



Annual **Report**

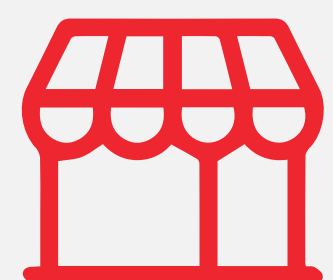
2021



Summmmary



Year highlights



26
new stores



+ 17 thousand
associates,
21% increase
compared to
2020



Launch of C&A
Pay **reaching +400**
thousand digital
cards



36.8%
growth in gross revenue
online (omnichannel
operation and *Galeria*
C&A - marketplace),
compared to 2020



+ R\$ 680
million invested in
the year



**Distribution Center
Automation**



+ 290
thousand hours of training
and qualification of the staff



+ R\$ 5 billion
in net revenue



C&A&VC: + 19
million customers registered in the
loyalty program



Leadership (for the
4th consecutive year)
in the **Brazil Fashion
Transparency Index 2021**



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Methodologies

GRI 102-32, 102-50, 102-52, 102-53 and 102-54

This Annual Report has been prepared in accordance with the GRI Standards: core option, of the Global Reporting Initiative (GRI); the framework developed by the International Integrated Reporting Council (IIRC), use of the Sustainability Accounting Standards Board (SASB) indicators; and the recommendations of the Task Force on Climate-Related Financial Disclosures – TCFD. It comprises the period between January 1 and December 31, 2021 and complies with the annual disclosure cycle.

The content was evaluated by the Internal ESG Committee, which attests to the veracity and reliability of the information presented and made available to the Human Resources and Sustainability Committee. The contact for questions about the document or its content is the e-mail sustentabilidade@cea.com.br or ri@cea.com.br.

Good reading!

This Annual Report has been prepared in accordance with the following guidelines:



Materiality

GRI 102-42, 102-44, 102-46, 102-47 and 102-49

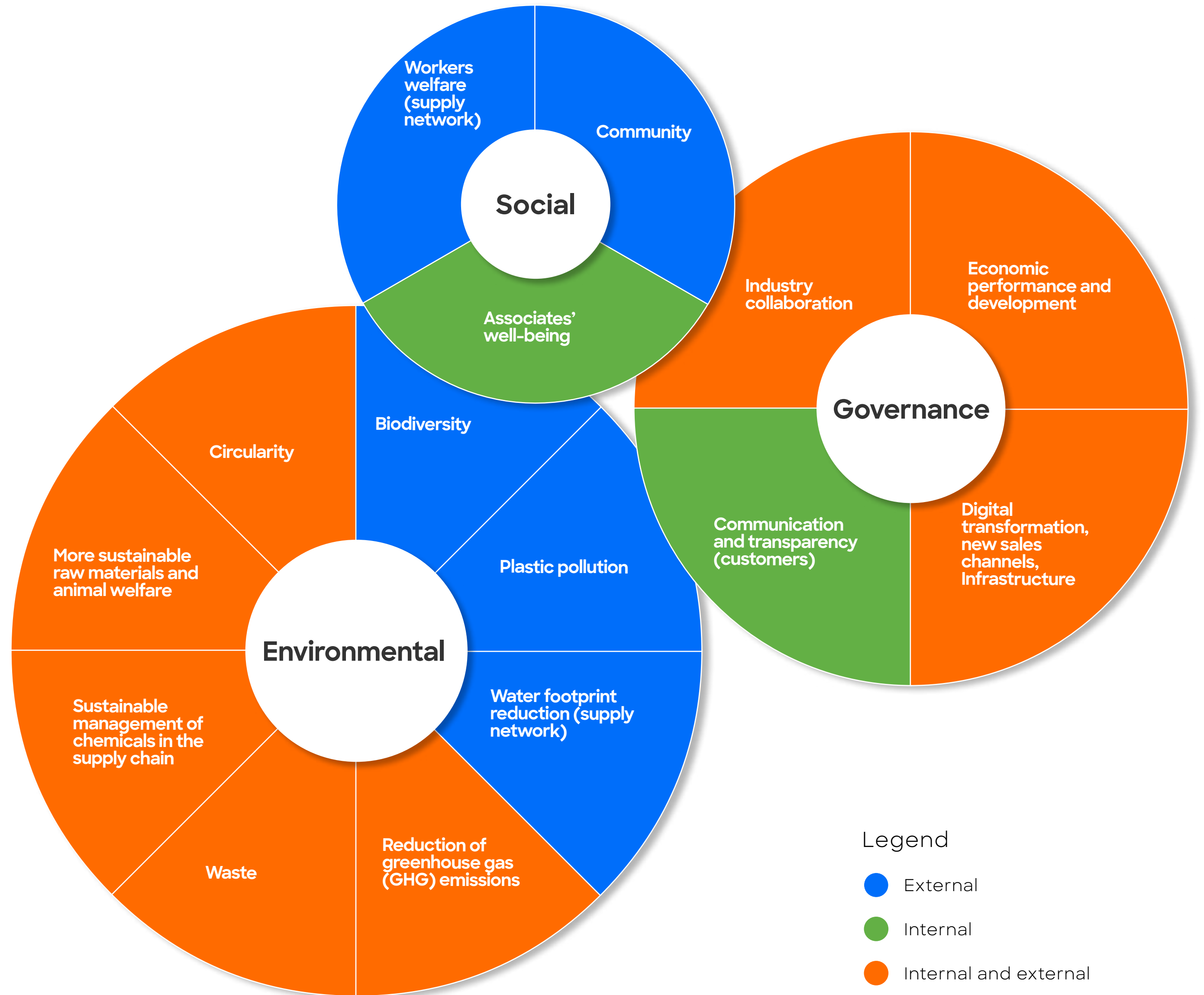
The content of this Annual Report highlights the topics defined based on the review of the materiality used for the 2020 edition, without changes for the 2021 period, which had already considered the scenario related to the covid-19 pandemic and the cultural and business transformation of C&A, in line with the Fashion Tech strategy.

It is worth mentioning that the materiality definition process in 2020 included consultation with stakeholders through online interviews, in which C&A executives, investors, associates, customers, suppliers, industry association, an influencer and journalist were heard. These stakeholders were engaged because they are priorities for our work. After consolidating the results, our Executive Board presented and validated it.

Through materiality, we seek to:

- ▶ unify our sustainability and business topics and identify opportunities to evolve in strategies and practices;
- ▶ identify and report information relevant to our business, considering its impact and influence on environmental, social and economic aspects;
- ▶ prioritize the topics that have the greatest impact on value creation over time;
- ▶ indicate which value drivers (revenue, cost or risk) are impacted by these themes;
- ▶ indicate which strategies, products or initiatives are related to the themes; and
- ▶ support the preparation of communication with our stakeholders, focusing on material issues

[For more information, access page 71.](#)





Presentation

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Message from the Board of Directors

We are proud to build on our 45-year history operating in Brazil, and we assure you that business plays an important role in society. We believe in fashion that frees, includes and enhances the expression of what is most special in each person. It's more than 'wearing' and it connects us to ourselves and the world around us, so we offer products and experiences capable of expressing the essence of each person. C&A seeks to continually evolve to accompany social transformation and provide the best customer experience.

Sustainability plays a central role in the business, we are pioneers and a national reference in the monitoring of suppliers and subcontractors, in the use of more sustainable raw materials and in the promotion of the circular economy. Our relationship with communities takes place through *Instituto C&A*, which completed 30 years of history this year, with an excellent track record of impact initiatives. It has already encouraged early childhood education, worked to evolve the fashion production chain, and now encourages projects that enable income generation and train fashion entrepreneurs, in addition to offering humanitarian aid in crisis situations.

In 2021, even in the face of a challenging scenario, our Fashion Tech strategy presented relevant deliveries for the business, among which the implementation of C&A Pay, our payment ecosystem that includes the credit granting service, stands

out. We continue to grow through physical expansion with the opening of new stores, reaching new regions of the country.

With the automation of distribution centers, we facilitate the shipment of our products, making them reach more customers, with 50% of deliveries within two days. We made progress in omnichannel initiatives, with successful examples such as sales via *WhatsApp*, and *Galeria C&A*; our marketplace. We are increasingly focused on our customers through the implementation of the performance indicator, listening methodology and strengthening of the C&A&VC loyalty program.

We believe in people's transforming power, we appreciate differences, and we believe in skills that help us build the C&A Fashion Tech of the future every day. In 2021, we carried out a diagnosis, which pointed out how solid our existing culture is and must be preserved, in this way we will evolve with additional elements, which will be incorporated to continue progressing, developing people and promoting diversity and inclusion. Finally, we expanded the work of the ESG team – environmental, social and governance, and renewed our commitment to sustainability through the 2021-2030 Platform, with clear objectives to promote a positive impact on people, the environment and the industry. We work to inspire with the boldness of the new, committed to sustainability and reinforcing the values that have brought us here.

The Board of Directors continued to work closely with the business, leading the way in the company's strategy and promoting the continuous improvement of good Corporate Governance practices, such as the creation of the new Financial Services Committee, so that we can continue with our role of guiding the company on this journey of creating value for shareholders and for society as a whole.

For 2022, we continue to advance in our Fashion Tech strategy and in offering democratic and more sustainable fashion. We thank all shareholders, associates, the communities in which we operate, customers and suppliers for their trust in C&A.

Have a good reading!!

Board of Directors

Message from the Presidency

GRI 102-14

2021 was a year of evolution for C&A. We are going through challenging times and I can confidently say that we have taken huge steps towards our Fashion Tech strategy. The pandemic intensified in the first semester, making the resumption of on-site work and circulation unstable. The macroeconomic scenario was also shaken, generating a financial impact. Still, we remained fully focused on executing what we had envisioned, which we did successfully.

We have evolved in all our growth levers. We opened 26 new stores with a good level of assertiveness, reaching new locations in the country, where we want to be the local fashion anchor. We rethought architecture, with changing rooms with differentiated lighting, space for recording looks, among other novelties. In addition to facilitating the distribution of our products, making them reach more customers, since each store works as a mini distribution center. Of course, to make this possible, we also took a logistical leap, both in terms of modernization and efficiency. We have a new robotic distribution center, we are implementing new distribution and automation technologies, we are adopting new, smarter supply models. We are using the best in the market in this regard.

We continue to grow double digits in digital channels. Our *WhatsApp* sales initiative was a success, and we continue to develop *Galeria C&A*, our marketplace. However, it's not just technology that is helping us sell more online. We have a huge differential: human interaction. For *WhatsApp*, for example, we

have dedicated associates, who even serve in-store, helping to further improve the customer experience.

The step we took in implementing C&A Pay, our payments ecosystem, for granting credit was very important. Our 100% digital credit service has been available since the beginning of December, more agile and modern, C&A Pay will accelerate digital purchases and facilitate purchases in the physical environment.

There are many other amazing new features, such as dynamic pricing, using artificial intelligence; the development of collections with the customer's participation; our collabs, our accurate marketing with Big Brother and; the way in which we are working our corporate culture in line with the Fashion Tech strategy.

We are evolving beyond our market positioning. We understand that fashion allows people to express themselves as individuals. Thus, when we offer the most varied options for pieces, within an efficient omnichannel and a Customer Journey that seeks to provide the best shopping experience, we help people to be themselves in the connected way that society is today.

And we do it with a lot of environmental, social and corporate governance (ESG) responsibility. In the environmental dimension, as part of the #VistaAMudança campaign, we launched the circular jeans, with fabric made from pre-consumer waste and used and donated denim pieces at collection points of the *ReCiclo* Movement, in addition to the launch of several more

sustainable collections. In our corporate culture, we strengthen ethical values and value diversity in order to have a truly inclusive, collaborative and innovative work environment, enabling each associate to develop their personal and professional potential as much as possible. I cannot fail to mention *Instituto C&A*, which promoted entrepreneurship among people who fight for their rights in society, such as within the LGBTQIAP+ community. In corporate governance, we are improving our positioning to meet the demands of capital market entities and shareholders. In 2021, we held the C&A Day for this last public, aiming to strengthen our relationship.

We are proud to say that this year, locally, we became signatories to the Global Compact, of the United Nations (UN), and we use these guidelines and the commitments to the Sustainable Development Goals as an important lever in the search for the best standards and improvements in our sustainable agenda. For us, sustainability is a business premise, not just a management approach.

For 2022, we expect the concrete resumption of freedom to come and go, and that this generates many opportunities for everyone to enjoy moments of closeness with family and friends, relying on fashion as a form of expression. We also know that the scenario will be challenging, but we are very optimistic that our levers are in full swing. We are prepared to grow even more.

Paulo Correa

CEO of C&A Modas S.A.





A C&A

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Muito Eu

GRI 102-2, 102-3, 102-6, 102-7 and 102-10

In 2021 we completed

45 years in Brazil

Instituto C&A celebrated **30** years of existence

26 new stores in 2021, totaling **319**, 9% growth in the number of physical stores.

70% of the units opened in 2021 are in cities with between 100,000 and 500,000 inhabitants, pioneering cities in Brazil, increasing the capillarity of the operation



fashion retail, fashiontronics, beauty.



E-commerce + physical stores in Brazil



é cartão, é digital, é só vantagem.



Financial institution for offering **credit products**



Fashion self-expression marketplace with over **400 brands available**

We are a fashion company focused on proposing experiences that go beyond dressing. Our foundation dates back to 1841, by the Dutch brothers Clemens and August in the Netherlands, C&A understands and defends fashion as one of the most fundamental channels for connecting people with themselves, with everyone around them and, therefore, places its customers at the center of the strategy. One of the largest fashion retailers in the world, C&A arrived in Brazil in 1976, with the opening of the first store at Shopping Ibirapuera, in São Paulo. In 2021, we completed 45 years in the country with 319 stores, in addition to E-commerce. Listed on the Brazilian Stock Exchange (B3) since October 2019, C&A innovates from the offer of digital and omnichannel services and solutions, aiming to expand its customers' online and offline experience. With more than 17,000 associates across the country, the company also stands out for offering young, innovative, diverse and inclusive fashion for women,

men and children, in addition to its fashiontronics line, which has a wide variety of cell phones, smartphones, and more recently from the beauty category. In this category, the space was inaugurated in 140 stores, being present in 201 stores at the end of the year, we proceed with the certainty that beauty C&A is already HER choice.

In 2021, the company made a commitment to become C&A Fashion Tech, which aims to be, in the coming years, a digital company that better understands Brazilian women, with physical stores and a lot of emotional connection. We have several distribution centers: Tamboré Distribution Center (CDT, SP); Raposo Tavares Distribution Center (CDP, SP) - within which the E-commerce Distribution Center (CDW) and; Rio de Janeiro Distribution Center (CDR, RJ); and the Southern Distribution Center, in Navegantes (CDC, SC). Our head office is located in Alphaville, Barueri (SP).



Distribution of stores throughout Brazil

GRI 102-4, 102-9 and 102-10

2021 Drives

GRI 102-10

26 stores opened, including omnichannel initiatives

3 expanded stores

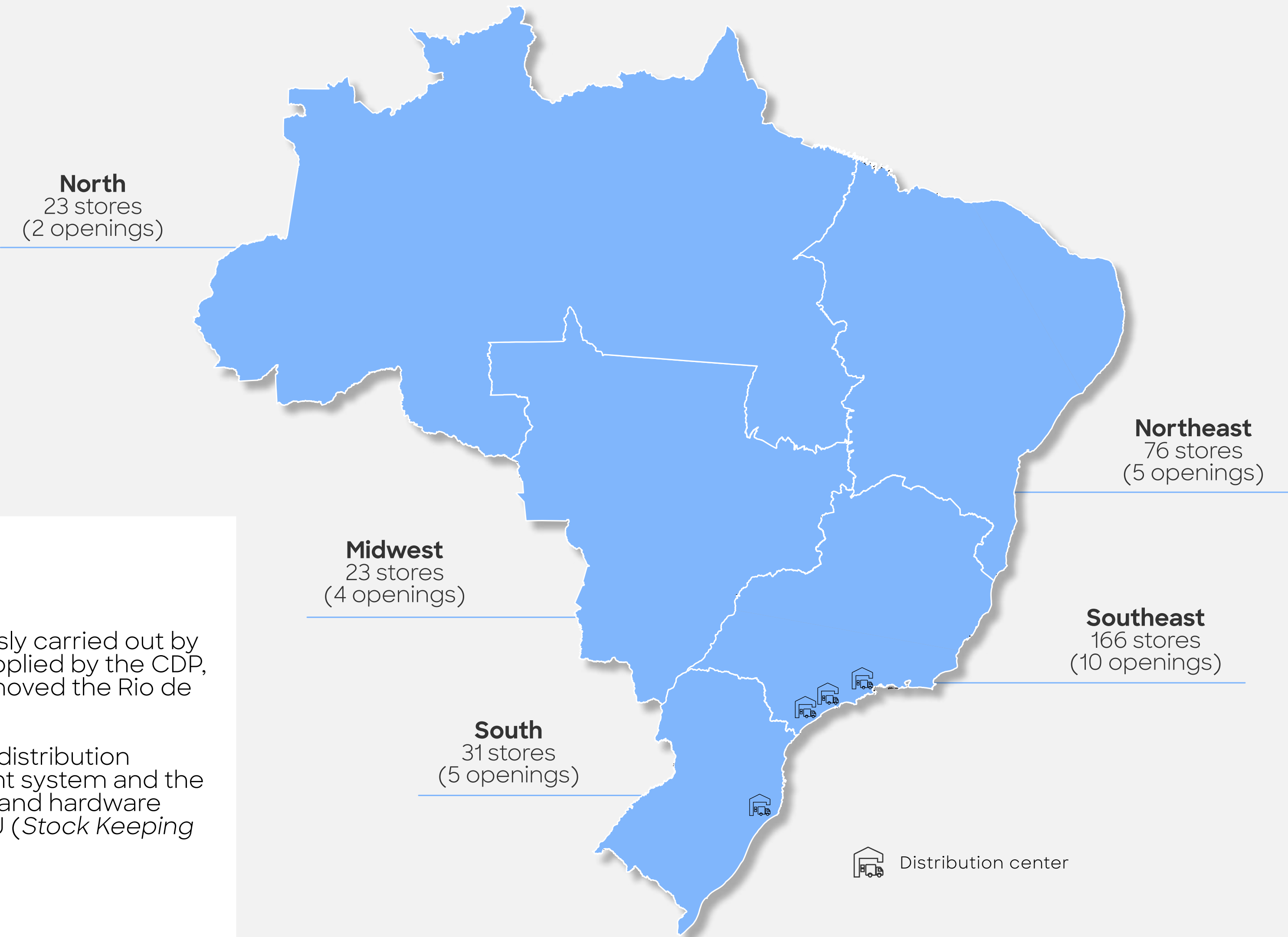
2 stores closed, no Rio de Janeiro (RJ) and Recife (PE)

Total stores = **319**

Changes in the Distribution Center

As of April 2021, the supply of stores in the Northeast, previously carried out by the Rio de Janeiro Distribution Center (CDR), began to be supplied by the CDP, which is located in São Paulo. Due to reduced demand, we moved the Rio de Janeiro Distribution Center (CDR) to a new address.

In the second half of the year, we modernized the São Paulo distribution center, investing in software (WMS - warehouse management system and the demand forecasting, planning and supply system for stores) and hardware (sorters) to adopt the push-pull model of store supply by SKU (Stock Keeping Unit). [Learn more on page 35.](#)



Our values

GRI 102-16

We are an innovative, fun company and, above all, passionate about people. Over 180 years of history in the world and 45 in Brazil, we work with ethics and focus so that all our customers are always satisfied.

At C&A, our associates can be whoever they want to be. The atmosphere is fun, inspiring and very young.



We are passionate about HER (our customer)



We are all leaders and together we are stronger



We act with integrity, clarity, trust and respect for people



We love to innovate, undertake and learn



We are happy, we have fun and we are proud to belong to C&A

C&A brands in Brazil



Clothing
GRI 102-2

Angelo Lítrico

Ace

Design Íntimo

Clock House

Suncoast

Palomino

Basics C&A

Baby Club

Miss Fifteen

Mindse7

Yessica



Muito On

Omnichannel and Customer Journey

The basis for our transformation into Fashion Tech is omnichannel. Being omnichannel means joining digital and physical channels to offer customers the best shopping experience. Throughout 2021, we made several launches and investments to reach this stage, making the Customer Journey more complete, integrated and humanized. We understand that this is our differential: human exchange. It is not enough to offer the best products – we want to provide advice, belonging, well-being and freedom of expression.

Customer Journey

We have totems available in some stores that allow customers to shop online. They can also use their cell phone for digital purchases in the store, using the Wi-Fi provided by us. There is a new experience in the fitting rooms, with the product consultation system, which allows searching for another size and calling an associate to take the piece. For payment, the novelty was the self-checkout (self-service), equipment in which the customer

can complete her purchases without having to go to the cashier, which is still in the pilot phase.

With Click & Collect, available on the website, APP and *WhatsApp* (direct sale), when completing the purchase, the type of delivery that the customer wants is selected, the withdrawal can be made at the store closest to the address. Some stores have automatic lockers, through which the customer can pick up orders made through digital channels herself. For those who prefer to receive their purchases at home, the novelty is being able to follow part of the processing and shipping operation of products purchased online through the Ship From Store space. Another innovation is the Infinite Hallway, launched in 2020. The concept means that the customer does not leave the store without taking what she is looking for, even if the product is not available there. The Infinite Aisle makes use of a tool for quick consultation of the entire stock, from all stores and e-commerce. The product found is placed in the customer's online cart, but payment is processed immediately and the customer can choose how to receive it. As a result, there is no withdrawal from the purchase and she is satisfied with C&A.

Integrated C&A customer journey across online and offline platforms

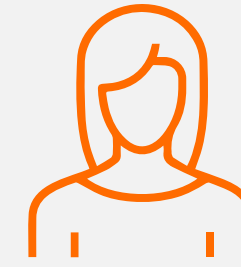


C&A capitals



Financial Capital

The commercialization of products in our online and offline sales channels ensures the flow of financial capital for the development of our business and investments in other capital. Additionally, C&A obtains resources from third parties through financial operations, for investment in innovation, technology, expansion and new services. The company generates financial capital for various stakeholders, through the purchase of products from suppliers, taxes paid to the government, remuneration to associates and interest paid to financial institutions.



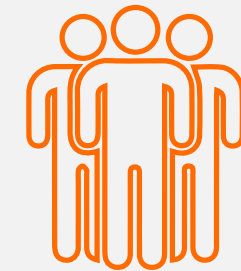
Human Capital

The development and management of C&A are ensured by the ethical and transparent performance of the company's more than 17,000 direct associates. The investment in human capital is made through training, leadership development programs, talent attraction and retention, competitive salaries and benefits, and systems that guarantee the health and safety of the entire operation and our associates. C&A encourages a healthy work environment. The strengthened human capital guarantees the Company with the provision of quality services to the customer, in addition to transparency and integrity in the relationship with shareholders, the media, the community, suppliers, supported by ethical conduct and good labor practices.



Manufactured Capital

In a scenario of constant technological evolution, our challenge is to follow market trends in the light of people's consumption behavior, prioritizing improvements in our distribution operations, physical stores and e-commerce to understand and better meet the needs of our customers, in a timely manner. The structure and modernization enable a better experience for HER, raising the level of services offered.



Share and Relationship Capital

C&A invests in building solid and transparent relationships with all its stakeholders, in order to contribute to the generation of shared value and strengthen its brand and reputation. This is also done through the actions of *Instituto C&A*, working to strengthen Brazilian communities through fashion on the fronts of volunteering, humanitarian aid and entrepreneurship. Regarding the supply chain, the company seeks to continuously improve working conditions and environmental issues in the supply chain. In addition to working collaboratively with NGOs, Sector Associations, Institutes and Foundations to move the fashion industry towards a sustainable future.



Intellectual Capital

To operate the several sales channels, C&A depends on the continuous generation of its intellectual capital, which consists on the diversity of management skills and the efficient technologies used in the business. This capital is continually increased through interaction with consultancies and knowledge-generating innovation centers and through the evaluation of studies, surveys and other know-how sources related to the company's sector. Examples of C&A's intellectual capital providers are the advisors, our associates, consultancies, the press, specialized media, among others.



