

## **Declaration by the Management Board and the Supervisory Board of Zalando SE regarding the recommendations of the Government Commission German Corporate Governance Code pursuant to Section 161 AktG (German Stock Corporation Act)**

The last annual declaration of conformity by the Management Board and Supervisory Board of Zalando SE with the recommendations of the "Government Commission German Corporate Governance Code" was published in December 2021. At that time, the German Corporate Governance Code as amended on December 16, 2019 (GCGC 2019) was applicable. On April 28, 2022, the Government Commission German Corporate Governance Code presented a new version of the Code, which came into force upon publication in the official section of the Federal Gazette on June 27, 2022 (GCGC 2022).

The Management Board and the Supervisory Board of Zalando SE declare the following pursuant to section 161 of the German Stock Corporation Act (AktG):

Zalando SE has acted in conformity with the GCGC 2019 since issuing its last annual declaration of conformity in December 2021, with the exception of recommendation G.7 explained below. Zalando SE is acting and will continue to act in conformity with the GCGC 2022 with the exception of recommendation G.7 explained below.

### **Deviation from recommendation G.7 of the GCGC 2022 (and GCGC 2019)**

Pursuant to recommendation G.7, sentence 1 of the GCGC 2022 (and GCGC 2019), referring to each forthcoming financial year, the Supervisory Board shall establish performance criteria for each Management Board member covering all variable remuneration components; such performance criteria mainly being, besides operating targets, strategic targets.

The new remuneration system for the Management Board which has been approved by the Supervisory Board in March 2021 and by the Annual General Meeting in May 2021, became effective as of June 1, 2021. The new remuneration system provides for a total compensation consisting of cash and of variable components. The variable components include a long-term incentive plan ("LTI") which accounts for the largest share in the total compensation. The LTI is share-based and is linked to strategic performance targets including financial and ESG criteria. Next to the LTI component, the new remuneration system for the Management Board as well as the remuneration granted to the member of the Management Board Astrid Arndt appointed as of April 1, 2021, Sandra Dembeck appointed as of March 1, 2022 and David Schröder reappointed with effect from April 1, 2023, further include a second variable component which incorporates the equity plan for the next leadership levels under the Management Board, the Zalando Ownership Program ("ZOP"), in order to align the remuneration system for the Management Board with the Company's overall compensation framework. The ZOP is also a share-based remuneration component and as such linked to the share price increase to ensure the alignment with the shareholders' interest. The ZOP component provides *inter alia* for the possibility to issue virtual options similar to restricted stock units ("ZOP Shares") which are commonly used to compensate executives on the international talent market and allow the Company to be internationally competitive. The Supervisory Board deems the combination of the performance link in the LTI component and the share price link in the ZOP component to be suitable to promote the sustainable and long-term development of the Company. However, as no specific performance targets

are set for the ZOP component, we declare a deviation from recommendation G.7, sentence 1 of the GCGC 2022 (and GCGC 2019).

Berlin, in December 2022

Zalando SE

The Management Board

The Supervisory Board