

INDITEX

Revised text of the

Audit and Compliance Committee's Regulations

Amended on 10 June 2025

About these Regulations

Name	Audit and Compliance Committee's Regulations
Overview	These Regulations seek to foster the Audit and Compliance Committee's independence and determine the guidelines for action, the basic rules of its composition, organisation and proceedings and the rules of conduct for its members.
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Chapter I. Preliminary

Section 1. Nature and purpose

1. Pursuant to the corporate governance system of Industria de Diseño Textil, S.A. (Inditex, S.A.) (the "**Company**"), the Board of Directors has set up the Audit and Compliance Committee (the "**ACC**" or the "**Committee**"), a permanent internal consulting and advisory body, without executive duties, with information, oversight, advisory and proposal-making powers within its scope of action, which shall be governed by the provisions set forth in applicable regulations, the Articles of Association, the Board of Directors' Regulations and in these Audit and Compliance Committee's Regulations, (the "**Regulations**").
2. These Regulations seek to foster the ACC's independence and determine the guidelines for action, the basic rules of its composition, organisation and proceedings and the rules of conduct for its members.

Section 2. Priority and interpretation

1. These Regulations further develop and supplement the provisions of applicable regulations, the Articles of Association and the Board of Directors' Regulations which apply to the ACC, which shall prevail in case of inconsistency with the provisions of these Regulations.
2. These Regulations shall be construed pursuant to applicable regulations, the Articles of Association and the Board of Directors' Regulations, as well as to the recommendations on corporate governance of Spanish listed companies and the best corporate governance practices applied in the countries around Spain, from time to time in force.
3. In the absence of a specific rule and to the extent that they are not incompatible with its nature, the provisions of the Board of Directors' Regulations regarding ACC's proceeding, namely, calling of meetings, granting of proxy to another director, quorum, conduct of meetings and system for passing resolutions, casting of written votes in lieu of meeting, and approval of the minutes, shall apply to the ACC.
4. The settlement of any doubts arising from or in connection with the enforcement of these Regulations falls on the Board of Directors pursuant to the general criteria used for the interpretation of legal rules and the ACC's purpose.

Section 3. Approval and amendment

1. The power to approve or amend these Regulations falls on the Board of Directors, at its own behest, at the behest of its Chair or at the ACC's behest.
2. The proposal to amend these Regulations shall be accompanied by the relevant memorandum in support of such amendment.
3. The text of the proposal approved and the memorandum in support shall be made available to the directors prior to the meeting of the Board of Directors in which the amendment to these Regulations is to be deliberated on.

Section 4. Compliance and dissemination

1. ACC members, as well as the remaining members of the Board of Directors, to the extent applicable, shall be familiar with, comply with and enforce these Regulations, for which purpose they shall be posted on the Company's

corporate website.

2. Additionally, the ACC shall ensure compliance with these Regulations and take all appropriate steps so that they are duly circulated within the Company and its subsidiaries (the "Group").

Chapter II. Mission and powers of the ACC

Section 5. Mission of the ACC

1. The ACC is responsible for advising the Board of Directors on topics within its purview, and for overseeing the processes for preparing and presenting financial and non-financial information, the independence of the statutory auditor and the effectiveness of the systems for internal control and risk management regarding both financial and non-financial risks, without prejudice to the Board of Directors' responsibility.
2. In the discharge of its powers, the ACC shall take into account the following basic principles of action:
 - (i) Independence from instructions from and ties with third parties which might compromise its proceedings.
 - (ii) A constructive dialogue that fosters the freedom of speech of its members and encourages the diversity of opinions.
 - (iii) Effective and regular two-way communication with its usual interlocutors, mainly with the Internal Audit function, the statutory auditors and the verifiers of sustainability information, the Chair of the Board of Directors, the CEO and other executive directors, if any, the Company's Management, particularly, without limitation, with the Financial Department, the Advisory Committees that may exist from time to time within the Company's corporate governance structure to provide support and advisory advice to the governing bodies and which report to the ACC. This without prejudice to having to liaise with the remaining board committees to the extent that they have different competences over the same issue.
 - (iv) Required analytical skills, employing for such purposes external advisors where this is deemed necessary for the appropriate discharge of its duties, namely relating to certain controversial, new or especially complex issues, issues of a technical nature or particularly relevant ones.

Section 6. Powers relating to the preparation of the regulated financial and non-financial information

Without prejudice to other tasks it may be entrusted by the Board of Directors, with regard to the preparation of the regulated financial and non-financial information of the Company and its Group, the ACC shall have the following main duties:

- (a) To oversee and evaluate on an ongoing basis the process of preparation and presentation as well as the quality, clarity, consistency and integrity of the regulated financial information relating to the Company and its Group, ensuring that the half-yearly financial reports and the quarterly management statements are drafted in accordance with the same accounting standards as the annual financial reports and to oversee the review of the interim financial statements requested from the statutory auditor, with the scope and frequency that may be defined, as the case may be.

