

STRATEGIC
PARTNER
DAY

Sustainability: From Words to Actions

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Agenda

1. Why we care
2. Zalando Sustainability Strategy
3. Wrap up

Why do we care?

The global fashion industry is one of the top polluting industries.¹

It takes about **2,700 liters** of water to make just one t-shirt.²

Nearly **¾ of all clothing** ends up in landfills.³

Less than **1%** of material is recycled into new clothing.⁴



¹ New York Times (2018)

² WWF (2013)

³ Pulse of the Fashion Industry (2018), p. 59

⁴ Ellen MacArthur Foundation, A new textiles economy: Redesigning fashion's future, (2017), p. 20

Globally, consumers are becoming more aware of the **social and **environmental impact** of their garments.**

Our customers expect us to address these issues and to help create more transparency in the industry.

WGSN Newsbite



Brand Dependence

81% consumers feel that **companies should help** to improve the environment.¹



Demographic Demand

48% of Gen Z & Millennials say they have **abandoned purchases** because a brand or retailer **does not fit with their values**.²



Building Consumer Trust

2 in 3 consumers think brands that make a **public promise to be sustainable** are **more trustworthy**.³

¹ Nielsen (2018)
² Drapers (2019)
³ GlobalWebIndex

The Zalando
customer puts
words into action
when shopping
with us

+30%

increase

in conversion rate
when articles are flagged
as sustainable

**We don't need a few people
to be doing sustainability perfectly,
we need a billion people
doing sustainability imperfectly.**

Zalando Sustainability Strategy

**Setting
priorities
and tracking
progress
has been key**

**Sustainable
fashion**

15,000
products
highlighted as
sustainable in the
Fashion Store

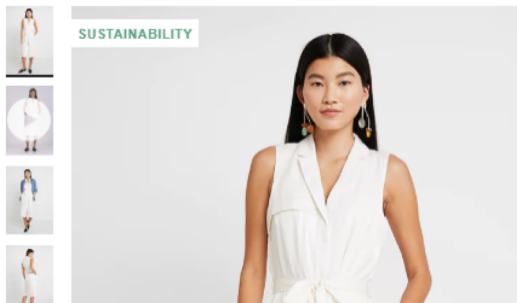
Environment

16%
CO2 emission
reduction
per order,
compared to 2017

Transparency

90+
innovations
in supply chain
transparency
identified via
zImpact Program

Your Product Information



DESCRIPTION SIZE & FIT DELIVERY REVIEWS

MATERIAL & CARE

Outer fabric material: 100% lyocell

Lining: 100% polyester

Care instructions: Do not tumble dry, machine wash at 30°C, Machine wash on gentle cycle

DETAILS

Neckline: Low-cut v-neck

Collar: Lapel collar

Pattern: Plain

Details: Belt included, Inseam pockets, bust darts, slip

Article number: BJ721C09R-A11

SPOTLIGHT ON SUSTAINABILITY



Eco-fibre mix

This label has been defined by Zalando to highlight items that include materials which have been sustainably sourced or have a lower environmental impact. Examples include TENCEL® / lyocell, linen, hemp, recycled content and cotton sourced through the Better Cotton

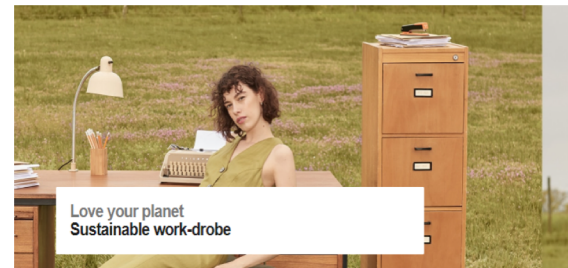
Your Brand Stories



G-STAR RAW

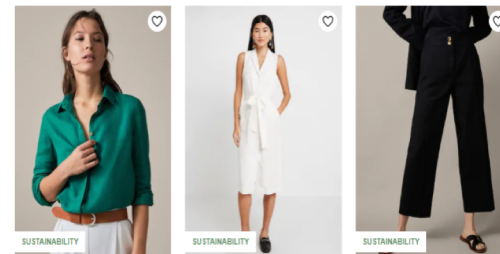


Joint Inspirational campaigns



Size Brand Price Colour Length Pattern Collection Show all filters

Sustainability



...and strong partnerships



We run brand working groups to **define new sustainability criteria** (e.g. shoes and denim)



Sustainable
Apparel Coalition

Together with **Sustainable Apparel Coalition**, we trial and error new approaches and use the **Higg Index** to drive improvement across the industry



Partnering with innovators to change the fashion game
(e.g. Fashion for Good, circular.fashion)

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**We want to be the
starting point for
sustainable fashion.**

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Our sustainability commitments

Jointly enabling customers to live their social and environmental values

**Flawless
Choice**

x10 growth of our sustainable
assortment share by 2023

Zign becomes our first
sustainable private label by 2020

Ethical Trade & Sustainability team
to help you along your journey

**Inspiration
and advice**

Global marketing campaigns
and **weekly homepage teasers**

Dedicated Digital Experience team

Convenience

100% sustainable packaging by 2020

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We cannot do it
without **you**, our
partners.

Our **key ask** to you

- ▶ **Grow your sustainable assortment on Zalando → **x10 by 2023****
- ▶ **Train your teams on our requirements and processes**
- ▶ **Provide us the necessary information to flag your products**
- ▶ **Collaborate with us on content**

Wrap up

Jointly enabling customers to live their social and environmental values

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What are your
commitments?

How can you **join us** on
our journey?

Thank you!