

**Invitation to the Annual  
General Meeting of  
ZALANDO SE**  
on May 19, 2021



Convenience translation

This translation is a working translation only.

Legally binding and relevant is solely the German version.

## ZALANDO SE

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 – **COVID-19-Act**), which entered into force on March 28, 2020, was amended by Article 2 of the Act of October 28, 2020 (BGBl. I p. 2264) and by Article 11 of the Act of December 22, 2020 (BGBl. I p. 3328), and the validity of which was extended until December 31, 2021, continues to allow annual general meetings to be held in 2021 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 a foreseeable period, the measures adopted in this respect by the state of Berlin and the objective of counteracting further spread of COVID-19 as well as preventing 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 again this year.

## Invitation to the Annual General Meeting (Virtual General Meeting)

We hereby invite the shareholders of our company on **Wednesday, May 19, 2021, at 10:00 a.m. (CEST)** to the

### **Annual General Meeting.**

The meeting will be held as a virtual general meeting without the physical presence of the shareholders and their authorized representatives (with the exception of the company's proxies). The place of the Annual General Meeting within the meaning of the German Stock Corporation Act is the corporate headquarters of ZALANDO SE, Valeska-Gert-Strasse 5, 10243 Berlin. Pursuant to section 1(2) sentence 1 no. 1 COVID-19-Act in conjunction with § 16(4) of the company's articles of association, the entire meeting will be broadcast in audio and video at the internet address <https://corporate.zalando.com/en/investor-relations/annual-general-meeting-2021> for duly registered shareholders via the company's password-protected internet service (**Shareholder Portal**); such broadcasting does not enable participation in the Annual General Meeting as defined by section 118(1) sentence 2 of the German Stock

Corporation Act (Aktiengesetz – **AktG**)<sup>1</sup>. The voting rights of the duly registered shareholders shall be exercised – also in case of an authorization of third parties – exclusively by way of absentee voting or by granting authorization and issuing instructions to the proxies appointed by the company. The shareholders are requested to also note the more detailed information following the presentation of the agenda with the proposed resolutions.

## I. Agenda

### 1. Presentation of the adopted annual financial statements and the approved consolidated financial statements for fiscal year 2020 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) (in each case in the version applicable for the fiscal year 2020)

The Supervisory Board approved the annual financial statements and consolidated financial statements prepared by the Management Board on March 15, 2021. 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-2021> and will also be accessible there during the General Meeting.

### 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 2020 in the amount of EUR 369,592,267.66 be carried forward in full to new account.

### 3. Discharge of the Management Board of ZALANDO SE for fiscal year 2020

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 2020 in respect of this period.

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<sup>1</sup> The relevant provisions for stock corporations domiciled in Germany, in particular the provisions of the HGB and the 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.

#### **4. Discharge of the Supervisory Board of ZALANDO SE for fiscal year 2020**

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 2020 in respect of this period.

#### **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 2021 and for a review of the condensed accounts and of the interim management report for the first six months of fiscal year 2021 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 fiscal year 2021.
- 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 2022 until the next General Meeting.

The Audit Committee has declared 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. New election of members of the Supervisory Board**

The term of office of all shareholder representatives on the Supervisory Board will end upon the close of the General Meeting held on May 19, 2021. Therefore, a new election is required.

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.

In accordance with the recommendation of the Nomination Committee, the Supervisory Board proposes to elect the following persons, each for a period from the end of the General Meeting held on May 19, 2021 until the end of the General Meeting that resolves on the discharge for fiscal year 2022, as shareholder representatives to the Supervisory Board of ZALANDO SE:

- a. Kelly Bennett, Supervisory Board and Executive Advisor, residing in Los Angeles (USA);
- b. Jennifer Hyman, Chief Executive Officer and co-founder of Rent the Runway, Inc., residing in New York (USA);
- c. Niklas Östberg, Chief Executive Officer and co-founder of Delivery Hero SE, residing in Zurich (Switzerland);
- d. Anders Holch Povlsen, Chief Executive Officer of the Bestseller group, residing in Viby (Denmark);
- e. Mariella Röhm-Kottmann, Senior Vice President, Head of Corporate Accounting at ZF Friedrichshafen AG, residing in Friedrichshafen (Germany);
- f. Cristina Stenbeck, investor and company director, residing in Stockholm (Sweden).

It is intended to take separate votes on agenda item 6 lit. a) to 6 lit. f).

The nominations for the election take into account the objectives adopted by the Supervisory Board for its composition pursuant to section C.1 of the German Corporate Governance Code (as amended on December 16, 2019, hereinafter referred to as the **German Corporate Governance Code**) and aim to comply with the profile of skills and expertise defined by the Supervisory Board for the board as a whole.

It is intended that Ms Cristina Stenbeck, in case of her election by the General Meeting, be proposed as candidate for the position of the Chairperson of the Supervisory Board in connection with the constituent meeting of the new Supervisory Board.

Accounting and auditing expertise within the meaning of section 100 (5) AktG is particularly held by Ms Mariella Röhm-Kottmann.

## **Supplementary information on agenda item 6 pursuant to section C.13 of the German Corporate Governance Code**

Mr Anders Holch Povlsen is the Chief Executive Officer of the Bestseller group. He holds indirectly through the Bestseller group more than 10% of the voting shares of ZALANDO SE and therefore is a shareholder holding a material interest in the company for the purposes of section C.13 of the German Corporate Governance Code. The Bestseller group furthermore maintains trade and supply relationships to ZALANDO SE.

Ms Cristina Stenbeck holds an indirect and beneficial interest in Kinnevik AB amounting to 5.5% of the issued shares and 25.1% of the voting rights. Kinnevik AB has a material interest in the company (21.1% of issued shares) for the purposes of section C.13 of the German Corporate Governance Code. 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-2021> as from the date of the notice convening the Annual General Meeting.

## **7. Resolution on the approval of the remuneration system for the members of the Management Board**

Pursuant to section 120(4) AktG in its previous version, the General Meeting of ZALANDO SE could resolve upon the approval of the remuneration system for the members of the Management Board. The current remuneration system for the members of the Management Board of ZALANDO SE was last approved by the Annual General Meeting of ZALANDO SE on May 23, 2018.

The Act Implementing the Second Shareholders' Rights Directive (ARUG II) deleted section 120(4) AktG and introduced a new section 120a AktG. Section 120a(1) sentence 1 AktG provides that the General Meeting of a listed company shall resolve upon the approval of the remuneration system for the members of the Management Board, which has been adopted by the Supervisory Board in accordance with the provisions of the also newly introduced section 87a AktG and submitted to the General Meeting for approval, in case of any material change to the remuneration system, but at least every four years. The first resolutions of the Supervisory Board and the General Meeting shall be adopted by the end of the first Annual General Meeting following December 31, 2020. The Supervisory Board of ZALANDO SE has therefore further developed the remuneration structure for the members of the Management Board in consideration of the new requirements of ARUG II and the German Corporate Governance Code.

Based on the recommendation of its Remuneration Committee, the Supervisory Board proposes to approve the remuneration system for members of the Management Board of ZALANDO SE with effect as of June 1, 2021, as described below under section III. "Remuneration system for the members of the Management Board". The description of the remuneration system is also available on the internet at

<https://corporate.zalando.com/en/investor-relations/annual-general-meeting-2021>

## **8. Resolution on remuneration for members of the Supervisory Board and a related amendment to the articles of association of ZALANDO SE**

Pursuant to section 113(3) AktG as amended by ARUG II, the General Meeting of a listed company shall resolve at least every four years upon the remuneration for members of the Supervisory Board. The first resolution shall be adopted by the end of the first Annual General Meeting following December 31, 2020.

The currently applicable remuneration of the Supervisory Board members stipulated in § 15 of the company's articles of association was adopted by the Annual General Meeting of May 31, 2017. Since then the requirements concerning the degree of professionalization on supervisory boards as well as the time spent on such activities have increased further. Adequate and appropriate remuneration is an important factor when competing for outstanding individuals to be appointed to the Supervisory Board.

Following a thorough review, the Management Board and the Supervisory Board have come to the conclusion that the existing remuneration arrangements for the members of the Supervisory Board are no longer in line with the market and are no longer commensurate with the tasks of the members of the Supervisory Board and the situation of ZALANDO SE. Against this background and in view of the remuneration of supervisory boards of comparable companies, the Supervisory Board remuneration of ZALANDO SE is to be adjusted in order to preserve its competitiveness. This is also intended to take into account the recommendation contained in the German Corporate Governance Code, according to which the additional time required for special functions on the Supervisory Board should be appropriately taken into account in the remuneration.

Based on the system for the remuneration of the members of the Supervisory Board pursuant to lit. a) below, the current provision in § 15(1) of the company's articles of association shall be reworded. The following amendment to § 15(1) of the company's articles of association shall apply for the first time after its entry into force for the fiscal year commencing on January 1, 2021.

The Management Board and the Supervisory Board propose to adopt the following resolution:

- a. Remuneration system for the members of the Supervisory Board:  
The remuneration system for the members of the Supervisory Board is based on the legal requirements and takes into account the recommendations and suggestions of the German Corporate Governance Code.

