

Corporate Governance Statement

In the following section, the Management Board and Supervisory Board report on the corporate governance and management of ZEAL in accordance with sections 315d and 289f of the German Commercial Code (HGB).

Good corporate governance is a central aspect of our corporate policy which extends to every area of the Group: a management and control system based on responsible and sustainable value growth. In addition to organisational and business policy principles, we believe that the internal and external mechanisms for controlling and monitoring the Group are integral components, as are the efficient cooperation between Management Board and Supervisory Board, the transparent communication of Group activities and the respect of shareholder interests. With the aid of good corporate governance, we aim to promote the trust of national and international investors, financial markets, our business associates, employees and the general public in the management and monitoring of ZEAL.

The Corporate Governance Statement is an integral part of the Group Management Report. Pursuant to section 317 (2) sentence 6 HGB, the auditor's review of the disclosures pursuant to section 315d and section 289f HGB is restricted to whether the disclosures have been made.

Corporate Constitution and Governance Structure

As a German Societas Europaea (SE), ZEAL is subject to German corporate law and has a two-tier management system which consists of a Management Board (management organ) and a Supervisory Board (supervisory organ).

The Supervisory Board appoints, monitors and advises the Management Board. The two bodies work closely together: the Management Board informs the Supervisory Board regularly, comprehensively and in due time about all issues relevant to strategy, planning, business development, risk position, risk management and compliance. The Supervisory Board is immediately informed about ZEAL's strategic alignment and ongoing development, as well as any deviations in the course of business from the defined plans and targets.

MANAGEMENT BOARD'S MODE OF OPERATION

ROLE

The Management Board is responsible for running the day-to-day operations of the Group, setting the short-term and long-term strategic objectives and ensuring that these objectives are implemented. The Management Board's key objective is to create sustainable value for the Company's shareholders and other stakeholders. The Management Board manages ZEAL in accordance with the statutory provisions, the Company's Articles of Association, the Management Board's Rules of Procedure and the stipulations of the respective service agreements with the aim of achieving a sustainable added value.

COMPOSITION AND MODE OF OPERATION

The Management Board currently comprises four members. Its members are appointed and dismissed by the Supervisory Board. The Supervisory Board is responsible for setting out the scope of the roles and responsibilities of each Management Board member together with decisions that must be adopted by all members of the Management Board. The Supervisory Board has set an age limit of 63 years for members of the Management Board.

Dr Helmut Becker chairs the Management Board and is responsible for Corporate Strategy, External Communications, Legal Affairs, Regulation and Compliance, Human Resources, Sales and Lottery Brokerage.

As a newly appointed member of the Management Board as of 5 June 2021, **Paul Dingwitz** is responsible for Information Technology.

As a newly appointed member of the Management Board as of 1 July 2021, **Sönke Martens** is responsible for Marketing, Brand Management and Strategy, as well as Product Management.

Jonas Mattsson is responsible for Finance, Accounts, Taxes, Controlling, Investor Relations and the management of business activities in Spain.

The Management Board members are jointly responsible for the overall management of the business. Notwithstanding this overall responsibility, the individual Management Board members manage the business areas assigned to them on their own responsibility within the framework of the Management Board resolutions. The allocation of business areas among the members of the Management Board results from the schedule of responsibilities. The Management Board is deemed quorate if at least a majority of its members, but no fewer than two members, participate in the adoption of resolutions. Resolutions are adopted with a simple majority. Should the Management Board consist of more than two members, the Chair shall have the casting vote in the event of a tie.

In 2020, the Management Board set a target of 30% each for the percentage of women at the two management levels below the Management Board by 28 February 2025.

SUCCESSION PLANNING AND DIVERSITY CONCEPT FOR THE MANAGEMENT BOARD

Together with the Management Board, the Supervisory Board ensures that there is long-term succession planning. The Supervisory Board believes that the basic suitability criteria for the selection of candidates for a position on the Management Board are in particular personality, integrity, compelling leadership qualities, professional qualifications for the area of responsibility to be assumed, past performance, knowledge of the Company and the ability to adapt business models and processes.

With regard to the composition of the Management Board, the Supervisory Board strives to achieve an appropriate level of diversity in terms of age, gender, educational or professional background and internationality. ZEAL is active in the online gaming business. Compared to other industries, the selection of candidates is limited for industry-specific reasons.

