

**Invitation to  
the Annual  
General Meeting  
of Zalando SE  
on June 23, 2020**



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Convenience translation  
This translation is a working translation only.  
Legally binding and relevant is solely the German version.

## ZALANDO SE

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### Berlin

### ISIN DE000ZAL1111 (WKN ZAL111)

The Act on Measures in Corporate, Co-operative, Association, Foundation and Home Ownership Law to Combat the Effects of the COVID 19 Pandemic (*Gesetz über Maßnahmen im Gesellschafts-, Genossenschafts-, Vereins-, Stiftungs- und Wohnungseigentumsrecht zur Bekämpfung der Auswirkungen der COVID-19-Pandemie – C19-AuswBekG*), which entered into force on March 28, 2020, opens up the possibility of holding ordinary general meetings in 2020 without the physical presence of shareholders or their authorized representatives (virtual general meeting). In view of the COVID 19 pandemic that is set to last for an undetermined time, the measures adopted in this respect by the state of Berlin and the objective of avoiding health risks for shareholders, internal and external employees and the company's board members, the Management Board of ZALANDO SE has decided, with the approval of the Supervisory Board, to make use of the possibility to hold a virtual general meeting.

### **Invitation to the annual general meeting (virtual general meeting)**

We hereby invite the shareholders of our company on  
**Tuesday, June 23, 2020 at 10:00 a.m. (CEST)**

to the

**annual general meeting.**

The meeting will be held without the physical presence of shareholders and their authorized representatives at the corporate headquarters of ZALANDO SE, Valeska-Gert-Straße 5, 10243 Berlin. Pursuant to section 1 (2) sentence 1 no. 1 C19-AuswBekG in conjunction with § 16 (4) of the articles of association of the company, the entire meeting will be broadcast in audio and video at the internet address

*[https://corporate.zalando.com/en/investor-relations/  
annual-general-meeting-2020](https://corporate.zalando.com/en/investor-relations/annual-general-meeting-2020)*

for duly registered shareholders via the company's password-protected internet service (**shareholder portal**); such broadcasting does not enable participation in the shareholders' meeting as defined by section 118 (1) sentence 2 of the German Stock Corporation Act (*Aktiengesetz* – **AktG**) (see the more detailed notes following the agenda with the proposed resolutions).

## Agenda

- 1. Presentation of the adopted annual financial statements and the approved consolidated financial statements for fiscal year 2019 together with the combined management report for ZALANDO SE and the Zalando group, the combined non-financial report for ZALANDO SE and the Zalando group and the report of the Supervisory Board as well as the explanatory reports on the information required pursuant to sections 289a (1), 315a (1) of the German Commercial Code (*Handelsgesetzbuch – HGB*)<sup>1</sup>**

The Supervisory Board approved the annual financial statements and the consolidated financial statements prepared by the Management Board on February 25, 2020. The annual financial statements are therefore adopted. No resolution of the general meeting is required for this agenda item 1. The documents on agenda item 1 are available on the company's website at

<https://corporate.zalando.com/en/investor-relations/annual-general-meeting-2020>.

- 2. Appropriation of distributable profit**

The Management Board and the Supervisory Board propose that the distributable profit of ZALANDO SE for the past fiscal year 2019 in the amount of EUR 199,623,726.68 be carried forward in its full amount to new account.

- 3. Discharge of the Management Board of ZALANDO SE for fiscal year 2019**

The Management Board and the Supervisory Board propose to grant discharge to the members of the Management Board of the company who were in office in fiscal year 2019 in respect of this period.

- 4. Discharge of the Supervisory Board of ZALANDO SE for fiscal year 2019**

The Management Board and the Supervisory Board propose to grant discharge to the members of the Supervisory Board of the company who were in office in fiscal year 2019 in respect of this period.

<sup>1</sup> The relevant provisions for stock corporations domiciled in Germany, in particular the provisions of the HGB and the German Stock Corporation Act (*Aktiengesetz – AktG*), apply to the company due to the conflict-of-law rules set out in Art. 5, Art. 9(1) lit. c) ii), Art. 53 as well as Art. 61 of Council Regulation (EC) No 2157/2001 of October 8, 2001 on the Statute for a European company (SE) (*SER*) unless otherwise provided for by any more specific rules of the SER.

## **5. Election of the auditor for the financial statements and the auditor for the consolidated financial statements as well as the auditor for the audit review**

- a) Based on the recommendation of its audit committee, the Supervisory Board proposes to appoint Ernst & Young GmbH, Wirtschaftsprüfungsgesellschaft, Stuttgart, Berlin Office, as auditor for the audit of the financial statements and of the consolidated financial statements for fiscal year 2020 and for a review of the condensed accounts and of the interim management report for the first six months of fiscal year 2020 and for a review, if applicable, of additional interim financial information within the meaning of section 115 (7) of the German Securities Trading Act (*Wertpapierhandelsgesetz – WpHG*) in the fiscal year 2020.
- b) Furthermore, based on the recommendation of its audit committee, the Supervisory Board proposes to appoint Ernst & Young GmbH, Wirtschaftsprüfungsgesellschaft, Stuttgart, Berlin Office, as auditor for a review, if applicable, of additional interim financial information within the meaning of section 115 (7) WpHG in fiscal year 2021 until the next general meeting.

The audit committee declares that it has issued its recommendation free of any undue third-party influence and that it was not subject to any clauses restricting its choice as defined in Art. 16 (6) of the EU Regulation on Specific Requirements Regarding Statutory Audit of Public-Interest Entities.

It is intended to take separate votes on agenda items 5 lit. a) and 5 lit. b).

## **6. Election to replace and new appointment of Supervisory Board members and appointment of substitute members**

Mr Alexander Samwer resigned from his office as a member of the Supervisory Board with effect as per the end of the general meeting held on June 23, 2020. Hence, a Supervisory Board member representing the shareholders must be elected to replace him.

Furthermore, the terms of office of all employee representatives on the Supervisory Board expire at the end of the general meeting held on June 23, 2020. Employee representatives must therefore be newly appointed.

Pursuant to (i) Art. 40(2), (3) SER, (ii) section 17 of the German SE Implementation Act (*SE-Ausführungsgesetz – SEAG*), (iii) section 21 (3) of the German SE Participation Act (*SE-Beteiligungsgesetz – SEBG*), (iv) the second section of the Agreement on the Participation of Employees in ZALANDO SE of March 17, 2014 (hereinafter

referred to as **Participation Agreement**) and (v) § 10 (1) of the company's articles of association, the Supervisory Board has nine members, including six members representing the shareholders and three members representing the employees.

Pursuant to § 10 (2) sentence 1 of the articles of association, the six members representing the shareholders are elected by the general meeting without being bound to an election proposal. Pursuant to § 10 (2) sentence 2 of the articles of association in conjunction with § 19 of the Participation Agreement, the three members representing the employees together with their substitutes are elected by the company's SE works council and proposed for appointment to the general meeting of ZALANDO SE. Pursuant to section 36 (4) SEBG in conjunction with § 19 (2) of the Participation Agreement, the general meeting is bound to these proposals.

#### **a) Election to replace a shareholder representative**

In accordance with the recommendation of the nomination committee, the Supervisory Board proposes to elect the following person for the remaining term of office of Mr Alexander Samwer, i.e. from the end of the general meeting held on June 23, 2020 until the end of the general meeting that resolves on the discharge for the fiscal year 2020, as a shareholder representative to the Supervisory Board of ZALANDO SE:

Jennifer Hyman, CEO at Rent the Runway, Inc., residing in New York (USA).

The nomination takes into account the objectives adopted by the Supervisory Board regarding its composition and aims to comply with the competency profile defined by the Supervisory Board for the board as a whole.

In the appraisal of the Supervisory Board, Jennifer Hyman has no personal or business relation with ZALANDO SE or its group companies, the corporate bodies of ZALANDO SE, or with a shareholder holding a material interest in ZALANDO SE that must be disclosed to the general meeting.

#### **b) Appointment of employee representatives**

Pursuant to section 21 (3) SEBG in conjunction with § 19 of the Participation Agreement, the employees propose the following persons to be appointed by the general meeting as employee representatives and their substitutes:

aa) On the proposal of the employees, the following persons, each with effect as from the end of the general meeting held

on June 23, 2020 until the end of the general meeting that resolves on the discharge for the fiscal year 2024, are appointed as employee representatives to the Supervisory Board of ZALANDO SE:

- Matti Ahtiainen, current profession: Financial Controller of Zalando Finland Oy, residing in Espoo (Finland);
- Jade Buddenberg, current profession: Lead Circularity & Sustainability Recommerce at ZALANDO SE, residing in Berlin (Germany);
- Anika Mangelmann, current profession: Chairperson of ZEP (Zalando Employee Participation) at ZALANDO SE, residing in Berlin (Germany).

bb) On the proposal of the employees, the following persons, each with effect as from the end of the general meeting held on June 23, 2020 until the end of the general meeting that resolves on the discharge for the fiscal year 2024, are appointed as substitutes of the employee representatives on the Supervisory Board of ZALANDO SE:

- Anthony Brew, current profession: Engineering Lead, Customer Data Platform at Zalando Ireland Ltd., residing in Dublin (Ireland), as the substitute member of Matti Ahtiainen;
- Margot Comon, current profession: In-Hhouse Consultant, People Insights & Rewards at ZALANDO SE, residing in Berlin (Germany), as the substitute member of Anika Mangelmann;
- Christine Loof, current profession: Senior Manager Market Research at ZALANDO SE, residing in Berlin (Germany), as the substitute member of Jade Buddenberg.

They will, as specified above, become members of the Supervisory Board if the Supervisory Board member as whose substitute they were appointed retires before the end of its regular term of office and if the SE works council has not elected a successor before such retirement and such successor, on proposal of the employees, was not appointed by the general meeting. The term of office of the substitute members promoted to the Supervisory Board ends upon conclusion of the general meeting in which a successor elected by the SE works council for the substituted Supervisory Board member is appointed by the general meeting on the proposal of the employees, but at the latest on the date on which the regular term of office of the latter would expire.

Further information on the candidates, including information regarding their memberships in other statutory supervisory boards and comparable controlling bodies in Germany or abroad, are specified following the Agenda and are available on the internet at

<https://corporate.zalando.com/en/investor-relations/annual-general-meeting-2020>

as from the date of the notice convening the general meeting.

It is proposed that the general meeting will decide on the replacement election or new appointment of members of the Supervisory Board on an individual basis.

## **7. Amendment of § 17 (3) of the articles of association**

The conditions for the proof required for attending the annual general meeting and exercising voting rights were modified by the German Act for Implementing the Second Shareholder Rights Directive (*Gesetz zur Umsetzung der zweiten Aktionärsrechterichtlinie – ARUG II*). In the case of bearer shares of listed companies, the amended section 123 (4) sentence 1 AktG provides that the proof of the last intermediary in accordance with the newly introduced section 67c (3) AktG shall in future suffice for attending the general meeting or exercising voting rights. Pursuant to § 17 (3) of the company's articles of association, in accordance with the provisions of the current version of section 123 (4) sentence 1 AktG, a special proof of shareholding issued in text form and in German or English by the depository institution is required for participation in the general meeting and the exercise of voting rights.

ARUG II entered into force on January 1, 2020. The amendments to section 123 (4) sentence 1 AktG and the newly provided section 67c AktG shall become applicable, in accordance with section 26j (4) of the Introductory Act to the German Stock Corporation Act (*Einführungsgesetz zum Aktiengesetz – EGAktG*), only from September 3, 2020 and for the first time to annual general meetings that will be convened after September 3, 2020. They will thus become applicable already prior to the company's annual general meeting in 2021.

A corresponding adjustment of the articles of association shall already be resolved upon now in order to avoid any inconsistency that might occur as from that date between the provisions on such proof for attending the company's general meeting or for exercising voting rights in the articles of association and the law. The Management Board shall ensure, by way of a corresponding notification to the German Commercial Register (*Handelsregister*), that the amendment to the articles of association will not become effective before September 3, 2020.

Therefore, the Management Board and the Supervisory Board propose to resolve as follows:

§ 17 (3) of the articles of association shall be amended to read as follows:

*“(3) Special proof of shareholding is required for the proof of shareholding pursuant to sub-section (1). Proof of shareholding in accordance with section 67c (3) AktG shall be sufficient in any case. The proof of shareholding must refer to the start of the 21st day prior to the general meeting and be received by the company at the address specified in the notice of the general meeting at least six days prior to the general meeting (“record date”). The convening notice of the general meeting may provide for a shorter period to be measured by days. This period does not include each the day of the general meeting and the day of receipt.”*

The Management Board is instructed to submit the amendment to the articles of association for entry into the commercial register only after September 3, 2020.

**8. Resolution on the authorization for the company to acquire treasury shares pursuant to section 71 (1) no. 8 AktG and on their utilization as well as on the exclusion of subscription and tender rights**

The authorization to acquire and use treasury shares adopted in the annual general meeting 2015 expires on June 1, 2020. Therefore, the Management Board shall be authorized again for a period of five years to acquire and use treasury shares.

The Management Board and the Supervisory Board therefore propose that the following resolution be adopted:

- a) The Management Board shall be authorized to repurchase treasury shares until June 22, 2025 for every permissible purpose, up to a limit of 10% of its registered capital as of the date of the resolution or as of the date on which the authorization is exercised if the latter value is lower. In this context, the shares acquired on the basis of this authorization together with other shares owned by the company or to be allocated to the company pursuant to sections 71a et seq. AktG may at no time amount to more than 10% of the registered capital.

In the discretion of the Management Board, the acquisition is to take place (i) through the stock exchange, (ii) through a public offering or a public call for offers to all shareholders (hereinafter a **Purchase Offer**) or (iii) by granting the shareholders tender rights.

- aa) If the shares are to be acquired on the stock market, the consideration paid by the company per company share (excluding incidental transaction charges) may neither exceed the stock market price of a company share at the Frankfurt Stock Exchange on the trading day, as determined during the opening auction in Xetra trading (or a comparable successor system) subject to other applicable statutory regulations by more than 10% nor fall below such market price by more than 20%.
- bb) If the shares are repurchased through a purchase offer, the company may determine either a purchase price or the high and low ends of the price range for which it is willing to repurchase the shares. If a price range is established, the company will determine the final purchase price on the basis of the sales offers received.

The purchase price or the high and low ends of the purchase price range (in each case excluding incidental transaction charges) – subject to adjustment during the offer period – must not exceed the average stock market price of the company's shares on the Frankfurt Stock Exchange on the three last trading days prior to the purchase offer being made public, determined on the basis of the arithmetic means of the auction closing price in Xetra trading (or a comparable successor system), by more than 10% nor fall below this average closing price by more than 20%. If, after the public announcement, material deviations in the relevant market price occur, the purchase price or price range can be adjusted. In this event, reference will be made to the average stock market price of the shares on the Frankfurt Stock Exchange on the three last trading days prior to any adjustment being made public, determined on the basis of the arithmetic means of the auction closing price in Xetra trading (or a comparable successor system). The purchase offer can include additional conditions.

If, in the event of a purchase offer, the volume of shares tendered exceeds the intended repurchase volume, acceptance shall generally be in proportion to the respective subscribed or offered shares; the right of shareholders to tender their shares in proportion to their participation ratio is excluded in this respect. The preferential acceptance of small lots of up to a maximum of 100 tendered shares per shareholder as well as commercial rounding in order to avoid mathematical fractions of shares may be provided for. Any further tender right of the shareholders shall insofar be excluded.

cc) If the shares are repurchased through a grant of tender rights to the shareholders, these can be allocated per share held in the company. According to the ratio of the company's registered capital to the volume of the shares to be repurchased by the company, a correspondingly determined number of tender rights entitles a shareholder to sell a share in the company to the company. Tender rights can also be attributed such that in each case one tender right is attributed for the number of shares that results from the proportion of registered capital to the volume of shares to be repurchased. No fractions of tender rights are attributed; in this case, the corresponding partial tender rights are excluded.

In this context, the company may establish either a purchase price or a price range at which a share may be sold to the company upon the exercise of one or several tender rights. If a price range is established, the company will determine the final purchase price on the basis of the exercise declarations received. For the purpose of determination of the purchase price or the high and low ends of a price range (in either case without incidental transaction charges) at which a share may be sold to the company upon the exercise of one or several tender rights, the provisions under lit. bb) above apply. Reference is to be made for the purpose of determining the relevant closing prices to the day when the repurchase offer granting tender rights is publicly announced, and in case the repurchase offer is adjusted, to the day when such adjustment is publicly announced. The company may determine the specific contractual structure of the tender rights, in particular their content, term, and tradability, if any.

The authorization under this lit. a) may be exercised once or multiple times, in whole or in part, in pursuit of one or more objectives by the company or any of its affiliates or subsidiaries, or by third parties acting on behalf of the company or its affiliates or subsidiaries. This authorization shall not be used for the purpose of trading in treasury shares.

b) The Management Board is authorized to use shares of the company acquired on the basis of the authorization granted under lit. a) with the Supervisory Board's consent – in addition to selling them on the stock exchange or through an offer with subscription rights to all shareholders – for every permissible purpose, in particular as follows:

aa) Shares may be cancelled without an additional resolution by the general meeting being required for such cancellation or its implementation. Shares may also be cancelled without a capital reduction by adjusting the *pro rata* amount of the

remaining shares with no par value in the company's registered capital. For this purpose, the Management Board is authorized to adjust the number of no-par value shares in the articles of association.

