INDITEX

Annual report on the proceedings of the

Board of Directors

FY 2023

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1. Foreword

In order to assess the performance, quality and efficiency of the proceedings of the Board of Directors of INDUSTRIA DE DISEÑO TEXTIL, S.A. (INDITEX, S.A.) ("**Inditex**" or the "**Company**") in 2023, the Board of Directors itself has considered it appropriate, in accordance with section 529*nonies* of the revised text of the Spanish Companies Act, approved by Royal Legislative Decree 1/2010 of 2nd July ("**LSC**" *(Spanish acronym)*), with Recommendation 36 of the Good Governance Code of Listed Companies, approved by the Spanish National Securities Market Commission ("**CNMV**" *(Spanish acronym)*) on 18 February, 2015 and amended in part on 25 June 2020 ("**GGC**") and with section 5.4.(c)(v) of the Board of Directors' Regulations, to prepare this report, which, based on the current structure and membership on the Board of Directors, describes the main actions carried out by the Board from 1 February 2023 through 31 January 2024 (FY2023).

This Report seeks to disclose the proceedings of the Board of Directors in FY2023 to shareholders, so that it may supplement the Annual reports on the proceedings of the different board committees.

2. Regulation

Chapter II, Articles 22 to 32 of the Articles of Association and, in further development, the Board of Directors' Regulations, set up the corporate regulations which, in accordance with the Law, establish the essential regulations on the structure, composition, competences, organisation and proceedings of the Board of Directors and its committees.

The full text of the internal regulations above referred, as amended, is available on the corporate website (www.inditex.com).

3. Board of Directors membership

3.1. Structure

Pursuant to the provisions of articles 23 of the Articles of Association and section 6 of the Board of Directors' Regulations, the Board of Directors of Inditex shall consist of no fewer than five (5) members and no more than twelve (12) members, to be determined by the General Meeting of Shareholders. The Board of Directors, following a report from the Nomination Committee, shall appoint its Chair from among its members, as well as its Secretary, who needs not be a director, in which case they shall have the right to speak but not to vote.

The members of the Board of Directors shall be appointed by the General Meeting of Shareholders and shall be in office for a 4-year term, being eligible to be re-elected one or more times for periods of equal duration by the General Meeting of Shareholders, which may also agree to remove any of them at any time. The Board of Directors may also co-opt to fill vacancies occurring on the Board of Directors, appointing the persons to fill such vacancies until the first General Meeting of Shareholders.

With regard to the board membership, Mr. Emilio Saracho Rodríguez de Torres stepped down from the board and its committees in 2023. He had previously announced to the Company his intention to leave as of the Annual General Meeting to be held in 2023 as his term of office was about to expire at that time. The Annual General Meeting held on 11 July 2023 resolved to reduce the number of board members, fixing it at ten (10) within the limits set in the Articles of Association.

On the other hand, the re-election of Mr Amancio Ortega Gaona and Mr José Luis Durán Schulz to the board of directors as proprietary and independent director, respectively, was approved at the Annual General Meeting held on 11 July 2023

Accordingly, the Board of Directors' membership as at 31 January 2024 and as at the date of this report is as follows:

Name	Position	Directorship type	First appointment	Last appointment
Ms Marta Ortega Pérez	Chair	Proprietary	01/04/2022	-
Mr José Arnau Sierra	Deputy Chair	Proprietary	12/06/2012	13/07/2021
Mr Amancio Ortega Gaona	Ordinary member	Proprietary	12/06/1985	11/07/2023
Mr Óscar García Maceiras	CEO	Executive	29/11/2021	-
Pontegadea Inversiones S.L. (Ms Flora Pérez Marcote)	Ordinary member	Proprietary	09/12/2015	14/07/2020
Bns. Denise Patricia Kingsmill	Ordinary member	Independent	19/07/2016	14/07/2020
Ms Anne Lange	Ordinary member	Independent	14/07/2020	-
Ms Pilar López Álvarez	Ordinary member	Independent	17/07/2018	12/07/2022
Mr José Luis Durán Schulz	Ordinary member	Independent	14/07/2015	11/07/2023
Mr Rodrigo Echenique Gordillo	Ordinary member	Independent	15/07/2014	12/07/2022

Mr Javier Monteoliva Díaz, General Counsel and Secretary of the Board, acts as Secretary non-member.