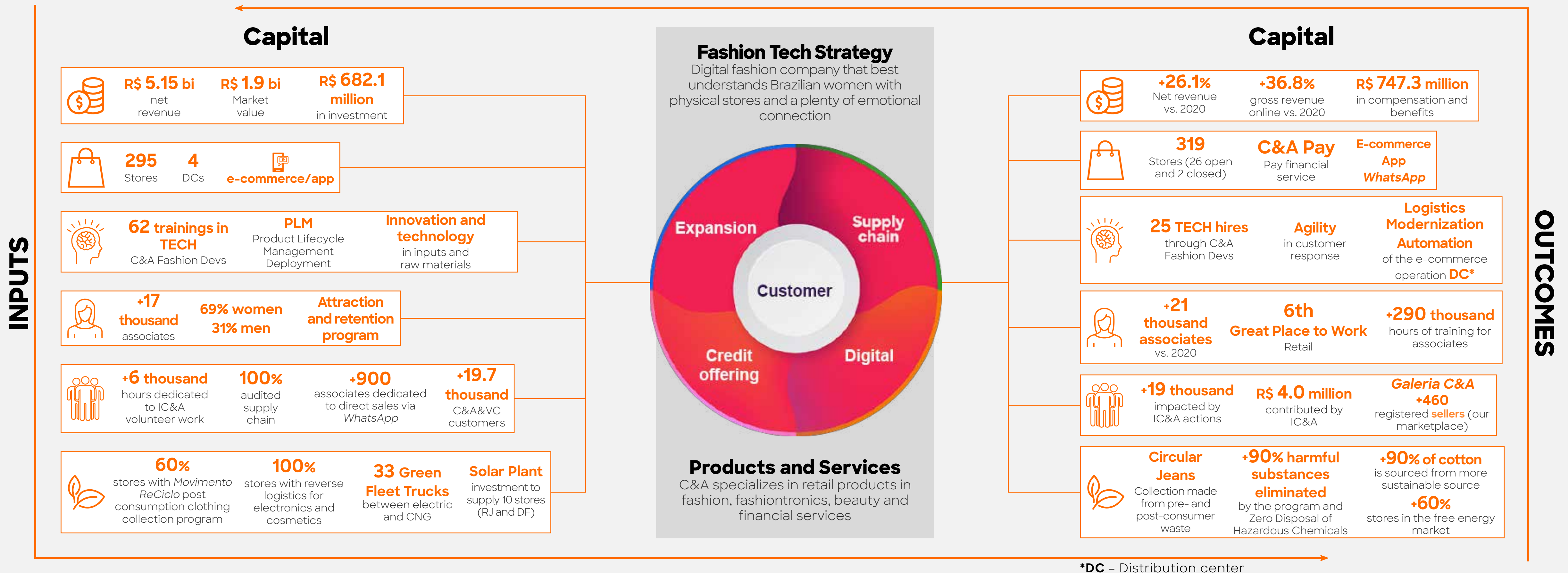
Natural Capital

C&A invests in innovation and initiatives that promote the rational use of natural resources and mitigate negative impacts on the environment. One of the company's focuses, for example, is to expand the use of more sustainable raw materials and reinforce our commitment to circular fashion, developing and producing products considering their next life cycle with Cradle to Cradle (C2C)[®] Gold Level Certification. and the *Movimento ReCiclo* in 185 stores. C&A also encourages its suppliers to adopt good environmental management practices in their businesses.

Business model

Value creation in C&A's business occurs in six different types of capital: financial, manufactured, intellectual, human, social and relationship and natural. These capitals are interdependent and seek to generate value in the short, medium and long term.

The exchange between them is illustrated in the image below:



INPUTS

OUTCOMES



Corporate governance



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Governance structure

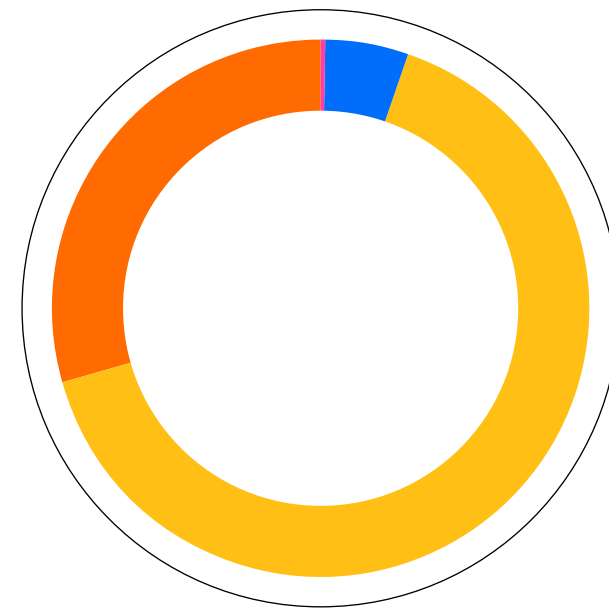
GRI 102-5 and 102-18

C&A is committed to maintaining high standards of corporate governance, based on principles that privilege transparency, equity in the treatment of shareholders, accountability and corporate responsibility. It became a publicly traded company at the end of 2019, trading its shares on the Brazilian stock exchange, and chose to join the highest segment of B3 S.A. – BRASIL, BOLSA, BALCÃO (“B3”) S.A. therefore following the *Novo Mercado* regulation, voluntarily submitting to stricter corporate governance rules than those present in Brazilian legislation.

The corporate governance model is one of C&A's main competitive advantages and one of the bases that support the generation of shared value, considering the financial and socio-environmental aspects of its businesses.

 For more information about our Corporate Governance practices, [access the C&A IR website.](#)

Shareholding Structure C&A* GRI 102-7

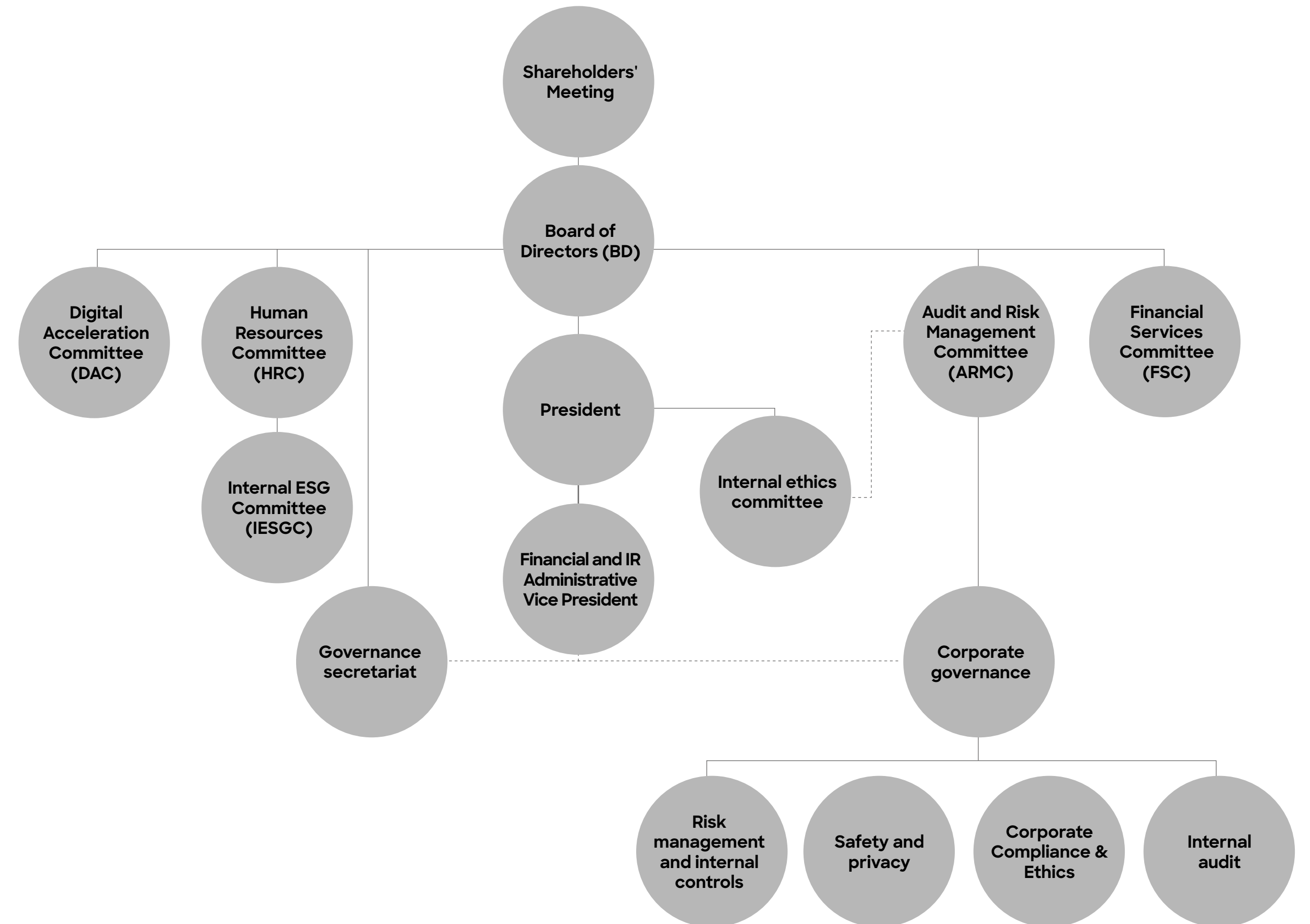


0.1% Treasury
0.2% Administration
5.2% Verde Asset Management S.A.
65.3% Controlling Shareholder
29.3% Others

Total number of shares:
308,245,068

*Position on 12/31/21

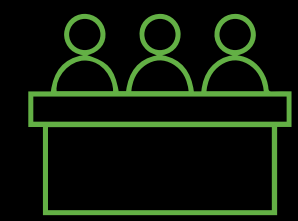
C&A Brazil Corporate Governance Structure



Highlights of our corporate governance practices

 **80%**

of independent members on the Board of Directors (BD)



4 Advisory Committees

to the Board of Directors

Corporate Policies

Governance Portal



Internal Regulations for Councils, Board and Committees



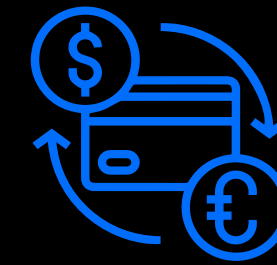
Code of Ethics and Compliance



Performance evaluation process of the Board of Directors, the Advisory Committees and the Executive Board

Corporate Governance Department

Liquidity



R\$ 1.8

million in business in the year

R\$ 591.3

million in assets handled

R\$ 23.5

million in average daily volume

CEAB3

Traded on Novo Mercado of B3 S.A. – BRASIL, BOLSA, BALCÃO (“B3”) – quoted at R\$ 6.15 at the end of 2021

Market Value



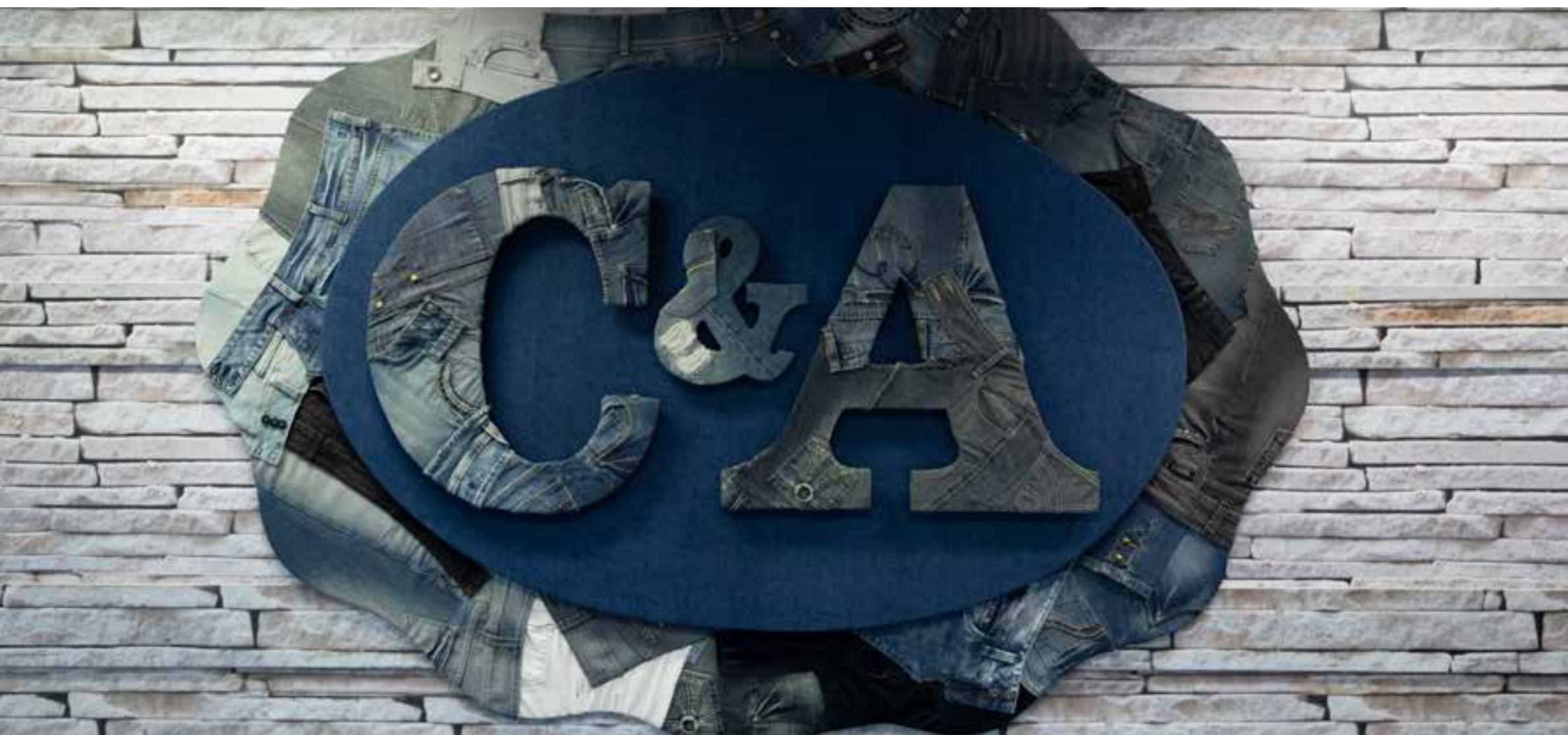
R\$ 1.9

billion in market value at the end of 2021

Board of Directors

Our highest corporate governance body below the shareholders' meeting is the Board of Directors, responsible, among other things, for establishing our policies and for electing, supervising and managing the Executive Board. It has a minimum of three and a maximum of nine members (respecting the required percentage of independent members), with a two-year term. Its responsibilities and powers are set out in our bylaws and our policies, as well as in applicable law.

Economic topics are the main focus of discussions and the definition of strategies by the Board of Directors and environmental issues are currently discussed at least once a year. For more information, access [the Board of Directors Regulations](#).



Advisory committees

GRI 102-18 and 102-22

The Board of Directors is advised by committees responsible for strategic matters: Audit and Risk Management Committee, Human Resources Committee, Digital Acceleration Committee and Financial Services Committee.

Audit and Risk Management Committee

Advises the Board of Directors in supervising the quality and integrity of the financial statements, as well as other financial reports, adherence to legal, statutory and regulatory standards, the adequacy of processes related to risk management, internal controls, compliance and internal audit. It is made up of at least three members, respecting the composition requirements set out in the applicable rules, elected by the Board of Directors for one-year terms. Its responsibilities and powers are set out in its internal regulations, our bylaws, policies and applicable legislation.

Digital Acceleration Committee

Consists of a director and external members and subject matter experts, elected by our Board of Directors for one-year terms, with

responsibilities and powers established in its internal regulations. Its function is to assist in the studies, understanding, planning, decision-making and monitoring of the Company's main digital strategies that involve, among other matters, online sales, marketplace, integration of different channels (omnichannel), as well as architecture of systems and applications, marketing through digital communication and logistics.

Financial Services Committee

A recently created body, formed by advisors and an external expert, with responsibilities and powers established in its internal regulations. Its function is to advise the Board of Directors in the development of financial services activities, considering the main strategies related to: business model, product portfolio, funding, partnerships, adherence to legal, statutory and regulatory standards and risk appetite statement ("RAS").

Human Resources Committee

Comprised of members of the Board of Directors and an external expert, elected for the annual term, its advice currently concerns decisions regarding recruitment, compensation, evaluation and succession planning of Directors, Committee members and the Chief Executive Officer, as well as supporting the Chief Executive Officer in the recruitment, compensation, evaluation and succession planning of the other members of the Executive Board. In addition to the members, the Chief Executive Officer and the Director/Manager of Human Resources participate in the meetings, but do not have the right to vote. [To learn more about the advisory committees, access the regulations on the C&A IR website.](#)

Selection and appointment of the Board of Directors

GRI 102-24

Our Board of Directors is elected by the Annual Shareholders' Meeting and the appointment of members can be made by the Company's Management or by any shareholder, pursuant to the Brazilian Corporate Law and applicable rules of the Securities and Exchange Commission. According to the Management Appointment Policy, in addition to the legal and regulatory requirements expressed in the Company's Bylaws, it is necessary to comply with the following criteria: alignment and commitment to the Company's values and culture, its Code of Ethics and its internal policies; unblemished reputation; academic training compatible with the attributions or minimum professional experience, having performed functions similar to those to be performed in the mandate or having gathered skills and experiences that are of interest to the Company at the time of

their appointment; be free from conflict of interest; and having time available to properly dedicate themselves to the role and responsibility assumed, which goes beyond attending Board meetings and reading the documentation in advance.

Performance development and evaluation

GRI 102-28

The Board of Directors welcomes renowned experts at its meetings for presentations on topics it deems relevant. So far, these events have addressed especially economic and financial issues.

The performance of this body is formally evaluated at least annually by the collegiate itself, which also evaluates the advisory committees. The Chairman of the Board is responsible for conducting the evaluation process and the use of specialized external advice is optional.

Conflict of interest

GRI 102-25

Our Management Appointment Policy determines that each director must be "free from conflict of interest with the Company" as a mandatory criterion for his appointment to the body. Additionally, our Related Party Transactions Policy determines specific rules and procedures regarding the matter and, also, under the terms of the Brazilian Corporation Law, they are prohibited from intervening in any social operation in which there is a conflicting interest with that of the Company, as well as in the deliberation of the other administrators. These advisors must communicate the impediment to their peers and record, in the

minutes of a meeting of the board itself or the executive board, the nature and extent of their interest. Finally, our Code of Ethics also determines guidelines to be observed if such conflicts exist..

Remuneration

GRI 102-35 and 102-36

According to C&A's Management Compensation Policy, executive compensation will consist of fixed compensation; benefits package; variable compensation via a profit sharing program, based on economic goals; and share-based compensation, with a long-term incentive plan. The global remuneration observes, in any case, the limits established by the general shareholders meeting, under the terms of the corporate law.

Consultants may be involved in supporting C&A to determine management compensation. In 2021, a consultancy was hired to analyze the remuneration of all the Company's associates, including the members of the administrative collegiate.



Executive Board

GRI 102-19, 102-20

The Executive Board is responsible, among other powers, for managing and conducting the Company's business in accordance with the guidelines set out by the Board of Directors, to which it periodically reports on pertinent matters and performance. Additionally, there is a specific area for dealing with ESG issues and strategy, which reports to the People and Management Director.

Internal ESG Committee

The Internal ESG Committee is responsible for, among other matters, deciding on the Company's ESG goals and strategic plan; propose and monitor the execution of projects, aiming to improve socio-environmental and governance practices; propose and monitor Company indicators, internal commitments, projects and results related to the ESG theme such as sustainability, diversity and equity and social and environmental risk management; and inform the Human Resources Committee or the Audit and Risk Management Committee, as the case may be, of relevant matters involving ESG topics. Due to this new committee, the attributions of the diversity committee, established in 2020, are being reviewed.

Codes and policies

GRI 102-16, 205-2

The relationship with our stakeholders must be based on honesty, integrity, social responsibility and transparency, in order to establish trust and credibility relationships, guided by ethical principles necessary for the exercise of our activities.

We must always act in compliance with all applicable laws and regulations, as well as all laws that prohibit corrupt practices and that may give C&A responsibility for the actions of its managers, employees or third parties. In 2021, 16,380 (95%) associates received training in anti-corruption. Of the trained associates, 2% belong to the management position, 4% are supervisors and 89% are in operational positions.

Our Code of Ethics provides commitments with:

- ▶ excellence in our products and services, in addition to customer satisfaction;
- ▶ quality of the work environment, guaranteeing the physical and moral integrity of our associates;
- ▶ integrity, honesty and transparency in the conduct of our business;
- ▶ prohibition and zero tolerance with acts of corruption and other illicit acts;
- ▶ good corporate governance practices and

- establishment of accurate records and reliable accounting practices;
- ▶ clear, objective and timely communication;
- ▶ respect for people regardless of their hierarchical position, origin, color, ethnicity, culture, age, social level, physical capacity, religion and sexual orientation, and any practice of discrimination is rejected; and
- ▶ respect for human rights and labor relations.

The guidelines in this document must be followed by administrators, associates, and business partners. Knowledge related to it is provided to our new associates upon arrival at the company and to others via a mandatory course hosted on the *Academia da Moda* online training platform. With the completion of the activity, we renew our acceptance of the rules of conduct presented.

+ 655 thousand hours dedicated to training associates in anti-corruption



Fighting fraud and corruption

GRI 205-1, 205-3

Since February 1, 2019, we have followed the rules and procedures of the Fraud and Corruption Prevention and Combat Policy, which in turn is supported by other corporate policies and procedures, including the Operational Procedures for Risk Management and Complaints Handling, and the Supplier Registration Policies – “Know Your Supplier,” Recruitment and Selection, Development Plan and Payroll Payments – “Know Your Associate.”

Our objective is to implement risk assessment mechanisms in our purchasing, supplier contracting and admission process. C&A's management methods to prevent corruption are conducted

and managed in particular by the areas of (i) Internal Audit and Corporate Governance and (ii) SSC Sustainable Supply Chain, with the support of the respective business areas. Interviews, inspections and audits are carried out, which must be detailed by the two (2) mentioned areas.

C&A's Ethics Channel

GRI 102-17

The C&A Ethics Channel (Canal de Ética) receives complaints about conduct that violates our commitment to ethics, integrity and transparency. The resource is accessible every day of the week on the intranet and on our online portal. Redesigned in 2021, the Ethics Channel – formerly the Open Channel – is now a unified

channel for access by all C&A stakeholders. It is an exclusive channel for safe and, if desired, anonymous communication of conduct considered unethical or that violates ethical principles and standards of conduct and/or current legislation. The information recorded is received by an independent and specialized company, ensuring absolute confidentiality and the proper handling of each situation by the C&A Compliance Team, without conflicts of interest.

During 2021, 380 manifestations were received by the Open Channel, of which 132 are being investigated and 248 have been closed. The most recurrent concerns were deviations from processes, ethical issues and interpersonal relationships.



#YouInCharge

The C&A Ethics Channel is made available to associates, suppliers, customers, users, third parties or other people who have contact and or any relationship with C&A Modas. This channel is intended for the communication of situations with signs of illegality or suspicious and unethical practices and its communication can be carried out anonymously or identified.

Channel: 0800 591 8819 or

<https://canaldeetica.com.br/cea/>

(in Portuguese, English and Spanish) faleconosco@e.cea.com.br

Risk management

GRI 102-11, 102-15, 102-29, 102-30

We understand that effective risk management is a differential that provides security in the execution of plans and strategies, being a fundamental tool for prioritizing efforts to mitigate materialization, even more within the current competitive, rigorous, digital and regulated business environment. In this context, since the initial public offering in October 2019, we have been structuring the Risk Management and Internal Controls pillar, which supports the Risk Management Policy. With the support of an internationally renowned consultancy, we are aligning the guidelines contained in the document with the recommendations of recognized standards in the market, such as ISO 31000:2009, in order to identify and respond adequately to the risks to which we are exposed. The Executive Board has actively participated in this process and in updating our General Risk Map.

In our scope, we consider risks of the following nature:



strategic: group of risks that affect our strategic objectives, business model, competitive intelligence and governance, in addition to external factors that are independent of our actions



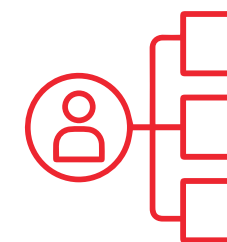
technological: group of risks associated with application systems, tools, technologies and information/data; and



financial: group of risks related to the reliability of the balance sheet and the exposure of financial operations



regulatory: group of risks related to compliance with legislation, such as labor, civil and tax/fiscal, or involving procedures related to regulatory bodies, such as accounting, Securities and Exchange Commission, B3, among others. [Access the C&A Reference Form and learn more about the risks](#)



operational: group of risks related to our infrastructure (processes and people), which affect operational efficiency and the effective and efficient use of resources

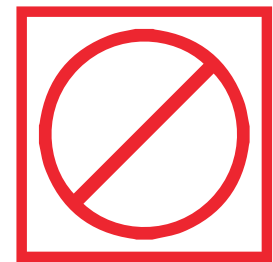
The main risks identified and monitored by us are described below.