- bb) The shares may also be sold for the purpose of acquiring enterprises, parts of enterprises, interests in enterprises or other assets (including receivables), and in exchange for consideration in kind in the context of business combinations. For this purpose, **to sell** also means the grant of conversion or subscription rights or of call options as well as the conveyance of shares within the scope of securities lending.
- cc) The shares may be used for the fulfilment of conversion rights and/or warrant rights or obligations arising from or in connection with convertible bonds and/or bonds with warrants (or combinations of such instruments) with conversion rights or warrant rights or obligations (these instruments are each hereinafter referred to as **bonds**) that are issued by the company or by the company's affiliates or subsidiaries.
- dd) The shares may be sold against compensation in cash provided that the selling price is not substantially lower than the stock market price of the company's shares at the time when they are sold (section 186 (3) sentence 4 AktG).
- ee) The shares may serve the purpose to introduce the company's shares at stock exchanges on which they are not yet admitted for trading. The price at which these shares are introduced at other stock exchanges may not be more than 5% below the closing price in the Xetra trading system (or any corresponding successor system) on the last trading day on the Frankfurt Stock Exchange prior to the listing (without incidental charges).
- ff) The shares may be used as part of share-based remuneration or in connection with share-based remuneration programs and/or employee share programs of the company or any of its affiliated companies within the meaning of sections 15 et seq. AktG, and issued to individuals currently or formerly employed by the company or any of its affiliated companies as well as to board members of any of the company's affiliated companies. In particular, they may be offered for acquisition, awarded and transferred for free or against payment to said individuals and board members, provided that the employment relationship or board membership exists at the time of the offer, award commitment or transfer. The shares can also be transferred to third parties if and to the extent it is legally ensured that such third party offers and transfers the shares to the aforementioned

individuals and board members. Section 71 (1) no. 2 AktG shall remain unaffected.

The portion of the registered capital mathematically attributable to the shares utilized under the authorizations pursuant to lit. cc) and dd) above may not exceed 10% of the registered capital existing at the time of the resolution or, if lower, of the registered capital existing at the time this authorization is exercised, if the shares or bonds – in *mutatis mutandis* application of the provisions of section 186 (3) sentence 4 AktG – are issued against cash contribution and not significantly below the stock market price or, in the case of bonds, below their theoretical market value, with shareholders' subscription rights being excluded. This limit includes shares issued or disposed of by direct or *mutatis mutandis* application of these provisions during the term of this authorization up to the time of its exercise. Furthermore, also shares to be issued or disposed of on the basis of a bond issued during the term of this authorization are to be included, with shareholders' subscription rights excluded in accordance with section 186 (3) sentence 4 AktG. Any inclusion made according to the two preceding sentences for the exercise of authorizations (i) to issue new shares pursuant to section 203 (1) sentence 1, (2) sentence 1, section 186 (3) sentence 4 AktG and/or (ii) to sell treasury shares pursuant to section 71 (1) no. 8, section 186 (3) sentence 4 AktG and/or (iii) to issue bonds pursuant to section 221 (4) sentence 2, section 186 (3) sentence 4 AktG, is cancelled with effect for the future if and to the extent that the respective authorization(s) whose exercise gave rise to the inclusion is/are re-granted by the general meeting in observance of statutory provisions.

- c) The Supervisory Board is authorized to use the company's shares acquired on the basis of the authorization granted under lit. a) to meet acquisition obligations or acquisition rights relating to shares of the company that were or will be agreed with members of the Management Board in connection with the provisions on the remuneration of Management Board. In particular, they may be offered for acquisition, awarded and transferred for free or against payment to members of the Management Board, provided that the employment relationship or board membership exists at the time of the offer, award commitment or transfer. The details regarding the remuneration of Management Board members are determined by the Supervisory Board.
- d) The authorizations under lit. b) and c) above may be exercised once or multiple times, in whole or in part, individually or jointly by the company or – in the cases of lit. b) bb) through ff) above – by any affiliates or subsidiaries of the company, or by third parties acting on behalf of the company or its affiliates or subsidiaries.

- e) Shareholders' subscription rights relating to the treasury shares acquired under this authorization is excluded to the extent to which such shares are used in accordance with the authorizations under lit. b) bb) through ff) above, or lit. c) above. Furthermore, if the treasury shares are sold under a call for sale to all shareholders, the Management Board may exclude the shareholders' pre-emptive rights in respect of fractions. Finally, the Management Board is authorized to exclude subscription rights in order to grant holders/creditors of bonds with conversion or option rights or obligations on company's shares subscription rights as compensation against the effects of dilution to the extent to which they would be entitled when exercising such rights or fulfilling such obligations.
- f) The Management Board will inform the general meeting about the use of the above authorization, in particular about the reasons for and purpose of the acquisition of treasury shares, the number of shares acquired and the amount of the registered capital attributable to them, their proportion of the registered capital and the equivalent value of the shares in each case.

**9. Resolution on the authorization to use derivatives in connection with the acquisition of treasury shares pursuant to section 71 (1) no. 8 AktG, and to exclude shareholders' subscription and tender rights**

The authorization to acquire treasury shares using derivatives adopted in the general meeting 2015 expires on June 1, 2020. Therefore, in addition to the authorization to acquire treasury shares described under agenda item 8, the Management Board is to be authorized again to acquire treasury shares pursuant to section 71 (1) no. 8 AktG also with the use of derivatives (put options or call options or forward purchase transactions or a combination of these instruments). The total volume of shares that may be acquired is not to be increased as a result thereof; this is only to open up further action alternatives to acquire treasury shares within the scope of the upper limit of agenda item 8 and including such shares in the amount of the upper limit.

The Management Board and the Supervisory Board therefore propose that the following resolution be adopted:

- a) In addition to the authorization resolved under agenda item 8, the Management Board is to be authorized to acquire treasury shares until June 22, 2025 by using derivatives.

Options may be sold under which the company is obliged to acquire shares of the company upon exercise of such options (put options). Furthermore, options entitling the company to acquire

shares of the company upon exercise of the options (call options) may also be purchased and exercised. Additionally, forward purchase agreements to buy company's shares with more than two trading days between the conclusion of the agreement and the delivery of the shares purchased (forward purchases) may be entered into. Lastly, shares of the company may be acquired by using a combination of these derivatives. The instruments mentioned above in this paragraph are referred to as **derivatives**.

All share acquisitions using derivatives are restricted to shares in a maximum volume of 5% of the registered capital at the time when the resolution is made by the general meeting or – if lower – at the time this authorization is exercised.

Furthermore, all share acquisitions are to be included in the 10% limit of the authorization to acquire treasury shares as resolved upon by the general meeting under agenda item 8 lit. a).

- b) The derivative contracts must be concluded with one or several credit institution(s) that are independent from the company and/or one or several enterprise(s) operating pursuant to section 53 (1) sentence 1 or section 53b (1) sentence 1 or (7) of the German Banking Act (*Kreditwesengesetz – KWG*). The derivative conditions must ensure that the derivatives are honored only with shares that were acquired in observance of the principle of equal treatment (section 53a AktG); this requirement is complied with by an acquisition of the shares at the stock exchange.

The predetermined price as specified in the respective derivative contract (in each case excluding incidental transaction charges, but taking into account any option premiums paid or received) for the purchase of a share upon the exercise of options or the fulfilment of forward purchases must not exceed the average stock market price of the company's share on the Frankfurt Stock Exchange on the last three trading days prior to the day when the relevant derivative contract is entered into, determined on the basis of the arithmetic means of the auction closing price, in Xetra trading (or a corresponding successor system), by more than 10% and not fall below this average closing price by more than 20%. The acquisition price paid by the company for options must not materially exceed, and the selling price received by the company for options must not materially fall short of, the theoretical market value of the relevant options determined according to recognized principles of financial mathematics, the calculation of such market value taking into account, *inter alia*, the agreed exercise price. The forward price agreed by the company for forward purchase contracts must not materially exceed the theoretical forward price determined according to recognized principles of financial mathematics, the calculation of which takes into account,

*inter alia*, the current stock market price and the term of the forward purchase.

The term of a derivative must not in any case exceed 18 months and must be so that the shares are not acquired after June 22, 2025 when exercising the derivative.

- c) The use of derivatives in the context of acquiring treasury shares requires the approval of the Supervisory Board.
- d) If treasury shares are acquired using derivatives and in accordance with the above provisions, any right of the shareholders to enter into such derivatives with the company and any tender right of the shareholders are excluded.
- e) The provisions stated in lit. b) through f) of the proposal for resolution under agenda item 8 of the general meeting held on June 23, 2020 apply accordingly to the use of treasury shares acquired through derivatives. In particular, shareholders' subscription rights relating to treasury shares of the company are excluded to the extent to which such shares are used in accordance with the authorizations pursuant to lit. b) bb) through ff) and lit. c) of the proposal for resolution under agenda item 8 of the general meeting held on June 23, 2020.

#### **10. Resolution on the creation of a new authorized capital (Authorized Capital 2020) with the option of excluding subscription rights, and related amendment to the articles of association**

The company's Management Board was authorized by way of the resolution adopted by the general meeting on June 2, 2015 to increase the registered capital of the company until June 1, 2020, with the consent of the Supervisory Board, once or repeatedly by up to a total of EUR 94,694,847 by the issuance of up to 94,694,847 new no-par value bearer shares against contributions in cash and/or in kind and, in doing so, to exclude the shareholders statutory subscription right in certain cases (Authorized Capital 2015, § 4 (3) of the articles of association). While this authorization has not been used to date, it will expire on June 1, 2020.

To enable the company also in future to cover its financial needs in a quick and flexible manner, the provision on the Authorized Capital 2015 contained in § 4 (3) of the articles of association shall be deleted and a new authorized capital shall be created. The Authorized Capital 2020 is to be created in an amount of EUR 100,266,384 (i.e. approx. 40% of the existing registered capital) and may be used until June 22, 2025. The option of excluding subscription rights in the event of capital increases against contributions in cash or in kind is to be limited in total to 20% of the registered capital. The Management Board and the Supervisory Board therefore propose that the following resolution be adopted:

- a) The Management Board shall be authorized to increase the registered capital of the company until June 22, 2025, with the consent of the Supervisory Board, once or repeatedly by up to a total of EUR 100,266,384 by the issuance of up to 100,266,384 new no-par value bearer shares against contributions in cash and/or in kind (Authorized Capital 2020). The shareholders are in principle entitled to subscription rights. The new shares can also be acquired by a credit institution to be determined by the Management Board or an undertaking operating according to section 53 (1) sentence 1 or section 53b (1) sentence 1 or (7) KWG (financial institution) or a consortium of such credit and financial institutions with the obligation to offer them to the shareholders of the company for subscription (so-called indirect subscription right). The new shares participate in profits from the start of the fiscal year in which they are issued. To the extent legally permissible, the Management Board may, subject to the consent of the Supervisory Board, in derogation hereof and of section 60 (2) AktG, determine that the new shares shall bear dividend rights from the beginning of an already past fiscal year for which no resolution of the general meeting regarding the appropriation of the net profit had been passed at the time when they were issued.

The Management Board shall further be authorized, in each case with the consent of the Supervisory Board, to exclude shareholder subscription rights one or more times

- (i) to the extent necessary in order to balance fractional amounts;
- (ii) to the extent necessary in order to grant holders/creditors of bonds with conversion and/or option rights or obligations to shares of the company subscription rights as compensation for effects of dilution to the extent to which they would be entitled upon exercising such rights or fulfilling such obligations;
- (iii) to the extent the new shares are issued against cash contributions and the issue price of the new shares is not significantly below the prevailing stock market price of the company's listed shares at the time of the final determination of the subscription amount, which should occur as close in time as possible to the placement of the shares. However, this authorization to exclude subscription rights shall apply only to the extent that the portion of the registered capital attributable to the shares issued with the exclusion of subscription rights in accordance with section 186 (3) sentence 4 AktG does not mathematically exceed 10% of the registered capital existing either at the time this authorization comes into effect or at the time it is exercised. Shares (i) disposed of or issued during the term of this authorization up to the time of it being exercised on the basis of other authorizations in direct or *mutatis mutandis* application of section 186 (3) sentence 4 AktG with the exclusion of subscription rights or (ii) issued or to be issued to service bonds with conversion or option rights or conversion or option obligations insofar as the issue takes place during the term of this authorization up to the time of it being exercised with the exclusion of subscription rights in *mutatis mutandis* application of section 186 (3) sentence 4 AktG are to be deducted from this limit. A deduction that has been carried out in accordance with the foregoing sentence due to the exercise of authorizations to (i) issue new shares pursuant to section 203 (1) sentence 1, (2) sentence 1, section 186 (3) sentence 4 AktG and/or (ii) dispose of treasury shares in accordance with section 71 (1) no. 8, section 186 (3) sentence 4 AktG and/or (iii) issue bonds with conversion and/or option rights/obligations pursuant to section 221 (4) sentence 2, section 186 (3) sentence 4 AktG shall be cancelled with effect for the future if and to the extent the respective authorization(s), the exercise of which having led to the deduction, are granted again by the general meeting taking into account the respective legal requirements;

- (iv) to the extent the new shares are issued against contributions in kind, in particular in the form of companies, parts of companies, equity interests in companies, receivables or other assets.

The total shares issued under the aforesaid authorizations with the exclusion of subscription rights for capital increases against contributions in cash and/or in kind must not exceed 20% of the registered share capital either at the time the authorization becomes effective or at the time it is exercised. Shares (i) issued or disposed of during the term of this authorization with the exclusion of subscription rights in direct or *mutatis mutandis* application of section 186 (3) sentence 4 AktG and (ii) that are issued or can or must be issued to service bonds with conversion or option rights or conversion or option obligations, provided such bonds are issued in *mutatis mutandis* application of section 186 (3) sentence 4 AktG with the exclusion of the shareholders' subscription rights after this authorization has come into force shall be deducted from the aforementioned 20% limit.

The Management Board shall be authorized, with the consent of the Supervisory Board, to determine any further details of the capital increase, the further content of the rights arising from the shares and the conditions of the share issue.

The Supervisory Board shall be authorized to amend § 4 of the articles of association to reflect the relevant utilization of the Authorized Capital 2020 as well as after expiration of the authorization period.

- b) The Authorised Capital 2015 resolved by the annual general meeting on June 2, 2015 and provided for in § 4 (3) of the articles of association is deleted and the wording of § 4 (3) of the articles of association is amended as follows:

*“The Management Board is authorized to increase the registered capital of the company until June 22, 2025, with the consent of the Supervisory Board, once or repeatedly by up to a total of EUR 100,266,384 by the issuance of up to 100,266,384 new no-par value bearer shares against contributions in cash and/or in kind (Authorized Capital 2020). The shareholders are in principle entitled to subscription rights. The new shares can also be acquired by a credit institution to be determined by the Management Board or an undertaking operating according to section 53 (1) sentence 1 or section 53b (1) sentence 1 or (7) KWG (financial institution) or a consortium of such credit and financial institutions with the obligation to offer them to the shareholders of the company for subscription (so-called indirect subscription right). The new shares participate in profits from the start of the fiscal*

*year in which they are issued. To the extent legally permissible, the Management Board may, subject to the consent of the Supervisory Board, in derogation hereof and of section 60 (2) AktG, determine that the new shares shall bear dividend rights from the beginning of an already past fiscal year for which no resolution of the general meeting regarding the appropriation of the net profit had been passed at the time when they were issued.*

*The Management Board is further authorized, in each case with the consent of the Supervisory Board, to exclude shareholder subscription rights one or more times*

- (i) to the extent necessary in order to balance fractional amounts;*
- (ii) to the extent necessary in order to grant holders/creditors of bonds with conversion and/or option rights or obligations to shares of the company subscription rights as compensation for effects of dilution to the extent to which they would be entitled upon exercising such rights or fulfilling such obligations;*
- (iii) to the extent the new shares are issued against cash contributions and the issue price of the new shares is not significantly below the prevailing stock market price of the company's listed shares at the time of the final determination of the subscription amount, which should occur as close in time as possible to the placement of the shares. However, this authorization to exclude subscription rights shall apply only to the extent that the portion of the registered capital attributable to the shares issued with the exclusion of subscription rights in accordance with section 186 (3) sentence 4 AktG does not mathematically exceed 10% of the registered capital existing either at the time this authorization comes into effect or at the time it is exercised. Shares (i) disposed of or issued during the term of this authorization up to the time of it being exercised on the basis of other authorizations in direct or mutatis mutandis application of section 186 (3) sentence 4 AktG with the exclusion of subscription rights or (ii) issued or to be issued to service bonds with conversion or option rights or conversion or option obligations insofar as the issue takes place during the term of this authorization up to the time of it being exercised with the exclusion of subscription rights in mutatis mutandis application of section 186 (3) sentence 4 AktG are to be deducted from this limit. A deduction that has been carried out in accordance with the foregoing sentence due to the exercise of authorizations to (i) issue new shares pursuant to section 203 (1) sentence 1, (2) sentence 1, section 186 (3) sentence 4 AktG and/or (ii) dispose of treasury shares in accordance with section 71 (1) no. 8, section 186 (3) sentence 4 AktG and/or (iii) issue bonds with conversion and/or option*

*rights/obligations pursuant to section 221 (4) sentence 2, section 186 (3) sentence 4 AktG shall be cancelled with effect for the future if and to the extent the respective authorization(s), the exercise of which having led to the deduction, are granted again by the general meeting taking into account the respective legal requirements;*

- (iv) to the extent the new shares are issued against contributions in kind, in particular in the form of companies, parts of companies, equity interests in companies, receivables or other assets.*

*The total shares issued under the aforesaid authorizations with the exclusion of subscription rights for capital increases against contributions in cash and/or in kind must not exceed 20% of the registered share capital either at the time the authorization becomes effective or at the time it is exercised. Before the issue of shares with the exclusion of subscription rights, there shall be counted towards the aforesaid 20% limit (i) treasury shares sold with the exclusion of subscription rights, and (ii) shares to be issued to service bonds with conversion and/or option rights or obligations, insofar as the bonds were issued with the exclusion of shareholders' subscription rights on the basis of the authorization by the general meeting of June 23, 2020.*

*The Management Board is authorized, with the consent of the Supervisory Board, to determine any further details of the capital increase, the further content of the rights arising from the shares and the conditions of the share issue.*

*The Supervisory Board is authorized to amend § 4 of the articles of association to reflect the relevant utilization of the Authorized Capital 2020 as well as after expiration of the authorization period."*

**11. Resolution on the cancellation of the Conditional Capital 2015, granting of a new authorization to issue convertible bonds and/or bonds with warrants, exclusion of shareholders' subscription rights and on creation of a Conditional Capital 2020 and related amendment to the articles of association**

The authorization adopted in the 2015 general meeting to issue convertible bonds and/or bonds with warrants expires on June 1, 2020. To date, this authorization has not been used.

