating jobs.

At the close of the financial year 2023, our Group comprises a team of 161,281 people employed in 57 markets and representing a total of 174 nationalities (164,997 people, 59 markets and 182 nationalities in 2022).

The Inditex Group can be described with four features:

Generational and gender diversity

International presence

Horizontal organisation

A customer-centric approach

The Group's workforce is defined by its gender and age diversity, with a majority of women. At the end of 2023, 74% of our workforce are women, while 26% are men (75% and 25% in 2022). Moreover, 0.02% of our workforce identifies as non-binary and 0.01% as unspecified gender-other⁴⁸. With regard to their age, our teams comprise people from various generations, with a predominance of the youngest age groups. The average age of our workforce is 30.6 years old (29.6 years old in 2022).

The Group's international presence, with people employed in 57 markets is another of our strengths, as it provides us with the opportunity to define global policies, while at the same time attending to the particular characteristics of each market, enriching and strengthening our corporate culture. Multiculturalism is an opportunity to add new ideas and pool experiences, making us a more creative company and one better prepared to understand the complexity of the market. Spain, with 47,761 employees, accounts for 30% of the total

Our horizontal organisation fosters open communication across the entire workforce, and nurtures the creation of collaborative working environments. This continuous dialogue enables us to identify opportunities for improvement in all areas and at every level of our business. In addition, our approach to job classifications is broad, with store employees having a special relevance in this classification.

The customer is at the heart of our business model. Accordingly, our stores, where 86% of our people work, play a crucial role in the Company. Notably, in recent years the teams dedicated to online sales have grown strongly, which together with the rest of the Group's areas of activity (factories, logistics and central services), serves the integrated store and online platform of all seven of our brands, comprising a network of more than 5,600 stores.

⁴⁸ As part of our commitment to gender diversity and non-discrimination, from financial year 2023 we have broadened the spectrum of gender identities reported in the workforce indicators. Information from previous years for non-binary or unspecified-other gender is not available.

Our people in 2023

161,281 people

174 nationalities

Distribution by activity

	2023		2022		
	Number of employees	%	Number of employees	%	
Store	138,977	86%	143,365	86%	
Central services	11,612	7%	11,374	7%	
Logistics	10,090	6%	9,670	6%	
Factories	602	1%	588	1%	
Total	161,281	100%	164,997	100%	

Distribution by geography

	2023		2022		
	Number of employees	%	Number of employees	%	
Americas	19,963	12%	20,909	13%	
Asia and rest of the world	15,526	10%	14,457	9%	
Spain	47,761	30%	46,154	28%	
Europe (ex-Spain)	78,031	48%	83,476	51%	
Total	161,281	100%	164,997	100%	

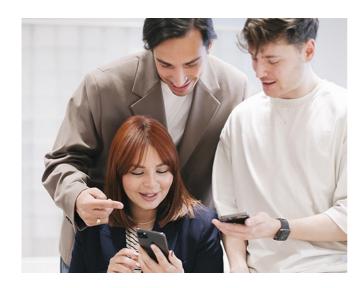
Distribution by age

	2023		2022		
	Number of employees	%	Number of employees	%	
Under 30 years old	89,690	56%	94,666	57%	
30 to 40 years old	43,310	27%	44,644	27%	
Over 40 years old	28,281	18%	25,686	16%	
Total	161,281	100%	164,997	100%	

Distribution by gender

	2023		2022		
	Number of employees	%	Number of employees	%	
Women	118,925	74%	123,201	75%	
Men	42,309	26%	41,796	25%	
Non-binary	25	0.02%	_	_	
Others/Unspecified	22	0.01%	_	_	
Total	161,281	100%	164,997	100%	





The table below shows the breakdown and evolution of the workforce by professional category and market. The functional description of each of the job classification groups included in this Report is as follows:

- / Management: employees in management positions with responsibility for interdisciplinary working groups related to the areas of design, manufacturing, distribution, logistics, stores, technology, sustainability and other general services. This category includes store managers.
- / Supervisor: employees who are part of interdepartmental and transversal working groups for design, logistics and stores, as well as sustainability, technology and other general services.
- / Specialist: employees with an impact through individual contribution related to one of the Group's activities in the areas of design, manufacturing, distribution, logistics, stores, sustainability, technology and other general services.

Distribution by job classification								
	2023	2023						
	Number of employees	%	Number of employees	%				
Management	9,811	6%	10,692	6%				
Supervisor	14,976	9%	14,754	9%				
Specialist	136,494	85%	139,551	85%				
Total	161,281	100%	164,997	100%				

Distribution by market ^{49,50}					
Europe (ex-Spain)	2023	2022			
Albania	310	332			
Germany	5,046	4,951			
Austria	1,409	1,320			
Belgium	2,955	2,977			
Belarus	352	370			
Bosnia-Herzegovina	427	420			
Bulgaria	781	750			
Croatia	1,184	1,125			
Denmark	295	296			
Slovakia	467	469			
Slovenia	228	218			
Finland	174	203			
France	10,975	11,302			
Greece	4,065	3,930			
Hungary	1,109	1,214			
Ireland	1,016	1,027			
Italy	10,283	9,971			
Luxembourg	304	335			
North Macedonia	325	315			
Monaco	40	41			
Montenegro	165	155			
Norway	343	364			
Netherlands	3,089	2,947			
Poland	4,594	4,623			
Portugal	6,964	7,016			
United Kingdom	6,739	6,751			
Czech Republic	674	676			
Romania	2,899	2,879			
Russia	3	5,303			
Serbia	1,422	1,262			
Sweden	695	716			
Switzerland	1,398	1,470			
Türkiye	6,496	6,622			
Ukraine	809	1,127			
Total	78,031	83,476			

⁴⁹ As a result of the conflict in Ukraine, which began in February 2022, operations in that market have remained suspended at year end. During 2023, Inditex continues its support to the Ukrainian workforce, maintaining the full payment of salaries and the measures needed to support the staff as necessary. As regards the Russian business, the year-on-year change in the number of employees is due to the sale of our business to the Daher Group. For more information see <u>Note 33</u> of the Consolidated Annual Accounts.

⁵⁰ During 2023, the business was sold and subsequently franchised in Argentina and Uruguay, which is why the year-on-year variation in these markets is justified. For more information see <u>Note 33</u> of the Consolidated Annual Accounts.

Distribution by market ^{49,50}		
Asia and rest of the world	2023	2022
Australia	2,076	1,863
Bangladesh	76	75
Cambodia	4	3
South Korea	1,639	1,529
India	1,691	1,543
Japan	2,837	2,780
Kazakhstan	1,272	1,189
Morocco	42	40
New Zealand	138	106
Pakistan	11	9
Singapore	3	4
South Africa	556	496
Vietnam	18	14
Mainland China	3,887	3,771
Taiwan, China	531	450
Hong Kong SAR	702	532
Macao SAR	43	53
Total	15,526	14,457
Spain	2023	2022
Spain	47,761	46,154
Americas	2023	2022
Argentina	_	718
Brazil	3,162	2,697
Canada	2,653	3,025
Chile	992	955
United States	6,170	6,374
Mexico	6,986	6,825
Uruguay	-	314
Total	19,963	20,909



7.1.1.1. Employment

It is a priority for Inditex to create **motivating, stable and safe working environments,** with equal opportunities and development, ensuring the utmost care for the conditions of our people. We strive to adapt our responses to the local needs in the 57 markets in which our employees are present, and to guarantee quality workplaces.

Distribution of the workforce by contract type

In 2023, 81% of our people were on a permanent contract (compared with 82% in 2022).

The tables below show the different types of contract by gender, age and job classification:

Employee distribution by contract type, gender, age and job classification

		2	2023			2	2022	
	Permai	nent	Tempo	rary	Permai	nent	Temporary	
	Number of employees	%	Number of employees	%	Number of employees	%	Number of employees	%
Distribution by gend	er							
Women	96,263	81%	22,662	19%	99,963	81%	23,240	19%
Men	34,910	83%	7,398	17%	34,881	83%	6,913	17%
Non-binary	25	100%	0	0%	_	_	_	_
Others / Unspecified	22	100%	0	0%	_	_	_	_
Total	131,221	81%	30,060	19%	134,843	82%	30,153	18%
Distribution by age								
Under 30 years old	64,916	72%	24,774	28%	69,358	73%	25,305	27%
30 to 40 years old	39,327	91%	3,983	9%	40,878	92%	3,770	8%
Over 40 years old	26,978	95%	1,303	5%	24,607	96%	1,078	4%
Total	131,221	81%	30,060	19%	134,843	82%	30,153	18%
Distribution by job c	lassification							
Management	9,548	97%	262	3%	10,418	97%	276	3%
Supervisor	14,530	97%	446	3%	14,315	97%	444	3%
Specialist	107,143	78%	29,352	22%	110,111	79%	29,434	21%
Total	131,221	81%	30,060	19%	134,843	82%	30,153	18%

Distribution of the workforce by type of working hours

In terms of working hours, 58% of Inditex's employees work part-time and 42% work full time in 2023 (59% part-time and 41% full-time in 2022).

This breakdown of workers by type of working hours is typical of the retail sector, where there are sales periods with peaks of activity that require part-time reinforcements. We also often hire people who combine their work at Inditex with other activities, such as studies.

The full-time equivalent (FTE) workforce, a meaningful indicator when it comes to analysing employment quality, shows the workforce resulting from combining all full-time hours. In 2023, it represented $78\%^{51}$ of total jobs (77% in 2022).

Below is a breakdown of part-time employees by gender, age and job classification:

The distribution of part-time employees by gender, age and job classification

	2023			2022				
	Part-ti	me	Full-ti	me	Part-ti	me	Full-time	
	Number of employees	%	Number of employees	%	Number of employees	%	Number of employees	%
Distribution by gend	er							
Women	72,620	61%	46,305	39%	76,348	62%	46,854	38%
Men	21,139	50%	21,169	50%	21,498	51%	20,297	49%
Non-binary	14	56%	11	44%	_	_	_	_
Others / Unspecified	16	73%	6	27%	_	_	_	_
Total	93,789	58%	67,491	42%	97,845	59%	67,151	41%
Distribution by age								
Under 30 years old	65,946	74%	23,744	26%	70,718	75%	23,927	25%
30 to 40 years old	18,130	42%	25,180	58%	18,483	41%	26,178	59%
Over 40 years old	9,713	34%	18,567	66 %	8,644	34%	17,047	66%
Total	93,789	58%	67,491	42%	97,845	59%	67,151	41%
Distribution by job c	lassification							
Management	401	4%	9,410	96%	433	4%	10,263	96%
Supervisor	1,544	10%	13,431	90%	1,433	10%	13,328	90%
Specialist	91,844	67%	44,650	33%	95,980	69%	43,561	31%
Total	93,789	58%	67,491	42%	97,845	59%	67,151	41%

Leavers

The workforce in Spain at the end of 2023 totalled 47,761 people, of whom 74% were women and 26% were men.

In that period, dismissal for various reasons accounted for 776 leavers in Spain (710 in 2022). Breaking down these figures by gender, it is proportionately similar to the gender breakdown of the workforce as a whole, as the number of women who were dismissed was 551, or 71% of those dismissed, compared with 225 men, or 29% (504 women vs. 206 men in 2022).

With regard to the breakdown of dismissals by job classification, in Spain, 76% were concentrated in specialist positions, according to the classification previously provided (80% in 2022), for stores and headquarters, own factories and logistics centres alike. 13% of the dismissals were in supervisor positions, and the remaining 11% in management positions (11% and 9% in 2022 respectively). Regarding the

breakdown of dismissals by age in Spain, 39% affected staff aged 30 to 40 years, the age group which accounts for 32% of staff in Spain. The proportion is consistent with the distribution of the workforce in the country where the Group's corporate services are located: 29% of the dismissals were in the over-40 age bracket (representing 37% of our workforce), and the remaining 32% in the under-30 age bracket (representing 32% of our workforce in Spain). In 2022 the age distribution of dismissals was 24% in the under 30 age group 44% in the 30-40 age group and 31% for the over-40 age group.

Globally, with a workforce of 161,281 people in 2023 (164,997 people in 2022), in 2023 there were 5,100 dismissals (5,694 dismissals in 2022). Of the total, the number of women who terminated their relationship with the Group for this reason was 3,508, 69%, compared to 1,590 men, 31%, and 2 non-binary people, 0.04% (3,976 women and 1,718 men in 2022), again consistent with the gender distribution of the overall workforce. As

⁵¹ FTE employment data available in 2023 for 98.5% of the workforce [98.7% of the workforce in 2022. Excludes staff with non-guaranteed hours, which are located in the following markets: Australia; Mainland China; Taiwan, China; Hong Kong SAR; Macao SAR; New Zealand SAR; and New Zealand.

for the breakdown of dismissals by job classification, 88% were concentrated in specialist positions (88% in 2022), 6% in supervisor positions, and the remaining 6% in management positions, which is also consistent with our workforce distribution (7% in supervisor positions and 5% in management positions in 2022). By age, 67% of the dismissals corresponded to people under 30 years of age, a category that encompasses 56% of the Group's employees. 23% of the dismissals were in the 30-40 year age group (which accounts for 27% of our workforce), and the remaining 10% in the over-40 age group (which accounts for 18% of our people). In 2022 this age distribution of dismissals was 68% in the under 30 age group, 24% in the 30-40 age group and 8% for the over- 40 age group.

7.1.2. Our approach to diversity

GRI 2-23; 2-24; 3-3; 404-2; 405-1; AF5; AF32

At Inditex we believe in the power of diversity and inclusion as drivers of a strong corporate culture, and that is why **we design opportunities for**

all and we implement a zero-tolerance approach to any kind of discrimination or harassment.

Our aim is to build diverse teams whose members bring their unique perspectives and experiences and who feel secure in an inclusive professional environment.

We strive to ensure that our teams—composed of people of different sexes, gender identities and expressions, sexual orientations, races, ethnicities, ages, educational background, socio-economic statuses, disabilities or religions, among other characteristics—, have equal opportunities and can develop their full potential, making us a more competitive, creative and innovative company.

Diversity and inclusion, grounded on essential values such as **fairness, collaboration** and **respect,** drive our business performance and facilitate the achievement of our corporate objectives, helping us to anticipate all the market's fashion needs.



To foster a diverse, inclusive and sustainable corporate culture, we are committed to:

- / Integrating diversity and inclusion into our tools for attracting, retaining and promoting talent, to ensure diverse profiles in all positions and at all levels of the Company.
- / Always guaranteeing equality of opportunities and non-discrimination for our people, regardless of their sex, gender identity and expression, sexual orientation, race, ethnicity, origin or different abilities, among other characteristics.
- / Fostering a spirit of collaboration, teamwork and respectful communication between people and as the core of respect for human rights, both inside and outside the Company.
- / Developing procedures and implementing appropriate initiatives and training programmes to achieve these goals.

Inditex's Diversity and Inclusion Policy, approved by the Board of Directors in 2017 and amended in 2020, establishes the framework of principles, objectives and commitments in this respect adopted by the Group. This Policy applies globally to anyone associated with the Group, whether they are employees, customers or third-parties such as contractors, suppliers, professionals involved in recruitment processes or people working in the supply chain.

This Policy is derived from the Company's Code of Conduct, whose basic tenets are, among others, respect, acceptance and equality, and it is also consistent with the Group's Compliance Policy and Human Rights Policy. The Diversity and Inclusion Policy also aims to ensure that there is no discrimination of any kind in the Company, particularly on grounds of gender, in any position, and in particular when appointing members of the Board or Senior Management.

In this regard, the Diversity and Inclusion Policy **guides all our areas of action,** in particular with respect to people management: recruitment and selection, remuneration and profits, promotion, training and professional development. Likewise, the policy also directly impacts areas linked to our relations with people in our business model: customer services, marketing and communication, procurement, etc.

As established in this framework document, the people who work at Inditex are responsible for promoting **diverse and inclusive workplaces** that ensure equal opportunities and foster collaboration and respectful communication between people, both inside and outside the Company. All the Group's areas, departments and subsidiaries are responsible for the proper implementation and application of these mandates on diversity and inclusion.

The department of Diversity and Inclusion promotes compliance with the Diversity and Inclusion Policy, and fosters training initiatives and programmes in this regard within the Group. Integrated in the **Culture and Values team**—which also encompasses diversity and inclusion as well as sustainability from a people perspective—the department is led by the **Chief Diversity Officer**, who coordinates an international diversity and inclusion team. Among other tasks, this team supports our **Diversity Champions**, whose mission is to act as diversity and inclusion coordinators in their countries, brands and workplaces to ensure that our Diversity and Inclusion Policy is implemented, as well as to contribute ideas and projects that feed into our strategy.

To address any questions regarding our commitment to diversity and inclusion, our people can contact us through the corporate e-mail address (d&i@inditex.com). They may also refer to the Human Resources team, the department of Diversity and Inclusion and the person designated as Diversity Champion for our various markets and brands.

In addition, to ensure transparency and independence of action, and when it comes to evaluating the various issues linked to diversity and inclusion that may arise, Inditex has an Ethics Line to guarantee compliance with this Policy, through which it receives and fields gueries and communications made in good faith concerning the interpretation, application or enforcement of the Policy. The Ethics Line is overseen and managed internally by the Ethics Committee, a collegiate body that reports to the Board of Directors by means of the Audit and Compliance Committee. It conducts the necessary investigations, proposing the appropriate remediation, prevention and awareness measures. The Ethics Committee acts independently and autonomously, guaranteeing the confidentiality of the queries received. Communications concerning the interpretation, application or enforcement of the Diveristy and Inclusion Policy may be sent to the Ethics Line using the mechanisms set up for this purpose on the corporate intranet (INET) and on the website www.inditex.com.

More information in section 8.1.2. Global Compliance Model and Criminal
 <u>Risk Prevention Model</u> of this Report.

Because Inditex is a markedly international company, we devised the diversity and inclusion project from a global perspective, and we implement it across all our markets.

In May 2023, on the occasion of the World Day for Cultural Diversity for Dialogue and Development, Inditex presented to the world its Diversity and Inclusion Manifesto, which highlights our corporate purpose: We design opportunities for all'. This Manifesto also outlines the values that represent our commitment to diversity and inclusion and expresses our conviction that fashion will bring about changes in society to achieve the future we believe in.

Furthermore, as evidence of our commitment to these markets, 12 of our subsidiaries in Europe (France, Germany, Croatia, Romania, Slovenia, Italy, the Netherlands, Sweden, Greece, Portugal, Poland and Bulgaria), as well as our office in Brussels, are adhered to the European Union Diversity Charter. This European Commission initiative to foster diversity management and inclusion in all organisations, enables our local teams to exchange best practices and to interact with other companies and non-profit entities in this regard.

Moreover, in the United States, in 2019 we signed up to the Open to All campaign, an initiative encompassing more than 200 companies and charitable entities whose aim is to promote the idea that all people is welcome in public retail spaces, regardless of their race, ethnicity, nationality, gender, sexual orientation, gender identity and expression, migratory status, religion or disability, among others.

In terms of recognitions, in December 2023 Inditex was listed for the fifth year running in the Financial Times-Statista **2024 Diversity Leaders Index**, ranking in the top 50 (44 vs. 299 in the prior edition). Inditex is the top Spanish company in the index and the second highest ranking in the retail sector.

① More information in section 3.3. Recognitions of this Report.

Pillars to promote diversity and inclusion

Our people are at the heart of our commitment to diversity and inclusion, which is why our work revolves around the following four global priorities that are the drive belts of our culture of inclusion and respect, and that also allow us to launch plans that include local initiatives in our subsidiaries:

/ Gender equality.

/ LGBT+ inclusion.

/ Socio-ethnic inclusion.

/ Disability inclusion.

7.1.2.1. Gender equality

Ensuring equal treatment and opportunities for men and women at the workplace has always been a part of our core at Inditex. We nurture diverse and inclusive workplaces in which women, who represent 74% of our workforce, feel empowered in their professional development and free of any discriminatory practices. By empowering women and men alike, our aim is to strengthen our growth and the success of the Company and society as a whole.

To guarantee equality, we promote the transversality of our training and development tools (Traln, LEAP&Co and Talks), as well as the transparency of our internal promotion tool (InTalent), which enable us to ensure availability and objectivity in the Company's promotion processes.

Cultivating women's talent has enabled us to make solid progress in regard to their leadership within the Group: in 2023, 78% of the Company's management positions were filled by women (80% in 2022). The distribution of our people by gender and job classification in 2023 is thus as follows:

Distribution by gender and job classification

				20	23				
	Won	nen	Me	en	Non-	-binary	Other / L	Inspecified	Total
Management	7,691	78%	2,120	22%	0	0%	0	0%	9,811
Supervisor	10,381	69%	4,593	31%	2	0.01%	0	0%	14,976
Specialist	100,853	74%	35,596	26%	23	0.02%	22	0.02%	136,494
Total	118,925	74%	42,309	26%	25	0.02%	22	0.01%	161,281

			2022		
	Women Men		Men		Total
Management	8,553	80%	2,139	20%	10,692
Supervisor	10,364	70%	4,390	30%	14,754
Specialist	104,284	75%	35,267	25%	139,551
Total	123,201	75%	41,796	25%	164,997



Furthermore, in the last few years the **representation of women on the Board of Directors** has also improved notably, reaching 50% in 2023 (+28 percentage points since 2016). In this regard, not only did we manage to amply exceed our target of 40% female representation on the Board by 2022, in compliance with the recommendations of the Spanish Code of Good Governance, but for the first time the Board of Directors has a parity composition.

