

Welcome to your CDP Climate Change Questionnaire 2022

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

Founded in 2008, Zalando is one of Europe's leading online platforms for fashion and lifestyle, connecting customers, brands and partners. We bring head-to-toe fashion to more than 48 million active customers across 23 markets, offering clothing, footwear, accessories and beauty. More than 5,800 brands are currently offered by Zalando, from world famous names to local labels, as well as our own products. Our platform is a one-stop fashion shop for inspiration, innovation and interaction. As Europe's most fashionable tech company, we work hard to find digital solutions for every aspect of the fashion journey: for our customers, partners and every valuable player in the Zalando story. Our goal is to become the starting point for fashion and a sustainable platform with a net-positive impact for people and the planet. Zalando's localized offering addresses the distinct preferences of its customers in each of the 23 European markets being served. The logistics network has 12 centrally located logistic sites (7 more are planned until 2025) in seven countries (Germany, Italy, France, the Netherlands, Sweden, Poland and Spain) and allows Zalando to efficiently serve its customers throughout Europe with a focus on local customer needs. Zalando offers over 20 payment options and 80 delivery and return options.

The company's management believes that the integration of fashion, operations and online technology provides the capability to deliver a compelling value proposition to both customers and fashion brand partners. To give its customers a broad service, Zalando's offering has been extended and enhanced with Zalando Lounge, Zalon, Zalando Wardrobe and the 13 brick-and-mortar outlet stores in Germany, which serve as additional sales channels for excess inventory. Further outlet stores are planned. Zalando Lounge offers registered members special offers at reduced prices and Zalon is Zalando's personal stylist service, working with about 500 stylists who put together looks from the Zalando fashion store, based on customer preferences. In addition, in 2020 Zalando expanded its spectrum of value for European customers further by adding a preowned category to its platform that is integrated in the Zalando Fashion Store. In the face of global developments like climate change, we see a pressing urgency to reimagine our industry in a way that benefits all stakeholders involved in the fashion ecosystem. Creating value for everyone involved also includes taking responsibility for the people and environment along our value chain. Therefore our sustainability strategy do.MORE is anchored in our group strategy. The strategy combines our long-term vision to be a sustainable fashion platform with a

net-positive impact for people and the planet with specific commitments, some of which we want to reach very quickly. Having a net-positive impact means that we run our business in a way that gives back more to society and the environment than we take. This aspiration calls for us to continuously reduce and mitigate the negative impact our business may have on society and the environment, while we aim to increase and amplify the value we create not just for customers, brands and shareholders, but also for people more generally and the planet. We have set ourselves a set of six commitments for the short- and mid-term regarding guided by the three focus areas - Planet, Products, People.

PLANET

- By 2025 we achieve our science-based targets to reduce carbon emissions in line with the Paris Agreement, including an 80% reduction in emissions of our own operations compared to 2017.
- By 2023 we design our packaging to minimize waste and keep materials in use, specifically eliminating single-use plastics.

PRODUCT

- By 2023, we generate 25% of our GMV (Gross Merchandise Volume) with more sustainable products.
- By 2023, we apply the principles of circularity and extend the life of at least 50 million fashion products.

PEOPLE

- By 2023, we have continuously increased our ethical standards and only work with partners who align with them.
- By 2023, we have supported 10,000 people in the workforce by providing skilling opportunities that match future work requirements.

C0.2

(C0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date	Indicate if you are providing emissions data for past reporting years	Select the number of past reporting years you will be providing emissions data for
Reporting year	Januar 1, 2021	Dezember 31, 2021	Yes	3 years

C0.3

(C0.3) Select the countries/areas in which you operate.

- Austria
- Belgium
- Croatia
- Czechia
- Denmark
- Estonia
- Finland
- France
- Germany

- Ireland
- Italy
- Latvia
- Lithuania
- Luxembourg
- Netherlands
- Norway
- Poland
- Slovakia
- Slovenia
- Spain
- Sweden
- Switzerland
- United Kingdom of Great Britain and Northern Ireland

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

EUR

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

Operational control

C0.8

(C0.8) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

Indicate whether you are able to provide a unique identifier for your organization	Provide your unique identifier
Yes, an ISIN code	DE000ZAL1111
Yes, a Ticker symbol	ZAL

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual(s)	Please explain
Chief Executive Officer (CEO)	<p>The highest level of responsibility with respect to the oversight of climate-related issues lies with one of our Co-CEOs, who is a member of the Management Board. The Management Board as a whole provides guidance on specific sustainability and climate change topics and receives updates about the overall progress with relation to our sustainability strategy on a monthly basis.</p> <p>The Co-CEO is also chairman of the Sustainability Forum, which is the highest decision-making body for climate-related issues. It serves as the overarching steering committee, keeps the necessary strategic oversight and ensures progress against Zalando’s sustainability targets, including the climate targets.</p> <p>Two climate-related key decisions made by the Co-CEO in 2021 were i) the switch from heating fuel to 100% biogas in in Zalando's German fulfillment centers, which was fully completed by the end of the year and ii) the introduction of a consulting pilot offering individual guidance on SBT setting for our partners.</p> <p>In addition, our Co-CEO was involved in budget decisions, concerning for example our Land Life company reforestation project.</p>
Board-level committee	<p>In August 2021, we established the D&I and Sustainability committee of the Supervisory Board. It meets on a bi-annual basis and deals with the diversity and inclusion strategy as well as the sustainability strategy (including climate targets) of the Management Board and supports the Supervisory Board in its engagement with their implementation and the related reporting. In addition to this, the D&I and sustainability committee supports the remuneration committee in preparation for setting the ESG targets for the remuneration of the Management Board.</p> <p>In 2021, the committee acted as sounding board for Zalando’s circularity strategy. The strategy includes a roadmap across the entire product lifecycle with activations at each stage, from design and manufacture, use and reuse to closing the loop. By enhancing a circular product design and the use of more recycled materials, carbon emissions can be reduced.</p>

C1.1b

(C1.1b) Provide further details on the board’s oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Please explain

<p>Scheduled – all meetings</p>	<p>Reviewing and guiding strategy</p> <p>Reviewing and guiding major plans of action</p> <p>Reviewing and guiding risk management policies</p> <p>Reviewing and guiding annual budgets</p> <p>Monitoring and overseeing progress against goals and targets for addressing climate-related issues</p>	<p>The Management Board receives a monthly Board Member memo, which updates the board about the overall progress of our sustainability strategy and provides guidance on specific sustainability topics. In 2021, the Management Board as a whole was briefed by the Director of Sustainability at least quarterly.</p> <p>The Co-CEO as a member of the Management Board receives climate-related information through different channels. For example, he has weekly meetings with the Director of Sustainability covering the day-to-day business and monthly deep-dives on different topics (e.g. science-based targets). In addition, as chairman of the Sustainability Forum the Co-CEO receives updates on progress against climate goals and targets on a quarterly basis in the Sustainability Forum meetings. The Co-CEO relays climate-related information to the other members of the Management Board.</p> <p>In 2021, he reviewed and guided amongst others the process of switching heating fuel in our German fulfillment centers to 100% biogas as part of our climate strategy and related plans of action. In addition, he was involved in budget decisions, for example concerning our goals to reduce carbon emissions.</p> <p>The CFO oversees the Risk Management Team as part of the Corporate Governance business unit. Once risks are identified, which include also climate-related risks if present, they are reported to the top management and, depending on probability of occurrence and potential impact, they are also reported to the Management Board and the shareholders of the company.</p> <p>Following the information flow described, the Board makes decisions regarding risk control measures in relation to the pursuing of company objectives. These governance mechanisms allow the Management Board to maintain close oversight over the company's sustainability and climate performance.</p>
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C1.1d

(C1.1d) Does your organization have at least one board member with competence on climate-related issues?

	Board member(s) have competence on climate-related issues	Criteria used to assess competence of board member(s) on climate-related issues
Row 1	Yes	All members of our D&I and sustainability committee have skills and expertise with respect to sustainability and climate. Criteria used to assess the competences entails amongst others a relevant academic background as well as professional experience with respect to sustainability and climate.

C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Name of the position(s) and/or committee(s)	Responsibility	Frequency of reporting to the board on climate-related issues
Chief Executive Officer (CEO)	Both assessing and managing climate-related risks and opportunities	Quarterly
Sustainability committee	Both assessing and managing climate-related risks and opportunities	Quarterly

C1.2a

(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).

1) Co-CEO

The highest level of responsibility with respect to climate-related issues lies with our Co-CEO, as we consider climate change a priority, which needs high-level management attention and oversight. He is responsible for approving climate-related strategic decisions and chairman of the Sustainability Forum. The Sustainability Department, which is in charge of the day-to-day business with respect to sustainability and climate change related issues, reports directly to him.

2) Committees

The Climate Goal Project Team is the key climate-related committee of our **Sustainability Forum**. Both report directly to our management board (Co-CEO) in quarterly meetings.

2a) Sustainability Forum

The Sustainability Forum is the highest decision-making body for all sustainability strategy topics including climate-related issues and chaired by our Co-CEO. It serves as an overarching steering committee and keeps the necessary strategic oversight. The Sustainability Forum focuses on our six sustainability targets. Each target has an executive sponsor as well as project management and expert support from the central Sustainability department. The committee consisted of our Co-CEO, Director of Sustainability, executive sponsors (SVP Zalando Technology Foundation, SVP Logistics, VP Category Women, VP Corporate Development/M&A, VP Merchant Operations and VP People Products), representatives from Sustainability, Corporate Affairs, Marketing, Finance, Demand, Digital Experience and Offprice teams. The Forum meets every quarter. The highest decision bodies are:

- Co-CEO: chairman of the Sustainability Forum, oversees all sustainability targets, including the climate targets
- Director of Sustainability: She oversees and guides the progress against all sustainability targets, including Zalando's environmental performance with a special focus on climate and packaging, including definition and prioritization of reduction areas and initiatives in line with science-based targets.

2b) Climate Goal Project Team

Responsibilities include monitoring the progress against Zalando's climate goals and targets for addressing climate-related issues; providing guidance on overall direction of the climate and carbon strategy; evaluation of main projects and plans of action on climate protection. By combining members on different hierarchy levels, the committees build a bridge between high-level management oversight and the operational execution of climate-related issues.

The committee consisted mainly of the following members:

- SVP Zalando Technology Foundation: Sponsor of the Climate Goal Project Team, who reviews, and guides Zalando's climate targets and approves major plans of action.
- SVP Logistics & Head of Logistic Engineering: monitors progress on the reduction of emissions in our warehouses; monitors progress towards increased supplier engagement resulting in packaging and last-mile-delivery partners having set science-based targets
- VP Real Estate & Logistic Network Expansion and Director of Indirect Procurement: approves major plans of action, such as the installation of solar panels and the switch from natural gas to biogas at our logistic centers, monitors progress on the reduction of our own emissions in our offices and retail spaces
- Director Office Logistics and Director Logistics Operations: monitoring progress towards an increased supplier engagement resulting in packaging and last-mile-delivery partners having set science-based targets
- VP Category Women and Director Private Label Product Supply Women: responsible for targets regarding the climate footprint of our partner brands and our private label brands, such as the reduction of GHG emissions from private label products and the setting of science-based targets of our partner brands
- Central Sustainability Team and Business Units members: Working group owners, responsible for the day-to-day definition, management and implementation of the concrete sustainability initiatives (e.g. drafting of climate strategy and targets together with Co-CEO)

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

	Provide incentives for the management of climate-related issues	Comment
Row 1	Yes	In 2021, Zalando started to roll-out a new executive remuneration system, which is closely linked to the progress of our platform strategy, growth ambitions and ESG targets. Zalando provides incentives to all employees, including its senior management, to use more sustainable forms of transport, contributing towards reducing travel- and commuting-related GHG emissions.

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Entitled to incentive	Type of incentive	Activity incentivized	Comment
All employees	Non-monetary reward	Behavior change related indicator	All Zalando employees working in the offices and warehouses are offered a subsidized company ticket for the respective public transport. In doing so, employees are incentivized to reduce or even replace the use of cars or other high emission vehicles, both for reaching the workplace and for private travels. This initiative allows a reduction in GHG emissions and contributes towards more climate-friendly behavior.
All employees	Non-monetary reward	Behavior change related indicator	Zalando's offers all its employees a subsidized bike leasing program. Zalando also covers most repairs with an all-inclusive insurance. At the end of the 36-month lease period employees have the chance to own the bike with a final instalment. The monthly instalments are deducted from the final price, resulting in savings up to 40% compared to a private purchase. Employees with a permanent contract who have passed their probation period are eligible to enroll for a company bike.
Other C-Suite Officer	Non-monetary reward	Behavior change related indicator	Zalando has a car-leasing program on management level, which is available to Vice Presidents, Senior Vice Presidents and our Management Board. The program offers, amongst others, a wide array of electric cars and contributes towards reducing GHG emissions from the car fleet. Furthermore, Zalando is providing the

			alternative of a BahnCard Business 100 as a substitute for colleagues who do not want to drive a company car.
All employees	Non-monetary reward	Emissions reduction target	We believe incentives should not only focus on single targets, but on successfully executing on our long-term strategy. Integral part of this strategy is our do.MORE strategy, which includes concrete goals on carbon footprint reduction. We measure our employees against their contribution and impact on our strategy and thus create incentives to indirectly contribute to our strategic carbon goals.
All employees	Non-monetary reward	Behavior change related indicator	Zalando provides rail discount cards with a 25% and 50% discount to employees that regularly travel for business purposes. With this card, employees have a 25% or 50% discount on all rail travel within Germany that can also be used for private purposes. In doing so, employees are incentivized to reduce or even replace the use of high emission vehicles such as cars and airplanes for their inner country travels, for business travels, for reaching the workplace and for private trips.
Other C-Suite Officer	Monetary reward	Emissions reduction target Energy reduction target Supply chain engagement	<p>In 2021, the annual general meeting (AGM) approved the remuneration system 2021 reflecting the next step in the evolution of our compensation framework commensurate with the stage of our development and our entry into the DAX (Deutscher Aktienindex). The new remuneration system is closely linked to the progress of our platform strategy, growth ambitions and ESG targets. The new management compensation system became effective as of June 1, 2021 and is applicable to all new contracts since then.</p> <p>The ESG targets for the LTI (Long Term Incentive) Shares and LTI Options granted to our Chief People Office in 2021 comprises amongst others an environmental target aligned with the company's do.MORE strategy.</p> <p>The ESG targets are connected to the LTIs in a way that up to 20 %-points reduction of Gross Merchandise Volume (GMV) vesting rate will be conducted in case ESG targets are not (fully) achieved.</p> <p>The environmental target which is weighted with 40% (of all ESG targets connected to the LTIs,) consists of four environmental sub-targets concerning</p> <p>1) the reduction of Scope 1 and 2 greenhouse gas (GHG)</p>

			emissions; 2) the increase of the annual sourcing of renewable electricity to 100%; 3) the reduction of Scope 3 GHG emissions from private label products 4) ensuring that 90% of suppliers of the company (by emissions covering purchased goods and services sold on its platform, packaging, and last-mile-delivery) will have science-based targets by the end of the performance period.
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C2. Risks and opportunities

C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?

Yes

C2.1a

(C2.1a) How does your organization define short-, medium- and long-term time horizons?

	From (years)	To (years)	Comment
Short-term	0	1	Time-horizon we consider primarily for sales and operations planning as well as risk assessment.
Medium-term	1	5	Time-horizon we consider primarily for our financial planning as well as risk assessment.
Long-term	5	30	Time-horizon we consider primarily for our strategic planning as well as risk assessment.

C2.1b

(C2.1b) How does your organization define substantive financial or strategic impact on your business?

Generally, we define "risk" as a potential future development or an event that could lead to a negative (risk) or positive (opportunity) deviation from the company's targets. Risks and opportunities are defined as top risks or top opportunities (i.e. **having a substantive financial or strategic impact**) if they display a material combination of probability and impact. The probability of occurrence represents the possibility that a specific impact for a risk or an opportunity may materialize within the defined time horizon. The impact assessment is conducted on quantitative or qualitative scales. The quantitative scale refers to the potential financial impact on profit (EBIT) while the qualitative scale considers the impact on Zalando's

image. The probability and the financial or reputational impact assessment is based on a scale from 1 (very low) to 5 (very high), in accordance with Zalando's Risk Management Manual.

The minimum thresholds for material combination of probability and impact (and vice versa) that classify risks and opportunities as top risks and opportunities are the following: medium & very high; high & medium; very high & low. For example, a risk is considered a top risk if it has a low probability but a very high impact (and vice versa). In the assessment, gross and net risks are considered, whereas material net risks are monitored closely by the Management Board.

We apply the following quantifiable indicators:

Probability: very low $\leq 10\%$; low: $>10-25\%$; medium: $>25-50\%$; high: $>50-75\%$; very high: $>75\%$

Impact: very low $<1\text{m EUR}$; low: $1-5\text{ m EUR}$; medium: $5-20\text{ m EUR}$; high: $20-60\text{ m EUR}$; very high: $>60\text{m EUR}$; Critical risks $> 360\text{m EUR}$

C2.2

(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

Value chain stage(s) covered

Direct operations
Upstream
Downstream

Risk management process

Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment

More than once a year

Time horizon(s) covered

Short-term
Medium-term
Long-term

Description of process

a) Describe the organization's processes for identifying and assessing climate-related risks.