The remuneration of the members of the Supervisory Board shall be balanced overall and shall be commensurate with the responsibilities and tasks of the members of the Supervisory Board and the situation of the company, taking into account the remuneration arrangements of other large listed companies. At the same time, adequate and appropriate remuneration plays an important role in competing for outstanding individuals to be appointed to the Supervisory Board and thus for the best possible supervision and advice of the Management Board. These factors in turn are a prerequisite for a long-term success of the company.

The members of the Supervisory Board shall continue to receive a purely function-related fixed remuneration in accordance with Clause G.18 of the German Corporate Governance Code. No performance-related remuneration or financial or non-financial performance criteria are provided for. This best reflects the independent supervisory and advisory function of the Supervisory Board, which is not geared to short-term corporate success but to the long-term development of the company. The extent of the workload and liability risk of the members of the Supervisory Board does not generally develop in parallel with the business success of the company or the earnings situation of the company. Rather, it is precisely in economically difficult times, when variable remuneration components generally decline, that the members of the Supervisory Board need to perform their advisory and supervisory function particularly intensively.

The fixed annual remuneration is EUR 180,000 for the Chairperson of the Supervisory Board, EUR 135,000 for the Deputy Chairperson of the Supervisory Board and EUR 90,000 for each other member of the Supervisory Board. For their work on the Audit Committee, members of the Supervisory Board receive an additional fixed annual remuneration of EUR 10,000. The Chairperson of the Audit Committee receives an additional fixed annual remuneration of EUR 50,000.

The respective amount of the fixed remuneration takes into account the specific function and responsibility of the members of the Supervisory Board. In particular, in accordance with Clause G.17 of the German Corporate Governance Code, the higher time expenditure of the Chairperson and the Deputy Chairperson of the Supervisory Board as well as of the Chairperson and the members of the Audit Committee



is also appropriately taken into account through a corresponding additional remuneration. Attendance fees will continue not to be paid. Supervisory Board members who are members of the Supervisory Board or the Audit Committee or hold the office of the Chairperson or Vice-Chairperson of the Supervisory Board or of the Chairperson of the Audit Committee for part of a fiscal year only, shall receive a corresponding proportionate remuneration. In the future, the remuneration shall become due at the end of the fiscal year for which the remuneration is paid.

In addition to the function-related fixed remuneration, the members of the Supervisory Board shall continue to be reimbursed for their reasonable out-of-pocket expenses incurred in the performance of the Supervisory Board mandate as well as any value added tax payable on their remuneration and expenses. Furthermore, the members of the Supervisory Board will be included in any D&O liability insurance policy for board members maintained by the company in the company's interests that will provide reasonable coverage against financial damages. The premiums for this insurance policy shall be paid by the company.

The General Meeting shall determine the remuneration of the members of the Supervisory Board upon proposal of the Management Board and the Supervisory Board in the articles of association or by resolution. Currently, the remuneration is set in the articles of association. The General Meeting resolves on the remuneration of the members of the Supervisory Board at least every four years. A resolution confirming the existing remuneration is also permissible in this respect. Should the General Meeting not confirm the remuneration system submitted to a vote, a revised remuneration system shall be submitted to the following Annual General Meeting at the latest. In preparation for the resolution of the General Meeting, the Management Board and the Supervisory Board each review whether the remuneration, in particular with regard to its amount and structure, continues to be in the interest of ZALANDO SE and is in an appropriate relationship to the tasks of the members of the Supervisory Board and the situation of the company. The Supervisory Board may also carry out a horizontal market comparison for this purpose. In doing so, the Supervisory Board may seek advice from an external remuneration expert. If necessary, the Management Board and the Supervisory Board shall propose an appropriate adjustment of the remuneration to the Annual General Meeting.

Corresponding resolution proposals to the Annual General Meeting are submitted by the Management Board and the Supervisory Board in accordance with the statutory division of competences in order to enable mutual controls between the two bodies.

- b. § 15(1) of the company's articles of association is amended to read as follows:

“The members of the Supervisory Board shall receive a fixed annual remuneration of EUR 90,000 (in words: ninety thousand euros). Notwithstanding sentence 1, the Chairman of the Supervisory Board shall receive a fixed annual remuneration of EUR 180,000 (in words: one hundred eighty thousand euros) and the Deputy Chairman of the Supervisory Board shall receive a fixed annual remuneration of EUR 135,000 (in words: one hundred thirty-five thousand euros).

Supervisory Board members acting as members of the Audit Committee shall receive an additional annual remuneration of EUR 10,000 (in words: ten thousand euros). Notwithstanding sentence 3, the Chairman of the Audit Committee shall receive an additional annual remuneration of EUR 50,000 (in words: fifty thousand euros).”

- c. § 15(5) of the company's articles of association is amended to read as follows:

“The remuneration pursuant to paragraph 1 shall become due at the end of the fiscal year for which the remuneration is being paid.”

- d. The remainder of § 15 of the company's articles of association remains unaffected.
- e. After their having become effective, the foregoing amendments of § 15 (1) and (5) of the company's articles of association shall apply for the first time to the fiscal year beginning on January 1, 2021.

## II. Supplementary information on agenda item 6

**Kelly Bennett**, Los Angeles (USA)  
Supervisory Board and Executive Advisor

### Personal data

Date of birth: April 7, 1972

Place of birth: Nanaimo, BC (Canada)

Nationality: Canadian

### Academic background

1992-1995 Simon Fraser University – BA Business Administration

### Professional experience

Since 2020 TCV – Venture Berater

Since 2019 Spotify/Microsoft Xbox/Nubank – Executive Berater

2012-2019 Netflix – Chief Marketing Officer

2010-2012 Warner Bros. Entertainment – Vice President Interactive,  
World Wide Marketing

2008-2010 Warner Bros. Entertainment – Director New Media & Interactive  
Marketing EMEA

2004-2008 Warner Bros. Entertainment – Director, Promotions EMEA

2003-2004 Warner Bros. Entertainment – Business Development Manager, EMEA

2001-2003 Dow Jones International – Business Development Manager, International

1998-2001 Cimex Media – Partner

1997-1998 Ignition Marketing – Business Development Director

### Major activities apart from the Supervisory Board activities at ZALANDO SE

#### a. Membership in statutory supervisory boards

None

#### b. Membership in comparable controlling bodies of business enterprises in Germany or abroad

None

#### c. Other activities

None

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

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

Chief Executive Officer and co-founder at Rent the Runway, Inc.

### **Personal data**

Date of birth: August 24, 1980

Place of birth: New York (USA)

Nationality: US-American

### **Academic background**

2007-2009 Harvard Business School – Master of Business Administration

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

### **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.

### **Major activities apart from the Supervisory Board activities at ZALANDO SE**

#### **a. Membership in statutory supervisory boards**

None

#### **b. Membership in comparable controlling bodies of business enterprises in Germany or abroad**

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

#### **c. 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.

**Niklas Östberg**, Zurich (Switzerland)  
Chief Executive Officer and co-founder of Delivery Hero SE

### **Personal data**

Date of birth: March 12, 1980  
Place of birth: Skinnskatteberg (Sweden)  
Nationality: Swedish

### **Academic background**

2000-2005      Royal Institute of Technology Stockholm & ETH Zurich –  
Master of Industrial Engineering & Management

### **Professional experience**

Since 2011      Delivery Hero SE – Co-Founder and Chief Executive Officer  
2007-2011      OnlinePizza.se/pizza.nu – Co-Founder and Chairman  
2005-2010      Oliver Wyman, Zurich – Project Manager

### **Major activities apart from the Supervisory Board activities at ZALANDO SE**

**a. Membership in statutory supervisory boards**

None

**b. Membership in comparable controlling bodies of business enterprises in Germany or abroad**

Member of the Supervisory Board of trivago N.V., Germany

**c. Other activities**

None

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

**Anders Holch Povlsen**, Viby (Denmark)  
Chief Executive Officer of the Bestseller group (Denmark)

### **Personal data**

Date of birth: November 4, 1972  
Place of birth: Ringkøbing/Skjern (Denmark)  
Nationality: Danish

### **Academic background**

1990-1996      Anglia Ruskin University, Cambridge, United Kingdom, and Berlin School  
                         of Economics and Law – Joint Bachelor in European Business  
                         Administration  
1990              Business College in Herning, Denmark

### **Professional experience**

Since 2001      Bestseller A/S – Chief Executive Officer  
1996-2001      Vila A/S (Tochtergesellschaft der Bestseller A/S) –  
                         Chief Executive Officer

### **Major activities apart from the Supervisory Board activities at ZALANDO SE**

#### **a. Membership in statutory supervisory boards**

None

#### **b. Membership in comparable controlling bodies of business enterprises in Germany or abroad**

Member of the Board of Directors of

- Heartland A/S, Denmark, and various entities of the Heartland group (including entities in the Bestseller group and Intervare A/S and subsidiaries) as well as entities with a family connection
- J.Lindeberg Holding (Singapore) Pte. Ltd., Singapore (and subsidiaries)
- Donau Agro ApS., Denmark

#### **c. Other activities**

Member of the Board of Directors of

- Bestseller Foundation, Denmark
- Foundation Conservation Carpathia (FCC), Braşov, Romania

The Supervisory Board considers Anders Holch Povlsen non-independent in the meaning of C.6 and C.7 of the German Corporate Governance Code.