1 More information in section $\underline{\textit{5.1.1. Good Corporate Governance}}$ of this Report.

To achieve our equality objectives, at Inditex:

Ensure fair access to opportunities for professional development

In Spain, Inditex equality plans include measures that affect different areas of labour relations, such as selection, recruitment, promotion, training, occupational health, remuneration and work-life balance. This work is further underpinned by the committees that monitor the plans, which meet regularly to verify their compliance and effectiveness. There are also action protocols designed to prevent sexual and/or genderbased harassment. In April 2023, the Group signed its Equality Plan in Spain. The Plan applies to all brands for store and central services staff, unifying the measures in place under previous plans. The Plan comprises more than a hundred measures aimed at promoting workforce training and professional development, nurturing work-life balance and co-responsibility, reducing bias, and protecting victims of

gender-based violence. This Plan coexists with the equality plans already in place at all our logistics centres and factories.

Likewise, in 2019 we launched an inclusive language guide to help our teams communicate more equally in the workplace, and in 2023 training was given to promote the use of inclusive language among our teams to avoid communication that perpetuates gender stereotypes.

Furthermore, since 2020 we have been actively working to boost the professional careers of women in technological areas so as to promote the value of diversity and inclusion and have an impact on the Company and society. Thanks to the internal initiative **Women in Tech,** our work is grounded on two pillars: the need to influence society, supporting actions that encourage girls to take an interest in science and technology; and the impact on women in the world of technology through actions that empower them. Internally, we conduct women's leadership programmes and our talent pool promotes fairness and diversity within the technology team. In this year's junior programmes, 50% of the new recruits were women, addressing our internal objective of increasing the proportion of women in technology and related positions.

Against this backdrop, in 2023 for the second consecutive year Inditex supported the Technovation Girls project, an entrepreneurship and innovation programme that invites girls and young people aged 8 to 18 to learn and develop skills for using technology to solve problems, with the aim of reducing the existing gender technology gap. This collaboration was carried out through the sponsorship of Power to Code, an ambassador organisation for this initiative in Spain, and the support for more than 20 projects presented.

Create safe spaces in which there is no harassment or violence against women

As a company that **rejects any kind of discrimination**, at Inditex we strive to prevent sexual harassment, abuse and sexual violence at the workplace by means of internal policies that prevent these behaviours. The **Global Anti-Harassment Policy**, approved in March 2022, enhanced the information and training for the entire workforce in this connection. Amended in 2023, its areas of action were reinforced and it focuses on protecting everyone at work from any situation of harassment, in any of its manifestations or forms. Prevention, care and support and response to victims are the main axes of this Policy.

In this regard, in 2013 Inditex signed an agreement with the then *Ministerio de Sanidad, Servicios Sociales e Igualdad* of Spain to raise awareness and promote the integration of victims into the workplace. It was further endorsed in 2022 through renewal of the agreement with the *Ministerio de Igualdad* in the framework of the 'Businesses for a gender-violence-free society' initiative. To continue raising awareness of gender-based violence, all the human resources teams in Spain constitute an internal 'Punto Violeta', receiving specific training from the Red Cross on how to tackle gender-based violence.

Likewise, once again this year we highlight our commitment to stop gender-based violence through various information campaigns that we conduct every 25 November, the International Day for the Elimination of Violence against Women, a key date on our diversity and inclusion calendar that strengthens our commitment to raising visibility regarding this social problem and to helping victims.

① More information on the Global Anti-Harassment Policy.

Foster wage parity

With regard to other equality-related labour measures, at Inditex we are committed to equal pay for women and men. This commitment rests on a remuneration policy established in accordance with the value that each person contributes from their professional experience, dedication and responsibility, with no discrimination on the grounds of gender, age, culture, religion, race or any other characteristic. Accordingly, and in keeping with previous years, the pay gap analysis in 2023 shows wage parity between women and men in our workforce.

More information in section <u>7.1.3. Equal pay and remuneration policy</u> of this Report.

Moreover, in 2023, within the framework of the Equality Plan, and considering the workforce in Spain, the wage audit carried out in 2022 was reviewed by external suppliers, obtaining a verification on the basis of the revised International Standard on Assurance Engagements (ISAE) 3000. This verification guarantees the integrity of the Remuneration Register and Wage Audit carried out by the Company, the findings of which establish that there is no gender-based pay discrimination in work of equal value.

Audit our policies and best practices

Likewise, in 2023 we have also continued to implement work plans and monitoring and assessment systems to foster gender equality and women empowerment in our workplaces. And we have continued to pursue our GEEIS (Gender Equality European and International Standard) certification strategy across our various subsidiaries. GEEIS recognises those companies and workplaces that are actively engaged in building a fairer society, based on equality between men and women and on diversity and inclusion as the pivotal values of their policies. Between 2018 and 2023, the global corporate Group and 9 of our subsidiaries worldwide (Belgium, France, Italy, the Nordic hub, Germany, Ukraine, Bulgaria, Romania and the United States) –in addition to the Russian subsidiary before its closure– were awarded this certification, audited by Bureau Veritas. This certification plan, which will continue to advance in the next few years, is enabling us to consistently and continuously deploy our gender equality policies in our various markets.

Apply our principles across the value chain

We also foster equality, diversity and inclusion among the workers in our supply chain. In this regard, we implement our Workers at the Centre 2023-2025 strategy, which focuses especially on the most vulnerable groups and fosters respectful environments, free from discrimination, abuse or harassment.

① More information in section 7.2. Workers in the supply chain of this Report.

In recognition of our efforts to implement initiatives that foster gender equality globally, in January 2023, Inditex was included for the fourth year running in **2023 Bloomberg's Gender-Equality Index**, which features the companies that are most committed in this respect. Similarly, the **Equileap** ranking, an analysis of nearly 4,000 companies based on 19 gender equality criteria, highlights Inditex in its 2023 report as the only Spanish company that carries out gender audits.

Review our work-life balance policies to ensure that they support our goal of fair access to opportunities for development

Work-life balance is paramount for Inditex, as, when viewed from the perspective of co-responsibility, it helps ensure the well-being of our people and underpins equality of opportunities within the Company. Accordingly, Inditex ensures that work-life balance measures are implemented in all its markets. In Spain, these measures are included in the Equality Plans, while at the international level work is ongoing to improve the rights guaranteed by local legislation, with the emphasis on those markets where legislation is not especially favourable. Among our priorities in 2023 was to continue promoting and broadening measures to improve work-life balance such as flexible working hours, efficient organisation of teams, extending leave for caring for children and/or dependants and granting financial assistance to help cover the cost of childcare or other care.

① More information in section 7.1.6. Work-life balance of this Report.

7.1.2.2. Inclusion of the LGBT+ community

At Inditex we are fully committed to the highest level of diversity and inclusion, and therefore every member of our teams plays a valuable role in promoting the utmost respect for our customers and everyone in the Group. Mindful as we are that the greater the diversity in societies and in businesses, the more creative, productive and innovative they are, at Inditex we see the inclusion of the LGBT+ community as crucial to create safe spaces in which no-one feels invisible, inhibited or mistreated because of their sexual orientation or their gender identity and expression.

In 2018 we signed up to the UN Standards of Conduct for Business: Tackling Discrimination against Lesbian, Gay, Bi, Trans, & Intersex People, promoted by the UN and based on the UN Guiding Principles on Business and Human Rights, and including contributions from hundreds of companies from a range of sectors.

In 2023, to prevent all discrimination against transgender and non-binary people, we continued to strengthen our internal non-discrimination policies. On the one hand, we are adapting our systems so that our people can express their gender identity within a spectrum of options ranging from binary ('Male' and 'Female') to 'Non-Binary' and 'Other/Unspecified'. Furthermore, we have also added a field to our systems that allows people to enter their 'social name' (or the name by which a trans or non-binary person is identified and socially recognised) in order to protect members of this community from potentially vulnerable situations in their daily lives, while ensuring that their legal name can still be used when necessary. These adaptations to our

systems are compliant with current legislation and aim not only to uphold the laws in our markets but also to guarantee the safety and privacy of our LGBT+ people.

Through our corporate project 'I AM PROUD', we nurture environments where everyone is welcome and where prejudice, gender stereotypes and discrimination based on gender identity and sexual orientation are tackled. In 2023, on the occasion of International LGBT+ Pride Day, many of our subsidiaries actively participated in various celebrations, talks and 'good morning meetings' to reflect on the importance of allies in creating more inclusive work environments.

Furthermore, in the United States we held the third edition of the IN Pride program to help transgender and non-binary people access employment, focused on creating job opportunities at our stores in conjunction with two New York organisations: The Door and The Ali Forney Center. In addition, the 2022 edition of the Salta project in logistics centres in Spain incorporated the IN Pride philosophy as a first step to growing this project.

In terms of recognitions, the United States and Mexico subsidiaries were listed in the Corporate Equality Index 2023 compiled by **Human Rights Campaign Foundation**, which selects the companies with the best practices in LGBT+ inclusion. They obtained scores of 90 over 100 and 70 over 100, respectively.

7.1.2.3. Socio-ethnic inclusion

At Inditex we firmly work to provide safe spaces, free of any expression of racism or discrimination, both for our employees and customers. As a company comprising people of 174 nationalities, diversity is at our core, and that is why we place equality, respect for human rights and the fight against racism at the heart of what we do.

Our determination to promote these values is not just a simple statement. Rather, our **Diversity and Inclusion Policy** and **Global Anti-Harassment Policy**, establishes a framework of action for preventing and eliminating any conduct that constitutes any form of harassment or discrimination. In addition, our Ethics Line allows us to monitor any potential incidents of racism that may arise.

Through awareness and training plans on diversity, equality and inclusion, we offer country-specific training programmes, opening people's minds to the impact of unconscious bias and microaggressions in managing people and underscoring the need to combat all forms of discrimination and racism.

At Inditex we also know that migrants and refugees are the people most vulnerable to discrimination and racism at work. To promote the integration of these groups and reduce inequalities, we have employability programmes, most notably the Salta programme, focusing on the socio-occupational inclusion of vulnerable groups. Salta is aimed at generating employment opportunities in our stores, logistics centres and factories for persons or groups in special circumstances that make their employability more complex. In Salta we work with various NGOs that support us in the process of selection, training and follow-up of the participants. Created in France in 2008, the programme is now present in 18 markets in 2023 (France, Spain, Italy, Portugal, Poland, Brazil, the United States, the United Kingdom, Germany, Mexico, Greece, South Korea, Türkiye, Romania, India, Kazakhstan and, for the first time, Canada and Croatia). As a result of this initiative, since 2008 more than 1,800 people have joined our teams in stores, logistics platforms and factories, and more than 3,800 people have taken part in this project as trainers or tutors.

Internationally, since 2018, Inditex collaborates with the ENAR Foundation (European Network Against Racism), a European organisation based in Brussels that fights all forms of racism and discrimination. In the United States, we signed the Mitigate Racial Bias in Retail charter in 2022, calling for actions to eliminate racial bias in shopping experiences, and we once again contributed to the NAACP Legal Defense & Educational Fund, an organisation that actively fights racism, discrimination and injustice, particularly within African-American communities.

Lastly, it is worth mentioning that in most markets, and especially in Europe, the privacy and personal data protection regulations do not allow companies to compile data containing ethnic or racial criteria. However, in markets like the United States and South Africa, the legislation on equality and non-discrimination places the emphasis on knowing the individual's ethnic and racial identity so as to ensure equal opportunities and rights.

Breakdown by ethnic or racial group⁵²

United States	2023	2022
Ethnic or racial group	%	%
Hispanic or Latino	48.6%	48.2%
Black or African American	18.9%	20.8%
White	14.9%	14.1%
Asian	9.4%	8.7%
Two or More Races	4.8%	5.0%
American Indian/Alaska Native	0.2%	0.4%
Native Hawaiian/Pacific Islander	0.3%	0.1%
Not Specified	2.9%	2.7%
Total	100%	100%

South Africa	2023	2022
Ethnic or racial group	%	%
Black South Africans	89.0%	87.9%
Coloured South Africans	6.9%	7.2%
Indian/Asian South Africans	1.8%	1.7%
White South Africans	0.9%	1.1%
Foreign Nationals	1.4%	2.1%
Total	100%	100%

7.1.2.4. Inclusion of people with disabilities

It is a priority for Inditex to help people with disabilities to overcome the barriers they face, both in access to the labour market and in their daily lives. The Group's disability inclusion strategy is based on three priority areas:

/ Employability, direct recruitment and professional development.

/ Disability awareness and training for our people.

/ Accessibility and inclusive shopping experience.

Employability, direct recruitment and professional development

Our commitment to the inclusion of people with disabilities in the workplace is founded upon the basic principles of dignity and independence, availing them of the opportunities and resources to play an active and equal role in society.

At the end of 2023, in Inditex we directly employed 2,041 persons with a disability (1,698 in 2022). Moreover, since 2022 in Spain, alternative measures (collaboration with special employment centres, donations and sponsorships to conduct employment insertion activities for people with disabilities) are no longer used, culminating the process of

⁵² The official nomenclature of the recognised racial and ethnic groups in these countries has been maintained in their original language.

prioritising direct hiring as an integration measure. There are different regulatory frameworks in the various markets where we operate, so regulations are not always comparable to the ones in force in Spain, whether due to the absence of minimum recruitment quotas or out of respect for the privacy of individuals, with the right of citizens not to disclose their disability prevailing. As a result, in some cases we have no measured data available.

As part of our ambition to boost direct hiring of people with disabilities, we hired 598 people since the publication of our public commitment in January 2023, when there were 1,443 people with disabilities in our teams. This represents 41% progress against our target of doubling the number of people with disabilities in our Company. Our aim is to foster the inclusion of these professionals in our network of stores, logistics centres, warehouses and offices worldwide. This new commitment was announced by Inditex's CEO in a meeting with the Director-General of the International Labour Organization (ILO), Gilbert F. Houngbo. The announcement was made after the Company joined the ILO Global Business and Disability Network, a global network of companies and organisations that seeks to promote the workplace inclusion of people with disabilities.

The INCLUYE programme, created in 2021, drives the socio-occupational integration of people with disabilities. Since 2022, all Inditex's direct employability projects worldwide were grouped together and consolidated under the umbrella of the INCLUYE programme, which has thus broadened to ensure the sustainable and lasting inclusion of people with disabilities. Based on supported employment methodology, the programme involves local organisations that work to achieve the occupational integration of people with disabilities, and accompany them in their integration as a key factor for successful employability.

In Spain we have a partnership with Plena Inclusión, a federation of organisations working towards the inclusion of people with intellectual disabilities. Thanks to this partnership, since 2019 around 300 people have joined our Pull&Bear, Stradivarius, Zara, Oysho, Massimo Dutti and Zara Home stores. Furthermore, the programme continued at our logistics centres, also collaborating with local entities such as Fundación Prodis and the associations for people with mental disabilities of Aragón (ATADES) and Alicante (APSA). As a result, in 2023, 12 people with intellectual disabilities joined the Zara logistics platforms in Meco (Madrid) and Zaragoza and the Tempe platform in Alicante. In total, thanks to this programme and other partnerships with various entities, in 2023, 235 people with intellectual, physical or sensory disabilities have been recruited in Spain.

Moreover, one of our most important occupational integration projects is **for&from**, a network of stores from our different brands, managed by charitable entities and staffed by people with various types of disabilities, offering fashion from previous seasons at reduced prices. This initiative currently covers 16 stores in Spain, Italy and Portugal, and has created job opportunities for more than 750 people with different disabilities. All these stores' proceeds, which amount to more than 8 million euros, are reinvested in community projects run by the partner organisations. As a novelty, in 2023 Zara Home opened its first for&from store in Portugal, located in the Freeport Lisboa Fashion Outlet, and

Tempe started the refurbishment of the for&from establishment in San Sebastián de los Reyes (Madrid).

Disability awareness and training

With the aim of promoting the full inclusion of people with disabilities in our teams, in October 2023, for the fourth consecutive year, we held the Impact Week worldwide, focusing on disability inclusion. The purpose of this initiative is to raise awareness and mobilise our workforce to continue to promote accessibility projects, customer and employee experience for people with disabilities, thereby helping to break down barriers and foster equal opportunities.

In addition, several of our subsidiaries implement training plans to help them achieve their recruitment targets and improve their inclusion of people with disabilities. This is the case in Germany, where we collaborate closely with the Federal Employment Agency; France, with the Accord Handicap company agreement on disability; Italy, which has implemented the ALL IN project for the occupational integration of people with intellectual disabilities in Milan and Verona; Portugal, with its Eu Incluo project; Japan, which holds regular meetings with partner associations and staff with disabilities; or Romania, which provides internal training to its teams and recruitment with the support of different NGOs and the Department for Social Assistance.

Accessibility and inclusive shopping experience

One of our priorities is to comply with the principles of universal accessibility, especially in respect of any members of our staff and customers who may have any kind of disability. Thus, we strive to ensure that all our workplaces meet the functional and dimensional requirements that allow an independent use by people with disabilities or people with impaired mobility.

Furthermore, it is also important for Inditex to provide equal opportunities for access to our websites and apps to people with different disabilities, to offer inclusive shopping experiences. Based on the principles of dignity, accessibility and independence, both our jobs portal Inditex Careers, and our internal promotion and development tool InTalent, as well as the websites and applications of our commercial brands allow access to the whole range of content through functionalities adapted for people with various kinds of disability. Our aim in the online environment is to always provide accessible services to the broadest possible audience and to ensure that any person with any kind of disability may access our content.

7.1.3. Equal pay and remuneration policy

GRI 2-19; 2-20; 2-21; 3-3; 405-2; AF32

Inditex remunerates its team in accordance with the Group's values, guaranteeing non-discrimination for reasons of gender, age, culture, religion, race or any other circumstance. Our remuneration policy is therefore determined by the value that each person contributes from their professional experience, dedication and responsibility.

As a Group with a strong international presence, we strive to ensure that our remuneration policy is adapted to the specific circumstances of each of the 57 markets in which people from our team are located, aligning the standard remuneration with the benchmark practices in each of these markets in their local currency.

Inditex's remuneration comprises a **fixed component and a variable component.** Experience, dedication and responsibility within the Company are the factors that determine fixed remuneration. Variable remuneration depends on predefined, quantifiable and measurable indicators, linked both to Company's results and the fulfillment of the sustainability targets of office staff, thus reinforcing the commitment of our people in this area.

Based on this criterion, variable remuneration depends solely on objective parameters, and not on a discretionary assessment of the person's individual performance. Our purpose: to eliminate any room for discrimination. In this regard, variable remuneration is one of the key components of Inditex's remuneration policy and applies to employees in all areas of the Company's activity.

In our stores, the most widely used variable remuneration system is that of the monthly sales commission scheme. This is a way to reward the engagement of store employees in key issues as sales results, feedback on products and store coordination and organisation. In addition, in the last few years, we have been implementing a transparent and simple system of variable remuneration that guides our people towards sales and guarantees pay equity, taking into account the changing environment.

Gender pay gap

Inditex is committed to equal pay. For quantification purposes, the gender pay gap is the indicator that most reliably represents the real difference in pay between women and men.

The gender pay gap is calculated based upon the median salary in each market (considering total salary: fixed plus variable, consisting of commission and bonus), weighted according to each area of activity of the Group (store, central services, logistics and factories). This median is in turn weighted according to each market's weighting over the aggregate number of Inditex employees. As a result, a global reliable indicator of pay gap between male and female workers in the Group is obtained.

The outcome of the analysis carried out in 2023⁵³ shows wage parity between men and women in Inditex. In total salary, women have been paid 0.5% more than men. If we break down the gap by professional classification, in 2023 it was 1% in the category of specialists (1% in 2022), -4% among supervisors (-3% in 2022) and -5% among management (-8% in 2022), representing 85%, 9% y 6% of our people in 2023. The global gender pay gap has varied slightly with respect to previous years (in 2022, women were paid 0.4% more than men), which is explained by staff turnover in the period.

The pay gap by geographic area is detailed below⁵⁴:

Gender pay gap	2023	2022
Spain	0.3%	-1.1%
Europe excluding Spain	0.5%	1.1%
Americas	0.7%	0.5%
Asia and rest of the world	0.8%	1.6%
Total	0.5%	0.4%

Global average remuneration

Average remuneration is defined as the average wages in the Group (considering the total salary: fixed plus variable, consisting of commission and bonus), translated into euros, using the average exchange rate in 2023. Based on this calculation, global average remuneration in this period at Inditex amounted to 28,726 euros gross annually (26,294 euros in 2022).

With regard to this figure, it should be highlighted that the number of employees in Spain, our home market, only represents 30% of the headcount, as a significant part of the remaining 70% staff are based in markets where wages translated into euros give rise to lower average remuneration (28% and 72% of workforce in 2022).

By gender, the average remuneration of women in 2023 amounted to an annual gross figure of 27,831 euros, and that of men came to 31,196 euros (women: 25,387 euros in 2022; men: 28,827 euros in 2022). These two figures are not representative in terms of equal pay: the pay gap between men and women is due to a higher presence of women in a significant number of markets where average remuneration is lower on account of the exchange rate effect. As explained above, the indicator that provides the most transparency in terms of equal pay for men and women is the pay gap, which in 2023 was 0.5% in favour of women.

The geographic areas included in the breakdown correspond to the areas where Inditex has significant operations.

 $^{^{53}}$ The gender pay gap analysis and average remuneration does not include the Russian and Ukrainian markets (in 2023 they represent 0.5% of the workforce).

Based on these premises, the average remuneration by age and by job classification is provided below:

Aggregate remuneration in €	2023	2022
Job classification		
Management	70,567	66,446
Supervisor	43,336	39,470
Specialist	25,132	22,964
Age		
Under 30 years old	21,631	19,597
30 to 40 years old	33,459	30,541
Over 40 years old	46,668	44,044

7.1.4. Labour Relations

GRI 2-30; 3-3; AF5; AF24; AF26; AF29

At Inditex, we are strongly committed to respecting our employees' labour rights worldwide and, in particular, their right to participation, as a key element for the sustainable development of the business model.

This commitment is enshrined in the Group's Code of Conduct, approved in 2012 and amended in 2024, and which is applied globally to all the persons in the Group. In its section on Adequate Working Conditions, Inditex guarantees the right of all workers to join, associate with and/or create the trade union of their choice, as well as the right to collective bargaining to determine their labour conditions. The Group reinforces its message by including in the Code its commitment to respecting employees' right to have trade unions and workers' representatives represent them and negotiate their working conditions collectively.