Zalando has a dedicated Risk Management Team, which is responsible for the identification and communication of risks and opportunities within the Zalando Group. The Risk Management Team uses multiple instruments, such as workshops and self-assessments, for the identification and assessment of risks and opportunities. To enable risk monitoring between the bi-annual risk cycles, Zalando has implemented an ad-hoc reporting which informs the Risk Management Team and Management Board about current risk events and changes.

The Risk Management Team closely cooperates with the Sustainability Team in order to

identify climate related risks, for example through workshops aimed at identifying and assessing climate related risks and opportunities.

Risks identification and assessment steps:

1. Scoping: Coverage of relevant company & subsidiaries as well as relevant partners within the value chain;
2. Detection: Interdisciplinary Risk Identification Approach;
3. Evaluation: Qualitative/Quantitative Assessment of identified risks including probability of occurrence & impact. For the impact evaluation we are using the scenario technique to assess the impact for the predicted time point of the defined scenario and assess the financial implications for the defined time horizon;

b) Describe the organization's processes for managing climate-related risks

Risk management steps:

Risk Owners define Mitigation Strategies and Measures for their risks. These mitigation strategies are factored in the evaluation of qualitative/quantitative assessments as described above. Thereafter the risk management team reports on the aggregated summary of risks and opportunities to senior management, the Management Board and the Supervisory Board on a half-yearly basis.

The following risk control measure categories are assessed within the organization risk assessment process (in accordance with IDW PS 981):

Risk Avoidance: Exit from activities if control measures are not cost-efficient and/or benefits are in unfavorable proportion to the risk.

Risk Mitigation: Reduction of the probability of occurrence and/or reduction of the amount of loss through appropriate measures.

Risk Transfer: Transfer of risk control and/or the financial impact of the risk to third parties, e.g. insurance companies.

Risk Acceptance: The occurrence of the risk is accepted, and no further mitigating measures are planned.

For the management of risks, the units and the dedicated owners are in charge. The Sustainability Team will identify gaps and provide advice on appropriate countermeasures.

c) Describe how processes for identifying, assessing, and managing climate related risks are integrated into the organization's overall risk management.

The identification of climate risks is integrated into the company-wide risk management process and considers the whole value chain. In addition, during H1 2022 we will implement a network of risk champions for selected areas including Sustainability. This role is designed to liaise with the Central Risk Management Team and the dedicated risk owners with the aim to strengthen the risk identification/assessment procedures.

Case study for the process used to determine which climate related risk could have a substantive financial or strategic impact:

- Situation: Cotton is the main raw material used by most clothing brands. Water stress caused by extreme weather events, such as droughts and heavy rainfall, can negatively affect cotton cultivation, especially in regions where most of the world's production is

concentrated. In the long term, this may result in the unavailability of the raw material, and thus an increase in prices.

- Task: In order to be able to prioritize this risk, its probability and financial impact has to be assessed.

- Action: To do so we follow the assessment process described in the text above and in C2.1b including the comparison against the outlined threshold.

- Result: This particular risk was assessed as 4 (high) for probability and 3 (medium) for financial impact (i.e. moderate financial impact on EBIT >EUR 10m - 40m). Due to the combination of probability and impact, this risk has a substantive impact.

C2.2a

(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	<p>Current regulations are part of our risk assessment, fall under the risk cluster "Compliance", and are defined as potential risks arising from compliance issues with current laws and regulations.</p> <p>Close cooperation between Zalando's Legal, Sustainability and Risk Management Teams is established to ensure that current regulatory requirements are considered and followed. Additionally, a regulatory watch process is implemented to identify potential future regulations or changes.</p> <p>Example of specific current regulations considered in our assessment is the German implementation of the CSR Directive on Non-Financial Reporting (CSR-RUG) (Section 289b (1) and (3) and Section 315b (1) and (3) HGB (German Commercial Code), the EU Taxonomy - Regulation (EU) 2020/852 and the upcoming (effective in 2023) Act on Corporate Due Diligence Obligations in Supply Chains (Lieferkettensorgfaltspflichtengesetz, LkSG).</p>
Emerging regulation	Relevant, always included	<p>The regulatory environment is constantly evolving and requires continuous monitoring and anticipation of policy actions. Risks related to the emergence of new regulations are systematically identified and assessed and fall under the risk cluster "Compliance". Through the risk cycle, Zalando's Public Affairs, Sustainability and Risk Management Teams collaborate to ensure that relevant upcoming regulatory requirements are considered, and implementation actions planned. A regulatory watch process is implemented to identify potential future regulations or changes.</p> <p>Example of a specific risk considered in our assessment is the emergence of regulations on carbon-related product labelling requiring a life cycle assessment to allow products comparability and certain claims towards customers.</p>

Technology	Relevant, always included	<p>As an e-commerce company, we look at new technologies or technological improvements in the energy and energy efficiency fields primarily (for example, technologies such as solar hot-water, solar panels, etc.). The major risk associated with these technologies is financial, related to the higher cost of these technologies. Transitioning to these technologies whether voluntarily or as a compliance matter requires significant CAPEX and might impact our overall profitability. While these technologies might pose a financial risk, we believe their benefits (i.e. lower or no GHGs emissions) outweigh their short-term risks.</p> <p>For example, another climate-related risk we anticipate (qualitative assessment) is increasing temperatures may require more intensive use of air conditioning in warehouses, office buildings and physical stores already now and within the short to medium time horizon. This may result in an increase in energy consumption, and thus an increase in expenses. This impacts our own operations emissions and related costs directly (short-term profitability).</p>
Legal	Not relevant, included	Due to our business model, the occurrence of legal risks associated with climate-related litigation claims is very unlikely. However, legal risks in general are constantly monitored and evaluated in the risk cluster "Compliance".
Market	Relevant, always included	<p>Market risks are part of our risk assessment and fall under the risk cluster "Strategic". We are continuously analyzing and incorporating market signals (e.g. macro-economic developments, social and environmental aspects, consumer behavior, etc.) into the risk identification and subsequent assessment and reporting.</p> <p>One example for a market risk considered in our assessment is the risk of changes in customer preferences resulting in changes in consumer behavior and decisions (for example: attitude towards slow fashion changes as it no longer enables status in a world affected by global warming). This might result in lost revenues if not addressed and if addressed, in financial costs linked to providing products transparency to customers (materials, places and factories of manufacturing, facilities EMS, workers conditions, etc.). We are responding to this risk through our corporate sustainability, circularity and products sustainability strategies as well as by constantly monitoring customers/ markets signals. In April 2021 we published the "Attitude-Behavior Gap Report" report as a result of our research on consumers values and behaviors. Please refer to section C3 for detailed information on our strategy.</p>
Reputation	Relevant, always included	<p>Reputational risks are part of our risk assessment and fall under the risk cluster "Reputation and Sustainability".</p> <p>An example for reputational risks considered in our assessment relates</p>

		to the increasing importance of climate change to our customers. Thus, the failure to manage our climate (and also social) issues appropriately might significantly damage our reputation.
Acute physical	Relevant, always included	Physical climate risks are part of our risk assessment and fall under the risk cluster "Operational". An example for acute physical risks considered in our assessment are extreme weather events specific to some regions, such as floods, cyclones, etc., can disrupt the continuity of production processes and affect the continuity of the supply chain. In addition, extreme weather events such as sea level rise or cyclones can damage ports important for the supply chain and delay transport, especially by sea. This may result in the lack of availability of goods for the end customer and a negative impact on sales.
Chronic physical	Relevant, always included	As described in C2.3a, changes in weather patterns can significantly influence Zalando's business performance, are therefore included in the risk identification process and fall under the risk cluster "Operational / Sales". For example, changes in weather conditions affect seasonality and thus product selection, purchasing and sales forecast. Due to changing weather patterns and associated unpredictability, we identified the risk of mismatch between demand and offer. In addition, we identified the risk of a decrease in employee efficiency in warehouses and physical stores due to rising temperature (climate comfort).

C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Risk 1

Where in the value chain does the risk driver occur?

Downstream

Risk type & Primary climate-related risk driver

Chronic physical

Changing precipitation patterns and types (rain, hail, snow/ice)

Primary potential financial impact

Decreased revenues due to reduced demand for products and services

Company-specific description

In 2021, Zalando served products to more than 48 million active customers across 23 European countries. Due to changing weather patterns and associated unpredictability, there is a risk of mismatch between demand and offer. Zalando's purchase and sales forecasts are based on common weather patterns, which include seasonality. Blurring seasons and the occurrence of extreme weather changes cause that there is a risk of mismatching the type of collections available to the customer to the current weather conditions. More extreme variations in weather conditions due to climate change and the associated effects, such as the late start to the autumn/winter season, can have a significant impact on sales targets and therefore have implications to the business model.

Time horizon

Short-term

Likelihood

Likely

Magnitude of impact

High

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

20.000.000

Potential financial impact figure – maximum (currency)

60.000.000

Explanation of financial impact figure

The identified opportunities and risks were assessed regarding the probability (scale: 1-5) and financial or image impact (scale: 1-5). The scale of the assessment is in accordance with Zalando's Risk Management Manual.

For the year 2025 this particular risk was assessed as 4 for financial impact (i.e. high financial impact on EBIT 20-60 m EUR).

Cost of response to risk

5.350.000

Description of response and explanation of cost calculation

We approach this weather-induced uncertainty with more flexible procurement and planning processes as well as by expanding our product-range in non-seasonal areas. Dependency on weather effects, as one inherent risk of the business, cannot completely be eliminated. A residual risk therefore has to be accepted.

Our Wholesale business does not give us the short-term flexibility to adapt our assortment to the changing weather conditions. However, we have more flexibility with our Partner Program (PP) and Connected Retail program models that enable brands and retailers to sell their merchandise via Zalando, while they maintain full control over their offer, content and pricing. To gain more flexibility, we aim to scale our Partner GMV share to 50% of our Fashion Store GMV by 2025. By making it easier to join our platform and to internationalize, we were able to almost double our Partner Business GMV in 2021 and have reached a Partner share of 30% of our Fashion Store GMV. We further internationalized the PP by adding new markets in Eastern Europe.

Cost of response to risk: The investments made in 2021 as part of delivering initiatives and work supporting the achievement of our do.More Sustainability strategy is factored in the cost of response. By working towards our goals, we mitigate the environmental and social impacts of climate change. The ~ 5m EUR refer to the budget that we have allocated in 2021 for reaching our circularity, climate and product sustainability targets. It includes engagement activities with partner brands and our Private Labels suppliers; as well as product sustainability and circularity initiative, with which we aim to incentivize the design of more transeasonal items.

Comment

Identifier

Risk 2

Where in the value chain does the risk driver occur?

Upstream

Risk type & Primary climate-related risk driver

Chronic physical

Changing precipitation patterns and types (rain, hail, snow/ice)

Primary potential financial impact

Increased direct costs

Company-specific description

As an e-commerce player delivering to customers in 23 countries, Zalando sells more than 5800 brands and owns six labels. For these six labels, we source products from 16 different countries, and currently work with 126 sourcing partners and 195 factories. Zalando may face the risk of limited availability of raw materials (including organic and cellulose fibers) for production by business partners and suppliers (for private label) and the resulting increase in product prices.

In particular, cotton is the main raw material used by most clothing brands. Water stress caused by extreme weather events, such as droughts and heavy rainfall, can negatively affect cotton cultivation, especially in regions where most of the world's production is concentrated. In the long term, this may result in the unavailability of the raw material, and thus an increase in prices. Over 2021, prices for organic cotton skyrocketed (increase of roughly 30% during the year). Additionally, increasing demand for organic cotton and limited supply make a further price increase likely.

While price increases will be budgeted going forward, recent price developments make it hard to predict the organic cotton price going forward. Apart from deviations from planned price increases, which are assessed in this risk, also budgeted increases reduce the margin and need to be compensated.

This climate-related risk applies to our brand partners; for us as an e-tailer this could translate in reduced stock from partners and increase in products prices.

Time horizon

Short-term

Likelihood

Likely

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

5.000.000

Potential financial impact figure – maximum (currency)

20.000.000

Explanation of financial impact figure

The identified opportunities and risks were assessed regarding the probability (scale: 1-5) and financial or image impact (scale: 1-5). The scale of the assessment is in accordance with Zalando's Risk Management Manual.

For the year 2025 this particular risk was assessed as 3 for financial impact (i.e. moderate financial impact on EBIT 5-20 m EUR).

Cost of response to risk

5.000.000

Description of response and explanation of cost calculation

Our efforts to maintain and build a resilient textile value chain focus on:

a) maintenance of a widespread supplier network with reduced dependency on single

suppliers/ areas

- b) Zalando commitment to positively impact the entire value chain having 90% of its brand partners (based on GHGs emissions) set science-based targets by 2025
- c) our target to reduce our private label emissions by 40% per M EUR gross profit. Since 2019, we have required factories that produce our sustainability assortments to complete the Higg Index's Facility Environmental Module and share their results back with us, allowing us to track the environmental impacts of our supply chain activities — including GHG emissions, water use and waste. In 2021, 187 factories representing 96% of our production volume took part. Based on the data collected, we are now in the process of identifying key carbon hotspots. This will help us implement improvement programs directly in our supply chain.
- d) our circularity strategy which includes the launch of circular design criteria in 2022 and the investments in textile regeneration technologies which help us with maximizing resources value by keeping them in use for longer and diversifying materials sourcing.

Cost of response to risk: the ~ 5m EUR refers to the budget that we have allocated in 2021 realizing our circularity strategy, investments in textile waste recycling technologies and reaching our science-based scope 3 target.

Comment

Identifier

Risk 3

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Current regulation

Mandates on and regulation of existing products and services

Primary potential financial impact

Increased indirect (operating) costs

Company-specific description

Risk of non-compliance with some new regulations, including EU Green Deal regulations (especially Corporate Sustainability Reporting Directive - CSRD and Circularity with the EU Textile Strategy) due to the company's failure to implement multiple regulations in a timely manner. This requires preparing reporting and addressing requirements related to, for example, EU Taxonomy Regulation and CSRD, as well as implementing data acquisition systems, entails increased personnel and consulting costs.

In addition, there is a financial risk linked to increasing costs associated with data collection and accuracy requirements from non-financial reporting legislations on climate and social issues.

Summary of key regulations:

- 1) EU circular economy package consisting of: (1) the Textiles Strategy (a non-legally binding strategy document), and two regulatory proposals: (2) a regulation on eco-design for sustainable products and (3) a revision of consumer protection legislation (Empowering consumers in the green transition);
- 2) Corporate Sustainability Due Diligence and German Supply Chain Act;
- 3) EU-country specific regulations such as France Climate and Anti-waste laws both focused on labelling requirements.

Time horizon

Short-term

Likelihood

Likely

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

0

Potential financial impact figure – maximum (currency)

1.000.000

Explanation of financial impact figure

The identified opportunities and risks were assessed regarding the probability (scale: 1-5) and financial or image impact (scale: 1-5). The scale of the assessment is in accordance with Zalando's Risk Management Manual.

For the year 2025 this particular risk was assessed as 1 for financial impact (i.e. no or no significant financial impact on EBIT - < 1m EUR).

Cost of response to risk

1.370.000

Description of response and explanation of cost calculation

To address the increasing regulatory expectations, Zalando increased its sustainability staff in 2021 both within the central sustainability department and within other central functions such as legal and Public Affairs. Additional staff includes resources dedicated to reporting and ESG ratings and budgets associated with the execution of associated projects. Most of the 2021 products sustainability and circularity initiatives have been addressing existing or upcoming regulatory requirements (EU Textile strategy).

Cost of response to risk: the ~1.4m EUR refers to the personnel costs in 2021 needed

for extending our sustainability operations, Corporate Affairs and Corporate Governance teams as well as the budget allocated for realizing our circularity strategy in 2021.

Comment

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Opp1

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Energy source

Primary climate-related opportunity driver

Use of lower-emission sources of energy

Primary potential financial impact

Reduced indirect (operating) costs

Company-specific description

Shifting the use of energy sources towards low carbon alternatives as well as engaging in energy efficiency activities generates different benefits: i) decrease in energy consumption and related operational costs; ii) reduced GHG emissions, which reduce cost in case of potential carbon pricing legislation.

Zalando plans to reduce own carbon emissions (Scope 1+2) by 80 Percent by 2025 from a 2017 baseline. Efficient use of energy as well as switching to alternative sources of energy allow the company to operate more efficiently and to minimize its contribution to climate change, as well as building resilience to its impacts. Concrete initiatives relate to long-term contracts for green energy, investments in RES and higher automation.

This is particularly relevant for Zalando as a European company, considering the European Green Deal and the ambitious targets set by the EU for 2030 regarding GHG emission reductions, renewable energy and energy efficiency. In addition, using lower-

emission sources of energy and thus reducing our GHG footprint results in reputational benefits.

Time horizon

Medium-term

Likelihood

Very likely

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

1.000.000

Potential financial impact figure – maximum (currency)

5.000.000

Explanation of financial impact figure

The identified opportunities and risks were assessed regarding the probability (scale: 1-5) and financial or image impact (scale: 1-5). The scale of the assessment is in accordance with Zalando's Risk Management Manual.

