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Transparency Reporting on Content Moderation

According to Art. 15, 24, 42 Digital Services Act

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Transparency Reporting on Content Moderation

Summary

In line with the requirements of the Digital Services Act (**DSA**), we have released our DSA Transparency Report, showcasing Zalando's content moderation efforts from October 2024 to March 2025.

Throughout this time frame, Zalando received 1287 notices, which are reports made by users regarding content that relates to products sold by our partners. Out of the initial notices, only 933 required content restriction on our platform. These represent a mere 0.07% of our total assortment. Of those, the vast majority were restricted because they contained incorrect product information not adhering to our product mapping guidelines.

We received 0 orders from authorities.

These numbers reflect Zalando's highly curated business model. We offer high-quality products from well-established brand partners and we also have strict protocols and policies in place that all brand partners have to comply with and adhere to.

As a result and as attested in our claim against our designation as a "Very Large Online Platform" (VLOP), we have very low risk of disseminating illegal or harmful content, as presumed for VLOPs by the DSA.

About Zalando

Founded in Berlin in 2008, Zalando is Europe's leading online multi-brand fashion destination. We are building a pan-European ecosystem for fashion and lifestyle e-commerce, along two growth vectors: Business-to-Consumer (B2C) and Business-to-Business (B2B). In B2C, we provide an inspiring, high-quality multi-brand shopping experience for fashion and lifestyle products across 25 markets: Austria, Belgium, Croatia, the Czech Republic, Denmark, Estonia, Finland, France, Germany, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, the Netherlands, Norway, Poland, Romania, Slovakia, Slovenia, Spain, Sweden, Switzerland and the United Kingdom. In B2B, we leverage our logistics infrastructure, software, and service capabilities to support brands and retailers in managing and scaling their entire e-commerce business, both on and off the Zalando platform. Through our ecosystem vision, Zalando aims to enable positive change in the fashion and lifestyle industry.

https://corporate.zalando.com



The assortment (clothing, footwear, accessories, and beauty) of international brands ranges from world famous names to local labels. We work with and curate genuine suppliers and partners.

We operate a hybrid business model, which consists of:

- A **retail business**, where we sell our products to our customers. This represents 65.7% of our business (Gross Merchandise Value, GMV)¹. For the retail business there is no storage and dissemination of any third party content as it is Zalando's own content and products. Therefore, it does not fall within the scope of the DSA.
- A **partner business**, where partners sell their products to customers via Zalando. This represents 34.3% of our business (GMV)². For the partner business we make available information of products (in particular product pictures and description), that are sold by our partners.

Zalando only works with legitimate partners. Only fashion and beauty partners in the form of registered companies or professionals have the right to offer products and provide related content (i.e. corresponding product descriptions and product pictures) to our customers.

Each partner is subject to a due diligence process and goes through an extensive onboarding process containing KYC (Know Your [Business] Customer) checks. They have to agree on a comprehensive partner contract and associated policies, annexes and guidelines, such as our "platform rules", our quality assurance manual and our content guidelines. These specify the marketability standards and legal requirements for the products offered by partners and determine mandatory requirements for each product category. All content provided by Zalando's partners is checked, moderated and finally uploaded by Zalando to ensure its correctness and appropriateness.

Conformity with the respective contractually agreed requirements, in particular with the safety, intellectual property and sustainability requirements, is **monitored by a dedicated team**.

As part of our quality control processes, established long before the DSA, **if we** receive any information about inappropriate, potentially unsafe or illegal content, we investigate the case, which may include requesting further information related to product safety from the partner or sending the partner

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¹ As per our FY 2024 annual report. In 2024 we adjusted our segment reporting from a sales channel view (Fashion Store, Offprice) to a segment reporting view that distinguish between serving our B2C customers on the Zalando platform & B2B customers on and off the Zalando platform.

² Idem.

product for testing in laboratories. Depending on the nature of the content, we initiate a product recall.

Our reporting mechanism

In addition to the previously described, and in accordance with the DSA, we have implemented a robust reporting mechanism. This mechanism allows users and stakeholders to report content that they believe may violate European law, the laws of individual member states, or the standards that we have set for ourselves and our partner business. This is strategically placed in the vicinity of relevant content on our product pages. We believe in making it as easy as possible for our users to bring to our attention any concerns they may have about the content they encounter on our platform.