Risks



Climate changes

Impact our ability to offer appropriate collections



Stoppage of operations

May result from pandemics or social movements, harming production, marketing or delivery



Economic-financial loss

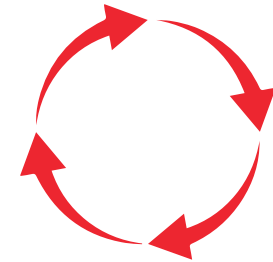
It harms the generation of value for our shareholders



Use of natural resources and waste generation

Inefficient water consumption in the manufacturing and planting processes of raw materials and waste generation (discarded products) can affect regenerative capacity and future availability.

Opportunities



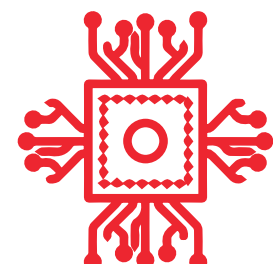
Circular economy

Development of processes and products according to reuse and efficiency



Expansion

Investments made in modernization, technology and digitalization to transform C&A into Fashion Tech.



Use of technology in favor of the environment

Adoption of blockchain technology to monitor environmental preservation actions and ESG practices, in addition to lower impact production processes.



Well-regarded brand

Focusing on opportunities strengthens the brand and our reputation.

Socio-environmental risks

Risks relevant to our business and for which we have adopted several preventive management initiatives. Since 2006, we have had a program to monitor and manage the supply chain, with the objective of curbing any type of irregular labor and seeking continuous improvement in working conditions and environmental issues in the supply chain and we are advancing in the management of socio-environmental risks, identifying priority risk factors and structuring action plans. In addition, we have an ESG strategy, structured around three main action pillars: Unite & Inspire our stakeholders, Renew&Restore natural resources, Innovate&Lead in the sector, always acting with transparency, integrity and social responsibility. We also have *Instituto C&A*, which works to strengthen communities through fashion. Learn more about the ESG Strategy [on page 41](#), and about our social and environmental risks in item 4.1 (page 46) of the [2021 reference form](#).

External initiatives and participation in associations

GRI 102-12, 102-13, GRI 103-1, 103-2, 103-3 Sector collaboration

Since structuring the Sustainability area at the company, C&A has worked collaboratively with NGOs, Industry Associations, Institutes and Foundations to move the fashion industry towards a sustainable future. In addition to being globally signatories to the Zero Discharge of Hazardous Chemicals (ZDHC) programs and affiliated with the Better Cotton Initiative (BCI), we have expanded our international participation. Since 2017 we have partnered with Cradle to Cradle Products Innovation Institute Certification Standards, we are part of the global Sustainable Apparel Coalition (SAC) alliance, made up of more than 250 leading apparel brands; we support the SLCP - Social and Labor Convergence, an initiative on improving working conditions in global supply chains; we support the CanopyStyle Initiative, which brings together major players in fashion and industry for the benefit of the planet; and also the world's leading circular economy network, Ellen MacArthur Foundation Circular Economy; we joined Fashion for Good, a global platform for innovation in sustainable

fashion; and Textile Exchange, a non-profit organization that sets sustainable international standards for the fashion industry.

We also remain committed to doing our part by contributing to arrangements such as the UN Global Compact, we joined the business initiative in 2021 in Brazil, and globally since 2015. Also from the UN, we support the initiatives and commitments in the empowerment of women and promotion of gender equity with the United Nations Women's Empowerment Principles (WEP) globally. Also at the global level, we assume action plans to prevent the negative impacts of climate change through the Science Based Targets initiative (SBTi).

In Brazil, being part of the supply chain certification program of Brazilian Textile Retail Association (ABVTEX), we were also the first company in the fashion sector to join the *Na Mão Certa* Program, in 2007. We carry out

awareness-raising actions to engage and guide our drivers in this action, which is an initiative by Childhood Brasil to tackle the sexual exploitation of children and adolescents more effectively on Brazilian highways.

We also believe in associative participation as a form of exchange and sector stimulation. In this sense, in addition to being members of ABVTEX, we are part of the Brazilian Textile Industry Association (ABIT), of the American Chamber of Commerce for Brazil (AMCHAM), of the Brazilian Association of Business Communication (ABERJE), of the Brazilian Association of Open Companies (ABRASCA), the Institute for Retail Development (IDV) and the Group of Business Institute and Foundations (GIFE). We also support the Ethos Institute, the ABRINQ Foundation and the National Pact Institute for the Eradication of Slave Labor (InPacto).



**We joined
the UN Global
Compact in
Brazil**

Awards and Recognitions

All our work has been recognized by the main organizations and assessment institutes, either for the way we do business or for our sustainability performance linked to it.

BRAZIL FASHION TRANSPARENCY INDEX (ITMB) - Fashion Revolution

C&A achieved the highest score for the fourth year in a row (2018, 2019, 2020, 2021), this year it reached the milestone of 70% on an overall scale with an average of 18% among selected major brands.

ABRASCA ANNUAL REPORT AWARD

6th place overall, and first as a publicly traded retailer, for our good practices of transparency, innovation and quality in the disclosure of information.

GPTW - GREAT PLACE TO WORK

Best Companies in Barueri and Surroundings and we are in the 6th position in the ranking of Best National Companies (Retail Category). For the 4th consecutive time, we are among the best in retail in Brazil and for the first time in the top 10.

iGPTW - B3 INDEX

Participation in the portfolio of the best companies to work for, based on the national ranking.

CDP - CLIMATE DISCLOSURE PROJECT

We have submitted our information on Climate Change for the first time and have obtained a C grade.

We were also recognized for::

- ▶ **iBest Award** - Top 3 Best Fashion E-Commerce Companies (Academia Jury)
- ▶ **Most Admired Brands in Rio de Janeiro** - *O Globo* and *Ibope*

- ▶ **Exame's Best and Greatest** - 500 largest companies in Brazil ranking
- ▶ **Valor 1000** - 1000 largest companies in Brazil ranking
- ▶ **Future Proof-Score** - Companies That Are the Most Prepared for the Future

- ▶ **Effie Awards Latin America** - Shopper Omnichannel and Fashion
- ▶ **Opinion Box** - Fashion Retailer Most Considered by Consumers
- ▶ **Disney Award** - Best Licensee in the Apparel and Clothing category

Value Generation

Financial Capital

GRI 102-7, 103-1, 103-2, 103-3: Economic performance and 201-1

The year 2021 was still directly impacted by the pandemic, in the first semester we still experienced operational restrictions and, more generally, in global supply chains. As the year progressed, the uncertainties related to the pandemic began to dissipate, especially with the advancement of vaccination, and the new challenge became the macroeconomic scenario.

Despite the challenges faced in the quarter, we once again presented net revenue growth compared to the pre-pandemic period, that is, 2019. In 2021, revenue totaled R\$ 5,153.2 million, 26.1% higher than in 2020. Net revenue from goods was 26.5% higher than in 2020, totaling R\$ 4,960.6 million.



First issue of debentures

In July, we carried out the first issue of debentures for the amount of R\$ 500 million. 500,000 debentures were issued, non-convertible into shares, in a single series for public distribution, with restricted distribution efforts.

[To learn more, access the relevant fact](#)

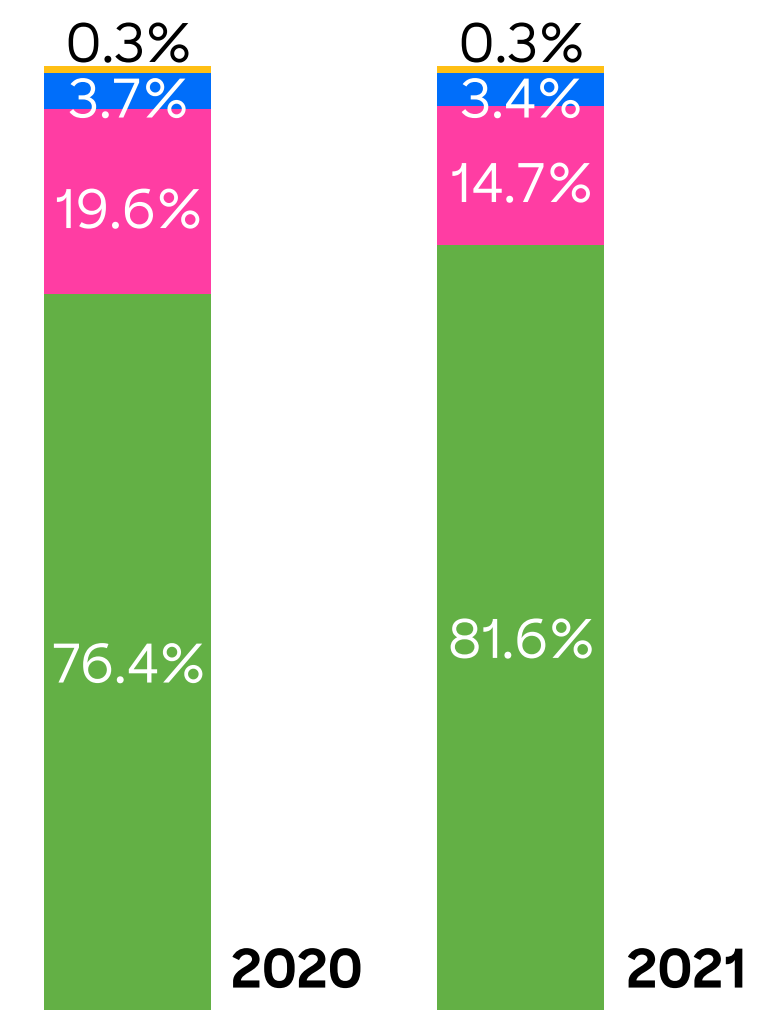
C&A's Economic Performance

Economic value (R\$ in millions and %)	2020	2021	Variation
Total net revenue	4,085.50	5,153.2	26.1%
Total Gross Margin	46.4%	46.5%	0.1%
Merchandise Gross Margin	45.4%	45.8%	0.4%
Total economic value generated	5,431.80	6,903.9	27.1%
Personnel and charges	676.3	747.3	10%
Remuneration of third-party capital	349.4	475.4	36%
Taxes, fees and contributions	1189.0	1313.7	10%
Total economic value distributed	2,048.30	2,865.4	39.9%
Retained economic value	-3,383.50	-4038.5	19.3%
Debt (R\$ in millions)	2020	2021	Variation
Gross debt	1.218,3	1375,2	12,9%
Short term debt	397,40	121,6	-69,4%
Long term debt	820,70	1.253,6	52,8%
(-) Cash and Equivalents	1.509,2	1.058,0	-29,9%
(-) Cash (or net debt)	291,1	(317,2)	-R\$608,3

Apparel revenue significantly increased its share at the expense of Others – Fashiontronics revenue, representing 81.6% of total net revenue. (over 5 p.p more than in the previous year).

The performance of the apparel category was driven by a good demand for the launch of collections, such as collabs with brands and celebrities, like the traditional beachwear collection “Além dos Mares.” In the year, apparel revenue increased 34.7%.

Net revenue per business



■ Apparel
■ Bradescar Partnership
■ Other Fashiontronics
■ Other services

The revenue performance of the Others – Fashiontronics category showed a reduction of 5.6% in 2021. The competitive and supply environments for cell phones and smartphones were constant challenges during the year and the impact is noticeable both in revenue performance and in gross margin.

Net profit (loss) for the year (R\$ in millions except margin)

	2020	2021	Variation
Accounting	(166.3)	329.0	R\$495.3

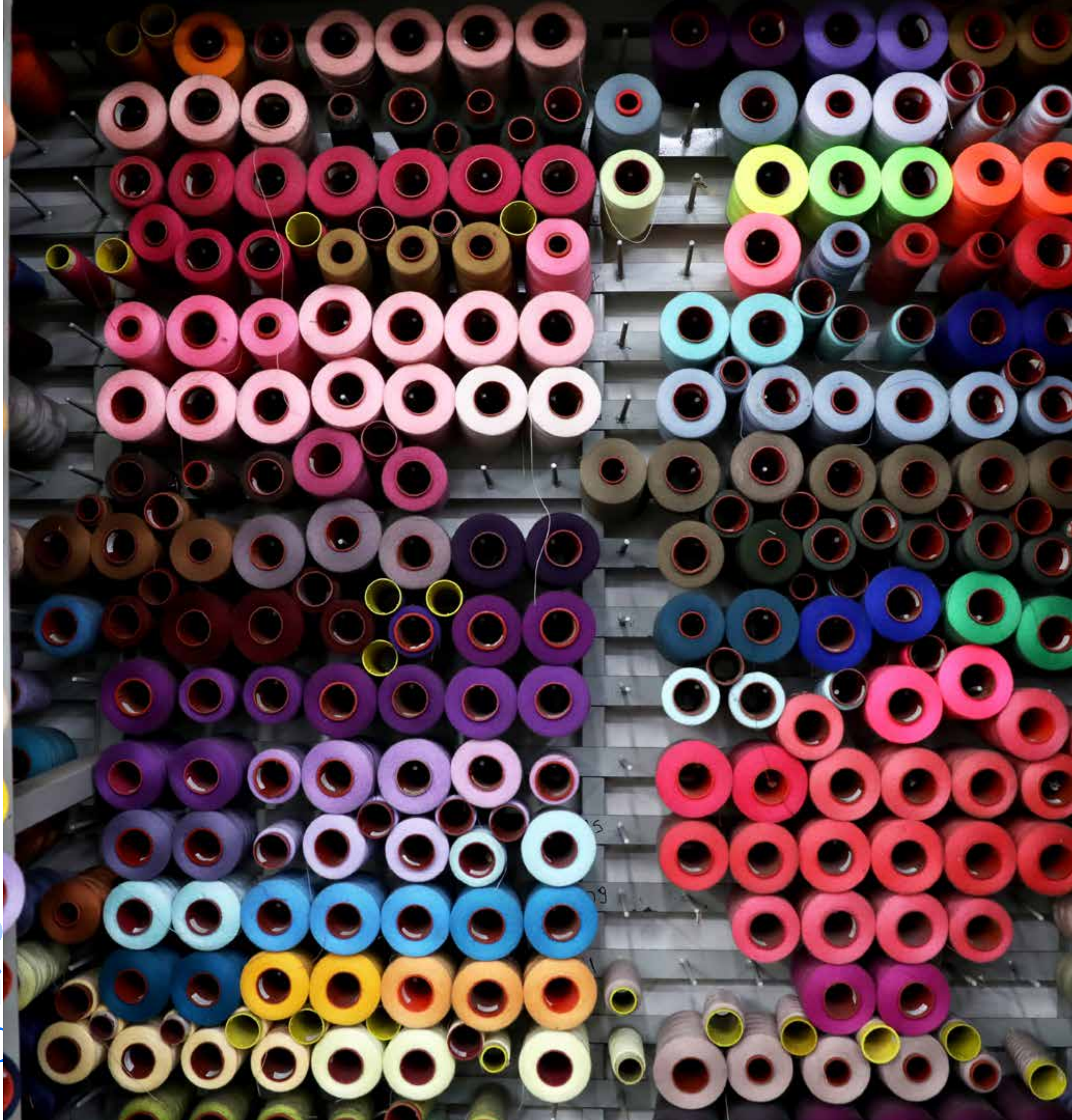
In 2021, net income was R\$ 329.0 million, with a margin of 6.4%. Excluding the effect of unrealized tax gains in 2021, C&A would present a net loss. That year, C&A consumed free cash of R\$ 529.8 million. The main impacts since the beginning of the year remain the same: CAPEX and working capital, with higher cash consumption in inventories partially offset by suppliers.





Strategy and Operation

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Strategy and Operation

Manufactured capital

Fashion Tech

We are undergoing a change of multiple dimensions and strong investment, which is altering processes and paths to accompany the digitization of society, which is expressed through fashion. We are confident that we will achieve our goal of being the best and biggest Fashion Tech in the country.

Our strategy is based on four levers, which, together, will result in this transformation of the way we operate and do business, always having “HER” (our customer) in focus. We made progress in our investments in modernizing the supply chain by redesigning the entire distribution of our products. Today, we are able to deliver certain categories according to demand, with customized replacement per store. Thus, we have an assertive distribution, an increase in sales. Regarding the credit offer, we took one of the most important steps in 2021, resuming operations and making them fully digital. In terms of leveraging store expansion, even with the pandemic still underway, we took advantage of the resumption of on-site operations - and opened new units, in addition to creating new formats.

On the following pages, we describe our advances in each of the levers in more detail.

Digital transformation

GRI 103-1, 103-2, 103-3 Digital Transformation, New Sales Channels and Infrastructure

The covid-19 pandemic brought social isolation, which left much of the population at home. Connectivity, which was already high, became the most relevant channel for human exchanges and access to the outside world. The situation also affected consumption habits, which turned to online channels. Our digital ecosystem includes options for purchasing via website, direct selling via *WhatsApp*, app (App C&A), *Minha C&A* and Marketplace (*Galeria C&A*).

This scenario made us advance our digital transformation plans, with the launch of new channels and the reformulation of others. Sales data shows that we did the following successfully: *online gross revenue* (omnichannel operation and *Galeria C&A*-marketplace) grew by 36.8% compared to 2020.

Direct sales via *WhatsApp*

The great highlight in the digital transformation lever in 2021 was direct sales via *WhatsApp*. Created to offer customers an alternative during the most restrictive phase of the pandemic, it has become a relevant tool for sales execution. Evolution through new tools, such as the adoption of Salesforce, has allowed *WhatsApp* sales to account for more than 50% of online sales.

The differential of this channel at C&A is the personalized and humanized service. More than just answering questions, associates provide fashion consultancy, highlighting trends, collection launches and offering suggestions for creating complete looks. The experience provided perfectly illustrates this strategy: the journey can start, for example, with a search on the website, move on to *WhatsApp* service and end with in-app payment and in-store pickup. There are a number of possible combinations.

In 2021, the channel's revenue grew about ten times compared to December 2020, even in a scenario where





WhatsApp
sales: more
than **50%** of
sales online

900 associates
dedicated to
direct sales via
WhatsApp

physical stores were reopening. There are opportunities to enhance good performance, based on three pillars: dissemination of the tool; expansion of active contacts, through greater exploration of the customer base; and loyalty, offering an increasingly better experience.

The team of dedicated associates has grown from 600 in 2020 to over 900 at the end of 2021.

With the channel's good performance, C&A created physical space inside the stores: *Espaço Muito On*. The direct sales team is highlighted inside a glass cube, with the objective of showing the operation to HER, creating greater connection and making the journey easier for those who started the relationship online and chose to end it in the store. By December, 3 stores already had the space: Shopping Aricanduva Mall in São Paulo/SP, Shopping Recife Mall in Pernambuco/PE and Norte Shopping Mall in Rio de Janeiro/RJ.

APP C&A

Launched in 2015, the C&A App had more than 17 million downloads, being a relevant link with the customer and strengthening the connection that is our essence. Making it uncomplicated and increasingly agile is a job we've been dedicating ourselves to for a few years.

The C&A application is currently responsible for more than 35% of all online purchases, with an average of 3.4 million active users per month. One of the new



features on the app in 2021 were the live shops, live broadcasts for product presentations, with sales in real time. We made eight broadcasts throughout the year, with information and fashion tips and benefits such as coupons, free shipping and offers, among others.

In addition to influencers, we invited associates to show their knowledge about our products, which, on many occasions, generated more engagement than the famous guests, which is why we are training them to be our presenters. In 2022 we will have even better live shops and a new version of the app, allowing for an increasingly fluid and consistent navigation.

Minha C&A

C&A's commitment to maintaining a robust e-commerce was fundamental to consolidate *Minha C&A* as a source of income through digital marketing for our selected consultants. A direct sales business model that offers a showcase of products in a personalized environment.

Our consultants offer fashion curation, freely and adapted to your regional culture, democratizing and expanding the possibility of reaching different profiles.

17+ million downloads across app platforms

Our greatest desire is to empower the customer so that she can assume a broader role in the brand's ecosystem, and in her financial life. With great care and attention, our team trains and guides you in all aspects for a safe sale.

By December, *Minha C&A* had 34 thousand registered consultants, compared to 8 thousand in February 2021. It's very simple to be a part of this community: the customer registers for free and can start customizing the space and promoting it. The stock is C&A's, that is, the consultant does not buy the products to resell them.

To learn more about *Minha C&A* visit https://minha.cea.com.br/*

*Only in Portuguese

Galeria C&A – Marketplace

A ready-made and accessible platform, *Galeria C&A* is expanding every year. Today there are more than 400 brands available on our marketplace divided into different categories, such as: clothing, shoes, toys, home fashion, beauty, small appliances, pet line, accessories and telephony, we ended the year with more than 460 sellers. The current focus continues on improving the relationship with sellers, maintaining the identification with our client through elaborate campaigns and boosting sales by managing the variety of products offered.

+ 460 sellers in 2021



Expansion and stores format

The stores are no longer just a place for shopping – they have become spaces for updating trends, finding options to express your own style, and sharing moments with friends and followers on social networks. More than that, they are becoming stock points close to customers in the most varied regions, bringing C&A closer to the customer.

We opened 26 new stores in Brazil in 2021 – the second highest number of openings in our history, in a single year. All the new stores, in addition to already being in the CVP (Customer Value Proposition) model and including omnichannel initiatives (ship from store, infinite hallway, click and collect, *whatsapp* sales), seek to offer new experiences closer to the customer.

Seventy percent of the units were opened in cities with between 100 thousand and 500 thousand inhabitants throughout Brazil, which allows us to increase the capillarity of our operation, reaching more people, making C&A the great fashion anchor in these cities and, consequently, attracting more customers. For customers, the advantages are a lower shipping cost; shorter delivery time, because the products come from the nearest unit; and closer physical store, providing the complete experience. .

Double door

Combining the strategies of new store formats and omnichannel, we opened, in mid-2021, the double door model unit at Shopping Parque Dom Pedro Mall, in Campinas (SP). At the end of the year we added another one in Fortaleza. It is an innovative proposal, in which our traditional store is connected to an Ace unit, our sports brand.

Each space has its own entrance and the Ace architectural project is unique, as are the packaging, bags and service. Despite presenting different universes, the stores are connected, allowing customers to walk between the two environments and continue their shopping journey.

Omnichannel was a priority in the double door planning. Inside the Ace space, there are no traditional checkouts and customers can complete their purchases through the mobile point of sale or via self-checkout. A 75-inch screen installed in the environment displays the items available at *Galeria C&A*, our marketplace ([see page 35](#)). These stores already have the fitting rooms in the studio version.



Pilot Initiatives to promote a better experience

Tools and resources are helping to improve the customer experience at some of the new stores. Starting with the updating of the architecture, with changes in the floor and lighting, readjustment of the layout and open storefront, showing more products. Highlight for the new fitting rooms, with developments such as lighting that allows you to choose between day and night, and the product consultation system, which allows you to search for another size and call an associate to take the piece. The studio version has an anteroom where a friend can wait while the customer tries the product, as well as a glass part, which can be opened for a photo, content creation or simply to show the look to someone else.

The heat map helps to understand how she moves in the facilities, generating data that allow identifying improvements in allocation, layout and commercial proposals, as well as products that complement the shopping basket. The associate's app, in turn, allows the team to monitor sales in updated reports and, thus, make the appropriate replacement of pieces.

Store nursery

Management initiative created to help new stores deal with implementation challenges. About four months before the opening, a support structure and training for local teams are defined. The managers involved in the nursery discuss supply, Visual Merchandising (VM) and results in weekly meetings, looking to identify obstacles or opportunities, and addressing them properly.

Among the benefits provided by this initiative are speed in solving problems; more integrated teams, with greater productivity; better-prepared stores; maturity and confidence in the execution of the operation; full knowledge of processes and well-established operation.

The nursery phase ends after the initial two years, when the store is managed by a team officially in charge of the activity.

Supply Chain Modernization

GRI 102-10

In order for the customer to enjoy the best level of service, through our omnichannel and its advantages, we need to ensure that inventory, product distribution and delivery occur without friction. Therefore, there would be no way to maintain our rise in the other growth levers without also evolving our supply chain.

In 2021, important investments were made in software (WMS - warehouse management system and the system for forecasting demand, planning and supply of stores) and hardware (sorters - equipment for separating individualized products) for the adoption of the push-pull model in SKU. In 2022, we intend to expand the reach of these new technologies, covering most of our operational base and the Customer Journey, and allowing the customer to find the desired product, at any time, through any channel. And receive through a fast delivery and with maximum efficiency.

