

NOMINATION COMMITTEE'S REGULATIONS

**INDUSTRIA DE DISEÑO TEXTIL, S.A.
(INDITEX, S.A.)**

APPROVED BY THE BOARD OF DIRECTORS ON 9 JUNE 2015

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CHAPTER I. PRELIMINARY

Section 1. Nature and purpose

1. These Regulations seek to determine the guidelines for action of the Nomination Committee within the Board of Directors of Industria de Diseño Textil, S.A. (Inditex, S.A.) (hereinafter, the “**Company**”), the basic rules of its organization and proceedings and the standards of conduct for its members.
2. Pursuant to the Company’s corporate governance system, the Board of Directors has set up the Nomination Committee (hereinafter, the “**Committee**”), a permanent internal informational and advisory body, without executive duties, with information, supervision, advisory and proposal-making powers within its scope of action, which shall be governed by the provisions set forth in the Statute, the Articles of Association, the Board of Directors’ Regulations and in these Nomination Committee’s Regulations, (the “**Regulations**”).

Section 2. Priority and interpretation

1. These Regulations further develop and supplement the regulations of the Articles of Association and of the Board of Directors’ Regulations which apply to the Committee and which shall prevail in case of inconsistency with the provisions of the former.
2. These Regulations shall be construed pursuant to the Statute, the Articles of Association and the Board of Directors’ Regulations, as well as to the principles and recommendations on corporate governance of listed companies approved or backed by the Spanish authorities and the authorities from the countries around Spain, from time to time in force.
3. In the absence of a specific rule, the provisions of the Board of Directors’ Regulations regarding the proceedings of the Committee and namely, calling of the meetings, granting of proxy to another director, quorum, proceedings at meetings and system for passing resolutions, casting of votes in writing without a meeting, and approval of the minutes shall apply to the Committee, to the extent that they are not incompatible with its nature.
4. The settlement of any doubts arising from or in connection with the performance of these Regulations falls on the Board of Directors pursuant to the general criteria used for the interpretation of legal rules and taking into account the purpose of the Committee.

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 Chairman or at the behest of the Committee.
2. The motion to amend these Regulations at the behest of the Committee shall be accompanied by a reasoned report justifying such amendment.
3. The text of the motion approved and, where appropriate, of the reasoned report justifying it shall be attached to the notice calling the meeting of the Board of Directors where the amendment of these Regulations is to be seen

Section 4. Compliance and dissemination

1. The members of the Committee, and the remaining members of the Board of Directors to the extent they are affected, have the obligation to know, comply with and enforce these Regulations, for which purpose they shall be posted on the Company's website.
2. Additionally, the Committee shall be bound to ensure compliance with these Regulations and to 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 COMMITTEE

Section 5. Mission of the Committee

Without prejudice to other tasks it may be entrusted by the Board of Directors, and to other powers it may be reserved by these Regulations, the Nomination Committee shall have the following basic responsibilities:

- (a) To evaluate the responsibilities, knowledge and experience required on the Board of Directors. For such purposes, to define the functions and qualifications required from candidates who must fill each vacancy, and evaluate the time and contribution required for them to effectively discharge their duties;
- (b) To set a representation target for the least represented gender on the Board of Directors and to provide guidance on how to reach such target;
- (c) To ensure that upon filling new vacancies or appointing new independent directors, selection procedures ensure the nonexistence of any manner of discrimination;
- (d) To table to the Board of Directors the motions on the appointment of independent directors to be appointed through the co-option procedure, or to be submitted to the General Meeting of Shareholders, as well as the motion for the re-election or removal of said directors by the General Meeting of Shareholders;

- (e) To issue a report regarding the motions to appoint the remaining directors prior to their appointment through the co-option procedure or to be submitted to the General Meeting of Shareholders, as well as the motions for their re-election or removal by the General Meeting of Shareholder;
- (f) To issue a report regarding the motions to appoint and to remove senior executives;
- (g) Without prejudice to the responsibilities of the Lead Independent Director, should there be any, to review and arrange for the succession of the Chairman of the Board of Directors and of the chief executive of the Company and, where appropriate, to raise motions to the Board of Directors in order for such succession to take place in an orderly and arranged manner;

Section 6. Powers regarding selection of prospective Directors

With regard to the selection of directors, the Committee shall have the following main duties:

