REPORT ON THE MOTION TO APPOINT MR CARLOS CRESPO GONZÁLEZ TO THE BOARD OF DIRECTORS AS EXECUTIVE DIRECTOR, AND HIS SUBSEQUENT APPOINTMENT AS CHIEF EXECUTIVE OFFICER, THAT THE NOMINATION COMMITTEE OF INDUSTRIA DE DISEÑO TEXTIL, S.A. (INDITEX, S.A.) SUBMITS TO THE BOARD OF DIRECTORS TO BE TABLED TO THE ANNUAL GENERAL MEETING

I. FOREWORD

This report is issued pursuant to section 529*decies*(4)&(6) of the [*Spanish*] Companies Act (the "**Companies Act**"), article 29.3(d) of the Articles of Association, sections 16.2(f) and 21.2 of the Board of Directors' Regulations (the "**Board of Directors' Regulations**") of Industria de Diseño Textil, S.A. ("**Inditex**" or the **"Company**"), as well as section 5(e) of the Nomination Committee's Regulations. It covers the motion to appoint, on the proposal of the Executive Chairman, Mr Carlos Crespo González to the Board of Directors as executive director.

Pursuant to the provisions of section 6(f)&(g) of the Nomination Committee's Regulations and section 14.2 of the Board of Directors' Regulations, this report also covers the subsequent appointment by the Board of Directors of Mr Crespo as Chief Executive Officer and member of the Executive Committee.

II. PURPOSE

Upon preparing this report on the motion to appoint 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-electing or appointing directors, addressed in the relevant explanatory report approved by the Nomination Committee on this date, pursuant to Recommendation 14 of the Good Governance Code of Listed Companies, approved by CNMV in February 2015 (hereinafter, "**CBG**" [*Spanish acronym*]), and sections 3 & 5 of CNMV's Technical Guide 1/2019, on nomination and remuneration committees, approved on 20 February 2019.

Namely, the Nomination Committee has taken into account that in order for the Board of Directors to duly perform its duties, 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 the digital and new technologies sector, and in sustainability; (v) in different geographical markets; and (vi) in management, leadership and business strategy, as well as (vii) the requirement for each board member to be available for the necessary dedication to the position, with the main purpose of achieving the strategic objectives marked as a priority by the Company.

Considering the foregoing, this report assesses the skills, experience and merits of the proposed candidate to be appointed as new executive director.

III. PROFESSIONAL PROFILE AND SKILLS

Mr Carlos Crespo González has a degree in Business Administration, majoring in Business Management, from the University of La Coruña. He is also a chartered accountant and is registered with the Registro Oficial de Auditores de Cuentas (ROAC) [Official Registry of Statutory Auditors of Spain]. In 1996, he joined Arthur Andersen (currently Deloitte) where he held different positions, including that of External Audit Team Leader of the Inditex Group, taking an active part in the review of the IPO in 2001. During such period, he carried out other

financial audit assignments in different economic sectors (including without limitation, in the automobile, engineering and consulting services sectors) and different consultancy assignments.

In 2001, he joined the Inditex Group, as a member of the Financial Administration Department, where he discharged different duties as accounting expert, transitioning to International Accounting Standards (IAS, currently IFRS), and was in charge of liaising with external auditors. In 2005, he was appointed Corporate Head of Financial Stock Management for all the subsidiaries and distribution centers of the Group.

In September 2005, he was appointed Chief Audit Officer of the Inditex Group, charged with supervising internal control of all the business areas (HQ, Formats and Subsidiaries) and with different assurance and consultancy projects in different areas and countries of the Group. He is a member of the Steering Committee of the Institute of Internal Auditors since 2008 and was elected Chair of the Nomination Committee in 2014, an office he held until 2017, when he stepped down from the Steering Committee by rotation, and terminated his functions at the Institute of Internal Auditors.

In March 2018 he was appointed Chief Operating Officer of the Inditex Group a newly created position to face up to the new challenges for the Supply Chain. As COO, Mr Crespo was directly responsible for the Logistics, Transport, Technology, Sustainability, Procurement, Construction Works and Security areas.

IV. INELIGIBILITY

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 apply to Mr Crespo.

V. CLASSIFICATION AS EXECUTIVE DIRECTOR

The Nomination Committee has established that the candidate proposed meets the requirements to be classified as executive, pursuant to section 529*duodecies* of the Companies Act.

VI. CONTRIBUTION OF THE APPOINTMENT OF A NEW EXECUTIVE DIRECTOR WHO SILL SERVE AS CHIEF EXECUTIVE DIRECTOR

With regard to the performance and merits of Mr Crespo, the Nomination Committee highly values: (i) his long professional career in the Group, having held executive positions in different areas; (ii) his sound knowledge of business and of the Group's corporate ethical culture; and (iii) his efforts, commitment and dedication in the performance of this duties, namely as Chief Operating Officer. During his tenure, Mr Crespo has proven his leadership, management and communication capacity and his adaptability to change and to the business needs, having undertaken significant reforms and driven technological innovation and sustainability. Given the relevance (i) of the digital business transformation, at the core of the corporate strategy, and considering Mr Crespo's background and experience in the use of technology applied to corporate and business processes, and (ii) of social and environmental sustainability in Inditex's business model, he has proven to have the right profile for the position to which he is a candidate.

On the other hand, Mr Crespo's background and experience in the business management contributes to reinforcing (i) the executive business management and the appropriate supervision

by the Board of Directors of the correct implementation of strategies; and (ii) the governance structure of the Company, as his appointment entails the effective separation of supervision and management duties and responsibilities. Consequently, the appointment of Mr Crespo further contributes to increasing stability and balance within the Board of Directors.

Should Mr Crespo be appointed executive director by the Annual General Meeting and Chief Executive Officer by the Board of Directors, he will be responsible for the following areas: Technology (Systems, Data & Digital), Information Security, Logistics and Transport, Construction Works, Legal, Procurement and Sustainability. Mr Crespo will be responsible for the appropriate management of such areas, and will act with full authority.

Mr Crespo is already directly responsible for most of the above referred areas in his current position as Chief Operating Officer. Therefore, the Nomination Committee considers that he is ready to offer the dedication and commitment required to serve as Chief Executive Officer of the Company.

Considering the foregoing, it was unanimously resolved by the Nomination Committee to give a favourable report to the motion regarding the appointment of Mr Carlos Crespo González to the Board of Directors, as executive director, to be tabled to the Annual General Meeting, and, if appropriate, his subsequent appointment by the Board of Directors as Chief Executive Officer and member of the Executive Committee.

Done in Arteixo (A Coruña), on 23 May 2019