



# Policy Statement on Zalando's Human Rights Strategy

**Version:** 1.0

**Status:** Final

**Last reviewed on:** 14/12/2022

**Current version effective since:** 01/01/2023



## Table of Contents

Introduction: Our commitment to respecting human rights	2
Scope: Who does this apply to?	3
Priorities: What do we focus on?	3
Approach: How do we implement risk management?	3
Governance: How do we monitor and communicate progress?	4

### Introduction: Our commitment to respecting human rights

Zalando<sup>1</sup> is committed to respecting and supporting the dignity and wellbeing of our employees, the workers in our value chain, the communities where we operate and those affected by our operations.

We are committed to meeting our responsibility to respect human rights as referred to in the German Supply Chain Due Diligence Act (Lieferkettensorgfaltspflichtengesetz) and as defined by the UN Guiding Principles on Business and Human Rights. We support the principles contained within the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights, the International Covenant on Economic, Social and Cultural Rights and the International Labour Organisation's (ILO) Declaration on Fundamental Principles and Rights at Work.

At Zalando, we want to build and strengthen lasting and robust partnerships. It is important to us that all stakeholders – customers, employees and Business Partners – experience Zalando as an organisation that values human and labour rights, ethical business conduct, diversity and inclusion, and our planet as a whole. We also believe that integrity and transparency are the foundation of a healthy business culture.

This Human Rights Policy sets out the overarching principles to respecting and managing human rights due diligence which we embed into our operating standards and management practices. In addition to this policy we communicate our expectations towards ethical business conduct through the internal Code of Ethics<sup>2</sup> and through the Code of Conduct<sup>3</sup>, which is part of our contractual agreements with all Business Partners. Zalando adheres to all laws and regulations that apply through the markets it operates in and countries needed for its operations. Where there are conflicts or differences between internationally recognised human rights standards and national laws, we will adopt processes that seek ways to honour the higher of the two standards.

### Scope: Who does this apply to?

---

<sup>1</sup> ZALANDO SE and all its subsidiaries, hereinafter commonly referred to as Zalando

<sup>2</sup> The [Code of Ethics](#) outlines the standards to which we as a company adhere including our commitment to provide a safe and healthy work environment, to provide equal opportunities, to value diversity and to promote inclusivity

<sup>3</sup> The [Code of Conduct](#) is particularly focused on labour rights and workplace health and safety. It is supported by other relevant policies which include the Sustainable Sourcing Policy, the Forest Protection Policy and the Restricted Substance List, Social Standards and Product & Content Guidelines

This Human Rights Policy applies **to all Zalando operations**, the entities that it owns, the entities in which it holds a majority interest and the facilities that it manages. Furthermore, this Human Rights Policy specifies the expectations and requirements Zalando has **towards all Business Partners** in its supply chain including suppliers, service providers, platform partners, distributors, consultants, agents and subcontractors.

At Zalando we expect our Business Partners and other parties whose own impacts may be directly linked to our operations, products or services to respect and not infringe upon human rights and environmental rights that directly affect the wellbeing of workers. We will not tolerate or condone abuse of human rights within any part of our business or value chain. We will take any allegations that human rights are not properly respected seriously and investigate potential or actual human rights violations to act accordingly. This process is supported by ongoing engagement and collaboration with our stakeholders.

### **Priorities: What do we focus on?**

Our human rights risk management approach prioritises salient human rights issues, identified through our due diligence efforts and our risk analysis and assessment process.<sup>4</sup>

Zalando is committed to respect all human rights. However, we recognise that some rights are at greater risk than others due to the specific nature of Zalando's operations in the industries of fashion, retail and logistics. The annual human rights risk assessment analyses supplier risk based on country, industry and spend regarding a variety of human rights and to a limited extent environment-related risk with direct effect on human wellbeing. Based on the risk scoring results, Zalando identified its priority human rights<sup>5</sup> related risk:

- **Protecting the right to equal treatment** - especially regarding the rights of minorities, women and girls and young workers;
- **The rights to decent working conditions** including working hours and an adequate wage as laid down by the applicable law and regulations of the place of employment; and
- **Preventing modern slavery** in Zalando's operations and supply chain.

We also recognise that the nature of risks can evolve over time and that changes to business operations can impact the saliency of the priority human rights issues that we must address which is why the priority risks are re-evaluated annually.

### **Approach: How do we implement risk management?**

We are committed to conducting risk-based human rights due diligence across our supply chain on an ongoing basis, in accordance with the recommendations set out in the OECD's Due Diligence Guidance for Responsible Business Conduct. Our due diligence approach is adjusted to take into account operational context and risk, business relationships and the extent to which we may cause, contribute to or be directly linked to adverse human rights impacts. We seek to track the effectiveness of our responses and

---

<sup>4</sup> Further details of our salient human rights issues are provided in our annual [Sustainability Progress Report](#)

<sup>5</sup> And to a limited extent environment-related risk with direct effect on human wellbeing

interventions. Further, we take both feedback, as well as qualitative and quantitative indicators from internal and external sources into account.

The human rights risk management at Zalando is defined in the Human Rights Due Diligence Program. In line with industry standards it is divided into 5 high-level steps:

1. **Govern:** Define and embed human rights standards and expectations in our operations and value chain, clearly communicate them to all stakeholders using the most appropriate channels and monitor program effectiveness;
2. **Analyse:** Identify and analyse supplier risk based on volume, location and industry-specific human rights risks;
3. **Prioritise:** Prioritise sector and supplier risk based on risk analysis and risk profile to define corresponding risk management measures;
4. **Manage:** Ensure that standards and expectations are met and implement preventive, remedial and mitigating measures;
5. **Report:** Publicly disclose efforts and progress in line with Zalando's own standards and legal requirements.

The individual elements are implemented through respective programs, frameworks and processes.

Furthermore we are committed to providing employees, Business Partners and any other internal or external stakeholder with appropriate grievance mechanisms<sup>6</sup>. We seek to build awareness and knowledge of our employees and Business Partners on human rights issues, encouraging them to speak up, without retribution and - if desired - anonymously, about any concerns they may have.

#### **Governance: How do we monitor and communicate progress?**

This Human Rights Policy has been adopted by the Management Board of Zalando. Responsibility for implementation is delegated to the Human Rights Officer (HRO) who is leading the dedicated Ethical Responsibility team. The HRO will regularly report to the Management Board and to the Sustainability Forum<sup>7</sup> on progress and impact. The HRO and ER team continuously and closely collaborate with Legal and Compliance.

We will regularly evaluate and review our approach to addressing human rights, striving for continuous improvement and seeking insights and challenges from both internal and external experts.

This Human Rights Policy is made publicly available and is communicated to both employees and Business Partners. Our performance and impact on human rights is reported publicly, including through our annual Sustainability Progress Report and from 2024 onwards our Human Rights Due Diligence Report.

---

<sup>6</sup> Grievances can be raised anonymously at <https://corporate.zalando.com/en/raise-your-concern> or via email to [compliance@zalando.de](mailto:compliance@zalando.de)

<sup>7</sup> Steering Committee within Zalando to overlook ongoing sustainability measures from both business and central perspective

Berlin, 14.12.2022



**Caitlin Frevert**  
Head of Ethical Responsibility  
Human Rights Officer



**David Schneider**  
Management Board ZALANDO SE