

REPORT ISSUED BY THE BOARD OF DIRECTORS OF INDUSTRIA DE DISEÑO TEXTIL, S.A. (INDITEX, S.A.) REGARDING THE RE-ELECTION OF MR RODRIGO ECHENIQUE GORDILLO TO THE BOARD AS INDEPENDENT DIRECTOR, INCLUDED AS ITEM FOUR ON THE AGENDA OF THE ANNUAL GENERAL MEETING CALLED TO BE HELD ON 17 AND 18 JULY 2018, ON FIRST OR SECOND CALL, RESPECTIVELY

I. FOREWORD

This report is issued by the Board of Directors of Industria de Diseño Textil, S.A. (hereinafter, “**Inditex**” or the “**Company**”) pursuant to the provisions of section 529 *decies* paragraph 5) of the revised text of the (Spanish) Companies Act (hereinafter, the “**Companies Act**”), section 23.1 of the Revised text of the Board of Directors’ Regulations (hereinafter, the “**Board of Directors’ Regulations**”), and the provisions of the Director Selection Policy, approved by the Board of Directors on 9 December 2015, regarding the motion to re-elect Mr Rodrigo Echenique Gordillo to the Board of Directors of the Company as non-executive independent director, on the proposal of the Nomination Committee. This report is submitted by the Board of Directors to the Annual General Meeting.

II. RE-ELECTION OF MR RODRIGO ECHENIQUE GORDILLO AS NON-EXECUTIVE INDEPENDENT DIRECTOR

This report is issued first of all to support the fact that the re-election of Mr Echenique is based on a prior analysis of the needs of the Board of Directors, written up in the relevant explanatory report approved by the Nomination Committee on 11 June 2018, pursuant to recommendation 14 of the Good Governance Code of Listed Companies, approved by CNMV in February 2015 (hereinafter, “**CBG**” [*Spanish acronym*]) and section 3 of the Directors Selection Policy. As provided in the above referred regulations, this report also considers the skills, experience and merits of the independent director in order to be re-elected to the Board. Additionally, the fact that the professional profile of Mr Echenique is suitable for the Company’s description, its business and its international presence, has also been considered.

Namely, the Board of Directors and the Nomination Committee have considered that in order to duly exercise its duties, the Board as a whole must rely on recognized skills, expertise and merits regarding: (i) the Company, the Group and the retail sector; (ii) economy, finances, accounting, audit and risk management matters; (iii) regulatory compliance and corporate governance matters; (iv) the digital and IT sector, aimed at achieving one of the strategic goals marked as a priority by the Company, that is to become a digital business; (v) different geographical markets; and (vi) management, leadership and business strategy, as well as being available for the necessary dedication to the position.

In this regard, the motion to re-elect Mr Echenique contributes to maintaining: (i) the diversity of skills, experience, merits and expertise and in this regard his knowledge of the business and activities of the Company and its Group, as well as his extensive professional career in companies of different sectors, and namely in regulated sectors, are highly appreciated, as the map of professional profiles within the Board is completed, which contributes to providing a plural vision to the Board; (ii) the experience in management and strategy in companies of different industries and geographical markets, thus improving the management of the Group and of risks arising from its international dimension; and (iii) the balance of independent directors sitting on the Board of Directors.

III. PERFORMANCE

The Nomination Committee has evaluated the work done by Mr Echenique and his dedication to Board duties during his previous tenure.

Therefore, the Board of Directors finds that Mr Echenique has performed his duties as member of the Board of Directors of Inditex to its full satisfaction, and highly appreciates his commitment, diligence and professionalism in the discharge of his duties as director, as he contributes to the balanced composition of such body and to the appropriate discharge of its duties.

IV. FINDINGS

Considering the foregoing, this report is issued by the Board of Directors in accordance with the provisions of section 529 *decies* paragraph 5) of the Companies Act; section 23.1 of the Board of Directors' Regulations, and the Director Selection Policy. It will be attached to the minutes of the meeting of the Annual General Meeting during which the motion subject matter of this report will be considered.

The motion raised by the Nomination Committee to the Board regarding the re-election of Mr Rodrigo Echenique Gordillo to the Board of Directors as non-executive independent director to be tabled to the Annual General Meeting is attached hereto. Such document describes the skills, expertise and merits of the candidate and includes his CV.

