



ANNUAL REPORT

2022

LOJAS RENNER S.A.



RENNER

CMICADO

youcom

realize

repassa

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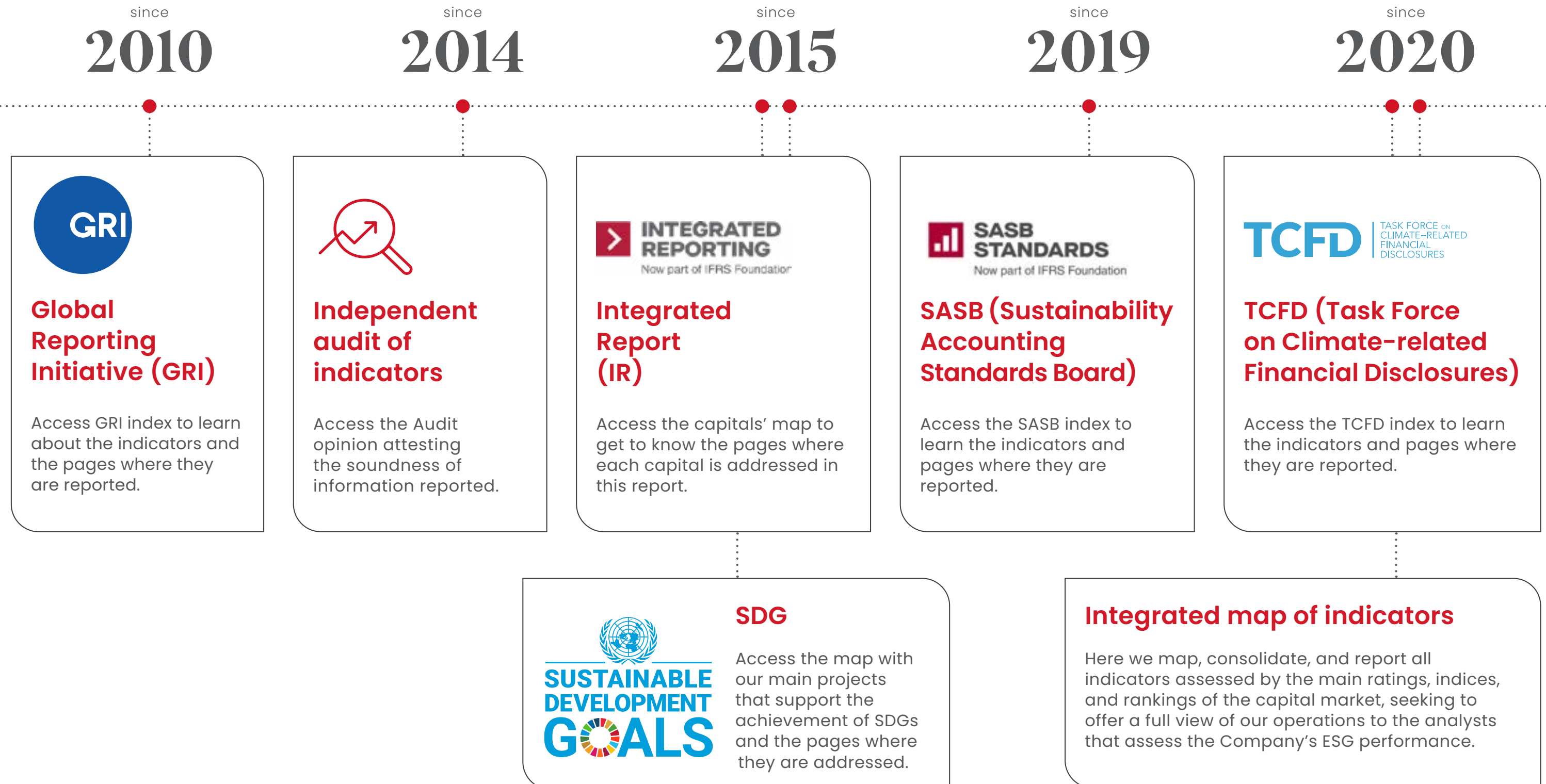
INTRODUCTION

Every year we present to the society and audiences qualified and integrated information about our business, showing the interconnections of indicators and how they support the construction of the future, and the Company's capacity of generating value over time, in addition to the influences we suffer and exert in our relations.

This is a collaborative process that involves a multidisciplinary team and is validated by the Executive Board and the Board of Directors, in order to ensure the report's integrity. The Boards declare that this publication complies with the recommendations from the Accounting Pronouncements Committee's technical guidance (CPC 09).

Enjoy your reading!

In addition to transparency, the adoption of best practices of ESG management and communications drives us to the continuous evolution of our practices. Come get to know our pioneering journey in the adoption of ESG transparency best practice:



Message from the administration

GRI 2-22

We reached important advances and achievements in 2022 for the consolidation of our Fashion and Lifestyle ecosystem with responsibility, enchantment and solutions that contribute to the creation of more sustainable models and value generation to all our stakeholders and value chain.

After achieving the ESG goals established for 2018-2021, in 2022, we launched our sustainability strategic cycle to the market, with new commitments to be achieved by 2030.

There are 12 objectives, even more comprehensive and ambitious than the previous ones, covering the entire fashion and lifestyle ecosystem of the Company and broken down into three fundamental pillars: climate, circular and regenerative solutions; connections that amplify; and human and diverse relationships.

To strengthen the relevance of our ESG commitment, there are executives and leaders from all levels and different areas of the Company with short-term variable compensation linked to the achievement of 2030 commitment goals.

On the climate solutions front, in order to advance towards our goal of expressive reduction of emissions between 2019 and 2030, validated by the Science Based Targets Initiative (SBTi), and our Net Zero 2050 commitment, our strategic plan for reducing emissions and for transition foresee efforts to increasingly encourage the use of more sustainable raw materials and renewable energy in our supply chain. In 2022, we reached 98.0% of our cotton products with certified cotton and 81.5% of our Renner garments with the Responsible Fashion Re Seal (more than 100 million pieces).

We continue to seek the best paths for this journey and carried out a study of our climate strategy compliance with Task Force for Climate Disclosure (TCFD) guidelines, identifying opportunities for improvement and outlining a progress plan for the next two years.

Leveraging circularity, we opened two more circular stores, launched a commitment to eliminate plastic packaging from physical stores and e-commerce that cannot be reused or recycled, by 2030,

achieved record sales in the Consumer Week at Repassa, our thrift online store and launched upcycling collections that reuse disused pieces, samples and fabric leftovers, reinserting the materials into the product's life cycle.

In our reverse logistics programs, we reached more than 52 tons collected in the year at Ecoestilo, by Renner, in the perfumery and clothing categories, adding up to more of 260 tons since the beginning of the program in 2011. We also expanded the collection of jeans discarded by our customers, in the Jeans for Change project, to all Youcom stores.

Another important front was the advancement of our digital fashion hub, which brings together knowledge, tools, technologies and solutions, in collaboration between different areas, to explore the possibilities of using 3D in favor of the development of products with higher quality, less environmental impact and improving customer experience. In 2022, we launched a collection with 100% digital 3D development, available in our

exclusive virtual reality store and on e-commerce, and we became the first major Brazilian retailer to make a collection with end-to-end three-dimensional technology, uniting the physical and digital worlds, reducing the volume of samples that generate material consumption, waste generation and emissions in production and transportation processes.

We continue to advance in the use of data and artificial intelligence to improve decision-making and planning and our sales forecast model, which achieved an average assertiveness of 96% in the ecosystem and 97% in Renner.

Predictive analyzes and assortment decisions based on data and artificial intelligence support Responsible Fashion: we increasingly produce what the customer actually wants, reducing markdowns and stockouts, avoiding having to produce even more to reach sales targets and, consequently, the consumption of natural resources and disposal of leftover products.

In order for all our efforts to build less impactful products, on all these fronts, we also continue with

in-depth management of our chain. Since 2021, 100% of Renner's global retail chain has received one of these socio-environmental certifications, ensuring the adoption of widely recognized best practices and, in 2022, we continue to make progress with national and international assessments of more than 90% of the global chain of supply from Camicado.

In 2022, we launched the first traceable jeans in the country, with the tag where it is possible to verify all the stages the jeans have gone through, from cultivation to the customer's hand, guaranteeing a value-generating chain with mitigation of the negative socio-environmental impact.

We also continue to work so our chain increasingly evolves its socio-environmental performance, going beyond the mandatory compliance items of our audit process, through various programs that support the qualification of suppliers to support continuous evolution, such as the Responsible Network, that seeks to bring knowledge applied to ESG concepts to the supply chain.

From the point of view of mitigating risks throughout the chain, we carried out a new cycle of due diligence on the impacts of our chain on Human Rights, expanding

its scope to the entire ecosystem, involving consultations with specialists and representatives of rights holders and defining action fronts, which mitigate the risks of breaches.

Already seeking to generate opportunities for vulnerable groups, we invested BRL 6.4 million through the Lojas Renner Institute, in community development and income generation projects and training and support for women's entrepreneurship in the fashion ecosystem.

With regard to our people, human and intellectual capital behind all these advances in building a more sustainable model, we work to broaden listening and increasingly promote their well-being. During the year, we created the Employee Experience area, dedicated to improving the experience and evolving our people management practices, and we implemented a platform for telemedicine and telepsychology services, nutritional and sports coaching free of charge, based on a solution aimed at the active care of all our employees, interns and young apprentices.

In order to be an increasingly inclusive business, we also launched our diversity goals as part of the ESG 2030 strategy, seeking to increase the representation of black people

in leadership and women in senior leadership, in addition to offering a diverse and inclusive portfolio of products and services.

Throughout this publication, you can find out in detail the actions carried out throughout 2022, another year of solid progress in our ESG strategic planning and in the continuous journey of building a more sustainable business.

The trajectory so far has proven to be effective, both for the important results commented on in this report, and for the external recognition: we are the best positioned and most recognized company by the ESG ratings and indices of all Brazilian retail segments and we are among the companies of the global retail with better performance in ESG indices and ratings.

We would like to thank everyone who contributes to building this journey – our employees, suppliers, investors, partners and customers – and invite them to learn about our report.

Good reading!



José Galló

Presidente do Conselho de Administração



Fabio A. Faccio

Diretor Presidente



OUR ECOSYSTEM

We are a fashion and lifestyle ecosystem, leader in the omnichannel fashion retail and one of the largest brands in Brazil.

capitals



sdg





Profile

GRI 2-1 | 2-6

We are a fashion and lifestyle ecosystem, leader in the omnichannel fashion retail, and one of the largest brands in Brazil.



6 RECOGNIZED BUSINESSES

Renner, Camicado, Youcom, Ashua, Realize and Repassa



672 STORES

422 Renner, 123 Camicado, 114 Youcom, 13 Ashua



3 DISTRIBUTION CENTERS

SC, SP and RJ automated



26.1 THOUSAND COLLABORATORS



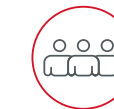
+20 OWN BRANDS

Renner, Camicado, Youcom and Ashua



PARTNERSHIPS

Porto Seguro, Mastercard, Visa, etc.



18.7 MILLION

active customers in the ecosystem



R\$ 17.8 BILLION

Total volume of Realize payments



931.6 MILLION

Visits to our e-commerce



+ E 13 MILLION

Renner app downloads



+13.5% GMW

Digital



505 SELLERS

at Camicado marketplace



362 SELLERS

at Renner marketplace

Visão geral dos negócios

Varejo



Renner

Largest omni fashion retailer in Brazil, with 20 own brands, counts on 435 physical stores (422 in all states of Brazil, 10 stores in Uruguay, 4 stores in Argentina), an online store and eight other sales channels, in addition to a marketplace.

Camicado

Brand specialized in home and decoration, present in all regions of Brazil, with 123 stores, plus e-commerce. In addition to resale items, it develops its own brand items and counts on 505 sellers in its marketplace.



YouCom

Young clothing and accessories brand, it offers women's and men's clothing, footwear, and accessories. It has 114 stores in all regions of Brazil, in addition to e-commerce.



Ashua

Brand launched in 2016 on e-commerce focused on curve and plus size fashion. Since 2018, it also has 13 physical stores to expand its omnichannel offer.

Repassa

Acquired in 2021, Repassa is an online platform that resells clothes, shoes and accessories. Digital native startup, founded in 2016, with sustainability at the center, Repassa expands our offer to our customers with a service adjacent to our retail operations, managing the fashion resale.



Financial products

Realize

Our Financial Institution assists in the loyalty and convenience of our customers, supporting the company's retail operation, by offering a set of financial services to customers, including the Renner Card (private label) and Meu Cartão (My Card - international credit card), in addition to credit lines for the Company's suppliers, Saque Rápido (Quick Withdrawal) and an Insurance portfolio. Driven by technology, the company offers solutions that meet the consumer journey with complicity, transparency, and charm.

Ecosystem enabler

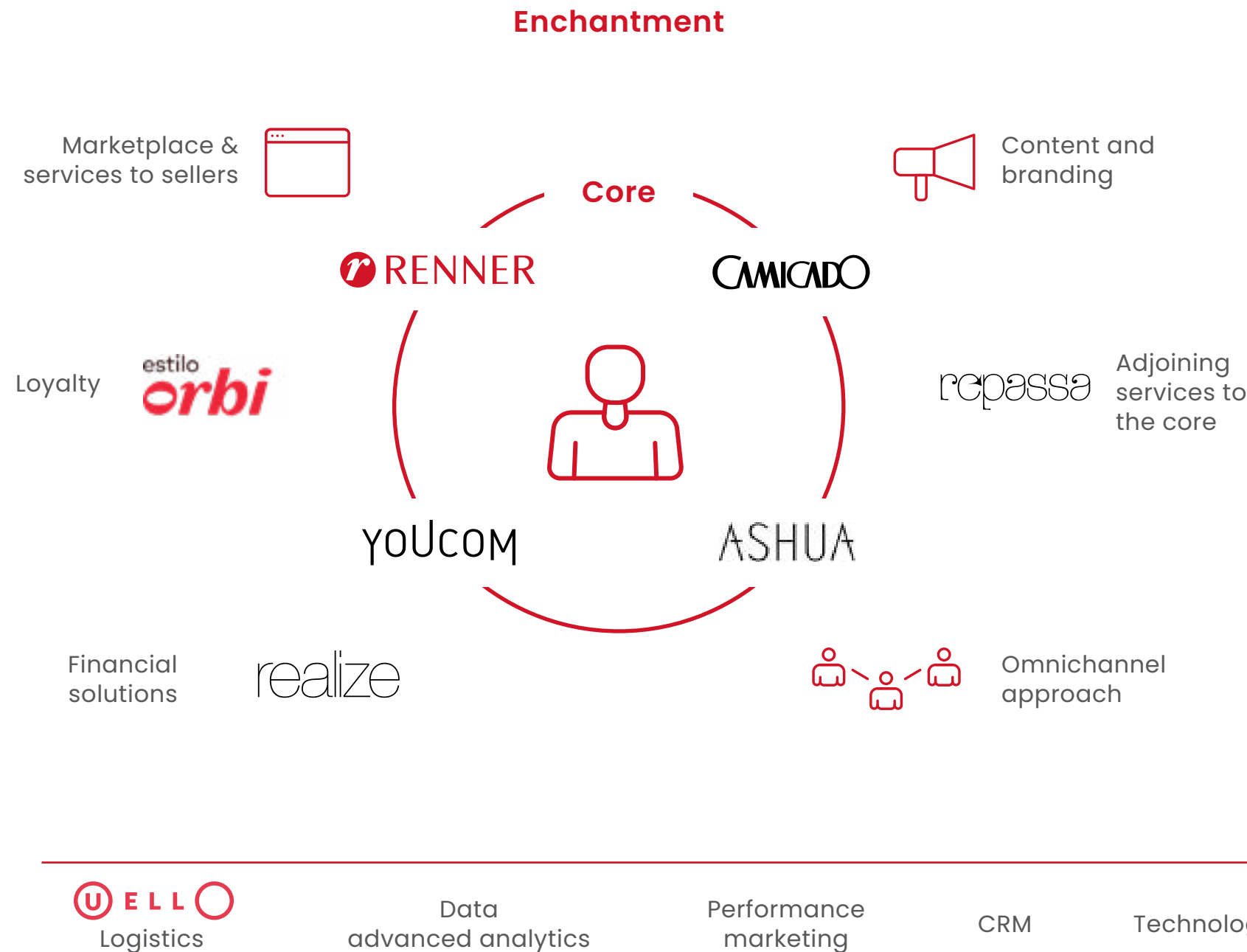
Uello

In 2021, we acquired Uello, logtech - English term for companies that combine logistics and technology - which was born already digital, in 2017, focused on the optimization of e-commerce deliveries through a network of partners and hubs.

Differentials and strategic priorities

We keep on developing the different possibilities and potentials in our ecosystem to increasingly enchant our customers.

Learn, next, the main advances and differentials in each strategic priority for us to achieve our ambition of becoming the leading **fashion and lifestyle ecosystem** in Latin America.



Leading ecosystem In fashion and lifestyle retail

Expansion of the addressable market

Increase the base of customers

Create **unique platform** of brands, partners, and sellers

Strengthening of the **enchantment culture** through personalization and digitalization

Increase in **lifetime value**

Be reference in attraction and retention of fashion, retail, technology, data fulfillment, and innovation talents

Omnichannel approach








GRI 2-29

Customer's experience




In 2022, 5th year of our strategic cycle of digital transformation (2018-2025) based of the refinement and improvement of digitalization processes in store, automation, and logistic integration, and new and better tools and solutions to the customer's digital journey.



DIFFERENTIALS

- 
Innovative Logistics 4.0 for faster and more precise deliveries.
- 
Apps Renner, Camicado and **Youcom** with continuous advances in the user experience.
- 
Renner card accepted in all brands of the ecosystem
- 
Guide Shop Renner, which combines online and off- line, providing to the customer the opportunity to see, touch and try the pieces before buying them online to receive them at home.
- 
Self-service boxes already represent 25% of sales in the stores where they are available, and innovation with magic boxes with automated reading of products and alarm shutdown, bringing directly the summary of the order without need to beep each product.
- 
Digital wallet.
- 
Rennata, our digital influences (learn more on page 18).

RESULTS

- 
 High service level with **48% of deliveries made** in up to two days after the purchase, 75% in São Paulo and Rio de Janeiro.
- 
 E-commerce represents **13.5% of sales.**
- 
931.6 million visits to our e-commerce, 59% in the **app, which was downloaded 13 million times**, absolute leadership in active users among national players.
- 
Increase of 187 times in orders and average ticket in Renner Favorites (social selling).
- 
35% growth in sales through WhatsApp.
- 
New channels – including marketplace and B2B – **já already represent 23% of the Company's digital GMV.**

Automated distribution center

We have intensively invested, in the last years, in the construction of our new Omni Distribution Center in Cabreúva (SP), with cutting-edge technology, **automation and innovation in robotics** and artificial intelligence to support the business growth until 2035 and speed up e-commerce and marketplace, an important enabler to our ecosystem.

Altogether, R\$ 1.2 billion was invested, 40% of which allocated in technology, and in 2022 we started the operation with 100% of Camicado volume, in the first semester, and started the overturning of Renner and Youcom in the second semester.

The Omni DC counts on innovative automation systems, unprecedented in Brazil, for storage, processing and dispatch of goods, organizing products through the grouping in types of SKU per box.

The technology is innovative for enabling the work with items of different dimensions, garments in hangers and folded, shoes, bags, etc., simultaneously, making possible the use of robots in the process of separation of orders, both from stores and customers, and significantly increasing agility and assertiveness in the process.

For such, we brought to Brazil 312 robots from an Austrian group to act in the storage of folded items, and a new system for classification and separation of products that allows almost instantaneous reconfiguration of processes to respond, for example, to eventual peaks of increase of participation of online sales compared to physical stores.

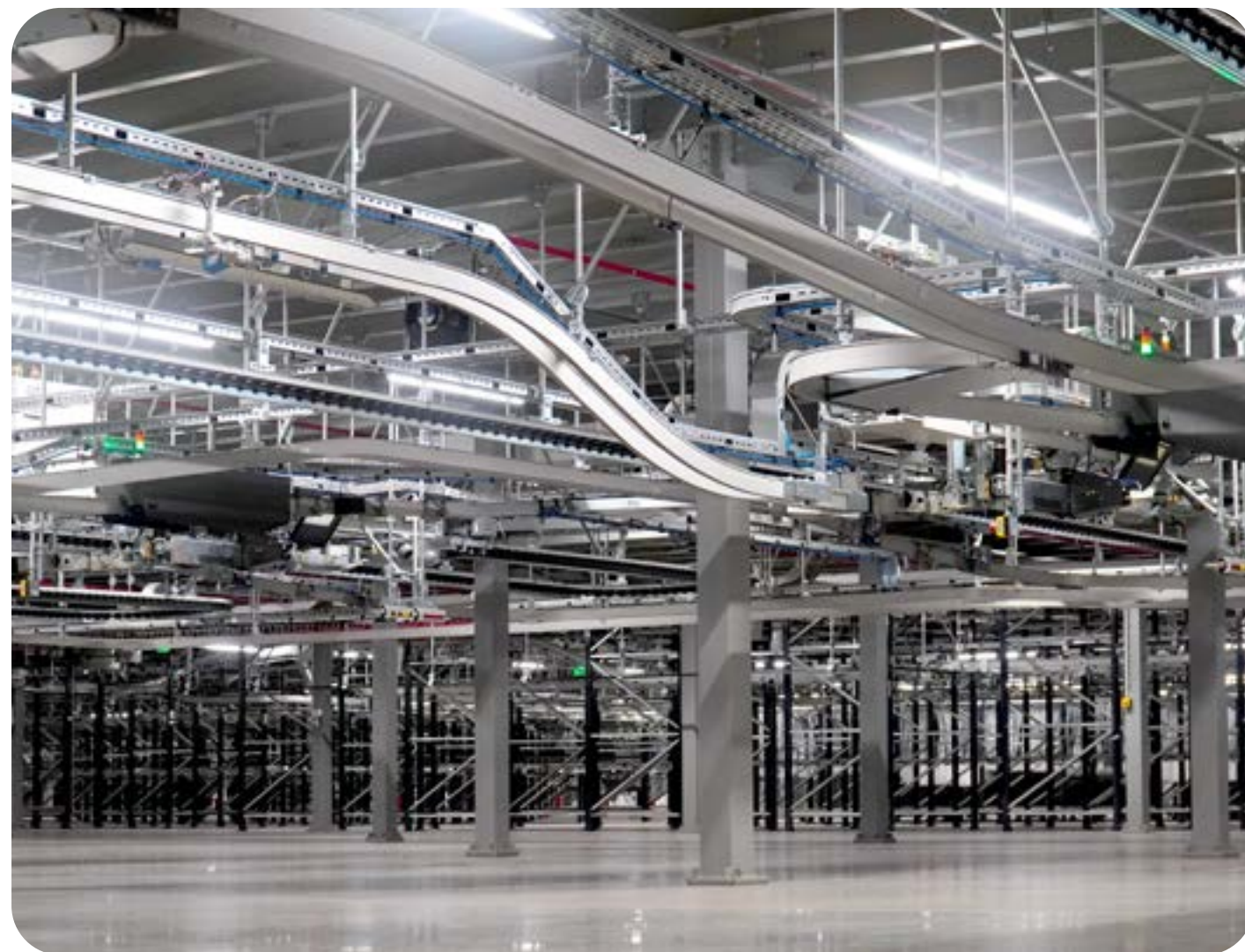
The inclusion of **robots in the process of selection and separation** of products considering different stocks (store, e-commerce, and marketplace) is innovative because it meets a new and growing demand. It's no longer about transporting products in hangers packaged to stores, but selecting different pieces, placing them in small packaging with millions of labels to reach our customers' houses.

Our robots select the items of each order, searching and sorting the folded products in stock and destining them to other robots that receive these and other products with different types of storage (like garments in hangers, perfumes, watches, and shoes) and make the sorting of each customer order from the stores.

The DC represents a leap in logistic efficiency, digital transformation, and multichannel integration. It enables us to keep on advancing in the customer's experience, through speed and agility, practically reducing in half the time needed to supply the Company's stores across the country, and accelerating the delivery of products acquired by consumers via digital channels.

Today our DCs deliver 60% of e-commerce orders in up to two days. Cabreúva DC will help us expand this coverage and raise the percentage of fast deliveries. The combination of DC and stores acting as mini DCs, will result in more deliveries of D+1, and D+2 will be national standard.





With **artificial intelligence** they also learn about the most ordered products and reorganize the stock in an autonomous way, obtaining more efficiency. It is an innovative technology that enables automated assortment and simultaneously among channels, the different companies of the group, like Ashua, Camicado and Youcom, besides the marketplace (fulfillment).

To advance aligned with our sustainability strategy, the DC also counts on LEED Gold seal for **sustainable constructions** (learn more on page 75). In 2022 we launched the public commitment to eliminate, by 2030, plastic packaging in physical and e-commerce stores that can't be reused or recycled by our customers. Learn more on page 76.

Uello

Aiming at expanding our logistic platform operation scope, in 2022 we acquired Uello, platform for express deliveries with smart technology that connects a network of couriers that register to receive products and transport them to the customers using motorcycles, utility cars, and passenger cars. Some partners are also connected to the network, like warehouses, and carriers.

In addition to Lojas Renner S.A. operations, we keep on offering our customers Uello services, making the platform increasingly relevant, with a large number of **partners connected**. We offer same and next day delivery services, reverse logistics, ship from store and B2B deliveries. At SaaS (Software as a Service) front, we also make the management of orders, route planning, driver management, warehouse management, Uello app to the driver, along with tracking and order notifications.

The startup also brings benefits to e-commerce small size companies, making available in the market a **logistic solution of routes shared**, so that they can deliver to their customers an experience similar to that of a large player. Among the benefits of the shared route system, we have express delivery times in two days, competitive prices, and a platform for the management of

deliveries in real time that triggers a tracking link so that consumers can also follow the good route. The logtech platform gathers management interfaces that can make the logistics more intelligent, at competitive cost, express deliveries, and real time management.

Uello provides a significant improvement in the service level and higher efficiency in deliveries. While some traditional transport solutions present indices inferior to 90% of successful deliveries, the logtech technology goes beyond 98%.



With Lojas Renner S.A. logistic platform evolution, we expect, for the next two years, to improve the consumers' experience, with potential to practically double to around 80% the index of deliveries made in up to two days after the online orders.

Innovation culture

GRI 2-29

Connection

Over the past years we got close to the main innovation hubs worldwide, expanding the connection with startups that have potential to accelerate innovation in our business.

By means of partnerships with Endeavor, Distrito, ACE, Instituto Caldeira and Slinghub, we connected to the main national and international startups, ensuring access to the main solutions, technology and teams with potential to help us transform our business.

In two years, we have made over 200 connections that generated more than 20 proofs of concept (POC) or commercial partnerships, addressing the main challenges of the Company with innovative solutions.

One of the main examples was the partnership with a startup specialized in liveshop that provided a better user experience and enabled the execution of our omnichannel strategy, monetizing the lives made throughout 2022 with a significant increase in revenue.

Moreover, in 2022 we have escalated to all Lojas Renner S.A. the solution of digital managers, with a startup that decentralizes and regionalizes the communication with customers through social media and geolocation.






In 2022, we received two important awards that acknowledge Lojas Renner S.A. as one of the corporations that keep the best relationships with startups in the country, from 100 Open Corps and The Bakery rankings + Associação Brasileira de Startups.

Anticipating trends



In addition to partnerships, Lojas Renner S.A., in 2022, created their own CVC: RX Ventures, our first early stage fund that finances companies that are starting their businesses.

Focused on solutions that anticipate and help build the future of retail and consumption, always taking into account their commitment with ESG practices (environmental, social, and governance), the fund considers five main verticals:

-  Fashion & lifestyle
-  E-commerce, marketplace and retailtechs
-  Fintechs
-  Relationship and content Marketing
-  Logistics and supply chain

RX Ventures' capital amounts to R\$ 155 million, and the purpose is to invest in the growth of at least 10 startups, expecting four years of investment and other four years of divestment.

The decision to create the own fund, supported by a strategy increasingly focused on open innovation, came in order to invest and support businessmen that are building the future of retail and consumption.

By supporting the growth of these startups, Lojas Renner S.A. is anticipating, today, the competitive differentials of tomorrow.

This anticipation of trends, ensuring the capital, led the fund to invest, so far, in two startups:



- **Klavi**, platform that offers software services and integrations to financial institutions, seeking to support the transition to Open Finance (new rules that enable sharing of customers' data, with their consent, across the different banking institutions), facilitating the access by institutions to their customers data.



- **Logstore**, platform for logistic solutions, connects the stock of physical stores to the orders made in the e-commerce.

Another relevant initiative to promote innovation in the Company is the Product Innovation Lab, which counts on a dedicated team to survey and develop initiatives that will help us build the future of fashion. We want to be pioneers in the fashion and lifestyle ecosystem, committed with responsible innovation, and focused on the development of solutions with the customer.

Technology and data

Sales forecast

In the last few years, a relevant innovation front in different areas of the Company has been the use of data and artificial intelligence to improve decision making and planning.

In 2021, we created a pilot for the use of artificial intelligence in the process of purchasing products for resale that uses our model of sales forecast extended to the long term, making forecasts, a year in advance, to suggest the volumes to be purchased for each model, improving assertiveness and avoiding rupture (lack of items in store).

In 2022, we kept on expanding the pilot for purchase of women's products, men's products, lingerie, and children's products, for the purchase of products at unit level, in order to meet the demand, reduce overstock leftovers, and, therefore, the transfer of such items to other stores. That will make possible for stores to receive more appropriate grids, avoiding lack or excess of items.

In 2022, the average assertiveness of the model, reached 97% for Renner and 96% in the ecosystem.

Supply

Our process of allocation of basic items in Renner stores is already 100% oriented by artificial intelligence, and, in 2022, we reached 50.1% of the total of categories oriented by this model.

We also started a pilot for supply per unit rather than lot, which provides more flexibility to supply items according to the speed of sales of each one. At Youcom, the process of supply by artificial intelligence comprises items that represent 11% of sales.

Price and promotion

In 2021, we developed an artificial intelligence tool that brings suggestions about the right time to make markdowns and the discount percentage, the Markdown Engine, optimizing the process. In 2022, the Pricing Engine operated with suggestions of promotions for categories that represented 44% of Camicado e-commerce sales and 79% of Renner Beauty products e-commerce.



Omni intelligent assortment

We started, in 2022, an experiment for application of artificial intelligence to define the assortment of a store, considering the preferences of consumers from that region based on the learning with the other e-commerce orders. The aim is to reduce interstate shipping and improve both the service to the Customer and

the environmental impact of logistics and distribution. By the end of the year, the engine counted on second version, divided in two modules: assortment – responsible for finding the ideal assortment for the region, quantification, which is already being used to assist in the process of transfer of pieces between stores and DC.

Customers

CRM & loyalty

The base of active customers in the ecosystem kept on expanding, reaching 18.7 million customers, 5.7% evolution against last year of 2021, driven by the growth of new customers in physical stores and omni customers, which increased 8.0% in this same period, with evolution in the participation in the total billing, representing +30% of sales.

estilo **orbi**

In October we launched the Orbi Style – Lojas Renner S.A. ecosystem loyalty program in specific markets of SP and RJ states, which offers rewards like differentiated advantages and experiences to the most assiduous customers of the Company. The program in cross brands (Renner, Camicado, Youcom, Ashua, Repassa e Realize), an important tool for attraction, acknowledgement, and retention of customers, reinforcing the strategy of relationship through the ecosystem.

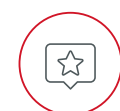
Content and branding

Throughout the year we sought to foster the unpaid traffic of digital channels by generating desire, information on fashion and trends, and connection of customers with the brand. As a result, we reached 40% increase in social media engagement and became the Brazilian fashion retailer with the highest number of followers on Instagram.

● HIGHLIGHTS OF THE YEAR



+ **150**
live transmissions



40% increase
in engagement rate



3,300
influencers activated



2x more visits to Estilo Renner blog



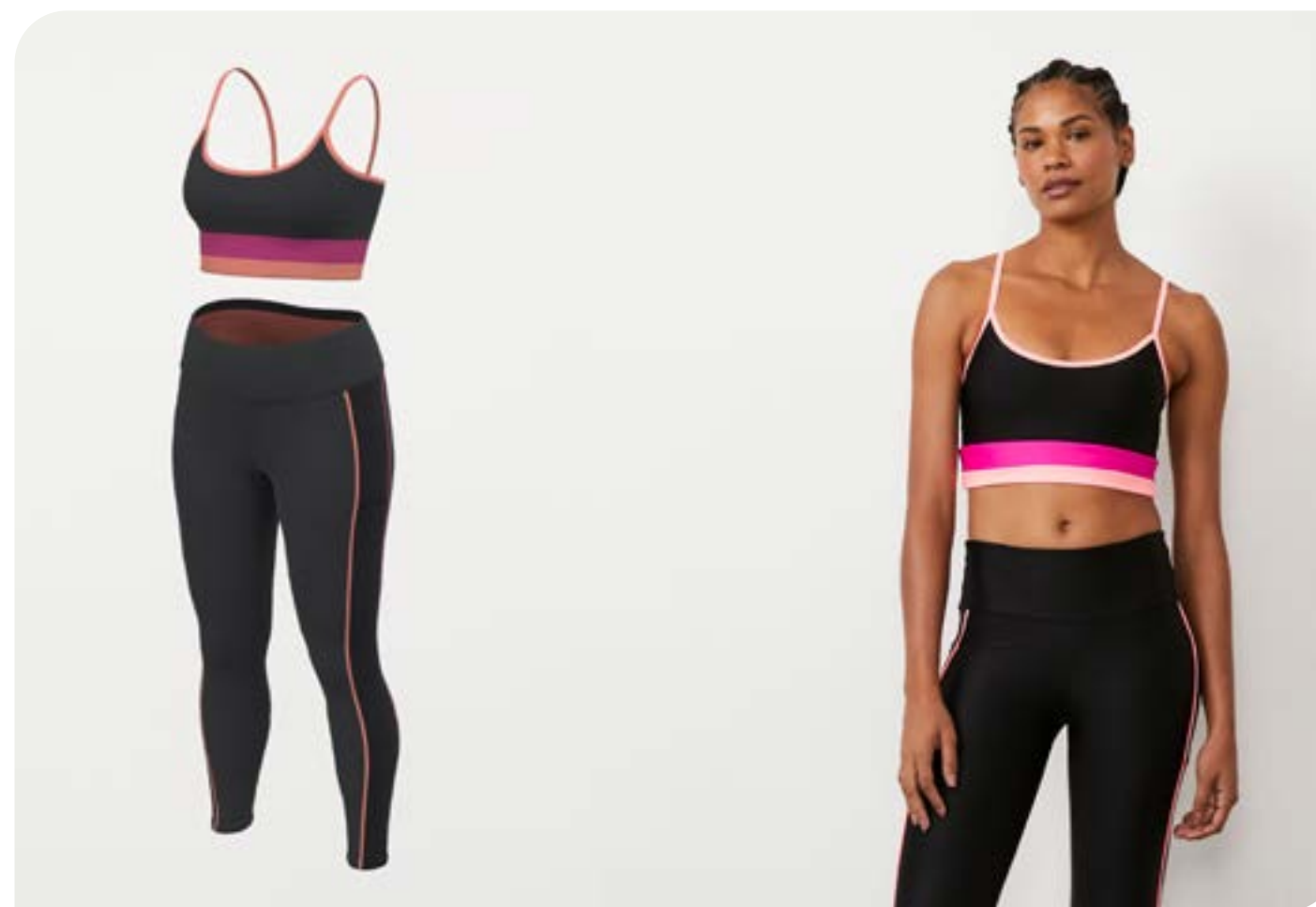
Digital collections

In 2022, we launched the second collection with 100% digital 3D, a capsule collection from Women's Get Over line, our brand of sports products, available in our exclusive virtual reality store and e-commerce.

It means that the whole creative process of the product was made without involving any physical sample, a disruptive process for fashion, since, throughout the development of a product, several samples are made to assess the fabric fit and ensure appropriate modeling.

This innovation, along with the first pilot conducted in 2021, was possible thanks to our digitalization journey, which has brought new possibilities. In 2018, first year of the Company's digital development strategic cycle, we started to implant software for management of the knowledge base to support the development of collections, generating gains in agility and assertiveness. Over the years, we reached thousands of raw materials listed in the system and connected our Resale Suppliers that manufacture the products we sell in our stores.

In our 100% digital 3D capsule collection we use software that reproduces characteristics of color, pattern, texture and fit of the raw materials. The costume fitting was made on our 3D virtual mannequins, without physical samples.



• Capsule collection with 100% digital 3D development.

For more than three years we have invested in the research and study of Brazilian bodies to improve our products, leading the fashion retail market in creating size standards that are more adhering to our reality, in line with our commitment with the diversity of bodies. In 2021, we advanced on this journey using 3D technology to develop 14 physical mannequins, designed from scanning real bodies.

The realistic simulation of the physical and visual is a fundamental stage for us to validate products, bringing safety and agility to the decision making process for the collection development.

At Renner, we have a digital fashion hub dedicated to it, and we use high precision scanning equipment and software that assist in this whole process. In addition to generating a fully innovative

collection, aligned to our sustainability strategy, the initiative brought a disruption in the way we plan, develop, and sell clothing.

The launching was also technological and virtual: we created a 3D store connected to our e-commerce, with virtual reality, for our customers to interact with the products and see their details in 360°.

