INTEGRATED REPORT 2023

The future is created today









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Introduction

For the third consecutive year, Guararapes Group shares detailed information with society and all its stakeholders regarding its business operations and commitment to sustainability, addressing its social, environmental, and governance impacts.

The Group acknowledges that everyone has the responsibility to build a better future for the next generations. Therefore, it remains committed to CRIA! movement. This initiative unifies the organization's practices, collaborating with society by listening to its demands, responding transparently, and innovating in the way it approaches fashion, aiming to leave a positive legacy for the planet and society.

Enjoy your reading!

Introduction



Message from the Leadership

GRI 2-22



Flávio Rocha Chairman of the Board of Directors The year 2023 brought changes here at Guararapes Group. Every change - we know - brings with it resilience, challenges, and heralds good fortunes. It was with good news that we closed the year, a period marked by a significant recovery in our operations amidst a sensitive macroeconomic environment for the retail textile sector.

The past year brought numerous challenges, notably the impact of high interest rates that directly affected the sector's performance. The weakened consumer environment, coupled with increased delinquency and growing competition from foreign online companies, required resilience and strategy from our team.

But we are not daunted by challenges. Throughout our journey of over seven decades, we have faced many challenges. We were born from them and found within them our driving force for significant advancements. We are a northeastern company, 100% Brazilian, born from the tremendous strength of our founder, Nevaldo Rocha, who lived in extreme poverty and had nothing but the dream of transformation. The fortunate encounter of willpower and opportunity continues to live on today as our greatest purpose and DNA: connecting desires to accomplishments through fashion.

Our response to these challenges has been a culmination of efforts. including the appointment of André Farber as CEO of Guararapes Group, who brought with him the following strategic missions guiding our operations: an obsession with product, democratization of access to fashion, valorization of our assets, and pursuit of operational efficiency. We focused on strengthening the value proposition of our apparel line, optimizing category management to drive growth and margin in key fashion categories.

In this context, we adapted our store portfolio to the diverse climate, social, and regional realities of the country. We implemented specific pricing and distribution strategies to ensure regional availability and affordable prices, and opened 20 new stores.

Our commitment to operational efficiency resulted in a significant cash generation of BRL 1.0 billion for the year, an improvement of over BRL 600 million compared to the previous year, contributing to reducing our leverage and strengthening our financial position. Additionally, our new ventures, especially in the online channel, achieved significant milestones with positive margins and an enhanced customer experience.

Midway Financeira played a crucial role, operating prudently amidst economic challenges and contributing to a significant growth in EBITDA in 2023, reaching BRL 195

million, a 59.1% increase compared to the previous year.

Our journey towards responsible and more sustainable fashion was reinforced by consistent and significant advances in the ESG agenda. The development of our first Circular Collection brought to market high-quality products with affordable prices and modern design, using raw materials sourced from textile waste from our factory in Natal-RN. They were also manufactured using practices with lower socio-environmental impact. Our actions and commitment towards reducing Greenhouse Gas emissions have been progressing rapidly with our target approved by the Science Based Targets Initiative.

Through Riachuelo Institute, we continue to transform the reality of the local population by generating income and employment, notably through AgroSertão Program in

partnership with Embrapa and Sebrae, focusing on agroecological cotton farming that we will soon incorporate into our collections. The initiative also promotes food security for families in Seridó based on local food culture.

In response to the devastating floods in Rio Grande do Sul at the end of April 2024, Guararapes Group mobilized to provide support to the victims. We made over 300 Riachuelo stores available as collection points for priority items donations, which were sent to the São Paulo Red Cross and then forwarded to the Red Cross in Rio Grande do Sul. For our impacted employees, we sent emergency items such as food baskets, drinking water, cleaning and hygiene products, and provided psychological support, early vacation options, and early payment of the 13th salary. We also sent 70 thousand pieces of Riachuelo clothing to the community through the Red Cross.

As signatories of the United Nations Global Compact, we believe that the future we create today is a shared mission. Therefore, I take this opportunity to thank all our employees, suppliers, customers, and partners for their commitment and trust during our journey of making our democratic fashion an asset that generates value not only for our business but for the world.

Flávio Rocha

of Directors

Chairman of the Board



2023 Highlights **GRI 2-6**

Guararapes Confecções S.A. centralized its manufacturing production in Rio Grande do Norte,

closing the Fortaleza (CE) factory in January 2023. The decision is part of the Company's strategic planning, focusing on optimizing manufacturing operations to enhance responsiveness, efficiency, and competitiveness, while fostering sustainable growth. The company's integrated business model remains unchanged, preserving the national production chain.

The technology from the factory located in Fortaleza was transferred to the unit in Natal, ensuring the continuity of production processes in a more sustainable manner. Production capacity remained robust, keeping Guararapes factory as the main textile supplier for the Group. During this process, the Company took care of the employees from Fortaleza factory, ensuring benefits that exceeded the rights guaranteed by labor laws.





of Guararapes Group, succeeding Oswaldo Aparecido Nunes, who retired after leading the Company for 50 years. Throughout 2023, there were also changes in the executive board: Claudia Albuquerque took over the leadership of Fashion, João Braga assumed Operations, Graziella Di Battista took on the role of Director of People and Sustainability, succeeding Mauro Mariz, and Carolina Guimarães took charge of the Digital Transformation and E-commerce.

Highlights of 2023

André Farber took over as CEO

Riachuelo attended COP28 UAE, the United Nations Climate Conference held in Dubai, United Arab Emirates, in 2023. This global event brought together people from around the world to discuss solutions to the planet's climate crisis, and we were proud to be present. In 2023, the planet surpassed the two-degree warming threshold, marking a state of climate emergency. Aware of our role, we are committed to a low-carbon economy. At COP28, we participated in a panel presented by IPT (Instituto de Pesquisas Tecnológicas de São Paulo), where we had the opportunity to share more about our partnership in creating a new fiber from textile waste from our factory in Natal. The objective of this partnership is to reduce the use of virgin raw materials, thereby reducing the environmental impacts of our products. The Sustainability Coordinator, lara Machado, led this panel, representing us.



> Highlights of 2023

Guararapes Group achieved an A- rating for the second

Consecutive year, reaching leadership level in the CDP Water Security Program, an entity that operates a global disclosure system for investors, companies, cities, states, and regions to manage their environmental impacts. CDP recognized both the way Guararapes Group manages water in its production processes and the transparent manner in which it reports its information to the market.





The company launched 'Compra

Futura', a program for Riachuelo card customers that offers a 20% discount on the next purchase, continually, with a focus on loyalty, increasing average ticket size, and encouraging recurring purchases with the card.

Highlights of 2023

Focus on technology and digital transformation, as well as store expansion and renovations, always with a keen eye on

customer needs. Integrated mobility with a focus on customer experience. The new stores are already equipped with a payment structure focused on self-checkout (self-service kiosks) + mobile POS (available in 100% of stores, allowing customers to finalize purchases outside traditional cash registers, providing greater speed, convenience, and flexibility).



> Highlights of 2023

Three projects stood out uniquely during the year:

Casa Riachuelo collection took Disney to the 36th edition of CASACOR São Paulo

Visitors had the privilege of immersing themselves in a unique and enchanting retreat, titled "A Home to Press *Pause*." Designed by architect Cilene Lupi, the 88m² space was carefully crafted to provide an atmosphere of disconnection and energy recharge, amidst an increasingly fast-paced and digital world.

To achieve this atmosphere, the architect sought elements inspired by the emotional connections of Generation Z to evoke nostalgic memories and their playful aspect. The Disney 100 Collection by Casa Riachuelo, created in honor of the brand's 100th anniversary, played a crucial role in the ambiance of this space, bringing the playful and magical aspects of stories told by the studio over the years. From decorations to bed, table, and bath products, every detail reflected the celebration of Disney's legacy and its ability to inspire generations.

Thus, "A Home to Press Pause" not only provided a retreat for CASACOR SP visitors but also served as a powerful reminder of the importance of preserving emotional connections and imagination in an increasingly technological and fast-paced world.



FanLab and Disney Collection at The Town

Riachuelo was the official fashion brand of the first edition of The Town 2023 music festival, and took FANLAB to Cidade da Música, a collaboration that transformed the place into a true *geek*universe, full of style and magic.

Aimed at the *geek* audience, FANLAB celebrated Disney's 100 years, bringing exclusive products and news, as well as an Instagrammable space so people could record their looks.

Divided into five thematic areas: Mickey, Classics, Star Wars, Marvel and Simpsons, in the FANLAB space it was possible to find several options for t-shirts, sweatshirts, socks and home fashion and decoration items, such as cushions, toiletries and notebooks. The biggest news was the collection of Mickey t-shirts with Rock'n Roll references to get people into the festival spirit.



Highlights of 2023

Riachuelo, Disney, and Gerando Falcões joined forces to support children in vulnerable situations

In celebration of Children's Day, Riachuelo joined forces with Disney and Gerando Falcões to launch a vibrant and enchanting collection. This collaboration resulted in exclusive pieces illustrated not only by Disney but also by talented artists from various regions of the country. Among them are Deise Evlin and Diego Tadeu from São Paulo, Suellen Rodrigues from Fortaleza, and Clara Feliz from Natal. Each of these artists brought their own art and style to the prints, filled with playful cutouts and vibrant colors, thus conveying their individuality to the unique pieces. Under the theme "The Tomorrow I Want." the collection reflects not only the joy of the children's universe but also the cultural diversity of Brazil.

In addition to celebrating Disney's centenary, this collection invites the iconic Mickey and his friends to participate in building a more inclusive and diverse future alongside Riachuelo and Gerando



Falcões. Part of the sales from these exclusive products, launched especially for this occasion, was allocated to the NGO Gerando Falcões. This organization, known for its transformative social ecosystem, is dedicated to providing essential services in the areas of education. economic development, and citizenship. Therefore, by purchasing one of these enchanting items, customers not only celebrate the magic of childhood but also contribute to social initiatives that have a real and positive impact on communities across the country.

Acknowledgements and Awards



Riachuelo has joined the list of the **100 companies most committed to the ESG Agenda in Brazil**,

according to Merco.



Received the bronze trophy in the **"Leader in Motivational Campaign"** category at the ClienteSA Awards.



It was elected one of the **best companies to work**

for in the retail category according to the 27th edition of the GPTW 150 Best Companies to Work for in Brazil ranking.



It was elected one of the **100 companies with the highest ESG awareness in the country**, a ranking

prepared by Insight Comunicação, with support from Bradesco and Fundação Getúlio Vargas.



Won the **Best Workplaces 2023** award by Infojobs!



Casa Riachuelo secured third place in the **Brazilian ranking of the** *Global Innovation Awards*,

organized by ABCasa.



For the third consecutive year, Riachuelo earned the **Gold Seal from the Brazilian GHG Protocol Program**.



Riachuelo won the **Best Disney 100 Years Project** award at *The Walt Disney Company's* Best of the Year awards.



For the second consecutive year, Riachuelo is included in the **Corporate Sustainability Index (ISE) Portfolio of**

B3, the Stock Exchange, which brings together the 78 publicly traded companies in the country with the best performances in Environmental, Social and Governance (ASG) practices.



Guararapes Group won the **Top Natal 2023 Award!** Award recognizing Midway Mall as one of the most remembered brands by Natal residents, contributing to our 16th consecutive title as the best shopping mall in Rio Grande do Norte (RN).



Riachuelo has once again received

the Gupy Seal: a company that provides feedback

(with over 90% return rate in recruitment processes).

About us GRI 2-1

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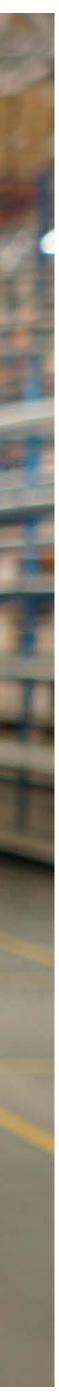
Value Generation

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Introduction Message from the Leadership Highlights of 2023

About us





> About us GRI 2-1. GRI 2-6

Guararapes Group is one of the largest in the fashion sector in Brazil and stands out for having a fully integrated business model. Its vertical chain combines retail (with brands like Riachuelo, Casa Riachuelo, FANLAB, and Carter's), manufacturing (Guararapes Confecções), logistics (including Transportadora Casa Verde and distribution centers), and finance (Midway Financeira), ensuring efficiency, agility, and high competitiveness across all its operations. Its ecosystem has been increasingly strengthened in recent years, accompanied by the digital transformation process.

For over seven decades, the Company has been shaping the Brazilian fashion scene with a strong online presence and 411 physical stores across the country. Operating in Brazil and with a subsidiary in China, its team of 28,000 employees is dedicated to a single goal: creating opportunities in Brazil and democratizing fashion – connecting desires to achievements.

In recent years, the company has evolved its value proposition, focusing on maximizing its *core business* to bring greater accuracy and quality to its product offerings.

Throughout this journey, there has been a constant pursuit of new technologies and innovation, coupled with a strong commitment to sustainability, guiding the business and transforming fashion into a value-generating asset for its entire supply chain.





About us

+28 thousand 332 RCHLOVERS

Riachuelo Stores

Carter's stand alone stores and 2 SIS (store in store)

Casa Riachuelo stand alone stores and 13 SIS (store in store)





Carrier







Introduction Message from the Leadership Highlights of 2023 About us

FANLAB Stores





Theaters



Strategic priorities

In 2023, the Company revisited processes and mapped growth drivers and initiatives that support strategic priorities, centered around four fundamental pillars:

Product obsession: focusing on strengthening the value proposition in apparel, expanding the offering and relevance of usage occasions and styles. These opportunities are clear accelerators of product development and perceived value.

Democratizing access to fashion: a continuous pursuit to cluster stores and enhance pricing strategy efficiency, with active listening to customers.

Our assets must be more valuable: the integration of factory, stores, and financial operations received even greater focus throughout 2023, aiming to make this chain more proactive, efficient, and engaged. The Group believes in the power of its vertically integrated structure and aims to explore the maximum potential of this lever.

Operational efficiency: continuous efforts to increase process efficiency, improving store stocking through better initial allocation and more efficient replenishment. Focus is on reducing inventory, improving its quality, and optimizing working capital. The company also remains committed to increasing its cash flow generation and reducing leverage.







Culture and Engagement

RCHLOVER Culture

We exist to connect desires to accomplishments. That's our purpose, our reason for existing, and why we do everything we do.

To achieve this goal, we are a diverse team that collaborates in an agile manner.

Pillars of Action

People

Technology and Innovation

Simplicity

Sustainability

Governance

RCHLOVER Culture

Values

These are our values, a set of attitudes that define the actions of each of our employees.

By always focusing on our customers and caring for our team with care and affection. we not only embrace the business, we take ownership of it!

Moreover, we simplify processes without needing to create shortcuts. This makes us eager to learn and innovate constantly, sparking in each of us the pursuit of excellence in results.

Here are the meanings of each of our values:



CUSTOMER CENTRIC

We care for our customers' journey, directing all our actions and decisions to meet their desires.



PEOPLE TAKING CARE OF PEOPLE

We recognize our talents, commit to the development journey of our people, and constantly challenge ourselves intellectually.



WE TAKE CARE

We operate with ethics and accountability, not compromising on social, environmental, and governance criteria in the decisions we make.



We do things simply, focusing on what is essential.



We are endlessly curious and creative, open to experimentation, learning through short and continuous cycles, and valuing diversity and inclusion.



We believe in collaborative economy as a lever to achieve our goals, generating value for our customers, employees, suppliers, partners, shareholders, and society.

Business overview GRI 2-2. GRI 2-6

Brand Platform - Retail Riachuelo

Fashion and lifestyle with Brazilian authenticity. Recognized for its strong identity and leadership in fashion retail, Riachuelo not only dresses dreams but also facilitates access to fashion. offering its customers everything from basics to the latest fashion trends with agility, quality, variety, and fair prices. It's a reference in women's, men's, and children's fashion retail.



Casa Riachuelo

With an appealing selection in its product mix. Casa Riachuelo offers the latest trends in home decor and items to charm Brazilian homes at fair prices. It offers customers an elegant environment, with differentiated service and a unique omnichannel shopping experience.





Carter's

Riachuelo holds exclusive rights to the brand in Brazil and, with Carter's, has solidified its position in the baby and early childhood clothing segment. With strong synergy with Riachuelo's value proposition, it offers quality products at great value for money. The partnership is a key anchor for the Group's digital channels platform.



FANLAB

Brand focused on fans of series, books, films and games. Since its launch in 2022, it has adopted an omnichannel approach and seamlessly integrates with fashion, lifestyle, and financial services solutions, strengthening the Company's ecosystem evolution strategy. Its portfolio includes clothing, accessories, collectibles, home decor items, home fashion, pet products, and special collections from brands such as Harry Potter, Marvel, DC, Looney Tunes, and Free Fire.



Industry, Logistics and Contact Center

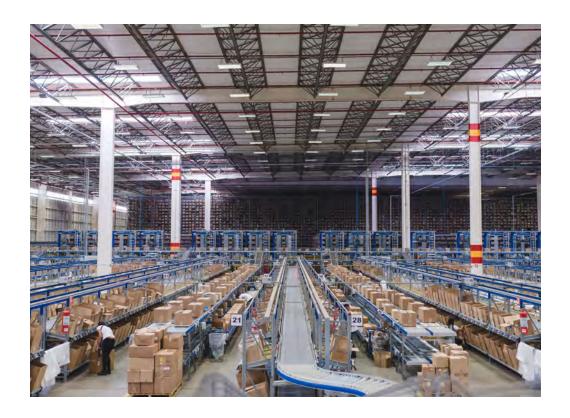
Guararapes

We have an industrial hub in Natal (RN) responsible for producing fabric and manufacturing our garments. Around 50% of the products sold in the Group's stores are produced by the over 9,000 employees at the factory in Natal.



Distribution center

Our logistics centers are strategically located in Guarulhos (SP), Manaus (AM), and Natal (RN), enabling the distribution of our products throughout the country.



Transportadora Casa Verde

Transportadora Casa Verde, a company specialized in road transportation, plays a crucial role in the Group's logistics. Thanks to investments made in recent years, especially in technology, the company has ensured the regular and efficient delivery of products manufactured by the corporation to Riachuelo stores.



Contact Center

Our center is located in Natal (RN) and serves Riachuelo Card customers (private label and network), financial product sales, card sales, and research.



Financial Services

GRI 2-6

Midway Financeira is a comprehensive platform of financial products and services closely connected to retail, playing an essential role in our ecosystem. By providing autonomy and convenience, the Company has significantly expanded its customer relationships, going beyond the traditional offering of cards and personal loans in stores to also provide products and services through digital channels, fully integrated with retail operations.

At the end of 2023, the Midway app recorded the opening of 1.058 million digital accounts. Among these accounts, about 975,000 customers access the app monthly to perform various activities, such as PIX transfers, bill payments, debt renegotiation, and mobile phone top-ups. This app plays a crucial role as a channel for customer engagement, cross-selling, and revenue generation for the company.



Shopping Midway Mall

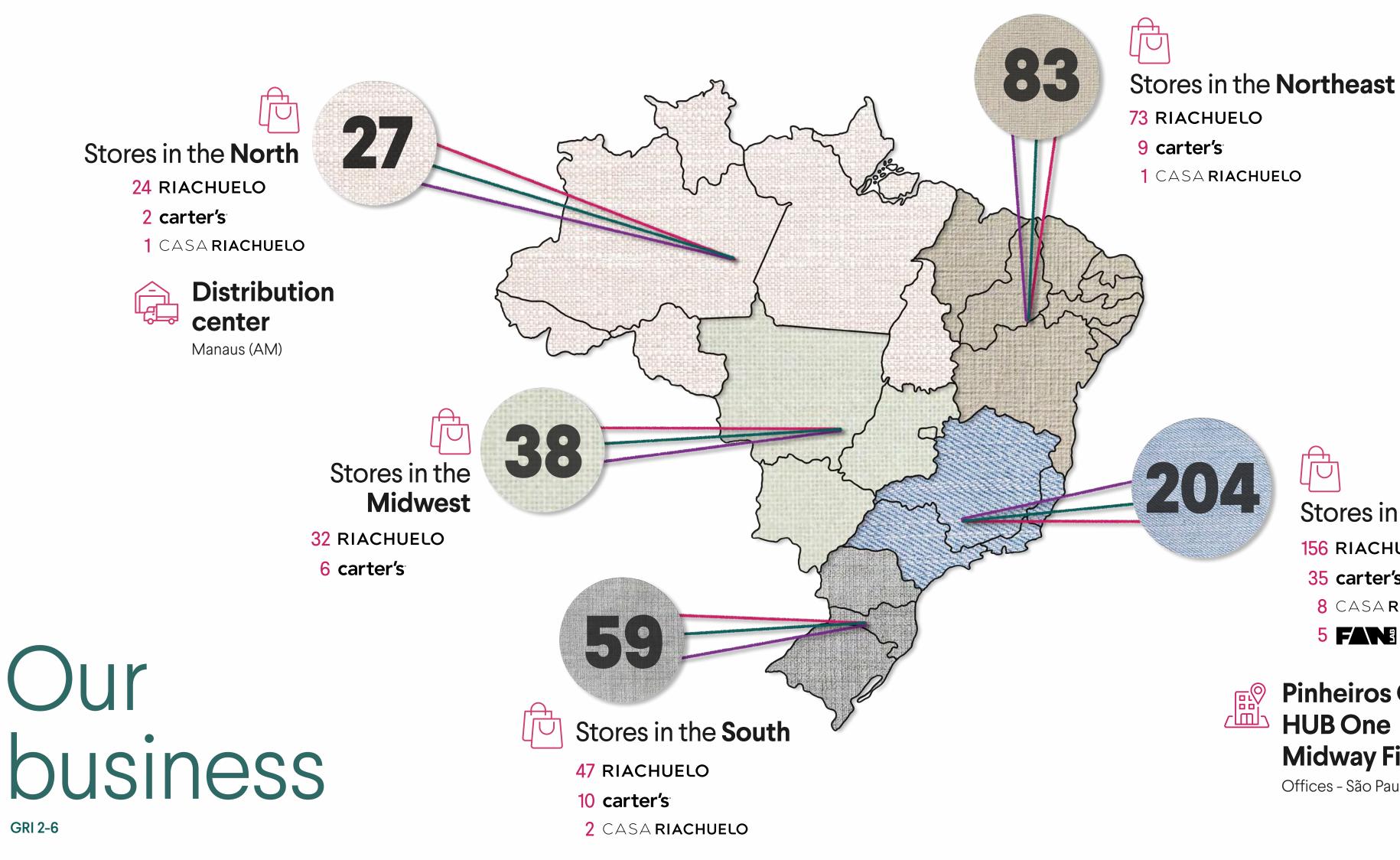
Located in Natal (RN), the shopping center boasts over 300 stores spread across 65,000 m² and is considered the largest retail center in the city.



Riachuelo Theaters

We currently operate two entertainment complexes, one in Rio de Janeiro (RJ) and another in Natal (RN), managed by Midway Mall.









Distribution center

Natal (RN)



Shopping Midway Teatro Riachuelo and Contact Center

Natal (RN)

Stores in the Southeast

156 RIACHUELO

35 carter's

8 CASA RIACHUELO



Rio de Janeiro (RJ)



Pinheiros One Midway Financeira

Offices - São Paulo (SP)



Introduction

Message from the Leadership Highlights of 2023

About us



Value Generation Process

GRI 3-3, GRI 2-6, GRI 203-3

To conduct its operations, Guararapes Group relies on established resources and interactions, which, as outlined by the International Integrated Reporting Council's Framework, are categorized as "capitals," subdivided into Manufactured, Natural, Human, Intellectual, Social and Relationship, and Financial. These capitals, when combined, form the production cycle, enabling the achievement of the best results and the creation of value for all stakeholders.

The oversight of the Company's performance ensures the availability, quality, and accessibility of these capitals, guaranteeing their ability to adapt to changes in the external or internal environment. Additionally, it allows for the identification of new impacts, risks, or opportunities, and the eventual adaptation of defined strategies.

To evaluate performance, indicators are used that may relate to the company's results, such as financial indicators, or to impacts on the surrounding environment, such as atmospheric emissions, distribution of private social investment, and job creation.



> Value Generation Process

GRI 2-6, GRI 2-29

6735 Natural

Environmental resources, whether renewable or not, and environmental processes that support the organization in providing services and products, including water, land, forests, and biodiversity.

WAYS TO GENERATE VALUE:

- Circular processes, increased product life cycle and textile waste management.
- Use of alternative sources of water capture, energy efficiency and GHG emissions.

AUDIENCES:

Regulatory bodies, community, associations and customers.



Individual competencies and knowledge of professionals; training, internal communication, retention, engagement, and promotion of integration among various areas for process optimization.

WAYS TO GENERATE VALUE:

- Continuous learning, talent development and expansion of individual knowledge.
- Promotion of health, safety and quality of life.
- Promotion of diversity.

AUDIENCES:

Employees, third parties, suppliers and regulatory bodies.





Tacit knowledge, organizational rules and procedures, corporate systems, patents, licenses, technologies, R&D projects, among others. It also encompasses knowledge management processes, aimed to maintain it in the training of future generations.

WAYS TO GENERATE VALUE:

- Adoption of technologies, such as reducing the intense use of water and chemicals in production.
- Research to enable the reuse of textile waste and reduce the use of virgin raw materials.

AUDIENCES:

Academia, Institutes of Science and Technology (ICTs), customers, business partners and employees.



Manufactured **8**9

Infrastructure, owned facilities, tools, machinery, and equipment necessary for manufacturing products.

WAYS TO GENERATE VALUE:

\$)

Promotion and strengthening of sustainable production.

AUDIENCES: Customers, suppliers and resellers.

Financial ⁽³⁾

Resources available for the production of goods and services and for making investments. They are obtained through operational cash generation, issuance of shares, or third-party capital.

WAYS TO GENERATE VALUE:

- It impacts all other capitals as it provides resources for works, training, studies, and improvements.
- And, similarly, it is impacted by the results generated by the other capitals.
- The value generated is shared with all stakeholders.

AUDIENCES: Shareholders, investors, financial institutions, market analysts, regulators and the Government.



Capitals

শ্বহি

Social and Relationship 12510161

Stakeholder engagement and/or participation in networks, sharing information, and improving individual and collective well-being. Considers actions to improve customer relationship/service.

WAYS TO GENERATE VALUE:

• Continuous improvement in commercial systems and logistics processes.

• Economic development with the generation of jobs, investments in social and environmental projects and tax collection.

AUDIENCES:

Customers, community, suppliers, shareholders, trade associations, academia, press, rating agencies, regulatory bodies and Public Authorities.

> Value Generation **Process**

- GHG Emissions: 247,376 tCO,e
- Energy Consumed: 234,142 (MWh)
- Water Consumption: 240,327 (m³)
- Tons of MPS at Guararapes Factory:
 - 6,470 tons of cotton
- 1.370 tons of viscose
- 1,340 tons of polyester
- 252.9 tons of elastane, linen, lyocell, polyamide, etc.



Natural

- 10.3 thousand tons of waste generated, with 60% recycled, reused, or repurposed.
- 70% less water and 60% less chemicals in the production of jeans
- 68% certified cotton
- 36% certified viscose
- **43%** of the most sustainable textile products
- 2.18 Mwh per piece produced

• Job creation: 28,247 FTE employees



Human

- Diversity and Inclusion: 63% women in leadership positions 40% of Black individuals in leadership positions
- Turnover rate by gender: men = **52%** women = **55%**
- It was elected one of the **best** companies to work for in the retail category according to the 27th edition of the GPTW 150 Best Companies to Work for in Brazil ranking.

- Exclusive rights to the Carter's brand in Brazil
- Brand assets
- Integrated production, retail, and finance
- Circular Economy and Sustainability Innovation Hub
- Investment in R&D for a new fiber from textile waste from our factory: over BRL 2.04 **million**, with 20% of this amount invested in 2023.



Intelectual

- Optimization of the finished product inventory cycle, which reduced by **23 days** in 2023 compared to 2022.
- Riachuelo's first circular collection with at least 28% recycled fibers
- Average delivery time for orders dispatched by DCs throughout Brazil decreased from 2.9 days to 2.8 days.

S

INPUT





- 411 stores
- **1** Factory
- **3** Distribution channels
- 2 Theaters
- Offices in São Paulo and Shanghai
- Transportadora Casa Verde
- Contact Center
- Shopping Midway Mall
- Midway Financeira



- Manufactured
- + 20 Stores opened

Financial

 Consolidated Net Revenue: **BRL 8.8** billion

• Investments (Capex):

BRL 377.0 million in

 Consolidated Adjusted EBITDA: **BRL 1.0** billion

- Private Social Investment
- BRL 1.2 million investment through Riachuelo Institute
- Over BRL 3.8 million in items allocated for donations through Guararapes Group
- Over BRL 530 thousand invested in social impact projects through Guararapes Group
- Contact Center
- CRIA! Movement
- Supply Chain
- 281 direct resale suppliers (243 national and 38 international)
- 901 subcontractors (700 national and 201 international)



Social and **Relationships**

- 17 million active customers
- Opening of **1.058 million** digital accounts.
- **111** Sewing workshops in Seridó region (RN)
- 130 young people with a 90% scholarship to study at SESI through the Riachuelo Institute
- **100%** of the national supply chain with social audit
- 65 corrective action plans for suppliers

Financial Results

In 2023, Guararapes Group reported a consolidated net revenue of BRL 8.8 billion, marking a 4.0% increase compared to the previous year, driven by higher revenues across all operational segments.

Goods: Sales performance for the year was driven by higher volumes recorded from the second half of 2023;

Midway Financeira: Higher net revenue in the period primarily reflects initiatives related to pricing and increased penetration of interest-bearing products and commission-generating services;

Midway Mall: Growth primarily reflects revenue from parking fees at the shopping mall, which began in January 2023.

Consolidated gross profit amounted to BRL 5.1 billion, a 4.5% increase compared to the consolidated gross profit reported in 2022, with growth in all segments. Consolidated gross margin for the year was 58.5%, a 0.3 percentage point increase from 2022, primarily driven by a 6.3 percentage point increase in the gross margin of Midway Financeira.

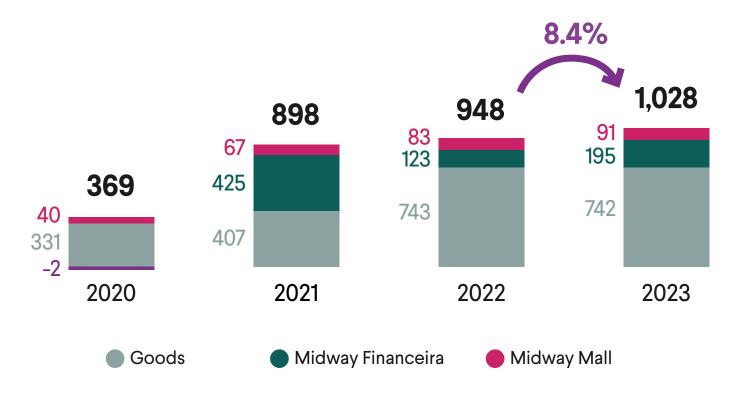
(BRL THOUSAND)	CONSOLIDATED			
	2023	2022	23 vs 22	
Net Revenue	8,795,386	8,458,663	4.0%	
Gross profit	5,141,393	4,921,129	4.5%	
Gross margin	58.5%	58.2%	0.3 pp	
Adjusted EBITDA	1,027,890	948,116	8.4%	
Adjusted EBITDA margin	11.7%	11.2%	0.5 pp	

Total operating expenses amounted to BRL 3.1 billion, 2.2% lower compared to 2022, with a significant dilution of 2.3 percentage points. This dilution reflects the Company's efforts over the past 2 (two) years, which involved revisions to department structures, third-party services, and rationalization of expenses related to digital operations. In the coming years, we will continue to operate with discipline and control over expenses.

(BRL THOUSAND)	2023	2022	23 vs 22
Sales expenses	(2,107,997)	(2,206,946)	4,5
General and administrative expenses	(1,035,534)	(1,007,519)	2.8%
Total operating expenses	(3,143,531)	(3,214,467)	-2.2%
% consolidated net revenue	35.7%	38.0%	-2.3 pp

Adjusted consolidated EBITDA grew by 8.4% to reach BRL 1.0 billion, primarily reflecting growth in Midway Financeira and Midway Mall. The adjusted consolidated EBITDA margin was 11.7%, a 0.5 percentage point increase from 2022.

Evolution of Adjusted EBITDA by Segment (BRL MM)



Financial Results

Main indicators 2023

Highlights (BRL Thousand)	2023	2022	23 vs 22
Consolidated net revenue	8,795,386	8,458,663	4.0%
Net revenue of goods	6,441,345	6,180,422	4.2%
Net revenue of Midway Financeira	2,246,130	2,190,678	2.5%
Net revenue of Midway Mall	107,911	87,563	23.2%
SSS Physical stores	4.9%	11.1%	-6.2 pp
SSS Physical stores and digital channel	2.8%	8.3%	-5.5 pp
Consolidated gross profit	5,141,393	4,921,129	4.5%
Consolidated gross margin	58.5%	58.2%	0.3 рр
Gross margin - Goods	48.9%	50.7%	-1.8 pp
Consolidated adjusted EBITDA	1,027,890	948,116	8.4%
Adjusted EBITDA Goods	742,173	742,573	-0.1%
EBITDA Midway Financeira	195,056	122,613	59.1%
EBITDA Midway Mall	90,662	82,930	9.3%
Consolidated adjusted EBITDA margin	11.7%	11.2%	0.5 pp
Adjusted EBITDA Goods Margin	11.5%	12.0%	-0.5 pp
Net Profit	(34,260)	51,980	n.a.
Free Cash Generation	1,029,369	368,025	179.7%

SOURCE: Complete 2023 Annual Financial Statements



days of finished -23 product inventory Level similar to the pre-

pandemic period

BRL 1.0 bi

Free cash generation vs BRL 368 MM in 2022

Capex BRL377MM

-BRL 212 MM vs 2022, prioritizing essential projects

Participation in the ISE Portfolio

for the second year in a row: commitment to business sustainability

Click here to access 2023 Results Release from Guararapes Group.

Leverage



Significant reduction in net debt/EBITDA, with cash exceeding BRL 2.4 billion

CRIA! Move

Annexes

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Governance, Ethics and Transparency

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Governance, Ethics and Transparency Message from the Leadership Highlights of 2023 About us Introduction





Corporate Governance

GRI 2-9, GRI 2-10, GRI 3-3

Since 1970, Guararapes Group has been a publicly traded company with a corporate governance model based on entrepreneurial management focused on results, following industry best practices.

In recent years, this governance model has become even more crucial given the operational growth of the Group and its extensive business structure. In addition to adhering to the Brazilian Corporate Governance Code (CBGC), the company implements various policies and guidelines recommended by the Brazilian Institute of Corporate Governance (IBGC), grounded in ethics and integrity.

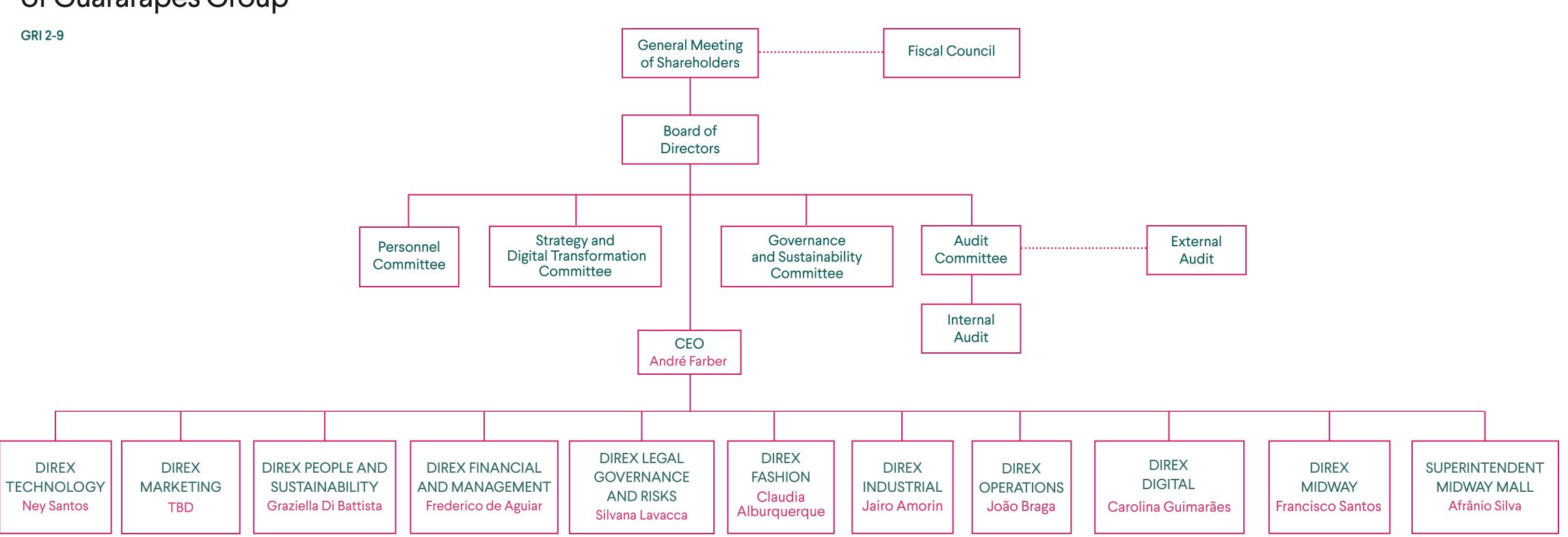
Harmonizing economic, environmental, and social aspects is essential to achieve desired outcomes and ensure the longevity of the organization.

In its governance practices, the organization establishes a relationship of trust and transparency with its stakeholders, especially employees, customers, and shareholders. In April 2022, the company celebrated its migration to the special listing segment of B3, known as Novo Mercado, marking a new chapter for Guararapes and reaffirming its commitment to the highest standards of corporate governance. Companies in this segment are widely recognized in the market for their transparency, which enhances access to investors focused on corporations with strong corporate governance.