**Mariella Röhm-Kottmann**, Friedrichshafen (Germany)  
Senior Vice President, Head of Corporate Accounting at ZF  
Friedrichshafen AG

### **Personal data**

Date of birth: February 25, 1967  
Place of birth: Karlsruhe (Germany)  
Nationality: German

### **Academic background**

1997 Chartered Accountant, Germany  
1995 Tax Advisor, Germany  
1992 Technical University Karlsruhe, Germany – Diploma Industrial Engineer

### **Professional experience**

Since 2016 ZF Friedrichshafen – Senior Vice President, Head of Corporate Accounting  
2014-2016 Head of KPMG Board Services, Co-Chair of KPMG Audit Committee Institute  
2002-2016 KPMG Munich – Audit Engagement Partner and Lead Partner for international accounts  
2001-2002 KPMG Montvale, USA – Senior Manager  
1997-2001 KPMG Munich – Manager/Senior Manager  
1992-1997 KPMG Stuttgart – Auditor in various positions

### **Major activities apart from the Supervisory Board activities at ZALANDO SE**

#### **a. Membership in statutory supervisory boards**

None

#### **b. Membership in comparable controlling bodies of business enterprises in Germany or abroad**

- Member of the Board of Directors of ZF Services Espana, S.L., Spain
- Member of the Supervisory Board of Compagnie Financière de ZF SAS, France

#### **c. Other activities**

- Regional Board Financial Expert Association Bodenseekreis
- Member of the Advisory Board of BeyondGenderAgenda
- Member of the Advisory Board of ZF hilft e.V.

The Supervisory Board considers Mariella Röhm-Kottmann independent in the meaning of C.6 and C.7 of the German Corporate Governance Code.

**Cristina Stenbeck**, Stockholm, Sweden  
Investor and company director

### **Personal data**

Date of birth: September 27, 1977

Place of birth: New York (USA)

Nationality: Swedish

### **Academic background**

2000 Georgetown University – Bachelor of Science

### **Professional experience**

Since 2019 Investor and company director

Since 2017 Spotify Technology S.A. – Director

2016-2019 Kinnevik AB – Director

2007-2016 Kinnevik AB – Chairperson of the Board of Directors

2003-2007 Kinnevik AB – Deputy Chairperson of the Board of Directors

2003-2019 Member of the Board of Directors of a number of investee companies of the Kinnevik group, including ZALANDO SE, Tele2 AB, Modern Times group MTG AB, Millicom International Cellular S.A., Invik & Co AB, GoEuro Corp. (trading under the brand Omio) and Babylon Holdings Ltd

### **Major activities apart from the Supervisory Board activities at ZALANDO SE**

#### **a. Membership in statutory supervisory boards**

None

#### **b. Membership in comparable controlling bodies of business enterprises in Germany or abroad**

- Member of the Board of Directors of Spotify Technology S.A., Luxembourg
- Member of the Board of Managers of Verdere S.à.r.l., Luxembourg

#### **c. Other activities**

- Founding Partner of Generation Pep
- Founding Partner of Brilliant Minds

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



### III. Remuneration system for the members of the Management Board (agenda item 7)

#### 1. Basic principles of the remuneration system

The remuneration system for the members of the Management Board contributes significantly to the execution and promotion of the business strategy and the long-term development of ZALANDO SE. The remuneration system consists, besides customary fringe benefits, of a fixed remuneration component, the fixed base salary, and two variable remuneration components, the Zalando Ownership Plan (the **ZOP**) and a long-term incentive program (the **LTI**). The ZOP is based on a variable incentive plan which is already in place since 2019 for the senior management of the company and is now introduced to the remuneration system for the members of the Management Board to promote the alignment of the remuneration of the members of the Management Board with the company's overall remuneration philosophy. The LTI is a performance-related remuneration component which is linked to the company's ambitious strategic growth targets and its sustainable development. The amount of the variable remuneration of the members of the Management Board under both variable remuneration components also depends on the development of the share price of the share of ZALANDO SE, thereby linking the interests of the members of the Management Board with those of the shareholders. The remuneration system creates an incentive for results-oriented and sustainable corporate management. The remuneration of the members of the Management Board is based on the performance of the members of the Management Board to the promotion of corporate goals and the business success of ZALANDO SE. The fixed integration of ESG targets into the remuneration structure also encourages sustainable and future-oriented action and incentivizes a value-creating development of the company.

In designing the remuneration system, the Supervisory Board was guided in particular by the following principles:

Business strategy	Promotion of the <b>business strategy</b> as well as the <b>long-term</b> and <b>sustainable</b> development of ZALANDO SE and the Zalando group
Appropriate and market standard remuneration	Ensuring an <b>appropriate</b> and <b>market standard</b> remuneration for the members of the Management Board to allow the Company to attract, incentivize and retain the <b>specific type of talent</b> and leadership required for its <b>strategic ambitions</b>
Ambitious performance targets	Definition of <b>ambitious performance targets</b> and <b>appropriate consideration of the performance</b> of the members of the Management Board (pay for performance)
Focus on shareholder value creation	Orientation of the actions of the members of the Management Board towards the <b>interest of the shareholders</b>
Linked to ESG criteria	Consideration of <b>sustainability and environmental social governance (ESG)</b> aspects to ensure social and future-oriented action
Entrepreneurial culture	Promotion of <b>entrepreneurial culture</b>

The remuneration system for the members of the Management Board of ZALANDO SE is clear and comprehensible. It complies with the requirements of the newly introduced section 87a AktG and with the recommendations of the German Corporate Governance Code, provided that no deviation from these recommendations is disclosed and explained. The Supervisory Board's objective is to offer the members of the Management Board a competitive remuneration package in line with market conditions and in compliance with the above principles for the design of the remuneration system, while maintaining sufficient flexibility to react to structural changes and different market conditions and to ensure competitiveness on the relevant talent markets to allow ZALANDO SE to attract the best national and international candidates for a position on Zalando's Management Board.

## **2. Process for determining, implementing and reviewing the remuneration system**

The remuneration system for the Management Board of ZALANDO SE is resolved by the Supervisory Board in accordance with section 87a para. 1 sentence 1 AktG. The Supervisory Board is supported by its Remuneration Committee. The Remuneration Committee develops recommendations for the remuneration system for the members of the Management Board, taking into account the principles described in section A. above as well as the legal requirements and the requirements of the German Corporate Governance Code, and submits them to the entire Supervisory Board for discussion and resolution.

The Supervisory Board and its Remuneration Committee may, if necessary, consult an external remuneration expert to develop the remuneration system and to assess the appropriateness of the remuneration. The remuneration expert will be rotated from time to time. When consulting an external remuneration expert, the Supervisory Board ensures that the remuneration expert is independent of the Management Board and the company. In the past, the Supervisory Board has regularly consulted an external remuneration expert for the assessment of the appropriateness of the remuneration and has always ensured that the above principles are observed. The Supervisory Board has further consulted an external remuneration expert in the course of the development of this remuneration system for the members of the Management Board. The remuneration system is regularly reviewed by the Supervisory Board, supported by its Remuneration Committee.

The remuneration system is submitted to the General Meeting for approval in case of any material change, but at least every four years. If the General Meeting does not approve the remuneration system, a reviewed remuneration system will be submitted for approval at the latest at the following Annual General Meeting.

Throughout the entire process of determining, implementing and reviewing the remuneration system, the requirements of the AktG and the Supervisory Board's rules of procedure as well as the recommendations of the German Corporate Governance Code on the avoidance and handling of conflicts of interest have been and will be complied with.

The remuneration system applies to all new service agreements for members of the Management Board to be concluded or extended from and including June 1, 2021 onwards. For existing service agreements, the existing remuneration structure will continue to apply in accordance with section 26j para. 1 Introductory Act to the Stock Corporation Act (Einführungsgesetz zum Aktiengesetz – **EGAktG**) and the rationale of the German Corporate Governance Code, in particular in order to avoid modifications to the already granted long-term incentive plans with a multi-year assessment basis. In the course of the conclusion of the service agreement of the newly appointed member of the Management Board Ms Astrid Arndt, the Supervisory Board has considered the provisions of the remuneration system to a very large extent subject to the implementability of the provisions at the time of the conclusion of the service agreement.

### **3. Remuneration structure**

The remuneration system for the members of the Management Board of ZALANDO SE consists of fixed and variable remuneration components, the sum of which determines the total remuneration of the members of the Management Board. The fixed remuneration comprises a fixed base salary as well as customary fringe benefits, which may vary in amount depending on the occasion and the member of the Management Board. The variable remuneration comprises the ZOP and LTI (all remuneration components are explained in detail in section 4. below).