In order to ensure the most comprehensively flexible corporate financing and access to debt capital possible, the Conditional Capital 2015, which is governed by § 4 (6) of the articles of association, is to be cancelled and the management board is again to be authorized in comparable scope to issue convertible bonds and/or bonds with warrants and a new Conditional Capital 2020 is to be adopted.

The Management Board and the Supervisory Board propose that the following resolution be adopted:

a) Cancellation of the Conditional Capital 2015

The Conditional Capital 2015 resolved by the annual general meeting 2015 on June 2, 2015 and provided for in § 4 (6) of the articles of association shall be cancelled.

b) Authorization to issue convertible bonds and/or bonds with warrants

aa) General

The Management Board, with the consent of the Supervisory Board, is authorized for the period until June 22, 2025 to issue bearer and/or registered convertible bonds and/or bonds with warrants or a combination of these instruments (hereinafter jointly referred to as **bonds**) with an aggregate principal amount of up to EUR 2,400,000,000 with or without a limited term, and to grant the holders or creditors of these bonds conversion rights or option rights (also with conversion or option obligations) to new no-par value bearer shares in the company representing a proportionate amount of the registered share capital of up to EUR 75,199,787 in accordance with the details defined in the terms and conditions of issue of such bonds (hereinafter referred to as the **issue conditions**).

The bonds may be issued in exchange for contribution in cash, but also for contribution in kind, in particular for a participation in other companies. The respective issue conditions may also provide for mandatory conversion or an obligation

to exercise the option rights or an option entitling the issuer to deliver shares in the company (and any combination of the foregoing). The authorization shall include the option to grant to holders/creditors of bonds company's shares to the extent holders/creditors of convertible bonds or warrants under warrant bonds exercise their conversion or option rights or if they fulfill their obligation to convert or exercise the option or to the extent the issuer exercises its option to deliver shares.

The bonds can be issued once or several times, wholly or in instalments, or simultaneously in various tranches. All individual bonds belonging to a particular tranche issued shall have equal rights and obligations, but may also be subordinated to other liabilities of the company.

In addition to euros, the bonds can also be issued in the legal currency of an OECD country, limited to the corresponding value in euros. If the bonds are issued in a currency other than euro, the corresponding equivalent value, calculated according to the euro reference rate of the European Central Bank on the day of the resolution on the issue of the bonds, shall be taken as a basis.

The bonds can also be issued by subordinate group companies of the company; in this case, the Management Board shall be authorized, with the consent of the Supervisory Board, to assume the guarantee for repayment of the bonds for the issuing company and to grant shares in the company to/on the holders or creditors of such bonds to meet the conversion or option rights and conversion or option obligations granted with these bonds, and to provide other statements and take other actions required for the successful issue of the bonds.

#### bb) Convertible bonds

The holders/creditors of convertible bonds have the right to convert their convertible bonds into new shares in the company in accordance with the convertible bond conditions. The bond conditions can also stipulate obligatory conversion upon maturity or at an earlier date. The conditions can include a provision that the company is entitled to make up any difference, wholly or partially in cash, between the principal amount of the bonds and the conversion price, to be determined more precisely in the conditions, as described under lit. ee) below, multiplied by the conversion ratio.

cc) Warrant bonds

In the case of the issue of bonds with an option right or an option obligation, each bond has one or more warrants entitling or obligating the holders or creditors to subscribe to new shares in the company or including an option entitling the issuer to deliver shares, in accordance with the issue conditions stipulated by the Management Board.

dd) Conversion and subscription ratios

The conversion ratio for convertible bonds is obtained by dividing the principal amount or a lower issue price of a bond by the established conversion price for one share in the company.

The issue conditions can also include the provision that the conversion or subscription ratio is variable and the conversion price is to be determined on the basis of future stock market prices within a given range and can be rounded up or down to a whole number; moreover, an additional cash payment can also be stipulated. Provision can also be made for fractions to be combined and/or compensated in cash.

The proportionate amount of the share capital represented by shares to be issued upon conversion of convertible bonds or exercise of warrants for each bond may in no case exceed the principal amount or the issue price of the convertible bonds or bonds with warrants.

ee) Conversion price/option price

The conversion or option price for a share to be stipulated in each case in the issue conditions – also with a variable conversion ratio and taking account of rounding and additional payments – either

- (i) must not be below 80% of the volume-weighted average price of the company's shares at the close of Xetra trading (or of a comparable successor system) on the Frankfurt Stock Exchange on the last ten trading days prior to the day of the resolution by the Management Board on the issue of the convertible bonds or bonds with warrants, or
- (ii) – in case a subscription right is granted, alternatively in the discretion of the Management Board – must be equivalent to no less than 80% of the volume-weighted average price of company's shares at the close of Xetra trading (or of a comparable successor system) during the trading

days of subscription rights trading on the Frankfurt Stock Exchange, with the exception of the last two trading days of subscription rights trading. In the latter case, the conversion or option price for a share is published at the latest three calendar days before the subscription deadline.

In the case of bonds with an obligation to exercise the conversion/option right or a right of the company to grant the bond holders/creditors shares in the company in whole or in part instead of the payment of a payable amount of money, the conversion or option price may either at least equal the minimum price (80%) set out above or correspond to the volume-weighted average price of the company's share in the Xetra trading system (or a comparable successor system) on the Frankfurt Stock Exchange on at least three trading days immediately prior to calculation of the conversion/option price as defined in more detail by the terms and conditions, even if this average price is below the minimum price (80%) set out above.

Section 9 (1) AktG and section 199 AktG shall remain unaffected.

ff) Dilution protection

The authorization shall also include the option, subject to the issue conditions, to provide dilution protection and/or other adjustments under certain circumstances. Dilution protection or other adjustments may be provided for in particular if the company changes its capital structure during the term of the bonds (e.g. through a capital increase, a capital decrease or a stock split), but also in connection with dividend payouts, the issue of additional convertible and/or warrant bonds, transformation measures, and in the case of other events affecting the value of the options or conversion rights that may occur during the term of the bonds (e.g. control gained by a third party). Dilution protection or other adjustments may be provided in particular by granting subscription rights, by changing the conversion or option price, and by amending or introducing cash components.

gg) Authorized capital, treasury shares, cash settlement, right to offer alternative performance

The issue conditions can provide or allow that, in the company's discretion, also shares from an authorized capital or treasury shares can be used for servicing the convertible bonds/bonds with warrants as well as conversion/option obligations, apart from a conditional capital, in particular the Conditional

Capital 2020 to be created in connection with this authorization.

The issue conditions can also provide or allow that the company does not or not only grant shares in the company to the holders of conversion or option rights or of bonds with corresponding obligations, but pays the equivalent value completely or partially in cash that corresponds, in accordance with the details of the conditions, to the volume-weighted average price of the company's shares at the close of Xetra trading (or of a comparable successor system) on the Frankfurt Stock Exchange during the ten to twenty trading days after the announcement of the cash settlement.

Furthermore, the issue conditions may provide or allow that the company grants the creditors of the bonds new shares or treasury shares of the company in whole or in part instead of the payment of a payable amount of money. The shares are in each case counted with a value that corresponds, in accordance with the details of the conditions, to the volume-weighted average price of the company's shares at the close of Xetra trading (or of a comparable successor system) on the Frankfurt Stock Exchange during the ten to twenty trading days after the announcement of the exercise of the right to offer alternative performance (grant of shares instead of payment of money).

hh) Subscription right, exclusion of subscription right

The shareholders have statutory subscription rights when the bonds are issued. The bonds can also be offered to the shareholders by way of indirect subscription rights; they are then taken over by a credit institution or an undertaking operating according to section 53 (1) sentence 1 or section 53b (1) sentence 1 or sub-section 7 KWG (financial institution) or a consortium of credit and financial institutions with the obligation to offer them to the shareholders for subscription. If the bonds are issued by subordinate group companies of the company, the company must ensure that statutory subscription rights are granted to the shareholders of the company within the meaning of the sentences above.

The Management Board, however, is authorized to exclude the subscription right of the shareholders with the consent of the Supervisory Board in the following cases:

- (i) in order to exclude any fractional amounts from the subscription right;

- (ii) in order to grant holders/creditors of bonds with conversion and/or option rights or conversion/option obligations to shares of the company subscription rights as compensation for effects of dilution to the extent to which they would be entitled when exercising such rights or fulfilling such obligations;
- (iii) in the case of bonds issued against contribution in cash, to the extent that the Management Board, after due review, reaches the conclusion that the issuing price of the bonds is not significantly lower than their theoretical market value, calculated using recognized financial mathematics methods. However, this authorization to exclude subscription rights only applies to bonds with conversion and/or option rights or conversion and/or option exercise obligations in respect of shares in the company the total amount of which does not exceed 10% of the share capital, neither the share capital existing when this authorization takes effect nor the share capital existing at the time this authorization is exercised. Shares (i) disposed of or issued during the term of this authorization up to the time of it being exercised on the basis of other authorizations in direct or analogous application of section 186 (3) sentence 4 AktG with the exclusion of subscription rights or (ii) issued or to be issued to service bonds with conversion or option rights or conversion or option obligations insofar as the issue takes place during the term of this authorization up to the time of it being exercised with the exclusion of subscription rights in analogous application of section 186 (3) sentence 4 AktG are to be deducted from this limit of 10% of the share capital. A deduction that has been carried out in accordance with the foregoing sentence due to the exercise of authorizations to (i) issue new shares pursuant to section 203 (1) sentence 1, (2) sentence 1, section 186 (3) sentence 4 AktG and/or (ii) dispose of treasury shares in accordance with section 71 (1) no. 8, section 186 (3) sentence 4 AktG and/or (iii) issue bonds with conversion and/or option rights and/or conversion or option obligations pursuant to section 221 (4) sentence 2, section 186 (3) sentence 4 AktG shall be cancelled with effect for the future if and to the extent the respective authorization(s), the exercise of which having led to the deduction, are granted again by the general meeting taking into account the respective legal requirements; or
- (iv) if bonds are issued against contributions in kind, in particular in connection with company mergers or for the (also indirect) acquisition of companies, parts of companies, equity interests in companies, receivables or other assets.

The total number of bonds issued with the exclusion of subscription rights under the above authorizations is limited to the number of bonds with an option or conversion right or a conversion or option obligation to shares representing a proportionate amount of the registered share capital that must not exceed 20% of the registered share capital in total, either at the time this authorization enters into force or – if this value is lower – at the time it is exercised. There shall be counted towards the above 20% limit (i) any treasury shares sold with the exclusion of subscription rights during the term of this authorization until the issue with the exclusion of subscription rights of the bonds with option and/or conversion rights or obligations, and (ii) any shares issued with the exclusion of subscription rights using authorized capital during the term of this authorization until the issue with the exclusion of subscription rights of bonds with option and/or conversion rights or obligations.

ii) Authorization to stipulate other conditions

The Management Board is authorized, with the consent of the Supervisory Board, to stipulate the other details of the issue and terms of the bonds, in particular the volume, time, interest rate (including variable and profit-based interest rates), issue price, term to maturity, denomination, conversion or option price and conversion or option period, or to stipulate these details in coordination with the executive bodies of the company's subordinate group companies that issue convertible bonds or bonds with warrants.

c) Creation of conditional capital

The registered share capital shall be conditionally increased by up to EUR 75,199,787 by issuance of up to 75,199,787 new no-par value bearer shares (Conditional Capital 2020). The exclusive purpose of the Conditional Capital 2020 is to grant shares to the holders/creditors of convertible bonds and/or bonds with warrants or a combination of all of these instruments issued pursuant to the above authorization under agenda item 11 b) until June 22, 2025 by the company or any subordinate group company of the company and that grant a conversion or option right to new no-par value bearer shares of the company or provide for a conversion or option obligation or an option entitling the issuer to deliver shares to the extent that they are issued against cash contributions. The new shares are issued at a conversion price or option price to be stipulated pursuant to lit. b) ee) above. The conditional capital increase is to be carried out only to the extent to which use is made of conversion or option rights or conversion or option obligations are fulfilled or an option entitling the issuer to deliver

shares is exercised and no other forms of fulfilment of delivery are used. The new shares shall participate in the profits from the beginning of the fiscal year in which they are created as a result of the exercise of conversion or option rights or the fulfilment of corresponding obligations (fiscal year of creation); notwithstanding this, the new shares shall participate in the profits from the beginning of the fiscal year preceding the fiscal year of creation if the general meeting has not yet adopted a resolution on the appropriation of the distributable profit (*Bilanzgewinn*) of the fiscal year preceding the fiscal year of creation.

The Management Board is authorized, with the consent of the Supervisory Board, to determine the further details of the implementation of conditional capital increases.

d) Amendment to the articles of association

The wording of § 4 (6) of the articles of association is amended as follows:

*“The company’s share capital is conditionally increased by up to EUR 75,199,787 by issue of up to 75,199,787 new no-par bearer shares (Conditional Capital 2020). The exclusive purpose of the Conditional Capital 2020 is to grant shares to the holders/creditors of convertible bonds and/or bonds with warrants or a combination of all of these instruments issued pursuant to the authorization resolved on by the annual general meeting on June 23, 2020 under agenda item 11 b) until June 22, 2025 by the company or any subordinate group company of the company and that grant a conversion or option right to new no-par value bearer shares of the company or provide for a conversion or option obligation or an option entitling the issuer to deliver shares to the extent that they are issued against cash contributions. The new shares are issued in each case at a conversion price or option price to be stipulated pursuant to the authorization resolution specified above. The conditional capital increase is to be carried out only to the extent to which use is made of conversion or option rights or conversion or option obligations are fulfilled or an option entitling the issuer to deliver shares is exercised and no other forms of fulfilment of delivery are used. The new shares shall participate in the profits from the beginning of the fiscal year in which they are created as a result of the exercise of conversion or option rights or the fulfilment of corresponding obligations (fiscal year of creation); notwithstanding this, the new shares shall participate in the profits from the beginning of the fiscal year preceding the fiscal year of creation if the general meeting has not yet adopted a resolution on the appropriation of the distributable profit (*Bilanzgewinn*) of the fiscal year preceding the fiscal year of creation. The Management Board is authorized, with the consent*

*of the Supervisory Board, to determine the further details of the implementation of conditional capital increases.”*

e) Authorization to amend the articles of association

The Supervisory Board is authorized to amend the wording of § 4 (1), (2) and (6) of the articles of association to reflect each use of the Conditional Capital 2020. The same applies in the case of non-exercise of the authorization to issue convertible bonds and/or bonds with warrants after expiry of the term of such authorization and in the case of non-use of the Conditional Capital 2020 after expiry of all conversion/option deadlines.

**12. Resolution on reduction of the Conditional Capital 2016 and related amendment to the articles of association**

Pursuant to § 4 (7) of the articles of association, the registered capital of the company is conditionally increased by up to EUR 5,098,440 by issuance of up to 5,098,440 new no-par value bearer shares (Conditional Capital 2016). The Conditional Capital 2016 may only be used to fulfil the subscription rights which have been granted once or several times – partly as a component of stock appreciation rights – in accordance with the resolution of the general meeting of May 31, 2016. The Conditional Capital 2016 is now partly no longer required because the underlying share-based remuneration program has been closed in the meantime and replaced by a new program and no further options will be issued under this program. Hence, the Conditional Capital 2016 can be reduced to EUR 3,636,670 (i.e. the maximum amount required to service the outstanding subscription rights).

