ZARA

Zara Releases videos of Its Charitable Programs

Zara will release the series of videos *I Thought I Could Never Escape from Prejudice: The Story of Zara and Its Employees* on Oct. 13, 2020.

Zara's documentary I Thought I Could Never Escape from Prejudice: The Story of Zara and Its Employees will be available on the official website on Oct. 13, 2020.

News Release

Zara Releases videos of Its Charitable Programs

SYRACUSE, N.Y. – Zara will release a series of videos of interviewing two individuals who participated in Zara's charitable projects on Oct. 13, 2020.

Zara found SALTA and CARITAS in 2008 and 2011, which focus on providing opportunities to people who are suffering the risk of social acceptance and inclusion. "After years of quietly organizing and preparing these projects, I think it's time to bring them to the public," said one of the members from the communication team at Zara. The team traveled worldwide to interview people who have achieved their dream lives through Charitable programs in 2019. Liz Maye, a sales assistant at the Zara outlet in New York City, and Sofia Garcia, the chocolate

dealer in Spain, are the beneficiaries of the SALTA and CARITAS programs told their stories with Zara in front of the camera.

"I am looking forward to telling the story of my involvement in the Zara project," Liz said. "Before I participated in SALTA, I thought that I could never get a decent job in my life due to my hearing problem. However, now I am very confident in myself, because of the opportunity I got from Zara." Liz believes that Zara, as a responsible large company, has fulfilled its commitment to social responsibility.

SALTA provides 1,372 people with training and job opportunities. CARITAS trained 1,056 people to improve their employment skills, and 495 of them got jobs in 2018. As Zara's mission statement, they are willing to give customers what they want and get it to



The SALTA project was first launched in Turkey. 16 people got the opportunities to join Zara's store with their mentors. FROM: Inditex Careers Twitter

them faster than anyone else, and Zara will keep practicing these principles to provide the

society with what it needs.

Fact Sheet

What

- Zara started its charitable projects SALTA and CARITA in 2008 and 2011.
- SALTA focuses on offering job opportunities to people with difficulties of social acceptance in the job market. CARITAS helps people who may have a risk of employment by providing trains, such as self-employed, and achieving workplace integration.
- The videos show the journeys of people who participated in Zara's charitable programs and Zara's willingness to assume the social responsibilities to improve the brand's affinity and credibility.

Who

- The communication team of Zara cooperated and will release the video.
- Videos introduces Liz Maye, a sales assistant at Zara store, and Sofia Garcia, a selfemployed chocolate business owner. Liz joined the SALTA program in 2012, and Sofia joined CARITAS in 2014.
- SALTA offered job positions to 1,372 people after training, and CARITAS trained 1,422 people. 495 people from CARITAS got employed in 2018.

Where

- Zara is located in Arteixo, Spain.
- Videos were shot in Liz Maye's workplace, New York City, and Sofia Garcia's store in Madrid.
- Videos will be released on Zara's official website.

When

• Videos were shot in November 2019 and will be released on Oct. 13, 2020.

Why

- Establish an image of being willing to take social responsibility and enhance the brand's affinity and customer's trust.
- General Mission Statement: Give customers what they want and get it to them faster than anyone else.

Backgrounder

Zara and Social Contribution

Zara is an apparel retailer located in Arteixo, Spain. Zara is affiliated to Inditex Group, and it

focuses on fast fashion, including designing and production of clothing, cleaning, cosmetics, shoes and other products.

In 1975, Amancio Ortega opened the first Zara store and named it Zara after an ancient Greek American comedy. After 45 years of development, Zara now has 2,270 stores worldwide, with about 152,854 employees, and the revenue in 2018 reached 18.021 million euros.

As one of the world's largest fast-fashion brands, Zara is willing to afford social responsibility. During the past decades, Zara has created several charitable projects to practice social responsibility. The four major projects, SALTA, CARITAS, Water.org and Every Mother Counts, cover the most critical issues of our time: employment for disabled people, usage of potable water, and women's rights.

SALTA and CARITAS are two programs that help people who are suffering the risk of employment opportunities to be accepted by the job market. SALTA's goal is to offer job opportunities for people who are generally not accepted by the job market. After some necessary training and practices, many people are positively accepted by the working environment. They will be hired by Zara's factories, stores and logistics centers. Because of the good reactions, this program has been extended to 13 markets, including Spain, France, Germany, Turkey, Brazil, Greece, Italy, Poland, Mexico, Portugal, South Korea, United Kingdom and the United States. Forty organizations and NGOs have cooperated with Zara to join this program. 1,372 people have joined SALTA, and about 577 employees from Zara became mentors to help people in this program. 205 people with the risk of social exclusion have been employed after introduced through SALTA.