Fixed remuneration components		
<b>Fixed salary</b>	Monthly fixed salary	
<b>Fringe benefits</b>	Company car, allowance for health insurance, reimbursement of expenses, employer's contribution to the statutory pension and unemployment insurance and D&O insurance	
Variable remuneration components		
<b>Zalando Ownership Plan (ZOP)</b>	<b>Structure</b>	Share-based remuneration component consisting of virtual options ("ZOP Shares" and "ZOP Options") with a free choice of mixture of ZOP Options and ZOP Shares. The ZOP Shares and the ZOP Options may be settled, at the election of the Company, in shares of the company or in cash.
	<b>Grant</b>	Quarterly grant
	<b>Waiting period</b>	ZOP Shares – no waiting period ZOP Options – two-year waiting period
	<b>Exercise period</b>	Three years
	<b>Exercise price</b>	ZOP Shares – EUR 1.00 ZOP Options – share price at grant
	<b>Cap</b>	ZOP Shares – 200% of initial share price at grant ZOP Options – 250% of initial share price at grant
<b>Long-term incentive (LTI)</b>	<b>Structure</b>	Share-based long-term remuneration component consisting of virtual options ("LTI Shares" and "LTI Options") with a minimum of 50% LTI Options. The LTI Shares and the LTI Options may be settled, at the election of the company, in shares of the company or in cash.
	<b>Grant</b>	One-off grant at the beginning of the service agreement
	<b>Waiting period</b>	Four years
	<b>Performance targets</b>	Depending on the achievement of performance targets the number of LTI Shares and LTI Options may range between 0% and 125% of the initially granted number at plan start <ul style="list-style-type: none"> <li>Gross merchandise volume of ZALANDO SE (promotion of the continuous growth of the company's business)</li> <li>Newly introduced: ESG-targets taken into account by way of a modifier (promotion of sustainable corporate management)</li> </ul>
	<b>Exercise period</b>	Three years
	<b>Exercise price</b>	LTI Shares – EUR 1.00 LTI Options – share price at grant
	<b>Cap</b>	LTI Shares – 200% of initial share price at grant LTI Options – 250% of initial share price at grant
Further provisions		
<b>Maximum remuneration</b>	Maximum remuneration for one financial year of EUR 15.75m for the CEO and EUR 10.5m for ordinary board members	
<b>Malus and clawback provisions</b>	Right of the Supervisory Board to retain or reclaim variable remuneration in case of a severe breach of statutory obligations or internal compliance policies and behavioural guidelines or severe compliance infringements; right of the Supervisory Board to reclaim variable remuneration in case of an unduly payout based on incorrect information	
<b>Severance cap</b>	Severance payments shall not exceed twice the annual remuneration and shall not constitute remuneration for more than the remaining term of the service agreement	
<b>Change of control</b>	No payments in case of an early termination due to a change of control; right to cancel vested but unexercised LTI Shares and LTI Options against a compensation payment in case of a change of control	

On the basis of the remuneration system, the Supervisory Board determines the amount of the target total remuneration for the individual members of the Management Board for the upcoming financial year. The target total remuneration is made up of the sum of all fixed and variable remuneration components for one year in the event of 100% target achievement. The target total remuneration to be determined for each member of the Management Board is set in an adequate proportion to the responsibilities and performance of the respective member of the Management Board and to the situation of the company. In addition, the Supervisory Board ensures that the target total remuneration is in line with market practice.

#### **a) Horizontal comparison**

In order to assess whether the remuneration of the individual members of the Management Board is in line with market practice, the Supervisory Board makes a horizontal comparison with the remuneration paid to the Management Board of a group of comparable companies to be determined by the Supervisory Board, taking into account in particular the market position of ZALANDO SE (including market capitalization, revenue, industry, size and country) and the overall economic situation of ZALANDO SE. The Supervisory Board hereby considers comparable companies included in the DAX and MDax. The Supervisory Board further considers the remuneration of technology driven companies of comparable size in Europe and the USA.

#### **b) Vertical comparison**

In addition, the Supervisory Board considers the level of remuneration of the members of the Management Board in relation to the remuneration structure within the Zalando-group, based on the annual base salary for the members of the Management Board as well as the variable remuneration in case of (assumed) 100% target achievement. In this vertical comparison, the Supervisory Board considers the overall average remuneration of the total workforce of ZALANDO SE as well as the average remuneration for sub-groups based on seniority levels (e.g., Senior Vice Presidents), and how the average remuneration of the aforementioned reference groups developed over time.

In the event of significant shifts in the relation between the remuneration of the members of the Management Board of ZALANDO SE and the remuneration of the vertical peer groups, the Supervisory Board examines the causes for the shift.

#### **c) Differentiation according to different requirements for the individual Management Board positions**

When determining the amount of the target total remuneration of the individual members of the Management Board, the Supervisory Board may, in its discretion, differentiate in view of different requirements of the respective Management Board function, market conditions or qualification and experience of the members of the Management Board. When determining the target total remuneration, the Supervisory Board may therefore in particular make differentiations depending on the function of the members of the Management Board (CEO or ordinary board member), the responsibility within the Management Board or the experience or term of membership of the member of the Management Board, and may also take into account that a higher remuneration may be customary in competitor markets of ZALANDO SE abroad.

#### **d) Composition of the target total remuneration**

60% of the target total remuneration of each Management Board member consists of the LTI, whereas 40% can be individually divided between the fixed remuneration and the ZOP with a minimum of 10% to be paid as fixed remuneration (fixed annual salary and fringe benefits). Such structure shall provide for the flexibility for Zalando's Supervisory Board to answer different needs of different types of current and future members of the Management Board in terms of their remuneration structure. Against this background, the proportion of the individual remuneration components in the target total remuneration is defined in percentage ranges.

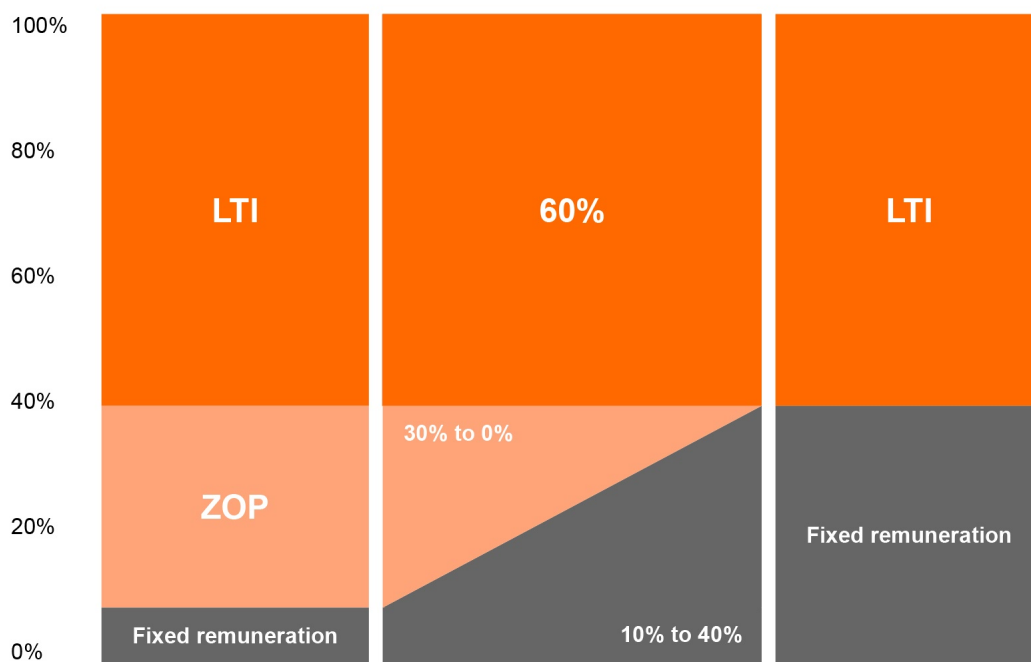
The target total remuneration for all members of the Management Board (CEO and ordinary board members) is composed as follows: The fixed remuneration represents between 10%-40% of the target total remuneration. It consists of the fixed annual salary and fringe benefits (the latter in the amount of up to 1% of the target total remuneration). The ZOP represents between 0% and 30% and the LTI corresponds to 60% of the target total remuneration.

The Supervisory Board may adjust individual remuneration components in the context of the annual review of the remuneration of the members of the Management Board, taking into account customary market practice and appropriateness. When calculating the target total remuneration for a financial year, the Supervisory Board also takes into account any group remuneration of individual members of the Management Board.

The composition of the target total remuneration for a Management Board member may differ in exceptional cases in the year of appointment or in the second year after appointment to the Management Board, if the Supervisory Board grants the newly appointed member of the Management Board further payments, e.g., as compensation for entitlements from a previous service agreement lost due to the acceptance of the new position at ZALANDO SE.

In accordance with the recommendation of the German Corporate Governance Code, when determining the target total remuneration, the Supervisory Board ensures that the variable remuneration resulting from the achievement of long-term targets exceeds the share of short-term targets. This ensures that the remuneration system is focussed on the long-term development and implementation of ZALANDO SE's business objectives.

