

POLICY ON CRIMINAL RISK PREVENTION

**INDUSTRIA DE DISEÑO TEXTIL, S.A.
(INDITEX, S.A.)**

**APPROVED BY THE BOARD OF DIRECTORS ON 19
JULY 2016**

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GENERAL PART

1. General Part

1.1. Definition and scope of application

This Policy on Criminal Risk Prevention (hereinafter, the “Policy”) lays down the action lines that must be observed in the field of criminal risk prevention by the Inditex Group¹ (hereinafter, “Inditex” or the “Company”) in the conduct of its professional duties.

This Policy applies to all the companies belonging to Inditex and it binds its entire workforce, regardless of their position and the duties they perform.

This Policy may be enforced, in full or in part, on any natural and/or legal person related with Inditex, where this is expedient to fulfil its purpose and possible considering the type of relationship.

Notice of this Policy shall be given in person to all the Directors and Executives of the Company, and to any person who acts on its behalf, where so required by the type of relationship. Such individuals shall undertake in writing to fulfil this Policy. Likewise, where so required by the type of relationship, the obligation to enforce this Policy shall be expressly included in the employment agreement executed with such employees. This Policy shall be made available to all employees.

In exceptional cases duly justified, release from the obligation to enforce this Policy may only be authorized by the Committee of Ethics, which shall report it in the shortest delays to the Audit and Control Committee.

1.2. Mission of the Policy

The overarching principles, the commitment to a responsible conduct and practices and the minimum conduct standards provided in the Code of Conduct and Responsible Practices and in the Code of Conduct for Manufacturers and Suppliers of the Inditex Group in the field of criminal risk prevention are implemented in this Policy.

This Policy seeks to prevent and, where appropriate, detect, manage and remedy such conducts from Inditex employees, and from its Directors or legal representatives, and from any individual subject to Inditex’s authority which may give rise to criminal liability for the Company anywhere in the world.

For such purposes, this Policy adheres to the principles and values which shall, pursuant to the Code of Conduct and Responsible Practices, govern the relationship of Inditex and its stakeholders (employees, customers, shareholders, business partners, suppliers and such

¹ Any terms hereunder provided which refer to any terms already defined in the Code of Conduct and Responsible Practices of the Inditex Group shall be understood pursuant to such definitions, unless their express and supplementary definition in this Policy is required to better understand it.

companies wherein its business model is implemented); likewise, this Policy covers the commitments to ethical conduct which shall govern the relationship of the company with its employees, and of these latter acting on behalf thereof vis-à-vis third parties.

In addition to this Policy, Inditex relies on:

- The Criminal Risk Prevention Procedure, which addresses such organization measures that are implemented by the Company in the field of criminal risks prevention; and
- The Committee of Ethics, which acts as Inditex's criminal prevention body.

The provisions of this Policy are mandatory for all Inditex's employees and for all its business partners and suppliers, to the extent applicable.

Inditex strongly condemns any illegal behaviour which, in addition to violating any applicable statutory provisions, is contrary to its ethical principles and values, which are key to achieve its business goals.

1.3. Risk Behaviour

This Policy describes the different offenses for which, pursuant to the provisions of section 31 *bis* of the Spanish Criminal Code, legal persons in Spain may be criminally liable.

The full content of the offenses listed in section 2 below ("Special Part") is available in such Code.

Pursuant to the provisions of the Criminal Code, legal persons are criminally liable for such offenses committed in the name of the Company or on its behalf, and for its benefit, whether direct or indirect, by those individuals with authority to represent the Company or control thereon, or who, acting individually or as members of governing body of the legal entity, may be authorized to make decisions on its behalf.

Likewise, legal persons shall be criminally liable in case of tortious activities stemming from a serious breach of the duties of diligence, surveillance and control on the individuals subject to their authority.

1.4. Monitoring body: The Committee of Ethics

To better enforce this Policy, a Committee of Ethics exists within the organization, to which criminal prevention duties are entrusted. Such Committee is composed of:

- The General Counsel and Code Compliance Officer, who chairs it
- The Chief Internal Auditor
- The Sustainability Director
- The Human Resources Director

1.5. Notices and Whistle-Blowing Channel

The Committee of Ethics may act of its own motion or at the behest of any employee of Inditex, manufacturer, supplier or any third party with a direct relationship and a lawful business or professional interest, further to a report made in good faith.

Inditex's employees, manufacturers or suppliers, or any third party with a direct relationship and a lawful business or professional interest shall send to the Committee of Ethics any query on the interpretation or enforcement of this Policy, or any report of any breach, regardless of whether such behavior, individual or collective, has been ordered, requested or admitted, either tacitly or expressly, by a supervisor.

For such purposes, notices given under this Policy shall be addressed to the Company in the shortest delays, by any of the following means:

- Ordinary post addressed to: Avenida de la Diputación, Edificio Inditex, 15142 Arteixo, A Coruña (Spain), for the attention of the Committee of Ethics.
- E-mail addressed to: comitedeetica@inditex.com
- Fax sent to: +34 981 18 62 11.

Any query and/or report shall be managed by the Committee of Ethics pursuant to the terms hereunder described, and implemented in the Criminal Risk Prevention Procedure and in the Whistle-Blowing Channel Procedure.