The work of trying on the pieces and presenting them to the customers was made by Rennata, our virtual influencer, which provides a more human touch to our communications and strengthens our digital position. She shares all novelties on fashion and style, new campaigns, actions and services, encouraging conversations to reinforce the complicit and close relationship that Renner keeps with its customers, and expand exchanges and conversations.

Rennata also brings gains in agility, flexibility, efficiency and economy while internally producing clothes, accessories and scenarios that our influencer uses in her presentations and campaigns, without need to hire external suppliers, and using areas of Digital Collections, 3D studio, and Marketing of Lojas Renner to develop collections, campaigns, and actions.



Brand perception

In line with our objective of being reference in responsible fashion, based on the ESG 2030 commitments (learn more on page 22), we started to measure consumers' perception through annual sustainability survey.

We measure the consumer's most sustainable weighted index of brand perception (brand recall). The recurring follow-up is made by specialized survey company and measures all Brazilian states.

The survey involves 3,500 Brazilian consumers that bought clothing store in the last 12 months, with results weighted to represent the Brazilian population.

We observed evolution in the index of 2.2 percentage points from 2021, first year of the survey, and 2022, with advance in the perception of Renner as more sustainable brand, and advance of recall of Re Seal, which gathers Renner sustainability initiatives. At Renner, the more successful brand, we grew 2.5 p.p.

These results show that we follow the path to have increasingly transparent and effective communications about our sustainability initiatives with consumers. The weighted index of the recall of sustainable brand also makes up the goals of executives from different areas of the Company in their variable compensation.

Another survey, conducted quarterly to the Renner brand, assesses the customer's brand perception as a sustainable brand. The indicator recorded 51.25% growth from 2021 to 2022.

The answers are used for us to improve more and more our communications about the theme, with more transparency and effectiveness. By understanding what our customers seek, we can improve even more this communication, in a more fluid and attractive way, reinforcing awareness and improving our pieces of stores, contents, and communication planning.

For 2023, our minimum goal is to at least keep the NPS, and our NPS goal result is linked to the variable compensation panel of different executives of the Company.

Other relevant aspects that we assess in Renner brand monitoring: 57% of our customers consider important to buy from brands that count on sustainability initiatives and are committed with the environment, and 39% consider important to know the brands' production chain.

In 2022, we launched the "Re é Renner" campaign, about the Re Seal – Responsible Fashion, with multiplatform contents, in partnership with creators that are reference in the theme.

Moreover, it's the first time that we bring sustainability and the Re Seal to a film transmitted in broadcast television. Watch it: https://youtu.be/bQdNS_2O4N0

Enchantment

Enchanting customers is part of our essence: it is one of our values and our reason for existing. More than 20 years ago, we were pioneers with the creation of the Enchantmeter, which measures the shopping experience of customers at the door of each Renner store—a company differentiator in the fashion retail market.

In 2022, we reached 93.6% of very satisfied customers, exceeding the goal of 92.6%, and 2.3 p.p. above, compared to the previous year, with 5.2% satisfied and only 1.2% dissatisfied.

Responsible marketing

We are committed to a responsible offer of our products and services, especially in relation to Realize's financial products and services, aiming to always provide our customers with clear information about what is being offered or contracted for an ethical and responsible sale, supporting, in a healthy and sustainable way, the financial capacity of our customers.

In addition to observing the principles defined in the Code of Conduct, we also observe compliance with all legislations, regulations and guidelines of the Central Bank of Brazil (Bacen) and the self-regulation codes of ABECs (Brazilian Association of Credit Card Companies and Services) and ACREFI (National Association of Credit, Financing and Investment Institutions), to which we are voluntarily associated.

We offer training to all store employees who sell financial products on the attributes and characteristics of each one of them, with a specific chapter clearly addressing the issue of ethical quality in sales – with videos of the boards speeches and other leaders about the theme –, providing the necessary knowledge for a sale in line with our value proposition and, twice a year, there is refresher training, ensuring an ethical and transparent offer, identifying the customer's need, presenting the sales conditions, with clarity and objectivity. We also apply Acelera training, twice a year, in 100% of stores in Brazil, to reinforce guidelines on sales quality and various processes and alignments.

Our commitment also includes protection to more vulnerable audiences in marketing actions (ex: children, people who don't understand the sector's technical terms, etc.), not promoting misinformation or misleading about our competitors, and not overestimate our socio-environmental actions.

MONITORING

We have a customer satisfaction assessment process in which, through calls, we assess whether the customer knew about the contracting of financial products and whether he or she was informed about all the conditions. We also monitor the Whistleblower Channel, the Ombudsman, Reclame Aqui (Complain Here) and the Company's social networks to identify non-compliance cases.

Where practices that led the customer to error are found, the Quality area investigates the case, the loss prevention area investigates the employee's sales history and, if an act contrary to the principles is deliberately identified, the employee involved is disqualified from the sales campaigns that generate bonus. Our incentive campaign provides in the regulation the importance of selling with quality and penalties in case of non-compliances identified in the monitoring carried out by the quality area. Awarding only becomes eligible in case the store keeps its quality grade above 90%.

In 2022, we started to demand, as premise to be qualified to receive the sales incentive, that the employee have underwent training in the code of conduct.

Cases generated by misunderstandings Generate specific training actions. If an offending store or region is identified with several cases of non-compliance, intensive training is carried out to correct deviations.



In 2022, we did not identify any non-compliance with regulations and voluntary codes regarding Marketing communications, both institutional and retail.

Marketplace

In 2022, we kept on accelerating our marketplace platform, expanding the assortment of products and services offered, and increasingly becoming a one-stop-shop platform for a better customer experience.

Renner marketplace ended 2022 with 362 sellers and continues to expand the categories and varieties of products that are complementary to those already offered, focusing on curating the assortment and partners, advancing the technological platform and optimizing processes. Camicado's has ended 2022 with 505 active sellers, which represent about 36% of participation in e-commerce.

Among the main advances in the customers' experience at the marketplace, it is worth highlighting at Camicado Marketplace the integration of sales channels through making available some products from the Marketplace in physical stores.

Financial solutions

Realize has sought to incentive its digital channels with customers, reaching, in this quarter 94% of digitalized customers, 1 p.p. increase against the previous year, with 57 million accesses to the website and app, 5% more than in 2021. For such, we keep on working to offer attractive solutions that will provide a complete and differentiated financial experience and potentiate the journey of benefits.

Aiming at encouraging the use of Meu Cartão (My Card) as main means of payment, we launched the program +Parceiros (+Partners) on Renner app, which offers cashback to customers when they shop in several partner brands. We already count on 53 thousand customers using the new functionality.

We also launched Orbi Bank, financial platform with own app, to accelerate the evolution of four digital accounts created by the end of 2021, offering complete and differentiated financial experience that potentiates the Orbi Style journey of benefits.

The Orbi Style started in São José dos Campos (SP), Sorocaba (SP) and Curitiba (PR), contemplating stores from different Renner brands, and, as of the first half of 2023, it will be extended to the whole country, with adherence by digital channels and physical stores of the Company's brands.



The platform will be responsible for issuing and managing Meu Cartão credit card and the Company's private label card, and prepares, for the first half of 2023, the launching of a new multiple card with Orbi Bank brand, as well as the linking of these means of payment to the main digital wallets of the market.

In 2022, Realize, our financial institution, disclosed the ESGRealize Agenda, where its strategy for value generation is presented, as well as its Manifesto on the theme. Learn more on page 25.

2030 commitments

GRI 2-24

After having reached the goals established for the 2018–2021 period, in 2022 we launched in the market our strategic cycle of sustainability with new commitments to be achieved until 2030.

The process was conducted by a specialized consultancy, involved the collaboration of a multidisciplinary team and different hierarchical levels, including the top management and the whole executive board. It included 34 in-depth interviews, seven workshops, and studies in three stages:

- analysis of trends and sustainability themes that are critical to the future of the companies in our sector and other correlated sectors;
- analysis of the positioning and practices currently adopted by the Company and competitors;
- prioritization of sustainability themes and development of the response strategy;
- consolidation of the strategic agenda of sustainability and definition of the change management plan.

As result, 12 goals were defined, even more comprehensive and ambitious than the previous ones, reaching the whole fashion and lifestyle ecosystem of the Company, and broken down in three main pillars: **climate, circular, and regenerative solutions; connections that amplify; and human and diverse relations.**

Part of the goals is not linked to percent variations, because it involves transformations in technologies or internal and external processes that are not necessarily reflected in numbers. Still, over the next months, tools will be developed to follow and measure these advances.



• Climate, circular and regenerative solutions

The environmental commitments for 2030 accelerate the development of a circular and regenerative business that promotes more sustainable operation and more conscious consumption choices. For such, they include, over the next eight years, the transition to a low carbon economy based on goals grounded on science (SBTi) and capable of creating conditions for Lojas Renner S.A. to reach climate neutrality by 2050.

The transition target is aligned to Paris Agreement, which intends to limit global warming to at least 2°C above pre-industrial levels, and was submitted to approval by the Science-Based Targets initiative (SBTi), an initiative from the Carbon Disclosure Project (CDP), of UN Global Compact, the World Resources Institute (WRI) and World Wide Fund for Nature (WWF), which presents mathematic parameters to achieve zero net emission of GHG (greenhouse gas).



• Connections that amplify

Another pillar of this new cycle, it contemplates the expansion of positive impacts of the relations between Lojas Renner S.A. and its network of partners to offer more sustainable products and services. One of the targets is that all brands, among them Camicado, largest retailer of household items and decoration in the country, should have suppliers certified through socio-environmental criteria. By the end of 2021, 100% of Renner global supply chain of products already had certification.

The implantation of tracking systems in 100% of cotton clothing products is also expected, in addition to advances in controls of origin of other textile raw materials. This year, Renner and Youcom launched the first collections of women's jeans tracked with blockchain technology in Brazil, in partnership with Abrapa (Brazilian Association of Cotton Producers).



• Human and diverse relationships

The cycle of public commitments until 2030 also includes, for the first time, targets to promote the evolution of diversity rates among employees, to ensure opportunities of full personal and professional development to all and reflect the Brazilian society plurality.

For this reason, Lojas Renner S.A. is committed to having at least 50% of leading positions occupied by black persons until 2030, which corresponds to 18 p.p. growth against the current participation.

In the same period, at least 55% of the top management will be made up by women, 6 p.p. more than the current scenario.

Human and diverse relations

To build human and diverse relationships, ensuring that each individual is able to accomplish their full potential.



ENGAGEMENT AND WELL-BEING

To be among the national references in engagement, guaranteeing living wage* and continually advancing in the promotion of the well-being of employees.



DIVERSITY & INCLUSION

To build a culture of diversity, equity and inclusion of minority groups**, achieving at least:

- 50% of leadership positions held by black people;
- 55% of senior leadership positions held by women.

Offer a portfolio of diverse and inclusive products and services, considering the contribution potential of each of the businesses.

* Local compensation awarded to a worker sufficient to provide a decent standard of living for the worker and his or her dependents.

** Racial, LGBTQIAP+, PWD and women.

Climate, circular, and regenerative solutions

To move forward in building a circular, regenerative and low carbon business, stimulating and enabling our customers to make conscious choices.



CLIMATE AND WATER

To speed up the transition to a low carbon economy, achieving science-based reduction targets (SBTi) and climate neutrality by 2050.

To reduce water consumption in the operation and strategic suppliers, eliminating the disposal of chemicals with restricted substances in the production of textiles and footwear.



CIRCULARITY AND REGENERATION

To incorporate principles of circularity in the development of products, services and business models.

To invest in the development of circular and regenerative textile raw materials, guaranteeing 100% of the main more sustainable raw materials.

To eliminate plastic packaging from physical stores and e-commerce that cannot be reused or recycled by our customers; and seek solutions to reduce the generation and promote the circularity of the main waste from the operation and from strategic suppliers.

Connections that amplify

Amplifying the impact of our connections by building with our suppliers and partners the answers to the sector challenges.



VALUE CHAIN

To certify the supply chain through socio-environmental criteria and focus purchases on suppliers with high management and performance.

To foster the adoption of living wages* by strategic suppliers.

To achieve 100% traceability of cotton products and advance in the traceability of other textile raw materials.

To monitor and promote inclusion and socio-environmental development of sellers.

Materiality

GRI 2-29 | 3-1 | 3-2 | 3-3

In 2022, we reviewed our materiality and defined the process to be executed at least at each two years. The process involved:

- 1 Analysis of impacts, priorities, significance, and ambitions in the Company’s vision (learn more on page 22).

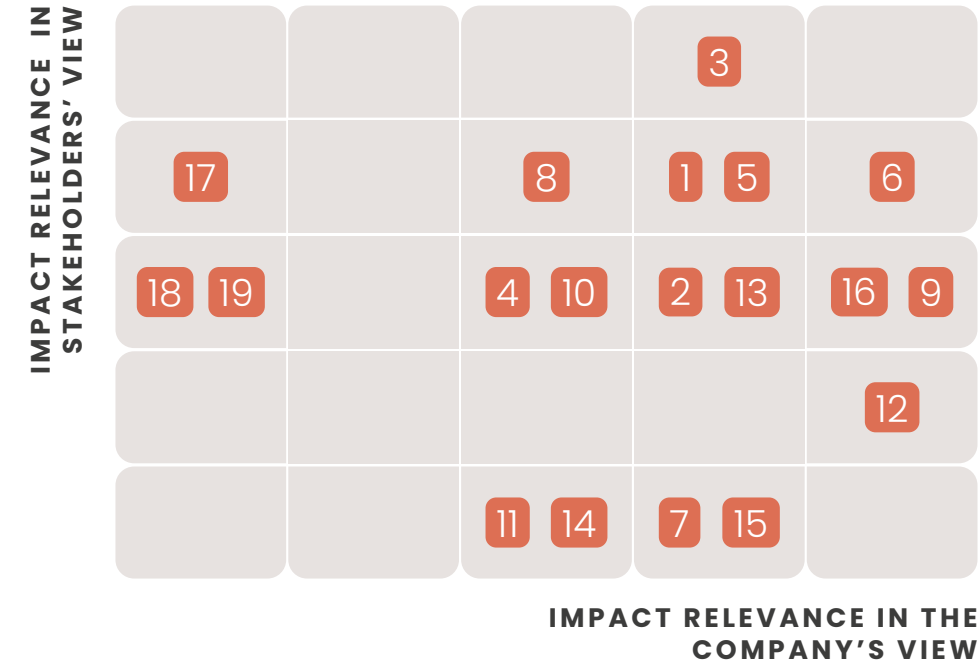
- 2 Prioritization of internal and external stakeholders, based on the methodology of power and interest of each stakeholder group. The result guides our continuous actions of engagement of these audiences, in addition to defining the weight to be assigned to the result of opinion of each audience in the consultation to stakeholders.

- 3 Preparation of online questionnaire for consultation to stakeholders, based on the 2030 strategy themes, and analysis of ESG themes that are relevant to the sectors involved in our ecosystem, based n the assessments of the main ESG indices and ratings of the capital market.

- 4 Online consultation to stakeholders, for them to prioritize among the themes included in our 2030 commitment and ESG themes that are relevant to the sector (according to the previous stage), with forced distribution methodology that proposes a number of scores to be distributed across the questions, without possibility to assign equal score to more than one item.

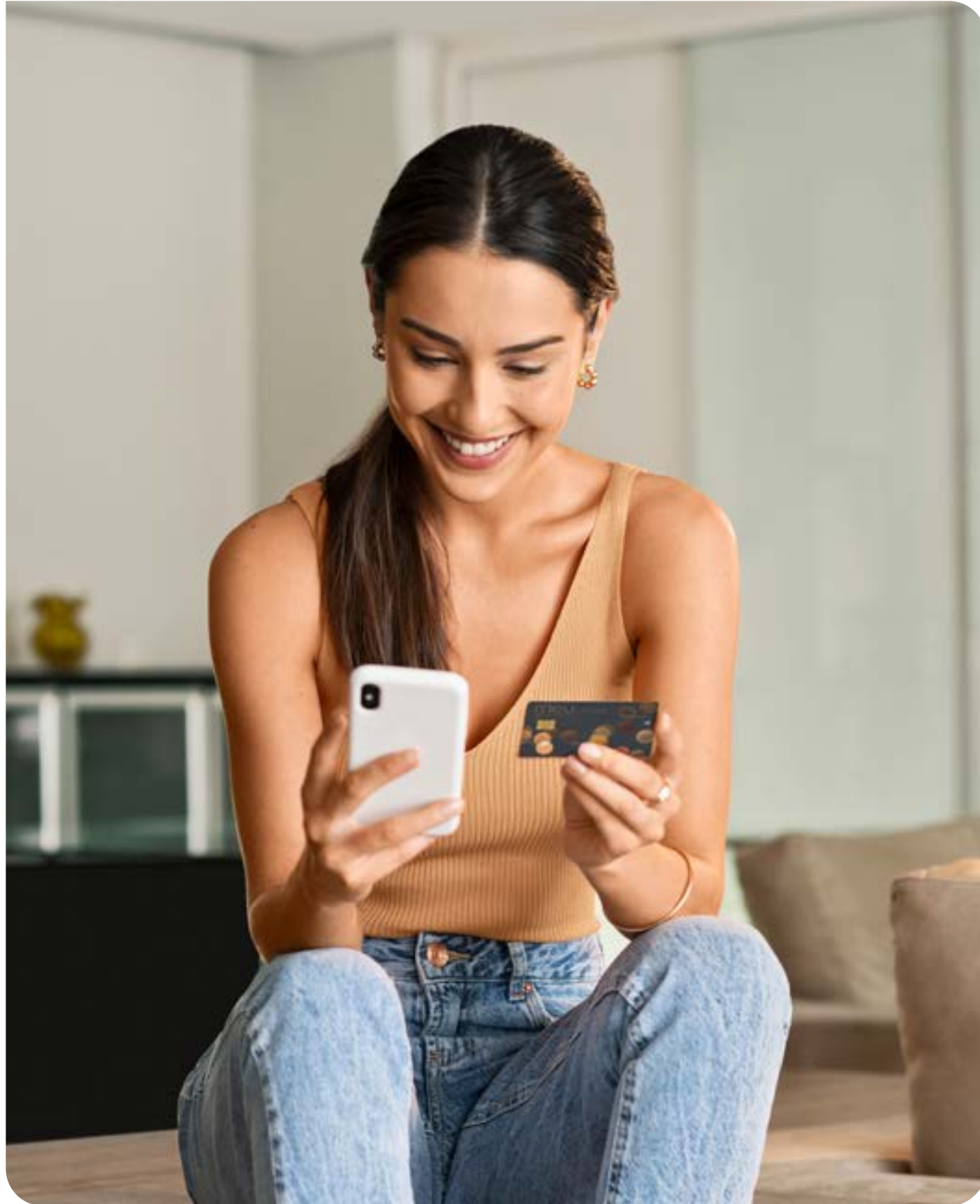
- 5 Crossing the result of the consultation to stakeholders, based on the double materiality methodology that brings a view of materiality of external impact as the broad process of analysis and prioritization of impact, built to define the 2030 commitments, bringing a view of materiality of the impact (financial and non-financial) suffered and exercised from the Company’s point of view.

The result of this process gave rise to the following materiality matrix:



Learn more about management, impacts, and value generation:

- 1. Well-being, safety, and development of employees page 43
- 2. Diversity and inclusion page 57
- 3. Ethics and transparency page 55
- 4. Privacy and information security page 39
- 5. Water consumption in operation and chain page 69
- 6. Climate changes and energy in operation and supply page 62
- 7. Diverse and inclusive products page 57
- 8. Product quality and safety page 74
- 9. More sustainable materials page 71
- 10. Products with cause and philanthropy page 72
- 11. Animal well-being and veganism page 67
- 12. Circular economy page 71
- 13. Promotion of conscious consumption page 74
- 14. Operations impact on the vicinity page 58
- 15. Sustainable marketplace page 89
- 16. Responsible and sustainable purchases page 78
- 17. Tax strategy page 95
- 18. Customer satisfaction page 19
- 19. Training and development page 46



REALIZE

In 2022, Realize promoted significant advances in its ESG strategy. One of the main actions was the creation of an ESG Commission, involving key areas of our business as well as professionals dedicated to the theme in the Company's Sustainability area. This new structure played an important role in the implementation of the Action Plan, expected for the following three years.

Reporting to Realize CEO, the ESG Commission's initial deliveries were the structuring of the theme governance, review of fundamental documents that govern our conduct and the way we do business, integration of our direct and indirect employees (via synchronous and asynchronous training), inclusion of ESG goals for executives, making up the variable compensation, assessment of environmental risks of products and financial services, disclosure of Realize ESG information on our website, among other actions, and planning for the coming years.

ESG MANIFESTO

ESG for Realize means to be committed to efficient and responsible actions to people and the environment, encouraging financial education and conscious consumption, generating value to shareholders, and fostering the best experience in financial solutions to Lojas Renner S.A. ecosystem.

Our commitment enables us to better identify and manage risks and opportunities in our business, offering service and products appropriate to our customers, and seeking to offer more and more solutions capable of generating positive impacts to the society.

Learn more about our advances in the ESG Agenda [here](#).

Collaboration

GRI 2-28

We actively participate in organizations for the sector development and to promote sustainability in businesses, so as to expand our learning and share our knowledge in favor of the sustainable development:

SECTORIAL

- Members of the Sustainability Committee and People Committee of IDV (Retail Development Institute (IDV)).
- Members of the Technical Committee on Union Relations and Labor of the Federation of Trade in Goods and Services of the State of Rio Grande do Sul (Fecomercio – RS).
- We participate in the leadership and in Working Groups (WG) with specific focus from the Brazilian Textile Retail Association (ABVTEX): we are part of the Direct Council, Management Committee, Legal Committee, Fiscal Committee, Suppliers WG, Quality WG, Marketplace WG, and coordinate the Sustainability Committee.
- Member of the Group of Business Institutes and Foundations (GIFE), through Lojas Renner Institute.

Find out details about the associations on our website: lnq.com/RENNER-ESG-collaboration

THEMATIC (ESG)

- Signatories of the United Nations (UN) Global Compact.
- Associates with the Brazilian Business Council for Sustainable Development (CEBDS).
- Members of Textile Exchange, global organization dedicated to the development of less impactful textile products.
- Members of Better Cotton (BC): world initiative for the growing of cotton in a less impactful way.
- Members of the Green Building Council Brazil, which guides sustainable construction practices.
- Associated with the National Pact Institute for the Eradication of Slave Labor (InPACTO).
- SAC (Sustainable Apparel Coalition) Social & Labor Convergence (SLCP) affiliates.
- Supporters of Childhood Brasil's Na Mão Certa (In the Right Hand) Program, which fights sexual abuse and exploitation of children and adolescents.
- Signatories of the LGBTI+ Business and Rights Forum.
- Signatories of UN Women's Empowerment Principles.
- Signatories of MOVER (Movement for Racial Equity).
- Adherence to the Business Coalition for the End of Violence Against Women and Girls.
- Partners of Instituto Identidades do Brasil ID_BR (brazil identities) and adherents to the Seal Yes to Racial Equality.
- Adherents to the Woman on Board (WOB) initiative.
- Associates with Ethos Institute.
- Mobilizers of the Companies with Refugees Forum.
- Supporters and members of the Climate Commitment's management committee, which brings together companies that wish to support socio-environmental projects and foster a low carbon economy by jointly offsetting their greenhouse gas (GHG) emissions.
- Signatories of UN Business Ambition for 1.5o C campaign, which invites companies to establish targets based on scientific data to sufficiently reduce emissions and contribute to limiting the increase in global temperature to 1.5° C above preindustrial levels.
- Participants in the GHG Protocol.
- Participants in the Fashion with Verse Movement, led by ABVTEX.
- Associates with the Brazilian Association of Public Companies (ABRASCA).
- Associates with the Brazilian Corporate Governance Institute (IBGC).

ESG Recognitions

As a publicly traded company, we are continuously evaluated by indices from the main stock exchanges and rating agencies, which analyze our commitments, policies, structure and practices in socio-environmental and governance (ESG) management.

In recent years, we have been recognized by these capital market drivers as a reference in the world's retail sector, as one of the companies with the best sustainability practices.

With solid commitment with sustainability, kept for many years, we are the company most acknowledged by ESG ratings and indices from all segments of Brazilian retail.

We are among the global retail companies with the best performance in ESG indices and ratings:



Corporate Sustainability Index (ISE) B3

9th consecutive year and the 4th best placed in the index in 2022.

Dow Jones Sustainability Index (DJSI)

8th year of listing, 1st position in fashion retail in 2022, and 2nd position in general retail.

Sustainalytics

Categorized as low risk and positioned as world's 1st best fashion retailer in the ESG risk ranking in 2022.

Refinitiv

1st best in the industry in ESG in refinitiv ESG scores, with ESG A rating.

Brazil Fashion Transparency Index (ITMB) 2022

Renner and Youcom with the 3rd highest score among the 60 Brazilian retailers assessed.

Carbon Efficient Index (ICO2) B3

12th consecutive year, present since the creation of the index.

Morgan Stanley Capital International (MSCI)

Rating evolution from A to AA in 2022, 1st position of the sector in Supply Chain Labor Standards category, one of the 25 Brazilian companies appointed as leaders in MSCI Brazil ESG leaders index, and the sole retailer appointed among the top 10 Brazilian companies with best performance in MSCI ESG ratings.

CDP Climate Change

12th consecutive year submitting information to CDP Climate Change, with grade A- and making up the portfolio of CDP Brazil Index – Climate Resilience (ICDPR-70).

Sustainable Cotton Ranking

Listed in category "Well on the Way" of World Wildlife Fund (WWF) ranking.

Platform Living Wage Financials (PLWF)

Classified as "ripening", among the 20 most well positioned companies in the industry.

FTSE4GOOD

8th consecutive year in the index that follows companies that are outstanding in corporate social responsibility.



GOVERNANCE

Our governance model is one of the strengths of ESG policies, which is reflected in our presence and evolution in the main market indices, such as Dow Jones Sustainability Index (DJSI) and Corporate Sustainability Index (ISE B3).

capitals



sdg



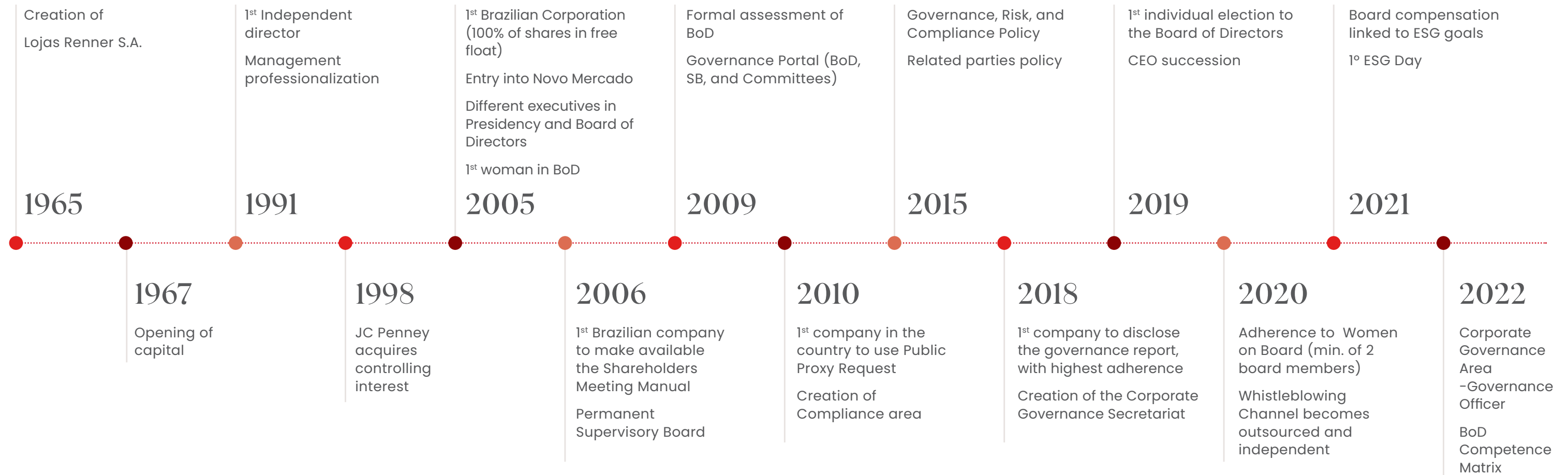
Good practices

GRI 2-29

With 55 years of experience in the capital markets, after going public with just two years of foundation, in 1967, we are pioneers in adopting best practices, and currently, benchmark in corporate governance.

Since 2005, when we became the first corporation in Brazil, with 100% of our shares traded on the stock exchange and without the presence of a controlling shareholder or group, we joined the Novo Mercado, B3 segment with the highest level of demand for good corporate governance practices, we have developed a series of initiatives to ensure excellent governance.

We count on a robust system of practices, policies, and structures ensuring that our strategy will be executed with responsibility and sustainability, and the commitment to generate value to shareholders. Among the main differentials of our governance, we can mention:





Other highlights in our corporate governance:

- Listing on B3's – Brazil, Bolsa, Balcão, Novo Mercado with 100% of common shares
- 88% of independent members of the Board of Directors (BoD) – 7 out of 8.
- 25% of women in BoD – 2 out of 8.
- 8.6 years of average term of office for Board members.
- 33% of women on the Supervisory Board (SB) – 1 out of 3.
- 40% of women on the Executive Board – 2 out of 5.
- Directory Committees to the Board of Directors, the Audit and Risk Management Committee being statutory.
- 100% independent members in the People and Nomination and in the Audit and Risk Management Committees.
- Long term incentive plans to align the administration and shareholders' interests.
- Mechanism for incentive to shareholding spread and protection to shareholders in case of takeover (Poison Pill).
- Public internal regulations of the BoD, SB, Executive Board, and Committees.
- Mechanisms for formal assessment of the BoD (including the body Presidency), Committees and Executive Board.
- Secretaries for Councils, Executive Board and Committees.
- Governance Portal (BoD, SB, and Committees).
- Internal audit and Compliance.
- Outsourced and independent whistleblowing channel.
- Several public Corporate Policies.
- Corporate Governance area with Governance Officer.
- 98.1% adherence to practices recommended by the Report, while the average of companies' adherence in 2022 was 62.6%.

To learn further details on the main governance practices, access our Report about the Brazilian Corporate Governance 2022: lnq.com/RENNER-ESG-governanca

Shares performance

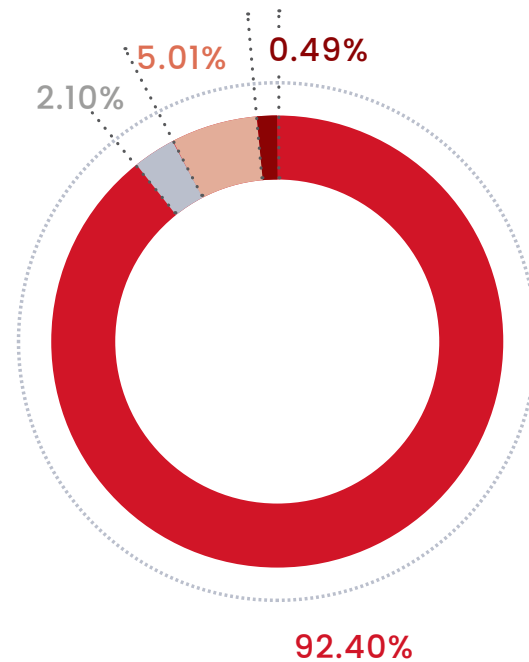
GRI 2-1

Our LREN3 shares, traded on B3, closed the year quoted at R\$20.48, adding up to R\$20.3 billion in market value. In all, there were 9.2 million trades in the year, 3.3 billion of assets moved and R\$ 335.2 million of average daily volume traded.

We also negotiated ADRs, under LRENY code, in North-American over-the-counter market OTC US, with 1 million receipts issued by the end of 2022.

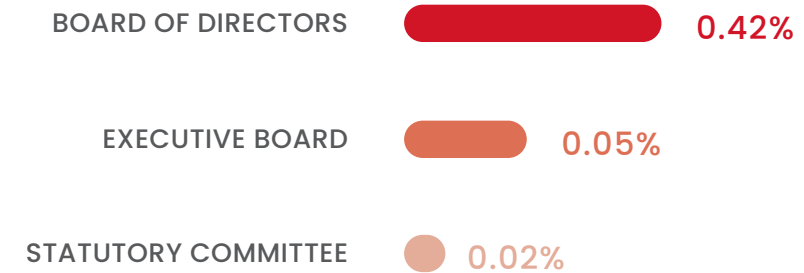
Since we became a corporation, in 2005, we have evolved from 800 to 136 thousand shareholders, 133,737 of them individuals, we grew 2,158.5% in market value, from R\$ 900 million to R\$ 20.3 billion and distributed RS 4.3 billion in earnings since then.

OWNERSHIP STRUCTURE

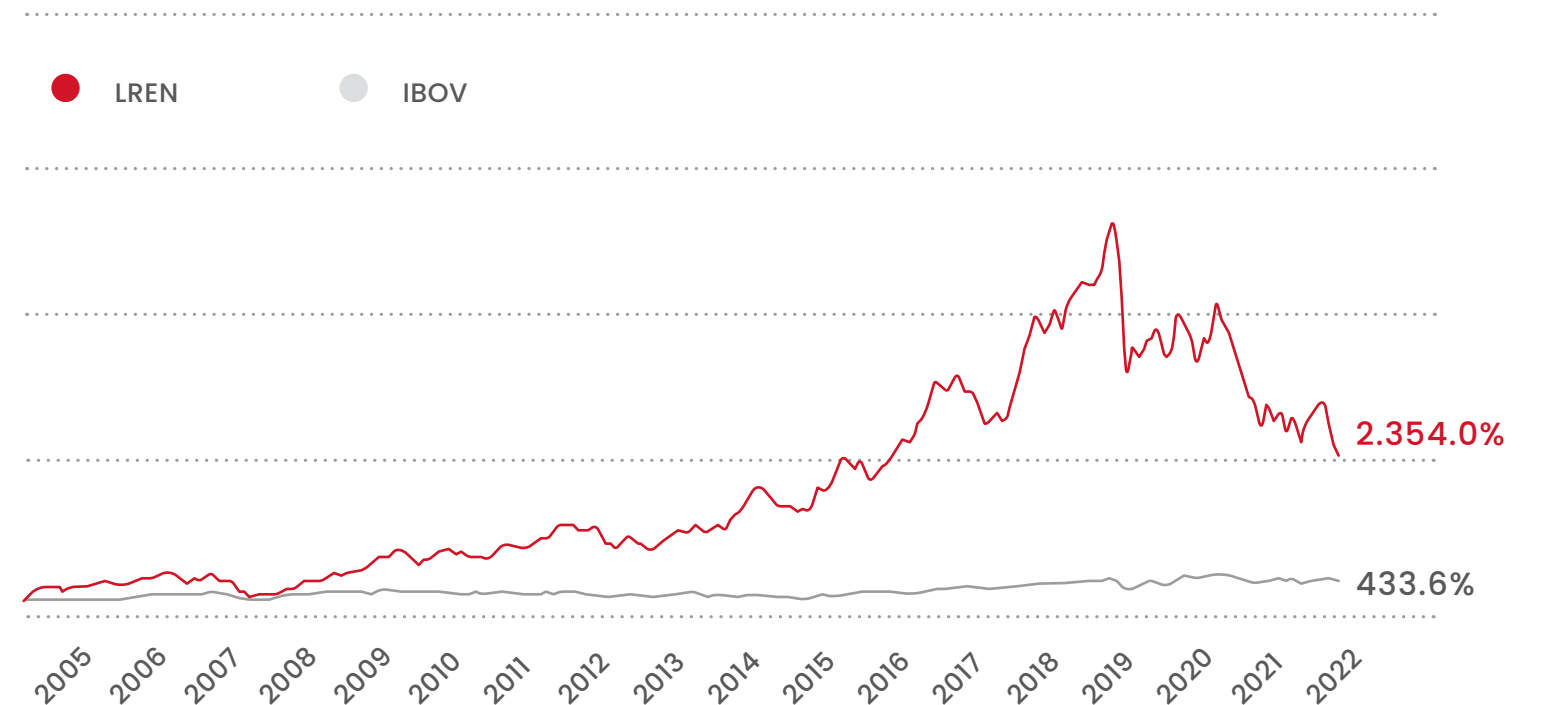


- ADMINISTRATORS AND MEMBERS OF STATUTORY COMMITTEES
- SHAREHOLDERS WITH MORE THAN 5% (JP Morgan Chase & Co)
- TREASURY SHARES
- OTHERS

SHAREHOLDING POSITION OF MEMBERS OF RENNER BOARD OF DIRECTORS, SUPERVISORY BOARD AND EXECUTIVE BOARD



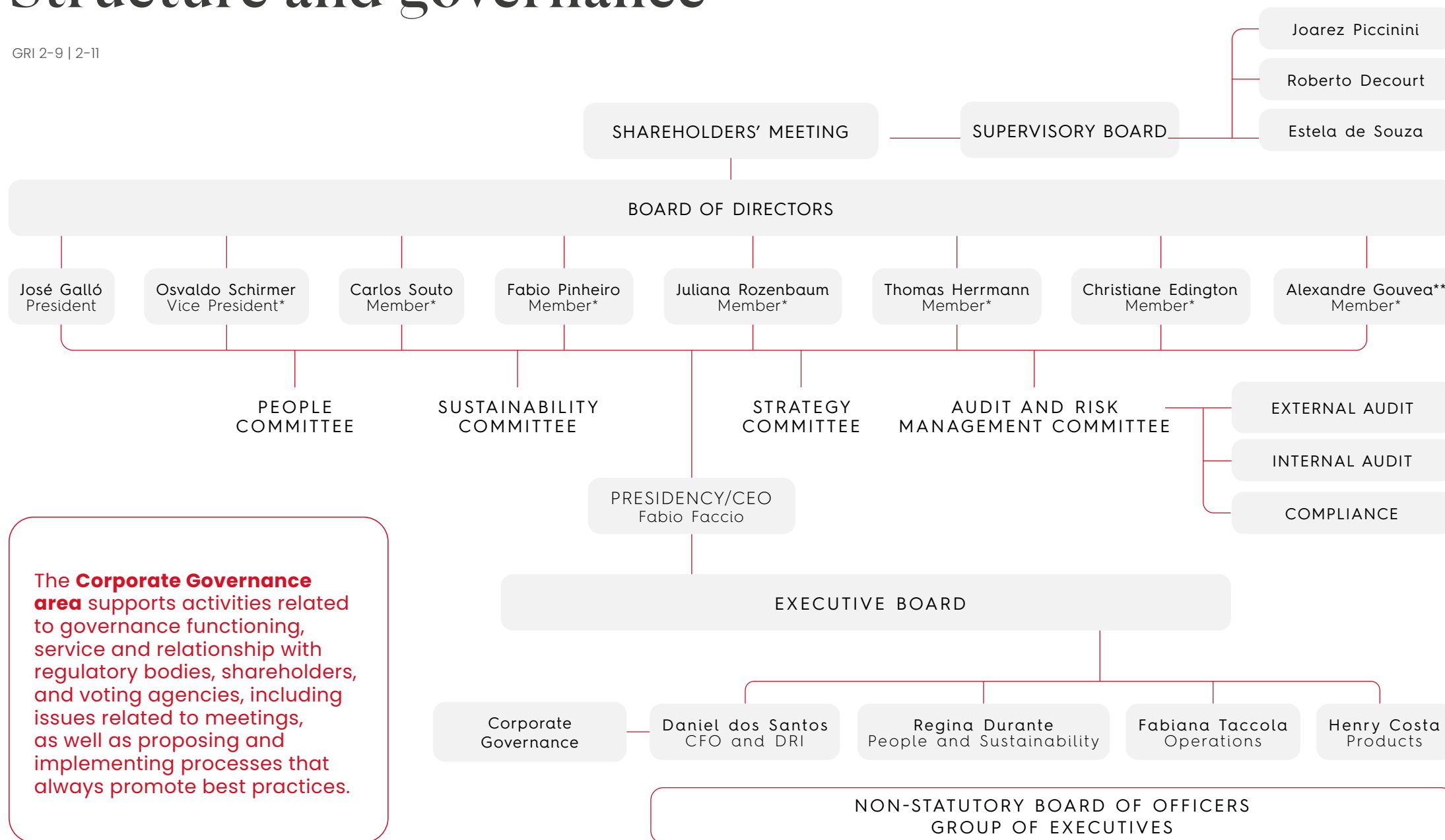
VALUE GENERATION OVER TIME



Administration

Structure and governance

GRI 2-9 | 2-11



The **Corporate Governance area** supports activities related to governance functioning, service and relationship with regulatory bodies, shareholders, and voting agencies, including issues related to meetings, as well as proposing and implementing processes that always promote best practices.