Not only that, but Inditex also plays an active part in the social dialogue through its relationship with UNI Global Union (UNI). UNI is a network of trade unions in the trade and retail sector which represents more than 20 million workers across 150 countries. In 2009, Inditex and UNI signed a Global Agreement for implementation of fundamental labour rights and decent work, which covers 100% of the Group's workforce and remains in force.

This Agreement between UNI and Inditex includes specific provisions regarding a number of issues governed pursuant to the principles established by the International Labour Organization (ILO):

/ Among other rights, special mention is made therein to the enforcement of ILO Conventions 87 and 98 about freedom of association and the right to collective bargaining. In this regard, the Agreement states that 'Inditex recognises the right of trade unions to represent the workers and to regulate through collective bargaining the terms and conditions of their employment'. / The freedom to join any trade unions and non-discrimination on account of membership to a trade union as part of labour relations is also ensured. Additionally, pursuant to ILO Conventions 100 and 111, and based upon non-discrimination on employment, equal opportunities and equal treatment for all people and non-discrimination in terms of remuneration for equal jobs are upheld. Inditex is committed to complying with applicable national laws and/or conventions, in furtherance of ILO Conventions 1 and 47 and of ILO Recommendation 116 concerning the working week and hours of work.

As for the objective scope of application of the Agreement with UNI, in addition to the reference to the protection and promotion of fundamental rights, the Group is committed to meeting the requirements laid down in national laws and in national collective bargaining agreements regarding working hours, protection of a safe, healthy and sustainable working environment, and promotion of best practices for occupational health and safety with the appropriate equipment and training. The Agreement between Inditex and UNI covers minimum rights for the staff of the various companies within the Group, given that in any event, such provisions, whether statutory, contractual or included in a collective bargaining agreement which confers higher rights, will always be respected.

Further to the above referred Agreement between Inditex and UNI, United Food and Commercial Workers International Union ("UFCW"), a US trade union and member of UNI, was interested in reaching a specific agreement with the Company for the stores in the USA covering the terms of the above referred 2009 Agreement. In response to this demand, an agreement was signed in 2015 with UNI, UFCW, Inditex and Zara USA, which led to the approval of a collective agreement that currently extends to 29 stores in the states of New York, New Jersey, Connecticut and Massachusetts (25 stores in 2022).

Likewise, in 2019, the Inditex Group formally established the Company's European Works Council (EWC), devised as a body for assurance and effectiveness of information and consultation of employees on transnational issues. Since its creation, the EWC has played a crucial role on several occasions, whether as a natural liaison for the Company during the global health emergency, or in its role as guarantor of the Group's digital transformation process which, in the case of Spain, was enshrined in the Digital Transformation Plan Agreement, which expired on 31 January 2023.

During 2023, the EWC met twice. In April, the five-member Select Committee met in Lisbon with UNI Global Union to prepare the renewal process of the EWC representatives whose mandate expired in June, after a four-year term. Once the local process of selection or ratification of members had been completed, the constituent plenary meeting was held in September with the participation of the eight member countries that already served on the representative body: Spain, France, Italy, Portugal, Germany, Belgium, Luxembourg and Austria. Once again, the Group's Arteixo headquarters hosted the members and alternates for a three-day meeting in which they received updated training on the EWC's competencies, were informed by the Company of its financial results and discussed other matters on the agenda, such as the global footprint in water consumption or diversity and inclusion in the image campaigns. In addition, a new working group was set up to analyse the situation of older people in the Company and a statement on gender violence and workplace harassment, drafted by the equality working group, was issued.

In order to preserve the health of social dialogue at the local level at Inditex subsidiaries, training is provided to human resources teams and store managers concerning trade union rights and cooperation with our workforce's legal representatives. The works councils and management of our subsidiaries meet periodically to inform, consult and listen to the union representatives and reach agreements to improve people's working conditions and quality of life. In this regard, agreements of various kinds were reached in 2023, such as the subsidiary in Italy, which signed a company agreement for store staff on 8 March 2023; Portugal, which agreed to a wage increase for all its store workers; Belgium, which updated its employee regulations in August 2023 with some improvements in social benefits, or Chile, which signed a new company agreement in August. Other markets implement alternative formulas for people to engage in their work environment. In South Korea, for example, there is a collegiate body of three members who represent the rest of the employees in regular monitoring meetings and in the agreements reached with the Company regarding working conditions. Well-being Committees were also established in Brazil during the year.

More information on the well-being committees in section 7.1.7. Health and safety of this Report.

Overall, the measures implemented this year in terms of social relations mean that, globally, the percentage of employees covered by local collective bargaining agreements is 59% (61% in 2022) while, in Europe, the percentage is 71% (70% in 2022). In Spain, 100% of the workforce is covered by collective bargaining agreements.

In Spain, a significant agreement on working conditions for store staff was also reached. In February, the leading national trade unions in Spain and the commercial brands of the Inditex Group signed the State Collective Agreement for the Improvement and Standardisation of the Remuneration and Social Conditions of the Group's Employees. Moreover, in April 2023, the Group signed its first Equality Plan in Spain. The key aspect of this new Plan is that it encompasses all store

concepts and central services, thus unifying the measures in place under previous plans.

The plan comprises more than a hundred measures aimed at promoting workforce training and professional development, nurturing work-life balance, reducing bias, and protecting victims of gender violence.

- / With regard to professional development, training will always take place during working hours and a system for detecting the workforce's training needs will be rolled out, as will a system whereby human resources can guide staff wishing to obtain promotion within the Company.
- / As for working conditions, the plan provides improvements in schedules, rest periods and a commitment to set up working groups to reduce the part-time ratio.
- ① More information on the measures established in the area of work-life balance following the signing of the Group's Equality Plan in section <u>7.1.6.</u> <u>Work-life balance</u> of this Report.

Work organisation

The Inditex Group Code of Conduct assumes as part of its internal regulation the content of applicable legislation and agreements and conventions, both national and international, of which the Company is a party, and commits itself to comply with them.

Regarding work organisation, the Code specifically regulates respect for the time limits set by the applicable laws in each country in terms of weekly working hours and overtime.

This commitment to compliance with working hours is addressed in the Global Agreement with UNI, which includes a section on the guidelines provided in ILO Conventions 1 and 47 regarding eight-hour days and 40-hour weeks, respectively, and in Recommendation 116 regarding reduction of normal working hours established as a minimum standard for each country.

In practice, laws and collective bargaining agreements applicable to Inditex establish maximum annual working hours for employees, based upon which work schedules are agreed. Inditex has in place a working time control system, in accordance with the applicable legislation in each market.

7.1.5. Developing talent and training

GRI 2-4; 3-3; 404-1; 404-2; AF5

At Inditex, one of our priorities is to place **the best talent at the service of our customers.** To achieve this, from the talent management standpoint we focus on:

- / Attracting the best talent to work with us.
- Providing our people with opportunities for professional development and growth primarily through internal promotion and mobility.
- / Providing our workforce with opportunities for continuous learning.
- / Creating a safe and motivating working environment that enable us to retain talented professionals and strengthen their commitment.

7.1.5.1. Talent attraction

We want working at Inditex to be more than just a job for our teams, and we make it easier for them not only to secure professional goals and opportunities, but also to find inspiration, innovation and creativity. Our value proposition as an employer is what sparks our candidates' interest in joining our teams at the Group's various brands and work areas in all the markets where we are present. The Company's jobs portal, **Inditex Careers**, is our main source of selection, receiving more than 6.2 visits from more than 200 markets in 2023.

A **candidate's experience** continued to be the priority in our selection processes in 2023. We create interesting, flexible and sustainable experiences, in which our potential employees can get to know Inditex, our purpose, values and opportunities, and we can find the perfect match between each candidate and each vacancy.

Along these lines, to attract **talent for our stores** this year we opted to connect with candidates through differentiating actions. One such example is the training and internship programme that Zara has developed in collaboration with the London-based Fashion Retail Academy, and the Zara Talent Fashion Day, an exclusive recruitment event for the opening of Zara in Duque (Seville).

Our relationships with the top universities and schools remain key to attract talent in all creative, management and technological areas.

In our programme targeting **creative talent** we seek people for our product teams, with expertise in design, trends, graphic design, styling, art direction, photography and editing. In 2023 we reached out to more than 30 international fashion schools, complementing the selection process with talks and workshops involving our sustainability teams to share our approach to this strategic aspect in the creation of our products.

Zara Business Graduates is our **junior talent** programme aimed at final year university students, through which we seek management profiles

to join our teams in positions, such as buyers, product managers, controllers, logistics and finance.

Within the sphere of **technological talent**, we highlight the following actions:

- / University Colab allows students to complete their end-of-degree theses with Inditex, taking part in real projects under the mentorship of our teams. Through Zara Boost we reached students whom, having completed their degree, wish to commence their professional career in the development of software, data and cybersecurity. For this purpose, we use in-person events and online challenges to detect talent, among which this year we highlight the collaboration with Google Cloud at a digital workshop in Madrid. We also continued to conduct Tech Talks at universities, led by our technology team, in which we discuss our technical challenges and how we integrate technology into our business.
- / Likewise, through the **Tech Summer Camp** we identify and develop talent in STEM programmes (Science, Technology, Engineering and Mathematics) from the second year of studies onwards through a programme of summer scholarships, in which students from all over the world come to Inditex and fully enter the world of technology. Our collaboration with Stanford University's ICME (Institute for Computational & Mathematical Engineering) enables us to be in contact with one of the world's foremost spaces for technological talent

With regard to our efforts as an **employer brand**, Inditex has topped the last 12 editions of the Merco Talento ranking, which analyses the best companies to work for. Also in Spain, in Universum's annual study, university students chose Inditex as one of the best companies in which to develop professionally. Globally, Zara has been included for the third time in Universum World's Most Attractive Employers ranking, which studies 10 significant international markets in terms of talent attraction to identify the most attractive companies for students.

7.1.5.2. Developing talent

Offering growth opportunities to our people has been at our core from the outset. Accordingly, we cultivate **internal promotion** and **mobility** so that our teams can grow and at the same time help us to continue evolving as a company.

In 2023, **72% of the Group's vacancies were filled internally** (68% in 2022), with the result that **more than 12,760 people were promoted** over the course of the year (more than 10,500 in 2022)⁵⁵. By gender, 74% of the promotions were for women, 26% for men and 0.01% for non-binary people, figures in line with the gender distribution of our workforce. This commitment to generating opportunities for internal development results, in our office teams, in more than 900 promotions and more than 1,600 changes of functions, department, retail format or market.

InTalent, our marketplace for in-house opportunities, is essential to structure the path of internal promotion for our staff. In 2023 we expanded this platform to include central offices so as not only to facilitate internal growth but also to allow the movement of talent between different areas, brands and markets. InTalent gives all Inditex's teams the chance to find opportunities for professional development, while allowing our talent teams to identify people interested in growing at the Company. Our teams can also leave a recommendation for their colleagues on their InTalent profile. In 2023 more than 6,200 career growth opportunities were posted (more than 6,000 opportunities in 2022) and more than 1,200 people applied.

Another fundamental tool for identifying and developing talent in our store teams is **LEAP&Co**. This year we have improved the functionalities of this programme, thoroughly reviewing the content across all areas (product, processes, people, customer experience and diversity and inclusion) to adapt it to the new ways of information consumption and to improve the pedagogy. This platform operates at Zara stores in more than 53 markets across Europe, America and Asia, and at Zara Home in 33 markets. It has 51,000 active employees and has recorded more than 572,000 training hours this year.

Every year we look for new initiatives that enrich our people's experience. In 2023, we focused on a key group for our business: those responsible for the visual presentation of our products in Zara stores. Under the name of **Visual Commercial to the Spotlight,** we gave a voice to more than 2,000 people and worked on various initiatives. These included the Capsule Design Collection, an international competition in which more than 120 Visual Commercials from our Zara stores in Europe became designers and made their own collections. The three finalist teams, from Austria, the Netherlands and Germany, worked with our design and pattern teams in A Coruña to bring their designs to life in a capsule collection, on sale in our stores in the autumn/winter season.

Furthermore, with **Opening Support,** more than 300 store image specialists applied for a selection process to collaborate in a store opening or refurbishment in another country. Working abroad for a few weeks, learning the highest standards of product display to surprise our customers, collaborating with colleagues from a range of backgrounds and sharing best practices were highly valued experiences, presenting an opportunity not only for development, but to identify in-house talent, which typically results in a high percentage of internal promotions.

Lastly, the cornerstone for fostering a climate of continuous growth is to be aware of our people's development concerns and to exchange feedback on a daily basis. This is the purpose of **Talks** (as they are known at most of our brands), regular and individual conversations regarding development between our store managers and every member of their team. In 2023, around 39,000 assessments were conducted of more than 32,000 people.

7.1.5.3. Training

We believe in our teams' development and we strive unceasingly to foster environments that encourage continuous learning. Our aim is to provide training experiences that help our people to respond optimally to the challenges they face daily. We are convinced that not only do these experiences build the wealth of skills of our teams, but they are also a key pillar for the Company's sustainable success.

Accordingly, we provide learning experiences that address two needs: on the one hand, the business, offering initiatives to improve performance (individual or collective) and help our teams to do their work better. On the other hand, we create opportunities for our people to learn beyond their current role, to be inspired and encouraged to explore new horizons.

Our model is based on in-house training and is eminently practical. Training is mostly delivered by in-house trainers or developed in collaboration with top external entities when the required knowledge or expertise is not available in-house.

Our Tra!n learning platform offers a wide range of digital content tailored to each individual, and enables their in-person training to be recorded too. Fashion and product, Sustainability, Customer Experience, Operations, Skills or Digital are some of the subjects most demanded by our people when it comes to training in the platform. Tra!n is available in all markets where we operate except for Mainland China, where our employees have access to Grow, a local platform on which we offer content aligned with that of Tra!n.

From 1 February 2023 to 31 January 2024, around 2.8 million training hours were imparted to almost 2.3 million participants ⁵⁶ (more than 2.6 million hours and more than 1.3 million participants in 2022).

⁵⁵ Figures for the number of promotions and the percentage of internal vacancies coverage reported in 2022 have been restated.

⁵⁶ The increase in participants is explained by the launch in 2023 of a mandatory training plan involving all group employees in diversity and inclusion, compliance, store operations and information security, among other subjects.

Details of the training indicators are as follows:

Distribution by job classification:

2023			
	Training Hours	Participants	Hours per person
Management	270,884	208,045	27.6
Supervisor	291,368	222,865	19.4
Specialist	2,220,578	1,834,077	16.2
Total	2,782,830	2,264,987	17.2
2022			
	Training Hours	Participants	Hours per person
	0.47.440		00.4

	Training Hours	Participants	Hours per person
Management	247,412	148,520	23.1
Supervisor	201,995	132,837	13.7
Specialist	2,200,172	1,054,414	15.8
Total	2,649,580	1,335,771	16.1

Distribution by gender⁽¹⁾:

2023				
	Unique people trained	Training Hours	Participants	Hours per person
Men	55,183	735,802	566,206	17.4
Women	158,324	2,045,403	1,696,018	17.1
Non-binary	46	776	637	30.9
Other/Unspecified	634	849	2,126	38.3
Total	214,187	2,782,830	2,264,987	17.2

2022				
	Unique people trained	Training Hours	Participants	Hours per person
Men	47,459	690,124	326,690	16.5
Women	139,858	1,959,456	1,009,081	15.9
Total	187,317	2,649,580	1,335,771	16.1

⁽¹⁾ One person can attend more than one training course. In the indicator unique people trained, those people who have attended more than one course are counted only once. With regard to this indicator, the only available breakdown is by gender.

Distribution by geographic area:

		2023			2023 2022		2022	
	Training hours	Participants	Hours per person	Training hours	Participants	Hours per person		
Spain	456,833	488,312	9.6	491,421	326,414	10.6		
Europe (ex-Spain)	1,419,197	1,143,593	18.2	1,444,644	655,476	17.3		
Americas	507,350	380,695	24.8	329,191	213,470	15.7		
Asia & Rest of the world	399,450	252,387	25.7	384,323	140,411	26.6		
Total	2,782,830	2,264,987	17.2	2,649,580	1,335,771	16.1		

Distribution by content:

	2	2023		022
	Training Hours	Participants	Training Hours	Participants
Corporate (About us)	1,360,243	1,009,867	1,208,769	682,883
Customers	87,305	123,719	64,871	110,008
Fashion and Product	153,927	428,895	119,360	203,527
Languages	26,487	23,640	43,266	24,161
Processes, Techniques and Tools	920,811	550,640	962,047	223,823
Skills	234,057	128,226	251,267	91,369
Total	2,782,830	2,264,987	2,649,580	1,335,771

also launched the pilot edition of the 'Disability Inclusion' course, raising our teams' awareness of the importance of fully integrating people with disabilities, which will be implemented in all our markets by 2024. In 2023, for the purpose of learning how to communicate in our daily lives in a way that does not discriminate against a particular sex, social gender or gender identity, and does not perpetuate gender stereotypes, training has been conducted in Spain to promote the use of inclusive language among our teams. This training aims to raise awareness and provide tools to transform our communication and make sure it is inclusive and not sexist. In 2023, our training included various in-person courses, notably 'The Right Leader @ Inditex is Inclusive', 'Unconscious Bias' and 'Mitigating Racial Bias in the Retail Environment', among others.

① More information in section 7.1.2. Our approach to diversity of this Report.

Main training initiatives in 2023

Corporate training on our culture and values

/ Compliance: at Inditex we share a solid commitment to a corporate ethical and compliance culture, grounded on principles of integrity, honesty, transparency and responsibility. Compliance encompasses strict adherence to the external and internal applicable regulations, and how each person applies them to their daily activities. Implementation of the Compliance Training Framework Plan, which began in 2022 and is coordinated and managed by the Compliance function, continued over the course of 2023. The corporate areas adhered to the Plan have published their mandatory training courses in a dedicated area of Tra!n, our learning platform. The courses were specifically tailored to the profile of the various groups at Inditex so as to obtain customised training based in keeping with the risks to which each person is exposed daily.

More information in section 8.1.2. Global Compliance Model and Criminal Risk Prevention Model of this Report.

/ Diversity and inclusion: training our teams in diversity and inclusion is essential to create an inclusive culture and make spaces free of any kind of discrimination. In 2023, more than 156,000 people from all over the world accessed training in this connection, accounting for around 73,000 training hours. During this past year, we developed a long-term, global training plan with the aim of raising awareness among our entire workforce. This training is conducted through the D&I Channel within Traln, and it is structured in various levels: from basic level for all our people, available for the vast majority of markets this year, to more advanced levels focused on raising awareness among different positions and functions within the Company. Our 'We design opportunities for all' course is mandatory and establishes the Company's framework and commitment to diversity and inclusion. We



#BoostYourPower

At Inditex we are convinced that fostering a culture of sustainability in all areas of our Company is key to making constant progress and, ultimately, to achieving results on this front. For us, sustainability is a way of working, a way of thinking, an approach to everything we do: it is an attitude that is at the very heart of our culture. Thus, a few years ago we launched **#BoostYourPower**. Since 2021 we have focused on two key areas due to their impact: buying teams, with their purchasing offices, due to their involvement in the creation of our products; and our store staff, as our direct contact with customers. Two initiatives emerged from this vision: **The Sustainable Fashion School and Changemakers**.

In 2023, as part of our space dedicated to sustainability training and innovation, **The Sustainable Fashion School** (SFS), we completed the first and second editions of the Foundations of Textile Manufacturing Master's programme, devised in collaboration with the University of Leeds. More than 1,200 people from all the concepts have completed the course and taken part in the graduation ceremonies held at various headquarters.

To supplement this theoretical training and as part of The Sustainable Fashion School, SFS Bootcamps were launched. These are immersions in textile factories giving participants hands-on experience of the main processes that our products go through (spinning, weaving, dyeing, printing, sewing, etc.) and enabling them to share technical and sustainability concerns with professionals from the sector. Anyone completing the training programme can sign up for these Bootcamps, an initiative that will remain open throughout 2024.

Furthermore, **Changemakers** is the community leading this cultural transformation from the heart of our business, our stores. Changemakers are people with a curious nature and a genuine interest in sustainability, diversity and inclusion, who dedicate part of their working day to staying abreast of developments, training store teams and devising and implementing proposals that make sustainability tangible. The Changemakers network interacts with the teams from central offices to carry out their proposals, working together to achieve the Company's sustainability goals.

At the end of 2023, this project has been implemented at all the stores in all markets in which Zara is present. We have also rolled it out in Zara Home, Massimo Dutti, Bershka, Stradivarius, Oysho and Pull&Bear, and adapted the model for our office teams in Tempe. As a result, Inditex now has more than 2,200 Changemakers. In 2024 we will establish the Changemaker community in all stores in all the Group's markets.



Language training

/ Busuu is an app for mobile devices that offers employees the opportunity to learn up to 14 languages. We offer everyone access to its premium version which includes the option to obtain official certificates (more than 1,100 this year), with English and Spanish the most widely studied languages. Overall, in 2023 our staff devoted more than 13,900 hours to improving their language skills using Busuu.

In-store training

- / Zara Campus is a project designed to respond to the need for training and development among new promotions and people in management positions in stores. This training is conducted in our Campus stores, which are Zara stores used as a practical scenario for training our managers in three areas (management, sales and operations). We also provide training aimed at the development of certain groups, such as the Zara Masters (tutors for the on-boarding training of our new recruits) and leadership training for managers.
- / Customer experience: to share Zara's customer-centric commercial approach, we continue to work with the stores in accordance with their various needs. Store managers lead the change, analyse the feedback they receive from their customers (over 250,000 reviews so far) and develop their teams to help deliver the desired experience. Customer Experience (CX) is implemented at 800 Zara stores in 50 markets, and more than 35,000 of our people have a CX profile and are working to improve their customer service skills.
- / Zara Camp and Inditex Camp: Zara Camp was launched in 2022 as a digital training space within Traln, accessible to all Zara teams worldwide, in which our own people outline the Zara business model and show the various areas and departments where they work. New content was added in 2023, bringing the total number of modules to 34, and the initiative has been expanded to include Inditex's corporate services. Inditex Camp introduces our office teams to the way corporate services areas such as Finance, Communication, the General Counsel's Office, Audit and Sustainability, among others work, giving them an insight into the day-to-day routine of the teams that support them.