The Committee of Ethics shall ensure:

- a) The confidentiality of all the information and background and of the acts and deeds performed, unless the disclosure of information is required by law or judicial order.
- b) The thorough review of any information or document that originated its action.
- c) The commencement of such proceedings that adjust to the circumstances, where it shall always act with independence and full respect of the right of the affected person to be heard as well as of the presumption of innocence.
- d) The indemnity of any employee as a result of bringing complaints in good faith to the Committee.

1.6. High Level Controls

For the purposes of preventing and, where appropriate, mitigating any potential criminal risks listed in the Special Part hereof, there are a number of high level controls.

Such controls have a cross-cutting effect on the criminal risk prevention system and are enforced on the entire organization, for the purposes of achieving certain monitoring goals globally.

The main high level controls which must guide the conduct of all employees, business partners and suppliers, to the extent applicable, are:

- The Code of Conduct and Responsible Practices.
- The Code of Conduct for Manufacturers and Suppliers.

- The Whistle-Blowing Channel and the Whistle-Blowing Channel Procedure.

In addition to the foregoing high level controls, the Company has other cross-cutting controls that shall be taken into account by employees, business partners and suppliers, to the extent applicable, and where circumstances so require:

- Compulsory training in the field of criminal risk prevention
- Controls implemented in the field of internal control system on financial information (SCIIF), including, among others, the segregation of functions in respect of engaging, payment and accounting recording.

Likewise, the minimum principles of conduct in the field of ethics, compliance and criminal prevention are included in the Special Part of this Policy. Such principles must be observed without exception, by all Inditex's employees, as well as by those business partners and supplier, where circumstances so require, for the purposes of preventing and mitigating the potential risks of regulatory non-compliance.

SPECIAL PART

2. Special Part: Catalogue of Criminal Risks and Commitment to Ethical Conduct

Pursuant to the terms of section 1.3 above, the different criminal offenses are listed below, which may, under the current Spanish laws in force, from a theoretical perspective, determine the criminal liability of legal persons, as provided in section 31 *bis* of the Criminal Code.

Each criminal offense comprises two parts: (i) a link to the Criminal Code which includes the wording of the section in question, from time to time in force, and (ii) a reference to the commitments to ethical conduct and behaviour that the recipients of this Policy shall observe.

2.1. Offenses related to obtaining or trafficking in human organs

a) Criminal offense

This offense is covered in section 156 *bis* of the Criminal Code, as set forth in [paragraph 3](#) thereof.

b) Commitment to ethical conduct

Inditex's employees, suppliers and business partners are expected to carry out their activity pursuant to the principles and values and the commitments to ethical conduct which must govern Inditex's relationship with its stakeholders, pursuant to the Code of Conduct and Responsible Practices and the Code of Conduct for Manufacturers and Suppliers of the Inditex Group.

Namely, it is hereby reminded that regulatory compliance is a pre-requirement of this Policy and thus, all its recipients must comply with the prevailing laws in force in each country where Inditex carries out its production, distribution and marketing activities. Under no circumstance may the enforcement of this Policy entail any breach of the prevailing laws in force in the countries where Inditex operates.

At any rate, all of Inditex's employees, suppliers and business partners shall comply with the regulations and procedures of the Company and with the instructions which may be approved to implement them, to the extent applicable.

2.2. Offenses related to trafficking in human beings

a) Criminal offense

This offense is covered in section 177 *bis* of the Criminal Code, as set forth in [paragraph 7](#) thereof.

b) Commitment to Ethical Conduct

Inditex's employees, suppliers and business partners are expected to carry out their activity pursuant to the principles and values and the commitments to ethical conduct which must govern Inditex's relationship with its stakeholders, pursuant to the Code of Conduct and Responsible Practices and the Code of Conduct for Manufacturers and Suppliers of the Inditex Group.

Namely, all of them are bound to verify whether the weekly working hours are met, and to prevent any overtime to be in excess of the statutory limit established in the laws of the country where they operate. Overtime shall be voluntary and compensated as per statute. Likewise, Inditex, its suppliers and business partners shall ensure that their employees work in a free and voluntary manner. Inditex has no employee under the age of 16 years, unless a higher age is established by local laws. Persons aged between 16 and 18 years will be considered young workers, and Inditex, its suppliers and its business partners shall ensure that they do not work in hazardous conditions or during night hours.

Namely, pursuant to Inditex's Code of Conduct and Responsible Practices and Code of Conduct for Manufacturers and Suppliers, all employees, suppliers and business partners shall ensure the enforcement throughout the entire production line of the working conditions that the Company endorses in such codes and the remaining internal regulations.

At any rate, all Inditex's employees, suppliers and business partners shall comply with the Company's regulations and procedures, and with the instructions which may be approved to implement them, to the extent applicable.

2.3. Offenses against the rights of aliens

a) Criminal offense

This offense is covered in section 318 *bis* of the Criminal Code, as set forth in [paragraph 5](#) thereof.

b) Commitment to Ethical Conduct

Inditex's employees, suppliers and business partners are expected to carry out their activity pursuant to the principles and values and the commitments to ethical conduct which must govern Inditex's relationship with its stakeholders, pursuant to the Code of Conduct and Responsible Practices and the Code of Conduct for Manufacturers and Suppliers of the Inditex Group.

The individuals referred to in the paragraph above shall observe Inditex's ethical principles, for the purposes of ensuring that all those who maintain, directly or indirectly, any kind of professional, economic, social and/or industrial relationships with Inditex shall be treated in a fair and honourable manner.

