





# THINKING ABOUT THE SHAREHOLDERS



*We are strengthening the policies on transparency and the communication channels that enable us to listen to our shareholders. We deliver value to our shareholders by striking a balance between the continued reinvestment in profitable growth of the Company, the positive impact created in our environment as a whole, and through offering an attractive and predictable distribution of dividends.*



## SDGs

## Goals

## Contribution of Inditex



16.7

Transparency and communication are at the heart of our relationship with our shareholders. We put these principles into practice so we can be sure that shareholders have access to all the information they need to ensure that inclusive, participatory and representative decisions are made that respond to their needs. We also encourage them to participate in the decision-making process through Inditex's highest governing body: the Annual General Meeting of Shareholders.

More information on pages 328 and 329 of this Annual Report.

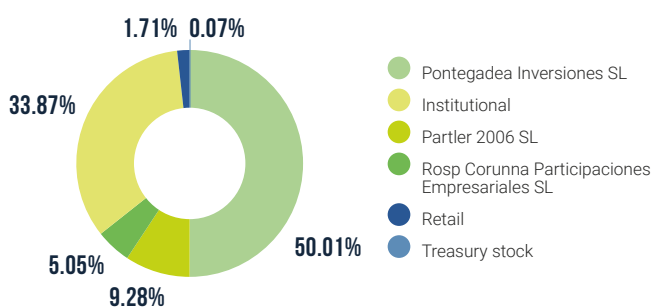
## 01/ Our shareholders

Involving shareholders in the decision-making process of the Annual General Meeting<sup>1</sup> – our highest level governing body – means we can hear their clear mandate: to create value sustainably in the medium and long term.

Because of this, we are strengthening the policies on transparency and the communication channels that enable us to listen to our shareholders. We deliver value to our shareholders by striking a balance between the continued reinvestment in profitable growth of the Company, the positive impact created in our environment as a whole, and through offering an attractive and predictable distribution of dividends.

### 01.01/ Shareholding structure

The following chart shows a summary of the Inditex shareholding structure:



### 01.02/ Shareholder remuneration

Our shareholder remuneration policy, approved by the Inditex Annual General Meeting of Shareholders, aims to offer an attractive, predictable and sustainable dividend over time. This policy adheres to maintaining an adequate level of resources to assure continued investment for future company growth and value creation.

In line with this policy, in May and November of 2019, a dividend of 0.88 euros per share corresponding to 2018 was distributed to shareholders, amounting to a 17.3% increase from previous fiscal year.

## 02/ Shareholder relations

The relationships between Inditex and its shareholders – both current and potential – are governed by the Policy on Communication and Contact with Shareholders, Institutional Investors and Proxy Advisors and the Regulations of the Board of Directors.

Inditex guarantees that market participants (shareholders and potential shareholders in particular) have equal access to information. The Inditex website plays an important role in putting this policy of communicative transparency and equal access to information into practice: examples include the Investor Agenda, annual reports and presentations on the evolution of the Company.

INDITEX SHAREHOLDERS 31/1/2020	SHARES
Pontegadea Inversiones SL	1,558,637,990
Partler 2006 SL	289,362,325
Rosp Corunna Participaciones Empresariales SL	157,474,030
Institutional	1,055,732,995
Retail	53,321,668
Treasury stock	2,125,384
<b>TOTAL</b>	<b>3,116,654,392</b>

(1) The Company's shares are represented through book entries. The Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores (Iberclear) is responsible for recording book entries.

In the interest of transparency, a full list of the entities and analysts that produce Inditex reports is also published on the corporate website ([www.inditex.com](http://www.inditex.com)).

## 02.01/ Individual Shareholders' Department

All private investors can contact the Individual Shareholders' Department to obtain detailed information on business developments and Inditex's future strategy.

In the 2019 financial year, we dealt with around 800 requests for information on the Company from individual shareholders. Inditex sends information and documentation so that all shareholders are adequately updated on the issues to be discussed at the Annual General Meeting. This facilitates the active participation in the decision-making process of the Group.

## Investor Relations Department

Information on business developments is shown on the Inditex corporate website ([www.inditex.com](http://www.inditex.com)) and is distributed to our investor and analyst database with more than 1,100 entries. Inditex complements this information with quarterly open access conference calls, and with presentations to analysts and investors throughout the fiscal year in the principal financial capitals of the world.

Furthermore, 38 financial and stock market entities publish analyses and reports on Inditex. The Company's shareholder structure includes institutional investors, holding 33.87% of share capital, together with 1.71% held by private investors who play a key role shaping the share price and its liquidity.

## 03/ Indices

Inditex is included in benchmark indices for both its financial performance and its best practices in sustainability.

### 03.01/ Euro STOXX 50/IBEX 35

Inditex has been included in Europe's leading Euro STOXX 50 index since 2011, and the selective Spanish IBEX 35 index since 2001.

### 03.02/ FTSE4Good

FTSE4Good is a sustainability-based index that has included Inditex since 2002. In 2019, the Company was awarded a score of 4.9 out of 5. The sustainability stock index includes global companies with a commitment to sustainability, taking into account environmental, social and corporate governance practices.

### 03.03/ Dow Jones Sustainability Index

The Dow Jones Sustainability Index (DJSI) assesses listed companies' sustainability performance annually, considering their economic, environmental and social conduct. In 2019, the DJSI rated Inditex as one of the world's most sustainable retail companies for the nineteenth consecutive year.

The ranking is compiled by S&P Dow Jones Indices using the methodology developed by sustainability investing specialist RobecoSAM. The firm invited 3,519 companies to take part in the assessment in 2019, with 1,130 ultimately being evaluated. Inditex was one of the companies involved as a DJSI World and DJSI Europe member. In addition, Inditex was awarded a gold medal in the Sustainability Yearbook 2019, produced by RobecoSAM.

We have consistently achieved the highest scores in the Retailing category since our company was first included in the index in 2002. In 2019 the Group achieved a total score of 68, placing it 40 points ahead of the industry average. It is now in the 97th percentile, just one point below the leading company in our sector for 2019. In fact, Inditex continues to be the industry leader in terms of environmental matters, receiving the highest score in this area.

	INDITEX SCORE					PERCENTAGE RANKING <sup>(1)</sup>					AVERAGE SCORE FOR THE SECTOR				
	2015	2016	2017	2018	2019	2015	2016	2017	2018	2019	2015	2016	2017	2018	2019
Economic	78	76	70	61	63	98	100	99	93	92	42	42	40	26	29
Environmental	98	97	96	91	95	100	100	100	100	100	29	33	33	23	31
Social	72	76	79	61	57	97	98	100	100	92	32	29	32	19	22
<b>TOTAL</b>	<b>81</b>	<b>80</b>	<b>78</b>	<b>68</b>	<b>68</b>	<b>97</b>	<b>98</b>	<b>100</b>	<b>100</b>	<b>97</b>	<b>37</b>	<b>36</b>	<b>36</b>	<b>23</b>	<b>28</b>

(1) Percentage of companies in the same sector with a score lower than that awarded to Inditex.