Inditex, S.A.
Edificio Inditex
Avda. de la Diputación
15142 Arteixo
A Coruña (Spain)
Tel +34 981 18 5350
Fax +34 981 18 5351
www.inditex.com

INDITEX

COMMUNICATION OF RELEVANT FACTS

Pursuant to section 227 and consisting provisions of the revised text of the Stock Exchange Act, approved by *Real Decreto Legislativo* 4/2015, of 23 October, Industria de Diseño Textil, S.A. (Inditex, S.A.) hereby announces:

RELEVANT FACTS

FIRST.- Resolutions passed by the Annual General Meeting.

The following resolutions were passed at the Annual General Meeting of Inditex. S.A., held today in Arteixo (A Coruña) on first call:

1.- Review and approval, where appropriate, of the Annual Accounts (Balance Sheet, Income Statement, Statement of Changes in Equity, Statement of Cash Flows and Notes to the accounts) and Management Report of Industria de Diseño Textil, Sociedad Anónima, (Inditex, S.A.) for financial year 2018, ended 31 January 2019.

To approve the Annual Accounts (Balance Sheet, Income Statement, Statement of Changes in Equity, Statement of Cash Flows and Notes to the accounts) and the Directors' Report of Industria de Diseño Textil, Sociedad Anónima, (Inditex, S.A.) (hereinafter, "Inditex" or the "Company") for financial year 2018 (ended 31 January 2019), stated by the Board of Directors in the meeting held on 12 March 2019 and signed by all the directors.

2.- Review and approval, where appropriate, of the Consolidated Annual Accounts (Consolidated Balance Sheet, Consolidated Income Statement, Consolidated Statement of Comprehensive Income, Consolidated Statement of Changes in Equity, Consolidated Statement of Cash Flows and Notes to the consolidated accounts) and Consolidated Directors' Report of the Inditex Group for financial year 2018, ended 31 January 2019, and of the management of the company.

To approve the Consolidated Balance Sheet, Consolidated Income Statement, Consolidated Statement of Comprehensive Income, Consolidated Statement of Changes in Equity, Consolidated Statement of Cash Flows and Notes to the consolidated accounts) and Consolidated Directors' Report of the Inditex Group for financial year 2018 (ended 31 January 2019), stated by the Board of Directors in the meeting held on 12 March 2019 and signed by all the directors.

To approve the management of the Board of Directors of Industria de Diseño Textil, S.A. (Inditex, S.A) for financial year 2018.

Companies Register of A Coruña, Volume 964 of the Archives, General Section, Folio 17, Sheet number C-3342 TIN No. [*Spanish C.I.F.*] A-15.075.062

3.- Review and approval, where appropriate of the Statement on Non-financial Information (Act 11/2018, of 28 December, on mandatory disclosure of non-financial information).

To approve the Statement on Non-financial Information for financial year 2018 (ended 31 January 2019) which is an integral part of the Consolidated Directors' Report of the Inditex Group for said year, stated by the Board of Directors in the meeting held on 12 March 2019.

4.-Distribution of the income or loss of the financial year and declaration of dividends.

To approve the proposed distribution of the income of financial year 2018 (ended 31 January 2019), in the amount of €10,382,084,000 to be distributed as follows:

To voluntary reserve................…………………………..	€7,642,026,000
To dividends.....………………………………...................	€2,740,058,000

Dividends (maximum amount to be distributed corresponding to a fixed dividend in the gross amount of €0.88 per share, corresponding to an ordinary dividend of €0.66 per share and a bonus dividend of €0.22 per share, for all outstanding shares).

TOTAL.....………………………………..........................	€10,382,084,000

It is thus resolved to pay the shares with the right to dividend, the gross amount of €0.88 per share. The gross amount of €0.44 per share having already been paid last 2 May 2019 as interim dividend, it is thus resolved to pay the shares with a right to dividend, a final dividend (ordinary and bonus) in the gross amount of €0.44 per share, remaining amount to add up to the total dividend.

This final dividend shall be paid to shareholders as of 4 November 2019, through those entities linked to the Spanish Central Securities Depositary, in charge of the Register of Securities, and the Clearing and Settlement of all trades (Iberclear) where they have their shares deposited.