For the year 2025 this particular opportunity was assessed as 2 for financial impact (i.e. noticeable financial impact on EBIT - EUR 1m - 5m).

Cost to realize opportunity

9.000.000

Strategy to realize opportunity and explanation of cost calculation

Our commitment to reduce by 80% our Scope 1+2 emissions by 2025 (from a 2017 baseline year) as part of our approved SBTs is part of our do. More strategy and we are currently working to capitalize on the opportunities offered by efficient use of renewable energy. In 2021 we switched the heating fuel in our German fulfillment centers to 100% biogas. For new warehouses, we avoid using gas by installing electrical heat pumps, as in Verona and Rotterdam. In 2020, we became a member of the RE100 initiative and reached our goal of using 100% renewable electricity. We continued to fulfill this commitment in 2021. We source renewable electricity, purchase guarantees of origin, and have solar panels on our fulfillment centers in Lahr and Verona. In 2021 we also installed solar panels at our new fulfillment center in Rotterdam. Our energy management system is certified to the latest ISO 50001 standard. Looking forward, we will continue to develop our data capabilities, and equip our fulfillment centers with solar panels or other green technologies, such as an ice storage technology in our Erfurt fulfillment center that will allow for a more efficient use of energy during peak times. All our new fulfillment centers and offices require a green building certification,

guaranteeing maximum resource conservation and minimal greenhouse gas emissions.

Explanation of cost calculation: the EUR 9m refer to the estimated investments in gas-replacing technologies that might be needed in the next 2 years for our warehouses.

Comment

Identifier

Opp2

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Products and services

Primary climate-related opportunity driver

Shift in consumer preferences

Primary potential financial impact

Increased revenues resulting from increased demand for products and services

Company-specific description

The opportunity we have identified related to changing purchasing trends is an increase in the market share of more sustainable products. Our customers are at the core of everything we do and we are aware they want to make more sustainable choices. We are constantly working both with our Private labels and with our brand partners to expand the offering of more sustainable products (in 2021, we grew our sustainability assortment to more than 140,000 products, compared with around 80,000 a year earlier).

We are committed to providing our customers with product sustainability information that is simple, credible, comparable, and substantiated, and we want to close the gap between our customers' sustainability values and their purchasing behaviors. That's why we continue to highlight more sustainable aspects of our products, including materials and processes. And over time, we are learning about where we can improve our offerings and be as accurate and transparent as we can be. Our do.More strategy already addresses this opportunity through our commitment to generate 25% of our GMV from more sustainable items.

Time horizon

Short-term

Likelihood

Very likely

Magnitude of impact

High

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)**Potential financial impact figure – minimum (currency)**

160.000.000

Potential financial impact figure – maximum (currency)

230.000.000

Explanation of financial impact figure

The overall Fashion Market in Europe amounts to EUR 450 bn over the next few years. By 2025 Zalando aims to generate more than EUR 30bn in GMV. Furthermore, by 2023, Zalando aims to generate 25% of its gross merchandise value with more sustainable products.

This translates into EUR 7.5bn in GMV generated with sustainable fashion and a potentially very high profit impact of 160m to 230m on Zalando. The range results from the dependency on our partners & brands for the supply of sustainable products. To give an even more accurate figure, we included the profit margin for more sustainable fashion in our estimate. Due to the dynamic economic situation in 2022 the potential financial impact might be influenced in the short term.

Cost to realize opportunity

1.160.000

Strategy to realize opportunity and explanation of cost calculation

Zalando is providing our customers with product sustainability information that is simple, credible, comparable, and substantiated, and we want to close the gap between our customers' sustainability values and their purchasing behaviors. That's why we continue to highlight more sustainable aspects of our products, including materials and processes. Products meeting one of the company's sustainability criteria, which cover a range of social, environmental and animal welfare topics, are flagged to customers as more sustainable. Zalando's criteria are aligned with international industry best practices and third-party standards. In 2021, almost 60% of our customers bought at least one product carrying the sustainability flag, compared with 50% in 2020.

2. The flagged products must have at least one sustainability attribute that fulfills our criteria. In 2021, we ramped up our functionality, extending the sustainability flag to Zalando Lounge, for all products that were previously in the fashion store assortment.

Our sustainability criteria cover the use of more sustainable materials and processes based on the Sustainable Apparel Coalition's Higg Materials Sustainability Index (Higg MSI) and Textile Exchange's Preferred Fiber and Materials List, as well as minimum content requirements for the materials. For example, for a cotton t-shirt to be flagged with "sustainability", it must contain at least 50% certified organic cotton. All criteria are public and we actively expanded our assortment with new brands that will further diversify our assortment with more sustainable clothing. In 2021, we grew our

sustainability assortment to more than 140,000 products, compared with around 80,000 a year earlier. The sale of these products accounted for 21.6% of our Gross Merchandise Volume, up from 16% in 2020.

3. For our owned fashion brands, we are working to ensure that all our private label products reach the standard required for our sustainability flag and 100% of our sustainability flagship brand ZIGN already does so. We are proud to say that in 2021, we generated 65% of our private label GMV with more sustainable products.

Explanation of cost calculation: the ~ EUR 1m refer to our 2021 activities regarding flagging more sustainable products and our DX Sustainability/ customer journey enabling customers to find more sustainable products and all the related information. The details of these activities outcomes are listed above.

Comment

At this stage, we are not able to provide an estimate of the cost to realize this opportunity.

Identifier

Opp3

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Products and services

Primary climate-related opportunity driver

Development of new products or services through R&D and innovation

Primary potential financial impact

Increased revenues resulting from increased demand for products and services

Company-specific description

Growing customer awareness of climate change is driving changes taking place in the fashion sector.

Sticking to a linear make-dispose fashion model only becomes a significant risk. This is an opportunity to build a new market or develop a new segment in the area of circularity. A lot of environmental impact is baked in during the design stage, where there are few standards for circular design. After that, when it comes to product use, consumers struggle to translate their values into actions, with 58% saying they would like to repair but only 23% doing so. Some 82% of clothing that goes to waste could be cleaned, repaired and reworn, or resold. Just 1% are recycled back into high-quality products. Given the scale of the challenge, a system shift is required. Our mission is to use our unique position as a platform, our millions of customers, and our brand partnerships to close the attitude-behavior gap and enable more reuse, resale, and recycling. At

Zalando we have incorporated this opportunity in our do. More strategy, specifically in our commitment to extend the life of 50M fashion articles.

Beyond fashion items, circularity principles can be applied to packaging as well with the opportunity to develop reusable packaging. Our environmental strategy incorporates this opportunity through our packaging commitment to design our packaging to minimize waste and keep materials in use, specifically eliminating single use plastics by 2023.

Time horizon

Short-term

Likelihood

Likely

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

33.000.000

Potential financial impact figure – maximum (currency)

50.000.000

Explanation of financial impact figure

We estimated the potential financial impact of this opportunity as EUR 33m to 50m. This number includes the estimated impact on GMV by end of 2023 driven by the initiatives planned across the various stages of circularity (design & manufacturing, use, reuse, close the loop).

Cost to realize opportunity

6.700.000

Strategy to realize opportunity and explanation of cost calculation

To address this opportunity, we committed to extending the life of at least 50 mio fashion products by 2023 through the application of circularity principles.

Since 2020, we have extended the life of more than 2.3 million fashion products mainly through our Recommerce business. Our pre-owned assortment has grown more than tenfold since the category launch in September 2020. We now stock more than 245,000 items — all delivered in plastic-free packaging. Over the past year, we also scaled our Pre-owned category to 6 new markets, bringing the total to 13. When customers sell items to Zalando, they are offered credit in the form of either a non-expiring Zalando gift card or a donation to selected initiatives. For items that do not meet our eligibility criteria, customers can choose either to have them returned or donated to charity.

In 2021, we developed circular design criteria based on circular.fashion's framework and

in line with the EU Sustainable Products Initiative as well as Ellen MacArthur Foundation's circular design principles. We applied circular design skills in our "redeZIGN for circularity" capsule collection, which we expanded from 5 to 50 designs, covering textiles, shoes and accessories for men and women.

In 2021 we launched an innovative care and repair pilot in Berlin. We partnered with tech company Save Your Wardrobe. Customers can enter a one-stop shop and connect with local repair, cleaning, and alteration providers. To scale textile-to-textile recycling and reduce our industry's reliance on virgin raw materials, we have invested in two innovators. Ambercycle is a Los Angeles-based company that has created a technology to recycle textile waste into a new fiber called cycora®. With the funds we provided, the company plans to scale up production. We have also invested in Finland-based Infinited Fiber company, which has created Infinna™, a regenerated, premium fiber. At the end of life, garments made from the material can be recycled with other textile waste in the same process. Our investment will help the company build a brand-new factory in Finland. We also plan to provide feedstock and use Infinna™ fiber in our private label production.

Explanation of cost calculation: the ~ 7m EUR refer to 1) the personnel costs in 2021 for employees working in our Recommerce business 2) the circularity 2021 budget used to deliver work and initiatives across the 4 stages of circularity 3) the textile waste recycling technologies investments.

Comment

C3. Business Strategy

C3.1

(C3.1) Does your organization's strategy include a transition plan that aligns with a 1.5°C world?

Row 1

Transition plan

No, our strategy has been influenced by climate-related risks and opportunities, but we do not plan to develop a transition plan within two years

Explain why your organization does not have a transition plan that aligns with a 1.5°C world and any plans to develop one in the future

Our science-based emissions reductions targets by 2025 and aligned with 1.5C are our first step towards a climate transition plan. The roadmaps we have for our products, packaging and circularity are additional elements of our strategy to minimize our environmental impact in line with 1.5C. We currently don't have a timeline in place for developing a climate transition plan.

C3.2

(C3.2) Does your organization use climate-related scenario analysis to inform its strategy?

Use of climate-related scenario analysis to inform strategy	
Row 1	Yes, qualitative and quantitative

C3.2a

(C3.2a) Provide details of your organization's use of climate-related scenario analysis.

Climate-related scenario	Scenario analysis coverage	Temperature alignment of scenario	Parameters, assumptions, analytical choices
Physical climate scenarios RCP 2.6	Company-wide		<p>Zalando used two counterbalancing global paths of greenhouse gas emissions for the scenario analysis:</p> <ul style="list-style-type: none"> ● AR5 IPCC RCP 2.6, which assume an increase in global temperature below 2°C, and ● AR5 IPCC RCP 8.5, assuming an increase to 4°C, which were built using publicly available datasets (inter alia the Intergovernmental Panel on Climate Change (IPCC) scenarios and Nationally Determined Contributions). <p>Each of the scenarios was adjusted to local conditions and potential impact on the retail sector was assessed along three time horizons, in accordance with the TCFD guidelines: by 2025 (short term), by 2030 (medium term) and by 2050 (long term). In line with the IPCC's findings on the impact of climate change in the short term, the differences in temperature rise up to the year 2035 for both RCP scenarios are negligible. These findings were confirmed in the context of Germany, using the World Bank's modeling tool, based on the scenarios used by the IPCC. For both scenarios, the following parameters were analyzed: increase in average monthly temperatures, amount of precipitation and the number of hot days in a year (>35°C).</p> <p>We have superimposed the local context on the principles contained in the global emission paths. The assumptions included:</p> <ul style="list-style-type: none"> ● availability of new technologies, ● applied and expected regulations, ● macroeconomic factors and ● maturity of markets,

		<p>Further assumptions related to the specificity of our business and sector, including:</p> <ul style="list-style-type: none"> • Zalando business model, • strategic, financial and investment plans, • market trends, including customer and stakeholders' expectations, • business environment, including activities of competitors.
<p>Physical climate scenarios RCP 8.5</p>	<p>Company-wide</p>	<p>Zalando used two counterbalancing global paths of greenhouse gas emissions for the scenario analysis:</p> <ul style="list-style-type: none"> • AR5 IPCC RCP 2.6, which assume an increase in global temperature below 2°C, and • AR5 IPCC RCP 8.5, assuming an increase to 4°C., which were built using publicly available datasets (inter alia the Intergovernmental Panel on Climate Change (IPCC) scenarios and Nationally Determined Contributions). <p>Each of the scenarios was adjusted to local conditions and potential impact on the retail sector was assessed along three time horizons, in accordance with the TCFD guidelines: by 2025 (short term), by 2030 (medium term) and by 2050 (long term). In line with the IPCC's findings on the impact of climate change in the short term, the differences in temperature rise up to the year 2035 for both RCP scenarios are negligible. These findings were confirmed in the context of Germany, using the World Bank's modeling tool, based on the scenarios used by the IPCC. For both scenarios, the following parameters were analyzed: increase in average monthly temperatures, amount of precipitation and the number of hot days in a year (>35°C).</p> <p>We have superimposed the local context on the principles contained in the global emission paths. The assumptions included:</p> <ul style="list-style-type: none"> • availability of new technologies, • applied and expected regulations, • macroeconomic factors and • maturity of markets, <p>Further assumptions related to the specificity of our business and sector, including:</p> <ul style="list-style-type: none"> • Zalando business model, • strategic, financial and investment plans, • market trends, including customer and stakeholders' expectations, • business environment, including activities of competitors.

C3.2b

(C3.2b) Provide details of the focal questions your organization seeks to address by using climate-related scenario analysis, and summarize the results with respect to these questions.

Row 1

Focal questions

- How do climate risks & opportunities linked to potential warming scenarios impact our business?
- How do we back the need for short-to-medium term investments required to achieve a science-based net-zero target?
- What are the long term risks and opportunities related to different degrees of warming and what should influence our post-2023 sustainability strategy?

Results of the climate-related scenario analysis with respect to the focal questions

The purpose of the climate scenario analysis process initiated in 2022, was to enhance strategic planning and identify gaps in risk management so we can take the necessary preparations and demonstrate our resilience to their stakeholders. The climate scenario analysis provided us with a global understanding of exposure to climate-related risks, defining our list of climate-related risks (including the refinement of previously identified climate-related risks and opportunities) and establishing the basis for a more conclusive in-depth analysis for the key climate-related risks, as well as development and the implementation of mitigation measures. Through scenario analysis, we considered a range of different climate-related risk combinations and assessed their financial, reputational, and strategic ramifications. This exercise enabled company's decision-makers to understand our organization's resilience to a multitude of climate risks. We identified specific climate-related risks that could generate costs ranging from 0 to over 60m EUR (for the specific climate-related risk). The analysis also revealed climate-related opportunities, which could generate an estimated total profit of up to around 230m EUR and/or have a strong positive reputational impact.

C3.3

(C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	Zalando might face negative or positive consequences from climate-related impacts (see C2.3a Risk 3 and C2.4a Opportunity 1 and 2).

		<p>Our do.More strategy product pillar addresses these risks/opportunities through a) the goal of generating 25% of our GMV from more sustainable products by 2023 and b) the goal of extending the life of at least 50 million fashion products by 2023 through the application of circularity principles.</p> <p>1. 1 in 4 Zalando customers consider sustainability when making a purchasing decision. However, our customers tell us sustainability can be complex to understand and to act on. Zalando highlights products with the sustainability flag when they meet one of the company’s sustainability criteria. In 2021, almost 60% of our customers bought at least one product carrying the sustainability flag.</p> <p>2. The flagged products must have at least 1 sustainability attribute that fulfills our criteria. In 2021, we ramped up our functionality, extending the sustainability flag to Zalando Lounge.</p> <p>Our sustainability criteria cover the use of more sustainable materials and processes based on the Sustainable Apparel Coalition’s Higg Materials Sustainability Index and Textile Exchange’s Preferred Fiber and Materials List, as well as minimum content requirements for the materials. All criteria are public and we actively expanded our assortment; in 2021, we grew our sustainability assortment to more than 140,000 products, compared with around 80,000 a year earlier. The sale of these products accounted for 21.6% of our Gross Merchandise Volume, up from 16% in 2020.</p> <p>3. For our owned brands, we are working to ensure that all private label products will qualify for our sustainability flag and 100% of our sustainability flagship brand ZIGN already do. In 2021, we generated 65% of our private label GMV with more sustainable products.</p> <p>4. In 2021, we developed circular design criteria based on circular.fashion’s criteria framework and in line with the EU Sustainable Products Initiative as well as Ellen MacArthur Foundation’s circular design principles. We applied circular design skills in our “redeZIGN for circularity” capsule collection, which we expanded from 5 to 50 designs.</p> <p>In 2021 we launched an innovative care and repair pilot in Berlin and invested in two innovators, as described in detail in question C2.4a, opportunity 3.</p>
Supply chain and/or value chain	Yes	<p>Zalando might face negative or positive consequences from climate-related impacts to our value chain (see C2.3a Risk 1 and 2). Our value chain refers to 1) Zalando own fashion brands 2) Zalando brand partners 3) Zalando logistics partners. As an e-commerce player delivering to customers</p>