The roles and responsibilities of each body of the governance structure are defined in the Company's Bylaws and guided by the respective Internal Regulations. Other policies and standards also govern the performance of directors, who are evaluated annually. Learn more about the Bylaws, Statutes and Policies by consulting the documents on our IR website: lnq.com/RENNER-ESG-politicas

General shareholders meeting

In 2022, we held our Ordinary General Meeting in hybrid model (partially digital), aiming at preserving our shareholders and employees health, considering Covid-19 uncertainties, however we are again offering shareholders the possibility of in-person participation, with all health and safety protocols.

The Ordinary General Meeting counted on the participation of 792 shareholders, representing 62.16% of the Company's capital stock. Among the AGM agendas the approval of 2021 accounts, distribution of dividends, election of BoD and SB members, and Administrators compensation. All subjects were approved.

* Independent.

** On January 19, 2023, Mr. Jean Pierre Zarouk was elected to the Board of Directors, due to the resignation presented by Mr. Alexandre Gouvea.

Board of Directors

Our Board of Directors is made up of eight members elected individually at the General Meeting, with a term of office of one year and reelection permitted. Members have specific training and experiences to ensure diversified and comprehensive view of externalities, risks, and opportunities that may impact on our business model.

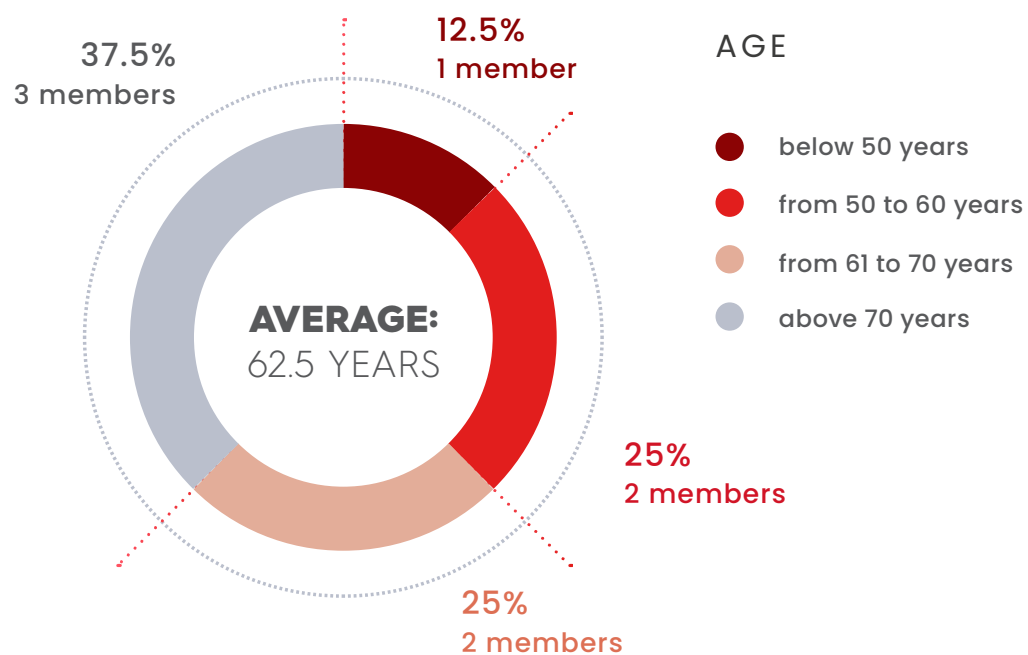
None of the members has executive role at Lojas Renner S.A., and are compensated exclusively for their activities as directors and members of the Directory Committees.

Learn about the Board Rules and the detailed experience of each member on the Investor Relations website: encr.pw/RENNER-ESG-regimento e lnq.com/RENNER-ESG-cvsconselho.

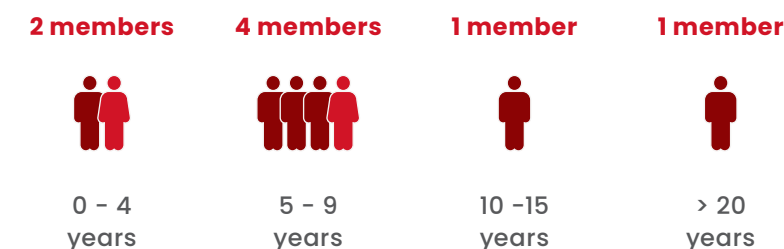
In line with the best global governance practices and valuing the importance of gender diversity, in accordance with our Policy for Appointment of Administrators, we have been **signatories of the Women on Board (WOB) since 2020**, committing to keep two women on the Board of Directors, which we already had as a practice WOB is an independent initiative, supported by UN Women, which aims to recognize, value and publicize the existence of corporate environments with the presence of women in Boards of Directors, to demonstrate the benefits of this diversity to the business world and society.

COMPOSITION OF THE BOARD OF DIRECTORS IN 2022

GRI 2-9 | 405-1



TERM OF OFFICE IN YEARS



INDEPENDENCE



GENDER



SKILLS OF THE BOARD OF DIRECTORS

The matrix below shows the main areas of experience and competence of Lojas Renner S.A. Board Members:

BOARD MEMBER	EXPERIENCE														
	EXPERIENCE AS CEO OR CHAIRMAN	INTERNATIONAL EXPERIENCE	KNOWLEDGE ABOUT LOJAS RENNER	STRATEGY AND INNOVATION	TALENTS AND ORGANIZATIONAL CULTURE	MARKETING AND COMMUNICATIONS	TECHNOLOGY AND TRANSFORMATION	RETAIL	E-COMMERCE	FINANCE	CORPORATE GOVERNANCE	SUSTAINABILITY	AUDIT AND RISK MANAGEMENT	ACCOUNTING AND FINANCE	
José Galló	✓		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	
Oswaldo Burgos Schirmer	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	
Carlos Fernando Couto Souto	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	
Fábio de Barros Pinheiro	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	
Thomas Bier Herrmann	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	
Juliana Rozenbaum Munemori	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	
Christiane Almeida Edington	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	
Jean Pierre Zarouk	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	
	7	5	8	4	4	1	2	7	4	5	8	4	5	5	

DIRECTORY

GRI 2-17 | 2-18

The Board of Directors is advised by four Administration Committees:

Get to know the Rules of Procedure of the Committees and the composition of the bodies on: encr.pw/RENNER-ESG-comites

PEOPLE COMMITTEE

Since 2005, it has helped the Board of Directors to establish the terms of compensation and other benefits and payments to be received in any capacity from the Company by Officers and Directors, based on the performance goals established by the Board of Directors. In 2022, the Committee met eight times, with a 100% average attendance of members.

SUSTAINABILITY COMMITTEE

Since 2008, it has been advising the Board in the establishment of guidelines and principles related to sustainable development in the social, environmental, economic pillars and within the best corporate governance practices. In 2022, the Committee met four times, with a 100% average attendance by members.

AUDIT AND RISK MANAGEMENT COMMITTEE

Since 2012, it has been carrying out directory functions to the Board on the fulfillment of its supervisory responsibilities by monitoring the integrity of the Company's Financial Statement processes and internal control systems, reviewing and assessing the independence and performance of the independent auditors, as well as internal auditors. The statutory Committee also reviews areas of significant risk and monitors compliance with legal and regulatory requirements. In 2022, the Committee met thirteen times, with a 100% average attendance by members.

STRATEGIC COMMITTEE

Since 2014, it has assisted the Board of Directors in approving and monitoring the execution of the Company's strategic plans, expansion projects and investment programs. In 2022, the Committee met five times, with 100% average attendance by members.

PERFORMANCE ASSESSMENT

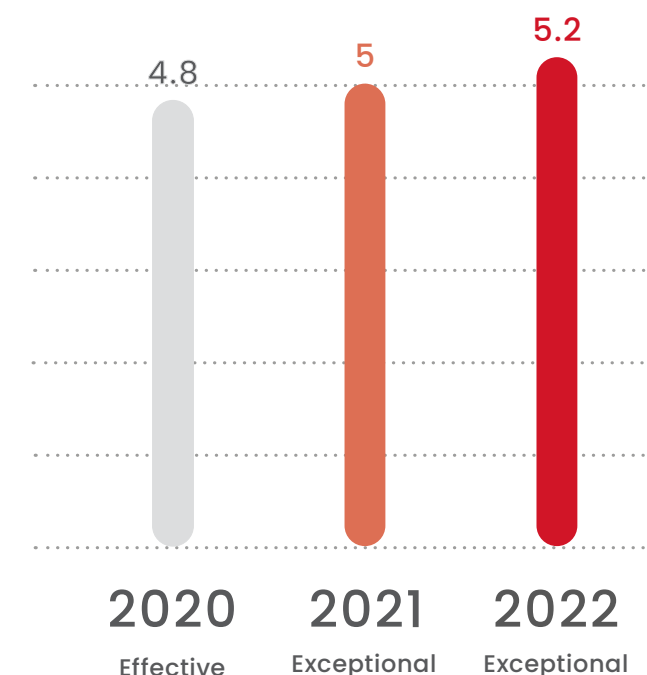
GRI 2-12 | 2-13 | 2-16

Since 2009, we have carried out an annual formal performance assessment, conducted by a specialized external consultancy, of members of the Board of Directors, its Presidency, its dynamics and the Directory Committees, following good corporate governance practices and seeking the continuous improvement of the bodies. Formal periodic assessments of the Directory Committees and Board of Directors are also made.

According to the result of the evaluation, on an aggregate basis, the effectiveness of the Company's Board of Directors showed a positive evolution in the perception of the members in relation to the previous year, seeking to continuously improve its governance processes.

Even with the highly effective performance, the results of the assessment enabled the identification of opportunities for improvement and some action plans to be drawn up for the continuous pursuit of improvement of the Body, always following good corporate governance practices. Learn more in the [Manual for Shareholder Participation](#).

● EVOLUTION OF THE BOARD GRADE IN THE ASSESSMENT (1 TO 6)

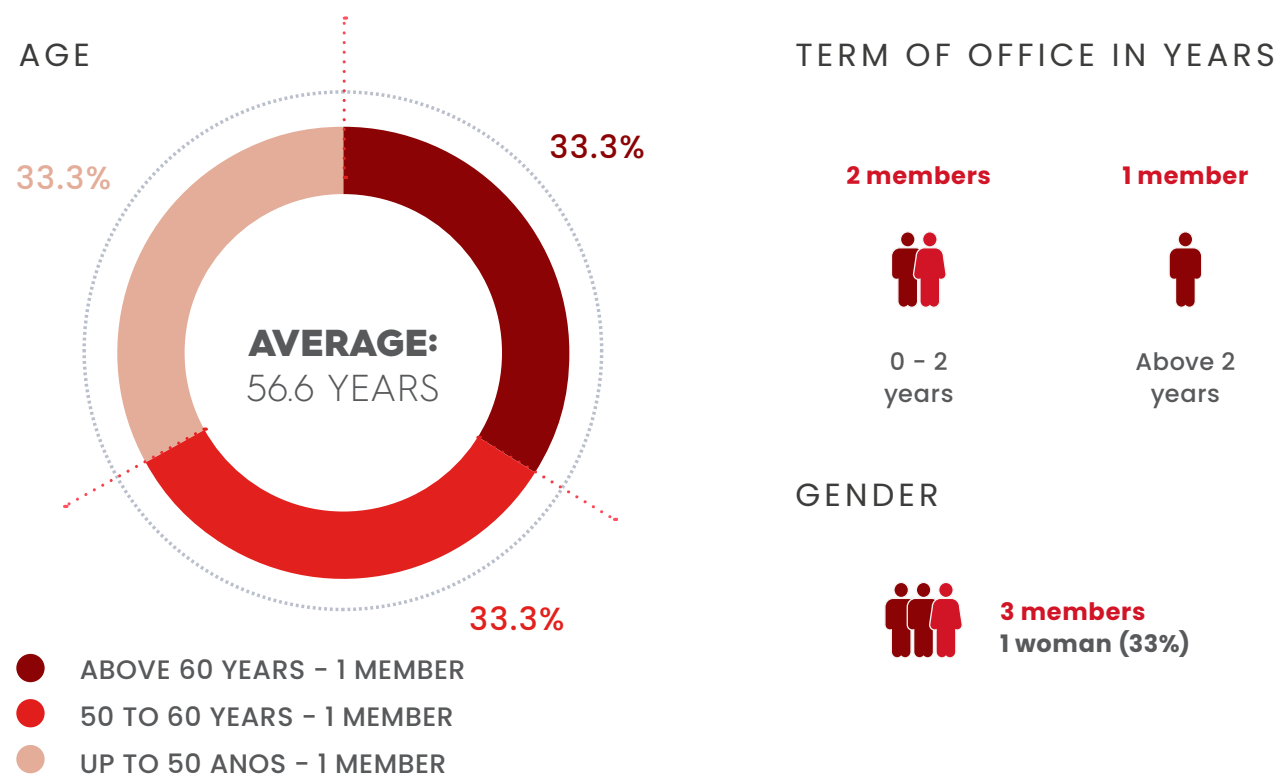


CURRENT CULTURE OF THE BOARD OF DIRECTORS

The Board's culture was also evaluated in 2022 and reflects a decisive dynamic, focused on achieving results through assertiveness in deliberations.

The environment is described as having a high level of member engagement, with a well-aligned perception of the culture. Compared to the previous assessment (2019), the Board's culture increased its main orientation of focusing on objectivity and pragmatism in actions and decision-making, incorporating an element of greater assertiveness in its general dynamics.

● SUPERVISORY BOARD COMPOSITION IN 2022



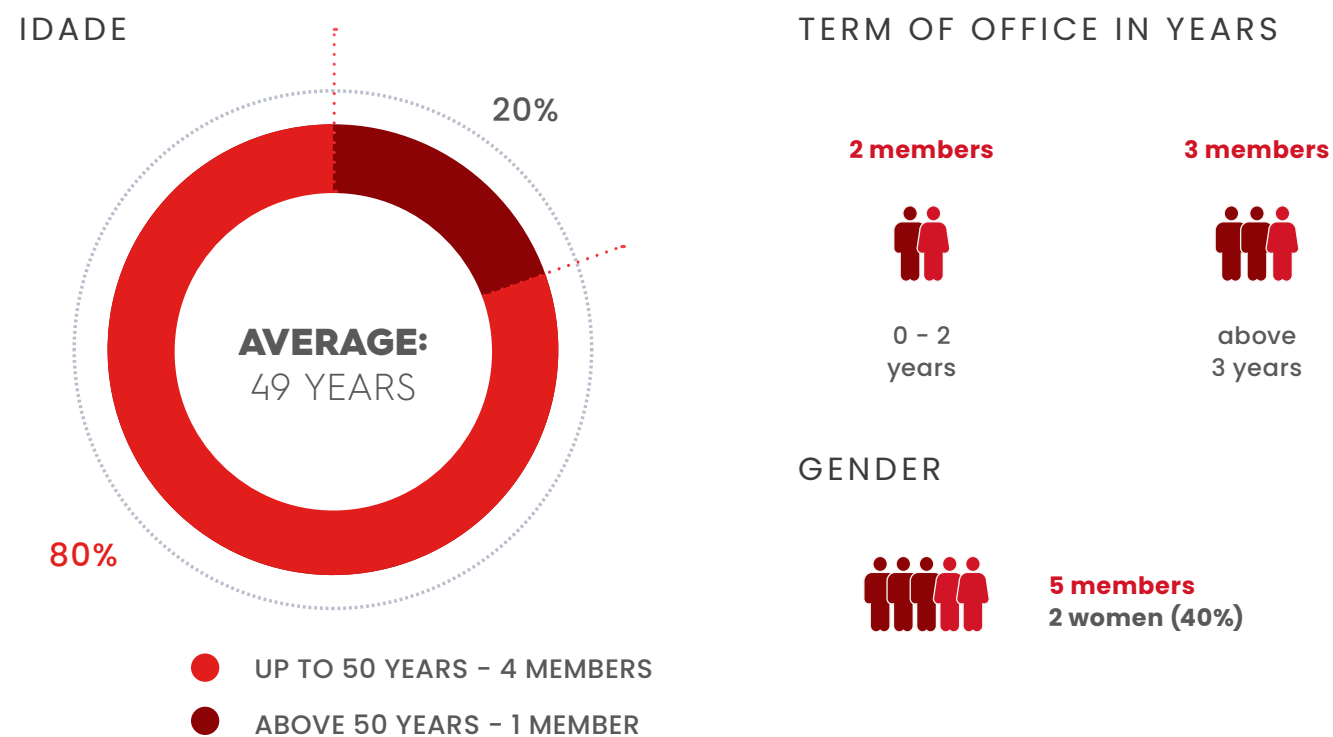
Supervisory board

The Supervisory Board (SB) is an independent body from the Company's Administration and External Audit, as its main responsibility is to supervise the actions of administrators and analyze financial statements, reporting their observations to the shareholders. Our SB is permanent, composed of three to five members, elected annually at the General Meeting, with term of office of one year and reelection permitted. Get to know the Supervisory Board's Rules of Procedure and the detailed experience of each member: encr.pw/RENNER-ESG-regimento e lnq.com/RENNER-ESG-cvsconselho

Executive Board

The Executive Board is responsible for the day-to-day management of the Company and for the implementation of policies and general guidelines established by the Board of Directors, in addition to executing the business plan prepared in accordance with the strategic guidelines. Our officers, elected by the Board of Directors for a term of office of two years and reelection permitted, are chosen based on their professional experience and alignment with the corporate values of Lojas Renner S.A., playing

● EXECUTIVE BOARD COMPOSITION IN 2022 GRI 405-1



the role of leaders to lead the teams in their areas of activity.

The Executive Board is advised by several management committees that contribute to deepen the discussions of strategic topics and assist in decision-making.

Learn more about the Executive Board Rules and the detailed experience of each member: encr.pw/RENNER-ESG-regimento and lnq.com/RENNER-ESG-cvsconselho

PERFORMANCE ASSESSMENT

Annually, we carry out a formal assessment of the Executive Board performance conducted by specialized external consultancy. The Chief Executive Officer is evaluated by the People Committee and the Chairman of the Board of Directors, and annually evaluates each director, based on organizational, strategic and functional competencies. The results are reported to the Committee, which takes the report to the Board of Directors. The evaluation also serves as input for the executive to receive Company's shares as part of their compensation, as shown below.

Compensation

GRI 2-19 | 2-20

Our top management compensation system seeks to promote the creation of sustainable and long-term value, based on the definition of variable compensation for executives related to the achievement of the Company's and individual goals, guaranteeing the necessary commitment of the top leadership with advancement also on fronts not directly related to the Company's financial result.

Since 2021, the **compensation of the Board of Executive Officers is formally linked to ESG**, goals related to the public commitments for 2030, with semiannual monitoring of result indicators. Among the main themes of the goals, we have themes like climate change, suppliers' socio-environmental compliance, less impactful products and diversity.

The Executive Board also counts on the Stock Option Plan and Restricted Stock Option Plan, which grants them Company's shares and, therefore, deepens their connection with the business: if good management generates good performance, the business grows, the shares value and Executives have greater performance, supporting executive retention and aligning their interests with those of shareholders and the creation of long-term value.

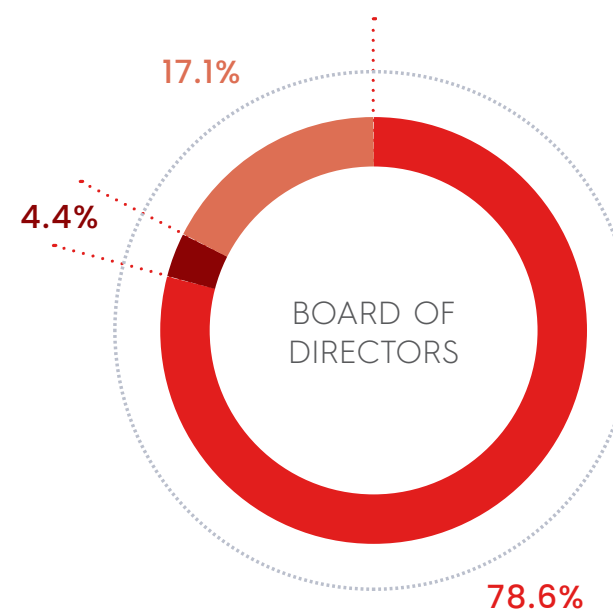
Plan shares are only granted to executives in years in which the Company has achieved, in the immediately preceding year,

sufficient profits to allow the distribution of mandatory dividends to shareholders. Moreover, to define the amount of shares, each executive is evaluated based on a composition of objectives, measured through corporate and individual goals and level of adherence to the Company's principles and values.

The Board of Directors, in turn, has only fixed compensation (pro-labore and participation in committees).

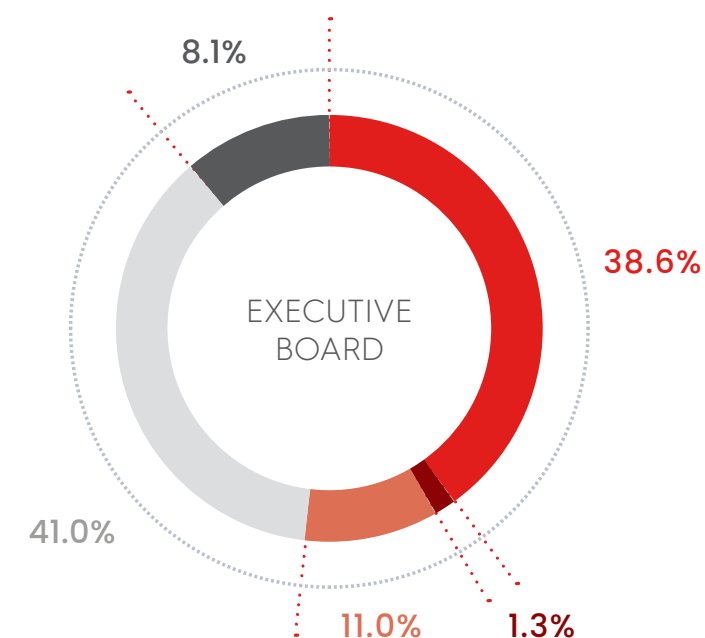
Find detailed information on our compensation policy in item 13 of the [Reference Form](#) and [OGM 2023 Manual](#).

Find out detailed information about our compensation policy in item 13 of the Reference Form and Manual of 2022 AGM.



● **R\$ 15.8 MILLION**
DISTRIBUTED:

- **R\$ 12.4 MILLION**
Fixed compensation (pro-labore)
- **R\$ 0.7 MILLION**
Stock Option Plan and Restricted Shares
- **R\$ 2.7 MILLION**
Compensation for participation in committees



● **R\$ 20.7 MILLION**
DISTRIBUTED:

- **R\$ 8.0 MILLION**
Fixed compensation (pro-labore)
- **R\$ 266.4 THOUSAND**
Benefits
- **R\$ 2.3 MILLION**
Variable compensation (linked to the Company's and individual goals)
- **R\$ 8.5 MILLION**
Compensation based on shares (reinforcement of retention, seeks to align executives' interests to those of shareholders in the creation of long term value in a sustainable)
- **R\$ 1.7 MILLION**
Fixed compensation (others)

Risk management

GRI 2-12 | 2-13 | 2-16 | 308-1 | 308-2 | 411-1 | 414-2 | TCFD

To ensure efficacy in risk management procedures, and to assure policies and practices consistent with our shareholders' risk tolerance, the theme is taken care of and managed from the strategic board and approval by the top administration and Board of Directors.

We also count on several management policies for risk control in different fronts: A senior management team puts into practice the strategic guidance from the top management, establishing and monitoring appropriate policies and procedures, and implementing efficient means to execute them, and to promote a risk management culture involving the whole organization.

The Governance, Risk, and Compliance Corporate Policy is the main general guide to the appropriate management of risks, using risk management techniques that enable autonomy and responsibility for managers to balance risks and improve strategic, tactic, and operational decision making of the Company.

The Policy works as decision making instrument to the top administration to improve our performance, potentiating the identification of opportunities of gains and reduction in probability and/or impact of losses, going beyond the fulfillment of regulatory demands.

Management structure

Our Risk Management structure ultimately consists of the Audit and Risk Management Committee, headed by Fábio Pinheiro, president of the Committee, the supervisory and monitoring body of risk management and audit processes of the Company that reports to the Board of Directors. The Risk Department works on the identification, prevention, and treatment of main risks, and must report relevant themes to the Audit and Risk Management Committee.

The level of report of the Risk Department areas are based on principles that preserve the independence of auditors and professionals involved in the prevention of losses and compliance, according to Corporate Governance precepts.

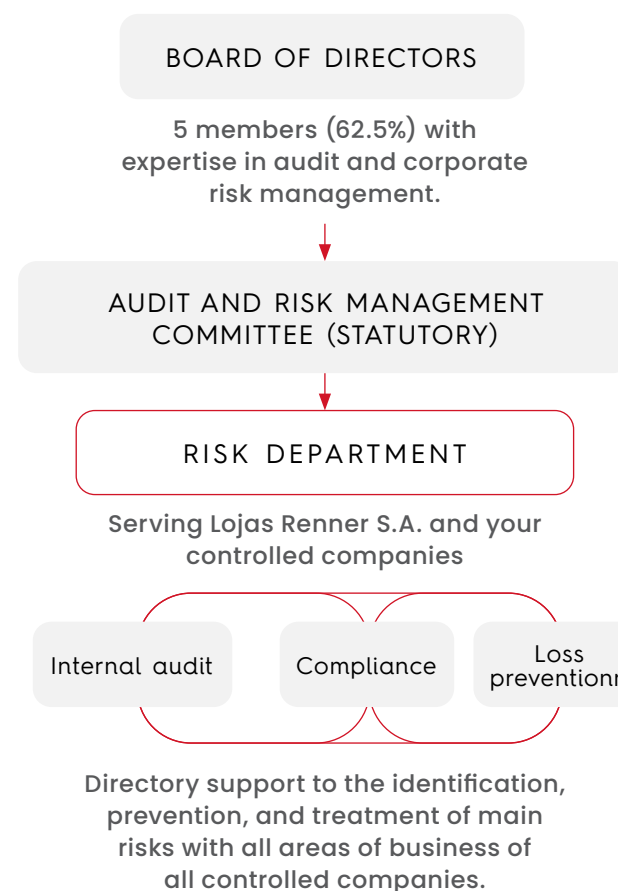
The Internal Audit area's activities are based on annual planning approved by the Administration, and adhere to the best practices of national and international organizations and working groups about Internal Audit, compliance and prevention of losses, like COSO - Committee of Sponsoring Organizations of the Treadway Commission, IIA - Institute of Internal Auditors and Loss Prevention - publications by loss prevention professionals.

At the Board level, on the other hand, the report occurs as provided by the Audit and Risk Management Committee internal rules, which establishes that the Committee is to present quarterly reports to the Board that will ensure their knowledge of matters that may significantly impact on the financial situation or business of the Company, in addition to an annual report with the main subjects discussed over the year, and recommendations by the Committee.

Moreover, it is established that the Committee President shall participate, at least quarterly, in the Board meetings to provide clarifications and discuss any theme related to risk management, keeping a continuous process of education in risk management turned to the Board of Directors.

We also count on several management policies for risk control in different fronts:

- Governance, Risk, and Compliance
 - Audit
 - Compliance
 - Financial Management
 - Results Destination
 - Anticorruption
 - Tax
-
- Disclosure
 - Policy for Disclosure of Material Facts and Securities Trading
 - Related Parties
 - Administrators Appointment and Compensation
-
- Information Security
 - Data Privacy and Protection
 - Customer Service and CRM
 - Code of Conduct for Employees
 - Code of Conduct for Partners
 - Sustainability



Risk management culture

Our Risk Department works closely with the business areas, providing directory support for the identification, prevention and treatment of the main risks, and also promoting the areas' awareness of a preventive risk management culture. With that, each business area structures and implements the action plans for risk mitigation.

Periodically, we carry out the onboarding process for employees with leadership positions, covering issues relevant to risk management, strengthening the Company's preventive culture. With the proximity of the areas, we also make room for feedback and continuous improvement. Annually, all Executive Boards must present their main risks and significant concerns that feed the Audit Committee's performance strategy for the management of ordinary risks.

We also include risk management indicators on the executives goals panel (board, management, and coordination levels) that influence their variable compensation and short term bonus, and are related both to reduction of identified risks impact and execution of audit and mitigation projects.

We count on a multidisciplinary Crisis Committee that meets when there is any non-compliance that affects the Company's reputation. The Committee defines initiatives to remedy the impacts, both on the Company and the stakeholders, internal and external positioning, and those responsible for the Action Plan, to avoid repetition of the occurrence.

Monitored risks

- **Operational risks**

Failures in internal processes, systems or actions developed by people that may generate losses involving operations, assets, customers and revenues.

- **Strategic risks**

Involve decision-making by the Company's Senior Management and can cause large losses in the Organization's economic value.

- **Reputational risks**

Events that may harm the Company's reputation in cases where poor risk management becomes public knowledge.

- **Socio-environmental risks**

Negative socio-environmental impacts throughout the life cycle of products, which involve a network composed of multiple actors, which can negatively impact the Company, its stakeholders and the society in general. This category also includes climate risks (learn more about mitigation initiatives on page 62).

Emerging risks

We consider as main emerging risks (those that have gained increasingly more importance), the following risks:

PANDEMICS

Possible future pandemics, such as the one experienced from 2020 onwards, could have significant impact on the global economy and, therefore, on our business results and our ability to generate increasing revenues. In addition, pandemics can also impact the physical and psychological health of our employees, as well as their safety at work.

From an economic point of view, we are continually developing new solutions to continue to delight our customers, accompanying and innovating in face of their changing consumption habits (learn more about these actions on page 12).

From the point of view of our employees' health and safety, we work with a medical front dedicated to the subject, with preventive actions, and actions to promote well-being, quality of life and physical and psychological health as well (learn more about these actions on page 43).

CYBER SECURITY

Possible cyber-attacks may result in leakage of confidential information, frauds, system unavailability, data hijacking and damage to the Company, both in reputation and in non-compliance with the law.

We have a solid cybersecurity and information security strategy and structure, we fully comply with the General Data Protection Law and we continually promote a culture of security among our employees and partners (learn more in the next chapter).

Learn in details the operational, strategic, and reputational risks, and how they are managed in our Reference Form – items 4, 5.1, and 5.2 – and Explanatory Notes of Financial Statements, note 6. Throughout this report learn more about the main socio-environmental impacts of the sector, and, starting from page 41, how we act in our operation and beyond it to mitigate them and promote increasingly more sustainable structures, processes, and relations.

Information security

Management

Information security is one of the pillars of the business, it is part of the fundamental commitments of the Code of Conduct and counts on the direct involvement of the Board of Directors in the management, approving and validating the strategy that guides our solid management of the topic:

- Information Technology Department (CTIO: Alessandro Pomar)
- Two structured areas focused on cybersecurity in the Company:
 - Information Security Area, from the IT Department.
 - Corporate Compliance Area, from the Risk Department.
- Corporate Cyber Risk Information Security Committee, multidisciplinary, with interface with the Board of Directors.
- Board member Christiane Edington, with experience in Information Technology.

- Structure of guidelines composed of 3 policies and 21 standards, as well as manuals detailing the processes to ensure information security, data protection, risk and incident management and business continuity.
- Privacy and Personal Data Protection Policy of Lojas Renner S.A., which governs the guidelines and general conditions of collection, use, storage, processing and protection of data on websites, platforms and internet applications, in accordance with the legislation. Access at: encr.pw/RENNER-ESG-privacidade

In 2022, we proceeded with the maturing and development of the privacy management platform, connecting it to the Company's systems and bases, in order to centralize the management. We also hold meetings with the Privacy Committee, with multidisciplinary participation of teams, addressing relevant themes on privacy and personal data protection.

Protection

We have several processes to protect the Company from the risk of attacks and intrusions by hackers (or crackers), with operating macrostructures anchored in specialized partner companies:

- Security Operation Center focused on protecting the Internet perimeter, internal environment and systems, event correlation and incident response.
- Security Tools: we adopt modern, market-leading tools that protect the technological environment from cyber threats.
- We count on a team focused on Ethical Hacking, with intrusion tests in our environment with recurrence scheduled on a monthly calendar.
- Brand Protection, aimed at monitoring the main brands of Lojas Renner S.A. on the internet.
- We have a team that manages technical vulnerabilities (daily or weekly vulnerability scanning of the infrastructure), and external process of identification of vulnerability by partner company.
- We are covered by a cyber insurance.

In 2022, there was no case of complaints involving data loss or customer privacy violation received from regulatory agencies or other stakeholders.

In 2021, we acquired a tool that allows us to monitor the level of external cyber risks to the Company and partners that provide services, and we invested heavily in perimeter protection mechanisms and device protection in our environment.

RESPONDING TO INCIDENTS AND INTERRUPTIONS

We have a Policy and a formal Business Continuity Management (BCM) process, through which we carry out the survey of operational stop risks (partial or total) and the Business Impact Analysis (BIA). Based on this scenario, we define the strategies in the Operational Continuity Plan (OCP) for the processes, and we have a Disaster Recovery Plan (DRP) for all systems classified as vital and critical in the BIA. To ensure the efficiency of this process, we carry out annual OCPs and half-yearly DRP tests and incident response training.

In the year, we suffered a cyberattack that led to system instability, as well as the unavailability of our digital operations for a few days. In this sense, our teams and partners acted very diligently and the incident showed us the relevance of having this risk identified and our teams always prepared and updated business protection and recovery plans. There was no relevant incident in 2022.

CUSTOMERS' DATA PROTECTION

Temos grande foco na proteção We have a strong focus on protecting customer data. We count on a dedicated area, with specialist professionals and renowned suppliers in full operations (24 hours a day and 7 days a week) and we have adopted a multilayered strategy with several controls and tools. We use database protection techniques and active Data Loss Prevention (DLP) features to monitor and prevent leakage of sensitive data. In 2021, we continued to implement more mature and robust controls in monitoring processes, in addition to investing in Cyber Threat Intelligence solutions, in order to mitigate potential harmful events.

IDENTITY AND ACCESS MANAGEMENT

We have a platform for managing identities and access of employees and partner companies that covers the most relevant systems and the vast majority of access accounts. We also have a partner approval process, where we assess information security requirements of those who will access Lojas Renner Group sensitive or confidential data, and, every six months, we monitor the cyber risks of the main partners.