26 new stores in Brazil -
the second highest number
of openings in our history in a
single year



Implementation of the Distribution Center Management System (WMS)

During 2021, we implemented the Warehouse Management System, software for managing the storage and flow of products in and out of a distribution center. We were the first company in Latin America to implement this solution, which enables an efficient interconnection between the warehouse and transport, which now operate together.

The solution allows us to manage, optimize and automate tasks, such as stocking, labor planning and order picking for shipping, with the main benefits being

the optimization of indirect resources, inventory and quality control, a decrease in stockouts and an increase in the teams's productivity.

The system is still a facilitator for other projects, such as distribution using the Push-Pull SKU model and the automation of the e-commerce distribution center. For 2022, the objective is to expand the use of WMS to other Distribution Centers.

Push-Pull SKU

The Push-Pull SKU (*stock keeping unit*) is a solution that rethinks the supply of stores, becoming an

on-demand supply strategy. The model is based on artificial intelligence, with state-of-the-art technology, capable of making the best decision to replenish stores according to the sales data generated. The distribution center starts to function as a storage buffer that mediates between supply and demand and no longer just a passage point for goods. More reactive, it depends less on projections and more on real needs.

In practice, it works as in this example: instead of sending a set of pieces of different sizes to a store, it is possible to identify what sells the most in that unit and replace them accordingly. The advantages are a reduction in out-of-stocks in stores, providing a better experience for customers, who find everything they want; reduction of markdowns on unsold items; positive impact on revenue; efficiency in the exchange of collections; among others.

Robotization of the e-commerce Distribution Center

Seeking to optimize the delivery times of products to consumers, gain efficiency and reduce errors in orders, C&A put into practice a robotic operation in the e-commerce Distribution Center, located in São Paulo-SP. Since opening in November 2021, we have reduced order delivery time for digital platforms by half in the São Paulo metropolitan region.



For 2022, the objective is to expand the use of WMS to all Distribution Centers

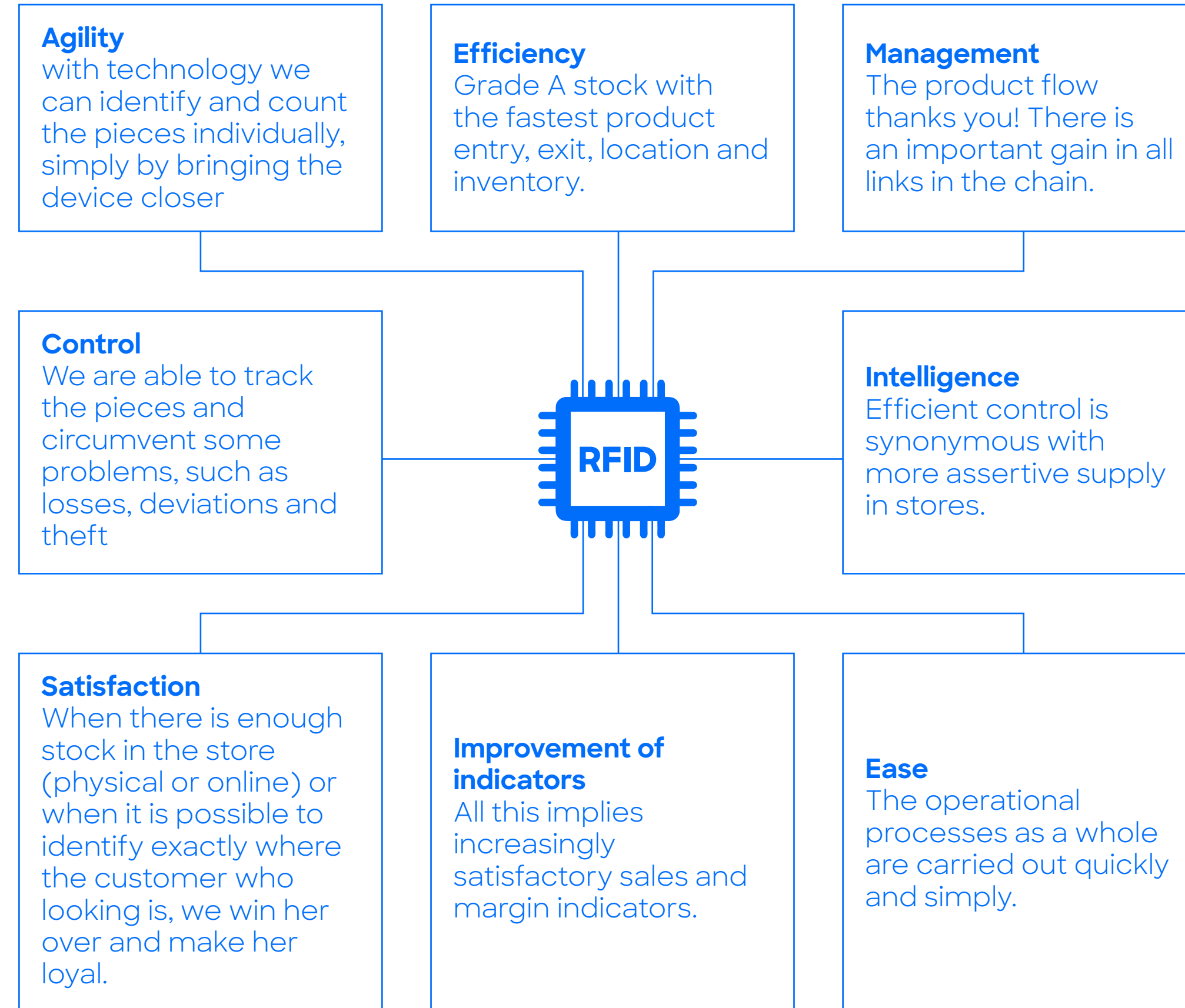
The OSR Shuttle™ automation system allows you to efficiently organize logistics processes, facilitating the storage, separation and sequencing of goods, orders and raw materials in a space-saving manner. Robotization allows an average assembly time per order of around 5 minutes, while the current process took one to two hours. The system is already integrated with the new distribution center management system, ensuring assertive management of tasks and stock.

Radio Frequency Identification Technology (RFID)

Radiofrequency identification technology, RFID, is focused on precision inventory management, with accuracy. Each of the products in stock has a specific label, which can be read by a device called a sled without having to take them out of the packaging or boxes, using radio waves. Thus, it is possible to accurately count available items in stock in minutes, which previously took hours or days. The sled communicates directly with the inventory management system, adding layers of intelligence and agility to the business.

The benefits are many and relevant:

8 gains with RFID



Blockchain

In 2021, we implemented blockchain digital technology to intensify monitoring and relationships with our suppliers. The tool allows real-time integration between our system and those of our suppliers, providing visibility into the production of each piece, from beginning to end, in a clear, agile and practical way. The pilot project launch took place in early April and, by the end of 2021, more than 20% of the products produced in the country began to be tracked and registered using this technology.

With technology, information sharing is dynamic, secure and immutable, which guarantees accuracy in monitoring. Another benefit is the possibility of constant exchange of information, which, in turn, helps to strengthen the relationship between us and the supplier with transparency, even mitigating the compliance risk.





Credit offer – C&A Pay

In 2021, we took a turn in our credit offer to customers. We managed to conclude the negotiations of the contract we had with Bradesco for the offer of financial products, putting into practice C&A Pay, a payments ecosystem that includes the credit granting service

With the novelty, launched in early December, we can offer better customer service fully aligned with our omnichannel strategy. With C&A Pay, the operation is completely digital, from request to approval, to invoice payment, making all these steps much more agile.

At the end of December, we already had more than 400 thousand accounts open. The purpose is to give the customer the opportunity to consume fashion. C&A was a pioneer in the credit area in 1984, when it launched the first private label card on the market. Our expectation is to advance and resume the vanguard..

Our pillars – Organization and Culture & Technology and Data

Our support pillars are focused on data-driven decision making and an agile, customer-focused change culture.

To engage our teams, we invest in OKRS (Objectives and Key Results), a participatory management model that facilitates the alignment of associates with the company's culture and strategy. In general terms, we are always looking for innovation and solutions that improve our customer's experience, but before launching products, we use the MVP (Minimum Viable Product) strategy that tests product performance, optimizing the use of resources in order to guarantee maximum return.

After launch, we manage the entire lifecycle process of apparel products through the PLM (Product Lifecycle Management) platform, which includes all stages from product development to commercialization, in one place. All solutions implemented at C&A are carefully managed by our team, in order to guarantee the best experience and customer satisfaction. To assess the level of satisfaction, we migrated the monitoring system to the NPS (Net Promoter Score) which helps us to draw up action plans to improve her experience. Our C&A&VC loyalty program recognizes and retains the customers who make the most purchases through our channels.



Our look at sustainability

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Care for sustainability, in all its aspects, is nothing new for C&A. We are committed to this issue and responsible for some of the most important movements in Brazilian retail in this regard.

We have the theme as a premise and seek to strengthen our relationships with the various stakeholders, disseminating good practices through safe products that are suitable for our customer's reality, as well as transparent processes based on ethical conduct with people and the environment.

We have the differential of being connected to an international structure, with experts in different subjects such as circular economy, raw materials and transparency and reports in Europe, Asia and America that bet on differentiated and innovative practices in sustainability. We expanded the work of the local team, structuring the ESG (Environmental, Social and Governance) area, whose role is to support leadership in defining policies and strategies for the topic, in addition to managing and monitoring our practices in relation to our 2021-2030 Commitments Platform. The ESG area reports to the People and Management and Innovation Department and leads the Internal ESG Committee.

Several initiatives that we have adopted over the last few years have been disruptive in the Brazilian market, encouraging changes in retail standards as a whole.

Since 2020, we are the first retailer in Latin America to produce a Cradle to Cradle Certified® Gold collection in Brazil, for T-shirts and Jeans – maximum representation of circular fashion

+90% of cotton is sourced from more sustainable sources

100% of our stores have a reverse logistics program for electronics and cosmetics

+60% of our stores participate in the *Movimento ReCiclo*, a pioneering initiative for the proper disposal in stores of clothes that the customer no longer wants, since the 2017. Circular Jeans Collection made of jeans collected in the *Movimento ReCiclo* and leftovers from production

100% of the national and imported supply network monitored annually since 2016

Team dedicated to the socio-environmental development of suppliers, going beyond auditing

More than 80% of our products come from top rated suppliers according to our audit protocol

Pioneer fashion retailer in Brazil to participate in the ZDHC (Zero Discharge of Hazardous Chemicals) Program

The only company in Brazil to go beyond the legislation, eliminating more than 90% of harmful non-biodegradable substances from the DETOX TO ZERO list, by Greenpeace.



Sustainability Strategy

C&A is committed to promoting fashion with a positive impact. We want customers to feel good about purchasing a product at C&A and our associates to feel proud of our contributions to society and the planet. With accessible and responsibly made fashion, we make sustainable choices easy for our customers and invite them to our #VistaAMudança movement. **#WearTheChange.** ([See more details on page 69.](#))

Our performance results from the alignment between the Global Sustainability Strategy – which guides, in an integrated way, the actions and commitments of the Group related to the theme in all countries where the C&A brand is present –, considering the ambitions and the local context of C&A Brasil. The new 2021-2030 Sustainability Strategy is structured around three main pillars of action: Unite&Inspire our stakeholders, Renew&Restore natural resources, Innovate&Lead in the sector, always acting with transparency, integrity and social responsibility. We will continue our journey, promoting transformations and innovation in the sector and in the production chain, seeking to protect natural resources, increase circularity, reduce plastic pollution and promote diversity and equity*.

2021-2030 Sustainability Strategy



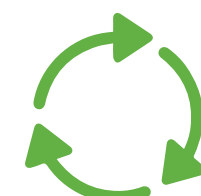
Our main objectives by 2030:

We continue to advance with our commitment, investing in technologies, development of the supply chain and of our associates to lead the evolution of our sector towards truly sustainable fashion, based on our pioneering spirit in the use of more sustainable raw materials, innovation in circular economy and our people.



Act as an industry leader in the use of SUSTAINABLE RAW MATERIALS

80% of the main raw materials must be sustainably sourced (cotton, viscose and polyester).



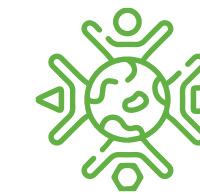
Promote CIRCULARITY

Include circularity principles in **50%** of products in the way they are designed, produced or reused.



Reduce PLASTIC pollution

Replace **50%** of single-use plastic with more sustainable alternatives



Promote DIVERSITY AND EQUITY

Keep at least **60%** women and increase by **50%** Indigenous, Black and Brown people in managerial positions, to form a diverse team and develop them to occupy Executive Leadership positions.

* Learn more on pg. 51 - Diversity.

Unite&Inspire

Intellectual, Social, Relationship and Human Capital

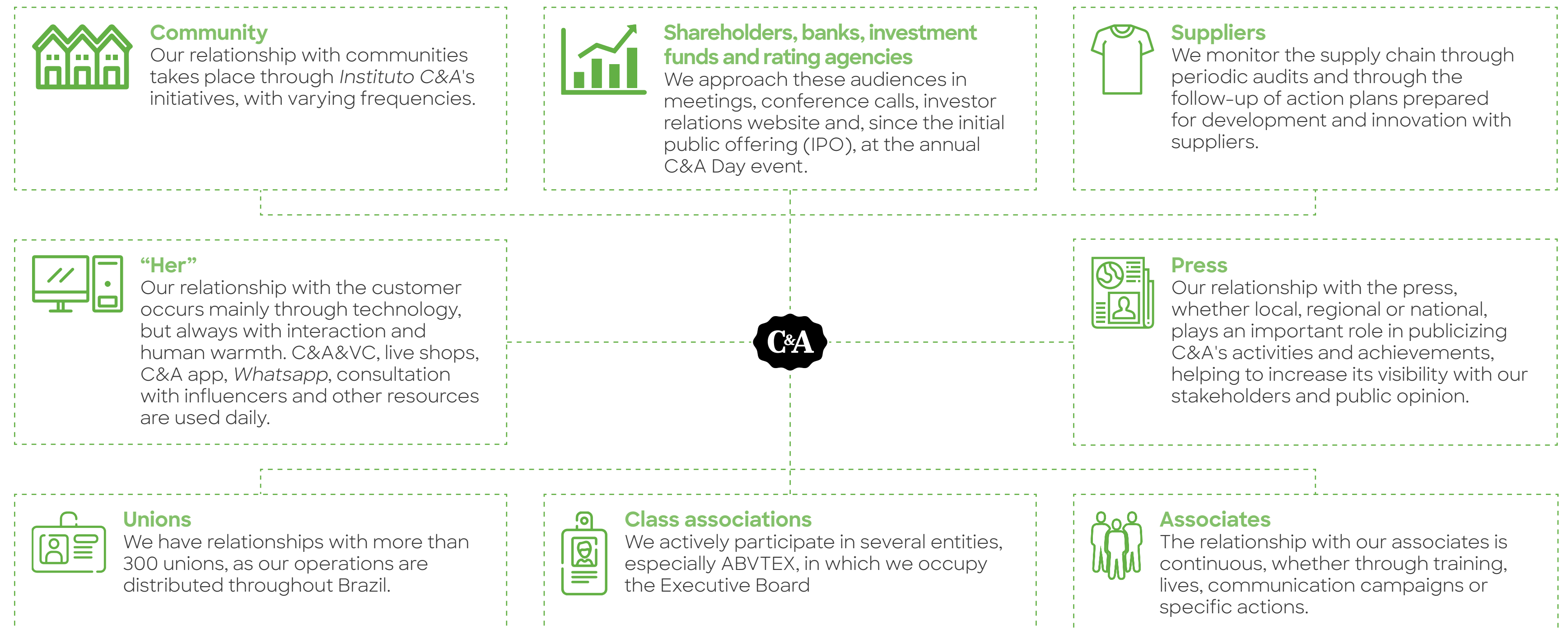
GRI 102-7

C&A Brasil operates with more than 17 thousand associates and more than 150 workers in the supply chain. **What we do - and how we do it** - has a significant impact on society and the environment. We are committed to transforming the fashion industry towards a sustainable future, considering:

- ▶ transparency about our supply chain and about our products and services, contributing to positive and lasting changes,
- ▶ continuous improvement of our associates' well-being, promoting a mentally and physically healthy lifestyle;
- ▶ strengthening communities through fashion, through the work of *Instituto C&A*;
- ▶ continuous improvement of the workers' well-being in our supply chain and the guarantee of their rights;
- ▶ collaboration with trade associations, NGOs and Unions, as this joint action is fundamental in the sustainability journey

Relationship with stakeholders

GRI 102-40, 102-43



Shareholders

Since the initial public offering (IPO) of our Company's on the Stock Exchange, it was necessary to structure the relationship with shareholders. The rendering of accounts follows a series of rules, such as the disclosure of results every quarter. The exposure of the brand and its executives will be redoubled, as it has the attention of the entire investor market.

We publish our performance reviews and other pertinent information on the Investor [Relations website](#). We also promote visits to stores and distribution centers so that shareholders can see our *in loco* investments.

We remain committed to better developing our relationship, since the improvement in corporate governance resulting from the IPO allowed our executives more autonomy in decision-making, enabling our commitment to the Fashion Tech strategy's growth plan.

Listening to "HER"

GRI 102-21 and 102-43

We are increasingly focused on our customers and, to understand what they really think about us, we use the Net Promoter Score (NPS) survey method, an indicator that helps to assess the level of customer loyalty based

on the question: "How likely are you to recommend the brand to friends and relatives?".

Through the implementation of a single and centralized survey, through which customers respond about all moments of the purchase journey at once. The new solution guarantees a much smarter look at "HER" experience, allowing us to discover which dimensions impact consumers the most, providing us with accurate information to build relationships and create bonds. .

C&A&VC

Consumer behavior changes every day and our C&A&VC loyalty program is attentive to customer habits and preferences. In 2021, the omnichannel initiative underwent renovation, expanding interactivity through gamification. In this way, we were able to develop a closer and more assertive communication, not only with regard to the purchase.

We reached the mark of 19.7 million registered customers representing more than 77% of sales. And, regarding our customer base, considering the last 12 months, we had a 36% increase in our e-commerce base (considering omnichannel initiatives). C&A's goal is to keep C&A&VC always up-to-date and ready to keep up with customer and world changes..

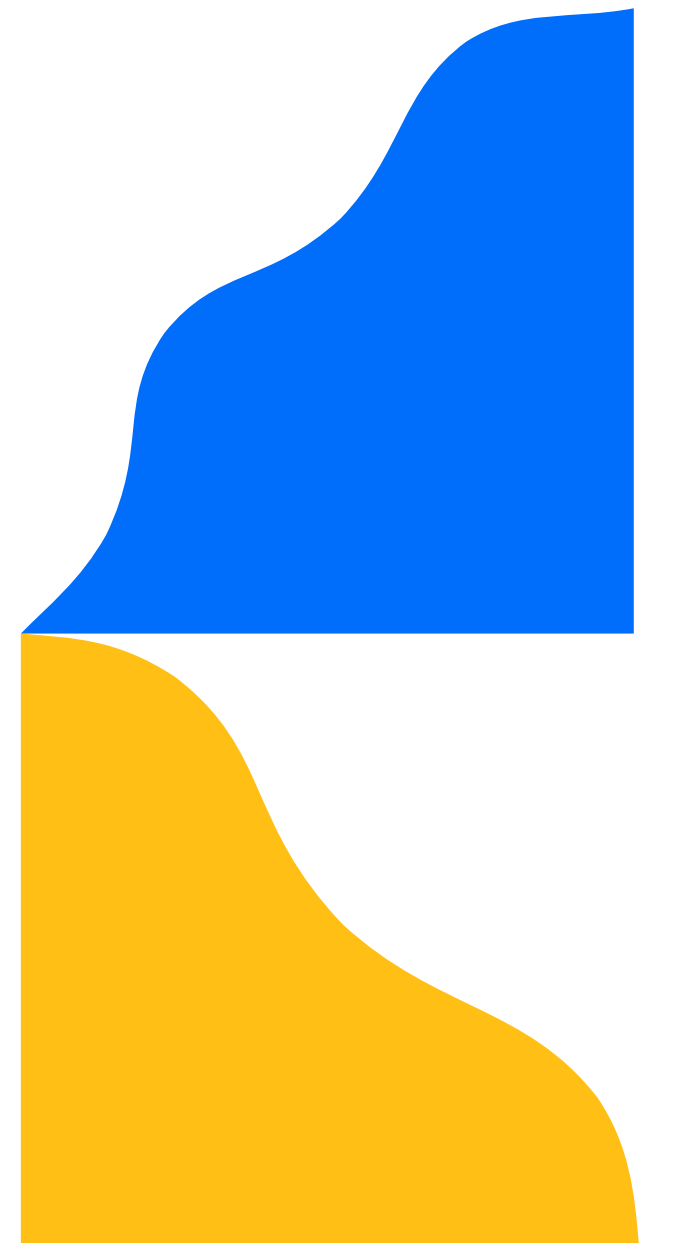
Label transparency

GRI 103-1, 103-2, 103-3: Communication and Transparency (customers), GRI 417-2 and 417-3

In order to provide information to our client with complete transparency, we comply with the legislation and work with suppliers to comply with our Internal Labels Manual (IGE-09) and the standards of the Brazilian Association of Technical Norms for labeling.

Management is done in software, through which we provide supplier companies with a system for generating labels, which suggests regulatory information for each product according to the informed composition. The data are checked in the inspection of the order, and the labeling is an item that can be disapproved of by the lot. We are committed to checking the labels affixed to the products on 100% of samples and orders checked by the inspection service provider or our quality control.

We also advise the commercial areas and suppliers regarding products that depend on certification, such as cosmetics, perfumes, school supplies and toys, and which must not be marketed without the proper authorizations from competent bodies. We are concerned about the health and safety of our customers and possible damage to our image.





#VistaAMudança
(#WearTheChange), our global
communication concept for
sustainability

In addition, we identify products that have sustainability attributes through specific 'tags'. On the one hand, they signal the #VistaAMudança, our global concept of communication for sustainability, and on the other hand, the characteristic that makes that product more sustainable, whether its raw material, such as more sustainable cotton, or in the process, such as jeans with less water or more sustainable dyeing.

During 2021, 14 infraction notices of non-compliance with labeling information were registered, related to the omission of the use of fiber in the textile composition label of some products. We presented defense for three of them, but Inmetro, the public body responsible for the investigation, rejected our challenge and applied a conviction, totaling R\$ 17.3 thousand. In one of the other cases, we got the archiving. Regarding the remaining records, we await the return of Inmetro.

We also received 20 customer complaints about false advertising. Despite having filed a defense for all cases, INMETRO, the body responsible for the assessments, imposed a fine of R\$ 7.3 thousand on five of them. As for the others, we are awaiting the court decision.

We seek to measure the number of non-conformities and adapt them to the applicable legislation, involving the management areas (quality, cosmetics, commercial) when necessary. In addition, we work in a consultative manner, supporting the progress of

operational processes and monitoring compliance with legislation, as well as providing training to demonstrate legal risks and how to avoid them.

Mechanical and chemical safety

GRI 416-1, 416-2 and 417-1

The first version of the Brazilian Standard ABNT NBR 16365 - Safety of Children's Clothing is from 2015, however, there is no legislation that requires compliance with the standard. Thus, our entire effort to comply with rules regarding mechanical safety is voluntary, which includes not only clothing, but also footwear and accessories. We work with stricter criteria than the legislation, in order to give confidence and security to customers who purchase products for babies and children. In 2021, we maintained our Mechanical Safety Program for Children's Products (SMPI), whose guidelines are applied at all stages, from product development to arrival at the point of sale, according to an internal manual.

The manual is disseminated to our suppliers in face-to-face training, online and on the C&A Portal. It is also widespread among our associates involved in the development, negotiation and quality control of children's products.

Checking is done in two steps: visual analysis and laboratory tests on the control sample and visual analysis

and laboratory tests on orders before shipping to the store. In case of foreign suppliers, there is follow-up in the country of origin in most cases. In 2021, 100% of children's products underwent this investigation, compared to 98% in 2020.

Our suppliers also commit not to use raw materials that may contain fluorocarbons (PFCs). To guarantee chemical safety in 100% of our products, we test in the laboratory all those that are within the risk classification.

In 2021, we did not identify any assessments or complaints related to impacts on the health or safety of consumers.

Associate

GRI 103-2 and 103-3: Associates' well-being, GRI 401-2

Our people management policy is an integral part of our business strategy, because we want to have the best people in the right places. Our foundation is a competency model, through which, annually, we assess all teams, seeking to develop skills and constantly challenge performance, in order to influence our business performance.