5.- Determining the new number of directors.

To approve the motion to increase by two the current number of board members, to fix it at eleven (11) within the maximum and minimum limit set in article 23 of the Articles of Association.

6.- Re-election and appointment of members of the Board of Directors:

a) Re-election of Mr Pablo Isla Álvarez de Tejera to the Board of Directors, as executive director.

To approve the re-election of Mr Pablo Isla Álvarez de Tejera to the Board of Directors as executive director, for the four-year term provided in the Articles of Association, as of the date of the Annual General Meeting. Mr Isla's personal details have already been registered with the Companies Register.

b) Re-election of Mr Amancio Ortega Gaona to the Board of Directors, as non-executive proprietary director.

To approve the re-election of Mr Amancio Ortega Gaona to the Board of Directors as non-executive proprietary director, for the four-year term provided in the Articles of

Association, as of the date of the Annual General Meeting. Mr Ortega's personal details have already been registered with the Companies Register.

c) Appointment of Mr Carlos Crespo González to the Board of Directors, as executive director.

To approve the appointment of Mr Carlos Crespo González to the Board of Directors as executive director, for the four-year term provided in the Articles of Association, as of the date of the Annual General Meeting. Mr Crespo's personal details have already been registered with the Companies Register.

d) Re-election of Mr Emilio Saracho Rodríguez de Torres to the Board of Directors, as non-executive independent director.

To approve the re-election of Mr Emilio Saracho Rodríguez de Torres to the Board of Directors as non-executive independent director, for the four-year term provided in the Articles of Association, as of the date of the Annual General Meeting. Mr Saracho's personal details have already been registered with the Companies Register.

e) Re-election of Mr José Luis Durán Schulz to the Board of Directors, as non-executive independent director.

To approve the re-election of Mr José Luis Durán Schulz to the Board of Directors as non-executive independent director, for the four-year term provided in the Articles of Association, as of the date of the Annual General Meeting. Mr Durán's personal details have already been registered with the Companies Register.

7.-Amendment of the Articles of Association to bring them into line with the latest amendment of the Companies Act, the renaming of the Audit and Control Committee (hereinafter, "Audit and Compliance Committee") and the formation of a new Sustainability Committee.

To approve the following amendments of the Articles of Association in order to bring them into line with the amendment of the Companies Act, the Code of Commerce and the Act on Statutory Audit, introduced by Act 11/2018 of 28 December regarding non-financial information and diversity, and to expressly cover the formation of a new Sustainability Committee within the Board of Directors, and the renaming of the Audit and Control Committee (hereinafter, the Audit and Compliance Committee), pursuant to the terms of the explanatory report issued by the Board of Directors, for the purposes of section 286 of the Companies Act:

a) To approve the amendment of article 13 ("The General Meeting of Shareholders") in Part I ("General Meeting of Shareholders") Chapter III ("Governing Bodies of the Company").

b) To approve the amendment of article 22 ("Board of Directors"), article 28 ("Audit and Compliance Committee"), article 29 ("Nomination Committee") and article 30 ("Remuneration Committee"), and the addition of a new article 30*bis* ("Sustainability Committee"), all of them in Part II ("Board of Directors") Chapter III ("Governing Bodies of the Company").

c) To approve the amendment of article 34 (“Annual Accounts. Accounting documents. Review of the annual accounts”), article 37 (“Declaration of dividends”) and article 38 (“Filing of accounts”), in Chapter IV (“Financial year, annual accounts: verification, approval and publication. Distribution of income or loss”).

The revised text of the Articles of Association had been made available to the shareholders since the date the notice calling the Annual General Meeting was posted, together with the remaining documentation relating thereto, on the Company’s website (www.inditex.com).

8.- Re-election of Deloitte, S.L. as Statutory Auditor of the Company and its Group for FY2019.

To re-elect Deloitte, S.L, with registered office at Madrid, Plaza Pablo Ruiz Picasso 1, with VAT No. B-79104469, registered with the Official Register of Auditors under number S0692, to be the statutory auditor of the Company in order to review the annual accounts and the management reports of the Company and the consolidated annual accounts and reports of the Inditex Group, for the period running from 1 February 2019 through 31 January 2020.