AWARENESS

We have a corporate program aimed at the education and awareness of employees in information security, which includes lectures for new

employees, the Cyber Week, an annual week with events and communications on the subject, an Information Security Program available online at Renner University (RU), as well as education campaigns on topics such as password care, cyber crimes, information classification, among others.

As example of these actions, in 2022 we launched the webseries Esquadrão do Encantamento (Enchantment Squad) with episodes addressing Information Security.

In the year, we kept 70% rate in the LGPD course and record of accesses to the Cyber Week, which addresses themes like women in cyber security, being security guardian, and understanding the main cyber-attacks. The event also contemplated teams outside Brazil.

Employees that suspect of violations and electronic frauds (phishing) must push the "report phishing" button available on Outlook, contributing to interrupt future attempts. In addition to the button, any type of suspicious event associated to information security must be informed via dedicated emails: phishing@lojasrenner.com.br and seguranca_informacao@lojasrenner.com.br

Reflecting the evolution and solidity of our management, in 2022, we were evaluated as level A and score 96 in the Security Score Card, a tool that monitors the level of cybersecurity maturity of companies worldwide, 2nd place in the sector in Brazil.



HUMAN AND DIVERSE RELATIONS

capitals



sdg



2030 commitment goals

To build human and diverse relationships, ensuring that each individual is able to accomplish their full potential.

Engagement and well-being

To be among the national references in engagement, guaranteeing living wage* and continually advancing in the promotion of employees' well-being.

Diversity & Inclusion

To build a culture of diversity, equity and inclusion of minority groups**, achieving at least:

- 50% of leadership positions held by black people;
- 55% of senior leadership positions held by women.

Offer a portfolio of diverse and inclusive products and services, considering the contribution potential of each of the businesses.

* Local remuneration awarded to a worker sufficient to provide a decent standard of living for the worker and his or her dependents.

** Racial, LGBTQIAP+, PWD and women.



Engagement and well-being

GRI 2-29

Management model

The heart of our entire value chain is our team with over 26 thousand employees, responsible for the daily routine of the business, decision making, achievement of goals and results, innovation, attention to our commitments and values, and the enchantment of customers and all our stakeholders.

For this reason, culture and talents is one of the three drivers of our 2023-2025 strategy, and one of our strategic goals is to **attract, develop, engage, and keep the best persons with a smooth, enchanting, and more digital journey.**

The goal is broken down in five targets, applicable to all businesses, with impact on the variable compensation of leaders in our People & Sustainability ecosystem, from the Statutory Board to the coordination level.

To achieve this goal, we count on three strategic development priorities for the coming year, supported by a ecosystem of People & Sustainability that works on different fronts, presented in the next subchapters.

Our Management Model is the business differential and strength that ensures alignment of all strategic goals of the Company, linked to our mission and values, and promotes a cycle of career acknowledgement and progression, besides supporting the identification of needs in terms of technical and skills development.



STRATEGIC
ALIGNMENT

For over 20 years we have made strategic alignment by gathering the Board of Directors, Executive Board, and General Managements, supported by external consultancy, a process that, since 2021 occurs semiannually. The process starts with review/construction of the Company's Purpose and Value Proposition as a whole, and the businesses, involving SWOT analysis that assesses external and internal scenarios to build the Great Strategic Goals. Thus, strategies for the following half year are set, priority strategic projects to be developed, and corporate and Boards goals are defined, aligned to the long term strategic development cycle (Strategic Drivers and Pillar of Support) and the budget process for the period.



GOALS
DEPLOYMENT

The goals are broken down in Departments and make up the goals panel for leadership levels (management, coordination, specialists, and supervision). To ensure clear strategy for all, with a systemic look and shared goals, we work collaboratively, integrating all areas and different leadership levels, to bring a multidisciplinary look that will enable us to have effectively real goals, and, at the same time, challenging, and that depend on joint work to be achieved.

**Learn more in
aligned culture.**



CAREER
DEVELOPMENT

We offer our employees a consistent cycle of career development, the stages that permeate the employee's journey in the company, aiming at ensuring their assertive management. After the strategic alignment, all employees of Lojas Renner S.A., including trainees, undergo annual behavior assessment for leaders, and semiannual for non leaders, where behaviors necessary to achieve the strategic goals are assessed, in line with the company's values. This competence assessment process contemplates self-assessment, leader assessment, and then, together, a conversation about career, exchanging feedback, and building/reviewing individual development plans (IDP). Learn more in Career Cycle.

Career cycle

Our Career Cycle starts with the annual competence assessment for leaders, and semiannual competence assessment for employees, covering 100% of Lojas Renner S.A. team. In 2022, following market trends, listening to our customers and always focusing on the development and quick adaptation, according to an agile model, we implanted shorter cycles of assessment, bringing the news of optional competence assessment cycles every three months, between mandatory cycles. So, leaders and employees have the opportunity to continuously and more frequently ensure the alignment of expectations and deliveries, as well as to correct and intensify what needs to be improved in a faster way, more adapted to the moment.

It is worth mentioning that we encourage the practice of continuous feedback as a powerful tool of development, which should be used whenever necessary, regardless of formal or optional competence assessment cycles.

All that is done through an online and mobile career and development system, to which everyone can access and adjust their IDP.

For leading positions, in addition to the competence assessment that measure behaviors aligned to the company's values, we also count on potential assessment. This type of assessment measures learning agility, ambition, and motivation of professionals.

After these assessments, we consolidate the information in a 9box matrix, where we cross performance in one axis, and the final grade of the potential assessment in the other axis.

Such information is automatically plotted by the career system in the 9box matrix. The result of these matrices is discussed in calibration committees (people committee), where leaders, customers, and HR participate, and this is one of the main moments for discussion of the Company's talents' career. This calibration moment expands the visibility of professionals and lets us map the talents that are outstanding in the Company, and forward leaders IDPs according to their positioning in this matrix.

Aligned culture

After the strategic alignment, we count on a robust flow of communication and engagement actions to promote the alignment to our culture, priorities, and goals, with all employees.

We have promoted, for over 20 years, a large annual meeting for the development of leaders and a culture rite, the Convention of Leaders, which gathers the company's leaders – managers, general managers, directors – to work on contents connected to the development and integration of executives to the new strategic pillars of the business.

The same content is later worked at Magia, Lojas Renner S.A. strategy cascading event, to strengthen the



corporate philosophy and culture alignment and support, because it promotes full integration across the different levels of the company. Magia 2022 counted on the operations and administrative audiences from all businesses and was a metaverse learning journey. So, we ensure alignment across all levels of the organization, starting with the top management in a more strategic way, and then, in a more playful and interactive way, we transmit the same message to all our employees.

For 2023, we are, at full speed, investing in the construction of another Magia

edition, focused on strengthening our Enchantment Culture to the whole ecosystem. Constantly evolving, we will also seek to rescue the heat of our in-person agendas, without letting go the tech with the online experience. Through a hybrid format, we will dive into an amazing learning experience to help consolidate our values and pillars.

Monitoring

We believe that the understanding of the Company's strategy is directly reflected in a team engaged in achieving the defined goals. For this reason, we monitor the understanding of the strategy by all based on a follow-up, close and continuous, of the achievement of targets and goals proposed. Our differentials in the strategy understanding monitoring are discipline, collaboration, and focus, through intense and regular routine.

General and senior managers promote, every month, the Results Meetings in their areas, to align the strategy understanding, achievements and challenges, and, at this moment, employees participate in the construction of action plans with their leaders.

After the Results Meetings with managers and their teams, the Monthly Results Meeting (MRM) takes place, where the Board follows the implementation of strategies, corporate results, and business results. The MRMs use management tools and indicators based on the Balanced Score Card methodology, and are conducted by the President himself, gathering the Board and General Managers.

The Quarterly Results Meeting (QRM) is held every three months and addresses, in addition to the matters addressed in the MRMs, the strategic pillars of the semester/year, with participation of the MRMs audiences and senior managers.

Moreover, a lecturer is invited to discuss a strategic theme to the Company at the end of the event. On this occasion, Renner University presents relevant contents and experiences to the team, confirming our commitment with continuous learning.

The Strategic Committee, linked to the Board of Directors, meets at least four times in the year to follow the execution of strategic plans and projects, and review relevant investment projects, monitoring the strategy execution, which directly reflects the understanding of the whole Company.

This management model allows monitoring and correction, in real time, of gaps in the strategy understanding, and guides the course of the company, in addition to reinforcing employees' actions as owners of the business.

People analytics

We count on a People Analytics area with a dedicated team of data analysts and engineers that fosters the People and Sustainability Department strategic management, involving management, availability, and hierarchization of performance indicators, and also integrated analyses across HR subsystems and Lojas Renner S.A. business units, focused on strategic themes of the People pillar.



The use of people analytics also supports the work force strategic planning, and, in 2022, the main focuses in this front were directed to two groups of analysis:

- Successors' readiness and internal use: we analyze indicators of the whole career cycle (connected to the other HR subprocesses) in departments and business units, in order to improve performance and achieve internal goals.
- Listening to employees and talent retention: we count on a very diverse source to listen to employees that

provides very rich information for analysis (internal and external surveys, and websites the measure the employer reputation), which, combined with a series of other information (generation distribution, working day, attrition rates), made possible the creation of a specific actions program turned to the experience of the employee that resulted in significant improvement in retention metrics of high performance employees.

Development

Renner University

The business strategies are the guiding principles of our corporate development plan, whose objective is to ensure upskilling (development of new skills or future skills) and reskilling (update of current skills) associated to strategic drivers and powers skills.

This plan is put into practice by Renner University (RU), using development tracks and in-person and virtual actions, synchronous and asynchronous. Created more than 22 years ago, RU is one of the pioneers among corporate universities, and keeps on always innovating to achieve higher consistency in the learning culture. Today it works as a social network of development, fundamental to speed up our cultural and mindset transformation in face of the strategic cycle of digital transformation, agile, of the business. RU is expanding, and is now open to external audiences, along with UR Sellers, Creators Labs, social influencers' partners of the ecosystem, and suppliers.

Based on modern technology, RU connects contents from hundreds of providers so that the employee can choose what to watch, like, comment, share, in addition to counting on internal and external curatorship solutions,



social learning, mentoring, tutoring, study groups, over 300 content tracks, interactive tracks, immersive experiences in 3D, and artificial intelligent with content recommendation according to the employee IDP profile.

In this regard, every employee has both an active role in their

learning and an influencing role with the others, because they can create curatorship, adding contents from other portals to the platforms, in addition to groups and networks at RU with full autonomy. With that, we stop transmitting information, and start to share, build knowledge, collaboratively.

Encantech

Encantech, created in 2021, is our community that emerged to integrate all Technology areas of Lojas Renner S.A., speed up our digital transformation, and, thus, deliver a better omni experience.

The community is made up of all our people who work with cutting-edge technology – in agility, data, digital, and tech areas – and its mission is to enchant our customers in different channels and types of customer service, through innovative solutions and data driven culture.

Encantech enables us to connect and engage all people and all belonging areas through meetings, dynamics, guilds, squads, listening, and communications, which, in addition to supporting omni customers experience, gives us more strength to bring outside the pride of belonging. For such, we created the Encantech podcast, open to the society, bringing chats and contents turned to the target-audience, always with our people participating, telling us about their projects, cases, and solutions, spreading knowledge and bringing pride and acknowledgement to our employees, attracting talents and strengthening the employer brand in the tech audience and related audience.

Calibration and Succession

Our Succession Program, created in 2007, ensures preparation of leaders to follow the intense expansion rhythm of the Company. The process starts with the identification of who are the “talents” (high performance and high potential) among our employees, through calibration meetings, as already previously described. After calibrations, having identified the talents, we hold succession meetings where all Manager and above positions are mapped. Finally for General Manager and Director positions, we count on a Succession Committee of the Board, created in 2009, and made up by all directors that validate the previously built maps, with their respective occupants, their leaders, and G&S area.

In these meetings we build the Succession Map, where we identify possible successors to each position and their readiness: ready now, ready in up to 1 years, and ready from 1 to 3 years; and define a structured development plan to speed up the executives’ readiness. The development actions are planned with the executive, the manager, and a professional from People & Sustainability area – and are periodically monitored.

We also have an organizational succession goal of having a pool of talents of the Company ready to assume more complex positions,



as well as goals followed in each department.

Among the actions for career acceleration, we have a portfolio within Voa Talento Program (Fly Talent), specific for the Talents audience, that provides several opportunities of development as executive coaching, coaching for high performance communication, development for women, counseling, mentoring, reverse mentoring, job rotation, assessment, and

external courses, national and international.

Our goal is to have 100% of our top leaderships (senior manager and above) with successors mapped, and the whole managerial level of the Company has, among their goals, the training of successors. Since 2020, we have achieved the goal and count on 100% of leading positions (supervision and above) mapped.

Support to education

In 2022, we made available scholarships 100% financed by Lojas Renner S.A. for licenses of courses on development in technology and data, and we offer postgraduate in 3D Modeling at Senac, comprising 260 employees. Moreover, we make available a network of partnership with Universities for undergraduate degree, offering discounts in enrollments and school fees.

Attraction and retention

Employer brand

In face of a scenario of changes in work models, accelerated by the pandemics, we created, in 2022, the Employee Experience area, starting the mapping of journeys of different employee profiles, whether in-person, remote, hybrid, or international, in order to promote experience improvements, in addition to evolving our people management practices. We implemented new methods of listening to the employee, like pulse surveys, carried out in different editions throughout the year, to update the full view generated annually by the Engagement Survey.

For over two decades, we annually carry out the voluntary and anonymous engagement survey with all Lojas Renner S.A. employees.

The engagement survey monitors metrics relevant to the quality of life of employees, such as job satisfaction, purpose, achievement and stress.

In 2022, adherence to the survey was 89%, high performance range in the data bank used as benchmark. The listening results are presented in a structured way to the board and leaders of the organization through workshops that prepare leaders to conduct action plans in their areas and departments.

Circuit



Launched in 2019, the “Circuit – Great Talents circulate here Program” puts us closer to the Education and Innovation ecosystem in Brazil and abroad, ensuring attraction and also development of internal and external talents, with a continuous schedule of meetings with partners for knowledge exchange about competences and skills that are essential for future career, and for collaboration that generates value to the sector and the society. The main strategy of the program is to connect the need of talents and the Company’s strategic drives and market development strategy, so that we will always have a look to the needs of engagement and development of external talents, in the present, and in the future, supporting the business and the community growth.

The program’s DNA is collaboration, and, therefore, its governance is shared, since we gather professionals from different areas of the Company for, together, make decisions. We are already over one thousand external talents connected to our initiatives and projects, and over 200 active Makers, employees that help plan and create actions of relationship with internal and market talents, and play a fundamental role in the projects connected to universities, acting as mentors and partners in the resolution of challenges and as speakers of strategic themes to the business and the market.

The Program goes far beyond attracting and generating talent pipeline, its purpose is to develop skills in external talents, and a type of reverse mentoring with our internal talents, promoting social and development impact on the Ecosystem, in addition to generating many opportunities of innovation to the business.

In 2022, we made the second edition of the Take Off Circuit, a marathon of ideation that brings together employees (which we call makers) and sponsoring directors to devise the next actions of the Circuit Program, seeking to address employer branding and innovation initiatives in the different areas and businesses of the Ecosystem. There were over eight squads enrolled and the projects were assessed by the Board, and after the Take Off, they are carried on in a structured way, based on other initiatives in partnership with the Circuit team. In total we had 8 squads, 150 makers, 18 tutors, and over 39 hours of synchronous content.

Trainee transform

Since 1992, we count on a trainee program, open to external and internal candidates, which develops and trains future leaders identified with our business, philosophy, and culture. The program focus is the training of supervisors and managers for the stores, planners,

buyers and designers for the product area. A reflection of the Program's success, our CEO, Fabio Faccio, was a Renner trainee 25 years ago.



We currently count on Trainee Transforma, broken down in three fronts:

- **Supervision and store management Trainees** turned to internal audience, it last two years and four months, respectively, selects talents that already work at the Company to be supervisors and managers. These professionals have the advantage of already knowing the business, and that 's why their training is faster when compared to external trainees. In 2022, we had 120 Supervision Trainees and 59 trained in internal management.
- **Management external trainees** turned to external audience, it lasts 10 months, and trains store Managers. In 2022 we had a group with 32 trained.
- **Product Trainee** turned to internal and external audiences, it lasts 10 months, and trains planner buyer and designers. In 2022, we had a group with 14 trained.

Throughout the program, trainees must develop an applied project, defined by the area director. This project is a challenge in the operation, and trainees have to build a MVP to solve it, defining themes that fit in their department strategy. Since 2019, the trainee development program started to include a sustainability subject, the initiative contemplates visits to projects supported by Lojas Renner, actions of trainees mobilization in partnership with women benefitted by projects, and today we count on a long tail not only of sustainability, but well-being as well, preparing the new leaders of the business in these fundamental and strategic pillars of the Company.

Trainees also undergo a robust assessment process, with biweekly continuous assessments, involving competence, calibration, potential, and the program, in order to define talents and the trainees' future – during the last 3 months of the program.

Health and safety

GRI 403-1 | 403-9

Management

We are committed to the health and safety of our employees and service providers, in line with main references and international good practices, like recommendations from the International Labor Organization (ILO) Occupational Safety and Health Convention, and collective bargaining agreements with unions.

We seek to provide our employees with safe and healthy workplaces, always attentive to compliance with laws relating to Occupational Health and Safety, seeking continuous improvement, with a Management System made up with a team exclusively dedicated to the topic, a structured set of procedures, manuals, standards, and policies, in addition to awareness actions.

The Occupational Health and Safety Policy establishes the guiding principles to ensure integrity of people and provide appropriate work environments, enchanting employees through active care*, with prevention, and health promotion actions. The policy is guided based on four premises:

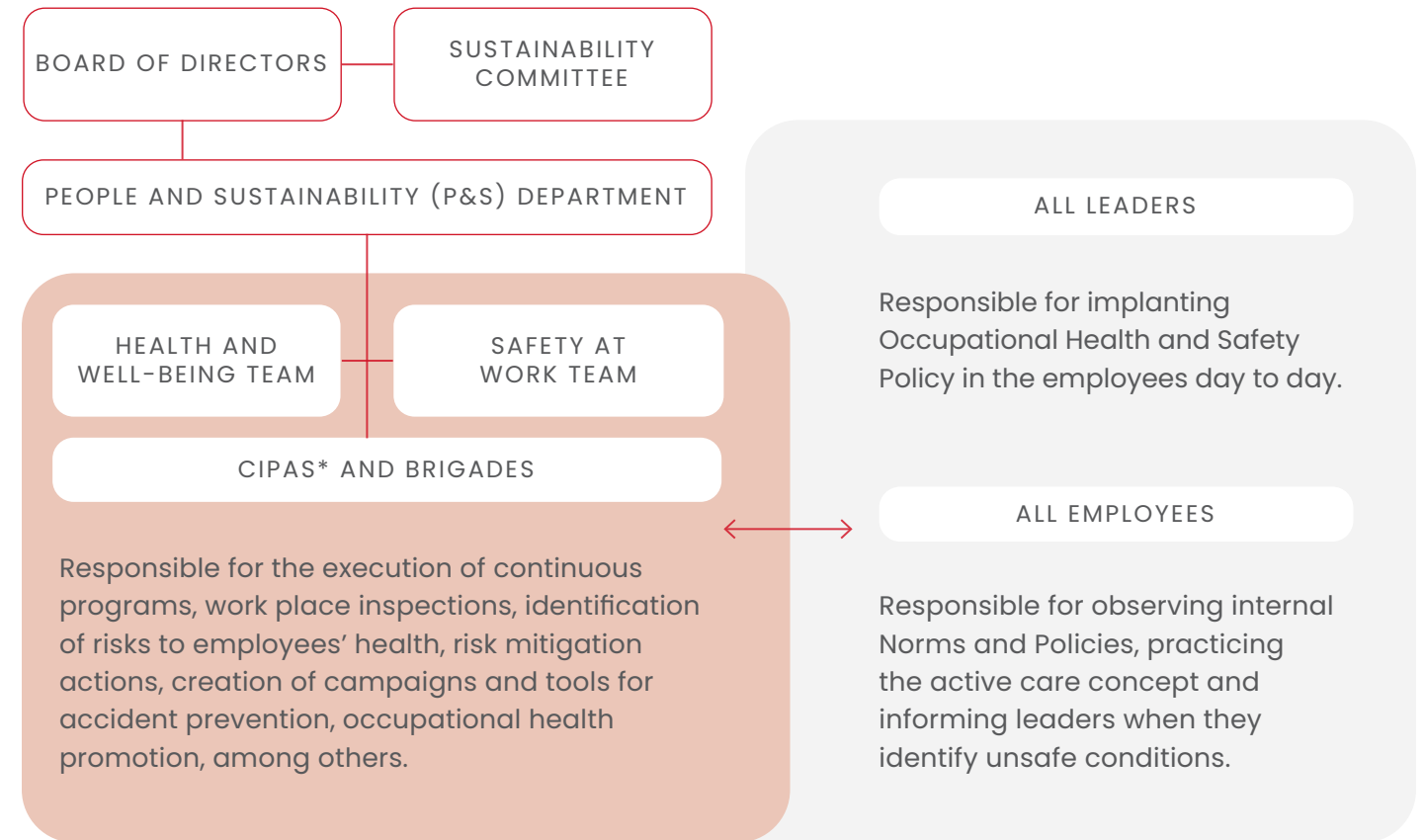
- Prevent occupational accidents and diseases;
- Comply with labor and social legislation;
- Comply with Regulatory Standards in force;
- Promote employees health.

We continuously monitor health, safety, and well-being indicators by defining goals and action plans to reduce exposure to risks and promote the expansion of our safety culture to all employees.

We extend our management practices to our supplier chain, demanding adherence to our Code of Conduct. Through audits in Resale Suppliers, we assess compliance of several occupational health and safety items, demanding action plans to correct non-compliances.

* Active care: Care for others and allow to be taken care of

● HEALTH, SAFETY, AND WELL-BEING SYSTEM



* Internal Commissions for Accident Prevention

CONTINUOUS HEALTH AND SAFETY MANAGEMENT PROGRAMS

- Risk Management Program (RMP)
- Medical Control and Occupational Health Program (MCOHP)

INDICATORS, GOALS, AND PLANNING

Process for monitoring of actions developed throughout the year for strategic planning with goals assigned:

- to specialist teams
- to P&S Department
- to teams with interface with the theme, like maintenance, architecture, engineering, and Shared Service Center

Some specific NRs guide ongoing programs and their action plans.

Risks

We seek continuous improvement of our occupational health and safety management system, based on a series of actions. We annually update the Risk Management Program (RMP) with visits to all units, for inventory of occupational risks. With the survey of risks that our employees may be exposed, action plans are established. The RMP allows update of the Medical Control and Occupational Health Program (MCOHP) and more assertive and frequent monitoring of employees' health.

Where risk is identified, the action plan is started attempting to eliminate the risk, involving mitigation and administrative or engineering control measures. In case risk elimination or mitigation is not possible, employees are informed, and monitoring is made with clinical examination, generating Occupational Health Certificates (OHC).

We analyze all cases of accidents and diseases that may be associated to work and keep close monitoring of the injured persons. These actions contribute to increasingly safer work environments.

In 2022, there was significant reduction in the number of accidents compared to 2019, considering all operational units.

We also count on emergency response actions that make up the Emergency Response Plan (ERP) in operations, mainly in Distribution and Logistics Centers. ERPs are built according to the Fire Department Technical Instructions of each state. The execution of Plans is under the responsibility of fire Brigades of each unit, with prevention and emergency actions. Among ERP objectives we have definitions of emergency situations, abandonment, types of alarms, responsibilities of areas involved, procedures, and available resources.

Health and well-being

Through well-being initiatives, we mitigate risks to health, address action plans related to potential offenders and continuously promote our employees' well-being based on three pillars: health, occupational safety, and active care. Learn more about the main health and well-being actions in 2022 below.

ERGONOMICS

In annual visits to units we make the Preliminary Ergonomic Analysis (PEA) and, in case the need to deepen is identified,



we perform a full Ergonomic Analysis of Work (EAW), following broadly known and accepted methodologies, actively listening to employees. The results of EAW enable the development of improvement projects to meet ergonomic and comfort criteria in all jobs. We also consider and observe ergonomic characteristics in the acquisition of new furniture.

WELL-BEING WEEK

Held every year, it seeks to engage all employees in health care, occupational safety, and well-being. The Week meets Regulatory Norm that demands a internal week of accident prevention, and goes beyond legislation by including well-being themes. In 2022, the week was held hybrid, reaching all employees

through webinars about themes connected to current needs, like “self-compassion” and “speaking from the heart”, in addition to in-person experiences that placed employees in a journey of self-care, with massage, dance classes, stretching, and aromatherapy. Besides the week, we also continuously promote communications, practices, and meetings about mental health, well-being, and psychological safety.

BALANCE

Since 2020, we count on the Balance program, based on PTO methodology, to promote monthly listening to leaders regarding their teams, identifying sources of stress and burnout, proposing action plans to improve life quality and balance at work, encouraging the promotion of an environment with more trust and psychological safety. Thus, the leader may individually get to know each of his/her employees from the different aspects that make up their routine (communication, acknowledgement, well-being, work tools) and unify an agreement of the team where each one will be respected and the team can work jointly, with balance.

#ITAKECAREOFMYSELF

The campaign is an initiative that emerged from the idea of a group of colleagues from different areas, supported by health, well-being, and internal communications areas, and includes biweekly online meetings to provide minutes of well-being, with practices of yoga, dance, drawing therapy, and stretching, for example.

PERIODIC EXAMINATIONS

We annually make periodic examinations to ensure the active care of employees and diagnose health profile with data collected to act on and take actions preventively. This practice goes beyond legal requirements, which determine biannual exams.

HEALTH ASSISTANCE

Early in 2022, we implanted Dr. Be, a platform of telemedicine and telepsychology, nutritional and sports coaching services, free of charge, based on the solution turned to active care of all our employees, trainees, and young apprentices.

GOOD HEALTH

Our program for monitoring of employees and dependents active in the health insurance

with chronic diseases count on a dedicated nurse to guide, support, welcome, and raise awareness of employees on health prevention, cares and habits. The professional keeps continuous contact by phone or WhatsApp with employees and their dependents. Following ethical principles, information collected is entered in a software for analysis and metrics of each person evolution.

ONCOLOGICAL WELCOMING

Our program for welcoming employees and dependents active in the health insurance diagnosed with cancer counts on a nurse to support and welcome in this life moment. The professional keeps continuous contact by phone or WhatsApp with employees and their dependents. Following ethical principles, information collected is entered in a software for analysis and metrics of each person evolution.

MANAGEMENT OF EMPLOYEES ON SICK LEAVE

Our service of support and follow-up of employees on sick leave, as well as support to leaders and CSC regarding administrative situations of INSS of employees on sick leave.

EM FRENTE (AHEAD)

Our welcoming and guidance program to all employees under physical, psychological, moral, patrimonial and sexual violence within intra-family ambit, as well as with leaders/employees who need support/guidance to conduct some situation with a member of their team. The program counts on a team with specialized psychologists and social assistants to support the mental health and psychosocial attention to victims of domestic violence.

OTHER BENEFITS

We have benefits aimed at supporting the balance and quality of life of employees, in addition to the programs presented above: flexible working hours and remote work for eligible administrative employees, daycare assistance, lactation room at headquarters, paid parental leave in accordance with Brazilian legislation, of 16 weeks of leave for the primary caregiver and one week for the non-primary caregiver.

Human rights

GRI 2-25 | 2-26 | 407-1 | 408-1 | 409-1 | 412-1 | 414-2


We are committed to the preservation and respect to Human Rights, and keep on working intensively to identify risks of violations in our operations and value chain, mitigate them and remedy the possible impacts caused.


In addition to the Ethics and Compliance Committee (learn more on page 55), we count on a multidisciplinary Human Rights Working Group focused on articulating the necessary actions to mitigate and address the risks identified, and the Plural Committee, multidisciplinary, turned to developing.


In 2022, we conducted a new cycle of impact diligence of our chain in Human Rights, based on UN Ruggie Framework methodology, which updated the 2020 matrix, expanding its reach to the whole ecosystem and business of Lojas Renner S.A., involving consultations to experts and representative of the rights' holders.





LOJAS RENNER S.A. MATRIX OF HUMAN RIGHTS VIOLATION RISKS REVIEW CONSIDERED:

-  • Business expansion

-  • Views from experts and representatives of Rights holders

-  • New emerging Human Rights risks due to the pandemic

-  • New operational model with marketplace growth

-  • Internationalization of Lojas Renner S.A. and expansion to Latin America

ADVANCE RECOMMENDATION

-  Document analysis and mapping of external trends
-  Interviews with key areas
-  Consultation with right holders
-  Preliminary identification of human rights risks
-  Review of the Human Rights risk matrix
- Final presentation of results

In total, 22 risks were identified in all operations of the Company, classified in a matrix according to probability and severity, to guide prioritization and management.

The following groups were identified as vulnerable to human rights violations: women, children, migrants, local communities and indigenous communities, employees and supply chain workers.

To advance in the mitigation of risks identified, considering the most prioritized in the matrix, we defined seven fronts of action to address 11 risks of Human Rights violation, and are fully aligned to our ESG strategy:

ADVANCE RECOMMENDATION



Strengthening of responsible purchasing to reduce violation risk in the supply chain



Action during raw material production based on traceability processes built



Promotion of circular economy



Expansion of harassment and discrimination awareness processes



Leveling of practices related to harassment and discrimination risks



Actions on the agenda to fight unequal pay



Leveling of practices of climate action in all businesses

ESG 2030 public commitments that meet recommendations

VALUE CHAIN:

Certify the supply chain through socio-environmental criteria and concentrate purchases in high management and performance suppliers.

VALUE CHAIN:

Achieve 100% traceability of cotton products, and advance in the traceability of other textile raw materials.

CIRCULARITY AND REGENERATION:

Incorporate circularity principles in the development of products, services, and business models.

DIVERSITY & INCLUSION:

Build a culture of diversity, equity, and inclusion of minority groups.

CLIMATE AND WATER:

Accelerate the transition to low carbon economy, achieving reduction goals based on science (SBTi) and climate neutrality by 2050.

Policies and commitments

GRI 2-23

CODES OF CONDUCT

Since 1995, we have the Code of Conduct and, since 2018, the Code of Conduct for Partners, to guide, clarify and formalize conducts, values and principles expected from our employees, managers, and suppliers.

All employees must read and declare to know the Code at the time of their hiring, or whenever the document is updated, and they also have training on the Code at Renner University.

Suppliers, on the other hand, declare that they know the Code upon hiring, having to disclose the publication to their employees and receive continuous content and training on the subject.

SUSTAINABILITY POLICY

It presents, since 2016, Lojas Renner S.A.'s commitment to sustainable development, guiding the management, values and the positioning of the Company and its entire value chain and stakeholders: from raw material producers to players involved in post-consumption.

HUMAN RIGHTS POLICY

Since 2020, it has formalized and disseminated our commitment to promoting respect for Human Rights, establishing the guiding principles that should guide the Company's activities and relationships throughout the business value chain.

ANTI-CORRUPTION POLICY

Created in 2014 and updated in 2022 to have universal coverage, it has pointed out practices and principles to be followed by employees,

partners and third parties to fight corruption and fraud, specifying tools, warning signs, intolerable acts, sanctions and disciplinary measures and the bodies responsible for monitoring compliance. We did not identify, in 2022, operations with high risk of corruption.

Best global guiding practices of policies and management



- UN Sustainable Development Goals;
- UN Guiding Principles on Business and Human Rights;
- UN International Charter of Human Rights and its instruments: International Declaration of Human Rights, International Compact on Civil and Political Rights and International Compact on Economic, Social and Cultural Rights;
- United Nations Global Compact.



- Guidelines for Multinationals from the Organization for Economic Co-operation and Development (OECD).



- Declaration of the International Labor Organization (ILO) on fundamental principles and rights at work.



- National Pact for the Eradication of Slave Labor, (InPacto Institute), of which we are a signatory.

Complaints

Every year, we work on qualification and training of our employees about our Code of Conduct, corporate policies, and anti-corruption practices, in addition to continuously working, through communications, on the awareness of the themes.

To support our Ethics and Human Rights Protection Programs in the Operation and Supply Chain, and respect for our policies and principles, we offer the society as a whole, suppliers, customers, and employees, a corporate whistleblower channel, which assists, in an unified way, all the companies of the Group.

Anyone can make complaints to the channel, available 24 hours a day, and offering guarantee of secrecy, confidentiality and monitoring of negotiations. It is operated by a specialized company, and supports the channel's independence and security for the whistleblower, in addition to enabling a greater reception by a team of psychologists that receives the complaint and provides proper forwarding. All complaints are addressed by the Company through a skillful team, with management by the compliance area, and we report the indicators to senior management every six months.

We publicly disclose the channel on our website, as well as to employees and suppliers upon hiring, in workshops and e-mails. Among resale and civil construction suppliers, we also demand disclosure of the channel to their employees and contractors, through posters in circulation areas. During technical visits, we check whether Renner code of conduct exists in the company and whether it has been properly disseminated.

In 2022, there were 1,063 well-founded complaints; the three main themes involved moral harassment (462), inappropriate behavior (771) and non compliance with internal policies and procedures (297). The main corrective actions to address violation cases were: training, warnings, monitoring, feedbacks, transfers, and dismissals. We also keep, continually, engagements about ethics, human rights, and diversity.

Channel: 0800 900 9091 or <https://contatoseguro.com.br/lojasrennersa> (in Portuguese, English, and Spanish)

Fighting discrimination

GRI 406-1

Considering the year scenario and the risks identified in the matrix, we prioritized the risk of discrimination and created initiatives, including our internal and external audiences, to manage the issue on two fronts: zero tolerance to discrimination and harassment, and the fight against domestic violence. Thereby, we mobilized a multidisciplinary squad to promote actions related to both themes, with deliverables in the areas of processes, awareness, training, mitigation and corrective measures.

We are part of a relevant network for promotion of diversity and fight against discrimination:

- Signatories of the LGBTI+ Business and Rights Forum.
- Supporters of UN Women's Empowerment Principles.
- Signatories of MOVER (Movement for Racial Equity).
- Members of the Business Coalition to End Violence Against Women and Girls.
- Instituto Identidades do Brasil ID_ BR.



Diversity and inclusion

GRI 2-23

Our 2030 commitment includes diversity and inclusion, intended to:

1) Build a culture of diversity, equity, and inclusion of minority groups, achieving at least:

- 50% of leading positions occupied by black persons;
- 55% of senior leadership positions held by women.

2) Offer a portfolio of diverse and inclusive products and services, considering the contribution potential of each business.

Plural, created in 2020, is the Program that guides our diversity and inclusion strategy (learn more about the program in our [2020 Annual Report](#))

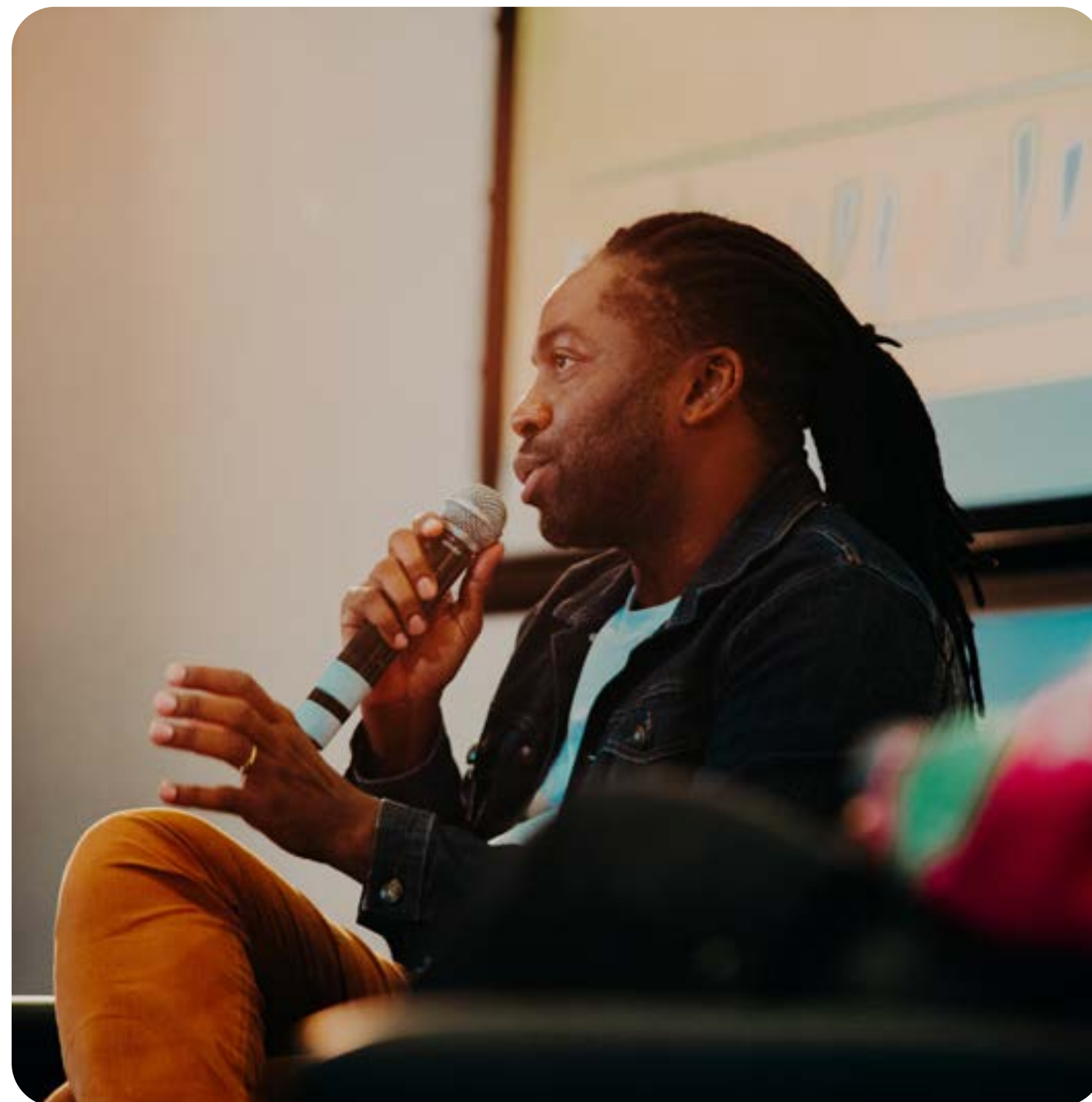
In 2022, we were recognized by the CEBDS 5th Edition of the Female Leadership Award and were awarded in the Women on the Board category, with a 25% female presence.