CARITAS focuses on providing people professional training to gain skills and abilities to adapt to Spain's workplaces. Since 2011, CARITAS established multiple training sessions based on improving employment prospects for people who may suffer social exclusive. Unlike SALTA, CARITAS does not offer job opportunities from Zara directly. By designing a series of training, CARITAS helps participants improve a full range of employability. From 2017 to 2019, about 5 million euros of funding has been used in CARITAS, which helps create approximately 600 training sessions. The training includes perspectives from workplace integration, social economy, self-employment initiatives and on-the-job training. 1,422 people improve their abilities to compete in the job markets by joining CARITAS. In 2018, 1,056 participants received the practice, and 495 of them got employed.

Water pollution is another severe problem. Currently, Zara is working with Water.org to offer people in Bangladesh, Cambodia, India and Brazil better quality of clear water and sanitation facilities. Zara can understand how crucial clean water is for health and wellness and economy and social development because of its experienced in the textile industry. Zara and Water.org have a four-year partnership in 2015 to provide clean water and sanitation faculties for Bangladesh and Cambodia. Besides, Zara and Inditex group have donated about 3 million euros to the WaterCredit program.

Every Mother Counts program provides attention to pregnant women in the United States and Bangladesh. The program offers funds to connect local communities to work closer to reinforce the attention to pregnant women in different districts and provide help if there are any needs from women. Women in Bangladesh has a 0.4% chance of dying during pregnancy. The rate of maternal death was doubled from 2000 to 2004. However, 98% of the death in pregnancies can be prevented. Therefore, Zara hopes that Every Mother Counts program can call on the local government to put more workforce on health and wellness and health systems.

Zara is concerned about sustainable development besides social responsibilities, and it established Join Life collections and eco-stores to highlight the idea of sustainability. Zara is committed to improving the global environment by having clothing recycling containers that appeal to people to donate their unwanted clothing to Zara for reuse and production in Zara stores. Besides, Zara creates a project to encourage people to collect used garments at home, and this project cooperates with online product delivery, which facilitates customers' shopping while encouraging people to protect the earth's resources.

The four essential points for Zara to become successful are beauty, clarity, functionality, and sustainability. Zara was mainly focused on low-priced clothing in the last century, which had similar looks to high-fashion produces. With the update of fashion, Ortega reformed designing, producing and retailing to force the speed of reaction to new fashion trends quicker, which made Zara one of the world's most fashion-sensitive companies. One of Zara's most striking features is its ability to hold on to the latest fashion hot spots. This sensitivity is not just a reaction to fashion but also a close connection with customers. The designers at Zara can respond to customers' needs instinctively and accurately, and they can use their knowledge to combine the demands from consumers and new ideas to deliver cutting-edge products.

How to deliver products worldwide is always a tough question for large retail companies. To provide customers a better quality of services and the latest goods, Zara stores use a technology called Radio Frequency Identification (RFID) to track products' locations. Stores located in different places can get notifications once they receive demands so that stores can swap merchandise to make customers' requirements available rapidly. This technology has been applied in 64 markets worldwide and helps Zara create a general stock management system to operate offline stores and online shopping platforms.

Zara's mission statement is to give customers what they want and get it to them faster than anyone else. Zara has been living up to this standard in its way for the past 45 years. In the future, Zara will continue to strive to be a responsible company.

Quotes from key figures

Óscar Pérez Marcote (Zara CEO): "The charitable projects of Zara are of great significance. I am glad to see that these programs' beneficiaries are willing to share their stories and

experiences with the world, which inspires us to continue to take social responsibility and contribute to global philanthropy while doing our job well."

Zara's Communication Team: "After years of quietly organizing and preparing these projects, I think it's time to bring them to the public."

Liz Maye (Interviewee): "I am looking forward to telling the story of my involvement in the Zara project. Before I participated in SALTA, I thought that I could never get a decent job in my life due to my hearing problem. However, now I am very confident in myself, because of the opportunity I got from Zara."