Therefore, the Management Board and the Supervisory Board propose to resolve as follows:

- a) The Conditional Capital 2016 under § 4 (7) of the company's articles of association shall be reduced from EUR 5,098,440 to EUR 3,636,670.
- b) The wording of § 4 (3) of the articles of association is amended as follows:

*“The share capital of the company is conditionally increased by up to EUR 3,636,670 against contribution in cash and in kind by the issuance of up to 3,636,670 new non-par value shares with a pro-rata share in the share capital of EUR 1.00 to fulfil subscription rights for shares of the company (Conditional Capital 2016). The Conditional Capital 2016 may only be used to fulfil the subscription rights which have been granted once or several times – partly as a component of stock appreciation rights – in*

*accordance with the resolution of the general meeting of May 31, 2016. The new shares shall be subscribed either against a cash payment in the amount of the lowest issue price in the meaning of section 9 (1) AktG or against the contribution of the participants' remuneration entitlements under the stock appreciation rights granted to them, which are granted in accordance with the resolution of the general meeting of May 31, 2016. The conditional capital increase will be implemented only to the extent that subscription rights or stock appreciation rights with subscription rights have been or will be issued in accordance with the resolution of the general meeting of May 31, 2016, the holders of subscription rights exercise their rights and the company grants no treasury shares or cash payments for the satisfaction of the subscription rights. The subscription shares will be issued at the lowest issue price of EUR 1.00. The new no-par value shares shall participate in the profits from the beginning of the fiscal year in which they are issued; notwithstanding this, the new shares shall participate in the profits from the beginning of the fiscal year preceding the fiscal year in which such new shares are created, if the general meeting has not yet adopted a resolution on the appropriation of the distributable profit (Bilanzgewinn) of the fiscal year preceding the fiscal year in which such new shares are created."*

**13. Resolution on the amendment of the periods for the exercise of option rights under the authorizations of the general meeting to grant subscription rights under the Stock Option Programs 2013 and 2014, adjustment of the Conditional Capital 2013 and of the Conditional Capital 2014, as well as the corresponding amendment of § 4 (4) and (5) of the articles of association**

The general meeting of the company on December 18, 2013 adopted a resolution, adjusted by resolutions of June 3, 2014 and July 11, 2014, on the authorization to grant subscription rights to members of the Management Board and to create conditional capital to fund these subscription rights (**Stock Option Program 2013**).

Furthermore, the general meeting of the company on June 3, 2014, adjusted by the resolution of July 11, 2014, adopted a resolution to grant subscription rights to employees of the company as well as to members of the management and employees of companies affiliated with the company and to create conditional capital to fund the subscription rights under the stock option program 2014 (**Stock Option Program 2014** and, together with the Stock Option Program 2013, the **Stock Option Programs**).

The aforementioned authorization resolutions on the Stock Option Programs (including the resolutions on the creation of the corresponding conditional capitals) are each available in a consolidated version (i.e. in the version which the authorization resolutions

obtained by the general meeting as of July 11, 2014) at the company's website at

<https://corporate.zalando.com/en/investor-relations/annual-general-meeting-2020>.

For the purpose of flexibility and a consistent handling, the periods for the exercise of the granted stock options stipulated in the aforementioned authorizations shall be adjusted to the exercise periods under other existing option schemes of the company. The previous authorizations provided for stock options to be exercised after the stock market listing of the company's shares only within a maximum of three weeks of the publication of the quarterly financial report, the half-year financial report, or the annual financial statements. The limitation to these periods proved to be cumbersome in the execution of the relevant Stock Option Programs, as the exercisability of the options is restricted to only a few weeks of the calendar year and the respective exercise periods differ from the more flexible exercise provisions of the subsequent option schemes of the company.

Against this background, the exercise periods determined by the general meetings held on December 18, 2013, June 3, 2014, and July 11, 2014 shall be adjusted to the provisions of the authorization resolved by the general meeting of May 22, 2019 (agenda item 7 no. (1) lit. d)). The authorizations granted in 2013 and 2014 as well as the conditional capitals pursuant to § 4 (4) of the articles of association (Conditional Capital 2013) and § 4 (5) of the articles of association (Conditional Capital 2014) shall otherwise remain in force unchanged.

a) Adjustment of the exercise periods under the Stock Option Program 2013

The Management Board and the Supervisory Board propose that the following resolution be adopted:

aa) Clause 1 lit. d) of the authorization granted by the general meeting held on December 18, 2013, as adjusted by the resolution of the general meeting on July 11, 2014, shall be amended and restated as follows:

*"The waiting period until the date on which the subscription rights may be exercised for the first time is four years commencing on the Grant Date.*

*After the expiry of the waiting period, all subscription rights if and as soon as they have vested and the performance target has been achieved may be exercised at any time outside any black-out period until the subscription rights expire.*

*The following periods constitute such black-out periods:*

- *the period from the 45th calendar day prior to a company's general meeting (Hauptversammlung) until the day of such general meeting;*
- *the period from the day on which the company publicly announces an offering of securities by the company or a company dependent from the company until the day on which the offer period for such offering closes.*

*The above black-out periods shall include in each case the full day on which the respective black-out period begins and ends. The Option Terms & Conditions may stipulate further black-out periods. Furthermore, the restrictions under applicable law, in particular the Market Abuse Regulation, must be observed."*

In all other respects, the authorization resolution adopted by the general meeting regarding the Stock Option Program 2013 shall remain unaffected.

- bb) § 4 (4) of the articles of association is supplemented by a reference to the above resolution on the amendment of the authorization and, otherwise unchanged, is worded as follows:

*"The share capital of the company is conditionally increased by up to EUR 9,617,500 by issuance of up to 9,617,500 new bearer no-par value shares (Conditional Capital 2013). The Conditional Capital 2013 may only be used to fulfil the subscription rights which have been granted to the members of the Management Board of the company in connection with the Stock Option Programme 2013 in accordance with the resolution of the general meeting of December 18, 2013, as amended by the company's general meeting of June 3, 2014, July 11, 2014, and of June 23, 2020. The conditional capital increase will only be implemented to the extent that such subscription rights have been or will be issued in accordance with the Stock Option Programme 2013 as resolved by the company's general meeting of December 18, 2013 as amended by the company's general meeting on June 3, 2014, on July 11, 2014, and on June, 23 2020, the holders of the subscription rights exercise their rights and the company does not deliver treasury shares to satisfy the subscription rights, whereas the Supervisory Board shall be exclusively competent regarding the granting and settlement of subscription rights to the members of the Management Board of the company. The new shares shall participate in the profits from the beginning of the fiscal year in which they are issued; notwith-*

*standing this, the new shares shall participate in the profits from the beginning of the fiscal year preceding the fiscal year in which such new shares are created if the general meeting has not yet adopted a resolution on the appropriation of the distributable profit (Bilanzgewinn) of the fiscal year preceding the fiscal year in which such new shares are created."*

b) Adjustment of the exercise periods under the Stock Option Program 2014

The Management Board and the Supervisory Board propose that the following resolution be adopted:

aa)Lit. b) dd) of the authorization granted by the general meeting held on June 3, 2014 under agenda item 7, as adjusted by the resolution of the general meeting on July 11, 2014, shall be amended and restated as follows:

*"The waiting period until the date on which the subscription rights may be exercised for the first time is four years commencing on the Grant Date.*

*After the expiry of the waiting period, all subscription rights if and as soon as they have vested and the performance target has been achieved may be exercised at any time outside any black-out period until the subscription rights expire.*

*The following periods constitute such black-out periods:*

- the period from the 45th calendar day prior to a company's general meeting (Hauptversammlung) until the day of such general meeting;*
- the period from the day on which the company publicly announces an offering of securities by the company or a company dependent from the company until the day on which the offer period for such offering closes.*

*The above black-out periods shall include in each case the full day on which the respective black-out period begins and ends. The Option Terms & Conditions may stipulate further black-out periods. Furthermore, the restrictions under applicable law, in particular the Market Abuse Regulation, must be observed."*

In all other respects, the authorization resolution adopted by the general meeting regarding the Stock Option Program 2014 shall remain unaffected.

- bb) § 4 (5) of the articles of association is supplemented by a reference to the above resolution on the amendment of the authorization and, otherwise unchanged, is worded as follows:

*“The share capital of the company is conditionally increased by up to EUR 4,750,499 by issuance of up to 4,750,499 new bearer no-par value shares (Conditional Capital 2014). The Conditional Capital 2014 may only be used to fulfil the subscription rights which have been or will be granted to employees of the company as well as members of the management bodies and employees of companies affiliated with the company in the meaning of §§ 15 et seq. AktG in connection with the Stock Option Program 2014 in accordance with the resolution of the general meeting on 3 June 2014, as amended by the company's general meeting of 11 July 2014 and of 23 June 2020. The conditional capital increase will only be implemented to the extent that such subscription rights have been or will be issued in accordance with the Stock Option Program 2014 as resolved by the general meeting on 3 June 2014, as amended by the company's general meeting of 11 July 2014 and of 23 June 2020, the holders of the subscription rights exercise their rights and the company does not deliver treasury shares to satisfy the subscription rights. The new shares shall participate in the profits from the beginning of the fiscal year in which they are issued; notwithstanding this, the new shares shall participate in the profits from the beginning of the fiscal year preceding the fiscal year in which such new shares are created if the general meeting has not yet adopted a resolution on the appropriation of the distributable profit (Bilanzgewinn) of the fiscal year preceding the fiscal year in which such new shares are created.”*

### ***Supplementary information on agenda item 6***

**Jennifer Hyman**, New York (USA)

Chief Executive Officer and Co-Founder at Rent the Runway, Inc.

a) Personal data

Date of birth: August 24, 1980

Place of birth: New York (USA)

Nationality: US-American

b) Academic background

2007-2009 Harvard Business School – Master of Business Administration

1998-2002 Harvard University – Bachelor of Arts, Social Studies

c) Professional experience

since 2008 Rent the Runway, Inc. – CEO & Co-Founder

2006-2007 IMG – Director Business Development

2005-2006 WeddingChannel – Senior Manager Sales

2002-2005 Starwood Hotels & Resorts Worldwide, Inc. – Senior Manager Leisure Program Dev.

d) Major activities apart from the Supervisory Board activities at ZALANDO SE

(1) Membership in statutory supervisory boards

None

(2) Membership in comparable controlling bodies of business enterprises in Germany or abroad

Member of the Board of Directors of The Estée Lauder Companies, Inc.

(3) Other activities

Member of the Women.nyc Advisory Board

Member of the NYSE Board Advisory Council

Member of the Launch with GS Advisory Council

The Supervisory Board considers Jennifer Hyman independent in the meaning of C.6 and C.7 of the German Corporate Governance Code.

**Matti Ahtiainen**, Espoo (Finland)  
Financial Controller at Zalando Finland Oy

a) Personal data

Date of birth: April 13, 1976  
Place of birth: Espoo (Finland)  
Nationality: Finnish

b) Academic background

1999                      Helsinki School of Economics –  
Bachelor of Science in Marketing

c) Professional experience

since 2017	Zalando Finland Oy – Financial Controller
2017	Tribered Oy – Manager, Finance and Administration
2014-2016	Unity Technologies Finland Oy – Controller
2014	R.Olin Ky Accounting Agency – Team Lead
2012-2013	MSD Finland Oy – Controller / FP&A Manager
2010-2012	Vattenfall Sähkömyynti Oy – Financial Controller
2006-2010	Nobina Finland Oy – Financial Controller
2004-2006	PartyLite Oy – Assistant Controller
2001-2004	Powermill Mobile Oy – Accountant

d) Major activities apart from the Supervisory Board activities at  
ZALANDO SE

(1) Membership in statutory supervisory boards

None

(2) Membership in comparable controlling bodies of business enterprises in Germany or abroad

None

(3) Other activities

None

**Jade Buddenberg, Berlin (Germany)**

Lead Circularity &amp; Sustainability Recommerce at ZALANDO SE

a) Personal data

Date of birth: July 30, 1986

Place of birth: Bad Aibling (Germany)

Nationality: German

b) Academic background

2020	WHU Otto Beisheim School of Management – Master of Science, Customized Master in Management and Entrepreneurship (ongoing)
2012	University of Freiburg – Master of Science, Environmental Governance
2009	London School of Economics – Bachelor of Science, International Relations and History

c) Professional experience

since 2020	ZALANDO SE – Lead Circularity & Sustainability Recommerce
2018-2020	ZALANDO SE – Senior Corporate Responsibility and Sustainability Manager
2016 -2018	ZALANDO SE – Corporate Responsibility Manager
2013-2016	Collective Leadership Institute – Senior Project Manager
2009-2012	Wuppertal Institute for Climate, Environment and Energy – scientific employee & consultant

d) Major activities apart from the Supervisory Board activities at ZALANDO SE

## (1) Membership in statutory supervisory boards

None

## (2) Membership in comparable controlling bodies of business enterprises in Germany or abroad

None

## (3) Other activities

None

**Anika Mangelmann, Berlin (Germany)**

Chairperson of the ZEP at ZALANDO SE

a) Personal data

Date of birth: May 14, 1983

Place of birth: Wesel (Germany)

Nationality: German

b) Academic background

2011	Technische Hochschule Köln – Bachelor of Science in Business Administration
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c) Professional experience

since 2015	ZALANDO SE – Chairperson of the ZEP
2018-2019	ZALANDO SE – Senior Workforce Planning Specialist
2016-2018	ZALANDO SE – Workforce Planning Specialist
2013-2016	ZALANDO AG – Manager Onsite Intelligence
2012-2013	ZALANDO AG – Junior Web Analyst

d) Major activities apart from the Supervisory Board activities at ZALANDO SE

## (1) Membership in statutory supervisory boards

None

## (2) Membership in comparable controlling bodies of business enterprises in Germany or abroad

None

(3) Other activities

None

**Anthony Brew**, Dublin (Ireland)

Engineering Lead, Customer Data Platform at Zalando Ireland Ltd.

a) Personal data

Date of birth: November 11, 1979

Place of birth: Dublin (Ireland)

Nationality: Irish

b) Academic background

2010	University College Dublin – Doctor of Philosophy in Machine Learning
2003	Trinity College Dublin – Master of Science in High Performance Computing
2002	Trinity College Dublin – Bachelor of Arts (Mod) in Mathematics

c) Professional experience

since 2017	Zalando Ireland Ltd. – Engineering Lead, Customer Data Platform
2016-2017	Zalando Ireland Ltd. – Senior Data Scientist, Customer Data Platform
2012-2016	IBM – Predictive Analytics Lead Developer, SmartCloud
2012-2013	Dublin Institute of Technology – Lecturer
2011-2012	Swrve – Data Scientist
2010-2011	University College Dublin – Postdoctoral Researcher
2004-2006	Murex – Application Developer

d) Major activities apart from the Supervisory Board activities at ZALANDO SE

(1) Membership in statutory supervisory boards

None

(2) Membership in comparable controlling bodies of business enterprises in Germany or abroad

None

(3) Other activities

None

**Margot Comon, Berlin (Germany)**

In-house Consultant, People Insights &amp; Rewards at ZALANDO SE

a) Personal data

Date of birth: August 28, 1989

Place of birth: Paris (France)

Nationality: French

b) Academic background

2015	Paris Law Bar School – French certified Lawyer
2012	Panthéon Sorbonne University – Master degree in Labour Law

c) Professional experience

since 2018	ZALANDO SE – In-house Consultant, People Insights & Rewards
2015-2017	Flichy Grangé Avocats, Law & Employment Global, Law Firm, Paris – Associate Lawyer
2014	Koch Karimi, Rechtsanwälte, Law Firm, Berlin – Lawyer intern
2012-2013	Défenseurs des droits (Ombudsman's Office), Labour Law, Paris – Legal counsel
2011-2012	Bouygues Telecom, Human Resources Department, Paris – Legal counsel
2010	Freshfields Bruckhaus Deringer, Labour Law Department, Law firm, Paris – Legal intern
2010	French Labour office, Evry – Legal intern

d) Major activities apart from the Supervisory Board activities at ZALANDO SE

## (1) Membership in statutory supervisory boards

None

## (2) Membership in comparable controlling bodies of business enterprises in Germany or abroad

None

## (3) Other activities

None

**Christine Loof**, Berlin (Germany)

Senior Manager Market Research at ZALANDO SE

a) Personal data

Date of birth: May 22, 1987

Place of birth: Wuppertal (Germany)

Nationality: German

b) Academic background

2014	Freie Universität Berlin – Master of Science in Management & Marketing
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2012	Humboldt-Universität zu Berlin – Bachelor of Science in Business Administration
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2010	University of Duisburg-Essen – Bachelor of Arts in Cultural Studies and Business Administration
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c) Professional experience

since 2019	ZALANDO SE – Senior Manager Market Research
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2017-2019	ZALANDO SE – Manager Market Research
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2015-2017	FactWorks GmbH – Consultant
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d) Major activities apart from the Supervisory Board activities at ZALANDO SE

## (1) Membership in statutory supervisory boards

None

## (2) Membership in comparable controlling bodies of business enterprises in Germany or abroad

None

## (3) Other activities

None

***Report of the Management Board regarding agenda item 8 on the exclusion of shareholders' subscription rights and tender rights in connection with the acquisition and sale of treasury shares pursuant to section 71 (1) no. 8 sentence 5 in conjunction with section 186 (4) sentence 2 and section 186 (3) sentence 4 AktG:***

The company is to be authorized by the general meeting to acquire treasury shares pursuant to section 71 (1) no. 8 AktG. The authorization to acquire treasury shares is to allow the company to acquire shares over a period of five years, i.e. until June 22, 2025, in the amount of up to 10% of its registered capital and to use the purchased shares for all purposes legally permitted. Treasury shares may be acquired (i) on the stock exchange, (ii) by a public offering or a public call for offers made to all shareholders (hereinafter a **Purchase Offer**) or (iii) by granting the shareholders tender rights. Such an acquisition may also be made by controlled enterprises, enterprises in which the company holds a majority, or for its or their account by third parties.