Inditex promotes and defends human and labour rights and is a firm enforcer of the regulations and best practices in the field of employments and, health and safety at work. Consequently, Inditex's employees, business partners and suppliers shall meet the working conditions promoted by the Company.

That is why they must verify that weekly working hours are met and prevent overtime in excess of the statutory limit established by the laws of the country where they operate. Overtime shall always be voluntary and compensated according to statute.

At any rate, all Inditex's employees, suppliers and business partners shall comply with the Company's regulations and procedures, and with the directions which may be approved to implement them, to the extent applicable.

2.4. Offenses related to prostitution and corruption of minors

a) Criminal offense

This offense is covered in sections 187 to 189*bis* of the Criminal Code, as set forth in [section 189*bis*](#).

b) Commitment to Ethical Conduct

Inditex's employees, suppliers and business partners are expected to carry out their activity pursuant to the principles and values and the commitments to ethical conduct which must govern Inditex's relationship with its stakeholders, pursuant to the Code of Conduct and Responsible Practices and the Code of Conduct for Manufacturers and Suppliers of the Inditex Group.

Namely, it is hereby reminded that the use of the assets and services that the Company makes available to its employees must be efficient and appropriate. Likewise, Inditex's regulations and guidelines regarding the use of technological devices, apps and software must be met, and the downloading or introduction of illegal files is not allowed.

Additionally, employees shall make an appropriate use of the Company's cards or funds in accordance with Inditex's ethical values.

Inditex' employees must be apprised of the fact that the documents and data included in the IT systems and equipment of the Company may be subject to review by the relevant units of the Company or by third parties the latter may appoint, should it deem it necessary and when this is permitted by the prevailing regulations in force.

At any rate, all Inditex's employees, suppliers and business partners shall comply with the Company's regulations and procedures, and with the directions which may be approved to implement them, to the extent applicable.

2.5. Offenses related to discovery and revelation of secrets

a) Criminal offense

This offense is covered in sections 197 to 197 *quinquies* of the Criminal Code, as set forth in section [197 quinquies](#).

b) Commitment to Ethical Conduct

Inditex's employees, suppliers and business partners are expected to carry out their activity pursuant to the principles and values and the commitments to ethical conduct which must govern Inditex's relationship with its stakeholders, pursuant to the Code of Conduct and Responsible Practices and the Code of Conduct for Manufacturers and Suppliers of the Inditex Group.

Inditex is firmly committed to protecting the information and the knowledge created at the Company, whether of its property or under its custody, by strictly complying with the regulations, both internal and external, and with internal procedures, to ensure that the information and the data provided by Inditex to third parties are duly treated. In this respect, both Inditex's employees and its suppliers and manufacturers shall fulfil the obligation of preserving the integrity and confidentiality of the information received and/or managed in the course of their professional activity or as a result of the business relationship they have with Inditex.

To do so, Inditex's employees shall refrain from using for their benefit any data, information or document obtained while conducting their professional activity. Likewise, they shall protect all such confidential information originating in any third company, being entitled to use it, always with their written authorization, exclusively for the purposes for which it was gathered.

At any rate, all Inditex's employees, suppliers and business partners shall comply with the Company's regulations and procedures, and with the directions which may be approved to implement them, to the extent applicable.

2.6. Swindling

a) Criminal offense

This offense is covered in sections 248 to 251 *bis* of the Criminal Code, as set forth in [section 251 bis](#).

b) Commitment to Ethical Conduct

Inditex's employees, suppliers and business partners are expected to carry out their activity pursuant to the principles and values and the commitments to ethical conduct which must govern Inditex's relationship with its stakeholders, pursuant to the Code of Conduct and Responsible Practices and the Code of Conduct for Manufacturers and Suppliers of the Inditex Group.

Inditex is firmly committed to offering all its customers a high standard of excellence, quality, health and safety of its products, and to communicating with them, in full respect of the principles of clarity and transparency.

Thus, the employees of the Company shall promote, in the course of their business activities, the goods respecting their target standards, without misrepresenting their conditions or description.

Likewise, promotion and publicity duties will be carried out with clarity, ensuring compliance with the above mentioned standards and principles, in respect of labelling, quality and description of the garments, providing accurate information on the composition thereof, so that the customers, suppliers or third parties with which Inditex has a relationship may learn the properties of its products.

Finally, with regard to the form of this criminal offense committed through conducts such as *phishing*, Inditex's employees and, where appropriate, any third parties with who they may have any relationship, shall fulfil the obligation of ensuring security of the means of payment used by customers at the Company's stores – both physical and online – for the purposes of guaranteeing the right operation and the property thereof, ensuring fraud prevention.

At any rate, all Inditex's employees, suppliers and business partners shall comply with the Company's regulations and procedures, and with the directions which may be approved to implement them, to the extent applicable.

2.7. Offenses related to forgery of credit and debit cards and travellers' cheques

a) Criminal offense

This offense is covered in section 399 *bis* of the Criminal Code, as set forth in [paragraph 1](#) thereof.

b) Commitment to Ethical Conduct

Inditex's employees, suppliers and business partners are expected to carry out their activity pursuant to the principles and values and the commitments to ethical conduct which must govern Inditex's relationship with its stakeholders, pursuant to the Code of Conduct and Responsible Practices and the Code of Conduct for Manufacturers and Suppliers of the Inditex Group.

