1. **Receive the Annual Report**
   Disclosure is adequate and the auditors did not qualify their opinion. Acceptable proposal.

2. **Receive the Group Annual Report**
   Disclosure is adequate and the auditors did not qualify their opinion. The Company has proposed board discharge within this item on the agenda.
   The Inditex group of companies have been involved in several scandals regarding working conditions within its supply chain, the last in 2014 with alleged underage labour workforce in a factory in Argentina. However, the Company has reported to have increased audits since 2013, has signed the Bangladesh Accord on Fire and Building Safety (where another scandal was unveiled in recent years) and the Enabling Principles in 2014, as well as the application of the Framework Agreement with the IndustriALL Global Union. On this basis, it is considered that the board and management should be given the benefit of doubt. Acceptable proposal.

3. **Approve the dividend**
   Proposed EUR 0.52 per share, comprising an ordinary dividend of EUR 0.402 per share and an extraordinary dividend of EUR 0.118 per share, for all outstanding shares. Covered by earnings.

4.a. **Re-elect Pablo Isla Álvarez de Tejera**
   Chairman and CEO. Combined roles at the head of the Company which Triodos does not support. There should be a clear division of responsibilities at the head of the company between the running of the board and the executive responsibility for the running of the company's business. No one individual should have unfettered powers of decision. Combining the two roles in one person represents a concentration of power that is potentially detrimental to board balance, effective debate, and board appraisal.

4.b. **Re-elect Amancio Ortega Gaona**
   No-Executive Director. Not considered to be independent as he was the Executive Chairman until January 2011 and is the controlling shareholder of the issued share capital and the founder. There is insufficient independent representation on the Board.

4.c. **Re-elect Emilio Saracho Rodríguez de Torres**
   Independent Non-Executive Director.

4.d. **Elect José Luis Durán Schulz**
   Independent Non-Executive Director candidate.

5.a. **Amend Articles: Chapter I (“Company name, company object, registered office and duration”)**
   It is proposed to amend Chapter I of the Bylaws, pursuant to compliance with Law 31/2014. It is regrettable that the Company has bundled these amendments instead of proposing separate resolutions. However, the amendment is pursuing compliance with applicable law, which introduces positive changes into corporate governance in Spain. Acceptable proposal.

5.b. **Amend Articles: Chapter II (“Share capital”)**
   It is proposed to amend Chapter II of the Bylaws, pursuant to compliance with Law 31/2014. It is regrettable that the Company has bundled these amendments instead of proposing separate resolutions. However, the amendment is pursuing compliance with applicable law, which introduces positive changes into corporate governance in Spain. Acceptable proposal.
5.c* Amend Articles: Chapter III ("Governing bodies of the Company")
It is proposed to amend Chapter III of the Bylaws, pursuant to compliance with Law 31/2014. It is regrettable that the Company has bundled these amendments instead of proposing separate resolutions. However, the amendment is pursuing compliance with applicable law, which introduces positive changes into corporate governance in Spain. Acceptable proposal.

5.d* Amend Articles: Chapter IV ("Financial year, annual accounts: verification, approval and release, distribution of income or loss"). Chapter V ("Winding-up and Liquidation of the Company") and Chapter VI ("Additional Provisions")
It is proposed to amend Chapter IV, Chapter V and VI of the Bylaws, pursuant to compliance with Law 31/2014. It is regrettable that the Company has bundled these amendments instead of proposing separate resolutions. However, the amendment is pursuing compliance with applicable law, which introduces positive changes into corporate governance in Spain. Acceptable proposal.

5.e* Approval of the revised text of the Articles of Association
Proposal to approve the revised version of the Articles, after the amendments proposed in the previous resolutions. No serious governance concerns were identified. Acceptable proposal.

6 Approval of the revised text of the Regulations of the General Meeting of Shareholders
It is proposed to amend the Meeting Regulations, pursuant to compliance with Law 31/2014. It is regrettable that the Company has bundled these amendments instead of proposing separate resolutions. However, the amendment is pursuing compliance with applicable law, which introduces positive changes into corporate governance in Spain. Acceptable proposal.

7 Appoint the auditors
Deloitte S.L. proposed. Non-audit fees represented 17.35% of audit fees during the year under review and 16.14% on a three-year aggregate basis. This level of non-audit fees does not raise serious concerns about the independence of the statutory auditor. Acceptable proposal.