- (b) To review compliance with regulatory requirements, the appropriate delimitation of the consolidation perimeter and the appropriate application of the generally accepted accounting principles and international financial reporting standards as may be applicable.
- (c) To oversee and evaluate on an ongoing basis and in coordination with the Sustainability Committee the process of preparation and presentation as well as the quality, clarity, consistency and integrity of the mandatory sustainability information relating to the Company and its Group, ensuring that it is drafted in accordance with statutory requirements as regards the standards applied and the delimitation of the perimeter, and to oversee the reviews requested from the external verifier, with the scope and frequency that may be defined.
- (d) To be familiar with, understand and oversee and evaluate the effectiveness of the system for internal control over financial and non-financial reporting and receive information on a regular basis from the supervisor thereof and to review with the statutory auditor and the verifier the significant weaknesses revealed in the course of the audit and the verification, reaching a conclusion on the standard of confidence and reliability provided by the system, all of which without impairing their independence.
- (e) To submit recommendations or proposals to the Board of Directors aimed at safeguarding the integrity of the financial and non-financial information and the relevant term for their follow-up.
- (f) To assess and advise the Board of Directors on any significant changes to accounting standards and on the significant risks on the balance sheet and off-balance sheet; and
- (g) Generally, to review the quality, clarity, consistency and integrity of all the financial and non-financial information reported by the Company in its annual – or interim- financial reports and directors' reports - that include sustainability information, the Annual Corporate Governance Report and the Annual Report on Remuneration of Directors - and any other related documentation, such as results presentations, results releases, information about related party transactions included in the different documents that the Company must disclose and/or publish, the reports on internal enterprise risk management systems, etc, all of which before their approval by the Board, notwithstanding the previous verifications that may be made by the other committees in accordance with their content.
- (h) To review that the financial and non-financial information included in the annual and interim financial reports published on the Company's corporate website is always up to date and is consistent with the information issued by the Board of Directors and published on the website of the Spanish National Securities Market Commission ("CNMV") and to apprise the Board of any issue with which the ACC is not satisfied after the review.

Section 7. Powers relating to the statutory auditor and the verifier of sustainability information

Without prejudice to other tasks it may be entrusted by the Board of Directors in this field, the ACC shall have the following main duties:

- (a) To propose, where appropriate, to the Board of Directors the selection, appointment, re-election and replacement of the external auditor and of the verifier, taking charge of the selection process pursuant to applicable regulations, as well as the terms and conditions of the contract to be executed with them, to be subsequently submitted to shareholders at the General Meeting of Shareholders for approval.
- (b) To oversee and preserve the independence of statutory auditors and the absence of any prohibition or

incompatibility circumstances that may affect them, pursuant to the laws on statutory audit. To perform such task, the ACC shall:

- (i) Liaise with the external auditor in order to be apprised on those matters that could represent a threat to their independence, so that the ACC may review them, and on any other matter related to the conduct of the statutory audit process, as well as on those other communications envisaged by the statutory audit laws and the audit standards.
- (ii) Receive from the statutory auditors on an annual basis, the statement on their independence from the Company or its related companies, directly or indirectly, as well as detailed and separate information on any manner of additional services provided as well as the relevant fees received by the external auditor, its network or the individuals or entities related to them pursuant to the provisions of the regulations on statutory audit.
- (iii) Authorise and oversee the engagement of the statutory auditor for the provision of non-audit services in accordance with the internal procedure in place, as well as the terms and the performance of the contracts entered into with the external auditor of the Company for the provision of such services. In this regard, the ACC will:
 - Verify that the Company and the statutory auditor comply with applicable regulations on the provision of non-audit services, the limits on the concentration of the statutory auditor's business, the rules on professional fees and, generally, all other regulations established in order to ensure the statutory auditors' independence.
 - Foster the circulation, knowledge and awareness regarding the corporate policies and procedures in the field among the relevant people within the Company to ensure that they are duly enforced.
- (iv) Ensure that the remuneration of the external auditor for their work does not compromise its quality and independence.
- (v) In the event of resignation of the statutory auditor, examine the circumstances that may have given rise thereto; and
- (vi) Oversee that the change of statutory auditor is disclosed to CNMV as Other Relevant Information and that information is given, where appropriate, on the potential existence of any discrepancies with the outgoing auditor and the contents thereof; and
- (vii) Issue on an annual basis and prior to the issue of the auditor's report, a report setting forth its opinion on whether the independence of the statutory auditor or audit firms has been compromised. Such reports must include the reasoned assessment of the provision by the external auditor of each and every additional non-audit service, considered both separately and as a whole, and its opinion regarding the auditor's independence pursuant to the regulations on statutory audit.

The duties covered in subsections (i) to (vii) above with respect to the statutory auditor will also be exercised with respect to the verifier of the sustainability information in such cases and with the scope from time to time determined in applicable regulations.

- (c) To oversee compliance with the audit and verification contracts, regularly gathering from the statutory

auditor and from the verifier information on the audit and verification plan and on their implementation.

