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## COUNTERMOTION TO TOP 4 DISCHARGE OF THE SUPERVISORY BOARD

**I propose that no discharge be granted to the Supervisory Board for the financial year 2025.**

### EXPLANATION

Since 2014, our company has generated cumulative free cash flow (pre-M&A) of approximately €3 billion, equivalent to more than €11 per share. Nevertheless, as of April 2026, our share price is only marginally above the IPO price from October 2014. In my view, the failure to translate our operational success into shareholder value is attributable to insufficient consideration of shareholder interests by the Supervisory Board.

#### **1. Inefficient capital structure**

First, we maintain liquidity on the balance sheet well above the level that appears necessary to finance investments and intra-year fluctuations. As of year-end 2025, we held a net cash position of approximately €1.4 billion, or more than €5 per share. Given the apparent inability to allocate this capital in a value-accretive manner, the question arises why it is not returned to shareholders. The financing of our business or potential M&A transactions could also be supported by (lower-cost) debt. Instead, the Supervisory Board supports management's preference for (costly) *strategic optionality* and favours discretionary share buybacks over a disciplined dividend policy.

#### **2. Misleading EBIT adjustment**

Second, the Supervisory Board supports an accounting approach that, in my view, obscures the effective economic impact of share-based compensation. According to the company, share-based compensation is an integral component of the market-standard remuneration of management and employees. The associated expense is recurring and has steadily increased in recent years—most recently to €92 million (2025). It regularly results in cash outflows, as we conduct share buybacks almost every year for the sole purpose of fulfilling obligations arising from share-based compensation.

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Despite this, the Supervisory Board accepts that EBIT is adjusted for this evident personnel expense. As a result, we are presented with an adjusted EBIT figure that, in my view, materially distorts our company's economic earning power.

### **3. Questionable oversight of the About You transaction**

Third, following the completion of the ABOUT YOU transaction and the now visible margin dilution, I am left with the impression that the purchase price—reflecting a 107% premium to VWAP—was excessive, and that the transaction constituted a transfer of value from ZALANDO shareholders to ABOUT YOU shareholders. ABOUT YOU is only marginally profitable, and the anticipated annual synergies of €100 million from 2028/29 appear, in my view, insufficient as a financial justification. This is particularly relevant as one of our Supervisory Board members held a significant stake in ABOUT YOU and therefore directly benefited from the high premium. In the presence of this material conflict of interest, the remaining members of the Supervisory Board approved the transaction within only three weeks and two days. They also agreed to fully cash-finance the transaction and chose not to consult shareholders. This raises the question of whether the Supervisory Board is adequately equipped to oversee future transactions in the best interests of shareholders.

### **4. Unambitious incentive system**

Fourth, the Supervisory Board is responsible for a remuneration system that appears misaligned with our stated ambitions. While we target an adjusted EBIT margin of 6–8% in the medium term and 10–13% in the long term, our Co-CEOs already achieve 100% target attainment at approximately 5%. Rather than penalizing management for the margin dilution resulting from the ABOUT YOU transaction, the target margin was further reduced to 4.96%. Overall, profitability is weighted at only 40% and is based on adjusted EBIT, which excludes the costs of share-based compensation.

### **5. Questionable working practices of the Supervisory Board**

Fifth, questions arise regarding the effectiveness of the Supervisory Board's working practices. In the past year, the “international, diverse and independent” Supervisory Board held only one in-person meeting in addition to the constitutive session. The majority of meetings were conducted exclusively virtually.

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Our shareholder representatives are almost entirely based abroad and—apart from Mr. Povlsen, who holds particular interests—hold little to no equity in the company. Under these circumstances, it is unclear how *this* board can effectively supervise management in the interests of us shareholders.

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Given the number and significance of these issues, I conclude that the Supervisory Board lacks the qualification, motivation, competence, or authority required to effectively oversee the company in the interests of its shareholders. I therefore propose that no discharge be granted to the Supervisory Board.