In 2021, we carried out a diagnosis to understand how associates evaluate our corporate culture. Adherence was 94% of the staff, who indicated 87% of our culture's effectiveness, which means that they recognize it as strong and healthy. This information inspires us to be even more careful to preserve what we have already built and continue to evolve. The project is under development and throughout 2021, five workshops were held with senior leadership, forty-two interviews with executives and sixteen focus groups, which included approximately four hundred associates from different areas. The conversations will serve as input for the final definition of the topics mentioned above for later declaration and engagement of associates.

This was not our only initiative to understand what our associates think and engage them. Since July we have been conducting continuous listening through the Pulses survey, which has enabled us to follow the movements of our culture and thus successfully implement the Fashion Tech strategy. Each week, the member receives six questions, the answers of which will tell us how he feels about the topics covered. As a result of the survey, in 2021, we obtained a score of 8.0 (above average when compared to the market), the

score takes into account the perception of associates in twelve dimensions (Alignment with the company, Well-being, Career, Professional development, Ambassadorship, Structure, Feedback and Recognition, Happiness, Innovation, Justice, Leadership and Interpersonal Relationships). The information is being treated by a partner company, confidentially.

Attraction and retention

We have strategies to attract and retain talent and we are aware of the high turnover that is characteristic of our sector. In order to seek talent in the fashion tech strategy, we have been working on this image publicly, publicizing our innovation processes and generating curiosity in the market. In the social distancing period, tools such as LinkedIn became even more relevant in attracting employees, as well as the intensification of online interviews, facilitating and streamlining processes. We practice compensation and benefits, rewards and career solutions, building a value proposition for associates that includes monetary and intangible aspects in line with the new scenario and that results in the best return on investment in people.



87% of associates recognize C&A's culture as strong and healthy

Associates Profile*

GRI 102-8, 102-41 e 401-1

North

	2019	2020	2021
Women	650	602	858
Men	391	350	406

Midwest

	2019	2020	2021
Women	496	477	716
Men	243	219	270

South

	2019	2020	2021
Women	584	577	763
Men	300	287	392

Northeast

	2019	2020	2021
Women	2,356	2,214	2,813
Men	1,109	1,027	1,252

* In 2021, only segregated data for associates with permanent contracts were reported. That year we had 13198 temporary workers (4055 men and 9143 women). Hiring is mainly for commercial events such as Christmas, Mother's Day, Children's Day and Black Friday and special projects. During the year-end holidays alone, 4,000 people joined the sales team as reinforcements.

* In 2019 we had 828 temporary staff and in 2020, 676.



Southeast

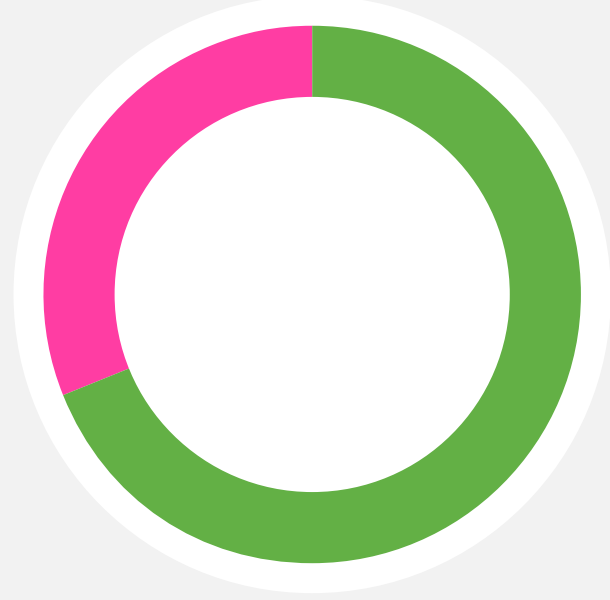
	2019	2020	2021
Women	5,537	5,328	6,856
Men	2,869	2,596	3,077

21% growth in associates, compared to 2021



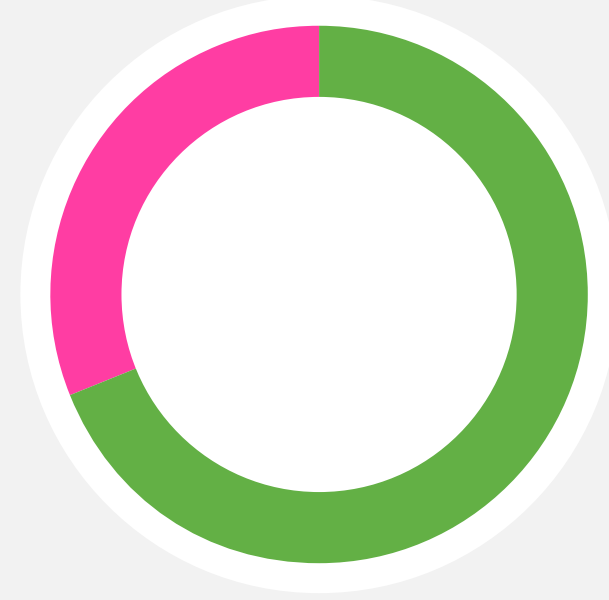
		2019	2020	2021
Total number of full-time associates	Women	9,582	9,142	11,348
	Men	4,899	4,466	5,152
Total number of part-time associates	Women	660	560	658
	Men	222	182	245
Total number of associates	Women	10,242	9,702	12,006
	Men	5,121	4,648	5,397
Total		15,363	14,350	17,403

Associates by type of work and gender



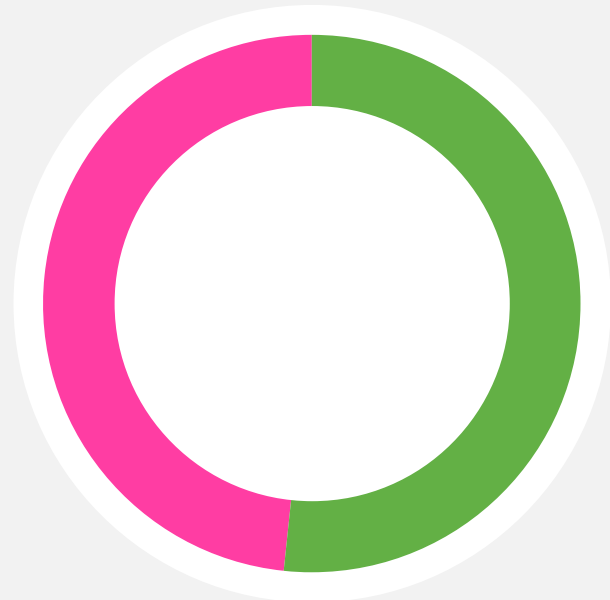
69.0% Women
31.0% Men
Permanent contract 17,403

New hires*



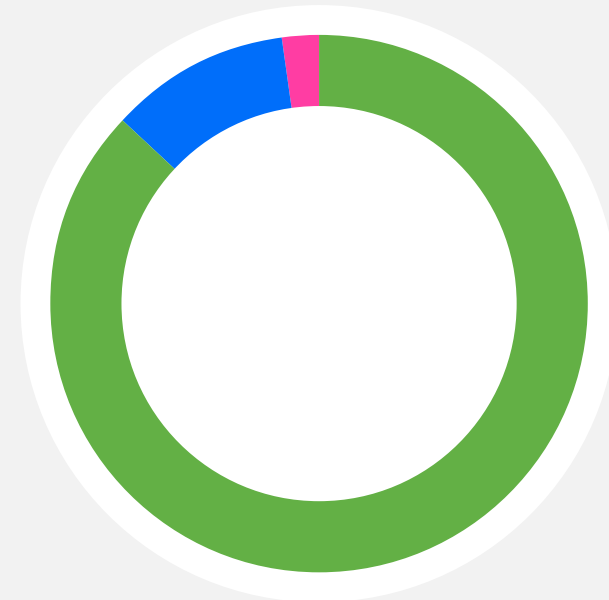
69.0% Women
31.0% Men
* New hires 12,135

Terminations and Turnover*



58.0% Women
42.0% Men
* Terminations and Turnover 9,623

Associates by head office, distribution centers and stores



87.0% Store associates
11.0% Associates in the main office
2.0% Distribution Center Associates
Total 17,403



Hiring and Turnover GRI 401-1

	Total employees hired	Rate of new hires (%)*	Total number of terminated employees	Turnover rate (%)**
By gender				
Men	3748	69%	3151	64%
Women	8387	70%	6472	62%
By region				
MIDWEST	851	86%	633	75%
NORTHEAST	2436	60%	2008	55%
NORTH	949	75%	721	66%
SOUTHEAST	6796	68%	5376	61%
SOUTH	1103	95%	885	86%
By age group				
up to 30 years old	10392	84%	7961	74%
between 30 and 50	1717	37%	1614	35%
over 50	26	7%	48	10%

* New hire rate (%): Total no. of employees hired / total no. of employees on 12/31/2021.

** Turnover rate (%): (Total no. of employees hired + Total no. of employees terminated) / 2 / total no. of employees on 12/31/2021] - These calculations are made within each group (men, women, northern region, southern region, etc.) regarding the corresponding total.

Hybrid work

As of September 2021, we started to adopt a hybrid work model, in which our head office associates work 2 days in person and the others work remotely. This return is being made possible by vaccination, which is recommended for all those who work in person, regardless of the number of days in the week. The use of masks remains mandatory.

Benefits and well-being

GRI 103-1, 103-2, 103-3: Associates well-being, 201-3, 401-2, 403-6 and 404-3

In accordance with our Benefits Policy, we support the well-being of all our associates and dependents by providing a wide range of benefits, which include preventive physical, mental and emotional health care; granting of a health plan; availability of telemedicine and teletherapy channels, in addition to a face-to-face service network; promotion of social, legal and psychological support programs for a more balanced

and productive life; maternity/paternity leave, private pension, day care assistance, funeral assistance, partnership club, pharmacy assistance, payroll loan, discount on purchases from the first day at the company, half-yearly vacation, tribute for time in the company, GAIZ platform and *propar* (PLR - profit sharing program). We have outpatient medical care for the Central Office and DCs. This year we instituted a day off in the associate's birthday month. The purpose is to offer the necessary support for associates to take care of themselves, promoting quality of life and a pleasant work environment.

Maternity/paternity leave GRI 401-3

TOTAL NUMBER OF ASSOCIATES	2019		2020		2021	
	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN*
Entitled to maternity/paternity leave	10,242	5,121	9,702	4,648	12,006	5,397
Who used maternity/paternity leave	568	0	554	0	501	161
Who returned to work after maternity/paternity leave	559	0	544	0	501	161
Who remained on the job for 12 months after their return from leave	260	0	407	0	411	123
Return rates	98.42%		98.19%		100%	
Retention rates	42%		73%		81%	

*To determine paternity leave, associates who included children born in 2021 were considered

The entire program was reviewed in 2021 in accordance with the best market practices, which we monitor through a remuneration and benefits survey, and suggestions given during selection processes for new or old associates. We have the support of a consultancy to manage the operations and transactions with each supplier or partner company.

For health well-being, respecting due medical confidentiality, we measure results, control claims and use the available channels to prepare preventive actions, such as influenza vaccination campaigns for the office, Yellow September, Pink October and Blue November. In 2021, we implemented the teletherapy platform, to contribute to a better mental health for our associates. In 2022, we will launch the Pregnant and Chronic Program.

We believe that a good associate experience is the best path to a good customer experience. Inspired by this, we started with ourselves. We ended 2021 with 17,403 associates – 12,006 women and 5,397 men – distributed throughout Brazil. It was a growth of 21% when compared to the previous year. We dedicated energy to making C&A a more diverse company and implemented agile methodologies across all areas, seeking to connect with the most innovative ways of working. All our associates are covered by collective labor agreements, whose negotiations follow all the standards and limits determined by local legislation.

C&A offers defined contribution retirement plans, in which any associate can become a participant through a membership procedure. The plans are managed by an outsourced service provider that develops the retirement plans of C&A Modas S.A.

associates and other group companies. The associate chooses one of the investment profiles offered and the total balance of all contributions is paid monthly based on the quota variation. To start receiving their amounts as a regular retirement benefit, the associate must be at least 55 years old and no longer have an employment relationship with group companies. There is also early retirement, in which the minimum age drops to 50. Upon termination of employment with C&A, the associate has options to apply for the benefit or maintain the investment.

Development and training GRI 404-1 and 404-3

We promote development and training initiatives for our associates so that they can evolve in their careers and act in line with our standards and job requirements, as well as drivers of our strategy.

The office's public performs online training, on the Learning Experience Degreed platform, according to the skills required for their position and function. *Academia da Moda* (a Learning Management System) is the training platform for store teams, in which we provide courses in different formats, designed to enhance learning. Throughout the activities, participants answer questions or other requests that allow us to identify and map the topic's level of understanding. New associates follow the learning map to integrate with the store, the function and C&A, and are guided by the back office, manager and trainer leader.

Due to the large number of stores spread throughout Brazil and the turnover common to the retail sector, providing online training is an effective way to ensure that knowledge reaches all our associates at the same time and in a standardized way. Another advantage is to monitor the courses in real time and with more assertiveness. The platforms used make it possible to extract detailed reports, cross-reference information and generate analysis to base action and reinforcement plans, and other training initiatives. During the pandemic, the resource also made it possible to maintain the training routine without damage. The activities that were perhaps carried out in person, started to take place in a virtual meeting tool.



Average hours of training per associate GRI 404-1

Gender	Average hours
Women	208,088.37
Men	85,878.29

Functional category	Average hours
Director	10.33
Manager	5,414.08
Supervisor	8,026.85
Operational	280,361.90
Intern	153.40

Management Cycle GRI 404-3

Annually, we conduct an evaluation of the associates' performance, in two cycles - one from January to March for the central and administrative office of the distribution centers, and another for the operation teams of the distribution centers and store teams, from August to the end of September. Anyone who has worked at least three months in the year and spent less than 151 days on leave is eligible. All positions go through the process, with the exception of apprentices and interns.

The cycle consists of four stages: Assessment/Self-Assessment, Calibration, Feedback and Individual Development Plan. The results are calibrated and the final data support decisions regarding positions, salaries, promotions, dismissals, rehiring, etc. In addition to the cycle, we have 1:1 and Insights. Two tools that support the constant development of our Associates.

Associates who received regular performance and career development evaluation GRI 404-3

		2019		2020		2021	
		Women	Men	Women	Men	Women	Men
Board	Number of members who received evaluation	1	5	0	2	1	8
	% of associates who received an evaluation in relation to the total number of associates in this role	17%	83%	0%	100%	50%	80%
Management	Number of members who received evaluation	278	186	298	187	347	196
	% of associates who received an evaluation in relation to the total number of associates in this role	60%	40%	61%	39%	95%	95%
Consultant/ Coordinator	Number of members who received evaluation	412	217	411	228	434	238
	% of associates who received an evaluation in relation to the total number of associates in this role	66%	34%	64%	36%	84%	68%
Operational	Number of members who received evaluation	7458	3555	371	287	7368	3445
	% of associates who received an evaluation in relation to the total number of associates in this role	68%	32%	56%	44%	70%	75%
Trainees	Number of members who received evaluation	8	1	4	1		
	% of associates who received an evaluation in relation to the total number of associates in this role	89%	11%	80%	20%		
Interns	Number of members who received evaluation	1	0	8	6		
	% of associates who received an evaluation in relation to the total number of associates in this role	100%	0%	57%	43%		
Total by gender		8158	3964	1092	711	8150	3887
Total associates who received regular performance review		12122		1803		12037	

*in 2021 we did not have a trainee program.
**interns do not go through the evaluation cycle.

Diversity

GRI 103-2: Diversity and 405-2

Diversity is such a relevant topic for us, that we maintain a dedicated area, active not only in the management of quotas, but also in other matters related to inclusion, such as LGBTQIAP+, race/ethnicity, women in leadership, women in tech.

In 2021, we created the affinity groups C&A Pride, C&A Anti-racism and C&A Women in Tech in Leadership, whose objective is to recommend and support the Company in the promotion of actions and campaigns. Women represent 69% of our membership and, to strengthen them, we are global signatories to the UN Women's Empowerment Principles. In order to

contemplate the LGBTQIAP+ community and guarantee rights, we have been offering medical assistance to same-sex couples for over ten years.

For talent attraction initiatives, we entered into a partnership with *Transempregos* to support us with the hiring of transgender people, who, upon becoming members, have their social name registered at all points of contact, such as badges and e-mails. We also work with the consultancies *Indique uma Preta* and *EmpregueAfro*, specialists in hiring blacks and browns. We are committed to increasing the percentage of blacks, browns and women in leadership positions, as part of our goal to provide equal opportunities for all.

In accordance with the Code of Ethics, C&A does not tolerate any type of discrimination, including but not limited to gender, age, religion, marital status, race, social class, social history, illness, disability, pregnancy, ethnic and national origin, birthplace, union membership, political affiliation and sexual orientation. Those who feel discriminated against in any way can report the cases to *Canal Aberto* ([see page 23](#)).

For the external public, we rely on *Instituto C&A* to support the *TransSol* and *TemSentimento* Collectives. In 2021, the Institute launched the #TodesNaModa public notice, created exclusively for LGBTQIAP+ fashion entrepreneurs ([see page 54](#)).

Proportion of amounts paid to women in relation to men by functional level (%)

		2019	2020	2021
Central Office	Board	96	66	63.5
	Management	84	83.5	82.4
	Consultant/ Coordinator	93.9	91.8	90.2
	Operational	91.8	89.8	89.5
Distribution Center	Consultant/ Coordinator	107.2	102.4	101.7
	Operational	106.7	103.4	98.0
Stores	Consultant/ Coordinator	106.8	105.8	105.1
	Operational	98.3	98.5	97.8



Our diversity pillars



Education and engagement: training and affinity groups



Communication: employer branding, events and media positioning



Commitment to inclusion: hiring, retention and promotion indicators



We inspect our operation annually for the preparation of Environmental Risk Prevention and Occupational Health Medical Control Programs

C&A Fashion Devs

GRI 404-2

On August 25, 2021, we launched C&A Fashion Devs, an intensive developer training program, open to both C&A associates and the external public. The objective was to train professionals who, eventually, would be absorbed by our Tech area.

To this end, a learning path focused on programming was created, covering languages such as .NET Core (C#) and Front-end (Js). Participants had classes with qualified and reference professionals working in the market, who use innovative educational methodology to provide better learning and application of acquired knowledge.

C&A Fashion Devs received 6,142 registrations, 62 trained participants and, from this audience, 25 were chosen to join our tech team, 14 of which were new hires and 11 who were already C&A associates.

Health and safety

GRI 403-1, 403-2, 403-3, 403-4, 403-5, 403-6

Keeping our associates safe is part of caring for their health and well-being. We have a management system to comply with legal regulations covering all positions and units. We inspect all these locations annually for the preparation of Environmental Risk Prevention and Occupational Health Medical Control Programs, in which we list all safety and health risks in our work environments. This activity is performed by a third-party company, but validated by C&A's Specialized Services in Safety Engineering and Occupational Medicine area. In case of effective risks, a study is conducted to eliminate or reduce the danger of occurrence. Information regarding risks or hazards identified by associates prior to carrying out their activities is kept anonymous and is protected by the Code of Ethics.

Prevention is carried out by the Accident Prevention Commission (CIPA), which meets monthly to assess risks and accidents, at

work or on the way. There are Cipas in all our units, formed by elected and appointed associates.

Health and safety are the subject of two courses at Academia de Moda ([see page 49](#)): Ergonomics and Cipa. We also promote fire brigade training at all units for technicians and maintenance leaders who work in electricity, in compliance with Regulatory Norms 10 and 23.

We also have actions articulated by the Internal Commission for Accident Prevention (CIPA), in particular the Internal Week for the Prevention of Occupational Accidents (SIPAT), which covers all C&A associates, which in October 2021 took place in an online format. In the lives, topics such as the following were addressed: Covid19 - the current scenario and the importance of vaccination; Mind care; and What is ESG and where is C&A. During the week, associates received guidance to avoid commuting accidents and information about STIs (Sexually Transmitted Infections).

Community

Instituto C&A

GRI 103-1, 103-2 and 103-3: Community

Instituto C&A has been coordinating social initiatives at C&A Brasil for 30 years and our purpose is to strengthen Brazilian communities through fashion, positioning itself regionally to promote social impact in the communities surrounding the stores, distribution centers and central office throughout the Brazilian territory through fashion and corporate volunteering. Another front of action is that of humanitarian aid in situations of public calamity and emergency crises in the country.

Our social pillars



Volunteering



Entrepreneurship



Humanitarian Aid

Volunteering

One of the premises of the new way of working is to maintain the legacy of the Volunteering Program, one of the oldest in Brazil, which dates back to the creation of the Institute in 1991. Thus, the program was aimed at social organizations that have fashion as a central element and an entrepreneurship front was created to work with social groups that struggle to assert their rights - peripheral populations, LGBTQIAP+, black women, migrants and refugees, among others. The objective is to promote projects and initiatives that include more sustainable practices and appreciation of decent work, so that in the medium or long term those responsible can integrate themselves into C&A's value network. Through the connection of volunteers and up close knowledge of these groups' difficulties, the idea is to create empathy movements and expanded impacts.

The Volunteer Program had almost 1.3 thousand participants throughout 2021, among them 154 leaders, including supervisors and managers. In all, 381 actions were carried out, with 90 partner organizations. The #MuitoMaisOn program brought together corporate volunteering and the promotion of entrepreneurship, with free online workshops given by C&A employees with the aim of collaborating with the development of small businesses, impacting more than 300 fashion entrepreneurs.

With this performance, the Institute reached the goal of 9% engagement of associates in volunteering initiatives. The entity also surpassed the 180 voluntary actions planned for the year, totaling 234. It also supported 244 entrepreneurs, 144 more than the minimum target. It also managed to regularize its statute and carry out its business plan with *Galeria C&A* ([marketplace - see page 33](#)).

In total, around R\$ 3.9 million were invested in 2021, coming from the Cofra Foundation. .

Entrepreneurship

GRI 413-1

In 2021, the Institute invested R\$ 600,000 in projects of the Entrepreneurship Program developed for black people, LGBTQIAP+, immigrants and periphery residents, directly impacting around 300 micro and small entrepreneurs. A partnership was signed with *Feira Preta*, which opened at *Galeria C&A*, our marketplace, for the sale of products from six fashion Afro-entrepreneurs, selected among the 21 black, indigenous and Afro-Indian entrepreneurs who participated in the *Afrolab Moda* program by *Instituto C&A*. The beneficiaries received mentoring from our professionals and workshops with names in the fashion world, such as stylist Isaac Silva. *Afrolab Moda* also gave rise to *Sente o Flow na Moda*, a campaign that offered



234 voluntary actions in 2021

visibility to the project's Afro-entrepreneurs and was supported by names such as singer Karol Conká.

Also in the sense of Afro-entrepreneurship, with the addition of female empowerment, *Instituto C&A* created the *Garimpo da Preta* project, in partnership with *Pretahub* and *MinhaC&A* (see page 53), to encourage digital entrepreneurship as income generation. The project directly benefited six black women, who participated in workshops on digital content production, entrepreneurship and fashion.

Another highlight was the Fashion Futures Award, which in 2022 will distribute a total of R\$ 180 thousand to five different initiatives, businesses and collectives in progress in the cities of São Paulo, Campinas (SP), Salvador (BA) and Riacho das Almas (PE). More than 36 thousand votes were directed to the 323 registered in the “Sustainable Fashion Personality” category, whose winner was Carol Barreto, leader of the *Modativismo* project, in Bahia.

For the LGBTQIAP+ community, the #TodesNaModa project was carried out, in partnership with the *CRIÁVEL* organization, with the purpose of training and developing fashion businesses led by entrepreneurs from this community, totaling more than 500 entries and 10 selected. The *Capacitrans* initiative sought to support trans and transvestite entrepreneurship in fashion, impacting seven people.

The East Zone of the São Paulo capital was also awarded in 2021, with the creation of *Modela ZL* in partnership with *Emperifa* and *Casulo*. Thirty micro and small local entrepreneurs were selected to solve the most pressing challenges of their businesses related to fashion management. The Institute was also one of the supporters of *Tecendo Sonhos*, an initiative of *Aliança Empreendedora* that develops and trains a network of 18 sewing workshops led by migrant micro-entrepreneurs in the São Paulo capital.

Humanitarian aid

Instituto C&A carried out 88 humanitarian aid actions throughout 2021, investing more than R\$ 1 million in combating the covid-19 pandemic. One hundred organizations, distributed in more than 65 municipalities, were involved in the initiatives provided by the entities *Unidos pela Vacina*, *União Amazônia Viva*, *Florescer Brasil* and *Gerando Falcões* and received market baskets, which totaled more than 100 tons of food and benefited about 7.5 thousand families. More than 300 volunteers participated, including 50 store leaders, such as managers and supervisors.