- (a) To issue a report on the directors' selection policy approved by the Board of Directors and verify on an annual basis compliance thereof;
- (b) To set up and review the criteria that must be adhered to regarding the composition of the Board or Directors and to select the prospective candidates. For such purposes, the Committee shall define the duties and qualifications required of candidates that must fill each vacancy, based upon the requirements of the Board of Directors and the areas that need to be reinforced;
- (c) To ensure that, upon filling new vacancies or upon appointing new directors, selection procedures shall ensure the absence of any manner of discrimination. Namely, to set a representation target for the least represented gender on the Board of Directors and to provide guidance on how to reach such target;
- (d) To select the prospective candidates to be appointed, where appropriate, directors of the Company, assessing their ability, qualifications, knowledge and experience required and establishing the absence of any disqualifications or prohibitions and the circumstances required for them to qualify as a given type of directors and submit, therefore, its motions or reports, where appropriate, to the Board of Directors for the appointment thereof through the co-option method or to be submitted to the decision of the General Meeting of shareholders;
- (e) To issue a report on the motions that corporate directors may submit regarding the appointment of their representatives natural persons;
- (f) To report on the appointment of internal offices of the Board of Directors and its Committees (Chairman, Deputy Chairman/Chairmen, Chief Executive Officer, Lead Independent Director, Secretary and Deputy-Secretary(ies));
- (g) To propose to the Board such members that must sit on each Committee; and,
- (h) To verify, where appropriate, the information provided in the Annual Corporate Governance Report, about the reasons why certain proprietary directors may have been appointed, at the behest of any shareholders whose stake is lesser to the minimum stake

that is deemed to be significant pursuant to the prevailing laws in force or according to which formal requests of presence in the Board of Directors made by shareholders whose stake is the same or higher than others at whose request proprietary directors may have been appointed, have not been attended

- (i) Without prejudice to the responsibilities of the Lead Independent Director, should there be any, to review and arrange for the succession of the Chair of the Board of Directors and of the chief executive of the company and, to table, where appropriate, proposals to the Board of Directors for such succession to take place in an orderly and planned manner

Section 7. Powers regarding assessment and re-election of directors

With regard to the assessment and re-election of directors, the Committee shall have the following main duties:

- (a) To establish and oversee an annual program for evaluating the performance of the Board of Directors, its Chairman, its delegated bodies and its supervisory committees. For such purposes, the Committee may gather such information and/or documentation as it may deem necessary or expedient;
- (b) To take part in the annual process of evaluation of performance of the Chairman of the Board of Directors pursuant to the provisions of the Company's corporate governance system;
- (c) To report on an annual basis to the Board of Directors on the evaluation of the Board of Directors itself, the Committee, the directors, and of the performance of the chief executive of the Company;
- (d) To verify, where appropriate, the independence of the advisor which assists the Board of Directors with the evaluation process;
- (e) To examine, prior to the end of the term for which a director has been appointed, the advisability of the director's re-election, as well as the director's continuance, if applicable, on the committees of the Board of Directors of which such director is a member;
- (f) To verify that the director to be re-elected continues to comply with the general requirements applicable to all directors of the Company pursuant to law and the Company's corporate governance rules, as well as assess the quality of work, the dedication to office and the availability of the director in question during the preceding term of office; and
- (g) To submit to the Board of Directors its motion (in the case of independent directors) or report (in the case of the remaining directors) regarding the re-election of directors by the General Meeting of Shareholders.

Section 8. Powers regarding removal and dismissal of directors

With regard to the removal and dismissal of directors, the Committee shall have the main duties of submitting to the Board of Directors the motion regarding the removal or, where

appropriate, issuing a report on the motion of removal of directors by the General Meeting of Shareholders on account of the existence of grounds for resignation or dismissal pursuant to Statute or the corporate governance rules of the Company.

Section 9. Other powers entrusted to this Committee

Additionally, the Committee shall have the following main duties:

- a) To issue a report on the appointment and removal of the Internal Audit Director, after report of the Audit and Control Committee;
- b) To issue a report on the motions to appoint and remove senior executives;
- c) To issue such reports and carry out such proceedings that fall within its remit, pursuant to the corporate governance system of the Company, or which are required by the Board of Directors or its Chairman; and,
- d) To issue a report before the authorization or release by the Board of Directors of the obligations arising from the duty of loyalty of directors, when this does not fall within the remit of the General Meeting of shareholders.

CHAPTER III. COMPOSITION

Section 10. Composition and offices

1. The Committee shall be made up of a number of non-executive directors no lesser than three nor higher than seven, the majority of whom shall be independent.
2. Members of the Committee shall be appointed by the Board of Directors after report of the Nomination Committee.

The Board of Directors shall endeavour to ensure that Committee members, and namely the Chair, have the appropriate expertise, qualifications and experience to discharge the duties they are called upon to perform.
3. The Board of Directors shall appoint a Chairman from among the independent directors sitting on the Committee, ensuring that he is sufficiently qualified and available
4. The Board of Directors shall also appoint a Secretary of the Committee, who need not be a director or member of said Committee; in such case, the Secretary shall have the right to speak but not to vote.

Section 11. Terms of office

1. Committee members shall hold their office while they remain as directors of the Company, except if the Board of Directors resolves otherwise.
2. Committee members who are re-elected by the Company by resolution of the General Meeting of Shareholders shall remain in their offices 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 12. Resignation

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 continue as directors of the Company; or
- (c) By resolution of the Board of Directors.

