

INDITEX



Global Policy on the

Internal Reporting Channels of the Inditex Group

Approved by the Board of Directors on 3 May 2023

Reference	-
Name of the Standard	Global Policy on the Internal Reporting Channels of the Inditex Group
Overview	In line with the ethics culture of the Inditex Group, this Policy covers the overarching principles that must be observed upon managing the concerns on breaches reported via the internal reporting channels
Scope	Global
Type	Policy
Supervisor	Ethics Committee
Date of approval	3 May 2023
Effective as of	3 May 2023
Affected regulations	This Policy takes precedence over the Ethics Line Procedure, which it amends, effective as of this date. It also amends the Regulations of the Ethics Committee
Version	1.0

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1. Background

The Board of Directors of Industria de Diseño Textil, S.A. (Inditex) approved in July 2012 the Code of Conduct and Responsible Practices and the Code of Conduct for Manufacturers and Suppliers (the “**Codes of Conduct**”), which set out the principles that must underpin the ethics culture of the Inditex Group (the “**Group**” or the “**Inditex Group**”).

As a supporting instrument to the above referred Codes, the Inditex Group also set up in 2012 the Ethics Line, the preferred internal reporting line available to every employee, manufacturer, supplier, and other third parties, to report any breach of the Codes of Conduct and other internal regulations of conduct that the Ethics Committee oversees. The Ethics Line Procedure was approved by the Board of Directors in 2012 and updated in 2019.

Further implementing the guarantees that internal reporting channels of Breaches must offer and the principles that govern the Codes of Conduct, as well as for the purposes of aligning such channels with applicable regulations in the different markets where the Group operates, encompassing best practices in the field, the Board of Directors approved at the meeting held on 3 May 2023, following a favourable report from the Audit and Compliance Committee, the implementation of the Internal Reporting System of the Inditex Group and this Policy on the internal reporting channels of the Inditex Group (the “**Policy**”).

2. Purpose

This Policy seeks to outline: (i) the overarching principles that will govern the implementation of the Internal Reporting System of the Inditex Group as well as the different Internal Reporting Channels which make it up and, (ii) protection guarantees for Whistleblowers that use the System pursuant to the terms of the Policy.

The Inditex Group relies on Internal Reporting Channels available to employees and anyone with a lawful business or professional interest to report any potential breach of law or of the Group’s internal regulations of conduct that fall within the scope of the Policy. Foremost among such Internal Reporting Channels is the Ethics Line, the preferred internal reporting channel, supplementary to the Ordinary Reporting Channels of the Company with its employees and with third parties engaged in a business or professional relationship with the Company.

Internal Reporting Channels, in particular the Ethics Line, make up the Internal Reporting System of the Inditex Group. They are informed by the principles laid down in the Policy and by the procedures to manage the information received, which may be created for each specific channel, based upon its own features and statutory requirements in place in the markets where the Group operates.

Under no circumstances shall the enforcement of the Policy and its implementing regulations entail noncompliance with current statutory provisions in force in the markets where the Inditex Group operates. In any case, such provisions shall prevail over any internal regulation of the Group. In the absence of current statutory provisions in the relevant market, or as a supplement to existing ones, this Policy shall apply. The Policy shall be enforced without prejudice to the provisions of the remaining internal regulations of the Group and to the internal regulations or procedures applicable in the various markets where Inditex operates.

3. Definitions

For the purposes of this Policy, the following terms are defined below:

Ethics Line

Internal Reporting Channel of the Inditex Group considered as the preferred line for Whistleblowers to report Concerns and to raise questions about the provisions and scope of the Codes of Conduct and other internal regulations within the purview of the Ethics Line.

Internal Reporting Channels

Mailboxes, channels and/or lines of communication, including the Ethics Line as the preferred channel, made available or accepted by the Ethics Committee, which make up the Internal Reporting System, for the purposes of allowing Whistleblowers to submit Concerns.

Ordinary Reporting Channels

Mailboxes, channels and/or lines of communication made available or accepted by the Group to handle and manage Other Breaches, where appropriate.

Interpersonal conflict

Any disagreement between two or more individuals on grounds other than job performance or fulfilment of their work obligations which are not deemed to be Breaches or Other Breaches.

Ethics Committee

Information about Breaches or Other Breaches, including any reasonable suspicion in this regard, which have already taken place or which are very likely to take place and which have resulted in damage to the Whistleblower, or which has been acquired by the Whistleblower in a work, business or professional-related context.

Concern (or Concerns)

Information about Breaches or Other Breaches, including any reasonable suspicion in this regard, which have already taken place or which are very likely to take place and which have resulted in damage to the Whistleblower, or which has been acquired by the Whistleblower in a work, business or professional-related context.

Directive (EU) 2019/1937

Directive (EU) 2019/1937 of the European Parliament and of the Council of 23 October 2019 on the protection of persons who report breaches of Union law.