In December, *Instituto C&A* contributed to mitigating the damage caused by rains in southern Bahia. In addition to donating R\$ 30 thousand reais for the purchase of items such as basic baskets, hygiene products and household items, our entity also promoted mobilizations to send clothes collected in the *ReCiclo* Movement and a campaign to collect donations from C&A customers.

For more information access <https://institutocea.org.br/en/>





Suppliers

GRI 102-9, 308-1, 408-1, 409-1, 414-1, 414-2, 103-1, 103-2, 103-3: Community and CG-AA-000.A.

Our Supply Network

Our supply network is structured in two ways: national and imported. The national supply is responsible for the purchase of clothing, footwear, complements and accessories.

C&A's local network of suppliers, responsible for around 80% of supply, ended 2021 with 832 production units, 231 of which are direct suppliers and 601 subcontractors, which together employ 150,000 workers (58% women, 42% men, 0.11% foreigners). In 2021, we had the inclusion of 198 new production units, whether for new purchasing possibilities, or due to the need for suppliers to expand their subcontracted units. Most of the production is located in the Southeast (53%) and South (40%).

The imported supply ended 2021 with 69 production units, and its main origins are China (56%) and Peru (24%). (in volume)

69
imported
production units,
56% China and
Peru 24% (by
volume)

100%
audited C&A supply
chain 80% local
network and 20%
imported

150
thousand
workers
in the C&A
supply chain.
58% women,
42% men
and 0.11%
foreigners

198
units under
expansion in 2021,
53% in the Southeast
and 40% in the South

832
production units, of
which 231 are direct
suppliers and 601 are
subcontractors

Our supply chain sustainability commitments

Workers' well-being and environmental compliance are key topics in our supply chain. We act to avoid degrading conditions or unsafe work environments, protect the sustainability values associated with our brand, and consequently, minimize socio-environmental risks.

In addition, we have some specific commitments::



No to the use of child labor

C&A prohibits child labor at its suppliers. Child labor deprives children of their childhood, their potential and their dignity, it is detrimental to physical and mental development and interferes with their schooling.



No to Sumangali

Sumangali is a form of forced labor found in spinning mills in Tamil Nadu. Young women have to work to cover the expenses of their marriage, often in unacceptable working and living conditions and unable to return home. C&A does not buy from suppliers that practice Sumangali.



No sandblasting

C&A prohibits sandblasting of garments where abrasive sand is forced into the denim fabric using compressed air to achieve a pre-worn appearance. Sand blasting is harmful to the health of workers as the inhalation of particles leads to a serious risk of lung cancer and death.

Our framework for supply chain monitoring and development

We have the differential of being connected to an international structure that bets on differentiated practices in sustainability, and we have a team dedicated to the management and monitoring of our practices related to the topic. We are pioneers and a national reference in the monitoring of suppliers and subcontractors - since 1996, we maintain the Code of Conduct for the Supply of Goods, whose acceptance in contract is mandatory and valid throughout the world. All new suppliers of C&A products are selected based on the socio-environmental criteria contained in our Code of Conduct, in addition to undergoing verification of commercial, tax and quality aspects, evaluated by the responsible areas.

As of 2016, we have structured a monitoring and management program for the supply chain, called Sustainable Supply Chain, with the objective of inhibiting any type of irregular labor and seeking the continuous improvement of working conditions and environmental issues in the supply chain. We have auditors who go into the field and periodically and without prior notice assess our suppliers and their subcontractors, on topics such as freedom of association, general health and safety conditions, fire safety, child labor, regular work, wages and benefits, working hours, discrimination and humane



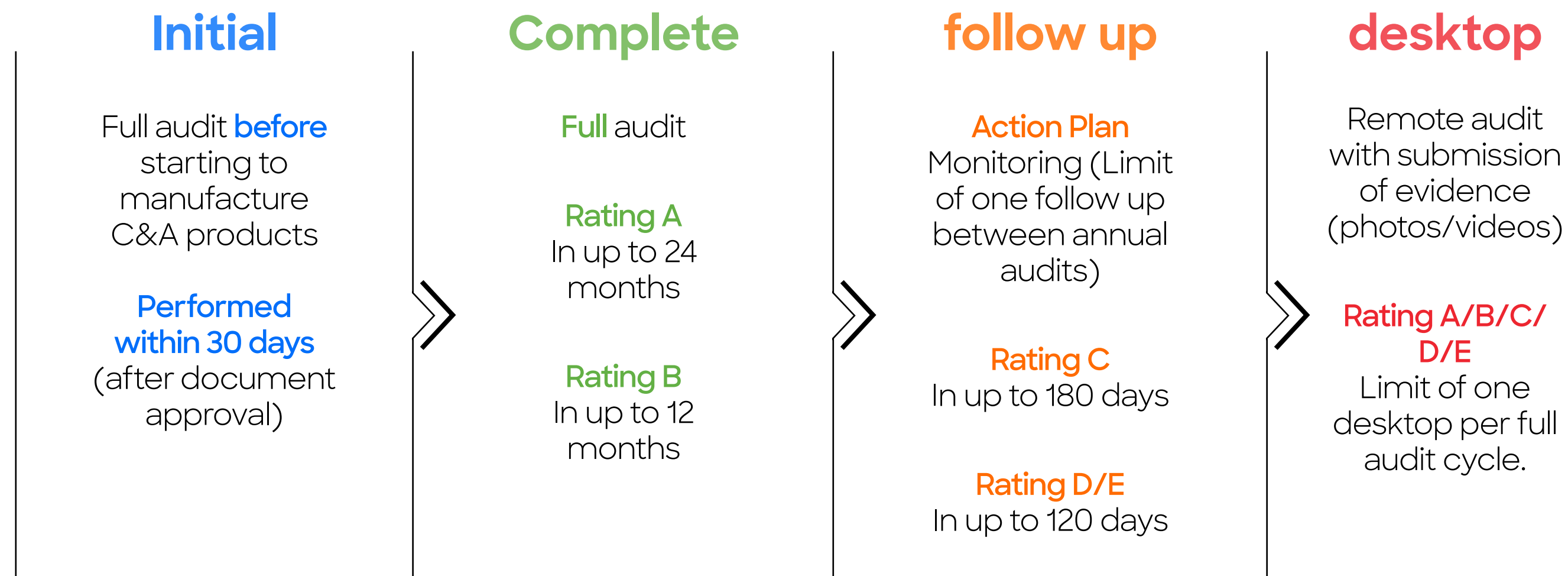
All new suppliers of C&A products are selected based on socio-environmental criteria

treatment, and good environmental practices. We also provide a complaint mechanism for our suppliers, subcontractors and their associates, which is the C&A Ethics Channel (<https://canaldeetica.com.br/cea/>).

The types and frequencies of audits throughout our relationship with suppliers depend on the results of the assessments (or ratings), as shown below. Since 2006, we have carried out more than 19,000 audits.

Since 2016, we have had a cell called Development Officers, which act in a consultative manner and aim to monitor suppliers' action plans with the lowest audit scores, supporting them in the development to achieve our supply standards. For misconduct, we apply a policy of penalties, which, in more critical situations, can lead to the exclusion of the supplier, as in the case of slave-like or child labor, considered unacceptable by C&A.

Types and frequencies of audits



One of the actions of this supplier development cell was, in July 2021, to broadcast a webinar to the entire supply chain, focusing on the management and development of companies. That same year, they started a project that will use an online training platform with programmatic content, which will go live in 2022.

We were the first fashion retail company in Brazil to disclose our complete list of suppliers, an important step towards transparency. For more information access <https://sustentabilidade.cea.com.br/pt-br/Paginas/Monitoramento.aspx>*

In addition to our own program for monitoring and managing the supplier network, we have commitments to the National Institute for the Eradication of Slave Labor (InPACTO), having the seal of a participating company and also fighting child labor; with the Brazilian Textile Retail Association (ABVTEX), for the development of the chain and, consequently, of the sector; and with the guidelines of the Abring Foundation, which allows

Our pioneering spirit is proven by our contribution, already in 2010, to the construction of the certification program of Brazilian Textile Retail Association (ABVTEX), through which the signatory retailers undertake to

monitor 100% of their supply chain and only purchase products from the companies approved in the audits carried out by the entity. We are not limited to just monitoring the supply chain, but also to its development.

*Only in Portuguese



us to be recognized as a "child-friendly company"; and in 2021 we were recognized with the Disney Award, which highlights the companies that have the best licensing partnerships with the American brand, which has selective socio-environmental compliance criteria for the entire supply chain.

Our results

Since 2016, we have monitored 100% of our national and imported supply network, and 2021 was no different. In 2021, we obtained 80% of products from suppliers with A or B ratings, reaching a global level of excellence. We expect to reach 90% by the end of 2022.

In 2021, of our 832 monitored production units, 11 (1.3%) presented a total of 16 non-compliances with significant negative social impacts (actual or potential), according to our Code of Conduct, including occupational health and safety items, labor rights, among others. With all 11 production units, improvement actions and implementation deadlines were stipulated.

Of these 832 production units, 1 (0.1%) had a negative environmental impact, with effluent disposal in violation of legislation. For this case, an adjustment period was stipulated with the supplier

No significant risks or signs of child labor, forced or slave-like labor were identified in our supply chain during the year.

Human rights GRI 412-2, 412-3

We demand legal compliance with human rights from our suppliers, especially in labor relations. All contracts signed by us have human rights protection clauses, including standard items and those associated with our Code of Conduct. To find out how we monitor

compliance with our contractual requirements, [see page 22](#).

We provide online training for store inspectors and leaders in the Loss Prevention area called "Inhibition and Approach Procedure," in which we provide guidance on how to act, loss prevention processes and how to provide preventive care, considering human rights in the approach. Despite targeting specific professionals, we participated in forums with analysts, specialists, store managers, district managers and supervisors on the subject.



Human rights training in 2021 GRI 412-2



Total hours dedicated to human rights training .
+ 3,900



Percentage of associates who received training in 2021.
15.57%



832 monitored
production
units

Renovate & Restore

Natural Capital

C&A strives to renew and restore our planet. We are constantly working with our suppliers to identify safer chemicals and eliminate the use of hazardous chemicals. In addition, we work to minimize waste in the chain and in our operations, seeking to reuse them as much as possible and eliminate irresponsible disposal. In the last 5 years, we have made great strides in reducing our raw material water footprint and are making progress to increase the efficiency of water consumption in our operations. We work to reduce our GHG emissions in our operations, contemplating efficiency initiatives in stores and pilot green logistics projects. We also follow an animal welfare policy in the development of our products.

Sustainable management of chemicals

GRI 103-1, 103-2, 103-3: sustainable management of chemicals in the supply chain, GRI 308-2, CG-AA-430a.1 and CG-AA-430b.2.

The various stages of textile production require the use of chemicals, which can have adverse impacts on the environment and human health when released

into the environment. To avoid them, we promote the Program for the Sustainable Management of Chemical Substances, with the objective of eliminating the disposal of hazardous chemicals.

The program's foundations are aligned with the Zero Disposal of Hazardous Chemicals (ZDHC) initiative – [see page 26](#)) and a public commitment made by us to the environmental activist organization Greenpeace. ZDHC provides the Restricted Substances List (MRSL), followed by us when purchasing our products. We also operate in compliance with the internal list of restricted or banned substances, and relevant legislation.

Per- and polyfluorinated compounds (PFCs), used to make materials water repellent and stain resistant, have been banned in our products as they are not biodegradable and are harmful to human health. Another substance we are looking at is polyvinyl chloride (PVC), the use of which we seek to reduce in our goods. In Brazil, the use of phthalates as a PVC additive is also prohibited.

To make these goals possible, we promote engagement, training and continuous improvement with suppliers



classified as Wet Processes Facilities, working not only with those that use chemical products, but also generate effluents. They are companies that perform dyeing, weaving finishes, printing, laundry and tanneries.

For management, we use technological resources, such as the Chemical Inventory List and the Higg FEM (Facilities Environmental Module), from the Sustainable Apparel Coalition (SAC). The results of effluent analysis are posted on the ZDHC platform, which generates analysis of the percentage of chemicals in compliance with the initiative's guidelines. The performance verified in the Higg FEM results in action plans that must be executed by the suppliers and monitored by us. Internally, we maintain a specific sustainable chemical management team, responsible for developing and supporting the supply chain.

In 2021, only one production unit was identified that presented an environmental violation based on the C&A Code of Conduct, non-compliance with legal standards for effluent disposal, in this case we defined an action plan for adequacy*. Considering that we ended the year with 832 units, this represents less than 1% of suppliers with a negative environmental impact.

Waste Management

GRI 103-1, 103-2, 103-3, 306-1, 306-2, 306-3, 306-4 and 306-5

We are responsible for the waste generated by our activities, either directly, as in the delivery of packaging to physical stores and online, or indirectly, in the processes of obtaining raw materials or textiles, in the packaging in which we receive the products, or by customers who discard clothes inappropriately.

We guarantee good management practices and proper disposal in our distribution centers, stores and suppliers. We manage the processes involved through documents received from the companies responsible for final disposal and through audits at the production.

Waste by composition (TON)	2019	2020	2021
NON-HAZARDOUS WASTE			
Organic	8,884.16	5,572.74	5,541.76
Cardboard and paper	355.53	407.83	471.05
Construction material	612.63	377.06	592.13
Others - non-hazardous ¹	157.72	127.94	190.13
HAZARDOUS WASTE			
Electronics (computers and accessories)	32.67	17.68	18.46
Others - hazardous ¹	32.3	11.86	9.18
Total	10,075.01	6,515.11	6,929.97

1. In "Others - non-hazardous," the following were considered: general plastics, plastics from hangers, aluminum and other metals, metal from hangers, glass, store associates' uniforms, items that are deposited in the *ReCiclo* box, but are considered outside the regulation and do not have conditions of use and non-segregated waste (lights and waste mix). In "Others - hazardous," the following were considered: batteries, light bulbs, reactors, batteries, cell phones, vegetable oil, non-segregated hazardous, chemical products, outpatients, others - contaminated. EC, CDP, CDR and CDT waste.



* we indicate in our priority non-compliance assessments the Major+ and ZT (Zero Tolerance) ratings. The following assessments are considered in these groups: Undue retentions, Access to fire-fighting equipment, Transparent information, Floor plan, AVCB, Permit and/or Integrated Housing, Multi-owners, Undeclared Sub, ABVTEX and Disney, Compliance with the law and/or ZDHC. The action plan deadlines are conditioned to the scores obtained by each company, which, for critical non-compliances, are 120 days.

Waste destination (TON)	2019			2020			2021		
	Non-hazardous waste	Hazardous waste	Total	Non-hazardous waste	Hazardous waste	Total	Non-hazardous waste	Hazardous waste	Total
Recycling	856.32	64.29	920.61	793.12	29.53	822.65	1,200.89	24.96	1,225.86
Incineration (with energy recovery)	0	0	0	1.46	0	1.46	1.12	0.00	1.12
Incineration (without energy recovery)	0	0.25	0.25	0	0.01	0.01	0.00	0.18	0.18
Landfill	9137.72	0.44	9138.16	5,674.99	0	5,674.99	5,661.60	0.00	5,661.60
Other disposal operations	16	0	16	16	0	16	38.72	2.50	41.22
Total	10,010.04	64.98	10,075.02	6,485.57	29.54	6,515.11	6,902.33	27.64	6,929.97

Since 2020, we are organizing solid waste management. To this end, we mapped all types of waste generated in our operations in Brazil and prepared a Solid Waste Management Plan (PGRS). The guidelines to be followed by stores, distribution centers and the central office are contained in the Solid Waste Policy.

We also promote reverse logistics initiatives: the *Movimento ReCiclo* ([see page 69](#)), the Electronic Waste and Cosmetic Disposal Program. Computers, keyboards, mice, and other computer waste from our operations are sent to the Tamboré Distribution

Center for proper disposal. What is badly damaged goes to recycling. What can still be repaired is sent to the ReUrbi company, which remanufactures and separates kits, which, according to our choice, are donated to institutions chosen together with *Instituto C&A*.

We have been working with ReUrbi, a B-certified company, since April 2017, having donated, until December 31, 2021, approximately 20 tons of computer waste. In the period, we reduced greenhouse gas emissions by 37,700 kilos and by 235 kilos of toxic metals from the disposal of this waste. Socially, we impact 979

people a year, with a projected impact of 4.9 thousand people, considering a five-year term of use of the equipment. In 2021, seven kits were loaned to *Feira Preta* and six kits to *Capacitrans*.

Since 2013, we have carried out the reverse logistics of hangers in our distribution centers. In this process, those that are in conditions of use are separated and sent back to stores in cardboard boxes reused from imported products, which were previously discarded. Broken or scrapped hangers are sent for recycling or recovery. In 2021, we sent 44 tons of broken plastic hangers for

Donation of refurbished computer equipment to social organizations

1. The impact data were calculated for the C&A Social and Environmental Impact Report, using as sources the ABRELPE Panorama - 2020, the RECODE Report - 22 years - 2017, the UN Report - ISWA - 2020 and the e-Stewards Global Impact calculator.

recycling and 38 tons of metal were recovered through the renovation of metal hangers.

In 2019, we joined the AD Circular Program (our label supplier), managed by Boomera, a company specializing in this type of economy. The initiative consists of recycling three types of waste generated in the conversion and final use of self-adhesive labels – paper liner, film liner (polyester) and film skeleton –, ensuring their reinsertion into other production cycles. Participation in the program is in line with our sustainability commitments and with the federal government's National Solid Waste Policy.

Since 2010, the Electronic Waste Program has been available at all C&A stores, in addition to our Distribution Centers and Central Office. Through boxes we collect cell phones and batteries, which are destined by a partner company, having an environmentally correct disposal. In 2021 we collected more than 70 thousand items, equivalent to almost 4 tons. Since the beginning of the program, we have already avoided the incorrect disposal of more than 700 thousand items, almost 39 tons.

With regard to cosmetics, we provide a little box in the beauty department of our stores so that customers can discard empty packaging or expired products from any brands. Our partner collects the contents of these boxes and disposes of them in an environmentally correct way.

Plastic pollution

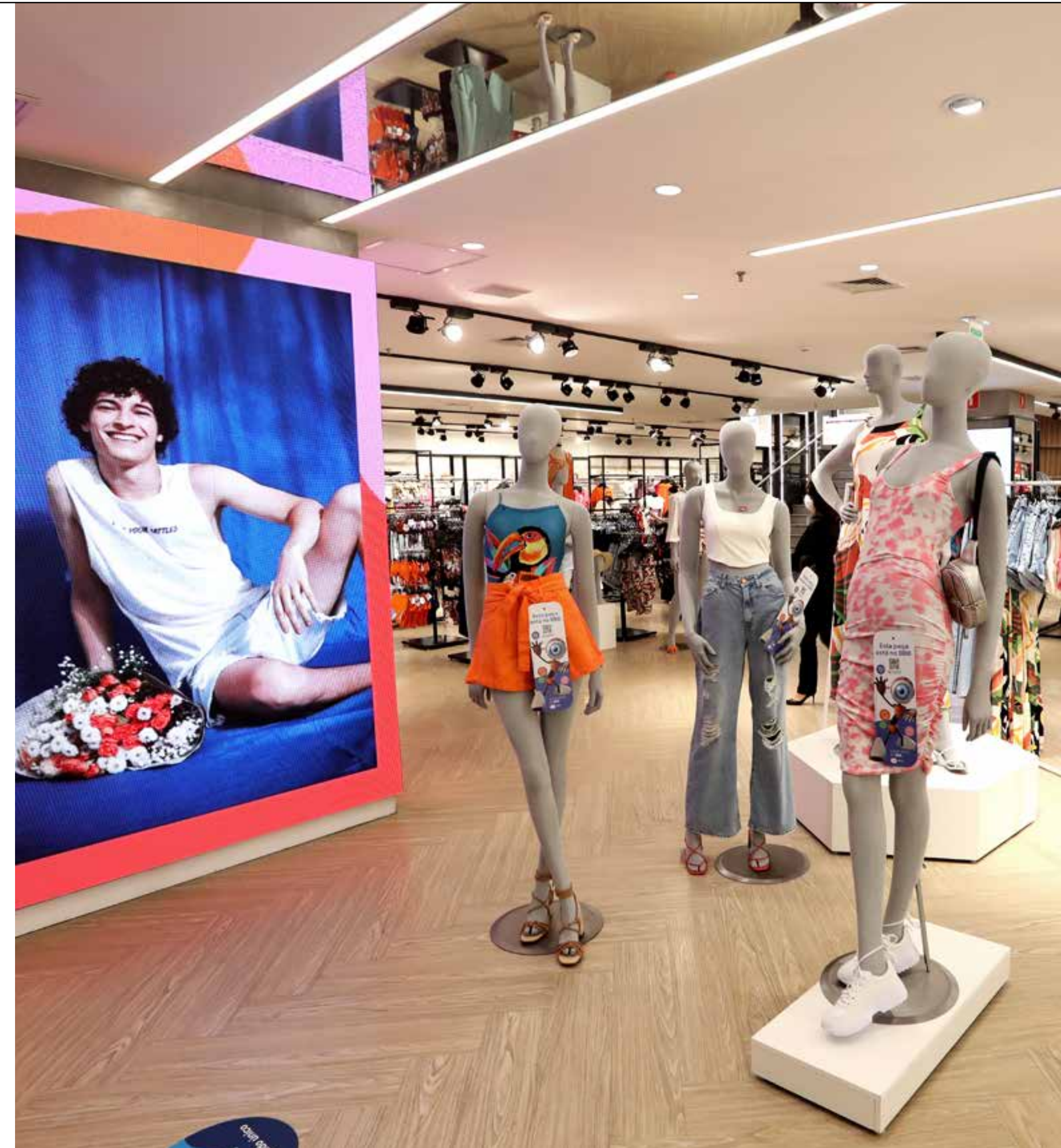
GRI 103-1, 103-2, 103-3: Plastic pollution

It is one of the most important pillars of our 2030 sustainability strategy, our goal is to replace 50% of single-use plastics in stores, online stores and in the logistics chain with sustainable alternatives by 2030. This type of plastic is considered single-use, as it is seldom segregated correctly and sent for recycling, causing negative impacts on the environment. We are studying a way to reduce or replace these packages given to customers, such as switching to paper versions. For waste generated in distribution centers, recycling possibilities are being evaluated. Reducing plastic pollution is one of C&A Brasil's goals.

Water management

GRI 103-1, 103-2, 103-3: reduction of the water footprint (supply network); 303-1 and 303-2

The production of clothes, especially those made with jeans, demands intensive use of water, whether in the cultivation of raw materials, dyeing the threads, or washing the pieces. We seek to develop our manufacturing suppliers, for a more sustainable performance, described throughout this chapter, [from 59](#), which includes monitoring measures for efficient use of water.