- (d) To assess the results of each statutory audit and each verification of sustainability information and oversee the Management's response to their recommendations.
- (e) To review the contents of the auditor's reports and, where appropriate, of the reports on limited review of interim financial statements, as well as other mandatory reports to be prepared by the statutory auditor before they are issued, in order to avoid qualified reports, ensuring that the annual accounts that the Board of Directors presents to shareholders at the General Meeting of Shareholders are drawn up in accordance with accounting standards and, that in the circumstances where the statutory auditors includes any qualification in the auditor's report, the Chair of the ACC should give a clear explanation at the General Meeting of the committee's opinion regarding the contents and scope of such qualifications, making a summary of that opinion available to the shareholders at the time of the publication of the notice calling the General Meeting of Shareholders along with the rest of the proposals and reports of the board of directors.
- (f) To promote that the statutory auditors of the Group's consolidated accounts shall assume responsibility for the audit work of all or most of its subsidiaries.
- (g) To ensure that the statutory auditor who carries out the statutory audit or the audit of consolidated accounting documents shall assume full responsibility for the auditor's report issued, even when the statutory audit of the investee companies has been conducted by other auditors.
- (h) To assess the performance of the statutory auditor and of the verifier and their contribution to the quality of the audit and the verification, respectively, and the integrity of the financial and non-financial information.

In the performance of the duties incumbent on the ACC relating to the verifier, it may rely on the Sustainability Committee, raising questions about specific issues within this latter's purview, or involving it in such processes that require or recommend a collaboration between both committees.

Section 8. Powers relating to the Internal Audit function

Without prejudice to other tasks it may be entrusted by the Board of Directors, with regard to the Internal Audit (IA) function of the Company and its Group, the ACC shall have the following main duties:

- (a) To propose to the Board of Directors the Internal Audit Charter setting out the IA function's Mandate as well as its authority, role, responsibilities, scope and services (assurance and/or advice), and the changes to the Charter.
- (b) To ensure the independence and objectivity of the IA function in the performance of its duties.
- (c) To oversee the effectiveness of the IA function, ensuring that it has the necessary resources, both human and material, internal and external, for the adequate and effective performance of its duties.
- (d) To approve the Internal Audit Plan ensuring that its activities are mainly focused on risks relevant to the Company and its Group, including reputational risks, and that it is fit to respond to the Company's actual needs.
- (e) To oversee Internal Audit's activities and its Plan. To this end, the ACC will regularly receive information on the proceedings of the Internal Audit function and on the progress made with the Plan's implementation, including potential changes and deviations, incidents and scope limitations occurred upon rolling it out, as

well as information on the outcome and the degree of compliance by the Management with its recommendations.

- (f) To verify that Senior Managers take into account the findings and recommendations resulting from the reports issued by Internal Audit.
- (g) To approve the annual activities report submitted by the Chief Audit Officer (CAO) and assess the proceedings of the Internal Audit function including the Quality Assurance and Improvement Programme (QAIP) and the CAO's performance at the end of each year.
- (h) To propose to the Board the appointment and/or dismissal of the CAO prior to the report from the Nomination Committee.

Section 9. Powers relating to internal control and enterprise risk management

Without prejudice to other tasks it may be entrusted by the Board of Directors, with regard to the enterprise risk management system of the Company and its Group, the ACC shall have the following main duties:

- (a) To ensure that the Company's internal control policies and systems are effectively applied.
- (b) To oversee the enterprise risks management function and establish that it is effective pursuant to the provisions of the policy approved by the Board.
- (c) To regularly receive reports from the Management or from the supervising areas, on the proceedings of risk management systems established, and on the results of the tests carried out by internal auditors on the same, as well as on any significant internal control weakness detected by the external auditors.
- (d) To oversee and evaluate the effectiveness of the internal control and risk management systems relating to both financial and non-financial risks, including without limitation, tax, operational, technological risks in the main and those relating to cyber security and AI, legal, social, environmental, reputational and those related to corruption, as well as of the measures established to mitigate the impact of identified risks.
- (e) To review with the statutory auditor and the verifier any significant weaknesses which may be detected, where appropriate, with regard to the internal control system upon conducting the audit and the verification, without compromising their independence.
- (f) To promote a corporate culture within the Company wherein risk assessment is a factor upon decision-making, at all levels of the Company and its Group.
- (g) To identify and re-assess, at least on an annual basis, financial and non-financial risks, the level of risk tolerance and the measures foreseen to mitigate the impact of the risks identified in the event of their materialisation.
- (h) To identify and understand emerging risks as well as their red flag mechanisms and regularly assess the effectiveness thereof.
- (i) To ensure that risks are kept and managed within the levels of risk tolerance set by the Board of Directors.
- (j) To oversee the cyber security proceedings. For such purposes, the ACC:
 - a.- Will receive regular reports from the Chief Information Officer (CISO) at least twice a year on the evolution of the degree of maturity of cyber security and its governance and on the main threats,

significant incidents occurred and their impacts and on prevention, control or mitigation measures - in the event that they materialise -, any relevant resolution adopted in the area of information security that could substantially affect the Organisation's activity or the results of the periodic cyber-resilience tests.