***Acquisition procedure and exclusion of tender rights***

In addition to an acquisition on the stock market, it is proposed to enable the company to acquire treasury shares by way of a Purchase Offer. In connection with such an offer, the number of shares in the company tendered by shareholders may exceed the number of shares required by the company. In this case tenders will be accepted on a quota basis. It is proposed that priority may in this case be given to smaller tenders or smaller parts of tenders up to a maximum of 100 shares. The purpose of this option is to avoid fractional amounts in determining the quotas to be acquired and to avoid small residual amounts, thus simplifying the technical execution of the share repurchase. Furthermore, this avoids *de facto* disadvantages to small shareholders. Offers may otherwise be accepted on a *pro rata* basis according to the number of shares tendered in each case (Tender Ratios) instead of the Participation Ratios as this allows the purchase procedure to be handled technically within a commercially reasonable framework. Finally, rounding according to commercial principles is to be permitted to prevent fractional amounts of shares. To this extent the purchase quota and the number of shares to be purchased from individual tendering shareholders can be rounded as required to enable the acquisition of whole numbers of shares for technical purposes. The Management Board considers the consequent exclusion of any further shareholder tender rights to be objectively justified and to be reasonable towards shareholders.

In addition to an acquisition on the stock market or by way of a Purchase Offer, the authorization further provides that shares may also be acquired by granting tender rights. These tender rights will be structured in such a way that the company is only obliged to purchase whole numbers shares. Any tender rights which cannot be exercised in accordance therewith will be forfeited. This procedure treats shareholders equally

and simplifies the technical procedure of the share repurchase.

*Use of acquired shares and exclusion of subscription rights*

Treasury shares acquired on the basis of the authorization granted by the general meeting held on June 23, 2020 may be resold on the stock market or by way of a public offer to all shareholders. This option takes account of the statutory principle of equal treatment (section 53a AktG). Furthermore, the Management Board with the approval of the Supervisory Board, should be authorized to use the acquired shares, with the right to exclude shareholders' subscription rights, for any purpose permitted and in particular as follows:

Treasury shares acquired under this authorization may be cancelled by the company without any further resolution being adopted by the general meeting. In accordance with section 237 (3) no. 3 AktG, the company's general meeting may resolve to cancel its fully paid-up no-par value shares without being required to reduce the company's registered capital. The proposed authorization expressly provides for this alternative, in addition to a cancellation with a capital reduction. A cancellation of treasury shares without capital reduction automatically increases the notional share of the remaining no-par value shares in the company's registered capital. Therefore, the Management Board is to be authorized for this purpose to make the necessary amendments to the articles of association with regard to the changed number of no-par value shares following the cancellation.

Furthermore, the company is to be entitled to transfer treasury shares as a consideration to third parties to the extent this serves the purpose to acquire enterprises, parts of enterprises, interests in enterprises or other assets (including receivables), or to effect an amalgamation of enterprises. In connection therewith, the shareholders' subscription rights are to be excluded. The company is exposed to global competition. The company must at any time be able to act in a quick and flexible manner on national and international markets. This also includes the possibility to amalgamate with other enterprises or to acquire enterprises, parts of enterprises or interests in enterprises in order to improve its competitive position. Furthermore, it may be economically reasonable, particularly in connection with the acquisition of enterprises or parts of enterprises, to acquire additional other assets, such as those used for business purposes by an enterprise or part of an enterprise. In a particular case, the ideal implementation for the purposes of the company may be to effect the amalgamation of enterprises or the acquisition by granting shares in the acquiring company. Practice further shows, on national and international markets alike, that a delivery of shares in the acquiring company is often required as consideration in connection with an amalgamation of enterprises or for attractive acquisition objects.

The possibility of granting shares for these purposes is indeed also provided for in respect of the Authorized Capital 2020 proposed under agenda item 10. However, the company should further be able to grant shares for these purposes without being required to effect a capital increase - which would be more time-consuming owing to, in particular, the requirement of its registration in the commercial register and also entail higher administrative costs. The purpose of the proposed authorization is to allow the company the necessary scope to capitalize in a quick and flexible manner on opportunities for an amalgamation of enterprises or for acquisitions as they arise. If a subscription right was granted, this would not be possible, and the company would not be able to reap the benefits associated therewith. The Management Board will carefully examine whether or not to use the authorization to grant treasury shares as soon as relevant projects take a more concrete shape. When determining the valuation ratios, the Management Board will ensure that shareholder interests are adequately protected by taking into account the stock market price of the company's shares. However, no schematic link to a stock market price is foreseen in this context, in particular to not allow fluctuations in the stock market price to jeopardize the results reached at negotiations. There are currently no specific plans to use this authorization.

The authorization further provides that treasury shares may be used, excluding shareholders' subscription rights, to fulfil option and/or conversion rights/obligations of holders in respect of warrant-linked and/or convertible bonds issued by the company or its group companies with option or conversion rights/obligations (these instruments being hereinafter referred to as **bonds**). It may be reasonable to use treasury shares in whole or in part instead of new shares from a capital increase in order to fulfil option rights and/or conversion rights/obligations. To the extent treasury shares are so used, the shareholders' subscription rights are excluded. However, the provisions explained below in relation to the 10% limit must be observed in direct or analogous application of section 186 (3) sentence 4 AktG.

Moreover, the authorization provides that the acquired treasury shares may be sold for cash outside a stock exchange, excluding the subscription rights. As a prerequisite, these shares must in each case be sold at a price that is, at the time of the sale, not substantially below the market price of company's shares of the same type. This authorization makes use of the simplified exclusion of subscription rights provided for by section 71 (1) no. 8 AktG in corresponding application of section 186 (3) sentence 4 AktG. It serves the interests of the company to obtain the best price possible when selling treasury shares. This allows the company to exploit opportunities that may arise due to prevailing stock market conditions in a quick, flexible and cost-efficient manner. The sales proceeds that can be achieved by fixing a price close to the market price generally results in significantly higher proceeds per share sold than in case of a share placement with subscription rights, which generally

involves significant discounts from the stock market price. Furthermore, as no subscription rights need to be processed in a time-consuming and expensive manner, equity capital requirements can be met by utilizing short-term market opportunities. This takes the financial interests and voting rights interests of shareholders into due consideration. As shares may be sold only at prices which are not substantially below their applicable market prices, shareholders are duly protected against dilution. The selling price for the treasury shares will be finally determined shortly before the shares are sold. When determining the selling price, the Management Board will try to keep any possible markdown on the quoted stock market price as low as possible, taking into account the current conditions of the market. Interested shareholders may maintain their Participation Ratios at substantially identical conditions by acquiring further shares on the market.

The authorizations granted under section 186 (3) sentence 4 AktG for an exclusion of subscription rights in the sale of treasury shares, also including any other authorizations to issue or sell shares or bonds excluding subscription rights pursuant to, in accordance with or in analogous application of section 186 (3) sentence 4 AktG, are limited to a maximum of 10% of the company's registered capital. Beyond this limit, the Management Board will not, subject to a new authorization to exclude subscription rights being granted by a subsequent general meeting, use the authorization to sell treasury shares excluding the shareholders' subscription rights in the amount of the proportion of its registered capital which is attributable to shares issued or sold with an exclusion of shareholders' subscription rights under other authorizations granted to the Management Board, to the extent the amount of the proportion of the registered capital attributable to such shares exceeds 10% of the company's current registered capital.

The proposed resolution provides for the restriction that a counting of shares towards this limit pursuant to the above provision due to an exercise of authorizations (i) to issue new shares pursuant to section 203 (1) sentence 1, (2) sentence 1, section 186 (3) sentence 4 AktG and/or (ii) to sell treasury shares pursuant to section 71 (1) no. 8, section 186 (3) sentence 4 AktG and/or (iii) to issue bonds pursuant to section 221 (4) sentence 2, section 186 (3) sentence 4 AktG, is not applied with effect for the future if and to the extent that the respective authorization(s) whose exercise gave rise to count the shares towards the limit is/are granted again by the general meeting in accordance with statutory provisions. In these cases, the general meeting has again decided on the power of a simplified exclusion of subscription rights, thereby eliminating the reason for the deduction once more. The reason for this is that upon the effectiveness of the new authorization for a simplified exclusion of subscription rights, the restriction caused by the use of the authorization to issue new shares or to issue bonds or by the sale of treasury shares is no longer applicable. The majority requirements for such a resolution are identical to those applicable to a resolution on the creation of

authorized capital, an authorization to issue bonds or an authorization to sell treasury shares, in each case with the option of a simplified exclusion of subscription rights. Therefore, to the extent the statutory requirements are complied with, a resolution adopted by the general meeting to grant (i) a new authorization to issue new shares pursuant to section 203 (1) sentence 1, (2) sentence 1, section 186 (3) sentence 4 AktG (i.e. new authorized capital), (ii) a new authorization to issue bonds pursuant to section 221 (4) sentence 2, section 186 (3) sentence 4 AktG or (iii) a new authorization to sell treasury shares pursuant to section 71 (1) no. 8, section 186 (3) sentence 4 AktG, must at the same time also be considered an approval regarding the authorization resolution relating to the use of treasury shares under this authorization. If an authorization to exclude subscription rights is exercised again in direct or analogous application of section 186 (3) sentence 4 AktG, the deduction is carried out again.

Furthermore, the company is to be enabled to use the treasury shares acquired under this authorization for their listing, excluding subscription rights, on stock exchanges in Germany or abroad on which shares of the company were not previously listed. This allows to broaden the shareholder basis, to further raise the attractiveness of the company's shares as an investment and to ensure that the company has adequate equity capital available. The availability of adequate equity capital is of major importance for the funding of the company and particularly for its continued international expansion. The proposed lower limit for the initial listing price, which may not be less than a price which is 5% below the Xetra closing price on the last trading day before the date of the initial listing, ensures that the company obtains an adequate consideration and that its shareholders are sufficiently protected against a dilution of their shares.

Furthermore, treasury shares are to be offered for acquisition, for payment or without payment, by employees of the company and its affiliates or by members of corporate bodies of the company's affiliates as part of any share-based remuneration or in connection with share-based remuneration programs and/or employee share programs. If this authorization is utilized, the total number of shares issued and the preferential treatment granted to the beneficiaries as a result of the shares being granted at a reduced price or without any personal investment should be in reasonable proportion to the company's situation and the anticipated advantages for the company. The shares may be issued subject to further conditions, such as vesting periods, lockup periods, achievement of specific targets or continued employment with the group. The issue of treasury shares for these purposes is in the interests of the company and its shareholders, because it enhances the identification of the beneficiaries with the company and thus promotes the increase of the corporate value. Furthermore, the use of existing treasury shares as components of a share price and value-based remuneration instead of a capital increase or cash compensation may be economically reasonable

for the company. For this purpose, shareholders' subscription rights must be excluded.

In addition, the authorization is designed to enable the company to use acquired treasury shares to meet acquisition obligations or acquisition rights relating to shares of the company that were or will be agreed with members of the company's Management Board in connection with the provisions on the remuneration of Management Board members. This also requires an exclusion of shareholders' subscription rights. Variable remuneration components may thus be granted which provide an incentive for sustainable management over the long term, for example by part of the variable remuneration, instead of being paid in cash, being granted in the form of shares subject to certain lockup periods or stock awards subject to vesting periods. By transferring shares subject to a lockup period or granting stock awards with a vesting period or granting other share-based remuneration instruments to members of the Management Board, part of their remuneration can be deferred, thereby increasing their loyalty to the company, since the Management Board will participate in a sustainable increase in the company's value. The minimum vesting period for new shares to be transferred and subject to a lockup period or new stock awards should be approximately four years. Since such shares may not be sold before the end of the vesting period, the member of the Management Board will participate in positive as well as negative changes in the share performance during the vesting period. As a consequence, the members of the Management Board may experience a bonus effect and a malus effect. The details regarding the remuneration of Management Board members are determined by the Supervisory Board. These include provisions on further conditions, such as vesting periods, lockup periods, achievement of specific targets, the forfeiture and non-forfeiture of stock awards and provisions on the treatment of stock awards and shares subject to lockup periods in special cases, such as in the case of retirement, disability or death, or a premature leaving from the company, where, for example, a cash settlement or removal of the lockup period or vesting period may be provided.

The decision on the instrument of remuneration to be used and the method of servicing is determined by the Supervisory Board with regard to shares used for Management Board remuneration, and by the Management Board with regard to other shares. In reaching their decisions, these boards will focus solely on promoting the interests of the company and its shareholders.

An involvement of suitable third parties, such as underwriting houses, is to be allowed – to the extent legally permitted – for the implementation of the above authorization. This may be reasonable, in particular, to facilitate the practical implementation and to reduce necessary efforts. Third parties may be involved in this process subject to the proviso that shares may be re-transferred only with the authorization of the general meeting

and, if appropriate, after the expiry of a vesting period or subject to an agreement on holding periods.

In the event of a sale of treasury shares by means of a public offer to all shareholders, the Management Board is to be entitled to exclude shareholders' subscription rights for fractional amounts. The exclusion of subscription rights for fractional amounts is necessary to make it technically feasible to sell acquired treasury shares by means of an offer to shareholders. Treasury shares excluded as free fractional amounts from shareholders' subscription rights will be used by selling them on the stock market or otherwise to achieve maximum advantage for the company.

The Management Board will inform the general meeting of the use of this authorization.

***Report of the Management Board regarding agenda item 9 on the exclusion of shareholders' subscription and tender rights in connection with the acquisition and sale of treasury shares using derivatives pursuant to section 71 (1) no. 8 sentence 5 in conjunction with section 186 (4) sentence 2 and section 186 (3) sentence 4 AktG:***

In addition to the conventional possibilities to acquire treasury shares proposed for resolution in agenda item 8, the company is to be also enabled to acquire treasury shares with the use of derivatives. This additional alternative, which has become an established practice of many listed companies, will give the company more possibilities of optimally structuring the acquisition of treasury shares. In certain circumstances, it may be advantageous for the company to sell put options, to purchase call options, or to acquire treasury shares via a combination of put and call options or via forward purchases instead of acquiring treasury shares directly.

The term of the options or of the forward purchase contract must be so that, upon exercise of the options or the fulfilment of forward purchases, the shares may not be acquired after June 22, 2025. Thus, the authorization is designed in principle to exploit the legally permitted timeframe of five years, albeit with the restriction that the term of the individual derivatives may not exceed 18 months. This ensures that obligations under individual derivatives are reasonably limited in time and that the company cannot acquire any treasury shares on this basis after expiry of the authorization expiring on this date in accordance with section 71 (1) no. 8 AktG. Furthermore, the acquisition of treasury shares through derivatives is limited to 5% of the company's registered capital existing at the time the resolution is adopted by the general meeting or – if lower – the registered capital existing at the time this authorization is exercised.

The company grants the purchaser of a put option the right to sell shares in the company to the company at a price specified in the put option (exercise price). In return for this right, the company receives an option premium which corresponds to the value of the disposal right granted by way of the put option taking into consideration various parameters, among other things, the exercise price, the term of the option, and the volatility of company's shares. If the purchaser exercises the put option, the option premium paid by the purchaser reduces the overall consideration paid by the company for the acquisition of the shares. Exercise of the put option makes economic sense for the purchaser of the put option only if the price of the share is below the exercise price at the time the put option is exercised, because the purchaser can then sell the share to the company at the higher exercise price. Conversely, from the company's point of view, the advantage of using put options is that the exercise price is fixed already on the day the option contract is concluded, while the liquidity outflow occurs only on the exercise date. If the purchaser does not exercise the option because the share price on the date of exercise exceeds the exercise price, the company, although

unable to acquire any treasury shares in this way, still keeps the option premium received.

When acquiring a call option, in return for the payment of an option premium, the company receives the right to buy a predefined number of treasury shares at a predefined price (exercise price) from the seller of the option. It makes economic sense for the company to exercise the call option if the share price is higher than the exercise price, because the company can then purchase the shares from the seller at the lower exercise price. By acquiring call options, the company can limit e.g. price risks if it is obligated itself to transfer shares at a later point in time, e.g. to fulfil conversion rights under convertible bonds. In addition, the company's liquidity is preserved, as the acquisition price set for the shares only has to be paid when the call option is exercised.

In the case of a forward purchase, the company acquires the shares in accordance with the contract from the forward seller on a fixed future date at an acquisition price agreed at the time of conclusion of the forward purchase transaction. It may be expedient for the company to enter into forward purchase transactions in order to ensure that it can satisfy its need for treasury shares on the relevant fixed date at a specific price level.

Due to the obligation to conclude derivative contracts only with one or several credit institution(s) or equivalent enterprises and to ensure that the derivatives are honored only with shares that were acquired under observance of the principle of equal treatment, economic disadvantages for shareholders from the acquisition of treasury shares using derivatives are ruled out. To comply with the principle of equal treatment required under section 71 (1) no. 8 AktG, it is sufficient if the shares are purchased on the stock exchange at the stock market price for a share of the company prevailing at the time of purchase. Since the price for the option (option premium) is determined on the basis of the market price, shareholders not participating in the option transactions will not suffer any value-related disadvantage. On the other hand, the possibility of agreeing derivatives enables the company to exploit market opportunities as soon as they arise and enter into corresponding derivative contracts. Any right of shareholders to enter into such derivative contracts with the company is excluded, as is any tender right of shareholders. This exclusion is necessary to allow the use of derivatives for the acquisition of treasury shares and to enable the company to achieve the benefits associated therewith. Furthermore, this exclusion enables the company to also conclude derivative transactions at short notice and hence react quickly to market situations. It would not be practicable to enter into corresponding equity capital derivatives with all shareholders.