In order to avoid unduly restricting the selection of suitably qualified male and female candidates, the Supervisory Board has – for the time being – refrained from formally setting targets for the composition of the Management Board that go beyond the requirements of the German Stock Corporation Act (AktG). In 2020, the Supervisory Board therefore set a target of 0% for the proportion of women on the Management Board by 28 February 2025. Although the Management Board currently consists exclusively of male members, they each have different educational and professional backgrounds, represent different age groups and half of them hold foreign citizenship. The Supervisory Board and Management Board are therefore of the opinion that the current composition of the Management Board reflects a high degree of diversity.

SUPERVISORY BOARD'S MODE OF OPERATION AS WELL AS COMPOSITION AND MODE OF OPERATION OF ITS COMMITTEES

ROLE

The Supervisory Board is responsible for advising on and overseeing the work of the Management Board together with the approval of measures that are of fundamental importance to the Company (as set out in the Company's Articles of Association).

COMPOSITION AND MODE OF OPERATION

The Supervisory Board currently comprises six members. Its members are appointed and dismissed at the Company's General Meeting by the shareholders.

The Supervisory Board has adopted a skills profile for the Board as a whole. This requires the members of the Supervisory Board as a whole to be familiar with the online lottery sector and to have the skills which are necessary with regard to the activities of ZEAL. In particular, these include the following knowledge and experience:

- Special knowledge and experience in the lottery business (market and competition).
- Extensive knowledge in the field of finance/accounting and controlling.
- Special knowledge in the field of IT in the e-commerce environment.
- Experience in managing and monitoring a group of companies, including corporate governance requirements.

The Supervisory Board is of the opinion that its current composition complies with the aforementioned skills profile.

Furthermore, the Supervisory Board is of the opinion that defined targets for the composition of the Supervisory Board are not suitable for forming an efficient and suitably qualified Supervisory Board. In 2020, the Supervisory Board therefore set a target of 0% for the proportion of women on the Supervisory Board by 28 February 2025 and refrained from naming specific targets for its composition. When proposing candidates for election to the Supervisory Board, it endeavours to select candidates with the best suitability and personal experience, thereby complementing the composition of the Supervisory Board as a whole. In doing so, the Supervisory Board strives to achieve a balance of skills, experience, independence as well as knowledge of relevance to the company. The Supervisory Board has concluded that it comprises an adequate number of independent members. All members of the Supervisory Board are regarded as independent. The Supervisory Board has determined that, as a rule, its members shall not serve longer than until the end of the Annual General Meeting which follows their 74th birthday.

The Chairman of the Supervisory Board is responsible for organising and coordinating the work of the Supervisory Board, chairing its meetings and attending to the affairs of the Supervisory Board externally. He is also responsible for maintaining regular contact with the Management Board and informing the Supervisory Board of important events in relation to the management of the Group and, if required, convening extraordinary meetings of the Supervisory Board.

The members of the Supervisory Board are listed below together with their positions on other domestic supervisory boards and SE administrative boards to be formed pursuant to statutory law, as well as other comparable controlling bodies:

Peter Steiner (Chairman)

- Clariant International AG (Member of the Administrative Board, Chairman of the Audit Committee)²
- Wienerberger AG (Chairman of the Supervisory Board)²

Oliver Jaster (Deputy Chairman)

- Günther Holding SE (Chairman of the Administrative Board)¹
- Günther SE (Chairman of the Administrative Board)¹
- MAX Automation SE (Member of the Administrative Board)¹
- All4cloud Management GmbH (Chairman of the Advisory Board)²
- All4cloud GmbH (Chairman of the Advisory Board)²
- G Connect GmbH (Chairman of the Advisory Board)²
- Günther Direct Services GmbH (Chairman of the Advisory Board)²

Thorsten Hehl

- LOTTO24 AG (Member of the Supervisory Board, Group mandate)¹
- Günther Direct Services GmbH (Member of the Advisory Board)²

Marc Peters

Jens Schumann

- LOTTO24 AG (Chairman of the Supervisory Board, Group mandate)¹
- LemonSwan GmbH (Member of the Advisory Board)²