7.1.5.4. Connection and engagement with our people

The fourth objective of our talent management strategy is to provide safe and motivating work environments that help us retain talent, connect with our people and boost their commitment to the Group. To achieve this, **INET**, our tool and main internal communication channel, plays a key role in keeping everyone in the Group connected.

Available in online and app format in all the markets where we have employees, INET allows us not only to communicate and announce the latest news within the Group in real time, but also to simplify and digitalise many of the daily tasks that our people need to carry out wherever they are. Consulting pay checks, seeing which benefits the company offers, requesting leave or even taking part in a charity initiative with a single click are examples of the possibilities it offers us.

In addition, having our own digital environment strengthens the connection between everyone at the Group, fostering a greater sense of community and belonging, and thus establishing a direct, two-way connection that is key to developing our talent strategy. INET received more than 34 million visits in 2023 (more than 25 million in 2022).

Furthermore, to provide daily commercial and customer information to our store teams, and to establish a direct connection between them and our design teams, we have continued to develop **brand-specific spaces for internal communication**. In addition to those previously launched (Zara has Dear Team; Zara Home, #tengoalgoquecontarte; Massimo Dutti, MD Journal and Stradivarius, StradiPeople), in 2023 the Oysho News space was launched for Oysho. As well as allowing the same message to be shared and highlighted daily in all our stores worldwide, these channels help store managers to enliven the team meetings that take place before opening.

In 2023 we also continued to roll out **InStories**, our internal social network, which we implemented in several new markets: Hungary, the Adriatic countries, Kazakhstan, the Czech Republic, Slovakia, South Africa and Austria. This brings to 34 the number of markets in which InStories is now available. In this space, which works much like social media, we can connect with profiles of people in the Group from anywhere in the world, follow our favourite hashtags and participate in the challenges and campaigns that are trending at any given time, thus enhancing the interaction with our teams, who themselves become content creators. As of the end of 2023, the InStories community has shared more than 550,000 posts.

Finally, in order to keep tabs on our stores and ascertain our people's perception of what it is like to work with us, we developed 'Your opinion matters to us', a completely anonymous survey that we send to store employees when they leave Inditex. Launched in 2016 and available in all our markets with own stores, it allows us to obtain their feedback on various aspects of their day-to-day life, such as the relationship with their colleagues or managers, the training they receive, their salary or how well their working hours suits their availability. Over the course of 2023, we received more than 30,000 responses, which implies 31% of participation. In addition, the question 'Would you recommend Inditex as a place to work?' is used to measure our people engagement. In 2023, this question obtained an average of 71% positive responses (70% in 2022), obtaining 93% positive responses in Spain (91% in 2022).

7.1.6. Work-life balance

GRI 2-4; 2-23; 2-24; 3-3; 401-3; AF5; AF23; AF27

7.1.6.1. Work-life balance

Promoting our employees' well-being is paramount for the Inditex Group. Consequently, we promote measures that seek to facilitate work-life balance, advocating especially for **co-responsibility**. We consider the latter to be both a right and a duty, as we aim to reflect in our equality plans. Furthermore, our equality plans contain other balance measures such as the possibility of splitting up leave periods for hospital stays or care of relatives up to second degree of kinship, flexible working hours for adaptation periods at nursery or infant schools, or the extension of leave with job guarantee for personal matters, studies, international adoption or care of dependent family members.

Likewise, when it signed the Equality Plan in the first half of 2023, the Group introduced balancing measures for reasons of study, medical needs or care of children and/or family members.

With regard to childcare, a number of improvements were introduced over and above the ordinary legal requirements. With regard to the period for breastfeeding, it has been extended to 12 months, up to 45 calendar days if working hours total less than 30 and 32 calendar days if working hours exceed 30. Paid leave is established for school adaptation periods and the reduction of working hours may apply for employees with children beyond the age of 12 whose birthday falls in the first half of the year.

Internationally, at Inditex Group we strive to improve the rights guaranteed by the local legislation of each country through work-life balance policies, prioritising those markets in which the legislation is not especially protective.

/ In the United States, the paid parental leave policy has been applied since 2019 to all of our people who meet minimum requirements, regardless of their gender. In 2023, this leave has been increased to 16 weeks, covering time spent caring for newborns and adopted or foster children alike. The subsidiary also provides care services for children and adults with special needs, both in care centres and at home, through an external company whose services are available to the entire workforce. It also covers assistance programmes for our people in areas such as emotional support and well-being, financial and health advice, transport subsidies, and tuition fee subsidies or reimbursement.

/ We promote measures to broaden the rights enshrined in local legislation or that help improve work-life balance by means of flexible working hours, efficient organisation of teams, extending leave for caring for children and/or dependants and even financial assistance to help cover the cost of childcare or other care. Markets where such measures are applied include Greece, the United States, the United Kingdom, Italy, Germany or France, among others. In addition, office staff in many of our subsidiaries have flexible entry and exit times.

/ An increasing number of markets are opting to improve conditions for their staff by extending health coverage, either as a social benefit paid for by the subsidiary itself or by negotiating more favourable health insurance conditions. In addition to Spain, through its flexible remuneration plan, markets such as Brazil (with its Baby on Board Programme), Canada, Mexico, Greece, Romania and Mainland China already offer this type of benefit.

As in previous years, in 2023 100% of our employees in Spain (47,761 people: 34,607 women and 13,154 men) were entitled to parental leave in connection with birth or placement for adoption or foster care. A total of 2,005 people took leave for birth, adoption or foster care placement (1,437 women and 568 men), almost all of whom returned to work: 1,986 people (1,424 women and 562 men). In addition, 13% of the employees in Spain work part-time for childcare reasons.

Below is a breakdown of maternity and paternity leave in Spain and the rest of the world:

Parental leave - Spain	2023	2022
Total figures for parental leave	2,005	2,107
Women	1,437	1,527
Men	568	580
People that returned to work after parental leave ended	1,986	2,072
Women	1,424	1,505
Men	562	567
Return-to-work rate	99%	98%
Women	99%	99%
Men	99%	98%
People who continued working at the Group 12 months after returning from leave	1,990	1,963
Women	1,448	1,451
Men	542	512
Retention rate	94%	91%
Women	95%	88%
Men	93%	98%

Parental leave - World (ex-Spain)	2023	2022
Total figures for parental leave	7,576	8,039
Women	7,133	7,623
Men	443	416
Return to work rate	95%	92%
Women	95%	92%
Men	99%	98%
People who continued working at the Group 12 months after returning from leave ⁽¹⁾	5,763	_
Women	5,450	_
Men	313	_
Retention rate	72%	_
Women	71%	_
Men	75%	_

⁽¹⁾ Indicator first reported in 2023; historical data for previous years is not available

7.1.6.2. Work disconnection policies

The Inditex Group is also committed to promoting an internal policy that guarantees the **right to digital disconnection in the workplace**, pursuant to Spain's Data Protection Act (Organic Law 3/2018, of 5 December, on the Protection of Personal Data and Guarantee of Digital Rights). Thus, staff are encouraged to adopt habits such as resting between working days and during holidays, and promoting direct interaction with their colleagues.

Notwithstanding the commitment acquired at the corporate level, negotiations with workers' representatives have also resulted in other measures on this front, which are included both in the latest equality plans of logistics companies and in the new Group Equality Plan, applicable in Spain.

Internationally, France has included the right to disconnect as a measure to improve work-life balance in the company agreement on quality of life at work. In other markets where there is no legislation in force requiring digital disconnection from the workplace, the Group's brands have implemented an initiative aimed at ensuring that employees do not receive communications from the Company during their days off and at eliminating instant messaging applications as a work tool.

In general, both the IT systems and human resources teams at our subsidiaries are working to promote and implement healthy work habits, regardless of whether there is legislation in place, either through information, training and awareness, or by adopting specific measures applied to our corporate systems, such as e-mail.

7.1.7. Health and safety

GRI 2-4; 3-3; 403-1; 403-10; 403-2; 403-3; 403-4; 403-5; 403-6; 403-7; 403-8: 403-9: 413-1: AF5: AF31

In 2023, at the Inditex Group we continue to advance in our firm commitment to the health, safety and well-being of our people, whom we see as fundamental pillars. We endeavour to lead through the application of international standards that ensure health and safety, guaranteeing compliance with the most stringent standards. Training and information for our staff are priorities in our unyielding quest for opportunities for continuous improvement.

The **Occupational Health and Safety Policy**, updated and ratified by the Board of Directors in December 2022, reflects our firm commitment to occupational safety, health and well-being, which we see as paramount for all our activities.

We endeavour to implement proactive measures to identify and mitigate potential risks, as well as to nurture a culture of safety, health and well-being that fosters individual and collective responsibility

We set targets for continuous improvement, and we are constantly on the lookout for opportunities to improve our health and safety practices, which are established and assessed annually as part of the ISO 45001:2018 management system. By means of feedback from our employees, periodic risk assessments and analysis of incidents, we undertake to identify areas for improvement and to implement corrective measures in a timely and effective manner. ISO 45001:2018 management system targets for health and safety compliance in the markets are as follows:

- / Obtaining 85% of positive outcomes from monitoring safety conditions at work centres.
- / Reducing incidents by 10% year-on-year.
- / Obtaining 75% rate of participation by workers in activities to promote health.
- / Increasing by 10% the training time for addressing emergencies and providing first aid.

We ensure that all employees receive the necessary training and skills to carry out their work in a safe and healthy way. This includes induction programmes for new employees, specific training for handling machinery and equipment, and periodic refresher sessions on safety and emergency procedures.

We acknowledge the importance of people's comprehensive wellbeing, and accordingly we undertake to promote a healthy lifestyle through health and well-being programmes that include physical exercise, nutrition education and psychological support activities.

We foster the active engagement of employees in the identification and solution of problems linked to occupational health and safety. We value their ideas and suggestions, and we nurture an inclusive working environment in which everyone feels listened to and respected.

A fundamental aspect in the quality of implementation of a management system is the availability of mechanisms for employee engagement, communication and consultation. In Spain, this can be exercised through the specific area of APPInet for health and safety information.

At the distribution centres employees have the opportunity to take part through various communication mechanisms in prevention and other continuous improvement programmes for the safety of individuals, such as the Meco Logistics Platform's *Ideas Azules*: this is a physical suggestion box in which people can leave all kinds of messages on health and safety, incidents, complaints and areas for improvement. Another example is Massimo Dutti Logística, which has the *Ideas* Platform Ideas project for submitting proposals for improvement in various spheres: sustainability, operations, health and safety. This is done through the INET-Requests- Platform Ideas, and if the proposal is implemented the person suggesting it is rewarded with a day's paid leave.

We undertake to comply with all rules and regulations in connection with occupational health and safety established by the competent authorities in each of the markets where the Group is present.

We strictly monitor legal requirements and make every effort to exceed them, establishing even higher standards of safety and well-being for our employees.

7.1.7.1. Health and safety protection

In connection with health and safety protection, since 2014 we have been implementing the **ISO 45001:2018 management system**, which is internationally recognised for its ability to control risks and improve occupational health and safety performance.

This year our Hungarian trade and design activity has been certified to this standard, which is considered to be the highest health and safety standard, which joins the 26 markets where it was already implemented. Furthermore, we have maintained and audited under ISO 45001 standards the manufacturing and logistics companies in Spain and Mexico. In the last year we have audited the Management System in a total of 242 workplaces.

A total of 74% of the company's own employees who work in Inditex Group's activities, companies and markets, do so in areas where the highest standard in the occupational health, safety and well-being management system is implemented, in keeping with the maximum requirements of the ISO 45001 standard and in a process of continuous improvement. In 2024, we plan to obtain this certification in Kazakhstan, Australia, France and Brazil.

As for the execution of refurbishment and construction works in Europe, carried out by GOA INVEST, S.A., we maintain the ISO 45001 certification.

Worker health and safety training

Continuous health and safety training remains vital both for reducing accidents and empowering our workers.

We provide training programmes tailored to a variety of tasks and positions, with objectives ranging from the initial training for in-store functions to the essential training needed to work safely. Occupational health and safety skills and qualifications form a specialised body of knowledge that ensures that our employees are properly equipped to understand and prevent risks in their working environment.



Participants in training/Market⁵⁷

Europe (ex-Spain)	2023	2022
Albania	33	434
Germany	760	1,008
Austria	222	118
Belgium	436	614
Belarus	226	96
Bosnia-Herzegovina	49	91
Bulgaria	621	241
Croatia	210	567
Denmark	248	321
Slovakia	132	134
Slovenia	74	30
Finland	77	51
France	2,129	1,930
Greece	2,224	1,093
Hungary	414	88
Ireland	2,230	1,400
Italy	2,940	2,670
Luxembourg	16	12
North Macedonia	340	148
Montenegro	63	79
Norway	144	260
Netherlands	1,077	457
Poland	6,748	6,208
Portugal	17,246	4,592
United Kingdom	20,077	16,652
Czech Republic	310	182
Romania	2,389	4,709
Serbia	254	567
Sweden	340	278
Switzerland	1,794	2,980
Türkiye	12,743	3,388
Ukraine	173	454

Asia and rest of the world	2023	2022
Australia	608	206
South Korea	14,396	13,854
India	574	663
Japan	3,626	24
Kazakhstan	1,497	1,104
New Zealand	112	7
South Africa	226	17
Mainland China	3,152	4,756
Taiwan, China	1,190	1,738
Hong Kong SAR	1,210	162
Macao SAR	57	16

Spain	2023	2022
Spain	58,108	48,465

Americas	2023	2022
Argentina	8,924	3,974
Brazil	1,395	237
Canada	830	1,705
Chile	4	13
United States	12,571	14,041
Mexico	3,766	4,311
Uruguay	5,246	2,679

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One person can attend more than one training. Taking this into account and in contrast to previous years, this exercise shows participants per market instead of unique people trained. The data for 2022 have been restated in the same terms to make the year-on-year development comparable. In relation to scope, there are no participants in markets where we only have buying offices. These markets are: Bangladesh, Cambodia, Morocco, Pakistan, Singapore and Vietnam. Additionally, the number of participants from Monaco is included within France.

7.1.7.2. Promoting well-being

Inditex, healthy organisation

As part of our ongoing commitment to promoting and caring for the safety, health and well-being of our community, Inditex has strengthened its position as a Healthy Organisation. This annual recognition as a Healthy Company underscores our comprehensive management approach, addressing both physical and psychosocial aspects, allocating significant resources to our employees' well-being and fostering their active engagement in the community. Based on the World Health Organization model, this certificate is audited biannually.

In the course of 2023, Inditex companies in Spain, Italy, the United Kingdom, Ireland, Japan, Portugal, Greece, Argentina, Mexico, Uruguay, Germany, Poland, Türkiye, Chile, Mainland China, Luxembourg, Canada, Bulgaria, Croatia and Romania renewed their certification as Healthy Organisation. The Indian market was also added. The goal for 2024 is to obtain certification for the Group's companies in Poland, Brazil, Serbia and Slovenia.



Well-being committees

We maintain our focus on creating Well-being Committees and in 2023 more of these committees were set up in markets like Brazil, and are now present in a total of 19 markets. In 2024 these Committees are set to be created in Slovenia, Serbia, the United States and the Netherlands. In Spain, new committees were set up at the companies Massimo Dutti Logística, Plataforma Logística León, Bershka Logística, Lefties, Stradivarius Logística and Tempe. These transversal committees coordinate various initiatives related to diversity, equality, promoting health, inclusion, work-life balance, mental health, working hours, food, ergonomics, workspaces, sports, employee mobility and participation in social events and actions.

Promoting health

With the aim of promoting health and healthy habits among our employees, Inditex presents the InHealth portal. This platform, available in 25 markets, features news, actions and challenges adapted to the workplace, cultivating a balance between body, mind and emotions. In 2023 we implemented InHealth in South Africa, Australia and New Zealand. Next year we plan to deploy it in another five markets: Belgium, Luxembourg, Brazil, Montenegro and Slovenia.

Furthermore, as part of our commitment to employee health care, in 2023 we made the Open Salud platform available to more than 27,000 employees at the stores of all the Group's brands in Spain, allowing them to consult with specialists in Internal Medicine, Dermatology, Trauma Medicine, Psychology and Nutrition. In 2023 there were 3,334 online consultations and 1,796 workers requested some kind of subsidised health service through the Opensaludpass platform

A variety of health promotion initiatives have been carried out, including the opening of a new gym at the Pull&Bear central services in Narón, serving a total of 450 people; the celebration of Wellness Week in Tempe, involving 240 people; and a Healthy Cooking course at Zara Home distribution centre, in which 448 people took part.

Specific Workplace Well-being Programmes were also conducted in different markets over 2023:

/ France: The In Harmonie programme identifies those aspects that help to have a better healthy life, reaching 10,305 people.

/ Poland: The I'm healthy here programme promotes mental, physical and nutritional health and reached a total of 8,982 people.

7.1. Our people

/ United Kingdom: The Welfare and well-being programme provides comprehensive support for general medical and psychological assistance, providing social support for employees, and introducing the figure of the Wellbeing Warrior at workplaces for a total of 5,000 people.

/ Germany: Energizer is a programme to designate well-being ambassadors. Health initiatives and other employee benefits are channelled through the people designated in each store.

/ Portugal: Mental health In is a mental healthcare programme in collaboration with the Red Cross that has reached 6,185 people.

Health services

In keeping with our commitment to provide additional health services, all our logistics and manufacturing centres are equipped with medical services for regular check-ups, health screening tests and vaccination drives. Furthermore, our head offices, distribution centres and factories in Spain are equipped with breastfeeding rooms and female store workers have access to them as needed. There are also other medical services provided through additional health insurance and placing particular care on mental health.

In 2023 more than 50,000 people in the Inditex Group working at our own subsidiaries received a medical check-up.

Prevention of musculoskeletal injuries

In the prevention of musculoskeletal injuries, we continually assess the ergonomic conditions at our workplaces and provide onboarding training in this connection for all employees on the following matters:

Ergonomics in designing work spaces: Designing work areas that promote ergonomic posture to reduce the physical strain on employees. This includes the proper positioning of shelves and storage areas to minimise the need to lift heavy loads or adopt uncomfortable positions.

Training and skill-building: We provide regular training on the adequate techniques for handling loads and promote the use of aids such as forklift trucks, transport trolleys or platforms to help reduce the risk of injuries from lifting heavy objects.

Task rotation: Encouraging employees to rotate tasks can help to fairly distribute the physical load and prevent muscle fatigue caused by repetitive movements.

Rests and active breaks: Promoting the importance of taking regular rests and active breaks to stretch and relax muscles can help ease the tension accumulated during long periods of standing or repetitive work.

Safe working environment: Keeping a clean and tidy working environment can reduce the risk of trips and falls, which can also contribute to musculoskeletal injuries.

We encourage open communication: We urge people to report any discomfort or musculoskeletal pain early as this can help address problems before they develop into more serious injuries.

In 2023, more than 9,000 workers took part in initiatives such as the Back School and Preventive and Recovery Plans, at both logistics centres and stores.

At Indipunt we have implemented the Wellbeing Coach programme that recognises potential injury-causing movements, and promotes the proper execution of the various patterns of movement. In addition, at Massimo Dutti Logística, the Let's Move posture coach programme was carried out.

7.1.7.3. Health and safety indicators

In health and safety, during 2023 we compiled data on accident data at our own logistics, store, offices and manufacturing.

When analysing health and safety indicators, we consider an occupational accident to be any bodily injury to a worker during or as a consequence of the work performed as an employee, while an occupational disease is a disease whose onset is a result of the work performed as an employee in the activities and specified in the professional illnesses chart of the activity, according to local legislation. Such disease must be a result of the action of elements or substances indicated in said chart for each occupational disease.

We have implemented preventive measures focused on mitigating all risks, the most representative being those posed by journeys in and outside of work centres (21%), by equipment and machinery (22%), facilities (19%) and work centre tidying and cleaning (5%).

The most common type of accident are collisions and crashes (17%), trips or slips (16%), cuts or punctures (12%), or over-exertion in lifting loads (11%).

During 2023 and 2022, there were no fatalities resulting from occupational injuries or accidents in any of our markets.

Other accident rates⁵⁸

Spain

	Incident	rate	Frequen	cy rate	Severity	/ rate ⁽¹⁾
	2023	2022	2023	2022	2023	2022
Own stores						
Women	15.76	17.99	12.94	14.81	0.29	0.38
Men	12.09	14.38	9.02	10.74	0.11	0.24
Logistics centres						
Women	87.50	96.27	64.32	71.28	1.50	2.43
Men	94.88	96.36	66.53	68.08	1.49	2.63
Own factories						
Women	36.95	5.03	13.43	2.61	0.14	0.09
Men	86.08	26.81	10.48	9.93	0.03	0.52
Central services						
Women	2.67	3.95	1.33	1.97	0.04	0.06
Men	1.85	2.82	0.92	1.40	0.01	0.09

Europe (2)

	Incident rate		Freque	Frequency rate		Severity rate (1)	
	2023	2022	2023	2022	2023	2022	
Women	15.67	16.55	13.31	14.40	0.41	0.24	
Men	11.67	13.95	8.73	10.40	0.29	0.22	

Asia and rest of the world (3)

		nt rate	Eregue	nov rate	Severity	v rate ⁽¹⁾	
		Incident rate 2023 2022		Frequency rate 2023 2022		2023 2022	
Women	5.01	5.02	3.84	3.80	0.06	0.00	
Men	4.34	2.84	2.98	1.83	0.06	0.00	

Americas (4)

	Inciden	Incident rate		Frequency rate		Severity rate (1)	
	2023	2022	2023	2022	2023	2022	
Women	12.78	13.02	9.34	10.82	0.24	0.32	
Men	13.74	8.69	9.15	6.69	0.18	0.30	

⁽¹⁾ For the severity rate, absence days are not available for the following markets: Czech Republic; Hungary; Japan; Kazakhstan; Slovakia; Slovenia; South Korea; Taiwan, China; Macao SAR representing 1.5% of the total accidents in all markets (in 2022 information is only available for Spain; Bulgaria; Croatia; Greece; Italy; Portugal; Romania; Argentina; Chile; Mexico and Uruguay). This information is expected to be available in the 2024 report.