Types of Reportable Violations

We have undertaken a thorough review of the content on our website to identify potential violations of statutory law and our own internal standards. Consequently, we have decided to allow for the reporting of various types of potential violations. These include, but are not limited to:

- **IP Infringements**: Any content that infringes upon intellectual property rights, such as copyright or trademark violations, can be reported through our mechanism.
- Wrong or Incomplete Product Information: Reporting inaccuracies or omissions in product descriptions and information is essential for maintaining transparency and trust.
- **Product Safety Concerns**: We encourage users to report any content that raises concerns about the safety of products offered on our platform.
- **Environmental Concerns**: Reporting content that may be in violation of environmental standards or policies aligns with our commitment to sustainability and responsible business practices.
- **Inappropriate Content**: This category includes content that may be offensive, discriminatory, promote violence, or extremism.

Once we receive a notification it will be assigned to and reviewed by members of our expert teams. If the content is found to violate local laws or our Zalando standards, then the content is removed from our websites.

To allow for comparability across all VLOPs, we decided to rely on the European Commission's categorization for our Transparency Reporting. For this reason, most reports from Zalando users are labelled as 'Other' - these include, among others, mandatory product information missing or product not meeting eco-design standards.

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To help you understand the report, we have compiled the most relevant terminology:

- Orders are any requests for information or to act against illegal content issued by an authority of a Member State of the European Union. This section of the report informs about the number of orders we have received and how we have managed them.
- Notices are any reports submitted by customer, Trusted Flaggers or any
 other stakeholder with the intent to notify us about potentially illegal
 content that third parties have disseminated on our platform. This section
 provides an overview of the number of notices we have received and how
 we have managed them.
- Trusted Flaggers are individuals or organisations that have been awarded the status of a Trusted Flagger by the Digital Service Coordinator at the place of their establishment. They have proven their expertise for detecting illegal content and are known for their diligence and objectivity. As of the publication of this report, 30 organisations have been awarded this status.
- The Internal Complaints Handling is a means to request the review of a
 decision that we have previously made following a notice. This section
 provides an overview of how often our initial decisions were challenged
 and the extent to which we have upheld or reversed the decisions.
- Out-of-court settlement is another means to have our decisions independently reviewed and disputes settled by out of court settlement bodies.
- Suspensions can be imposed either on content providers for repeatedly
 providing manifestly illegal content or on anyone submitting manifestly
 unfounded notices or complaints. Suspension may involve the temporary
 inability to upload new content or sell on our website, or the suspension of
 processing notices or complaints.
- Content Moderators refers to our experts who review notices, complaints and orders and take decisions based on the statutory requirements and our own standards.

Conclusions

- 1. During the last reporting period, Zalando received 1287 notices from users, 0 of orders from authorities and restricted 933 pieces of content. These represent a mere 0.07% of our total assortment.
- 2. Out of the initial notices, only 933 required content restriction on our platform. Of those, the vast majority were restricted because they contained incorrect product information not adhering to our product mapping guidelines. These numbers highly contrast with the numbers provided by other designated VLOPs, which in most cases reported millions of notices by users or authorities and content removals. This is because:

- a. We run a **highly-curated hybrid business**, consisting of a retail business and a partner business. Only the partner business falls within the scope of the DSA.
- b. We only work with legitimate partners, who are subject to a strict due diligence process and go through an extensive onboarding process. A dedicated team monitors that the contractually agreed requirements are met.
- 3. As a result and as attested in our claim against our designation as VLOP, we have very low risk of disseminating illegal or harmful content, as presumed to VLOPs by the DSA.

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Transparency Report April 2025

Appendix: Transparency Report October 2024 - March 2025

Report Identification

Name of the service provider		Zalando (SE										
Name of the platform		Zalando											
Date of Report		25.04.202	25										
Number of average monthly recipients of the platform service (October 2024 - March 2025)	Total		30,526,143										
	Breakdown by	AT	BE	CZ	DE	DK	EE	ES	FI	FR	HR	HU	
	Member State		874,469	1,622,125	499,907	7,825,371	793,738	40,425	1,765,294	424,060	2,922,758	192,887	149,642
		IE	IT	LT	LU	LV	NL	PL	RO	SE	SI	SK	
			95,513	3,848,282	94,282	N/A	46,097	2,746,838	3,216,266	357,435	1,020,182	82,129	185,421
Number of average monthly recipients retail service	Total		74,948,301										
and platform service (October 2024 - March 2025)	Breakdown by	AT	BE	CZ	DE	DK	EE	ES	FI	FR	HR	HU	
	Member State		1,925,855	3,802,382	1,531,637	15,850,748	2,299,662	197,450	6,371,579	1,313,235	8,414,728	842,286	912,181
		IE	IT	LT	LU	LV	NL	PL	RO	SE	SI	SK	
			395,179	10,144,731	446,225	N/A	238,940	6,693,287	8,341,873	1,601,436	3,372,052	358,709	694,220

