



INDITEX

GLOBAL FRAMEWORK AGREEMENT

November 13th, 2019

INTRODUCTION

On the one hand, Mr. Pablo Isla Álvarez de Tejera, Executive President of Industria de Diseño Textil, S.A. (INDITEX, S.A.) (hereinafter, "Inditex"), with C.I.F. A-15.075.062, and registered office at Avenida de la Diputación, Edificio Inditex, 15142 Arteixo (A Coruña), acting on its behalf and representation in accordance with the powers conferred by agreement of the Board of Directors on March 17, 2015, as a result of a public deed granted before the Notary of A Coruña, Mr. Francisco Manuel Ordóñez Armán, dated 10th April, 2015 and under number 874 of his protocol.

And, on the other, Mr. Valter Sanches, General Secretary of IndustriALL Global Union (hereinafter "IndustriALL"), which headquarters are at 54bis, Route des Acacias 1227 Carouge, Geneva, Switzerland, acting on its behalf and representation, by virtue of the powers vested in him upon being elected at the IndustriALL Global Union's Congress on 5-6 October 2016 and by the statutes of said institution.

PREAMBLE:

After more than a decade of collaboration between Inditex and labour unions, and twelve years after the signing of the Global Framework Agreement between Inditex and IndustriALL (hereinafter the "Parties"), the Parties have decided to renew it through this document, which constitute a new Global Framework Agreement (hereinafter the "Agreement") for the purpose of reaffirming their respective commitments.

The main purpose of the Agreement remains ensuring respect of Human Rights within the labour and social environment, by promoting respect for international labour standards throughout Inditex's supply chain. This Agreement recognizes the crucial role that freedom of association and collective bargaining play in developing mature industrial relations. Accordingly, it is appropriate to establish a framework to reaffirm the engagement with trade union organisations, which represent the workers in the textile, footwear and garment supply chain.

The guiding principle of this Agreement is the shared belief that cooperation and collaboration are key to strengthen Human Rights within Inditex's supply chain.

entire supply chain, regardless of whether they are directly employed by Inditex or by its I manufacturers and suppliers.

The terms and conditions of the Agreement shall apply throughout the Inditex supply chain including workplaces not represented by IndustriALL affiliated unions. The Parties undertake to inform other trade unions in these locations about the terms and conditions agreed.

IndutriALL will work with Inditex to promote full compliance with the following standards set out in the international instruments mentioned above and in the Inditex Code of Conduct for Manufacturers and Suppliers attached hereto as Annex I:

1. No forced labour
2. No child labour
3. No discrimination
4. Respect for freedom of association and collective bargaining
5. No harsh or inhumane treatment
6. Safe and hygienic working conditions
7. Wages are paid
8. Working hours are not excessive
9. Regular employment
10. Traceability of production
11. Health and safety of products
12. Environmental awareness
13. Confidentiality of information
14. Code implementation
 - a. Transparency and sustainability of procurement
 - b. Reference to national legislation, conventions and agreements
 - c. Verification of compliance
 - d. Committee of Ethics and Whistleblowing Channel

IMPLEMENTATION

The Parties shall jointly work through the framework of the Agreement to strengthen the right to freedom of association, the right to bargain collectively, health & safety and in the work, to a living wage and other rights that ensure a decent work throughout the Inditex supply chain.

For implementation of the Agreement, the Parties have agreed on a specific structure. At global level, a Global Union Committee (hereinafter "The Committee") shall be established and it will be composed according to what is establishes in Annex II by: i) an agreed number of representatives of IndustriALL affiliates representing workers with presence in factories of Inditex's clusters, and ii) representatives of the Spanish Trade Union mentioned in this Agreement on behalf of Inditex workers. This Committee shall meet once a year to review the implementation of the Agreement. IndustriALL will be invited to the meetings of the Committee. Inditex, from its side, could also designate a representation to attend

When a local trade union detects any potential breach regarding the enforcement of this Agreement in any of Inditex's suppliers that cannot be resolved at factory level, this shall be notified to the respective Trade Union Expert and to the respective Global Union Committee member of its cluster, or in its absence, to the General Coordinator, that will inform to the representative of Inditex and IndustriALL designated for such purposes, and that will take those actions for its resolution.