The acquisition price to be paid by the company for the shares is the exercise price fixed in the particular put or call option or the forward price agreed for the relevant forward purchase, in each case taking into

consideration any option premium received or to be paid. The price for a share of the company to be paid when put or call options are exercised (exercise price), or the price for a share of the company to be paid when a forward purchase is fulfilled (forward price) may be higher or lower than the stock market price of the share of the company prevailing at the time when the put option is sold, the call option is acquired or the forward purchase is concluded. The exercise price or forward price (in each case excluding incidental transaction charges, but taking into account any option premiums received or paid), however, must not exceed the average market price of the share, calculated on the basis of the arithmetic mean of the closing auction prices in Xetra trading (or a comparable successor system) on the Frankfurt Stock Exchange on the last three trading days prior to the day when the relevant derivative contract is entered into, by more than 10% and not fall below this average closing price by more than 20%.

The option premium agreed on by the company when selling the put options or acquiring the call options must, in the case of put options, not be materially lower and, in the case of call options, not be materially higher than the theoretical market value of the respective options on the date the option contract is concluded. The theoretical market value must be determined according to recognized principles of financial mathematics, with the calculation of such market value taking into account, among other things, the agreed exercise price. Similarly, the forward price agreed by the company for forward purchases must not materially exceed the theoretical forward price determined according to recognized principles of financial mathematics, the calculation of which must take into account, among other things, the current stock market price and the term of the forward purchase.

The use of derivatives in the context of acquiring treasury shares requires the approval of the Supervisory Board.

If treasury shares are acquired using derivatives, the shareholders have no right to tender their shares unless the company is obliged to purchase their shares pursuant to the terms and conditions of the respective derivative contract. Otherwise the use of derivatives for the acquisition of treasury shares would not be possible, and the company would not be able to achieve the benefits for the company associated therewith. Having carefully weighed the interests of shareholders and of the company on the basis of the potential benefits to the company from the use of derivatives, the Management Board therefore considers the authorization to not grant or to restrict any right of the shareholders to enter into such derivative contracts with the company and any tender right of the shareholders to be generally justified.

As regards the use of treasury shares purchased with the use of derivatives, no difference exists to the possibilities of use proposed under agenda item 8. Therefore, reference is made to the report of the Management Board on agenda item 8 as regards the justification of the exclusion of the shareholders' subscription rights in connection with the use of the shares.

The Management Board will inform the general meeting of the use of this authorization.

***Report of the Management Board regarding agenda item 10 on the exclusion of shareholders' subscription rights pursuant to section 203 (2) sentence 2 in conjunction with section 186 (4) sentence 2 AktG***

The general meeting shall propose the creation of new authorized capital (2020 Authorized Capital) under agenda item 10.

The current Authorized Capital 2015 was resolved by the General Meeting on June 2, 2015 for a period of five years. To date, this authorization has not been used.

Under agenda item 10 it is therefore proposed to the general meeting to create a new authorized capital in the amount of up to EUR 100,266,384 (corresponding to around 40% of the company's current registered share capital) by issuing up to 100,266,384 new no-par value bearer shares against contributions in cash and/or in kind (Authorized Capital 2020). However, the option of excluding subscription rights for capital increases against contributions in cash and in kind is to be limited in total to 20% of the registered share capital.

The proposed Authorized Capital 2020 is to provide the management of ZALANDO SE for the next five years with sufficient ability to raise equity, where needed, in a quick and flexible manner. The availability of financing instruments independently from the frequency of the annual general meetings is of particular importance because it is not always possible to determine in advance the time at which the relevant funds need to be raised. In addition, potential transactions may – in light of competition with other companies – only be successfully carried out if secured financial instruments are available at the commencement of negotiations. Legislation has addressed the need of the companies arising from the foregoing and gives stock corporations the possibility to authorize the management, for a fixed term and in a limited amount, to increase the registered share capital without any additional resolution by the general meeting.

When the authorized capital is used, the shareholders are in principle entitled to subscription rights. In this regard, the shares can also be acquired by a credit institution to be determined by the Management Board or an undertaking operating according to section 53 (1) sentence 1 or section 53b (1) sentence 1 or section 7 of the German Banking Act (*Kreditwesengesetz – KWG*) (financial institution) or a consortium of such credit and financial institutions with the obligation to offer them to the shareholders of the company for subscription (so-called indirect subscription right).

However, the subscription rights of the shareholders can be excluded in the cases described below.

The Management Board is to be authorized to exclude shareholders' subscription rights with the consent of the Supervisory Board in the case of capital increases against cash contributions in order to exclude fractional amounts. The authorization to exclude shareholders' subscription rights for fractional amounts serves to ensure a practicable subscription ratio with respect to the amount of the capital increase. Without the exclusion of subscription rights for fractional amounts, the technical implementation of the capital increase, particularly in the case of capital increases by round numbers, and the exercise of subscription rights would be considerably more complicated. The new shares excluded as "free fractional amounts" from subscription rights will be either sold on the stock exchange or realized otherwise in the best possible manner for the company.

In addition, it will be possible, with the consent of the Supervisory Board, to exclude subscription rights to the extent necessary to be able to grant holders or creditors of bonds with conversion and/or option rights or obligations, which exist at the time when the authorized capital is used, subscription rights for new shares as compensation for effects of dilution if this is provided for in the terms and conditions of the relevant bond. As a result, the authorization to exclude subscription rights – if exercised – means that the option or conversion price does not have to be reduced in accordance with the so-called dilution protection clause in the option or conversion terms. Rather, the holders or creditors of the warrants and convertible bonds are to be offered subscription rights to the extent to which they would be entitled upon exercising the conversion or option rights or fulfilling the respective obligations.

In addition, the Management Board is to be authorized to exclude shareholders' subscription rights with the consent of the Supervisory Board in the event of a capital increase against cash contributions, provided that the shares are issued in accordance with section 186 (3) sentence 4 AktG at a price that is not significantly below the prevailing stock market price. The Management Board will try to keep any possible markdown on the stock market price as low as possible, taking into account the prevailing market conditions. The authorization enables the company to cover capital requirements, if any, even at very short notice in order to use market opportunities in different business lines in a quick and flexible manner. The exclusion of the subscription rights allows the company to respond quickly and to place the shares close to the stock market price, i.e. without the usual discount in rights issues. Such capital increase must not exceed 10% of the registered share capital either at the time said authorization comes into effect or – in case such amount is lower – at the time it is exercised. Shares (i) disposed of or issued during the term of this authorization up to the time of it being exercised on the basis of other authorizations in direct or analogous application of section 186 (3) sentence 4 AktG with the exclusion of subscription rights or (ii) issued or to be issued to service bonds with conversion or option rights or conversion or option obligations insofar as the issue takes place

during the term of this authorization up to the time of it being exercised with the exclusion of subscription rights in analogous application of section 186 (3) sentence 4 AktG are to be deducted from this limit.

This limit addresses the need of shareholders for protection against dilution of their shareholding. Due the issue price of the new shares that is close to the stock market price and the restricted volume of the capital increase with the exclusion of subscription rights, shareholders are able in principle to maintain their percentage shareholding by purchasing the required shares at almost identical conditions on the stock market. This guarantees that, in compliance with the legal interpretation of section 186 (3) sentence 4 AktG, the shareholders' interests in the assets and voting rights are appropriately safeguarded when the authorized capital with the exclusion of subscription rights is used, while the company gains additional latitude to the benefit of all shareholders.

The proposed resolution provides for the restriction that any counting of shares towards this limit made in accordance with the above provisions due to an exercise of authorizations (i) to issue new shares pursuant to section 203 (1) sentence 1, (2) sentence 1, section 186 (3) sentence 4 AktG and/or (ii) to sell treasury shares pursuant to section 71 (1) no. 8, section 186 (3) sentence 4 AktG and/or (iii) to issue Bonds pursuant to section 221 (4) sentence 2, section 186 (3) sentence 4 AktG, is cancelled with effect for the future if and to the extent that the respective authorization(s) due to which the shares were counted towards the limit is/are granted again by the general meeting in accordance with statutory provisions. This is because in such case(s) the general meeting has again decided in favour of a simplified exclusion of subscription rights, meaning that the reason to count the shares towards the limit has ceased to exist. To the extent that (i) new shares are again authorized to be issued with a simplified exclusion of subscription rights under another authorized capital in accordance with the Articles of Association, (ii) Bonds are authorized again to be issued with a simplified exclusion of subscription rights or (iii) treasury shares are authorized again to be sold with a simplified exclusion of subscription rights, this option is to exist again for the Authorized Capital 2020. The reason for this is that upon the effectiveness of the new authorization for a simplified exclusion of subscription rights, the restriction with regard to the Authorized Capital 2020 caused by the exercise of the authorization to issue new shares or to issue Bonds or by the sale of treasury shares is no longer applicable. The majority requirements for such a resolution are identical to those applicable to a resolution on the creation of authorized capital, an authorization to issue bonds or an authorization to sell treasury shares, in each case with the option of a simplified exclusion of subscription rights. Therefore, to the extent the statutory requirements are complied with, a resolution adopted by the general meeting to grant (i) a new authorization to issue new shares pursuant to section 203 (1) sentence 1, (2) sentence 1, section 186 (3) sentence 4 AktG (i.e. new authorized

capital), (ii) a new authorization to issue Bonds pursuant to section 221 (4) sentence 2, section 186 (3) sentence 4 AktG or (iii) a new authorization to sell treasury shares pursuant to section 71 (1) no. 8, section 186 (3) sentence 4 AktG, must at the same time also be considered an approval regarding the authorization resolution relating to the issue of new shares using authorized capital pursuant to section 203 (2), section 186 (3) sentence 4 AktG. If an authorization to exclude subscription rights is again exercised in direct or analogous application of section 186 (3) sentence 4 AktG, shares are again counted against this limit.

It will also be possible, with the approval of the Supervisory Board, to exclude shareholders' subscription rights in the event of capital increases against contributions in kind. This will enable the Management Board to use shares of the company to acquire companies, parts of companies, equity interests in companies, receivables or other assets where appropriate in individual cases. For example, the need may arise in negotiations to offer shares in payment instead of cash. The ability to use the company's shares as a form of payment is necessary particularly in the international competition for attractive acquisition targets and creates the scope needed to utilize opportunities presenting themselves for the acquisition of companies, parts of companies, equity interests in companies or other assets while protecting the company's liquidity. The use of shares may therefore also be appropriate to achieve an optimized financing structure. The authorization also enables the company to acquire larger companies or equity interests in companies in suitable cases insofar as this is in the interest of the company and thus of its shareholders. In many cases, the sellers of attractive acquisition targets insist in receiving shares as payment because this may be more advantageous for them. Also in case of assets and receivables from the company, it should be possible to acquire such assets or receivables under certain circumstances in exchange for shares. For both purposes, it must be possible to exclude shareholders' subscription rights. As a rule, such acquisitions cannot be resolved by the annual general meeting which is held once per year because they must be implemented at short notice. An authorized capital is needed which can be quickly used by the Management Board with the consent of the Supervisory Board. The Authorized Capital 2020 proposed above is also to be used for such purpose. This does not lead to any disadvantages for the company because the issue of shares in exchange for contributions in kind is subject to the condition that the value of the contribution in kind is commensurate with the value of the shares. In determining the valuation ratio, the Management Board will ensure that the interests of the company and its shareholders are safeguarded and an appropriate issue price for the new shares is achieved. In each individual case of a possible acquisition of companies, company parts, shares in companies or other assets, the Management Board will carefully examine whether it should make use of the authorization to increase the capital with subscription rights excluded and – in doing so – consider carefully whether the shares granted as

consideration should (wholly or partly) stem from a capital increase or – provided that the legal requirements for this are met – from the acquisition of treasury shares.

The total shares issued under the aforesaid authorizations with the exclusion of subscription rights for capital increases against contributions both in cash and in kind must not exceed 20% of the registered share capital either at the time the authorization becomes effective or at the time it is exercised. Any shares which are sold or issued or are to be issued with the exclusion of subscription rights under other authorizations, which must be explicitly identified, are counted toward this 20% limit. This capital limit caps the total volume for an issue of shares using authorized capital with the exclusion of subscription rights, as well as for the sale of treasury shares with the exclusion of subscription rights and the issue of Bonds with the exclusion of subscription rights. This provides shareholders with an additional safeguard against a dilution of their shareholdings.

The Management Board will only exclude subscription rights if making the acquisition against the issuance of shares in the company is in the interests of the company. The Supervisory Board will only give its required approval to the use of the authorized capital with the exclusion of the subscription right if the described and all legal requirements have been fulfilled. The details of each use of the authorized capital will be reported by the Management Board in the general meeting next following any issue of shares of the company using the authorized capital. There are currently no plans to use the authorized capital.

***Report of the Management Board regarding agenda item 11 on the exclusion of shareholders' subscription rights upon the issue of convertible bonds and/or bonds with warrants pursuant to section 221 (4) in conjunction with section 186 (4) sentence 2 AktG***

The authorization adopted in the 2015 general meeting to issue convertible bonds and/or bonds with warrants expires on June 1, 2020. To date, this authorization has not been used.

In order to ensure the most comprehensively flexible corporate financing and access to low-interest debt capital possible, the Management Board again be authorized in comparable scope to issue convertible bonds and/or bonds with warrants and a new Conditional Capital 2020 be adopted.

Under agenda item 11, the renewed authorization to issue convertible bonds and/or bonds with warrants or a combination of all these instruments (hereinafter collectively **Bonds**) and the creation of the associated Conditional Capital 2020 will be proposed to the general meeting. The corresponding authorization adopted by the general meeting on June 2, 2015 expires on June 1, 2020. To date, this authorization has not been used. Therefore, it is to be replaced by a new authorization to issue convertible bonds / bonds with warrants in comparable scope. The Management Bonds is to be authorized to issue convertible bonds and/or bonds with warrants or a combination of both these instruments with an aggregate principal amount of up to EUR 2,400,000,000. This authorization and the creation of the associated Conditional Capital 2020 of up to EUR 75,199,787 (this corresponds to around 30% of the company's current registered share capital) is intended to broaden the company's possibilities – described in more detail below – for financing its operations and enable the Management Board, with the approval of the Supervisory Board, to utilize favorable capital market conditions and achieve fast and flexible financing in the interests of the company. The authorization shall be granted for a period of five years until June 22, 2025. The instrument of conditional capital serving to substantiate this authorization, which by virtue of law can have a volume of up to 50% of the share capital, significantly helps to secure this financing flexibility.

***Advantages of this financing instrument***

Adequate capital resources are an essential basis for the company's corporate development and successful market presence. Depending on the prevailing market situation, the issue of bonds of the type specified above can enable the company to take advantage of attractive financing possibilities and conditions in order to provide the group with capital at low rates of interest. The conversion and/or warrant premiums generated are beneficial to the company. Furthermore, the issue of bonds, potentially in combination with other instruments such as a capital increase, may serve to broaden the investor spectrum. The possibilities to provide for an obligation to exercise the conversion/option right or an option

entitling the issuer to deliver shares, as well as the possibility to service such rights or obligations by delivering treasury shares, paying a cash settlement or delivering shares from the authorized capital give more leeway for structuring such financing instruments.

For reasons of flexibility, the company should be able to issue the bonds also via subordinate group companies of the company and, depending on the market situation, to make use of German or international capital markets and to issue bonds not only in euros but also in the legal currency of any OECD country.

### *Conversion price/option price*

The conversion or option price for a share must not be below 80% of the average price of the shares at the close of Xetra trading (or at the close of a functionally equivalent successor to the Xetra system) on the Frankfurt Stock Exchange on the last ten trading days prior to the day of the resolution by the Management Board on the issue of the convertible bonds or bonds with warrants. To the extent that the shareholders have the right to subscribe to the bond issue, there is to be the alternative opportunity to establish the conversion or option price for the shares on the basis of the average price of the shares at the close of Xetra trading (or of a comparable successor system) during the trading days of subscription rights trading on the Frankfurt Stock Exchange, with the exception of the last two trading days of subscription rights trading, with this price also having to be at least 80% of the calculated value. In the case of bonds with mandatory conversion or with an obligation to exercise the option right or an option entitling the issuer to deliver shares, alternatively reference can be made regarding the conversion or option price to the stock exchange price of the company's share close to the date of the calculation of the conversion/option price as defined in more detail by the terms and conditions of the bonds and/or warrants, even if this average price is below the minimum price (80%) set out above. Section 9 (1) and section 199 (2) AktG remain unaffected, though.

Without prejudice to section 9 (1) and section 199 AktG, the conversion or option price may be adjusted by virtue of a dilution protection or adjustment clause subject to a more precise definition of the terms and conditions of the bonds if the company, for example, changes its capital structure during the term of the bonds (e.g. through a capital increase, a capital decrease, or a stock split). Furthermore, dilution protection or other adjustments may be provided for in connection with dividend payouts, the issue of additional convertible and/or warrant bonds, transformation measures, and in the case of other events affecting the value of the options or conversion rights that may occur during the term of the bonds (e.g. control gained by a third party). Dilution protection or other adjustments may be provided in particular by granting subscription rights, by changing the conversion or option price, and by amending or introducing cash components.

### *Authorized Capital, treasury shares, cash settlement, variable structuring of the conditions*

The bond conditions can provide or allow that, in case conversion or option rights are exercised or corresponding obligations are fulfilled, also shares from the authorized capital or treasury shares can be granted. To further increase flexibility, the bond conditions can also provide or allow that instead of granting shares in the company to the holders of conversion or option rights or of bonds with corresponding obligations in the case of conversion or option rights being exercised or conversion or option obligations being fulfilled, the company does not or not only grant company's shares, but pays out an equivalent value completely or partially in cash. Such virtual bonds enable the company to use financing close to capital-market conditions with no actual need for a capital-raising measure under company law. This takes into account the fact that an increase in share capital may be inappropriate at the future time of exercise of the conversion or option rights or fulfilment of corresponding obligations. Moreover, since no new shares are issued, utilization of the cash settlement option protects the shareholders against any reduction in the relative amounts of their shareholdings and against dilution of the net asset value of their shares. In this respect, subject to the detailed conversion or warrant conditions, the equivalent value to be paid in cash corresponds to the average price of the shares at the close of Xetra trading (or at the close of a functionally equivalent successor to the Xetra system) on the Frankfurt Stock Exchange during the last ten to twenty trading days after the announcement of the cash settlement.