⁽²⁾ Albania; Austria; Belgium; Belarus; Bosnia and Herzegovina; Bulgaria; Croatia; Czech Republic; Denmark; Finland; France; Germany; Greece; Hungary; Ireland; Italy; Luxembourg; Montenegro; Netherlands; Norway; Poland; Portugal; Republic of Northern Macedonia; Romania; Serbia; Slovakia; Slovenia; Sweden; Switzerland; Türkiye; United Kingdom.

⁽³⁾ Australia; New Zealand; India; South Korea; Japan; Mainland China; Taiwan, China; Macao SAR; Hong Kong SAR; Kazakhstan and South Africa.

⁽⁴⁾ Argentina, Brazil; Canada; Chile; United States; Mexico and Uruguay.

⁵⁸ Accident data are shown as ratios only, as they are a reliable representation of the Company's health and safety performance. The calculation formulae used are as follows:

[·] Incidence rate with sick leave = (No. of accidents with sick leave *1,000) / Average number of employees.

[•] Frequency rate = (No. of accidents with sick leave *1,000,000) / Hours worked

⁻ Severity rate = (Days of sick leave *1,000,000) / Hours worked

Accidents with more than 180 days absence (1)

Spain								
	Logistic	centres	Own	stores	Own fa	ctories	Central	services
	2023	2022	2023	2022	2023	2022	2023	2022
Women	8	2	10	6	0	0	1	0
Men	10	7	0	0	0	0	0	1

Rest (Europe, Americas, Asia and rest of the world) (2, 3, 4)

	Eur	ope	Asia and rest	t of the world	Ame	ricas
Women	19	42	1	1	6	6
Men	1	12	0	0	2	3

Occupational diseases

Spain

	Logistic	centres	ntres Own		Own stores Own factories		Central services	
	2023	2022	2023	2022	2023	2022	2023	2022
Women	4	13	0	0	0	0	0	0
Men	6	11	0	0	0	0	0	0

Rest (Europe, America and Asia and rest of the world) (2, 3, 4)

	Europe		Europe Asia and rest of the world		Americas	
Women	11	21	0	2	4	3
Men	0	3	0	0	2	1

(1) For accidents with more than 180 days of absence, absence days are not available for the following markets: Czech Republic; Hungary; Japan; Kazakhstan; Slovakia; Slovenia; South Korea; Taiwan, China; Macao SAR representing 1.5% of the total accidents in all markets (in 2022 information is only available for Spain; Bulgaria; Croatia; Greece; Italy; Portugal; Romania; Argentina; Chile; Mexico and Uruguay). This information is expected to be available in the 2024 report.

(2) Albania; Austria; Belgium; Belarus; Bosnia and Herzegovina; Bulgaria; Croatia; Czech Republic; Denmark; Finland; France; Germany; Greece; Hungary; Ireland; Italy; Luxembourg; Montenegro; Netherlands; Norway; Poland; Portugal; Republic of Northern Macedonia; Romania; Serbia; Slovakia; Slovenia; Sweden; Switzerland; Türkiye; United Kingdom.

(3) Australia; New Zealand; India; South Korea; Japan; Mainland China; Taiwan, China; Macao SAR; Hong Kong SAR; Kazakhstan and South Africa.

(4) Argentina, Brazil; Canada; Chile; United States; Mexico and Uruguay.

In 2023, the total number of hours of absenteeism due to common illness, corresponding to $97.4\%^{59}$ of the Group's employees (including all logistics and store employees in the world and office employees in Spain), amounted to 12,810,222 hours (13,223,549 hours in 2022⁶⁰).

The total number of hours worked in 2023, corresponding to 92.4% of Group's employees (including all logistics and store employees in the world), amounted to 182,712,729 hours (92.8% of employees and 177,342,180 hours in 2022).

Non-employee worker accidents

At Inditex we also look after the health and safety of people who, though not our own employees, carry out their activity in the Group's work centres under its supervision. In 2023 there were 22 accidents involving non-employee workers in Spain (in 2022 there were 7). As for the other

markets⁶¹ reporting non-employee workers, accidents occurred in 8: Italy (10), Brazil (3), Chile (3), United Kingdom (3), Uruguay (3), France (2), Austria (1) and Switzerland (1), giving a total of 26 accidents (0 accidents in the 3 markets reported in 2022).

Emergency management

So as to actively manage at all times the **risks that may arise in any workplace**, and in keeping with our philosophy of following the precautionary principle, we have designed, prepared and implemented **Emergency and Evacuation Plans and Self-Protection Plans** that establish the organisational and functional criteria in the different facilities. The objective is to prevent, control and provide an adequate response, from the outset, to potential emergency situations that may cause harm to people and/or their property.

 $^{^{59}}$ Information on the remaining 2.6% is not available.

The absenteeism data reported in 2022 has been restated taking into account the improvement in the quality of the information reported.

⁶¹ The following markets have no non-employee workers: Albania, Australia, Mainland China, Macao SAR, Slovenia, Greece, New Zealand, Portugal and South Africa.

Through these Plans, we comply with the regulatory requirements applicable to occupational risk prevention and occupational health and safety, as well as with the internal requirements established by the Group for the workplaces.

protection measures and other actions to be taken in the event of emergencies.

In the last two years, the following actions were taken:

In short, these Emergency and Evacuation Plans and Self-Protection Plans include the necessary steps for prevention and control, as well as

		2023		2022 ⁶²		
	Self- Protection Plan	Emergency and Evacuation Plan	Emergency and Evacuation Plan	Self- Protection Plan	Emergency and Evacuation Plan	Emergency and Evacuation Plan
Brand		New	Updated		New	Updated
Bershka	11	19	1	1	6	0
Massimo Dutti	3	6	5	3	9	5
Oysho	0	12	14	0	9	18
Pull&Bear	1	19	25	8	20	6
Stradivarius	5	38	22	5	22	11
Zara	22	45	4	25	79	57
Zara Home	5	19	0	2	13	6
Total	47	158	71	44	158	103

Emergency, Self-Protection and Evacuation Plans

Market	2023	2022
Spain	286	238
Albania	0	2
Germany	40	108
Argentina	12	12
Australia and New Zealand	2	18
Austria	0	1
Belarus	0	0
Belgium	10	3
Bosnia Herzegovina	0	0
Brazil	1	50
Bulgaria	4	5
Canada	0	0
Chile	13	14
Mainland China	2	5
South Korea	0	0
Croatia	10	40
Denmark	0	0
Slovakia	0	0
Slovenia	5	0
United States	103	2
Finland	0	0
France	11	12
Greece	7	0

Hungary	13	17
India	5	4
Ireland	3	0
Italy	218	271
Japan	7	6
Kazakhstan	2	0
Luxembourg	0	0
North Macedonia	0	0
Mexico	265	395
Montenegro	1	0
Norway	0	0
The Netherlands	2	3
Poland	213	44
Portugal	10	6
United Kingdom	6	0
Czech Republic	0	0
Romania	11	3
Serbia	4	21
South Africa	0	1
Sweden	0	0
Switzerland	4	20
Türkiye	1	84
Ukraine	0	0
Uruguay	4	4

The data on the number of Zara's Self-Protection Plans and Emergency and Evacuation Plans reported in 2022 have been restated to take into account the improvement in the quality of the information reported.

Other emergency management activities are summarised in the tables below:

2023

Work centre	Description
Talent Center Madrid	Emergency and evacuation plan
Bershka Logística	25th Anniversary emergency plan
Zara Home Logística	Evacuation drill
Stradivarius Logística	Theoretical and practical training emergency teams
Pull&Bear España S.A.	Self-protection plan
Servicios Centrales Arteixo	Protocol for action in the event of an emergency
Massimo Dutti Logística	Self-protection plan
Tempe	Self-protection plan

2022

Work centre	Description
Indipunt	Emergency and evacuation plan
Tempe	Evacuation drill Elche
Tempe	Evacuation drill Culleredo
Inditex	Emergency and evacuation plan
Pull&Bear España, S.A.	Emergency and evacuation plan
Tempe	Fire safety training
Plataforma Meco	Platform evacuation drill
Zara Home Logística	Platform evacuation drill



7.2. Workers in the supply chain

Material topic: Fair working conditions; Diversity, equality and inclusion; Responsible supplier management and traceability; Health, safety and well-being





















7.2.1. Workers at the Centre

GRI 2-23: 2-28: 3-3: 407-1: 413-1: AF2: AF5

① More information in the Workers at the Centre report, available on Inditex's corporate website.

Comprehensive and effective due diligence concerning human rights in a global supply chain entails robust policies, tools and practices designed to identify, prioritise and mitigate the impacts on people. Inditex has developed a socially sustainable management of its supply chain to ensure a rigorous compliance programme that includes audits, corrective action plans and training, among other measures, accompanied by a strategy that puts 'Workers at the Centre'. This strategy is based on respect for and promotion of human rights, as well as the creation of social value.

① More information in section 8.3. Supplier relations of this Report.

The Workers at the Centre strategy launches its new 2023-2025 cycle. The lessons learned in recent years and the knowledge of the supply chain have allowed us to incorporate best practices in this new stage with the aim of moving towards transformation both in the lives of the people who form part of the supply chain and their communities, and in the industry as a whole.

To achieve this, we collaborate with stakeholders to address the shared challenges and we stand close to workers to understand their needs and provide them with the necessary tools for their empowerment, participation and well-being.

As part of the evolution of this strategy from its previous 2019-2022 phase, we have strengthened the due diligence process. This is a continuous process to identify and prioritise potential impacts on

human rights, the most notable of which are organised into Priority Impact Areas.

To achieve this we have harnessed a number of internal and external information sources, such as surveys, interviews with key partners such as IndustriALL or the International Labour Organization (ILO), information concerning the social audits of suppliers, analyses of legislation, reports on trends or risks in connection with human rights, etc. Above all, we have relied on our own work and relationships in each of the geographic areas where our suppliers operate. This process, carried out in accordance with the UN Guiding Principles on Business and Human Rights, involved all sustainability areas, teams present locally in our main production markets, which we call clusters, and other Company areas. The organisation Shift, a leading centre of expertise on human rights and business, has also been involved.

As a logical evolution in the year, a development of the Priority Impact Areas has been carried out by incorporating all the potential impacts identified and subsequently prioritised. For this new strategy, impacts related to the environment and climate change have been added more directly, ensuring respect for human rights from a holistic perspective, and incorporating aspects such as just transition and the future of work.

This version of the Workers at the Centre strategy identified notable impacts on human rights structured around five Priority Impact Areas: Social dialogue, Living wages, Respect, Health and Resilience.



The new phase of the strategy also aims to reinforce the focus on vulnerable groups, such as women, migrants, people with disabilities or workers involved in the production of raw materials, etc., ensuring transversality across all Priority Impact Areas.

This strategy is implemented through a network of partnerships, initiatives and interventions aimed at promoting systemic changes in the industry and communities.

To develop the strategy, on-the-ground collaboration and monitoring is very important. To support this monitoring, in 2023 alone, we conducted 821 monitoring visits (540 visits in 2022)⁶³.

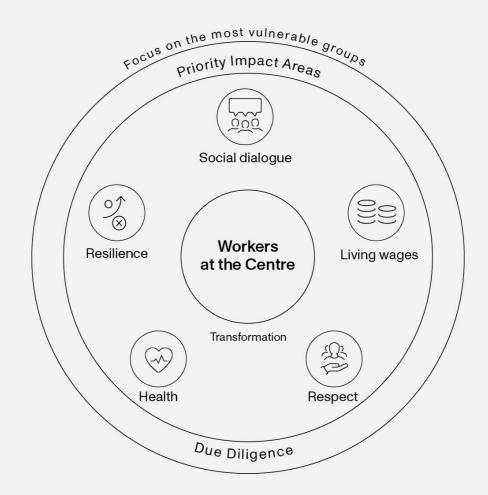
Transformation and impact: how do we approach this?

- / We continue to ascertain, evaluate and improve working conditions in our supply chain while at the same time involving workers in the improvement process.
- / We continue to foster close and strategic links with relevant stakeholders, who will continue to present us with challenges and to support us in achieving shared goals.
- / We involve our partners and suppliers, also fostering solutions based on their own initiative.
- / We work with the rest of the industry, seeing sustainability as an issue common to all and as a priority for shared supply chains.
- / We innovate in the quest for new ways to listen to the supply chains and take part in active corrective measures led by stakeholders.
- / We focus on transformation, which includes creating prosperous and resilient communities around our supply chains.
- / We address needs by paying attention to what is happening around us, while also engaging our team of experts from all over the world.

⁶³ Previously reported as 'special audits'. In order to enhance transparency, this year we detail the topics and volume of the 'special audits' in the various sections of this Report.

Workers at the Centre

The Workers at the Centre 2023-2025 strategy is based on **respect for the human rights** of the workers in the supply chain. **Our goal is to reach three million people by 2025.**



Workers at the Centre 2023

1,461,255

People

reached by the strategy

1,719

Suppliers and factories

involved in the strategy

46

Initiatives and solutions

developed in factories and/or communities

100%

Suppliers

covered by the strategy

3

Organisations

we collaborate with

Priority Impact Areas



Social dialogue

Facilitating mature industrial relations as a vehicle for a more participative society.



Living wages

Setting the conditions for the achievement of Living Wages in the Inditex supply chain



Respect

Promoting safe and respectful environments, free from discrimination, abuse or harassment.



Health

Protecting the health and safety of workers in the supply chain, and improving their well-being.



Resilience

Contributing to create preventive, adaptive and transformative capacities for development.

Elements of the strategy



/ Due Diligence

A continuous process, based on the UN Guiding Principles on Business and Human Rights, allowing us to identify five Priority Impact Areas. These areas are synergetic and interconnected.



/ Transformation

Transformation is a slow process and requires the commitment and collaboration of various parties. Our Workers at the Centre strategy connects us to the present and the challenges it poses, without losing sight of our ultimate goal, which is to transform the industry and communities.



/ Equity as our focus

We make more visible and integrate the needs of the most vulnerable groups, including women, migrants and refugees.



/ Solutions

Priority Impact Areas develop, support and combine different types of solutions and interventions to pursue their objectives: partnerships, collaborations with different stakeholders, direct interventions with suppliers or community outreach, among others.

All the approaches complement each other and, at different paces and scales, contribute to and are part of implementing the strategy.

Key characteristics of the Workers at the Centre strategy

From compliance to commitment

In the journey towards socially sustainable supply chain management, embedded in our human rights strategy, we have gradually incorporated new elements to strengthen the protection of rights, evolving from a compliance-based model to the current strategy, which folds in the vision of transformation and impact.

Culture of collaboration

The challenges posed by a global supply chain are shared, so collaboration is required to have a leveraging and lasting impact. In particular, our sustainability goals for the supply chain are shared by suppliers, manufacturers, companies and brands, and other stakeholders such as NGOs, trade unions and local and international organisations.

Furthermore, at Inditex we take an open and collaborative approach with a range of bodies and we actively participate in the industry's global initiatives as the driving force for transformation, always with the aim of that the sector adopts widespread sustainable practices.

One of our most significant relationships is with the international trade union federation IndustriALL, with which Inditex signed a Global Framework Agreement in 2007. This Agreement is one of our most valuable tools for promoting worker participation, the respect for freedom of association and collective bargaining.

We also work with international organisations such as the United Nations Global Compact, the Ethical Trading Initiative and the International Labour Organization (ILO), through public-private partnerships, and the Better Work Initiative.

We highlight the importance of our collaboration with other brands through various initiatives, such as ACT (Action, Collaboration, Transformation), which works to achieve living wages in the supply chain through responsible purchasing practices and collective bargaining.

Focus on vulnerable groups

Although we design and implement global strategies for each of the Priority Impact Areas, we focus especially on the most vulnerable people. We want to make sure to listen to the people who are least represented and potentially most affected.

Women, migrants and refugees or people with disabilities are some of the key beneficiaries of this strategy, and we remain especially supportive of their needs.

Systemic perspective

Our due diligence process takes into account environmental and climate change impacts on people. Health and human and planet prosperity are interdependent and go hand in hand. All human beings depend on the environment in which we live, so having a safe, clean, healthy and sustainable environment is crucial for enjoying a wide range of human rights, including the rights to life, health, food, water and sanitation.

Combination of global and local approach and implementation

We have teams in the main production markets, in direct contact with suppliers, workers, trade unions, NGOs, local and national authorities, international organisations and academic institutions, among others. This way of working at the local level is what we call 'clusters'. In 2023, Inditex had ten clusters in Spain, Portugal, Morocco, Türkiye, India, Bangladesh, Pakistan, Vietnam, China and Cambodia.

We pay special attention to the context in each of the regions where our suppliers operate.

Integration in the business model

At Inditex, we see sustainability as a **way of acting**, and as such it permeates the entire business model and each of the areas that develop it.

In particular, the involvement of the buying teams is essential. Among others, we have developed management systems that allow all our buying teams to know the performance of each supplier, encouraging **responsible purchasing practices** that allow them to make sustainability-focused business decisions.

Supporting our suppliers

Raising awareness and training of our suppliers enables us to address supply chain challenges as a shared responsibility. Our buying and sustainability teams have a very close relationship with suppliers. A prime example is the continuous and specialised training on issues such as gender equality, freedom of association, living wages or health and safety. In 2023, we provided training programmes to 911 suppliers.

7.2.2. Social dialogue

GRI 3-3; 407-1; AF5

Social dialogue

Goal

Facilitating mature industrial relations as a vehicle for a more participative society

Main lines of work

/ Worker participation

/ Ecosystems for dialogue

Related SDGs







Related human rights

- / Rights to freedom of opinion and expression
- / Right to freedom of assembly
- / Right to freedom of association and collective bargaining
- / Right to form or join trade unions and the right to strike
- / Right to work

Alliances and partnerships

- / ACT (Action, Collaboration, Transformation)
- / Better Work
- / Ethical Trading Initiative
- / Foro Social de la Industria de la Moda de España
- / IndustriALL Global Union
- / International Apparel Federation (IAF)

2023 Key indicators

/ 411,676 people reached

/ 218 suppliers and factories involved

/ Bangladesh, Cambodia, China, Egypt, Indonesia, Morocco, Pakistan, Türkiye, Tunisia, Vietnam

Worker participation, along with maintaining and developing the ecosystems for dialogue, are the two core premises for achieving mature industrial relations and, as a result, for promoting more engaged and equal societies. Our commitment and contribution to protecting the fundamental rights to freedom of association and bargaining aims to generate a positive impact on Inditex's supply chain.

a) Worker participation

Our Global Framework Agreement with IndustriALL Global Union is one of the most effective tools for safeguarding the respect of the rights to freedom of association and collective bargaining in our supply chain. Since 2007 we have been implementing this vision through the successive renewals of the Global Framework Agreement. The latest renewal, in 2019, involved the creation of the Global Union Committee, a representative body of

IndustriALL set up to promote worker representative engagement and coordination between Inditex and IndustriALL Global Union and its local affiliates.

We have also been able to work on Dispute Resolution Mechanisms through the internal communication channel enabled under the Global Framework Agreement, as well as other mechanisms set up under different initiatives, such as the Interim Dispute Resolution Mechanism in Bangladesh (concerning freedom of association rights and the payment of wages and benefits for ACT workers) or the Dispute Resolution Mechanism of the International ACCORD.

Main initiatives in 2023

- / Implementation of the Global Framework Agreement with IndustriALL Global Union (global).
- / Training on the Global Framework Agreement (Morocco, Tunisia, Türkiye).
- / Training for local affiliates of IndustriALL concerning the mechanisms of the Global Framework Agreement (Cambodia, Morocco, Türkiye.

b) Ecosystems for dialogue

Empowering the representatives of workers and employers through social dialogue platforms at local or industry level is one of the best ways to generate impact at different stages of the supply chain.

We are actively working on representation mechanisms and raising awareness regarding industrial relations through initiatives such as ACT (Action, Collaboration, Transformation), Better Work, the Ethical Trading Initiative or the Foro Social de la Industria de la Moda de España. We are also working in other areas linked to occupational health and safety or equality through initiatives such as International ACCORD. Here, the

contribution of Inditex along with other international brands and companies, IndustriALL Global Union and other key stakeholders has served to create opportunities for collaboration in various areas of common interest.

We also embarked on a new journey in terms of workers satisfaction through the analysis of our supply chain in Morocco. We now aim to transfer this experience to other markets to continue our in-depth analysis of workers' needs, which we see as paramount for their empowerment and satisfaction.

Main initiatives in 2023

- / Better Work programme (Bangladesh, Cambodia, Egypt, Indonesia, Pakistan, Vietnam).
- / Collaboration through the ACT initiative (Bangladesh, Cambodia, Türkiye).
- / Social dialogue programme by the Ethical Trading Initiative (ETI) (Bangladesh).
- / Training in industrial relations (China).

Framework agreement signed with the International Apparel Federation (IAF)

On 2 October 2023, Inditex and the International Apparel Federation (IAF)—an organisation that represents 100,000 manufacturers from more than 40 countries through its member associations—signed a framework agreement aimed at driving a meaningful transformation in the global garment industry. This agreement aims to develop a more people- and planet-friendly industry by improving circularity, traceability and worker well-being, paving the way for developing projects connected with these areas.