### Composition as % of target total remuneration



#### e) Caps and maximum remuneration

In order to achieve a balanced risk-reward profile and a corresponding incentive effect of the remuneration system, the LTI is designed in such a way that the payout can be zero. Further, the payout under the ZOP may also be zero in case the grant under the ZOP entirely consists of ZOP Options. In addition, the payout of the variable remuneration (ZOP and LTI) is limited to 200% of the initial share price of the shares of ZALANDO SE at grant for ZOP Shares and LTI Shares (as described under 4. b) below) and to 250% of the initial share price of the shares of ZALANDO SE at grant for ZOP Options and LTI Options (as described under 4. b) below) (cap).

In addition, the Supervisory Board determines a maximum remuneration for the members of the Management Board in accordance with section 87a para. 1 sentence 2 no. 1 AktG. The Supervisory Board also includes any group-remuneration of individual members of the Management Board in the calculation.

Since the maximum remuneration is calculated on an annual basis, but the members of the Management Board of ZALANDO SE receive their grant under the LTI as a one-off grant at the beginning of their term of office and thus receive the complete payout under the LTI at the earliest after a four-year waiting period (sequential plan), the pro rata inflow value after the expiry of the four-year waiting period is determined for each financial year. On the basis of the pro rata amounts the Supervisory Board may determine the remuneration for one financial year in a way that is more comprehensible, transparent and comparable with market standards and properly reflects the economic benefit granted to a member of the Management Board, and can properly ensure that the defined maximum remuneration for one financial year will not be exceeded.

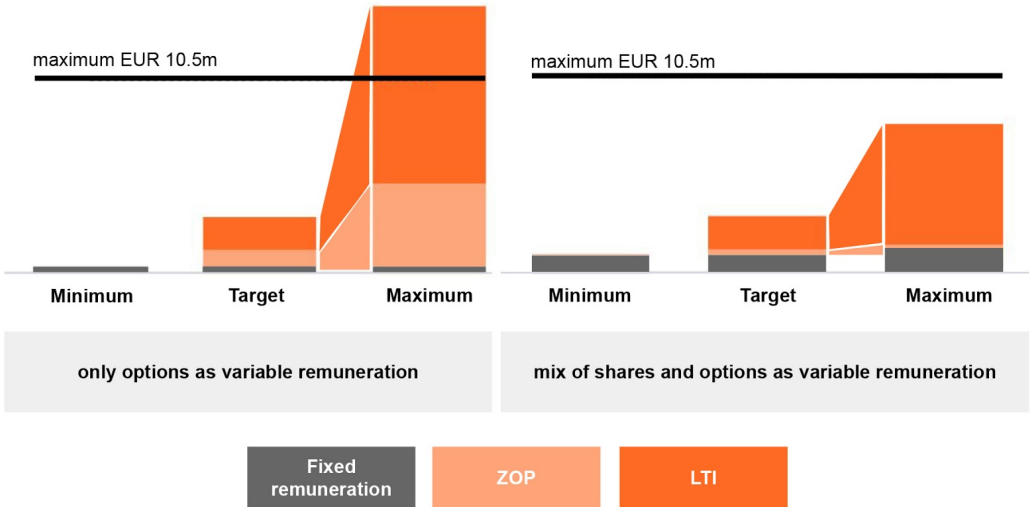


The aim of the new remuneration system for the Management Board is to continue to support and nurture the “founding mindset” for the company’s executives. The maximum remuneration however can only be reached in case a member of the Management Board chooses a risk-oriented remuneration profile with a high portion of ZOP Options and LTI Options rather than ZOP Shares and LTI Shares, and in case of significant overperformance in GMV growth versus the company’s guidance, a substantial share price increase, and meeting the ambitious targets set for the strategic ESG KPIs. In case no value for shareholders would be created through an increase in share price, such profile would be left with only the minimum remuneration to be paid. We have incorporated flexibility in the program to also cater to less risk-oriented CEO profiles with a mix of ZOP and LTI Shares and Options leading to a lower remuneration. The same rationale also applies to ordinary members of the Management Board.

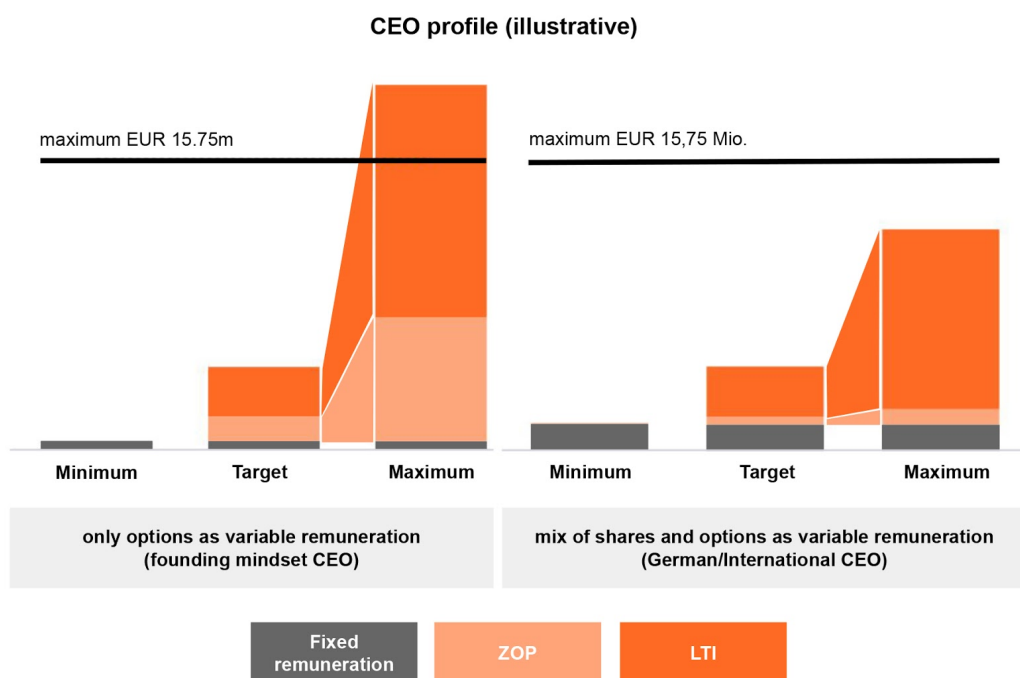
The maximum remuneration for one financial year – regardless of whether the payout occurs in this financial year or at a later date and on the basis of the pro rata amounts for the LTI and the respective maximum limits for variable remuneration – amounts to EUR 15.75m for a CEO and to EUR 10.5m for ordinary members of the Management Board.

The Supervisory Board regularly examines the amount of the maximum remuneration for its appropriateness. This appropriateness evaluation is carried out in connection with the horizontal and vertical comparison and includes the fringe benefits in the respective maximum, lump-sum amounts.

**Ordinary Board Member profile (illustrative)**







## 4. Remuneration components in detail

### a) Fixed remuneration components

The fixed remuneration of the members of the Management Board consists of a fixed annual salary and individually agreed, customary fringe benefits and other benefits granted in exceptional cases.

#### 1) Base salary

Each member of the Management Board receives an annual fixed base salary agreed on an individual basis, which is generally paid in twelve monthly instalments.

#### 2) Fringe benefits

In addition, the members of the Management Board receive additional, customary fringe benefits, which mainly include the use of a company car for private purposes including the assumption of any income tax imposed on the monetary benefit from the private use of the car, allowance for health insurance in the amount of half the monthly contributions up to the amount, that the company would have to bear as the employer's contribution to the statutory health insurance of the local AOK, and a monthly gross amount of the applicable employer's contribution to the statutory pension and unemployment insurance.

Further, the members of the Management Board receive reimbursements for all expenses (including travel expenses) properly and reasonably incurred in the course of the services of the respective member of the Management Board. In addition, ZALANDO SE has also taken out a "Directors and Officers Insurance" (D&O insurance) with a deductible of 10% of the covered damage but at maximum 150% of the annual fixed base salary.

Further fringe benefits can be individually agreed with the respective members of the Management Board.

### 3) Further benefits

Finally, the Supervisory Board may, at its reasonable discretion and in exceptional cases, individually agree with the members of the Management Board on payments in connection with their appointment as a member of the Management Board of ZALANDO SE, e.g., to compensate entitlements under previous service agreements and in particular under previous long-term incentive programs lost due to the acceptance of the new position at ZALANDO SE, in each case within the scope of the defined maximum remuneration.

## b) Variable remuneration components

The variable remuneration of the members of the Management Board consists of the ZOP and the LTI. Both are virtual programs, which are linked to the development of the share price of the company and thus contribute to a stronger link to the shareholders' interests and the promotion of the long-term growth of ZALANDO SE. The variable remuneration under the LTI is further tied to the performance of the company under its long-term strategy and is thus aligned with the company's long-term development. In addition, ambitious ESG-targets are included in Zalando's LTI which incentivize and reward sustainable corporate management and account for Zalando's social responsibility.

60% of the target total remuneration consists of the LTI. The remaining 40% can be individually divided between the fixed remuneration (fixed annual salary and fringe benefits) and the ZOP, whereby at least 10% must be granted as fixed remuneration.