Inditex's employees and, where appropriate, any third parties with who they may have any relationship, shall fulfil the obligation of ensuring security of the means of payment used by customers at the Company's stores – both physical and online – for the purposes of guaranteeing the right operation and the property thereof, ensuring fraud prevention.

At any rate, all Inditex's employees, suppliers and business partners shall comply with the Company's regulations and procedures, and with the directions which may be approved to implement them, to the extent applicable.

2.8. Offense of frustrating the enforcement process

a) Criminal offense

This offense is covered in sections 257 to 258 *ter* of the Criminal Code, as set forth in [section 258 *ter*](#).

b) Commitment to Ethical Conduct

Inditex's employees, suppliers and business partners are expected to carry out their activity pursuant to the principles and values and the commitments to ethical conduct which must govern Inditex's relationship with its stakeholders, pursuant to the Code of Conduct and Responsible Practices and the Code of Conduct for Manufacturers and Suppliers of the Inditex Group.

At any rate, payments shall adjust to the policies defined by the Financial Management Department. To secure the principles of transparency and equity, Inditex's employees shall monitor and supervise especially (i) unforeseen payments made by third parties, not covered in the relevant agreements; (ii) payments made into bank accounts other than the usual ones in the relationships with a given organization or person; (iii) payments made to or by individuals, companies, entities, or to bank accounts opened in territories that qualify as tax havens; and, (iv) payments made to organizations where the partner, owner or beneficial owner cannot be identified.

At any rate, all Inditex's employees, suppliers and business partners shall comply with the Company's regulations and procedures, and with the directions which may be approved to implement them, to the extent applicable.

2.9. Punishable insolvency

a) Criminal offense

This offense is covered in sections 259 to 261 *bis* of the Criminal Code, as set forth in [section 261 bis](#).

b) Commitment to Ethical Conduct

Inditex's employees, suppliers and business partners are expected to carry out their activity pursuant to the principles and values and the commitments to ethical conduct which must govern Inditex's relationship with its stakeholders, pursuant to the Code of Conduct and Responsible Practices and the Code of Conduct for Manufacturers and Suppliers of the Inditex Group.

Consequently, any transaction of economic weight carried out by the Company shall be clearly and accurately recorded in appropriate accounting records that show the true and fair image of the transactions carried out. Such records must be made available to internal and external auditors.

Inditex's employees shall enter the full financial information into the Company's systems in a clear and accurate manner so that they will show, as at the relevant date, its rights and obligations in accordance with the applicable regulations. Likewise, they shall ensure that the financial information that must be disclosed to the market under the prevailing regulations in force, is accurate and full.

Inditex is committed to implementing and keeping an appropriate internal control system in respect of financial reporting, ensuring that the effectiveness of such information is regularly monitored. For such purposes, required training will be offered so that employees may be apprised of and understand the company's commitments in the field of internal control on financial information.

At any rate, all Inditex's employees, suppliers and business partners shall comply with the Company's regulations and procedures, and with the directions which may be approved to implement them, to the extent applicable.

2.10. Offense related to damages (cyber damages)

a) Criminal offense

This offense is covered in sections 263 to 264 *quater* of the Criminal Code, as set forth in [section 264 quater](#).

b) Commitment to Ethical Conduct

Inditex's employees, suppliers and business partners are expected to carry out their activity pursuant to the principles and values and the commitments to ethical conduct which must govern Inditex's relationship with its stakeholders, pursuant to the Code of Conduct and Responsible Practices and the Code of Conduct for Manufacturers and Suppliers of the Inditex Group.

Inditex shall ensure that the goods and services that the Company makes available to its employees are used in an appropriate manner. Therefore, they shall make an appropriate use of computers and IT equipment that they use in the conduct of their professional activities, complying with the regulations and guidelines of the organization in respect of the use of IT software and application. At any rate, no illegal file can be downloaded and no file can be introduced for any unlawful purposes.

At any rate, all Inditex's employees, suppliers and business partners shall comply with the Company's regulations and procedures, and with the directions which may be approved to implement them, to the extent applicable.

2.11. Offenses related to intellectual and industrial property

a) Criminal offense

This offense is covered in sections 270 to 270 of the Criminal Code, as set forth in [section 288](#).

b) Commitment to Ethical Conduct

Inditex's employees, suppliers and business partners are expected to carry out their activity pursuant to the principles and values and the commitments to ethical conduct which must govern Inditex's relationship with its stakeholders, pursuant to the Code of Conduct and Responsible Practices and the Code of Conduct for Manufacturers and Suppliers of the Inditex Group.

The entire work done by Inditex responds to the originality of its own designs and of the designs made available by its suppliers. For such reason, Inditex's employees shall not use any works, creations or distinctive signs owned by third parties without being assured of relying on the relevant rights and/or licenses.

Inditex's employees shall take all necessary measures to protect intellectual and industrial property procuring traceability in decision-making and processes related to this issue, to the extent that they are defensible, ascertainable and documented. Additionally, this shall be recorded in agreements with third parties, ensuring originality of own works and the peaceful use of third parties' works.

Likewise, all Inditex's employees shall ensure respect and an authorized use of any and all images, texts, trademarks, domain names and rights of reproduction and design used for the discharge of their duties, especially regarding advertising and marketing.

At any rate, all Inditex's employees, suppliers and business partners shall comply with the Company's regulations and procedures, and with the directions which may be approved to implement them, to the extent applicable.