9.- Approval, where appropriate, of a long-term incentive plan in cash and in shares, addressed to members of management, including the executive directors, and other employees of the Inditex Group.

To approve, pursuant to section 219 of the Companies Act, and article 31 of the Articles of Association, the Long-Term Incentive Plan (the “Plan”) addressed to members of management, including the executive directors, and other employees of the Inditex Group.

The Plan is in line with the current remuneration policy for directors, approved at the Annual General Meeting on 17 July 2018, in accordance with section 529*novodecies* of the Companies Act, and is described in the Annual Report on Remuneration of Directors, which is put to an advisory vote (say on pay) at this Annual General Meeting pursuant to item 12 on the agenda.

Below are the basic terms and conditions of such Plan:

(a) <u>Description</u>: The Plan consists of the combination of a pluri-annual bonus in cash and the promise to deliver free shares which, once a specific period of time has elapsed and the achievement of some specific objectives has been verified, shall be paid to the beneficiaries of the Plan, either in full or in the relevant applicable percentage.

(b) <u>Beneficiaries</u>: beneficiaries of the Plan shall mean such members of management, including the executive directors, and other employees of the Inditex Group invited to participate in the Plan, up to a maximum number of 600.

(c) <u>Duration</u>: The Plan has a total duration of 4 years and is divided into two separate and independent time cycles. The first cycle of the Plan runs from 1 February 2019 through 31 January 2022. The second cycle of the Plan extends from 1 February 2020 through 31 January 2023.

(d) <u>Maximum number of shares covered by the Plan</u>: the maximum number of shares subject to the Plan is 9,800,000 ordinary shares, representing 0.3% of the share capital of the Company. Out of such shares, a maximum number of 390,000 shares are addressed to the Executive Chairman, and a maximum number of 260,000shares are addressed to the new executive director.

(e) Maximum incentive granted and benchmarking value of the shares: the maximum incentive granted is the sum of the maximum incentive granted in cash and the maximum incentive granted in shares. It shall be communicated individually to each beneficiary.

The maximum incentive granted in cash is a sum (in euros) established for each beneficiary.

The maximum incentive granted in shares is a number of shares for each Beneficiary, resulting from the following formula:

> Maximum Incentive granted in Shares = Value of the award in euros /Average weighted closing price of Inditex's share on the 30 Trading Days immediately prior to 1 February 2019 (exclusive) for the first cycle, and to 1 February 2020 (exclusive) for the second cycle.

In case of overachievement, the maximum incentive granted might be exceeded, capped at 125%.

(f) Terms: the amount of the incentive in cash and the number of shares to be delivered to each beneficiary upon expiry of each cycle shall be determined by multiplying the maximum incentive granted to the beneficiary in question, by the weighted payout coefficient. Such ratio shall be determined based upon the level of achievement of the objectives set for each cycle.

Executive directors will receive, if appropriate, an incentive to be implemented as follows: 60% in shares and 40% in cash. The remaining members of management and employees who are beneficiaries of the Plan shall receive, if appropriate, an incentive to be implemented as follows: 60% in shares and 40% in cash; 50% in shares and 50% in cash; 40% in shares and 60% in cash, or, 25% in shares and 75% in cash, based upon the system assigned to each beneficiary.

The achievement of the objectives shall be assessed through identifiable and quantifiable parameters. The incentive to be paid to each beneficiary will depend upon the following metrics:

- PBT (Profit Before Taxes) growth: defined as the growth of profit before taxes in a certain period of time, expressed in percentage terms.

- Same-store Sales growth (MMTT): defined as the growth of sales in comparable physical and online stores, according to the information released by the Company, expressed in percentage terms.

- Relative Total Shareholder Return (TSR), defined as the comparison of the evolution of an investment in Inditex's shares with the evolution of an investment in shares of any of the companies included in the Benchmark Group of companies (as defined below), determined by the ratio (expressed as a percentage) between the final value of an hypothetical investment in shares (reinvesting the dividends from time to time) and the initial value of that same hypothetical investment.