Furthermore, the provision can also be made that the number of shares to be granted upon exercise of conversion or option rights or after fulfilment of corresponding obligations, or a related conversion ratio, is variable and can be rounded up or down to a whole number. Furthermore, for technical reasons, a supplemental cash payment can be stipulated, or provision can be made for fractions to be combined and/or compensated in cash.

### *Shareholders' subscription rights and exclusion of subscription rights*

The shareholders are to be generally entitled to subscription rights when convertible bonds and/or bonds with warrants are issued. In order to facilitate implementation, use is to be made of the option to issue the Bonds to a credit institution to be determined by the Management Board or an undertaking operating according to section 53 (1) sentence 1 or section 53b (1) sentence 1 or section 7 KWG (financial institution) or a consortium of such credit and financial institutions with the obligation for them to offer the Bonds to the shareholders in keeping with their subscription right (indirect subscription right within the meaning of section 186 (5) AktG).

However, with the consent of the Supervisory Board, the Management Board can exclude subscription rights with *mutatis mutandis* application of section 221 (4) sentence 2 in conjunction with section 186 (3) sentence 4 AktG in the following cases.

The Management Board may, with the consent of the Supervisory Board, exclude the subscription right of the shareholders in the case of fractional amounts that may result from the total issue volume from time to time and the establishment of a practicable conversion ratio or subscription ratio. This makes it possible to utilize the requested authorization through rounded amounts and facilitates the execution of the shareholders' subscription rights.

Moreover, it shall be possible to exclude the subscription right with the consent of the Supervisory Board in order to grant holders/creditors of conversion or option rights or respective conversion or option obligations to company's shares subscription rights as compensation for effects of dilution to the extent to which they would be entitled upon exercising such rights or fulfilling such obligations. The exclusion of shareholders' subscription rights for the benefit of holders/creditors of outstanding bonds has the advantage that the conversion or option price for the already outstanding bonds, which are commonly equipped with an anti-dilution mechanism, does not have to be reduced. As a result, the attractiveness of a bond issue may be enhanced by placing the bonds in several tranches in order to raise a higher total inflow of funds.

Furthermore, the Management Board is to be authorized, with the consent of the Supervisory Board, to exclude the subscription right in the case of bonds issued against contributions in cash and to the extent that the Management Board, after due review, reaches the conclusion that the issuing price of the bonds is not significantly lower than their theoretical market value, calculated using recognized, in particular financial mathematics methods.

The exclusion of subscription rights enables the company to respond quickly to favourable stock-market situations and to place bonds on the market quickly and flexibly with attractive conditions. On the other hand, in view of the increased volatility of the stock markets, the issue of bonds with the inclusion of subscription rights is often less attractive, as in order to comply with the subscription period, the issue price must be set at a very early stage, which is to the detriment of optimum exploitation of the stock-market situation and the value of the bonds. Favourable terms and conditions as close as possible to those prevailing on the market can generally only be established if the company is not bound to them for an excessively long offer period. Due to applicable statutory periods in the context of subscription rights issues, it is frequently necessary to deduct a significant safety margin from the price. It is true that section 186 (2) AktG allows publication of the subscription price (and therefore of the bond conditions in the case of convertible bonds and/or bonds with

warrants) up to three days before the end of the subscription period at the latest. However, even in such cases, there is a market risk over several days, which leads to the deduction of safety margins. Moreover, due to the uncertainty regarding utilization, subscription rights make the alternative placement with third parties more difficult and cause additional expenditure. Finally, due to the length of the subscription period, the company is also prevented from responding quickly to changes in market conditions. This makes it more difficult to raise capital.

If the bonds are issued against cash contribution with the exclusion of the subscription rights, the shareholders' interests are safeguarded by the bonds being issued at a price that is not significantly lower than the theoretical market value of the bond. The theoretical market value is to be calculated here according to recognized, in particular financial mathematics methods. In determining the price and taking into account the then current capital market situation, the Management will keep the discount on that market price as small as possible, thus reducing the financial value of a subscription right in respect of the bonds to near zero. As a result, shareholders will not suffer a material economic disadvantage following the exclusion of their subscription rights. However, it is also ensured that the conditions are determined in line with the market and that thus a considerable dilution of the value is avoided if, for instance, a book building process is carried out. In this case, investors are asked, on the basis of preliminary bond conditions, to submit purchase requests, specifying e.g. the interest rate deemed in line with the market and/or other economic components. This way, the total value of the bond is determined in close conformity with market conditions and it is ensured that the exclusion of the subscription right does not result in a significant dilution of the share value. Shareholders who wish to maintain their relative shareholdings in the company's share capital can do so under almost identical conditions by making additional purchases on the capital market. This provides appropriate protection for their asset interests.

Moreover, the shareholders' interests relating to their voting rights are protected against an inappropriate dilution of the shareholdings, as the proportionate amount of the registered share capital represented by shares to be issued as a result of bonds to be issued against contribution in cash under this authorization must not exceed 10% of the registered share capital at the time when such authorization takes effect or at the time at which it is exercised, if the latter amount is lower. Shares (i) disposed of or issued during the term of this authorization up to the time of it being exercised on the basis of other authorizations in direct or analogous application of section 186 (3) sentence 4 AktG with the exclusion of subscription rights or (ii) issued or to be issued to service bonds with conversion or option rights or conversion or option obligations insofar as the issue takes place during the term of this authorization up to the time of it being exercised with the exclusion of subscription rights in analogous application of section 186 (3) sentence 4 AktG are to be deducted from this limit. This way, it is ensured that no bonds are issued

with the exclusion of the shareholders' subscription rights if this would result in the exclusion of a subscription right of the shareholder for new or treasury shares of the company within a scope of more than 10% of the currently outstanding shares, taking into consideration any capital increases or certain placements of treasury shares in direct, *mutatis mutandis* or analogous application of section 186 (3) sentence 4 AktG.

The proposed resolution provides for the restriction that any counting of shares towards this limit made in accordance with the above provisions due to an exercise of authorizations (i) to issue new shares pursuant to section 203 (1) sentence 1, (2) sentence 1, section 186 (3) sentence 4 AktG and/or (ii) to sell treasury shares pursuant to section 71 (1) no. 8, section 186 (3) sentence 4 AktG and/or (iii) to issue bonds with conversion and/or option rights or conversion or option obligations pursuant to section 221 (4) sentence 2, section 186 (3) sentence 4 AktG, is cancelled with effect for the future if and to the extent that the respective authorization(s) due to which the shares were counted towards the limit is/are granted again by the general meeting in accordance with statutory provisions. This is because in such case(s) the general meeting has again decided in favour of a simplified exclusion of subscription rights, meaning that the reason to count the shares towards the limit has ceased to exist. To the extent that (i) new shares are again authorized to be issued with a simplified exclusion of subscription rights under an authorized capital in accordance with the Articles of Association, (ii) treasury shares are authorized again to be sold with a simplified exclusion of subscription right or (iii) bonds are authorized again to be issued with a simplified exclusion of subscription rights on the basis of any other authorization, this option is to exist again for the issue of bonds taking place under the authorization granted in accordance with agenda item 11. The reason for this is that upon the effectiveness of the new authorization for a simplified exclusion of subscription rights, the restriction regarding the authorization to issue the bonds without subscription right of the shareholders caused by the use of the authorization to issue new shares or to issue bonds or by the sale of treasury shares is no longer applicable. The majority requirements for such a resolution are identical to those applicable to a resolution on the creation of authorized capital, an authorization to issue bonds or an authorization to sell treasury shares, in each case with the option of a simplified exclusion of subscription rights. Therefore, to the extent the statutory requirements are complied with, a resolution adopted by the general meeting to grant (i) a new authorization to issue new shares pursuant to section 203 (1) sentence 1, (2) sentence 1, section 186 (3) sentence 4 AktG, (ii) a new authorization to issue bonds pursuant to section 221 (4) sentence 2, section 186 (3) sentence 4 AktG or (iii) a new authorization to sell treasury shares pursuant to section 71 (1) no. 8, section 186 (3) sentence 4 AktG, must at the same time also be considered an approval regarding the authorization resolution relating to the issue of bonds in accordance with agenda item 11 above pursuant to section 221 (4) sentence 2, section 186 (3) sentence 4 AktG. If an authorization to exclude subscription rights is

again exercised in direct or analogous application of section 186 (3) sentence 4 AktG, shares are again counted against this limit.

Finally, the subscription right can also be excluded if the bonds are issued in exchange for contributions in kind. This enables the company, amongst other things, to use the bonds in appropriate cases as an acquisition currency in connection with company mergers or for the (also indirect) acquisition of companies, parts of companies, equity interests in companies, receivables or other assets. This authorization enables the company to quickly and flexibly seize advantageous opportunities in the national and international markets to expand its business by acquisition in exchange for the issue of bonds also in the interest of the company and its shareholders as well as all other stakeholders. The Management will check in each individual case whether to make use of this authorization as soon as the acquisition opportunities take a more concrete shape. It will not exclude the shareholders' subscription rights unless this would be in the company's best interests.

The total number of bonds issued with the exclusion of subscription rights under this authorization is limited to the number of bonds with an option or conversion right or a conversion or option obligation to shares representing a proportionate amount of the registered share capital that must not exceed 20% of the registered share capital in total, either at the time this authorization enters into force or – if this value is lower – at the time it is exercised. There shall be counted towards the above 20% limit (i) any treasury shares sold with the exclusion of subscription rights during the term of this authorization until the issue with the exclusion of subscription rights of the bonds with option and/or conversion rights or obligations, and (ii) any shares issued with the exclusion of subscription rights using authorized capital during the term of this authorization until the issue with the exclusion of subscription rights of bonds with option and/conversion rights or obligations.

As the aforementioned authorization already severely restricts the possibility of excluding subscription rights, this additional quantitative restriction, which goes beyond statutory requirements, keeps any disadvantages to shareholders in very narrow limits.

The Management Board will carefully examine on a case-to-case basis whether to make use of the authorization to issue bonds and to exclude subscription rights. These possibilities will be made use of only if the Management Board considers it to be in the best interests of the company and of its shareholders and is reasonable.

In each case, the Management Board will inform the report in each following general meeting to which extent use has been made of the authorizations granted under agenda item 11.

*Conditional Capital 2020*

The Conditional Capital 2020 is required to be able to service the conversion and option rights and/or corresponding obligations associated with convertible bonds and bonds with warrants. The issue price is equal to the conversion or option price. Option or conversion rights as well as option or conversion obligations under bonds which have been issued against contribution in kind cannot be settled by shares originating from conditional capital. Rather, in order to fulfil such rights and obligations, the company may only use treasury shares or a capital increase against contribution in kind.

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## **Company's website and documents and information accessible there**

This notice of the general meeting, the documents to be made available to the general meeting and further information in connection with the general meeting can be accessed via the company's website at

<https://corporate.zalando.com/en/investor-relations/annual-general-meeting-2020>

as from the time at which the general meeting is convened.

Any counter-motions, election proposals and requests to add items on the Agenda by shareholders that are subject to publication requirements and are received by the company will also be made accessible via the aforementioned website. The voting results will also be published at this internet address after the general meeting.

The company's password-protected internet service (**Shareholder Portal**) can also be accessed via the website, which enables duly registered shareholders to, among other things, exercise their voting rights before and during the annual general meeting. Duly registered shareholders can follow the annual general meeting on June 23, 2020 in full length live in audio and video from 10:00 a.m. (CEST) via the Shareholder Portal.

## **Total number of shares and voting rights at the time of convening**

At the time of convening the general meeting, the registered capital (*Grundkapital*) of the company amounts to EUR 253,823,043.00 and is divided into 253,823,043 bearer shares of no par value. Each no-par value share grants one vote at the annual general meeting. Therefore, the total number of shares and of voting rights at the time of convening the general meeting each amount to 253,823,043, respectively. This total number also includes 4,150,046 treasury shares held at that point in time from which the company does not derive any rights.

## **Conducting the annual general meeting as a virtual annual general meeting without physical presence of the shareholders and their authorized representatives, audio and video broadcast**

In view of the ongoing COVID-19 pandemic, the annual general meeting on June 23, 2020 will be held on the basis of the C19-AuswBekG as a virtual annual general meeting without the physical presence of shareholders and their authorized representatives, with the possibility of following the virtual annual general meeting and exercising voting rights by means of electronic connection (**Connection**). No provision has been made for participation within the meaning of section 118 (1) sentence 2 AktG.

Shareholders and their authorized representatives (with the exception of the proxies of the company) can therefore not physically participate in the annual general meeting. However, you can follow the entire annual general meeting by video and audio broadcast at

<https://corporate.zalando.com/en/investor-relations/annual-general-meeting-2020>.

Instead of the conventional admission ticket, duly registered shareholders will be sent an AGM ticket with further information on exercising their rights. Among other things, the AGM ticket contains the individual access data (AGM ticket number and password) with which the shareholders can use the password-protected Shareholder Portal accessible at the internet address

<https://corporate.zalando.com/en/investor-relations/annual-general-meeting-2020>.

### **Password protected Shareholder Portal**

The company will maintain a password-protected Shareholder Portal at

<https://corporate.zalando.com/en/investor-relations/annual-general-meeting-2020>

from June 2, 2020. Via this system, duly registered shareholders (and their authorized representatives, if applicable) can, among other things, follow the annual general meeting in audio and video, exercise their voting rights, grant authorizations, submit questions and register objections to the minutes. To be able to use the Shareholder Portal, you must log in with the individual access data (AGM ticket number and password) that you receive with your AGM ticket.

Shareholders will receive further details regarding the Shareholder Portal and the registration and usage conditions with their AGM ticket or on the Internet at

<https://corporate.zalando.com/en/investor-relations/annual-general-meeting-2020>.

Please also note the technical information at the end of this invitation notice.

### **Requirements for connecting to the annual general meeting and exercising shareholder rights, in particular voting rights**

Those shareholders who register with the company in text form (section 26b of the German Civil Code (*Bürgerliches Gesetzbuch – BGB*)) and in German or English at the address below and send the company a

special proof of their shareholding issued by their custodian institution (**Duly Registered Shareholders**) in text form to this address (section 126b BGB) in German or English are entitled to connect to the annual general meeting (via the Shareholder Portal) and exercise their shareholder rights, in particular their voting rights.

ZALANDO SE  
c/o Better Orange IR & HV AG  
Haidelweg 48  
81241 Munich  
Fax: +49 (0)89 889 690 633  
Email: meldedaten@zalando.de

The proof of shareholding must refer to the start of June 2, 2020 (0:00 hours (CEST) – the **Record Date**). The registration and evidence must be received by the company at the address indicated above by the end of June 16, 2020 (24:00 hours CEST) at the latest.

The only persons who will be treated as shareholders in relation to the company and may therefore connect to the meeting and exercise shareholder rights, particularly the voting right, are those persons who have provided the special proof of shareholding in time. Should this proof not be provided or not be provided in the proper form, the company may reject the shareholder.

The right to connect, to exercise shareholder rights and the extent of the voting right are based exclusively on the shareholder's shareholding as of the Record Date. The Record Date does not entail any restriction on the ability to sell the shares held. Even in the case of complete or partial sale of the shareholding after the Record Date, only the shareholding of the shareholder as of the Record Date is relevant to exercising shareholder rights, connecting to the general meeting and the extent of the voting right, meaning that sales of shares after the Record Date have no effect on the shareholder's right and the extent of the voting right. The same applies to acquisitions of shares or additional shares after the Record Date. Persons who do not yet own any shares as of the Record Date and only become shareholders afterwards only have entitlement (particularly voting entitlement) in respect of the shares held by them if they obtain a proxy or authorization to exercise such rights from the previous shareholder. The Record Date has no significance for dividend entitlement.

After receipt by the company of the registration and the special proof of shareholding, the shareholders will be sent AGM tickets for exercising their rights in relation to the annual general meeting, including the individual access data (AGM ticket number and password) for the Shareholder Portal for the purpose of connecting to the annual general meeting and exercising shareholder rights.

## **Exercising voting rights by absentee voting**

Duly Registered Shareholders may cast their votes in text form or by means of electronic communication (absentee voting).

Before the annual general meeting, the absentee voting form sent with the AGM ticket can be used for this purpose. The relevant form can be requested by mail to the address ZALANDO SE, c/o Better Orange IR & HV AG, Haidelweg 48, 81241 Munich, Germany, by fax to +49 (0)89 889 690 655 or by email to [briefwahl@zalando.de](mailto:briefwahl@zalando.de) and is also available for download on the company's website at

*<https://corporate.zalando.com/en/investor-relations/annual-general-meeting-2020>.*

If no express or clear vote is cast in the absentee voting with regard to an item on the agenda, this is considered to be an abstention on this agenda item.