8 Adjust the remuneration for the members of the Nomination Committee and the Remuneration Committee
After separation of the Nomination and Remuneration Committee into two committees, it is proposed to award the same committee membership fees to the Nomination and Remuneration Committees, individually. No serious concerns identified. Acceptable proposal.

9 Approve the Remuneration Report with advisory vote
The Company discloses individual fees for executive and non-executive directors. Although the variable remuneration for the Chairman and CEO is capped at 233% of his salary, during the year it corresponded to approximately 140% of fixed salary, which is broadly in line with best practice. However, pre-determined targets are either not disclosed or not sufficiently challenging. Achievements for the year under review are also not disclosed, which de facto raises concerns over a remuneration structure that overpays against performance. There do not seem to be claw back clauses in place, which makes it impossible for shareholders to recover unfair awards. On the basis of these concerns, Triodos opposes this resolution.

10 Information on amended Board of Director’s Regulations
Disclosure is adequate and timely. The proposed amendments are in line with Law 31/2014. Acceptable proposal.

11 Grant powers for the implementation of resolutions
Standard resolution.

* = Special resolution

SUPPORTING INFORMATION FOR RESOLUTIONS

Proposal 5.a - Amend Articles: Chapter I ("Company name, company object, registered office and duration")
New corporate governance framework in Spain: Law 31/2014
Law 31/2014 of 3 December 2014, effective 24 December 2014, requires companies in Spain to introduce a number of changes to their bylaws and their corporate governance. The areas that are most impacted by the Law are remuneration policy, board and committees structure and shareholders rights.
New rules for remuneration and contracts
In compliance with Law 31/2014, companies in Spain will have to include their remuneration structure in their bylaws. Remuneration must consist of at least one voice (including fixed salary) and cannot be delegated to the board of directors; as a consequence executives and non-executive directors will not be entitled to receive pay components that are not specified in the bylaws.
Shareholders must approve the amount of annual aggregate board remuneration and it can be modified only by shareholders at a meeting. The board may be delegated the distribution of aggregate remuneration to directors concretely, in case shareholders have not decided on that at the previous meeting. In addition, in the Law there is a reference that the annual director pay must be proportional to the company’s financial situation and size. Executives contracts to be approved by a two-thirds majority by the board and specify the extension of executive tasks and compensation in detail. Directors should not receive remuneration for what not specified in the approved contract.

Binding remuneration policy
In addition, to the bylaws amendments described above, companies must prepare a remuneration policy and submit it to shareholders for approval with binding resolution at least every three years. Should the remuneration policy be amended during the three-year term, it will also require re-approval from shareholders and this will start a new three-year term. The policy must at least contain the aggregate amount payable to all directors and compensation system for executives. With respect to executive pay, the policy must describe all executive pay components, the aggregate amount of fixed pay payable to executives annually, criteria for variable remuneration and terms for termination of contracts (notice, severance and non-compete clauses).

Regulation of board, committees and conflict of interest
The Law 31/2014 increases the number of supervisory board powers that cannot be delegated, and regulates more closely board composition, functioning and committees. In particular, in case the chairman of the board is also executive, non-executive directors should elect a lead independent director. Audit, nomination and remuneration committees in Spain will need to have at least two independent directors, and will have to be separated into two different committees. In addition, companies are required to publish annual corporate governance report and audit committee report with established format. Lastly, directors in serious conflict of interest that cause breaching of their fiduciary duty may be liable to compensate the company for the damages caused as well as return the amount resulting from the conflict of interest.

Enhanced powers for shareholders but reduced rights to disclosure
Shareholders are in general given more voice and powers with respect to certain specific transactions (namely acquisitions or disposal of assets which correspond to more than 25% of the total assets), as well as in regard of the governance of the company. Shareholders are entitled to a closer supervision of the board of directors: the minimum holding required for exercising minority rights is brought down to 3% (from 5%) and shareholders can instruct directors on management issues.
In addition, a number of other provisions are included and regulate different aspects of the provisions resolutions can be challenged for three months, although this right is limited to shareholders who hold at least 0.1% of the share capital and to certain reasons for challenging. Lastly, shareholders in conflict of interest can be deprived of their right to vote in most serious cases.
On the other hand, companies can refuse to provide information requested; this provision is actually in line with European directives, which state that refusal to disclose information in any case cannot include remuneration issues. In addition, shareholders can be made liable in case there is misuse or abuse of received information.