		<p>in 23 countries, we work with more than 7,500 business partners including 5,800 brands.</p> <p>1) Private labels: Zalando has set science-based targets. We commit to reduce scope 3 GHG emissions from private label products 40% per EUR m Gross Profit by 2025 from a 2018 base year. Our private labels play an important role in helping us test new sustainable sourcing and production strategies, and we share our learnings with our brand partners. In line with our do.MORE strategy, we have set sourcing targets to drive uptake of more sustainable materials: 100% more sustainable man-made cellulose by 2023 (includes LENZING™ TENCEL™, LENZING™ viscose, generic lyocell, and responsible modal and viscose); 100% more sustainable cotton by 2023 (includes organic and recycled cotton). — 100% more sustainable leather by 2023 (including from Leather Working Group-rated tanneries, chrome free leather, and innovative leather alternatives); 100% responsible animal fibers by 2023 (includes organic and recycled standards, as well as Responsible Wool Standard, Responsible Alpaca Standard, Responsible Mohair Standard, Responsible Down Standard); 50% recycled polyester by 2023.</p> <p>2) Fashion and logistics partners: Zalando has set science-based targets (SBTs) and as part of our SBTs, we commit to 90% of our suppliers by emissions covering purchased goods and services sold on its platform, packaging and last-mile-delivery partners will have science-based targets by 2025.</p> <p>3) We also set ambitious targets with respect to sustainable packaging: By 2023, we will design our packaging to minimize waste and keep materials in use, specifically eliminating single-use plastics. This goal enables global efforts to move away from fossil-fuels extraction and reduce the impact of plastics production; additionally, this goal aims at reducing global plastics waste (and its related emissions) and plastics pollution, protecting land and water biodiversity.</p>
Investment in R&D	Yes	<p>Building a sustainable business model is essential to be successful in the long-term. At Zalando, we also observe this drive for sustainability from our customers. We consider this in our R&D strategy, which covers 3 aspects:</p> <p>a) Reusable packaging: we are committed to designing our packaging to be recyclable — and recycled. We are prioritizing mono-materials that are widely recyclable, such as paper based materials and low-density polyethylene plastic. By adding a “Please Recycle Me” message, we involve our customers. In 2021 we switched from shipping</p>

		<p>bags made with 80% post-consumer recycled plastic to paper shipping bags. The paper bags are recyclable and made either from 100% recycled materials or a mix of recycled content and other responsible virgin fibre sources. We are also piloting alternatives to single-use plastic void fill and tape in our Zalando Lounge business. To identify levers to reduce environmental impacts, we this year started an LCA of reusable packaging scenarios.</p> <p>b) In 2021 we launched our circularity strategy across 4 pillars: design and manufacture, use, reuse, and close the loop. As per our target, we define “extend the life” as at least one circular action taking place during at least one of the 4 stages. To scale textile-to-textile recycling and reduce our industry’s reliance on virgin raw materials, we have invested in two innovators. Ambercycle has created a technology to recycle textile waste into a new fiber called cycora®. We have also invested in Infinited Fiber Company, which has created Infinna™, a regenerated, premium fiber. Our investment will help build a brand-new factory in Finland. We also plan to provide feedstock and use Infinna™ fiber in our private label production.</p> <p>c) We continue to work with our partners to develop new transport decarbonization strategies. In 2021 we launched a pilot to test trucks using LNG with our partner DHL. LNG could reduce CO2 emissions by around 10% compared to diesel. The gas is also associated with an up to 95% reduction in fine particle emissions and 60% reduction in noise emissions. All of our key carriers have expanded fossil-free last mile delivery. They are using electric vans, cargo bikes, and bike deliveries. In addition, many are rolling out lockers and alternative pick-up and drop-off points, so they can consolidate orders and reduce stops and failed delivery attempts.</p>
Operations	Yes	<p>Influenced by climate-related risks and opportunities (as reported in C2.3a Risk 1 and C2.4a Opportunity 1) Zalando adapted its operations strategy. By mitigating our contribution to global emissions, we are also mitigating the risks resulting from global warming. In 2020 we have set 1.5°C aligned GHGs emissions reduction targets validated by the Science Based Targets initiative. As part of our SBTs, we aim to 80% absolute reduction in emissions of our own operations and purchased electricity emissions (Scope 1+2) compared to 2017 and an increase in annual sourcing of renewable electricity from 34% in 2017 to 100% by 2025.</p> <p>Our reduction measures include: switching to renewable</p>

		<p>sources of electricity (either purchased or through installed PVs at our warehouses); switching to renewable sources of gas such as biogas and for new warehouses, we avoid using gas by installing electrical heat pumps, as in Verona and Rotterdam. Looking forward, we will continue to develop our data capabilities, and equip our fulfillment centers with solar panels or other green technologies, such as an ice storage technology in our Erfurt fulfillment center that will allow for a more efficient use of energy during peak times. All our new fulfillment centers and offices require a green building certification, guaranteeing maximum resource conservation and minimal greenhouse gas emissions. Our first priority is to reduce emissions in line with our SBTs. In addition, to take immediate action to remove carbon from the atmosphere, we offset any remaining emissions in our own operations (Scope 1 and 2), as well as deliveries, returns and packaging (Scope 3). We invite our customers to contribute to these efforts with an optional order fee of 25 cents. Forests are among the most powerful carbon sinks, so it's vital to plant new trees, rehabilitate damaged forests, and enrich green spaces. Our focus is on carbon removal, so we invest in high-quality afforestation and reforestation projects. Working with the environmental consultancy FORLIANCE, we have committed to Gold Standard and VCS certified reforestation projects in Ethiopia, Uganda, Colombia, Panama, and Indonesia.</p>
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C3.4

(C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.

	Financial planning elements that have been influenced	Description of influence
Row 1	Revenues Direct costs Indirect costs	<p>A) Revenues: Zalando's financial planning and revenues might be impacted by the following risks and opportunities:</p> <ol style="list-style-type: none"> Changes in precipitation and chronic weather events might influence the ability of Zalando to generate expected revenues (as reported in C2.3a, risk 1). Extreme weather events, such as long seasons, may cause a late or early start of the following season leading to uncertain and decreased revenues with a high estimated financial impact and a short-term period. Therefore, we have expanded our product range including non-seasonal items in order to mitigate the effect of longer seasons

		<p>caused by weather conditions.</p> <p>2. Shift in consumer preferences (as disclosed in C2.4a) may lead to increased demand for products. Zalando expects to expand sales generated by more sustainable products, with an increase in revenues having a medium to high estimated financial impact in the short to medium term. Increasing environmental awareness will spur this shift towards sustainable products. In 2021, we grew our sustainability assortment to more than 140,000 products, compared with around 80,000 a year earlier.</p> <p>B) Direct Cost: The potential consequences of damages from weather events (as explained in C2.3a Risk 2) might lead to increased operating costs by impacting the price of raw materials. One concrete example is cotton, which is the main raw material used by most clothing brands. Water stress caused by extreme weather events, such as droughts and heavy rainfall, can negatively affect cotton cultivation. In the long term, this may result in the unavailability of the raw material, and thus an increase in prices. Over 2021, prices for organic cotton skyrocketed (increase of roughly 30% during the year). Additionally, increasing demand for organic cotton and limited supply make a further price increase likely. We have put in place a more flexible procurement and a more robust planning process in order to reduce dependency on single suppliers and areas of supply. We also aim to positively influence our value chain by having 90% of our brand partners (based on GHGs emissions) set science based targets by 2025 and reducing our own emissions. The financial planning will be impacted by a medium level of magnitude in a short-term period.</p> <p>C) Indirect Costs: Especially the increasing number of EU regulations is likely to lead to increasing operating costs (as described in C2.3a, Risk 3), which would affect our financial planning. Increasing costs are likely to be associated with data collection and accuracy requirements from non-financial reporting legislations on climate and social issues.</p>
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C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

- Absolute target
- Intensity target

C4.1a

(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.

Target reference number

Abs 1

Year target was set

2020

Target coverage

Company-wide

Scope(s)

Scope 1

Scope 2

Scope 2 accounting method

Market-based

Scope 3 category(ies)

Base year

2017

Base year Scope 1 emissions covered by target (metric tons CO₂e)

4.847

Base year Scope 2 emissions covered by target (metric tons CO₂e)

22.835

Base year Scope 3 emissions covered by target (metric tons CO₂e)

Total base year emissions covered by target in all selected Scopes (metric tons CO₂e)

27.682

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

100

Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

100

Base year Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)

Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

100

Target year

2025

Targeted reduction from base year (%)

80

Total emissions in target year covered by target in all selected Scopes (metric tons CO₂e) [auto-calculated]

5.536,4

Scope 1 emissions in reporting year covered by target (metric tons CO₂e)

7.690

Scope 2 emissions in reporting year covered by target (metric tons CO₂e)

2.414

Scope 3 emissions in reporting year covered by target (metric tons CO₂e)

Total emissions in reporting year covered by target in all selected scopes (metric tons CO₂e)

10.104

% of target achieved relative to base year [auto-calculated]

79,3746839101

Target status in reporting year

Underway

Is this a science-based target?

Yes, and this target has been approved by the Science Based Targets initiative

Target ambition

1.5°C aligned

Please explain target coverage and identify any exclusions

Zalando set science-based target with 2017 as the base year covering 99% market-based GHG of scope 1 and 2 GHG (for absolute emissions).

Plan for achieving target, and progress made to the end of the reporting year

This reporting year we switched the heating fuel in our German fulfillment centers to 100% biogas. For new warehouses, we avoid using gas by installing electrical heat pumps. Looking forward, we will continue to equip our fulfillment centers with solar

panels or other green technologies. All our new fulfillment centers and offices require a green building certification. All our new fulfillment centers and offices require a green building certification, guaranteeing maximum resource conservation and minimal greenhouse gas emissions.

List the emissions reduction initiatives which contributed most to achieving this target

C4.1b

(C4.1b) Provide details of your emissions intensity target(s) and progress made against those target(s).

Target reference number

Int 1

Year target was set

2020

Target coverage

Company-wide

Scope(s)

Scope 3

Scope 2 accounting method

Scope 3 category(ies)

Category 1: Purchased goods and services

Intensity metric

Other, please specify

Metric tons CO₂e per EUR m Gross Profit

Base year

2018

Intensity figure in base year for Scope 1 (metric tons CO₂e per unit of activity)

Intensity figure in base year for Scope 2 (metric tons CO₂e per unit of activity)

Intensity figure in base year for Scope 3 (metric tons CO₂e per unit of activity)

130

Intensity figure in base year for all selected Scopes (metric tons CO₂e per unit of activity)

130

% of total base year emissions in Scope 1 covered by this Scope 1 intensity figure

% of total base year emissions in Scope 2 covered by this Scope 2 intensity figure

% of total base year emissions in Scope 3 (in all Scope 3 categories) covered by this Scope 3 intensity figure

9

% of total base year emissions in all selected Scopes covered by this intensity figure

9

Target year

2025

Targeted reduction from base year (%)

40

Intensity figure in target year for all selected Scopes (metric tons CO₂e per unit of activity) [auto-calculated]

78

% change anticipated in absolute Scope 1+2 emissions

0

% change anticipated in absolute Scope 3 emissions

20

Intensity figure in reporting year for Scope 1 (metric tons CO₂e per unit of activity)

Intensity figure in reporting year for Scope 2 (metric tons CO₂e per unit of activity)

Intensity figure in reporting year for Scope 3 (metric tons CO₂e per unit of activity)

71

Intensity figure in reporting year for all selected Scopes (metric tons CO₂e per unit of activity)

71

% of target achieved relative to base year [auto-calculated]

113,4615384615

Target status in reporting year

Underway

Is this a science-based target?

Yes, and this target has been approved by the Science Based Targets initiative

Target ambition

1.5°C aligned

Please explain target coverage and identify any exclusions

In 2020, we set a science-based target to reduce scope 3 GHG emissions from private label products by 40% per EURm Gross Profit by 2025 from a 2018 base year.

Plan for achieving target, and progress made to the end of the reporting year

Our private label emissions decreased by 45% per million EUR gross profit from a 2018 baseline.

The main driver behind the reduction was the strong growth of our business. Although this relative reduction is positive, we will not back off of our plans to pursue absolute emission reductions in our supply chain and report progress transparently. We know that production processes beyond our direct suppliers are responsible for a significant proportion. Therefore, since 2019, we have required factories that produce our sustainability assortments to complete the Higg Index's

Facility Environmental Module and share their results back with us, allowing us to track the environmental impacts of our supply chain activities — including GHG emissions, water use and waste. In 2021, 187 factories representing 96% of our production volume took part.

Based on the data collected, we are now in the process of identifying key carbon hotspots. This will help us implement improvement programs directly in our supply chain.

List the emissions reduction initiatives which contributed most to achieving this target**C4.2****(C4.2) Did you have any other climate-related targets that were active in the reporting year?**

Target(s) to increase low-carbon energy consumption or production

Other climate-related target(s)

C4.2a

(C4.2a) Provide details of your target(s) to increase low-carbon energy consumption or production.

Target reference number

Low 1

Year target was set

2020

Target coverage

Company-wide

Target type: energy carrier

Electricity

Target type: activity

Consumption

Target type: energy source

Renewable energy source(s) only

Base year

2017

Consumption or production of selected energy carrier in base year (MWh)

17.286

% share of low-carbon or renewable energy in base year

34

Target year

2025

% share of low-carbon or renewable energy in target year

100

% share of low-carbon or renewable energy in reporting year

100

% of target achieved relative to base year [auto-calculated]

100

Target status in reporting year

Achieved

Is this target part of an emissions target?

Abs1

Is this target part of an overarching initiative?

Science Based Targets initiative

Please explain target coverage and identify any exclusions

Zalando commits to increase annual sourcing of renewable electricity from 34% in 2017 to 100% by 2025.

Plan for achieving target, and progress made to the end of the reporting year

List the actions which contributed most to achieving this target

In 2020, we became a member of the RE100 initiative and reached our goal of using 100% renewable electricity. We continued to fulfill this commitment in 2021. We source renewable electricity, purchase guarantees of origin, and have solar panels on our fulfillment centers in Lahr and Verona. This year we also installed solar panels at our new fulfillment center in Rotterdam, with the capacity to double our consumption of solar energy.

C4.2b

(C4.2b) Provide details of any other climate-related targets, including methane reduction targets.

Target reference number

Oth 1

Year target was set

2020

Target coverage

Company-wide

Target type: absolute or intensity

Absolute

Target type: category & Metric (target numerator if reporting an intensity target)

Engagement with suppliers
Percentage of suppliers (by emissions) with a science-based target

Target denominator (intensity targets only)

Base year

2020

Figure or percentage in base year

0

Target year

2025

Figure or percentage in target year

90

Figure or percentage in reporting year

51

% of target achieved relative to base year [auto-calculated]

56,6666666667

Target status in reporting year

Underway

Is this target part of an emissions target?

Int2

Is this target part of an overarching initiative?

Science Based Targets initiative – approved supplier engagement target

Please explain target coverage and identify any exclusions

Zalando commits that 90% of its suppliers (by emissions covering purchased goods and services sold on its platform, packaging and last-mile-delivery partners) will have science-based targets by 2025.

Plan for achieving target, and progress made to the end of the reporting year

Exchange and working closely with our partners are a must for achieving this target. Guided by this, we have rolled out our structured partners engagement strategy whose pillars are 1) capacity building through webinars, Q&As and 1:1 meetings 2) customized professional consulting support in emissions inventories and SBTs setting offered by Zalando. Our goal is to drive change while understanding our partners' challenges, and to test how tailored support compares with a broad communications approach. We have also developed an escalation mechanism, aiming to resolve any problems in setting the SBTs we have requested.

List the actions which contributed most to achieving this target

Target reference number

Oth 2

Year target was set

2019

Target coverage

Other, please specify

(Scope 1 and 2) and in packaging and upstream transportation and distribution (incl. deliveries and returns).

Target type: absolute or intensity

Absolute

Target type: category & Metric (target numerator if reporting an intensity target)

Other, please specify

Other, please specify

Target type: Carbon Neutrality pledge; Metric: metric tons CO₂e

Target denominator (intensity targets only)

Base year

2021

Figure or percentage in base year

0

Target year

2021

Figure or percentage in target year

438.931

Figure or percentage in reporting year

438.931

% of target achieved relative to base year [auto-calculated]

100

Target status in reporting year

Achieved

Is this target part of an emissions target?

No

Is this target part of an overarching initiative?

No, it's not part of an overarching initiative

Please explain target coverage and identify any exclusions

Since the launch of our do.MORE strategy in October 2019, we have been carbon neutral in our own operations (Scope 1 and 2) and in packaging and upstream transportation and distribution (incl. deliveries and returns).

Plan for achieving target, and progress made to the end of the reporting year

List the actions which contributed most to achieving this target

To achieve this target on an annual basis, we procured carbon removal credits for 438,931t CO₂e (compared to 257,360 in 2020), in order to offset all residual emissions from our own operations (Scope 1 and 2) and from packaging and upstream transportation and distribution (incl. deliveries and returns). These are verified emission reductions (VERs) from Gold Standard certified reforestation projects in Ethiopia, Uganda, Panama, Colombia and a Verified Carbon Standard (VCS) certified project in Indonesia. Furthermore, our customers continue to have the check-out option to contribute to these efforts with a per order fee of 25 ct including VAT.

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO₂e savings.