Our team

Internally, in 2022 we expanded actions to have an even more diverse and inclusive environment. We built a schedule with actions to the whole Company, with thematic events like:

- **Women's Career** – in the international women's month
- **LGBTQIAPN+ Pride**
- **Webinar – month of the disabled person** – For more bridges and less barriers with businesswoman and lecturer Andrea Schwarz
- **Webinar Plural | Black Awareness Month**, with Lázaro Ramos.
- **Top leadership development through training with Instituto Identidades do Brasil (ID_BR)** and Conversation Cycle with Lázaro Ramos.

We also keep on promoting actions of training in diversity for the whole ecosystem and strengthened our Ahead program (learn more on page 52), which addresses the issue of violence against girls and women with events with a lot of information and support for women who are in the cycle of violence.



Society

GRI 2-29

With regard to our chain, products and services on the other hand, we advanced in diversity and inclusion through Instituto Lojas Renner, which has managed, for 14 years, our private social investment, directed both to the development of communities, and generation of income, qualification, and support to women entrepreneurship in the fashion ecosystem.

Part of the own resources destined to the Institute is raised through the Movement #WeAllAdvanceTogether, turned to raise awareness of the society about women's protagonism and empowerment, in addition to raising funds to support Instituto Lojas Renner projects.

The Movement promotes the destination of part of sales in a given period at Renner, Ashua, Youcom, Camicado and Realize, to reinvest in the Institute projects, generating a virtuous cycle. In 2022, 15th campaign of the Movement, we reached a historical record, raising a total of R\$ 5.4 million to support social projects turned women's economic and social empowerment in the fashion chain. Moreover, we count on several actions to encourage donations:

- One Empowers Many" change: since October 2021, at Renner and Ashua physical stores, Brazil, the customer that buys and pays in cash has the option of donating the

change to Instituto Lojas Renner. In 2022, the Institute raised R\$ 275 thousand.

- **Recurring donation of salaries (employees):** we implemented a tool in Lojas Renner S.A. Intranet through which employees can opt for doing recurring donations or separate donations to Instituto Lojas Renner, through payroll discount.
- **Solidary Style:** we engaged employees in the donation of up to 6% of their due income tax to projects already validated by Instituto Lojas Renner, raising R\$ 20,380 thousand in 2022 .
- **Repassa (contribution):** customers who sell their used pieces on Repassa platform, from Lojas Renner S.A., can donate part of their sales to Instituto Lojas Renner. In 2022, we raised R\$ 595.55 in donations on the platform. Learn more on: <https://bit.ly/3LiGtXo>
- **Volunteering:** in 2022 we restructured our Corporate Volunteering Program, creating a volunteering manual and performing two pilot actions. Throughout the year, our employees could View all volunteering opportunities on our platform, in addition to creating and disclosing current actions.



• We All Advance Together 2022 edition

Thirteen social organizations were supported, 20 days of voluntary actions, and 264 voluntary actions with 241 active volunteers.

For the past years, we highlight the following projects supported by the Institute that promote diversity and inclusion in the society and in the fashion chain.

- **WEAVING DREAMS:** development and professional formalization of

migrating micro-entrepreneurs, in São Paulo, with qualifications and mentoring for sewing workshops in logistics, trading, human and financial development areas, in addition to legal and accounting advice. We ended 2022 impacting 290 people with the program, in addition to supporting 222 businesses. We hope that, by 2023, they will be prepared to train the first national fashion retail migrant association.

- **EMPOWERING REFUGEES:** Training and referral to the job market of more than 300 refugees since 2016, with around 100 professionals hired by Lojas Renner S.A., and 15 women were hired in 2022. Today, our main fronts for empowering refugee women are qualification and development in sewing and sales to retail in São Paulo capital.
- **PLURAL RETAIL:** Training of underprivileged groups for socioeconomic inclusion in retail and, thus, a more inclusive, diverse and plural retail. In 2022, we trained 30 women from different situations – like cisgender women, transsexual, refugees and black women – 15 of are already working in the job market.
- **VOA GURIA (FLY GIRL):** Realize headed the creation of Voa Guria program, which seeks to benefit fashion entrepreneurs from the dissemination of knowledge on financial education, access to credit and management mentoring to all those interested. During the year, we impacted over 200 women from different age groups that completed the course and were interested in the microcredit opportunity, which gave them a new look to their own business.
- **FASHION ENTREPRENEURS – SUSTAINABLE FASHION CHAIN 2021/2023:** in 2021, we formulated the largest project of Instituto Lojas Renner history that will make feasible more than 9 thousand attendances, with investment of R\$3.2 million, during 24 months, and a scope that covers different stages of a production chain, as shown below.
- **FASHION ENTREPRENEURS:** accelerate businesses in the fashion industry led by women who act with positive social impact, and have products with less risk to the environment. Between 20 and 30 entrepreneurs will be chosen that will undergo an acceleration program, with the possibility of trading their products in digital channels, and receiving full guidance to access large retail channels, including the opportunity of selling at Renner and Camicado marketplace.
- **AGROECOLOGICAL COTTON:** we act to foster plantation and growing of agroecological cotton by small farmers in communities of Minas Gerais, Mato Grosso do Sul and Ceará, integrating Lojas Renner supply chain. Since it started, the program has already benefited around 331

families and generated 26.3 tons of agroecological cotton, 15.1 tons in 2022, a material incorporated into the production chain of the least impactful pieces available in Renner's special collections, which receive the Re-responsible fashion seal.

- **AUTHORIAL AND SUSTAINABLE FASHION:** in partnership with ELLE Movement, a project focused on

the Brazilian authorial fashion entrepreneurs, will encourage stylists and brands to develop sustainable practices of production and management. Throughout the initiative, 20 brands will be selected that will enter a customized acceleration program developed by the partnership between Instituto Lojas Renner and Sebrae Nacional.





CLIMATE, CIRCULAR, AND REGENERATIVE SOLUTIONS

capitals  

sdg  

2030 commitment goals

Advance in the construction of a circular, regenerative, and low carbon business, encouraging and making possible for customers to make conscious choices.

Climate and water

- To speed up the transition to a low carbon economy, achieving science-based reduction targets (SBTi) and climate neutrality by 2050;
- To reduce water consumption of the operation and strategic suppliers, eliminating disposal of chemicals with restricted substances in the production of textiles and footwear.

Circularity and regeneration

- To incorporate principles of circularity in the development of products, services and business models;
- To invest in the development of circular and regenerative textile raw materials, guaranteeing 100% of the main raw materials more sustainable;
- To eliminate plastic packaging from physical stores and e-commerce that cannot be reused or recycled by our customers;
- To seek solutions to reduce the generation and promote the circularity of the main waste from the operation and from strategic suppliers.

From 2019 to 2030, our goals are:

REDUCE

46%

of absolute scope 1 and 2 emissions

Goal in line with target scenario of 1.5°C

REDUCE

75%

of scope 3 emissions of goods and services acquired per piece of clothing and footwear (Renner and Youcom)*

Net Zero (scopes 1, 2 and 3) by 2050**

* Target in line with the target scenario, well below 2°C.

**We are committed to becoming NET Zero by 2050, but this goal was not yet submitted to approval by SBTi.

Fighting climate change

GRI 305-5 | TCFD

Commitment

Our 2030 commitment establishes the goal of accelerating the transition to a low carbon economy, achieving science-based reduction targets (SBTi) and climate neutrality by 2050.

In 2021, we established the goal of reducing emissions referring to scope 1, 2, and scope 3 for 2030, approved in February by the a Science Based Targets Initiative (SBTi), and our Net Zero 2050 commitment, which guide us to accelerate changes in our business model and supply chain, to have a more sustainable fashion.

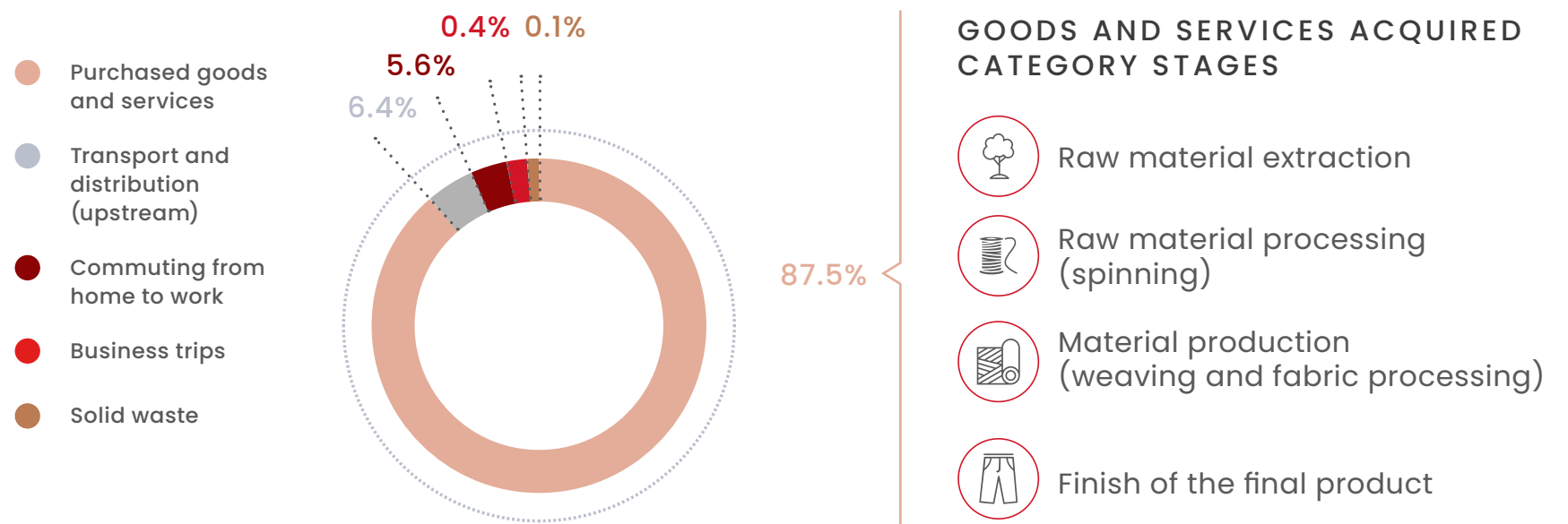
Our main challenge in the transition to low carbon economy is linked to the reduction of emissions per piece in the coming decades, and, at the same time, continue growing in sustainable way, and increasingly more efficient in our operations.

In 2022, we advanced in the coverage of our emissions inventory, including scopes that increased around 10 times our emissions against the total in 2019:

- We expanded reported data in upstream distribution transport category with the accounting of e-commerce.
- We included significant categories, like employees commuting and goods and services acquired, this latter representing 84% of our emissions.

In this regard, our Strategic Plan for Emissions Reduction expects efforts to increasingly foster the use of more sustainable raw materials, promotion of significant advances, by means of actions like those presented and detailed in the next chapters.

SCOPE 3 EMISSIONS



GOODS AND SERVICES ACQUIRED CATEGORY STAGES

- Raw material extraction
- Raw material processing (spinning)
- Material production (weaving and fabric processing)
- Finish of the final product

Evolution*	2019	2020	2021	2022	Variation
Reduces 46% of absolute emissions scope 1 and 2 until 2030 referring base year 2019 (tCO ₂ e)	11,232.3	8,256.3	5,054.0	5,333.7	-52.5%
Reduce 75% of scope 3 emissions from goods and services purchased per garment and footwear (Renner and Youcom) by 2030 referring base year 2019 (kg CO ₂ e/piece)	1.47	1.49	1.45	1.55	5.4%

* Greenhouse gases included: CO₂, CH₄, N₂O, SF₆, HFCs and PFCs.

In addition to creating a strategy to leverage the low carbon economy journey, we also prepared a transition plan involving our chain to put into practice this transformation. The transition plan will be updated according to the best practices and identification of new components.

● **TRANSITION PLAN**

OUR COMMITMENTS	Net Zero by 2050*	Reducing absolute GHG emissions of scope 1 and 2 in 46.2% by 2030 against 2019	Goal aligned with the 1.5°C target scenario	Reducing GHG emissions of scope 3 of goods and services acquired in 75% per piece of clothing and footwear by 2030 against 2019	Science-based target (SBTI) in the scenario well below 2°C
	OUR OPERATION PLAN	100% of our operations consume low impact renewable energy since 2021	Store automation program focused on energy efficiency	Gradual replacement of air conditioning for more efficient models with less GWP cooling fluids	100% of own vehicles using renewable fuel by 2028
PLAN FOR THE SUPPLY CHAIN	100% of tier 1 suppliers with GHG emissions inventory of their operations, and use of primary data in our inventory by 2024	90% of our suppliers using low impact renewable energy by 2028	Energy efficiency program in boilers and machinery	100% of main raw materials more sustainable by 2030	-
POSITIVE INFLUENCE IN THE SOCIETY	Goal aligned with target scenario of 1.5°C	Participate in advocacy alliance in favor of positive actions for the climate	Engage our consumers as to climate urgency	-	-
GOVERNANCE	Annual report on the progress of actions and goals since 2013 and assurance of third party since 2014	Theme follow-up by the Sustainability Committee	Variable compensation of executives on the theme performance since 2021	Commitment with TCFD principles	Disclosure of progresses to investors in CDP since 2012

* We are committed to becoming NET Zero by 2050, but this goal was not yet submitted to approval by SBTi.

In our Responsible Network Program (page 85) we conduct the Journey of low carbon economy, with initiatives with suppliers to prepare them for us to achieve this challenge:

QUALIFICATION

Information and knowledge of climate changes via courses, workshops, and lectures with experts, made available at Renner University.

DATA MANAGEMENT AND TRANSPARENCY

We make available to suppliers the best tools for reporting data and preparation of emissions inventory.

PROCESS AND PRACTICES

Connections between suppliers and service providers, encouraging best practices to reduce emissions and promotion of more efficient processes, with less natural resources.

RAW MATERIAL

We encourage the use of more sustainable raw materials and promote circular economy principles involving all links of the chain (learn more on page 71).

Performance

GRI 305-1 | 305-2 | 305-3

We use two approaches for calculation of scope emissions since 2017:

The location approach is based on mapping energy consumer units, and uses as emission factor the average of emission factors of the different sources of electricity generation that make up the National Interconnected System (SIN). The purchase choice approach uses a specific emission factor associated with each source of electricity generation that the Company has chosen to purchase and consume. The public commitment assumed considers the location approach data.

We offset our residual emissions through two projects:

- **REDD+ Jari/Amapá** - aimed at developing family farming in symbiosis with the forest. Learn more at: encr.pw/LREN-REDD
- **Lages Project** - promotes the reuse of industrial water, reducing water consumption and methane release.

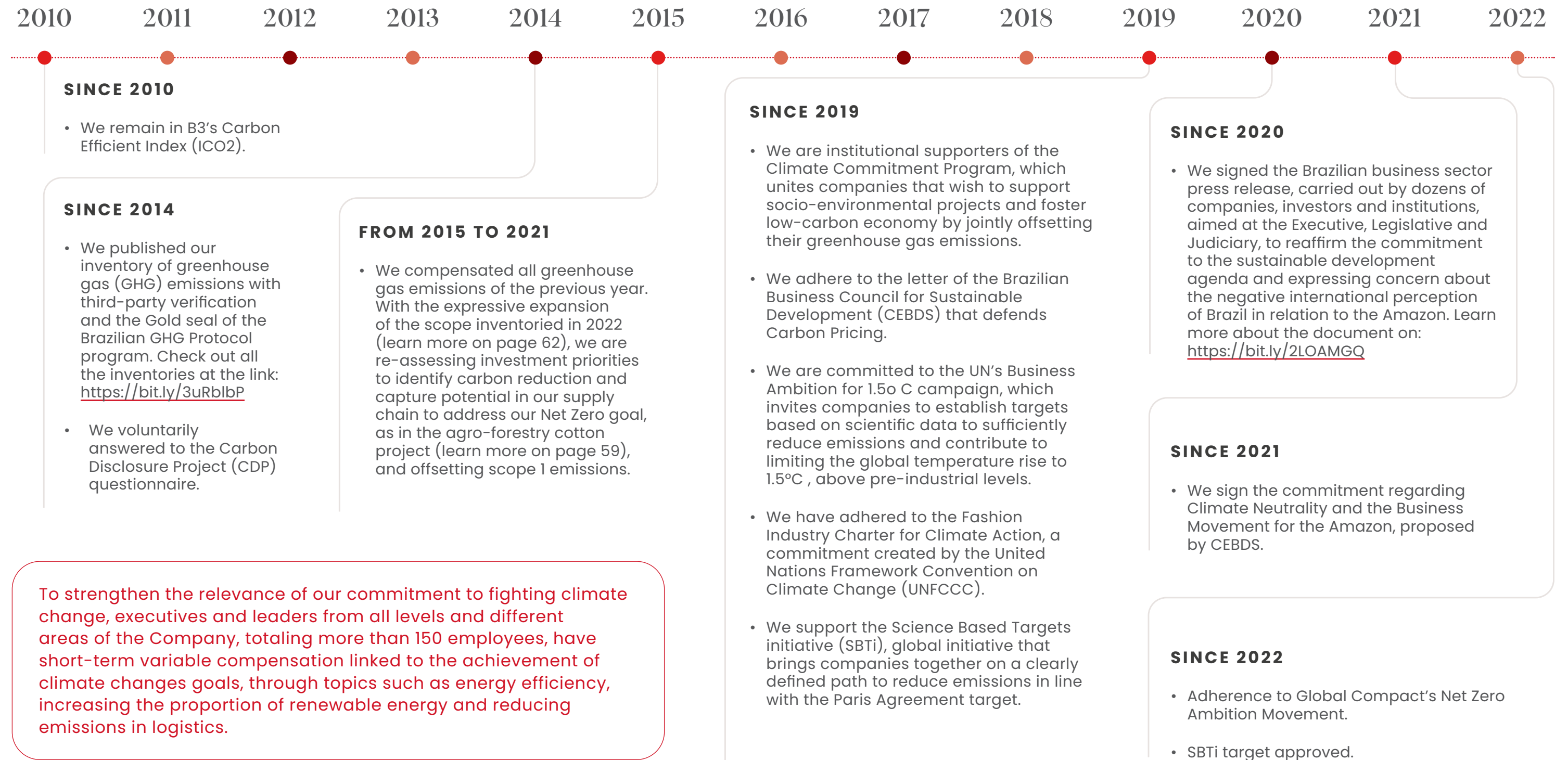
● INVENTORY OF GHG EMISSIONS*

SOURCE OF GHG EMISSIONS (tCO ₂ e)	2019	2020	2021	2022
Scope 1 emission				
Stationary combustion	103.5	152.3	240.6	285.7
Movable sources	6.7	0.9	3.0	2.8
Refrigeration / air conditioning equipment	3,324.8	4,760.4	4,810.5	4,992.3
Solid waste and liquid effluents				53.0
TOTAL SCOPE 1	3,435.0	4,913.6	5,054.0	5,333.7
Scope 2 emission				
Electricity purchased and consumed (location)	13,561.1	10,623.9	23,453.8	8,868.5
Electricity purchased and consumed (purchase choice)	7,797.3	3,342.7	0.0	0.0
TOTAL SCOPE 2 (location)	13,561.1	10,623.9	23,453.8	8,868.5
TOTAL SCOPE 2 (purchase choice)	7,797.3	3,342.7	0.0	0.0
Scope 3 emission				
Goods and Services Acquired	322,965.2	274,566.0	298,432.6	298,365.7
Solid wastes	209.4	95.1	264.3	342.5
Business trips	3,413.8	357.7	597.8	1,290.1
Transport and distribution (upstream)	22,057.9	20,326.9	23,394.4	21,821.3
Commuting	20,400.0		15,835.8	19,246.1
TOTAL SCOPE 3	369,046.27	295,345.69	338,524.95	341,065.74

* Greenhouse gases included: CO₂, CH₄, N₂O, SF₆, HFCs and PFCs.

History

Our climate change management is grounded in collaborative initiatives that are reference in the theme, strengthening our commitments and practices.



Risk management and adherence to TCFD

Lojas Renner S.A. conducted a study on climate strategy adherence with Task Force for Climate Disclosure (TCFD), identifying opportunities of improvement and drawing up an advance plan for the coming two years in four TCFD fronts:



- With the highest score among retailers in the Dow Jones Sustainability Index (DJSI) in 2021, we were invited to participate in COP 27. [Learn more](#)

* The study update started in 2022, and the work plans are currently in progress and still without consolidated results.

**SSP1-2.6 - The narrative of socioeconomic evolution is maintained. The GHG emissions adopted in this scenario consider the year 2020 as the peak, starting the reduction of emissions from the following years. Neutrality in CO2 emissions is reached between 2070 and 2080, at the cost of a high development in policies and actions to combat climate change;

SSP3-7.0 - The global context is one of political nationalization, with the presence of regional conflicts and a greater focus of nations on internal issues than on external ones, with less international cooperation, including environmental problems. GHG emissions rise steadily throughout the 21st century. The increase in average global temperature will possibly exceed 2°C by 2050, being the scenario that presents the greatest challenges for climate mitigation and adaptation.

Biodiversity

SASBI CG-AA-440a.3

We are committed to preserve biodiversity and the ecosystems where our operations and value chain are inserted. We seek to avoid, reduce, restore, and offset the impacts on biodiversity by:

- Public commitment with circularity and regeneration, advancing in the construction of a circular, regenerative, and low carbon business, reducing the need to consume virgin materials (learn more on page 61);
- Requirement for supply of raw materials with higher risks of impact on biodiversity (cotton and viscose), which must have certification confirming good practices related to biodiversity preservation (learn more on page 67);
- We support projects for biodiversity preservation and restoration, and local flora and fauna preservation. In 2022, we invested R\$ 150 thousand supporting a research and development project, in partnership with FarFarm startup, to grow agro-forestry cotton in Mato Grosso cerrado, involving nine local families, and contributing to food safety, soil regeneration, and education in agro-forestry education. Learn more on: https://farfarm.co/pt_BR/work/renner/
- We support the Jari/Amapá REDD+ project, within the scope of emissions compensation, which promotes forest conservation and biodiversity, protecting 65,982 thousand hectares of forest area with more than 340 species of flora, of which 54 are threatened with extinction, and more than 2 thousand species of fauna, of which 133 are threatened with extinction. This project has VCS (Verified Carbon Standard) certification and is certified at the gold level for biodiversity in the CCBS (Climate, Community & Biodiversity Standards) standard.
- With regard to the fight against deforestation, our [sustainability policy](#) determines our commitment in our operations, and value chain. For such, we count on supply requirement that ensures certified origin, avoiding native forest wood consumption for cellulose fibers in products sold in our operations, and our paper/cardboard packaging.

We seek to mitigate and manage any negative impact on animal well-being that may be associated to our products' production.

COTTON



Cotton with Better Cotton certificate, used as raw material for our products, ensures that, in the production process, cotton farmers adopt a biodiversity management plan that conserves and improves the ecosystem, through:

- identification and mapping of biodiversity resources, helping to better understand animal, plant, and microbial species present in and around production areas.
- identification and restoration of degraded areas.
- increase in beneficial insect populations.
- protection of riverside areas (area between land and river or stream).
- restriction to the use of pesticides, including gradual elimination of highly hazardous pesticides and prohibition of pesticides listed in Rotterdam Convention (treaty to promote shared responsibilities related to hazardous chemicals import).

CELLULOSE FIBERS



We also adopt cellulose fiber raw materials with audit by Canopy, nongovernmental organization that fosters responsible supply of raw materials originated from wood, for example viscose, seeking protection of native forests. Canopy assessment classifies the best producers, considering the following criteria:

- Nature conservation.
- Innovation through new fibers.
- Adoption of Robust Policy of Forest Supply that contemplates:
- Traceability, transparency, and sustainable supply.
- Non association of supply of products from threatened forests.

Ecoefficiency

We have an environmental management system that covers 100% of our operations, seeking to ensure compliance with environmental regulations, a clear definition of roles and responsibilities, and taking corrective actions to encourage continuous improvement, internal auditing and monitoring of indicators.

For 2023, we are developing a working plan to certify one of our Distribution Centers, based on NBR ISO 14001 requirements, and, for the others, implement outsourced audits.

Energy management

GRI 302-4 | 302-5 | TCFD EC31

Our main environmental impact from own operation is energy consumption. For this reason, we work to have increasingly more efficient stores, and we also ensure, since 2021, energy consumption from low impact renewable sources – solar, wind, and small hydros – with zero emissions of greenhouse gases.

For that, we buy energy from the free market, seeking

long term hires, only from low impact generators, and foster investment in this type of undertakings. We acquire renewable energy certificates I-REC (International – Renewable Energy Certificate) for 100% of electricity consumption of all consumer units of the Group in all countries (Lojas Renner, Camicado, Youcom, Ashua, Repassa, Uello, administrative headquarters, Distribution Centers, etc.) and count on three operating solar farms and a wind farm that supply part of our stores and the new distribution center in Cabreúva (SP).

Low impact renewable energies do not emit greenhouse gases in the generation process, present better cost-benefit, and generate economy. Compared to the conventional energy from the regulated market, energy hired in the free market provides average economy of 25%. Learn about total consumption, energy intensity, and expenses with energy on page 68.

We also strongly work on the rational use of energy, and energy efficiency, having implanted automation and remote management of assets, reaching 52% of Lojas Renner. Moreover, we started the process of automation in the other brands.

In 2022, we obtained the first LEED certification in reform of Shopping Riosul (RJ), the unprecedented BREEAM* certification in circularity at Jacarepagua (RJ) mall, and Cabreúva Distribution Center received LEED GOLD certification seal, and counts on automation of the buildings operational assets. We are working jointly to advance our learning of good practices of stores automation.**

Logistics

We keep on advancing in intelligence and efficiency of our assortment and distribution processes, which will probably bring gains in vehicle occupation and optimized routes, therefore, reducing the impact of fuel consumption in the transport of products.

In 2022, we also started a pilot of supply synergy across the ecosystem brands that obtained at least 8%, and included vehicle supplied with natural gas in the transfer between Santa Catarina and Rio de Janeiro DCs.

Altogether, we reached 20% reduction in fuel (diesel) consumption in the road modal, chiefly due to our initiative of efficiency gain in the vehicle occupation rate, and better supply routes.

* Building Research Establishment Environmental Assessment Method.

** Leadership in Energy and Environmental Design.

Water

Our 2030 commitment brings the goal of reducing water consumption in our operation and in the operation of strategic suppliers.

In 2022 we started a study for identification of risks and opportunities related to water resources, to find units located in areas with water scarcity, in order to prioritize efficiency actions.

Related to our operation, all new stores already provide autonomy and remote monitoring of water consumption and, throughout the year, we created a water automation project in the older stores, which are being automated, to quantify through a hydrometer the consumption of water in a systematic way and, thus, improve our control and measurement, supporting the advance in the promotion of efficiency.

For the stores and headquarters, which do not yet have

automation, we are improving the consumption measurement methodology to gain more precision. In the circular stores we also have automation, hydro-saving devices, faucets and low-flow toilets and measures to prevent and detect leaks.

In distribution centers we have a project to capture Rainwater and another Project for return of treated effluent, used in toilets for sanitary flush.

In our chain, which concentrates the greatest potential impact in water consumption and discharge of effluents, we count on the Responsible Network Program (learn more on page 85).

Chemicals

SASB CG-AA-250a.1 | CG-AA-250a.2

To achieve the commitment of eliminating potentially toxic chemicals in our chain by 2030, we have worked on the development of the whole supply chain in the past years:

2019

We included chemicals management requirements in audits to obtain compliance of 100% of National Resale Suppliers, and promoted actions of awareness, sensitization, and training for suppliers.

2020

We also included chemicals management requirements in audits to obtain compliance of 100% of International Resale Suppliers, and published a positive list of chemicals, raw materials, and inputs, based on an unprecedented mapping of these solutions in the Brazilian market.

2021

We offered our suppliers a booklet, based on REACH*, ABNT** and AFIRM*** regulations with guidelines for adequacy regarding toxic chemicals, and held trainings and technical visits to support them. We reached 100% of the national supply chain of Renner Jeans with mapping and inventory of chemicals, and 100% adequacy of the jeans chain in all groups of toxic chemicals.

2022

- We performed tests to be repeated annually, to prove the efficacy of the management, reaching 93.75% of jeans suppliers tested and without restricted substances identified, and 6.25% that were not tested, because they worked on only one production of the year outside the testing schedule.
- We mapped restricted substances to define the transition in all jeans suppliers and reached 100% of jeans pieces without restricted substances for fabrics, chemicals, thread, labels, and metal buttons.
- We initiated the innovation project with supplier for the development of zippers without nickel, with competitive price.
- We defined pilot project to be developed in 2023, to advance in the international suppliers' chain. The theme is also worked on the Responsible Network, which supports suppliers (learn more on page 85).

* Regulation for Registration, Assessment, Authorization, and Restriction of Chemicals ** Brazilian Association of Technical Standards

*** Acronym for Apparel & Footwear International Restricted Substance List Management Working Group.

2030 commitment goals

Advance in building a circular, regenerative and low-carbon business, encouraging and enabling our customers to make conscious choices.

Circularity and Regeneration

- To incorporate principles of circularity in the development of products, services and business models.
- To invest in the development of circular textile raw materials and regenerative, guaranteeing 100% of the main raw materials more sustainable.

Get to know below the different initiatives to advance in these commitments.



Circularity and Regeneration

Less impactful products

GRI 301-2 | SASB CG-AA-440a.3 | CG-AA-440a.4

We understand that the path to Responsible Fashion necessarily involves building an offer of less impactful products and services, a purpose materialized by the Re Responsible Fashion Seal (Renner) and YC Change (Youcom), which identify products with raw materials or processes with less environmental impact and greater generation of value in the chain.

To achieve the goals, we have worked on training and alignment of resale suppliers, supporting innovation and sector development, and engaging and raising awareness of our product teams, whose goals include the creation of less impactful products linked to their variable compensation in the year.

Discover next the main special collections of products with more sustainability attributes, and, on our website the list of less impactful raw materials and processes that make up the Re Seal <https://bit.ly/3KSVaAj>

In 2022, we achieved:

98.0%
OF COTTON PRODUCTS
with certified cotton

96.27%
OF PRODUCTS BASED ON
WOOD FIBER
(viscose, modal
and lyocell) with
responsible origin
and production (from
suppliers with more
than 20 buttons in
Canopy Hot Button
Report assessment),
and documental
traceability

81.5%
OF OUR RENNER
CLOTHING PIECES
with Re Seal, Responsible
Fashion Re Seal (over
100 million pieces)

21.0%
OF RENNER PRODUCTS'
LEATHER WITH Leather
Working Group (LWG)
certification



• Ashua: capsule collection made from fabrics, scraps and recycled bottles.

MATERIAL WITH GRAPE RESIDUE IN THE COMPOSITION:

We launched a collection of shoes with a new raw material, using residues of grape not used by the juice industry. After having been submitted to a pressing and processing process, the fruit seed is transformed in flour, which will be part of the material that results in shoes, reducing the need of use of virgin raw materials.

UPCYCLING COLLAB AGUSTINA COMAS:

Collection in partnership with Agustina Comas, reference in upcycling. The collection was developed from defective pieces and brands of used fabrics for tests, which were deconstructed and formed new pieces.

AGROECOLOGICAL COTTON:

Collection launched using as raw material the agroecological cotton from a project supported by Lojas Renner Institute in Minas Gerais and Ceará. This cotton is pesticide free and supports local farming and women empowerment.

ASHUA:

Launching of two collections with recycled raw materials, one focused on recycled jeans from cutting scraps of production, resulting in a new raw material, and the other from recycled flat fabric.

- **Jeans traceability collection:** partnership with Abrapa (Brazilian

Association of Cotton Producers), Renner and Youcom launched the first traceable women's jeans in Brazil, with blockchain technology, initiative that enables tracking of the whole journey of the piece, including the growing of national certified cotton. Learn more about traceability on page 83.

YOUCOM:

Pre-consumption Circular Jeans Collection: Youcom pieces produced with raw materials recycled from residues of production of other jeans pieces.

Color Collection: pieces produced with out of use fabrics, reusing raw materials, and avoiding new dyeing processes, reusing colors already existing in the pieces.

CAMICADO:

I wear the good Movement: collection that uses raw materials like non-pollutant paints, and 100% recycled fabric, from post-consumption plastic bottles and cotton shavings. The whole production process is fully sustainable, with zero waste. Twelve table and kitchen items were produced. The collection involved 60 women in prison situation, and 11 women from the prison system, in the city of São Paulo.

Brazilian Soul Collection: produced with EVA Verde, material from sugarcane, renewable, that contributes to reduce greenhouse gases by capturing CO₂. Manufactured in Muzambinho – MG, in partnership with designer Paula Ferber. Our collection comprised 18 decoration items like: carpets, puffs, centerpieces, baskets, and cushions. Learn more about Camicado compliance program on page. 79.



• Camicado Collection and I Wear the Good Movement



• Jeans For Change collector at Youcom stores.

Circularity in products

To advance in the circularity in product front, in 2022 multidisciplinary working groups were created turned to the mapping of our challenges and to think of solutions needed for us to achieve our 2030 commitments.

We mapped the need to create a front to act on the development of products, considering, since the beginning of conception, circularity premises, and the challenges of climate change goals, reducing the use of mix of materials, ensuring durability, using more sustainable raw materials and processes, and reducing leftovers throughout the production process.

We advanced in the mapping of recycled raw material availability in the market, assessing aspects linked to quality, cost, and scalability.

We made partnerships with the supplier chain and universities, and developed a pre-consumption recycled thread, produced from defibration of cutting leftovers. With that, this year we extended the pre-consumption recycled jeans project to Youcom and Ashua, launching collections made with this raw material in both brands (learn more on page 73). We also tested new raw materials from recycled mesh at Renner.

With regard to post-consumption, we advanced with Youcom Jeans For Change Project, launched in 2014, one year after Youcom was founded, which is the collection of jeans pieces that customers are no longer interested in wearing to a new destination. In 2020, we launched the first post-consumption circular trousers, made from the materials collected in the project. In 2021, we structured and expanded the Jeans for

Change Project and, in 2022, we placed collectors in all stores of the brand to collect pieces, for our customers to provide new destination to the jeans they no longer want, and generate lower environmental impact by using post-consumption recycled materials.

In 2022, 4,605 pieces were collected by the program, destined to the screening process removal of trims, spinning, and manufacture of new fabric to become new products.

At Renner, we also launched a collection with upcycling technique, based on the reuse of pieces out of use, and fabric samples, in unprecedented partnership with Uruguayan designer Agustina Comas, reference in this type of production (learn more on page 72).

Reverse Logistics

We offer our customer a reverse logistics service, EcoEstilo, in categories perfumery and outfits. Since 2011, perfumery and beauty packaging and bottles can be disposed in EcoEstilo perfumery collectors in the stores, even if they were not bought at Renner. The material collected receive environmentally correct destination, avoiding environment contamination.

In 2022, 40.5 tons were collected, amounting to 239 tons since the beginning of the program, with environmentally correct destination. We reached 28.3% of glasses and packaging collected recycled in 2022.

Since 2017, customers can also dispose of their clothes bought at Renner stores or not, in EcoEstilo clothing collectors.

In 2022, 11.5 tons of clothing were collected, amounting to approximately 22.4 tons since 2017, which were destined to recycling, through defibration, reuse by upcycling or donation.

Waste Reduction

Quality

We take special care with quality, adapting products according to the best international practices, and contributing to a more sustainable model that extends the life cycle of products.

We carry out quality inspections on products at different stages, in order to correct any problems and improve the quality of the products sold. About 120 thousand laboratory tests in the year that simulate the product use and washing to identify issues like shrinking, color migration, among others, and 120 audits in stores were carried out in 2022.

In the year, return of defective products against the total of pieces sold was 0.081%. We expanded in approximately 200% in the year laboratory quality tests in the development phase to assist brands in making decision, and deliver more quality products to our customers.

Most accurate assortment

Predictive analysis and assortment decision based on data and artificial intelligence (learn more on page 16) support Responsible Fashion: we are increasingly producing what the customer actually wants, reducing markdowns and stock outs, avoiding having to produce even more to achieve sales targets and, consequently, the consumption of natural resources and disposal of products' leftovers.

Shelf life expansion

In 2021, we acquired Repassa – digital native platform for resale of used clothes and accessories, focused on disseminating circular fashion.