IAF and Inditex have identified key areas of focus within the agreement, including boosting industrial development in producer countries and transitioning to an industry that makes waste into new raw materials while aiming for net zero emissions, encouraging the adoption of renewable processes and energies with a lower impact on ecosystems. Furthermore, the agreement lays particular emphasis on improving working conditions and envisages collaborative actions on issues such as occupational health and safety, social protection, diversity and inclusion.

It also includes cross-cutting aspects such as the creation of a common framework to measure and verify the impacts of the textile industry and encourage resilience and the adoption of transparency-enhancing practices, such as digital labelling. In addition, it explores the interoperability of information systems and promotes the digitalisation and increased efficiency of global supply chains, among other issues.

7.2.3. Living wages

GRI 3-3; 407-1; AF5

Living wages

Goal

Setting the necessary conditions for the achievement of Living Wages in the Inditex supply chain

Main lines of work

- / Necessary conditions for collective bargaining
- / Responsible purchasing practices
- / Management systems and favourable practices

Related SDGs







Related human rights

- / Rights of protection of the family and the right to marry
- / Right to a family life
- / Right to enjoy just and favourable conditions of work
- / Right to an adequate standard of living
- / Right to health
- / Right to education

Alliances and partnerships

- / ACT (Action, Collaboration, Transformation)
- / Habitat Association (Habitat Derneği)
- / Better than Cash Alliance
- / BSR (Business for Social Responsibility)
- / East China University of Political Science and Law (ECUPL)
- / Faculty of Science and Technology, Tangier
- / IndustriALL Global Union
- / International Labour Organization (ILO)
- / RISE: Reimagining Industry to Support Equality

2023 Key indicators

/ 31,318 people reached

/ 47 suppliers and factories involved

/ Bangladesh, Cambodia, China, Egypt, Morocco, Türkiye, Vietnam

foster optimised management systems and employee-friendly practices in wage payment.

We believe that workers can only be guaranteed a living wage by means of effective, industry-wide collaboration between workers' representatives and employers with a view to fostering social dialogue and ongoing respect for freedom of association and collective bargaining rights, backed by continuous improvements in responsible purchasing practices.

Consequently, both our Framework Agreement with IndustriALL Global Union and our work with the ACT (Action, Collaboration, Transformation) initiative are essential pillars for progress. We also work in areas such as wage digitalisation, boosting productivity and financial education to

a) Necessary conditions for collective bargaining

At Inditex, we believe that strengthening collective bargaining agreements at industry level, underpinned by improvements in responsible purchasing practices, are the right way to progress in achieving living wages. Accordingly, our approach is closely linked to our social dialogue strategy, and in particular to our relationship with one of our main stakeholders, IndustriALL Global Union.

Moreover, another primary tool is our active involvement in the ACT initiative, in which the 19 international member brands and IndustriALL Global Union work together to promote platforms for dialogue in the countries where the initiative is in place, to create a working environment between workers' representatives, employers and international brands with an onus on best purchasing practices and promoting conditions for collective bargaining between employers and workers' representatives.

Main initiatives in 2023

/ Collaboration through the ACT initiative (Bangladesh, Cambodia, Türkiye).

/ Implementation of the Global Framework Agreement (global).

b) Responsible purchasing practices

Responsible purchasing practices can help create an environment that is conducive to improving working conditions, wages and benefits for workers in the supply chain. Mindful of this, as ACT members since 2018 we have signed up to five commitments in relation to purchasing practices.

In 2023, we have again carried out ACT's purchasing practices surveys with our buying teams and suppliers. Since then, we have held meetings with buyers to map out improvements and key next steps. Suppliers are another important part of this process, and their feedback is also shared with the teams.

To implement these commitments and help our buying teams make responsible purchasing decisions, we train them to adopt best practices, developing and providing them with management systems that measure the sustainability performance of each supplier and factory.

We have also completed the first and second editions of the Foundations of Textile Manufacturing programme at the Inditex's Sustainable Fashion School, devised in collaboration with the University of Leeds, training 1,200 employees.

Main initiatives in 2023

/ Responsible purchasing practices with ACT

/ Training buyers at the Inditex Sustainable Fashion School

c) Management systems and favourable practices

To make headway on our path to achieving living wages, we must take a holistic approach and work on several fronts, including creating an ecosystem that fosters favourable conditions and lays a solid foundation for the payment of living wages to workers in Inditex's supply chain. With this in mind, we combine a compliance approach underpinned by audits and corrective plans, with programmes and interventions based on training and impact.

Enhanced skills, improved productivity, effective wage management systems, and financial literacy of the workers are some of these important favourable conditions that play a crucial role in improving workers' wages and benefits. In fact, there is a direct link between these matters and the payment of living wages.

Main initiatives in 2023

/ Lean Project (Bangladesh, China, Morocco).

/ RISE Financial Health project (Cambodia, China, Egypt, Vietnam).

/ SCORE Programme (China).

/ Wage digitalization capacity building (Vietnam).

/ Wage management project (China).

/ Look Through Another Window project (Türkiye).



7.2.4. Respect

GRI 3-3; 408-1; 409-1; AF5; AF24; AF27; AF32

Respect

Goal

Promoting safe and respectful environments, free from discrimination, abuse or harassment

Main lines of work

/ Respectful work environments free from any kind of violence and harassment

/ Fair recruitment and employment culture

Related SDGs

Related human rights

Alliances and partnerships







- / Right not to be subjected to slavery, servitude or forced labour
- / Right to freedom of movement
- / Rights to freedom of thought, conscience and religion
- / Rights of protection for the child
- / Right to a family life
- / Right to education
- / Right to equality before the law, equal protection of the law, and rights of non-discrimination
- / Right to non-discrimination in economic, social and cultural rights
- / The equal right of men and women to the enjoyment of all economic, social and cultural rights
- / Right to enjoy just and favourable conditions of work

- / Anne Çocuk Eğitim Vakfi (AÇEV)
- / Associação Plano i
- / RISE: Reimagining Industry to Support Equality
- / Casal dels Infants
- / Association for Solidarity with Asylum Seekers and Migrants (ASAM)
- / Ethical Trading Initiative (ETI)
- / International Labour Organization (ILO)
- / Network of Organizations Working for People with Disabilities Pakistan (NOWPDP)
- / Pratham
- / Refugee Support Center (MUDEM)
- / Social Awareness and Voluntary Education (SAVE)
- / Support to Life (STL)
- / United Work

2023 Key indicators

/ 64,929 people reached

/ 133 suppliers and factories involved

/ Bangladesh, China, India, Morocco, Pakistan, Portugal, Türkiye

Everyone must be treated with respect, fairness and dignity. At Inditex, through this Priority Impact Area, we defend the need to promote respectful and equal workplaces, and we apply an integrated framework based on zero tolerance policies and practices against abuse and inequalities, identifying the hazards and risks, addressing their

underlying causes and developing the necessary solutions, with a focus on equality and a culture of collaboration. Ultimately, our goal is to guarantee workers a safe workplace, free from any kind of harassment, abuse and violence, and a climate of respect in the factories linked to Inditex.

At Inditex we believe that gender equality is not only a fundamental human right, but also an essential value for the sustainability of the supply chain and for development.

That is why, for some years, we have been working in the field of gender, diversity and inclusion, and this Priority Impact Area is one of the main catalysts for nurturing respect for the related ILO international standards.

Likewise, Inditex does not tolerate any form of modern slavery or human trafficking in its organisation or its supply chain, and engages actively in the promotion of and respect for human rights.

a) Respectful work environments free of all forms of violence and harassment

We carry out activities and solutions on an evidence-based approach, aimed at understanding the specific needs of target groups in both the workplace and the community to develop viable solutions to halt violence and harassment and thus foster a culture of respect as a preventive measure while reinforcing mitigation and remediation measures when required.

Main initiatives in 2023

/ EDUCARE project (Morocco)

/ ETI Gender Sensitive Workplace project (Bangladesh)

/ Cohesion support groups project (Türkiye)

/ LGBTI+ Awareness project (Portugal)

/ Migrant Parents project (China)

/ Parwaaz project - Disability management in the workplace (Pakistan)

/ Training for refugee workers (Türkiye)

/ RISE Respect project (Bangladesh, India)

/ Together Strong project (Türkiye)

/ Towards an Inclusive Workplace project (Türkiye)

/ Workplace Adaptation project (Türkiye)

b) Fair recruitment and employment culture

Having fair recruitment and employment practices is key to achieving decent working conditions. At Inditex we have a zero tolerance policy towards child labour and any kind of forced labour. These topics are discussed in our Code of Conduct for Manufacturers and Suppliers, which specifies that the employment of children and any form of forced or involuntary labour by our manufacturers and suppliers is strictly prohibited.

In order to improve and further develop these areas, we have a supply chain management system that includes aspects such as audits, corrective plans or awareness activities, among others, allowing us to identify and remedy potential breaches. Even so, our various initiatives

under the Workers at the Centre strategy play a crucial role not only in preventing these situations in the first place, but also in taking the necessary action if any non-compliances are detected.

Main initiatives in 2023

/ Sowbhagyam project (India).

/ Sankalp project (India).

/ Remediation programme for migrant workers (Türkiye).



7.2.5. Health

GRI 3-3; 403-6; 403-7; 403-8; AF5

Health

Protecting the health and safety of workers in the supply chain, and improving their well-being

Main lines of work

/ Physical health

/ Workplace safety

/ Well-being

Related SDGs

Related human rights

Alliances and partnerships















- / Right to life
- / Right to health
- / Rights of protection of the family and the right to marry
- / Right to enjoy just and favourable conditions of work
- / Right to a family life
- / Right to a clean, healthy and sustainable environment
- / Right not to be subjected to torture, cruel, inhuman and/or degrading treatment or punishment
- / Right to an adequate standard of living

- / International Accord for Health and Safety in the Textile and Garment Industry
- / Medicus Mundi Sur
- / RISE: Reimagining Industry to Support Equality
- / RMG Sustainability Council (RSC)
- / St. Johns Medical College
- / University of Oxford

2023 Key indicators

/ 1,125,665 people reached

/ 1,337 suppliers and factories involved

/ Bangladesh, China, India, Morocco, Portugal, Sri Lanka, Vietnam

In 2022, the ILO declared that a safe and healthy working environment is a fundamental right and principle at work. For decades, Inditex has been committed to promoting these basic rights in our supply chain. In this connection, we have a framework of procedures in place to ensure compliance with the requirements through assessments and corrective activities, and we take a comprehensive and holistic approach by identifying best practices to address specific challenges and workers' needs. Working with expert organisations to identify areas for improvement allows us to better implement the solutions devised, through both immediate actions and long-term goals.

In 2023, by means of this Priority Impact Area, Inditex has developed several initiatives of its own or in collaboration with expert organizations recognized for their professionality in the field, to further strengthen our commitment to guaranteeing safe and healthy working environments for workers part of Inditex's supply chain. Our commitment to equality is always woven into the solutions we develop to ensure that the needs of all vulnerable groups.

a) Physical health

As part of this strategic line, we have continued our commitments and initiatives aimed at reinforcing the evaluation, support and improvement of compliance with our Code of Conduct for Manufacturers and Suppliers.

We have developed a global plan to strengthen occupational health and safety in our supply chain, launched in 2022, aiming to proactively engage with our key suppliers and manufacturers to improve, where necessary, their level of health and safety compliance.

Through this commitment, an individual improvement plan is developed for each supplier and factory based in different markets. A team with specific training in this area then continuously monitors the corrective action plans and regularly contacts with each supplier or manufacturer, providing advice, monitoring progress and verifying improvements to ensure greater compliance with our Code and related applicable legislation using an empirical approach.

Main initiatives in 2023

/ Project in collaboration with Medicus Mundi (Morocco). / OHS Corrective Action Plan (global).

b) Workplace safety

Workplace safety is a fundamental part of any working environment. Creating a safe environment to protect workers from accidents or occupational illnesses is paramount for Inditex. In this regard, we continuously implement due diligence processes in our supply chain to identify safety risks and hazards and to offer tailored solutions to prevent, remedy and improve the situation.

In this strategic line we focus on the commitment to have safe and suitable facilities and workplaces and to raise awareness as necessary to inform workers and management regarding effective workplace safety management.

For instance, as a signatory of the International Accord for Health and Safety in the Textile and Garment Industry, Inditex is committed to health and safety at textile factories. Through ongoing interaction we verify and oversee the effective implementation of corrective actions at our suppliers and manufacturers.

Main initiatives in 2023

- / Accord-CAP Remediation project (Bangladesh).
- / WISH: Workplace Improvement for Safety and Health project (China).
- / Suraksha: fire & electrical system assessment + thermography project (India).
- / Boiler Safety project (Morocco).

c) Well-being

The World Health Organization (WHO) defines well-being as a positive state experienced by individuals and societies. Similar to health, it is a resource for daily life and is determined by social, economic and environmental conditions. Well-being encompasses quality of life and the ability of people and societies to contribute to the world with a sense of meaning and purpose. Focusing on well-being supports the tracking of the equitable distribution of resources, overall thriving and sustainability.

At Inditex we firmly believe that these issues must be addressed in the supply chain by placing particular care on mental health and reducing the psychosocial risks workers are exposed to, creating and maintaining a workplace culture of well-being and promoting the dissemination of knowledge; means whereby ecosystems benefit workers, their families and the community.

Main initiatives in 2023

/ SAKHI Menstrual Rights project (India, Sri Lanka).

/ Project on mental health promotion (Portugal).

/ RISE Health project (Vietnam).

Renewal of the International Accord

In November 2023, brands—including Inditex—and trade unions renewed their commitments for another three years, and agreed an automatic renewal for a further three years after that, making it the longest Accord pledge to date. This enduring commitment reflects the conviction of the signatory brands and trade unions regarding the Accord's impact on workplace health and safety through independent factory inspections, remediation, safety training and an effective worker grievance mechanism.

7.2.6. Resilience

GRI 3-3; AF5

Resilience

Goal

Contributing to create preventive, adaptive and transformative capacities for development

Main lines of work

/ Social protection

/ Just transition and the future of work

/ Prosperous livelihoods

Related SDGs Related human rights Alliances and partnerships / Right to freedom of assembly / ASA (Action for Social Advancement) / Rights of protection for the child / East China University of Political Science and Law (ECUPL) / Right to equality before the law, equal protection of the law, and rights of non-/ International Labour Organization (ILO) discrimination / İyi Pamuk Uygulamaları Derneği - IPUD / Right to social security, including social insurance / RISE: Reimagining Industry to Support / Right to a family life Equality / Right to education / Swasti / Right to a clean, healthy and sustainable environment / Right to health

2023 Key indicators

/ 20,492 people reached

/ 85 suppliers and factories involved

/ China, India, Pakistan, Türkiye, Uzbekistan, Vietnam

The global economic, social, climate and political context is dynamic, and the associated changes affect the resilience of the supply chain, including that of workers and communities that depend on it directly or indirectly. In this Priority Impact Area we analyse megatrends and work alongside suitable partners to create more resilient suppliers and communities. These commitments must be developed while also anticipating effects such as those arising from climate change or the

impact of technology on the future of work, and without overlooking support for proper social security systems to ensure that no one is left behind. This would also involve exploring ways of securing prosperous livelihoods, including the production of raw materials.

a) Social protection

We are engaged in ensuring access to adequate and sufficient social security coverage in the supply chain, regularly evaluating the compliance levels of factories and suppliers and, where necessary, implementing and monitoring corrective action plans.

We also took part in the Covid-19: Action in the Global Garment Industry initiative, which emerged in 2020 as a joint response to the effects of covid-19, and which calls 'to work together to establish sustainable systems of social protection for a more just and resilient garment industry'.

Main initiatives in 2023

/ Happiness for All (India).

/ Covid-19: Action in the Global Garment Industry (global).

/ Training on social security-related benefits (China).

b) Just transition and the future of work

We want to ensure that a human rights-based approach is systematically incorporated into Inditex's climate commitments. Human rights experience and practice are combined with environmental plans and actions, thereby ensuring that the social impact is taken into account. We also endeavour to understand how jobs and skills are set to evolve.

Main initiatives in 2023

/ Rise Foundations project (China, Vietnam).

c) Prosperous livelihoods

In this line of action, we focus primarily on the livelihoods of people involved in the production of raw materials, including those in the agricultural sector.

While raw materials, both natural and man-made, are pivotal components in the creation of end products, their supply chain is highly complex and involves challenges linked to labour conditions, as well as development, prosperity and resilience. These challenges must be addressed both locally and globally, so a holistic approach is called for. This approach must encompass traceability, due diligence and a commitment to respect for and promotion of human and labour rights.

Main initiatives in 2023

- Public-private partnership with the International Labour Organization (India, Pakistan, Uzbekistan).
- / Collaboration projects for promoting regenerative agricultural practices (India).
- / Child & Women Friendly Mobile Areas project (Türkiye).



7.3. Communities

Material topic: Value creation in the community

















① More information in the Community Investment Policy, available on Inditex's corporate website

7.3.1. Our community investment strategy

GRI 2-23; 2-28; 3-3; 203-1; 413-1; 413-2; AF33

We see community investment as an opportunity to contribute to sustainable development through voluntary activities that go beyond the limits of our value chain and the boundaries of our sector.

All these activities are based on our Community Investment Policy, which develops the content on community investment set out in the Code of Conduct, the Sustainability Policy and the Policy on Human Rights.

Our Community Investment Policy was updated in 2022 to incorporate best practices and recommendations. Accordingly, we aligned our initiatives not only with our corporate strategy, but with the Paris Agreement and the Sustainable Development Goals (SDGs), established in the United Nations 2030 Agenda. In fact, the SDGs are the foundation of our community investment programme.

① More information in the Community Investment Policy, available on Inditex's corporate website.

Our approach to corporate community investment

We aim to bring about a lasting impact in the community, which is why we focus our efforts on supporting long-term strategic projects, subject to an exhaustive monitoring and accountability process, instead of making sporadic contributions to social or environmental causes.

To achieve this, we invest monetary or in-kind resources or hours—such as our people's time spent volunteering—in an array of non-profit initiatives

Accordingly, we currently support projects focused on:

- / Education: actions aimed at safeguarding the right to quality education throughout life and generating opportunities for decent work grounded on inclusion and equity.
- / Emergency relief: initiatives to safeguard the lives, health and wellbeing of forced migrants and refugees, as well as other vulnerable groups facing humanitarian emergency situations—natural disasters, armed conflicts or similar circumstances-.
- / Environment: activities aimed at conserving and restoring ecosystems, fostering regenerative practices, supporting the circular economy and using resources efficiently.

The importance of gender equality

We see gender equality as a transversal priority in our strategy. Accordingly, the initiatives we support promote respect for diversity and equality between men and women in all spheres (economic, social, cultural, labour, political, etc.). This approach addresses the root causes of the problem and helps to solve it.

How we monitor our investment

We believe it is crucial to rigorously measure the results and impacts achieved. To do this, we use, among others, the Business for Societal Impact (B4SI) measurement methodology, based on allocating contributions in the community, measuring achievements and evaluating the impact of the various components of the project.

Our Corporate Community Investment in 2023

In 2023 we supported 910 community and environmental projects with an investment of more than 112 million euros. These initiatives, focused on SDGs linked to our activity, have directly benefited more than 4.3 million people $^{64}.$

Among the new initiatives launched this year, the following stand out:

- / Development of emergency relief programmes, in response to the earthquakes in Türkiye and Morocco, as well as Hurricane Otis in Mexico, in collaboration with national organisations like the Red Cross and the Red Crescent.
- / Strengthening stable collaboration in emergency relief, starting with support for the Emergency Unit of Médecins Sans Frontières and its programmes to assist refugees and migrants in Bangladesh and Mexico.
- / Establishing a strategic partnership with Conservation International to develop the Regenerative Fund for Nature to support the transition from fashion-related raw materials production to regenerative agricultural practices.
- / Promoting development cooperation through the Every Mother Counts programme extension, in order to provide pre-natal care to pregnant women in Bangladesh and the United States, as well as renewing the Missão Paz programme for welcoming and supporting the integration of immigrants and refugees in Brazil.
- / Strengthening social action in Spain based on collaboration with FAD Juventud to provide quality jobs to young people in Spain, in particular women, in technological professions with good future prospects, as well as raising awareness for young people in addiction prevention.
- / Strengthening of community programmes in the area of Inditex's main headquarters, based on, among others, renewal of the "A Flote" emergency relief programme for persons in a situation or risk of social exclusion in A Coruña, in partnership with the Municipal Government and Fundación Emalcsa, and the collaboration with the Galicia Regional Government to launch the 'Fund for the integrated recovery of the Galician territory affected by wildfires in 2022'.
- / Inauguration of the first for&from store in Portugal, under the Zara Home retail format, in collaboration with Associação VilacomVida.

- / Promoting research talent in the university environment, with the renewal of the inMOTION Predoctoral Residency Grant Programme in collaboration with the University of A Coruña.
- / Renewal of the three-year agreement with Tsinghua University School of Economics and Management (China) for student placements abroad, grants for low-income students and traineeships for students in connection with support for vulnerable people.

Our target 2022-2025

In 2022 we undertook to help 10 million people through our community investment programme between 2022 and 2025. In 2023 alone we helped 4.3 million people.



⁶⁴ Inditex's community investment is recorded under heading <u>6. Operating expenses</u> of the Consolidated Income Statement.

Our Corporate Community Investment in 2023*

Impacts / What has improved?

Impact on people - Depth ***

7% experienced limited changes82% benefited from an improvement in their lives11% experienced a fundamental change

Impact on people - Type ***

31% obtained behaviour or attitude changes1% acquired new skills96% improved their quality-of-life

Impact on community-based organizations****

94 % improved or new services

88 % improved management processes

95 % increased their capability to take on more staff or volunteers

100 % increased their profile

Impact on employee participants*****

99 % improved personal skills

99 % improved personal well-being

99 % experienced a positive change in their behaviour

(*) Data calculated in accordance with B4SI methodology based on voluntary expenditure by Inditex on Corporate Community Investment projects during the financial year 2023. The average exchange rate of financial year 2023 was used to convert contributions into euros. (**) Additional resources contributed to a community organisation or activity that come from sources other than the Company -employees, suppliers and customers, among others-. (***) Impact assessment carried out on 4,059,696 direct beneficiaries. (****) Impact assessment carried out on 275 community organizations supported by Inditex. (*****) Impact assessment carried out on a 225 employees volunteering in 18 countries.