	Number of initiatives	Total estimated annual CO ₂ e savings in metric tonnes CO ₂ e (only for rows marked *)
Under investigation	1	0
To be implemented*	2	1.660
Implementation commenced*	0	0
Implemented*	3	62.906
Not to be implemented	0	0

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative category & Initiative type

Low-carbon energy consumption
Large hydropower (>25 MW)

Estimated annual CO₂e savings (metric tonnes CO₂e)

20.022

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

0

Investment required (unit currency – as specified in C0.4)

0

Payback period

<1 year

Estimated lifetime of the initiative

>30 years

Comment

We are part of the RE100 initiative and pledged to source 100% renewable electricity in our own operations by 2025, as part of our science-based targets. We are proud to say that we have achieved this in 2020 already. The guarantees of origin mentioned here were purchased in 2021.

Initiative category & Initiative type

Low-carbon energy generation

Wind

Estimated annual CO2e savings (metric tonnes CO2e)

9.142

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

0

Investment required (unit currency – as specified in C0.4)

0

Payback period

<1 year

Estimated lifetime of the initiative

>30 years

Comment

We are part of the RE100 initiative and pledged to source 100% renewable electricity in our own operations by 2025, as part of our science-based targets. We are proud to say that we have achieved this in 2020 already. The guarantees of origin mentioned here were purchased in 2021.

Initiative category & Initiative type

Low-carbon energy consumption

Biogas

Estimated annual CO₂e savings (metric tonnes CO₂e)

28.535

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

0

Investment required (unit currency – as specified in C0.4)

0

Payback period

<1 year

Estimated lifetime of the initiative

>30 years

Comment

We are part of the RE100 initiative and pledged to source 100% renewable electricity in our own operations by 2025, as part of our science-based targets. We are proud to say that we have achieved this in 2020 already. The guarantees of origin mentioned here were purchased in 2021

Initiative category & Initiative type

Low-carbon energy consumption

Solar PV

Estimated annual CO₂e savings (metric tonnes CO₂e)

2.467

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

506.219

Investment required (unit currency – as specified in C0.4)

0

Payback period

<1 year

Estimated lifetime of the initiative

21-30 years

Comment

In 2021, we installed solar panels at our new fulfillment center in Rotterdam, with the capacity to double our consumption of solar energy.
 We work together with a PV panels operator, which added operational cost but resulted in no additional investments, and purchase the generated electricity from them, resulting in comparably low annual monetary savings.

Initiative category & Initiative type

Low-carbon energy consumption
 Biogas

Estimated annual CO2e savings (metric tonnes CO2e)

2.739

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 1

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

0

Investment required (unit currency – as specified in C0.4)

0

Payback period

<1 year

Estimated lifetime of the initiative

21-30 years

Comment

In 2021, we switched the heating fuel in our German fulfillment centers to 100% biogas.

C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment
--------	---------

Employee engagement	The Sustainability Team collaborates with different teams and business units in order to develop and implement measures to reduce Zalando's climate-related impact by means of employee engagement
Compliance with regulatory requirements/standards	The Sustainability Team identifies regulatory requirements connected to climate protection and informs the affected internal business units. For example, regulations in terms of renewable energy have led the Construction team to evaluate the installation of solar panels in European warehouses.
Financial optimization calculations	Financial optimization calculations are our main driver and projects are implemented in general according to the strength of the business case. However, some projects are implemented in spite of a weaker financial case. An example of this is in relation to our do.More strategy packaging goal and moving away from single use plastic: paper bags are way more expensive than plastic ones.

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products?

No

C5. Emissions methodology

C5.1

(C5.1) Is this your first year of reporting emissions data to CDP?

No

C5.1a

(C5.1a) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

Row 1

Has there been a structural change?

No

C5.1b

(C5.1b) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

Change(s) in methodology,	Details of methodology, boundary, and/or reporting year definition change(s)
---------------------------	--

	boundary, and/or reporting year definition?	
Row 1	Yes, a change in methodology	During the 2021 carbon calculations some improvements to the previously reported emission were implemented We updated our methodology slightly wit the aim of improving our data quality. We used updated emission factors for selected scope 2 and scope 3 categories and corrected small errors in the data basis. This resulted in some adjustment in historical reported emissions (reflected in this CDP reporting).

C5.1c

(C5.1c) Have your organization's base year emissions been recalculated as result of the changes or errors reported in C5.1a and C5.1b?

	Base year recalculation	Base year emissions recalculation policy, including significance threshold
Row 1	Yes	We currently don't have a formal recalculation policy in place. The changes in methodology (usage of updated emission factors and the correction of small errors in the data basis) resulted in minor adjusted base year emissions: Our 2017 scope 2 market-based emissions (base year for our scope 1 and 2 targets) were adjusted from 21.290 t to 22.835 t CO ₂ e. Our 2018 scope 3 emissions (base year for our scope 3 targets) were adjusted from 3.331.724 t to 3.315.056 t CO ₂ e.

C5.2

(C5.2) Provide your base year and base year emissions.

Scope 1

Base year start

Januar 1, 2017

Base year end

Dezember 31, 2017

Base year emissions (metric tons CO₂e)

4.847

Comment

Scope 2 (location-based)

Base year start

Januar 1, 2017

Base year end

Dezember 31, 2017

Base year emissions (metric tons CO2e)

25.295

Comment

Scope 2 (market-based)

Base year start

Januar 1, 2017

Base year end

Dezember 31, 2017

Base year emissions (metric tons CO2e)

22.835

Comment

Scope 3 category 1: Purchased goods and services

Base year start

Januar 1, 2018

Base year end

Dezember 31, 2018

Base year emissions (metric tons CO2e)

2.125.640

Comment

Scope 3 category 2: Capital goods

Base year start

Januar 1, 2018

Base year end

Dezember 31, 2018

Base year emissions (metric tons CO2e)

158.838

Comment

Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)

Base year start

Januar 1, 2018

Base year end

Dezember 31, 2018

Base year emissions (metric tons CO2e)

9.142

Comment

Scope 3 category 4: Upstream transportation and distribution

Base year start

Januar 1, 2018

Base year end

Dezember 31, 2018

Base year emissions (metric tons CO2e)

209.545

Comment

Scope 3 category 5: Waste generated in operations

Base year start

Januar 1, 2018

Base year end

Dezember 31, 2018

Base year emissions (metric tons CO2e)

582

Comment

Scope 3 category 6: Business travel

Base year start

Januar 1, 2018

Base year end

Dezember 31, 2018

Base year emissions (metric tons CO2e)

6.297

Comment

Scope 3 category 7: Employee commuting

Base year start

Januar 1, 2018

Base year end

Dezember 31, 2018

Base year emissions (metric tons CO2e)

3.267

Comment

Scope 3 category 8: Upstream leased assets

Base year start

Januar 1, 2018

Base year end

Dezember 31, 2018

Base year emissions (metric tons CO2e)

Comment

Not applicable

Scope 3 category 9: Downstream transportation and distribution

Base year start

Januar 1, 2018

Base year end

Dezember 31, 2018

Base year emissions (metric tons CO2e)

2.978

Comment

Scope 3 category 10: Processing of sold products

Base year start

Januar 1, 2018

Base year end

Dezember 31, 2018

Base year emissions (metric tons CO₂e)

Comment

Not applicable

Scope 3 category 11: Use of sold products

Base year start

Januar 1, 2018

Base year end

Dezember 31, 2018

Base year emissions (metric tons CO₂e)

762.443

Comment

Scope 3 category 12: End of life treatment of sold products

Base year start

Januar 1, 2018

Base year end

Dezember 31, 2018

Base year emissions (metric tons CO₂e)

33.110

Comment

Scope 3 category 13: Downstream leased assets

Base year start

Januar 1, 2018

Base year end

Dezember 31, 2018

Base year emissions (metric tons CO₂e)

Comment

Not applicable

Scope 3 category 14: Franchises

Base year start

Januar 1, 2018

Base year end

Dezember 31, 2018

Base year emissions (metric tons CO2e)

Comment

Not applicable

Scope 3 category 15: Investments

Base year start

Januar 1, 2018

Base year end

Dezember 31, 2018

Base year emissions (metric tons CO2e)

3.214

Comment

Scope 3: Other (upstream)

Base year start

Januar 1, 2018

Base year end

Dezember 31, 2018

Base year emissions (metric tons CO2e)

Comment

Not applicable

Scope 3: Other (downstream)

Base year start

Januar 1, 2018

Base year end

Dezember 31, 2018

Base year emissions (metric tons CO2e)

Comment

Not applicable

C5.3

(C5.3) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO₂e?

Reporting year

Gross global Scope 1 emissions (metric tons CO₂e)

7.690

Start date

Januar 1, 2021

End date

Dezember 31, 2021

Comment

Past year 1

Gross global Scope 1 emissions (metric tons CO₂e)

8.497

Start date

Januar 1, 2020

End date

Dezember 31, 2020

Comment

Past year 2

Gross global Scope 1 emissions (metric tons CO₂e)

5.903

Start date

Januar 1, 2019

End date

Dezember 31, 2019

Comment

Past year 3

Gross global Scope 1 emissions (metric tons CO2e)

5.701

Start date

Januar 1, 2018

End date

Dezember 31, 2018

Comment

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based

We are reporting a Scope 2, location-based figure

Scope 2, market-based

We are reporting a Scope 2, market-based figure

Comment

C6.3

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

Reporting year

Scope 2, location-based

60.571

Scope 2, market-based (if applicable)

2.414

Start date

Januar 1, 2021

End date

Dezember 31, 2021

Comment

Past year 1

Scope 2, location-based

57.777

Scope 2, market-based (if applicable)

1.124

Start date

Januar 1, 2020

End date

Dezember 31, 2020

Comment

Past year 2

Scope 2, location-based

51.713

Scope 2, market-based (if applicable)

2.271

Start date

Januar 1, 2019

End date

Dezember 31, 2019

Comment

Past year 3

Scope 2, location-based

38.594

Scope 2, market-based (if applicable)

1.679

Start date

Januar 1, 2018

End date

Dezember 31, 2018

Comment

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?

No

C6.5

(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO₂e)

3.870.260

Emissions calculation methodology

Average data method

Spend-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Within this scope 3 category, better practice is applied by differentiating between the purchase of product-related goods that are resold to customers, and non-product related goods (indirect procurement).

1a) Purchased Goods and Services, Product Related Primary data: Volume and weight of packaging, total number of purchased items and total number of sold items, delivered quantities for the purchase orders. Non-product Related Primary data: EUR Spend across 3 levels of commodity group, including payment provider fees, thus a spend-based approach to calculating emissions is used.

Secondary data: calculations were made by using environmental extended input-output (EEIO) analysis. See for details section on "capital goods".

Methodology: Total euro spend on non-product goods and services is converted to US dollars and split by commodity group. Each commodity group classification is allocated an appropriate EEIO factor and the total emissions are calculated from this. Where a commodity group has already been accounted for elsewhere within the Scope 3

inventory, these groups are manually excluded and assigned no EEIO factor to avoid doubling counting. $2 = \sum (\$) \times (2/ \$)$

Capital goods

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO₂e)

159.455

Emissions calculation methodology

Spend-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Primary data: Total euro spend on capital goods for each business unit at the second commodity group level.

Secondary data: calculations were made by using environmental extended input-output (EEIO) analysis, which uses the OPEN IO database originally developed by dollar of economic value, for various sectors in the economy. The IO database has a collection of economic input-output emission factors for sectors of the economy. To account for the changes in emissions efficiency (for example, grid decarbonization) and inflation since the IO database was created, the EEIO emission factors are updated accordingly. The EEIO emission factors are updated using World Bank figures for the kg CO₂e improvement per purchasing power parity (PPP) of GDP, which takes into account both changes in efficiency and inflation.

Methodology: Zalando's full list of capital goods purchases (in Euros) are summarized at the second commodity group level. The Euro spend is converted to US\$, and each commodity group is matched to a specific capital goods category, for which there is an associated EEIO factor (in kgCO₂e/\$). $2 = \sum (\$) \times (2/ \$) \text{ capital}$

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO₂e)

9.164

Emissions calculation methodology

Average data method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Primary data: Scope 1 and 2 energy consumption data Secondary data: 2018 BEIS (DEFRA) conversion factors are used to calculate the upstream emissions (WTT) of purchased fuels and electricity by country, including transport and distribution (T&D) losses. Previous Carbon Trust analysis has developed emission factors for the upstream emissions of renewables.

Methodology: Emissions are calculated by multiplying fuel and electricity consumption quantities by relevant WTT and T&D emission factors, ensuring quantities match scope 1&2.
$$E_{1\&2} = \sum (C \times (E_{WTT} + T\&D \text{ factor (kgCO}_2\text{e unit)}))$$

Upstream transportation and distribution**Evaluation status**

Relevant, calculated

Emissions in reporting year (metric tons CO₂e)

527.612

Emissions calculation methodology

Average data method

Distance-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

80

Please explain

This includes inbound and outbound logistics and product returns (both when paid for by Zalando). For third party warehousing, emissions are based on total area of third-party logistics warehouses, average electricity and gas consumption based on owned warehouses and location-based emission factors.

Primary data: total outbound CO₂ emissions split by logistics type; individual supplier data for Private label inbound; lead time shipping reports from third party carrier, inbound ocean freight

Secondary data: emission factors for fuel consumption and ton-km activity, supplier specific emission factors for emissions per parcel.

Methodology: Transportation Emissions are calculated using following formula:
$$E_{1\&2} = \sum (C \times (E_{WTT} + T\&D \text{ factor (kgCO}_2\text{e unit)}))$$
 In absence of tonne.km data, number of shipments for each mode of transport is multiplied by supplier specific emission factor to calculate emissions, as done for Outbound and Returns.
$$E_{1\&2} = \sum (C \times (E_{WTT} + T\&D \text{ factor (kgCO}_2\text{e unit)}))$$
 Private Label inbound emission data was used as proxy to scale up inbound emissions. Average emissions per product were calculated, and scaled up proportionately based on number of purchased units for Wholesale and Offprice.

In 2021, we added emissions: Connected Retail business, calculated based on number of parcels and carrier specific emission factors; Re-commerce consisting of first mile, inbound, back to customer, outbound, returns and internal transport. Emissions were calculated based on number of processed packages and carrier specific emission factor per package, number of trips, distance travelled, vehicle type, cargo load of vehicle and fuel consumption and fuel CO₂-emission factor (inbound and internal transport); carrier specific emission factor (back to customer); total number of parcels sent and carrier specific emission factor (outbound and returns).

Waste generated in operations

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO₂e)

660

Emissions calculation methodology

Waste-type-specific method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Primary data: Office and retail related waste totals; Waste totals and diversion route for warehouse locations Secondary data: Representative emission factors from BEIS (DEFRA) from 2018 are applied to the different waste streams. This takes into account the end of life treatment of the waste, as well as the waste category. Note that these factors are UK specific.

Methodology: The total tonnage of waste has been provided, along with details on waste type and the end of life treatment. The volume of waste is multiplied by the appropriate emission factor, based on disposal method and waste type.
$$E = \sum (t) \times (2/t) \text{ waste}$$

Business travel

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO₂e)

623

Emissions calculation methodology

Distance-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

60

Please explain

Primary data: All rail, road and air business travel activity and associated CO₂ emissions; Confirmation of number of hotel stays.

Secondary data: Average hotel-night emission factor based on the expected energy consumption of a hotel, obtained from completed projects with hotel partners developed by Carbon Trust

Methodology: $2 = \sum (t) \times (2/pkm)$

Employee commuting**Evaluation status**

Relevant, calculated

Emissions in reporting year (metric tons CO₂e)

7.027

Emissions calculation methodology

Average data method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Primary data: Number of employees within each Country. Secondary data: BEIS (DEFRA) emissions factors are used for each method of travel, which need to be updated each year. Countries are split into five categories based upon income. These categories are taken from UN country classifications on the UN website. High-income countries are further categorized into those with good public transport and relatively dense populations, and those with poor public transport links and relatively sparse populations. Research was undertaken: to determine the average return trip distance per day per country group of operation; to find out the average number of working days per year per country group; and the proportion travelling by each travel mode per country group.

Methodology: Average emission factors for commuting by country classification have been calculated by the Carbon Trust. These are multiplied by the total number of employees within each country. $2 = \sum (\#) \times (2/employee)$

Upstream leased assets**Evaluation status**

Not relevant, explanation provided

Please explain

With regard to our boundary set-up, all rented facilities were included in Scope 1 and 2. Emissions related to leased warehouse space and data centers have already been included in Categories 4 and 1 respectively.

Downstream transportation and distribution

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

7.763

Emissions calculation methodology

Average data method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Downstream transport and distribution covers the transport of sold finished goods to third party retailers and end consumers, only if paid for by a third party. Zalando's own fleet transportation is included in Scope 1&2 emissions, and all inbound and outbound logistics are provided by Zalando, therefore captured in Category 4. As such, only warehousing and retail space not operated by Zalando is included in this category. Any transport / storage of sold products paid for by Zalando is included in category 4 and excluded from this category. This category is only of relevance to Zalando products that are sold on to third party retailers to be resold (e.g. Amazon). To calculate the emissions in this category the Carbon Trust has used assumptions provided by Zalando on the number of products sold through this channel, and the typical length of time a product may spend in a third party warehouse.

Primary data: Number of products sold on to third party retailers to be resold, and the typical length of time a product may spend in a third party warehouse. Secondary data: The emissions related to third party warehouse storage are calculated using the average emissions per m² per day. This emission factor has been developed by the Carbon Trust using bench-mark warehouse energy consumption data from CIBSE.