Information on Orders

Number of Orders received			
	Total Number		0
	Breakdown by Member State Authority	N/A	
	Breakdown by type of illegal content	N/A	
Median time to inform of receipt		N/A	
Median time to give effect		N/A	

933

9 days

Information on Notices

Number of action taken based on T&C

Number of notices processed by automated means

Median time to take action

Number of Notices received	Total Number	1	1287													
	Submitted by Trusted Flaggers		0													
	Breakdown by type of illegal content	Animal Welfare	Data protect Privacy	ion & Illegal or Harmi Speech	ul Intellectual Prope Infringements	erty Negative Effects on Civic Discourse or Elections		Pomography or sexualized Content		rs Risk for Public Security	Scams and/or Fraud	Self-harm	Scope of Platform Service	Unsafe and/or illegal Products	Violence	Other
			5	0	34	40 ()	0 1	5	3	5	0	4 11	2	52	10
Action taken pursuant to the notice					Visibility Restriction	n				Monetary Restric	tion	Provision	of the service	Accour	nt Restriction	
		Removed	Disabled	Demoted	Age restricted	interaction restricted	d labelled	other	suspended	terminated	other	suspended	terminated	suspended	terminated	
			476	420	2	0 ()	0 35	5	0	0	0	0	0	0	0
Number of action taken based on law			0													

Information on Own-Initiative Content Moderation

Description

The Digital Services Act defines "content moderation" as any activities that are aimed, in particular, at detecting, identifying and addressing illegal content or information incompatible with terms and conditions, provided by third parties (e.g., the sellers on our online shop). It is therefore to be understood as a reactive measure post publication of any content.

At Zalando, we prioritize the delivery of safe, responsible, and compliant content to our users from the outset. We have clear and comprehensive rules and guidelines (concerning, e. g. product safety and intellectual property) that any third party who wishes to sell products on Zalando has to agree and adhere to. Our content review and approval practices are designed to maintain a high standard of quality and integrity in all the products and information we distribute. We take this responsibility seriously and have developed a robust content review and approval framework that primarily revolves around proactive and comprehensive review prior to publication based on aforementioned rules and guidelines.

Content is only uploaded by us directly after the comprehensive manual and automatic review process has been conducted and compliance with these rules and guidelines has been approved. By this, we ensure that our content adheres to legal, ethical, and community guidelines. In the light of this proactive approach Zalando's (post-publication) content moderation predominantly concerns reviews upon notice (e.g., by customers or partners). In addition, some products offered by third party sellers are ordered by respective experts teams (such as Product Quality and Safety Team) in order to check physical compliance of the product with applicable law (such as labelling). In case of identified irregularities products are being deactivated.

Provision of the service

terminated

suspended

other

N/A

Account Restriction

suspended

N/A

terminated

Action taken pursuant own-initiative moderation	Visibility Restriction								Monetary Restriction			
	Removed	Disabled	Demoted	Age restricted	interaction restricted	d labelled	other	suspended	terminated	othe		
	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A		
Number of action taken based on law	N/A											
Number of action taken based on T&C	N/A											
Numer of items moderated by automated means	N/Δ											

Internal Complaints Handling / Out-of-court settlement

Numer of items moderated by content moderators

Number of complaints submitted through internal complaints handling system				
Basis for complaints	Procedural Complaints	Substantive Complaint in Illegality/ Incompatibility	Restriction no diligent/ object proportionate	ctive/
		0	9	0
Decisions taken pursuant to complaint	Decision upheld	Decision reversed	i	
		6	3	
Median time to take decision	21 da	ys		
Number of complaints submitted to out-of-court		0		

Suspensions Imposed on repeated offenders

Number of suspension enacted for the provision of manifestly illegal content	N/A
Number of suspension enacted for the provision of manifestly unfounded notices	N/A
Number of suspension enacted for the provision of manifestly unfounded complaints	N/A

Use of Automated Means for Content Moderation

Summary of the use made of automated means for the purpose of content moderation	Zalando does not rely on automated means for (post-publication) content moderation.
qualitative description of the automated means	N/A
specification of the precise purposes tp apply automated means	N/A
safeguards applied to the use of automated means	N/A

Human Resources Dedicated to Content Moderation

Summary	of the	Content	Moderation	Governance	
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At Zalando, we believe in a dynamic and inclusive approach to content moderation governance. Our commitment to providing a secure and compliant online environment extends to our organizational structure. Here's an overview of how we manage content moderation while leveraging the expertise of our internal teams:

1 Targeted Expertise:

When we receive notifications about potentially illegal or infringing content on our website, we recognize that not all content issues are created equal. Different situations may require specialized knowledge to make informed decisions. Therefore, we've established a system where the notice is submitted to one of our 12 distinct teams, each responsible for addressing specific categories of potential infringements or violations.