In accordance with the above, the current number of board members – ten (10) – is within the limits provided in article 23 of the Articles of Association, section 6 of the Board of Directors' Regulations and within the 5 to 15 range set out in Recommendation 13 GGC.

Likewise, and in accordance with the provisions of section 7 of the Company´s Board of Directors' Regulations, which establishes that the Board of Directors shall strive to ensure that the non-executive directors represent a broad majority on the board and that the proportion of independent directors is at least equal to the free float of the Company, the non-executive directors represent a broad majority of the Board of Directors, as there is only one director with executive functions (Mr Óscar García Maceiras, the CEO), the remaining members of the Board being non-executive directors (9 out of 10).

In turn, in accordance with the provisions of the Board of Directors' Regulations, **the proportion of independent directors on the Board of Directors (50%)**, widely complies with Recommendation 17 GGC according to which independent directors should account for at least half of all board seats, even though the Company has a controlling shareholder that indirectly owns the majority of the share capital, and as such, the rule that at least a third of the directors should be independent applies.

On the other hand, the ratio of propriety to non-executive directors (4 out of 9) is not higher than the proportion between the capital they represent on the board of directors and the remainder of the capital, as provided in Recommendation 16 GGC.

3.2. Diversity

On the other hand, section 5.1.1 of the "*Diversity of Board of Directors Membership and Director Selection Policy*" determines that the Board of Directors shall strive to have a diverse membership, combining people with experience and knowledge of the Group, the business and the retail sector in general, with others who have background, competence, knowledge and experience in other areas and sectors that will allow to achieve the appropriate balance for its effectiveness and performance of its roles.

Inditex's board of directors has a balanced membership in terms of gender. In 2023, parity of men and women has been reached, with five (5) women and five (5) men on the board, thus surpassing the targets set both in Recommendation 15 GGC, and in Directive (EU) 2022/2381 of 23 November 2022 on improving the gender balance among directors of listed companies and related measures. In terms of female representation on the board, Inditex is above the average of Ibex 35 companies.

The diversity of the Company's Board of Directors is also noticeable in terms of the **professional experience of each director**. In this regard, as outlined in the board skills matrix, available on the corporate website (www.inditex.com), all the directors have international experience in Europe, America and Asia, having held positions on the boards of directors of important multinational companies present on different markets. In this regard, nine (9) directors already had previous experience serving on other boards of directors, and eight (8) of them also had experience in senior management positions. This is proof that they have the necessary competences and experience in terms of management, leadership and strategy to perform the relevant duties.

Current members of the board of directors combine qualities, experience and knowledge about the Group, its business and the retail sector in general, with others that have background, skills and experience in other business activities and industries.

In addition to directors with experience and competences in economy and finances, leadership and commercial strategy, more than half of them have experience in human resources, talent and compensation, and in enterprise risk management. Almost 50% of the directors have experience in the digital and information technology sector, as well as having a legal or corporate governance-related background. Last, almost one third of the directors are well-versed in audit and accounting matters as well as in the field of sustainability and cybersecurity.

With the latest additions to the board, experience in the field of digital transformation, sustainability, compliance, corporate governance as well as the relationship with the regulators were shored up, as was leadership and commercial strategy management, in particular, in the field of product, design, innovation and brand image, which remains a strategic priority for the Company.

Board members are a balanced team with complementary skills sets that contribute to the Company appropriate to their ability.

