

CORPORATE GOVERNANCE STATEMENT

Declaration of Conformity

In accordance with section 161 AktG, the Supervisory Board and Management Board have issued a Declaration of Conformity with the German Corporate Governance Code and made it permanently available to shareholders on the preceding pages of this Annual Report as well as via the Group's website (zealnetwork.de).

Governance structure and cooperation of the Management Board and Supervisory Board

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.

THE MANAGEMENT BOARD

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 Group'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

The Management Board currently comprises two members. Its members can only be appointed and removed 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.

MEMBERS OF THE MANAGEMENT BOARD

Dr Helmut Becker (Chair)

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

Jonas Mattsson

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

THE SUPERVISORY BOARD

ROLE

The Supervisory Board is responsible for advising on and overseeing the work of the Management Board together with ratification of transactions that are of fundamental importance to the Group (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 removed at the General Meeting of the Company by the shareholders. In determining the composition of the Supervisory Board, care is taken to ensure the appropriate balance of skills, experience, independence and knowledge of the Company to enable the Supervisory Board to discharge its duties and responsibilities effectively. The Supervisory Board has concluded that it comprises an adequate number of independent members. All members of the Supervisory Board are to be regarded as independent. As a rule, the members of the Supervisory Board shall not hold office for longer than the end of the Annual General Meeting following their seventy-fourth birthday.

The Supervisory Board regularly evaluates its work and adopts improvement measures in the course of its regular self-assessment. To date, the Supervisory Board has not yet carried out a self-assessment, as the relevant requirements have only been in place since the Company's relocation in October 2019. The Supervisory Board intends to conduct a self-assessment in the course of 2021.

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.

The members of the Supervisory Board take responsibility for the training and continuing education necessary for their tasks, such as on issues of Corporate Governance and changes in the legal framework, and are supported by the Company in doing so. New members of the Supervisory Board exchange views with the Management Board on current matters in the respective areas of the Management Board and are thereby able to gain an overview of the relevant topics of the Company.

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 following persons held seats on the Supervisory Board of ZEAL Network in fiscal year 2020:

- Peter Steiner (Chairman of the Supervisory Board from 19 June 2020)
- Oliver Jaster (Deputy Chairman)
- Thorsten Hehl (regular member)
- Jens Schumann (regular member)
- Marc Peters (regular member)
- Frank Strauß (regular member since 19 June 2020)
- Andreas de Maizière (Chairman of the Supervisory Board up to his resignation on 19 June 2020)

Peter Steiner is a member of the following other foreign supervisory boards which must be formed pursuant to statutory law, or other comparable domestic and foreign controlling committees:

- Clariant AG, Muttenz, Switzerland (Member of the Administrative Board, Member of the Nomination Committee, Chairman of the Audit Committee)
- Wienerberger AG, Vienna (Chairman of the Supervisory Board, Chairman of the Nomination Committee, Chairman of the Compensation Committee)

Thorsten Hehl is a member of the following other domestic supervisory boards which must be formed pursuant to statutory law, or other comparable domestic and foreign controlling committees:

- Günther Direct Services GmbH, Bamberg (Member of the Advisory Committee)
- LOTTO24 AG, Hamburg (regular member)

Oliver Jaster is a member of the following other domestic supervisory boards which must be formed pursuant to statutory law, or other comparable domestic and foreign controlling committees:

- Günther Holding SE, Hamburg (Chairman of the Administrative Board)
- Günther SE, Bamberg (Chairman of the Administrative Board)
- Günther Direct Services GmbH, Bamberg (Chairman of the Advisory Committee)
- All4cloud Management GmbH, Hamburg (Chairman of the Advisory Committee)
- All4cloud GmbH, Viernheim (Chairman of the Advisory Committee)
- G Connect GmbH, Munich (Chairman of the Advisory Committee)

Jens Schumann is a member of the following other domestic supervisory boards which must be formed pursuant to statutory law, or other comparable domestic and foreign controlling committees:

- next media accelerator GmbH, Hamburg (Member of the Advisory Committee)
- Contentflow GmbH, Berlin (Member of the Advisory Committee)
- LemonSwan GmbH, Hamburg (Member of the Advisory Committee)
- LOTTO24 AG, Hamburg (Chairman of the Supervisory Board)

Frank Strauß is a member of the following other domestic and foreign supervisory boards which must be formed pursuant to statutory law, or other comparable domestic and foreign controlling committees:

- European Bank for Financial Service GmbH, Aschheim (Chairman of the Supervisory Board)
- The Fifty Five Foundry Inc., Manhattan Beach (regular member)
- Fifty Five Genesis Project, Inc., Manhattan Beach (regular member)

The following table shows the positions held by the individual members of the Supervisory Board on the Supervisory Board and its committees:

Name	Positions in the Supervisory Board and Committees
Peter Steiner	Chairman of the Supervisory Board, Chair of the Chairman's Committee, Chair of the Investment Committee, Chair of the Special Committee, Member of the Audit Committee
Oliver Jaster	Deputy Chairman of the Supervisory Board, 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

ANNUAL 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 (incl. 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 following 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.

Audit

Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft, Hamburg, was reappointed as auditors of the Company and the Group by the ZEAL Annual General Meeting on 19 June 2020. As of fiscal year 2019, the audit partner in charge of the audit has been Carl-Heinz Klimmer.

Definition of target figures for the proportion of women on the Supervisory Board, Management Board and management levels; diversity

In 2020, the Supervisory Board set a target percentage of women for its composition of 0% until 28 February 2025.

The Supervisory Board set the same target percentage for the Management Board, also until 28 February 2025.

The Management Board set targets of 30% for the percentage of women at the two management levels below the Management Board in 2020, also by 28 February 2025.

According to recommendation C.1 of the German Corporate Governance Code ('Code'), the Supervisory Board shall specify concrete objectives for its composition and, within this framework, take diversity into account. The Supervisory Board has not resolved on the determination of specific objectives for its composition. While the Management Board and Supervisory Board are of the opinion that the current composition of the Supervisory Board fulfils the criteria set out in recommendation C.1 of the Code, all proposals for appointments to a corporate body of ZEAL Network SE are always made with a view to selecting candidates with the best qualifications and personal experience, thus complementing the composition of the committee as a whole. The Management Board and Supervisory Board are therefore of the opinion that fixed targets for the composition of the Supervisory Board are not suitable for achieving an efficient and qualified Supervisory Board. Accordingly, the Supervisory Board has also refrained from setting a minimum percentage of women above 0%.

According to recommendation B.1 of the Code, the Supervisory Board shall take diversity into account with regard to the composition of the Management Board. The Management Board and Supervisory Board are of the opinion that the current composition of the Management Board fulfils this recommendation. The above considerations regarding the composition of the Supervisory Board apply accordingly to the Management Board, for which the Supervisory Board has therefore also refrained from setting a minimum percentage of women above 0%.

According to recommendation A.1 of the Code, the Management Board should take diversity into account when filling management positions in the Company. The Management Board supports the diversity already existing in the workforce as a whole and also reflected in the composition of the two management levels below the Management Board.