Links to Relevant News Coverage

SALTA Program: <u>https://www.inditex.com/our-commitment-to-people/supporting-communities/salta-programme</u> CARITAS Program: <u>https://www.inditex.com/en/commitment-to-people/supporting-communities/caritas-programme</u>

Multimedia Gallery

VIDEO "INDITEX - PROJECT SALTA CLOSING DAY": https://www.youtube.com/watch?v=DY_-UKiqm5Y

Video News Release

Zara Releases videos of Its Charitable Programs

I Thought I Could Never Escape from Prejudice: The Story of Zara and Its Employees

INTRO: In 2019, the percentage of people with disabilities employed globally was just 19.3%, up only 0.2 percentage points from the same period in 2018. The non-disabled employment rate is 66.3% and is growing by 0.4% every year.

As a company willing to undertake social responsibility, Zara created several charitable programs in the past years. SALTA is one of them, and it offered job positions to 1,372 people who were suffering the risk of being not acceptable by the job market and the society after training. Liz Maye, one of benefiters from SALTA is willing to share her journey of joining the SALTA.

VIDEO	AUDIO
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(Scene fades out)	
Close up shot of Liz Maye checking out for customers and smiling. Switch to Liz Maye talking when she starts saying, "SALTA showed me"	Liz Maye: SALTA showed me that everyone has a value and that we all have a bright future Music continues and volume up
	Liz Maye: But in 2012, I participated in the SALTA project of Zara, which shaped me now.
A sequence of shots of Liz Maye at home:1. Liz Maye is browsing the Web and sending emails2. Shot of Liz Maye looking outside from the window	Liz Maye: Even a babysitting job is hard to find because parents worry that I won't be able to hear their cries. Music continues
Shot of Liz Maye talking	Liz Maye: I was unemployed off and on for nearly four years after I graduated from school. Music continues
Subtitle: Liz Maye, Zara's Sales Assistant (fades out)	hear outside. Music continues
Images from Liz Maye's childhood Switch to Liz Maye talking scene after she said, "my hearing was affected"	Liz Maye: I had otitis media when I was six years old, and my hearing was affected. It impacts my pronunciation accuracy, and if I'm away from the hearing aid, I can barely
When Liz Maye said, " it is very ordinary because of SALTA program", the camera cut to the scene where she is talking	Calm but sad music, the volume drops from the intro.
Liz Maye opened the shop door, as well as some of her daily work scenes (counting clothes in the warehouse, cashier, helping customers, etc.)	Liz Maye: People might think that my work and life is very ordinaryit is very ordinary because of the SALTA program, but it wasn't like that before.

CHYRON-PAGE ONE: SALTA's mission is to create job opportunities for people suffering from social acceptance in the job market and society. More than 1,300 people have been hired by Zara from SALTA program. (fades out)	Music volume up
Close up shot of Liz Maye. Call-to-action by her.	Liz Maye: Please check out the video on Zara's website if you are interested in the stories of people who are connected with Zara's charitable program. The attention and support from you will be the best encouragement and recognition for us.
CHYRON-PAGE TWO: Check out the full video I Thought I Could Never Escape from Prejudice: The Story of Zara and Its Employees on our website [LINK] (fades out)	Music continues
CHYRON-PAGE THREE: [Zara Logo]	Music continues and ends

FACEBOOK:

- We are happy to announce that the series of videos *I Thought I Could Never Escape from Prejudice: The Story of Zara and Its Employees* will finally be available on Oct. 13, 2020. Two ordinary people will tell the story of themselves and Zara through their own experiences. Please go to Zara's official website to view the full video.
- In this dynamic and changing society, every enterprise should assume social responsibility. Want to learn more about Zara's philanthropic programs? Check out the latest series of videos *I Thought I Could Never Escape from Prejudice: The Story of Zara and Its Employees* on Zara's website!

TWITTER:

• The series of videos *I Thought I Could Never Escape from Prejudice: The Story of Zara and Its Employees* is available on Zara's official website now! Please check and watch on https://www.zara.com/us/en/sustainability-social-action-mkt1663.html?v1=1018001 #zaraandemployees

• The series of videos *I Thought I Could Never Escape from Prejudice: The Story of Zara and Its Employees* is now available on Zara's website. Go <u>https://www.zara.com/us/en/sustainability-social-action-mkt1663.html?v1=1018001</u> and find out more information. #zaraandemployees

Social Media Links

Facebook post: <u>https://www.facebook.com/InditexCareers/posts/2272552729471218/</u> Twitter post: <u>https://twitter.com/inditexcareers/status/1098991459708162049</u>

Mission Statement & Contact

- General Mission Statement: Give customers what they want and get it to them faster than anyone else.
- Establish an image of being willing to take social responsibility and enhance the brand's affinity and customer's trust.

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