- Sustainability (EGS) index, comprising four indicators:

    - Percentage of factories within Inditex's supply chain where wet processes, such as washing, dyeing and printing are carried out, that use

"The List by Inditex" standard as a reference to select the chemical products used in their processes. This percentage will be verified through relevant audits. It will be measured at the end of each cycle (i.e., on 31 January 2022 for the first cycle, and on 31 January 2023 for the second).

- Percentage of waste reduction (in terms of waste similar to urban waste and hazardous waste) internally generated at Inditex headquarters, and at all own factories and logistics centres, that are appropriately recycled, evaluated and managed to be recovered, preventing their discharge to a landfill. It will be measured at the end of each cycle (i.e., on 31 January 2022 for the first cycle, and on 31 January 2023 for the second).
- Greenhouse Gas (GHG) direct emissions reduction ratio in own operations in respect of total net sales of the Group. The ratio is measured considering the ratio at the beginning of each cycle (i.e., on 1 February 2019 for the first cycle and 1 February 2020 for the second cycle) and at the end of each cycle (i.e., on 31 January 2022 for the first cycle and on 31 January 2023 for the second).
- Percentage of Group's suppliers of goods ranked A and B following their social audit. The average of the three years of each cycle is considered.

Each metric will be weighted as follows: (i) 30% PBT growth; (ii) 30% MMTT growth; (iii) 30% relative TSR; and, (iv) 10% sustainability (EGS) index.

In order to calculate the payout coefficient achieved for each level of achievement of objectives, a level of maximum incentive granted and a performance scale will be determined for each metric, as provided below:

- Regarding EBT and MMTT Growth:
  - A below 50% level of achievement of objectives entails that no incentive is paid.
  - A 50% level of achievement of objectives ("minimum level of achievement") represents a payout percentage of 50% of the Maximum Incentive Granted.
  - A 75% level of achievement of objectives ("level of achievement on target") represents a payout percentage of 75% of the Maximum Incentive Granted.
  - A 100% level of achievement of objectives ("maximum level of achievement") represents a payout percentage of 100% of the Maximum Incentive Granted.
  - An above 125% level of achievement of objectives ("overachievement) represents a payout percentage of 125% of the Maximum Incentive Granted.
  - Intermediate figures are calculated by linear interpolation.
- Regarding the evolution of relative TSR:

The Benchmark Group is made up of the companies included in the Dow Jones Retail Titans 30 index as at 1 February 2019 for the first cycle and as at 1 February 2020 for the second (the "Benchmark Group").

For the purposes of Inditex's TSR and the TSR of each company within the Benchmark Group, Initial Value shall be understood as the average weighted closing price of the share of each company on the 30 Trading Days immediately prior to 1 February 2019 (excluded) for the first cycle, and to 1 February 2020 (excluded) for the second cycle (hereinafter, the "Initial Value").

For the purposes of Inditex's TSR and the TSR of each of the companies included in the Benchmark Group, Final Value shall be understood as the average weighted closing price of the share of each company on the 30 Trading Days immediately prior to 31 January 2022 (inclusive) for the first cycle, and to 31 January 2023 (excluded) for the second cycle (hereinafter, the "Final Value").

To this end, for calculating such Final Value, the dividends or other similar amounts received by the shareholder on said investment during the respective period of time will be considered, as if the gross amount thereof (before taxes) would have been reinvested in more shares of the same class on the first date on which the dividend or any similar amount is payable to the shareholders and at the closing price of the share on that date.

At the end of each cycle, Inditex's TSR and the TSR of each of the companies included in the Benchmark Group will be calculated. The companies within such Benchmark Group will be ranked in descending order, based upon the highest or lowest TSR of each of them.

Inditex's TSR will then be compared with the TSR of the companies included in the Benchmark Group to determine Inditex position in the ranking. Subsequently, the portion of the incentive to be delivered shall be calculated, interpolating between the payout coefficients of such positions, according to the difference between TSR values.