In 2023, for the second consecutive year, the Group was selected to be part of the portfolio of the Corporate Sustainability Index (ISE) of B3. Being part of the ISE represents a significant milestone that highlights Guararapes' progress and maturity in environmental, social, and governance (ESG) issues, demonstrating the Company's commitment to promoting more sustainable fashion. This achievement not only reflects the company's commitment to mitigating its negative impacts on the planet but also to going beyond by working to regenerate ecosystems and promote economic and social development in the communities where it operates.



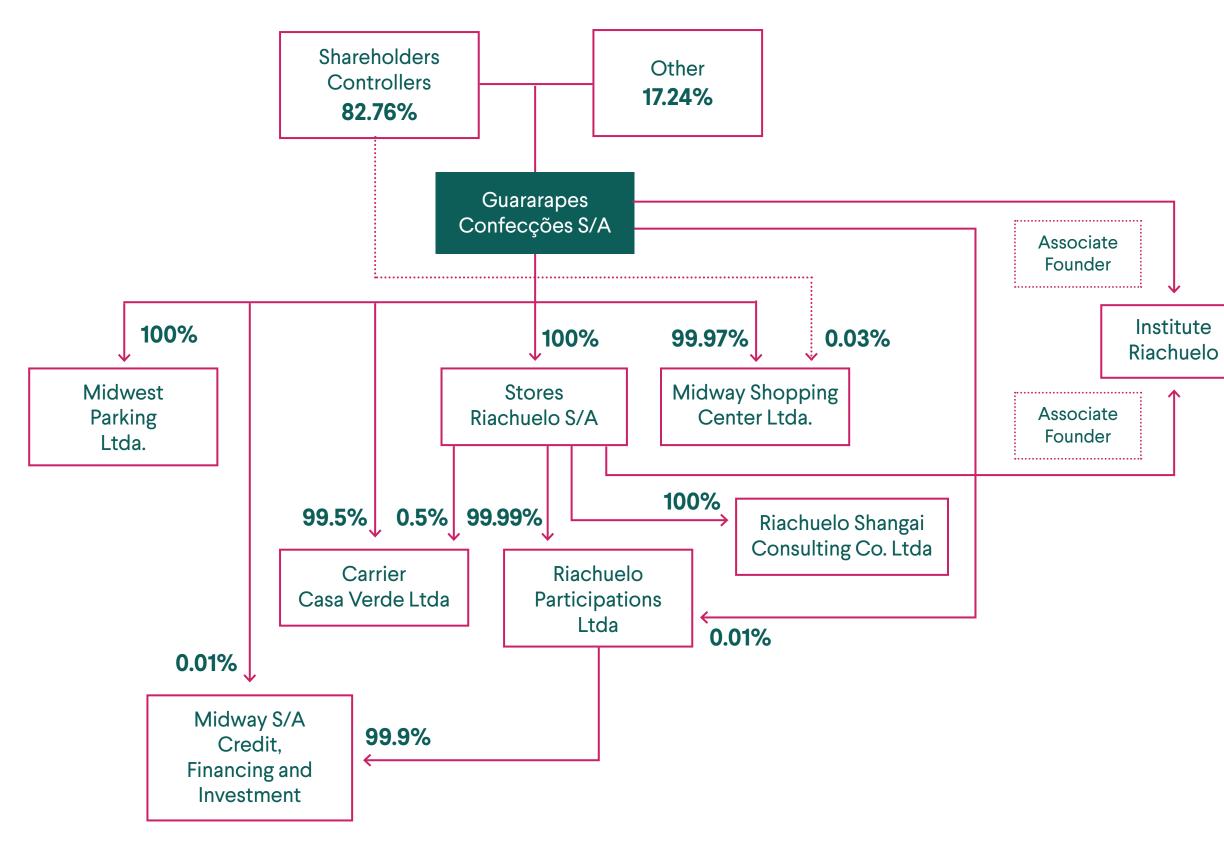
Governance Structure of Guararapes Group



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Organizational Chart of the Corporate Structure

GRI 2-1, GRI 2-9





GRI 2-9, GRI 2-10, GRI 2-11

It has the right to elect and remove members of the Board of Directors, which must consist of a minimum of three and a maximum of nine members, 20% of which are independent and one statutory. The term of office for directors is two years, with shareholders electing the chairman and vice-chairman of the Board, having veto power over the company's CEO. Individual and overall compensation for executives is determined by the General Meeting.

Board of Directors

GRI 2 -9, GRI 2-12, GRI 2-16, GRI 2-17, GRI 2-18

Composed of five members, including two independents and two women, it is the highest body of Riachuelo, responsible for appointing members of the Executive Board. Works together to define business strategies aimed at the longevity and value generation of the company, always considering the environmental and social impacts of its activities. To promote knowledge about sustainable development within the Board of Directors, awareness initiatives are conducted, such as those led by the UN Global Compact in Brazil on Human Rights and Sustainable Development. In addition to overseeing risk management and ensuring compliance with the Sustainability Policy, the Board ensures adherence to the company's values, business guidelines, laws, internal and external regulations, as well as the code of ethics and conduct. It also monitors the due diligence of the organization and its supply chain on socio-environmental issues. The Board of Directors also involves appropriate advisory committees to assist in the process and, if necessary, make decisions based on the results achieved as often as deemed essential.

Critical concerns are communicated directly to the Board of Directors by the Audit Committee and/or the Company's Fiscal Council, following resolutions and discussions that require their attention. The performance of the Board of Directors is evaluated to review its contribution to achieving the established strategic objectives. The evaluation, conducted on a platform ensuring the confidentiality of individual views, covers the key governance agendas: business strategy, governance risk management and decision-making, organizational culture and ESG, and board dynamics and participation in management. The evaluation is annual

with semi-annual checkpoints, and the process includes a performance committee that, together with the People Executive Board, highlights key points to support the development of a collective and individual action plan, enabling the definition of development goals and the review of practices and conduct. GRI 2-18

The current Chairman of the Board of Directors, Flavio Gurgel Rocha, does not hold a senior executive role in the company, nor do any other members of the Board. GRI 2-9, GRI 2-11

Appointment and Selection of Board Members GRI 2-10

Nominations for the Board of Directors should aim for diversity (in knowledge, cultural aspects, age range, gender, availability of time, etc.) to ensure a complementary mix of experiences. This diversity seeks to foster effective debate of ideas that serve as a basis for technical, well-founded, and unbiased decision-making.

The Board of Directors should strive to elect as CEO executives capable of leading the company's business management, in compliance with the risk limits and guidelines approved by the Board of Directors. Additionally, the Chief Investor Relations Officer and other Officers should have experience and skills relevant to their areas of expertise, always adhering to the criteria outlined above.

Proposals for the re-election of statutory board members should be based on their respective performances during their term, contributions during meetings, and their periodic evaluations.

The Audit Committee, an advisory body linked to the Board of Directors, is composed of a minimum of 3 (three) members, with at least 1 (one) being an independent director, and at least 1 (one) must have recognized experience in corporate accounting matters. These qualifications may be fulfilled by the same member. None of the Audit Committee members may be a company controller, nor a director of the company, its controlling shareholder (direct or indirect), or of subsidiaries, affiliates, or entities under common control. They should also not have any subordinate relationship with the aforementioned individuals. In addition to the Statutory Audit Committee, the Board of Directors may establish committees with defined objectives and determine the specific composition and assignments of these committees,

always with the aim of advising the Board of Directors.

Members of the Board of Directors or the company's Executive Board may be appointed to compose the committees.

For committees not provided for in the Bylaws, the nomination criteria established in the Administrator Nomination Policy must be observed, as well as the guidelines and assignments approved by the Board of Directors upon their formation. Committees not provided for in the Bylaws may consist of a minimum of 3 (three) and a maximum of 10 (ten) members, elected by the Board of Directors, which will appoint a coordinator from among the members for each Committee.

The following requirements, competencies, and qualifications are evaluated in candidates for members of the Board of Directors:

i. They cannot be prevented by special law from engaging in business activities or managing business entities; nor can they have been convicted of bankruptcy, misconduct, bribery or graft, extortion, embezzlement, crimes against the popular economy, public faith or property, or any criminal penalty that temporarily or permanently bars access to public office, as provided in § 1 of Article 147 of the Corporations Law;

 ii. They cannot have been sentenced to suspension or temporary disqualification imposed by the Securities Commission that would render them ineligible for positions in the management of publicly traded companies, as established in § 2 of Article 147 of the Corporations Law;

iii. They must meet the requirement of impeccable reputation, as per § 3 of Article 147 of the Corporations Law;

 iv. They do not hold positions in companies that could be considered competitors of the company, as per item I of § 3 of Article 147 of the Corporations Law;

v. They do not have, nor represent, conflicting interests with those of the corporation, as per item II of § 3 of Article 147 of the Corporations Law;

vi. They must possess solid experience as executives or board members.

viii. They must have deep knowledge of finance, accounting, management, or organizational strategy;

viii. They should preferably have specific knowledge of the businesses

covered by the economic group to which the company belongs;

ix. They must be fluent in the theory and concepts of macroeconomics and familiar with the national and international market and economy;

x. They must have extensive knowledge of compliance, internal controls, and risk management;

xi. They must possess extensive knowledge of good corporate governance practices;

xii. They must have availability of time to dedicate to the interests and affairs of the Company; and

xiii. They must align with the values and culture of the company.

The proposal for the reelection of members of the Board of Directors should take into consideration their performance during the period, their experience, and attendance at meetings during the previous term, based on the results of the Board of Directors' periodic evaluation process, as well as conclusions regarding the adequacy or need for adjustments in its composition.

As a general guideline, the candidate nomination process should aim for

the Board of Directors to be composed of an appropriate number of independent directors and a size that allows for the creation of committees. effective debate of ideas, and technical, unbiased decision-making.

Among the members of the Board of Directors, at least 2 (two) or 20% (twenty percent), whichever is greater, must be independent directors, as defined by Novo Mercado Regulation, and expressly declared as such in the minutes of the General Meeting that elects them. A director elected by separate vote in the event of a controlling shareholder, a right provided for in Article 141, paragraphs 4 and 5 of the Corporations Law, and in Article 16, paragraph 3 of Novo Mercado Regulation, is also considered independent.

Senior Leadership Compensation GRI 2-9. GRI 2-19

The Board of Directors shall approve the Group's Executive Compensation Policy. This policy establishes criteria and guidelines for defining fixed and/or variable compensation and benefits for members of the Board of Directors, Executive Board, and Committees of the Company. Based on market practices, it aims to attract and retain qualified professionals and align the interests of directors with those of shareholders.

Comparative surveys of compensation and benefits are regularly conducted to ensure the company complies with best market practices. There is a possibility of signing bonuses, aimed at ensuring the attractiveness of hiring key talents for the Company or even compensating amounts retained in the previous corporation due to their outstanding professional skills, linked to a minimum tenure within Guararapes Group. In addition to the private pension plan, there are exclusive benefits defined in our policy for retirees, such as additional time in the medical plan during plan transition and service tenure bonuses for succession planning. Individual and overall compensation distribution is approved by the General Meeting and is linked to the organization's strategies. The Group's compensation policies include goals and indicators related to strategy and financial performance, aiming to align leaders' interests with the company's long-term objectives. GRI 2-19

In the event of an executive's departure from the Company, some additional exclusive benefits will be granted according to eligibility criteria, such as additional time in the medical plan during plan transition and a professional relocation program or career counseling. GRI 2-19

Compensation policies are established to ensure that compensation agreements help

recruit. motivate, and retain members of the highest governance body, senior executives, and other employees. Furthermore, compensation policies support the organization's strategies and its contribution to sustainable development while aligning with *stakeholder* interests. For significant changes in compensation strategy, especially regarding variable components, the opinion of the people committee is taken into account. The people committee is composed of both independent and internal consultants. GRI 2-20

Learn more at:

https://ri.riachuelo.com.br/governancacorporativa/estatuto-codigos-e-politicas/

Executive Board of the Company

Responsible for implementing decisions of the General Meeting and the Board of Directors. Composed of a minimum of two and a maximum of five statutory executive officers, each with a term of 12 months. All executives must be residents in the country, and may or may not be shareholders.

Fiscal Council

The Fiscal Council is established upon shareholders' request, comprising a minimum of 3 (three) and a maximum of 5 (five) regular members, with an equal number of alternates, elected by the General Meeting. This Committee has duties and powers defined by law, with its main responsibilities including overseeing management activities, periodically reviewing the Company's financial statements, and reporting its findings to the shareholders.

Executive Board of People and Sustainability

The Executive Board responsible for developing Riachuelo's socio-environmental strategies and actions is tasked with identifying demands, risks, and impacts on people and the environment. This information is then forwarded to the Governance and Sustainability Committee, where the executive board naturally holds a membership position. GRI 2-13

Governance and Sustainability Committee

GRI 2-13. GRI 2-17

Composed of five members, 3 (three) of whom are members of the Board of Directors, and responsible for monitoring the Company's socioenvironmental and governance goals. Conducts monthly meetings aimed at ensuring best practices in corporate governance and sustainability within the company and advancing the agenda of creating value for all stakeholders. This Committee provides support and monthly reporting to the Board of Directors in their decision-making processes, such as discussing the enhancement of corporate governance practices, and the replacement of fossil fuel (natural gas) in the boiler with biomass at the Natal factory, which is expected to reduce GHG emissions in our business unit, contributing to achieving the corporation's commitment under the Science Based Targets Initiative (SBTi) to reduce such emissions by 2030.

People and Management Committee

Responsible for ensuring an organizational structure with suitable personnel and incentives for achieving strategic objectives. It is composed of four members.

Committee on Strategy and Digital Transformation

Responsible for ensuring the company's competitiveness by aligning and anticipating technological innovation trends, contributing to advancing the strategic agenda. It is composed of two members.

Statutory Audit Committee

This committee, composed of 3 (three) members, oversees internal audit activities. reviews external audit reports, financial statements, and internal controls, including corporate risk management. Critical communications identified by this committee are forwarded to the Board of Directors.

Policies GRI 2-23, GRI 2-24

topics encompass:

- Sustainability Policy
- Environmental Policy
- Social Investment Policy
- Corporate Volunteering Policy
- Donation Policy
- Material Declassification Policy
- Risk Management)
- Code of Conduct for Suppliers and Third Parties

According to the Company's document hierarchy, Policies are documents prepared by the Corporate Compliance department and approved by the Executive Board and/or Board of Directors, depending on the topic. In addition to these, manuals are managerial documents that instruct the company's business areas on their roles, conduct, and routines, approved by the department managers involved in

- The policies related to sustainability
- Diversity and Inclusion Policy
- Compliance Policies (Internal Controls, Information Security,

To access policies and the **Group Code of Ethics and Conduct**, Other Policies

their development. Furthermore, the Standard Operating Procedure (SOP) is intended to document internal processes, approved by area coordinators. As a rule, documents within Guararapes Group are reviewed biennially, unless a different timeframe is specified within the document itself. Generally, approved documents within the Guararapes Group have well-defined rules of applicability and recipients. The purpose is to easily identify individuals or legal entities, interactions (whether current or future). activities, relationships, spheres (public and/or private), and the location where those commitments are to be adopted by the organization.

The content of all policies, manuals, and SOPs needs to be read, discussed, agreed upon, and regularly signed by the employees involved in the development, approval, and validation of the document. The commitments and guidelines established are communicated to employees through targeted training sessions, themed and audience-specific, and informative posts on the Workplace platform about implemented actions, strengthening its values and educating

everyone. Moreover, all documents (policies, manuals, and SOPs) are made available for employees to read and access, whether on the Guararapes Group's Investor Relations website or the virtual library "Riachuteca," accessible via Workplace.

Sustainability Policy GRI 2-23. GRI 2-24

Defines the guiding principles of Guararapes Group in its interactions with all stakeholders, focusing on democratizing fashion through products that respect human rights throughout the supply chain, responsible sourcing of raw materials. environmental protection and preservation, and ensuring customer health and safety. The sustainability strategy is aligned with the principles of the Global Compact and contributes to fulfilling the United Nations Sustainable Development Goals (SDGs).

Our Diversity and Inclusion, Sustainability, and Social Investment policies encompass our commitment to human rights, in addition to the Supplier and Third-Party Code of Conduct focused on the supply chain.

We assume responsibility and commitment to defending and promoting human rights across all aspects of our business. We choose to actively contribute to creating fairer societies. Therefore, in collaboration with the UN and civil society organizations, we are committed to promoting decent work, the well-being of individuals involved, and the socio-economic development of the communities where we operate. We practice and implement solutions throughout our supply chain to ensure that people have their rights upheld and their lives improved through our actions.

Guararapes Group has committed to addressing negative impacts that the organization identifies as having caused or contributed to through legitimate processes. Mechanisms for reporting complaints allow stakeholders to voice their concerns and seek redress for actual and potential negative impacts affecting them, including their human rights. GRI 2-25

We are signatories to the UN Global Compact and proud supporters of UNHCR (United Nations High Commissioner for Refugees).

Participations and Associations GRI 2-28

Initiatives related to social and environmental issues in which the Guararapes Group participates:

- ABVTEX (Associação Brasileira do Varejo Têxtil)
- IDV (Instituto para Desenvolvimento do Varejo)
- UN Global Compact in Brazil
- Companies and LGBTI+ Rights Forum
- Companies Forum for Refugees
- SBTi (Science Based Targets initiative)
- CDP (Carbon Disclosure Project)
- GHG (Greenhouse Gas) Protocol
- InPACTO (Instituto Pacto Nacional pela Erradicação do Trabalho Escravo)
- BC (Better Cotton Initiative)
- UNHCR (United Nations High Commissioner for Refugees)
- UN Women

Risk Management

The clothing sector is highly susceptible to macroeconomic fluctuations, especially due to its primary cost, cotton, whose prices are determined by the global market and quoted in dollars.

On the other hand, the retail fashion segment is closely tied to changes in GDP (Gross Domestic Product) and credit availability. The economic growth in recent years, coupled with credit expansion, has boosted sales in the retail sector overall, especially in the apparel segment.

The Brazilian retail fashion market is highly fragmented, with a significant portion operating informally. The retail landscape in Brazil is fiercely competitive, with battles over sales and store locations among local and international department stores, specialized shops, discount outlets, and supermarkets. Competitors differ in store layout, product quality, prices, merchandise variety, brands offered, and availability of ancillary services such as customer credit and repair services. The prevalence of informality in the sector significantly impacts retail networks and department stores that comply with tax, labor, and environmental regulations.

Despite unfair competition and the impact associated with international platforms currently benefiting from lower taxation, major chains have grown vigorously due to differentiation, segmentation, quality, technological advances, control, and economies of scale.

Guararapes Group adopts the concept of democratizing fashion in its market positioning, offering affordable fashion for all social classes, aiming to attract consumers from the informal to the formal market. Additionally, it offers payment conditions suitable for the income level of its customers.

The performance of the retail sector is also influenced by unemployment, credit availability, and interest rates.



Risk Management Policy

The Risk Management Policy aims to establish guidelines and procedures for effective management of the various risks faced by the company, using management methods that grant managers autonomy and responsibility to balance risks and facilitate strategic, tactical, and operational decisionmaking. This policy guides and directs the Company's senior management in decision-making, aiming to enhance organizational performance through identifying improvement opportunities and mitigating the probability and/or impact of losses, beyond regulatory requirements.

The Risk Management Policy is structured to ensure that:

- Risk identification and assessment are conducted at least annually.
- An adequate risk profile is established, detailing the assessment results.
- Identified risks are classified according to their potential impact on the corporation.
- Actions are implemented to address identified risks.

• The results of these actions are communicated to appropriate levels of the organization, such as the Executive Board, Audit Committee, Risk Committee, and Board of Directors.

In addition to the main policy, the Company has several other management policies to control different types of risks, including audit policies, compliance, allocation of earnings, prevention and combating of corruption, disclosure of relevant information and trading in securities, related party transactions, appointment and compensation of directors, information security, customer service, sustainability, as well as codes of ethics and conduct for employees and suppliers.

According to the established Policy, the company adopts five categories of risk, which are:

1. Strategic Risk: Refers to the possibility of losses arising from inadequate strategic decisions or the inability to adapt to the internal and/or external environment.

2. Image/Reputation Risk: Deals with the possibility of loss of credibility of the organization with internal and external audiences, due to misinterpretations, communication failures. dissemination of incorrect information, or negative media coverage.

3. Financial Risk: It is everything that could result in financial losses for the company, including financial transactions, errors in the execution of processes and unsuccessful

4. Regulatory / Legal / Tax Risk The risks associated with non-compliance or inability to comply with applicable legislation or regulations, including tax and legal aspects.

investments.

5. Operational Risk: It is the possibility of losses resulting from failures in the specification or execution of the Company's processes, systems or projects, as well as external events that could harm its normal activities or damage its physical assets.

The corporation's risk management model is based on the three-line model. Managers and employees take the responsibility of managing risks and are responsible for the implementation of corrective measures to address deficiencies in processes and controls. The organization's statutory board and management identify risks, with independent assessments of processes and controls, complying with the threeline principle:

Fist line: Represented by the directors and managers of each business or support area, responsible for managing risks and controlling the processes under their responsibility.

Second line: Represented by the internal controls area. It provides consultancy and support to the first

line, identifying and mitigating risks in a preventive manner, monitoring and reporting relevant risks and deviations.

Third line: Represented by internal audit, which carries out independent and periodic assessments and reports to senior management.

The Compliance, internal controls and internal audit areas provide independent and objective assessments to the Audit Committee, Executive Board and Board of Directors. Internal audit assesses the effectiveness of governance, risk management and internal controls, ensuring that risk management and control objectives are achieved independently, reporting directly to the Audit Committee and Board of Directors.

Ethics and Compliance

The Group has a Code of Ethics and Conduct, an Integrity Program and a series of training aimed at leaders in order to establish the ethical standards required by the Company. The company has an Ethics Committee to ensure compliance with the operating principles and standards of conduct established in both the Code of Ethics and the Supplier Code of Conduct.

Conflict of Interest GRI 2-15

Conflicts of interest are defined in the internal regulations of the Board of Directors and in the Code of Ethics and Conduct, and are considered within the set of rules, in addition to legal determinations. Through this mechanism, the Company's leadership is instructed to refrain from participating in discussions and deliberations on matters that may benefit personal interests. In case it happens, it is up to the member involved to formally communicate their abstention, including physically distancing themselves. Such action must be formalized in the minutes. If the member does not do so, those who are aware of the fact must inform the board.

Code of Ethics and Conduct

The Code of Ethics and Conduct consists of a set of principles, values and conduct guided by honesty, dignity, respect, loyalty, decorum, care, effectiveness, transparency and ethical awareness. These values must guide Guararapes Group's transparent relationship with its stakeholders and business practices. Applies to shareholders, members of the Board of Directors, Executive Directors, Statutory Committees, Advisory Committees to the Board of Directors, Fiscal Council, employees, suppliers and service providers of Guararapes Confecções S/A and other Companies of the Economic Group. Everyone declares in writing to be aware of the content of this document, signing the Acknowledgment and Commitment Term.

Supervision of ethical issues is the responsibility of the Reporting Channel Working Group, dedicated to employee conduct. When necessary, said issues are forwarded to the Ethics Committee for deliberation. It is up to managers to guide and advise their direct employees on ethical issues related to their work activities. In case of questions, they are forwarded to the Compliance team.

With the support of the Company's Ethics, Human Resources and Legal Committee, the Compliance area is responsible for monitoring compliance with the Code of Ethics and Conduct.

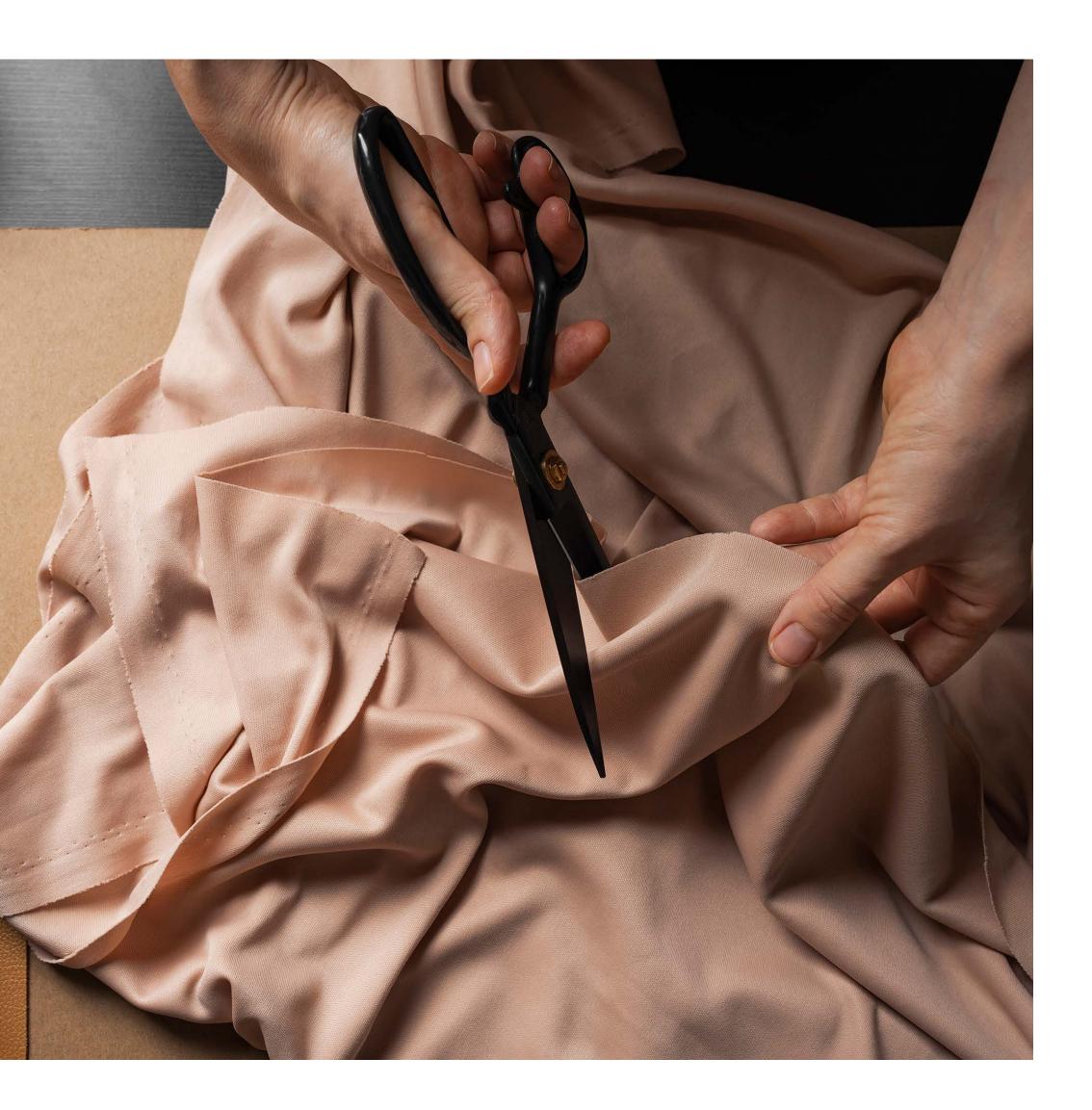
Anti-Corruption Policy

GRI 205-1, GRI 205-3

This policy covers topics regulated by Anti-Corruption Law No. 12,843/2013 and establishes guidelines to combat and prevent illegal acts of corruption and related actions. It strictly prohibits any involvement in money laundering, terrorist financing and corrupt practices. Based on the risk assessment, in 2023 no significant risks of corruption were identified in the activities carried out by the controlled companies, employees, suppliers and business partners. Nor has the Guararapes Group registered a case of corruption committed by any employees, under the terms of the aforementioned Law. This assessment was carried out considering 100% of our 422 operations, as explained on p. 12.

Code of Conduct for Suppliers and Third Parties GRI 205-1

This code regulates the disciplinary and ethical conditions necessary to carry out business with the Guararapes Group. The document includes anti-corruption clauses in agreements signed with suppliers and service providers, in addition to compliance with labor legislation. Compliance with these codes is ensured by the Ethics Committee.



Training and Communication in Ethics and Conduct

As in the previous year, in 2023 another edition of Compliance Week took place. It is an event dedicated exclusively to the topic, offering both online and in-person training. During this period, the highlight was the use of Workplace, a tool accessible to all employees and that facilitates the activities of the Reporting Channel Working Group. This platform has made it faster to send instant messages, carry out live broadcasts and share news and important information on the subject. Furthermore, Workplace contributed to the dissemination of anti-corruption guidelines through targeted training, segmented by topic and target audience.

Still in 2023, the Guararapes Group faced the challenge of expanding the training of its employees in issues related to ethics, internal investigation, combating discrimination, harassment and corruption, especially among managers of stores, distribution centers, factories and corporate areas, in all regions of operation. The strategy included continuing training and workshops, as well as improving posts on Workplace and creating special materials, to achieve more effective results.

Handling cases of violation of the Code of Ethics and Conduct

- Formal written warning
- Verbal warning
- Suspension
- Termination for just cause
- Termination without cause
- Process/procedure implementation or improvement
- Specific training to mitigate incidents in the Reporting Channel
- Forwarding to the area in charge
- Request for clarification from those involved
- Feedback to the party involved
- Interruption of the commercial relationship, in the case of a supplier

Reporting Channel GRI 2-25. GRI 2-26

Intended to deal with complaints about negative impacts and behaviors contrary to corporate ethics, the Reporting Channel is operated by the company Contato Seguro and led by consultants specialized in risks, fraud and other relevant skills. After receiving the complaints, the Compliance team carries out the necessary investigations and determines the measures to be taken by the Company. The stakeholders can monitor remotely, using a personal login and password provided only to them when registering the incident. This provides greater transparency for subsequent investigations and to the decision taken by the company regarding the facts reported. The Channel's management system analyzes the significant volume of information and data circulating on the platform and allows the preparation of usage and result indicators, monitoring their effectiveness. The Channel follows an automated, secure and absolutely confidential workflow, which guarantees the integrity and confidentiality of information.

Cases of discrimination and corrective actions taken GRI 406-1

In 2023, 44 complaints were received regarding episodes of discrimination. After investigations carried out by the Compliance department and responsible areas, 13 of them were considered unfounded; 20 valid/partially valid; 04 inconclusive; and 07 remain under analysis.

For valid/partially valid complaints, the following measures were applied:

06 verbal warnings; 03 Trainings; 03 dismissals for just cause; 02 written warnings; 02 clarifications; 01 Resignation Request (Note: situations in which the employee himself, during the investigation process, resigns); 01 Feedback for the employee; 01 Termination WITHOUT Cause; 01 Suspension.

The Guararapes Group's challenge in 2024 is to train its employees on ethics, internal investigation, combating discrimination, harassment and corruption, especially its managers (stores, DC, factory, corporate, etc.) by region in which the company operates, with training, workshops, Workplace posts and extra materials.

Complaints filed regarding cases of discrimination include cases of discrimination based on race, color, sex, religion, political opinion, national ancestry or social origin, as defined by the ILO, or other relevant forms of discrimination involving internal and/or external stakeholders in all activities of the organization in the reporting period.



Data Governance and Information Security

The Guararapes Group's emphasis on Data Privacy is evident, recognizing its critical importance and assuming great responsibility in this aspect. This is reflected in continuous efforts to improve processes, offer training and update policies and manuals. Furthermore, it establishes solid and proactive data governance, seeking compliance with the policies, rules and best practices defined by the National Data Protection Authority. The team is constantly updated. Regular consultations are held with the Regulatory Body and business areas are guided to ensure compliance with legislation. In 2023, no complaints regarding violation of privacy and loss of customer data were substantiated. GRI 418-1

CRIA! Movement About the Report GRI, SASB and TCF



Transparency

GRI 3-3 Governance, Ethics and Transparency

The leadership of the Guararapes Group recognizes that transparency is essential to guarantee its credibility among stakeholders and to preserve its business. Since 2021, the Company has responded to the Communication on Progress (COP) of the United Nations Global Compact, addressing the performance of all actions related to compliance with the 10 (ten) Principles and the goals to achieve the Sustainable Development Goals (SDGs). For the second year in a row, it also responds to the CDP questionnaire, publicizing initiatives and actions to mitigate the impacts of climate change. In addition, it publishes the Integrated Report in accordance with the IIRC (International Integrated Reporting Council) and the GRI Standard (Global Reporting

Initiative), which is submitted to external verification.

The company voluntarily responds to the Brazil Fashion Transparency Index (ITMB), an initiative of Fashion Revolution, which promotes a more sustainable and responsible fashion industry. The ITMB reviews the public disclosure of brands based on 252 indicators in five areas:

- 1. Policies and commitments
- 2. Governance
- 3. Traceability
- 4. Know, communicate and resolve
- 5. Featured Topics

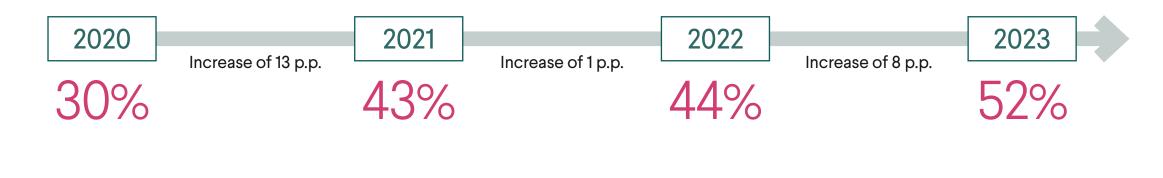
Responsible Communication

Within the scope of Responsible Communication, one of the challenges faced by the fashion sector is engaging and changing behaviors through communication. The Cria! Movement, which encompasses all the initiatives of the organization's sustainability strategy, seeks to raise awareness, sensitize and invite society to adopt more sustainable practices.

Instagram Carreiras

As part of the strategy of keeping responsible communication with its stakeholders, in 2023 Riachuelo launched

Evolution of Riachuelo's performance in ITMB:



a new profile on Instagram aimed at acquiring and retaining new talent in the Company, aiming to strengthen its position as an employer brand.

With over 10 thousand followers, **@riachuelocarreiras** aims to connect the brand with new people looking for opportunities. It is an open channel for interaction and to further strengthen the relationship with those who want to be Rchlovers.

The brand's employability profile is based on its value proposition, established and kept since 2021 – "Live the career that connects with you" – and presents authentic content from the company's employees. Such content ranges from work routine and corporate culture to ongoing projects and the work environment.

Additionally, the page offers information about opportunities available for those who wish to join the corporation, along with the various benefits offered by the ecosystem. The page also shares internal activities, highlights the employee ecosystem and promotes special campaigns.

Chat with the CEO

When André Farber took over the leadership of the Guararapes Group in May 2023, he started to hold the 'Chat with the CEO'. There are monthly lives for the entire Company to share the company's advances, also highlighting upcoming projects and innovations.