Expert-Led Decisions

By routing notifications to the team with the most relevant expertise, we ensure that content is reviewed and assessed by individuals who are intimately familiar with the nuances of the specific content type or context. This expert-led approach guarantees that decisions are not only well-informed but also reflective of industry standards and best practices.

3 No Full-Time Moderation Teams:

One distinguishing feature of our content moderation governance is our proactive pre-publication content approval process. As a result, the level of our content's compliance is high and infringements happen only rarely. As a consequence, we do not engange full-time content moderation teams but, instead, we leverage the resources and knowledge of experts distributed across our organization. This decentralized structure allows us to draw from a diverse range of backgrounds, perspectives, and skill sets to uphold our content standards.

4. Escalation Framework

At Zalando, we recognize that not all content-related cases are straightforward. Some issues may be complex, requiring a higher level of expertise and scrutiny to ensure accuracy and compliance. To address this, we have established an escalation framework. This framework allows us to escalate complex cases to a higher level of review, where senior experts with a deep understanding of legal requirements, ethical standards, and industry-specific nuances can provide their insights. This mechanism helps us make informed decisions in intricate situations, maintaining our commitment to quality content.

5. Oversight

Ensuring adherence to legal requirements and industry regulations is a cornerstone of our content moderation practices. To provide strategic oversight, Zalando has established a Compliance Oversight Steering Committee, led by our Chief Compliance Officer. This committee is responsible for monitoring and overseeing the entire content moderation process, ensuring that it aligns with legal standards and industry best practices. By actively involving our Compliance Officer and their team in this capacity, we maintain the highest level of integrity and compliance in our content moderation practices, reinforcing our commitment to responsible content delivery.

Why This Approach Matters:

Expertise-Driven Solutions: Our governance model ensures that content-related decisions are made by those who understand the intricacies of the content in question, promoting fairness and accuracy.

Efficiency: By integrating content moderation with our teams, we streamline the process, making it quicker and more responsive to emerging issues.

Continuous Learning: With a distributed moderation approach, our experts are continually learning, staying updated with industry changes and evolving standards.

Resource Optimization: This model optimizes resource allocation, allowing our organization to allocate human resources more effectively, without relying solely on dedicated content moderation teams

Number of moderators employed

Total Number of Part-time Moderators		32
Full Time Equivalent		1.25
Breakdown by Member State	AT	

AT	BE	CZ	DE	DK	EE	ES	FI	FR	HR	HU	
	1	2	1	5	1	0	2	1	3	1	0
IE	IT	LT	LU	LV	NL	PL	RO	SE	SI	SK	
	0	4	1	0	0	3	4	1	1	0	1

Qualifications of Content Moderators

Master of Science in Business Economics, Office management, MSc in Political Science, Business Management, MSc in Political Science, Bachelor's Degree Chemical Engineering, Master Environmental Toxicology, Bachelor's Glosque and Industrial Microbiology, Bachelor's Glosque in Citotinia, 8 Textile Technology, MS in Business Economics, Paralegal, MA in Art History, MA in Fashion Studies, BS in Advertising, Diploma in Translation & Interpretation, Diploma Textile & Surface Designer, Master of Science in International Business, Engineering, Master Retail and Consumer management, Master Data Management, Master Translation, Bacherior degree in English language and literature, Bachelor of Law, attorney-at-law (Rechtsanwall)

Linguistic Expertise of Content Moderators Training given to Content Moderators

English, German, Bulgarian, Italian, Lithuanian, Dutch, Spanish, French, Portuguese, Croatian, Hungarian, Polish, Swedish, Turkish, Korean, Japanese, Danish, Arabic, Greek, Albanian Italian Digital Services Act process training, alignment with warehouse (WHS) teams about reassignment, DSA sheet training, Intellectual Property protection training, Quality Management Training, Onboarding Trainings for every type of articles

Support given to Content Moderators

Onboarding and updates digital guidelines for every type of articles, Legal team support for decision making, Inhouse inspection or chemical, physical product testing at accredited external laboratories, Product, Content and Brand (PCB) Guidelines