

*Inditex strives to make sure the most stringent labour standards are upheld and safeguarded in all the factories we work with.*

*During this unprecedented time, Inditex is committed to working with its suppliers and their workers through the impacts of Covid-19. As a priority, we are working closely with suppliers to ensure they are following official guidance to protect the health of workers in factories during the pandemic. For that reason, we have communicated with suppliers to follow local government recommendations and instructions and/or to implement measures to ensure they are following the health protection guidelines for workplaces detailed by the WHO regarding Covid 19.*

*Respect for freedom of association is a key principle of Inditex's Code of Conduct in the belief that mature industrial relations are crucial in driving sustainable improvements in working conditions and wages. Inditex formed the first agreement of its kind in its industry with IndustriALL Global Union in 2007, which has been continuously updated, to drive mature industrial relations in the supply chain through the respect of the rights of freedom of association, collective bargaining and the promotion of social dialogue.*

*Inditex expressly outlaws discrimination against workers' representatives and union members.*

#### *Myanmode Co. Ltd*

*We understand from the Myanmode garment factory management that a dispute occurred as a result of downsizing and to maintain social distancing due to the Covid-19 pandemic. We are pleased that the dispute at this supplier factory has now been resolved through social dialogue and that management has agreed to reinstate the affected workers following Inditex mediation.*

*Specifically, the agreement includes the following relevant points:*

- Management has agreed to reinstate 75 of the affected workers retaining their previous positions, benefits, wages and service years and the remaining 545 dismissed workers will be rehired progressively once the company resumes normal business and the COVID-19 situation stabilises.*
- The management commits not to discriminate against the union.*
- If the factory needs to reduce workforce for credible reasons again, the union or Workplace Coordinating Committee organization members will be consulted and Myanmar Labor Law rules and regulations will be followed.*
- The workers commit to cooperate to improve the factory's productivity and quality level and wear PPE for their workplace safety.*
- The factory will establish an external "Monitoring Committee" in cooperation with entities such as the ILO to supervise the factory through the agreement process.*

#### *Rui- Ning*

*We understand from the Rui-Ning garment factory management that a dispute occurred as a result of downsizing and to maintain social distancing due to the Covid-19 pandemic. We have*

*been informed by the factory that this was done in accordance with Myanmar Labour Law and with prior consultation with the factory union, with whom the factory management shared the criteria used to determine which workers would be included in the downsize process – less than 1 year in service. In spite of being one of many customers of the factory, we are working hard to support a solution through social dialogue with the help of IndustriALL Global Union with which we have a longstanding framework agreement. As part of these efforts, the factory has committed to reinstate the worker representative involved in the downsizing. We will continue to monitor and support the situation through to its resolution.*

*We continue to work closely with all of our suppliers at this difficult time and we expect continued compliance with our Code of Conduct, which clearly requires fair treatment of workers and no discrimination against workers' representatives.*

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