In this regard, a summary of the experience, expertise and merits of the members of the Board of Directors of the Company is included herewith:

- Ms Marta Ortega Pérez is a graduate in International Business from Regent's University London and she has developed her entire professional career within the Inditex Group, which she joined in 2007. During her first years in the Company, she carried out professional tasks in different international destinations and business areas of the Group, and after that she joined the design and product development area of Zara Woman. In the last few years, she has focused on defining Zara's brand and product strategy, currently holding the position of Chair of the Board of Directors of Inditex.
- Mr José Arnau Sierra is a State Tax Inspector currently on leave, and his area of expertise includes tax and financial advice, both in the public and the private sector. Furthermore, he has had a long career at the Inditex Group, where he headed the Tax Department, having also held different positions in the companies of Pontegadea Group, of which he has been the chief executive since 2001.
- Mr Amancio Ortega Gaona is the founder of Inditex, starting his business career in the field of textile manufacturing in 1963 and holding the position of Chairman of the Company from its incorporation until 2011. He is the Company's largest shareholder, holding approximately 60% of the share capital through the companies Pontegadea Inversiones S.L. and Partler 2006 S.L., in which he is Chair of the Board of Directors.
- Mr Óscar García Maceiras is a graduate in Law from the University of A Coruña and holder of a PhD in Law from the CEU San Pablo University, and he is also a State Lawyer, position he held from 2001 to 2005 in his hometown. From 2005 until he joined Inditex, he held several positions, first at Banco Popular, as director of the Legal Department and subsequently as General Counsel and Secretary of the Board. In 2012 he was appointed general manager of Corporate Development and Legal Affairs at Sociedad de Gestión de Activos Procedentes de la Reestructuración Bancaria (SAREB), as well as General Counsel and Secretary of the Board. In 2016, he joined Banco Santander as Director of the Legal Department and Deputy Secretary to the Board. In 2021, he joined Inditex as General Counsel and Secretary of the Board of Inditex, a position he held until his appointment as CEO of the Group in November of the same year.
- Ms Flora Pérez Marcote is the legal representative of Pontegadea Inversiones S.L., where she holds the position of First Deputy Chair. She has spent her entire career within the Inditex Group, where she held different positions in areas relating to both design of products and the supply chain. In addition, she has broad experience as company director since 1992. She has been a member of the Board of Directors of Inditex since 2005 representing Pontegadea Inversiones, S.L.
- 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 of different sectors, and also has background and experience in fashion and design. Her public work, in particular in the field of social action and equality, is noteworthy.
- Ms Anne Lange is a graduate of Institut d'Études Politiques and of École Nationale d'Administration (ENA), and has a long career and extensive and proven experience in business management and strategy of companies in the sector of technological innovation and digital transformation. She has broad experience holding C-level positions and serving on boards of international entities of different sectors. Her experience in the public sector is also noteworthy.
- Ms Pilar López Álvarez has extensive experience in management of companies in the financial sector and in particular of new technologies and IT services companies in different geographical markets, where she has held positions relating to enterprise risk management, financial oversight and corporate strategy.

- **Mr José Luis Durán Schulz** has a profound knowledge of the retail sector, both in fast-moving consumer goods and in fashion niche brands. He has spent his career mainly in the field of financial management and executive decision-making. Mr Durán has a large background in audit, construction and application of accounting regulations and risk management. He has also served on other committees with corporate governance duties.
- **Mr. Rodrigo Echenique Gordillo** as legal training and is a State Lawyer, currently on leave. His career spans the management and executive leadership of companies mainly in the banking sector. He also has extensive experience as company director in a large number of companies in different sectors.

Based on the above, **membership on the Board of Directors of Inditex is appropriate for the development of its competences and the quality and efficiency of its duties**, favouring diversity and the appropriate balance of experiences, knowledge and skills that enrich the decision-making process and contribute plural points of view to the debate.