Inputs / What's contributed?

112.6 M€

Invested

in social and environmental programmes 8.9 M

from our collections donated

338 k

Hours devoted

by employeed to CCI acivities during working hours

Outputs / What happens?

4.3 M

direct

Beneficiaries

476

Community organizations

supported

910

Initiatives

implemented

107.8 M€

Leverage **

2023 Corporate Community Investment

Increase in the investment

Collaboration beyond cash contributions



increase in garment donations for social causes with respect to **2022**



increase in employee time contributions with respect to **2022**

We have boosted our in-kind contributions, exceeding 8.9 million items donated over the course of 2023, as well as time contributions from employees during working hours, which reached 338k annual hours.

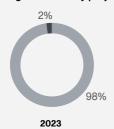
28%

increase in Corporate Community Investment (CCI) with respect to 2022.

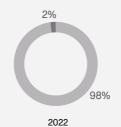
We have significantly increased our Corporate Community Investment, reaching 112.6 million euros.

Maximising the effectiveness of contributions

Focus on strategic community projects



Long-term strategic investment



■ Charitable gifts

For yet another year, we have focused investment in proactive strategic projects (community investment and commercial initiatives in the community), as opposed to charitable gifts for community organisations' general purposes.

98%

of contributions to strategic projects.

By adopting a strategic approach, we maximise the effectiveness and impact of our community programmes.

Alignment with SDGs and our corporate strategy

We focus our investment to increase impact

SDGs

88% of CCI is focused in initiatives primarily targeting SDGs 3, 4, 5, 8, 10, 12 and 15.

Issue addressed

79% of investment in the priority action areas defined by the Community Investment Policy: emergency relief, education and environment.

88%

of CCI focused in 7 SDGs.

79%

of CCI focused in 3 priority issues.

Increase in the scope

Increase in the number of direct beneficiaries



People

....

In addition to the increase in the number of initiatives developed, in 2023, the community investment programme benefited 30% more people than in the previous year.

26%

increase in the number of CCI projects developed.

In 2023, 910 community projects have been developed, representing an increase of 26% compared to the previous year.

Increasing leverage

Maximising effectiveness in unlocking additional resources for community

In million euros



In 2023, the additional resources leveraged by our programmes as a result of the contributions made from sources other than the Company—employees, customers, suppliers, etc.—amounted to 107.8 million euros, which represents a 43% increase on the previous year.

43%

increase in additional funds raised or contributions leveraged from other sources.

Making greater impact

Maximising the impact on people



5,200,042 positive changes experienced by direct beneficiaries of CCI projects, who have gained in quality of life, skills development and improved attitude, compared to 3,535,872 in the previous year.

24%

increase in the number of positive impacts on direct beneficiaries.

7.3.2. Inputs

GRI 3-3; 203-1; 203-2; 413-1; 413-2; AF34

In 2023, our Company invested 112.6 million euros in Corporate Community Investments, in various ways:

- / Cash contributions: the aggregate monetary amount invested in supporting social and environmental programmes.
- / Time contributions: the proportional cost of our employees' paid time spent on social or environmental activities during working hours.
- / In-kind contributions: donations of products—garments, mainly—to non-profit organisations.
- / Management costs: estimated expenses incurred for the general management of the programmes.

In 2023, we have significantly increased monetary contributions. Additionally, in keeping with the strategy outlined in our Community Investment Policy, we have notably boosted in-kind and time contributions devoted by our employees to CCI initiatives during their working hours. Management costs meanwhile remained stable compared to previous years.

On aggregate, we have provided 62 million euros in cash contributions, we have donated **8.95** million articles from our collections and our employees have dedicated **338,940** of their working hours to social or environmental initiatives.

These contributions are further divided into three categories:

- / Charitable gifts: one-off institutional contributions to support the general goals of non-profit organisations.
- / Community investment: long-term strategic commitment to collaborations with the community to support specific activities.
- / Commercial initiatives to the community: initiatives of social interest directly related to the Company's activity.

It is worth noting that 98% of the total investment in 2023 was channelled to support initiatives that we consider strategic: community investment and commercial initiatives in the community.

This enabled us to maximise the efficacy of our contributions and to broaden the impact of key projects.

How we increase our contribution

Corporate Community Investment evolution (€ M)					
	2023	2022			
Total investment in Corporate Community Investment	112.6	87.9			
By form of contribution (management costs included)					
Cash	62.0	46.3			
Time	10.2	9.4			
In-kind	38.5	30.3			
Management costs	2.0	1.9			
By category (management costs excluded)					
Charitable gifts ⁽¹⁾	2.4	1.8			
Community investment ⁽²⁾	71.7	58.7			
Commercial initiatives in the community ⁽³⁾	36.6	25.5			

- (1) One-off institutional donations to the general goals of charities.
- (2) Long-term strategic commitment to support specific social activities.
- (3) Initiatives of social interest directly related to the Company's commercial activity.

The nature of our contributions

79% of our community investment was earmarked for priority **action areas**: education, emergency relief and environment.

With regard to the **geographic scope**, we prioritise regular investment in the areas in which we conduct our activity. Specially, in the so-called Inditex's clusters.

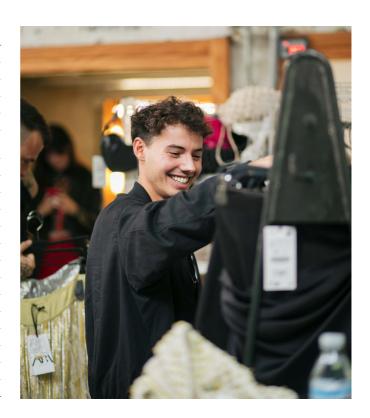
Accordingly, our brands and subsidiaries operate locally and/or nationally when it comes to supporting community and environmental projects. This allows us to maximise the positive impact within our communities.

Lastly, we have also identified the primary SDG (and the secondary SDG where applicable) relating to the initiatives we have implemented this year. This analysis tells us that, in keeping with our activity, the investment has significantly contributed to SDGs 8, 10, 12 and 15 and, in addition, to SDGs 3, 4 and 5. The 88% of our contributions were in support of initiatives with one or more of these SDGs as their main objectives.

① More information in section <u>8.3. Supplier relations</u> of this Report.

How we contribute

How we contribute	
Distribution of Corporate Community Investment in 2023	
By issue addressed	
Emergency relief	41%
Environment	23%
Education	15%
Other (social welfare, health, economic development, art and culture)	21%
By geographic area	
Europe ex-Spain	24%
Spain	35%
Americas	21%
Asia and rest of the world	21%
By SDG	
SDG 3. Good health and well-being	7%
SDG 4. Quality education	7%
SDG 5. Gender equality	8%
SDG 8. Decent work and economic growth	10%
SDG 10. Reduced inequality	20%
SDG 12. Responsible consumption and production	25%
SDG 15. Life on land	11%
Others	12%



7.3.3. Outputs

GRI 3-3; 203-1; 413-1; 413-2

The 910 community and environmental initiatives we supported in 2023 have directly benefited more than **4.3** million people in a variety of different circumstances:

Who we help

Distribution of the people benefited by community projects in 2023 on the basis of their situation		
Living in developing countries	23%	
Low income	31%	
Refugees	20%	
In situation of vulnerability	5%	
Victims of a natural disaster or catastrophe	15%	
People who are unemployed	1%	
Other profiles ⁽¹⁾	5%	

(1) 'Other profiles' refers to people with a disability or who are homeless, among other circumstances.

As for the **number of organisations** supported by Inditex in 2023, we have made contributions to a total of 476 such entities. In 2022 the number of benefiting community organisations was 469.

Furthermore, it is important to consider the **amount of additional investment leveraged:** the additional resources that our investment programmes have leveraged as a result of contributions by third parties —employees, customers, etc.

In 2023 this leveraged investment amounted to 107.8 million euros, raised mainly through the collaboration with Water.org -through the additional capital released by microfinance institutions-, the Moda Reproject -through the collection of garments-, and donations from our employees from their pay checks.

7.3.4. Impact

GRI 3-3; 203-1; 413-1; 413-2

To gauge the effectiveness of the projects we support, we measure the impact of our investments on both the community (direct beneficiaries and community-based organisations) and the Company (our employees and the company).

a) Community

Impact on people

In 2023 we assessed the impact generated on 4,059,696 people through our corporate community investment programme, as compared with 3,283,404 people in 2022.

To gauge the impact of these actions on their lives, we measure the degree to which people are better off as a result (impact depth) and what kind of changes they have experienced (type of impact).

Which degree of improvement have the people experienced?

We use three mutually exclusive parameters to measure this:

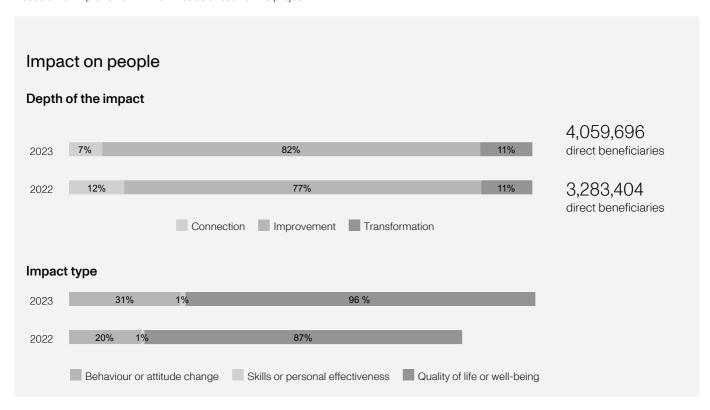
- / Connection: represents the number of people who have reported some limited change as a result of their participation in the project.
- / Improvement: includes the people who have reported some substantial improvement in their lives as a result of the project.

/ Transformation: encompasses the number of people who have reported an enduring change in their circumstances as a result of the improvements made.

What kind of changes have they experienced?

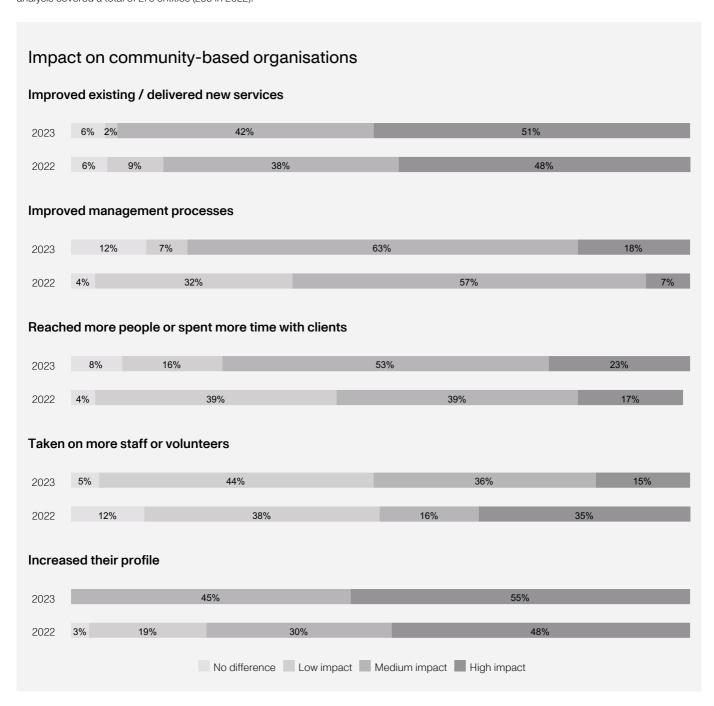
Beneficiaries may experience one or more types of changes, which we classify into the following categories:

- / Behaviour or attitude change: when the activity has helped people make behavioural changes that can improve the person's life. It can also mean that the programme has challenged negative attitudes or preconceptions, enabling them to make better choices.
- / Skills or personal effectiveness: meaning that the initiative has helped people to develop new or improve existing abilities to develop academically, in the work place and socially.
- / Quality of life or well-being: meaning that the activity has helped people to be healthier or happier, by improving their physical, emotional or social well-being.



Impact on community-based organisations

In addition to the analysis of the impact on people, we also assess the effects on the beneficiary non-profit organisations. In 2023, the analysis covered a total of 275 entities (255 in 2022).



b) Company

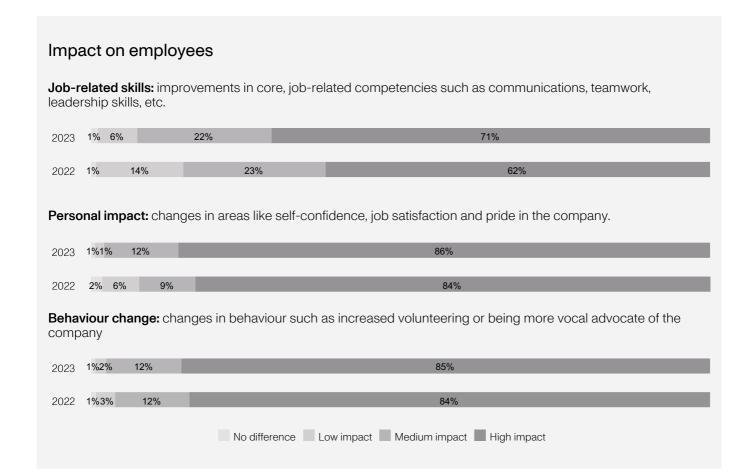
In addition to assessing the impact of the investment on people and community organisations we also analyse the return on the investment for our employees and the Company itself.

Impact on employees

We measure the impact on our people by gauging the change they experience following their involvement in corporate volunteering initiatives. To do this, in 2023 we surveyed 225 employees in 18 countries, as compared with 181 employees in 16 countries in 2022.

The surveys were based on three key indicators:

- / Job-related skills.
- / Personal impact.
- / Behaviour change.



Impact on our Company

In 2023 we analysed the impact on the Company itself of the 910 initiatives implemented, based on five parameters:

- / Human resources benefits.
- / Improved stakeholder relations/perceptions.
- / Business generated.
- / Other operational improvements
- / Uplift in brand awareness

Impact on our Company

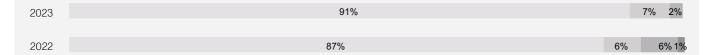
Human resources benefits: improvements in the Company through increased commitment, recruitment or performance, linked to the community initiative carried out.



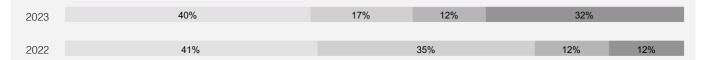
Improved stakeholder relations/perceptions: improved perception by external stakeholders, based on the community initiative carried out.



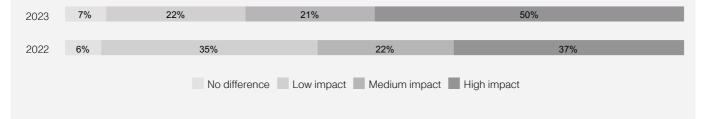
Business generated: increased sales linked to cause-related marketing activities or new market opportunities.



Other operational improvements: increased resilience in the supplier and/or distribution chain.



Uplift in brand awareness: improved brand awareness as a result of increased media coverage, for example.



7.3.5. Key programmes

GRI 3-3; 203-2; 413-1; 413-2

Education

GO (Generating Opportunities: education and inclusion for a sustainable world)

GO is a cooperation programme in collaboration with Entreculturas aimed at offering education and professional training to persons at risk of exclusion. This is a new three-year programme, with 24 projects in 12 countries: Argentina, Brazil, Bolivia, Ecuador, Spain, Lebanon, Mexico, Paraguay, Peru, South Africa, Uruguay and Venezuela. 2023 was the programme's first year, in which it helped more than 59,536 direct beneficiaries, in particular vulnerable girls and women. Through various projects, we have contributed to bridging the education and digital divide, nurturing decent and sustainable livelihoods and protecting victims of forced migration. Since 2001, Inditex's social investment in Entreculturas' educational and community development projects has exceeded 64 million euros and has directly benefited 1.5 million people.

Inditex Chair of Refugees and Forced Migrants in the Comillas Pontifical University

This chair was created in 2016 to further academic research into migration, improve aid to migrants and refugees on the ground and raise social awareness. It also conducts projects for the integration of refugees in European cities.

In 2023, we renewed our collaboration with the Comillas Pontifical University for the period 2023-2025, with the aim of continuing to promote doctoral scholarships for researchers to study the reality of the processes of incorporation, welcoming and, in particular, social integration of refugees in Spain and Europe. The Chair also offers students of the official Cooperation and Migration programmes at Comillas Pontifical University professional internships at national and international organisations working directly with refugees.

TEMPE-APSA Chair of Disability and Employability at Miguel Hernández University in Elche

We helped to create this Chair in 2015 to nurture multi-disciplinary research and training in the field of disabilities. Legal experts, economists and psychologists study the most suitable formulae for increasing the employability of people with disabilities. Furthermore, the Diploma in Auxiliary Shop Tasks strengthens the skills and competencies of people with disabilities to access the labour market.

Inditex Chair of Spanish Language and Culture at the University of Dhaka (Bangladesh)

With the collaboration of the universities of Santiago de Compostela and A Coruña, this Chair has been promoting Spanish language and culture and fostering academic exchange between Spain and Bangladesh since 2011. High-performing Bangladeshi students have the opportunity to take part in intensive Spanish courses in Spain. At the same time, cultural activities open to Bangladeshi University students are carried out to promote Spanish culture in Dhaka.

Collaboration programme with Tsinghua University

In 2019, Tsinghua University and Inditex set up the Sustainable Development Fund, aimed at supporting this Chinese institution in its efforts to promote research, dissemination and social support for Sustainable Development Practices. So far, the fund has sponsored 34 projects linked to environmental protection and management, low-carbon cities and sustainable development, smart sustainability, ESG corporate management/low-carbon transformation and sustainable energy and green growth. Looking ahead to the future, with Inditex's financial backing, the Fund will continue to support the innovative research and practice of students and faculty at the University of Tsinghua in connection with the environment and sustainable development, to promote research, dissemination and social support for Sustainable Development Practices.

The collaboration programme also involves research trips to A Coruña for the university's students to broaden their knowledge and experience in fashion, logistics, environmental protection and sustainable development through Inditex and other companies. The collaboration also envisages the professional development of academic staff and the promotion of cultural activities in the Tsinghua campus.

Collaboration programme with the Massachusetts Institute of Technology (MIT)

The collaboration with MIT in education and research is structured around various action areas: creating Inditex chairs in areas such as operational research and sustainability; research and enhancement of knowledge in fields such as artificial intelligence, machine learning or data science; and the development of research lines in areas such as textile recycling or the creation of new fibres using sustainable technologies.

Collaboration programme with the University of A Coruña (UDC)

The following projects are executed under this programme: Inditex-UDC Sustainability Chair to promote a space for community reflection, academic training and applied research on sustainability and social innovation; InTalent Programme that enables scientists with extensive international experience to conduct their innovation programmes at UDC's research centres; and InMotion Grant Programme to fund predoctoral residencies abroad, enabling them to complete their PhDs internationally.

In 2023, we reinforced our support for InMotion by renewing the programme for the next five years. Since its launch in 2013, 274 students from UDC PhD programmes have completed placements abroad thanks to Inditex's support. Their chosen destinations cover a total of 33 countries, distributed over five continents, mainly Europe and America.

Employment and Training Programme in Spain

Inditex has been supporting the Caritas Employment Programme since 2011, whose aim is to promote access to decent employment for persons in a situation of vulnerability. This initiative, to which we have contributed 18.3 million euros since the collaboration began, is structured around various lines of action: promotion of social economy enterprises; support for self-employment; and the improvement of professional training. Thanks to this programme, extended in January 2023 with a contribution of 5 million euros for the next three years, 10,594 people in or at risk of exclusion have improved their employability and 4,332 people have found a job.

FAD Juventud Programme

In 2023, Inditex and the non-profit organization FAD Juventud started a three-year cooperation that materialises in the development of the "GOESkills" and "Prevención a Medida" projects. These initiatives aim to provide quality employment for women in Spain, in professions with future prospects in the field of technology, and to carry out awareness-raising activities for young people on addiction prevention. As a result of this collaboration, 1,700 people have participated in initial diagnoses on addiction prevention or have improved their job search skills.

for&from

for&from is a social/workplace integration programme for people with disabilities that is based on launching retail establishments under the image of the Inditex's different brands. These stores are managed by non-profit organisations and staffed by people with disabilities. Inditex makes an initial outlay to build the store and, from then on, the community organisations manage a self-sustaining model through the sale of products from previous seasons. The proceeds go entirely to the managing organisations to fund projects that help people with disabilities. The programme currently has 16 stores, including the openings in 2023 of the first Zara Home for&from store in Portugal and the new Tempe for&from store in Madrid, which have created job opportunities for more than 750 personas and 8 million euros in economic benefits for the managing organizations.

Salta

Salta is an employment integration programme of Inditex that offers training and employment opportunities to people at risk or in a situation of social exclusion. The aim is to integrate vulnerable persons in the teams of our stores, factories or logistics centres. More than 1,800 people have been trained and joined Inditex through Salta. The programme currently operates in 16 markets: Germany, Brazil, South Korea, Spain, the United States, France, Greece, India, Italy, Kazakhstan, Mexico, Poland, Portugal, the United Kingdom, Romania and Türkiye.