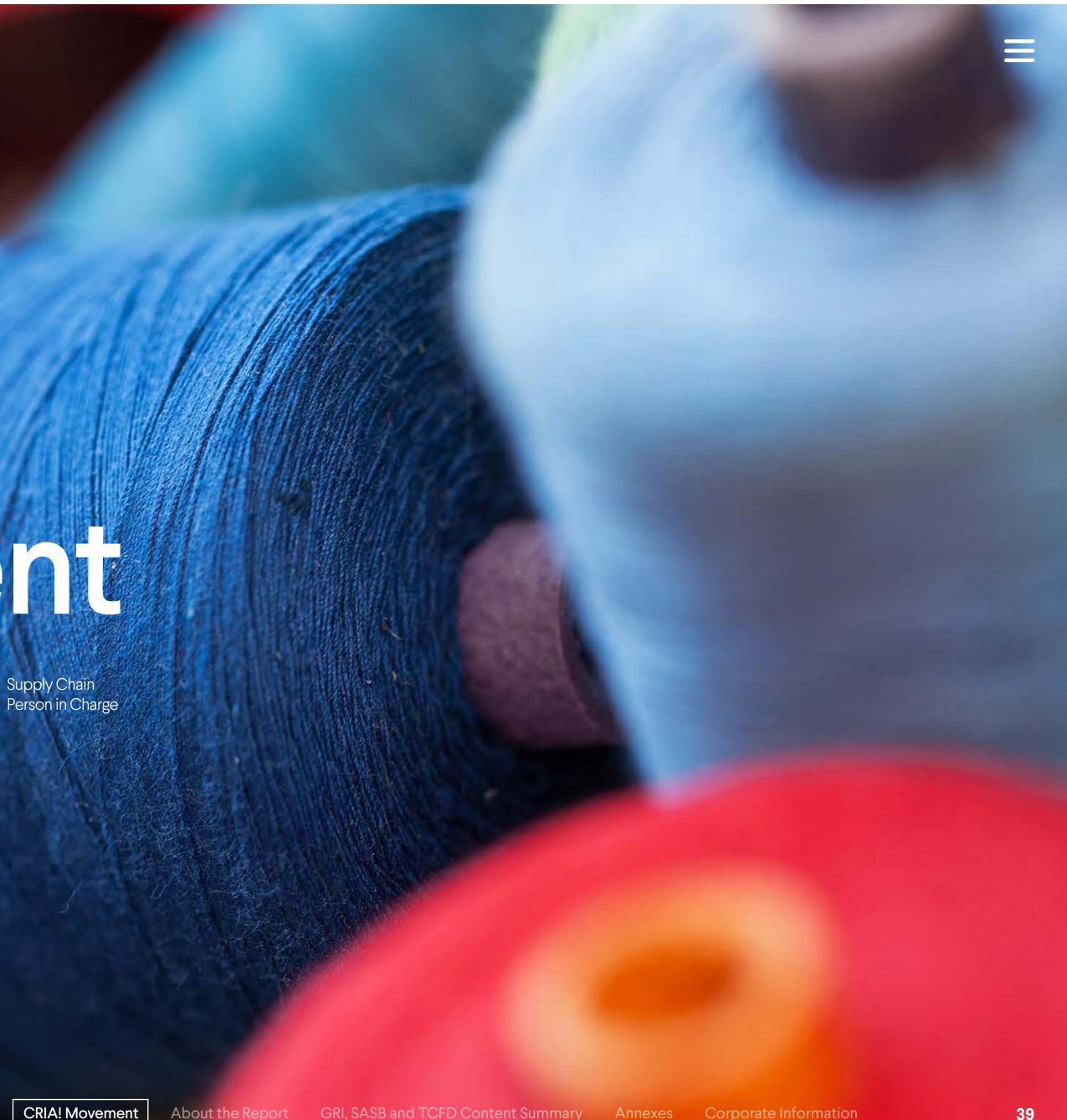
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CRIA! Movement

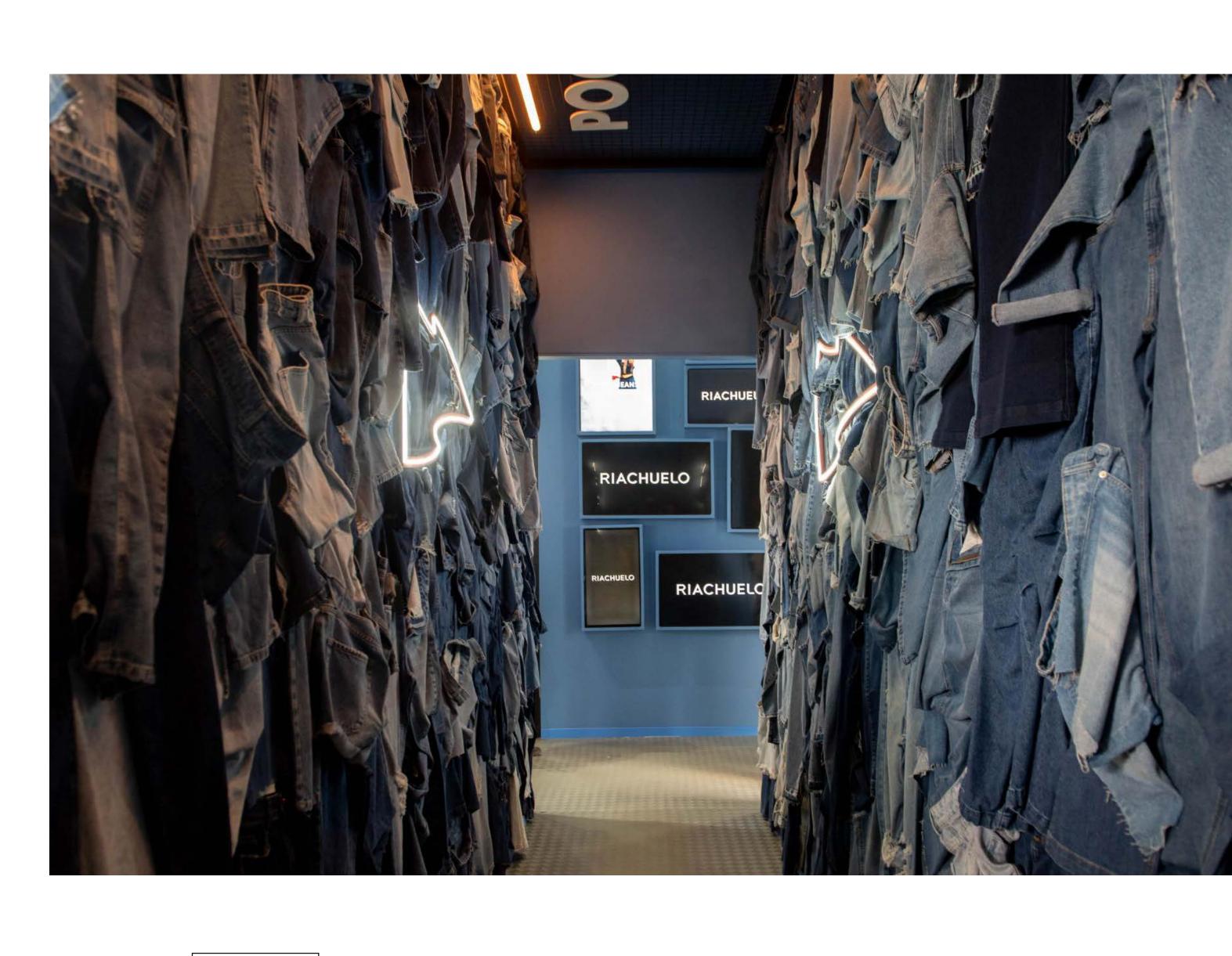
Our vision goes beyond simply adopting sustainable practices. We seek to democratize sustainability, understanding that our value is intrinsically linked to our ability to create a more sustainable world. That's why we launched the CRIA! movement, an initiative that goes beyond an idea. It's a commitment to transforming the market, ourselves and society as a whole.

We recognize the transformative power of actions and the importance of raising awareness among both customers and employees to generate significant changes. We believe that when we rethink and mobilize, we create the necessary strength to make new choices and inspire others to join us in this process of transformation.

CRIA! is about thinking and acting, it's talking and joining forces. It is paving the way for more sustainable choices and inviting society to adopt simple, yet impactful, practices in their daily lives. It's about bringing sustainability to the center of our activities in a simple and effective manner.

At the heart of the CRIA movement! is the Guararapes Group's commitment to reducing the socio-environmental impact throughout the supply chain and offering increasingly sustainable products. Among the main topics covered by CRIA! are circularity, the environment, care for people and society, as well as the promotion of human rights throughout the supply chain.

Therefore, CRIA! is not just a movement. It is a call to action for all those who wish to be agents of change, wherever they are and however they can contribute. Together, we can carry out the transformations the world so desperately needs.



Awareness raising and internal communication actions

Riachuelo Cria! Week

In 2023, the 1st "Riachuelo CRIA!" Week took place; an initiative aimed at raising awareness and communicating with all our employees. The objective was to deepen and engage participants in the themes and initiatives of our Ecosystem, focusing on the main pillars: Environment, Circularity and Social.

We counted on the participation of guests who are experts in the market, including representatives from the UN Global Compact in Brazil and UNHCR, the UN agency for refugees, addressing fundamental social issues for our future.

In the environmental sphere, we had the contribution of Arca Sustentabilidade, B3 and Riachuelo Institute, discussing crucial topics related to environmental sustainability and responsible business practices.



Regarding circularity, we had the participation of IPT (Institute for Technological Research), exploring a variety of essential issues to promote the circular economy and sustainable management of resources.



Cria! Award

Another initiative to promote and encourage the ESG agenda within the Group was the CRIA! Award. 2023, an action designed to recognize our team's efforts in building a better future with us. To this end, the Award gave visibility to sustainability initiatives within our Ecosystem, valuing teamwork.

Participants were organized into groups of two to five employees and could register as many projects as they wanted, as long as they met the requirements and were projects or initiatives implemented between 2021 and 2023. The evaluation committee chose three winning groups, with the prize divided into three categories: **Environment** Aimed at projects and initiatives that generated significant results in areas such as eco-efficiency (water, electricity, materials, chemicals), recycling of non-textile waste and reuse of materials.

Social: Recognized projects and initiatives that made a positive impact on diverse communities and diversity groups.

Circularity: It recognized projects and initiatives that stood out in areas such as recycling, *upcycling* (the process of transforming discarded materials or products into new items of greater value, utility or quality) and *downcycling* (the recycling process in which discarded materials are transformed into new products of lower value or quality compared to the original material) of textile materials.

The Prize included a travel voucher worth BRL5,000 for each member of the winning team. An additional incentive to continue working together towards a more sustainable and inclusive future.

Sustainability Strategy

Sustainability in the textile industry presents several challenges related to the impacts of activities on the environment and society. These include issues such as precarious work in the supply chain, climate change, consumption of natural resources, use and disposal of chemical products, as well as waste management throughout the life cycle of products.

The Guararapes Group is actively engaged in mitigating these impacts and searching for innovative solutions that can regenerate ecosystems, promote human rights throughout the value chain and contribute to the development of the communities where it operates. Thus, the sustainability strategy permeates all of the group's activities and is guided by the following principles:

Diversity and Inclusion

Water and Energy



Circularity

GRI 3-3 Circularity | GRI 306-2 | Global Compact Principles 7-8-9 | SDGS 6-9-12-13-17

One of the main pillars of the Company's responsible action strategy is circularity. The current scenario brings a huge challenge. However, it proportionally brings a window of opportunity. Within this context, circularity emerges as a protagonist, playing an important role as a solution for the sector.

Commitment

The Guararapes Group recognizes that its role as a leader in the transformation of the fashion industry is directly linked to the management of its textile production. In 2023, approximately 31 million pieces of clothing were manufactured by Guararapes Confecções, generating 2.4 thousand tons of textile waste at our manufacturing unit.

This vision and commitment are formalized in the Environmental Policy, which establishes guidelines for the eco-efficiency of operations, respecting the environment, conserving biodiversity, promoting the sustainable management of natural resources and promoting circularity.

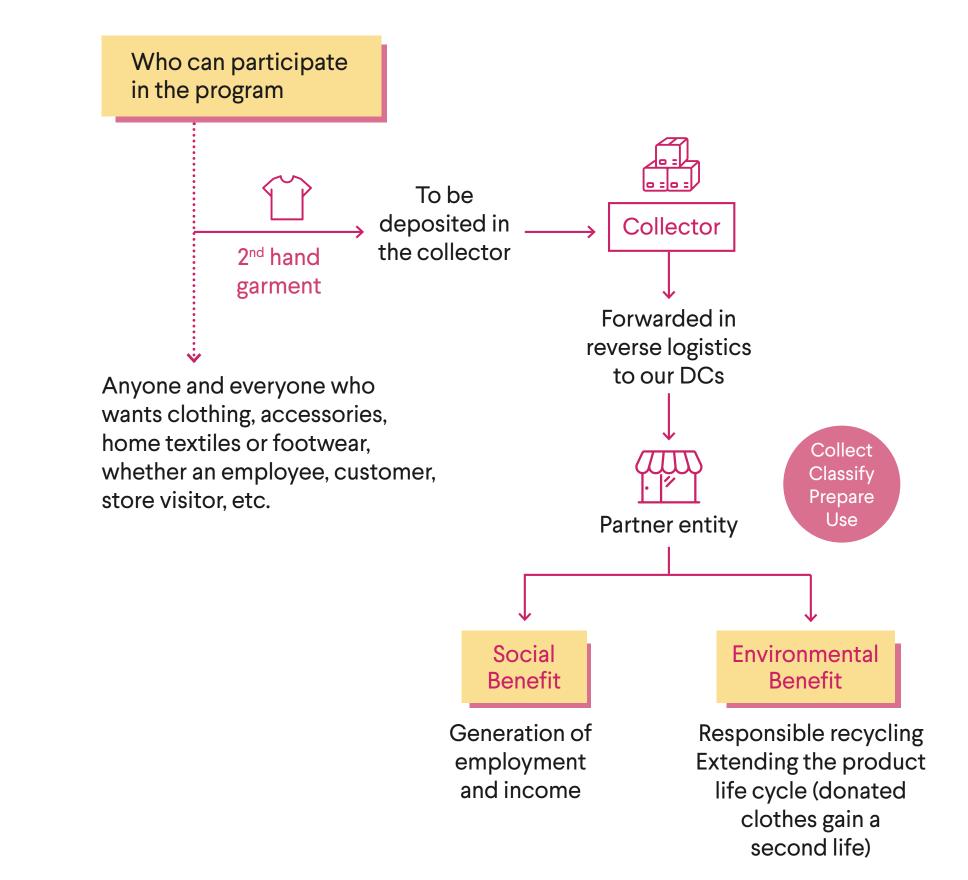
Life Cycle

Moda que Transforma Program (Fashion that Transforms) **GRI 306-4**

Our actions to promote the circular economy in the textile sector began in 2020, with the launch of the "Moda que Transforma" program, present in more than 330 stores across the country. Through the Program, customers can donate their clothes to collections available in all Riachuelo stores in Brazil. These pieces are destined for the Liga Solidária (Solidarity League) and Cáritas Brasileira. Some are sold in charity bazaars and the proceeds are directed to social projects, while pieces in unsuitable conditions are sent for textile recycling.



HOW THE PROGRAM WORKS



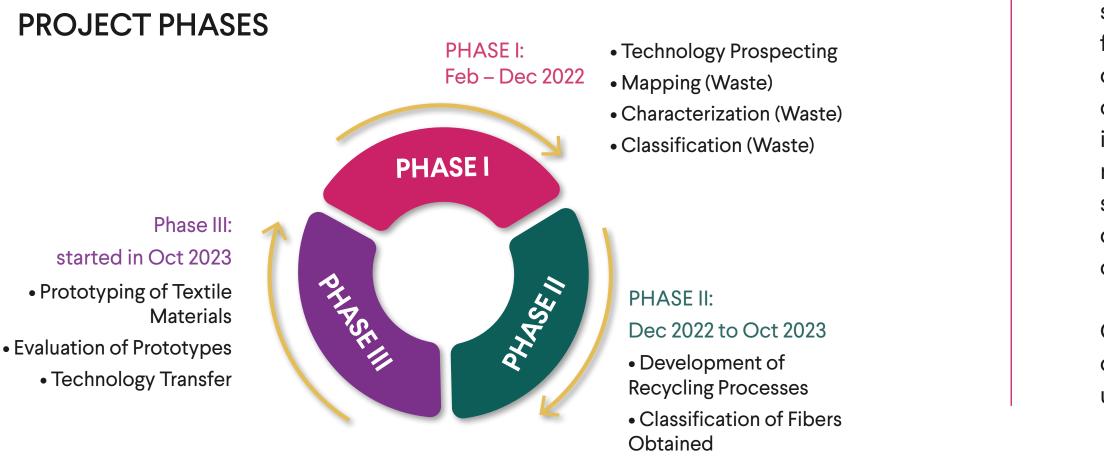
Partnership with the São Paulo Technological **Research Institute (IPT)** GRI 306-2

The Company allocated more than BRL 2 million to boost closed-loop recycling in the textile industry, through a partnership established in 2022 with the Institute for Technological Research (IPT) in São Paulo. The objective is to develop a technology capable of transforming waste from the clothing industry into more sustainable raw materials.

The project aims to create a fiber from textile waste from the company's factories and clothing donated by

customers, aiming to reuse this waste and reduce the use of virgin raw materials, resulting in lower environmental footprint. It is estimated that more than 3 thousand tons of waste are reused annually through this initiative.

Divided into three stages, at the end of 2023 the project was in its third and final stage, which includes the prototyping of textile materials, the evaluation of prototypes and the transfer of technology. The following figure provides details about the project.



Circularity + Sustainability Innovation HUB

Initiative that aims to use science and technology to reduce what is discarded into the environment and promote a circular and healthy economy in Brazil's fashion industry. With the initiative, the company leads and takes part in conducting and gathering information and innovative solutions related to the topic, connecting, interconnecting and integrating various actors. The movement has the participation of B3, from its social and sustainability arm, Institute of Technological Research (IPT), Vicunha, Retalhar, Focus Têxtil, Opim, SFCB.

The HUB for Innovation in Circularity and Sustainability, which was born with the audacious mission of finding large-scale solutions for textile recycling, celebrated its first year of existence in 2023. This project contributed significantly to the development of Riachuelo's first circular collection. launched in March 2024. Composed of at least 28% recycled fibers, this collection incorporates sustainable practices, including reducing the consumption of water, chemicals and the use of renewable energy.

On its website, Riachuelo also provides consumers with tips on how to extend the useful life of their clothes and footwear.



Riachuelo's first circular collection is made up of at least 28% recycled fibers.

More sustainable raw materials and products

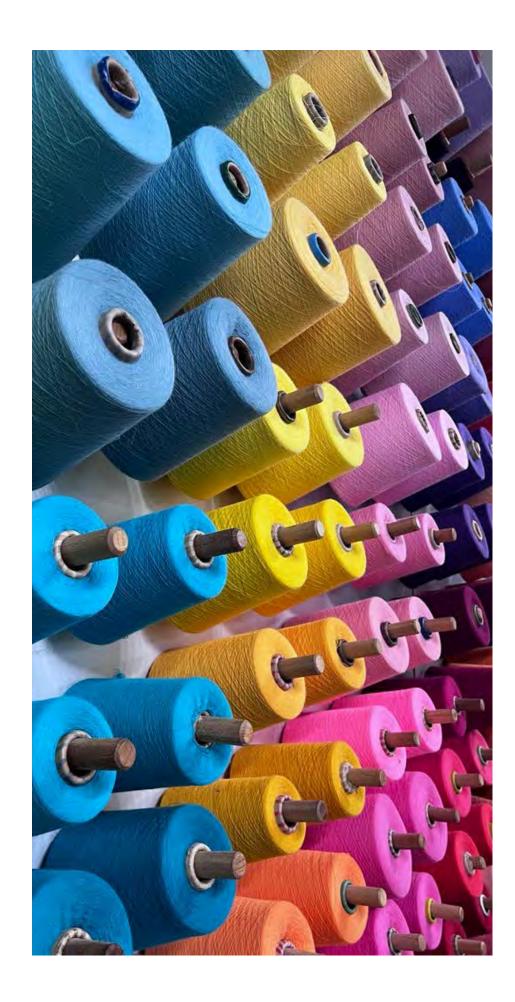
GRI 3-3 More sustainable raw materials, GRI 3-3 More sustainable products

The raw materials used in the textile industry have a considerable environmental footprint, involving high water consumption, the use of chemical products and the emission of greenhouse gases. Faced with this challenge, to promote more sustainable production, the Guararapes Group has been opting for raw materials with lower environmental footprint, such as:

Certified cotton, encouraging agricultural practices that reduce environmental footprint, such as the efficient use of water and chemicals. and promoting adequate working conditions.

Organic cotton, grown without the use of chemicals or pesticides, preserving the health of the soil and agricultural workers, and reducing environmental footprint.

Defibrated cotton is obtained from fabric scraps and textile waste from industrial processes. After going through a defibration process, it is used in the production of new yarns and fabrics, reducing the need for new raw materials and reducing the volume



of discarded textile waste, contributing to the reintroduction of fibers into the production cycle.

Certified viscose is produced from wood sourced from responsible forest management. Furthermore, the production process follows strict environmental standards, especially related to the use of water resources and the reduction of emissions.

polyamide is an alternative that allows clothes to decompose in up to three years when disposed of correctly in landfills, in contrast to conventional polyamide, which can take up to 50 years to degrade. In addition to contributing to the reduction of post-consumer waste from the textile industry, this solution helps to prevent

> (31.1% as of December 31, 2022) of more sustainable raw materials throughout the certified:

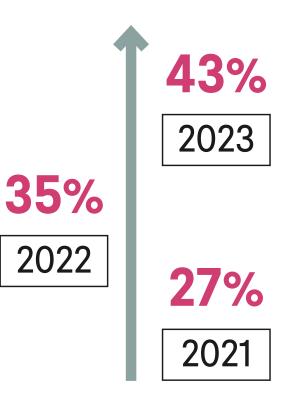
CRIA! Movement

Amni Soul Eco biodegradable

the persistence of non-biodegradable plastic waste in the environment. Currently, the company incorporates 97% more sustainable cotton in its own production, covering all the modalities mentioned above. As for the most sustainable viscose, the Guararapes factory reached 68% in 2023.

In the same year, 43% of textile products available in stores were more sustainable. while the use of more sustainable raw materials reached 40%. For a product to be considered sustainable it is analyzed under social and environmental stem points. Social analysis is carried out through the assessment of the supply chain. Environmental analysis is carried out by verifying compliance with raw material certifications.

EVOLUTION OF MORE SUSTAINABLE TEXTILE PRODUCTS IN STORE



40%

97%

cotton chain in our factory (98% as of December 31, 2022) and 68% in the chain (42% as of December 31 2022) of certified cotton:

68%

certified viscose at the Guararapes factory, (39% on December 31, 2022) and 36% (17% on December 31, 2022) of certified viscose in the chain.

More sustainable production processes

GRI 3-3 More Sustainable Products

The Guararapes Group recognizes that promoting more responsible fashion requires products and production processes that are less impactful on the environment. Taking over a proactive role in this context, the Company is committed to offering the market products made with more sustainable raw materials, developed through processes that aim to reduce environmental impacts, while respecting the human rights of its workers.



Less water and chemical consumption in jeans production

We developed initiatives to optimize the use of water, such as the Water Management Program in Operational Units, which monitors the volumes captured, consumed and discarded in each unit of the Group, looking for opportunities to improve water management.

At the factory in Natal – RN, effluents resulting from the garment dyeing processes undergo treatment before being returned to the environment, following the standards established in the unit's Environmental License. The factory has its own station to treat those effluents, and the water used comes from artesian wells, with permits issued by the competent bodies.

We highlight environmental efficiency in the production of jeans, where we replace the excessive use of water and chemicals with ozone to desizing, clean and whiten the pieces; by laser to create distressed effects on jeans; and the biodegradable nebulization enzyme process, which gives the appearance of worn, softened and shrunken jeans. These changes eliminated several processing steps, reducing the use of chemical products by up to 60% and water consumption by up to 70% compared to the previous process.

Technology and Innovation

GRI 3-3 Technology and Innovation

In order to standardize operating systems and adopt more efficient and updated tools, in May 2023 the integrated management system at the Natal factory underwent a migration to a technology identical to that used by the other companies in the group. The ERP system transition resulted in the temporary interruption of manufacturing activities between April and May 2023, however, there was no negative impact on supply to stores. Around BRL 252.0 million were invested in Technology & Digital Transformation.

Our goal is to conduct studies by 2025 to implement water reuse in the factory by 2030.

Environment

Climate change

GRI 3-3 Climate changes, GRI 201-2

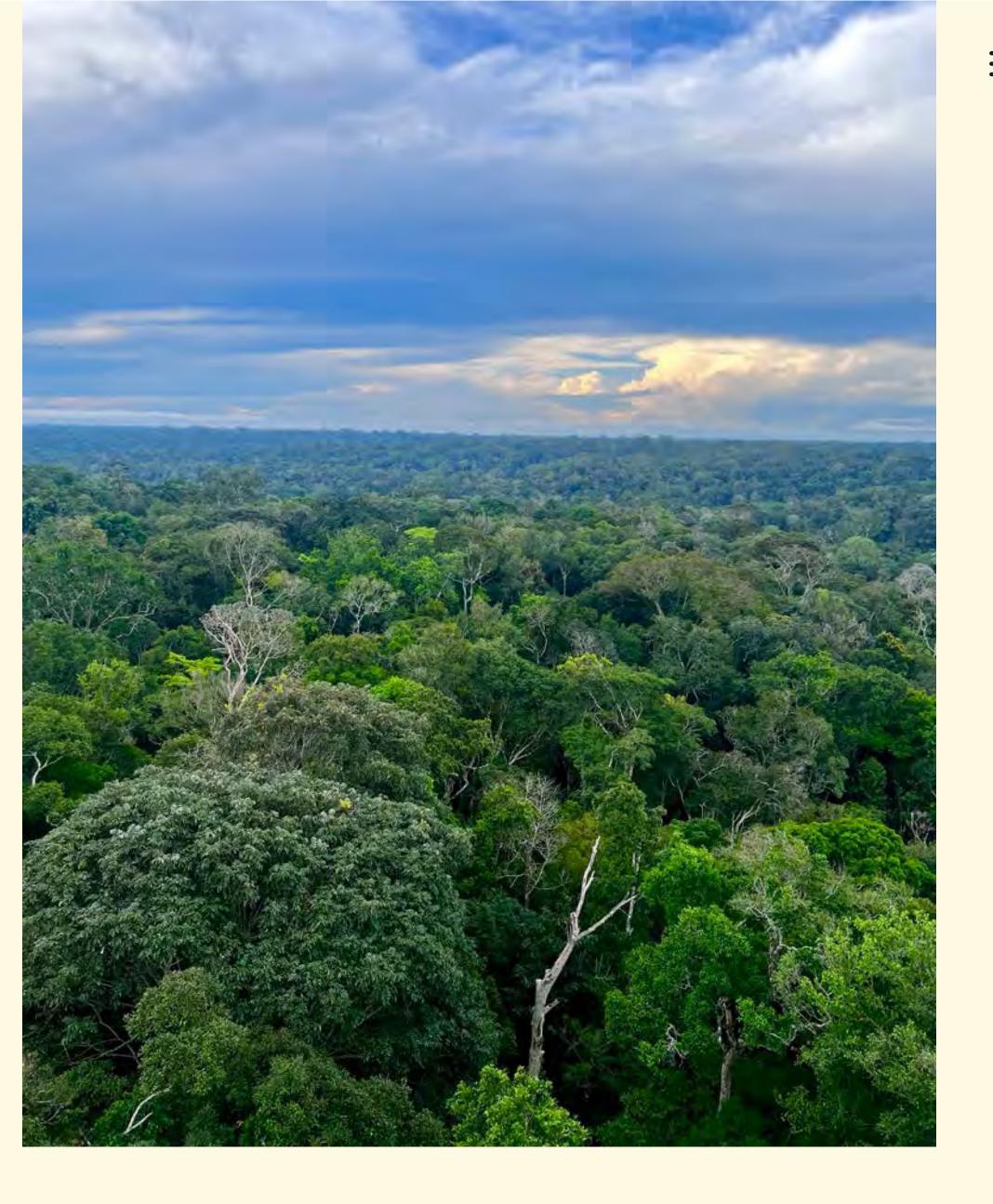
Climate change represents a crucial challenge in our time, demanding an urgent response to mitigate its negative impacts. Reducing greenhouse gas emissions is an imperative that mobilizes companies from different sectors, driving businesses towards an energy transition aiming for a low-carbon economy.

As one of the largest fashion conglomerates in Brazil, the Guararapes Group recognizes the importance of leading efforts to not only reduce the environmental impacts of its operations, but also regenerate impacted ecosystems. We believe that through actions, innovation and defined goals, we can pave the way for a balanced process, contributing to restoring environmental balance. As part of its sustainability policy, the Guararapes Group is committed to efficient water management and the protection of biodiversity in all its business units and its supply chain.

Extreme weather events, such as periods of water scarcity in the Northeast region, where the Company's industrial park is located, or in other locations that supply raw materials, directly impact operations and may result in increased water

acquisition costs, reduced production or even interruption of activities, causing significant financial risks. This highlights the seriousness and urgency required to achieve the objectives of the Paris Agreement.

Climate opportunities shape the Guararapes Group's strategy, which invests in innovative technologies and methods to reduce greenhouse gas emissions. In the industrial park, fabrics composed of defibrated cotton are adopted, using leftovers and textile waste generated in industrial processes. This approach not only creates more sustainable products, replacing the need for new raw materials, but also reduces the volume of discarded textile waste and energy consumption to obtain the raw materials, contributing to the reduction of CO₂emissions.



Results achieved in 2023

In 2023, Riachuelo achieved, for the third time. certification in the Gold Seal category by the Brazilian GHG Protocol Program. That attests to the Company's commitment to quantifying and monitoring its carbon emissions transparently, in addition to joining efforts to reduce them. The Gold Seal is awarded to companies that meet all transparency criteria when publishing their emissions data and submit their inventories for verification by a third party.

These achievements and initiatives show how solid and fast are the advances of the corporation in its sustainability actions. To assess performance, indicators are used that may be related to impacts on the organization, such as financial results, or impacts on the surrounding area: atmospheric emissions, distribution of private social investment and job creation.



EMISSIONS

The Guararapes Group monitors greenhouse gas (GHG) emissions in all its operations by preparing the Corporate **GHG** Emissions Inventory, which is submitted to third-party verification.

Reduction of GHG Emissions

The Group's current strategy to face the possible impacts of climate change focuses on adopting renewable energy and the gradual and voluntary reduction of greenhouse gas (GHG) emissions.

The Guararapes Group committed to the Science Based Targets initiative (SBTi), in 2022, in partnership with the Carbon Disclosure Project (CDP), the United Nations Global Compact, the World Resources Institute (WRI) and the World Wide Fund for Nature (WWF). This initiative collaborates in defining targets to reduce greenhouse gas emissions in line with science, engaging companies and supporting them in the process of defining, evaluating and validating targets, an effort that represents the seriousness and urgency of taking action in the face of Climate Change.

We are evaluating opportunities for research and development of technologies that allow the defibration and recycling of fibers in our own industry, as well as the use of textile waste in the production of new fabrics. In 2023, the Board of Directors approved the replacement of the fossil fuel

(natural gas) used in the Natal factory boiler with biomass. in order to reduce GHG emissions in our business unit. Construction of this initiative is scheduled to begin by 2026 and is aligned with the science-based goal established by SBTi for the Company to reduce emissions by 2030.

The Group also responds to the Carbon Disclosure Project (CDP) questionnaire, an entity that manages a global disclosure system so that investors, Companies, cities, states and regions can deal with their environmental impacts. In 2023, the Company achieved score A- in the Water category, with "A" being the highest score and "F" being the lowest. It also secured the Leadership in water management at CDP for the second consecutive time. Furthermore, in 2023, score B+ remained for Climate Change. For the first time, the company also responded to the questionnaire on Forests, getting a score C+.

Science-Based Emissions Reduction Targets

Lojas Riachuelo S/A reinforced its commitment to climate change by announcing ambitious, sciencebased targets (SBTi) to reduce greenhouse gas (GHG) emissions by 2030.

SCOPES 1 AND 2: The Company has committed to reducing its absolute emissions by 46.2% by 2030, based on 2019 figures. This measure aims to reduce the direct environmental footprint of its operations. Since 2022, it has already been reduced by around 30% through the acquisition of IRECs.

SCOPE 3: Riachuelo is committed to reducing its scope 3 (three) emissions, related to purchased goods and services, by 55% per textile product purchased by the company by 2030, starting from the base year of 2019. This commitment covers the company's supply chain, aiming to mitigate the environmental footprint throughout its entire operation.

The Company's Greenhouse Gas Emission Inventories are prepared following the quantification methodologies of the Intergovernmental Panel on Climate Change (IPCC) and the ISO 14.064 Standard – Part 1, which defines requirements for the preparation of GHG emissions and removal inventories. The inventories also follow the methodology of the Greenhouse Gas (GHG) Protocol - A Corporate Accounting and Reporting Standard, developed by the World Resources Institute (WRI) in association with the World Business Council for Sustainable Development (WBCSD).

Public Emissions Registry

GRI 305-5

Scope 1: There was a reduction of 2.659 tCO₂e. However, no significant reasons were found for this reduction, other than the reduction in consumption itself.

Scope 2 (location): There was a reduction of 14,715 vs 2019 mainly due to the significant variation in the SIN's electricity emission factor. Scope 2 (purchase choice): There was a reduction of 14,715 compared to 2019 due to the purchase of I-RECs certificates.

Scope 3: Considering what we had already reported in 2019, there was a significant increase in Scope 3 emissions in 2023 mainly because other categories were included, such as Goods and Services and Upstream Transport and Distribution, which are significant. Considering the update of the 2019 emissions to include all Scope 3 categories, there was a reduction of $35,629 \text{ tCO}_{2} \text{ e}$ (compared to the base year of 2019 to 2023) mainly because emissions from the Goods and Services Category were reduced.

Emission inter (gCO, / produ purchased)

	2021	2022	2023
nsity uct	1,630	1,638	1,480

GHG emissions (tCO₂e) GRI 305-1, 305-2, 305-3	2021	2022	2023
Direct (Scope 1) GHG emissions	32,853	37,211	28,188
Indirect (Scope 2) GHG emissions from energy acquisition (location)	29,984	10,517	9,007
Indirect (Scope 2) GHG emissions from energy acquisition (purchase choice)	13,532	0	0
Other indirect (Scope 3) GHG emissions	220,138	199,139	220,363
Goods and services purchased	165,963	139,807	125,874

NOTE: In the Company's Integrated Report for the previous year, scope 3 emissions were reported without calculating the goods and services' category. From this year onwards, the Company presents this data, also including previous years. In the table above, in addition to Scope 3, we separately present the Purchased Goods and Services Category and the intensity of emissions in this category. That is based on the number of products (textiles) purchased, as they are directly related to the Scope 3 reduction target validated by SBTi.

For Scope 1 and 2, emissions for the base year (2019) are, respectively, 30,946.97 and 20,028.09.

In Scope 2 (location approach) there was a reduction of 1,510 tCO₂e resulting from the reduction in electricity consumption. In the purchase choice approach, emissions remain zero, as the Group continues to ensure the traceability of 100% of the electrical energy consumed through the acquisition of I-RECS. GRI 305-5

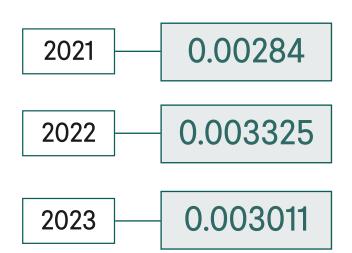
Power

The energy transition strategy adopted by the Guararapes Group focuses on the search for cleaner and more renewable sources. Through the Renewable Energy Program, the Company has used energy from sources such as wind, solar and biomass, including production by Small Hydroelectric Plants (SHPs). In 2022 and 2023, all purchases of energy from renewable sources were carried out through I-RECs certificates, thus ensuring that 100% of the energy purchased comes from renewable sources.

Furthermore, since 2022, 100% of stores operate with LED bulbs in sales areas. This contributed to the reduction of stores' energy requirements (electricity consumption/sales area) from 0.27 MWh/m^2 in 2019, the base year, to 0.23 MWh/m^2 in 2021 and 0.24 MWh/m² in 2022 and 2023, representing a reduction of 15% and 11%, respectively. If we consider the reduction considering the volume of energy, it is 21,547 MWh, in 2002, and 25,407 MWh, in 2023, compared to 2019*. GRI 302-4. GRI 302-5

2019 is the base year because it was the first year inventoried and considered a "normal" year prior to the pandemic.

Energy Intensity (MWh)

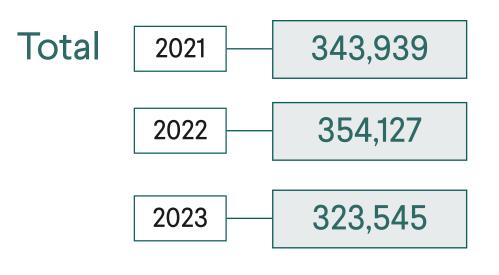


NOTE: The method to calculate energy intensity is the energy consumption (GRI 302-1) of the products sold by the Company. The data was adjusted to consider the total energy value in MWh and not just electricity, as done in previous years (GRI 2-4). (GRI 2-4).

Energy consumption within the organization (MWh)

GRI 302-1

GRI 302-3





Since 2022, the Group has been tracking 100% of its energy consumed, ensuring a renewable source through the purchase of I-RECs certificates.



^{*} To calculate the reduction in electricity consumed, an estimate was made of the energy consumption that would have occurred in 2023 if LED bulbs had not been implemented, using, this year, the average MWh/ m^2 of 2019 and the total sale area of 2023: 702137*0.2708=190,139 MWh and the difference, which would be the average consumption that was no longer consumed, is 190,139 minus 164,732, which equals 25,407 MWh.

Water GRI 3-3 Water | GRI 303-1, GRI 303-2

The Guararapes Group recognizes the vital importance of water resources in all stages of its operations, from manufacturing to the operation of stores and offices. Above all, the Company is concentrated in the Northeast region of the country, where river basins face challenges in water availability and quality. Therefore it is aware of the risks of dependence on conventional sources of collection. such as the increase in the cost of water and the possible interruption of supply.

The risks mentioned above were structured based on a matrix of socioenvironmental and climate risks and opportunities that directly influence the Company's business model and strategy.

To face these challenges and ensure the sustainability of its operations, the Guararapes Group adopts a series of measures, including diversifying water collection sources and increasing water efficiency, mainly focusing on the reuse of effluents. Furthermore, the company is committed not only to the preservation of water resources, but also to guaranteeing the Human Rights to Water and Basic Sanitation of local communities.

One of the goals established by the Group is to reduce the volume of water captured by 20% by 2030, based on 2019 data. The Water Management Program in Operational Units was implemented to achieve this goal. It includes risk assessment using tools such as ANA's water deficit maps and WRI's Aqueduct tool. Furthermore, the quality of water collected and effluents discharged is continuously monitored in all Guararapes Group manufacturing units. The quality of the effluent meets the quality and safety standards of Brazilian legislation.

The water reuse strategy is already in practice in some facilities, such as the Guarulhos Distribution Center. in São Paulo, where reused water is used in several processes, ensuring the continuity of operations even in water scarcity scenarios.

Furthermore, the Group is committed to monitoring and encouraging its suppliers to adopt sustainable water resources management practices. Since 2021, the company has requested information on water consumption and management from its main suppliers, encouraging them

Total water Base year 2023

(megaliter ML)

CAPTURED

DISCARDED

CONSUMED

to report their practices in the ARCA Sustainability System.

These initiatives reflect the Guararapes Group's commitment to responsible water management. It considers its impacts, throughout its value chain, with a proactive and sustainable approach in relation to this fundamental resource.

One of our goals is to reduce the volume of water collected by 20% by 2030.

1,363,813 1,113,407 57,977

Eco-efficiency

Currently, only 1.2% of the Earth's water is available for human consumption, creating a serious problem for future generations. Responsible management of water use is a mission of the Guararapes Group. The Group has been joining efforts, with the support of technology and innovation, to impact the environment less and less in its operations.

