
MOTION TO RE-ELECT BNS. DENISE PATRICIA KINGSMILL TO THE BOARD OF DIRECTORS, AS INDEPENDENT DIRECTOR THAT THE NOMINATION COMMITTEE OF INDUSTRIA DE DISEÑO TEXTIL, S.A. (INDITEX, S.A.) RAISES TO THE BOARD OF DIRECTORS TO BE SUBMITTED TO THE ANNUAL GENERAL MEETING

I. FOREWORD

This motion is issued pursuant to sections 529*decies*(4) and 529*quindecies*(3)(c) of the [*Spanish*] Companies Act, article 29.3(c) of the Articles of Association and sections 13.2, 16.2(e) and 23.1 of the Board of Directors' Regulations of Industria de Diseño Textil, S.A. ("**Inditex**" or the "**Company**"), as well as sections 5.3(d) and 6(g) of the Nomination Committee's Regulations. It covers the motion to re-elect Bns. Denise Patricia Kingsmill to the Board of Directors as non-executive independent director raised by the Nomination Committee to the Board of Directors to be subsequently submitted to the Annual General Meeting scheduled to be held on 14 July 2020 on first call or on 15 July 2020 on second call.

Additionally, the re-election of Bns. Denise Patricia Kingsmill as director will entail her continuance as member and Chair of the Sustainability Committee, and member of the Audit and Compliance Committee, the Nomination Committee and the Remuneration Committee, pursuant to section 23.2 of the Board of Directors' Regulations.

II. PURPOSE

Upon preparing the motion to re-elect the above mentioned director, the Nomination Committee has taken into account the findings of its prior analysis of the needs of the Board of Directors for the purposes of re-election and/or appointment of directors, addressed in the relevant explanatory report approved by the Nomination Committee on 8 June 2020, pursuant to Recommendation 14 of the Good Governance Code of Listed Companies, approved by CNMV in February 2015 ("**GGC**"), and sections 3 & 4 of CNMV's Technical Guide 1/2019, on nomination and remuneration committees, approved on 20 February 2019 (the "**Technical Guide 1/2019**").

In such report the Nomination Committee has considered that in general terms, in order for the Board of Directors to duly perform its duty of supervision, it shall, as a whole, have accredited abilities, skills, experience and merits: (i) regarding the Company, the Group and the retail sector; (ii) in economy and finances, accounting, audit and risk management matters; (iii) in compliance and corporate governance matters; (iv) in different geographical markets; and (v) in management, leadership and business strategy, as well as (vi) the requirement for each board member to be highly qualified and trustworthy both as a person and as a professional, and available for the necessary dedication to the position.

Additionally, the Committee has deemed it appropriate at this particular time, that motions on the re-election and/or appointment of directors should seek to keep or reinforce within the supreme governing body of the company: (i) technological profiles with expertise in the field of sustainability, in line with the strategic focal points marked as a priority by the Company; (ii) the presence of women on the board, still the least represented gender; (iii) a balanced membership of the different types of directors, with a majority of independent directors; and (iv) progressive board refreshment.

In accordance with section 4 of Technical Guide 1/2019, the Committee shall examine the advisability of the continuance in office and re-election of the director. For such reason, this motion also includes the evaluation of Bns. Denise Patricia Kingsmill's performance during

her last tenure, and considers if the suitability requirements demanded to serve as company director are met.

III. PROFESSIONAL PROFILE AND SKILLS

Baroness Denise Patricia Kingsmill was awarded in 2000 a CBE for services to Employment Law and Competition. In June 2006, Baroness Kingsmill was appointed to the House of Lords as a Labour Peer. She is a Member of the Select Committee on Economic Affairs.

After a 20 year legal career she became deputy chair of the Competition Commission between 1996 and 2004. She has 5 honorary Doctorates from universities in the United Kingdom.

Baroness Kingsmill has been a Chair/member of the Remuneration committees of many international companies. As a lawyer she has advised in relation to remuneration schemes. In 2001 she was invited by the Government to head a task force looking at women's employment and remuneration in the UK.

In 2003 she was appointed Chairman of the Department of Trade and Industry's Accounting for People task force. She headed a second Government enquiry ("Accounting for People") into how companies should evaluate and measure the contribution of their work forces and specifically as to how they should communicate their progress in this area of "Human Capital Management" to all their stakeholders (www.accountingforpeople.gov.uk). In 2013 she was the co-chair of the Design Commission report into Design and Public Services ("Re-starting Britain").