Done in Arteixo, A Coruña (Spain), on 12 June 2018.

REPORT ISSUED BY THE BOARD OF DIRECTORS OF INDUSTRIA DE DISEÑO TEXTIL, S.A. (INDITEX, S.A.) REGARDING THE APPOINTMENT OF MS PILAR LÓPEZ ÁLVAREZ TO THE BOARD AS INDEPENDENT DIRECTOR, INCLUDED AS ITEM FOUR ON THE AGENDA OF THE ANNUAL GENERAL MEETING CALLED TO BE HELD ON 17 AND 18 JULY 2018, ON FIRST OR SECOND CALL, REPECTIVELY

I. FOREWORD

This report is issued by the Board of Directors of Industria de Diseño Textil, S.A. (hereinafter, “**Inditex**” or the “**Company**”) pursuant to the provisions of section 529 *decies* paragraph 5) of the revised text of the (Spanish) Companies Act (hereinafter, the “**Companies Act**”), section 21.3 of the Revised text of the Board of Directors’ Regulations (hereinafter, the “**Board of Directors’ Regulations**”), and the provisions of the Director Selection Policy, approved by the Board of Directors on 9 December 2015, regarding the motion to appoint Ms Pilar López Álvarez to the Board of Directors of the Company as non-executive independent director, on the proposal of the Nomination Committee. This report is submitted by the Board of Directors to the Annual General Meeting.

I. APPOINTMENT OF MS PILAR LÓPEZ ÁLVAREZ AS NON-EXECUTIVE INDEPENDENT DIRECTOR

This report is issued first of all to support the fact that the motion to appoint Ms López is based on a prior analysis of the needs of the Board of Directors, written up in the relevant explanatory report approved by the Nomination Committee on 11 June 2018, pursuant to recommendation 14 of the Good Governance Code of Listed Companies, approved by CNMV in February 2015 (hereinafter, “**CBG**” [*Spanish acronym*]) and section 3 of the Directors Selection Policy. As provided in the above referred regulations, this report also considers the skills, experience and merits of the proposed candidate to join the Board as independent director. Additionally, the fact that the professional profile of Ms López is suitable for the Company’s description, its business and its international presence, has also been considered.

Namely, the Board of Directors and the Nomination Committee have considered that in order to duly exercise its duties, the Board as a whole must rely on recognized skills, expertise and merits regarding: (i) the Company, the Group and the retail sector; (ii) economy, finances, accounting, audit and risk management matters; (iii) regulatory compliance and corporate governance matters; (iv) the digital and IT sector, aimed at achieving one of the strategic goals marked as a priority by the Company, that is to become a digital business; (v) different geographical markets; and (vi) management, leadership and business strategy, as well as being available for the necessary dedication to the position.

In this regard, the motion to appoint Ms López contributes to reinforce: (i) the presence of non-executive independent directors on the supreme governing body of the Company and its committees; (ii) the diversity of skills, experience, merits and expertise; (iii) the knowledge of the Board of Directors in the technology and digital sector, at a time when the Company’s digitalisation process is increasing; and (iv) the experience in management and strategy of companies of different industries and geographical markets, thus improving the management of the Group and of risks arising from its international dimension.

With the appointment of this new female director the average seniority of independent directors is reduced from 4.25 to 3.5 years, and the target of having 30% female directors sitting on the Board of Directors, provided in recommendation 14 of CBG, is reached before the scheduled date (2020).

II. FINDINGS

Considering the foregoing, this report is issued by the Board of Directors in accordance with the provisions of section 529 *decies* paragraph 5) of Companies Act; section 23.1 of the Board of Directors' Regulations, and the Director Selection Policy. It will be attached to the minutes of the meeting of the Annual General Meeting during which the motion subject matter of this report will be considered.

The motion raised by the Nomination Committee to the Board regarding the appoint Ms Pilar López Álvarez to the Board of Directors as non-executive independent director to be tabled to the Annual General Meeting is attached hereto. Such document describes the skills, expertise and merits of the candidate and includes her CV.

Done in Arteixo (A Coruña), on 12 June 2018.