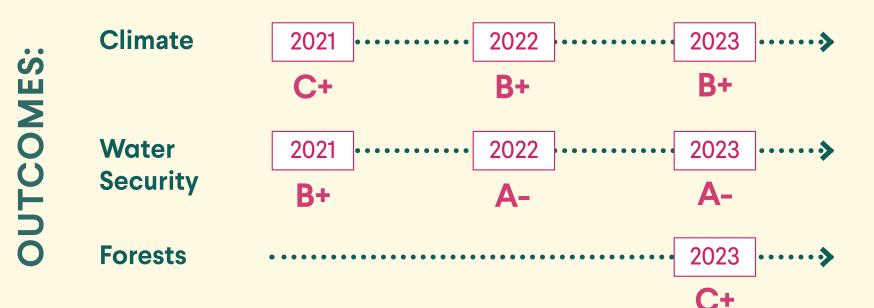
The most recent proof of this movement is that the Guararapes Group achieved score A- for the second year, reaching leadership level in the CDP Water Security Program, an entity that operates a global disclosure system for investors, companies, cities, states, and regions to manage their environmental impacts. CDP recognized both the way Guararapes Group manages water

in its production processes and the transparent manner in which it reports its information to the market.

Among our actions to reduce water use are our more efficient processes and technologies, which significantly reduce water consumption, such as ozone, laser and nebulization.

These technologies enable us to reduce water use by up to 20 times.

Furthermore, the Guararapes Group this year obtained score B+ in Climate from the CDP, registering progress in its commitment to reducing greenhouse gas emissions. In 2023, we answered the Forests questionnaire for the first year, getting score C+.



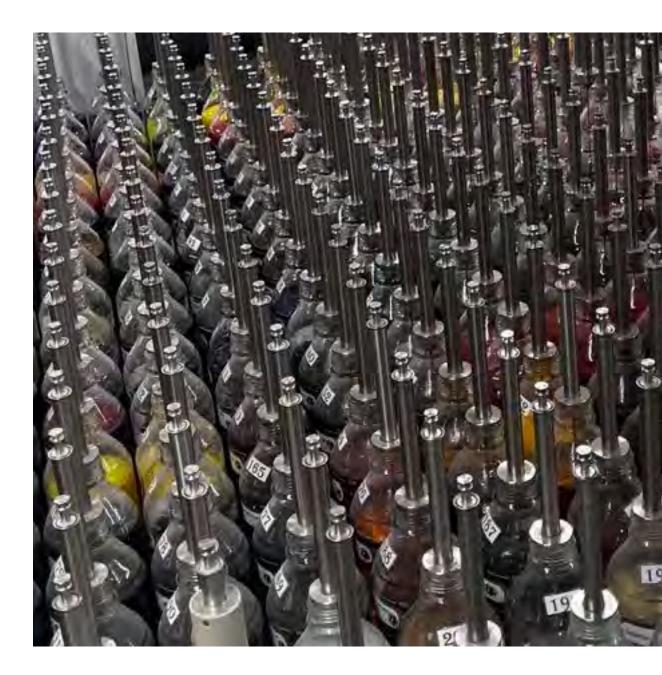
Chemical Management

GRI 3-3 Chemicals, GRI 303-1, SASB CG-AA-250a.1, CG-AA-250a.2

The textile chain encompasses a series of processes that involve the use of chemical products, such as washing, dyeing and bleaching. The significant impacts are related to the risks of contamination of soil and water resources, especially by waste considered hazardous. Hazardous waste is generated in units associated with the most significant impacts of the Guararapes Group, such as the factory and logistics centers. Some examples are scraps or materials contaminated with chemicals, sludge from treatment plants, hospital waste, lamp bulbs, perfumes and cosmetics.

Since 2021, the Group has begun implementing the Chemical Products Management Program, preparing and training employees to control these products in the wet processes of the Natal factory. Among the initiatives, an inventory and identification of the chemical composition was prepared, following the ZDHC (Zero Discharge of Hazardous Chemicals) protocol.

The risk management of chemical products is supported by the company's procurement department,



which requires the Chemical Product Safety Information Sheet (FISPQ), a document standardized by the Brazilian Association of Technical Standards (ABNT).

Another effective approach to reducing the use of chemicals in industrial processes is technological innovation applied to washing and dyeing fabrics.

Waste Management

GRI 3-3 Non-Textile Waste Management | GRI 306-1, GRI 306-2

The Guararapes Group adopts guidelines to reuse and recycle waste, aiming to reduce sending to landfills and provide traceability in its management process. It is all in accordance with its Sustainability Policy, which is based on the assumption of reducing environmental footprint and regenerating ecosystems.

The waste management system is nationally integrated, ensuring efficiency and proper disposal, with management and logistics carried out by specialized third-party companies, in accordance with legislation and in compliance with contractual and legal obligations. Traceability is ensured through the issuance of Waste Transport Manifests (MTRS) and Final Destination Certificates (CDFS), documents issued by the National Information System on Solid Waste Management (SINIR), one of the instruments of the National Solid Waste Policy.

Waste forwarding rates for recycling and/or reuse improved in 2023 compared to 2022, resulting in more than 6.17 thousand tons, equivalent to 60% of the waste generated by the company versus the 58% in 2022 . Within the Group, the significant potential impacts related to waste are the risks of environmental contamination (soil or

60%

(58% as of December 31, 2022) **of all waste is recycled**, **reused**, **or repurposed**

water resources), mainly waste considered hazardous. The units associated with these impacts are the textile factory and logistics centers, as they generate greater quantity and variety of waste, especially hazardous waste such as materials contaminated with chemical products (solvents, paint, etc.), perfumery waste and expired cosmetics, hospital waste, light bulbs (in greater quantities), among others. Along the chain, we can mention the waste generated in outsourced laundries and dry cleaners (due to the potential to generate materials contaminated with chemicals) with the potential for significant impact. In addition, it is worth including waste resulting from the manufacture of shoes, perfumes and cosmetics, which may contain materials contaminated with chemicals. In this case, they are generated in the manufacture of these products, which once ready are sold to the Riachuelo group, for resale in stores.

Reverse Logistics and Cardboard Box Reuse Program GRI 306-2

Since 2018, the Reverse Logistics and Cardboard Box Reuse Program has aimed to increase packaging reuse rates between stores and Distribution Centers (DCs), reducing costs with purchasing new boxes.

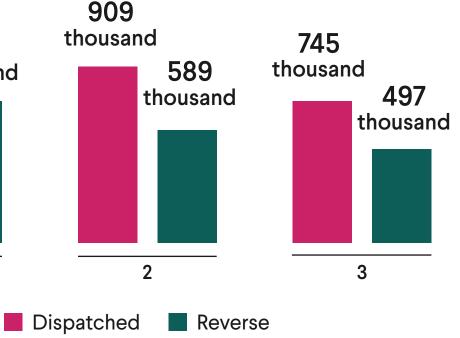
This program involves monthly monitoring of stores' reverse logistics rates, with data compiled by the CD team and shared with the operations team and

regional managers. That enables them to monitor results and take measures with stores to increase reverse logistics rates and, consequently, the reuse of cardboard boxes.

The Reverse Logistics and Cardboard Box Reuse Program contributed to a rate of 66.7% of cardboard boxes reused between stores and **Distribution Centers.**

Reverse 2021: 2021 2022 61% 1.2 million 909 Reverse 2022: 735 thousand 65% Reverse 2023: 67% 1

2023



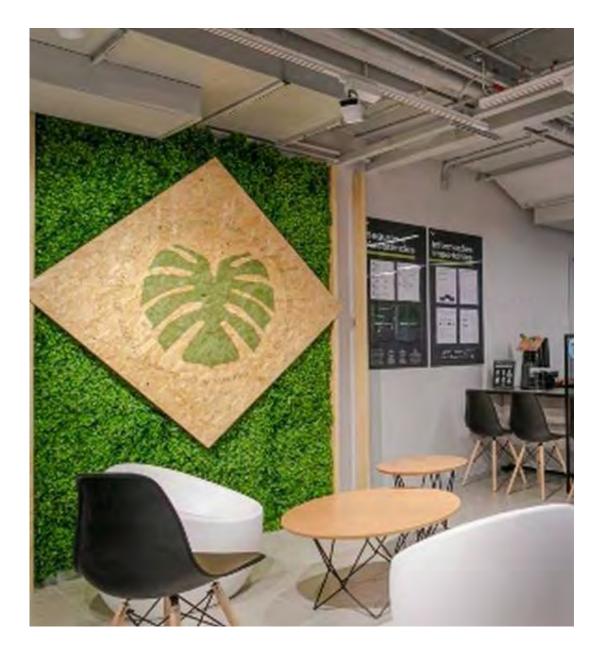
Material Reuse Program in Visual Merchandising GRI 306-2

We carried out approximately 180 campaigns and projects, of which more than 30 showcases were assembled using reused materials, making VM visual communications less harmful to the environment. Our goal is to continue increasing the rate of reuse of campaign materials in the coming years.

Contributing to sustainable global development, we seek to reduce the environmental impacts of our Visual Merchandising initiatives (VM). We adopt new solutions and approaches in the creation of showcases and communication at the point of sale (POS), promoting campaigns that are increasingly sustainable in terms of raw materials. We use traceable processes, reuse materials and save resources without compromising quality and aesthetic standards.

In addition to minimizing environmental footprint, we were able to significantly reduce area costs through reuse, which allowed us to run more campaigns throughout the year.

In the *previous* stage, in the production process, we implemented an action in partnership with the fabric supplier to reuse cardboard tubes.



Eco-efficient Stores

Eco-efficient stores were designed to bring together characteristics such as reducing CO, emissions, saving resources, using energy from renewable sources, used clothing collectors and gender-free fitting rooms. Currently, there are two units in Rio de Janeiro and the Company plans to implement this store model in all new Riachuelo stores. Since 2023. all fashion format stores (Riachuelo stores without Casa) have these characteristics.

People and Society

GRI 3-3 Work Conditions and Quality of Life

Our greatest commitment lies in people. In collaboration with the UN and civil society organizations, the Company is dedicated to promoting decent work, the well-being of those involved and the economic and social development of the communities where it operates.

The main topics related to people management include:

- generation of employment and income
- health, well-being and quality of life;

• defending human rights in supply chains, combating slave and child labor and other forms of precarious work.

The company implements several actions within the scope of Mental Health, Quality of Life and Wellbeing through the Abraçamos Você program. This program covers activities such as support for pregnant women and people with chronic illnesses, psychological support for employees, vaccination campaigns and awareness about diseases such as breast and prostate cancer. in addition to financial and legal assistance.

Ensuring working conditions in a dignified and welcoming environment, offering opportunities for the development of

talents and skills, with fair and regular remuneration, is essential to boost economic and social development. These aspects play a crucial role in addressing social challenges and persistent inequalities in our society, representing one of the main obstacles for all business sectors. A modern Company must adopt an approach that seeks to create value in the economic, ethical. social and environmental spheres, sharing the results obtained with a variety of stakeholders, which provides competitiveness and sustainability to businesses and promotes social well-being.

Guararapes Group Commitments

Support and respect the protection of internationally recognized human rights.



Support freedom of association and the effective recognition of the right to collective bargaining



Develop initiatives that promote environmental responsibility and encourage the development and dissemination of environmentally friendly technologies.





Ensure there is no violation of individual rights on its premises.



Ensure there continues to be no form of forced or compulsory labor, child labor and/or discrimination in employment within the company.

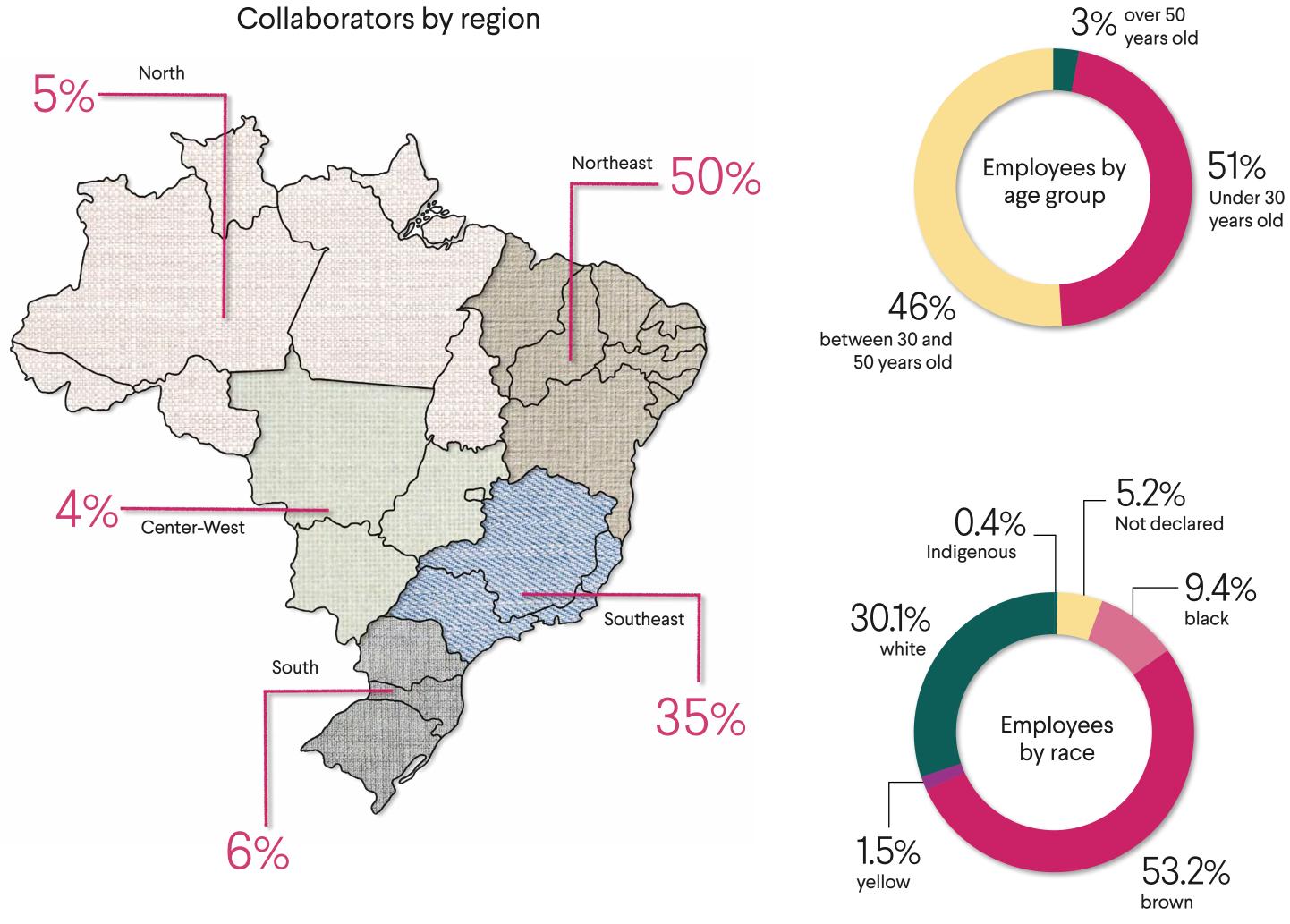


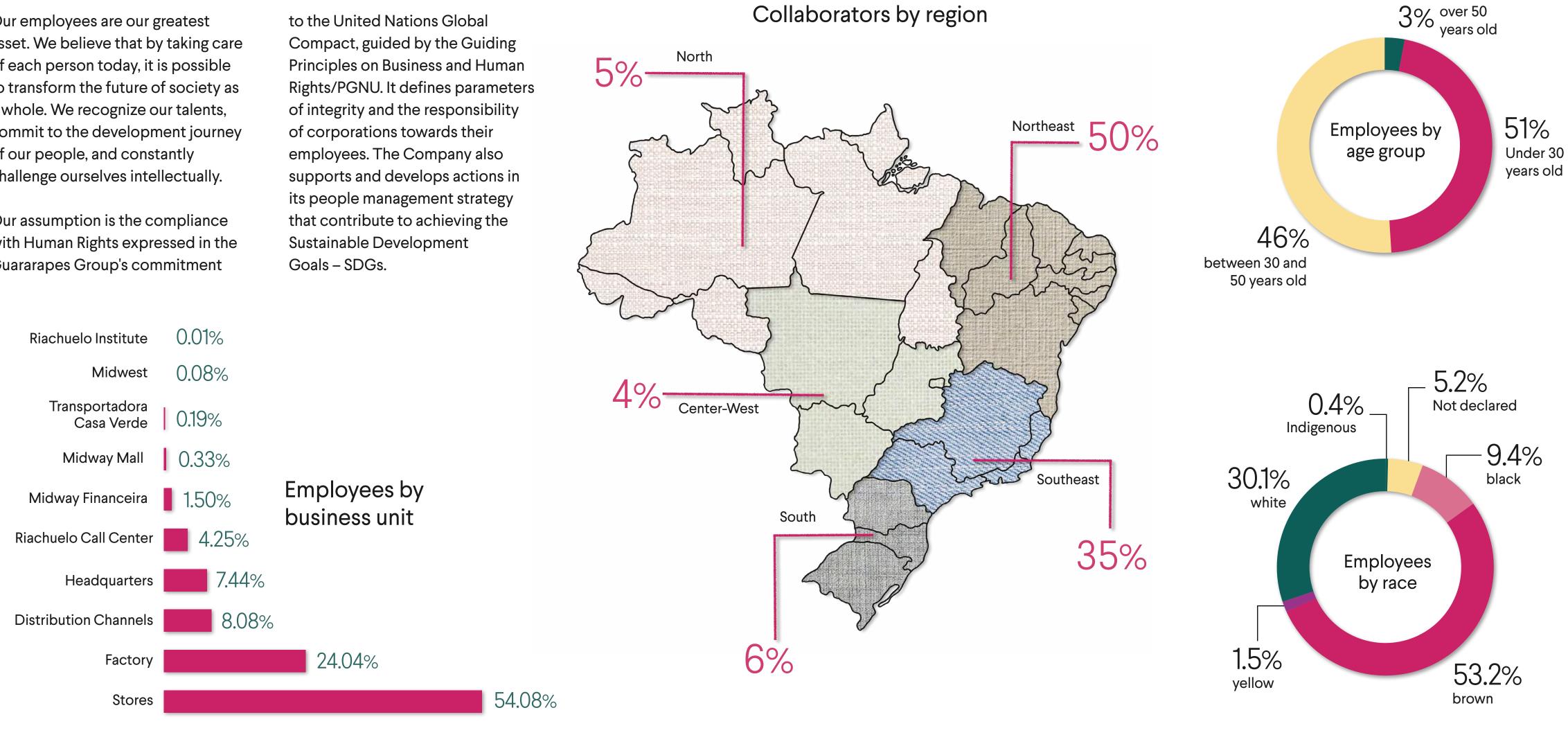
Stand against corruption in all its forms.

Our employees

Our employees are our greatest asset. We believe that by taking care of each person today, it is possible to transform the future of society as a whole. We recognize our talents, commit to the development journey of our people, and constantly challenge ourselves intellectually.

Our assumption is the compliance with Human Rights expressed in the Guararapes Group's commitment



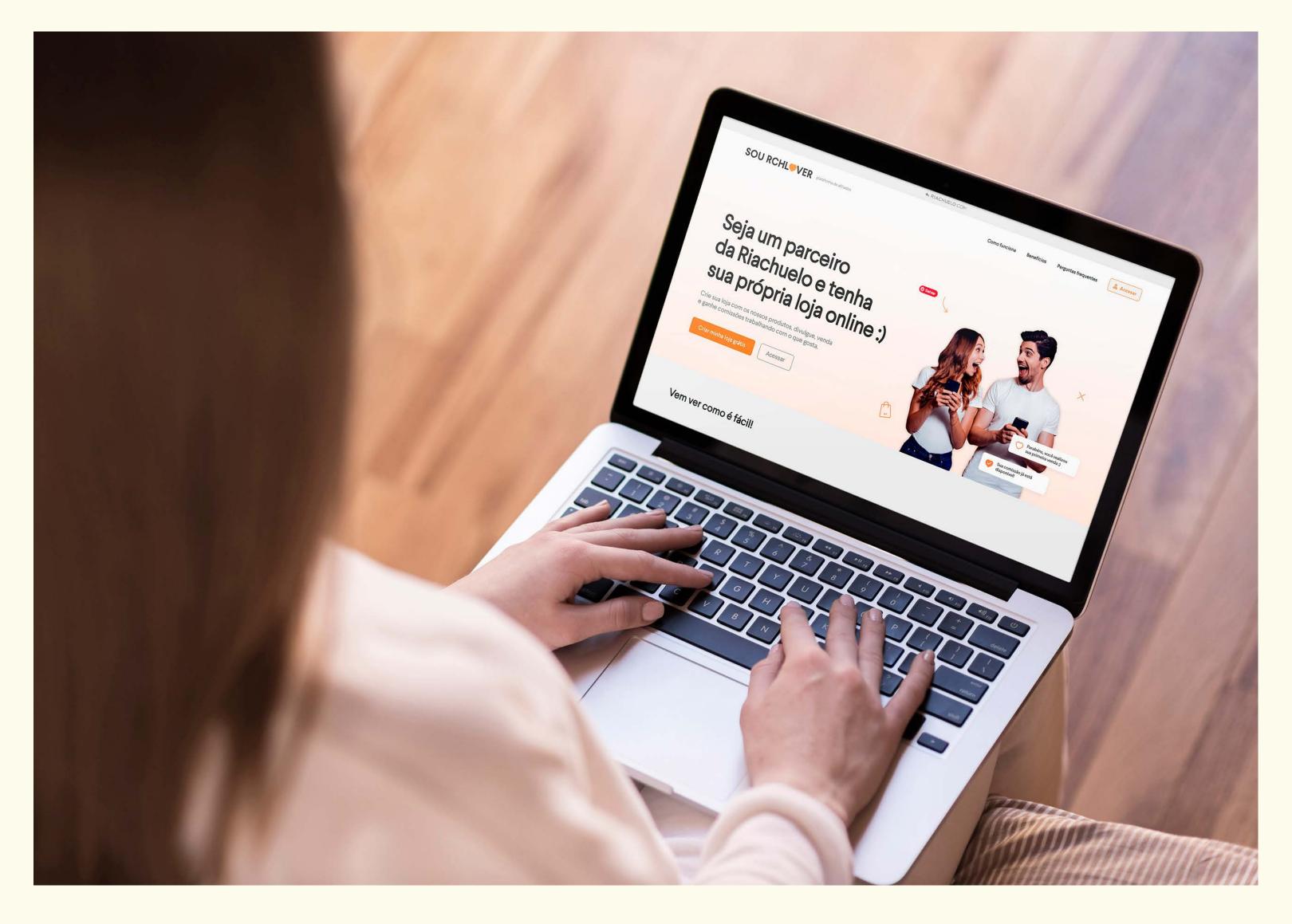


RCHLOVERS

At the end of 2023, the Guararapes Group had more than 28 thousand employees, known as RCHLOVERS, across all the states of Brazil. 65% of them were women, holding 63% of leadership positions. Black people made up the majority of the workforce, representing 63% of employees.

More than 28 thousand employees work in stores, offices, factories and distribution centers, united by the mission of democratizing fashion in the country. With 100% of production directed to Riachuelo's physical and digital sales channels, the Group is committed to continually renewing itself, modernizing its facilities and investing in research, creation, development and logistics.

It is worth highlighting that the Company's headquarters are located in the Industrial District of Natal – RN, with its administrative headquarters in São Paulo. In 2023, the company renovated its office in Shanghai, China, to streamline its commercial negotiations. 30 RCHLOVERS work in this office.



Diversity and Inclusion

[GRI 3-3 Diversity and Inclusion]

Valuing the diversity and inclusion of professionals is fundamental to promoting innovation and competitiveness in business. Therefore, we seek to create an environment of professional opportunities for everyone, regardless of gender, race, sexual orientation, ethnicity, religion or disability. Our objective is for our employees to be engaged and aligned with diversity and inclusion commitments, daily promoting a culture that values those concepts in all areas of the Company. In this context, the Diversity and

Inclusion Policy covers all of the Group's business units and its principles extend to all stakeholders, such as customers, suppliers and the community. To strengthen these principles, we established working groups with Gender, Ethnicity, People with Disabilities (PWD) and LGBTI+ groups, responsible for monitoring indicators and developing action plans when necessary. In relation to gender equity, we seek to implement practices that empower women, ensuring pay equity and publicizing the progress made.

;5%

of employees are women

of black individuals in leadership positions

of leadership positions are held by women

5.4%

of employees declare themselves LGBTQIAPN+ 63%

of black employees (black + brown, according to IBGE)

C-Level is made up of women

value chain.

Committed to promoting the rights of the LGBTI+ population, we joined the Business and LGBTI+ Rights Forum, publicly making ten commitments:

- 1. Commitment of the presidency and executives to respecting and promoting LGBTI+ rights.
- 2. Promotion of equal opportunities and fair treatment for LGBTI+ people.
- **3.** Creating a respectful, safe and healthy environment for LGBTI+ people.
- 4. Raising awareness and education to respect LGBTI+ rights.
- **5.** Encouragement and support for the creation of LGBTI+ affinity groups.
- 6. Respect for LGBTI+ rights in communication and marketing.
- 7. Respect for LGBTI+ rights in planning products, services and customer service.
- 8. Promotion of professional development actions for people in the LGBTI+ segment.
- 9. Promotion of the economic and social development of LGBTI+ people in the
- **10.** Support for actions in favor of LGBTI+ rights in the community.





Training and Development

GRI 404-2

When it comes to training and career development, we have a learning ecosystem that counts on an internal Corporate University and external strategic partners. Our approach to development covers the entire employee journey, from assessing and managing skills and results to engagement, talent and career management. We carry out biannual performance assessments, digitally accessible to all employees, in partnership with LG - Lugar de Gente and Qulture Rocks. With a structured schedule and various assessment tools, we calibrate performance for all leadership positions and administrative areas.

Qualification, training and development actions:

- Structured guidelines for professional training in the most diverse business positions.
- Skills-oriented development programs totaling
 28 skills covered in face-to-face and synchronous online actions.
- RCHLOVER Culture that presents the purpose, mission and values and how that is linked to the business strategy.
- Digital customer service journey that presents how the Company is changing the way it connects customer experiences in an omnichannel approach.
- Fashion Marathon that presents the product strategy with fashion curation and visual merchandising, allowing all RCHLOVERS to breathe the fashion topic in the Company.
- Integrity Program that creates guidelines and assumptions for ethical and preventive action in the fight against money laundering and receiving crimes.





Digital Training

The Guararapes Group consistently maintains its strategy of placing the customer at the center of its business, accelerating digital transformation and promoting the digital mindset of its employees. To contribute to this strategy, the Learning Challenge was created, which encourages protagonism and continuous learning. Approximately 5 million hours were dedicated to training, focusing on the digital and omnichannel journey for stores, ensuring excellent service across all channels. The store managers convention was held to strengthen alignment and increase engagement, boosting result achievement. Furthermore, a pulse assessment of skills, values and results was implemented to monitor performance, allowing a more agile response to business challenges.

The support of the Riachuelo Culture was reinforced with the Pulse Survey, listening to employees' perceptions of the knowledge and practice of the Company's purposes and values on a daily basis. The survey applied in 2022 had the participation of 16,437 employees, 60% of whom said they knew the Riachuelo Culture. In partnership with ambassadors representing each business unit, an action plan was defined and implemented throughout the year, aiming at increasing the number of employees who know Riachuelo's purpose and values from 60% to 80% in the next Pulse Survey.

Career Assessment

In 2023, we assessed the performance and career development of our staff. This process included assessments made by the manager, peers and leaders. In the first quarter, a complete cycle was carried out, which involved calibration, self-assessment of employees and managers, followed by development conversations and preparation of the Individual Development Plan (PDI).

Additionally, in 2023 a skills workshop was held, where skills were identified and developed through the Performance Assessment Platform. During the same period, development conversations were conducted, providing feedback to professionals, with a participation rate of 86%.

Knowledge management is implemented through four annual programs:

Escalation: a development program for the first level of the pipeline, focused on skills such as self-knowledge, process, business vision, customer experience, teamwork and leadership.

Expresso: a development program for the second level of the pipeline, focused on skills such as selfknowledge, time management, knowledge management, change management, people management and results management.

Fábrica de Aviões/ Plane Factory:

a development program for the third level of the pipeline, focused on skills such as self-knowledge, global vision, quality management, decision making, conflict management, analysis and resolution of complex problems and delivery capacity.

Move: a development program focused on digital transformation skills, such as data analysis, agile methodologies, digital mindset, digital culture and business models. user experience design and data science.



GOALS FOR THE COMING YEARS:

Increase employee participation in courses, focusing on:

- Reinforce actions related to sustainability and diversity.
- Encourage engagement in courses on human rights.
- Improve the team's individual and corporate skills.

Support the sales force with the dissemination of behavioral techniques, aligned with corporate pillars, to strengthen culture and boost business results.



Benefits

GRI 201-3. GRI 401-2

Benefits offered to all full-time or nonfull-time employees include Food/ Meal Voucher, Transport Voucher, Private Pension. Health Insurance. Dental Insurance, Maternity/Paternity Leave, Agreement with Sesc, Ticket Plus (flex card) and discounts for employees when purchasing with the Riachuelo Card. Through the Collective Labor Agreement, Life Insurance (also via adhesion or activity performed), Daycare Assistance and Culture Voucher are available.

HEALTH INSURANCE: It offers outpatient, urgent, emergency and obstetrics coverage, varying according to the position held and the business unit. National coverage is offered to 50% of professionals, with a contract currently offered with two brokers.

OPTIONAL LIFE INSURANCE: Premium of 36 salaries, up to a ceiling of BRL 750,000, with a 50% guarantee for the spouse and 10% for children up to 24 years old. In case of accidental death, coverage is doubled, up to a ceiling of BRL1.5 million. Includes funeral assistance of BRL 5,000 for employees and dependents in the event of the

death of their spouse and children up to 24 years of age.

MANDATORY LIFE INSURANCE: Governed by the local Collective Labor Agreement.

PRIVATE PENSION: Contribution between 1% and 8% of the salary, with a counterpart from the Company from a certain amount, with the liability being covered by the organization's resources. Additional benefits for retirees, such as additional time on the health insurance during the transition.

See below the contribution levels according to salary range: some management levels can contribute from 1 to 10% (ten percent) of their participation salary.

OTHER BENEFITS: We have our Health and Quality of Life program, the Abraçamos

Salary range	% of salary
From BRL 7,507.49 to BRL 16,268.76	1% to 4%
From BRL 16,268.77 to BRL 30,503.92	1% to 6%
Over BRL 30,503.93	1% to 8%



Você/We Embrace You. Within this program we offer our Pregnant Women Program (Abraço Materno), our chronic diseases program (Sua Saúde), a 24-hour emergency line for crises (Employee Support Center), Telepsychology and Teconsultation (Espaço Saúde), a program to encourage physical activity – Gympass (Active Life). In 2023 we also implemented the oncology care line via teleservice and a teleconsultation platform with over 13 medical specialties, telepsychology and telenutrition. GRI 403-6



Guarantee of freedom of association and the right to collective bargaining

GRI 2-30

The Guararapes Group ensures freedom of association and the right to collective bargaining for all its employees, based on the principles of good faith, mutual recognition and respect. In 2023, there were no records of walkouts lasting a full shift or more, resulting from conflicts between workers and management, including strikes and lockouts.

Currently, 17% of full-time employees are covered by collective bargaining agreements. For those not covered by such agreements, the Company establishes its working conditions based on collective agreements negotiated between unions.

Health and Safety

GRI 403-1, GRI 403-2, GRI 403-4, GRI 403-5, GRI 403-8

We guarantee to all our employees adequate and safe working conditions, continuously carrying out preventive and corrective actions. We train and inform employees so that they are aware of the standards and procedures for carrying out their professional activities, preserving their physical integrity and that of their colleagues, such as CIPA training, fire brigade training, OHS integration, mandatory for all employees, in addition to mandatory specific training (working at heights, driving a pallet truck, checkout, among others). We also carry out health promotion actions, developing a culture of care and well-being throughout the Group.

In our Occupational Health and Safety Policy, we establish basic principles that aim to take care of the comprehensive health of employees, provide guidance and engagement through actions that promote a healthy and productive lifestyle, establish standards to support Health and Safety management, promote specific health programs, and create a healthy work environment, among others. Our commitment is to comply with all rules and regulations related to Occupational Health and Safety, in addition to continually improving our health and safety management system through training and investigation of accidents and incidents.

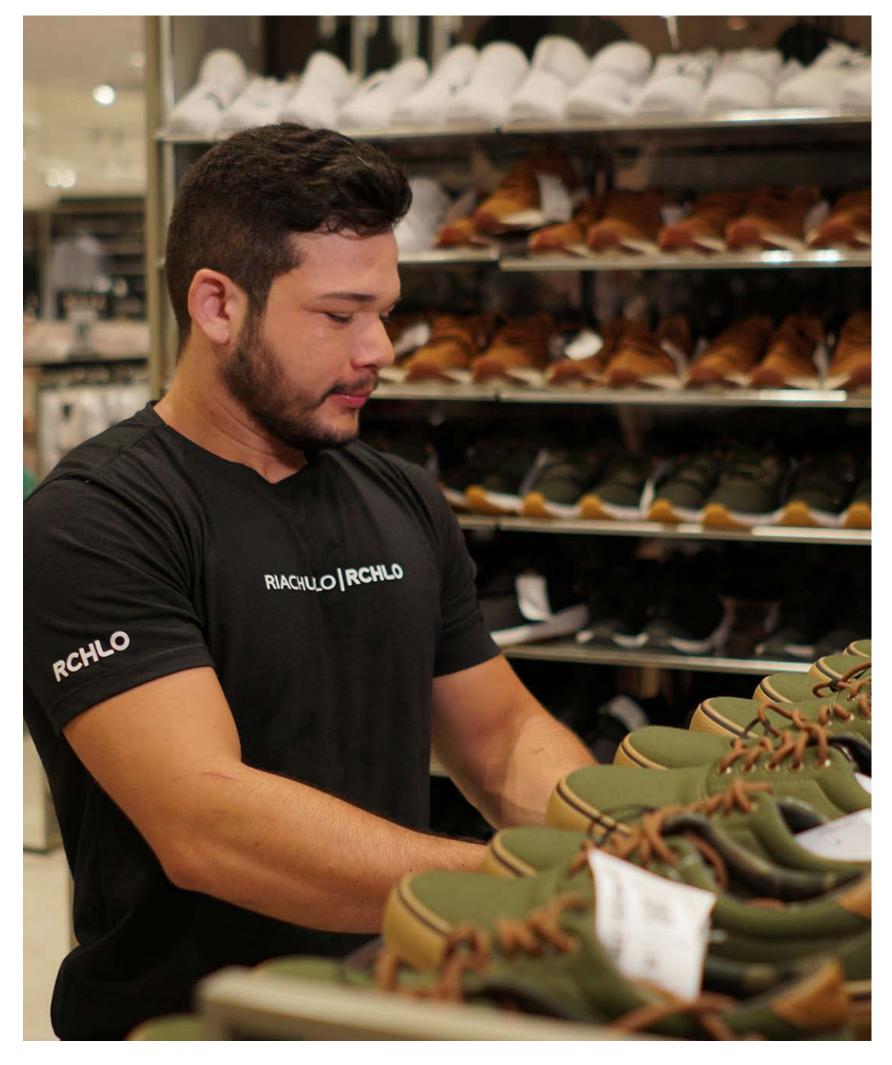
Our system was implemented due to the need for continuous improvement of processes and follows the guidelines of Regulatory Standards (NRs) and Occupational Hygiene Standards (NHOs). In this process, we use the following tools (systems): SOC, Maestro, LG, Office Online.

All our 58,000 employees (100%) and 60% of third parties are covered by this system. We have the goal of reaching 100% in 2024. Only 30% of employees – those at the factory and the Natal Distribution Center – have their system audited internally.





GRI 403-3, GRI 403-7



Internal Health and Safety Policy

- Health and Safety (OHS);
- guidance and engagement for more productive lifestyle;
- healthy work environment;
- continuously managing related processes;

• Prioritize the comprehensive health of employees, integrating actions in the area of Assistance and Occupational

• Be the main source of information, employees, promoting a healthier and

• Establish managerial, operational and behavioral standards to support the Health and Safety management system, building a positive safety culture and a

• Develop health programs adapted to the specific needs of each public, offering outpatient care focused on the individual and not just the disease;

• Identify occupational hazards, assess potential risks and contribute to their elimination, reduction or mitigation,

• Raise awareness among employees about promoting occupational health and safety, both inside and outside

the institution, encouraging healthy habits and prevention of illnesses and occupational risks;

• Comply with legal provisions relating to health and safety at work, including regulatory standards from the Ministry of Labor and other relevant municipal, state or federal standards:

 Promote a safe work environment, with safe practices in all operations and activities, aiming at the continuous improvement of processes and the assessment and action on all known risks:

• Constantly improve the occupational health and safety management system, offering continuous training and preparation for emergency situations;

• Investigate accidents, incidents and occupational illnesses to prevent new occurrences and minimize their effects:

• Establish procedures and control systems for hiring outsourced companies that follow all occupational health and safety standards, including constant supervision.

For outsourced workers, we have procedures and a control system so that third-party companies that follow all OHS standards are hired, as well as constantly supervised.

Risks

To identify dangerousness and assess risks, measurements and checks are carried out annually at all units of the Guararapes Group. The main risk identified comes from biological agents and risk activities, and PPE is provided to mitigate the risk. These measurements are made by third-party companies that send the documentation to the SESMT team, which checks the quality standard (methodology, calibration, sampling). The measurement result is entered into the SOC System, where the risk matrix is applied. For risks classified as moderate and above, mitigation/correction actions are planned.

When a misconduct, dangerous or unhealthy situation is identified, the employee can report it using three tools: call via Jira, Talk to SESMT (QR Code) and Reporting Channel, with the latter allowing anonymous reporting.

Social Impact Actions

The Guararapes Group acknowledges its responsibility as a private sector organization to contribute to the fight against poverty and inequalities, in addition to promoting the development of society through voluntary participation in social initiatives in the communities in which it operates. In 2023, the Company carried out a series of actions with the aim of promoting the economic and social development of extremely vulnerable groups, including refugee women, migrants and indigenous communities.

