



2. CEO's statement

**“We are in a unique position
to tackle the challenges
facing the sector as it
embarks on one of its biggest
ever transformations”**

GRI 102-14 AND 103-3

Collaborating to transform

Dear friends of Inditex,

This is my first time addressing you and I would like to start by expressing how excited and honoured I feel to serve as Inditex's Chief Executive. Ever since Amancio Ortega laid the foundations of the company back in 1963, our Group has followed its own business philosophy and approach that is unique within the fashion retail sector. This approach is embedded into every aspect of our business and, together with the talent and engagement of our teams, defines who we are and who we will be going forward. That corporate culture has been nurtured by Pablo Isla, without whose contribution over the past 17 years, Inditex would not be the company it is today.

Inditex has been able to adapt to every cycle the fashion retail sector has been through. The reason for that ability to respond to unfolding market conditions lies with the Group's deep and long-standing connection with the real world of fashion, a premise so simple but core to our personality. **Our business model is the result of a winning combination of teamwork, talent, creativity, innovation, dynamism, efficiency and flexibility**, an entrenched culture that pushes boundaries beyond comfort zones.

Inditex boasts a business model capable of adapting to any environment and an international reach underpinned by a solid strategic approach. Its inspiring fashions combined with a fully integrated omnichannel offer in each region, and supported by technological innovation, has enabled us to extend our store leadership to the digital world, with online sales now accounting for one-quarter of the total.

We are, therefore, in a unique position to tackle the challenges facing us as the sector embarks on

one of its biggest transformations. Far from sitting back, Inditex is ready to continue to lead our sector, which means **collaborating to have a positive impact in every aspect**.

To that end we will continue to:

- **Prioritise values** such as respect, inclusion, equality, diversity, integration and non-discrimination above all other considerations. Those values constitute one of our greatest strengths.
- **Embed sustainability** into all our processes and decisions, striving to do business in an even cleaner, kinder and fairer way. With that in mind, we have made ambitious sustainability commitments and we are working to deliver them as soon as possible. Notably, we have brought our net zero emission pledge forward by a whole decade to 2040, an effort that will entail not just cutting our own emissions but also require the collaboration of all our suppliers.
- **Work with our suppliers towards having a positive impact on their communities.** We are working specifically on 7 priority impact areas designed to forge a sustainable supply chain, underpinned by constant dialogue with workers, unions and business owners.
- **Integrate circular economy criteria into all our processes** with the aim of extending the useful life of our products via reuse or recycling. Here we are working with a range of organisations, including the Massachusetts Institute of Technology (MIT), on research to develop new techniques that make clothing last longer and optimise the recovery of used clothing.
- **Inspire our people, by motivating them and giving them real chances to develop** their careers at Inditex. We have created an environment in which the more than 50 thousand people who work with us can fully utilise their talent, put their ideas forward and participate in decision-making. We want motivated, capable and in-



dependent professionals who are always willing to bring their full capabilities to the task at hand.

- **Foster**, through collaboration, the sustainable transformation of the fashion retail sector, a commitment that is detailed throughout the pages of this Report and which recognises our awareness of our responsibility to take a leadership role.
- **Aspire to meet the needs of those who use fashion to express their personality, identity, sense of style or enjoyment of life.** Ultimately we are a fashion company; we are creators and purveyors of fashion and we live and breathe fashion in all its manifestations.

As CEO, I promise to keep our unique business approach and philosophy alive and well, a task that will be made easier by the appointment of Marta Ortega as Chair of Inditex from April 2022. Our new corporate governance structure reflects the profound commitment of our largest shareholder. It will allow us to fully leverage Marta's knowledge of the business, her vision for the fashion business and for our design, product and brand image, vital in our sector. In assuming my duties, I am confident in the knowledge that I can rely on the best team of professionals, who possess a magnificent combination of talent and proven experience. I have the assurance that

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comes from knowing that I am buoyed by the passion of a group of ethically-committed designers and product, store, online, factory, logistics, international market and corporate service managers who, between them all, make this a leading global company. Thanks to all of them we will continue to build the company we are and aspire to be.

Óscar García Maceiras
CEO



**VIDEO OF THE
MESSAGE**