Subsidiary (or Group Company)

Any subsidiary of the Inditex Group that conducts business in a given market.

Inditex Group or Group

"Inditex Group" or "Group" shall mean the group made up of Inditex and the companies where the Company holds, directly or indirectly, at least 50% of the share capital or the voting rights.

Inditex (also, the "Company")

Industria de Diseño Textil, S.A. (Inditex, S.A.), parent company of the Inditex Group (as defined above).

Whistleblower

Any employee, director and/or shareholder in any Group company, as well as any person who works under the guidance of manufacturers, suppliers, contractors and subcontractors of the Inditex Group, who has, in a work-related (regardless of whether the relationship has yet to begin or has ended), business-related or professional-related context, acquired information about Breaches or Other Breaches, or has made a Query, as well as any other person who pursuant to the prevailing laws on the markets where the Group operates qualify as such.

Breaches

Breaches shall mean:

- / / Acts or omissions that may entail a violation of the applicable laws on: public procurement; financial services, products and markets and prevention of money laundering and terrorist financing; product safety and compliance; transport safety; protection of the environment; radiation protection and nuclear safety; food safety and animal welfare; public health; consumer protection; and, protection of privacy and personal data and security of network and information systems.
- / / Other violation of laws which may, within the scope of the statutory protection of the Whistleblower and of the Internal Reporting Systems, be of application in the markets where Inditex operates.

Other Breaches

Acts or omissions that entail a breach of the Codes of Conduct or any other internal regulations of conduct within the purview of the Ethics Committee, that meet the following requirements: (i) they are not deemed to be a Breach; (ii) they affect Inditex; and, (iii) they have been committed by an employee, manufacturer, supplier or third party engaged in a direct employment, business or professional relationship with the Inditex Group.

Person concerned

Natural or legal person who is charged in a Concern with having allegedly incurred in a Breach or Other breaches.

Retaliation

Any act or omission which entails, directly or indirectly, an adverse treatment of the individual suffering retaliation, to their detriment in respect of others in a work-related context, stemming from the fact that a Concern has been submitted. By way of an example, retaliation shall include suspension, lay-off, dismissal or equivalent measures, demotion or withholding of promotion and transfer of duties, change of location of place of work, reduction in wages or changes in working hours.

Internal reporting system of the Inditex Group or System

Set of Internal Reporting Channels that the Company makes available at present or which it may make available in the future, to Whistleblowers to submit Concerns, pursuant to the applicable laws in the markets where the Group operates.

4. Scope of application

This Policy applies to Industria de Diseño Textil, S.A. (Inditex, S.A.) and to every company within the Inditex Group and is binding for its entire staff, irrespective of their job title and position.

This Policy applies to the Internal Reporting System of the Inditex Group. Any purely work-related and human resources

management-related issues that fail to qualify as Breaches or Other Breaches, shall be outside the scope of the Policy.

Likewise, this Policy is supplementary to other mandatory internal regulations, such as the Compliance Policy regarding Personal Data Protection and Privacy, the Information Security Policy, applicable internal regulations in the field of bullying prevention and occupational health and safety, as well as any other governing issues relating to the information of the Company, or which fall within the Policy's scope of application.

5. Statement of Principle

This Policy, which outlines the overarching principles that apply to the Internal Reporting System of the Inditex Group and the different Internal Reporting Channels comprising such System, will be implemented on the basis of the following principles:

- 1) Concerns may be received via the channels which make up the Internal Reporting System provided that, however they fall within the scope of application of the Policy, as defined in section 4 above.
- 2) The Internal Reporting System shall ensure that the identity of the Whistleblower, the Persons concerned and of anyone mentioned in the Concern is kept confidential, and that their personal data are safe. Such personal data will be protected and access to the same shall be restricted to those who are required to take part in the investigation and resolution of the facts disclosed.
- 3) Concerns received via the Internal Reporting System shall be effectively handled within the Group. This is the preferred channel to submit Concerns about Breaches or Other Breaches.
- 4) Anonymous concerns may be submitted and handled via the Internal Reporting Channels.
- 5) Person(s) concerned by the Concern shall be entitled to be apprised of the acts or omissions attributed to them and to submit pleadings and provide such evidence they may deem appropriate. In any case, the right to honour and to presumption of innocence shall be respected. Notwithstanding the foregoing, the hearing will take place within the deadline and in the form that is deemed appropriate to ensure that the investigation is duly conducted.
- 6) Any form of Retaliation against any Whistleblower who submits, in good faith, Concerns that fall within the scope of this Policy is strictly prohibited, as well as against anyone who may assist the Whistleblower in the course of the investigation, third parties associated with the same, as well as against any legal person owned by the Whistleblower or with which they are otherwise connected in a work-related or professional-related context. Should the Person in Charge of the Internal Reporting System consider that a Whistleblower or any of the persons or companies above mentioned have, acting in good faith, suffered from any form of Retaliation, the perpetrators of Retaliation will be investigated and subject to the relevant disciplinary measures.
- 7) Any personal data processing carried out under this Policy shall take place in accordance with the principles outlined in the Compliance Policy regarding Personal Data Protection and Privacy.
- 8) It is strictly prohibited for any Group company to set up communication channels aimed at disclosing acts or omissions that may be deemed to be Breaches under this Policy without the prior and express consent of the Person in charge of the Reporting System.