Support to flood victims in Rio Grande do Sul

In the first half of 2024, we came together to support the victims of the devastating floods that occurred in late April in Rio Grande do Sul, demonstrating the Guararapes Group's commitment to social responsibility and the well-being of the community. To provide immediate and comprehensive assistance, we implemented a series of actions aimed at both our employees and the affected community.

Support to Employees

Recognizing the importance of taking care of our people, we offered financial and psychological support to the 51 employees directly impacted by the floods:

- Emergency financial support in cash and advance benefits.
- Psychological support to aid emotional recovery.
- Shipment of emergency items, including food parcels, drinking water, cleaning and hygiene products, clothes (more than 9,000 items), underwear and blankets.

Community Donations

To meet the urgent needs of the community, our actions extended beyond our employees:

- Direct distribution to the local community:
- 70 mattresses.
- 2.4 tons of clothing items.
- 2.300 Carter's clothes.
- 2.3 tons of food and pet food.
- 2.200 liters of water.

Donations to the Red Cross:

• More than 93,000 clothing and Riachuelo Moda items donated directly, totaling around BRL 3.5 million.

Riachuelo has made all its stores available as collection points for fundraising:

- 19.000 liters of water
- 2.3 tons of clothing items

Our partnership with the Red Cross (SP and RS) ensured that donations were sent efficiently and effectively to those who needed them most. The engagement from our clients and employees was crucial to the success of this initiative, reinforcing the spirit of solidarity that characterizes the Guararapes Group.

We are committed to responding to humanitarian crises generated by extreme climate events, mitigating their impacts through actions that help restore the dignity of those impacted.

Renewal of partnership with UNHCR (UN High Commissioner for Refugees)

Guararapes renewed its commitment to the **UN High Commissioner for Refugees, UNHCR**, to continue supporting

the welcoming and protection of refugees in Brazil. Furthermore, it developed a project to hire migrants and refugees throughout 2023.

As part of this commitment, the Company became a master sponsor of Empowering Refugee Women, an initiative of the UN Global Compact, UNHCR and UN Women, and supported training to 80 refugees.

RECOMEÇOS PROGRAM

The Recomeços [Fresh Starts] Program is a support and development initiative aimed at refugees and migrants, working on their labor, social and emotional integration, with the aim of helping them rebuild their lives and promote autonomy and integration into society. The program operates along two main axes: work. which includes selection. hiring and comprehensive support for these people; and education, offering training for the future through humanized and interdisciplinary training, addressing aspects such as the Portuguese language, recognition of local culture, financial education, and personal and community development.

For the company, the main goal is to promote human dignity. Recomeços goes beyond just facilitating entry into the job market; it is a program focused on welcoming and developing participants,







aiming to help them rebuild their lives in a new country. The goal is to embrace diverse cultures and create a welcoming environment so that each individual can enjoy a dignified life in all areas.

The partnership between the Company and UNHCR began in 2022 and enabled the reintegration of 140 Venezuelan women into the market in three areas of activity of the UN High Commissioner for Refugees: saving lives, providing shelter and basic and financial assistance; guaranteeing rights, offering psychosocial support and legal assistance for registration and documentation; and building futures, creating opportunities for professional courses to facilitate entry into the job market and promoting internalization to other Brazilian states.

In 2023, 87 refugees from Venezuela, Haiti, Angola, Afghanistan, Bolivia, Syria and Congo were hired. Of these 87, 10 were transferred from Boa Vista to our factory in Natal. The internalization was of 27 people if we count the families of the people hired. We have a partnership with the Northeast Region Caritas to identify social workers and housing, and with the partnership from UNHCR and Operação Acolhida for logistics processes.

Saving the Amazon

The Guararapes Group established a partnership with Saving the Amazon, an organization whose goal is to fight the climate crisis by planting trees in the Amazon region in collaboration with indigenous communities.

As part of this initiative, the Company planted more than 10,000 seedlings of 17 different species in the Tikuna Umariaçu indigenous reserve, in the Amazon, with the aim of contributing to reducing the amount of greenhouse gases in the atmosphere, capturing carbon dioxide (CO_2) , and mitigating the effect of climate change.

To achieve this, the partnership involved the mobilization of indigenous communities belonging to the Tikuna ethnic group in Umariaçu and Porto Extrema, who were responsible for cultivating the seedlings in degraded areas and maintaining them over three years.

The selection of indigenous communities is carried out with the support and indication of FUNAI, and the communities themselves have complete autonomy in choosing the number of benefited families, native species and planting areas.

In addition to contributing to the regeneration of ecosystems and the restoration of degraded lands, the partnership between the company and Saving the Amazon promotes the autonomy and economic security of indigenous communities, who often live in situations of extreme poverty and vulnerability. To ensure the well-being of these communities, the tree species planted are predominantly fruit trees.



AACD

In 2023, Riachuelo reinforced its support to the Association for Assistance to Disabled Children (AACD) and the Teleton with record fundraising of more than BRL 2.5 million at the AACD Bazaar.

All money raised at the bazaar is used to pay for rehabilitation services for children and adolescents assisted by the institution in the public healthcare system, SUS, as only 13% of the average cost of treatments is transferred by the government. Riachuelo has been a supporter of AACD since 2007, donating clothes in excellent condition to the institution's bazaars. Over these years, the total sum raised in sales of Riachuelo products in bazaars totaled approximately BRL 19 million.

The brand's support also contributes to circularity in the textile sector, through investment in other destinations for part of what is produced, such as the items donated to the AACD Bazaar, which have minimal defects and/or are discontinued.

Gerando Falcões

Riachuelo is also a supporter of the Gerando Falcões mission, which seeks to eradicate poverty in favela communities. Our donations to the organization, which totaled more than BRL 1 million in 2023, help boost innovative projects aimed at education, economic development and citizenship in underserved communities across Brazil.

GERANDO FALCÓES

Donations

Donations from the Guararapes Group raised a total of more than BRL 3.8 million in items to maintain the social projects from AACD, Gerando Falcões, Instituto Helena Florisbal and Amor Horizontal. Also, the Company sent clothing, linens, tablecloths and bath towels to victims of the floods on the north coast of São Paulo via Instituto Verde Escola.

Riachuelo Institute

With the aim of using fashion as a tool to transform lives, the Riachuelo Institute develops initiatives that promote social entrepreneurship, socio-environmental practices, education, health, safety and support for culture. Created in 2021, the Riachuelo Institute is the social responsibility arm of the Guararapes Group. Its actions have an impact on a population of more than 50,000 residents of the semi-arid region, in addition to benefiting around 150 small and medium-sized entrepreneurs in the state of Rio Grande do Norte. The future goal is to expand its activities to other regions of Brazil.

Message from the Leadershi





Riachuelo Institute

Mission

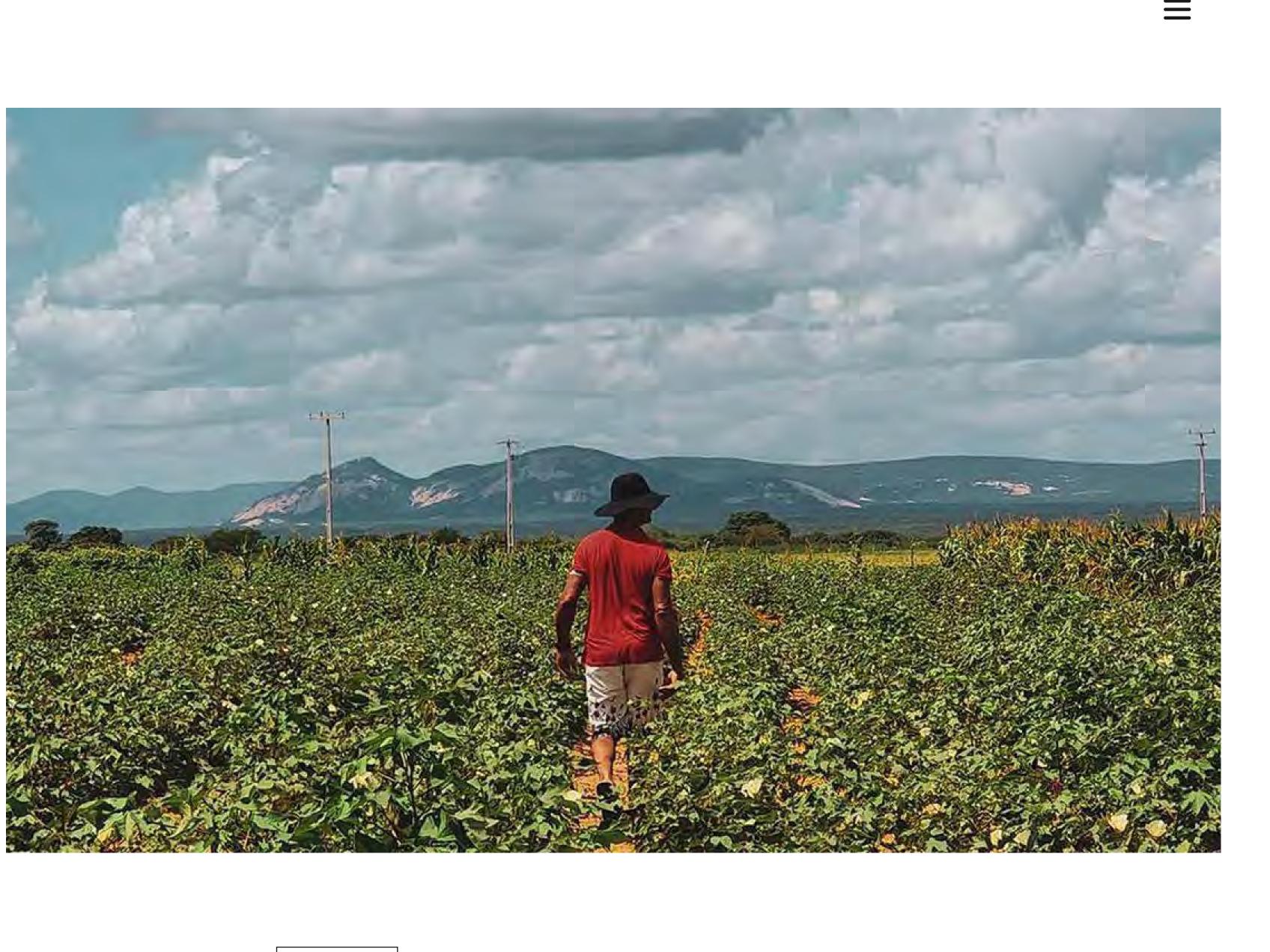
Transform lives through the generation of work and income.

Vision

Contribute to improving people's quality of life and intensify economic dynamism, by strengthening the value chain, generating work and income, and developing human capital.

Values

- Honesty
- Individual Responsibility
- Commitment
- Equal Opportunity
- Value every human being equally



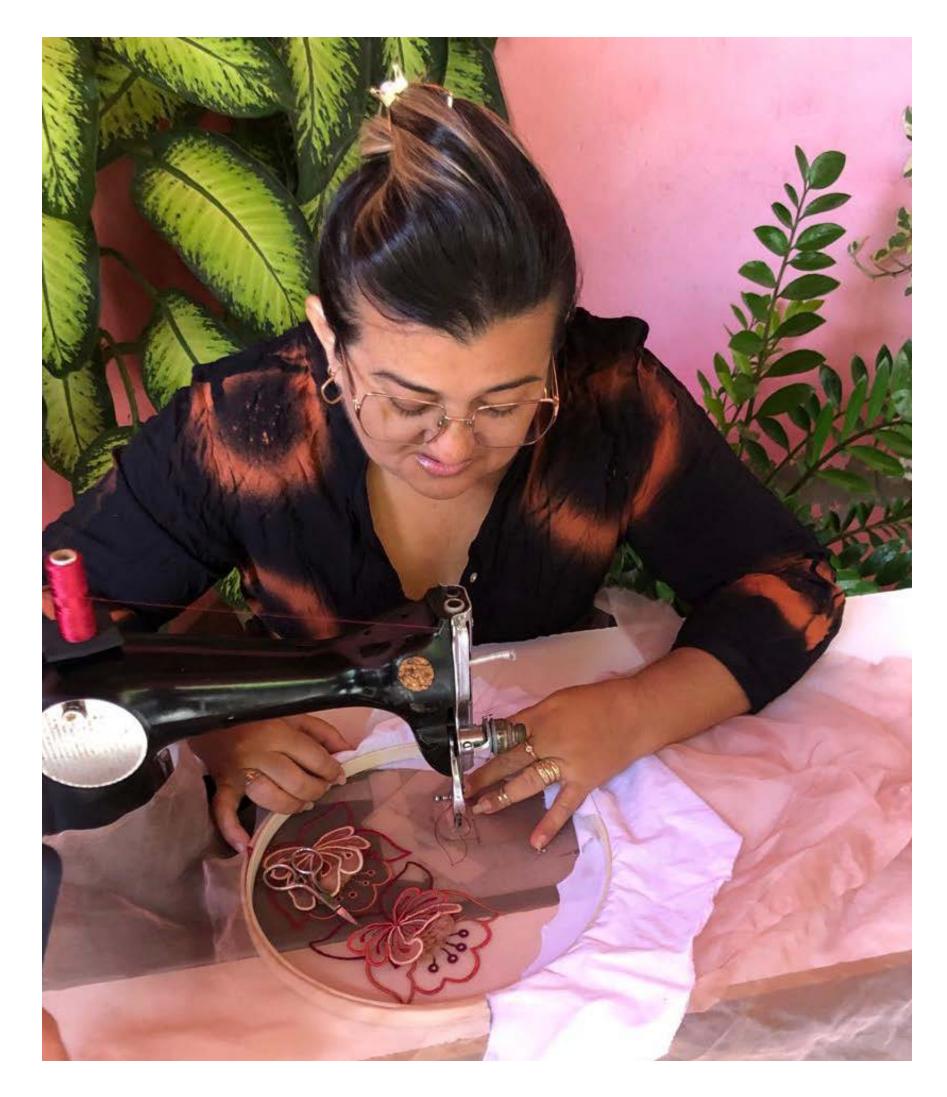


Entrepreneurship and Community Development

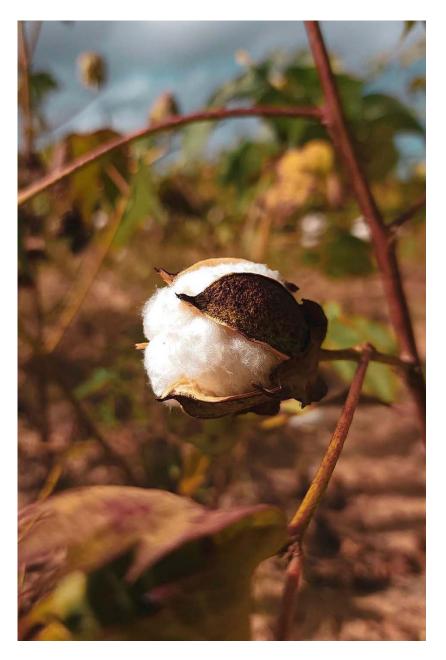
The Riachuelo Institute. in partnership with other organizations, focuses its activities on communities with the aim of promoting not only economic, but also environmental and social sustainability. This involves implementing initiatives that aim to ensure lasting and sustainable economic development, while respecting and protecting the environment. An example of this is the incentive to return to the practice of agroecological cotton farming, which seeks to promote agricultural production that is more harmonious with the environment. Main Actions:

Embroidery and Crafts: This

project, related to embroidery and craft activities, has a great impact on the engagement of local communities, as it is intrinsically linked to regional culture, transmitted through generations. The Riachuelo Institute, in partnership with Sebrae, works to expand and strengthen this market, providing conditions to guarantee the autonomy of embroiderers and artisans and strengthening their relationship with end consumers.



Agro Sertão: This program, developed in partnership with Embrapa and Sebrae, aims to provide income and food security for families in Seridó, based on local food culture. In addition to planting cotton without chemical inputs, families also grow food for their subsistence, such as beans, fava beans, corn and sesame. The surplus produced is sold in the region to supplement family income.





Pro-Sertão Program: Through the Productive Chaining Program, in collaboration with Sebrae and the State Government, the Riachuelo Institute offered support, in 2023, to 111 sewing workshops located in 32 cities in Rio Grande do Norte.



sewing workshops

Entrepreneurship and Community Development

Education and Professional

Training: The Riachuelo Institute established a partnership with Sesi Escola, benefiting 130 students in 2023, children of Guararapes factory employees, with a 90% scholarship on the monthly fee. The school offers a modern, high-quality structure, combining innovative and entrepreneurial educational practices to provide a solid foundation for students. Furthermore, in collaboration with Junior Achievement and the support of local city governments, the Riachuelo Institute prepares children and young people for the future of work through entrepreneurship, financial education, ethics and citizenship programs. These programs aim to develop the entrepreneurial spirit from an early age, providing a clear understanding of the business world and facilitating access

to the job market.





Health and well-being:

In collaboration with the Reviver group, the Guararapes Group promotes breast cancer prevention initiatives through the Riachuelo Institute. This partnership provides a mobile healthcare unit, which offers exams such as mammography, ultrasound and biopsies, in addition to providing information on the

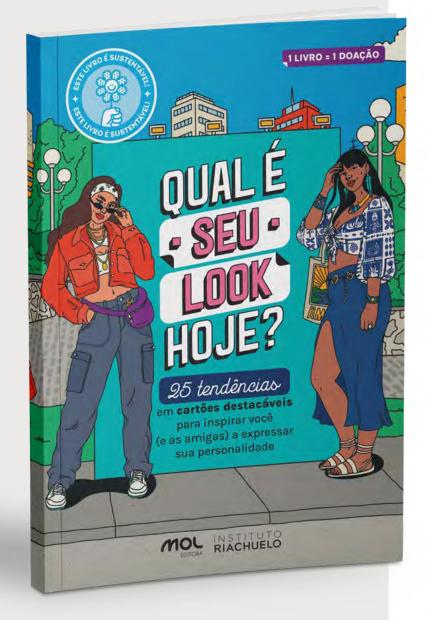
importance of self-examination and early diagnosis of breast cancer. These services are aimed at women aged between 30 and 69 years, residing in the Metropolitan Region of Natal, in Rio Grande do Norte. Easy access to these examinations and information is provided through a national platform.

Qual É Seu Look Hoje?

The Riachuelo Institute entered into a partnership with Editora Mol, in 2023, to launch the book "Qual É Seu Look Hoje?" [What's Your Look *Today?*]. The publication presents 25 fashion trends and 100% of the profit from sales goes to the Pró-Sertão Program, a project by the Riachuelo Institute that generates income and employment through sewing workshops in the Seridó region, located in Rio Grande do Norte.

In addition to donations to the Riachuelo Institute, 5% of the price of purchase of the social product is destined to SOS Mata Atlântica. neutralizing carbon emissions resulting from the production of the book through planting trees, and 5% is destined to the MOL Institute, which promotes the culture of donation in Brazil.

The book is a guide with 25 trending looks for different styles, such as casual, classic, minimalist, romantic, urban, sporty, rocker, among others. The publication also brings encouraging phrases to make people feel more beautiful and self-confident. All this is in the format of tearoff cards, which can be used to decorate the room and give as gifts.



Sponsorships

Sports

Riachuelo believes in the potential of sport to boost social development. As a brand with a fully Brazilian DNA. it reinforces its commitment to sport through sponsorships with the Brazilian Olympic Committee (COB) and the Brazilian Volleyball Confederation (CBV):

COB: Since 2021. Riachuelo has been a sponsor of the Brazilian Olympic Committee, providing the travel and opening ceremony uniforms for the Brazilian teams at the 2023 Pan American Games in Santiago and the 2024 Olympic Games in Paris.

CBV: As of March 2023, Riachuelo became a co-sponsor of the Brazilian Volleyball Confederation, providing uniforms for games and travel, including the 2023 Pan American Games in Chile and the 2024 Olympic Games in Paris



BBB2023

Riachuelo was one of the sponsors of Big Brother Brasil 2023, being responsible for the "Angel's Lunch", dressing the contestants and always connecting the event's theme with the main collections of the period. There were 10 actions carried out and each one impacted an average of 14 million individuals. The exposure on the reality show exponentially boosted the brand's visibility.

The Town

Riachuelo sponsored the first edition of The Town, a music festival held in September, in São Paulo. The brand carried out several initiatives in partnership with the festival, aiming to increase awareness and generate enthusiasm on social media and in the press. As part of this strategy, Riachuelo launched exclusive jackets customized by graffiti artist Tiago Mordix on its channels, specifically created for the festival.

CCXP

For the second consecutive year, Fanlab participated in CCXP, one of the biggest events in the geek universe. With more than 500 licenses, the Riachuelo brand has made pop culture fans happy with its catalog that impresses with looks, home fashion, collectibles and much more.

In 2023, several new items were prepared for the 540 m² space. In total, there were more than 70,000 items from the main animes, heroes, games, movies and series, organized for an intuitive experience, taking CCXP visitors to stroll through the universes of their favorite characters.

The synergy with CCXP was so great that Fanlab was responsible for the official collection of the event, which celebrated its 10th anniversary with sweatshirts, t-shirts, caps, mugs and other items developed in partnership with Omelete, including the jackets that were competed for by the event staff in 2022.

Anyone who used the Riachuelo/ Fanlab card to make purchases at CCXP received a special gift and 20% discount on their next purchase.



TUDUM

The long-awaited store TUDUM: FANLAB shined as the official star of Netflix's TUDUM event, offering fans an immersive experience and the opportunity to purchase exclusive merchandise from some of the geek universe's most beloved series.

Among the highlights were collectibles from hits such as Stranger Things, Wednesday, Heartstopper, Squid Game and other iconic series. With a special and totally exclusive line with more than 15 items from the TUDUM brand, fans were able to take home a unique souvenir from the event promoted by one of the world's leading entertainment services.

The diversity of products was impressive, with more than 150 options available, including children's and adult clothing, accessories, home fashion and a variety of collectible items inspired by different Netflix series and films.

In addition to the main store, fans also had the opportunity to explore a pop-up truck-shaped store installed in the Ibirapuera Auditorium, providing another purchasing option for fans present at the grand show TUDUM: A Global Fan Event.

One of Fanlab's differentials was the offering of the Print on Demand service, which used cutting-edge technology to allow customers to create personalized products instantly. Fans were able to print t-shirts, sweatshirts and even baby bodysuits, choosing from more than 20 prints exclusive to the event.





Responsible Supply Chain

GRI 2-6, GRI 2-29, GRI 3-3 Supply Chain, GRI 407-1, GRI 408-1, GRI 409-1 Global Compact Principles 1-2-4-5 | SDG 5, SDG 8, SDG 10, SDG 17

The complexity of the textile and clothing industry poses significant challenges to ensuring Human Rights throughout the supply chain. Fighting child, slave or slave-like labor and promoting decent work are essential to guarantee compliance with workers' rights throughout this chain. Furthermore, ethics and diversity issues are also highlighted. Environmental concerns, especially those related to climate and the preservation of ecosystems, also contribute to the guarantee of Human Rights.

Environmental factors that have the potential to affect the supply of raw materials include climate change, water scarcity, soil degradation, desertification and natural disasters; and, in the social sphere, working conditions that violate human rights, economic inequality that can affect social stability in producing regions. SASB CG-AA-440a.3

The Guararapes Group is committed to responsible management in its supply chain, aiming to develop sustainable production environments that meet the rigorous environmental and social standards established. Its sustainable culture not only defends but also promotes human rights throughout the supply chain.

The Guararapes Group's supply chain includes national (80%) and international suppliers, and stands out for having its own factory. Around 50% of clothing products sold are produced internally, which facilitates the development of the chain and the implementation of more sustainable production processes, including the adoption of less impactful raw materials.

The selection of these suppliers considers a variety of criteria, including price, product quality, delivery times, as well as respect for

human rights and working conditions. There is no dependence on specific suppliers. To ensure compliance with local labor laws, social audits are performed on all resale suppliers, and corrective action plans are implemented when necessary. Additionally, traceability audits are conducted to ensure transparency in the supply chain and prevent undeclared subcontracting.

At the moment, the main raw materials, such as flat fabrics and differentiated knits. are being imported through the Shanghai-based office. Indigos and yarns are purchased on the national market, from different suppliers, thus ensuring that the Company is not dependent on a single supplier.



Main risks SASB CG-AA-430b.3

• Social and occupational risks: non-payment of Social Security, Length-of-Service Guarantee Fund, non-payment of salaries within the legal deadline, presence on the Register of Employers who use slave-like labor, excessive overtime, and lack of employment contracts;

• Related environmental risks: lack of effluent treatment, lack of a consistent management program;

- Financial risks: degree of company indebtedness and tax default:
- Risk of money laundering.



Sustainable Chain Management

GRI 2-24. GRI 409-1

Sustainable Chain Management is a priority for the Group, which is committed to ensuring responsible practices throughout the supply chain. To this end, strict standards are established through the Code of Conduct for Suppliers and Third Parties and the Sustainability Policy, which must be complied with by all suppliers and manufacturers.

The Group's Sustainability Policy complies with the Guiding Principles on Companies and Human Rights of the UN Global Compact. These principles affirm the Companies' responsibility to respect human rights, which involves identifying, preventing, mitigating and accounting for social and environmental impacts throughout the value chain.

The Group considers resale suppliers to be those most at risk for the sector and implements strict social criteria for their selection, including the prohibition of forced and child labor. discrimination and abuse. Also. it maintains a department dedicated to Supply Chain Management, responsible for monitoring compliance with established standards.

Supplier Compliance Program

GRI 407-1. GRI 408-1. GRI 409-1. GRI 414-1. GRI 414-2

The Group has a Code of Conduct for Suppliers and Third Parties, available at a specific link, which establishes management standards and practices that must be followed by the Group's suppliers and third parties. A department dedicated to Chain Management monitors suppliers to ensure compliance with this code. Additionally, there is a compliance program for suppliers that oversees compliance with local labor and environmental laws. These same commitments are required from international suppliers, who must comply with the legislation of their respective countries and have globally recognized certificates, such as BSCI, SMETA and ILS.

Suppliers are certified by the Brazilian Textile Retail Association (ABVTEX) and audited both by internal auditors and international certifiers.

Resale suppliers represent the biggest risk to the industry. Currently, all resale suppliers are selected based on social criteria, such as the prohibition of forced labor, child labor, discrimination, abuse or inhumane treatment, respect for freedom of association and collective bargaining, safety and hygiene at work, and working hours without excesses.

The company ensures that its suppliers follow ethical and dignified practices at work, fighting any form of exploitation. Since 2017, the Company has been an institutional supporter of the National Pact Institute for the Eradication of Slave Labor (InPACTO), a non-governmental organization dedicated to the prevention and eradication of slave labor in the production chain.

In 2023, 100% of the 281 suppliers were evaluated in relation to social impacts, with 74 of them being identified as possible causers of real and/or potential negative impacts, as they did not comply with the Company's work guidelines (more information in the Code of Conduct for Suppliers and Third Parties). Of these, 100% were submitted corrective action plans and 2.7% had commercial relationships terminated.

Supplier Development Program

Periodically, Riachuelo offers individual and collective training for its entire production chain, aiming to guarantee compliance with its Code of Conduct for Suppliers and ensure that all issues related to human rights and the environment are observed, in addition to promoting the development of suppliers. This initiative is an integral part of one of the various Due Diligence processes carried out by Riachuelo with all its suppliers.





Audits GRI 409-1. SASB CG-AA-000.A

Annually, the Group carries out its own audits on 100% of its chain of national suppliers and contractors, covering social and environmental aspects. Suppliers are certified by the Brazilian **Textile Retail Association (ABVTEX)** and, for international suppliers, globally recognized certificates are required.

In quantitative terms, the Group works with more than 1,182 suppliers and contractors, both Brazilian and foreign.

Nationally, there are 243 direct suppliers and 700 contractors. In the case of international suppliers, there are 38 direct suppliers and 201 contractors. The Company carries out social and traceability audits in 100% of the national chain annually, totaling 1,447 social audits in 2023, resulting in 655 corrective action plans, 188 of them in suppliers and 467 in contractors.

CHAIN MAP



Traceability

The Group also practices traceability in the production process and implements corrective action plans when necessary, monitoring compliance by suppliers. The company believes in the constant evolution of working conditions and disqualifies suppliers that do not meet the requirements.

In 2022, the product traceability process and the risk matrix mapping for suppliers and contractors across the entire national chain began. In 2023, 311 traceability audits were carried out.



Responsible Procurement

GRI 2-29

In 2023, we held an international meeting with Riachuelo suppliers the Sourcing Summit, which brought together around 160 strategic partners from countries such as China, India, Bangladesh, Vietnam and Paraguay. The purpose of the event was to share Riachuelo's history and present the Group's commercial strategy, highlighting the commitment to product quality and concern for good social and environmental practices in its supply chain. During their stay in Brazil, the Company's international partners also had the opportunity to visit some stores, the Distribution Center in Guarulhos and the Guararapes factory in Natal, Rio Grande do Norte.



Partnership with Related Parties

GRI 2-29



The Guararapes Group established a Related Party Transaction Policy, approved by the Board of Directors on July 26, 2019 and with its latest version updated on November 11, 2021. This policy defines the guidelines for conducting transactions with related parties, aiming to protect the interests of the Company, its shareholders and managers.

This policy is aligned with the company's Bylaws, the Brazilian Corporation Law (Law No. 6,404/76), the regulations of the Securities and Exchange Commission (CVM), especially CVM Resolution No. 94/22, the Novo Mercado Regulation of B3 – Brasil, Bolsa, Balcão, in force since January 2, 2018, and the Company's Code of Ethics and Conduct.

The Audit Committee, together with Management and internal audit, is responsible for evaluating and monitoring the adequacy of transactions with related parties and their disclosures (CVM Resolution 23, art. 31D, V). The Guararapes Group seeks to ensure that decisions are taken impartially, following the principles of corporate governance and respecting the interests of the corporation, as established in article 117 of the Brazilian Corporation Law and other applicable legislation.

Contracts to be signed with Related Parties must follow the company's contracting rules and be approved by the Board of Directors, which may request market alternatives for the transaction, considering the risk factors involved.

Transactions with Related Parties based on independent valuation reports must be prepared without the participation of any party involved in the operation, based on realistic information and endorsed by third parties.

The Board of Directors and Statutory Board may condition the approval of Transactions with Related Parties to criteria they deem necessary, taking into account the clarity of the reasons for the transaction, compliance with the terms of the policy and recommendations from the Audit Committee, independent assessments and opinions from specialized professionals.

As provided for in the Brazilian Corporation Law, any member of the Board of Directors or the Executive Board is prohibited from voting at assemblies or meetings of the Board of Directors or the Executive Board, or participating in operations or businesses in which they have interests that conflict with those of the organization.

IERS

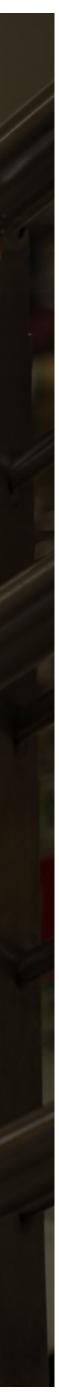
CRIA! Movement

About the Report GRI 2-2, GRI 2-3, GRI 2-5

About the Report

GRI, SASB and TCFD Content Summary

Annexes



About the Report GRI 2-2, GRI 2-3, GRI 3-1

The Company publishes this 2023 Integrated Report, annually, through the International Integrated Reporting Council (IIRC), and based on the Global Reporting Initiative (GRI) Standards, published in 2021. It has indicators from the Sustainability Accounting Standards Board (SASB) and the Task Force on Climate-related Financial Disclosures (TCFD). Also part of the document is the Group's response on compliance with the 10 principles from the UN Global Compact and the contribution to the Sustainable Development Goals (SDGs).

The content was developed taking into account the impacts and practices related to generating business value, highlighting strategies, goals, targets, indicators, management processes, and actions carried out in relation not only to commitment to sustainability, but also to operational excellence and focus on results.

The approach used to consolidate all information follows market standards for joint-stock companies.

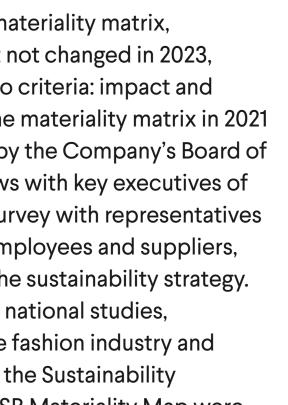
This Integrated Report covers the period from January 1st to December 31st, 2023, as well as its financial report, and encompasses all business areas of the Guararapes Group. The document was validated by the Audit Committee and the Board of Directors. Since 2021, the company has adopted the practice of obtaining external verification of its reports, the board of directors leaves it to the People and Sustainability Executive Board to take care of this process. This year, the verification was carried out by KPMG, whose evaluation is at the end of this material. There are no differences between the list of entities in the financial report and the list in the sustainability report. GRI 2-2, GRI 2-5

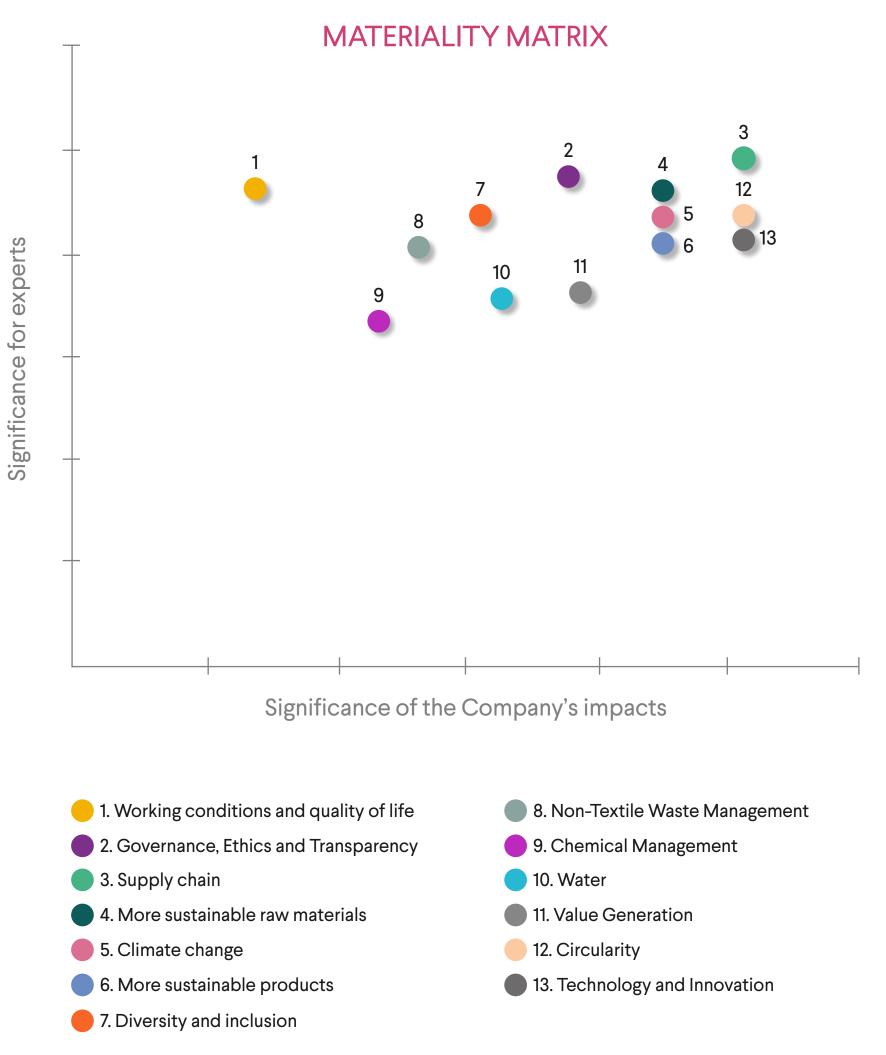
Material Topics

GRI 3-1, GRI 3-2

This Report presents the Company's materiality matrix, developed in 2021, revised in 2022, but not changed in 2023, which was used as a foundation for two criteria: impact and relevance. Both the development of the materiality matrix in 2021 and its review in 2022 were approved by the Company's Board of Directors. In terms of impact, interviews with key executives of the Guararapes Group and an online survey with representatives from strategic stakeholders, such as employees and suppliers, were considered in a pilot version of the sustainability strategy. Regarding relevance, international and national studies, recognized sustainability indices in the fashion industry and critical topics previously identified by the Sustainability Accounting Standards Board in the SASB Materiality Map were analyzed. GRI 2-14

The methodology used to understand the impacts of the business considered ordering from the most significant to the least significant, establishing a cutoff point. Then, a list was built from grouping by topic. The process included consultation with experts to assess the level of impact. The material topics were submitted to the Board of Directors, which incorporated Governance along with the topic of Ethics and Transparency. The topics considered material include: climate change, circularity, more sustainable products, sustainable raw materials, work conditions and quality of life, supply chain, water, chemicals, non-textile waste management, value generation, diversity and inclusion, governance, responsible ethics and transparency in business, as well as technology and innovation.



