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ZALORA'S PARENT COMPANY GLOBAL FASHION GROUP GOES CARBON NEUTRAL AHEAD OF WORLD ENVIRONMENT DAY

GFG is first major e-commerce fashion & lifestyle retailer in its markets to announce carbon neutrality and use of 100% renewable energy across its fulfillment centres

ZALORA, becomes Southeast Asia's first regional e-commerce retailer to announce carbon neutrality across its own operations

Global Fashion Group (GFG), the leading online fashion & lifestyle destination in growth markets, announces carbon neutrality across its operations and outbound deliveries, the use of 100% green energy across its 9 fulfillment centres in Latin America, the CIS, Southeast Asia (SEA) and Australia & New Zealand (ANZ). In addition, the business releases its long term carbon mitigation strategy, marking a key milestone in the company's journey to reduce its footprint and manage the transition to a lower carbon economy.

In line with its sustainability strategy, GFG offset the emissions generated from its own operations and outbound deliveries by purchasing high quality carbon credits from certified renewable energy projects located in China, India and Brazil where GFG's operations and own-brand suppliers are based.

Further, 100% of GFG's fulfilment centres are today sourcing renewable electricity, achieved through ANZ shifting to a renewable electricity provider and purchasing of Renewable Energy Certificates (RECs) for fulfilment centres in LATAM, CIS and SEA. Recognising that the purchase of RECs is an interim solution as green energy infrastructure in GFG's markets continues to mature, the company will continue exploring opportunities such as on-site solar panel installations at its fulfilment centres.

Alongside these milestones, GFG has also published its <u>2020 Climate Report</u> which includes the company's commitment to setting Science Based Targets. The report presents GFG's 2020 carbon footprint, its carbon mitigation strategy and the key focus areas in the Group's transition to lower carbon ways of working. This significant disclosure builds on GFG's 2020 <u>People & Planet Positive Report</u> which was issued in March to outline the company's sustainability strategy and progress on the Group's 2022 commitments.

Jaana Quaintance-James, Chief Sustainability Officer at GFG said:

"We are very excited to celebrate World Environment Day this year by announcing carbon neutrality of our operations and deliveries to customers, as well as green energy sourcing for all our fulfilment centres. We have reached an inflection point as a global community whereby the impetus for the transition to a low carbon economy is undeniable. We recognise there is much work ahead of us to reduce our footprint and therefore formailsing our carbon mitigation strategy

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is an important step to support our transition. While the purchase of offsets and renewable energy certificates will not distract us from true reduction efforts, they mark an important milestone in GFG's journey."

Gunjan Soni, ZALORA Group CEO shared:

""We are so proud to be part of a Group that recognises the importance of our role in helping to fight the climate crisis together. As the leading fashion and lifestyle e-commerce player that serves millions of shoppers across Southeast Asia, we recognize the importance of shaping a sustainable fashion ecosystem in the region. Achieving carbon neutrality across our operations and fulfilment centres sets a precedent to what is possible and responsible, and ZALORA is proud to lead the way in Southeast Asia."

To ensure GFG is heading towards a carbon reduction pathway that is in line with what the latest climate science deems necessary to meet the goals of the Paris Agreement, the Group is on track to set Science Based Targets before the end of 2021. Carbon modelling work is also underway to support GFG's target setting process and understand the impact of key actions and targets to drive emissions reduction in the long term.

To learn more about GFG's carbon mitigation strategy, you can read the full 2020 Climate Report here: https://global-fashion-group.com/wp-content/uploads/2021/06/ClimateReport.pdf

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About Global Fashion Group

Global Fashion Group is the leading fashion and lifestyle retail destination in LATAM, CIS, SEA and ANZ. We connect over 10,000 global, local and own brands to a market of more than one billion consumers through four established ecommerce platforms: <u>dafiti</u>, <u>lamoda</u>, <u>ZALORA</u> and <u>THE ICONI</u>C. Through an inspiring and seamless customer experience enabled by our own technology ecosystem and operational infrastructure, we are dedicated to being the #1 fashion and lifestyle destination in our markets. With 17 offices and 9 fulfilment centres across four continents, GFG proudly employs a dynamic and diverse team with deep local knowledge and expertise. In the twelve months to 31 March 2021, GFG delivered 44.5million orders to 16.7 million Active Customers.

For more information visit: www.global-fashion-group.com