4. Proceedings of the board of directors: meetings held and attendance

In accordance with the provisions of section 245.3 LSC, article 25.1 of the Articles of Association and section 19.1 of the Board of Directors' Regulations of the Company, the Board of Directors shall meet at least on a quarterly basis and, in addition, when a meeting is requested by at least one third of its members, in which case it shall be called by the Chair to meet within fifteen days of the request. Likewise, directors representing at least one third of the size of the Board of Directors may call any board meeting, to be held in the place where the registered office of the company is located, stating the agenda in the notice, when after request submitted to the Chairman, he should have failed to call the meeting without reasonable grounds, within one month.

In 2023, the Board of Directors has held eight (8) meetings, all of them were included in the Schedule of meeting dates and agenda of business to be transacted in 2023 (approved in December 2022).

Directors' attendance rate, whether physical or virtual, at the board meetings held in 2023 stands at 89%.

In 2023, the Board of Directors has held in-person and hybrid meetings (with some directors attending in person and others remotely). Videoconference or conference call systems were used to hold such hybrid meetings.

The meetings have been convened by the means and with the notice required by article 25 of the Articles of Association and section 19.2 of the Board of Directors' Regulations.

All notices have included the agenda of the meeting. Likewise, the relevant information has been made available to the directors, duly summarised and prepared so that the directors could study it beforehand, as stated in section 19.2 of the Board of Directors' Regulations.

The directors rely on a platform through which they have had access to the documentation deemed appropriate for the preparation of the meetings of the Board of Directors according to the agenda in real time, including the relevant presentations and briefings.

Consequently, in 2023, the Board of Directors met with the **necessary frequency** for the performance of its duties, **all meetings having been duly convened and of varied duration**, with its members dedicating an appropriate amount of time in each case to the study and analysis of the matters to be dealt with.

5. Main action lines in the year

The Board of Directors of the Company assumes the various powers and competences that the Articles of Association and the Board of Directors' Regulations attribute to the Board of Directors in plenary session.

In particular, the Board of Directors is focused on its general supervisory function and is entrusted with the administration, management and representation of the Company, delegating the management of the day-to-day business to the executive bodies and the management team.

In 2023, the main action lines of the board of directors' annual work plan have been determined in the Schedule of meeting dates and agenda of business to be transacted in 2023, approved on 12 December 2022. Such schedule allows to systematically arrange the agenda, topics and attendees in the year, planning recurrent sections as well as one-off issues, in accordance with the powers entrusted on the Board of Directors.

Specifically, and merely by way of illustration, some of the actions carried out by the Board of Directors in FY2023 in the performance of the duties inherent in its powers are indicated below:

5.1. Statement of the individual and consolidated annual accounts. Release of quarterly, half-yearly and annual results. Mandatory transparency reports.

The agenda of the board has been marked ty the review of the financial and non-financial information that the Company releases to the market and the different mandatory transparency reports.

- At its meeting held on 14 March 2023, the Board of Directors stated the individual and consolidated annual accounts and directors' report for 2022, following a favourable report from the Audit and Compliance Committee.

  In this regard, the financial statements stated by the board of directors and approved at the Annual General Meeting held on 11 July 2023, were prepared in accordance with the applicable accounting principles and give a true and fair view of the equity, financial situation and results of the Company and of the consolidated companies taken as a whole.

  At the meetings held on 6 June, 13 September and 12 December 2023, the board reviewed and approved the relevant interim results (quarterly and half-yearly) together with the Results Releases and the press release, provided to the Market and its supervisory bodies in the Periodic Public Information format ("PPI").

- Also at the meeting held on 14 March 2023, the Board of Directors approved the 2022 Annual Corporate Governance Report and the 2022 Annual Report on Remuneration of Directors. The latter was put to an advisory-say-on pay vote at the Annual General Meeting held on 11 July 2023.