### 1) Zalando Ownership Plan (ZOP)

The ZOP consists of virtual options in the form of so-called **ZOP Shares** and **ZOP Options**, both entitling the members of the Management Board to a cash payment against ZALANDO SE. At the election of ZALANDO SE, the cash payment claim of the members of the Management Board may also be settled in shares of the company.

Under the ZOP, the members of the Management Board will be granted ZOP Shares and ZOP Options on a quarterly basis. For this purpose, the Supervisory Board sets an annual target amount in Euro within the target total remuneration of each Management Board member and within the individually chosen proportion of fixed remuneration and ZOP (the **Target Amount**), which will be divided into quarterly tranches. Each tranche will then be converted into a specific number of ZOP Shares and ZOP Options. The ZOP provides for the flexibility of the members of the Management Board to individually determine the proportion of ZOP Shares (ZOP Shares Ratio) and of ZOP Options (**ZOP Options Ratio**) under the ZOP (each from 0% to 100% but in steps of 5%). This choice of mixture in ZOP Shares and ZOP Options takes into account the different risk-affinity of different members of the Management Board and provides the Supervisory Board with the flexibility to accommodate for all talent profiles. The members of the Management Board can generally determine the ZOP Shares Ratio and the ZOP Options Ratio each year between September 1 until

and including September 14 (the **Selection Window**). The chosen ZOP Shares Ratio and ZOP Options Ratio will apply to the following quarterly grants, unless the respective member of the Management Board determines another ZOP Shares Ratio and ZOP Options Ratio during a Selection Window. In case of new appointments to the Management Board, the ZOP Shares Ratio and the ZOP Options Ratio will be determined in the service agreement and may be changed during the first Selection Window occurring after the conclusion of the service agreement.

The ZOP does not provide for specific performance targets to be achieved by the members of the Management Board. It is a share-based remuneration component and as such linked to the share price development. The share-based structure of the ZOP contributes to the alignment of the interests of the members of the Management Board with those of the shareholders of ZALANDO SE in encouraging the long-term development and growth of the ZALANDO SE and the Zalando-group.

The number of ZOP Shares to be granted to the individual member of the Management Board for the respective annual period is calculated by dividing the Target Amount by the product of the closing price of the shares in ZALANDO SE in Xetra trading on the Frankfurt Stock Exchange at the date of the grant (the Grant Date) (the Grant Share Price) and a fixed conversion factor of 1.05, and multiplying this quotient with the ZOP Shares Ratio. The number of ZOP Options to be granted to the individual member of the Management Board for the respective annual period is calculated by dividing the Target Amount by the product of the Grant Share Price and a fixed conversion factor of 0.3, and multiplying this quotient with the ZOP Options Ratio.

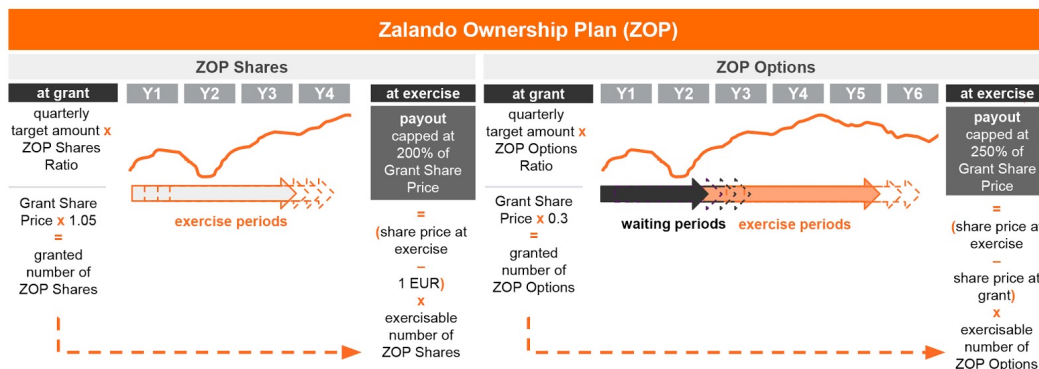
The conversion factor reflects the different risk the members of the Management Board take with the respective instrument (ZOP Shares or ZOP Options).

The ZOP Shares are not subject to a waiting period, whereas the ZOP Options only are exercisable after a waiting period of two years commencing on the Grant Date. Further, ZOP Shares and ZOP Options are only exercisable during an exercise period of three years (i) following the Grant Date in case of the ZOP Shares and (ii) following the expiration of the waiting period in case of the ZOP Options. The term of the exercise period may differ with regard to ZOP Shares to comply with foreign regulations which may be applicable to a member of the Management Board. The ZOP Shares entitle the member of the Management Board to a cash payment in the amount of the difference between the closing price of shares of ZALANDO SE in Xetra trading on the Frankfurt Stock Exchange at the time ZOP Shares are exercised and an exercise price of EUR 1.00 per exercised ZOP Share.

The ZOP Options entitle the member of the Management Board to a cash payment in the amount of the difference between the closing price of the shares of ZALANDO SE in Xetra trading on the Frankfurt Stock Exchange at the time ZOP Options are exercised and the Grant Share Price.

ZALANDO SE is entitled, in its sole discretion, to deliver shares in ZALANDO SE to the respective Management Board member instead of a cash payment.

The payment claim of the respective Management Board member under the ZOP Shares is limited to 200% of the Grant Share Price per ZOP Share and to 250% of the Grant Share Price per ZOP Option.



## 2) Long-term incentive program (LTI)

### General structure of the LTI

The members of the Management Board further participate in Zalando's long-term incentive program (LTI), consisting of so-called **LTI Shares** and **LTI Options**, both entitling the members of the Management Board to a cash payment against ZALANDO SE. At the election of the company, the cash payment claim of the members of the Management Board may also be settled in shares of the company.

The amount of variable remuneration under the LTI is linked to the development of the company's gross merchandise volume as key performance indicator and takes into account certain ESG-targets by way of a modifier. The LTI provides for the flexibility of the members of the Management Board to individually determine the proportion of LTI Shares (**LTI Shares Ratio**) and LTI Options (**LTI Options Ratio**). This choice of mixture in LTI Shares and LTI Options takes into account the different risk-affinity of different members of the Management Board – a higher share of LTI Options for a more risk-orientated remuneration profile – and provides the Supervisory Board with the flexibility to accommodate for all talent profiles. Nevertheless, at least 50% of the grant amount must be granted in LTI Options to incentivize the long-term orientation of the members of the Management Board. The LTI Shares Ratio and the LTI Options Ratio are determined in the service agreement of the respective member of the Management Board.

The structure of the LTI as a share-based model contributes to a stronger link between the interests of the members of the Management Board and the shareholders and further encourages and rewards a long-term and future-orientated management of the company. Further, the inclusion of ESG-targets incentivizes a sustainable development of ZALANDO SE. Under the LTI, the members of the Management Board are granted LTI Shares and LTI Options by way of a one-off grant for the entire term of their service agreement (sequential plan). For this purpose, the Supervisory Board sets a target value in Euro as grant value (the **Grant Value**) for each member of the Management Board. The number of LTI Shares to be granted to the individual Management Board member is calculated by dividing the Grant Value by the product of the Grant Share Price and a fixed conversion factor for LTI Shares of 1, and multiplying this quotient with the LTI Shares Ratio.

The number of LTI Options to be granted to the individual Management Board member is calculated by dividing the Grant Value by the product of the Grant Share Price and a fixed conversion factor for LTI Options of 0,4, and multiplying this quotient with the LTI Options Ratio.

The final number of exercisable LTI Shares and LTI Options depends on the extent to which the targeted rate of the gross merchandise volume (**GMV**) of ZALANDO SE as well as defined ESG-targets are met during the term of the service agreement of each member of the Management Board (**Performance Period**). For this purpose, in a first step, the degree of achievement of the targeted GMV (as a percentage) is determined at the end of the Performance Period. In a second step, the Supervisory Board uses a modifier, which may range between -20%-points and 0%-points, to take into account the achievement of certain predefined ESG-targets. The resulting Overall Target Achievement, which may range between 0% and 125%, defines the percentage of the number of LTI Shares and LTI Options which will be exercisable at the end of a waiting period of four-years (the **Waiting Period**).

The LTI Shares entitle the member of the Management Board to a cash payment in the amount of the difference between the closing price of the share of ZALANDO SE in Xetra trading on the Frankfurt Stock Exchange at the time LTI Shares are exercised and an exercise price of EUR 1.00 per exercised LTI Share. The LTI Options entitle the member of the Management Board to a cash payment in the amount of the difference between the closing price of the share of ZALANDO SE in Xetra trading on the Frankfurt Stock Exchange at the time LTI Options are exercised and the Grant Share Price.

The company is entitled, in its sole discretion, to deliver shares in ZALANDO SE to the respective Management Board member instead of a cash payment.

LTI Shares and LTI Options can only be exercised after the Waiting Period has expired. Further, LTI Shares and LTI Options can only be exercised within a fixed exercise period of three years after the expiry of the Waiting Period. The exercise period may differ with regard to LTI Shares to comply with foreign regulations which may be applicable to a member of the Management Board.