2.12. Offenses related to the market and consumers

a) Criminal offense

This offense is covered in sections 278 to 286 of the Criminal Code, as set forth in [section 288](#) thereof.

b) Commitment to Ethical Conduct

Inditex's employees, suppliers and business partners are expected to carry out their activity pursuant to the principles and values and the commitments to ethical conduct which must govern Inditex's relationship with its stakeholders, pursuant to the Code of Conduct and Responsible Practices and the Code of Conduct for Manufacturers and Suppliers of the Inditex Group.

Inditex is a loyal competitor in the market and does not accept any manner of misleading, fraudulent or deceptive conducts.

For such reason, Inditex staff shall, in the search for commercial or market information, respect and observe in full the regulations aimed at protecting it. Employees shall reject all such information gathered in an inappropriate manner or in breach of the confidentiality with which its owners protect it. Likewise, Inditex staff may not ask or accept from suppliers, any information regarding the terms and conditions determined by Inditex's competitors.

Those employees who have joined Inditex from other companies of the sector must be especially careful not to infringe any trade secrets, by revealing to Inditex any confidential information of competitors.

At any rate, all Inditex's employees, suppliers and business partners shall comply with the Company's regulations and procedures, and with the directions which may be approved to implement them, to the extent applicable.

2.13. Corruption in business

a) Criminal offense

This offense is covered in sections 286 *bis* to 286 *quater* of the Criminal Code, as set forth in [section 288](#) thereof.

b) Commitment to Ethical Conduct

Inditex's employees, suppliers and business partners are expected to carry out their activity pursuant to the principles and values and the commitments to ethical conduct which must govern Inditex's relationship with its stakeholders, pursuant to the Code of Conduct and Responsible Practices and the Code of Conduct for Manufacturers and Suppliers of the Inditex Group.

Likewise, during the screening of suppliers' process, Inditex's employees shall make their choice based upon yardsticks of objectivity and transparency, ensuring that they are in line with the Company's ethical commitments.

Moreover, in the performance of activities related to purchases and procurement, Inditex's employees shall strictly observe the internal regulations and procedures of the Company.

To fulfil Inditex's guidelines and ethical commitments in this area, it is forbidden for employees, suppliers and business partners to grant, request or accept—either directly or indirectly- any manner of gifts or handouts, favours or rewards which may have an impact on the decision-making process related to the office they hold.

At any rate, all Inditex's employees, suppliers and business partners shall comply with the Company's regulations and procedures, and with the directions which may be approved to implement them, to the extent applicable.

2.14. Corruption

a) Criminal offense

This offense is covered in sections 419 to 427 *bis* of the Criminal Code, as set forth in section [427 bis thereof](#)

b) Commitment to Ethical Conduct

Inditex's employees, suppliers and business partners are expected to carry out their activity pursuant to the principles and values and the commitments to ethical conduct which must govern Inditex's relationship with its stakeholders, pursuant to the Code of Conduct and Responsible Practices and the Code of Conduct for Manufacturers and Suppliers of the Inditex Group.

Such employees or third parties who, with the prior authority of Inditex, are related with public authorities and institutions of such countries where the Company conducts its business, shall act in an ethical and respectful manner, in line with international provisions on corruption and bribery prevention.

Likewise, it is forbidden for Inditex's employees, suppliers and business partners to offer, grant, request or accept—either directly or indirectly- any manner of gifts, handouts, favours or rewards, to or from any authority or civil servant, except for those which are of scarce value and reasonable according to the local practice and which meet the principles of transparency and lawfulness, and always in accordance with social practice.

No employee of Inditex may offer, grant, request or accept—either directly or indirectly- any manner of gifts or handouts, favours or rewards which may have an impact on the decision-making process related to the performance of the duties inherent in the office they hold.

Likewise, Inditex's staff and business partners are expected to enforce the prevailing laws in force and ensure transparency of such contributions that the Company may make, either in cash and/or in kind, to institutions and/or public authorities. For such purposes, any and all contributions shall be supported by a prior report from the legal Department confirming that they are lawful.

At any rate, all Inditex's employees, suppliers and business partners shall comply with the Company's regulations and procedures, and with the directions which may be approved to implement them, to the extent applicable.

2.15. Influence Peddling

a) Criminal offense

This offense is covered in sections 429 and 430 of the Criminal Code, as set forth in section [430 thereof](#).

b) Commitment to Ethical Conduct

Inditex's employees, suppliers and business partners are expected to carry out their activity pursuant to the principles and values and the commitments to ethical conduct which must govern Inditex's relationship with its stakeholders, pursuant to the Code of Conduct and Responsible Practices and the Code of Conduct for Manufacturers and Suppliers of the Inditex Group

Accordingly, Inditex's employees shall prevent any situations which may entail a conflict of interest between their own interests and those of the Company. Likewise, they shall refrain from representing Inditex and take part or exercise influence on the decision-making process regarding such decisions in which either themselves or any third party related to them may have, either directly or indirectly, a personal interest. Likewise, they shall prevent availing themselves of their position within the Company to obtain economic or personal advantages or business opportunities for themselves.

In the event of any conflict of interest situation involving any employee of Inditex or their next of kin, which might jeopardize the necessary objectivity or professionalism in the performance of their duties within the organization, Inditex's employees shall be required to disclose such conflict to the Committee of Ethics so that it would take all relevant measures, always respecting confidentiality and privacy of individuals.