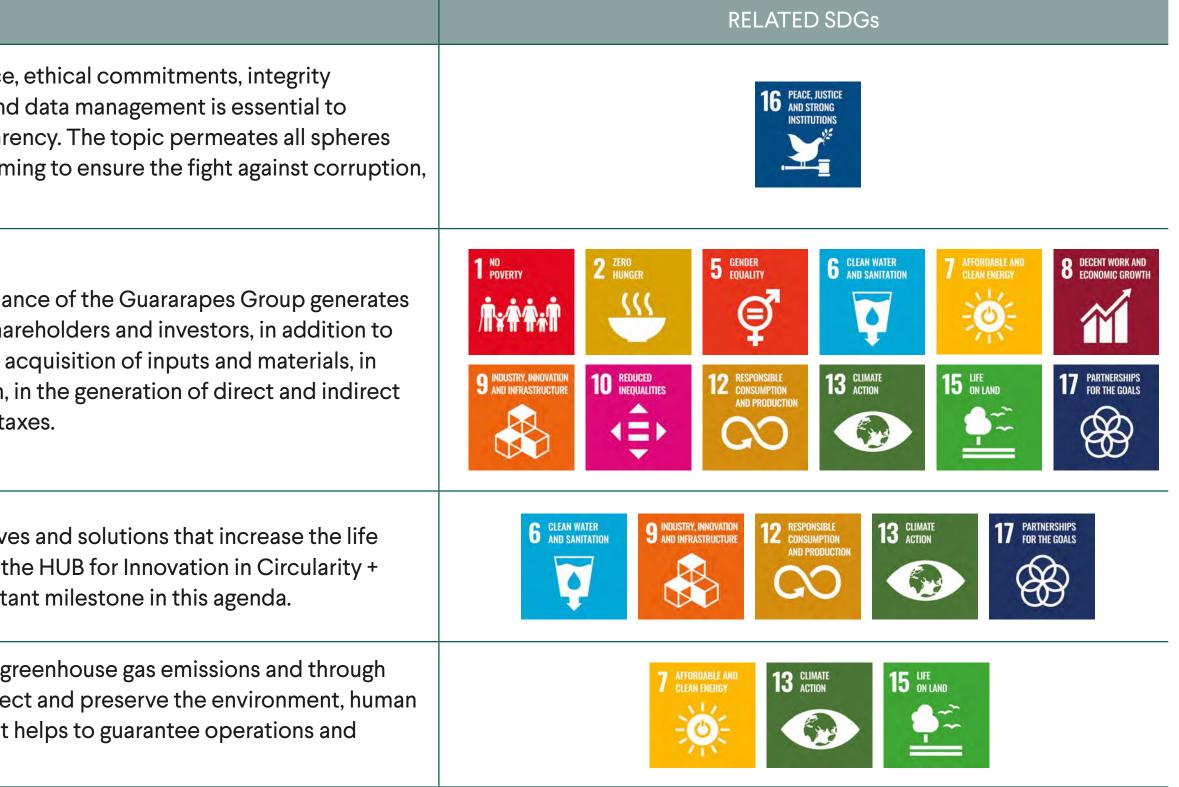


Sustainable Development Goals

GRI 3-2

MATERIAL TOPIC	SUB-TOPICS / APPROACH	DESCRIPTION
Governance, Ethics and Transparency	 Policies on sector topics Responsible Communication 	Strengthening Corporate Governance, mechanisms, compliance systems and guarantee business trust and transpare and guides business relationships, aim bribery and fraud.
Value Generation	Economic performance that generates socioeconomic value shared with society	The economic and financial performant shared value through returns to its share promoting the economy through the a the development of the supply chain, is employment, and in the payment of ta
Circularity	Increased product life cycle	Investment and promotion of initiative of clothes. Highlight to the launch of th Sustainability, representing an importa
Climate Change	• GHG emissions • Energy	Fighting climate change by reducing gr energy efficiency is essential to protec life and other species. Furthermore, it l avoid fines.

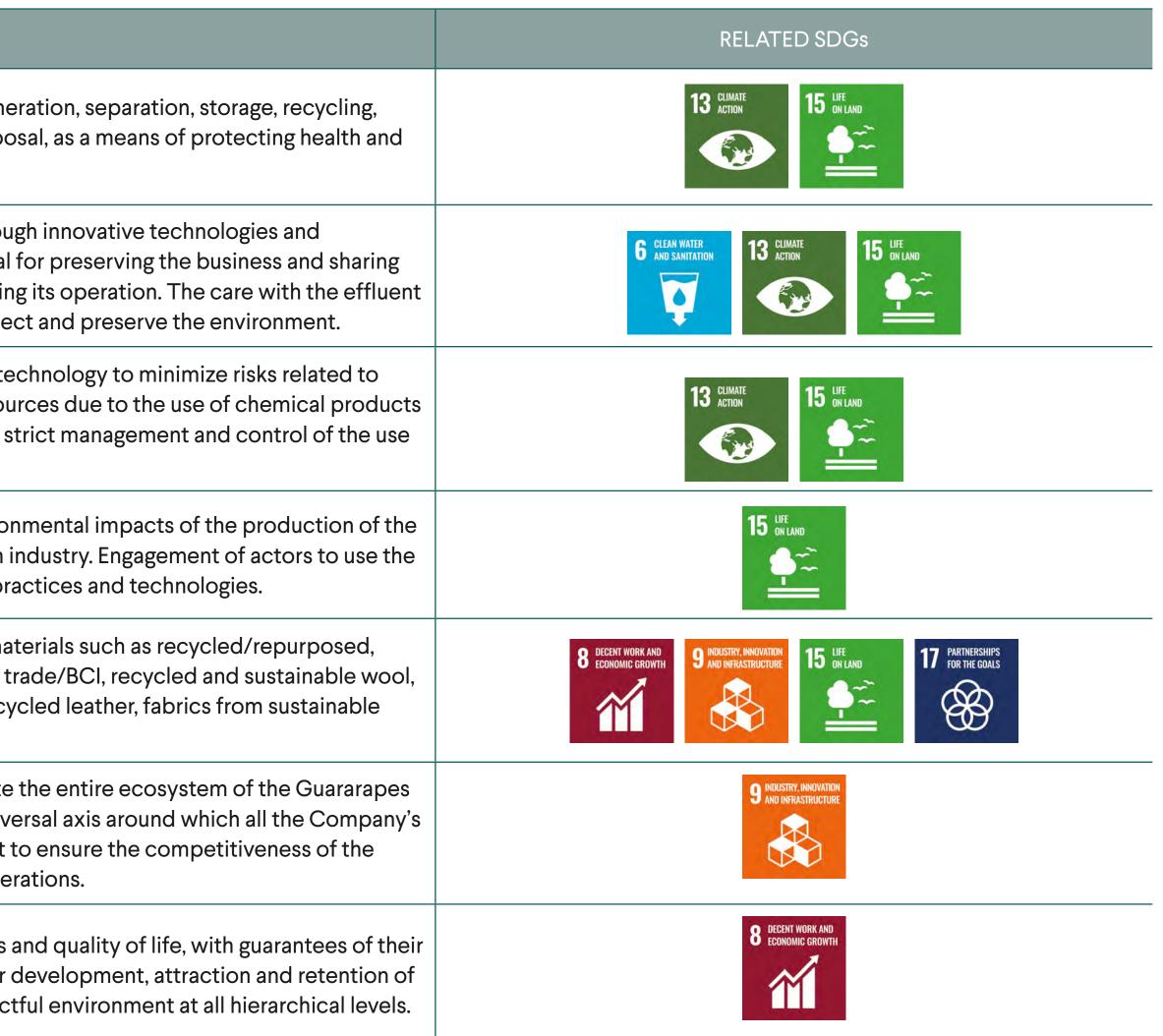
The information related to the ESG aspects covered in this report is aligned with the UN Sustainable Development Goals (SDGs). Ten of the seventeen SDGs are incorporated directly or indirectly into the Guararapes Group's business strategy and operations, selected based on the materiality matrix mentioned above. These SDGs include: Clean and Affordable Energy; Decent Work and Economic Growth; Industry, Innovation and Infrastructure; Reduction of Inequalities; Sustainable Cities and Communities; Responsible Consumption and Production; Climate Action; Life on Earth; and Partnerships and Means of Implementation.



CRIA! Movement

GRI 3-2

MATERIAL TOPIC	SUB-TOPICS / APPROACH	DESCRIPTION
Non-textile Waste Management	Correct disposal of waste, legislations on waste, recycling, reverse logistics.	Waste management involves the gene treatment and appropriate final disposition the environment.
Water	Act with more efficient processes and technologies that significantly reduce water consumption.	Efficient use of water resources throug sustainable use of water are essential water with the community surrounding is connected to this, in order to protec
Chemicals	Minimize the environmental footprint in textile manufacturing through new technologies.	Adoption of effective and efficient ter contamination of soil and water resou in the manufacture of clothing. Also, st of these chemicals.
More sustainable raw materials	Cotton, polyester, viscose, etc.	Initiatives to reduce the socio-environ three most used fibers in the fashion in best production and consumption pra
More sustainable products	Fibers, production processes and defense of human rights.	Encouragement and promotion of mat agroecological cotton, certified/fair tr recycled polyester, chrome-free/recy forestry sources, etc.
Technology and Innovation	 Information Security/data leakage. Digitalization, Innovation in sustainability and Business innovation. 	Technology and Innovation permeate Group, with innovation being a transve actions are aligned. This is important t business and the efficiency of its oper
Work Conditions and Quality of Life	 Promotion and defense of human rights for employees. Internal development programs. 	Offer its employees work conditions a labor rights, health and safety, career o talent, ensuring an ethical and respect



GRI 3-2

MATERIAL TOPIC	SUB-TOPICS / APPROACH	DESCRIPTION	RELATED SDGs
Diversity and Inclusion	Gender, race, ethnicity and sexual orientation, among other factors such as foreign and migrant labor.	Offering decent work conditions, in a friendly, safe and productive environment, involves eliminating discrimination since recruitment, providing access to training, compensation, evaluation or promotion of employees. It also understands as legitimate and fundamental conditions that everyone has equal opportunities, regardless of sex, race, age, origin, sexual orientation, gender identity, religion, physical condition, health conditions, etc., with special attention to those who belong to minority groups in society.	5 GENDER EQUALITY EQUALITY
Supply Chain	Supplier management and monitoring.	Responsible management of the supply chain, guaranteeing and preserving compliance with human rights, as well as curbing and eradicating child, slave or slave-like labor, to promote decent work.	1 NO POVERTY ARTANATION 5 GENDER EQUALITY EQUALITY EQUALITY EQUALITY EQUALITY EQUALITY EQUALITY

GRI, SASB and TCFD Content Summary



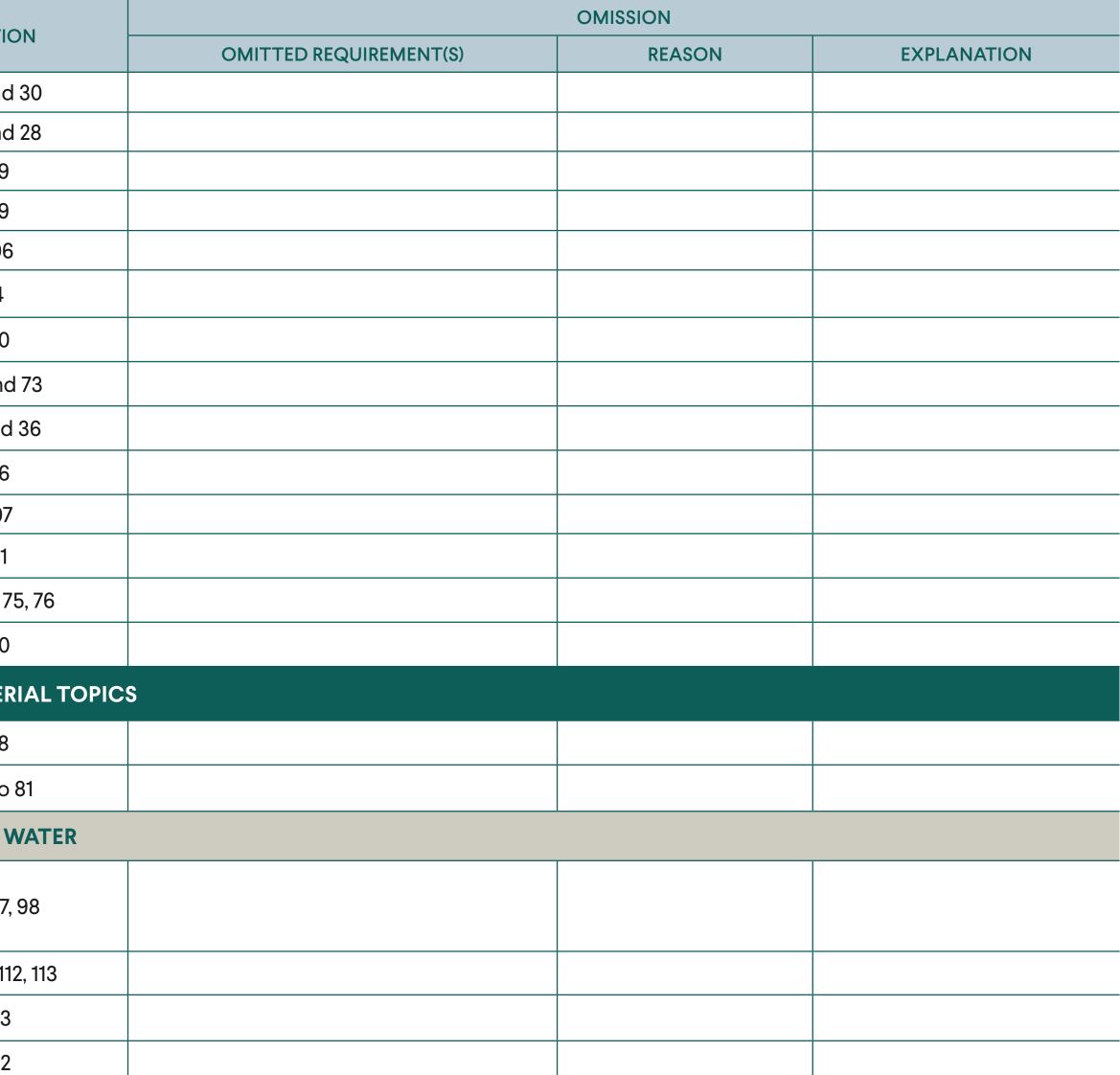
GRI Content Summary

GRI STANDARD /	CONTENT		OMISSION		
OTHER SOURCE	CONTENT	LOCATION	OMITTED REQUIREMENT(S)	REASON	EXPLANATION
		GENERAL CONTEN	TS		
	2-1 Organization details	p. 10, 11, 27, 117			
	2-2 Entities included in the organization's sustainability report	p. 15, 77, 78, 117			
	2-3 Reporting period, frequency and point of contact	p. 77, 78, 117			
	2-4 Information restatements	p. 50, 72, 114, 115			
	2-5 External verification	p. 77, 78			
	2-6 Activities, value chain and other commercial relationships	p. 6, 11, 15, 16, 17, 18, 19, 20, 72			
	2-7 Employees	p. 101			
	2-8 Workers who are not employees	p. 101			
GRI 2: GENERAL	2-9 Governance structure and its composition	p. 25, 26, 27, 28, 29, 107			
DISCLOSURES 2021	2-10 Nomination and selection for the highest governance body	p. 25, 27, 28			
	2-11 Chair of the highest governance body	p. 27 and 28			
	2-12 Role played by the highest governance body in overseeing the management of impacts	p. 27			
	2-13 Delegation of responsibility in impact management	p. 29 and 30			
	2-14 Role played by the highest governance body in sustainability reporting	p. 78			
	2-15 Conflicts of interest	p. 34			
	2-16 Notification of critical concerns	p. 27 There were no crucial concerns in 2023			

Statement of use: Riachuelo reported based on the GRI Standards for the period January 1st to December 31st, 2023 **GRI 1 used:** GRI 1: Foundation 2021 **Applicable GRI Sector Standard(s)**

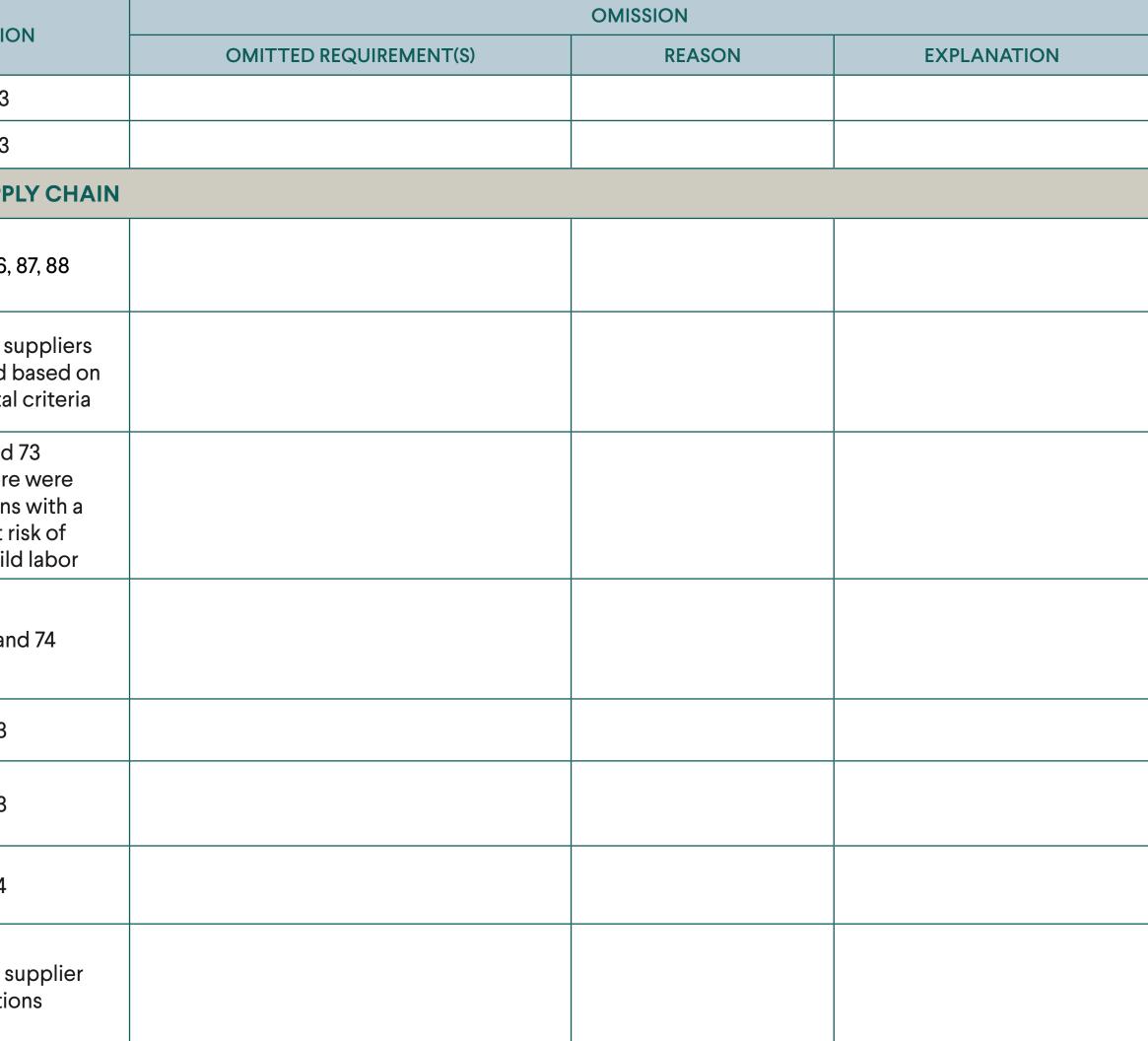
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GRI STANDARD / OTHER SOURCE	CONTENT	LOCATIO
	2-17 Collective knowledge of the highest governance body	p. 27 and
	2-18 Evaluation of the highest governance body's performance	p. 27 and
	2-19 Compensation policies	p. 29
	2-20 Process to determine compensation	р. 29
	2-21 Ratio of total annual compensation	p. 106
	2-22 Declaration on sustainable development strategy	p. 4
GRI 2: GENERAL	2-23 Policy Commitments	р. 30
DISCLOSURES	2-24 Incorporation of policy commitments	p. 30 and
2021	2-25 Processes for repairing negative impacts	p. 31 and
	2-26 Mechanisms for advice and raising concerns	p. 36
	2-27 Compliance with laws and regulations	p. 107
	2-28 Participation in associations	p. 31
	2-29 Approach to engage stakeholders	p. 20, 72, 75
	2-30 Collective bargaining agreements	p. 60
		MATER
GRI 3:	3-1 Process to define material topics	p. 78
MATERIAL TOPICS 2021	3-2 List of material topics	p. 78 to 8
		W
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	p. 53, 97, 9
CDI 202.	303-1 Interactions with water as a shared resource	p. 51, 52, 112
GRI 303: WATER AND	303-2 Management of impacts related to water disposal	p. 113
EFFLUENTS 2018	303-3 Water withdrawal	p. 112



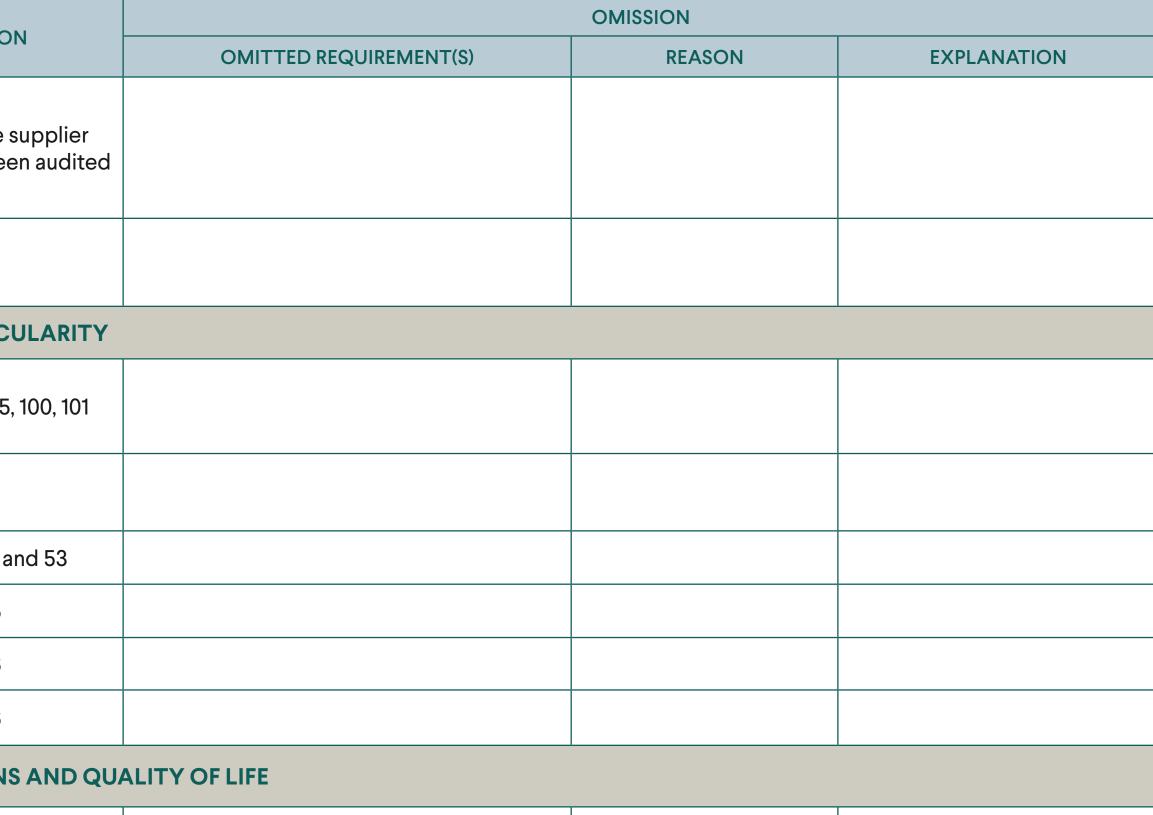
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	GRI STANDARD / OTHER SOURCE	CONTENT	LOCATIO
GRI 303:		303-4 Disposal of water	p. 113
	WATER AND EFFLUENTS 2018	303-5 Water consumption	p. 113
		·	SUPPI
	GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	p. 74, 75, 76, 8
	GRI 308: SUPPLIER ENVIRONMENTAL ASSESSMENT	308-1 New suppliers that were screened using environmental criteria	100% of new su were selected b environmental
	GRI 408: CHILD LABOR	408-1 Operations and suppliers at significant risk for incidents of child labor	p. 72 and In 2023 there no operations significant ri cases of chilc
	GRI 409: FORCED OR COMPULSORY LABOR 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	p. 72, 73 and
	GRI 414:	414-1 New suppliers selected based on social criteria	p. 73
SUPPLIER SOCIAL ASSESSMENT 2016		414-2 Negative environmental impacts in the supply chain and actions taken	p. 73
	SASB ACTIVITY METRICS	CG-AA-000.A Number of (1) Tier 1 suppliers and (2) suppliers beyond Tier 1	p. 74
	SASB ENVIRONMENTAL IMPACTS IN THE SUPPLY CHAIN	CG-AA-430a.1 Percentage of (1) Tier 1 supplier facilities and (2) supplier facilities beyond Tier 1 in compliance with wastewater discharge permits and/or contractual agreements	100% resale su installatio



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GRI STANDARD /	CONTENT		OMISSION		
OTHER SOURCE	CONTENT	LOCATION	OMITTED REQUIREMENT(S)	REASON	EXPLANATION
SASB LABOR CONDITIONS IN THE SUPPLY	CG-AA-430b.1. Percentage of (1) Tier 1 supplier facilities and (2) supplier facilities beyond Tier 1 that have been audited to a labor code of conduct, (3) percentage of total audits conducted by a third- party auditor	100% of resale supplier facilities have been audited			
CHAIN	CG-AA-430b.3. Description of the greatest labor and environmental, health and safety risks in the supply chain	p. 72			
		CIRCULARITY		·	
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	p. 43, 44, 54, 55, 100, 101			
	306-1 Waste generation and significant waste-related impacts	p. 52			
CDI 206.	306-2 Management of significant waste-related impacts	p. 43, 44, 52 and 53			
GRI 306: WASTE 2020	306-3 Waste generated	p. 115			
	306-4 Waste diverted from disposal	p. 116			
	306-5 Waste directed to disposal	p. 116			
	W	ALITY OF LIFE			
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	p. 56, 62, 63, 64, 74, 75, 89, 90, 92, 94			



GRI STANDARD / OTHER SOURCE	CONTENT	LOCATIO
GRI 202: MARKET PRESENCE 2016	202-1 - Ratios of standard entry level wage by gender compared to the local minimum wage	For both men an who have the salary in the Gre equivalent in a 1 to the minimum wa to the labor leg practiced in the in which the Co operates direct operational uni group were cons this indica
GRI 202: MARKET PRESENCE 2016	202-2 Proportion of senior management hired from the local community	Executive B (C-level) hired headquarters i RN (2 out of 10 corresponds to remaining con- are at the admir headquarters, rep 80%. The ope units considered headquarters in and the office Paulo (SF
GRI 201: ECONOMIC PERFORMANCE	201-3 Defined benefit plan obligations and other retirement plans	p. 60



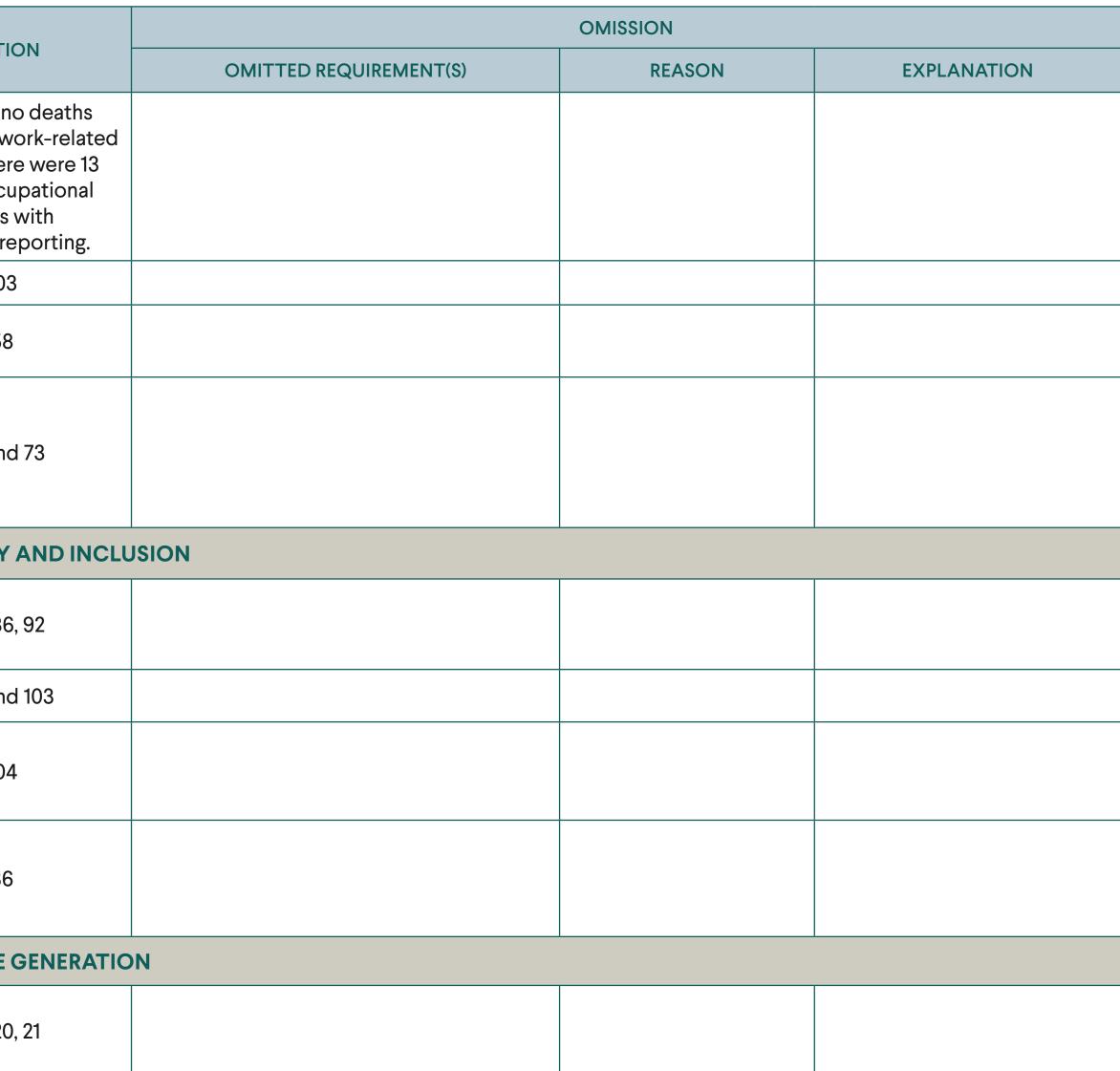
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GRI STANDARD / OTHER SOURCE	CONTENT	LOCATIO
	401-1 New employee hires and employee turnover	p. 106
GRI 401: EMPLOYMENT 2016	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	p. 60
	401-3 Parental leave	p. 102
	403-1 Occupational health and safety management system	p. 61
	403-2 Hazard identification, risk assessment, and incident investigation	p. 61
	403-3 Occupational health services	p. 62
	403-4 Worker participation, consultation, and communication on occupational health and safety	p. 61
	403-5 Worker training on occupational health and safety	p. 61
GRI 403:	403-6 Promotion of worker health	p. 60
OCCUPATIONAL HEALTH AND SAFETY 2018	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	p. 62
	403-8 Workers covered by an occupational health and safety management system	p. 61
	403-9 Work-related injuries	There were 38 mandatory repor accidents cons respectively, all e and workers whe employees but workplace is con the organiza



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GRI STANDARD / OTHER SOURCE	CONTENT	LOCATIO
GRI 403: OCCUPATIONAL HEALTH AND SAFETY 2018	403-10 Work-related ill health	There were no resulting from wo ill health. There cases of occup diseases w mandatory rep
GRI 404:	404-1 Average hours of training per year per employee	p. 103
TRAINING AND EDUCATION 2016	404-2 Programs for upgrading employee skills and transition assistance programs	p. 58
GRI 407: FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	p. 72 and
		DIVERSITY A
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	p. 59, 36,
GRI 405:	405-1 Diversity of governance bodies and employees	p. 102 and
DIVERSITY AND EQUAL OPPORTUNITY 2016	405-2 Ratio of basic salary and remuneration of women to men	p. 104
406: NON- DISCRIMINATION 2016	406-1 Incidents of discrimination and corrective actions taken	p. 36
		VALUE G
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	p. 19, 20,



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GRI STANDARD /	CONTENT		OMISSION		
OTHER SOURCE	E CONTENT LOCATION		OMITTED REQUIREMENT(S)	REASON	EXPLANATION
GRI 201: ECONOMIC PERFORMANCE	201-1 Direct economic value generated and distributed	Available on pages 12 and 13 of the 2023 Financial Statements at: <u>https://</u> <u>ri.riachuelo.com.br/</u> <u>informacoes-financeiras/</u> <u>documentos-cvm/</u>			
		GENERATION OF NON-TEXT			
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	p. 54, 55, 100, 101			
GRI 301: MATERIALS	301-1 Materials used by weight or volume	p. 110			
	306-1 Waste generation and significant waste-related impacts	p. 52			
GRI 306: WASTE 2020	306-3 Waste generated	p. 115			
	306-5 Waste directed to disposal	p. 116			
	GO	VERNANCE, ETHICS AND TR	ANSPARENCY		
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	p. 25, 34, 38			
GRI 205:	205-1 Operations assessed for risks related to corruption	p. 34			
ANTI- CORRUPTION 2016	205-3 Confirmed incidents of corruption and actions taken	p. 34			
MORE SUSTAINABLE RAW MATERIALS					
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	p. 45			
GRI 301: MATERIALS	301-2 Recycled input materials used	p. 110			

OTHER SOURCESASB SUPPLY OF RAW MATERIALSCG-AA-440a.3. (1) list of priority raw materials; for each priority raw material: (2) environmental or social factors most likely to threaten sourcing, (3) discussion of business risks or opportunities associated with environmental or social factors, and (4) management strategy for addressing business risks and opportunitiesp. 110CG-AA-440a.4. (1) Amount of priority raw materials purchased, by material, and (2) amount of each priority raw material that is certified to a third-party environmental or social standard, by standardp. 110GRI 3: MATERIAL TOPICS 20213-3 Management of material topicsp. 47, 48, 49, 5GRI 201: ECONOMIC PERFORMANCE201-2 Financial implications and other risks and opportunities due to climate changep. 111302-1 Energy consumption within the organizationp. 111302-2- Energy consumption outside the organizationp. 111302-3 Energy intensityp. 50			
SASB SUPPLY OF RAW MATERIALSmaterial: (2) environmental or social factors most likely to threaten sourcing, (3) discussion of business risks or opportunities associated with environmental or social factors, and (4) management strategy for addressing business risks and opportunitiesp. 110CG-AA-440a.4. (1) Amount of priority raw materials purchased, by material, and (2) amount of each priority raw materials burchased, by material, and (2) amount of each priority raw material that is certified to a third-party environmental or social standard, by standardp. 110GRI 3: MATERIAL TOPICS 20213-3 Management of material topicsp. 47, 48, 49, 5 96, 98, 92GRI 201: ECONOMIC PERFORMANCE201-2 Financial implications and other risks and opportunities due to climate changep. 47 and 9. 111GRI 302: ENERGY 2016302-1 Energy consumption within the organizationp. 111 9. 111GRI 302: ENERGY 2016302-3 Energy intensityp. 50		CONTENT	LOCATIO
material, and (2) amount of each priority raw material that is certified to a third-party environmental or social standard, by standardp. 110GRI 3: MATERIAL TOPICS 20213-3 Management of material topicsp. 47, 48, 49, 5 96, 98, 95GRI 201: ECONOMIC PERFORMANCE201-2 Financial implications and other risks and opportunities due to climate changep. 47 and 9. 111GRI 302: ENERGY 2016302-1 Energy consumption within the organizationp. 111 9. 111GRI 302: ENERGY 2016302-3 Energy intensityp. 50		material: (2) environmental or social factors most likely to threaten sourcing, (3) discussion of business risks or opportunities associated with environmental or social factors, and (4) management strategy for	p. 110
GRI 3: MATERIAL TOPICS 20213-3 Management of material topicsp. 47, 48, 49, 5 96, 98, 95GRI 201: ECONOMIC PERFORMANCE201-2 Financial implications and other risks and opportunities due to climate changep. 47 and 		material, and (2) amount of each priority raw material that is certified	p. 110
MATERIAL TOPICS 20213-3 Management of material topicsp. 47, 48, 49, 49, 49, 49, 49, 49, 49, 49, 49, 49			CLIMAT
ECONOMIC PERFORMANCE201-2 Financial implications and other risks and opportunities due to climate changep. 47 and302-1 Energy consumption within the organizationp. 111302-2- Energy consumption outside the organizationp. 111302-3 Energy intensityp. 50	MATERIAL	3-3 Management of material topics	p. 47, 48, 49, 50 96, 98, 99,
GRI 302: ENERGY 2016302-2- Energy consumption outside the organizationp. 111302-3 Energy intensity9.50	ECONOMIC		p. 47 and 1
GRI 302: ENERGY 2016302-3 Energy intensityp. 50		302-1 Energy consumption within the organization	p. 111
ENERGY 2016 302–3 Energy intensity p. 50		302-2- Energy consumption outside the organization	p. 111
302-4 Reduction of energy consumption 50		302-3 Energy intensity	p. 50
		302-4 Reduction of energy consumption	p. 50
302-5 Reductions in energy requirements of products and services p. 50		302-5 Reductions in energy requirements of products and services	p. 50
GRI 305:305-1 Direct (Scope 1) GHG emissionsp. 49 and	GRI 305:	305-1 Direct (Scope 1) GHG emissions	p. 49 and ⁻
EMISSIONS 2016305-2 Energy indirect (Scope 2) GHG emissionsp. 49	EMISSIONS 2016	305-2 Energy indirect (Scope 2) GHG emissions	p. 49
305-3 Other indirect (Scope 3) GHG emissions p. 49 and		305-3 Other indirect (Scope 3) GHG emissions	p. 49 and [•]
305-4 GHG emissions intensity p. 115		305-4 GHG emissions intensity	p. 115
		305-5 Reduction of GHG emissions	p. 50
EMISSIONS 2016 305-6 Emissions of ozone-depleting substances (ODS) p. 114	EMISSIONS 2016	305-6 Emissions of ozone-depleting substances (ODS)	p. 114
305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant p. 115 air emissions			p. 115



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GRI STANDARD /		LOCATION		OMISSION			
OTHER SOURCE	CONTENT		OMITTED REQUIREMENT(S)	REASON	EXPLANATION		
MORE SUSTAINABLE PRODUCTS							
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	p. 45 and 46					
		CHEMICAL MANAGE	IENT	· · · · ·			
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	p. 54					
SASB MANAGEMENT	CG-AA-250a.1 Discussion of processes to maintain compliance with restricted substances regulations	p. 52					
OF CHEMICALSUBSTANCES INPRODUCTSCG-AA-250a.2 Discussion of processes to assess and manage risks and/or hazards associated with chemicals in products		p. 52					
		TECHNOLOGY AND INNO	VATION				
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	p. 37, 46					
GRI 418: CUSTOMER PRIVACY 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	p. 37					



TCFD Summary

ТОРІС	RECOMMENDED DISCLOSURE	ANSWER
GOVERNANCE	a) Describe how the Board oversees risks and opportunities related to climate change.	Riachuelo's Governance and Sustainabil comprised of six people, four of them m Director and the Executive Financial Ad impacts, good practices and investment to long-term goals. An example of this is its constant action adoption of voluntary targets, as well as reduction target. The topic was a consta commitment made with the Science Bas SBTi, for validation, at the end of 2023. The Governance and Sustainability Com
	b) Describe the role of the Board in assessing and managing risks and opportunities related to climate change.	The Board of Directors supervises, mon and Sustainability Committee.
STRATEGY	a) Describe the risks and opportunities related to climate change that the organization has identified in the short, medium and long term;	 The short-, medium- and long-term hori inherent to our business and in the region Short term: up to 5 years; Medium term: 5 to 10 years; Long term: from 10 years. The risks considered in the organization Current Regulation: Riachuelo considered to proventing contamination, roon the climate issue that is applicable to production units that exceed a certain a (continued)

bility Committee is one of the advisory committees to the company's Board of Directors. This committee is members of the board of directors and two C-level executives, including the Executive People and Sustainability dministrative Director. In this environment, discussions are held monthly regarding the company's strategy, its ents related to the ESG agenda, mainly with regard to climate change. It validates action plans, investments and short-

on in monitoring and evaluating the company's performance in relation to GHG emissions, approval of initiatives, the as commitments relating to this issue. In 2021, this committee prepared and approved Riachuelo's GHG emissions stant and permanent topic of discussions and studies in 2020 and 2021. In 2022, this same committee approved the ased Targets Initiative (SBTI) and the development of the target based on the entity's criteria, which was delivered to

mmittee reports to the Board of Directors every two months, through scheduled meetings.

onitors and evaluates the risks and opportunities related to climate change based on the advice of the Governance

rizons are defined considering the work life of the company's assets and the risks associated with climate that are ions where our units operate:

on's climate risk assessments are:

ders current regulations, as well as government plans and projects, related to climate change in its risk assessments. with environmental legislation in the locations where it operates, as well as other resulting obligations, with special , minimizing possible environmental impacts generated throughout the supply chain. Currently, there is no regulation to Riachuelo. In Brazil, there are state environmental bodies that request the reporting of GHG emissions for amount of emissions, such as in the states of São Paulo and Rio de Janeiro.