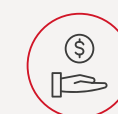
Global trend, this practices minimizes waste and pollution of the textile industry, since it encourages consumers to pass on used pieces in perfect conditions that can be used by other people.

With this habit, it is possible to restrain the damages caused to the planet, reducing accumulation of wastes in landfills, saving water and reducing CO₂ emissions to the atmosphere.

It is worth reminding that in the last year Repassa underwent a series of important milestones: record of sales in the Consumer Week, 200 thousand followers on Instagram and Verificado seal, creation of the Socio-environmental Responsibility Committee, implantation of ReNova platform on the website, the Search by Image tool, and also payment via PIX.

Thus, with this union, we could expand our operations in the fashion and lifestyle ecosystem and also started to offer a service that encourages not only conscious consumption, but increase in shelf life of pieces as well.

REPASSA'S VALUE GENERATION IN 2022



R\$ 159 k

DONATED TO PARTNER NGOS



137 k

DONATED CLOTHES



744 = 639 k

million
liters of water saved

PEOPLE
drinking water in a year



3.3 k = 139 k

tons
less CO₂

TREES
absorbing CO₂ in a year



17.7 = 18 k

million
Kw/H saved

FAMILLIES
consuming energy for a month

Operations

Stores

Since 2018, we seek to incorporate circular economy principles in the construction of new stores, renovations, and development of furniture to obtain advances in the optimization of consumption of materials, reduction in waste generation, and use of materials with higher recyclability potential.

In 2021, Renner was the first Brazilian retail brand to launch a store based on ecoefficiency and maximum reduction of environmental impacts. We opened the first circular store in the country, in Rio de Janeiro, which aligns circularity with digital transformation to create a unique experience to customers, with the best choice of resources to reduce environmental impact from conception to operation. During the design phase, a Life Cycle Assessment (LCA) study was carried out, which helped in the choice of materials and project decision-making that would reduce impacts to the environment throughout the store's life cycle. The Store adopted the premises of BREEAM (Building Research Establishment Environmental Assessment Methodology) certification and obtained LEED (Leadership in Energy and Environmental Design).

In 2022, we inaugurated other three circular stores, one in the state of São Paulo, and two in Rio de Janeiro.

Get to know all attributes of the circular store in the 2021 Annual Report, page 71: encr.pw/LREN-RA21

In 2022, we developed a new concept of Camicado store with circularity premises and inclusion of the marketplace, and obtained three stores inaugurated in the year.

Less impactful buildings

Since 2014, we also have a new model for building stores with a more simplified structure and lower consumption of materials and electricity, based on LEED certifications' premises.

In 2021 we advanced and expanded circularity concepts with BREEAM certification, used in the first circular store in Brazil, project approaches, and execution using these premises enabled expressive reductions like:



62% less

PLASTER PER M²,
amounting to 92.5 thousand
m² of plaster saved in the year.



69% less

SPACKLING PER M²,
adding up to 75.1 tons of
spackling saved in 2021.



91% fewer

RETURN DUCTS
of air conditioning per m²,
adding up to 90.4 tons of duct
saved in 2021.

The first Circular store received LEED certification for renovation, complementing the learning of more sustainable certifications to malls, new constructions, street stores, and renovations. The store in Jacarepaguá mall received BREEAM certification in circularity.

* Percents consider maximum possible reduction, but do not represent that these percents are effectively achieved in every work.

Operation waste

GRI 301-2 | 301-3 | 306-2

Solid waste management at Lojas Renner S.A. focuses on reducing the volume of waste generated and ensuring correct separation, handling, packaging and final disposal, avoiding contamination and encouraging their reinsertion into the production cycle through recycling, and it is 100% compliant with the National Solid Waste Policy.

In 2022, we assumed the public commitment of “Eliminating plastic packaging from physical stores and e-commerce that can’t be reused or recycled by our customers; and seeking solutions to reduce generation and promote circularity of main wastes of the operation and strategic suppliers”.

For such, we developed some actions in our operations, like the replacement of plastic packaging that can’t be recycled or reused by our customers in our physical sales and online channels, and also to turn our Distribution Centers into zero landfill, acting with focus on reduction, reuse, and recycling of wastes by 2030.

We achieve our recycling goal for 2022, which was 92%, reaching 92.71%, and for 2023, we kept the goal and established the goal to gradually seek to reach zero landfill in DCs.

Packaging

In 2022, we launched our 2030 commitment establishing the commitment to eliminate plastic packaging from physical stores and e-commerce that can’t be reused or recycled by our customers; and seek solutions to reduce generation and promote circularity of main wastes of the operation and strategic suppliers.

For that, working groups from all businesses make up the Responsible Packaging Project, turned to mapping and building proposals for packaging with less environmental impact. With the project, we prioritize actions of elimination of single use plastic, focused on the packaging to the end consumer, and formalized sustainability recommendations, having as initial premise the non generation of wastes, analyzing the options available in the market and assessing with details the consumption of materials in packaging.

Based on these studies, we identify whether the packaging presents its most efficient model, promoting the use of less impactful packaging to the environment and the society.

* Forest Stewardship Council, standard that ensures responsible forest management.

In our physical stores, we reached the end of 2022 with 96% of stores with bags where products are delivered to customers made exclusively from FSC* certification paper. The goal is to reach 100% in 2023, eliminating the use of plastic bag in stores.

Throughout 2022, we mapped and assessed new packaging suppliers that can meet the sustainability requirements defined by the responsible packaging squad, complying with the principle of non generation of waste and criteria of being biodegradable, recycled or recyclable.

We also launched a pilot project for the development of four new more sustainable packagings to e-commerce, considering both the primary packaging, which covers the product, and secondary packaging, which packs the order as a whole, with the following materials:

- 100% FSC certified paper
- post-consumption plastic from our own operation
- post-consumption plastic from selective collection
- biodegradable polymer

The pilot results were observed regarding productivity/operation, customer perception, costs, and environmental impacts, and they are under assessment by the board for final decision on the implementation in the new Distribution Center next year.

Another pilot project for replacement of protective plastic packaging (e-commerce), started in 2021, presented 17% in productivity gain, 9% reduction in cost. This pilot enabled gradual replacement of bubble wrap and air cushions from e-commerce packaging, as of the second half of 2022.

In the year-to-date, from the total of packaging used in our stores, Distribution Centers, and e-commerce, 92% are made from paper/cardboard, and 8% plastic. Paper/cardboard packaging, both in DCs and stores, are 88% FSC certified. Among the plastic packaging, 64% are recyclable.



CONNECTIONS THAT AMPLIFY

capitals



sdg



2030 commitment goals

Advance in building a circular, regenerative and low-carbon business, encouraging and enabling our customers to make conscious choices.

Value chain

- To certify the supplier chain through socio-environmental criteria and focus purchases on suppliers with high management and performance.
- To foster the adoption of living wages* by strategic suppliers.
- To achieve 100% traceability of cotton products and advance in the traceability of other textile raw materials.
- To monitor and promote the inclusion and socio-environmental development of sellers.

Learn more below about the initiative for advances in these fronts.

* Remuneration received by a worker in a given location, sufficient to provide a decent standard of living for the worker and his dependents.



Responsible purchasing

GRI 2-29 | 308-1 | 308-2 | SASB CG-AA-430b.3 | CG-AA-000.A

To ensure efficient, strategic, and aligned network of Suppliers we work based on a specialized segmentation per production chain, which helps us identify opportunities and needs of the business, in order to support Lojas Renner S.A. growth.

We have a close management of suppliers, with technical teams dedicated to monitoring and supporting our supply chain, divided into three groups: Administrative Suppliers, Management of Reseller Supply Network, and Resale Compliance Management (dedicated to reseller suppliers, and those that manufacture the products sold in all companies of the ecosystem.

Before contracting, 100% of the suppliers that serve Lojas Renner S.A. undergo homologation approval, which evaluates their mechanisms for promoting the integrity and compliance of their documentation, ensuring regularity and adherence to our requirements.

6,246
suppliers
in 2022

R\$ 7.5 billion
spent

ADMINISTRATIVE SUPPLIERS



5,492
suppliers



R\$ 3.4
billion



95% of expenses
% in Brazil

RESALE SUPPLIERS



754
suppliers

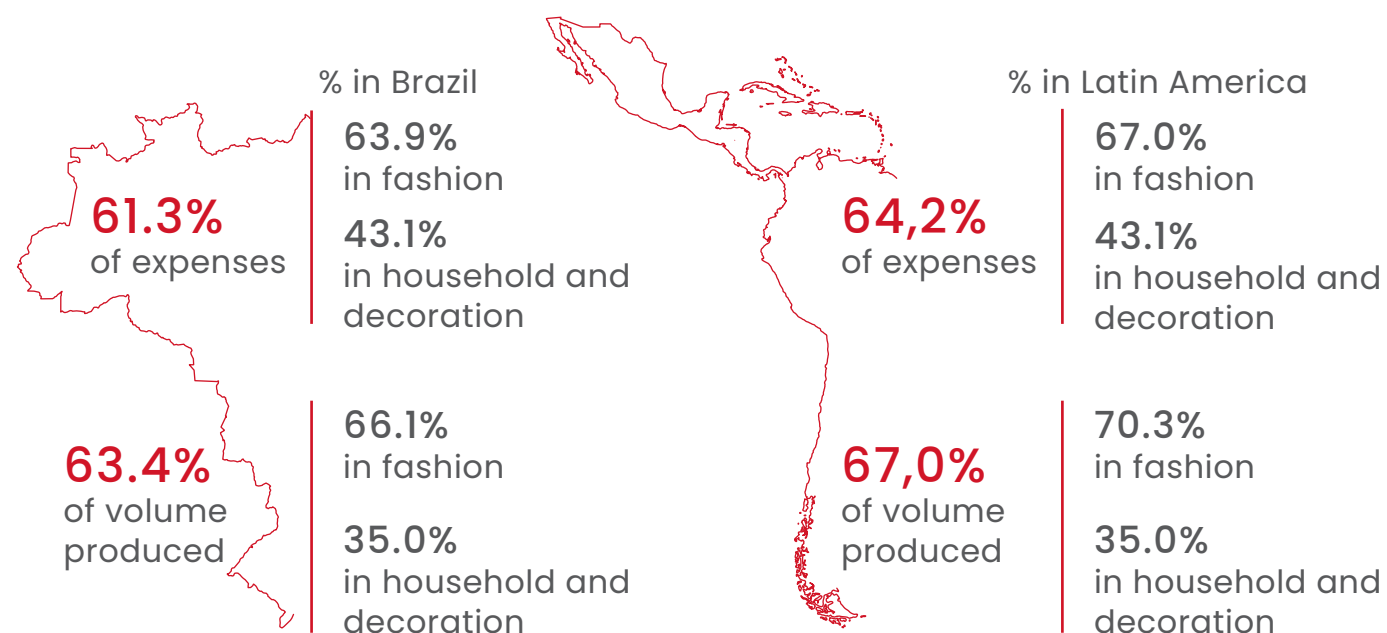


954
subcontractors



R\$ 4.1
billion

DISTRIBUTION OF THE RESALE SUPPLY CHAIN



The concentration of our chain of Resale Suppliers in Brazil leverages our qualification and development actions, the relationship with our suppliers, the development of their businesses and, as a consequence, the creation of value for their employees.

Discover our map of Resale Suppliers:
encr.pw/LREN-fornecedores-mapa

Monitoring

SASB CG-AA-430b.2

We have consistent monitoring processes for our suppliers, seeking alignment with Lojas Renner S.A.'s policies and values and ensuring risk mitigation from its entry into the Company's supply cycle, through its permanence as supplier, monitoring the socio-environmental performance and development of our network, in order to guarantee a truly responsible purchase for our final consumer. See the details of each team's strategy and progress throughout 2022.

FASHION RESALE SUPPLIERS

After the initial hiring process, national and international Resale Suppliers (tier 1* and tier2**) of Renner's own brands, Ashua and Youcom are monitored in our Compliance Program related to social and environmental responsibility.

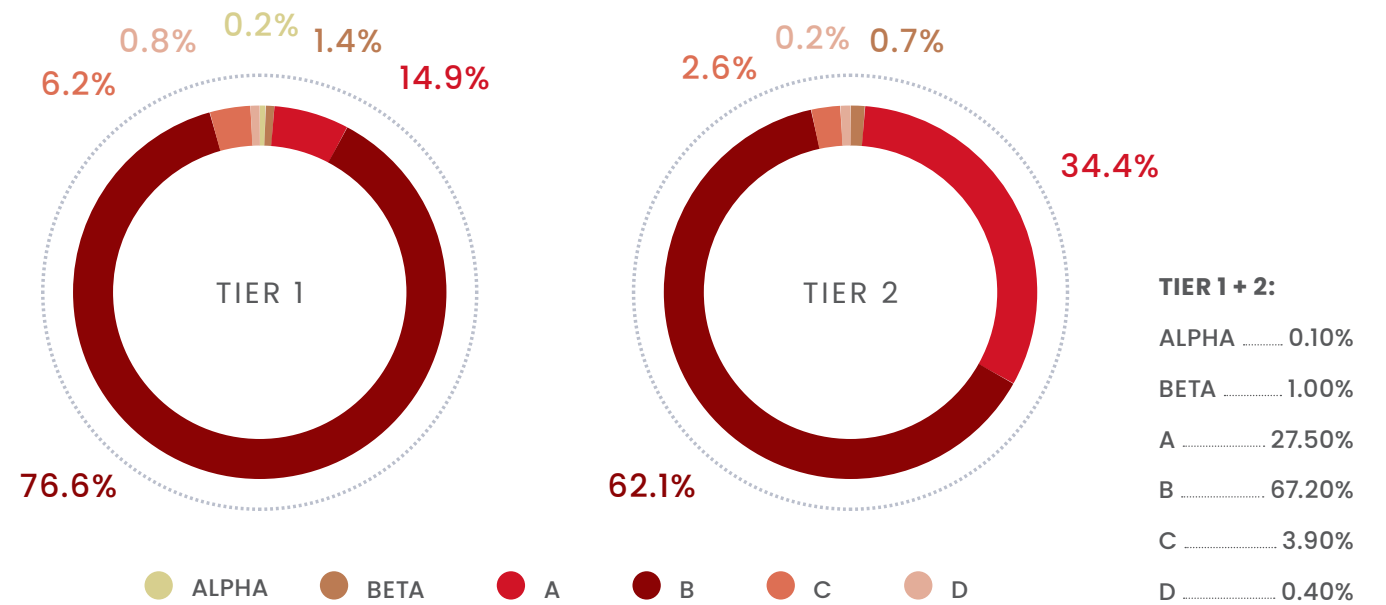
These suppliers are assessed in audits whose frequency is linked to the level of classification and compliance risk, with at least one audit every two years Health and Safety , Workers' Rights, Company Formalization and Environment—and classifies suppliers into six levels, according to their performance and socio-environmental commitments:

- α : suppliers protagonists in socio-environmental performance (learn more on page. 85)

- β : model protagonists in socio-environmental performance
- A: Suppliers with high socio-environmental compliance management
- B: Suppliers with medium socio-environmental compliance management
- C: Suppliers with low socio-environmental compliance management
- D: Suppliers with insufficient socio-environmental compliance management (learn more about consequences management on page 82).

Alpha and beta groups are new classifications that, as of 2022, gather and acknowledge companies with the best socio-environmental practices, potentiating their opportunities, expanding their relationship with the Company and fostering a responsible purchasing chain.

SUPPLIERS PER LEVEL



We have a specialized and dedicated management, responsible for managing the compliance of Resale Suppliers, with 20 professionals, including our own team located in Asia, ensuring proximity to our suppliers, and a third party company, that supports the performance of international audits.

We also carry out annual training on our principles and practices for the teams that develop the products and the purchasing teams that choose the suppliers, to reinforce the importance of taking into account the risk classification of suppliers.

* Tier 1: National direct suppliers and international factory units.

** Tier 2: Contractors from direct suppliers in Brazil and manufacturing sub-processes internationally.

Our compliance monitoring is validated by a third party and aligned with the best international practices:



- **ISO 19011:2018**
guidelines for auditing management systems.
- **ISO 20400:2017**
guidelines for sustainable procurement.



- **ABVTEX, SOCIAL & LABOR CONVERGENCE (SLCP) AND SAC (SUSTAINABLE APPAREL COALITION)**

programs of which we are signatory, make up our Supply Chain Monitoring Program and are the base to our audit protocol.

In the last year, 0.8% of tier 1 suppliers were considered to have low or insufficient sustainability management. Altogether, in 2022, we audited 99.3% of all resale suppliers (tier 1), and 99.6% of their total contractors (tier 2), among which, 0.8% of suppliers and 0.2% of subcontractors classified as C and D.

Since 2021, we count on 100% of Renner resale global chain with some of these socio-environmental certifications, ensuring the adoption of broadly legitimate best practices.

In addition to audits, we monitor the performance of Renner's Resale Suppliers in the knitted, plain fabric, denim/ twill, lingerie, beach line, footwear, costume

jewelry and accessories chains, through a monthly assessment, based on the Global Supplier Performance Index (GSPI).

The GSPI evaluates active suppliers with deliveries in the pillars of quality, logistics, commercial and sustainability, identifying those with the most critical results, who receive warnings and must present action plans. The GSPI is also one of the aspects that influence our supply matrix, along with aspects of financial health and compliance, in addition to the performance of suppliers.

Based on 2016, when the GSPI was reformulated to the current assessment indices, suppliers have already shown an evolution of 14.7 percentage points by 2022.

HOME AND DECORATION SUPPLIERS

At Camicado, we started, in 2021, the first diagnostic phase for the implementation of the Supplier Compliance Program. We conducted internal and external engagement through a webinar with suppliers, and we started the chain mapping and monitoring through the

socio-environmental assessment (national and international), carried out both by Renner's internal team, and external partners.

In 2022, we kept on advancing with national and international assessments, exceeding the goal of assessing 90% of Camicado global supply chain, including Brazilian handmade products that are normally constituted as Associations and Cooperatives.

With that, we could classify the universe of suppliers according to the level of socio-environmental risk they present, in addition to planning a joint strategy to leverage those that need to achieve the Company's compliance standar.

So, the socio-environmental assessment stage started to be part of the approval process for new Camicado suppliers, and the periodic reassessment process for suppliers already partners of the Company.

After this initial phase of knowledge of the chain and risk monitoring, we will keep on advancing in parameters for definition of risk categories, with support from technology and data, in order to build home and decoration suppliers' risk matrix.

Consequence management

SASB CG-AA-430b.2

In all cases in which we identify non-compliance, we ask the company to implement an action plan, with two months to one year for resolution and face-to-face monitoring, depending on the criticality of the plan. In 2022, we increased the action plan resolution period for companies that have a B rating or higher, as these companies do not have critical non-conformities.

If the plan is not complied with, companies are blocked/suspended, do not receive new orders and are subject to disqualification from the supply chain of Lojas Renner S.A. Consequence management is not yet put into practice at Camicado, but is expected for 2023.

We count on a multidisciplinary Supply Committee that decides on sensitive cases related to the permanence of suppliers in our supply chain or that do not comply with the procedures and methodologies of the Compliance Program.

Among the items evaluated in audits, some are classified as “zero tolerance”: they immediately block the supplier in our chain and can lead to the end of the business relationship.

- **Learn in detail about the items evaluated in the Audit Checklist**, available on our supplier portal: lnq.com/LREN-checklist

The main non-compliance in the year was the denied access to auditors in tier 2 suppliers. As corrective measure, we carried out online training throughout the year, reinforcing our consequences management procedure, and encouraged our tier 1 suppliers to visit their subcontractors

and review the checklist and audit process.

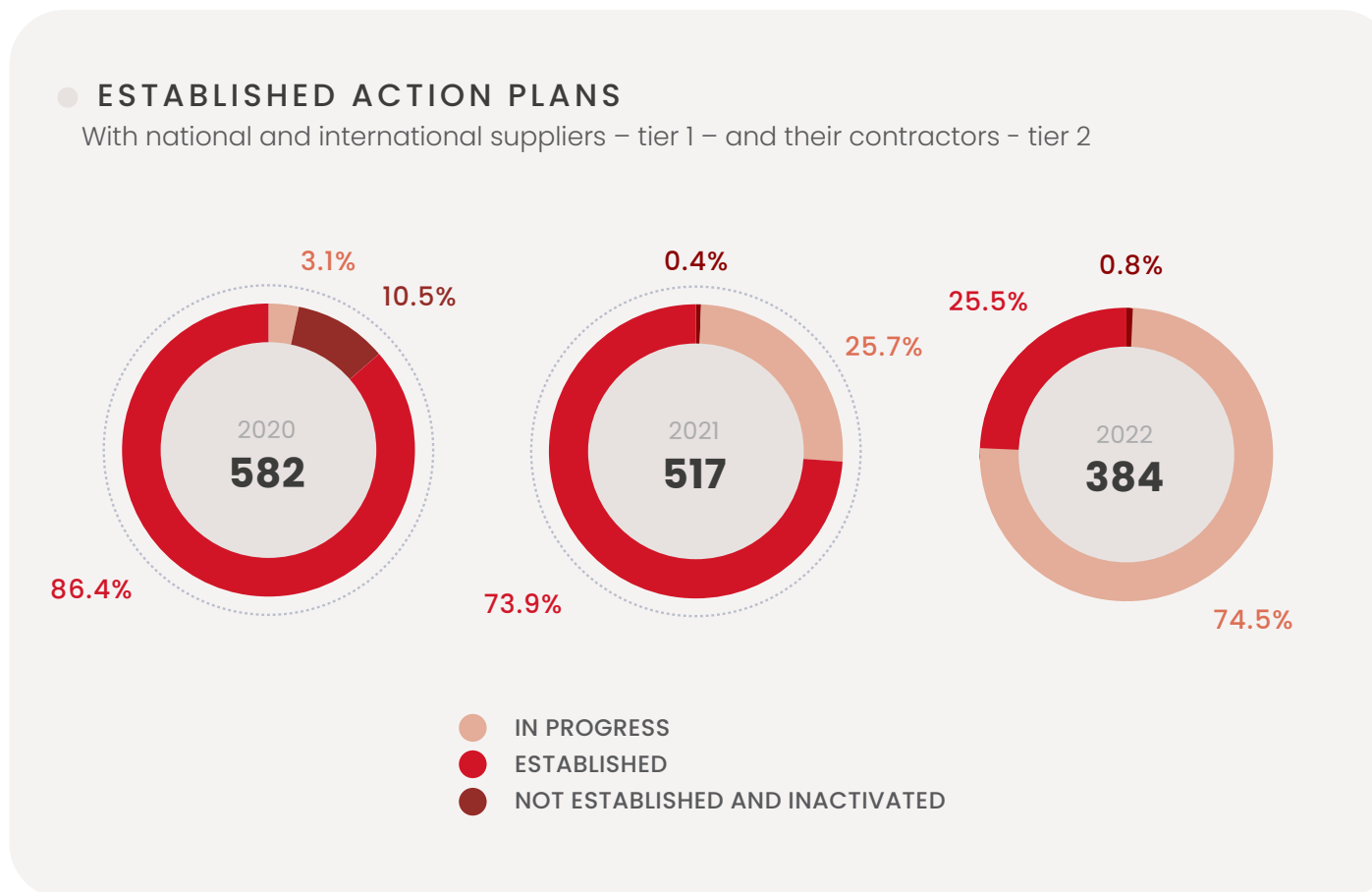
In 2022, via international audits, we identified one case of zero tolerance, which occurred in a company that was not authorized to produce in the home and decoration supplier chain. We demanded immediate regularization and discontinued the partnership with the companies involved.

Technology and accuracy

We use technology as base for our processes and decision, bringing to the compliance program efficacy and risk reduction in the chain. From 2018 to 2021, as data intelligence support, we could obtain more information in automated way, increasing assertiveness in on-site audits, and promoting the socio-environmental management and performance in our chain. We also reduced the average cost per audit, and doubled the process efficiency without affecting our risk management.

In 2022, we expanded our sustainability data team. The cell works to improve internal and external data structure and use, counting on data engineers, analysts, experts in a joint work, directly with several persons from the sustainability area, which improves information on products, suppliers, processes, and indicators of productivity, risk identification and environmental and social indicators.

With this dedicated team we could generate an algorithm based on machine learning, updated according to our audits to adapt to small nuances that occur over the year in the chain suppliers



and subcontractors behavior. We also incorporated to the data base new sources that contribute to the algorithms, making possible the construction of dashboards to monitor goals, risks, among other indicators.

Another relevant improvement was the incorporation of product data to the supply chain information, thus improving assertiveness of impacts, directing action focus, and assisting decision making related to products and processes.

All these new sources of data and algorithms are used to define suppliers' risk matrix. Based on the results obtained from these analyses, we direct audits to concentrate efforts in regions, types and sizes of the company, operation processes and volume that may present risk trend.

We also make equivalences of our matrix with other types of socio-environmental certifications (SLCP, HIGG, ABVTEX, among others), seeking to ensure that they will all meet basic aspects of compliance, and an efficient process for risk identification and audit, and, also, that we can direct

efforts to improve the chain via suppliers qualification projects, (see more on page 85). In 2022 we also promoted automation of these equivalences, 'where all suppliers assessed by ABVTEX will also be verified with our checklist, thus covering important pendencies for the management.

With the base construction work consolidated in 2022, over the next years we will work on the crossing of all information of suppliers to get to know better the suppliers and have compliance management and qualification processes according to each specificity.

Digital traceability

Another technology-based project is the digital traceability. Through the blockchain, information about the path taken by our pieces are collected directly at the production control of our direct suppliers. With that, we will have more control of where our products are manufactured, ensuring increasingly more responsible purchases, and assisting in directing our efforts for risk

identification. Since we will know exactly how much production is going to each company, we can have control of capacities x occupation, and so prevent possible non-compliances, and act preventively with the chain.

Throughout 2022, we continued to advance in the use of blockchain technology in the supply chain, seeking traceability from the conception of the raw material to the final product. We keep on participating in the SouABR Program—Responsible Brazilian Cotton, in partnership with the Brazilian Association of Cotton Producers (Abrapa) and other brands. The Program is the first large-scale traceability initiative in the national textile chain, and allows the tracing of the cotton used in the garments back to their property of origin, ensuring, through the Responsible Brazilian Cotton certification, the adoption of good socio-environmental practices throughout the chain, to the finished product.

Over the year, we also connected more than 10% of our national direct clothing suppliers, from different chains, leading to traceability extension to other raw materials, and started a project for leather and

recycled polyester, involving international suppliers as well. For 2023, we will expand these projects and also the traceability of raw materials from our suppliers until reaching all direct suppliers, thus contributing to the achievement of our commitments, in addition to bringing several benefits to the management of the supplier chain.

In 2022, we launched the first traced jeans trousers in the country, in joint efforts of Renner and Youcom, with partnership with ABRAPA and our suppliers. In May we launched over five thousand pieces of jeans trousers with the tag in which it is possible to verify all stages the trousers underwent, from cultivation to the customer's hands. Moreover, in December, we launched another collection with traced pieces, with six models of jeans trousers and two jacket models, totaling over five thousand pieces.

ADMINISTRATIVE SUPPLIERS

For service rendering suppliers in our Administrative Headquarters, in addition to documental assessment, we assess bond and fitness for the job of outsourced employees in our premises. In 2022, 209 companies, and 1,182 professionals were assessed before starting their service rendering.

We also conducted 70 socio-environmental audits in some administrative suppliers in the year to verify the chain regularity and adherence to ESG themes.

Administrative suppliers in the civil construction, logistics and maintenance sectors, identified as critical, which amounted to 212 companies in 2022, also undergo a more in-depth monitoring process, where a specialized consultancy evaluates their documentation, in relation to practices and commitments with Occupational Safety, Environment and Social Responsibility.



OCCUPATIONAL SAFETY



ENVIRONMENT



SOCIAL RESPONSIBILITY

(child, forced, or slave-like work, irregular foreign work, association freedom, discrimination, abuse and harassment, remuneration, hours worked, and benefits).

For civil construction suppliers and their subcontractors, we make technical visits at construction sites and lodges, assessing construction companies, managers, and their suppliers. The audits occur without previous notice and are guided by a checklist, including interviews with workers in order to capture the perception of the work routine. In all, in 2022, 45 works and 11 lodges were audited, which represents 92% of the total works carried out, and 86% compliance in works audited, and 91% compliance in lodges.

In 2022, we kept GSPI (Global Supplier Performance Index methodology for civil construction suppliers (designers, managers and builders) and expanded the program for commercial furniture suppliers, import logistics, (freight forwarders, carriers, and ports), Cleaning and IT (factory and support with allocation of professionals). We had 52 suppliers assessed and classified with scores according to their performance in three pillars: business area, compliance and commercial.



• Circular store in the Park Jacarepaguá mall, in Rio de Janeiro.

Qualification

We work to have our chain achieving high performance levels in our matrix (page 80), that is, to go beyond mandatory compliance items in our audit process and meet the requirements advanced, which identify differentiated good socio-environmental practices. We count on several programs that support suppliers' qualification and assist in the continuous evolution of their performance, as follows.

PROGRAMA
Rede Responsável

TCFD ECC31

The Responsible Network Program is Lojas Renner S.A. suppliers' corporate qualification initiative, created in 2022, from the expansion of the Cleaner Production 4.0 Program, conducted since 2017 with Resale Suppliers. The program was initially focused on the improvement of suppliers' performance in waste reduction and, over the years, was expanded to create environmental solutions for the themes: Chemicals, Textile waste, Effluents, Water, Atmospheric emissions, and Energy. With the program advances and reach, we redefined its strategy and launched

Responsible Network, extending the qualification view to Governance and Social themes as well. The Responsible Network proposal is to bring applied knowledge to ESG concepts to the supply chain.

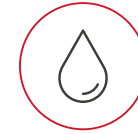
Participates in the program relevant suppliers of all Renner and Youcom resale chains, which represent 75% of the national purchase volume, seeking to encourage ecoefficiency in their production processes, and permanently instruct and instrumentalizes Lojas Renner S.A. supply chain, to execute ESG actions that reflect the performance of their productions.

Learn below the main advances of the program:

- **SOCIAL AND GOVERNANCE**

In these new pillars of the Responsible Network, over 2022, we built the generation of introductory contents on Renner University platform for Suppliers. Over 30 hours were made available, where we addressed the following themes: ethics and transparency, subcontractor management, labor relations, health and safety, relations with the community, diversity and inclusion.

- **ENVIRONMENTAL**



- **WATER AND EFFLUENTS:**

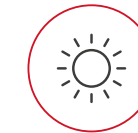
After developing own and certified methodology to measure consumption and promote the installation of hydrometers for consumption control of Resale Suppliers in 2021, we obtained 100% of certified jeans chain suppliers to report consumption data of each piece, and, from the total of jeans products delivered in 2022 to Lojas Renner S.A, 52% are classified as low water consumption in making and finish phases.

All suppliers that generate effluents have their effluent management compliance assessed through audits (learn more on page 80). In 2022, 100% of direct suppliers (tier 1) and their contractors (tier 2) were compliant with regard to effluents. Additionally, 38% of the suppliers work with water recirculation practices in their manufacturing processes.



- **CHEMICALS:**

SENAI trainings in storage of chemicals and restricted substances, totaling 8 hours of training and tests in the jeans chain pieces (learn more about our roadmap for elimination of potentially toxic chemicals on page 69).



- **ENERGY:**

We have worked with suppliers to raise awareness on actions to create an Energy Efficiency Program, and we have already reached 23% of participants in the Responsible Network supplied with low-impact renewable energy. In 2022, we conducted a workshop on Cost Reduction through Clean Energy, which counted on the presence of two specialized companies with practices of Distributed Energy, and Free Contracting Environment, and selling of I-RECs Certificates.



TEXTILE WASTE:

38% of the program participants send all their textile waste to recycling, increasing the product's life cycle.



GHG EMISSIONS:

Through the Environmental Management System, suppliers can make their inventory of GHG emissions according to the Brazilian Program GHG Protocol. In 2022, 20% of participants in the Responsible Network made their inventories, contemplating scope 1 and 2. Moreover, 6% have goal of reducing GHG.

Some suppliers also participate in the neutral factory initiative, where, in addition to making inventory, they offset their emissions through projects validated by the Commitment with the Climate. In 2022, 4.7% of the volume of products received were manufactured in neutral factories.



ENVIRONMENTAL MANAGEMENT SYSTEM:

We expanded the implementation of the Environmental Data System (SDA), developed with our own technology, to all Renner, Ashua, and Youcom suppliers, which enabled us to better manage environmental indicators in the chain and assess with greater accuracy the intensity of environmental impacts of our products. 53% of suppliers adhered to the system in 2022.

In 2022, we held the first Renner Good Practices Fair to connect our value chain and share practical environmental solutions already available in the market, fostering positive environmental impact businesses. The event gathered in the innovation hub of Instituto Caldeira, in Porto Alegre (RS), 20 solution exhibitors, three startups, nine panels, and six lectures, with over 180 visitors including suppliers, weavings, subcontractors, employees and external audiences.



• Company representatives at the first edition of the Fair.

Other supporting programs



UNIVERSIDADE
RENNER

FORNECEDORES

RENNER UNIVERSITY (RU) FOR SUPPLIERS

In 2019, we started to make available to our suppliers, as pilot, access to RU, extending to partners relevant contents for learning and development of strategic themes to the business and chain.

We have expanded the access, and, in 2022, we reached a total of 266 companies enrolled at RU, improving and deepening the supplier experience in themes that are not clear to them or must understand as fundamental part of their permanence in the Company's chain.

COMPLIANCE ACCELERATION PROGRAM

In 2021, we launched the CAP, in which we offer consultancy services to Renner's reseller suppliers identified in the audit process as needing to improve their performance in compliance management.

With diagnostic steps and action plans, built with the supplier and our experts, we accelerate the advancement of supplier practices to ensure their compliance and devise the advance to the high performance zone. In the diagnosis we assess six categories – Organizational Structure, Subcontractors' Management, Document Management, Development of Subcontractors, and Techsocial System Management – and prepare systemic actions to effectively manage risks, involving the top management of companies to ensure commitment with sustainability culture.

We have worked, since 2021, with 33 companies advised by our compliance experts, and obtained initial 45.1% average of diagnoses of compliance acceleration. After six months of follow-up the compliance acceleration average rose to 83.1%, above the established goal of 80%.

ENCADRAMENTO PRODUTIVO

in partnership with Sebrae (Brazilian Service to Support Micro and Small Companies), since 2017, we have promoted the development of companies hired by Renner's resale suppliers in four phases: awareness, diagnosis, training and consultancy. In cycle 3, conducted from 2021 to 2022, 18 anchors and over 100 companies participated in the program in Santa Catarina, Rio Grande do Sul, São Paulo and Paraná. Since 2017, we have already trained over 300 micro- and small companies.

DEVELOPMENT OF SUPPLIERS

In 2022, our team of experts in Supply Chain Management expanded its scope of work and the old Continuous Improvement Program (PMC), held since 2013, started to consider new Latin American markets as well, in addition to the national supply network, and also looked at improvements in industrial development. By monitoring suppliers' performance and risk, we work focused on the optimization of results, enabling sustainable business relations.



RENNER EXCELLENCE PROGRAM (REP)

It seeks to promote and encourage development and innovation in Renner's reseller supply chain, recognizing companies that stand out in Quality, Sustainability, Efficiency, Cooperation and Innovation at the Suppliers Convention. In 2022, more than 200 companies participated in the program, and nine of them will be recognized per category and the highlight of the year at the Convention, to be held in 2023.



Another relevant front of value generation in the chain is the financial support to suppliers since 2016, intermediating financing operations with the National Bank for Economic and Social Development (BNDES).

Fair living wage

The promotion of fair wage in the fashion chain is a global challenge that has been potentiated by the high world inflation, and an increasingly globalized chain, with cost of living varying in the different regions, and distinct labor legislations. In this scenario, we guide the living wage management in our chain in good global practices that propose paths for evolution, like the Platform Living Wage Financials and ratings and indices of the capital market that address the theme in their assessment processes, like Dow Jones Sustainability Index, FTSE and MSCI.