6. Person in Charge of the Internal Reporting System of the Inditex Group

The Ethics Committee, a collegiate body reporting to Inditex's Board of Directors via the Audit and Compliance Committee shall be the Person in charge of the Internal Reporting System (the "**Person in charge of the System**" or the "**Person in charge**"). Pursuant to the Regulations of the Ethics Committee, it shall be responsible for, inter alia, overseeing, constructing and enforcing the Codes of Conduct and this Policy and overseeing the Ethics Line.

The Ethics Committee shall carry out its duties in an independent and unbiased manner and be accountable for the management of the System and the appropriate handling of the Concerns received via the Ethics Line and the other Internal Reporting Channels that make up the System.

The Ethics Committee will delegate the management of the Internal Reporting System of the Inditex Group and the handling of the investigation cases to such member of the General Counsel's Office - Compliance Office's team sitting on the Committee and acting as its Secretary.

In addition to the terms of the Policy and the provisions of the applicable internal regulations, the Regulations of the Ethics Committee, defining its scope of application, its description and duties shall apply.

7. Concerns about Breaches received via lines or channels outside the Internal Reporting Systems

Any person within the Inditex Group who receives a Concern about a Breach via any line or channel outside the Internal Reporting System of the Inditex Group (including without limitation, customer service channels or channels aimed at providing general corporate information), as well as where the person who receives the Concern about a Breach is not in charge of handling it pursuant to this Policy, shall forthwith submit it to the Person in charge of the Internal Reporting System via the relevant Internal Reporting Channel within the System, refraining from sharing such information with third parties not tasked with managing such Concern.

Failure to comply with the obligations set out in the paragraph above shall be deemed to be a very serious breach of the Policy which may lead to the relevant disciplinary measures.

Necessary action shall be taken to ensure that anyone likely to receive Concerns about Breaches via channels or lines outside the Internal Reporting System would receive the required specific training to understand and enforce the Policy.

8. Responsibilities

The responsibility to report any potential Breach or Other Breaches and to provide the appropriate protection to Whistleblowers pursuant to the terms hereunder set out shall extend to every organizational and functional level within the Company, to the extent applicable, as outlined below:

(i) Responsibilities of the Inditex Group's staff:

Every staff member of the Group shall be familiar with, undertake and abide by this Policy and any implementing Procedure that may be approved. Every Group employee shall urgently report any potential Breach via the Internal Reporting Channels of the Company.

(ii) Responsibilities of the Ethics Committee:

The Ethics Committee being the Person in charge of the Internal Reporting System, shall strictly abide by the

Policy upon managing and handling the Concerns received via the System and ensure that the principles and guarantees therein set out are effectively and consistently applied across the Group.

The Ethics Committee shall be responsible, inter alia, for overseeing and coordinating the setting up and management of the different Internal Reporting Channels that compose the Internal Reporting System of the Group pursuant to the Policy.

- (iii) Responsibilities of the individuals tasked with managing and handling the Concerns received via any Internal Reporting Channels:

The individuals who must support the Person in Charge of the System with the handling or investigation of Concerns on account of their job with the Company, shall handle them in accordance with the principles set out in the Policy, where applicable, and in accordance with the relevant Internal Reporting Channel Procedure, subject to the provisions of applicable laws and the remaining internal regulations of the Group.

- (iv) Responsibilities of the General Counsel's Office – Compliance Office:

As defined in the Policy and in the Compliance Management Procedure, the Internal Reporting System, in particular the Ethics Line, is a key element of the Group's Global Compliance Model, it is incumbent on the General Counsel's Office - Compliance Office to oversee compliance with the Policy and provide the Person in charge of the Internal Reporting System with the required technical assistance to manage it.

9. Oversight and monitoring. Audit

The Company shall be subject to regular reviews and monitoring, including audits carried out by the Internal Audit Department to assess compliance with the Policy.

10. Policy circulation and training

The Policy will be available to the Inditex Group's staff members on the corporate intranet (INET) and to every stakeholder of the Inditex Group on the homepage of the corporate website (www.inditex.com).

Likewise, the Policy and any Management Procedure for the Internal Reporting Channels comprising the System that may be approved to implement it shall be subject to the relevant communication and awareness-raising actions to ensure the appropriate understanding and implementation thereof.

11. Policy update and review

This Policy will be reviewed and updated as required, at the behest of the Ethics Committee, to encompass any applicable regulatory developments best practices in the field, as well as any changes that may arise in respect of Inditex's business model or to the environment where the Group operates, ensuring in any case its implementation.

INDITEX