Likewise, Inditex's staff and business partners are expected to enforce the prevailing laws in force and ensure transparency of such contributions that the Company may make, either in cash and/or in kind, to institutions and/or public authorities. For such purposes, any and all contributions shall be supported by a prior report from the legal Department confirming that they are lawful.

At any rate, all Inditex's employees, suppliers and business partners shall comply with the Company's regulations and procedures, and with the directions which may be approved to implement them, to the extent applicable.

2.16. Offenses related to money laundering / receiving stolen goods

a) Criminal offense

This offense is covered in sections 298 to 302 of the Criminal Code, as set forth in section [302 paragraph 2](#) thereof.

b) Commitment to Ethical Conduct

Inditex's employees, suppliers and business partners are expected to carry out their activity pursuant to the principles and values and the commitments to ethical conduct which must govern Inditex's relationship with its stakeholders, pursuant to the Code of Conduct and Responsible Practices and the Code of Conduct for Manufacturers and Suppliers of the Inditex Group.

Consequently, in the course of their relationship with suppliers and third parties, Inditex staff shall prevent any payment in cash and/or in any currency other than the one previously agreed.

At any rate, payments shall adjust to the policies defined by the Financial Management Department. To secure the principles of transparency and equity, Inditex's employees shall monitor and supervise especially (i) unforeseen payments made by third parties, not covered in the relevant agreements; (ii) payments made into bank accounts other than the usual ones in the relationships with a given organization or person; (iii) payments made to or by individuals, companies, entities, or to bank accounts opened in territories that qualify as tax havens; and, (iv) payments made to organizations where the partner, owner or beneficial owner cannot be identified.

At any rate, all Inditex's employees, suppliers and business partners shall comply with the Company's regulations and procedures, and with the directions which may be approved to implement them, to the extent applicable.

2.17. Offense related to financing of terrorism

a) Criminal offense

This offense is covered in section 576 of the Criminal Code, as set forth in [paragraph 5](#) thereof.

b) Commitment to Ethical Conduct

Inditex's employees, suppliers and business partners are expected to carry out their activity pursuant to the principles and values and the commitments to ethical conduct which must govern Inditex's relationship with its stakeholders, pursuant to the Code of Conduct and Responsible Practices and the Code of Conduct for Manufacturers and Suppliers of the Inditex Group.

Inditex's employees, suppliers and business partners shall be involved in Inditex' commitment in the performance of their duties in favor of its stakeholders, namely in the conduct of sponsorship and social action proceedings, whether carried out by the organization or in partnership with social organizations, which must share Inditex's ethical values.

Likewise, Inditex's staff and business partners are expected to enforce the prevailing laws in force and ensure transparency of such contributions that the Company may make, either in cash and/or in kind, to institutions and/or public authorities. For such purposes, any and all contributions shall be supported by a prior report from the legal Department confirming that they are lawful.

At any rate, all Inditex's employees, suppliers and business partners shall comply with the Company's regulations and procedures, and with the directions which may be approved to implement them, to the extent applicable.

2.18. Offense related to the illegal financing of political parties

a) Criminal offense

This offense is covered in sections 304 bis and 304 ter of the Criminal Code, as set forth in [section 304 bis paragraph 5](#) thereof.

b) Commitment to Ethical Conduct

Inditex's employees, suppliers and business partners are expected to carry out their activity pursuant to the principles and values and the commitments to ethical conduct which must govern Inditex's relationship with its stakeholders, pursuant to the Code of Conduct and Responsible Practices and the Code of Conduct for Manufacturers and Suppliers of the Inditex Group.

In accordance with such values, Inditex implements its business model without any political interference in such communities where its production, distribution and/or marketing activities are conducted.

For such reason, it is essential that Inditex employees be aware of the fact that any contributions made by the Company, either in cash and/or in kind, to any political parties, institutions and public authorities, shall be done always in accordance with the prevailing laws in force and ensuring the transparency of such contributions. For such purposes, any and all contributions shall be supported by a prior report from the legal Department confirming that they are lawful.

At any rate, all Inditex's employees, suppliers and business partners shall comply with the Company's regulations and procedures, and with the directions which may be approved to implement them, to the extent applicable.

2.19. Offenses against *Hacienda Pública* [Exchequer] and the Social Security

a) Criminal offense

This offense is covered in sections 305 to 310 bis of the Criminal Code, as set forth in [section 310 bis](#) thereof.

b) Commitment to Ethical Conduct

Inditex's employees, suppliers and business partners are expected to carry out their activity pursuant to the principles and values and the commitments to ethical conduct which must govern Inditex's relationship with its stakeholders, pursuant to the Code of Conduct and Responsible Practices and the Code of Conduct for Manufacturers and Suppliers of the Inditex Group.

Accordingly, reference is made to the fact that tax authorities need to be provided with accurate and true information of the Company, and thus, the principles of transparency and clarity shall rule book-keeping.

For such reason, Inditex's employees and namely the staff of the Financial Division shall strictly observe the high level controls described in section 1.6 above, the conduct guidelines established and the financial controls provided by Inditex, all in accordance with the internal control system on financial information (SCIIF, *Spanish acronym*) to which the Company is subject.

Likewise, employees, suppliers and business partners – where applicable-, are expected to ensure that aid requested or received from public administrations receive an appropriate use and that their request is transparent, avoiding misrepresenting the conditions to be granted such aid or allocate it to a use other than the one for which it had been granted.

It is essential that Inditex's employees involved in the process of preparing, assessing and filing tax returns, should keep and file in an appropriate manner all the documentation regarding the decision-making process regarding taxes.