Our process of monitoring compliance of suppliers continuously assess the respect to labor legislation, compliance with legal requirements, or collective bargaining involving salaries and overtime, freedom of association, and monitoring of fair wage in 100% of our Resale Suppliers chain. Identification of non-compliances by audits generates execution of action plans for correction (learn more on page 80), and reports received in our independent whistleblowing channel are verified, and generate remediation action (learn more on page 56)

Over the past years, we have continuously advanced, seeking to identify gaps between values paid, both in operation and in the suppliers' chain, and address actions to support the advance:

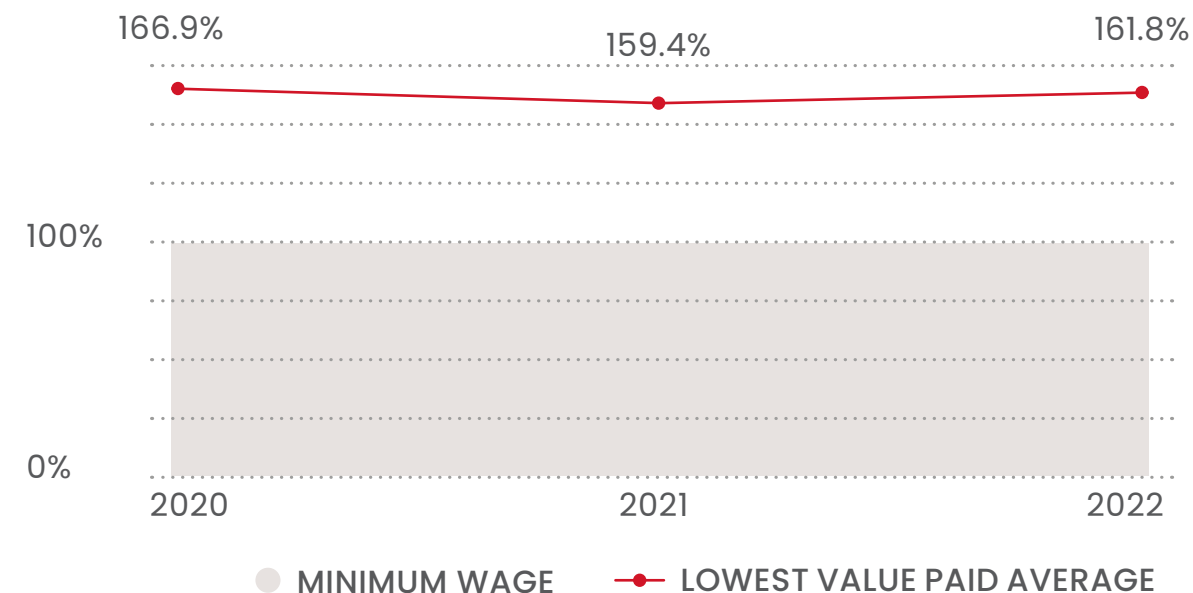
- 2019**
 first analysis to identify the gap between the lower wage paid in the Resale Suppliers chain in Brazil – which represents 63.4% of the volume produced in the Company's Resale Suppliers chain – and the fair wage in the country as indicated by the Interunion Department of Statistics and Socioeconomic Studies (DIEESE) methodology.
- 2020**
 Inclusion of monitoring of values paid in the Resale Suppliers chain during compliance audits, process accredited by independent third party.

- 2021**
 we achieved fair living wage monitoring in 100% of Renner's national Resale Supplier chain.
 - 2022**
 Inclusion of two commitments with fair wage promotion in our 2030 sustainability strategic plan (learn more on page 88):
 - Ensure living wage* to employees
 - Foster the adoption of living wage* by strategic suppliers
- While observing the evolution of values paid to the supply chain employees, one can notice the alignment of our strategy of

responsible purchases and incentive to local suppliers (learn more on page 79). While concentrating our volume in national production, we can ensure positive impacts. We started the assessment between living wage and remuneration paid to employees in our Resale Supplier chain (tier 1 and 2) across Brazil, the country where we have the largest chain (63.4% of the volume produced), and will advance in the others.

In all other countries where we have supplier chain, our requirement is payment of at least minimum wage, and we are advancing in the assessment of living wages in countries with higher concentration of suppliers.

● AVERAGE OF THE LOWEST VALUE PAID IN SUPPLIERS CHAIN IN BRAZIL X LOCAL MINIMUM WAGE



* Remuneration received by a worker in a given location, enough to provide decent life standard to the worker and his/her dependents.

To debate and drive the main advance fronts in the two strategic commitments assumed, we count on an interdisciplinary working group with Remuneration and Benefits, Occupational Health and Safety, Labor Relation, Supplier Network Management, and Sustainability teams.

Throughout 2022, the group advanced in the discussion of living wage and responsible purchase methodology and monitoring, generating more internal knowledge of all topics involving the theme.

Our due diligence process in human rights, in its second cycle over 2022, also started to monitor risks involved in the theme, improving identification of gaps.

Moreover, in 2022, we adhered to the Global Compact's Living Wage Movement, first Brazilian group of intersectorial work to discuss the theme, considering characteristics related to remuneration and themes associated to well-being of employees in Brazil.

Participating in the Movement promotes the deepening of our understanding about living wage components and inclusion of many points of view from different stakeholders to advance and review our calculation methodology with support by specialized consultancy, in line with best practices. Learn more on the Movement at: enr.pw/LREN-SDPG

To support the achievement of necessary conditions to pay living wages in our supply chain, we also keep on advancing in our practices of responsible procurement, fundamental to support the sustainability of our supplier network and value generation to their audiences.

So, we have guidelines for relationship with suppliers related to clarity in negotiations, partnership relation with suppliers, respect to production terms, considering each supplier production capacity, formally established and met payment terms, supporting their financial predictability and generation of appropriate conditions for payment of living wages.

In the suppliers' satisfaction survey of 2022, 88.2% of respondents agree totally or partially that negotiations with the commercial area are conducted with fairness and transparency.

Learn in details our commitment with promoting [fair and safe work](#).

Responsible Marketplace

Before contracting, 100% of Renner and Camicado Marketplaces undergo approval process that assesses their mechanisms for promoting the integrity and compliance of their documentation, ensuring regularity and adherence to our requirements. In 2022, 860 Sellers were assessed, 332 for Renner marketplace, and 528 for Camicado.

We also implemented a socio-environmental risk self-assessment that generates a diagnosis of the partners' socio-environmental maturity level – low, medium, or high – based on certifications, manufacturing location, production chain, among others. Throughout 2022, 867 Sellers underwent this risk classification, totaling 100% of Renner partners, and 85% of Camicado partners. In the second half of the year, this process was automated, ensuring that 100% of new partners already have

their classification in the initial Onboarding process. Aiming at the development of our partners in the Marketplace, we carried out in the second half of the year an engagement webinar, and started to make available to these partners access to Renner University (RU), extending to the seller contents from our learning platform, connecting curatorship of excellence and opportunities of development, with relevant contents for the business, and sustainability promotion. We have 100 sellers enrolled in RU, improving and deepening their experience.

In 2022 we also started a partnership with Instituto Lojas Renner, connecting the Fashion Businesswomen project (learn more on page 60) to Renner Marketplace, to support, develop, and drive micro- and small companies.



RESULTS

In face of a still challenging scenario to retail and the economy, we achieved consistent growth in our economic-financial results, and keep on generating value in the capitals that support the business.

capitals



sdg



Value generated

GRI 201-1

Capitals used

HUMAN

- 26.121 employees

INTELLECTUAL

- Solid culture in line with a purpose: enchanting all is our accomplishment.
- Responsible Fashion strategy

MANUFACTURED

- 672 stores
- 3 Distribution Centers (DCs)
- Presence in six countries: Brazil, Uruguay, Argentina, Bangladesh, China and Vietnam.
- E-commerce

SOCIAL AND RELATIONSHIP

- 754 suppliers and 954 subcontractors that manufacture the products we resell
- 5,492 suppliers of other products and services
- Health institutions, communities, and projects supported by Instituto Lojas Renner
- RX Ventures, with capital of R\$ 155 MM, for investment in startups



FINANCIAL

- R\$ 17.8 billion in gross revenue
- 991,227 shares with market value of R\$ 20 billion
- R\$ 1,0 billion in investments (CAPEX)

NATURAL

- 696.2 k GJ of energy consumed (0.56 GJ/m² of sale area),
- 100% from renewable sources
- 420,1 thousand m³ of water consumed in the operation
- 24.5 tons of cotton, 14.6 t. of polyester, 4.0 t. of viscose, 7.8 t. de polyamide

Value generated

HUMAN

- R\$ 1.7 billion in pays and benefits
- 89% engagement
- R\$ 13.6 million distributed to employees with the Profit Sharing Program (PSP)

INTELLECTUAL

- Omnichannel experience and multiple sales and service channels
- 81.5% of clothing products sold at Renner carry the Re Responsible Fashion Seal (sustainability attributes)
- +7 p.p. of market share
- Levels of markdowns at the lowest levels of recent years

MANUFACTURED

- 40 new stores
- 3 innovative circular stores
- Cabreúva (SP) DC omnichannel, automated, and with LEED certification
- 48% of deliveries in up to two days in Brazil, and 75% in São Paulo and Rio de Janeiro

SOCIAL AND RELATIONSHIP

- R\$ 6.4 million invested by Instituto Lojas Renner benefited over 15 thousand people directly, 93.6% satisfied and very satisfied customers
- 18.7 million customers active in the ecosystem
- R\$ 6.1 billion in businesses hired with suppliers
- 14.7 percentage points of improvement in the Global Suppliers Performance Index (GSPI) since 2016
- R\$ 3.0 billion in taxes and fees to be reverted by governments for the country development

FINANCIAL

- R\$ 648.3 million in interest on equity distributed to shareholders (50% of payout)
- 12.8% ROIC (+6,p.p.) profitability improvement and advances in capital structure
- +2.354.0% valuation of shares accumulated since 2005
- 3 p.p. reduction in online sales shipping expenses
- +21% in net retail income

NATURAL

- 100% low impact renewable energy consumption since 2021
- 100% tier 1 Resale Suppliers with GHG emissions inventory
- 12.8% improvement in energy intensity
- 98.0% cotton products, and 94.0% viscose products with certification

Operation results

See below the panels of key operational and financial performance indicators. To learn more about our results, access the Administration Report: encr.pw/LREN-radm22

In 2022, we won the ANEFAC Transparency Trophy (National Association of Finance, Administration and Accounting Executives), as featured in the Revenue category Net from BRL 5 billion to BRL 20 billion.

¹ Retail Operation includes revenue of goods sale, as well as revenues of services (commissions and costs of marketplaces and Repassa)

² Operating expenses (SG&A) do not consider expenses with Depreciation and Amortization.

³ Adjusted Total EBITDA (post IFRS 16), without depreciation expense and financial expense of leases

R\$ (MM)	2022	2021	Var,
Net Revenue from Merchandise Sales ¹	11,575.8	9,555.4	21.1%
Same Store Sales	18.5%	40.1%	-
Digital Sales (GMV)	2,046.4	1,644.4	24.5%
Digital Sales Penetration	13.5%	13.1%	0.4p,p
Gross Profit from Retail Operation	6,399.5	5,178.8	23.6%
Gross Margin of Retail Operation	55.3%	54.2%	1.1p,p
Operating Expenses (SG&A) ² (Post IFRS 16)	-4,125.3	-3,529.8	16.9%
% SG&A without Net Revenue from Sales	35.6	36.9%	-1.3p,p
Adjusted Retail Operation EBITDA (Post IFRS 16) ³	2,381.5	1,474.5	61.5%
Adjusted Retail Operation EBITDA Margin (Post IFRS 16) ³	20.6%	15.4%	5.2p,p
Financial Services Result	81.5	247.6	-67.1%
Adjusted Total EBITDA (Post IFRS 16) ³	2,463.0	1,722.1	43.0%
Adjusted Total EBITDA Margin (Post IFRS 16) ³	21.3%	18.0%	3.3p,p
Net profit	1,291.7	633.1	104.0%
Net margin	11.2%	6.6%	4.6p,p
Earnings per share	1.3	0.64	103.5%
ROICLTM	12.8%	6.7%	6.1p,p

Results

Net revenue

We achieved, in 2022, 21.1% growth in Retail Operations Net Revenue against 2021, and 36.6% against 2019, and 18.5% in Same Store Sales. This performance was superior to the Clothing PMC (IBGE Monthly Trade Survey) in 7 p.p., demonstrating continuous increase in market share in the period.

Digital GMV

With regard to digital channels, we recorded important results, with 24.5% growth in digital GMV, amounting to R\$ 2,046.4 million, and 13.5% share. The new channels – Alameda Renner marketplace, Favoritos Renner, B2B and WhatsApp –, represented 23% of Digital GMV in 2022.

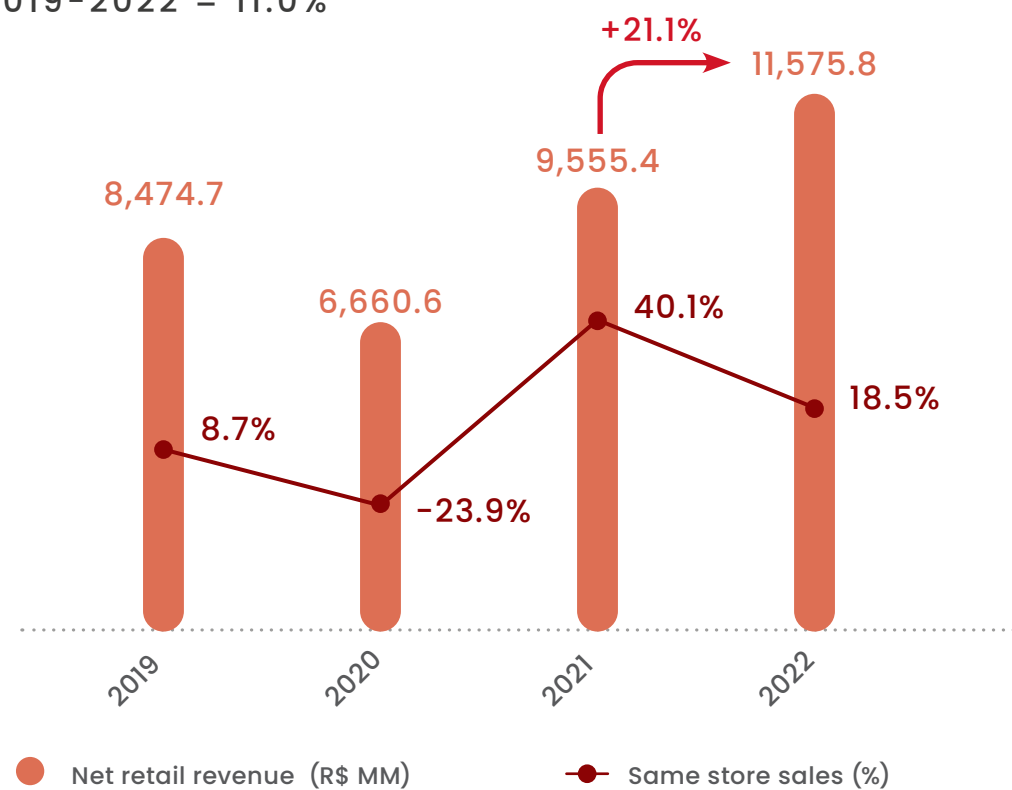
Gross profit

Over the year, the Company presented margin recovery path, achieving levels close to those of 2019 and exceeding 2021 levels. The good acceptance of collections, efficiency in trade management, use of Data Analytics and AI tools in supply processes, and integration of stocks between on and off platforms contributed to this performance, generating better turnover of stocks.

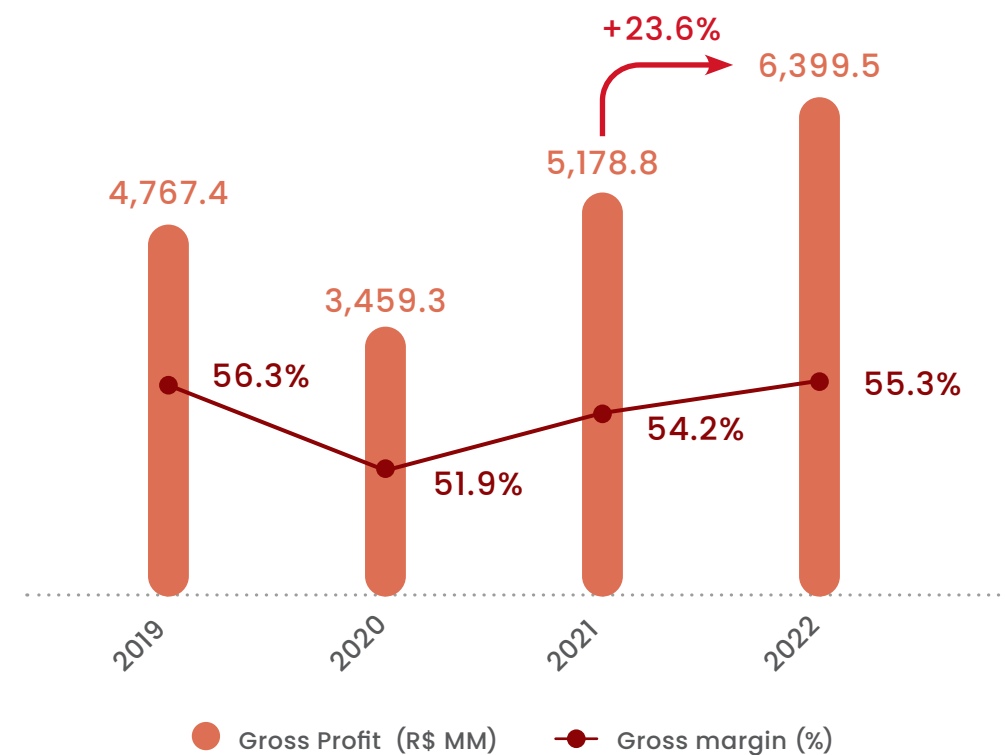
Operating expenses

The participation of Operating Expenses on the Net Retail Revenue recorded reduction against the previous year, mainly due to gains in scale and efficiency in operations, even in a still challenging inflation scenario. On the digital, we highlight the reduction in expenses with shipping, which recorded 19% fall against 2021, and customer acquisition cost, with lower representativeness on the income generated in this channel.

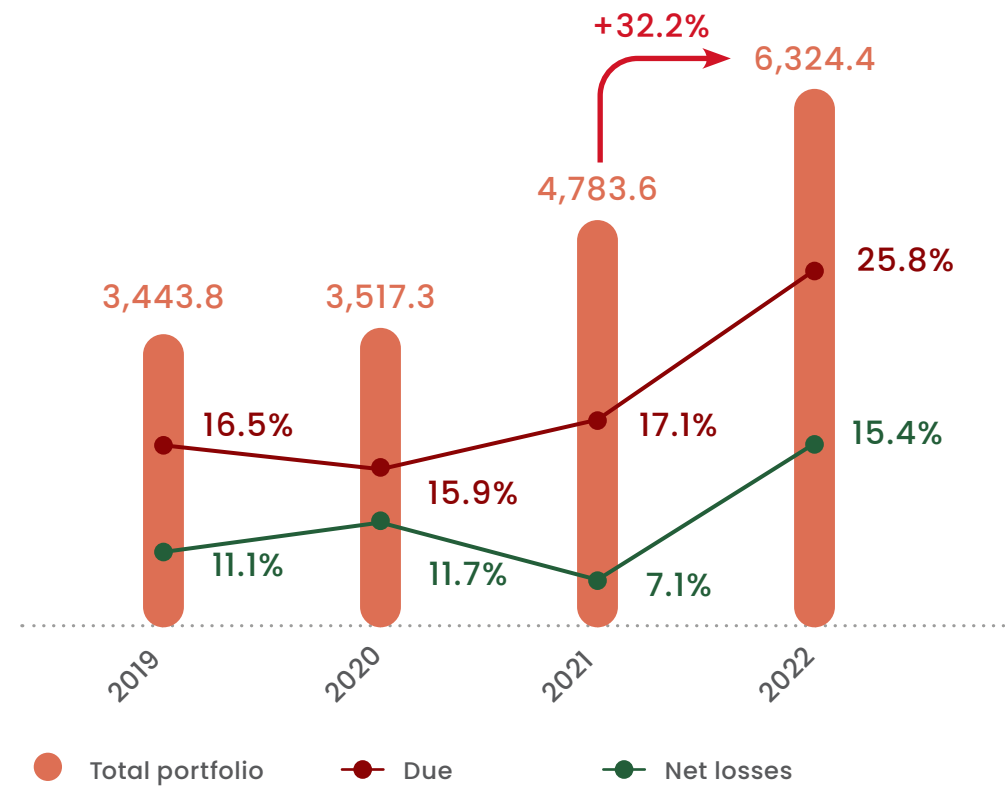
● CAGR 2019-2022 = 11.0%



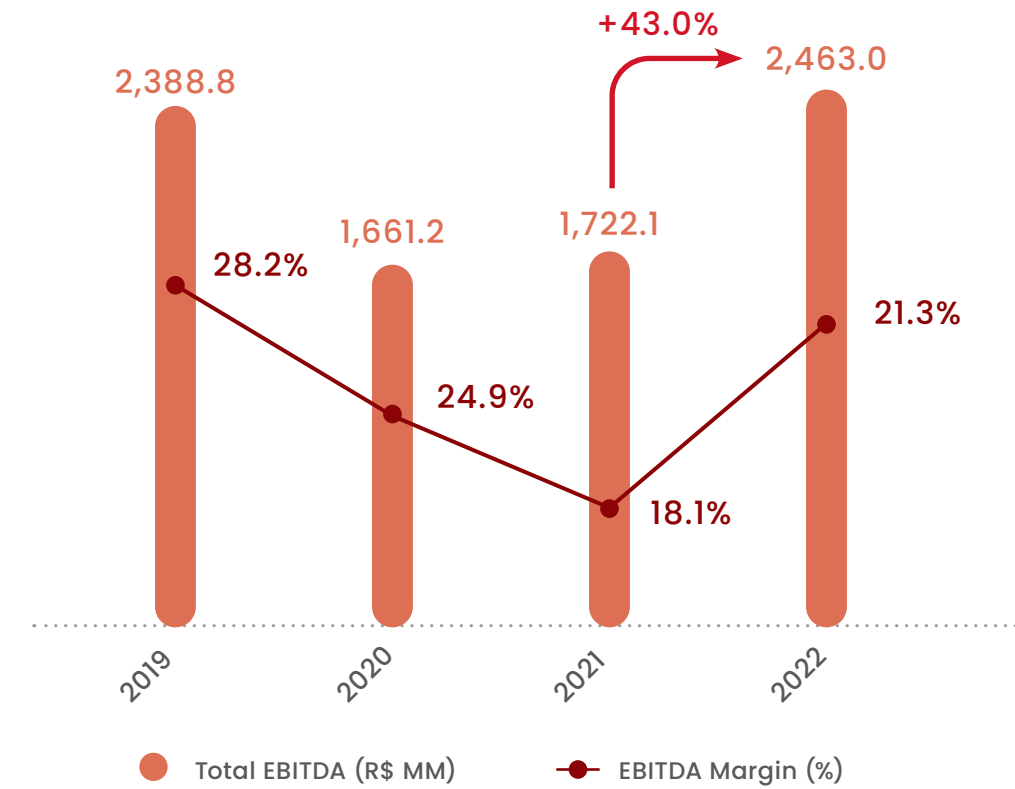
● CAGR 2019-2022 = 10.3%



● TOTAL PORTIFOLIO



● CAGR 2019-2022 = 1.0%



Credit portfolio

The total portfolio recorded 32.2% growth against the previous year, due to higher volumes traded with Meu Cartão, as well as the increase in retail sales. Considering only up-to-date portfolio, this growth was 18%

Adjusted EBITDA

Adjusted Total EBITDA recorded growth against the previous year, explained by the improvement in Retail segment, which evolved due to higher gross profit, operational leverage, and increase in Other Operating Results.

Tax management

GRI 207-1

We adopt tax optimization practices, always taking into account the provisions of legislation or recent jurisprudence. The practices must be approved by our Tax Committee and, for large amounts, also by the Audit and Risk Management Committee. Decisions involving significant amounts must be supported by at least two external legal opinions.

The Tax Committee is composed of the Administrative, Financial and IR Director, Controllership Director, General Legal Manager, General Manager of Tax Management and Senior Accounting Manager of the Company and meets ordinarily on a monthly basis.

In 2022, we publicly launched our tax policy, establishing guidelines and general rules related to the functioning, structure, and organization of tax conduct to be observed by Lojas Renner S.A. and its controlled companies, associated to supervisory and tax responsibilities in Brazil and abroad.

The policy also describes the principles to be adopted by the Company in the management of its supervisory and tax strategy.

From 2020 to 2021, there was reduction in tax burden due to increases in payment of Interests on Equity as decided during the year (limit increased due to issue of shares occurred in May), and non-taxation of Selic interest received resulting from legal proceedings.

In 2022, in addition to the factors described above, we also had additional exclusions related to ICMS tax incentives, considered as subsidy for investments, as well as a significant increase arising out of tax benefit from the so called "Lei do Bem" (Law of Good) (Technological Innovation).

The higher recovery of tax credits in 2022 is fruit of continuous works of tax reviews of the Company, consequence of the follow-up of legal decisions and formation of case law, as well as the effect of lower provisioning of the Profit Sharing Program (PSP), due to the performance verified, which favors improvement in other Operational Results, and, therefore, our EBITDA.

In 2022, we distributed R\$3.0 billion in added value in the form of taxes.

Macroeconomic scenario

2022 was a year with several global challenges, including health issues, related to Covid-19, Ukraine War, and the effects of these events on world economies. In Brazil it was not different. The year was characterized by high inflation and growing interest rates, which added up to the environment of uncertainties generated by elections. These factors had relevant impacts on consumers' purchasing power, indebtedness of families, and their capacity to pay debts, and so, also in the business dynamics.

The clothing retail was not exempt. Though the beginning of the year did not present lower flow, due to the increase in omicron variant incidence, flow in malls was gradually evolving, and, with that, the segment sales improved. On the other hand, chiefly in the second half, economic and political uncertainties, combined with temperatures below usual for the period, as well as FIFA World Cup at the end of the year, affected fashion consumption and sales lost strength. It was also a year with rise in raw materials and operation costs, which led to adjustments in product prices and consequent increase in the segment inflation.



READING TOOLS

Use indices, maps and summaries below to get to know the indicators and guidelines presented in this report.



GRI index

Universal Norms		Reference (p.)/ Direct answer	Related SDGs	Material topics
General contents				
GRI 2: General contents 2022				
The organization and its reporting practices				
2-1	Details about the organization	Lojas Renner S.A., publicly traded corporation, headquartered in Porto Alegre (RS). More details on pages 7 and 11.		
2-2	Entities included in the organization's sustainability reports (Scope of Subsidiaries)	This report includes the same activities covered at the financial report: explanatory Note 3.11, on page 45 of the Financial Statements		
2-3	Reporting period, frequency and point of contact	Annual, published in (mês) 2023, covers information from January 1 to December 31, 2022, the same period as the financial report.		
2-4	Information reformulations	2021 raw material consumption data (GRI 301-1) were corrected according to advances in our control and calculation methodology.		
2-5	External verification	Page 128		
Activities and collaborators				
2-6	Activities, value chain and other business relationships	Page 8 and 115		
2-7	Contributors	Pages 116. Numbers of collaborators based on total at the end of the reporting period.		

Universal Norms		Reference (p.)/ Direct answer	Related SDGs	Material topics
2-8	Collaborators who are not employees	Information not available, as we do not control this total.		
Administration				
2-9	Administrative structure and composition	Pages 32 and 33		
2-10	Appointment and election of the Board	Nomination and Remuneration Policy for Directors: https://shortest.link/3dK6		
2-11	Board Chairman			
2-12	Role of the Board in the management of impacts	The Board is the entity responsible for validating of policies, principles and strategies without a fixed periodicity, and over- sees the impact management and due diligence processes through its Committees (page 38).		
2-13	Delegation of responsibility for managements of impacts	The Board delegates responsibility for risk management to its com- mittees and Executive Boards, in addition to the teams directly in- volved in risk management (page 38).		
2-14	Role played by the highest administration department in sustainability reporting	The Board is involved in the definition and monitoring of accuity (sustainability strategy) and approves the Report, through its Sus- tainability Committee. The annual report undergoes review and approval by the board, including the CEO.		
2-15	Interest conflicts	The <u>Internal Regulations of the Board</u> determine the management to avoid conflicts of interest and establish that conflicts within the scope of the Board are disclosed in the minutes of the meetings (page 6)		Ethics and integrity

Universal Norms		Reference (p.)/ Direct answer	Related SDGs	Material topics
2-16	Communicating critical conflicts	The Board monitors and guides the management of critical concerns through its meetings and periodic meetings with its committees.		
2-17	Collective knowledge of the highest administration department	Page 34		
2-18	Board performance evaluation	Page 34		
2-19	Remuneration policies	Pages. 36. More details about the Appointment and Remuneration Policy for Directors - https://shortest.link/3dK6 - and in the		
2-20	Process for determining remuneration	Personnel Committee Rules - https://shortest.link/34tK		
2-21	Proportion of total annual remuneration	Not Available.		
Strategy, policies and practices				
2-22	Declaration on the sustainable development strategy	Page 4		
2-23	Commitment policies	Page 55		Ethics and integrity
2-24	Incorporating commitment policies	Page 22		Ethics and integrity
2-25	Processes to compensate negative impacts	Page 53		Ethics and integrity

Universal Norms		Reference (p.)/ Direct answer	Related SDGs	Material topics
2-26	Mechanisms for seeking guidance and raising concerns	Page 53		Ethics and integrity
2-27	Compliance with laws and regulations	Pages 113, 114 and 123		Ethics and integrity
2-28	Participation in associations	Page 100	16	
Stakeholder engagement				
2-29	Approach to stakeholder engagement	In order to have an integrated view of stakeholders, the sustainability team maps the value chain and prioritizes the power and interest of each stakeholder group, based on Edward Freeman's stakeholder theory and Ann Qualman's power x interest methodology. Below we present the stakeholders identified as priorities in the power and interest matrix in 2022 and the pages where we present the means of engagement with these audiences: employees and leaders (page 43), suppliers (page 79), investors (page 29), customers (page 17), partners and beneficiaries of Instituto Lojas Renner (page 58) and startups (page 15).		
2-30	Rate of collaborator covered by collective bargaining agreements or represented by unions	Page 116		
GRI 3: Material topics 2022				
3-1	Process for determining material topics	Page 24		
3-2	List of Material Topics	Page 24		

Universal Norms		Reference (p.)/ Direct answer	Related SDGs	Material topics
3-3	Managing Material Topics	Page 24		
Specific standards				
Economic Performance				
201-1	Economic value generated and distributed	Page 91	8 and 16	
Purchasing Practices				
202-1	Proportion of the lowest wage, segmented by gender, compared to the local minimum wage	The lowest wage for all genders is equivalent to the local minimum wage in the countries where we operate. All units are considered major operating units. Information about other workers who are not employees is not available.	10 and 12	Diversity and inclusion
Purchasing Practices				
204-1	Proportion of spending on local suppliers at significant operating units	Page 115. We consider all units and locations to be suppliers in Brazil and Latin America.	12	Supply chain management
Anti-corruption				
205-2	Communication and training in anti-corruption policies and procedures	Page 113	16	Ethics and integrity
205-3	Confirmed cases of corruption and measures taken	Page 113	16	Ethics and integrity

Universal Norms		Reference (p.)/ Direct answer	Related SDGs	Material topics
Tributos				
207-1	Fiscal strategy and transparency	Page 95		Tax approach
Environmental contents				
Raw material				
301-1	Materials used, broken down by weight or volume	Page 125. Recyclable (cotton and viscose) and non-recyclable (polyester and polyamide).	7,8, 12 and 13	
Energy				
302-1	Energy consumption within the organization	Page 124	7,8, 12 and 13	Energy consumption
302-3	Energy intensity	Page 124	7,8, 12 and 13	Energy consumption
302-4	Reducing energy consumption	Page 68	7,8, 12 and 13	Energy consumption
302-5	Reductions in the energy requirements of products and services	Page 68	7,8, 12 and 13	Energy consumption
Water and effluents				
303-5	Water consumption	Page 124		Water consumption

Universal Norms		Reference (p.)/ Direct answer	Related SDGs	Material topics
Emissions				
305-1	Direct emissions (Scope 1) of greenhouse gases (GHG)	Pages 64 and 123. In addition to GHG emissions, total direct biogenic CO ₂ emissions were 25.6 tCO ₂ equivalent.	3, 12 and 13	greenhouse gas (GHG) emissions
305-2	Indirect emissions (Scope 2) of greenhouse gases (GHG) from energy acquisition	Pages 64 and 123	3, 12 and 13	greenhouse gas (GHG) emissions
305-3	Other indirect emissions (Scope 3) of greenhouse gases (GHG)	Pages 64 and 123. In addition to GHG emissions, total indirect biogenic CO ₂ emissions were 5,187.5 tCO ₂ equivalent.	3, 12 and 13	greenhouse gas (GHG) emissions
305-4	Intensity of greenhouse gas (GHG) emissions	Page 123	13	greenhouse gas (GHG) emissions
305-5	Reduction of greenhouse gas (GHG) emissions	Page 62	13	greenhouse gas (GHG) emissions
Waste				
306-2	Management of significant waste-related impacts	Page 124	3 and 12	Waste Management

Universal Norms		Reference (p.)/ Direct answer	Related SDGs	Material topics
Environmental Assessment of Suppliers				
308-1	Percentage of new suppliers selected based on environmental criteria	100%	12	Supply chain management
308-2	Actual and potential significant negative environmental impacts in the supply chain and measures taken regarding that issue	Pages 37 and 79	12	Supply chain management
Social content				
Employement				
401-1	Total and rates of new collaborators hires by age group, gender and state/country	Page 120	5	Diversity and inclusion
401-3	Return to work and retention rates after maternity/paternity leave, segmented by gender	Page 119	5	Diversity and inclusion
Training and Education				
403-1	Health and safety management system	Page 50	5	Health and safety at work and the well-being and quality of life of employees
403-9	Work accidents	Page 122. Total Man Hours Worked = 50,648,718 h. Data from all Lojas Renner S.A. subsidiaries operating in Brazil.	5	Health and safety at work

Universal Norms		Reference (p.)/ Direct answer	Related SDGs	Material topics
Training and Education				
404-1	Average hours of training per year, per collaborator	Page 19	4	Employee training and development
404-3	Percentage of collaborators receiving regular performance and career development reviews	Page 120	4, 5 and 8	Employee training and development
Diversity and Equality				
405-1	Composition of the groups responsible for corporative administration and segmented of collaborators by category, according to gender, age group, minorities and other indicators of diversity	Pages 33, 35 and 117	5	Diversity and inclusion
405-2	Mathematical ratio of salary and remuneration between women and men, segmented by employee category and relevant operating units	Page 119. All units are considered.	5	Diversity and inclusion
Non-Discrimination				
406-1	Discrimination cases and corrective measures taken	Pages 56 and 113	8	Diversity and inclusion ethics; and integrity

Universal Norms		Reference (p.)/ Direct answer	Related SDGs	Material topics
Freedom of Association and Collective Bargaining				
407-1	Operations and suppliers where the right to freedom of association and collective bargaining may be at risk	The human rights diligence carried out in 2022 (page 53) did not identify a risk either in the operation or in the chain.	8 and 16	Living wage promotion
Child labor				
408-1	Operations and suppliers with significant risk of child labor cases	A factory with non-compliance with regard to child labor in China was identified in Camicado's supply chain. It obtained a D classification in the audit, was inactivated for supply and the supplier is implementing an action plan so that other non-conformities like this do not occur in its supply chain. Learn more about our management to guarantee these rights on page 79.	8 and 16	Supply chain management
Forced or Slave-like Labor				
409-1	Operations and suppliers with significant risk of cases of forced or compulsory labor	There is no risk in own operations. Get to know more about chain management to ensure these rights on page 79.	5, 8 and 16	Supply chain management
Social Evaluations of Suppliers				
414-1	Percentage of new suppliers selected based on human rights criteria	100%	5 and 16	Supply chain management
414-2	Significant actual and potential negative human rights impacts in the supply chain and measure taken regarding that issue	Pages 37 and 53	8, 12 and 16	Supply chain management

Universal Norms		Reference (p.)/ Direct answer	Related SDGs	Material topics
Public policy				
415-1	Total value of financial contributions to political parties and politicians segmented by country and recipient/beneficiary	The Company has not made contributions, directly or indirectly, to political parties, political campaigns or lobbying associations.	16	Ethics and integrity
Customer Privacy				
418-1	Substantiated complaints regarding violation of privacy and loss of customer data	Page 114		Cybersecurity and data privacy

SASB index

Code	Metric	Page reference	Relationship with SDGs
Chemical products management			
CG-AA-250a.1	Discussion of processes to maintain compliance with regulations relating to restricted substances.	Page 69	6 and 12
CG-AA-250a.2	Discussion of processes to assess and manage risks and/or risks associated with the presence of chemicals in products.	Page 69	6 and 12
Environmental impacts on the supply chain			
CG-AA-430a.1	Percentage of (1) tier 1 supplier facilities and (2) supplier facilities beyond tier 1 complying with wastewater disposal permits and/or contractual agreement.	100% of suppliers and their contractors	6 and 12
CG-AA-430a.2	Percentage of (1) tier 1 supplier facilities and (2) supplier facilities beyond tier 1 that completed the Higg Facilities Environmental Module assessment Facility (Higg FEM) by Sustainable Apparel Coalition or an equivalent environmental data assessment.	SELF-ASSESSED tier 1: 45 = 6.0% tier 2: 11 = 1.2% CHECKED tier 1: 34 = 4.5% tier 2: 11 = 1.2%	12
Working conditions in the supply chain			
CG-AA-430b.1	Percentage of (1) tier 1 supplier facilities and (2) supplier facilities beyond tier 1 that have been audited by a labor code of conduct, (3) percentage of total audits performed by an external audit.	100% of Renner resale suppliers (tier 1 and 2) were audited by internal and external audits.	8 and 12

Code	Metric	Page reference	Relationship with SDGs
CG-AA-430b.2	Priority non-compliance rate and associated corrective action rate for auditssupplier labor code of conduct.	Page. 80 22.48% non-compliance rate and 100% corrective action rate.	8 and 12
CG-AA-430b.3	Description of the major (1) labor risks and (2) environmental, health and safety risks in the supply chain.	Page 79	8 and 12
Raw material supply			
CG-AA-440a.3	(1) List of priority raw materials; for each priority raw material: (2) environmental and/or social factor(s) most likely to be threats, (3) discussion of business risks and/or opportunities associated with environmental and/or social factors, and (4) management strategy for addressing the business risks and opportunities.	Pages 67 and 71	8 and 12
CG-AA-440a.4	(1) Quantity of priority raw materials purchased, per material, and (2) quantity of each priority raw material certified to a third-party environmental and/or social standard, per standard.	Page 125. The certified totals are: cotton 24.0 thousand t., polyester 236 t., polyamide 7 t. and viscose 7.3 thousand t. (consider only Renner).	8 and 12
Activity metrics			
CG-AA-000.A	Number of (1) tier 1 vendors and (2) vendors beyond tier 1.	Page 79	

TCFD index

Themes	TCFD recommendations	Reference (page)/direct answer
Governance 1	1. Describe how the Board oversees climate change-related risks and opportunities.	Our Responsible Fashion strategy has a strong pillar of work in mitigation and adaptation to climate change. The Sustainability Committee, which advises the Board, presents quarterly the evolution of our actions and performance in relation to the Responsible Fashion strategy, including our adaptation strategy, which is being constructed from a vulnerability analysis, which identified the main risks and opportunities (get to know more on page 66).
Governance 2	2. Describe the Board's role in assessing and managing risks and opportunities related to climate change.	The Audit and Risk Management Committee, which advises the Board, identifies, assesses and measures risks with the business areas, including those related to climate change, defines the control processes to reduce them and follows up with the areas involved, communicating to the Board of Directors about the effectiveness of risk management. Get to know more about the risk management framework on page 37.
Strategy 1	3. Risks and opportunities related to climate change that the organization has identified in the short, medium and long term.	Page. 66
Strategy 2	4. Impacts of risks and opportunities related to climate change on the organization's business, strategy and financial planning	We carried out a carbon pricing study to support the anticipation of impacts on product valuation and decision-making on the decarbonization journey. The scope of the project considered the production of softened women's jeans, a highly representative product. The result obtained in the short-term scenario was 0.41% impact on profit, 1.34% in the medium term and 1.93% in the long term.