- b. Will oversee the resources used by the Group in preventing, protecting and responding to the risks associated with the information security, ensuring that the Company relies on the appropriate capabilities to manage such risks. Likewise, the ACC will oversee the effectiveness of the cyber security function and ensure its independence from the heads of the Company's technology areas.
- c. May commission independent assessments to garner an additional perspective on the appropriate model to manage cyber security risks existing in processes critical to the Organisation, including the supply chain.
- (k) To meet with the heads of business units at least once a year, and whenever it deems it appropriate, for the purposes of reporting to the ACC on business trends and the risks associated with their respective areas of responsibility.
- (l) To submit recommendations or proposals to the Board of Directors, with the relevant term for follow-up.

Section 10. Powers relating to corporate governance

Without prejudice to other tasks it may be entrusted by the Board of Directors, with regard to the corporate governance system of the Company and its Group, the ACC shall have the following main duties:

- (a) To regularly review and evaluate the appropriateness of the corporate governance system for the purposes of fulfilling its mission of promoting corporate interest taking into account the lawful interests of the different stakeholders of the Company, and to propose to the Board of Directors the amendments and updates of the Company's corporate governance regulations that contribute to its development and continuous improvement.
- (b) To oversee the degree of compliance by the Company with generally recognised recommendations on good governance, in particular, with the Good Governance Code of Listed Companies approved by CNMV.
- (c) To review recommendations and best practices on corporate governance, whether domestic or international, and to encourage compliance with the most stringent standards considering the Company's uniqueness, keeping abreast of any regulatory proposal applicable to the Company which may have a special impact thereon.
- (d) To oversee compliance with these Regulations and generally, with the corporate governance regulations of the Company.
- (e) To receive from the General Counsel's Office or, as the case may be, from the Market Transparency Committee, at least every six months and whenever the ACC may deem it fit for the appropriate exercise of its functions, information on the degree of compliance with the Internal Regulations of Conduct in the Securities Market (IRC) and, in particular, on the cases seen, if any, and the resolutions passed.
- (f) To regularly receive information on issues relating to treasury stock management.
- (g) To prepare and submit to the Board of Directors for approval, the Annual Corporate Governance Report.
- (h) To give a report, following a proposal from the Remuneration Committee, on the Annual Report on

Remuneration of Directors, ensuring its integrity and that it complies with applicable regulations, recommendations and standards.

- (i) Generally, to review the information on corporate governance that the Company shall disclose.
- (j) To oversee the operation of the Company's corporate website with regard to the posting of information on corporate governance included in Section 42 of the Board of Directors' Regulations.

Section 11. Powers relating to Compliance

Without prejudice to other tasks it may be entrusted by the Board of Directors, the ACC shall have the following main duties in the field of Compliance:

- (a) To issue reports on the corporate policies and/or other internal regulations on issues within its purview that must be approved by the Board of Directors.
- (b) To drive an ethical culture across the Company where the assessment of Compliance risks is a factor in the decision making at every level within the Company and its Group.
- (c) To oversee compliance with applicable regulations and the effectiveness of corporate policies, ensuring that the corporate ethical culture is aligned with the Company's purpose and values, and that they are appropriate and consistent with regulatory provisions, recommendations and best practices existing in the market.
- (d) To assess the recommendations and best practices on Compliance, whether domestic or international, and where appropriate, encourage compliance with the most stringent standards considering the Company's uniqueness, keeping abreast of any regulatory proposal applicable to the Company which may have a special impact thereon.
- (e) To give a report on the proposals for the appointment of the Chief Compliance Officer and the manager of the Internal Reporting System.
- (f) To approve the annual budget of the Compliance function, ensuring that it relies on the necessary human and material resources for the appropriate and effective discharge of its duties.
- (g) To approve the Annual Compliance Plan, ensuring that it is mainly focused on the relevant Compliance risks, including reputational risks, and its annual activities report.
- (h) To oversee compliance with the Annual Compliance Plan, being regularly apprised for such purposes of the proceedings of the Compliance function.
- (i) To oversee the observance of the Global Compliance Model of the Group, the Model of Criminal Risk Prevention, and the effectiveness of its controls.
- (j) To oversee the Ethics Committee's duties as manager of the Internal Reporting system ensuring that it allows all Group's employees, and other persons related with the Group, including directors, shareholders and other financial investors, manufacturers, suppliers, customers or third parties with a direct relationship and a lawful business or professional interest, to report, anonymously if appropriate, with all due warranties of confidentiality, non-retaliation and observing in any case the regulations on data protection, potentially relevant irregularities, including of a financial and/or accounting nature, or otherwise relating to the Company, including without limitation, any potential breach of the Code of Conduct and the internal

conduct regulations of the Group.