The payout under the LTI is capped at 200% of the Grant Share Price per LTI Share and at 250% of the Grant Share Price per LTI Option.

### **Performance criteria of the LTI and determination of Overall Target Achievement**

The Overall Target Achievement under the LTI is measured (i) on the basis of the development of the GMV of ZALANDO SE during the Performance Period as the most relevant performance parameter under the company's long-term strategy and (ii) by taking into account the achievement of certain ESG-targets by way of a modifier of between -20%-points and 0%-points.

- **Gross merchandise volume (GMV) of ZALANDO SE**

When assessing the Overall Target Achievement under the LTI, in a first step, the Supervisory Board measures the target achievement of the compound annual growth rate (**CAGR**) of Zalando's GMV during the Performance Period. For this purpose, prior to the beginning of the Performance Period, the Supervisory Board sets a target value (as a percentage) for the GMV CAGR to be achieved at the end of the Performance Period, which results in a target achievement (the **GMV Target Achievement**) of 100%. The Supervisory Board further sets a minimum target value which results in a GMV Target Achievement of 50% (hurdle) and a maximum target value which results in a maximum GMV Target Achievement of 125%. A GMV Target Achievement above 125% cannot be reached. In the event that the GMV Target Achievement falls below 50%, the number of exercisable LTI Shares and LTI Options is 0. On the basis of the defined target values, at the end of the respective Performance Period, the Supervisory Board determines the GMV Target Achievement.

- **ESG-targets**

In order to ensure the sustainable and long-term success of ZALANDO SE, for each Performance Period, the Supervisory Board defines ambitious, measurable and transparent ESG-targets on the basis of Zalando's ESG-strategies. In selecting the specific ESG-targets, the Supervisory Board pays particular attention to relevance and measurability of the targets based on the underlying ESG-strategy which is subject to continuous evolution, e.g., the "do.More strategy" of ZALANDO SE with the objective to yearly reduce emissions and source renewable energies.

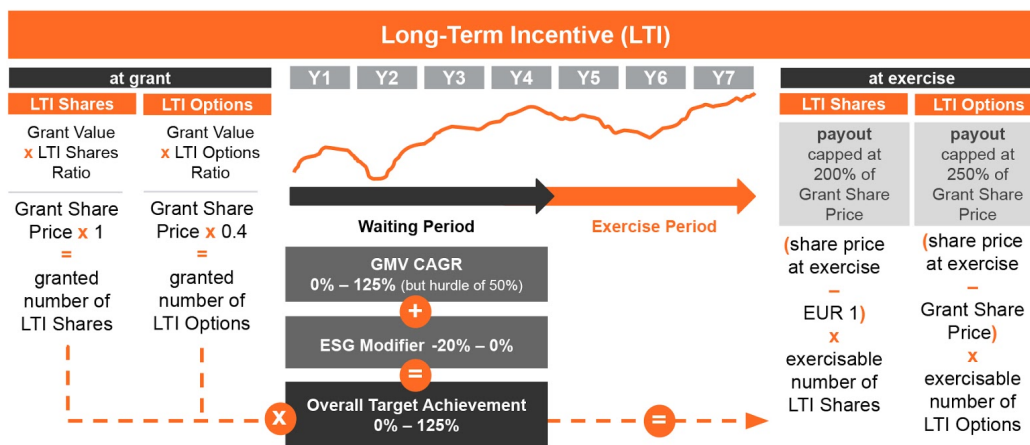
The defined ESG-targets will be taken into account by way of a modifier on the GMV Target Achievement of between -20%-points and 0%-points (the **Modifier**). For this purpose, the Supervisory Board sets a target value for each ESG-target to be achieved at the end of the Performance Period as well as a minimum value for each ESG-target. The Supervisory Board further defines target ranges between the minimum value and the target value, which result in a certain target achievement level, as well as the weighting of the ESG-targets within the Modifier.

At the end of the Performance Period, the Supervisory Board determines the level of target achievement of each ESG-target (as a percentage), and, on the basis of the defined weighting of the ESG-targets, the overall target achievement of the ESG-targets, which corresponds to a Modifier of between -20%-points and 0%-points.

The **Overall Target Achievement** (as a percentage), which defines the total number of exercisable LTI Shares and LTI Options, is calculated by applying the Modifier to the GMV Target Achievement, which may result in a decrease of the GMV Target Achievement of between -20%-points and 0%-points.

The final number of exercisable LTI Shares and LTI Options is calculated as the product of the initial number of LTI Shares and LTI Options and the Overall Target Achievement (as a percentage).

The Supervisory Board may decide that, in addition to the existing performance target of Zalando's GMV, future LTI plans may provide for a second financial performance target, which may be either EBIT or Revenue of ZALANDO SE (in alignment with the company's strategy and guidance communicated to the capital markets). If a second financial performance target other than GMV is employed, this will be disclosed in the remuneration report.





## 5. Remuneration-related legal agreements

The service agreements of the members of the Management Board of ZALANDO SE are concluded for the duration of their appointment.

### a) Early termination of the service agreement

In case of a revocation of a member of the Management Board in accordance with section 84 para. 3 AktG, the company is entitled to terminate the service agreement in accordance with the statutory termination period pursuant to section 622 para. 1 and para. 2 of the German Civil Code (**BGB**). The service agreements of the members of the Management Board include a provision, pursuant to which, in such case, the respective member of the Management Board is entitled to a severance payment in the amount of twice the fixed annual base salary, but not more than the base salary for the remaining term of the service agreement.

The service agreements of the members of the Management Board further generally include a provision pursuant to which payments (including fringe benefits) due to an early termination of the service agreement are limited to 200% of the annual remuneration (severance cap), and do not constitute remuneration for more than the remaining term of the service agreement. The severance cap shall be calculated on the basis of the total remuneration for the previous full financial year and, if appropriate, also takes into account the expected total remuneration for the current financial year. Entitlements of the respective Management Board member under variable remuneration programs of the company are determined by the conditions of the respective program and depend on the originally agreed targets and comparison parameters and on the due dates stipulated in the contract.

In the event of a termination of the service agreement for good cause by the company pursuant to section 626 BGB, the respective members of the Management Board are not entitled to any severance payment.

### b) Change of control

Neither the service agreements nor the plan conditions of the ZOP and the LTI provide for any payments in case of a termination of the service agreement due to a change of control. The plan conditions of the LTI contain a provision pursuant to which in case of a change of control the members of the Management Board or the Supervisory Board are entitled to cancel all unexercised but vested LTI Shares and LTI Options against payment of a cancellation compensation to the members of the Management Board. Change of control means in such case any acquisition of control of the company within the meaning of section 29 para. 2 of the German Takeover Code (Wertpapiererwerbs- und Übernahmegesetz – **WpÜG**) in connection with a voluntary takeover pursuant to section 29 et. seqq. WpÜG or resulting in a mandatory takeover offer pursuant to section 35 et. seqq. WpÜG, in each case to the shareholders of the company. The cancellation compensation corresponds to the difference between the consideration of the respective change of control offer and the exercise price of the LTI Shares and LTI Options, respectively, but in any case, limited to the defined payout caps. Payments of a cancellation compensation in case of a change of control shall in any case not exceed the defined maximum remuneration for the members of the Management Board.



### **c) Incapacity to work**

In the event of a permanent incapacity to work of a member of the Management Board, the service agreement of the respective Management Board member ends at the end of the calendar quarter in which such permanent incapacity to work is determined.

## **6. Post-contractual non-competition clause**

If non-compete clauses are concluded with the members of the Management Board for the period after their departure and ZALANDO SE pays a compensation payment for such non-compete clause to the respective member of the Management Board, any severance payment will be credited against this remuneration.

## **7. Malus and clawback**

In case of a wilful or gross negligent serious breach of the obligations pursuant to section 93 AktG or internal compliance policies and behavioural guidelines or severe compliance infringements by a member of the Management Board, the Supervisory Board may, at its sole discretion, retain in whole or in part variable remuneration that has not been paid out (malus). In such case, the Supervisory Board may further, at its sole discretion, reclaim in whole or in part variable remuneration that has already been paid out (clawback). Further, the Supervisory Board has the possibility to reclaim variable remuneration in case of an unduly payout based on incorrect information.

## **8. Sideline activities of members of the Management Board**

Any remuneration a member of the Management Board receives from Supervisory Board positions within the Zalando-group is deduced from the base salary of such Management Board member. As regards positions in Supervisory Boards of non-group entities, the Supervisory Board of ZALANDO SE decides at its sole discretion whether and to what extent a deduction is made.

## **9. Extraordinary developments**

In the event of extraordinary developments, the Supervisory Board is entitled to adjust the amount of the individual remuneration components, including the target total remuneration of variable remuneration components in the event of 100% target achievement, their ratio to each other, the criteria for target achievement and the respective payment amounts and to defer payment dates, provided that the upper limits (caps) set for the variable remuneration and the maximum remuneration are not exceeded.