Frank Strauß

- Bullfinch Asset Aktiengesellschaft (Member of the Supervisory Board)¹
- Clark AG (Chairman of the Supervisory Board)¹
- European Bank for Financial Services GmbH (Chairman of the Supervisory Board)²
- Kiwi HoldCo Cayco, Limited (Member of the Board of Directors)²
- Precis Capital Partners Limited (Chairman of the Board of Directors)²
- The Fifty Five Foundry, Inc. (Member of the Board of Directors)²

¹ Positions on other domestic supervisory boards and SE administrative boards formed pursuant to statutory law

² Positions on comparable domestic and foreign controlling bodies

The Supervisory Board has set up a Chairman's Committee, an Audit Committee, an Investment Committee and a Special Committee, each consisting of three or four of its members. The respective committee chairperson reports regularly to the Supervisory Board on the work of the committee. If a committee has no chairperson, the entire committee reports. The Supervisory Board periodically reviews the adequacy of the committee structure with a view to setting up additional committees or dissolving no longer required committee if the need arises.

CHAIRMAN'S COMMITTEE

The Chairman's Committee is responsible for the preparation of Supervisory Board meetings, coordination of committee meetings and ongoing exchanges with the Management Board on behalf of the Chairman of the Supervisory Board. It also performs the functions of a nomination and remuneration committee. The Chairman's Committee meets as required.

AUDIT COMMITTEE

The Audit Committee is responsible for overseeing the external audit and monitoring the effectiveness of the Company's framework of internal control. The Company's Chief Financial Officer regularly attends by the Audit Committee's meetings.

INVESTMENT COMMITTEE

The Investment Committee is responsible for reviewing ZEAL's external investments and internal start-ups and approving related investments in certain cases.

SPECIAL COMMITTEE

The Special Committee is responsible for granting the Supervisory Board's consent, as required by the Management Board's Rules of Procedure, for the Company to vote on resolutions at a General Meeting of LOTTO24 AG for which a member of the Company's Management Board would be subject to a voting ban if they were themselves shareholders of LOTTO24 AG.

The following table shows the seats and functions held by members of the Supervisory Board on its Committees:

Peter Steiner	Chair of the Chairman's Committee, Chair of the Investment Committee, Chair of the Special Committee, Member of the Audit Committee
Oliver Jaster	Member of the Chairman's Committee, Member of the Special Committee
Thorsten Hehl	Chair of the Audit Committee, Member of the Investment Committee
Marc Peters	Member of the Investment Committee, Member of the Special Committee
Jens Schumann	Member of the Chairman's Committee, Member of the Investment Committee
Frank Strauß	Member of the Audit Committee, Member of the Special Committee

The Supervisory Board regularly evaluates its work and adopts improvement measures in the course of its regular self-evaluation. In the fiscal year 2021, the Supervisory Board as a whole and the Audit Committee each conducted most recent comprehensive self-evaluation process based on a questionnaire.

GENERAL MEETING

In addition to the Management Board and Supervisory Board, the General Meeting acts as the third corporate body. Our shareholders exercise their rights at the General Meeting and are involved in fundamental decisions concerning ZEAL. The Management Board, Supervisory Board and General Meeting are jointly committed to acting in the best interests of the shareholders and to the benefit of the Company. ZEAL's Annual General Meeting is held within the first six months of the fiscal year. In accordance with the Articles, the General Meeting is presided over by the Chairman of the Supervisory Board. The General Meeting resolves on all matters that are reserved for it by law (including the election of Supervisory Board members, amendments to the Articles, the appropriation of net profit and capital measures). ZEAL's aim is to make it easy for our shareholders to participate in the General Meeting: we publish all necessary documents on the Internet in advance and nominate a proxy for shareholders who is obliged to follow their voting instructions.

TRANSPARENCY

ZEAL attaches great importance to providing information uniformly, comprehensively and promptly. The business situation and results of ZEAL are disclosed via regular reporting in the form of the Annual Report, half-yearly financial report and quarterly statements. The Company provides full and swift information on specific events by means of press releases and publication of inside information in accordance with statutory regulations. All publications, press releases and announcements are available on our website (zealnetwork.de) in the Investor Relations section. Moreover, we are available for discussions at analyst, investor and telephone conferences as well as international roadshows. ZEAL also keeps insider lists as required and informs the persons concerned about their statutory duties and penalties.