Methodology: The Storage Emissions at warehouses are calculated using the following formula: $2 \text{ (h)} = h \text{ (')} \times (l) \times \text{ (')} \times (h) \text{ (2/l)}$

Processing of sold products

Evaluation status

Not relevant, explanation provided

Please explain

Emissions resulting from processing of sold products are not reported. This category is not applicable to Zalando's climate-related activities as we only sell final products. The

sold items on our platform (including the small share of products from our private labels) are used directly by the final client. There is no processing of intermediate products.

Use of sold products

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO₂e)

939.134

Emissions calculation methodology

Methodology for indirect use phase emissions, please specify
see explanation

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Primary data: Please see data sources provided for Category 1

Secondary data: The assumptions on consumer behavior and appliance energy consumption has been sourced from a literature review of life cycle assessments related to apparel. Electricity emission factors for each country are provided by IEA 2017.

Methodology: The calculated emission factor, which is dependent upon product type and market in which the product is used, is multiplied by the total number of units sold, net of any returns (as returned goods will have no use phase). Use phase is relevant to Private Label, Wholesale, Offprice and a proportion of Wardrobe goods.

Methodology: $2 = \sum (\#) \times (2 / \text{unit})$

End of life treatment of sold products

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO₂e)

54.144

Emissions calculation methodology

Waste-type-specific method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Primary data: Please see data sources provided for Category 1

Secondary data: Compared to the previous year, we changed end-of-life emission factors only for trims and packaging materials (assuming combustion with energy recovery based on the trim or packaging material).

End of Life emission factors are sourced from the End of Life factors for specific product types as found in BEIS conversion factors 2018.

Methodology: No data is available on actual end of life of Zalando's products, thus the current basis is to assume it is all sent to landfill: $2 \times \sum (h_i) \times (2 / \text{Kg})$

Downstream leased assets

Evaluation status

Not relevant, explanation provided

Please explain

Scope 3 emissions resulting from downstream leased assets are not reported because this category is not applicable to Zalando. We are not active as a lessor.

Franchises

Evaluation status

Not relevant, explanation provided

Please explain

Scope 3 emissions resulting from franchises assets are not reported because this category is not applicable to Zalando. Zalando is so far not engaged in any franchise activities.

Investments

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

3.122

Emissions calculation methodology

Average data method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Primary data: Millions of EUR of investment split by sector.

Secondary data: Emission factors used were calculated for kgCO2e/\$million-invested based on TruCost data by the Carbon Trust.

Methodology: Euro investment has been used as a proxy and Carbon Trust emission

factors will be multiplied by the US dollar equivalent investment in each sector. $2 = \sum (h (\$) \times \text{Emission factor (kgCO}_2\text{e}\$))$

Other (upstream)

Evaluation status

Not relevant, explanation provided

Please explain

Scope 3 emissions resulting from other upstream are not reported because this category is not applicable to Zalando.

Other (downstream)

Evaluation status

Not relevant, explanation provided

Please explain

Scope 3 emissions resulting from other downstream are not reported because this category is not applicable to Zalando.

C6.5a

(C6.5a) Disclose or restate your Scope 3 emissions data for previous years.

Past year 1

Start date

Januar 1, 2020

End date

Dezember 31, 2022

Scope 3: Purchased goods and services (metric tons CO2e)

3.150.836

Scope 3: Capital goods (metric tons CO2e)

118.270

Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

7.342

Scope 3: Upstream transportation and distribution (metric tons CO2e)

303.314

Scope 3: Waste generated in operations (metric tons CO2e)

538

Scope 3: Business travel (metric tons CO2e)

2.397

Scope 3: Employee commuting (metric tons CO2e)

6.212

Scope 3: Upstream leased assets (metric tons CO2e)

Scope 3: Downstream transportation and distribution (metric tons CO2e)

4.231

Scope 3: Processing of sold products (metric tons CO2e)

Scope 3: Use of sold products (metric tons CO2e)

857.463

Scope 3: End of life treatment of sold products (metric tons CO2e)

47.686

Scope 3: Downstream leased assets (metric tons CO2e)

Scope 3: Franchises (metric tons CO2e)

Scope 3: Investments (metric tons CO2e)

2.183

Scope 3: Other (upstream) (metric tons CO2e)

Scope 3: Other (downstream) (metric tons CO2e)

Comment

Past year 2

Start date

Januar 1, 2019

End date

Dezember 31, 2019

Scope 3: Purchased goods and services (metric tons CO2e)

2.508.257

Scope 3: Capital goods (metric tons CO2e)

182.395

**Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2)
(metric tons CO2e)**

6.355

Scope 3: Upstream transportation and distribution (metric tons CO2e)

247.736

Scope 3: Waste generated in operations (metric tons CO2e)

413

Scope 3: Business travel (metric tons CO2e)

4.838

Scope 3: Employee commuting (metric tons CO2e)

5.997

Scope 3: Upstream leased assets (metric tons CO2e)

Scope 3: Downstream transportation and distribution (metric tons CO2e)

2.882

Scope 3: Processing of sold products (metric tons CO2e)

Scope 3: Use of sold products (metric tons CO2e)

800.351

Scope 3: End of life treatment of sold products (metric tons CO2e)

38.877

Scope 3: Downstream leased assets (metric tons CO2e)

Scope 3: Franchises (metric tons CO2e)

Scope 3: Investments (metric tons CO2e)

2.304

Scope 3: Other (upstream) (metric tons CO2e)

Scope 3: Other (downstream) (metric tons CO2e)

Comment

Past year 3

Start date

Januar 1, 2018

End date

Dezember 31, 2018

Scope 3: Purchased goods and services (metric tons CO2e)

2.125.640

Scope 3: Capital goods (metric tons CO2e)

158.838

**Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2)
(metric tons CO2e)**

9.142

Scope 3: Upstream transportation and distribution (metric tons CO2e)

209.545

Scope 3: Waste generated in operations (metric tons CO2e)

582

Scope 3: Business travel (metric tons CO2e)

6.297

Scope 3: Employee commuting (metric tons CO2e)

3.267

Scope 3: Upstream leased assets (metric tons CO2e)

Scope 3: Downstream transportation and distribution (metric tons CO2e)

2.978

Scope 3: Processing of sold products (metric tons CO2e)

Scope 3: Use of sold products (metric tons CO2e)

762.443

Scope 3: End of life treatment of sold products (metric tons CO2e)

33.110

Scope 3: Downstream leased assets (metric tons CO2e)

Scope 3: Franchises (metric tons CO2e)

Scope 3: Investments (metric tons CO2e)

3.214

Scope 3: Other (upstream) (metric tons CO2e)

Scope 3: Other (downstream) (metric tons CO2e)

Comment

C6.7

(C6.7) Are carbon dioxide emissions from biogenic carbon relevant to your organization?

Yes

C6.7a

(C6.7a) Provide the emissions from biogenic carbon relevant to your organization in metric tons CO2.

	CO2 emissions from biogenic carbon (metric tons CO2)	Comment
Row 1	2.215	The emissions mentioned here refer to our biogas emissions.

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure

0,98

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

10.104

Metric denominator

unit total revenue

Metric denominator: Unit total

10.354

Scope 2 figure used

Market-based

% change from previous year

19

Direction of change

Decreased

Reason for change

The decrease (-19%) of emissions per unit of revenue compared to the previous year was due to: i) the increase of revenues of about 30% compared to the prior year, and ii) the increase of Scope 1 and 2 emissions, being 5% more than 2020.

In 2021, we avoided about 3689 tCO₂e thanks to the production and consumption of electricity generated by solar panels on our warehouses in Germany, and Italy. By switching to biogas in our German warehouses, we avoided additional 2287 energy-related tCO₂e.

Intensity figure

40,06

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO₂e)

10.104

Metric denominator

Other, please specify
number of customer orders in mio

Metric denominator: Unit total

252,2

Scope 2 figure used

Market-based

% change from previous year

23

Direction of change

Decreased

Reason for change

The decrease (-23%) of emissions per number of customer orders compared to the previous year was due to both: i) the increase of orders of about 36% compared to the prior year, and ii) the increase of Scope 1 and 2 emissions, being 5% more than 2020. In 2021, we avoided about 3689 tCO₂e thanks to the production and consumption of electricity generated by solar panels on our warehouses in Germany and Italy. By switching to biogas in our German warehouses, we avoided additional 2287 energy-related tCO₂e.

C7. Emissions breakdowns

C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?

Yes

C7.1a

(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).

Greenhouse gas	Scope 1 emissions (metric tons of CO ₂ e)	GWP Reference
CO ₂	5.118	IPCC Fourth Assessment Report (AR4 - 100 year)
HFCs	2.572	IPCC Fifth Assessment Report (AR5 – 100 year)

C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/region.

Country/Region	Scope 1 emissions (metric tons CO ₂ e)
Germany	4.160
Poland	2.861
Ireland	15
Finland	0
Italy	392
Netherlands	263

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

By activity

C7.3c

(C7.3c) Break down your total gross global Scope 1 emissions by business activity.

Activity	Scope 1 emissions (metric tons CO ₂ e)
Emissions from company car fleet	260
Emissions from combustion of fuel for heating in the logistic sites	4.170
Emissions from combustion of fuel for heating in the non-logistic sites	688
Emissions from fugitive emissions (refrigerant leaks for cooling) from logistic and non-logistics sites	2.337

Emissions from fugitive emissions (refrigerant leaks for cooling) from non-logistic	235
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C7.5

(C7.5) Break down your total gross global Scope 2 emissions by country/region.

Country/Region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Germany	23.077	2,227
Poland	28.535	0
Ireland	174	114
Finland	40	36
Italy	6.217	0
United Kingdom of Great Britain and Northern Ireland	39	17
Switzerland	22	21
Netherlands	2.467	0

C7.6

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

By activity

C7.6c

(C7.6c) Break down your total gross global Scope 2 emissions by business activity.

Activity	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Scope 2 - Logistics electricity	54.706	0
Scope 2 - Non-logistic electricity	3.451	0
Scope 2 - Non-logistic district heating	2.414	2.414

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Increased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO ₂ e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	1.223	Decreased	13	<p>In 2021, we avoided about 1223 tCO₂e thanks to the production and consumption of electricity generated by solar panels on our warehouses in Germany and Italy.</p> <p>The total Scope 1+2 market based emissions in 2020 were 9621 tCO₂e, therefore the related decrease equals 13% calculated as $(-1223/9621)*100=-13\%$.</p>
Other emissions reduction activities	2.739	Decreased	28	<p>In 2021, we switched to biogas in our German warehouses. With those initiatives, we avoided a total of 2739 energy-related tCO₂e. The total Scope 1+2 market based emissions in 2020 were 9621 tCO₂e, therefore the related decrease equals 28% calculated as $(-2739/9621)*100=-28\%$</p>
Divestment				Not applicable
Acquisitions				Not applicable
Mergers				Not applicable
Change in output	483	Increased	5	<p>In 2021, our total Scope 1+2 market-based emissions increased by 483 tCO₂e compared to 2020. The total Scope 1+2 market based emissions in 2020 were 9621 tCO₂e, therefore the related increase equals 5% calculated as $(483/9621)*100 = 5\%$</p>
Change in methodology				Not applicable

Change in boundary				Not applicable
Change in physical operating conditions				Not applicable
Unidentified				Not applicable
Other				Not applicable

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Market-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 0% but less than or equal to 5%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	Yes
Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	Yes

C8.2a

(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	LHV (lower heating value)	24.612	14.106	38.718
Consumption of purchased or acquired electricity		127.769	0	127.769
Consumption of purchased or acquired heat		0	12.603	12.603
Consumption of self-generated non-fuel renewable energy		3.967		3.967
Total energy consumption		156.348	26.709	183.057

C8.2b

(C8.2b) Select the applications of your organization's consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	No
Consumption of fuel for the generation of heat	Yes
Consumption of fuel for the generation of steam	No
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	No

C8.2c

(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Sustainable biomass

Heating value

LHV

Total fuel MWh consumed by the organization

0

Comment

not applicable

Other biomass

Heating value

LHV

Total fuel MWh consumed by the organization

24.612

Comment

The data refers to the biogas consumed for heating in the fulfillment centers in Germany.

Other renewable fuels (e.g. renewable hydrogen)

Heating value

LHV

Total fuel MWh consumed by the organization

0

Comment

not applicable

Coal

Heating value

LHV

Total fuel MWh consumed by the organization

0

Comment

not applicable

Oil

Heating value

LHV

Total fuel MWh consumed by the organization

0

Comment

not applicable

Gas**Heating value**

LHV

Total fuel MWh consumed by the organization

13.133

Comment

The data refers to the natural gas consumed for heating.

Other non-renewable fuels (e.g. non-renewable hydrogen)**Heating value**

LHV

Total fuel MWh consumed by the organization

972

Comment

The data refers to diesel and motor gasoline consumed for company fleet.

Total fuel**Heating value**

LHV

Total fuel MWh consumed by the organization

38.718

Comment**C8.2d**

(C8.2d) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

	Total Gross generation (MWh)	Generation that is consumed by the organization (MWh)	Gross generation from renewable sources (MWh)	Generation from renewable sources that is consumed by the organization (MWh)
Electricity	3.967	3.967	3.967	3.967
Heat	0	0	0	0
Steam	0	0	0	0
Cooling	0	0	0	0

C8.2g

(C8.2g) Provide a breakdown of your non-fuel energy consumption by country.

Country/area

Germany

Consumption of electricity (MWh)

60.210

Consumption of heat, steam, and cooling (MWh)

11.624

Total non-fuel energy consumption (MWh) [Auto-calculated]

71.834

Is this consumption excluded from your RE100 commitment?

No

Country/area

Poland

Consumption of electricity (MWh)

42.723

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

42.723

Is this consumption excluded from your RE100 commitment?

No

Country/area

Ireland

Consumption of electricity (MWh)

204

Consumption of heat, steam, and cooling (MWh)

594

Total non-fuel energy consumption (MWh) [Auto-calculated]

798

Is this consumption excluded from your RE100 commitment?

No

Country/area

Finland

Consumption of electricity (MWh)

46

Consumption of heat, steam, and cooling (MWh)

187

Total non-fuel energy consumption (MWh) [Auto-calculated]

233

Is this consumption excluded from your RE100 commitment?

No

Country/area

Italy

Consumption of electricity (MWh)

21.728

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

21.728

Is this consumption excluded from your RE100 commitment?

No

Country/area

United Kingdom of Great Britain and Northern Ireland

Consumption of electricity (MWh)

106

Consumption of heat, steam, and cooling (MWh)

87

Total non-fuel energy consumption (MWh) [Auto-calculated]

193

Is this consumption excluded from your RE100 commitment?

No

Country/area

Switzerland

Consumption of electricity (MWh)

41

Consumption of heat, steam, and cooling (MWh)

112

Total non-fuel energy consumption (MWh) [Auto-calculated]

153

Is this consumption excluded from your RE100 commitment?

No

Country/area

Netherlands

Consumption of electricity (MWh)

6.678

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

6.678

Is this consumption excluded from your RE100 commitment?