CHAPTER IV. PROCEEDINGS OF THE COMMITTEE

Section 13. Committee Meetings

1. The Committee shall meet at least once a year and each time that the Board of Directors or the Chairman thereof calls it; the Chairman of the Board of Directors shall call the Nomination Committee each time that the Board or its Chairman requests the issuing of a report or the adoption of proposals within its remit and, in any case, whenever this is suitable for the successful performance of its functions. The Committee 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 fifteen days of the request
2. Ordinary meetings shall be called by letter, fax, telegram or e-mail and the call shall be authorized by the signature of the Chair or the Secretary. The notice calling the meeting shall be given at least three days in advance.

The agenda of the meeting must be included in the notice calling the meeting, and the relevant information duly summarized and prepared must be provided with the notice.

3. The Chair may call extraordinary meetings when, in his/her view, the circumstances so justify; in such cases the notice period and the remaining requirements laid down in the above paragraph shall not apply
4. The Committee shall prepare an annual calendar including its ordinary meetings and shall inform the Board of Directors thereof.

Section 14. Quorum

1. A valid quorum for Committee meetings shall be established when at least half plus one of its members, present or represented, are in attendance. In the event of an uneven number of directors, a valid quorum for the Committee meeting shall be established when the whole number of directors immediately above half attends.
2. Directors shall make their best efforts to attend the meetings of the Committee and, whenever they cannot attend in person, they shall endeavor to grant proxy to another member of the Committee, with the relevant instructions, informing thereof the Chair of the Committee.
3. Without prejudice to the foregoing, a valid quorum for Committee meetings shall be established if all its members, present or represented, unanimously accept to hold the meeting.

Section 15. Place of meeting

1. Meetings of the Committee shall be held at the place designated in the call to the meeting.
2. The Committee may also pass resolutions in writing, without holding a meeting, pursuant to statutory provisions. Likewise, meetings of the Committee may be held via videoconference or conference call, so that one or more directors may attend the meeting by this system. For such purposes, the notice for the meeting of the Committee shall state, in addition to the place of the meeting, where the Secretary of the Committee shall be present, the possibility that the meeting may be attended via conference call, videoconference or equivalent system, and the technical means required for such purpose shall be stated and made available; these means shall allow shall allow the instant and direct communication between the members in attendance. The Secretary of the Committee shall record in the minutes of the meetings held by these means, not only the members who attend in person or, where appropriate, represented by another member, but also those members attending the meeting via multi conference call, videoconference or similar system.

Section 16. Attendance

Members of the management or of the staff of the Company shall be bound to attend the meetings of the Committee and to provide them with assistance and access to the information available to them when the Committee so requests

Section 17. Resolutions

1. Except in those cases where a larger majority is required by statute, 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 present at the meeting. In case of equality, the Chair shall have a casting vote.
2. All deliberations and resolutions passed by the Committee 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. Copies and certificates of the minutes shall be authorized and issued by the Secretary with the approval of the Chair, or by the persons acting in their stead.

3. The Committee shall inform the Board of Directors of all business transacted and all decisions made, reporting its proceedings and the work done to the first meeting of the Board of Directors to be held afterwards Likewise, a copy of the minutes of the meetings of the Committee shall be made available to the directors.

CHAPTER V. POWERS OF THE COMMITTEE AND DUTIES OF ITS MEMBERS

Section 18. Powers and advice

1. The Committee may, through the Secretary of the Board of Directors, have access to any information or documentation available to the Company relating to matters within the remit of the Committee and which it deems necessary to perform its duties.
2. For the better discharge of its duties, the Committee may seek the advice of external experts, and for such purpose, the provisions of the Board of Directors' Regulations on this issue shall apply.

Section 19. Duties of Committee members

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

Section 20. Conflicts of interest

When the business to be transacted during the meetings of the Committee directly affect any of its members, or persons related thereto, and, in general, when such member is involved in a situation of conflict of interest, the proceedings provided for such purpose in the Board of Directors' Regulations shall be followed.

CHAPTER VI. RELATIONSHIPS

Section 21.- Relationship with the General Meeting of shareholders

1. The Committee shall inform the Annual General Meeting of those questions raised therein by the shareholders regarding matters that fall within its remit.
2. The annual report on the activities of the Committee referred to in the following section shall be made available to the shareholders and investors with the notice calling the Annual General Meeting.

Section 22. Relationship with the Board of Directors

1. The Chair of the Committee shall inform the Board of Directors of the business transacted and the resolutions passed during its meetings, pursuant to the provisions of section 17 hereof.
2. The requests for motions or reports from the Committee shall be made by the Board of Directors or its Chair. Likewise, the Committee shall consider the recommendations made by the Chair, the members of the Board of Directors and the Company's shareholders.
3. Within the first six months following the close of the financial year, the Committee shall submit to the Board of Directors for approval an annual report on its activities during the previous year.

Section 23. Relations with the Chair of the Board of Directors and the Chief executive

The Committee shall seek the advice of the Chairman and Chief Executive Officer namely with regard to issues regarding executive directors and senior executives. Where the Chairman of the Board of Directors and the chief executive are different persons, the Committee shall seek the advice of both of them regarding such issues

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