- (k) To receive from the Ethics Committee at least every six months and whenever the ACC may deem it fit for the appropriate exercise of its functions, reports on (i) compliance with the Code of Conduct and with the Model of Criminal Risk Prevention of the Group; (ii) the reports received through the relevant channel and of any potential breach of the Codes of Conduct, the internal regulations or any other potentially relevant irregularities, including of a financial and/or accounting nature, or otherwise relating to the Company, and generally, where appropriate, (iii) the enforcement of the Global Compliance Model of the Group.
- (l) To raise proposals to the Board of Directors for the adoption of measures aimed at improving the observance of the Global Compliance Model and the Model of Criminal Risk Prevention and submit findings and recommendations for improvement in the field of Compliance.
- (m) To receive information and, where appropriate, issue reports on the disciplinary measures that are intended for Senior Managers of the Company.
- (n) To ensure the existence of direct communication between the Compliance function and the ACC to handle relevant Compliance issues.

Section 12. Powers relating to tax issues

Without prejudice to other tasks it may be entrusted by the Board of Directors, with regard to tax issues of the Company and its Group, the ACC has the following main duties:

- (a) To advise beforehand the Board of Directors on the creation or acquisition, as the case may be, of interests in special vehicles or entities resident in countries or territories considered noncooperative jurisdictions for tax purposes.
- (b) To receive from the head of tax issues of the Company in order to relay it to the Board of Directors prior to the statement of the annual accounts and the filing of the Corporate Tax return, information on tax criteria followed by the Company during the year, and on the degree of compliance with the Code on Good Tax Practices.
- (c) To apprise the Board of Directors, based upon the information received from the head of tax issues of the Company, of the tax policies applied and, in the case of transactions or matters which must be referred to the Board of Directors for approval, of the tax consequences thereof, when they represent a relevant factor.

Section 13. Other powers entrusted to the Committee

Additionally, the ACC shall have the following duties:

- (a) To oversee and evaluate - in coordination with the Sustainability Committee, where applicable with regard to issues under its purview - the strategy of communication and relations with shareholders - including small and medium shareholders - , investors, proxy advisors and other stakeholders as well as the effective application of the Policy on Disclosure of Economic-Financial, Non-Financial and Corporate Information, and encourage its enhancement.
- (b) To oversee and evaluate Company's stakeholder relations processes, liaising with the Sustainability Committee as regards issues within their respective purview.

- (c) To report, with the scope and terms set forth in applicable regulations, on any related party transaction that requires to be approved by shareholders at the General Meeting of Shareholders and by the Board of Directors, assessing in all cases if such transaction is fair and reasonable from the perspective of the Company, and if appropriate, of shareholders that are not related parties.

With regards to these transactions, to propose, oversee and regularly review the internal procedure for reporting and periodically monitoring those transactions whose approval is delegated by the Board of Directors pursuant to statutory criteria, establishing that they have been carried out in terms of equity and transparency and, where appropriate, that the applicable statutory criteria that determine their subjection to the exception regime, have been met

- (d) To apprise the Board of Directors of such transactions which entail structural and corporate changes that the Company intends to carry out, reviewing the economic terms and the accounting impact thereof, and namely, where appropriate, the proposed exchange ratio.
- (e) To oversee the Group's technology framework, information and programming systems, operational processes and platforms, relevant technology and/or innovation projects, the main decisions made in terms of digital transformation, as well as the Company's data management framework, assessing and monitoring the main threats to the continuity of operations and/or the business.
- (f) To assess the Committee's performance independently and to report to the Board on the outcome of the assessment.
- (g) To prepare an annual report on the activities of the ACC.
- (h) To exercise when the ACC so decides all the duties inherent in audit committees from time to time provided in applicable laws, as regards such Group companies that are deemed to be public-interest entities, as defined by applicable regulations.
- (i) To submit proposals on the appointment of candidates to serve on any Advisory Committee reporting to the ACC given their sphere of competence.

The ACC may also report, should it deem it appropriate, on the appointment and removal of the members of such Advisory Committees, prior to the report issued by the Nomination Committee, assessing the eligibility, competences, knowledge and experience of the prospective candidates.

Chapter III. Composition of the Committee

Section 14. Composition and offices

1. The ACC shall comprise a number of non-executive directors being no less than 3 and not greater than 7, the majority of whom shall be independent. Members of the Committee, as a whole, in particular its Chair, shall be appointed taking into account their insight and experience in accounting, audit, internal control and risk management - covering both financial and non-financial risks - and information technologies matters, as well as industry-specific knowledge, so that they have, as a whole, the required knowledge for the appropriate performance of their duties.
2. Members of the Committee shall be appointed by the Board of Directors following a report from the Nomination Committee.

3. The Board of Directors shall encourage a diverse membership on the ACC in terms of professional experience, competencies, personal skills, sector-specific knowledge, international experience or geographic origin, age and gender, taking into account the restrictions that are a result of its smaller size than the Board's.
4. The Board of Directors shall appoint a Chair from among the independent directors sitting on the ACC ensuring that they are sufficiently qualified and available.
5. In the event of absence, impossibility or sickness of the Chair of the ACC, they will be replaced by the director of the same directorship type appointed by the Chair for such purposes or, failing that, by the most senior of the remaining directors of the same directorship type serving thereon.
6. The Board of Directors shall also appoint a Secretary of the ACC, who needs not be a director, in which case, the Secretary shall have the right to speak but not to vote.