Until May 2018, Baroness Kingsmill was the Chair of Monzo Bank and a Member of the Supervisory Board of E. ON SE

Until March 2019, she was the founder and Chair of Aspen Initiative UK. She is currently a member of the Advisory Board for the Global Sustainability Forum and the International Advisory Board of IESE Business School.

Baroness Kingsmill has been an adviser to a number of international companies and has been a non-executive director of various British, European and American boards, including International Consolidated Airlines Group, S.A. and Telecom Italia S.p.a.

IV. PERFORMANCE

The Nomination Committee has reviewed the work done by the director and her dedication during her previous tenure.

Bns. Denise Patricia Kingsmill was appointed to the Board of Directors as non-executive director further to a resolution passed by the Annual General Meeting on 16 July 2016. She sits on the Audit and Compliance Committee and the Remuneration Committee since 2016. Until 10 December 2019, she was also a member of the Nomination Committee. On such date, the Board of Directors approved, on the proposal of the Nomination Committee, the new composition of board committees. Additionally, since 10 December 2019 she has been a member of the new Sustainability Committee, which she chairs given her experience and public recognition in the field of social action and equality.

Since the date of her appointment, she has been present at all the meetings of the Board and its committees, having attended 21 board meetings, 19 meetings of the Audit and Compliance

Committee, 17 meetings of the Nomination Committee and 17 meetings of the Remuneration Committee.

Thus, as findings of its analysis above referred, the Nomination Committee is very satisfied with the service of Bns. Denise Patricia Kingsmill as a director, and highly appreciates (i) her commitment, diligence and professionalism in the performance of her duties as director; and (ii) her contribution to the proceedings and meetings of the board and its committees.

V. INELEGIBILITY

The Committee has established that none of the causes of ineligibility to be a company director provided in section 213 of the Companies Act and in section 22 of the Board of Directors' Regulations, nor do any of the scenarios whereby directors must offer their resignation to the Board of Directors, pursuant to section 25.2 of the Board of Directors' Regulations, apply to Bns. Denise Patricia Kingsmill.

VI. CLASSIFICATION AS INDEPENDENT DIRECTOR

The Nomination Committee has established that the candidate proposed meets the requirements to continue being considered an independent director, pursuant to section 529*duodecies* of the Companies Act.

VII. CONTRIBUTION TO THE BOARD OF THE APPOINTMENT OF THE INDEPENDENT DIRECTOR

The Nomination Committee highly values the diverse and varied career of Bns. Denise Patricia Kingsmill, and in particular, the numerous recognitions received from different public institutions for her achievements. Her public work is noteworthy, particularly in the field of social action and equality.

Bns. Denise Patricia Kingsmill has legal training, namely in the field of labour law and competition, having advised also in relation to remuneration schemes. Additionally, she has broad experience managing and serving as an executive director of various boards of a number of international companies from different sectors, and her background and experience in fashion and design is noteworthy considering the company's interests.

Consequently the Committee considers that Bns. Denise Patricia Kingsmill has the required background to duly perform the duties of company director and member of board committees. All of which contributes to reinforcing diversity of background and experiences and a balanced board membership.

Her re-election to the board of directors contributes to: (i) ensuring that a majority of independent directors sit on the board; (ii) reinforcing the representation of women directors on the board; and (iii) promoting professional profiles with expertise in the field of sustainability.

In line with the foregoing, it is established that with the re-election of Bns. Denise Patricia Kingsmill to the Board of Directors as non-executive independent director, the provisions of section 7.2 of the Board of Directors' Regulations and of recommendation 17 CGB are met regarding the ratio of independent directors within the Board of Directors which should be at least equal to the ratio of floating capital of the Company. In this regard, should the proposed re-election of the director be approved by the Annual General Meeting, a large majority of

non-executive directors, more than half of whom are independent, will continue sitting on the Board of Directors.

Considering the foregoing, pursuant to the provisions of sections 529*decies*(4) and 529*quindecies*(3)(c)) of the Companies Act, article 29.3(c) of the Articles of Association, and sections 13.2, 16.2(e) and 23.1 of the Board of Directors' Regulations as well as sections 5(d) and 6(g) of the Nomination Committee's Regulations, the Committee has resolved to raise to the Board of Directors the motion on the re-election of Bns. Denise Patricia Kingsmill as non-executive independent director for the 4-year term provided in the Articles of Association, to be subsequently submitted to the Annual General Meeting.

Done ine Arteixo (A Coruña), on 8 June 2020