No

C8.2h

(C8.2h) Provide details of your organization's renewable electricity purchases in the reporting year by country

Country/area of renewable electricity consumption

Germany

Sourcing method

Green electricity products from an energy supplier (e.g. Green Tariffs)

Renewable electricity technology type

Large hydropower (>25 MW)

Renewable electricity consumed via selected sourcing method in the reporting year (MWh)

57.818

Tracking instrument used

GO

Total attribute instruments retained for consumption by your organization (MWh)

57.818

Country/area of origin (generation) of the renewable electricity/attribute consumed

Norway

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

2.021

Vintage of the renewable energy/attribute (i.e. year of generation)

2021

Brand, label, or certification of the renewable electricity purchase

No brand, label, or certification

Comment

Country/area of renewable electricity consumption

Poland

Sourcing method

Green electricity products from an energy supplier (e.g. Green Tariffs)

Renewable electricity technology type

Sustainable Biomass

Renewable electricity consumed via selected sourcing method in the reporting year (MWh)

42.723

Tracking instrument used

GO

Total attribute instruments retained for consumption by your organization (MWh)

42.723

Country/area of origin (generation) of the renewable electricity/attribute consumed

Poland

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

2.021

Vintage of the renewable energy/attribute (i.e. year of generation)

2021

Brand, label, or certification of the renewable electricity purchase

No brand, label, or certification

Comment

Country/area of renewable electricity consumption

Italy

Sourcing method

Green electricity products from an energy supplier (e.g. Green Tariffs)

Renewable electricity technology type

Wind

Renewable electricity consumed via selected sourcing method in the reporting year (MWh)

19.868

Tracking instrument used

GO

Total attribute instruments retained for consumption by your organization (MWh)

19.868

Country/area of origin (generation) of the renewable electricity/attribute consumed

Spain

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

2.021

Vintage of the renewable energy/attribute (i.e. year of generation)

2021

Brand, label, or certification of the renewable electricity purchase

No brand, label, or certification

Comment

Country/area of renewable electricity consumption

Netherlands

Sourcing method

Green electricity products from an energy supplier (e.g. Green Tariffs)

Renewable electricity technology type

Wind

Renewable electricity consumed via selected sourcing method in the reporting year (MWh)

4.774

Tracking instrument used

GO

Total attribute instruments retained for consumption by your organization (MWh)

4.774

Country/area of origin (generation) of the renewable electricity/attribute consumed

Netherlands

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

2.021

Vintage of the renewable energy/attribute (i.e. year of generation)

2021

Brand, label, or certification of the renewable electricity purchase

No brand, label, or certification

Comment

Country/area of renewable electricity consumption

Finland

Sourcing method

Green electricity products from an energy supplier (e.g. Green Tariffs)

Renewable electricity technology type

Wind

Renewable electricity consumed via selected sourcing method in the reporting year (MWh)

46

Tracking instrument used

GO

Total attribute instruments retained for consumption by your organization (MWh)

46

Country/area of origin (generation) of the renewable electricity/attribute consumed

Finland

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

2.021

Vintage of the renewable energy/attribute (i.e. year of generation)

2021

Brand, label, or certification of the renewable electricity purchase

No brand, label, or certification

Comment

Country/area of renewable electricity consumption

Ireland

Sourcing method

Green electricity products from an energy supplier (e.g. Green Tariffs)

Renewable electricity technology type

Wind

Renewable electricity consumed via selected sourcing method in the reporting year (MWh)

204

Tracking instrument used

GO

Total attribute instruments retained for consumption by your organization (MWh)

204

Country/area of origin (generation) of the renewable electricity/attribute consumed

Ireland

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

2.021

Vintage of the renewable energy/attribute (i.e. year of generation)

2021

Brand, label, or certification of the renewable electricity purchase

No brand, label, or certification

Comment

Country/area of renewable electricity consumption

Switzerland

Sourcing method

Unbundled Energy Attribute Certificate (EAC) purchase

Renewable electricity technology type

Wind

Renewable electricity consumed via selected sourcing method in the reporting year (MWh)

41

Tracking instrument used

GO

Total attribute instruments retained for consumption by your organization (MWh)

41

Country/area of origin (generation) of the renewable electricity/attribute consumed

Germany

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

2.021

Vintage of the renewable energy/attribute (i.e. year of generation)

2021

Brand, label, or certification of the renewable electricity purchase

No brand, label, or certification

Comment

Country/area of renewable electricity consumption

United Kingdom of Great Britain and Northern Ireland

Sourcing method

Unbundled Energy Attribute Certificate (EAC) purchase

Renewable electricity technology type

Wind

Renewable electricity consumed via selected sourcing method in the reporting year (MWh)

106

Tracking instrument used

GO

Total attribute instruments retained for consumption by your organization (MWh)

106

Country/area of origin (generation) of the renewable electricity/attribute consumed

Germany

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

2.021

Vintage of the renewable energy/attribute (i.e. year of generation)

2021

Brand, label, or certification of the renewable electricity purchase

No brand, label, or certification

Comment

Country/area of renewable electricity consumption

Netherlands

Sourcing method

Unbundled Energy Attribute Certificate (EAC) purchase

Renewable electricity technology type

Wind

Renewable electricity consumed via selected sourcing method in the reporting year (MWh)

1.904

Tracking instrument used

GO

Total attribute instruments retained for consumption by your organization (MWh)

1.904

Country/area of origin (generation) of the renewable electricity/attribute consumed

Germany

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

2.021

Vintage of the renewable energy/attribute (i.e. year of generation)

2021

Brand, label, or certification of the renewable electricity purchase

No brand, label, or certification

Comment

Country/area of renewable electricity consumption

Germany

Sourcing method

Unbundled Energy Attribute Certificate (EAC) purchase

Renewable electricity technology type

Wind

Renewable electricity consumed via selected sourcing method in the reporting year (MWh)

1.938

Tracking instrument used

GO

Total attribute instruments retained for consumption by your organization (MWh)

1.938

Country/area of origin (generation) of the renewable electricity/attribute consumed

Germany

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

2.021

Vintage of the renewable energy/attribute (i.e. year of generation)

2021

Brand, label, or certification of the renewable electricity purchase

No brand, label, or certification

Comment

Country/area of renewable electricity consumption

Germany

Sourcing method

Unbundled Energy Attribute Certificate (EAC) purchase

Renewable electricity technology type

Wind

Renewable electricity consumed via selected sourcing method in the reporting year (MWh)

668

Tracking instrument used

GO

Total attribute instruments retained for consumption by your organization (MWh)

669

Country/area of origin (generation) of the renewable electricity/attribute consumed

Croatia

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

2.021

Vintage of the renewable energy/attribute (i.e. year of generation)

2021

Brand, label, or certification of the renewable electricity purchase

No brand, label, or certification

Comment

Country/area of renewable electricity consumption

Germany

Sourcing method

Unbundled Energy Attribute Certificate (EAC) purchase

Renewable electricity technology type

Wind

Renewable electricity consumed via selected sourcing method in the reporting year (MWh)

1

Tracking instrument used

GO

Total attribute instruments retained for consumption by your organization (MWh)

1

Country/area of origin (generation) of the renewable electricity/attribute consumed

Germany

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

2.021

Vintage of the renewable energy/attribute (i.e. year of generation)

2021

Brand, label, or certification of the renewable electricity purchase

No brand, label, or certification

Comment

C8.2i

(C8.2i) Provide details of your organization's low-carbon heat, steam, and cooling purchases in the reporting year by country.

Country/area of consumption of low-carbon heat, steam or cooling

Germany

Sourcing method

Heat/steam/cooling supply agreement

Energy carrier

Heat

Low-carbon technology type

Other, please specify
district heating

Low-carbon heat, steam, or cooling consumed (MWh)

11.624

Comment

We included the consumption through district heating here

Country/area of consumption of low-carbon heat, steam or cooling

Ireland

Sourcing method

Heat/steam/cooling supply agreement

Energy carrier

Heat

Low-carbon technology type

Other, please specify
district heating

Low-carbon heat, steam, or cooling consumed (MWh)

594

Comment

We included the consumption through district heating here

Country/area of consumption of low-carbon heat, steam or cooling

Finland

Sourcing method

Heat/steam/cooling supply agreement

Energy carrier

Heat

Low-carbon technology type

Other, please specify
district heating

Low-carbon heat, steam, or cooling consumed (MWh)

187

Comment

We included the consumption through district heating here

Country/area of consumption of low-carbon heat, steam or cooling

United Kingdom of Great Britain and Northern Ireland

Sourcing method

Heat/steam/cooling supply agreement

Energy carrier

Heat

Low-carbon technology type

Other, please specify
district heating

Low-carbon heat, steam, or cooling consumed (MWh)

87

Comment

We included the consumption through district heating here

Country/area of consumption of low-carbon heat, steam or cooling

Switzerland

Sourcing method

Heat/steam/cooling supply agreement

Energy carrier

Heat

Low-carbon technology type

Other, please specify
district heating

Low-carbon heat, steam, or cooling consumed (MWh)

112

Comment

We included the consumption through district heating here

C8.2j

(C8.2j) Provide details of your organization's renewable electricity generation by country in the reporting year.

Country/area of generation

Germany

Renewable electricity technology type

Solar

Facility capacity (MW)

2,5

Total renewable electricity generated by this facility in the reporting year (MWh)

1.456

Renewable electricity directly consumed by your organization from this facility in the reporting year for which certificates were not issued (MWh)

1.456

Renewable electricity directly consumed by your organization from this facility in the reporting year for which certificates were issued and retired (MWh)

0

Renewable electricity sold to the grid in the reporting year (MWh)

0

Certificates issued for the renewable electricity that was sold to the grid (MWh)

0

Certificates issued and retired for self-consumption for the renewable electricity that was sold to the grid (MWh)

0

Type of energy attribute certificate

Total self-generation counted towards RE100 target (MWh) [Auto-calculated]

1.456

Comment

Country/area of generation

Italy

Renewable electricity technology type

Solar

Facility capacity (MW)

0,73

Total renewable electricity generated by this facility in the reporting year (MWh)

2.511

Renewable electricity directly consumed by your organization from this facility in the reporting year for which certificates were not issued (MWh)

2.511

Renewable electricity directly consumed by your organization from this facility in the reporting year for which certificates were issued and retired (MWh)

0

Renewable electricity sold to the grid in the reporting year (MWh)

0

Certificates issued for the renewable electricity that was sold to the grid (MWh)

0

Certificates issued and retired for self-consumption for the renewable electricity that was sold to the grid (MWh)

0

Type of energy attribute certificate

Total self-generation counted towards RE100 target (MWh) [Auto-calculated]

2.511

Comment**C8.2k**

(C8.2k) Describe how your organization's renewable electricity sourcing strategy directly or indirectly contributes to bringing new capacity into the grid in the countries/areas in which you operate.

Our sourcing strategy contributes to the energy transition firstly by actively and deliberately choosing to begin sourcing renewable electricity and by publicly committing to 100% renewable electricity. We source renewable electricity through green tariffs, purchase guarantees of origin, and have solar panels on our fulfillment centers in Lahr and Verona. These photovoltaic power plants produce around 4,000 MWh of renewable electricity a year, equivalent to the annual consumption of around 1,300 two-person households in Germany. This year we also installed solar panels at our new fulfillment center in Rotterdam, with the capacity to double our consumption of solar energy.

C8.2l

(C8.2l) In the reporting year, has your organization faced any challenges to sourcing renewable electricity?

	Challenges to sourcing renewable electricity
Row 1	Yes, in specific countries/areas in which we operate

C8.2m

(C8.2m) Provide details of the country-specific challenges to sourcing renewable electricity faced by your organization in the reporting year.

Country/area	Reason(s) why it was challenging to source renewable electricity within selected country/area	Provide additional details of the barriers faced within this country/area
Poland	Arbitrary grid usage charges Regulatory instability	Main barriers faced in Poland related to instability in regulations and arbitrary grid usage charges.
Netherlands	Lack of market data Small load	Main barriers faced in the Netherlands related to capacity issues, competing unit priorities and business case approval processes.

C9. Additional metrics**C9.1**

(C9.1) Provide any additional climate-related metrics relevant to your business.

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	Third-party verification or assurance process in place

C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Verification or assurance cycle in place

Annual process


Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

 Zalando_SE_Sustainability_Progress_Report_2021.pdf

Page/ section reference

Page 52, 60 - 62

Relevant standard

ISAE3000

Proportion of reported emissions verified (%)

100

C10.1b

(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Scope 2 approach

Scope 2 location-based

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

 Zalando_SE_Sustainability_Progress_Report_2021.pdf

Page/ section reference

Page 52, 60 - 62

Relevant standard

ISAE3000

Proportion of reported emissions verified (%)

100

Scope 2 approach

Scope 2 market-based

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

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Page/ section reference

Page 52, 60 - 62

Relevant standard

ISAE3000

Proportion of reported emissions verified (%)

100

C10.1c

(C10.1c) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Scope 3 category

Scope 3: Purchased goods and services

Scope 3: Capital goods

Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2)

Scope 3: Upstream transportation and distribution

Scope 3: Waste generated in operations

Scope 3: Business travel

Scope 3: Employee commuting

Scope 3: Investments

Scope 3: Downstream transportation and distribution

Scope 3: Use of sold products

Scope 3: End-of-life treatment of sold products

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

 Zalando_SE_Sustainability_Progress_Report_2021.pdf

Page/section reference

Page 52, 60 - 62

Relevant standard

ISAE3000

Proportion of reported emissions verified (%)

100

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?

Yes

C10.2a

(C10.2a) Which data points within your CDP disclosure have been verified, and which verification standards were used?

Disclosure module verification relates to	Data verified	Verification standard	Please explain
C4. Targets and performance	Progress against emissions reduction target	ISAE3000	We publish in our Sustainability Progress Report 2021 information on our progress against targets, mentioned in question C4.1a. This section of the report has a limited assurance.
C8. Energy	Renewable energy products	ISAE3000	We publish in our Sustainability Progress Report 2021 information on the use of renewable energy products, including offsetting and the sourcing of green energy, mentioned in the question C8.2h and C11.2a. This section of the report has a limited assurance.
C11. Carbon pricing	Renewable energy products	ISAE3000	We publish in our Sustainability Progress Report 2021 information on the use of renewable energy products, including offsetting and the sourcing of green energy, mentioned in the question C11.2a. This section of the report has a limited assurance.
C8. Energy	Energy consumption	ISAE3000	We publish in our Sustainability Progress Report 2021 information on the energy consumption, mentioned in the question C8.2a. This section of the report has a limited assurance.

C11. Carbon pricing

C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

No, and we do not anticipate being regulated in the next three years

C11.2

(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?

Yes

C11.2a

(C11.2a) Provide details of the project-based carbon credits originated or purchased by your organization in the reporting period.

Credit origination or credit purchase

Credit purchase

Project type

Forests

Project identification

1. Project Soddo, Ethiopia

Working with the environmental consultancy Forliance, we have committed to Gold Standard and VCS certified reforestation projects in Ethiopia, Uganda, Colombia, Panama, and Indonesia. The projects restore native forests, encourage sustainable planting, and support local communities. Reforestation removes carbon dioxide from the atmosphere through photosynthesis and turns it into biomass.

Verified to which standard

Gold Standard

Number of credits (metric tonnes CO₂e)

4.100

Number of credits (metric tonnes CO₂e): Risk adjusted volume

4.100

Credits cancelled

No

Purpose, e.g. compliance

Voluntary Offsetting

Credit origination or credit purchase

Credit purchase

Project type

Forests

Project identification

2. Project Uganda Kikonda Forest reserve

Working with the environmental consultancy Forliance, we have committed to Gold Standard and VCS certified reforestation projects in Ethiopia, Uganda, Colombia,

Panama, and Indonesia. The projects restore native forests, encourage sustainable planting, and support local communities. Reforestation removes carbon dioxide from the atmosphere through photosynthesis and turns it into biomass.

Verified to which standard

Gold Standard

Number of credits (metric tonnes CO₂e)

36.130

Number of credits (metric tonnes CO₂e): Risk adjusted volume

36.130

Credits cancelled

No

Purpose, e.g. compliance

Voluntary Offsetting

Credit origination or credit purchase

Credit purchase

Project type

Forests

Project identification

3. Project Panama

Working with the environmental consultancy Forliance, we have committed to Gold Standard and VCS certified reforestation projects in Ethiopia, Uganda, Colombia, Panama, and Indonesia. The projects restore native forests, encourage sustainable planting, and support local communities. Reforestation removes carbon dioxide from the atmosphere through photosynthesis and turns it into biomass.

Verified to which standard

Gold Standard

Number of credits (metric tonnes CO₂e)

151.978

Number of credits (metric tonnes CO₂e): Risk adjusted volume

151.978

Credits cancelled

No

Purpose, e.g. compliance

Voluntary Offsetting

Credit origination or credit purchase

Credit purchase

Project type

Forests

Project identification

4. Project Colombia

Working with the environmental consultancy Forliance, we have committed to Gold Standard and VCS certified reforestation projects in Ethiopia, Uganda, Colombia, Panama, and Indonesia. The projects restore native forests, encourage sustainable planting, and support local communities. Reforestation removes carbon dioxide from the atmosphere through photosynthesis and turns it into biomass.

Verified to which standard

Gold Standard

Number of credits (metric tonnes CO₂e)

26.819

Number of credits (metric tonnes CO₂e): Risk adjusted volume

26.819

Credits cancelled

No

Purpose, e.g. compliance

Voluntary Offsetting

Credit origination or credit purchase

Credit purchase

Project type

Forests

Project identification

5. Project Sumatra Merang Peatland, Indonesia

Working with the environmental consultancy Forliance, we have committed to Gold Standard and VCS certified reforestation projects in Ethiopia, Uganda, Colombia, Panama, and Indonesia. The projects restore native forests, encourage sustainable planting, and support local communities. Reforestation removes carbon dioxide from the atmosphere through photosynthesis and turns it into biomass.

Verified to which standard

VCS (Verified Carbon Standard)

Number of credits (metric tonnes CO₂e)

219.906

Number of credits (metric tonnes CO2e): Risk adjusted volume

219.906

Credits cancelled

No

Purpose, e.g. compliance

Voluntary Offsetting

C11.3

(C11.3) Does your organization use an internal price on carbon?

No, and we do not currently anticipate doing so in the next two years

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?

Yes, our suppliers

Yes, our customers/clients

Yes, other partners in the value chain

C12.1a

(C12.1a) Provide details of your climate-related supplier engagement strategy.

Type of engagement

Information collection (understanding supplier behavior)

Details of engagement

Collect climate change and carbon information at least annually from suppliers

% of suppliers by number

100

% total procurement spend (direct and indirect)

0

% of supplier-related Scope 3 emissions as reported in C6.5

45

Rationale for the coverage of your engagement

In order to reduce the environmental impact linked to our supply chain and to have a positive influence on our supplier's climate performance as well as on our Scope 3 emissions, Zalando commits to reduce Scope 3 GHG emissions from its private label

products and thus is engaging intensely with all its Tier 1 suppliers and key Tier 2 private labels suppliers.

We have reduced Scope 3 emissions from private label products by 45% per million EUR gross profit from a 2018 baseline. The main driver behind the reduction was the strong growth of our business. Although this relative reduction is positive, we will not back off of our plans to pursue absolute emission reductions in our supply chain and report progress transparently.