GRI, SASB and TCFD Content Summary

TOPIC	RECOMMENDED DISCLOSURE	ANSWER
STRATEGY	a) Describe the risks and opportunities related to climate change that the organization has identified in the short, medium and long term;	(continued) However, in the regions where Riachueld Such regulations may represent addition responsible for identifying issues related • Emerging Regulation: Riachuelo conside with environmental legislation in the loc minimizing possible environmental impa- To this end, Riachuelo has the participat to environmental legislation in the comp • Technological: Riachuelo evaluates ter manufacturing) and operations (logistics technological innovation in our process a more sustainable electrical matrix, thre alternative sources of water for operation the technological issue can impact the operation of the technological issue can impact the operation the technological issue can impact the operation of the technological issue can impact the operation operation operation operation operation operation operation operation operation operation operation operation operation operation operation operation operation operation operation op



elo's production units are located (Northeast of Brazil), environmental agencies do not require this type of reporting. Onal costs for the company. At Riachuelo, the Legal Department and the Corporate Sustainability Department are ed to environmental legislation in the company's areas of operation.

siders emerging regulations related to climate change in its risk assessments. The company supervises compliance ocations where it operates, as well as other resulting obligations, with special attention to preventing contamination, pacts generated throughout the supply chain.

ation of the Sustainability Department and the Legal Department, which are responsible for identifying issues related npany's areas of operation.

echnological issues in its risk assessments, as new low-carbon technologies may impact our products (design and cs and store operations). The engineering department identifies and evaluates risks and opportunities related to sees, such as, for example, replacing fossil fuel in boilers, replacing lamps with LED technology, and the transition to prough hiring renewable electrical energy in the free market in Brazil. Opportunities related to water efficiency and tions are also evaluated, such as technology for reusing treated effluents. If not adequately evaluated and managed, e company's competitive advantages and, eventually, market loss.

sues related to the topic of climate change into its risk assessments, through the corporate sustainability department nd evaluate legal issues on this topic. In the company's operating history, no legal claims related to climate issues y continues to monitor this topic, as it may become relevant.

risks in its risk assessments, through the Commercial Executive Board and the Corporate Sustainability Department. ect the supply of raw materials necessary to manufacture our products, resulting in a reduction in supply or possible changes in consumer preferences can also represent a market risk. The increase in demand for more sustainable a low carbon footprint, may represent a risk if Riachuelo does not adequately manage its GHG emissions.

utation as part of the criteria for risk assessment and management, so we monitor the client's assessment and the company's commitment to the environment is an important and greatly relevant value to society, being a factor omers, who have sought to purchase more sustainable products. For reputational risk, the Corporate Sustainability artment are responsible at Riachuelo for identifying and evaluating this risk category. (continued...)

TOPIC	RECOMMENDED DISCLOSURE	ANSWER
STRATEGY	a) Describe the risks and opportunities related to climate change that the organization has identified in the short, medium and long term;	 (continued) Acute Physical: Riachuelo has a Sustait the units. An example of an acute physichigh precipitation, which can lead to flow of the units. An example of a chronic physical of the units. An example of a chronic physical of the regions where our production units reduction or interruption in production. Riachuelo, through its sustainability deponent of the regions where our production in the reduction or interruption in production. Riachuelo, through its sustainability deponent of the regions where our production in the reduction or interruption in production. Riachuelo, through its sustainability deponent of the reported to Riachuelo's Administration and other departments, such as the engle emissions, such as replacing fuel in boild. Riachuelo defines a strategic risk as one liquidity, business, and the market price. Regarding the climate issue, an example our production units are located (Factor highly critical river basin in relation to the which could lead to an increase in the output of the cDP).
	b) Describe the impacts of risks and opportunities related to climate change on the organization's business, strategy and financial planning	Risks and opportunities spreadsheet pa

ainability Department that identifies and evaluates acute physical risks that may have an impact on the operations of sical risk with the potential to significantly impact our operations is the increase in extreme weather events, such as looding events. Floods can cause store closures, reducing part of the company's sales.

ustainability Department that identifies and evaluates chronic physical risks that may have an impact on the operations ohysical risk with potential to have a significant impact on our operations is the increase in periods of water scarcity in its or raw material supply regions are located. These climatic events can reduce the availability of water and lead to a on or the supply of raw materials.

epartment and external experts, collects information, identifies and assesses the potential risks associated with int information for approval of related projects to the Executive Director of People and Sustainability, who, in turn, he Governance and Sustainability Committee. The issues discussed and evaluated related to climate change are crative Council. The sustainability department is responsible for evaluating and managing climate issues at Riachuelo; ngineering department, support the assessment of the technical feasibility of implementing projects to reduce GHG ilers.

e that may adversely or negatively affect its business, its financial condition, its operating results, its cash flow, e of the company's shares.

le of significant risk is the increase in extreme weather events, such as periods of water scarcity, in the regions where ories in Natal and Fortaleza), or in regions where raw material is supplied. For example, the Natal factory is located in a the quantity and quality of water available, and weather events of this type represent a risk of reducing water supply, cost of purchasing water., reduction or even interruption of production.

, together with an estimate of their financial impact and their classification in the short, medium and long term, can nate Change questionnaire or on pages 109 and 110 of the report (climate risks and opportunities matrix prepared for

bage 108 and 109.

TOPIC	RECOMMENDED DISCLOSURE	ANSWER
STRATEGY	c) Describe the resilience of the organization's strategy, considering different climate change scenarios, including a 2°C or less scenario	Sustainability is one of the pillars of the by prioritizing the development and ma society. In the textile retail sector, sustainability reducing the water footprint (amount of Within these themes, there is an opport sustainable raw materials and products In this context, the company's strategy years. The group has a senior management already signed with the SBTi (official at the and engagement with suppliers and fina- transition plan, Riachuelo already has so
	a) Describe the processes used by the organization to identify and assess risks related to climate change	Riachuelo, through its sustainability dep mate change, passing on the relevant in wards the issues for discussion in the G reported to Riachuelo's Administrative The sustainability department is respon partment, support the assessment of the Riachuelo defines a strategic risk as one ty, business, and the market price of the The scales for identifying substantive fi and critical risk (>7M). Therefore, any risk Million) represents approximately 1% of the company's supply chain. Regarding the climate issue, an example our production units are located (Facto highly critical river basin in relation to the which could lead to an increase in the c



e Guararapes Group's business model. With integrated management, we seek to gain efficiency and competitiveness anufacture of our products through processes and raw materials that are more favorable to the environment and

y translates into broad challenges common to many other sectors, such as reducing greenhouse gas (GHG) emissions, of water used in the manufacture of a product), eco-efficiency in all operations and waste and effluent management. rtunity for major improvements in specific aspects of the production and sale of textiles, such as the use of more is with a lower environmental impact.

v was influenced by climate risks and opportunities and plans to develop a climate transition plan over the next two nent view of climate risks and opportunities, has committed to developing a *Science Based* Target - a commitment t the beginning of 2022), carries out verification of Scopes 1, 2 and 3 of its GHG inventory, it has low carbon initiatives nancial planning is also influenced by climate risks and opportunities. Therefore, according to the elements of the some actions and will work to include all the actions described.

epartment and external experts, collects information, identifies and assesses the potential risks associated with cliinformation for approval of related projects to the Executive Director of People and Sustainability, who, in turn, for-Governance and Sustainability Committee. The issues discussed and evaluated related to climate change are then e Council.

onsible for evaluating and managing climate issues at Riachuelo; and other departments, such as the engineering dehe technical feasibility of implementing projects to reduce GHG emissions, such as replacing fuel in boilers.

e that may adversely or negatively affect its business, its financial condition, its operating results, its cash flow, liquidile company's shares.

financial impacts used by Riachuelo are, in BRL: Low risk (>500k), medium risk (500k up to 2M), high risk (2M up to 7M), sk that entails a financial impact greater than BRL 10 Million is considered a critical risk for Riachuelo. This value (BRL 7 of the organization's EBITDA in 2023 (BRL 1,028M). This definition is applicable both to risks in direct operations and in

le of significant risk is the increase in extreme weather events, such as periods of water scarcity, in the regions where ories in Natal and Fortaleza), or in regions where raw material is supplied. For example, the Natal factory is located in a the quantity and quality of water available, and weather events of this type represent a risk of reducing water supply, cost of purchasing water. , reduction or even interruption of production. (to be continued...)

ТОРІС	RECOMMENDED DISCLOSURE	ANSWER
	a) Describe the processes used by the organization to identify and assess risks related to climate change	(continued) Riachuelo's climate risk assessment pro- who, through this data, identify, discuss direct and <i>upstream</i> operations. In this Department, which performs the techni to the Governance and Sustainability Co Riachuelo's Board of Directors oversees guidance of the company's strategy and is also responsible for approving corpor opportunities and risks, contributing to Riachuelo integrates climate risk identi Sustainability Department and externa These risks are assessed regarding thei Sustainability Committee and the Boar considerations into its strategies and d and <i>Compliance</i> departments, ensuring risks are treated as an integral part of R climate on its operations and business For the analysis of the financial impact r the <i>Compliance</i> department, being asse the risk assessed. As an example, faced with changes in cl using the Aqueduct tool (WRI) at its unit a lack of water in quality or quantity rep was prepared by the Sustainability Dep Riachuelo Board of Directors.



ocess initially occurs through the collection of information by the Sustainability Department and external experts is and evaluate opportunities and risks associated with climate issues, applying adaptations and responses for s process, the Sustainability Department also has support from other areas of the company, such as the Engineering nical feasibility assessment of technical feasibility projects. Analyzes and projects related to this topic are presented Committee, which discusses the proposals.

es the corporate approach to managing risks and opportunities linked to climate change through review and nd annual budgets. For this action, the board is advised by the Governance and Sustainability Committee, which orate goals and objectives related to the topic. The Committee holds bimonthly meetings to report and discuss o more effective management of climate issues in the company.

tification, assessment and management processes into its overall risk management approach. Through the nal experts, the company collects relevant information and identifies the risks associated with climate issues. eir financial, operational, legal, market, reputational and technological consequences. The Governance and ard of Directors oversee the corporate approach to managing these risks, ensuring the integration of climate decision-making. Financial impact assessment and continuous monitoring are carried out by the Sustainability ng that the company is prepared to deal with the challenges and opportunities of climate change. In short, climate Riachuelo's overall risk management, demonstrating its commitment to proactively addressing the implications of s strategies.

related to climate issues, the assessment is carried out by the Sustainability Department and sessed by the Compliance department according to the impact and probability of occurrence and financial impact of

climate and rainfall patterns, Riachuelo's Sustainability Department developed a water scarcity assessment project hits. Since our factories located in the north-east of Brazil need water of sufficient quality for their industrial processes, presents a risk, as it could lead to a reduction or even an interruption in production. The proposal for this assessment partment and presented to the People, Management and Sustainability Department and, subsequently, taken to the

TOPIC	RECOMMENDED DISCLOSURE	ANSWER			
		Riachuelo's climate risk evaluatuion pro- who, based on this data, identify, discus also has support from the Engineering D Governance and Sustainability Commit			
	b) Describe the processes used by the organization to manage risks related	ed by the responsible for approving corporate go			
RISK MANAGEMENT	to climate change.	For the analysis of the financial impact redepartment, being assessed by the <i>Con</i> assessed. As an example, faced with chaproject using the tool <i>Aqueduct</i> (WRI) in processes, a lack of water in quality or co assessment was prepared by the Sustain taken to the Riachuelo Board of Directo			
	c) Describe how the processes used by the organization to identify, assess and manage risks related to climate change are integrated into the organization's overall risk management	Climate risks and opportunities were pr environmental risk in general.			
		Riachuelo considers current regulations supervises compliance with environme preventing contamination, minimizing p			
METRICS AND GOALS	a) Report the metrics used by the organization to assess risks and opportunities related to climate	Currently, there is no regulation on the c of GHG emissions for production units regions where Riachuelo's production u may represent additional costs for the c			
	change according to its strategy and risk management process.	At Riachuelo, the Legal Department and in the company's areas of operation. Ria compliance with environmental legislat contamination, minimizing possible env			
		Riachuelo evaluates technological issue operations (logistics and store operatio			



ocess initially occurs through the collection of information by the Sustainability Department and external experts uss and evaluate opportunities and risks associated with climate issues. In this process, the Sustainability Department Department to assess technical feasibility. Analyzes and projects related to this topic are presented to the ittee, which discusses the proposals.

es the corporate approach to managing risks and opportunities linked to climate change through review and guidance oudgets. For this action, the board is advised by the Governance and Sustainability Committee, which is also oals and objectives related to the topic. The report carried out by the committee occurs bimonthly.

related to climate issues, the assessment is carried out by the Sustainability Department and the Compliance ompliance department according to the impact and probability of occurrence and financial impact of the risk hanges in climate and rainfall patterns, Riachuelo's Sustainability Department developed a water scarcity assessment in its units. Since our factories located in the north-east of Brazil need water of sufficient quality for their industrial quantity represents a risk, as it could lead to a reduction or even an interruption in production. The proposal for this ainability Department and presented to the People, Management and Sustainability Department and, subsequently, cors.

prepared by the Sustainability Area for reporting to CDP. The company's risk management policy provides for socio-

ns, as well as government plans and projects, related to climate change in its risk assessments. The company ental legislation in the locations where it operates, as well as other resulting obligations, with special attention to possible environmental impacts generated throughout the supply chain.

climate issue that is applicable to Riachuelo. In Brazil, there are state environmental bodies that request the reporting s that exceed a certain amount of emissions, such as in the states of São Paulo and Rio de Janeiro. However, in the units are located (Northeast of Brazil), environmental agencies do not require this type of reporting. Such regulations company.

Ind the Corporate Sustainability Department are responsible for identifying issues related to environmental legislation iachuelo considers emerging regulations related to climate change in its risk assessments. The company supervises ation in the locations where it operates, as well as other resulting obligations, with special attention to preventing invironmental impacts generated throughout the supply chain.

les in its risk assessments, as new low-carbon technologies may impact our products (design and manufacturing) and ons). (to be continued...)

ТОРІС	RECOMMENDED DISCLOSURE	ANSWER
		(continued) The engineering department identifies fuel in boilers, replacing lamps with LED the free market in Brazil. Opportunities for reusing treated effluents. If not adec eventually, market loss.
	a) Inform the metrics used by the organization to assess the risks and opportunities related to climate	In the company's operating history, no l understanding its relevance. Riachuelo Department. The effects of climate cha or possible increases in costs. On the o sustainable products, for example, prod
	change in accordance with its strategies and risk management process.	Riachuelo considers reputation as part image. In this regard, the company's co large number of customers, who have s Compliance Department are responsib
METRICS AND GOALS		Riachuelo has a Sustainability Departme An example of an acute physical risk wi precipitation, which can lead to floodir
		The company's Sustainability Departme example of a chronic physical risk with where our production units or raw mate interruption in production or the supply
	b) Inform Scope 1, Scope 2 and, if applicable, Scope 3 greenhouse gas emissions and the risks related to them	Emissions page 49. The risks relating to
	c) Describe the goals used by the Organization to manage risks and opportunities related to climate change, and the performance in relation to those goals	The company has focused mainly on m first emissions reduction target was and commitment was signed with the SBTi i Global warming by 1.5 degrees and prev in 2023. At the beginning of 2024, we had of Goods and Services acquired from S



es and evaluates risks and opportunities related to technological innovation in our processes, such as replacing fossil ED technology, and the transition to a more sustainable electrical matrix, through hiring renewable electrical energy in the serelated to water efficiency and alternative sources of water for operations are also evaluated, such as technology equately evaluated and managed, the technological issue can impact the company's competitive advantages and,

o legal claims related to climate issues were identified. However, the company continues to monitor this topic, o considers market risks in its risk assessments, through the Commercial Directorate and Corporate Sustainability hange may affect the supply of raw materials necessary to manufacture our products, resulting in a reduction in supply other hand, changes in consumer preferences can also represent a market risk. The increase in demand for more oducts with a low carbon footprint, may represent a risk if Riachuelo does not adequately manage its GHG emissions.

rt of the criteria for risk assessment and management, so we monitor the client's assessment and the impact of our ommitment to the environment is an important and greatly relevant value to society, being a factor considered by a sought to purchase more sustainable products. For reputational risk, the Corporate Sustainability Department and the ible at Riachuelo for identifying and evaluating this risk category.

nent that identifies and evaluates acute physical risks that may have an impact on the operations of the units. with the potential to significantly impact our operations is the increase in extreme weather events, such as high ing events. Floods can cause stores to close, reducing part of the company's sales.

nent also identifies and evaluates chronic physical risks that may have an impact on the operations of the units. An h the potential to have a significant impact on our operations is the increase in periods of water scarcity in the regions terial supply regions are located. These climatic events can reduce the availability of water and lead to a reduction or oly of raw materials.

o reported emissions cover the entire value chain and are on page 108.

mitigating its impact on Climate Change, committing to targets to reduce its GHG emissions. The Company's nnounced in 2021, with a voluntary reduction of 30% of Scopes 1 and 2 by 2022, based on the year 2019. In 2022, a "i initiative, to develop a new science-based emission reduction target, that is, aligned with the Paris Agreement to stop event the worst effects. drastic effects of climate change. The goal was developed and delivered to SBTi for validation had our goal validated: 46.2% reduction in Scope 1 and 2 emissions and 55% reduction in emissions from the Category Scope 3, by 2030, compared to 2019.



Annexes



ESG Indicators GRI 2-7: Employees

2022 Number of employees by type of contract % Male % % Female Total Female 10,192 93% 95% 94% 19,022 29,214 16,259 Permanent 2% 374 104 1% 478 2% and temporary workers. 362 No workload guarantee 1,048 5% 415 4% 1,463 5% 1,834 TOTAL 20,444 66% 10,711 34% 31,155 100% 18,456

Number of employees by			202	22					2023			
type of employment	Female	%	Male	%	Total	%	Female	%	Male	%	Total	%
Full-time	20,417	100%	10,698	100%	31,115	100%	18,422	100%	9,678	99%	28,101	99%
Part time	27	0%	13	1%	40	0%	33	0%	113	1%	146	1%
TOTAL	20,444	66%	10,711	34%	31,155	100%	18,456	65%	9,791	100%	28,247	100%

Number of employees by		2022 2023					2023					
region	Female	%	Male	%	Total	%	Female	%	Male	%	Total	%
Center-West	1,008	5%	402	4%	1,410	5%	1,002	5%	379	4%	1,381	5%
Northeast	10,029	49%	5,514	51%	15,543	50%	8,013	43%	4,857	50%	12,871	46%
North	1.046	5%	483	5%	1,529	5%	1,015	5%	467	5%	1,482	5%
Southeast	7,127	35%	3,791	35%	10,918	35%	7,237	39%	3,606	37%	10,843	38%
South	1,233	6%	521	5%	1,755	6%	1,189	6%	481	5%	1,670	6%
TOTAL	20,444	100%	10,711	100%	31,155	100%	18,456	100%	9,791	100%	28,247	100%

FTE methodology, workload divided by 220. Apprentices is the same calculation, but multiplied by 70% due to the course hours not worked for the company. Intermittent is the number of hours worked during the month divided by 183.25. The divisor is less than 220 because the hours worked are those actually worked, not including the hours of paid weekly rest. The period considered is 12/31/2023. "The change in the counting criteria resulted in a greater difference than the real one. The 2022 method was by HC, with the exception of apprentice 0.5. Considering the new calculation in 2022. The biggest distortions are in locations with the highest number of employees working less than 220 hours, which directly impacts FTE, which are Midway Financeira, Midway Mall and Call Center. There was a reduction in the total workforce of -6.60%, with a greater impact on factories due to the closure of Guararapes Fortaleza. There was no significant change in the stores that have the highest HC, registering an increase of 0.03%.

	2023			
%	Male	%	Total	%
88%	8,738	89%	24,998	88%
2%	159	1%	521	2%
10%	893	9%	2.728	10%
65%	9,791	35%	28,247	100%

Workers who are not employees GRI 2-8

Total number of workers who are not employees, whose work is controlled by the organization, by type of activity performed GRI 2-8	2023
Direct Hiring	2,468
Freelance	1,920
and temporary workers.	521
Interns	27
Indirect hiring	2,880

The method used to count temporary workers and interns is FTE with the monthly workload divided by 220.

The number of self-employed people is everyone who provided service during the year. The number of third parties are active providers in December 2023.

NOTE: FTE methodology, workload divided by 220. Apprentices is the same calculation, but multiplied by 70% due to the course hours not worked for the company. Intermittent is the number of hours worked during the month divided by 183.25. The divisor is less than 220 because the hours worked are those actually worked, not including the hours of paid weekly rest. The period considered is 12/31/2023.

"The change in the counting criteria resulted in a greater difference than the real one. The 2022 method was by HC, with the exception of apprentice 0.5. Considering the new calculation in 2022. The biggest distortions are in locations with the highest number of employees working less than 220 hours, which directly impacts FTE, which are Midway Financeira, Midway Mall and Call Center.

There was a reduction in the total workforce of -6.60%, with a greater impact on factories due to the closure of Guararapes Fortaleza. There was no significant change in the stores that have the highest HC, registering an increase of 0.03%.

Corporate Information

Annexes

Return rate after maternity/paternity leave

GRI 401-3

Return to work and retention rate after maternity/paternity leave, by gender GRI 401-3	2022	2023
Employees with the right to take leave (units)	31,155	28,247
Female	20,444	18,456
Male	10,711	9,791
Employees who took leave (unid)	1,344	1,170
Female	1,158	922
Male	186	248
Employees who returned to work after leave ended	1,326	1,157
Female	1140	912
Male	186	245
Employees who continued employment 12 months after their return (unit)	1,043	970
Female	857	767
Male	186	203
Return to work rate1		
Female	98%	99%
Male	100%	99%
Retention of employees who took leave (%)		
Female	75%	84%
Male	100%	83%

Diversity GRI 405-1

	vernance bodies and e			
Individuals within on	Vernance bodies and e	amniovees nu	/ TUNCTIONAL CATE	agory and gender (%)
				SOLA ALLA SCHACT (70)

	20	2022		2023
	Male	Female	Male	Female
Advice	-	-	83%	17%
Superintendence Office	75%	25%	54%	46%
Management	38%	62%	35%	65%
Supervision / Coordination	36%	64%	38%	62%
Administrative	46%	54%	41%	59%
Production	33%	67%	37%	63%
Operational	33%	67%	33%	67%
Total	34%	66%	35%	65%

Individuals within governance bodies and employees, by functional category and gender (%)

		2022			2023		
	Under 30 years old	between 30 and 50 years old	Over 50 years old	Under 30 years old	between 30 and 50 years old	Over 50 years old	
Advice	-	-	-	0%	17%	83%	
Superintendence Office	0%	55%	45%	0%	73%	27%	
Management	8%	88%	4%	10%	87%	4%	
Supervision / Coordination	24%	74%	2%	25%	73%	3%	
Administrative	46%	52%	2%	42%	56%	2%	
Production	27%	65%	8%	28%	64%	8%	
Operational	63%	35%	2%	62%	36%	2%	
Total	51%	46%	3%	51%	46%	3%	



Individuals within governance bodies and employees, by functional category and gender (%) GRI 405-1												
				2022			2023					
	Black	Brown	White	Yellow	Indigenous	Not declared	Black	Brown	White	Yellow	Indigenous	Not declared
Advice	-	-	-	-	-	-	0%	0%	58%	0%	0%	42%
Superintendence Office	0%	0%	90%	0%	0%	10%	2%	4%	83%	0%	0%	10%
Management	2%	18%	76%	1%	0.3%	3%	3%	23%	71%	2%	0.3%	2%
Supervision / Coordination	6%	43%	44%	2%	0.3%	5%	7%	43%	43%	2%	0.1%	5%
Administrative	7%	37%	51%	3%	0.1%	2%	7%	39%	49%	2%	0.1%	2%
Production	4%	82%	13%	1%	0.2%	0%	6%	77%	16%	1%	0.2%	0%
Operational	9%	51%	28%	1%	0.5%	10%	11%	51%	29%	2%	0.5%	7%
Total	8%	56%	28%	1%	0,3%	7%	9.4%	53.2%	30%	2%	0.4%	5%

Individuals within governance bodies and employees, by functional category and gender (%) GRI 405-1

	2022	2023
Advice	0%	0%
Superintendence Office	0%	0%
Management	0.15%	0.28%
Supervision / Coordination	0.62%	0.52%
Administrative	2.02%	2.42%
Production	5.49%	5.38%
Operational	4.42%	4.17%
Total	4,19%	3.96%

Average hours of training per year, per employee, by gender GRI 404-1							
	2021	2022	2023				
	Hours per person	Hours per person	Hours per person				
Female	61.62	91.19	4.82				
Male	56.22	78.56	5.57				
Total	59.83	87.07	5.06				

Average hours of training per year, per employee, per functional category GRI 404-1

	2021	2022	2023
	Hours per person	Hours per person	Hours per person
Board of Directors	1.10	0.52	2.34
Management	3.46	0.54	6.29
Coordination	1.56	0.40	4.22
Technique/ supervision	11.75	58.77	5.94
Administrative	412.90	392.13	5.97
Operational	19.32	52.20	4.91
Total	59.83	87.07	5.06



Annexes

Relationship between the remuneration of women/men, by base salary, by functional category GRI 405-2

	2021	2022	2023
C-Level Positions			
Base salary	_	_	92%
Remuneration	-	-	94%
Board Positions			
Base salary	89%	93%	98%
Remuneration	90%	94%	91%
Management Positions			
Base salary	81%	81%	100%
Remuneration	80%	80%	101%
Non-leadership positions			
Base salary	81%	81%	95%
Remuneration	80%	80%	97%

Note: Average salary and remuneration for the year, considering active employees in December 2023. The corporate positions President and Executive Director (C-Level), Director (Board), Manager, Coordinator and Supervisor (Management), Administrative (Non-Leadership), were compared across salary ranges, and the average weighted by HC participation was calculated. of each track. For the operation, production and technical positions (Non-Leadership), the ratio was carried out on the average, therefore, at the non-leadership level, the final weighting was carried out on the average of the administrative and operational positions, according to the participation of the HC. Weighting example: The M/H ratio of the entire

level is 88.33%.

Weighting the level that has 4 (four) salary ranges, with ranges 1 and 2 being incomparable, because one has only women and the other only men, each one represents 3.22% of the workforce, totaling 6.43%.

In band 3, the M/H ratio was 97.19%, with 67.62% of HC participating in the level.

of HC participating in the level.

As for the management level, there was a positive evolution of 4.19% compared to the year 2022 In band 4, the M/H ratio was 77.38%, with 32.38% published in the ISE. The difference in the evolution demonstrated in this indicator is due to the change in the criterion to a weighted average Weighting the percentage of the M/H ratio times by "Grade" salary ranges, which compare men the percentage of HC participation, the result and women in the same position weight. The for range 3 is 97.19% * 67.62% = 65.72%. Band 4 is same occurs with non-leadership positions, the 77.38% * 32.38% = 25.05%. weighted measure was applied to administrative positions, maintaining the direct relationship to together, totaling 90.78%, which is the weighted the average in operational positions.

The results of 65.72% + 25.05% are added

average of the level. This method was used in the ISE (Business Sustainability Index) M/H remuneration survey.

The data was extracted in Excel from the LG human resources system, from salaries and remunerations from monthly sheets from January to December 2023. Active employees in December 2023 were considered. Counselor, apprentice, intermittent, self-employed and temporary positions did not participate. The management level was considered managers, coordinators and supervisors. The non-leadership level, administrative, operational, production and technical positions.

The C-Level level was previously only considered President and there was no way to compare M/H. From the year 2023 onwards, with new executive director positions, they will join this level.

Despite the change in criterion to the weighted average, the board of directors showed the greatest variation due to the major changes with the double board this year.

Annexes



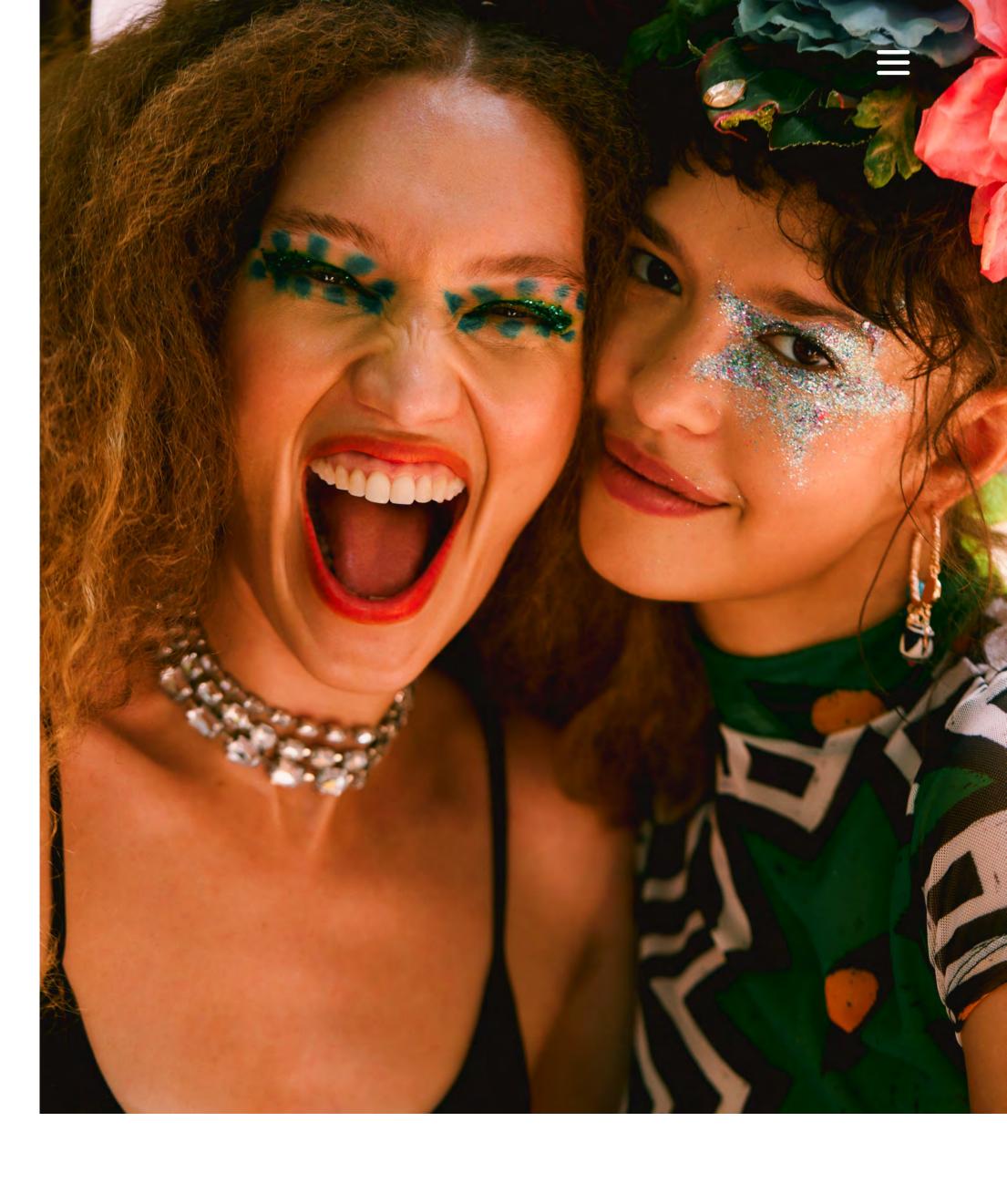
Gender Identity 2023

	Cisgender Female	Cisgender male	non- binary	Transgender Female	Transgender Male	Not answered	
Leadership	488	339	4	0	1	992	
Non-leadership	7,591	3.977	59	97	94	14,605	
Total	8,079	4,316	63	97	95	15,598	
%	28.60%	15.28%	0.22%	0.34%	0.34%	55.22%	

Gender Identity 2022

	Cisgender Female	Cisgender male	non- binary	Transgender Female	Transgender Male	Not answered	Total
Leadership	435	329	2	0	1	1,116	1,883
Non-leadership	8,757	4.445	71	86	69	15,844	29,272
Total	9,192	4,774	73	86	70	16,960	31,155
%	29.50%	15,32%	0.23%	0.28%	0.22%	54.44%	100.00%

Total	
1,824	
26,423	
28,247	
100.00%	





New hires and turnover GRI 401-1

	2022		2023		
Hiring	Number	Rate	Number	Rate	Dismissals
By gender					By gender
Male	4,103	0.38	4,707	0.48	Male
Female	8,228	0.40	9.266	0.50	Female
TOTAL	12,331	0.40	13,972	0.49	TOTAL
By region					By region
North	840	0.55	813	0.55	North
Northeast	3,452	0.22	3,745	0.29	Northeast
Center-West	970	0.69	1,174	0,85	Center-West
South	1,214	0.69	1,385	0.83	South
Southeast	5,854	0.54	6,855	0.63	Southeast
TOTAL	12,331	0.40	13,972	0.49	TOTAL
By age group					By age group
Less than 30 years old	9,260	0.59	10,230	0.77	Less than 30 years old
Between 30 and 50 years old	2,985	0.21	3,595	0,28	Between 30 and 50 years old
Over 50 years old	86	0,08	147	0.15	Over 50 years old
TOTAL	12,331	0.40	13,972	0.49	TOTAL

202	22	2023		
Number	Rate	Number	Rate	
5,369	0.50	5,083	0.52	
10,585	0.52	10,198	0.55	
15,954	0.51	15,282	0.54	
913	0.60	750	0.51	
6,449	0.41	5,471	0.43	
975	0.69	1,019	0,74	
1,263	0.72	1,258	0.75	
6,354	0,58	6,783	0.63	
15,954	0.51	15,282	0.54	
9,507	0.60	9,401	0.66	
6,067	0.42	5,519	0.42	
380	0.37	362	0.38	
15,954	0.51	15,282	0.54	

Proportion of remuneration Year Total (R\$) GRI 2-21

	2023
Proportion between the total annual remuneration of the highest paid individual in the organization and the average total annual remuneration of all employees (excluding the highest paid)	180.03
Proportion between the percentage increase in the total annual compensation of the highest paid individual in the organization and the average percentage increase in the total annual compensation of all employees (excluding the highest paid)	0%

Note: Total annual remuneration is all earnings paid during the year, including variable remuneration. All employees participated, including intermittent employees. The average was calculated based on the total yearly value per Individual Taxpayer Identification Number. The difference between salaries is greater due to the rotation and participation of intermittent workers (hourly workers).