According to Article 19 of the Market Abuse Regulation, members of the Management Board and Supervisory Board, as well as related parties, are obliged to notify the Company and the Federal Financial Supervisory Authority ('Bundesanstalt für Finanzdienstleistungsaufsicht') of transactions relating to ZEAL shares, insofar as the value of the transactions of the respective member reaches or exceeds €20 thousand during one calendar year. These notifications are published on the Company's website at zealnetwork.de without undue delay.

In accordance with the recommendations of the German Corporate Governance Code, each member of the Management Board and the Supervisory Board is required to declare any conflicts of interest that may arise or have arisen. There were no conflicts of interest reported by members of the Management Board in the fiscal year 2021. Any conflicts of interest reported to the Supervisory Board by its members in the fiscal year 2021, as well as how they were handled, are reported in the Supervisory Board Report.

AUDIT

Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft, Hamburg, have been the auditors of the Company's Annual and Consolidated Financial Statements since the fiscal year 2019. This firm was reappointed as auditors for the fiscal year 2021 by the Annual General Meeting on 1 June 2021. Jan Brorhilker has signed the audit since the fiscal year 2020 and Carl-Heinz Klimmer (the audit partner responsible) since the fiscal year 2019.

Corporate Governance Practices

INTERNAL CONTROL SYSTEM

ZEAL has an accounting-related internal control system (ICS) and risk management system that corresponds to the guidelines of the Institute of Public Auditors in Germany ('Institut der Wirtschaftsprüfer in Deutschland e.V.'), Düsseldorf, Germany. The ICS is designed to avoid the risk of material misstatements in accounting, to detect substantially incorrect valuations and to ensure compliance with the relevant regulations. Irrespective of its specific structure, however, an ICS cannot provide absolute assurance that these objectives will be achieved. The scope and structure of the ICS are at the discretion of the Management Board. We monitor the accounting-related ICS mainly by controls integrated into processes. These internal controls comprise both preventive as well as detective activities. The following controls are embedded in the process: IT-based and manual data matching, the segregation of functions, the dual checking principle and monitoring controls. We monitor the accounting-related ICS mainly by controls integrated into processes. These internal controls comprise both preventive as well as detective activities. The following controls are embedded in the process: IT-based and manual data matching, the segregation of functions, the dual checking principle and monitoring controls. In addition, the auditor of the Consolidated Financial Statements assesses the effectiveness of the risk early warning and monitoring system in accordance with section 317 (4) HGB. In accordance with section 107 (3) sentence 2 AktG, the Supervisory Board regularly commissions the external auditors to conduct additional audit activities. Further information on the ICS is provided in the Risk and Opportunity Report.

RISK AND COMPLIANCE MANAGEMENT

The risk and compliance management system is designed as an integrated system. To this end, we carefully monitor our market and competitive environment while analysing the identified risks and compliance fields in the course of regular risk management and compliance workshops. The insights this provides are used to swiftly introduce measures which will ensure the long-term and sustainable success of the Group and prevent infringements of compliance regulations.

ZEAL's compliance management system consists of a large number of in-house measures and processes. It serves our objective of acting in accordance with ethical principles and abiding by all applicable laws, internal regulations and voluntary commitments. In addition to the general compliance fields, we pay particular attention to complying with the special compliance fields of gambling regulation, data privacy, IT security, competition, corruption, occupational health and safety, working conditions, and general non-discrimination.

We constantly review the effectiveness of our compliance management system and adapt it to developments, changed risks and new legal requirements. This ensures that its effectiveness and efficiency is continuously improved. We systematically and regularly minimise compliance risks across all business areas. The results of this analysis serve as the basis for our risk management.

In order to identify risks at an early stage, it is important that any fraud, misconduct or wrongdoing by workers or officers of the organisation is reported and properly dealt with. A transparent, open and diverse organisational culture is vital in ensuring that individuals are willing to openly address misconduct or risks. ZEAL encourages a transparent, open and diverse corporate culture in which people feel they can 'Think Brave' and raise concerns. The organisation therefore encourages all individuals to raise any concerns that they may have about the conduct of others in the business or the way in which the business is run. ZEAL has set up a whistleblowing system which employees or external whistleblowers can use to report compliance violations to ZEAL. The report can also be made anonymously. The whistleblowing system can be reached via zeal.whistleblownetwork.net