Likewise, the Committee could provide advice and support for the resolution of the breach.

CAPACITY BUILDING PROGRAMS

The Parties shall jointly develop policies and capacity building programs on industrial relations designed to advance in the implementation of the Agreement throughout the Inditex supply chain.

These capacity building programs will have the aim of involving all workers that are part of the Inditex manufacturers and suppliers, as well as the respective local trade unions.

The joint capacity building programs shall take into account those relevant issues for the development of the Agreement, including where applicable, the followings:


- Work organization
- Productivity, output capacity of manufacturers
- Purchasing practices and their impact on workers
- Social dialogue techniques at work
- Promotion of freedom of association, collective bargaining and the development of mature industrial relations.
- Promotion of equality between men and women
- Improving in reporting mechanisms and discipline at work
- Rights and duties of workers and management

As a supplement to the above mentioned initiatives mechanisms will be developed to promote mature industrial relations at the workplace.

GENERAL

The Parties jointly confirm that the Agreement shall become effective from its date of signature and will remain in force for one year after which it shall be deemed to be automatically extended for further periods of one year unless either party gives notice to the other with at least three months in advance of its expiry date or date of expiry of its extensions, that it does not wish renewal.

Inditex undertakes to work with its suppliers and IndustriALL with its trade union affiliates to make all possible efforts to ensure the successful implementation of the Agreement throughout Inditex's supply chain.



ANNEX I

Inditex Code of Conduct for Manufacturers and Suppliers

Introduction

The Inditex Code of Conduct for Manufacturers and Suppliers (hereinafter, the Code) defines minimum standards of ethical and responsible behaviour which must be met by the manufacturers and suppliers of the products commercialized by Inditex in the course of its business, in line with the corporate culture of Inditex Group (hereinafter Inditex), firmly based on the respect for Human and Labour Rights.

Inditex undertakes to allocate the appropriate resources so that manufacturers and suppliers are acquainted with and understand this Code and are able to ensure its compliance.

The Code shall be applied to all manufacturers and suppliers that take part in the purchasing, manufacturing and finishing processes and fosters and is based upon the following general principles that define Inditex's ethical behaviour:



- All Inditex's operations are developed under an ethical and responsible perspective.
- All persons, individuals or entities, who maintain, directly or indirectly, any kind of employment, economic, social and/or industrial relationship with Inditex, are treated fairly and with dignity.
- All Inditex's activities are carried out in a manner that most respects the environment.
- All manufacturers and suppliers (production centres that are not property of Inditex) fully adhere to these commitments and undertake to ensure that the standards which are set forth in the Code are met.

1. No forced labour

Inditex shall not allow any form of forced or involuntary labour in their manufacturers and suppliers. They may not require their employees to make any kind of "deposits", nor are they entitled to retain employees' identity documents.

Manufacturers shall acknowledge the right of their employees to leave their employer after reasonable notice¹.

¹ Aspects related to such limitations will be governed by Conventions 29 and 105 of International Labour Organization (ILO)

7. Safe and hygienic working conditions

Manufacturers and suppliers shall provide a safe and healthy workplace to their employees, ensuring minimum conditions of light, ventilation, hygiene, fire prevention, safety measures and access to a drinking water supply.

Workers shall have access to clean toilets facilities and drinking water. Where necessary, facilities for food storage shall be provided.

Accommodation, where provided, shall be clean and safe.

Manufacturers and suppliers shall take the required steps to prevent accidents and injuries to health of their workers, by minimizing as much as possible the risks inherent to work.

Manufacturers and suppliers shall provide their workers with regular training in the matter of health and safety at work. The company shall keep an appropriate record of the training courses done. Likewise, they shall appoint a person in charge of health and safety within the Management, duly authorized and with the appropriate decision taking power⁶.