  It also approved the Statement on Non-financial Information (SNFI) for 2022 drawn up pursuant to applicable regulations and standards and verified by the external auditors. The SNFI was approved at the Annual General Meeting held on 11 July 2023 as a separate agenda item.

5.2. Oversight of the strategic management and guidance

Oversight of business' progress and expectations, as well as the issues of strategic impact that affect them.

At its meetings held on 14 March, 6 June, 13 September and 12 December 2023, the board of directors reviewed the regular briefings of the Chair and the CEO addressing different financial, operating, business and sales-related aspects of the Group. At such meetings, the CEO broached the following issues: (i) the strategic reflection and the

main action lines of the Management Committee; (ii) the main takeaways of the quarterly meetings with investors and analysts, in accordance with the transparency and equal treatment principles;(iii) the development in the sector and of peer companies; (iv) the main activities carried out in the period in terms of institutional relations; or (v) the main strategic and/or reputational projects.

At the hybrid meetings held on 13 February, 3 May, 11 July and 7 November 2023, the CEO gave a business update, delving into the results and the budget, and addressing achievement of strategic targets.

On the other hand, the presence of brand and country managers at board meetings has been encouraged, to follow up on and review business progress and expectations of the different commercial formats and markets where the Group operates. In 2023, managers and officers of PULL & BEAR, MASSIMO DUTTI or Zara Man, and country managers of Germany, China, Italy, Japan and Mexico were in attendance at board meetings.

Monitoring of the Budget for the FY2023 and of the business plan targets

At the meeting held on 14 March 2023, the Board of Directors approved the budget for 2023. Such budget has been regularly followed up until the final evaluation of the level of observance at the meeting held on 12 March 2024.

5.3 Overseeing risk and the effectiveness of the internal control and risk management systems

Risks

In 2023, the board of directors has reviewed and monitored the risks with an impact on business and the mechanisms established to manage and mitigate them. Given their potential impact on the Group's business, this year the diverse effects of the earthquakes in Türkiye and Morocco on the Group's business, or the different geopolitical conflicts have been reviewed and closely followed up.

Notwithstanding the foregoing, the board of directors has reviewed the remaining risks assessed by the Audit and Compliance Committee (financial, regulatory, privacy and Information Security-related risks) at its meetings mainly via the reporting of the Chair of the of the committee.

At the meeting held on 12 December 2023, the board of directors approved, following a favourable report from the Audit and Compliance Committee, the annual risk map update.

Internal control and oversight of the Compliance function

Although the relations of the board with the Chief Compliance Officer are channelled via the Audit and Compliance Committee, the Annual Compliance Report, the Model of Criminal Risk Prevention and the Annual Report of the Ethics Committee are submitted to the board of directors on an annual basis.

Such reports cover the outcome of the oversight of the Model of Criminal Risk Prevention of the Group, the design and roll out of the new Global Model of Compliance, and the action taken to disclose and announce Compliance proceedings, the acceptance of the Code of Conduct and training in the field. In turn, the Annual Report of the Ethics Committee covers the main proceedings of such Committee with regard to the Ethics Line in the year, outlining the number of cases handled, proceedings carried out and the resolutions issued by the Ethics Committee.

All such reports were reviewed at the board meeting held on 14 March 2023.

At the meeting held on 3 May 2023, the board of directors approved the Internal Reporting System of the Inditex Group, its roll out, the appointment of the Person in Charge of the same and the amendment to the relevant internal regulations.

5.4 Information and follow-up of the main corporate Sustainability issues

The agenda of the governing bodies of the Company, in particular, of the Board of Directors, has been marked yet again by sustainability, mainly via the reporting of the Chair of the Sustainability Committee:

- Follow-up on the sustainability goals for the 2020-2025 period and the approval of the different action plans and the roadmap to achieve the same, such as:
    - The Fibers Plan, in the framework of the achievement of the goals set regarding the use of preferred textile raw materials.
    - The Decarbonization Plan, associated with the Net Zero goal.
    - The supply chain's Transformation Plan.
- The assessment of the Group's D&I's purpose and strategy, within the framework of its responsible action; and
- The follow-up on the new sustainability's regulatory framework and reporting standards.