At any rate, all Inditex's employees, suppliers and business partners shall comply with the Company's regulations and procedures, and with the directions which may be approved to implement them, to the extent applicable.

2.20. Offenses concerning the organization of the territory and town planning

a) Criminal offense

This offense is covered in section 319 of the Criminal Code, as set forth in [paragraph 4](#) thereof.

b) Commitment to Ethical Conduct

Inditex's employees, suppliers and business partners are expected to carry out their activity pursuant to the principles and values and the commitments to ethical conduct which must govern Inditex's relationship with its stakeholders, pursuant to the Code of Conduct and Responsible Practices and the Code of Conduct for Manufacturers and Suppliers of the Inditex Group.

Namely, it is hereby reminded that regulatory compliance is a pre-requirement of this Policy and thus, all its recipients must comply with the prevailing laws in force in each country where Inditex carries out its production, distribution and marketing activities. Under no circumstance may the enforcement of this Policy entail any breach of the prevailing laws in force in the countries where Inditex operates.

At any rate, all Inditex's employees, suppliers and business partners shall comply with the Company's regulations and procedures, and with the directions which may be approved to implement them, to the extent applicable.

2.21. Offenses against natural resources and the environment

a) Criminal offense

This offense is covered in sections 325 to 331 of the Criminal Code, as set forth in [section 328](#) thereof.

b) Commitment to Ethical Conduct

Inditex's employees, suppliers and business partners are expected to carry out their activity pursuant to the principles and values and the commitments to ethical conduct which must govern Inditex's relationship with its stakeholders, pursuant to the Code of Conduct and Responsible Practices and the Code of Conduct for Manufacturers and Suppliers of the Inditex Group.

In accordance with both Codes, all Inditex's business is conducted in an environment-friendly manner, promoting biodiversity preservation and the sustainable management of natural resources.

Corporate Social Responsibility is part of Inditex's business model and its overarching principles are mandatory for all employees. Likewise, suppliers and third parties who are in a relationship with Inditex are expected to keep the company's commitment to environment protection, meeting the standards and requirements laid down in local and international applicable laws.

Inditex's employees, suppliers and business partners shall collaborate, where applicable, with competent environmental authorities.

Inditex's employees, suppliers and business partners shall disclose to the competent authorities and allow inspection activity of the Administration in respect of any fact that they may be aware of which might qualify as a criminal offense against natural resources and the environment.

Likewise, employees, business partners and suppliers are expected to fulfil Inditex's commitment to minimizing environmental impact throughout the full life cycle of its goods, by implementing at each stage of the design, manufacturing, distribution, sale and end of use process, measures to reduce and set off the above referred impact.

At any rate, all Inditex's employees, suppliers and business partners shall comply with the Company's regulations and procedures, and with the directions which may be approved to implement them, to the extent applicable.

2.22. Offenses of risk caused by explosives and other such agents

a) Criminal offense

This offense is covered in section 348 of the Criminal Code, as set forth in [paragraph 3](#) thereof.

b) Commitment to Ethical Conduct

Inditex's employees, suppliers and business partners are expected to carry out their activity pursuant to the principles and values and the commitments to ethical conduct which must govern Inditex's relationship with its stakeholders, pursuant to the Code of Conduct and Responsible Practices and the Code of Conduct for Manufacturers and Suppliers of the Inditex Group.

Inditex's staff is expected to collaborate in strictly observing the applicable labour regulations and in the prevention, detection and elimination of any irregularities related to this area.

To do so, Inditex's staff shall be responsible for strictly complying with the regulations on health and safety at the workplace and for ensuring their own security and that of the individuals affected by their activities.

Likewise, suppliers and third parties with who Inditex has a relationship, shall provide their employees with a healthy and secure workplace, guaranteeing appropriate security measures, fire prevention measures, measures to prevent accidents and damages which may affect their health, minimizing to the extent possible, any risk inherent in their work.

At any rate, all Inditex's employees, suppliers and business partners shall comply with the Company's regulations and procedures, and with the directions which may be approved to implement them, to the extent applicable.

2.23. Offenses related to nuclear energy and ionizing radiations

a) Criminal offense

This offense is covered in section 343 of the Criminal Code, as set forth in [paragraph 3](#) thereof.

b) Commitment to Ethical Conduct

Inditex's employees, suppliers and business partners are expected to carry out their activity pursuant to the principles and values and the commitments to ethical conduct which must govern Inditex's relationship with its stakeholders, pursuant to the Code of Conduct and Responsible Practices and the Code of Conduct for Manufacturers and Suppliers of the Inditex Group.

Inditex's staff is expected to collaborate in strictly observing the applicable labour regulations and in the prevention, detection and elimination of any irregularities related to this area.

Likewise, Inditex's staff shall be responsible for strictly complying with the regulations on health and safety at the workplace and for ensuring their own security and that of the individuals affected by their activities.

Likewise, suppliers and third parties with who Inditex has a relationship are expected to provide their employees with a healthy and secure workplace, guaranteeing appropriate security measures, fire prevention measures, measures to prevent accidents and damages which may affect their health, minimizing to the extent possible, any risk inherent in their work.

At any rate, all Inditex's employees, suppliers and business partners shall comply with the Company's regulations and procedures, and with the directions which may be approved to implement them, to the extent applicable.