Section 15. Term

1. Members of the ACC shall sit thereon while they remain as directors of the Company, except if the Board of Directors resolves otherwise.
2. The Chair shall be elected for an initial maximum 2- year term and may be re-elected for an additional 2-year period. After 4 years in office they must be replaced. The Chair may only be eligible for re-election one year after the end of their tenure.
3. Committee members who are re-elected by the Company by resolution of shareholders at the General Meeting of Shareholders shall remain in their office within the Committee, without the need for a new election, without prejudice to the power of revocation that lays with the Board of Directors.

Section 16. Removal

Committee members shall vacate office:

- (a) when they cease to be directors of the Company.
- (b) when they cease to be non-executive directors, even if they remain on the board of directors; or
- (c) by resolution of the Board of Directors.

Chapter IV. Proceedings of the Committee

Section 17. Committee meetings

1. The ACC shall meet at least on a quarterly basis to review the periodic information that the Company has to release to the regulatory and supervisory authority to fulfil its obligations or of its own accord, as well as the information that the Board of Directors has to approve and include in the annual public documentation.
2. Likewise, it shall meet each time that its Chair calls it. The Chair must call the ACC whenever the Board of Directors or its Chair would request the issue of a report or the submission of proposals and, in any case, whenever it is appropriate for its effectiveness. The ACC shall also meet when so requested by at least one third of its members; in such case, the meeting shall be called by the Chair to be held within 15 days of the request.

3. Ordinary meetings shall be called by e-mail or by any other means that gives proof of notice dispatch and receipt, and the notice must be signed by the Chair or the Secretary. The notice calling the meeting shall be given at least 3 days in advance.

The notice of the meeting shall always include the agenda, and it shall be accompanied by the duly summarised and prepared relevant information.

4. The Chair may call extraordinary ACC meetings when, in their view, the circumstances so warrant. In such cases the notice period and the remaining requirements laid down in the foregoing paragraph shall not apply.

The Chair may also arrange preparatory working meetings ahead of committee meetings or one-off meetings on specific topics besides the formal ones.

5. The ACC shall prepare an annual work plan, which shall include, at least, the specific objectives for the financial year and an annual schedule of ordinary meetings and shall inform the Board thereof.

With regard to such schedule, the ACC shall ensure that risk monitoring is included on the agenda of the meetings and that all significant risks, both financial and non-financial, are reviewed throughout the year.

6. Likewise, the ACC shall, to the extent possible, endeavour to provide for the possibility of relying on external advisors and shall set out the corresponding training plan for them to correctly execute their duties. Requests for external assistance shall be made via the General Counsel's Office.

Section 18. Quorum

1. A quorum for Committee meetings shall be declared when at least the majority of its members attend in person or by proxy.
2. Directors shall make their best efforts to attend Committee meetings and, whenever they cannot attend in person, they shall endeavour to grant proxy to another member of the ACC with the relevant instructions, informing thereof the Chair of the Committee.
3. Without prejudice to the foregoing, a quorum for Committee meetings shall be declared if all its members, present or represented, unanimously accept to hold the meeting.

Section 19. Venue

1. ACC meetings shall be held at the place of the registered office or anywhere else as indicated in the notice calling the meeting.
2. The Committee may also pass written resolution in lieu of meeting, pursuant to the provisions of applicable regulations. Likewise, committee meetings may be conducted via video conference or conference call system or making use of any other equivalent system allowing to recognise and identify attendees, for them to communicate, speak and cast vote, all of it in real time, in which case, the meeting shall be deemed to have been held at the registered office. The Secretary of the ACC shall record in the minutes of the meetings held by these means, not only the members who attend in person or, where appropriate, by proxy granted to another director, but also those members attending the meeting via conference call, video conference or equivalent system.

Section 20. Attendance

1. The ACC may call executive and non-executive directors, members of Management and any employee of the Company, who shall be bound to appear before the Committee, attend its meetings and provide it with assistance and access to the information available to them when the Committee so requests.

The ACC may request the attendance of the CAO, at least upon reviewing the annual or interim public information. The Committee may also request the presence and attendance of statutory auditors at its meetings, whenever it deems it appropriate.

Likewise, the ACC shall ensure that at least in one of the meetings attended by the CAO and the external auditors, no members of Management are present.

2. Efforts will be made to ensure that presence at Committee meetings of anyone other than its members is limited to such cases where it is necessary, and for the transaction of specific items on the agenda for which they were called to attend.
3. Those in attendance at Committee meetings, namely the statutory auditor and the verifier of sustainability information, shall not take part in any stages of the deliberations and voting of agenda items except in specific cases for which, if they materialise, adequate justification should be given in the minutes.

Section 21. Resolutions

1. Except in those cases where a larger majority is required by applicable regulations, the Articles of Association, the Board of Directors' Regulations or these Regulations, resolutions shall be passed by an absolute majority of the votes of the members attending the meeting. In case of equality, the Chair shall have a casting vote.
2. The deliberations and resolutions passed by the ACC shall be entered into a Book of Minutes. Minutes shall be signed by the Chair and the Secretary, or by the person acting in their stead in the meeting to which the minutes refer to. Copies and certified copies of the minutes shall be authorised and issued by the Secretary with the approval of the Chair, or by the persons acting in their stead. Minutes will be approved by the ACC at the end of the meeting or during the following meeting. They can also be approved in part at the end of the meeting.