The percentage increase in remuneration was all increases in 2023 including increases by collective agreement and minimum wage. The highest paid individual did not receive a raise during the year. The highest paid individual worked 8 (eight) months a year, and the average number of months worked for the other employees was 7 (seven).

Corporate Information

Annexes

Compliance with laws and regulations

GRI 2-27

With regard to significant cases of non-compliance with laws and regulations, in 2023, there were 18 tax assessments, with the imposition of fines in the Controlled Company Lojas Riachuelo SA and 16 in the Controlled Company Guararapes Confecções SA 45 labor fines totaling BRL 319,680.41 were paid in 2023, and 98 fines totaling BRL 580,686.80 in 2022 in previous periods (BRL 418,568.21 being labor fines and BRL162,118.59 tax). In addition to the fines, tax infraction notices were paid in the amount of BRL 610,604.80 (from the subsidiary Lojas Riachuelo SA and the parent company Guararapes Confecções SA). It has significant tax cases related to state assessments whose objects refer to alleged omissions of entry and exit, stock divergences, rate differential and non-compliance with ancillary obligations and federal assessments that deal with the application of an isolated fine due to non-approval of compensation . The Controladora Guararapes Confecções SA has significant tax cases related to state assessments whose objects refer to improper crediting, stock discrepancies and alleged entry and exit omissions, and federal assessments that deal with the imposition of fines related to the calculation of monthly estimates. There are cases of labor infractions such as failure to grant breaks, time off, paid weekly rest, quota fulfillment. In the tax area, significant cases of non-compliance with laws were determined according to the monetary relevance of the assessments, and such assessments are intrinsically linked to the daily operations involving the Company's various establishments.

Board of Directors*

GRI 2-9

Name of Board Member	Élvio Gurgel Rocha	Flávio Gurgel Rocha	Lisiane Gurgel Rocha	Ivo Luiz de Sá Freire Vieitas Junior	N F
Office	Vice president	President	Member	Independent	In
number of other important positions and commitments of each member, as well as the nature of those commitments	None	Member of IDV, FIESP, Commercial Association of SP and Institute of Studies for Industrial Development;	None	CO-CEO of Method Potencial Engenharia and partner of Itereffika Promotora De Vendas Ltda	M H B C
mandate of members of the highest governance body	02/05/24 to August /2026	02/05/24 to August /2026	02/05/24 to August /2026	02/05/24 to August /2026	02 /2
competencies relevant to the organization's impacts	Advertising and marketing	Strategic management of retail and industry	Business knowledge	Management, financial sector	Pe in in w

* There is no representation of *stakeholders* on the Board of Directors.

Energy consumption per operating unit

Maria Aparecida Fonseca

Independent

Managing Partner of Humà Consultoria. Member of the Board of Closed Companies

02/05/24 to August /2026

People management in various sectors, including those in which the Group operates.

	2021	2022	2023
Consumption of fuels from non-renewable sources (electricity from the grid)	210,672	218,642	86,856
Factories	107,803	112.847	65,163
Distribution Channels	14,614	12.826	12,200
Stores	49,521	51,884	0
Other	38,734	41,085	9,492
Consumption of fuels from renewable sources (renewable electrical energy)	133,266	135,485	236,689
Factories	7,741	6.739	30,928
Distribution Channels	9,126	8,599	8,915
Stores	110,364	115.417	164,733
Other	6,035	4,730	32,113
TOTAL	343,939	354,127	323,545
Percentage of energy consumed that was supplied by grid electricity over the total (%)	100%	100%	100%
Percentage of energy consumed from renewable sources over the total (%)	39%	38%	73%

*Other: Casa Verde Transport Company, Contact Center, Midway Mall and Head Office.

Note: Electricity 100% of the group's electricity consumption comes from the grid (regulated and incentivized market). The data presented above refers to the consumption of electricity and fuels by the Group, in MWh, not including other fuels. Since 2022, the Group has started tracking 100% of its electrical energy consumed, ensuring renewable sources, with the purchase of IREC certificates. In 2023, energy consumption (including electricity and fuels) suffered a reduction of 9% compared to 2022. A large part of this reduction is due to the drop in energy consumption at the factories, due to the closure of the Fortaleza factory in early 2023.

Annexes

Financial implications and other risks and opportunities arising from climate change GRI 201-2

The reporting organization must report the following information: Risks and opportunities presented by climate change with the potential to generate substantial changes in operations, income or expenses, including:

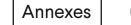
	Risks and opportunities with their description	Classification (physical, regulatory or otherwise)	Description of the impact associated with the risk or opportunity	The financial implications of the risk or opportunity before action is taken	The methods used to manage the risk or opportunity	The costs of measures taken to manage the risk or opportunity
RISKS	Risk 1: Drought - lower yields due to reduced production capacity	Chronic Physical	Some of the Group's operational units, such as the Shopping Center, the Contact Center and, mainly, the two textile factories, make intensive use of water and are located in the Northeast of Brazil, in river basins with high water stress according to a risk assessment based on in the Aqueduct (WRI), and of high criticality in relation to water availability and quality, according to ANA (National Water Agency) maps. The lack of quality or quantity of water can lead to the reduction or interruption of factory production, affecting part of the products offered in stores. Therefore, water scarcity can lead to negative impacts on the business, such as the temporary suspension of the supply of products from factories.	Lower yields due to reduced production capacity	Methods and data used to quantify the values described in the CDP Risks and Opportunities matrices, reported here in the "CDP Risks" tab.	BRL 794,294,00
	Risk 2: Drought – higher direct costs	Acute Physical	Our operational units in Natal and Fortaleza depend mainly on cotton as a raw material, the production process of which requires intensive use of water. Reducing the supply or even interrupting the supply of these raw materials, due to water factors, may affect the cost of acquiring these raw materials.	Higher direct costs with raw material acquisition	Methods and data used to quantify the values described in the CDP Risks and Opportunities matrices, reported here in the "CDP Risks" tab.	BRL 620,000,00
	Risk 3: Major Legal Emissions Reporting Obligations	Emerging regulation	The Carbon Market Regulation in Brazil is a sign that in the future there is a risk that companies, mainly industries, will be required to report their emissions annually and present a clear plan with targets for reducing their emissions	Drop in access to capital	Methods and data used to quantify the values described in the CDP Risks and Opportunities matrices, reported here in the "CDP Risks" tab.	BRL 766,962,54

REQUIREMENTS



> Financial implications and other risks and opportunities arising from climate change

	Risks and opportunities with their description	Classification (physical, regulatory or otherwise)	Description of the impact associated with the risk or opportunity	The financial implications of the risk or opportunity before action is taken	The methods used to manage the risk or opportunity	The costs of measures taken to manage the risk or opportunity
	Opportunity 1: Use of energy sources with lower indirect costs and lower emissions		Riachuelo has monitored its carbon emissions through its annual inventories and identified opportunities to reduce its emissions, including the use of renewable and cheaper sources compared to conventional fuels. One of the opportunities raised by Sustainability in 2020 was the replacement of boiler fuel - today the fossil fuel Natural Gas is used, which can be replaced by some type of biomass - a renewable and cheaper fuel compared to NG.	Lower indirect (operational) costs	Methods and data used to quantify the values described in the CDP Risks and Opportunities matrices, reported here in the "CDP Risks" tab.	BRL 12,000,000,00
UNITIES	Opportunity 2: Diversification of water sources with lower indirect costs		Riachuelo has been mapping and monitoring its water consumption in order to identify opportunities to increase efficiency, reduce consumption and diversify its supply sources. In 2020, a preliminary feasibility study was prepared to use rainwater in the shopping center.	Lower direct costs	Methods and data used to quantify the values described in the CDP Risks and Opportunities matrices, reported here in the "CDP Risks" tab.	BRL 492,000,00
OPPORTU	Opportunity 3: Implementation of energy efficiency measures, reducing operational costs		In order to minimize the environmental impacts associated with energy consumption, we continually implement energy efficiency in our stores, by replacing conventional light bulbs with LED light bulbs.	Lower indirect (operational) costs	Methods and data used to quantify the values described in the CDP Risks and Opportunities matrices, reported here in the "CDP Risks" tab.	BRL 38,600,00
	Opportunity 4: Implementation of Reuse Water in the Factory		Riachuelo continues to map and monitor its water collection volumes in order to identify opportunities for increasing efficiency, reducing consumption and diversifying its supply sources. In 2022, a preliminary feasibility study was prepared to implement water reuse in the ETE of the Natal factory. With the preliminary assessment, it is estimated that 20% of the treated effluent can be reused in the dyeing and laundry processes.	Lower indirect (operational) costs	Methods and data used to quantify the values described in the CDP Risks and Opportunities matrices, reported here in the "CDP Risks" tab.	BRL 8,000,000,00



Materials used broken down by weight

GRI 301-1, SASB CG-AA-440a.3., CG-AA-440a.4

		2022 2023			2022				
	Total (t)	certified/ more sustainable (t)	%	Total (t)	certified/ more sustainable (t)	%	Total (t)	certified/ more sustainable (t)	%
Polyester*	2,500	0	0	1,430	0	0	1,340	1.6	0
Elastane	214	0	0	132.4	0	0	123.3	0	0
Polyamide	26.2	0	0	58.02	0	0	59.4	0	0
Polyurethane	0.005	0	0	0.02	0	0	0.004	0	0
Other	6.8	0	0	18.03	0	0	11.8	0	0
Non-renewable materials	2,747.005	0	0	1,638,470	0	0	1,534.704	1.6	0
Cotton	12,000	10,600	88	7,790	7.600	98	6,471	6,278	97
Viscose	1.500739	739	49	2,080	807	39	1,378	943	68
Linen	29.7	0	0	120.4	3	3	53.1	34.3	65
Lyocel	21	0	0	11.8	11	92	5.4	5.1	95
Renewable materials	13,550,700	11,339,000	84	10,002,200	8,421,200	84	7,907,450	7,260,400	92
TOTAL	16,297.705	11,339,000	70	11,640,670	8,421,200	72	9,442.154 ¹	7,262,000	77

* Main raw materials

¹ Of this value, 0.082% (7.71 t) are recycled materials (cotton and polyester). GRI 301-2





Energy consumption within the organization (MWh) GRI 302-1

	2021	2022	2023
Natural gas	77,340.48	81,774.43	64,928.56
Gasoline	302.35	512.42	498.41
LPG	520.15	768.30	641.98
Diesel oil	24,021.88	21,465.92	20,787.08
Total consumption of fuels from non-renewable sources (a)	102,274.86	104,521.07	86,856.03
Biodiesel	2,818.90	2,226.54	2,521.58
Ethanol	74.90	126.02	121.75
Total consumption of fuels from renewable sources (b)	2,893.80	2,352.56	2.643,33
Electricity consumption (c)	235,900.65	244,517.40	234,045.36

Total consumption (a + b + c)

341,069.31 351,391.03 323,544.73

Energy consumption outside the organization (MWh) GRI 302-2

	2023
Fuel and energy-related activities	3,394.44
Transport and distribution (upstream)	236.629,15
Business trips	333.13
Employee transportation	10,961.38
Upstream power consumption	251,318.10
Use of products sold	6,307.48
Downstream energy consumption	6,307.48
Total energy consumption outside the organization	257.625,58



Water capture by source (megaliter ML)

GRI 303-1, GRI 303-3

GRI 303-1, GRI 303-3	20)21	2022		2023	
	All areas	Water Stress Areas	All areas	Water Stress Areas	All areas	Water Stress Areas
Surface water (total)	-	-	_	_	_	-
Freshwater (total dissolved solids ≤1,000 mg/L)	-	-	-	-	-	-
Other types of water (total dissolved solids >1,000 mg/L)	-	-	-	-	-	-
Groundwater (total)	1,056,169	1,056,169	1,003,175	1,003,175	961,717	961,717
Freshwater (total dissolved solids ≤1,000 mg/L)	1,056,169	1,056,169	1,003,175	1,003,175	961,717	961,717
Other types of water (total dissolved solids >1,000 mg/L)	-	-	-	-	-	-
Sea water (total)	-	_	-	_	-	_
Freshwater (total dissolved solids ≤1,000 mg/L)	-	-	-	-	-	-
Other types of water (total dissolved solids >1,000 mg/L)	-	-	-	-	_	_
Water produced (total)	181,373	181,373	173,822	173,822	-	-
Freshwater (total dissolved solids ≤1,000 mg/L)	181,373	181,373	173,822	173,822	-	-
Other types of water (total dissolved solids >1,000 mg/L)	-	-	-	-	-	-
Third party water (total)	116.274	116.274	139,559	139,559	396,587	310,500
Freshwater (total dissolved solids ≤1,000 mg/L)	116.274	116.274	139,559	139,559	396,587	310,500
Surface water;	108,387	108,387	127,816	127,816	386,508	300,421
Subterranean water;						
Sea water;						
Produced water;	7,887	7,887	11,743	11,743	10,079	10,079
Other types of water (total dissolved solids >1,000 mg/L)	-	-	-	_	-	-
TOTAL	1,353,816	1,164,556	1,353,816	1,316,556	1,358,304	1,272,217

Notes: Water abstraction data from all operational units and offices are collected monthly with the support of local managers of each unit, who record the data through a data collection platform (ARCA Platform). The volumes of water captured from all operational units, with the exception of stores, are collected and reported. On the platform, each person responsible enters monthly water consumption values by source (artesian well, supply network, etc.) and attaches evidence of the data (normally the water bill sent by the concessionaire or internal controls where measurements are recorded by water meters). Management of the Platform and monitoring of data records is carried out by the Sustainability Team.

For stores, consumption values started to be estimated from 2023 onwards. This estimate is based on the water bills of part of the stores, those that actually have an account, and extrapolation for the others. This extrapolation is necessary since most Riachuelo stores do not have their own water accounts, as they are located in condominiums/shopping centers.

The indication of units located in areas with water stress is carried out based on the analysis of maps published by ANA (National Water Agency) and with the support of the consultancy ARCA Sustentabilidade.

The data is recorded by type of water source from which consumption occurs - Municipal Distribution Network, Artesian Well, Reuse Water and Water from a tanker truck. To complete this spreadsheet, all consumption coming from distribution networks (dealers) and units located within condominiums (where consumption is from the condominium) was considered as "Thirdparty water" as is the case of CD Guarulhos, office current headquarters and HUB office. At CD Guarulhos, 100% of the water consumed by the unit comes from third parties - part purchased from water trucks and the other part offered by the condominium. The part offered by the condominium comes from the supply network and a portion of reused water (the condominium has

an effluent treatment plant and reuses part of the water consumed, distributing it to the companies that make up the condominium). In "Produced water" the total amount of reused water from the Fortaleza Factory was considered, since the effluent is treated in the unit itself, which generates water that will be reused in the factory's internal processes. In the spreadsheet above, to calculate the total abstraction value, the values of "Produced Water" from the Fortaleza factory and the portion referring to "Reuse Water Offered by the Condominium in CD Guarulhos" were disregarded, since these two portions are They deal with reused/recycled water, and it is not captured water - taken from the environment.

To define the units that are located in areas with water stress, the ANA (National Water Agency) Water Risk Assessment System was used, and, in addition, the "Aqueduct Water Risk Atlas" tool (Risk Atlas of Aqueducts) from the World Resources Institute (WRI). The ANA System was the main one, as it was developed specifically for evaluation in Brazil, and therefore, has greater precision in the analysis of Brazilian basins. The ANA (National Water Agency) water risk assessment system ends up providing more robust assessments on a national level, when compared to Aquedect, which provides a more global assessment of countries.

Significant variations are found:

1. In terms of the amount of water produced: this portion existed only at the Fortaleza factory, where water was produced from effluent treatment and the production of reused water. This factory was closed at the beginning of January/2023, therefore, from 2023 this plot will no longer exist.

2. Quantity of Third Party Water - increased significantly in 2023 compared to previous years. Until 2022, store water volumes were not included in water management. From 2023 onwards, the volumes of water consumed in stores were estimated and included, which resulted in a significant increase in the volumes of water coming from third parties.

Annexes

303-4 Disposal of water GRI 303-1, GRI 303-2, GRI 303-4

	2021		2022		2023	
	All areas	Water Stress Areas	All areas	Water Stress Areas	All areas	Water Stress Areas
Water disposal by destination (r	negaliter ML)				
Surface water;	-	-	-	-	-	-
Subterranean water	-	-	-	-	-	-
Sea water	-	-	-	-	-	-
Third party water (total)	850,315	850,315	749,985	749,985	1,113,407	1,044,538
Third-party water sent for use by other organizations	-	-	-	-	-	-
Total water discharge = Surface water + groundwater + sea water + third-party water (total)	850,315	850,315	749,985	749,985	1,113,407	1,044,538
Water disposal by fresh water a	nd other type	es of water (m	egaliter ML)			
Freshwater (total dissolved solids ≤1,000 mg/L)	-	-	-	-	-	-
Other types of water (total dissolved solids >1,000 mg/L)	850,315	850,315	749,985	749,985	1,113,407	1,044,538
Water disposal by fresh water and other types of water (megaliter ML)	850,315	850,315	749,985	749,985	1,113,407	1,044,538

Note: A significant increase in the volume of effluents generated was identified since, in 2023, store volumes were incorporated, which were not considered until 2022, in the same way as consumption.

Disposals from the factory are counted as "Third-party water" since the effluent is sent to the municipal collection network that serves the unit.

Regarding the quality of the discarded effluent, all operational units, with the exception of the factories, generate effluents considered domestic, which are sent to third parties (municipal concessionaire), without the need for monitoring their quality by the Company itself. In the case of CD Guarulhos, the domestic effluent generated is collected by the condominium that covers the CD. For the factory, there is the generation of domestic and industrial effluent. Domestic effluent is sent directly to the municipality's concessionaire network. Industrial effluent is treated at the unit itself, which has an ETE (Effluent Treatment Station) and is then discarded into the municipality's network, in a quality that meets the minimum standards required in the unit's Environmental License. The industrial effluent generated is analyzed quarterly, as requested in the Environmental License, following the standards of IN 01/2004 (CONEMA) – Requirements and Standards for receiving effluents in the liquid effluent drainage system of the industrial district of Natal RN.

Water Consumption (ML) GRI 303-5

	2021		2022		2023	
	All areas	Water Stress Areas	All areas	Water Stress Areas	All areas	Water Stress Areas
Total water consumption (megaliters ML)	314,241	314,241	380,910	380,910	234,818	217,601
Factories	136,550	136,550	169,748	169,748	139,548	139,548
Distribution Channels	13,064	13,064	20.535	20.535	4,537	4,537
Carrier TCV	-	-	-	-	0	0
Shopping Midway	147,401	147,401	173,354	173,354	30,000	30,000
Headquarters and Contact Center (+Hub One in 2022)	17,226	17,226	17,273	17,273	2.755	2.755
Stores					57,977	40.760

* In 2023 we started measuring consumption in stores, which did not happen in previous years

Note: In 2022, the most significant variation occurred in December/22, at the Fortaleza factory, where consumption fell drastically following the drop in production and subsequent closure of the factory. From 2023 onwards, there were significant reductions in consumption in most units, with the exception of factories. This is because, from 2023 onwards, the volumes of effluents discarded in other operational units began to be estimated and deducted from the water collected, to calculate water consumption. Until 2022, this discount was only available for factories, where the volumes of discarded effluents were already measured. In 2023, the volumes captured, effluents and consumed from stores began to be estimated.



Direct emissions (Scope 1) of greenhouse gases (GHG) GRI 305-1

Direct greenhouse gas emissions (t CO ₂ equivalent)	2021	2022	2023
Mobile combustion	7,155.95	6,672.24	5,737.34
Stationary combustion	17.769,14	18,768.14	14,920.09
Fugitive emissions	7,928.00	11,740.25	7,531.02
Total emissions	32,853.09	37,210.63	28,188.45

Note: The following gases were included in the above calculations: CO_2 , CH_4 , N_2O and HFCs. The base year chosen was 2019, as it was the first year the inventory was carried out, the total emissions in the base year were 30,946.97. The consolidation approach was operational. The calculation of emissions is carried out using the Brazilian GHG Protocol Program Calculation Tool. The gases considered in the inventory are part of the Kyoto Protocol and the different global warming potentials (GWP) were based on the Intergovernmental Panel on Climate Change (IPCC).

There was a reduction of 9,023 tCO₂ compared to the previous year without any action to justify it, in addition to the reduction in consumption from the three sources, stationary, mobile and fugitive combustion and the closure of the Fortaleza factory, already mentioned previously. **GRI 305-5**

Biogenic CO ₂ emissions (t CO ₂ equivalent) Scope 1	2021	2022	2023
Mobile combustion	737.23	553.76	697,27
Stationary combustion	12.38	4.32	4.24
Total	749.61	558.09	701.52

Other indirect emissions (Scope 3) of greenhouse gases (GHG) GRI 305-3

Other indirect emissions (tCO ₂ equivalent)	2021	2022	2023
Goods and services purchased	-	-	125,874
Fuel-related activities	-	746	20,895
Business trips	915	1,359	1,862
Employee relocation	2,670	3,424	3,017
Waste generated in operations	884	5,628	4,014
Transport and distribution (upstream)	-	-	63,526
Use of products sold	-	-	243
Disposal of sold products	-	-	932
Total	4,469	11,158	220,363

Note: The following gases were included in the above calculations: CO_2 , CH_4 , N_2O_2 .

There was an increase in Scope 3 emissions by 208,030 tCO₂ and, as it increased consumption in activities related to fuel and energy not included in Scopes 1 and 2, and also in *upstream*transport and distribution. **GRI 305-5**

Emissions of ozone-depleting substances (ODS) GRI 305-6

Emissions of substances that deplete the ozone layer (ODS) in t CFC-11 equivalent	2021	2022	2023
ODS produced	0.124	0.164	0,184

Note: The data for the years 2021 and 2022 were adjusted to be more in line with the GRI methodology and, therefore, are different from those reported in previous reports. GRI 2-4

Annexes



Intensity of greenhouse gas (GHG) emissions

GRI 305-4

Intensity of greenhouse gas (GHG) emissions	2021	2022	2023
Per piece produced in Guararapes factories	0.56 kgCO ₂ eq / piece manufactured	0.50 kgCO ₂ eq / piece manufactured	0.49 kgCO ₂ eq / piece manufactured
By store sales area, in m ²	85 kgCO ₂ eq / m²	51.53 kgCO ₂ eq / m²	39.48 kgCO ₂ eq / m ²
By store	161.85 tCO ₂ eq / store	90,756 tCO ₂ eq / store	67,45 tCO ₂ eq / loja

Note: This indicator began to be reported in the public registry of the GHG Protocol from 2021 onwards. It can be seen that, from 2021 to 2022, there is a reduction in intensity, demonstrating an increase in efficiency in the factories, that is, more was produced with less emissions. The drop in the intensity of the factories in 2022, compared to 2021, occurred mainly due to the reduction in Scope 1 and 2 emissions (purchase choice) of the units, as a result of the traceability of 100% of the electrical energy consumed, with the acquisition of I-RECs certificates.

As for emission indicators by store and sales area, a year-on-year downward trend can be seen, probably due to the reduction in the share of own production (factories) as a result of products purchased from third parties.

The intensity of GHG emissions per sales area was adjusted for the year 2022 from 59.2 to 51.53 kgCO₂eq / m² GRI 2-4

305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions

GRI 305-7

Significant atmospheric emissions	2021	2022	2023
NOx	28.2 mg/ ^{Nm3}	5.6 mg/ ^{Nm3}	63.52 mg/Nm ³
SOx	10,5 mg/Nm ³	0 mg/Nm ³	0 mg/Nm ³
Other standard categories of air emissions identified in regulations (rename)	435,2 mg/Nm ³	1.310,1 mg/Nm ³	159.62 mg/Nm ³

Note: Emissions of NOx, SOx and other gases such as Carbon Monoxide and Dioxide are monitored annually in the factories' boilers, mesh dryers and fluid heaters, as required by the environmental license, by an accredited laboratory. The data presented above are the emissions measured in a boiler at the Natal factory. Emissions from pollution sources are monitored annually by an accredited laboratory in order to comply with the conditions of the plants' environmental licenses.

Waste generated in metric tons

GRI 306-3

GRI 300-3	2021	2022	2023
Non-Hazardous Waste	12,090.84	11,952.04	10,285.86
Common trash	3,558.51	3,398.45	2,829.83
Leftover fabric	3,414.24	3,323.36	2,427.75
Cardboard and paper	2,815.85	2,870.18	2,768.32
ETE sludge	1,371.70	1,331.50	1,255.23
Organic waste	336.30	294,44	196.45
Plastic	262.82	210,44	195.17
Rubble	77.84	162.01	-
Other waste	8.54	37.00	38.50
Metal	138.12	113.81	332.62
Wood	61.88	82.04	95.65
Glass	15.77	16.47	11.68
Fashion House (breakdown)	8,97	6.23	2.28
Contaminated recyclables	20.29	106.11	132.38
Hazardous Waste	22.85	25.76	13.29
Perfumery	11.08	8.79	4.31
Lamps	2.68	0.31	1.43
Hospital trash	0.69	0.81	7.54
Other waste	8.40	15.84	0
Total waste generated (t)	12,113.69	11,977.80	10,299.15

Note: Waste data is obtained from records generated when the waste is removed from the unit (Waste Transport Manifest - MTRs) and when it arrives at the location of its final destination (Certificates of Final Destination - CDFs). These documents ensure the traceability of waste generated, legally required, and show the quantities of waste generated and disposed of by each operational unit. Overall, there were no significant changes compared to the previous year. The most important waste in terms of quantities, such as Common Waste, Fabric Scraps, ETE Sludge and Organic Waste, had a slight drop compared to the previous year, probably due to the closure of the Fortaleza factory, which occurred in Jan/2023.



Waste not intended for final disposal GRI 306-4

Composition	2021	2022	2023
Metal Scrap	138.12	113.81	332.62
Recyclables*	6,823.61	6,739.25	5,703.74
TOTAL	6,961.73	6,853.06	6,036.67

Hazardous waste not intended for disposal in metric tons, by process GRI 306-4

Process	2021	2022	2023
Recycling	2.61	6.75	5.04
Total hazardous waste	2.61	6.75	5.04

Note: Waste data is obtained from records generated when the waste is removed from the unit (Waste Transport Manifest - MTRs) and when it arrives at the location of its final destination (Certificates of Final Destination - CDFs). These documents ensure the traceability of waste generated, legally required, and show the quantities of waste generated and disposed of by each operational unit. All waste is disposed of outside the organization.

Non-hazardous waste not intended for disposal in metric tons, by process

GRI 306-4

Process	2021	2022	2023
Preparation for reuse	3,673.86	3,548.44	2.624,19
Recycling	3,285.26	3,297.87	3,407.43
Total non-hazardous waste	6,959.12	6,846.31	6,031.63

Note: All waste is disposed of outside the organization. Waste data is obtained from records generated when the waste is removed from the unit (Waste Transport Manifest - MTRs) and when it arrives at the location of its final destination (Certificates of Final Destination - CDFs). These documents ensure the traceability of waste generated, legally required, and show the quantities of waste generated and disposed of by each operational unit.

Waste intended for final disposal GRI 306-5

Composition	2021	2022	2023
Fluorescent lamps	2.68	0.31	1.13
Construction waste	77.84	162.01	0
Recyclables*	5,071.44	4,966.20	4,261.35
TOTAL	5,151.96	5,128.52	4,262.48

Note: * Recyclables shows the total amount of waste destined for disposal – with the exception of light bulbs, debris and metals, which are in the items above. Waste data is obtained from the records generated when the waste is removed from the unit (Waste Transport Manifests - MTRs) and when it arrives at its final destination (Final Destination Certificates - CDFs). These documents ensure the traceability of waste generated, which is legally required, and show the quantities of waste generated and disposed of by each operational unit.

Hazardous waste intended for disposal in metric tons,

per process GRI 306-5

Process	2021	2022	2023
Incineration (with energy recovery)	15.83	17.31	5.21
Incineration (without energy recovery)	2.26	1.48	26.41
Other disposal operations	2.60	0.22	0.70
Total hazardous waste	20.69	19.01	32.32

Note: All waste is disposed of outside the organization.

Non-hazardous waste intended for disposal in metric tons,

per process GRI 306-5

Process	2021	2022	2023
Incineration (with energy recovery)	32.21	128.90	135.49
Incineration (without energy recovery)	0.40	5.63	5.34
Other disposal operations	5,099.11	4,974.98	4,089.34
Total non-hazardous waste	5,131.72	5,109.51	4,230.16

Note: All waste is disposed of outside the organization.



Letter of Assurance

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KPMG Auditores Independentes Ltda. Rua Verbo Divino, 1400, Conjunto Térreo ao 801 - Part, Chácara Santo Antônio, CEP 04719-911, São Paulo - SP PO Box 79518 - CEP 04707-970 - São Paulo - SP - Brazil Phone+55 (11) 3940-1500 kpmg.com.br

Independent auditors' limited assuran the non-financial information contained Integrated Report

To the Board of Directors and Shareholders of Lojas Riachuelo S.A São Paulo - SP

Introduction

We were hired by Lojas Riachuelo S.A. ("Riachuelo") to present out on the non-financial information contained in Riachuelo's "Integrate the fiscal year ended on December 31, 2023.

Our limited assurance does not extend to prior period information disclosed together with the Report, including any embedded image

Responsibilities of the management of Lojas Riachuelo SA Riachuelo's management is responsible for:

- select and establish appropriate criteria for preparing the information Integrated Report;
- prepare information in accordance with the criteria and guidelines Initiative (GRI - Standards), with the Sustainability Accounting Sta Specialty Retailers & Distributors and E-commerce (SASB), with the Related Financial Disclosures (TCFD), and the CPC 09 guidance (Basic Conceptual Structure of Integrated Reporting, prepared by t Reporting Council – IIRC); and
- design, implement and keep internal control over relevant informa contained in the Sustainability Report, free from material distortion caused by fraud or error.

 KPMG Auditores Independentes Ltda., uma sociedade simples brasileira, de esponsabilidade limitada e firma-membro da organização global KPMG de irmas-membro independentes licenciadas da KPMG International Limited, uma impresa inglesa privada de responsabilidade limitada.
 KPMG Auditores Independer and a member firm of the KP firms affiliated with KPMG International Limited, uma

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ance report on ned in the 2023	Responsibility of independent auditors Responsibility of independent auditors Our responsibility is to express a conclusion on the non-financial information contained in the 2023 Integrated Report. This is based on the limited assurance work carried out in accordance with Technical Communication CTO 07/2022 issued by the CFC – Federal Accounting Council and also with the NBC TO 3000 (revised) – Assurance Engagements Other than Audit and Review, also issued by the CFC – Federal Accounting Council, which is equivalent to the international standard ISAE 3000 (revised) – Assurance engagements other than audits or reviews of historical financial information, issued by the International Auditing and Assurance Standards Board (IAASB). These standards require planning work and carrying out procedures to obtain limited assurance that the non-financial information contained in the 2023 Annual Report, taken as a whole, is free from material misstatement. KPMG Auditores Independentes Ltda. ("KPMG") adheres to the Brazilian Quality Management Standard (NBC PA 01), which mandates that the firm plan, implement, and	
	operate a quality management system. This includes policies and procedures to ensure compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements. We adhere to the independence and other ethical requirements of the Accountant's Code of Professional Ethics and Professional Standards (including the Independence Standards). These requirements are based on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behavior.	
our limited assurance report rated Report 2023" concerning on or any other information ages, audio files or videos.	A limited assurance engagement conducted in accordance with NBC TO 3000 revised (<i>ISAE</i> 3000 revised) consists primarily of inquiries to Riachuelo's management and other Riachuelo's professionals who are involved in preparing the information, as well as the application of analytical procedures to obtain evidence that enable us to reach conclusions, with limited assurance, about the information taken as a whole. limited assurance work also requires the execution of additional procedures, when the independent auditor becomes aware of matters that lead him to believe that the information disclosed in the Integrated Report, taken as a whole, may present material distortions.	
ation contained in the 2023 es of the Global Reporting Standard - Multiline and In the Task Force on Climate- ce (which correlates to the y the International Integrated	 The procedures selected were based on our understanding of aspects related to the compilation, materiality and presentation of the information contained in the Integrated Report 2023, other circumstances of the work and our consideration of areas and processes associated with the material information disclosed in the Integrated Report 2023, in which relevant distortions might exist. The procedures included, among others: a. planning of the work, considering the relevance, the volume of quantitative and qualitative information and the operational and internal control systems that served as a basis for the preparation of the information contained in the Integrated Report 2023; 	
nation to prepare information on, regardless of whether	 b. understanding the calculation methodology and procedures to compile the indicators through inquiries and interviews with the managers responsible for preparing the information; c. the application of analytical procedures on quantitative information and inquiries into qualitative information and its correlation with the indicators disclosed in the information contained in the Integrated Report 2023; d. for cases in which non-financial data correlate with indicators of financial nature, the confrontation of these indicators with the financial statements and/or accounting records; 	
ndentes Ltda., a Brazillan limited liability company KPMG global organization of independent member G International Limited, a private English company 1	KPMG Auditores Independentes Ltda., uma sociedade simples brasileira, de responsabilidade limitada e firma-membro da organização global KPMG de firmas-membro independentes licenciadas da KPMG International Limited, uma empresa inglesa privada de responsabilidade limitada.	

> Letter of assurance

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- e. analysis of the processes to prepare the 2023 Integrated Report and its structure and content, based on the Principles of Content and Quality of the Standards for Sustainability Reporting of the Global Reporting Initiative - GRI, with the Sustainability Accounting Standard - Multiline and Specialty Retailers & Distributors and E-commerce (SASB), with the Task Force on Climate-Related Financial Disclosures (TCFD), and the CPC 09 guidance (which correlates to the Basic Conceptual Framework of Integrated Reporting, prepared by the International Integrated Reporting Council - IIRC); and
- f. evaluation of the sample non-financial indicators.

The limited assurance work also included adherence to the guidelines and criteria of the GRI - Standards, Sustainability Accounting Standard - Multiline and Specialty Retailers &Distributors and E-commerce (SASB) preparation structure, and the Task Force on Climate-Related Financial Disclosures (TCFD), and the CPC 09 guideline (which correlates to the Basic Conceptual Structure of Integrated Reporting, prepared by the International Integrated Reporting Council – IIRC), applicable in the preparation of information contained in Integrated Report 2023.

Reach and limitations

Procedures performed in limited assurance engagements vary in nature and timing and are less extensive than in reasonable assurance engagements. Consequently, the level of assurance obtained in a limited assurance engagement is substantially less than that which would have been obtained if reasonable assurance engagement had been performed. If we had carried out reasonable assurance work, we could have identified other matters and possible misstatements that may exist in the information contained in the Integrated Report 2023. Accordingly, we have not expressed an opinion on this information.

Non-financial data are subject to more inherent limitations than financial data, given the nature and diversity of methods used to determine, calculate or estimate such data. Qualitative interpretations of data materiality, relevance and accuracy are subject to individual assumptions and judgments. Additionally, we did not carry out any work on data reported for previous periods, nor in relation to future projections and targets.

The preparation and presentation of sustainability indicators followed the criteria of GRI -Standards, Sustainability Accounting Standard - Multiline and Specialty Retailers & Distributors and E-commerce (SASB), Task Force on Climate-Related Financial Disclosures (TCFD), and CPC 09 guidance (which is correlated to the Basic Conceptual Framework of Integrated Reporting, prepared by the International Integrated Reporting Council – IIRC) and, therefore, does not aim at ensuring compliance with social, economic, environmental or engineering laws and regulations. The aforementioned standards provide, however, for the presentation and disclosure of any non-compliance with such regulations when sanctions or significant fines occur. Our assurance report must be read and understood in this context, inherent to the selected criteria (GRI - Standards), Sustainability Accounting Standard -Multiline and Specialty Retailers & Distributors and E-commerce (SASB), Task Force on Climate-Related Financial Disclosures (TCFD), and the CPC 09 guideline (which correlates with the Basic Conceptual Structure of Integrated Reporting, prepared by the International Integrated Reporting Council – IIRC).

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Conclusion

Our conclusion is based on, and contingent upon, the matters outlined in this report.

We believe that the evidence obtained in our work is sufficient and appropriate to support our limited conclusion.

Based on the procedures carried out, described in this report and the evidence obtained, nothing has come to our attention that leads us to believe that the non-financial information contained in the Integrated Report for the year ended December 31, 2023 of Lojas Riachuelo SA, was not prepared, in all relevant aspects, based on the Sustainability Report Standards of the Global Reporting initiative - GRI, with the Sustainability Accounting Standard - Multiline end Specialty Retailers & Distributors and E-commerce (SASB), Task Force on Climate-Related Financial Disclosures (TCFD), and the CPC 09 guidance (which correlates with the Basic Conceptual Structure of Integrated Reporting, prepared by the International Integrated Reporting Council – IIRC).

São Paulo, June 28, 2024

KPMG Auditores Independentes Ltda. CRC 2SP-014428/O-6

Bernardo Moreira Peixoto Neto Accountant CRC RJ-064887/O-8

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Corporate Information

GRI 2-1, GRI 2-2, GRI 2-3



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Gurarapes Confecções S.A

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Social media



INTEGRATED REPORT 2023

Credits

Realization **Executive Directorate of People** and Sustainability

Graziella Di Battista **Executive Director of People and Sustainability**

Iara Falcon Sustainability Coordinator

Inayanna Motta Sustainability Specialist

Luciana Santos Sustainability Specialist

Marcella Kanner Communications Director at Riachuelo Institute

Raphael Frigerio Chain Management Manager

Tatiana Konovaloff Silvestri Sustainability Manager

Valesca Magalhães Sustainability Director

Walk4Good Consultancy

Alexandra Marchesini Graphic Design and Layout

Lilian Kotviski Fiala Management, Methodology and Indicators

Renata Ribeiro Writing and Editing

Roberta Benamor Technical-Operational Support

Sam Maryama **Technical Coordination**

Photography **Riachuelo and Freepik internal collection**

Introduction

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Governance, Ethics and Transparency



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RIACHUELO

guararapes



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