- A payout coefficient ranging from 0% to 125% of the Maximum Incentive Granted is assigned to each position in the ranking, in accordance with the following payout scale:
  - For a position below median within the Benchmark Group, the payout percentage will be 0% of the Maximum Incentive Granted.
  - For a position at the median within the Benchmark Group (ranked 15th) ("minimum level of achievement"), the payout percentage will be 30% of the Maximum Incentive Granted.
  - For a position at the 75th percentile within the Benchmark Group but below 90th percentile (ranked 5th to 8th), the payout percentage will be 100% of the Maximum Incentive Granted.
  - For a position at 90th percentile or above within the Benchmark Group (ranked 1st to 4th) ("overachievement"), the payout percentage will be 125% of the Maximum Incentive Granted
  - For intermediate positions, between median and 75th percentile within the Benchmark Group, the payout percentage will be calculated by linear interpolation.

At any rate, the resulting Weighted Payout Percentage shall be capped at 125% of the Maximum Incentive Granted.

- Regarding the sustainability (EGS) index:

The Remuneration Committee will jointly assess the four indicators above referred based upon the results achieved, disclosed by the Company's Sustainability Department, in accordance with the performance scales defined for each of them.

- Indicator no. 1: Ensuring the use of the "The List by Inditex" standard for chemical products used in the textile industry:

(i) A 125% level of achievement of objectives: where upon expiry of the term of each cycle of the 2019-2023 Plan, 55% of the factories across Inditex's supply chain where wet processes are carried use "The List by Inditex" as reference standard.

(ii) A 100% level of achievement of objectives: where upon expiry of the term of each cycle of the 2019-2023 Plan, 51% of the factories across Inditex's supply chain where wet processes are carried use "The List by Inditex" as reference standard.

(iii) A 75% level of achievement of objectives: where upon expiry of the term of each cycle of the 2019-2023 Plan, 48% of the factories across Inditex's supply chain where wet processes are carried use "The List by Inditex" as reference standard.

(i) A 50% level of achievement of objectives: where upon expiry of the term of each cycle of the 2019-2023 Plan, 45% of the factories across Inditex's supply chain where wet processes are carried use "The List by Inditex" as reference standard

- Indicator no. 2: Improvement of own waste management:

(i) A 125% level of achievement of objectives: where upon expiry of the term of each cycle of the 2019-2023 Plan, 95% of waste similar to urban waste and 88% of hazardous waste are appropriately recycled to be recovered.

(ii) A 100% level of achievement of objectives: where upon expiry of the term of each cycle of the 2019-2023 Plan, 91% of waste similar to urban waste and 85% of hazardous waste are appropriately recycled to be recovered.

(i) A 75% level of achievement of objectives: where upon expiry of the term of each cycle of the 2019-2023 Plan, 88% of waste similar to urban waste and 82% of hazardous waste are appropriately recycled to be recovered.

(ii) A 50% level of achievement of objectives: where upon expiry of the term of each cycle of the 2019-2023 Plan, 85% of waste similar to urban waste and 80% of hazardous waste are appropriately recycled to be recovered.

- Indicator no.3: GHG emissions reduction:

(i) A 125% level of achievement of objectives: where upon expiry of the term of each cycle of the 2019-2023 Plan, 8% reduction of GHG emissions is achieved.

(ii) A 100% level of achievement of objectives: where upon expiry of the term of each cycle of the 2019-2023 Plan, 6% reduction of GHG emissions is achieved.

(iii) A 75% level of achievement of objectives: where upon expiry of the term of each cycle of the 2019-2023 Plan, 5% reduction of GHG emissions is achieved.

(iv) A 50% level of achievement of objectives: where upon expiry of the term of each cycle of the 2019-2023 Plan, 4% reduction of GHG emissions is achieved.

- Indicator no. 4: Concentrating production in suppliers ranked A and B following their social audits

(i) A 125% level of achievement of objectives: where upon expiry of the term of each cycle of the 2019-2023 Plan, concentration of production in suppliers ranked A and B stands at 95%.

(ii) A 100% level of achievement of objectives: where upon expiry of the term of each cycle of the 2019-2023 Plan, concentration of production in suppliers ranked A and B stands at 93.5%.

(iii) A 75% level of achievement of objectives: where upon expiry of the term of each cycle of the 2019-2023 Plan, concentration of production in suppliers ranked A and B stands at 92%.

