2021 marks another remarkable milestone on our journey to be the Starting Point for Fashion

With the successful launch of six new markets, we are now active in 23 European markets

We serve >48m active customers\(^1\), more than 10% of the European population

And we serve our customers in a more meaningful way as active customers spending over 500 euros make up more than 60% of our GMV\(^2\) in 2021

---

1) Each customer that has placed at least one order within the last year (based on the reporting date) is considered active
2) Gross Merchandise Volume (GMV) incl. VAT
Our strategy has enabled us to deliver exceptional 2021 financial performance

- **Group GMV in EUR**: 14.3bn, +34.1% YoY
- **Group revenue in EUR**: 10.4bn, +29.7% YoY
- **Adjusted EBIT\(^1\) in EUR**: 468.4m, 4.5% of revenue

\(^1\) Excludes equity-settled share-based payment expense ("SBC"), restructuring costs and non-operating one-time effects
Company vision

We want to be the destination that consumers gravitate to for all their fashion needs.

We provide customers a distinct and compelling fashion proposition making Zalando THE app for fashion.

- **Endless choice**
- **Seamless convenience**
- **Tailored digital experience**
In 2021, we have reached major milestones and will continue to progress strategic initiatives that drive our growth trajectory towards our 2025 goals.

Our 2025 Ambition

**Customers**
We create deep customer relationships at scale

**Partners**
We transition towards a true platform business

**People & Planet**
We build a sustainable platform

---

1) Aggregated volume of Partner Program and Connected Retail in % of Fashion Store GMV
Customers
We create deep customer relationships at scale
Improved our core experience, elevated and driven adoption of newer propositions and made it easier to engage with Zalando in multiple ways.

**Improve core fashion experience**
- More inspiration & engaging
- More entertaining ways to engage

**Elevate distinct propositions**
- Lounge
- Pre-owned
- Designer
- Beauty

Connect all our propositions
- Lounge
- Pre-owned
- Designer
- Beauty

And more to come …

- 90% of our active customers buy fashion with us
- Beauty GMV growth of 100% in FY/21
- One million Zalando Plus subscribers
More than doubled Zalando Plus members to one million and will continue to expand our loyalty program.

One million members and growing at triple digit Rates

Plus members visit Zalando twice as often and spend three times more than non Plus customers

Ambition to double the number of new markets by the end of 2023

More benefits & improved benefits in the areas of convenience and assortment to further drive customer loyalty.
Partners
We are transitioning towards a true platform business
Created best-in-class multi brand environment that allows customers to engage with their most desired brands

**New Brand launches** spark customer engagement, elevate brand equity

**Increased assortment** showcases full brand offer

- >75% Increased assortment across the most relevant brands
- >5,800 Brands

**Shared values** enable impactful brand collaborations

- #Inclusivity
- #Genderless
- #Sustainability

**Dedicated Brand Homes** enable elevated storytelling and brand followship

- More choice
- More availability
- More inspiration

- >40% increased followship resulting in 14m Zalando customers converted in “brand fans”
Partners growing are growing their DTC business on Zalando by leveraging our enabling capabilities.

**Enabling Direct-to-Consumer**
- Customer choice
  - Wholesale assortment
  - Partner Program assortment
  - Connected Retail assortment

**Driving internationalisation**

**Connecting to consumers**

1) Partner Program and Connected Retail; Q4/2021; expressed as %-share of Fashion Store GMV
2) Refers to Zalando Fulfillment Solutions, Q4/2021, expressed as %-share of Partner Program items
3) Q4/2021, expressed as %-share of Fashion Store GMV

- Partner business share\(^1\): 30%
- Zalando-fulfilled partner business\(^2\): 55%
- Revenue generated through Zalando Marketing Services (in % of GMV)\(^3\): 2%
Many partners leverage our logistics capabilities to internationalize their business in Partner Program ...

Partner Business
GMV in mEUR

Partner business GMV share across markets (Q4): 30% (+6pp yoy)

33% (+7pp)
43% (+3pp)
25% (+10pp)
19% (+11pp)

Partner business GMV share across markets (Q4): 30% (+6pp yoy)

>75% yoy

Illustrative, refers to Zalando Fulfillment Solutions
... and we will enable our partners with our unique logistics backbone to drive the success of their DTC business across all channels

Brands face a variety of complex challenges when growing their own Direct-to-Consumer business:

- Fragmentation of inventories
- Increasing cross-border e-commerce
- Raising customer expectations
- Sustainability is difficult to address structurally alone

By opening up ZFS to channels beyond Zalando, we enable multi-channel fulfillment for our partners:

- Brand’s own E-com
- Sales channel 1
- Sales channel 2

One network, one stock pool:
- Better customer service
- Superior economics
- More sustainable business
People and the Planet
We build a sustainable platform
In order to truly reimagine fashion for the good of all, we need to become a sustainable fashion platform with a net-positive impact for people and the planet.