At the meeting held on 6 June 2023, the board of directors approve the new sustainability targets presented by the Management and publicly announced by the CEO at the 2023 AGM.

At that same meeting in June, the board of directors approved the Statement on the action taken to prevent any manner of slavery and human trafficking within the organization and its supply chain pursuant to the provisions of the UK Modern Slavery Act, the California Transparency in Supply Chain Act and the Australian Modern Slavery Act.

5.5 Remuneration of directors and senior managers.

Directors

At the meeting held on 14 March 2023, the board of directors approved, on the proposal of the Remuneration Committee:

/ The level of achievement of the targets set for the CEO's variable remuneration in 2022 (approved in 2021) and the associated incentive payout level, and the overall remuneration payable to the CEO in 2022.

/ The items and yardsticks to determine the CEO's remuneration in 2023 for the performance of his duties and responsibilities as chief executive.

At the meeting held on 6 June 2023, the board approved (i) the draft new Directors' Remuneration Policy for FY2024, FY2025 and FY2026 and issued the relevant explanatory report, and (ii) the new 2023-2027 LTIP, following a favourable report or proposal, as the case may be, from the Remuneration Committee.

The Policy and the new 2023-2027 LTIP were approved at the Annual General Meeting held on 11 July 2023, having been put to an advisory say-on-pay vote.

Senior managers and other officers

At the meeting held on 14 March 2023, the board of directors approved the proposal on the overall remuneration payable to senior managers in 2022 and the yardsticks to determine their remuneration for 2023.

Last, at the meeting held on 7 November 2023, the board of directors approved, on the proposal of the Remuneration Committee, the remuneration payable to the members of the new Cybersecurity Advisory Committee.

5.6 Appointment, re-election and removal of directors and senior managers.

Directors

In 2023, the board of directors has assessed the findings of the Nomination Committee written up in the relevant report on board needs. The following proposals were included in such report: (i) the elimination of the vacant board seat following Mr Saracho's departure and the subsequent reduction in the number of board members, (ii) the proposal on the re-election of Mr Amancio Ortega Gaona and Mr José Luis Durán Schulz, to the board as proprietary and independent director, respectively, and (iii) the update of the Board Skills Matrix.

At the meeting held on 6 June 2023 the board of directors confirmed the findings of the Nomination Committee and issued an explanatory report assessing the quality of the work and the dedication to the position during the tenure of the two directors eligible for re-election at the Annual General Meeting. It further submitted to shareholders at the Annual General Meeting the proposals on downsizing the board of directors, fixing the new number of board members at ten (10) and on the re-election of the 2 directors above referred. Such proposals were approved at the AGM held on 11 July 2023.

Such explanatory report and the relevant proposals were made available to shareholders on the corporate website at the time the notice of the AGM was posted.

Senior managers and other officers

At the meeting held on 7 November 2023, the board of directors approved, on the proposal of the Management, and following a favourable repot from the Nomination Committee, the election of members to the new Cybersecurity Advisory Committee.

5.7 Follow-up on corporate transactions

In 2023, the board of directors has followed up and approved several corporate transactions, including the sale of the Group's companies in Argentina and Uruguay and business management via the franchise system in certain markets.

5.8 Internal regulations

The board of directors has approved and/or amended in 2023 the following corporate policies, following a report from the relevant committees:

- The Community Investment Policy, as amended, at the meeting held on 3 May 2023.
- The new Directors' Remuneration Policy for FY2024, FY2025 and FY2026, at the meeting held on 6 June 2023.
- The Board of Directors' Regulations and the Audit and Compliance Committee's Regulations, as amended, at the meeting held on 6 June 2023.
- The new Global Anti-Harassment Policy, as amended, at the meeting held on 7 November 2023.