In 2021, we responded for the first time to the Carbon Disclosure Project (CDP) questionnaire

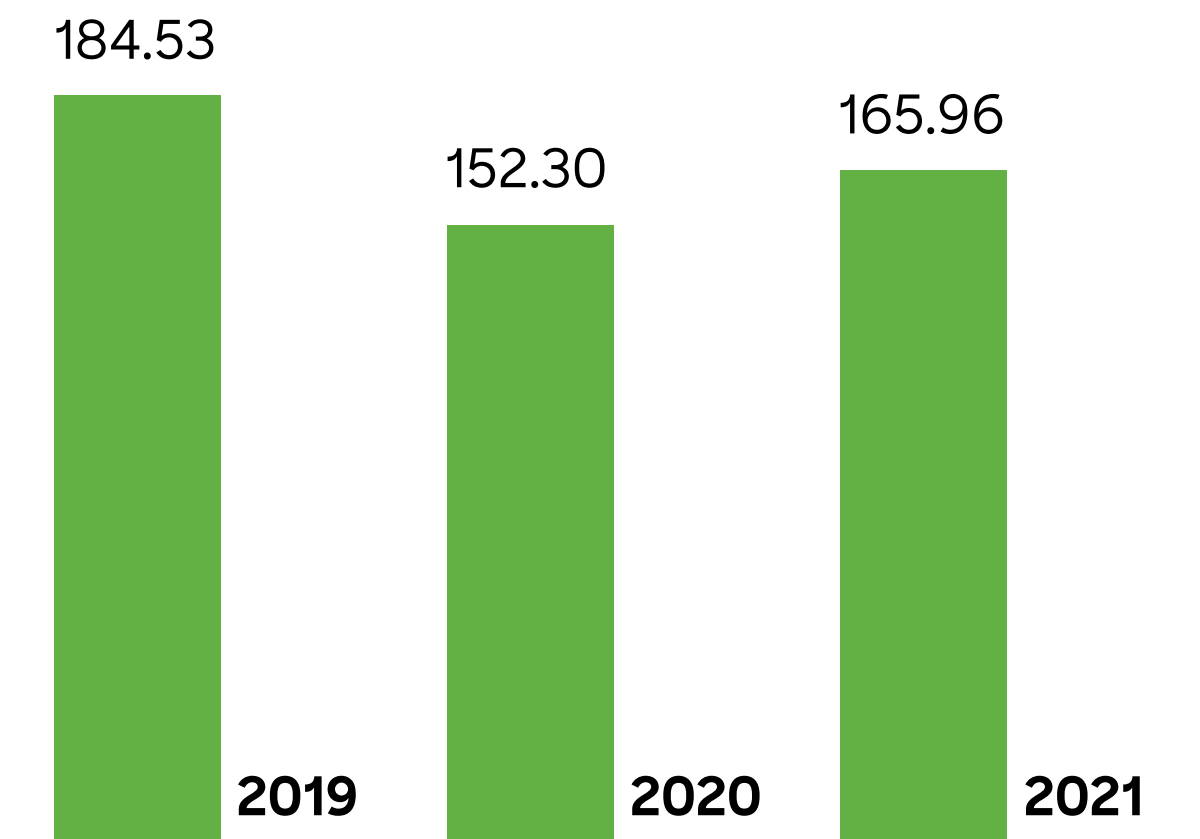
Another initiative is to launch clothing items with sustainable attributes. In 2021, we launched a line of circular jeans that, in addition to using used pieces, were produced with an 80% reduction in resource consumption, on average - more information is available on [page 68](#). It is worth mentioning that jeans are the item with the greatest environmental impact in the fashion industry, as it also requires intensive use of energy and chemical products, in which we also seek to act.

In our own units, consumption is basically human, in the cafeterias, restrooms and cleaning facilities, and in the air conditioning system. Our entire infrastructure has equipment to make water consumption more efficient, such as aerators in the faucets and dual-flow flushing boxes. Volume monitoring is carried out on a monthly basis through invoices or through the control sent by the malls where the stores are located. In cases where malls do not charge for water or use an artesian well, we are evaluating the installation of meters at store entrances, to also consider the data from these units.

Water Consumption* GRI 303-5

Water consumption in our operations is linked to the supply of offices, physical stores and distribution centers. Our water is captured through sanitation networks and disposed of in the local sanitary sewage networks. We seek to adopt practices to increase consumption efficiency, promoting conscious use and reducing the environmental impact on water resources.

In 2021, we started the gradual reopening of stores and the expansion of opening hours, which resulted in a 9% increase compared to the previous year.



* For water, the invoice volumes for each unit (concessionaire or shopping mall/condominium billet) were considered; in the absence of this information, the average for the months of the unit or mirror store was considered. We do not capture water in areas with water stress. As we do not have industrial processes in our units, there are no industrial effluents. The only effluent from our units is the common sewage, which is sent to the sanitary sewage network of each location.

Climate change GRI 103-1, 103-2, 103-3: reduction of greenhouse gas emissions

On the environmental front, our company actively participates in platforms that help connect businesses and companies to the demand for combating global warming. In 2021, we responded for the first time to the questionnaire of the Carbon Disclosure Project (CDP), a global organization that supports investors and



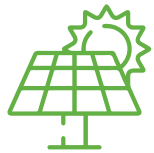



analysts dedicated to this topic, in which we provide information on climate change management and obtained a C grade. Our indirect greenhouse gas emissions (GHG) come especially from the production processes of inputs and goods and their transport (scope 3), considering that the most used modal in Brazil is still the road, in which there is intensive use of fossil fuels. In our own operations, emissions are also caused by the consumption of electricity that supplies stores, distribution centers and offices,

and by the travel and displacement of associates. There are also fugitive emissions from the air conditioning system and fire extinguishers.

We have been working in the fight against climate change since 2015, the year in which C&A global began to calculate the carbon footprint (an index that relates the activities of industries or people to the emissions emitted by these activities) with the support of

a specialized consultancy, whose methodology encompasses the product life cycle analysis. In Brazil, we carried out the first GHG inventory with base year 2019. The 2021 base year inventory is the first to be audited by a third party.

Even before that, we had already adopted a series of measures aimed at reducing our emissions and we continue to develop new actions, which we present below.

 <p>We migrated 71 units to the Free Energy Market, where it is possible to buy energy from renewable sources only, between 2018 and 2021.</p>	 <p>Green logistics pilot project with electric truck. Learn more on page 65</p>	 <p>construction of two solar plants that will supply 10 stores (RJ and DF)(scheduled start to first semester of 2022).</p>	 <p>We were pioneers in Brazil when we purchased cotton grown under the Better Cotton Initiative (BCI) in 2015 (see page 67). Today, over 90% of our cotton items use the most sustainable</p>	 <p>We produce C2C® certified pieces in Brazil, which, in addition to having BCI cotton, encourages the use of renewable energy in the production of pieces and promotes an estimated 85% reduction in GHG emissions.</p>	 <p>Collection of clothing items, of any brand, at the <i>Movimento ReCiclo</i> boxes, for correct destination or start of new cycles (see page 69)</p>
<p>In our own operations</p>			<p>At our suppliers</p>		<p>With the Customer</p>

Electric truck

For the first time in Brazilian fashion retail, we started to use an electric truck to distribute products, in order to reduce greenhouse gas emissions. We signed the action with the logistics partner in May and started operating with 1 electric truck and 1 electric motorcycle in September 2021. The vehicle works carrying loads of up to four tons and can travel up to 200km on a single load. The transport was first adopted to meet the demand of the metropolitan region of São Paulo, having as a starting point the Tamboré Distribution Center, in Barueri (SP). In November 2021, we contracted another 16 vehicles in SP, 10 of which are fully electric and the other with Natural Gas (CNG), and 16 vehicles in RJ, 4 of which are fully electric and the other CNG, which we await delivery for the first quarter of 2022. In addition, we will have 3 electric motorcycles in e-commerce



Solar plants

In 2021, we built two solar plants in Brazil in partnership with Faro Energy – a company that invests in distributed solar energy and energy efficiency projects in the country. The units will initially supply 11 stores located in Rio de Janeiro and Brasília for ten years, with the possibility of extending the contract for another decade and increasing the number of stores to receive clean energy.

The plants use the so-called tracker technology, or solar trackers, devices that follow the movement of the sun throughout the day and change the position of the photovoltaic panels to enhance energy production. Another differential is the use of bifacial photovoltaic modules, responsible for absorbing the sun's rays both from the sky and those reflected by the ground, optimizing the capture of the natural resource as much as possible and presenting a highly efficient solution.

With the use of solar energy from the plants, we will avoid the emission of 1.8 thousand tons of CO₂ annually, an amount equivalent to planting 11,000 trees or less than 1,000 vehicles on Brazilian roads, with an average of 12,000 kilometers traveled each. We also estimate potential savings of around R\$ 20 million by the end of the contract. Given the benefits provided, we are encouraging production units in our supply network in the state of Minas Gerais to form partnerships to share solar farms.

GHG emissions

GRI 305-1, 305-2 e 305-3

Our business vision for the energy transition encompasses both short-term and long-term actions. Making our operation more efficient, reducing the carbon footprint of activities, it's the first step towards actively contributing to the climate change issue. Our planning provides for the identification and adoption of mechanisms to mitigate emissions and the engagement of the entire value chain.

Animal welfare

GRI 103-2: more sustainable raw materials and animal welfare

C&A has a long-standing commitment to high animal welfare standards. We believe that animals should be treated with care, respect and dignity, as per our [Animal Welfare Policy](#). We work hard with partners and our suppliers to ensure this approach is standard practice across our supply chain. This requires attention to all raw materials of animal origin involved in the production of our clothes.

GREENHOUSE GAS (GHG) INVENTORY - tCO₂e - KYOTO PROTOCOL

GRI 305-1, 305-2, 305-3

Emission Sources	Emissions (tCO ₂ e)		
	2019	2020	2021
Scope 1	461.77	2,342.06	1,165.44
Stationary combustion	80.71	64.31	94.78
Fugitive emission	381.06	2,277.75	1,070.66
Scope 2	12,914.02	9,118.64	21,683.75
Electricity acquisition	12,914.02	9,118.64	21,683.75
Scope 3	115,013.91	90,443.28	19,125.29
Employee commuting	102,592.48	83,137.95	10,775.07
Business travelling	1,264.52	318.95	251.49
Waste generated in operations	11,156.91	6,986.38	8,098.73
total	128,389.70	101,903.98	41,974.48

In this cycle, we are reformulating the methodology for calculating the inventory of greenhouse gas emissions. The categories reported are under review, and refinement of the assumptions used are ongoing. In 2021, the replacement of air conditioning equipment and the consequent replacement of gases continued, hence the still high value of fugitive emissions. This action aimed to install more modern machines and, in this way, we expect to have lower GHG emissions in the following years.

Mobile combustion emissions in 2021 were not calculated due to the low relevance/representativeness in total emissions.

The increase in electricity purchase prices was due to the resumption of store openings and expansion with the opening of 26 new stores.

The employee commute calculation methodology was refined, bringing more accurate values. In previous years we used an average distance for a city, this year we used real distances. The premise used is to extract the employee base with their home and work addresses, using this distance. For the modal, if the person opts for a Transportation Voucher, we consider using the bus, otherwise, they use a car.

Business travel still has similar values to 2020 due to the increase in virtual meetings, a consequence of the pandemic. In addition, there was a change of supplier (agency) in the middle of the year and it was only possible to extract the report for the second semester, with the current contracted company.

The GHG Protocol Methodology was used. Gases included in the calculation: The GHG Protocol calculation methodology, used in the inventory, calculates the emissions of CO₂, CH₄, N₂O, HFCs, PFC SF₆, NF₃ gases. C&A does not have emissions from SF₆ and NF₃.

Biogenic emissions in tonCO₂e: Scope 1: 5.45 and Scope 3: 3162.05.

Source of emission factors and global warming potential (GWP) indexes: IPCC - AR5; Emission Factors: GHG Protocol Calculation Tool; Volume 5 - Waste - Chapter 6: Wastewater Treatment and Discharge - IPCC 2006; Volume 2 - Energy - Chapter 1: Introduction - IPCC 2006; Volume 5 - Chapter 4 - Biological Treatment of Solid Waste - IPCC 2006; Ecoinvent.

The consolidation approach based on operational control was used.

Innovate&Lead

Natural Capital

The fashion industry is changing and we want to accelerate this pace and lead the transformation. For years, C&A has been committed to the use of more sustainable raw materials and the circular economy. C&A's pioneering spirit in circularity includes a wide range of Cradle to Cradle Certified® products and circular products along with a robust in-store take back program.

Sustainable raw materials and biodiversity preservation

GRI 103-1, 103-2, 103-3: Biodiversity, GRI 103-1, 103-2, 103-3: Sustainable raw materials and CG-AA-440a.2.

The preservation of biodiversity is linked to the maintenance of environmental conditions, which is related to the ability of different industries to obtain natural raw materials, such as cotton, used by fashion retailers. Likewise, cultivation and production processes carried out without responsibility can impact flora and fauna, harming the various biomes. To adequately address these potential impacts, C&A seeks to offer products with more sustainable raw materials. Cotton

with this attribute is grown using water efficiently and sustainably, with minimal application or elimination of the use of conventional pesticides, as well as lower carbon emissions and promoting decent working conditions. In this sense, we use cotton produced according to the Better Cotton Initiative (BCI) guidelines, organic with certification at the source or recycled. In 2021, 94.40% of the cotton in C&A's garments came from more sustainable sources. BCI is a non-profit organization based in Switzerland that promotes, in addition to the actions already mentioned, zeal for the health of the soil, the conservation and protection of natural habitats and biodiversity, and the preservation and care with the environment. Certified-at-source organic cotton is safer for farmers and the health of their communities, and protects biodiversity and water supplies, preventing water pollution and reducing the carbon footprint. The recycled with certification is the one that comes from industrial waste processing, generating a new thread, which must be traced throughout the value chain, thus reducing the consumption of water and chemicals, and GHG emissions in the planting and processing stages.



C&A is committed to the
circular economy

Viscose, also known as rayon, is obtained from cellulose made from dissolved tree pulp. In Brazil, we prefer fiber from suppliers with the highest ratings to the Canopy Style Initiative, through which we support the conservation of ancient and endangered forests by the production of textile fibers made from wood cellulose pulp. Our actions include training and engaging suppliers under the initiative, giving preference to producers who align with them.

In 2021, we started innovation projects for the adoption of new more sustainable raw materials. The first, for the use of yarn incorporating a part of certified regenerative cotton and the second, for the development in Brazil of polyester filament with content 100% recycled from PET bottles, in a complete cycle (bottle collection, resin production, yarn production, weaving and sewing). We also mapped the gaps for traceability certification in the national viscose production chain and maintained the volume of BCI cotton purchases, in addition to including more suppliers in the program. We also launched a collection with circularity attributes.

We quarterly evaluate the percentage of more sustainable raw materials used in our products against

the total weight of fibers received in the year, considering the most used: cotton and modified cellulose and polyester fibers. In 2021, this percentage stood at 58%.

In a practical way, we launched *Mindse7 Sport + Sustentável*, which uses fabric made from Amni Soul Eco® biodegradable polyamide, which decomposes in less than three years when properly disposed of in landfills³. To give you an idea of the relevance of this, according to data from the chemical industry Solvay and the research institute Fiocruz, a fabric made of common polyamide takes an average of 30 years to decompose.

Circularity

GRI 103-1, 103-2, 103-3: Circularity

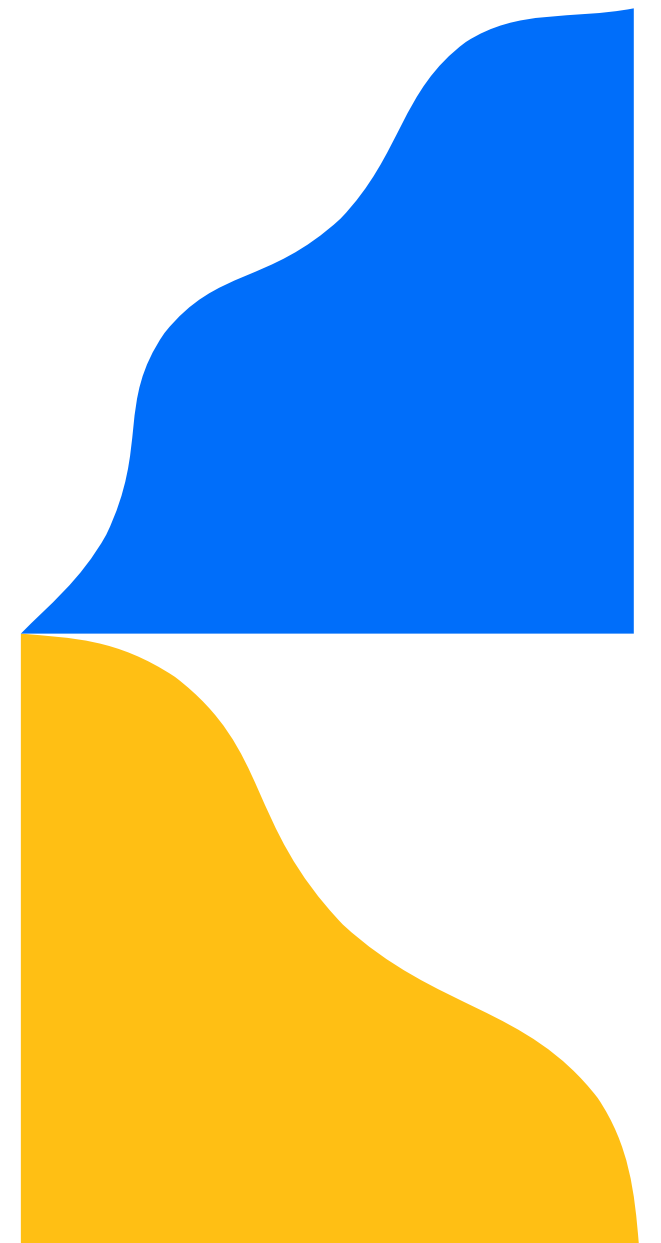
In the case of fashion pieces with circularity attributes, the fibers can be recovered at the end of the consumption cycle, being reused or recycled in new clothes or other products. When reuse is not possible, they can be safely returned to nature. Efficient management of water and energy use, giving preference to renewable energy, as well as parsimony in the consumption of other resources, also fit into the circular model. Social

justice is another relevant part, including ensuring health, safety and fair work. In this context, circularity in fashion is mainly applicable to the value chain, with suppliers of yarns and fabrics, as well as ready-made garments. Together with the customers, it is worked on aiming to reuse, transform or donate the pieces. We are aware that, directly or indirectly, we contribute to the environmental impacts related to the linear consumption model. We fulfill, on the one hand, the social mission of democratizing access to fashion, but, on the other hand, we produce a large volume of textiles, with proportional volumes of raw material and waste generation. For this reason, we seek to implement more and more initiatives aimed at circularity.

In 2021, we launched two capsule collections and a line of jeans with sustainability attributes. The Ciclos line is the first collection with the world-renowned Cradle to Cradle Certified® Gold level produced 100% in Brazilian soil. Until then, only textile industries in Europe and Asia held this certification, which ensures that all pieces were thought and created in their entirety, from the choice of fabric to the yarn used in the label, using safe and circular products, with social and environmental responsibility throughout the process:

2. Until 2020, the pieces composed by the number of pieces started to be calculated in relation to the total of pieces received previously, the indicator was calculated by the number of pieces, and now we calculate by weight. We modified the calculation in 2021 for more accurate data changes due to changes in targets. Also, we now only evaluate the three main concepts mentioned above and not all of them.

3. Despite the shorter decomposition time, we emphasize that the clothes must be reused or recycled before going to the landfill.





Since the project's launch, more than 120,000 pieces have been collected and correctly disposed of, the equivalent of 29 tons

- ▶ 100% of the water used in the production process is recirculated, that is, after being used, it is treated and returned to the environment without compromising the quality of the water to follow its natural cycle;
- ▶ 100% of all cotton used, including even the sewing threads, is from a more sustainable source (purchased as BCI* – [see page 67](#) – or certified organic at the source, respectively);
- ▶ 50% of the energy used came from renewable sources, or fostered this type of generation;
- ▶ 100% of the chemical products used do not pose risks to the environment and people, in addition to the buttons containing heavy and dangerous metals – within safe limits; and
- ▶ 100% of the products were manufactured by companies that maintain working conditions at standards higher than the local legislation for their employees.

In 2017, we implemented the *Movimento ReCiclo*, through which we make available boxes for the collection of clothes of any brand, for reuse. We ended the year present in 185 of our stores throughout Brazil. Pieces in

good condition are donated to partner institutions and those that are no longer suitable for use are sent for recycling, being transformed into new materials. In 2021 we collected more than 33 thousand items, almost 7 tons. Approximately 18,000 pieces in good condition were sent for reuse, around 12,000 sent for recycling and 3,500 for upcycling. Since the project's launch, more than 120,000 pieces have been collected and correctly disposed of, the equivalent of 29 tons. Of this total, approximately 70% were sent for reuse and 30% for recycling.

As an evolution of the *Movimento ReCiclo* and aiming to close the cycle, in 2021 we launched the 'circular jeans', from the reuse of pieces collected in the *Movimento ReCiclo* boxes and leftovers from production.

#VistaAMudança (#WearTheChange)

It is the umbrella concept of communication for C&A sustainability. It encompasses our initiatives for fashion with a positive impact. With the #VistaAMudança movement, we work to expand the offer of products

made with more sustainable raw materials and following circular economy premises, promote fair and safe working conditions for the supply chain and engage customers and employees in the search for fashion with a positive impact.

We communicate the sustainability attributes of our collections through physical and virtual informational labels. As a practical example, we disclose the collection's sustainability attributes through 4 different labels, in our more sustainable Jeans Week of September 2021, when we combine fashion, technology and reduction of the impact on the environment information. We have pieces produced on demand, fabric from the reuse of used clothes and manufacturing leftovers, in addition to reducing the use of water in the dyeing and laundry process – 'more sustainable dyeing': a manufacturing process in which each piece uses 33% less water than the conventional process, saving the equivalent to 25 cups per piece on average; Laundry process – the most water-intensive in the entire production – done with at least 65% and reaching 85% less water than the usual process, resulting in our 'jeans with less water'.

* state in accordance with EU Ecolabel <https://ec.europa.eu/environment/ecolabel/documents/EU%20Ecolabel%20-%20User%20Manual%20Textile%20Products.pdf>

GRI 102-42, 102-44, 102-46, 102-47 e 102-49

Material topic	Impacts		GRI Topic Form of management 103-1 103-2 103-3	SDGs	Global Compact
	internal	external			
Digital transformation, new sales channels, Infrastructure	X	X	203 Indirect economic impacts 2016	2, 5, 7, 9, 11	
Workers welfare (supply network)			408 Child labor 2016	8, 16	5 The effective abolition of child labour
		X	409 Forced or slave-like labor 2016	8	4 The elimination of all forms of forced and compulsory labour
			414 Social assessment of suppliers 2016	6, 8, 16	2 Make sure that they are not complicit in human rights abuses
Members well-being	X		401 Employment 2016	4, 5, 8	
			404 Training and education 2016	4, 5, 8	6 The elimination of discrimination in respect of employment and occupation
			405 Diversity and Equal Opportunities 2016	5, 8, 10	
Communication and transparency (customers)		X	102 Stakeholder engagement	8	3 Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining
			102 Reporting practices		
Circularity	X	X	There is no related GRI topic		
Economic performance and development	X	X	201 Economic performance 2016	2, 5, 7, 8, 9, 13	7 Businesses should support a precautionary approach to environmental challenges
Community		X	413 Local communities 2016	1, 2, 10	1 Businesses should support and respect the protection of internationally proclaimed human rights



Material topic	Impacts		GRI Topic	SDGs	Global Compact
	internal	external	Form of management 103-1 103-2 103-3		
More sustainable raw materials and animal welfare	X	X	301 Materials 2016	8, 12	
	X	X	307 Environmental compliance 2016	16	8 Undertake initiatives to promote greater environmental responsibility
Sustainable management of chemicals in the supply chain	X	X	308 Environmental assessment of suppliers 2016	8	8 Undertake initiatives to promote greater environmental responsibility
Waste	X	X	306 Waste 2020	3, 6, 12	8 Undertake initiatives to promote greater environmental responsibility
Reduction of greenhouse gas (GHG) emissions	X	X	305 Emissions 2016	13, 14, 15	8 Undertake initiatives to promote greater environmental responsibility 9 Encourage the development and diffusion of environmentally friendly technologies
Water footprint reduction (supply network)		X	303 Water and effluents 2018	6, 12	7 Businesses should support a preventive approach to environmental challenges 8 Undertake initiatives to promote greater environmental responsibility
Sector collaboration	X	X	102 Organization profile	8, 17	6 The elimination of discrimination in respect of employment and occupation
Plastic pollution		X	301 Materials 2016	8, 12	
Biodiversity		X	304 Biodiversity 2016	6, 14, 15	8 Undertake initiatives to promote greater environmental responsibility



GRI 405-1 | Diversity in governance bodies and employees

Corporate governance body	Number of members, by gender	Roles and commitments
Board of Directors	5 members, of which 1 is female	In addition to their attributions as Advisors, they have specific attributions depending on their participation in the advisory committees.
Audit and Risk Management Committee	3 members, of which 1 is female	All of them have the competences related to financial statements, controls, risks, among others, as determined by the Internal Regulations.
Human Resources Committee	3 members, of which 2 are female	All of them have the competences related to people, management and sustainability, among others, as determined by the Internal Regulations.
Digital Acceleration Committee	4 members, no females	All of them have the competences related to digital channels, technology, innovation, growth, among others, as determined by the Internal Regulations.
Financial Services Committee	3 members, no females	All of them have the competences related to financial services provision, as determined by the Internal Regulations.
Executive Board	4 members, no females.	They have individual competences as determined by the Company's Bylaws.

Note: All of C&A's corporate governance bodies rely on the participation of at least one of the members belonging to the Company's Board of Directors and up to two (2) external specialists with specific professional experience and knowledge.

GRI 102-22 | Composition of the highest governance body and its committees

By the end of 2021, our governance structure for our management consisted of: Board of Directors, Executive Board and Advisory Committees. They are formed by 14 members, 3 women (21%) and 11 men (79%). 90% of these members were over 50 years old, with the others (10%) aged between 40 and 50 years.