To have a net-positive impact means that we give back more to society and the environment than we take.
While we play a leading role in driving adoption of more sustainable products in the industry and on the consumer side, we constantly strive to raise the bar.

**Progress 2021**

We made significant progress on our aspiration to offer the widest possible choice of more sustainable products.

- Percentage of GMV generated with more sustainable products:
  - 2021: 21.6%
  - Target: 25%
  - 140,000 more sustainable products (+75% yoy)

**Key focus going forward**

In order for this progress to be truly meaningful, we need to overcome three key challenges:

1. **Finding a common definition of sustainability for fashion products and agree on standards.**
2. **Tracing information across the value chain starting from the source and making it accessible.**
3. **Help customers to understand these information to translate their values into actions.**
To tackle the global plastics challenge, we focus on holistic solutions together with our partners

Progress 2021

To enable our customer to dispose our packaging responsibly, we reimagine packaging to minimize waste

Roll-out of paper shipping bags almost complete

Percentage of our own packaging that contain recycled input¹

89%

Key focus going forward

To magnify our impact outside of our direct scope, we tackle a key industry challenge together with our partners

Find a suitable replacement for single-use plastic polybags the industry is using to protect products along the entire supply chain
Following the strong progress on our strategic agenda and financial plan in 2021, we are well on track to reach our 2025 ambition of more than EUR 30bn GMV.

Group GMV 2018-2025, in bn EUR

- **CAGR:** +29.3%
- **2018:** 6.6
- **2019:** 8.2
- **2020:** 10.7
- **2021:** 14.3
- **2025:** >30

We have an immense opportunity ahead of us and invest through cycle to create long term value while navigating through a volatile market environment.

**Long term opportunity**

- Total fashion >450bn EUR
  - >10%

**Volatile market environment 2022**

1. Consumer sentiment
2. Supply chain
3. Inflation

**Focusing on value creation**

- Investing through the cycle
- Steering business in an agile manner
- Driving efficiencies

---

1) Source: Company estimates and Euromonitor International forecasts, February 2022. Euromonitor forecasts the overall European Fashion Market to grow to roughly 450bn EUR over the next few years. Values based on actuals and estimates; fixed exchange rates. Fashion data incl. apparel and footwear, bags and luggage, jewelry and watches. Data for Europe (excluding Russia) inclusive of sales tax.
FY/2022 Outlook

16% - 23%
GMV growth

12% - 19%
Revenue growth

EUR 430 - 510m
Adj. EBIT<sup>1</sup>

EUR 400 - 500m
Capex<sup>2</sup> and negative net working capital

Excludes a potential negative impact from Russia-Ukraine armed conflict

---

1) Excludes equity-settled share-based payment expense ("SBC") of EUR ~65m, restructuring costs and non-operating one-time effects for FY/22
2) Excludes M&A transactions
To further advance our strategic agenda and scale the business
David Schröder assumes newly created role as COO and Sandra Dembeck joins as new CFO
We are on track to reach our ambitious 2025 goals

01 Clear vision and strategy
We have a clear vision and strategy and our number one priority is growth

02 Tremendous progress
We are making tremendous progress and have consistently delivered on our targets

03 High ambition
The opportunity for Zalando is immense, making us confident that we can reach >30bn EUR GMV by 2025 and serve >10% of the fashion market long-term

04 Long-term focus
We continue to drive investments that will catalyze long-term growth for our business

05 Attractive financial profile
At scale, our platform strategy will result in double digit margins and strong cash generation
Zalando Investor Relations Team

Patrick Kofler  
Head of IR  
Patrick.Kofler@zalando.de

John Klein  
Senior Business Developer IR  
John.Klein@zalando.de

Dorothee Schultz  
Manager ESG IR  
Dorothee.Schultz@zalando.de

Nils Pöppinghaus  
Senior Manager IR  
Nils.Poeppinghaus@zalando.de

Jan Edelmann  
Manager IR  
Jan.Edelmann@zalando.de

Team Contact  
T: +49 30 20 9681 584  
Zalando SE  
Tamara-Danz-Straße 1  
10243 Berlin  
investor.relations@zalando.de  
https://corporate.zalando.com/en
Disclaimer

Certain statements in this communication may constitute forward-looking statements. These statements are based on assumptions that are believed to be reasonable at the time they are made, and are subject to significant risks and uncertainties.

You should not rely on these forward-looking statements as predictions of future events and we undertake no obligation to update or revise these statements.

Our actual results may differ materially and adversely from any forward-looking statements discussed in this communication due to a number of factors, including without limitation, risks from macroeconomic developments, external fraud, inefficient processes at fulfillment centers, inaccurate personnel and capacity forecasts for fulfillment centers, hazardous material / conditions in production with regard to private labels, lack of innovation capabilities, inadequate data security, lack of market knowledge, risk of strike and changes in competition levels.