Impact of engagement, including measures of success

Our measure of success is to reach the following target:

Zalando commits to reduce Scope 3 GHG emissions from private label products by 40% per million euros gross profit by 2025 from a 2018 base year

Comment

The 100% in % of suppliers by number refers to our Tier 1 suppliers.

Type of engagement

Information collection (understanding supplier behavior)

Details of engagement

Collect climate change and carbon information at least annually from suppliers

% of suppliers by number

6

% total procurement spend (direct and indirect)

64

% of supplier-related Scope 3 emissions as reported in C6.5

0

Rationale for the coverage of your engagement

Zalando engages with its partner brands in order to measure environmental and social sustainability impact across the fashion industry. Therefore in 2020 we started to roll-out the collection of self-assessments from brand partners by using the Sustainable Apparel Coalition's (SAC) Higg Brand & Retail Module (BRM). The tool allows to gather comparable sustainability data to better understand and act on the challenges faced by the industry, including 11 environmental aspects such as GHG emissions, fuel use and air pollution.

We understand that our brand partners are on a learning journey, so along with other SAC members we are working with the SAC, Higg, retailers, and brands to develop a more accessible version called BRM Foundations which is planned to be released in 2022.

All our own brands and selected partner brands selling on the platform are required to report against social and environmental standards. The output of the assessment is a sustainability management score, showing where brands concentrate their sustainability efforts.

In 2021, we collected data from 283 brands, accounting for 64% of net merchandise volume. The assessment takes place on an annual basis.

Impact of engagement, including measures of success

Our measure of success is the target that until 2023 all our own and selected partner brands are assessed on the basis of the BRM.

Comment

The % of suppliers by number has been calculated by considering only brand partners.

The % of total procurement spend refers to our net merchandise volume (i.e. the value of all merchandise sold to customers after cancellations and returns and excluding VAT, dynamically reported).

Type of engagement

Information collection (understanding supplier behavior)

Details of engagement

Collect climate change and carbon information at least annually from suppliers

% of suppliers by number

88

% total procurement spend (direct and indirect)

96

% of supplier-related Scope 3 emissions as reported in C6.5

0

Rationale for the coverage of your engagement

To help us track and reduce the negative environmental impacts of our supply chain activities, including our Scope 3 GHG emissions, water use and waste, we require factories, which produce our private label clothing, to complete the Sustainable Apparel Coalition's Higg Index's Facility Environmental Module [HIGG FEM] and share their results with us. In 2021, 187 (out of 213) factories representing 96% (90% in 2021) of our production volume took part.

Impact of engagement, including measures of success

Our measure of success is to reach the following target:

Factories, representing 100% of our private label production volume, to fill out the Higg Index's Facility Environmental Module

Comment

The % of suppliers by number has been calculated by considering only factories, which produce for us.

The % of total procurement spend refers to our production volume.

C12.1b

(C12.1b) Give details of your climate-related engagement strategy with your customers.

Type of engagement & Details of engagement

Education/information sharing

Run an engagement campaign to educate customers about the climate change impacts of (using) your products, goods, and/or services

% of customers by number

100

% of customer - related Scope 3 emissions as reported in C6.5

0

Please explain the rationale for selecting this group of customers and scope of engagement

Products are highlighted with the sustainability flag when they have at least one sustainability attribute that fulfills Zalando's required criteria. In 2021, the sustainability flag was extended to our Zalando Lounge, for all products that were previously in the Fashion Store assortment. The product criteria entail climate, environmental and social elements and are aligned with international industry standards and best practices. This product-specific sustainability information is collected from the brand during the order process along with other important data like material, care and size. The sustainability flag is available to all our customers.

Impact of engagement, including measures of success

With the sustainability flag, we increase the awareness of our customers with respect to sustainability and offer them the option to shop more sustainably. We measure our success by the progress towards reaching the following target: By 2023, we generate 25% of our GMV (Gross Merchandise Volume) with more sustainable products. We raised this target for 2023 from 20% previously, to reflect our growing ambition. In 2021, 21.6% of GMV (16% in 2020) was generated by products carrying the sustainability flag. In 2021, we grew our sustainability assortment to more than 140,000 products, compared with around 80,000 a year earlier.

Type of engagement & Details of engagement

Education/information sharing

Run an engagement campaign to educate customers about the climate change impacts of (using) your products, goods, and/or services

% of customers by number

100

% of customer - related Scope 3 emissions as reported in C6.5

8

Please explain the rationale for selecting this group of customers and scope of engagement

Within the life cycle of a textile product, textile care represents up to 40% of its environmental impact (Ginetex). At the same time, 70% of Europeans follow the textile care instructions featured on the labels (Ginetex, international Association for Textile Care Labeling: European Barometer: European and Textile Care Labelling). In order to leverage those two mechanisms and educate our customers about the climate change impacts of using our Private Label products, we adapted all our care labels starting in 2018 to include the Clevercare logo and promote washing at 30°C. Washing at 30°C i) extends the product's life and ii) reduces energy and subsequently CO2 emissions.

Impact of engagement, including measures of success

With the implementation of the Clevercare logo we help our customers reduce their impact on the planet and extend the life of their clothing. We measure our success by the share of customer-related Scope 3 emissions (use of sold products) generated by our Private Label products. The 8% is a rough estimate.

C12.1d

(C12.1d) Give details of your climate-related engagement strategy with other partners in the value chain.

In addition to our suppliers and customers, we are also engaging our employees in climate-related activities, who are in general very interested in our sustainability approach and our efforts in reducing carbon emissions.

In order to promote alternative solutions for mobility and to reduce commuting-related emissions generated by cars and other high-emission vehicles, all Zalando employees working in the offices and warehouses are offered a subsidized company ticket for the respective public transport. In addition, we are offering a car-leasing program on management level, which is available to Vice Presidents, Senior Vice Presidents and our Management board. The program offers amongst others a wide array of electric cars and contributes towards reducing GHG emissions from the car fleet.

Furthermore Zalando is providing the alternative of a BahnCard Business 100 as a substitute for colleagues who do not want to drive a company car. For employees that travel regularly for business purposes, Zalando provides rail discount cards. With this card, employees have a 25% or 50% discount on all inner country rail travels within Germany that can also be used for private purposes. In doing so, employees are incentivized to reduce or even replace the use of high emission vehicles such as cars and airplanes for their inner country travels, for business travels, for reaching the workplace and for private traveling.

Zalando also offers a company bike program that gives the opportunity to lease bicycles cheaply for a period of 36 months. When the leasing contract ends, there is an option to buy the bike with a final payment. The monthly instalments are deducted from the final price, resulting in savings of up to 40% compared to a private purchase. All Zalando employees with a permanent contract, a successful trial period and no current unpaid absences, can register for

the Company Bike Program. Zalando also pays an all-inclusive insurance that covers most repairs.

C12.2

(C12.2) Do your suppliers have to meet climate-related requirements as part of your organization's purchasing process?

Yes, suppliers have to meet climate-related requirements, but they are not included in our supplier contracts

C12.2a

(C12.2a) Provide details of the climate-related requirements that suppliers have to meet as part of your organization's purchasing process and the compliance mechanisms in place.

Climate-related requirement

Complying with regulatory requirements

Description of this climate related requirement

Our Code of Conduct for business partners sets the minimum standards by which business partners who produce or supply goods and services for us must abide. It is published on the corporate website. We expect every business partner to acknowledge these standards, which include minimizing the negative impacts of their operations on the environment, including energy consumption.

Our private label Tier 1 suppliers and factories provide us with audits annually or on a timeframe recommended by the auditing standard. All of our audits are evaluated against an internal non-compliance matrix based on our Code of Conduct, local legal requirements, and industry standards. Findings of non-compliance are classified as minor, major, critical and zero tolerance, and based on these the factory is issued an overall rating and a corrective action plan (CAP). If a zero tolerance non-compliance issue is found, the factory must remediate the issue and provide a new audit. In 2021, we evaluated 175 audit reports and declined to onboard five factories or suppliers for not meeting audit requirements.

% suppliers by procurement spend that have to comply with this climate-related requirement

100

% suppliers by procurement spend in compliance with this climate-related requirement

100

Mechanisms for monitoring compliance with this climate-related requirement

On-site third-party verification

Response to supplier non-compliance with this climate-related requirement

Retain and engage

Climate-related requirement

Waste reduction and material circularity

Description of this climate related requirement

We are committed to raising standards across the board. With that in mind, all of our Tier 1 private label suppliers must adhere to our updated Sustainable Sourcing Policy, Product and Content Guidelines and Restricted Substances List (RSL). Our Sustainable Sourcing Policy aims to ensure that all the goods we sell have been produced in an ethical and environmentally responsible way. It defines minimum requirements for the use of specific fibers, materials, and manufacturing methods.

% suppliers by procurement spend that have to comply with this climate-related requirement

100

% suppliers by procurement spend in compliance with this climate-related requirement

100

Mechanisms for monitoring compliance with this climate-related requirement

Supplier self-assessment

Response to supplier non-compliance with this climate-related requirement

Retain and engage

Climate-related requirement

Setting a science-based emissions reduction target

Description of this climate related requirement

In order to monitor the environmental impact linked to our supply chain more properly and to have a positive influence on our supplier's climate performance as well as on our Scope 3 emissions, Zalando commits that 90% of its suppliers by emissions covering purchased goods and services sold on its platform, packaging and last-mile-delivery partners will have science-based targets by 2025. We know that by listening and understanding we can achieve more. Guided by that principle, we have rolled out an engagement strategy for brand partners that includes webinars and Q&As, and have offered our partners customized guidance on SBT setting. Until the end of 2021, partners accounting for 51% (34% in 2020) of our 2021 supplier-related emissions have set science-based targets.

For brand partners we developed an escalation mechanism in case they are unwilling or unable to set targets by the end of 2025, which includes eventually ending the business relationship. For our logistics and packaging partners we integrated SBTs as an additional agenda topic to existing business review meetings and added it as a requirement for new partnerships in a phased approach starting in 2022.

The 100% suppliers by procurement spend that have to comply refer to new logistic and packaging partners. As we did not onboard new logistics and packaging suppliers since then, % suppliers by procurement spend in compliance is 0 at this point.

% suppliers by procurement spend that have to comply with this climate-related requirement

100

% suppliers by procurement spend in compliance with this climate-related requirement

0

Mechanisms for monitoring compliance with this climate-related requirement

Off-site third-party verification

Response to supplier non-compliance with this climate-related requirement

Retain and engage

C12.3

(C12.3) Does your organization engage in activities that could either directly or indirectly influence policy, law, or regulation that may impact the climate?

Row 1

Direct or indirect engagement that could influence policy, law, or regulation that may impact the climate

Yes, we engage indirectly through trade associations

Does your organization have a public commitment or position statement to conduct your engagement activities in line with the goals of the Paris Agreement?

No, but we plan to have one in the next two years

Describe the process(es) your organization has in place to ensure that your engagement activities are consistent with your overall climate change strategy

Zalando's Public Affairs Team leads engagement with the Sustainability Team and the Corporate Communication Team to align policy work and communication. The Sustainability Team is responsible for company-wide coordination and ensures alignment on all external sustainability engagements in order to have a consistent approach in regard to our climate protection efforts.

In monthly to quarterly meetings, the Sustainability Team assures a common approach that is aligned with our overall sustainability strategy and focus.

In addition, ad-hoc meetings are held whenever needed and whenever possible to leverage the diverse perspectives across the different business functions and divisions.

C12.3b

(C12.3b) Provide details of the trade associations your organization engages with which are likely to take a position on any policy, law or regulation that may impact the climate.

Trade association

Other, please specify
Policy Hub

Is your organization's position on climate change consistent with theirs?

Consistent

Has your organization influenced, or is your organization attempting to influence their position?

We are not attempting to influence their position

State the trade association's position on climate change, explain where your organization's position differs, and how you are attempting to influence their position (if applicable)

The Policy Hub unites the apparel and footwear industry to speak in one voice and propose policies that accelerate circular practices. Among others, circularity measures or transparency on environmental footprint are supported.

Funding figure your organization provided to this trade association in the reporting year, if applicable (currency as selected in C0.4) (optional)

43.630

Describe the aim of your organization's funding

We are part of the Policy Hub to represent a progressive voice in the fashion industry, e.g. pushing for more circularity and more transparency on the environmental impact of the supply chains.

This is the amount that we paid to SAC, which includes our participation in the Policy Hub.

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Trade association

Other, please specify
Ecommerce Europe (ECE)

Is your organization's position on climate change consistent with theirs?

Unknown

Has your organization influenced, or is your organization attempting to influence their position?

We are not attempting to influence their position

State the trade association's position on climate change, explain where your organization's position differs, and how you are attempting to influence their position (if applicable)

Ecommerce Europe is an association representing 150,000+ companies selling goods and/or services online to consumers in Europe. ECE acts at European level to help legislators create a better framework for online merchants, so that their sales can grow further. The association is made up of Working Committees, issue-based bodies that determine the overall public affairs strategy on legislative issues at European level. One of these committees is the Sustainability Working Committee that aims at bringing forward the expertise and experience of the e-commerce sector to help shape the right regulatory framework for a twin digital and green transition/recovery. The Committee covers policy workstreams ranging from packaging, product policy, consumer policy to sustainable mobility and "green" taxation. The Committee also leads the work on Ecommerce Europe's Collaborative Report on Sustainability and e-Commerce, where members, including Zalando, share a variety of information, studies, best practices, also related climate change topics, that can be a useful source of information for businesses and policymakers across the EU.

Funding figure your organization provided to this trade association in the reporting year, if applicable (currency as selected in C0.4) (optional)

12.000

Describe the aim of your organization's funding

We are participating in ECE to monitor regulatory developments on sustainability and logistics.

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

No, we have not evaluated

C12.4

(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication

In mainstream reports

Status

Complete

Attach the document

 Zalando_SE_Sustainability_Progress_Report_2021.pdf

Page/Section reference

All pages, primarily Planet and Product chapters (p.11-22) as well as in our Non-financial report (p. 50-53)

Content elements

- Governance
- Strategy
- Risks & opportunities
- Emissions figures
- Emission targets

Comment

C15. Biodiversity

C15.1

(C15.1) Is there board-level oversight and/or executive management-level responsibility for biodiversity-related issues within your organization?

	Board-level oversight and/or executive management-level responsibility for biodiversity-related issues	Description of oversight and objectives relating to biodiversity
Row 1	Yes, executive management-level responsibility	The highest level of responsibility with respect to the oversight of biodiversity issues lies with one of our Co-CEOs in his capacity of chairman of the Sustainability Forum, which is the highest decision-making body for climate-related issues. It serves as the overarching steering committee, keeps the necessary strategic oversight and ensures progress against Zalando's sustainability targets. One biodiversity related decision made by the Co-CEO was the 2021 launch of a collaboration with Land Life Company to reforest 350 hectares of degraded land in Spain, including financing the planting of more than 300,000 trees.

C15.2

(C15.2) Has your organization made a public commitment and/or endorsed any initiatives related to biodiversity?

	Indicate whether your organization made a public commitment or endorsed any initiatives related to biodiversity	Biodiversity-related public commitments
Row 1	Yes, we have made public commitments only	Commitment to no conversion of High Conservation Value areas Commitment to no trade of CITES listed species

C15.3

(C15.3) Does your organization assess the impact of its value chain on biodiversity?

	Does your organization assess the impact of its value chain on biodiversity?
Row 1	No, but we plan to assess biodiversity-related impacts within the next two years

C15.4

(C15.4) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?

	Have you taken any actions in the reporting period to progress your biodiversity-related commitments?	Type of action taken to progress biodiversity-related commitments
Row 1	Yes, we are taking actions to progress our biodiversity-related commitments	Land/water protection

C15.5

(C15.5) Does your organization use biodiversity indicators to monitor performance across its activities?

	Does your organization use indicators to monitor biodiversity performance?	Indicators used to monitor biodiversity performance
Row 1	No, we do not use indicators, but plan to within the next two years	

C15.6

(C15.6) Have you published information about your organization's response to biodiversity-related issues for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Report type	Content elements	Attach the document and indicate where in the document the relevant biodiversity information is located

In other regulatory filings	Content of biodiversity-related policies or commitments	Sustainability Progress Report 2021, p. 17: Reforestation projects 📎 ¹
Other, please specify Policies	Content of biodiversity-related policies or commitments	Zalando SE Sustainable Sourcing Strategy, p. 7 “Animal-Derived-Materials”, “Wood, Paper, Cork, Rubber – Minimum Requirements” Zalando SE Animal Welfare Policy, p.3 📎 ^{2, 3}

📎¹Zalando_SE_Sustainability_Progress_Report_2021.pdf

📎²ZalandoSE_Sustainable_Sourcing_Policy.pdf

📎³ZalandoSE_Animal_Welfare_Policy.pdf

C16. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

C16.1

(C16.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	Co-CEO and Founder	Chief Executive Officer (CEO)

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I understand that my response will be shared with all requesting stakeholders	Response permission
Please select your submission options	Yes	Public

The European Climate Pact Submission

Please indicate your consent for CDP to showcase your disclosed environmental actions on the European Climate Pact website as pledges to the Pact.

Yes, we wish to pledge to the European Climate Pact through our CDP disclosure

Please confirm below

I have read and accept the applicable Terms