

ZARA

BRANDS:

Zara
Pull & Bear
Massimo Dutti
Bershka
Stradivarius

Oysho
Zara Home
Uterqüe

SUPPLY CHAIN TRANSPARENCY:



Zara does not disclose names and addresses of its suppliers. → It is time for Zara to go transparent! A first step should be to comply with the Transparency Pledge, and publish data in a machine-readable format.

see: transparencypledge.org

Formal name: Inditex
HQ: Spain
Revenue 2018: € 26 100 000 000
Profit 2018: € 5 400 000 000

Direct suppliers: 1985
Sub-contractors: 7235
according to brand

Top production countries:

LIVING WAGE PAID:



This means: No evidence on Zara's claims is public and no plausible explanation is given. → Zara needs to ensure full transparency in order to demonstrate its implementation of a living wage at the factory level.

Zara has published a clear commitment to ensure a living wage is paid across its supplier network.

This is a good start! We encourage Zara to put their commitment into action.

Zara says it is working on improving wages for workers across its supplier network. However, it does not meet all elements of a public, time-bound action plan.

Zara should improve its plan to achieve a living wage in a reasonable time-frame.

Zara says it applies open costing models as well as the ACT methodology, in order to safeguard wages in price negotiations with suppliers, so workers' wages should not be squeezed as part of the bargain.

Zara should ensure prices paid to suppliers are sufficient to cover a living wage and social protection contribution for all workers in their supply chain.

Several benchmarks are available for companies to measure whether wages are sufficient to meet the basic needs of workers and their families.

No evidence was found of public information on gender pay gaps in its supply chain.

However, no evidence was found that the company uses any credible living wage benchmark.

The company publicly discloses some data about wages currently paid to workers at its suppliers.

Zara reports publicly some information on the number of supplier facilities with democratically elected unions, or those covered by collective bargaining agreements.

Zara stated that a little over two thirds of their factories are paying a living wage. However, the brand has not fully explained their living wage methodology nor made public the suppliers' names and addresses and wage data. Inditex claims to audit its suppliers and says that over two thirds of them pay a living wage. However, they have not defined their terms, nor shared their audit methodology or any of the detail. It is therefore unclear on what these claims are based.

FASHION CHECKER

BRAND PROFILE

APRIL 2020



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