Likewise, the board reviewed in detail the proposal for the update of the Code of Conduct of the Inditex Group at the meeting held on 11 July 2023. The updated Code of Conduct was approved at the meeting held on 6 February 2024.

5.9 Corporate governance

Annual General Meeting

The board of directors approved the notice, the agenda, the proposed resolutions and the remaining issues related to the Annual General Meeting at the meeting held on 6 June 2023.

Related party transactions

In 2023, the board of directors approved three (3) related party transactions which, pursuant to internal regulations, need to be approved by the board, following a favourable report from the Audit and Compliance Committee, verifying that they are market appropriate and fair and reasonable from the standpoint of the Company, always considering the corporate interest and compliant with applicable laws and internal regulations.

While such transactions were considered at the board meetings, proprietary directors abstained in the deliberation and voting stages.

More information about related party transactions can be found in the 2023 Annual Report on Related Party Transactions approved by the Audit and Compliance Committee, which will be published on the corporate website together with the notice of the 2024 Annual General.

Corporate Calendar 2024 and Schedule of meeting dates and agenda of business to be transacted

The Board of Directors approved at the meeting held on 6 June 2023 the Corporate Calendar for 2024 and at the meeting held on 12 December 2023 the Schedule of meeting dates and agenda of business to be transacted in 2024, following a favourable report from the Audit and Compliance Committee.

Cybersecurity Advisory Committee

The board approved on 7 November 2023 the formation of the Cybersecurity Advisory Committee, on the proposal of the Management and following a favourable report from the Audit and Compliance Committee. It also approved the election of its members, their compensation and the set of rules that govern its organization and proceedings.

This is a permanent internal advisory and consultative committee without executive functions, whose mission consists of providing strategic and independent advice to the pertaining governing bodies and the Management of the Company on cybersecurity, its regulations, best practices and emerging risks that may affect the Company.

With the formation of this new committee, Inditex boosts the consolidation of the cybersecurity governance structure, led by the board itself, with the support of several consultative bodies, such as the Audit and Compliance Committee, and executive ones, represented by the Management of the Group, led by the CISO, who in turn, is supported by the Information Security Committee on which the CEO serves.

Annual performance evaluation

The board of directors approved on 12 December 2023 the report and findings on the annual evaluation of the performance of the board of directors, its committees, the respective chairs and other key positions of the Company. The board of directors' self-assessment has been carried out, for the first time this year, by an external facilitator, KPMG, whose independence has been verified by the Nomination Committee.

The methodology followed has consisted of: (i) the preparation and circulation of questionnaires, with 146 matters assessed, inspired by applicable requirements and recommendations, in addition to best practices, and the work of the Company, and (ii) the consultations with directors by means of questionnaires, followed-up by personal interviews. In accordance with the provisions of Recommendation 36 GGC, the process has covered aspects

such as organization, membership, effectiveness, proceedings and responsibilities assumed by the Company's main governing bodies and key positions.

At that meeting, the board reviewed the findings of the evaluation carried out by the external facilitator and the action plan proposed by the Nomination Committee. The overall assessment has been very good as directors consider that the board and its committees are very well run and effective, as are their respective chairs, and that the Chair of the board, the CEO, the LID and the Secretary are very capable.

The strengths pointed out in the evaluation include the work atmosphere, the adequate discharge of duties and the trust in the management model, the satisfaction with the agenda and the order of business of the meetings, the quality of the information provided, and the follow-up on the action plans resulting from prior evaluations. Moreover, in their self-assessment, directors have also pointed out the need to continue improving the Company's corporate governance system.

6. Main relations of the Board of Directors

The information channels established between the Board and the Company's Senior Management and its Committees, as well as the conduct of its meetings, enable the Board of Directors to efficiently carry out its general monitoring function of overseeing the day-to-day management and direction of the Company and its Group.