Chapter V. Authorities of the Committee and Duties of its Members

Section 22. Authorities and advice

1. The ACC may request, through the Secretary of the Board of Directors, access to any information or documentation available to the Company relating to matters within its purview and which it deems necessary to perform its duties.
2. To ensure that the ACC performs its duties at its best, it may seek the advice of external experts, and for such purpose, the provisions of the Board of Directors' Regulations on this issue shall apply.
3. The ACC shall set up an induction programme for new members that ensures a minimum knowledge of the business and organisational model of the Company as well as its strategy and the scope of supervision of the Committee, which facilitates their participation from the outset.

Such induction programme shall cover at least: (i) the role of the Committee, its responsibilities and objectives; (ii) the proceedings of all other board committees; (iii) the dedication time expected for each position within the

Committee; (iv) an overview of the business and organisational model of the Company, its strategy and powers, and the knowledge and experience that directors must have; and, (v) the reporting obligations of the Company.

Likewise, the ACC shall arrange such periodic training sessions as it may deem appropriate for new members to properly carry out their duties.

Section 23. Duties of Committee members

1. Committee members shall act with independence of judgment and action with respect to the rest of the organisation and carry out their duties with the utmost diligence and professional competence.
2. Committee members are subject as such to all the duties of directors set forth in the Board of Directors' Regulations, to the extent that they are applicable to the responsibilities discharged by the Committee.

Section 24. Conflicts of interest

Where the business to be transacted at Committee meetings directly affects any of its members or their related parties, and generally, when such member is involved in a conflict of interest, the proceedings provided for such purpose in the Board of Directors' Regulations shall be followed.

Chapter VI. Relations of the Committee

Section 25. Relations with the General Meeting of Shareholders

1. The ACC shall advise shareholders at the General Meeting of Shareholders on such questions they might raise regarding matters within its purview, and namely, about the result of the audit and the verification of the sustainability information conducted, explaining how they have contributed to the integrity of the financial and sustainability information, and the role played by the ACC in this process.
2. The annual report on the activities of the Committee referred to in section 13(g) above will be posted on the Company's website with the notice calling the Annual General Meeting.

Section 26. Relations with the Board of Directors

1. The ACC shall report through its Chair to the Board of Directors on all business transacted and all resolutions passed, as well as on its proceedings and the work done at the first meeting of the Board of Directors held immediately after. Likewise, a copy of the minutes of the meetings of the Committee shall be made available to all the directors.
2. To facilitate and make more efficient its access to whatever external resources it may need, the ACC shall draw up a budget, when it deems it appropriate, and submit it to the Board of Directors. The ACC's Chair and/or its Secretary shall report to the Board of Directors on any expenses incurred, where appropriate during the previous year.
3. Within the first six months of the close of each financial year, the Committee shall submit to the Board of Directors, for approval, the annual report on its activities in the previous year referred to in section 13(g) above.

Section 27. Relations with the Internal Audit function

1. The ACC shall ensure that the hierarchy and position of the CAO and the IA function itself within the Organisation is such that they can carry out their work objectively and independently. For such purposes:
 - The IA Function and the CAO will report functionally to the ACC and operationally to the non-executive Chair.
 - The ACC will ensure that they have access to the necessary documentation and staff within the Organization and are provided with appropriate research techniques without hindrance.
 - The ACC will oversee that its members do not have personal or business interests in the areas being audited and take an impartial stance in all tasks, and
 - The ACC will ensure that the CAO is not dismissed without its prior proposal.
2. In its supervision of the IA function, the ACC shall ensure that:
 - (i) The necessary resources – including human, technological and financial resources and the engagement or use of experts for internal audits requiring special qualifications – are available to the function.
 - (ii) There is adequate coordination between the IA function and other assurance and/or oversight functions within the Organisation, such as the ERM, Information Security, Data Protection & Privacy and/or the Compliance Departments, and with the external auditor and the verifier of sustainability information.
 - (iii) The CAO has direct and effective access to the ACC, the non-executive Chair and the CEO, especially in case of any impediment or interference regarding the scope, performance or communication of the internal audit work and results.
3. To this end, the ACC will have a fluent communication with the CAO which will also serve: (i) to guide and assist them in determining internal audit priorities, providing them, where appropriate, with its perspective on the Group's strategies, objectives and risks, and (ii) to be aware of the progress of the Annual Audit Plan and its implementation in accordance with the deadlines set out in the calendar, the results of the reviews carried out and the weaknesses or irregularities detected and to follow up on the recommendations issued, any significant changes in the Plan that require updating, the function's adherence to the Global Internal Audit Standards - which will be evaluated through a Quality Assurance and Improvement Programme - or the result of other specific requests that may have been made by the ACC.
4. The Chair of the ACC may request that the CAO be present during certain parts of its meetings where aspects relating to the scope of their powers or functions are addressed.