(iv) A 50% level of achievement of objectives: where upon expiry of the term of each cycle of the 2019-2023 Plan, concentration of production in suppliers ranked A and B stands at 90%.

Intermediate figures are calculated by linear interpolation.

Executive directors must retain a number of shares equivalent to the incentive received in shares, net of any applicable taxes, for the 2 years following delivery thereof. Additionally, such beneficiaries to whom notice is expressly given for such purpose, shall retain a number of shares equivalent to the incentive received in shares, net of any applicable taxes, for 1 year following delivery thereof.

(g) Delivery date:

- The incentive earned in cash shall be paid within the calendar month following the date of publication of the annual accounts for FY2021, with regard to the first cycle, and within the calendar month following the date of publication of the annual accounts for FY2022, with regard to the second cycle.
- The incentive earned in shares shall be delivered within the calendar month following the date when the Board of Directors approves the notice calling the Annual General Meeting for 2022, with regard to the first cycle, and within the calendar month following the date when the Board of Directors approves the notice calling the Annual General Meeting for FY2023, with regard to the second cycle.

(h) Clawbacks: With regard to the executive directors, and those beneficiaries to whom notice has been expressly given, the Company may cancel and/or claim refund of the long-term incentive paid, in full or in part, (clawbacks) in the event that any of the following circumstances would occur during the 2 years following the delivery of the incentive for the proceedings of each cycle:

- Losses in the Group (negative PBT) in the 2 years after the expiry of each cycle, attributable to management decisions taken in the performance period of each cycle;
- Material restatement of the Group's financial statements, when so considered by the external auditors, except where this is appropriate pursuant to a change in accounting standards;
- Serious breach of the internal regulations on the part of the Beneficiary, as accredited by the Committee of Ethics.

The Board of Directors is authorized, in the broadest terms and with the express authority to delegate such powers, so that it would implement, develop and formally execute the Plan, passing such resolutions and subscribing such documents, whether public or private, as may be necessary or expedient so that such Plan would be fully effective, including the power to correct, change, amend or supplement the relevant resolution of the Annual General Meeting and, generally to pass such resolutions and carry out such proceedings as may be necessary or expedient for the full effect of this resolution and to implement, execute or settle the Plan, including, without limitation, the following powers:

(a) To designate, from time to time, the beneficiaries of the Plan and determine the maximum incentive granted to each of them and cancel, where appropriate, the appointments and grants previously made.

(b) To develop and set the specific terms of the Plan, regarding any and all issues not addressed in this resolution, being entitled to approve operating Rules for the Plan.

(c) And generally, to carry out such acts and things, pass such resolutions and execute such documents as may be required or expedient for the validity, effectiveness, implementation, execution and performance of the Plan and of the resolutions previously passed.

10.- Authorization to the Board of Directors for the derivative acquisition of own shares, superseding the authorization approved by the Annual General Meeting in 2016.

To authorize the Board of Directors, so that it may, in accordance with the provisions of section 146 of Companies Act, proceed to the derivative acquisition of treasury stock, either directly or through any subsidiaries in which the Company is the controlling company, observing the legal limits and requirements and under the following conditions:

a) Methods of acquisition: the acquisition shall be done through purchase and sale, exchange or dación en pago [*acceptance in lieu of payment*].

b) Maximum number of treasury stock to be acquired: shares with a nominal value which, added to that of those shares, directly or indirectly in the possession of the Company, do not exceed 10% of the share capital.

c) Maximum and minimum prices: the minimum price of acquisition of the shares shall be their nominal value and the maximum price shall be up to 105% of their market value at the date of purchase.

d) Duration of the authorization: five (5) years from the date of this resolution.

For the purposes of the provisions of section 146.1(a) of the Companies Act, it is hereby stated that shares acquired under this authority may be used by the Company, among others purposes, to be delivered to employees or directors of the Company, either directly or as result of the exercise of the option right they may hold, under employees' remuneration schemes in respect of employees of the Company or its Group.

This authorization supersedes the authorization approved by the Annual General Meeting held on 19 July 2016.