Emergency relief

Emergency programmes in the wake of the earthquakes in Türkiye and Syria

In response to the earthquakes that hit Türkiye and Syria in February 2023, Inditex launched an emergency relief programme aimed at supporting those affected. This programme has resulted in the following lines of action:

- / Economic contribution: donation of 3 million euros from Inditex to the Turkish Red Crescent to cover short-term basic needs.
- / In-kind contributions by Inditex to supply warm clothing to those affected: Inditex, with the support of its local suppliers, made available to the Red Crescent and AFAD/TIM (the Turkish Disaster and Emergency Management Authority, in collaboration with the exporters association), more than 1 million warm garments and articles from Zara Home.
- / Medical aid: deployment of the Emergency Unit of Médecins Sans Frontières, financed on a stable basis by Inditex, in Türkiye and Syria to detect the medical needs arising from the catastrophe and thus deploy its resources to provide aid to the people affected.
- / Support for supply chain workers: acquisition and deployment of 200 temporary homes to house textile factory and supply chain workers (and their families) whose homes were lost in the earthquake. This initiative, implemented through an agreement with ITKIB (Istanbul Textile and Apparel Exporter Associations), was rolled out in the industrial areas of Kahramanmaraş, Adıyaman, Malatya and Hatay.

Earthquake Emergency Programme in Morocco:

In the aftermath of the Morocco earthquake in September, Inditex activated an emergency relief programme to address the urgent basic needs of the people affected by the quake. This programme has resulted in the following lines of action:

- / Economic contribution: donation of 3 million euros to the Moroccan Red Crescent to cover short-term basic needs.
- / In-kind contributions by Inditex to supply warm clothing to those affected through the Association *Elghaith*.
- / Medical assistance: supply of healthcare in collaboration with the NGO Medicus Mundi, funded on a stable basis in Morocco by Inditex, with the aim of providing medical care to victims, distributing hygiene kits to women affected and giving those affected psychological support.

Hurricane Otis Emergency Relief Programme in Mexico:

In the wake of Hurricane Otis, which hit the Mexican coast in and around Acapulco in October, Inditex launched an emergency relief programme in collaboration with the Mexican Red Cross to meet the basis needs of those affected. Specifically, under this programme, activities included the distribution of basic grain packages to recover part of the damaged crops; the supply of basic healthcare materials; the supply of materials to guarantee adequate water storage by installing rainwater collection systems; and the renovation of some schools in the path of the hurricane, with the aim of guaranteeing a safe return to the classroom.

MSF Programme

Médecins Sans Frontières (MSF) and Inditex have been working together since 2008 in developing numerous medical-humanitarian response projects in various parts of the world. As a result of this cooperation, to which Inditex has channelled 37 million euros over this period, nine million people threatened by armed conflict, epidemics, diseases or natural disasters have received medical care.

Supporting the MSF Emergency Unit

In 2011 we began collaborating with MSF with the aim of guaranteeing an immediate response to medical-humanitarian crises anywhere in the world. Since then we have helped provide assistance to more than seven million vulnerable people without access to medical care in around 86 countries. In 2023, we funded the Barcelona-based Emergency Unit structure, which has been deployed in Sudan, Chad, Ukraine and Palestine, among other regions, as well as part of the regional emergency teams based in the Democratic Republic of Congo and the Central African Republic.

Access to healthcare for the Rohingya community in Bangladesh

In response to the medical and humanitarian needs of the Rohingya community in Bangladesh, Inditex has been supporting Médecins Sans Frontières' projects there since 2017. Hundreds of thousands of people have been helped through this cooperation, especially women and children under five. In particular, thanks to the support in 2023, MSF teams have carried out, among other activities, outpatient clinics (paediatrics, gynaecology, obstetrics, mental health), paediatric emergencies, paediatric hospitalisation, nutrition and paediatric intensive care. Furthermore, drinking water and sanitation infrastructure management for refugee camps was improved.

Access to healthcare for the migrant population crossing Mexico

Inditex supports MSF in humanitarian relief projects to assist people from Central America attempting to cross Mexico to gain entry into the United States. Specifically, in 2023 and thanks to Inditex's support, Médecins Sans Frontières is present in several hostels and stopover points for migrants along the way, offering basic medical and psychological care. Furthermore, MSF has mobile clinics that go to the areas most frequented by migrants where, in addition to medical and psychological care, they also distribute hygiene products, water and blankets. The organisation also has a Comprehensive Care Centre in

Mexico City where specialised medical care is offered to migrants and refugees.

UNHCR Programme

For the fourth year running, Inditex and UNHCR, the United Nations High Commissioner for Refugees, implemented their ambitious programme of in-kind donations to help clothe refugees and internally displaced people. Through this initiative, which is rolled out in conjunction with various suppliers, Inditex supports UNHCR in its task of sheltering refugees who have been forced to abandon their homes and all their possessions, and helping to restore their dignity. In 2023 more than 1.2 million articles from our collections were donated to UNHCR to help clothe refugees in Uganda and Greece, among other countries. Humanitarian emergency assistance was also provided in response to the war in Ukraine. Additionally, in 2023 we welcomed Filippo Grandi, United Nations High Commissioner For Refugees, on an official visit to our offices to highlight our partnership and share the present and future challenges facing refugees.

Assistance to displaced people in South America

Since 2009 we have been working with Entreculturas on a programme to tackle the situation of people forced to flee in Colombia and on its borders (Panama, Ecuador and Venezuela), due to the armed conflict which over this period has caused the exodus of millions of Colombians from the region. For this purpose we established a partnership with the Jesuit Refugee Service Latin America and the Caribbean (JRS LAC), which has helped around 110,000 refugees or displaced persons, especially young people at risk of being linked to, used or forcibly recruited by armed groups, as well as refugees and displaced persons with disabilities, ethnic minorities, black and indigenous communities and women-headed households with children. In 2023, given the humanitarian situation as a result of the current context in Venezuela, the programme focused on assisting displaced persons in that country, as well as in Colombia, Ecuador and Brazil.

A Flote

The Emalcsa Foundation, A Coruña City Council and Inditex have been working together since 2017 in the A Flote social integration and social benefits programme in the proximity of Inditex's main headquarters. In 2023, 372 emergency social benefits were handled, 277 requested by women and 95 by men. These emergency benefits were used mainly for help with housing, school meals and sheltering aid for Ukrainian refugees. In addition, a welcome service for Ukrainian refugees (translation, counselling, employment support, etc.) was set up, helping dozens of families. Renewal of the agreement for the 2023-2025 period enabled us to tackle new integration and support actions to address vulnerability, aimed mainly at young people with significant difficulties in finding employment, and to provide social support and emotional tools with a community approach to young people and adolescents engaged in mild or moderate self-harming.

Every Mother Counts Programme

This programme supplies prenatal and maternity care to pregnant women in Bangladesh and the United States. The support of Inditex has enabled Every Mother Counts to partner with the HOPE Foundation for Women and Children in the south-eastern Bangladeshi district of Cox's Bazar. In the United States, it has also provided access to prenatal and post-partum care for thousands of low-income women at risk of social exclusion and their babies. In 2023, we renewed our collaboration with Every Mother Counts for the 2023-2025 period, with the aim of further developing maternal and paediatric health activities in various parts of the world.

Medicus Mundi Programme

Medicus Mundi and Inditex have been working together in Morocco since 2015 to improve the well-being of garment workers in the Tangier-Fes-Guercif-Taza and Casablanca-Settat regions. The new phase of collaboration between Medicus Mundi and Inditex, which began in 2022, is making strides in the implementation of measures to prevent harassment, as well as to continue promoting health and occupational risk prevention among female workers in the industry, improving the socio-occupational integration of vulnerable groups and supporting the local public healthcare system. In September 2023, the programme also carried out various activities to help victims of the earthquake that hit the Marrakesh region, providing health and psychological care and strengthening the capacity for intervention of civilian society in the affected areas.

Environment

Moda Re-

Moda Re- is a programme run by Caritas and promoted by Inditex dedicated to collecting used textiles in order to recover and reuse them through a sustainable business model based on the circular economy. Its purpose is to generate employment for vulnerable people through the collection, recycling, and reuse of used garments. Thanks to Inditex's support for this initiative, 2.6 million articles have been donated to vulnerable people; 3,520 sensor-equipped clothing collection containers of used garments have been installed in Spain, more than 121,000 tonnes of clothing have been collected, and 108 second-hand clothing stores have been opened or refurbished. The programme currently generates more than 1,400 jobs, 700 of them the result of insertion initiatives. Likewise, the initiative has become a benchmark in the process of dignifying the free delivery of clothes to those most in need, based on donations made through the 142 solidarity stores that currently make up the Moda Re- network. In January 2023, Inditex renewed its support for this programme on the basis of a contribution of 3.5 million euros in the 2023-2025 period.

Water.org programme

We have been working with Water.org since 2015 to improve access to drinking water and sanitation for vulnerable families through microloans in countries such as Bangladesh, Cambodia or India. Thereby, people on low incomes are provided with access to affordable loans to cover their water and sanitation needs. In 2023, from the contribution made by Inditex and the additional capital mobilised by local financial institutions, 305,000 loans were granted. As a result, more than 1 million people have improved their access to water and sanitation in 2023.



#BRINGYOUROWNBAG (#TRAETUBOLSA)

In 2021, Inditex began promoting the use of reusable bags at its stores to reduce the consumption of raw materials, water and energy associated with bags and envelopes offered to customers for their purchases. To encourage customers to bring their own bags, Inditex also started charging for the bags and envelopes it provides, a measure that was extended in 2023 to most of the markets where it operates.

The proceeds from this initiative, from which Inditex does not obtain any profit, were used to support projects in 21 countries aimed at protecting and restoring ecosystems, saving natural resources and fostering regenerative practices.

WWF Programme

By means of the collaboration with WWF, with which Inditex also carries out transformational work focusing on the impacts of its activity and of the fashion industry, we have financed projects for the protection and restoration of forest and fresh water ecosystemsin different countries in North Africa, Europe, Asia and Latin America. These interventions take the form of actions such as the recovery of native species and removal of invasive species; the promotion of sustainable management, environmental education and training; and the involvement of local communities.

Water & Climate Fund by Water.org

We continue to support Water.org's Water & Climate Fund, aimed at developing projects to improve water and sanitation infrastructure globally, boosting efficiency and savings, and enhancing local communities' access to clean water. With Inditex's support for this fund, in 2023 Water.org carried out climate-friendly interventions in Brazil, Indonesia, the Philippines, Kenya, Mexico, India and Malawi.

Agreement on fire prevention in Galicia

Inditex was the first company to join the new public-private fund to mitigate the risk of forest fires, set up by the Galicia Regional Government in 2023. This project, aimed at intervening in the areas most affected by wildfires in Galicia (Spain), will work on the restoration of affected areas, but mainly on prevention, including the creation of fire breaks in the vegetation and tree mass, preventive forestry management and species diversification, while also promoting sustainable farming and forestry activities to support the local population.

Sustainable Forestry and Demonstration Forests

In 2023, forest restoration and demonstration forest activities, which we started in 2018 with the one in Pico Sacro, extended to two new forests in Galicia (Spain), together with the Galician Forestry Association, and two in Portugal, alongside Forestis. These projects employ forestry management models aimed at improving the resilience and sustainability of these forest ecosystems, through the use of native species, supporting research and dissemination of best practices in this regard.

Fostering regenerative practices in the fashion industry

In 2023 we gave renewed impetus to our commitment to regenerative practices through our membership of Conservation International's Regenerative Fund for Nature, focused on the transition to regenerative practices, for the benefit of biodiversity and communities, in production areas connected to materials used in the fashion world. In 2023, this support was channelled to cotton projects in India and Pakistan, and a project to promote regenerative cattle grazing in Argentina. We also continued our collaboration with Action for Social Advancement (ASA), the Laudes Foundation, IDH - The Sustainable Trade Initiative and WWF India, to promote regenerative agriculture, ecosystem restoration and community well-being in a 300,000 hectare area in the Indian states of Madhya Pradesh and Ordisha

Other issues addressed

In addition to the programmes described above, in 2023 we allocated 21% of our corporate community investment to initiatives linked to social welfare, environment, social and economic development, healthcare, art and culture.

Likewise, in 2023 we have continued to support research institutions such as Fundación Pro CNIC, Real Instituto Elcano and Fundación Carolina, among others. Inditex's links to art and culture are embodied by collaborations with institutions such as the Royal Spanish Academy, Reina Sofía National Museum of Art and the Royal Theatre opera house, among others.

Likewise, Inditex makes charitable gifts at corporate level and from the Group brands and subsidiaries to help further the general aims of non-profit organisations. We earmarked 2.39 million euros in 2023 for charitable gifts in connection with requests from non-profit organisations, which were distributed among more than 150 entities.

7.4. Our customers

Material topic: Transparency and quality of the information; Health, safety and well-being



7.4.1. A unique and integrated model

GRI 3-3; 417-1

Customer relations and the continuous improvement of their experience at our stores and online platforms are among the pillars of the Inditex model. This contact before, during and after sales is unique and integrated through different channels.

In this relationship, demand for fashion with a responsible approach is subject to the same premises, namely omnichannel and integration of physical and online points of sale, at all the Group's brands. Accordingly, providing a response that matches customers' requirements at the right time and place constitutes what we consider to be a differential shopping experience.

More than 700 designers work side by side with the sales and product teams to identify trends, analysing on a daily basis the qualitative and quantitative information gleaned from our stores and online channels.

The conceptualisation and development of the collections for each of the brands, as well as their distribution to the point of sale, is an agile process based on decisions reached by consensus. This is also helped by a policy of integration at every stage of our value chain —design, manufacturing, logistics and distribution, stores/online, use and end of life—and their proper and accurate operation.

The final step in this creative flow prior to contact with customers is the creative production of these collections at the point of sale -both in stores and online-. It is here, with the aim of maximising the possibilities of our collections, that the image and coordination teams come into play, proposing the garments' styling and defining their creative production in a choral process involving stylists, models, photographers and audiovisual producers.

The other facet of the creative production of our collections is the design and development of the store concept and its tailoring to the specific characteristics of the various building and retail premises where they are located.

This approach responds to a common premise of continuous improvement of retail spaces encompassing unique, innovative and accessible stores, in which technology allows customers to interact with

the brand at any time and from any device, as well as increasing the availability of collections and products. At the same time, the technologies that stores place at the service of customers adapt to the specific characteristics and needs of each brand.

Stand-out examples of this paradigm are the new store concepts implemented by Inditex brands throughout the year in new openings, refurbishments and expansions worldwide: from Zara, with its boutique spaces, self-checkout cash registers and smart terminals for online orders and returns; to Massimo Dutti, with its Style Advisor personalised shopping experience and Shop&Go, for payment from anywhere inside the store; including Bershka's virtual fitting rooms using augmented reality and the possibility of creating personalised content for social media, among numerous other examples. With its experiential technology component, Inditex brands' stores and online platform is aimed at fostering contact with fashion in an innovative and welcoming environment that boosts the availability of collections and makes for a more direct relationship with customers when, how and wherever they choose.

Providing a response that matches customers' requirements at the right time and place constitutes what we consider to be a differential shopping experience.

At the same time, our integrated and global platform of physical and online stores allows our collections to reach more than 210 markets. This capacity makes us mindful of the impact and notoriety of our products and the image they convey. It also encourages us to ensure that the image of the models and campaigns we produce convey a diverse, multicultural and positive reality that celebrates the product by presenting it in a detailed way that is true to its properties and qualities.

In this regard, our brands' websites are the other major setting—along with the stores—for the creative production of our collections. In 2023, the Inditex website received more than 6,500 million visits, implying an average of 18 million visits a day to our online stores and accumulated more than 250 million followers on social networks.

Our commitment to customers is not confined to the sales transaction and any derivative requirements, but rather extends to spheres such as diversity, sustainability and transparency. Consequently, content regarding our projects and progress in environmental and social sustainability has its own dedicated space and prominence in our online

stores. In addition, projects like Changemakers and Diversity Champions, or the for&from network of community stores managed by people with disabilities, are aimed at achieving a positive impact for our people and our customers alike.

1 More information in section $\underline{\textit{7.1. Our people}}$ of this Report.



7.4.2. Response to our customers

GRI 3-3; 417-1

Inditex has a relationship with customers from more than 210 markets worldwide. Thanks to the multiple options for contact offered by our physical and online stores, we endeavour to make this relationship close, seamless, effective and safe. Accordingly, our customer services teams receive continuous training on product knowledge, their sustainability features, store processes, customer orientation and respect for diversity and inclusion, among other aspects. Furthermore, customer services are provided in the languages of the markets in which we have a retail presence.

Accessibility is another premise of Inditex in our relationship with the customer. Hence, stores meet architectural accessibility standards to enable people with disabilities to access and move around the stores and to ensure they have a satisfactory shopping experience. In the digital environment, our websites are compliant with the General Accessible Design Principles established by the Web Accessibility Initiative (WAI), a part of the World Wide Web Consortium (W3C). In addition, thanks to the project in conjunction with EqualWeb, their home pages feature digital accessibility menus with voice, browsing, colour and content settings to ensure a more inclusive customer experience.

In 2023, the quality of customer services at five Inditex brands (Pull&Bear, Massimo Dutti, Bershka, Oysho and Zara Home) obtained certification to ISO 18295:2 international standard. This certification underpins the customer service strategy throughout their shopping experience and interaction with each brand, the operations and protocols for customer service through the various contact channels, as well as the standards of service quality and satisfaction of our customers.

7.4.2.1. Big Store: customer service from the store

The continuous improvement of our customer relations from an innovation standpoint led Inditex to launch Big Store, a project that harnesses our store teams' experience and know-how for use in digital tasks relating to the business.

The store teams taking part in Big Store are trained in the digital version of their in-store functions and they develop them over the course of their working day. Thus, sales assistants take part in managing the customer service channels (calls, chats, WhatsApp, social media and emails) during their working hours dedicated to Big Store, using their know-how and experience from in-person customer service for the purpose of these digital tasks. This way of working, which also fosters our teams' professional development, makes for a more efficient management of customer services and relations.



7.4.3. Customer service channels: contacts and service level

GRI 2-4; 2-27; 3-3; 403-7; 416-1; 416-2; 417-1

In 2023 the customer service areas of the Group's brands fielded a total of 45,443,721 customer contacts (calls, e-mails, WhatsApp conversations and messages via social media profiles), concerning questions on products, the purchasing process, shipments, incidents or current issues affecting the brands, among other matters. In this regard, the progression of online sales has shifted the weight of customer contacts according to the purchase channel, so that enquiries about order status, delivery times or the online operation itself make up a very significant part of the total.

Service level (meaning the percentage of contacts resolved over the total and weighted in accordance with the contacts of each brand) was 98% in 2023.



Response to our customers

	2023			2022 (1)		
	No. of contacts	Service Level	No. of services fulfilled	No. of contacts	Service Level	No. of services fulfilled
ZARA	33,880,077	98%	33,226,717	30,912,182	98%	30,255,700
ZARHOME	2,125,901	98%	2,080,181	2,210,179	98%	2,172,645
PULL&BEAR	2,017,911	96%	1,938,711	2,009,604	98%	1,960,396
Massimo Dutti	2,609,950	99%	2,591,799	3,085,342	99%	3,049,565
BERSHKA	2,486,545	94%	2,341,947	2,577,340	98%	2,520,885
\$ STRADIVARIUS	2,432,427	98%	2,384,001	2,280,492	97%	2,223,326
OYSHO	893,573	99%	880,365	842,844	99%	833,635
TOTAL	46,446,384	98%	45,443,721	39,768,580	98%	38,866,749

(1) Zara's data on contacts, services fulfilled and level of service reported in 2022 have been restated to take into account the improvement in the quality of the information reported. The modification also affects the Inditex Group's global data on contacts, level of service and services attended.

7.4.3.1. Type of cases handled: pre-purchase, postpurchase, customer service and complaints mechanisms

In the relationship with the customer before, during and after the transaction takes place, our teams field a wide range of queries related to our products, the purchase process or possible incidents that may occur. In this process, each brand independently sorts the reasons for customer contacts, according to their specific needs, although these reasons may be grouped into four broad areas: pre-purchase (issues

prior to the purchase); post-purchase (related to an order or purchase at the store); customer service (regarding contact channels, web and app); and complaints and claims.

In 2023, our brands handled 38 million cases through Customer Services in all the markets where we have a commercial presence (29 million in 2022). This data also includes the complaint forms and claims processed in Spain through the official consumer complaint and response mechanisms.

In 2023 a total of $5,840^{65}$ cases were processed (6,289 claims handled in Spain in 2022). The main reason for these complaint forms is related to product returns and exchanges, and store and online sales.

Type of cases handled	2023	2022
Pre-purchase (product availability, special collections, customisation, purchasing process, checkout and sustainability, among others)	19.5%	22.7%
Post-purchase (order status, shipments, delivery times, changes and returns, gift cards, among others)	76.4%	72.3%
Customer Service (customer account, web/app, channels, social networks, among others)	4.1%	4.8%
Complaints (includes any customer feedback, as well as formal complaints)	0.02%	0.2%

7.4.3.2. Health and safety claims

The health and safety of our products is paramount to Inditex. Accordingly, we have standards, training plans and prevention and control programmes devised to ensure that our products comply with the strictest requirements and guidelines in all the markets where we operate.

Our product health and safety teams are fully coordinated with customer service teams, store staff and any other area of the Company where information about incidents and/or complaints may be received. At the same time, any notification from our customers, from community organisations or supervisory bodies is forwarded to our technical experts for evaluation and follow-up. If there are signs that a product may be unsafe for consumers, it is withdrawn from the market, customers are notified through the relevant channels and all units sold are recalled, according to our internal procedure.

In 2023, one product was recalled 66 for health and safety reasons. When this happens, we also launch programmes to identify the root cause of the incident and prevent it from recurring. In the previous year there were a total of two product recalls.

0 More information in section $\underline{6.4.3.~Health~and~safety~of~products}$ of this Report.



 $^{^{65}}$ Thanks to the digitalisation project, complaints form data will be reported from 2023 on a financial year basis.

⁶⁶ During 2023 there were no breaches of regulations or voluntary codes related to the health and safety of our products that give rise to fines or penalties.