The casting of votes by means of the absentee voting form must be received by the company at the following address by no later than 24:00 hours (CEST) on June 22, 2020 (time of receipt):

ZALANDO SE  
c/o Better Orange IR & HV AG  
Haidelweg 48  
81241 Munich  
Fax: +49 (0)89 889 690 655  
Email: [briefwahl@zalando.de](mailto:briefwahl@zalando.de)

Votes cast by absentee voting that cannot be assigned to a proper application without any doubt will not be considered.

Before and during the annual general meeting, the password-protected Shareholder Portal of the company, which can be accessed at

*<https://corporate.zalando.com/en/investor-relations/annual-general-meeting-2020>,*

is also available for exercising voting rights by means of (electronic) absentee voting. Electronic absentee voting via the Shareholder Portal will be possible from June 2, 2020 until the commencement of voting on the day of the annual general meeting.

Via the Shareholder Portal, you can also change or revoke any votes previously cast by means of absentee voting during the annual general meeting until the commencement of voting. This also applies to votes cast using the absentee voting form.

If no express or clear vote is cast in the absentee voting with regard to an item on the agenda, this is considered to be an abstention on this agenda item.

If, in respect of the same shareholding, the company receives several votes by absentee voting or if it receives several votes in different ways of transmission, then the absentee voting most recently received in due form is considered as binding. If differing declarations are received through different ways of transmission and it cannot be determined which of them was issued most recently, such declarations will be taken into consideration in the following order: 1. via the Shareholder Portal, 2. by email, 3. by telefax, and 4. in paper format. If votes given by way of absentee voting are not given in due form, the votes so given will be invalid.

Further instructions on absentee voting are included on the AGM ticket sent to Duly Registered Shareholders. Corresponding information and a more detailed description of the absentee voting can also be found on the internet under

*<https://corporate.zalando.com/en/investor-relations/annual-general-meeting-2020>.*

### **Exercising voting rights by issuing authorization and voting instructions to the proxies of the company**

We offer our shareholders as a service the possibility of granting an authorization to proxies appointed by the company and bound by the shareholder's instructions to exercise their voting right in the general meeting. Also in this case, it is necessary to timely register for the general meeting and to provide proof of shareholding in accordance with the provisions above. Insofar as proxies appointed by the company are authorized, they must in any case be given instructions on the individual agenda items or the counter-motions and election proposals for the exercise of voting rights made accessible prior to the annual general meeting. Proxy holders are obliged to vote according to these voting instructions. Proxy holders will not exercise the voting right without having received such explicit instructions.

The authorization of such proxies, the issuing of voting instructions and any amendments of such as well as the revocation of proxy authorization must be effected in text form (section 126b BGB); they may be made by the following methods only:

Prior to the general meeting, an authorization with instructions to the proxies can be granted by means of the authorization and instruction form received by shareholders together with their AGM ticket for the general meeting. The relevant form can be requested by post from ZALANDO SE, c/o Better Orange IR & HV AG, Haidelweg 48, 81241

Munich, Germany, by fax to +49 (0)89 889 690 655 or by email to [vollmacht@zalando.de](mailto:vollmacht@zalando.de) and is also available for download on the company's website

*<https://corporate.zalando.com/en/investor-relations/annual-general-meeting-2020>.*

For organizational reasons of the company, the authorization of the proxies and the issuing of instructions to them in advance of the annual general meeting by means of the authorization and instruction form should be completed by June 22, 2020 (24:00 hours (CEST)) (time of receipt). The authorization and instructions issued to the proxies appointed by the company by means of authorization and instruction form shall be sent exclusively to the following address:

ZALANDO SE  
c/o Better Orange IR & HV AG  
Haidelweg 48  
81241 Munich  
Fax: +49 (0)89 889 690 655  
Email: [vollmacht@zalando.de](mailto:vollmacht@zalando.de)

Authorization and instructions to the proxies appointed by the company can also be issued, changed or revoked electronically via the Shareholder Portal of the company until the commencement of voting on the day of the annual general meeting. Shareholders can obtain further details on the company's Shareholder Portal on the internet at

*<https://corporate.zalando.com/en/investor-relations/annual-general-meeting-2020>.*

If, in respect of the same shareholding, the proxies appointed by the company receive several authorizations and instructions or if they receive them in different ways of transmission, then the authorization most recently received in due form is considered as binding with its relevant instructions. If differing declarations are received through different ways of transmission and it cannot be determined which of them was issued most recently, such declarations will be taken into consideration in the following order: 1. via the Shareholder Portal, 2. by email, 3. by telefax, and 4. in paper format. If authorizations are not granted in due form, the proxies will not represent the votes in the general meeting. If, in respect of the same shareholding, the company has received votes cast by absentee voting in addition to an authorization having been granted and instructions having been issued to the proxies, the votes cast by absentee voting will always be considered to have priority; accordingly, the proxies will not make use of the authorization granted to them in this regard and will not represent the relevant shares.

Further information on the issue of authorization and instructions to the proxies appointed by the company is contained on the AGM ticket sent to the Duly Registered Shareholders. Such information can also be viewed on the internet at

<https://corporate.zalando.com/en/investor-relations/annual-general-meeting-2020>.

### **Authorization of third parties to exercise voting and other rights**

Shareholders can have their voting rights and other rights exercised by authorized representatives, for example by an intermediary, a shareholders' association, a proxy advisor or any other authorized third party, after granting the appropriate authorization. Also in these cases, it is necessary to timely register for the general meeting and to provide proof of shareholding in accordance with the provisions above. Authorized third parties may in turn exercise the voting right by absentee voting or by granting authorization and instructions to the proxies of the company (see above). Should the shareholder grant an authorization to more than one person, the company may refuse one or more of these pursuant to section 134(3) sentence 2 AktG.

According to section 134 (3) sentence 3 AktG and § 17 (4) of the articles of association, the granting of the authorization, its revocation and the evidence of the authorization to be provided to the company must be in text form (section 126b BGB) if no authorization is granted under section 135 AktG. We would like to point out that when authorizing the exercise of voting rights in accordance with section 135 AktG (granting authorization to intermediaries, proxy advisors, shareholders' associations, or other persons acting in a businesslike manner), special features must generally be observed. Shareholders intending to authorize an authorized representative for the exercise of voting rights in accordance with section 135 AktG are asked to obtain information on any distinctions in conferment of authority from the party to be authorized in the respective case and to coordinate with such party.

The authorization may be granted to the authorized representative or to the company. Proof of an authorization granted may be provided by the authorized representative sending such proof (for example, the original authorization or a copy thereof) to the following address:

ZALANDO SE  
c/o Better Orange IR & HV AG  
Haidelweg 48  
81241 Munich  
Fax: +49 (0)89 889 690 655  
Email: vollmacht@zalando.de

The aforementioned transmission channels are also available if the authorization is to be granted by means of a declaration to the company, in which case no separate proof of the authorization needs to be provided. The revocation of an authorization that has been granted may be also declared directly to the company using the aforementioned transmission channels.

If the granting or proof of an authorization or its revocation by means of a declaration to the company is made by post, by email or fax, for organizational reasons it must be received by the company by June 22, 2020, 24:00 hours (CEST) (time of receipt).

Shareholders wishing to authorize a proxy are requested to use the form of authorization provided by the company for granting such authorization. Such form of authorization will be sent to the Duly Registered Shareholders together with the AGM ticket and can be requested by mail to the address ZALANDO SE, c/o Better Orange IR & HV AG, Haidelweg 48, 81241 Munich, Germany, by fax to +49 (0)89 889 690 655 or by email to [vollmacht@zalando.de](mailto:vollmacht@zalando.de). In addition to this, an authorization form can also be downloaded from the company's website at

*<https://corporate.zalando.com/en/investor-relations/annual-general-meeting-2020>.*

Authorizations can also be issued or revoked electronically via the password-protected Shareholder Portal of the company until the commencement of voting on the day of the annual general meeting. Shareholders can obtain further details on the company's Shareholder Portal on the internet at

*<https://corporate.zalando.com/en/investor-relations/annual-general-meeting-2020>.*

The exercise of rights by an authorized representative and the connection via the Shareholder Portal requires that the authorized representative receives the individual access data (AGM ticket number and password) sent with the AGM ticket from the person granting the authorization. Proof of authorization to the company is required in this case as well. Proof of authorization must be submitted to the company in the manner described above.

Banks, shareholders' associations, proxy advisors and other intermediaries or equivalent persons pursuant to section 135 AktG who represent a majority of shareholders are recommended to register in advance of the annual general meeting with regard to exercising their voting rights at the following address:

ZALANDO SE  
c/o Better Orange IR & HV AG  
Haidelweg 48  
81241 Munich  
Fax: +49 (0)89 889 690 633  
Email: meldedaten@zalando.de

Further instructions on granting authorizations to third parties are included on the AGM ticket sent to Duly Registered Shareholders. Corresponding information and a more detailed description of how to grant authorization to third parties via the Shareholder Portal can also be viewed on the Internet at

<https://corporate.zalando.com/en/investor-relations/annual-general-meeting-2020>.

### **Opportunity for shareholders to ask questions**

Duly Registered Shareholders may ask questions by way of electronic communication (see section 1 (2) sentence 1 no. 3 C19-AuswBekG). Any questions must be submitted via the company's Shareholder Portal accessible at

<https://corporate.zalando.com/en/investor-relations/annual-general-meeting-2020>

no later than two days prior to the general meeting, i.e. by the end of June 20, 2020, 24:00 hours (CEST). It is not possible to submit questions by other means.

Questions can no longer be submitted after expiry of the aforementioned deadline. It is intended that the names of those asking the questions will generally be stated as part of the Q&A process. In this respect please note the further explanations on shareholders' rights and on data protection at the end of this invitation notice.

### **Lodging objections**

Duly Registered Shareholders who have exercised their voting right by way of electronic communication or by granting authorization may electronically lodge their objections to any resolutions of the annual general meeting to the notary's minutes via the company's Shareholder Portal, accessible at

<https://corporate.zalando.com/en/investor-relations/annual-general-meeting-2020>

from the beginning of the annual general meeting until its closing by the chairman of the meeting.

**Information on shareholders' rights pursuant to Art. 56 SER in conjunction with section 50 (2) SEAG, sections 122 (2), 126 (1), 127, 131 (1) AktG in conjunction with section 1 (2) sentence 1 no. 3 C19-AuswBekG**

**Requests to add items to the Agenda pursuant to Art. 56 sentences 2 and 3 SER, section 50 (2) SEAG, section 122 (2) AktG**

Shareholders whose shares together amount to not less than one twentieth of the share capital or represent a *pro rata* amount of EUR 500,000 (corresponding to 500,000 shares) may request that items be put on the Agenda and announced. Each new item must be accompanied by a statement of reasons or a resolution proposal.

The request is to be addressed to the Management Board of the company in writing and must be received by the company at least 30 days prior to the meeting, i.e. by the end of May 23, 2020, 24:00 hours (CEST) at the latest. Any requests to add items to the Agenda which are received after such date will not be taken into account.

Requests to add items to the Agenda shall be sent to the following address:

ZALANDO SE  
- Management Board -  
Valeska-Gert-Straße 5  
10243 Berlin

The requests for addition shall be published and submitted in the same way as applicable for calling the meeting.

**Counter-motions and election proposals by shareholders pursuant to sections 126 (1), 127 AktG**

Shareholders may send counter-motions against proposals by the Management Board and Supervisory Board on specific items on the Agenda and proposals for the election of the auditor and the election of the members of the Supervisory Board. Counter-motions must include a statement of reasons for same; election proposals do not have to include a statement of reasons. Counter-motions to the Agenda and election proposals are to be sent exclusively to the following address:

ZALANDO SE  
c/o Better Orange IR & HV AG  
Haidelweg 48  
81241 Munich  
Germany  
Fax: +49 (0)89 889 690 655  
Email: [gegenantraege@zalando.de](mailto:gegenantraege@zalando.de)

Counter-motions and election proposals received by the company at the aforementioned address at the latest by the end of June 8, 2020, 24:00 hours (CEST), subject to the further prerequisites of sections 126, 127 AktG, will be made accessible, including the name of the shareholder and – in the case of motions – the statement of reasons, on the company's website at

<https://corporate.zalando.com/en/investor-relations/annual-general-meeting-2020>

immediately following receipt. Any statements or comments made by the management will also be published at the same internet address.

The company will treat countermotions and election proposals of Duly Registered Shareholders to be made accessible in accordance with sections 126, 127 AktG in the context of the virtual general meeting as if they had been submitted at the general meeting. This also applies to counter-motions to agenda items that have been added to the agenda at the request of a minority of shareholders in accordance with section 122 (2) AktG on the basis of admissible extension requests to the agenda that were submitted in good time.

### **Right to information pursuant to section 131 (1) AktG**

The shareholders' right to information is considerably restricted in the case of a virtual general meeting pursuant to section 1 (2) C19-AuswBekG. Accordingly, the shareholders may only ask questions by way of electronic communication (section 1 (2) sentence 1 no. 3 C19-AuswBekG). The Management Board may also stipulate that questions must be submitted at least two days before the annual general meeting. The Management Board of ZALANDO SE has made use of this option with the approval of the Supervisory Board. In accordance with section 1 (2) sentence 2 C19-AuswBekG – by derogation from section 131 AktG – the Management Board will only decide on answers to questions by employing its due and proper discretion. According to the explanatory memorandum to section 1 (2) sentence 2 C19-AuswBekG, the management are not required to answer all questions under any circumstances; they can summarize questions and select meaningful questions in the interest of the other shareholders. In doing so, they may give preference to shareholder associations and institutional investors holding significant numbers of voting rights.

Reference is made to the above statements regarding the possibility for the shareholders to ask questions pursuant to section 1 (2) sentence 1 no. 3 C19-AuswBekG.

## **Further explanations of shareholder rights**

Further explanations of shareholders' rights pursuant to Art. 56 SER in conjunction with section 50 (2) SEAG, sections 122 (2), 126 (1), 127, 131 (1) AktG in conjunction with section 1 (2) sentence 1 no. 3 C19-AuswBekG are available on the company's website at

*<https://corporate.zalando.com/en/investor-relations/annual-general-meeting-2020>.*

## **Information on data protection for shareholders and their appointed representatives**

If you register for the general meeting or grant a proxy or connect to the virtual general meeting, we collect personal data (e.g. name, address, e-mail address, number of shares, class of shares, type of ownership of shares and number of the AGM ticket, your individual access data for the Shareholder Portal, the IP address from which you use the Shareholder Portal, the content of questions submitted by you and any reply as well as any objections raised) about you and/or your authorized representative. This is done to enable shareholders or their authorized representative to connect to and exercise their rights in connection with the virtual general meeting.

The entity responsible for processing your personal data is:

ZALANDO SE  
Valeska-Gert-Straße 5  
10243 Berlin  
Telephone: + 49 (0)30 2000 88 400  
Email: [info@zalando.de](mailto:info@zalando.de)

If we use service providers to conduct the virtual general meeting, they process your personal data only on our behalf and are otherwise obliged to maintain confidentiality.

If the legal requirements are met, every data subject has the right to information, correction, restriction, deletion and, if applicable, objection regarding the processing of their personal data at any time, as well as the right to data transmission and the right to complain to a competent data protection supervisory authority.

Further information on the treatment of your personal data in connection with the virtual general meeting and on your rights under the EU General Data Protection Regulation can be accessed at any time at the company's website at

*<https://corporate.zalando.com/en/investor-relations/annual-general-meeting-2020>*

or be requested from the following address: ZALANDO SE, Valeska-Gert-Straße 5, 10243 Berlin, Fax: +49 (0)30 2759 46 93, email: [datenschutz@zalando.de](mailto:datenschutz@zalando.de).

### **Technical instructions for the virtual general meeting**

To follow the virtual general meeting and to use the Shareholder Portal and exercise shareholder rights, you need an internet connection and an internet-capable device. In order to be able to render the video and audio broadcast of the annual general meeting optimally, a stable internet connection with a sufficient transmission speed is recommended.

If you use a computer to receive the video and audio broadcast of the virtual general meeting, you will need a browser and speakers or headphones.

To access the company's password-protected Shareholder Portal, you need your individual access data (AGM ticket number and password), which you receive with the AGM ticket. Using this access data, you can log in to the Shareholder Portal on the login page.

In order to avoid the risk of restrictions in the exercise of shareholder rights due to technical problems during the virtual general meeting, it is recommended that shareholder rights (in particular voting rights) be exercised before the start of the general meeting where ever possible.

Shareholders will receive further details regarding the Shareholder Portal and the registration and usage conditions with their AGM ticket or on the internet at

*<https://corporate.zalando.com/en/investor-relations/annual-general-meeting-2020>.*

### **Information on availability of video and audio broadcast**

The Duly Registered Shareholders can follow the Annual General Meeting on June 23, 2020 in full length live in audio and video from 10:00 a.m. (CEST) via the Shareholder Portal. The video and audio broadcast of the virtual general meeting and the availability of the Shareholder Portal may be subject to fluctuations in accordance with the current state of the art due to restrictions on the availability of the telecommunications network and limitations on third-party internet services, on which the company has no influence. The company can therefore not assume any guarantees or liability for the functionality and constant availability of the internet services used, the third-party network elements used, the video and audio broadcast or access to the Shareholder Portal and its general availability. The company also does not assume any responsibility for errors and defects in the hardware and software used for the online service, including such of the service companies used, unless

caused intentionally. For this reason, the company recommends that the above-mentioned options for exercising rights, in particular voting rights, be exercised at an early stage. The chairperson of the annual general meeting must reserve the right to interrupt or completely discontinue the virtual general meeting if this is mandatorily required for data protection or security considerations.

Berlin, May 2020

ZALANDO SE

***The Management Board***