11.- Partial amendment of the remuneration policy for directors for financial years 2019, 2020 y 2021, in order to add the annual fixed remuneration of Mr Carlos Crespo González

for the performance of executive functions.

Pursuant to section 529*octodecies*(1) of the Companies Act, to amend in part the remuneration policy for directors for financial years 2019, 2020 and 2021 approved by the Annual General Meeting held on 17 July 2018, to add the following wording as new paragraph 2 in section 5:

"The annual fixed remuneration of the new executive director, Mr Carlos Crespo González, will amount to €1,500k."

The remaining provisions of the remuneration policy remain unchanged.

12.- Advisory vote (say on pay) on the Annual Report on the Remuneration of Directors.

To approve, by means of an advisory vote (say on pay), the Annual Report on the Remuneration of Directors of Industria de Diseño Textil, S.A. (Inditex, S.A.) approved by the Board of Directors last 12 March 2019, the full text of which has been made available to the shareholders, together with the remaining documentation for the Annual General Meeting, as of the date the notice of the Annual General Meeting was published.

13.- Granting of powers to implement resolutions.

To delegate to the Board of Directors, expressly empowering it to be substituted by the Executive Committee or by any of its members, as well as to any other person expressly authorised for these purposes by the Board, all necessary and broadest powers as required in statute for the correction, development and implementation, at the time that it may deem most appropriate, of each and every resolution passed by this Annual General Meeting.

Namely, to authorise the Executive Chairman, Mr Pablo Isla Álvarez de Tejera and the Chief Executive Officer, Mr Carlos Crespo González, and to grant a special power of attorney as broad as might be required in statute, to the Secretary of the Board, Mr Antonio Abril Abadín so that, any of them may, jointly and severally, without distinction, and as widely as is necessary at law, do and perform all acts and things as may be required to implement the resolutions passed by this Annual General Meeting in order to record them with the Companies Register and with any other Public Registries, including, in particular, without limitation, the power of appearing before a Notary to execute the public deeds and notary's certificates that are necessary or expedient for such purpose, correct, change, ratify, construe or supplement the agreements and execute any other public or private document which may be necessary or expedient so that the resolutions passed are implemented and fully registered, without the need for a new resolution of the Annual General Meeting to be passed, and to proceed to the mandatory filing of the individual and consolidated annual accounts with the Companies Register.

14.- Reporting to the Annual General Meeting on the amendment of the Board of Directors' Regulations and the formation of a new Sustainability Committee.

Pursuant to the provisions of section 528 of the Companies Act, the Annual General has been informed that the Board of Directors resolved in the meeting held on 11 June 2019, following a favourable report of the Audit and Control Committee, to approve the amendment of the current Board of Directors' Regulations pursuant to the terms addressed in the explanatory report drafted by the Board of Directors on this issue.

Such amendment seeks: (i) to bring the Board of Directors' Regulations into line with the new wording of the Articles of Association, which are essentially amended to adapt its contents to the legal reform introduced by Act 11/2018, of 28 December, amending the Spanish Code of Commerce, the Companies Act and Act 22/2015, of 20 July, on Statutory Audit, with respect to non-financial information and diversity; (ii) to expressly cover the formation of a new Sustainability Committee within the Board of Directors, as well as the renaming of the Audit and Control Committee (hereinafter, the "Audit and Compliance Committee"); (iii) to adapt certain provisions to CNMV's Technical Guide 1/2019, on nomination and remuneration committees; (iv) to introduce the obligation of independent directors who have continuously held such office for more than twelve years, to offer their resignation to the Board and formally resign if deemed appropriate by the Board; and, (v) to adjust the rules to call a Board meeting to discuss any proposal to amend the Board of Directors' Regulations.

The Board of Directors subjected the effectiveness of such resolutions to the condition precedent that the proposed amendments of the Articles of Association included in item 7 on the agenda are approved by the Annual General Meeting.

Further to the approval by the Annual General Meeting of the motion to amend the Articles of Association, Board Committee's Regulations will be reviewed, in order to bring them into line, where appropriate, with the new revised text of the Articles of Association and of the Board of Directors' Regulations, and with the principles and recommendations laid down in CNMV's Technical Guides 3/2017 and 1/2019, on audit committees at public-interest entities, and on nomination and remuneration committees, respectively, as deemed necessary or appropriate in view of the Company's own circumstances and characteristics.