2.24. Offenses against public health

a) Criminal offense

This offense is covered in sections 359 to 370 and 373 to 377 of the Criminal Code, as set forth in sections [366 and 369 bis](#).

b) Commitment to Ethical Conduct

Inditex's employees, suppliers and business partners are expected to carry out their activity pursuant to the principles and values and the commitments to ethical conduct which must govern Inditex's relationship with its stakeholders, pursuant to the Code of Conduct and Responsible Practices and the Code of Conduct for Manufacturers and Suppliers of the Inditex Group.

Inditex protects its customers by creating and implementing health and safety of the product standards which are mandatory for all its suppliers and employees, ensuring that all goods marketed by Inditex are not a health hazard and/or their use does not entail a risk for their security. Inditex's staff shall ensure compliance with the above mentioned standards, and with the remaining standards and procedures established regarding labelling, quality and description of garments.

Manufacturers and suppliers shall provide their employees with a secure and healthy workplace, ensuring appropriate working conditions pursuant to the terms laid down in the Code of Conduct for Manufacturers and Suppliers of the Inditex Group. To do so, they are expected to take such measures as may be required to prevent any accidents or hazards to the employees's health minimizing, to the extent possible, any risk inherent in their work.

Likewise, manufactures and suppliers are required to run regular training for their employees in the area of health and safety at work, appointing a health and safety supervisor with the required authority and decision-making capacity.

At any rate, all Inditex's employees, suppliers and business partners shall comply with the Company's regulations and procedures, and with the directions which may be approved to implement them, to the extent applicable.

2.25. Offenses related to forgery of currency and tax stamps

a) Criminal offense

This offense is covered in sections 386 and 387 of the Criminal Code, as set forth in section [386 paragraph 5 thereof](#)

b) Commitment to Ethical Conduct

Inditex's employees, suppliers and business partners are expected to carry out their activity pursuant to the principles and values and the commitments to ethical conduct which must govern Inditex's relationship with its stakeholders, pursuant to the Code of Conduct and Responsible Practices and the Code of Conduct for Manufacturers and Suppliers of the Inditex Group.

Employees and, where appropriate, any third parties with who the Company has a relationship, are expected to fulfil the obligation of ensuring fraud prevention, by establishing that currency circulation in their premises conforms with the applicable laws and regulations on money laundering, and to dispose of the bills which have been ascertained to be counterfeit through the technical devices of the Company, according to law.

Namely, it is hereby reminded that regulatory compliance is a pre-requirement of this Policy and thus, all its recipients must comply with the prevailing laws in force in each country where Inditex carries out its production, distribution and marketing activities. Under no circumstance may the enforcement of this Policy entail any breach of the prevailing laws in force in the countries where Inditex operates.

At any rate, all Inditex's employees, suppliers and business partners shall comply with the Company's regulations and procedures, and with the directions which may be approved to implement them, to the extent applicable.

2.26. Offenses committed when exercising Fundamental Rights and Public Liberties

a) Criminal offense

This offense is covered in sections 510 and 510 *bis* of the Criminal Code, as set forth in [section 510 bis](#) thereof

b) Commitment to Ethical Conduct

Inditex's employees, suppliers and business partners are expected to carry out their activity pursuant to the principles and values and the commitments to ethical conduct which must govern Inditex's relationship with its stakeholders, pursuant to the Code of Conduct and Responsible Practices and the Code of Conduct for Manufacturers and Suppliers of the Inditex Group.

With regard to the provisions of both Codes, natural and legal persons who are directly or indirectly engaged in any employment, economic, social and/or industrial relationship with Inditex shall be treated in a fair and honourable manner.

Inditex's employees, suppliers and business partners shall ensure and respect, in their relationship with other employees, customers and any other person, whether natural or legal, human rights, taking into account the different cultural background of each person.

In this respect, and in accordance with Inditex's values, all of them shall carry out their activities without allowing any manner of violence, harassment or abuse on account of race, religion, age, nationality, gender or any other personal or social condition.

Inditex's employees may take part in lawful political activities, provided that said activities would not interfere with the appropriate performance of their work and so that they activities may not be attributed to the company for the Company.

At any rate, all Inditex's employees, suppliers and business partners shall comply with the Company's regulations and procedures, and with the directions which may be approved to implement them, to the extent applicable.

2.27. Smuggling

a) Criminal offense

This offense is covered in sections 2 and 3 of *Ley Orgánica* 12/1995, of 12 December, on Smuggling Repression, as set forth in [section 2 paragraph 6 thereof](#).

b) Commitment to Ethical Conduct

Inditex's employees, suppliers and business partners are expected to carry out their activity pursuant to the principles and values and the commitments to ethical conduct which must govern Inditex's relationship with its stakeholders, pursuant to the Code of Conduct and Responsible Practices and the Code of Conduct for Manufacturers and Suppliers of the Inditex Group.

Namely, it is hereby reminded that regulatory compliance is a pre-requirement of this Policy and thus, all its recipients must comply with the prevailing laws in force in each country where Inditex carries out its production, distribution and marketing activities. Under no circumstance may the enforcement of this Policy entail any breach of the prevailing laws in force in the countries where Inditex operates.

In turn, Inditex's internal regulations encompass the contents of all agreements and conventions, whether domestic or international, to which it has acceded, undertaking to promote and enforce them.

At any rate, all Inditex's employees, suppliers and business partners shall comply with the Company's regulations and procedures, and with the directions which may be approved to implement them, to the extent applicable.