Section 28. Relations with the statutory auditor and the verifier of the sustainability information

1. In the discharge of its duties, the ACC will keep a fluent communication with external auditors and verifiers, to facilitate their oversight of the process of preparing and drafting information or their independence. In particular, it may request information about: (i) potential disagreements that may have arisen between the auditor or verifier and the Management, as well as any potential significant indication or risk identified by the statutory auditor or verifier with regard to any possible fraud or manipulation of the financial or non-financial information, (ii) the procedures established to provide reasonable assurance that the annual accounts are free from material errors or omissions, including those due to error or fraud, and/or (iii) the internal quality control and independence safeguarding procedures implemented by the statutory auditor and, where appropriate and with the scope determined from time

to time by applicable regulations, by the verifier of the sustainability information.

2. With regard to ACC's communication with statutory auditors and verifiers of the sustainability information, it must be planned in a timetable of activities and an annual schedule of meetings, most of which should be held without the CEO or the Management being present, to address and/or discuss all matters that might influence the audit or verification opinion or the independence of the external auditor or, where appropriate, the verifier, including, without limitation: (i) the key aspects of their strategy with respect to the audit and verification risks (including resources, procedures, etc.); (ii) the suitability of the criteria and parameters used to determine materiality or double materiality in the case of sustainability reporting, (iii) any significant judgements made as to the quality and applicability of the Company's accounting and sustainability principles, and yardsticks, significant assumptions used for critical estimates, in particular those involving a high degree of uncertainty.
3. The ACC will evaluate with the external auditor and the verifier whether the mutual relations have been appropriate and if necessary, analyse whether it should take steps to improve them.
4. The ACC will also serve as a communication channel between the statutory auditor and the verifiers with the Board of Directors, endeavouring for the former meet at least once a year with the Board to report on the work done, and as regards the auditor, on the evolution of the accounting and risk situation of the Company.
5. The ACC will follow up on the recommendations proposed by the statutory auditor and the verifier of the sustainability information and may request their collaboration whenever this is deemed necessary.
6. The ACC shall refrain from proposing to the Board of Directors, and in turn, this latter shall refrain from submitting to shareholders at the General Meeting of Shareholders the appointment as statutory auditor of any audit firm which is affected by any incompatibility pursuant to the statutory audit laws, as well as of any audit firm where the fees that the Company intends to pay on all grounds are in excess of the limits set by the laws on statutory audit.

Section 29. Relations with the Chair, the CEO and other executive directors, if any, the Management and other employees

1. For the purposes of ensuring the appropriate performance of its duties, the ACC shall have regular contact with the Chair of the Board, the CEO and other executive directors, if any, the Management and any other employees, and it may request their presence at its meetings.
2. The ACC will keep a fluent communication with the Company's Management to understand its decisions on the application of the most significant yardsticks with regard to those topics within its purview.

Section 30. Relations with board committees

The ACC will set the necessary coordination mechanisms with the remaining board committees so that each of them may duly perform the duties they have been entrusted regarding concomitant topics. Such mechanisms include:

- (i) Holding one or more joint meetings in each financial year,
- (ii) The Chair of the ACC shall have a fluent and permanent communication with the Chair of the Sustainability Committee, with the support of the Secretary of the Board and its committees, and
- (iii) The ACC's reports and proposals will be provided to the remaining board committees, where they are related to matters within their respective purview.

Section 31. Relations with Advisory Committees

1. The Company has several Advisory Committees within its corporate governance structure, which are permanent internal consulting and advisory bodies, without executive duties, with information, advisory and proposal-making powers in different areas considered, from time to time, to be of utmost interest and priority to the Company.

These Committees, made up entirely of external experts, are primarily responsible for providing specialised, independent and strategic advice to the Board of Directors, through its different committees - depending on the topics - and to the Management, allowing them to get a global perspective on certain key aspects and the ability to anticipate threats, risks and emerging opportunities that may affect the Group's operations and/or critical processes, and to assess their impact and possible control weaknesses. In short, the existence of these Committees strengthens the Group's informed decision-making process and drives the Company's strategy in certain areas.

2. In particular, the ACC will receive support and advice from the Cybersecurity Advisory Committee (CAC) on information security and cybersecurity-related matters, and from the International Advisory Board (IAB) on geopolitics, international economics and other global issues, such as demographics or new social trends. The foregoing without prejudice to the advice that the ACC may also receive from other Advisory Committees which, without reporting to the same, may provide assistance on specific issues of its interest and within its purview or, even from other committees of that same nature that may be established in the future under its direct authority.
3. Such Advisory Committees will have their own terms of reference which shall include their operating rules and internal regulations further developing the terms of the Board of Directors' Regulations.

In any case, the CAC and the IAB will regularly apprise the ACC via the Management, of their proceedings and the main business transacted during their meetings.

Likewise, the holding of joint meetings between the ACC and the Advisory Committees will be encouraged.

In any case, the ACC or its Chair may request from such Advisory Committees that they issue reports and/or that they engage in specific proceedings within their respective purview, whenever this is convenient to ensure the effectiveness of the ACC.

INDITEX