8. Wages are paid

Manufacturers and suppliers shall ensure that wages paid meet at least the minimum legal or collective bargain agreement, should this latter be higher. In any event, wages should always be enough to meet at least the basic needs of workers and their families and any other which might be considered as reasonable additional needs.

Manufacturers and suppliers shall not make any withholdings and/or deductions from wages for disciplinary purposes, nor for any reasons other than those provided in the applicable regulations, without the express authorization of workers. Likewise, they shall provide all workers with: written and understandable information about their wages conditions upon their recruitment, and detailed information about the particulars of their wages every time that these are paid.

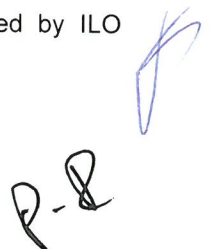
Manufacturers and suppliers shall also ensure that wages and any other allowances or benefits are paid on time and are rendered in full compliance with all applicable laws and specifically, that payments are made in the manner that best suits the workers⁷.

9. Working hours are not excessive

Manufacturers and suppliers shall adjust the length of the working day to the provisions of the applicable laws or of the collective bargain agreement applicable for the sector in question, if the latter affords greater protection for the workers.

⁶ Aspects related to labour conditions relation to work health and safety will be governed by ILO Convention 155.

⁷ Aspects related to payment of wages will be governed by ILO Conventions 26 and 131.



14. Confidentiality of information

Manufacturers and suppliers shall preserve the integrity and confidentiality of the information they may receive as a consequence of their commercial relationship with Inditex.

The obligation of confidentiality will remain once the relation with Inditex is terminated and it will include the obligation to return any material related to the company held by the manufacturer or supplier.

15. Code implementation

Manufacturers and suppliers shall implement and maintain programmes to set in motion this Code. They shall appoint a senior member of Management who shall be responsible for the implementation and enforcement of this Code.

Manufacturers and suppliers shall communicate the Code to all employees and those in any way involved in the Inditex Supply Chain.

A copy of the Code, translated into the local language, shall be displayed in accessible locations to all workers.

15.1 Transparency

Manufacturers and suppliers shall carry out their activities in an honest, upright and transparent way, keeping for these purposes an appropriate accounting records system that facilitates the traceability of their decisions, as a preventive measure versus any type of corruption, bribe and extortion that might arise.

Manufacturers and suppliers shall not offer, grant, request or accept any gifts or donations to/from Inditex buyers which might infringe the provisions of the "Inditex Code of Conduct and Responsible Practices".


Manufacturers and suppliers shall not manipulate or influence their workers, nor shall they forge any files or records in order to alter the verification process regarding compliance with this Code.

Manufacturers and suppliers shall neither offer nor accept remuneration of any kind which seeks, or may be perceived to seek, to affect the impartial judgment or the objectivity of such parties appointed by Inditex to carry out inspections and compliance audits in connection with this Code.

15.2 Reference to national legislation, Conventions and Agreements.

The provisions of this Code constitute only minimum standards.

Should national regulations or any other applicable Law or any other commitments undertaken or applicable, including collective bargaining agreements, govern the same issue, the provision which offers greater protection for workers shall apply.

Handwritten signature and initials in blue ink, consisting of a stylized signature above the initials 'P-R'.

ANNEX II

Global Union Committee composition

Global Union Committee composition is formed as per the main regions and sourcing countries at the signing date of the Agreement.

Global Union Committee will be composed by a total number of 9 members distributed as it is below indicated:

Africa (1)

-Morocco, Tunisia, Egipt

America (1)

-Argentina, Brasil, Mexico

Asia (4)

-Vietnam, Indonesia

-Cambodia, Myanmar

-Bangladesh, Pakistan

-India, Sri Lanka

Western Europe (2)

-Spain and rest of Western Europe countries

Eastern Europe (1)

-Turkey and rest of Eastern Europe countries

The composition of the Committee could be modified throughout the validity of the Agreement when agreed upon by the Parties and depending on the evolution that manufacturing in each of the regions and countries that are part of the Inditex supply chain where there are IndustriALL affiliates.

Handwritten signature in blue ink and initials 'P-R' in black ink.