Extraordinary developments occur when circumstances have arisen or are more likely than not to arise that could not have been foreseen when the targets for variable remuneration components were set and which have a significant impact on the total remuneration of the members of the Management Board. Such events may include, in particular, major acquisitions, the sale of significant parts of ZALANDO SE, substantial changes in the underlying accounting standards or tax regulations, natural disasters, pandemics or comparable events. In making its decision, the Supervisory Board also takes into account the extent to which ZALANDO SE, the shareholders and the employees are or will be affected by the extraordinary developments.

## 10. Temporary deviations

The Supervisory Board may further temporarily deviate from the remuneration system if this is necessary in the interest of the company's long-term welfare, for example in the event of an economic or corporate crisis, if the remuneration system needs to be adjusted in the event of a significant change in corporate strategy to ensure adequate incentive or in the event of changes in the regulatory framework.

The components of the remuneration system from which deviations can be made are the procedure, the remuneration structure and amount and the individual remuneration components. In these cases, the Supervisory Board may also introduce new remuneration components. Any deviation from the remuneration system requires a resolution of the Supervisory Board, which is based on a respective recommendation of its Remuneration Committee and which also has to determine the circumstances leading to the deviation.

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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-2021> 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 May 19, 2021 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 260,939,349.00 and is divided into 260,939,349 no-par value bearer shares. Each no-par value share grants one vote at the General Meeting. Therefore, the total number of shares and of voting rights at the time of convening the Annual General Meeting each amount to 260,939,349 respectively. This total number also includes 1,807,628 treasury shares held at that point in time from which the company does not derive any rights.

### **Conducting the General Meeting as a Virtual 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 May 19, 2021 will be held on the basis of the COVID-19-Act as a Virtual General Meeting without the physical presence of shareholders and their authorized representatives, with the possibility of following the virtual 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-2021> via the password-protected Shareholder Portal. Voting rights may only be exercised by duly registered shareholders or their authorized representatives by absentee voting or by granting authorization and issuing instructions to the proxies appointed by the company. The duly registered shareholders or their authorized representatives will be given the right to ask questions by means of electronic communications. Finally, duly registered shareholders or their authorized representatives who have exercised their voting rights may declare their objection to one or more resolutions of the General Meeting to the minutes of the notary public via electronic communication.

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-2021>.

### **Password protected Shareholder Portal**

The company will maintain a password-protected Shareholder Portal at <https://corporate.zalando.com/en/investor-relations/annual-general-meeting-2021> from April 28, 2021. Via this system, Duly Registered Shareholders (and their authorized representatives, if applicable) can, among other things, follow the General Meeting in audio and video, exercise their voting rights, grant authorizations, submit questions and register objections to the notary's 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-2021>. Please also note the technical information at the end of this invitation notice.

### **Requirements for connecting to the General Meeting and exercising shareholder rights, in particular voting rights**

Shareholders who register with the company in text form (section 126b BGB) at the following address and send to the company at this address a special proof of their shareholding issued by their custodian institution (last intermediary) in text form (section 126b BGB) are entitled to connect to the General Meeting (via the Shareholder Portal) and to exercise their shareholder rights, in particular their voting rights (**Duly Registered Shareholders**):

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

The proof of shareholdings must refer to the start of April 28, 2021 (0:00 hours (CEST) – **Record Date**). Both registration and proof of shareholding must have been received by the company at the above-mentioned address by the end of May 12, 2021 (24:00 hours (CEST)) at the latest. Proof of shareholding in accordance with section 67c(3) AktG shall be sufficient in any case.

It is noted that in the notifications pursuant to section 125 AktG, which are to be prepared in form and content in accordance with the requirements of the Implementing Regulation (EU) 2018/1212, a Record Date (Aufzeichnungsdatum) is to be indicated in field C.5. of Table 3 of the Implementing Regulation (EU) 2018/1212. This Record Date (in the present case: April 27, 2021) is not identical with the Record Date (Nachweisstichtag) to be designated pursuant to section 123(4) AktG (in the present case: April 28, 2021 (0:00 hours (CEST))). The company follows here a recommendation of the Implementation Guide for the German Market of the Association of German Banks on the Shareholder Rights Directive II/ARUG II.

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 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-2021>.

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.

Votes cast by means of the absentee voting form must be received by the company by post at the following address by no later than 24:00 hours (CEST) on May 18, 2021 (time of receipt):

ZALANDO SE  
c/o Better Orange IR & HV AG  
Haidelweg 48  
81241 Munich

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

Before and during the 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-2021>, is also available for exercising voting rights by means of (electronic) absentee voting. Electronic absentee voting via the Shareholder Portal will be possible from April 28, 2021 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.

Further instructions on absentee voting are included on the AGM ticket sent to Duly Registered Shareholders.

### **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 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, timely registration for the General Meeting and proof of shareholding in accordance with the above provisions are required in each case. 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. Proxies are obliged to vote according to these voting instructions.

Proxies 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 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) and is also available for download on the company's website at <https://corporate.zalando.com/en/investor-relations/annual-general-meeting-2021>.

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 May 18, 2021 (24:00 hours (CEST)) (date of receipt). The authorization and instructions issued to the proxies appointed by the company by means of the 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  
E-Mail: [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-2021>.

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.

### **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 intermediaries, a shareholders' association, a proxy advisor or any other authorized third party, after granting the appropriate authorization. In these cases, too, timely registration for the Annual General Meeting and proof of shareholding in accordance with the above provisions are required in each case. 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 company's 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 business-like 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  
AGHaidelweg 48  
81241 Munich  
Fax: +49 (0)89 889 690 655  
E-Mail: [vollmacht@zalando.de](mailto: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 by fax, for organizational reasons it must be received by the company by May 18, 2021, 24:00 hours (CEST) (date 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-2021>.

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-2021>.

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  
E-Mail: [meldedaten@zalando.de](mailto:meldedaten@zalando.de)

Further instructions on granting authorizations to third parties are included on the AGM ticket sent to Duly Registered Shareholders.

**Information on the shareholders' rights pursuant to Art. 56 SER in conjunction with section 50(2) SEAG, sections 122(2) AktG, 126(1) and 127 AktG in conjunction with section 1(2) sentence 3 COVID-19 Act, 131(1) AktG in conjunction with section 1(2) sentence 1 no. 3, sentence 2 COVID-19-Act**

**Requests to add items to the agenda pursuant to Art. 56 sentences 2 and 3 SE Council Regulation, 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 in writing to the Management Board of the company and must be received by the company at least 30 days prior to the meeting – not counting the day of receipt and the day of the meeting – i.e. no later than the end of April 18, 2021, 24:00 hours (CEST). 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, section 1(2) sentence 3 COVID-19-Act**

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  
Deutschland  
Fax: +49 (0)89 889 690 655  
E-Mail: [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 May 4, 2021, 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 <https://corporate.zalando.com/en/investor-relations/annual-general-meeting-2021> immediately following receipt. Any statements of position by the Management will also be published at the same Internet address.

Requests or election proposals by shareholders that are to be made accessible pursuant to section 126 or section 127 AktG shall be deemed to have been made at the meeting if the shareholder making the request or submitting the election proposal is duly authorized and registered for the General Meeting (section 1(2) sentence 3 of the COVID-19-Act). 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 permitted requests for additions to the agenda which have been submitted in due time.

## **Right to ask questions by way of electronic communication pursuant to section 1(2), sentence 1, no. 3, sentence 2 COVID-19 -Act**

Duly Registered Shareholders shall be granted the right to ask questions at the Virtual General Meeting by means of electronic communication in accordance with section 1(2) sentence 1 no. 3, sentence 2 of the COVID-19-Act. The Management Board may require that questions must be submitted no later than one day before the Annual General Meeting. The Management Board of ZALANDO SE has made use of this option with the approval of the Supervisory Board. Pursuant to section 1(2) sentence 2 of the COVID-19-Act, the Management Board decides how to answer questions at its own discretion.

Any questions must be submitted via the company's Shareholder Portal accessible at <https://corporate.zalando.com/en/investor-relations/annual-general-meeting-2021> no later than one day prior to the General Meeting, i.e. by the end of May 17, 2021, 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 rights by means of electronic communication or by granting authorization may electronically lodge objections to any resolutions of the Annual General Meeting to the notary's minutes from the beginning of the Annual General Meeting until its closure by the chairperson of the meeting via the company's Shareholder Portal accessible at the internet address <https://corporate.zalando.com/en/investor-relations/annual-general-meeting-2021>.

## **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) AktG, 126(1) and 127 AktG in conjunction with section 1(2) sentence 3 COVID-19 Act, 131(1) AktG in conjunction with section 1(2) sentence 1 no. 3, sentence 2 COVID-19-Act can be found on the company's website at <https://corporate.zalando.com/en/investor-relations/annual-general-meeting-2021>.

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

When you register for the General Meeting or grant an authorization 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 the 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 the questions you submitted and their answers, as well as declared objections) 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  
Telefon: + 49 (0)30 2000 88 400  
E-Mail: [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-2021> 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 wherever 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-2021>.

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

The Duly Registered Shareholders can follow the Annual General Meeting on May 19, 2021 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, April 2021

**ZALANDO SE**  
**The Management Board**