Themes	TCFD recommendations	Reference (page)/direct answer
Strategy 3	5. Resilience of the organization's strategy, considering different climate change scenarios, including a scenario of 2°C or less.	We have developed a consistent Responsible Fashion strategy, which brings resilience to the business in the face of climate change: we develop products with less environmental and social impact throughout the entire life cycle (page 71), We have a high percentage of renewable energies in our consumption matrix (page 68), an energy efficiency program with continuous intensity reduction (page 74) and formal emission reduction targets (page 61), including being part of the variable remuneration of leaders (page 65).
Risk Management 1	6. Processes used by the organization to identify and assess risks related to climate change.	Page 66
Risk Management 2	7. Processes used by the organization to manage risks related to climate change.	Pages 63 and 66
Risk Management 3	8. How the processes used by the organization to identify, evaluate and manage risks related to climate change are integrated into the organization's overall risk management.	General risk management promotes continuous alignment with the business areas to identify, treat and monitor risks, including climate (get to know more on pages 37 and 66). Risks related to climate change are therefore treated and monitored jointly between the sustainability team and the corporative risk management structure.
Metrics and targets 1	9. Metrics used by the organization to evaluate risks and opportunities related to climate change in accordance with its strategy and risk management process.	Pages 62, 63 and 86
Metrics and targets 2	10. Scope 1, Scope 2 and, if applicable, Scope 3 greenhouse gas emissions, and the risks related to it.	Page 64
Metrics and targets 3	11. Targets used to manage climate change-related risks and opportunities, and performance against targets.	Pages 61 and 67

Summary of ESG indicators

Administration

	2021	2022	Variation
Top Leadership			
Independent members of the Board of Directors (BOD)	7 (88.0%)	7 (88.0%)	-
Women in BOD	2 (25.0%)	2 (25.0%)	-
Average attendance of BOD members	99.5%	98.3%	-1.2 p.p.
Directors with four other mandates or less	8 (100%)	8 (100%)	-
Average term of office of directors – years	7.8	8.8	12.8%
Members with experience in the sector	4	7	75.0%
Ethic			
Collaborators who declare to know the code of conduct	100.0%	100.0%	-
Collaborators trained in the code of conduct and anti-corruption in the last three years GRI 205-2	100.0%	100.0%	-

	2021	2022	Variation
Employees trained in the Code of Conduct during the year GRI 412-2	ND	77.0%	-
Suppliers who declare to know the code of conduct	100.0%	100.0%	-
Suppliers trained in the code of conduct in the last three years	100.0%	100.0%	-
Fines for anti-competitive practices GRI 2-27	0	0	-
Case under investigation for anti-competitive practices	0	0	-
Confirmed cases of corruption or bribery GRI 205-3	0	0	-
Total reports of code of conduct violations	1.787	1.975	10.5%
Total complaints with completed treatment: valid or partially valid	855	1.063	24.3%
Total complaints with completed treatment: unfounded or inconclusive	812	750	-7.6%
Total complaints with treatment in progress	0	162	-
Total complaints about cases of discrimination and harassment valid or partially valid GRI 406-1	291	381	30.9%
Political Representation			
Contributions with representative associations (BRL thousands)	456.8	1,226.5	168.5%
Contributions with political parties GRI 415-1	0	0	-
Contributions with representation of political interests	0	0	-

	2021	2022	Variation
Cybersecurity			
Cases of cybersecurity breaches	1	0	-
Cases of data privacy breaches	0	0	-
Total customer privacy complaints	0	0	-
Total people impacted by data privacy breaches GRI 418-1	0	0	-
Regulatory fines related to cybersecurity and privacy GRI 2-27	0	0	-
Quality			
Total product recall	0	0	-

Social

	2021	2022	Variation
Resale suppliers (tier 1 and 2) with socio-environmental certification or Audit accredited by an external body	100.0%	100.0%	-
Less impactful apparel products	81.3	81.5	0.2 p.p.
Products with certified cotton	99.2	98.0	-1.2 p.p.

	2021	2022	Variation
Supplies GRI 2-6			
Active suppliers	5,961	6,246	4.8%
Expenses with suppliers (BRL billions)	7,351	7,465	1.6%
Retail vendors who manufacture the products we sell (tier 1)	533*	754	41.5%
Local Renner Resale Suppliers (Latin America) GRI 204-1	67.8%	61.4%	-6.4 p.p.
Resale subcontractor's suppliers (tier 2 - contracts by our suppliers)	974	954	-2.1%
Local resale (tier 2) subcontracted suppliers (Latin America) GRI 204-1	96.9%	98.4%	1.5 p.p.
% of tier 1 reseller suppliers audited	87.7%	99.2%	11.5 p.p.
% of tier 2 reseller suppliers audited	100.0%	99.6%	-0.4 p.p.
% of critical tier 1 reseller suppliers for sustainability (level D)	1.5%	0.77%	0.7 p.p.
% of critical tier 2 reseller suppliers for sustainability (level D)	1.6%	0.21%	-1.4 p.p.
% of critical tier 1 and 2 reseller suppliers with established action plans	100.0%	100.0%	-
Customers			
% of satisfied and very satisfied customers	99.1%	98.2%	-0.9 p.p.

*Data does not include Camicado suppliers.

	2021	2022	Variation
Company			
Private social investment (R\$ million)	7.0	6.4	-8.6%
Percentage of investment with tax incentive	40.0%	23.3%	-17.7 p.p.
Percentage of investment with own resources	60.0%	76.7%	16.7 p.p.
Value of product or service donations (R\$ million)	17	27.2	60.0%
Value of volunteer work (R\$ thousand)	300.1	290.4	-3.2%
Expenses with social investment management (R\$ thousand)	455.8	490.4	7.6%
Collaborators GRI 2-7			
Total collaborators	25,705	26,121	1.7%
Collaborators covered by collective bargaining agreements GRI 2-30	100.0%	100.0%	-
Strikes	0	0	-
Percentage of collaborators (Brazil) with salary above the fair wage (living wage)	100.0%	97.1%	-
Percentage of collaborators in Brazil	96.9	96.9 (25,315)	-
Percentage of collaborators in Uruguay	2.1	2.1 (565)	-
Percentage of collaborators in Argentina	0.7	0.6 (148)	-0.2 p.p.

	2021	2022	Variation
Percentage of employees in Asia (and total)	0.34	0.4 (93)	-0.16 p.p.
Percentage of full-time collaborators	96.3	96.2 (25,134)	-0.2 p.p.
Percentage of part-time collaborators	3.7	3.8 (987)	0.2 p.p.
Percentage of collaborators with indefinite time	95.8	96.2 (25,134)	-0.1 p.p.
Percentage of collaborators for active period	4.2	3.8 (987)	-0.4 p.p.
Percentage of interns	0.6	0.4	-0.1 p.p.
Relationship between the lowest wage paid and the minimum wage	1x	1x	-
Percentage of employees (Brazil) with post-employment benefit (contribution to the Guarantee Fund for Length of Service for Retirement by State)	100.0%	100.0%	-
Collaborators in leadership positions	2,931	3,073	4.8%
Collaborators in non-leadership positions	22,678	23,048	1,6
Diversity GRI 2-7 GRI 405-1			
Female collaborators	64.6%	65.1%	0.5 p.p.
Leadership positions held by women	62.8%	61.4%	-1.4 p.p.
Junior leadership positions held by women	65.1%	62.1%	-3.0 p.p.

	2021	2022	Variation
Senior leadership positions held by women (maximum two levels of CEO)*	31.6%	50.0	18.4%
Women in leadership positions in revenue-generating functions	68.1%	66.4%	-1.7 p.p.
STEM (science, technology, engineering, and mathematics) positions held by women	24.9%	18.9%	-6.0 p.p.
Black collaborators (black and brown) self-declared in census	49.5%	50.0%	0.5 p.p.
Leadership positions held by self-declared black collaborators	33.0%	38.3%	5.3 p.p.
White collaborators self-declared in census	48.3%	45.0%	-3.3 p.p.
Leadership positions held by self-declared white collaborators	63.9%	57.6%	6.3 p.p.
Asian collaborators self-declared in census	1.1%	3.1%	2.0 p.p.
Leadership positions held by self-declared Asian collaborators	1.3%	3.3%	2.0 p.p.
Indigenous collaborators self-declared in census	0.7%	0.7%	-
Leadership positions held by self-declared indigenous collaborators	0.3%	0.4%	0.1 p.p.
Collaborator with uninformed race	0.5%	1.1%	0.6 p.p.
Leadership positions with uninformed race	1.6%	0.5%	-1.1 p.p.
Collaborators with Disabilities (PWD)	3.8%	3.9%	0.1 p.p.
Self-declared LGBTQIA+ collaborators	17.7%	23.7%	6 p.p.
Self-declared LGBTQIA+ leadership positions	-	20.8%	-
Transgender or non-binary employees	-	349	-

* Data consider only Brazil.

	2021	2022	Variation
Collaborators up to 29 years old	56.1%	55.7%	-0.4 p.p.
Collaborators between 30 and 49 years old	40.1%	40.7%	0.6 p.p.
Collaborators aged 50 or over	3.8%	3.6%	-0.2 p.p.
Ratio between the salary of women/men at the executive level GRI 405-2*	0.83	0.84	1.2%
Relationship between compensation (salary + benefits) of women/men at the executive level GRI 405-2*	0.86	0.85	-1.2%
Ratio between the salary of women/men in other leadership positions GRI 405-2*	0.84	0.85	1.2%
Relation between compensation (salary + benefits) of women/men in other leadership positions GRI 405-2*	0.84	0.86	2.4%
Relationship between the compensation of women/men in other positions (non-leadership) GRI 405-2*	0.86	0.86	-1.2%
Salary of women/men in other positions (not leadership)	ND	0.84	-
Retention rate of women after 12 months of returning from maternity leave GRI 401-3	77.9%	80.1%	2.2 p.p.
Training and development			
Average hours (and days) of training per employee GRI 404-1	66 (8.3)	108 (13.5)	63.6%
Average hours of training for non-leaders	68	114	67.6%
Average hours of training for leaders	50	64	28.0%
Average hours of training for executives	43	33	-23.3%

* Data consider only Brazil.

	2021	2022	Variation
Average investment in training per employee (R\$)	565.8	391.4	-30.8%
Collaborators who performed performance evaluation GRI 404-3	93.0%	100.0%	7.0 p.p.
Employees who carried out a 180o performance evaluation	ND	1.0%	-
Employees who carried out a performance evaluation in a comparative ranking	ND	11.0%	-
Attraction and retention GRI 401-1			
Hiring	12,743	13,252	4.0%
Hiring rate	49.8%	51.2%	1.4 p.p.
Female hiring rate	49.1%	64.7%	15.6 p.p.
Men's hiring rate	50.7%	35.3%	-15.4 p.p.
Argentina hiring rate	21.3%	23.5%	2.2 p.p.
Bangladeshi hiring rate	33.3%	35.9%	2.6 p.p.
Brazil hiring rate	50.2%	52.8%	2.6 p.p.
China hiring rate	24.1%	25.6%	2.5 p.p.
Uruguay hiring rate	42.5%	39.7%	-2.8 p.p.
Hiring rate of collaborators up to 29 years old	64.7%	55.9%	-8.8 p.p.
Hiring rate of collaborators between 30 and 49 years old	31.7%	32.4%	0.7 p.p.

	2021	2022	Variation
Hiring rate of collaborators aged 50 and over	11.1%	11.7%	0.6 p.p.
Percentage of open positions occupied by internal candidates	56.0%	63.0%	7.0 p.p.
Average recruitment cost per vacancy (R\$)	492.2	357.2	-27.4%
Total dismissals	11.921	12.197	2.3%
Voluntary turnover index	24.0%	29.5%	5.5 p.p.
Turnover index	46.6%	49.7%	3.1 p.p.
Female turnover rate	46.0%	49.1%	3.1 p.p.
Male turnover rate	48.3%	50.8%	2.5 p.p.
Argentina turnover index	29.5%	28.5%	-1.0 p.p.
Brazil turnover index	47.6%	49.7%	2.1 p.p.
Uruguay turnover index	12.3%	12.5%	-0.2 p.p.
Employee turnover rate up to 29 years old	57.0%	49.3%	-7.7 p.p.
Employee turnover rate between 30 and 49 years old	34.1%	29.3%	-4.8 p.p.
Turnover rate of collaborators aged 50 and over	22.4%	21.4%	-1.0 p.p.
Turnover rate in senior leadership (Board)	ND	10.0%	-
Medium leadership turnover rate	ND	14.5%	-

	2021	2022	Variation
Junior leadership turnover rate	ND	21.5%	-
Engagement survey membership	78.0%	89.0%	11.0 p.p.
Employee engagement	89.0%	89.0%	-
Black employee engagement	90.5%	90.0%	-0.5 p.p.
White employee engagement	89.0%	89.0%	-
Engagement of Asian collaborators	83.0%	87.0%	4.0 p.p.
Engagement of indigenous collaborators	90.0%	88.0%	-2.0 p.p.
Engagement of employees up to 24 years old	90.0%	86.0%	-4.0 p.p.
Engagement of collaborators between 25 and 44 years old	89.5%	90.0%	0.5 p.p.
Engagement of collaborators aged 45 and over	94.0%	95.0%	1.0 p.p.
Health and safety GRI 403-9			
Work-related fatalities	0 (0)	0 (0)	-
Lost time injury frequency rate* (LTIFR)	0.9	1.2	0.3 p.p.
* Frequency rate = (Number of accidents with leave) / (Total hours worked in the accounting period) x 1,000,000.			
High-consequence work-related injuries excluding fatalities (and rate)	-	0 (0)	-
Compulsory reporting accidents at work (total and rate)	-	60	-
Percentage of the global retail supply chain (tier 1 and 2) with socio-environmental certification or audit accredited by an external body	100.0%	100.0%	-

Environmental

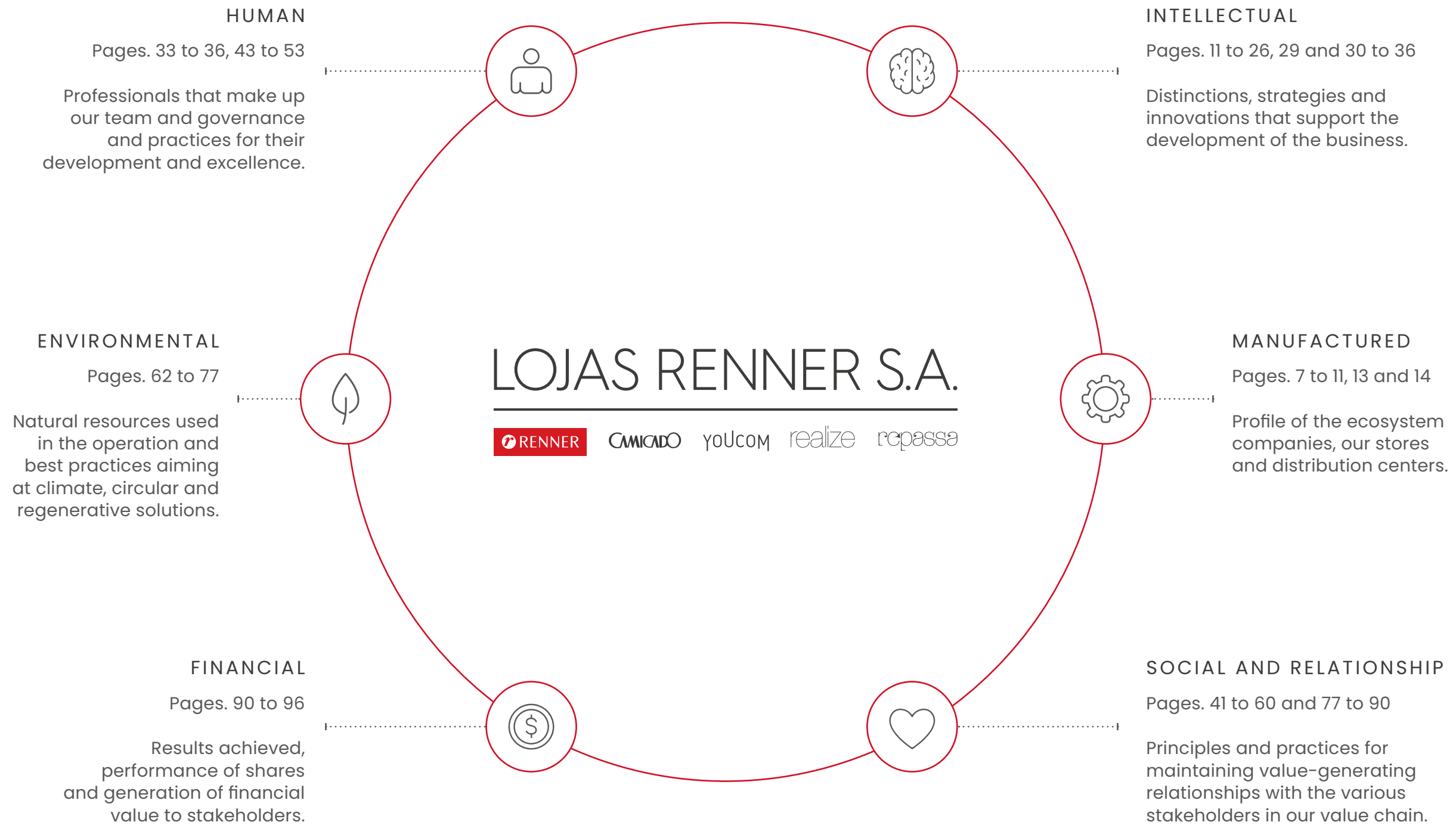
	2021	2022	Variation
Percentage of less impactful apparel products	81.3%	81.5%	0.2 p.p.
Percentage of products with certified cotton	99.2%	98.0	-1.2 p.p.
Management			
% of operations covered by an environmental management system	100.0%	100.0%	-
Fines or environmental compensation GRI 2-27	0	0	-
Emissions			
Scope 1 emissions GRI 305-1	5,054.0	5,333.7	5.5%
Scope 2 Emissions – Choice of Purchase GRI 305-2	0	0	-
Scope 2 emissions – location GRI 305-2	23,453.8	8,868.5	-62.2%
Scope 3 Emissions GRI 305-3	338,524.9	341,065.7	0.8%
Emission intensity (tCO ₂ e/m ² of built-up area) GRI 305-4	1.45	1.55	6.9%
Investment in R&D related to climate changes (R\$ thousand)	170	1,020	500.0%

	2021	2022	Variation
Energy			
Energy consumption* (thousand GJ) GRI 302-1 * Includes all Lojas Renner S.A. companies, excluding administrative offices.	661.7	696.2	5.2%
Energy intensity (thousand GJ/m ²) GRI 302-3	0.647	0.56	-12.8%
Energy expenses (R\$ million)	162.1	167.3	3.2%
Relative energy expenditures (R\$ spent/R\$ net revenue)	0.015	0.014	-6.7%
Percentage of renewable low-impact energy (small hydroelectric, solar, wind and biomass)	100	100	-
Total invested in reducing energy consumption since 2015 (BRL million)	9.8	14.8	51.0%
% of automated stores	39	52	33.3%
Water* GRI 303-5 ** Considers all Lojas Renner S.A. companies in Brazil.			
Total water consumption (98.2% from utilities and 1.8% from groundwater - well) in thousands of m ³ ** ** Increase between years is due to the improvement of the methodology and the consumption measurement system	128,751	420,123	224.5%
Effluents generated*** ***Calculated considering that 80% of total water consumption is transformed into effluent	ND	336,098	-
Waste			
Waste volume generated (tones) GRI 306-2	2,772	3,538	27.6%
Total hazardous waste (% of total)	8	19.1	138.8%

* Control of water consumption by concessionaires and wells is carried out only in distribution centers, for stores and administrative units, consumption is calculated using the average intensity of consumption per employee. The average consumption intensity was obtained through a specific study (1.09 m³/employee for offices and 1.538m³/employee for stores). The data considers all companies Lojas Renner S.A. in Brazil.

	2021	2022	Variation
% hazardous waste GRI 306-2	0.3	0.1	-0.2 p.p.
% of waste recycled GRI 306-2	92.0%	92.7%	0.7 p.p.
Intensity of waste generation (Tons of waste generated per R\$ million of net operating revenue) GRI 306-2	0.257	0.307	19.5%
Consumption Of Main Raw Materials (Clothing)* GRI 301-1 SASB CG-AA-440a.4			
* Considering only Renner.			
Cotton (thousand ton)	13.8	24.5	77.5%
Polyester (thousand ton)	4.6	14.6	217.4%
Viscose (thousand ton)	3.4	4.0	60.0%
Polyamide (thousand ton)	2.5	7.8	129.4%
Less Impacting Products			
% of products made from wood fiber (viscose, modal and lyocell) with a guarantee of responsible production	92.9%	96.3%	3.2 p.p.
Total plastic consumption in packaging (tones)	1,634 (36.1%)	366 (8.0%)	77.6%
Total consumption of paper/cardboard in packaging (tones)	2,891 (63.9%)	3,950 (92.0%)	36.6%
% of plastic used in packaging that is recyclable	32.0%	64.0%	32.0 p.p.
% of plastic used in packaging that comes from recycling	0.1%	0.0%	-100.0%
Waste collected by Ecostyle of perfumery – reverse logistics (ton)	48.3	40.5	-16.8%
Waste collected by Ecoclothing style – reverse logistics (ton)	5.6	11.5	105.4%

Capitals map



Priority SDG map



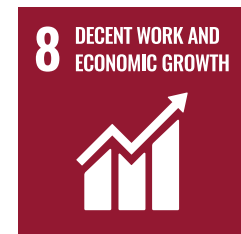
Ensure inclusive, equitable and quality education and promote lifelong learning opportunities for all.

- Professional qualification projects for women in fashion value chain Page. 60
- Support and development programs for of suppliers and their contractors Page. 86
- Employee development programs Page. 46



Reach gender equality and empower all women and girls.

- Ensuring equity in terms of employment, training and career development for women Page. 57
- Foster the participation of women in senior leadership positions Page. 57
- Empower women through training and entrepreneurship in the fashion chain Page. 58



Promote the sustained, inclusive and sustainable economic growth, full and productive employment, and decent work for all.

- Employment generation in our operation and supply chain Page. 79
- Ensuring health and safety at work and the well-being and quality of life of employees Page. 44
- Foster the defense of human rights in our operations and supply chain Page. 53
- Promoting economic development and growth through social investment Page. 58



Reduce inequality within countries and between them.

- Foster the adoption of the living wage* by strategic suppliers Page. 88
- To be among the national benchmarks in terms of engagement, guaranteeing a living wage* and continually advancing in promoting employee well-being Page. 42
- Programs to support the development of suppliers and their contractors Page. 85



Ensure sustainable production and consumption standards.

- Promoting circularity in the development of products, services and business models Page. 71
- Eco-efficiency in operations Page. 68
- Projects with suppliers to monitor, control and promote responsible production processes Page. 85
- Raising our customers' awareness of sustainable consumption Page. 74



Take urgent measures to fight the climate change and its impacts.

- Strategy for reducing emissions and mitigating climate change Page. 61
- Compensation, since 2015, of 100% of our scope 1 and 2 emissions Page. 65
- Reduce fuel consumption Page. 68
- Commitment to preserving biodiversity and combating deforestation Page. 67



Strengthen the means of implementation and revitalize global partnership for sustainable development.

- Active participation in organizations for the development of the sector and for the promotion of sustainability Page. 26

Assurance letter

GRI 2-5

Annual Report



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A free translation from Portuguese into English of auditors' limited assurance report on non-financial statements originally prepared in Portuguese.

Independent auditors' limited assurance report on the non-financial information contained in the Annual Sustainability Report

To
Shareholders, Directors and Management of
Lojas Renner S/A
Porto Alegre - RS

Introduction

We have been engaged by Lojas Renner S/A ("Renner" or "Company") to present our limited assurance report on non-financial information contained in Renner's 2022 Annual Sustainability Report ("Report"), for the year ended December 31, 2022.

Our limited assurance does not extend to prior period information or any other information disclosed in conjunction with the Report, including any embedded images, audio files or videos.

Responsibilities of Renner's management

Renner's management is responsible for:

- select and establish appropriate criteria for preparing the information contained in the Report;
- prepare information in accordance with the criteria and guidelines of the Global Reporting Initiative ("GRI Standards"), the Sustainability Accounting Standards Board - Apparel, Accessories & Footwear ("SASB") and for climate disclosures in accordance with the Recommendations of the Task Force on Climate-related Financial Disclosures (June 2017) and its annex Implementing the Recommendations of the Task Force on Climate-related Financial Disclosures (October 2021), hereinafter collectively referred to as guidelines of TCFD;
- design, implement and maintain internal control over the relevant information for the preparation of the indicators and climate disclosures contained in the Report, which are free from material distortion, regardless of whether caused by fraud or error.

Responsibility of the independent auditors

Our responsibility is to express a conclusion on non-financial information contained in the Report, based on the limited assurance work carried out in accordance with Technical Communication CTO 07 - Limited Assurance Engagements regarding the non-financial information contained in the Integrated Report issued by the CFC, and based on NBC TO 3000 - Non-Audit Assurance Work and Review, also issued by the CFC, which is equivalent to the international standard ISAE 3000 – Assurance engagements other than audits or reviews of historical financial information, issued by the International Auditing and Assurance Standards Board (IAASB). These standards require the auditor to comply with ethical requirements, independence and other responsibilities related to it, including the application of the Brazilian Quality Control Standard (NBC PA 01) and, therefore, the maintenance of a comprehensive quality control system, including documented policies and procedures on meeting ethical requirements, professional standards, and applicable legal and regulatory requirements.

Additionally, the aforementioned standards require that the work be planned and executed with the objective of obtaining limited assurance that the non-financial information disclosures contained in the Report, taken as a whole, are free of material distortions.

A limited assurance engagement conducted in accordance with NBC TO 3000 (ISAE 3000) consists primarily of inquiries to Renner's management and other Company professionals who are involved in preparing the information, as well as the application of analytical procedures to obtain evidence that make it possible to conclude, in the form of a limited assurance, on the information taken as a whole. A 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 indicators and climate disclosures disclosed in the Report, taken as a whole, may present material distortions.

The selected procedures were based on our understanding of the aspects related to the compilation, materiality and presentation of information contained in the Report, other circumstances of the work and our consideration of areas and processes associated with the material information disclosed in the Report, in what material misstatements could exist. The procedures comprised, among others:

- a) the planning of the work, considering the relevance, the volume of quantitative and qualitative information and the operational systems and internal controls that served as a basis for the preparation of indicators and climate disclosures contained in the Report;
- b) understanding the calculation methodology and procedures for compiling indicators and climate disclosures through inquiries with the managers responsible for preparing the information;
- c) the application of analytical procedures on the quantitative information and inquiries about the qualitative information and its correlation with the indicators and climate disclosures contained in the Report;
- d) for cases in which non-financial data correlate with indicators of a financial nature, the confrontation of these indicators with the financial statements and/or accounting records.

The limited assurance work also included adherence to the guidelines and criteria of the GRI Standards, SASB and guidelines of TCFD applicable in the preparation of information contained in the Report.

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

Scope 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 a reasonable assurance engagement had been performed. If we had carried out a reasonable assurance work, we could have identified other matters and possible distortions that may exist in the indicators and climate disclosures contained in the Report. Accordingly, we do not express 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 and climate disclosures followed the GRI Standards, SASB and guidelines of TCFD and, therefore, do not have the objective of 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, SASB and guidelines of TCFD).

With respect to the guidelines of TCFD, the absence of a significant body of established practices upon which to rely for assessing and measuring relevant disclosures allows for different but acceptable valuation and measurement techniques, which may affect comparability between entities over the course of the time. TCFD recommendations are principle-based, allowing the possibility for different organizations to implement a variety of policies, processes and activities to demonstrate their alignment. How management determines how they should respond to these recommendations remains, to some extent, a matter for their judgment, exposure to climate risks and commitments to their stakeholders. For this reason, our conclusion does not extend to the suitability of Renner's policies, processes or activities to achieve alignment with TCFD recommendations.

Basis for conclusion with exception

Renner discloses climate information in its report based on TCFD guidelines. However, Renner did not fully comply with all TCFD requirements regarding the following topics: Strategy (a. describe the risks and opportunities related to climate change that the organization identified in the short, medium and long term; b. describe the impacts of risks and opportunities related to climate change about the organization's business, strategy and financial planning; and c. describe the resilience of the organization's strategy, considering different climate change scenarios, including a scenario of 2°C or less); and Metrics and targets (a. inform the metrics used by the organization to assess risks and opportunities related to climate change according to its strategy and its risk management process).

Conclusion with exception


Based on the procedures carried out, described in this report and on the evidence obtained, with the exception of the matter described in the paragraph "Basis for conclusion with exception" nothing has come to our attention that leads us to believe that the non-financial information contained in Renner's Report for the year ended December 31, 2022, were not prepared, in all relevant aspects, in accordance with the criteria and guidelines of the Global Reporting Initiative – GRI ("GRI - Standards"), Sustainability Accounting Standards Board ("SASB") and Recommendations of the Task Force on Climate-related Financial Disclosures ("TCFD").

Porto Alegre (RS), April 19th, 2023.

Ernst & Young
Auditores Independentes S/S Ltda.
CRC SP- 034519/O



Leonardo Masseli Dutra
Sustainability Partner



Flavio A. Machado
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Emission inventory



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Limited verification report

To the Board of Directors and Shareholders
Lojas Renner S.A.
 Porto Alegre - RS

Introduction

We have been engaged by Lojas Renner S.A. ("Lojas Renner" or "Company") to present our limited verification report on the compilation of the Information regarding the "Corporate Inventory of Direct and Indirect Greenhouse Gas Emissions" of operations related to the year ended December 31st, 2022.

Responsibilities of Lojas Renner Management

The management of Lojas Renner is responsible for preparing and adequately presenting the Information in the "Corporate Inventory of Direct and Indirect Greenhouse Gas Emissions" in accordance with the criteria of "The Greenhouse Gas (GHG) Protocol - Corporate Accounting and Reporting Standard - Revised Edition from WRI (World Resources Institute) and WBCSD (World Business Council for Sustainable Development)" - (2004 Revised Edition), "2006 IPCC (Intergovernmental Panel on Climate Change) Guidelines for National Greenhouse Gas Inventories", "Especificações do Programa Brasileiro GHG Protocol: Contabilização, Quantificação e Publicação de Inventários Corporativos de Emissões de Gases de Efeito Estufa – Segunda Edição" and by the internal controls determined as necessary to allow the elaboration of those information free from material misstatement, even though it was resulted by fraud or error.

Verifiers' responsibility

Our responsibility is to express a conclusion about the information in the "Corporate Inventory of Direct and Indirect Greenhouse Gas Emissions" based on the limited verification engagement conducted and prepared in accordance with ABNT NBR ISO 14064-3:2007 - "Greenhouse gases Part 3: Specification with guidance for the validation and verification of greenhouse gas assertions", with KPMG global methodology developed for Greenhouse Gas Emissions Assurance, denominated KPMG Greenhouse Gas Assurance Manual and with the "Brazilian GHG Protocol Program's Verification Specifications (WRI / GVces)".

These standards require compliance with ethical requirements, including independence ones and also that the engagement is conducted aiming to obtain limited verification that the information in the "Corporate Inventory of Direct and Indirect Greenhouse Gas Emissions" taken as a whole is free from material misstatement.

A limited verification engagement conducted in accordance with ABNT NBR ISO 14064-3:2007, KPMG Greenhouse Gas Assurance Manual methodology and with the "Brazilian GHG Protocol Program's Verification Specifications (WRI / GVces)" primarily consists of making enquiries to Company management and other employees involved in preparing the information in the "Corporate Inventory of Direct and Indirect Greenhouse Gas Emissions" and also applying analytical procedures to obtain evidence that permits us to make a limited verification conclusion about the information taken as a whole. A limited verification engagement also requires additional procedures when the verifiers learns of issues which lead them to believe that the information in the "Corporate Inventory of Direct and Indirect Greenhouse Gas Emissions" could present material misstatement.

The selected procedures were based on our understanding of the issues related to the compilation and presentation of the information in the "Corporate Inventory of Direct and Indirect Greenhouse Gas Emissions" and other engagement circumstances and considerations about areas where material misstatement could exist. The procedures consisted of:

- (a) the planning of the work, considering the relevance, consistency, amount of quantitative and qualitative information and the operational systems and internal controls that served as a basis for preparing of the information in the "Corporate Inventory of Direct and Indirect Greenhouse Gas Emissions" of Lojas Renner.
- (b) the understanding of the calculation methodology and procedures used to consolidate the indicators through interviews with the managers in charge of the preparation of the information.

- (c) the reviewing of the calculation records of greenhouse gas emissions taking into consideration Scope 1 (direct greenhouse gas emissions) amounting to 5,333.67 tons of CO₂e, Scope 2 (indirect greenhouse gas emissions from energy purchased using the location-based method), amounting to de 8,868.46 tons of CO₂e, Scope 2 (indirect greenhouse gas emissions from energy purchased using the market-based method), amounting to 0 tons of CO₂e and Scope 3 (other indirect greenhouse gas emissions), amounting to 341,065.74 tons of CO₂e, according to the GHG Protocol.
- (d) sample-based verification of the direct and indirect energy consumption indicators used to calculate the greenhouse gas emissions.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our limited conclusion.

Scope and limitations

The procedures applied in a limited verification engagement are substantially less extensive than those applied in an verification engagement aiming to express an opinion about the information in the "Corporate Inventory of Direct and Indirect Greenhouse Gas Emissions". Due to this, it does not ensure us that we are aware of all the issues that would be identified during an verification engagement which aims to express an opinion. If we had conducted an engagement in order to express an opinion, we might have identified other issues and possible misstatements which can be in the information presented in the Lojas Renner's "Corporate Inventory of Direct and Indirect Greenhouse Gas Emissions".

The nonfinancial data is subject to more inherent limitations than the financial data, due to the nature and diversity of the methods used to determine, calculate or estimate this data. Qualitative interpretations of the data's materiality and accuracy are subject to individual

presumptions and judgments. Additionally, we did not examine data informed for prior periods or future projections and targets either.

Conclusion

Based on the applied procedures, described in this report, we have not identified any relevant information that leads us to believe that the information in the "Corporate Inventory of Direct and Indirect Greenhouse Gas Emissions", base year 2022, of Lojas Renner was not compiled, in all material respects, in accordance with the guidelines "The Greenhouse Gas (GHG) Protocol - Corporate Accounting and Reporting Standard - Revised Edition from WRI (World Resources Institute) and WBCSD (World Business Council for Sustainable Development)" - (2004 Revised Edition), "2006 IPCC (Intergovernmental Panel on Climate Change) Guidelines for National Greenhouse Gas Inventories" and "Especificações do Programa Brasileiro GHG Protocol: Contabilização, Quantificação e Publicação de Inventários Corporativos de Emissões de Gases de Efeito Estufa – Segunda Edição" and with the records and files that subsidized its elaboration.

São Paulo, March 07th, 2023

KPMG Assessores Ltda.

Original report in Portuguese signed by
 Marcio Andrade Barreto
 Partner

Credits

GRI 2-3

COORDINATED BY

People and Sustainability Board
Investor Relations Board
Controllership Board
Marketing Board

CONSULTING, CONTENT, TRANSLATIONS AND LAYOUT

RICCA Sustentabilidade

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COLLABORATION

This report was produced thanks to the contribution of a multidisciplinary work team, to whom we would like to thank and dedicate this publication.

To learn more

Policies that reaffirm our commitment to creating value for society:

Sustainability Policy
Human Rights Policy
Code of Conduct
Supplier Code of Conduct

Detailed results,
commented by Management:
Financial Statements

Overview of relevant aspects of the business such as corporate governance and risk management: Reference Form. (only in Portuguese)

If you are looking for additional information about our commitment towards Responsible Fashion, please write to our sustainability team. They will be happy to talk to you: sustentabilidade@lojasrenner.com.br