This being an informational item, it has not been put to vote.

SECOND.- Resolutions passed by the Board of Directors

1.- Re-election of Chairman and appointment of Chief Executive Officer of the Board of Directors. Delegation of powers to the Executive Chairman and the Chief Executive Officer

Further to the approval by the Annual General Meeting held today of the re-election of Mr Pablo Isla Álvarez de Tejera to the Board of Directors as executive director, he will continue being the Chairman of the Board of Directors, pursuant to section 146 of the Regulations of the Companies Register and section 23.2 of the Board of Directors' Regulations.

The Board of Directors has resolved today to appoint Mr Carlos Crespo González as Chief Executive Officer of the Company.

Likewise, the Board of Directors has resolved today to delegate powers to the Executive Chairman, Mr Isla, and the Chief Executive Officer, Mr Crespo.

2..- Re-election of members and appointment of a new member to the Executive Committee and the consulting board committees.

Further to the resolution on the increase in the number of directors sitting on the Board, from 9 to 11 passed by the Annual General Meeting (item 5 on the agenda), the Board of Directors has resolved today to amend the Board of Directors' Regulations, increasing the number of members of the Executive Committee to 8, instead of the current y.

Likewise, the Board of Directors has resolved today to re-elect Mr Pablo Isla Álvarez de Tejera, Mr Amancio Ortega Gaona, Mr Emilio Saracho Rodríguez de Torres and Mr José Luis Durán Schulz as members of the Executive Committee, and to elect Mr Carlos Crespo González, an executive director, as new member of the Executive Committee.

Likewise, the Board of Directors has re-elected Mr Isla as Chairman of the Executive Committee.

Consequently, the composition of the Executive Committee is shown below:

Chairman: Pablo Isla Álvarez de Tejera

Deputy Chairman: José Arnau Sierra

Ordinary members: Amancio Ortega Gaona
José Luis Durán Schulz
Pilar López Álvarez
Rodrigo Echenique Gordillo
Emilio Saracho Rodríguez de Torres
Carlos Crespo González

All of them have accepted their respective office.

Further to their re-election to the Board of Directors, Mr Saracho will continue being the Chair of the Nomination Committee and an ordinary member of the Audit and Compliance Committee and the Remuneration Committee. Whereas, Mr Durán will continue being the Chair of the Audit and Compliance Committee, and an ordinary members of the Nomination Committee and the Remuneration Committee, pursuant to section 146 of the Regulations of the Companies Register and section 23.2 of the Board of Directors' Regulations.

3.- Review and approval of internal regulations relating to governing bodies of the Company: (i) amendment of the Audit and Compliance Committee's Regulations, the Nomination Committee's Regulations and the Remuneration Committee's Regulations; and, (ii) approval of the Sustainability Committee's Regulations.

Apart from the above-referred amendment of the Board of Directors relating to the size of the Executive Committee, the Board of Directors has approved today the amendment of the Audit and Compliance Committee's Regulations, the Nomination Committee's Regulations and the Remuneration Committee's Regulations, to bring them into line, to the extent applicable, to the current Articles of Association and the current Board of Directors' Regulations, as amended, and to the principles and recommendations laid down in CNMV's Technical Guides 3/2017 and 1/2019, on audit and control committees at public-interest entities, and on nomination and remuneration committees, respectively.

In addition, the Board of Directors has approved today the Regulations of the new Sustainability Committee.

The revised text of the Board of Directors' Regulations, and the specific set of rules of each board committee, are available on the Company's website (www.inditex.com).

4.- Amendment of the Internal Regulations of Conduct regarding Transactions in Securities

The Board of Directors has resolved today to amend the Internal Regulations of Conduct regarding Transactions in Securities (IRC), to bring it into line with [*Spanish*] Royal-Decree Law 19/2018, of 23 November, on Payment Services and Other Urgent Financial Measures. The IRC is available on the Company's website (www.inditex.com).