6.1 With Board committees

At the beginning of each board meeting, the chairs of board committees report on the main business transacted and the resolutions passed at the last meeting of each of them.

In this regard, the Chairs of the Audit and Compliance, Nomination, Remuneration and Sustainability Committees have briefed the board 4 times each on the matters discussed at their respective committees' meetings. Such briefing has taken place at the meetings where the periodic financial information is reviewed.

Furthermore, in 2023, a copy of the minutes of every board meeting has been made available to every member of the board of directors.

6.2 With Senior Managers

In order for the directors to have direct access to information on the evolution of the business and other issues that fall under their purview, during the meetings held in 2023, certain officers and managers of different departments and areas of the Company have been invited to give their views on certain issues directly related to the performance of their duties, thus enabling the directors to ask them directly for clarifications, information or opinions in relation to certain items on the agenda discussed at the meetings.

Without prejudice to the above, efforts have been made to ensure that the presence at board meetings of outsiders is limited to those cases where it is necessary for the treatment of the specific items on the agenda for which they were called to attend.

In particular, in 2023, the following officers were in attendance at board meetings by invitation of the Chair, pursuant to the agenda of each meeting:

/ The CFO, to address, inter alia, the quarterly results report.

/ The Head of the ERM Department, to conduct the review and follow up in the field of comprehensive risk Management, in addition to that of specific risks with a high impact on the Group. He was in attendance, together with the CAO and/or the heads of business or corporate areas affected by the risk in question.

/ PULL & BEAR and MASSIMO DUTTI brand managers, head of Zara Man and the country managers of Germany, China, Italy, Japan and Mexico.

6.3 With shareholders

In accordance with the provisions of section 43 of the Board of Directors' Regulations, the Board shall provide the appropriate channels to hear any proposals that may be made by shareholders in relation to the management of the Company.

In this regard, in 2023, the Board of Directors, through the CEO and with the cooperation of senior managers, has organised briefings on the progress of the Company and its Group for shareholders based on the most important financial centres in Spain and abroad, via roadshows, webinars and/or conferences with investors and analysts.

Furthermore, during 2023, the Board of Directors has fostered the informed involvement of shareholders at the Annual General Meeting held on 11 July 2023, and taken all appropriate measures to facilitate the effective exercise by the Meeting of its powers in accordance with statute, the Articles of Association and the Regulations of the General Meeting of Shareholders.

6.4 With the auditors

The relations of the board of directors with the external auditors of the Group are channelled via the Audit and Compliance Committee.

Notwithstanding the foregoing, the board of directors met with external auditors, without any member of the Management being present, at its meeting held on 14 March 2023, to be briefed about the work done and the status of the Group's accounting and risk situation.

7. Directors' training

During 2023, the training plan for the members of the Company's Board of Directors continued to be developed, and its contents have been designed taking into account the concerns and key aspects identified by the directors in the annual evaluation.

In particular, in 2023, directors have received training imparted by renowned external advisors on: (i) global trends and risks in the field of Privacy; (ii) geopolitical risks and (iii) significant ESG-related changes – challenges and opportunities – in the current business landscape, most relevant sustainability issues for Inditex and its peers, in particular as regards Climate Transition, and the evolution of expectations on the oversight of sustainability issues by governing bodies.

8. Takeaways

Based on the information disclosed in this report, it may be concluded that the composition and structure of the Board of Directors, its organisation and proceedings, as well as the duties and competences it has been assigned, meet statutory requirements and comply with the internal regulations of Inditex and GGC's Recommendations, and are aligned with best existing corporate governance practices.

This has been further confirmed by the review of the governance system conducted in 2023 with the advice of an external advisor, following the evaluation of the indicators that make up the AENOR Good Corporate Governance Index, Version 2.0.

9. Date of issue

This report has been issued by the Board of Directors on 12 March 2024.

INDITEX