Associated by gender, age group and functional category (2019)

	Women			Men		
	Below 30	Between 30 and 50	Over 50	Below 30	Between 30 and 50	Over 50
Board	0	0	1	0	4	3
Management	37	268	2	22	167	6
Consultant/ Coordinator	177	245	11	81	143	9
Operational	6,936	1,826	123	3,193	1,195	92
Interns	13	0	0	8	0	0
Apprentices	603	0	0	198	0	0
Total number	7,766	2,339	137	3,502	1,509	110
Percentage (%)	75.8%	22.8%	1.4%	68.4%	29.5%	2.1%
Total by gender	10,242			5,121		
Total	15,363					

Associated by gender, age group and functional category (2020)

	Women			Men		
	Below 30	Between 30 and 50	Over 50	Below 30	Between 30 and 50	Over 50
Board	0	1	0	0	5	3
Management	31	277	1	16	158	3
Consultant/ Coordinator	150	265	11	84	162	6
Operational	6,464	1,920	97	2,860	1,108	76
Interns	7	0	0	4	0	0
Apprentices	478	0	0	163	0	0
Total number	7,130	2,463	109	3,127	1,433	88
Percentage (%)	73.5%	25.4%	1.1%	67.3%	30.8%	1.9%
Total by gender	9,702			4,648		
Total	14,350					

Associated by gender, age group and functional category (2021)

	Women			Men		
	Below 30	Between 30 and 50	Over 50	Below 30	Between 30 and 50	Over 50
Board	0	2	0	0	7	3
Management	28	336	2	8	194	5
Consultant/ Coordinator	127	373	15	84	254	10
Operational	7628	2722	220	3111	1374	123
Interns	8	0	0	7	1	0
Apprentices	545	0	0	216	0	0
Total number	8336	3433	237	3426	1830	141
Percentage (%)	69%	29%	2%	63%	34%	3%
Total by gender	12006			5397		
Total	17403					

Members by job category and gender (%)

	2019		2020		2021	
	Women	Men	Women	Men	Women	Men
Board	12.50%	87.50%	11.11%	88.89%	17.00%	83.00%
Management	63.58%	36.42%	63.58%	36.42%	64.00%	36.00%
Consultant/ Coordinator	65.02%	34.98%	62.83%	37.17%	60.00%	40.00%
Operational	66.48%	33.52%	67.71%	32.29%	70.00%	30.00%
Interns	61.90%	38.10%	63.64%	36.36%	50.00%	50.00%
Apprentices	75.28%	24.72%	74.57%	25.43%	72.00%	28.00%

Associates by job category and ethnicity (%) 2019

	Yellow	White	Indigenous	Brown/black	Not informed
Board	0.00%	100.00%	0.00%	0.00%	0.00%
Management	1.59%	82.07%	0.40%	15.34%	0.60%
Consultant/ Coordinator	1.20%	63.06%	0.90%	34.09%	0.75%
Operational	1.62%	39.45%	0.61%	58.16%	0.16%
Interns	0.00%	80.95%	0.00%	19.05%	0.00%
Apprentices	1.00%	38.58%	0.87%	59.55%	0.00%
Total	1.56%	41.91%	0.62%	55.71%	0.20%

Associates by job category and ethnicity (%) 2020

	Yellow	White	Indigenous	Brown/black	Not informed
Board	0.00%	100.00%	0.00%	0.00%	0.00%
Management	1.44%	80.25%	0.21%	17.69%	0.41%
Consultant/ Coordinator	1.77%	65.04%	0.88%	31.87%	0.44%
Operational	1.71%	38.44%	0.68%	58.94%	0.23%
Interns	0.00%	81.82%	0.00%	18.18%	0.00%
Apprentices	1.87%	34.95%	0.31%	62.56%	0.31%
Total	1.71%	41.02%	0.25%	56.36%	0.25%

Associates by job category and ethnicity (%) 2021

	Yellow	White	Indigenous	Brown/black	Not informed
Board	0.00%	100.00%	0.00%	0.00%	0.00%
Management	1.90%	77.50%	0.20%	20.40%	0.00%
Consultant/ Coordinator	2.80%	64.80%	0.20%	31.50%	0.70%
Operational	2.10%	37.70%	0.40%	59.60%	0.20%
Interns	0.00%	62.50%	0.00%	37.50%	0.00%
Apprentices	2.10%	39.60%	0.00%	58.30%	0.00%
Total	2.10%	40.50%	0.30%	56.80%	0.20%



Indicators summary

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GRI Index

GRI 102-55

GRI Standards	Disclosure	Report page	Notes	Omission	Global Compact	SDGs
OVERALL CONTENT						
ORGANIZATIONAL PROFILE						
	GRI 102-1	Organization name		C&A Modas SA		
	GRI 102-2	Activities, brands, products and services	11			
	GRI 102-3	Location of the organization's headquarters	11			
	GRI 102-4	Location of the organization's operations	12			
	GRI 102-5	Nature of ownership and legal form of the organization	18	Publicly listed company		
	GRI 102-6	Markets served	11			
	GRI 102-7	Size of the organization	11, 18, 42			
GRI 102: 2016 STANDARD CONTENT	GRI 102-8	Information about employees (its own and third parties)	46	In 2021 we have 3548 third parties in our base, concerning service providers that work in the areas of: property security, cleaning, restaurant, loading and unloading, carriers and outpatient and various consulting	6	8
	GRI 102-9	Supply chain	12, 55			
	GRI 102-10	Main changes regarding size, structure or shareholding	11, 12, 35			
	GRI 102-11	Precautionary principle	24			
	GRI 102-12	External initiatives	26			17
	GRI 102-13	Affiliations to associations	26			17
STRATEGY						
	GRI 102-14	Message from the CEO	9			
	GRI 102-15	Description of the main impacts, risks and opportunities	24			

GRI Standards	Disclosure	Report page	Notes	Omission	Global Compact	SDGs
ETHICS AND INTEGRITY						
	GRI 102-16 Values, principles, standards and rules of conduct	13, 22	The documents used nationally are only available in Portuguese. C&A has a senior manager for Auditing and Information Security, who reports to the Financial Department.		1, 10	16
	GRI 102-17 Advice mechanisms and ethics concerns	23				
GOVERNANCE						
	GRI 102-18 Governance structure	18, 20				
GRI 102: 2016 STANDARD CONTENT	GRI 102-19 Delegation of authority	22	Depending on the case, economic issues are the responsibility of the CEO, Administration, Finance and Investor Relations, Commercial and Operations Officers. Environmental and social issues are left to the Sustainability area (comprised of SSC Sustainable Supply Chain and SM/SCM of Sustainable Materials and Sustainable Chemical Management), which reports to the Supply Director under the commercial vice-presidency. ESG (environmental, social and governance) topics are broadly the responsibility of the ESG management, which reports to the HR director. Environmental issues are the responsibility of the areas that report to the Human Resources Director, who, in turn, reports to the CEO or Operations Director. Social issues are the responsibility of <i>Instituto C&A</i> , which is also managed by the Human Resources Director.			

GRI Standards	Disclosure	Report page	Notes	Omission	Global Compact	SDGs	
GRI 102: 2016 STANDARD CONTENT	GRI 102-20	Executive-level responsibility for economic, environmental and social issues	22	<p>People and Management Director - reports directly to the CEO</p> <p>Vice President of Administration, Finance and Investor Relations - Responsible for areas relevant to economic issues and related to corporate governance, risk management and compliance, among others - reports directly to the CEO</p> <p>The Commercial and Operations Vice Presidents are also responsible for areas dealing with matters of an economic nature. The CEO, as the main executive, is responsible for all areas that directly or indirectly report to him, including those dealing with economic, environmental and social issues.</p>			
	GRI 102-21	Stakeholder consultation on economic, environmental and social issues	43				
	GRI 102-22	Composition of the highest governance body and its committees	20, 73				5, 16
	GRI 102-23	Chairman of the highest governance body		The chairman of the highest governance body is also not an executive director.			16
	GRI 102-24	Appointment and selection for the highest governance body	21	According to the Company's Management Appointment Policy, diversity is not a specific criterion, however, management appointments may take the topic into consideration due to its relevance to C&A.			5, 16
	GRI 102-25	Conflict of interest	21				16
	GRI 102-26	Role of the highest governance body in defining purpose, values and strategy		With regard to the purpose and declarations of mission, vision and values, the Board of Directors, the highest body of C&A, has the support of the Human Resources Committee, responsible for following up on the matter under the leadership of the Company's Executive Board and senior management.			
	GRI 102-27	Knowledge and development of the highest governance body		The Board of Directors welcomes renowned experts at its meetings for presentations on topics it deems relevant. So far, these events have addressed especially economic issues.			

GRI Standards	Disclosure	Report page	Notes	Omission	Global Compact	SDGs
GRI 102: 2016 STANDARD CONTENT	GRI 102-28	Performance assessment of the highest governance body	21			
	GRI 102-29	Identification and management of economic, environmental and social impacts	24	Due diligence processes, in general, are the responsibility of the Executive Board. ESG-related assessments are carried out by the ESG area and reported to the Internal ESG Committee. C&A carries out stakeholder consultations to identify impacts, risks and opportunities arising from ESG issues through the review of material issues.		16
	GRI 102-30	Effectiveness of risk management processes	24			
	GRI 102-31	Assessment of economic, environmental and social issues		Economic issues are addressed bimonthly by C&A's senior management. The environmental, social and governance strategy is evaluated annually. This frequency is expected to increase to twice a year starting in 2022.		
	GRI 102-32	Role of the highest governance body in the preparation of sustainability reports	5			
	GRI 102-33	Communicating critical concerns		Crucial concerns are brought to the attention and assessment of the Executive Board and, whenever necessary, submitted to the Audit and Risk Management Committee or other advisory bodies and/or to the Board of Directors. Any resulting resolutions must observe the levels of authority and other governance rules established in the Bylaws.		
	GRI 102-34	Nature and total number of critical concerns		The most critical issues brought to the attention of the Board of Directors throughout 2021 were the pandemic and its impacts on the results and health of associates and the unfolding of the negotiation with Bradesco so that C&A could assume the provision of financial services, as well as the resulting structuring to enable the start of such activity.		
	GRI 102-35	Remuneration policies	21			
	GRI 102-36	Process for determining remuneration	21			

GRI Standards	Disclosure	Report page	Notes	Omission	Global Compact	SDGs	
GRI 102: 2016 STANDARD CONTENT	GRI 102-37	Stakeholder involvement in compensation processes		The process for determining remuneration takes place at the general shareholders' meeting. For 2021, it was approved by 99.98% of shareholders.		16	
	STAKEHOLDER ENGAGEMENT						
	GRI 102-40	List of stakeholder groups engaged by the organization	42				
	GRI 102-41	Collective bargaining agreements	46	100% of associates are covered by collective bargaining agreements		3 8	
	GRI 102-42	Basis for identifying and selecting stakeholders to engage with	6, 71				
	GRI 102-43	Approach adopted for stakeholder engagement	42, 43				
	GRI 102-44	Main themes and concerns raised with stakeholders	6, 71				
	REPORTING PRACTICES						
	GRI 102-45	Entities included in the consolidated financial statements		Explanatory Notes page 54 of the Financial Statements, available in the results center of the investor relations website: https://bit.ly/3pXzJp4			
	GRI 102-46	Definition of report content and limits of each material topic	6, 71				
	GRI 102-47	List of material topics	6, 71				
	GRI 102-48	Information reformulations	68				
	GRI 102-49	Changes in reporting	6, 71	Data from the 2021 report underwent external verification.			
	GRI 102-50	Period covered by the report	5				
	GRI 102-51	Previous report date		The C&A Brazil 2020 Annual Report was published on May 11, 2021.			
	GRI 102-52	Reporting cycle	5				
GRI 102-53	Contact details regarding the report	5					
GRI 102-54	"According" option chosen by the organization	5					

GRI Standards	Disclosure	Report page	Notes	Omission	Global Compact	SDGs
GRI 102: 2016 STANDARD CONTENT	GRI 102-55	GRI Standards Content Summary	77			
	GRI 102-56	External verification	96			
MATERIAL TOPICS						
ECONOMIC PERFORMANCE AND DEVELOPMENT						
GRI 103: MANAGEMENT FORMS	GRI 103-1	Explanation of material themes and their limits	28			
	GRI 103-2	Management approach and its components	28		7	2, 5, 7, 8, 9, 13
	GRI 103-3	Assessment of the management approach	28			
GRI 201: ECONOMIC DEVELOPMENT	GRI 201-1	Direct economic value generated and distributed	28	For more information see the 2021 Financial Statements at the link	7	2, 5, 7, 8, 9, 13
	GRI 201-3	Coverage of defined benefit pension plan obligations that the organization offers	48		7	2, 5, 7, 8, 9, 13
MORE SUSTAINABLE RAW MATERIALS AND ANIMAL WELFARE						
GRI 103: MANAGEMENT FORMS	GRI 103-1	Explanation of material themes and their limits	67			
	GRI 103-2	Management approach and its components	67		8	8, 12, 16
	GRI 103-3	Assessment of the management approach	67			
GRI 301: MATERIALS 2016	GRI 301-2	Raw materials or recycled materials used		For the circular jeans collection, 13,485 pieces were produced with recycled raw materials, which represents 0.01% of the pieces produced by C&A in the year (120 million)		8, 12
GRI 307: ENVIRONMENTAL COMPLIANCE 2016	GRI 307-1	Non-compliance with environmental laws and/or regulations		No cases of non-compliance with environmental laws and/or regulations were identified in 2021.	8	16
BIODIVERSITY						
GRI 103: MANAGEMENT FORMS	GRI 103-1	Explanation of material themes and their limits	67			
	GRI 103-2	Management approach and its components	67			
	GRI 103-3	Assessment of the management approach	67			

GRI Standards	Disclosure	Report page	Notes	Omission	Global Compact	SDGs
GRI 304: BIODIVERSITY 2016	GRI 304-1 Owned, leased or managed operating units within or adjacent to environmental protection areas and areas of high biodiversity value located outside environmental protection areas		C&A does not have stores located in or adjacent to environmental protection areas and areas of high biodiversity value located outside environmental protection areas.		8	6, 14, 15
REDUCTION OF GREENHOUSE GAS EMISSIONS						
GRI 103: MANAGEMENT FORMS 2016	GRI 103-1	Explanation of material themes and their limits	63			
	GRI 103-2	Management approach and its components	63		7, 8, 9	13, 14, 15
	GRI 103-3	Assessment of the management approach	63			
GRI 201: 2016 ECONOMIC PERFORMANCE	GRI 201-2 Financial implications and other risks and opportunities arising from climate change		Risks related to climate change: interruptions in production or reduction in activities; impediment or delay in the distribution of deliveries; additional costs; reduction in pedestrian traffic; no guarantee of the correct selection of products to be purchased; inaccurate initial estimate of product demand; sale in larger or smaller quantities than expected; obsolescence or unwanted loss of part of the products; and periods of altered weather may leave some C&A inventory incompatible with expected conditions, causing us to sell at discounted prices. All risks are physical. Impacts: extreme climate change, natural disasters, seasonality and water scarcity. Financial implications: risks can both decrease sales and increase costs, thus decreasing the company's financial results.			
GRI 305: 2016 EMISSIONS	GRI 305-1	Direct Greenhouse Gases (GHG) Emissions - SCOPE 1	66		8, 9	13,14, 15
	GRI 305-2	Indirect Greenhouse Gases (GHG) Emissions - SCOPE 2	66		8, 9	13,14, 15
	GRI 305-3	Other indirect Greenhouse Gas (GHG) emissions - SCOPE 3	66		8, 9	13,14, 15

GRI Standards	Disclosure	Report page	Notes	Omission	Global Compact	SDGs
WASTE						
GRI 103: MANAGEMENT FORMS 2016	GRI 103-1	Explanation of material themes and their limits	60			
	GRI 103-2	Management approach and its components	60		8	3, 6, 12
	GRI 103-3	Assessment of the management approach	60			
GRI 306: WASTE 2020	GRI 306-1	Waste generation and significant waste-related impacts	60		8	3, 6, 12
	GRI 306-2	Management of significant waste-related impacts	60		8	3, 6, 12
	GRI 306-3	Generated waste	60		8	3, 6, 12
	GRI 306-4	Waste not intended for final disposal	60		8	3, 6, 12
	GRI 306-5	Waste not intended for final disposal	60		8	3, 6, 12
SUSTAINABLE MANAGEMENT OF CHEMICALS IN THE SUPPLY NETWORK						
GRI 103: MANAGEMENT FORMS 2016	GRI 103-1	Explanation of material themes and their limits	59			
	GRI 103-2	Management approach and its components	59		8	8
	GRI 103-3	Assessment of the management approach	59			
GRI 308: ENVIRONMENTAL ASSESSMENT OF SUPPLIERS 2016	GRI 308-1	New suppliers selected based on environmental criteria		Of the 198 new production units integrated in 2021, 100% went through the approval process and were selected based on environmental criteria.	8	8
	GRI 308-2	Negative environmental impacts in the supply chain and measures taken	59		8	8
ASSOCIATES WELFARE						
GRI 103: MANAGEMENT FORMS	GRI 103-1	Explanation of material themes and their limits	45			
	GRI 103-2	Management approach and its components	45		6	3, 4, 5, 8, 10
	GRI 103-3	Assessment of the management approach	45			

GRI Standards	Disclosure	Report page	Notes	Omission	Global Compact	SDGs
	GRI 401-1	New employee hires and turnover by age group, gender and region	48			
				Benefits are granted by position and may vary by job location.		
GRI 401: EMPLOYMENT	GRI 401-2	Benefits granted to employees	48	For all employees: medical assistance; dental care; childcare; funeral assistance; day off on their birthday; partnership club; pharmacy assistance; discount on purchases; DR C&A; payroll loan; semiannual vacation; Friend Program; Gaiz Platform; indoor restaurant with breakfast; Sesc; telemedicine; transportation vouchers	6	3, 5, 8
				Internet assistance, flexible hours and parking are offered to head office associates only. Life insurance, on the other hand, is granted only to store associates, as it is provided for in the Collective Bargaining Agreement.		
	GRI 401-3	Return to work and retention rates after maternity/ paternity leave licença maternidade/paternidade	48			
	GRI 403-1	Occupational health and safety management system	52			3, 8
	GRI 403-2	Hazard identification, risk assessment and incident investigation	52			3, 8
	GRI 403-3	Occupational health services	52			3, 8
GRI 403: HEALTH AND SAFETY AT WORK 2018	GRI 403-4	Participation, consultation and communication of workers on occupational health and safety	52			3, 8
	GRI 403-5	Training of workers in occupational health and safety	52	Due to the pandemic, no new training was carried out regarding NRs 05, 06, 10, 17 and 23		3, 8
	GRI 403-6	Promotion of worker's health	52			3
	GRI 403-7	Prevention and mitigation of impacts on occupational health and safety directly linked by commercial relationships		Third-party workers are not served by C&A's health and safety management, as each contracted company has its own management system.		3, 8

GRI Standards	Disclosure	Report page	Notes	Omission	Global Compact	SDGs
GRI 404: TRAINING AND EDUCATION 2016	GRI 404-1	Average number of training hours, by employee category and gender	49		6	4, 5, 8
	GRI 404-2	Competency management and lifelong learning programs	52		6	4, 5, 8
	GRI 404-3	Percentage of employees receiving performance and career development reviews	49		6	4, 5, 8
GRI 405: DIVERSITY AND EQUAL OPPORTUNITIES 2016	GRI 405-1	Diversity in governance bodies and employees	73		6	5, 8, 10
	GRI 405-2	Ratio of base salary and remuneration received by women and those received by men	51		6	5, 8, 10
GRI 406: NON-DISCRIMINATION 2016	GRI 406-1	Total number of incidents of discrimination and corrective measures taken		The indicator's historical data will not be reported due to the change in the information consolidation metric, making it impossible to compare the data		5
COMMUNITY						
GRI 103: MANAGEMENT FORMS	GRI 103-1	Explanation of material themes and their limits	53			
	GRI 103-2	Management approach and its components	53		1	1, 2, 10
	GRI 103-3	Assessment of the management approach	53			
GRI 203: INDIRECT ECONOMIC IMPACTS 2016	GRI 203-1	Investments in infrastructure and services offered	53	In partnership with the Florescer Brasil project, we made financial resources available for the installation of two washbasins in vulnerable communities in São Paulo and Rio de Janeiro, allowing access to potable water.		2, 5, 7 9 e 11
GRI 410: SAFETY PRACTICES 2016	GRI 410-1	Security personnel trained in human rights policies or procedures		There is no training for security personnel in human rights. The company hired to provide the service, however, performs conduct training every two years.		16

GRI Standards	Disclosure	Report page	Notes	Omission	Global Compact	SDGs
GRI 412: HUMAN RIGHTS ASSESSMENT 2016	GRI 412-1	Operations subject to human rights assessments or human rights impact		SSC (Sustainable Supply Chain) works to ensure that workers involved in production processes for C&A, through its suppliers and subcontractors, have their human rights respected. Through socio-environmental audits focusing on child labor and forced or slave-like labor, employment practices; health and safety practices; working relationships; incidents (e.g.: abuse, duress or harassment); wages and remuneration, working hours, chemical safety and appropriate environmental practices, we seek continuous improvement of production units and, consequently, fair and safe conditions for workers. 100% of production units are evaluated according to criteria involving human rights.		
	GRI 412-2	Training of employees in human rights policies or procedures	58			
	GRI 412-3	Significant investment agreements and contracts that include human rights clauses or that have been subject to human rights assessment	58			
GRI 413: LOCAL COMMUNITIES 2016	GRI 413-1	Community engagement programs, impact assessments and/or local development	53		1	1, 2, 10
	GRI 413-2	Operations with negative impacts on local communities		No negative impacts on the local communities where C&A operates were mapped.	1	1, 2, 10
GRI 419: SOCIOECONOMIC COMPLIANCE 2016	GRI 419-1	Non-compliance with laws and regulations in the socioeconomic area		No assessments or payment of fines imposed by the Administrative Council for Economic Defense were identified.		16
WORKERS WELFARE (SUPPLY NETWORK)						
GRI 103: MANAGEMENT FORMS	GRI 103-1	Explanation of material themes and their limits	55			
	GRI 103-2	Management approach and its components	55		2, 5	8, 16
	GRI 103-3	Assessment of the management approach	55			
GRI 408: CHILD LABOR 2016	GRI 408-1	Operations and suppliers with risk of incidents of child labor	55		5	8, 16

GRI Standards	Disclosure		Report page	Notes	Omission	Global Compact	SDGs
GRI 409: FORCED OR SLAVE-LIKE LABOR 2016	GRI 409-1	Operations and suppliers with risk of incidents of slave labor	55			4	8
	GRI 414-1	New suppliers selected based on social criteria	55			2	6, 8, 16
GRI 414: SOCIAL ASSESSMENT OF SUPPLIERS 2016	GRI 414-2	Negative social impacts on the supply chain and measures taken		Of the total supply network, 11 national and international production units - equivalent to 1.32% of the supply network - had social problems in the audits conducted by C&A.		2	6, 8, 16
COMMUNICATION AND TRANSPARENCY (CUSTOMERS)							
GRI 103: MANAGEMENT FORMS	GRI 103-1	Explanation of material themes and their limits	43				
	GRI 103-2	Management approach and its components	43				12, 16
	GRI 103-3	Assessment of the management approach	43				
GRI 416: CONSUMER HEALTH AND SAFETY 2016	GRI 416-1	Cases of non-compliance in relation to health impacts and security caused by products and services	44				16
	GRI 416-2	Cases of non-compliance in relation to health impacts and security caused by products and services	44				16
GRI 417: MARKETING AND LABELING 2016	GRI 417-1	Requirements for information and labeling of products and services	44				12, 16
	GRI 417-2	Cases of non-compliance with information and labeling of products and services	43				12, 16
	GRI 417-3	Cases of non-compliance in relation to marketing communication	43				12, 16
DIGITAL TRANSFORMATION, NEW SALES CHANNELS, INFRASTRUCTURE							
GRI 103: MANAGEMENT FORMS	GRI 103-1	Explanation of material themes and their limits	31				
	GRI 103-2	Management approach and its components	31				
	GRI 103-3	Assessment of the management approach	31				

GRI Standards	Disclosure	Report page	Notes	Omission	Global Compact	SDGs
GRI 418: CUSTOMER PRIVACY 2016	GRI 418-1		Proven complaints regarding breaches of customer privacy and loss of customer data			16
CIRCULARITY						
GRI 103: MANAGEMENT FORMS	GRI 103-1		Explanation of material themes and their limits			68
	GRI 103-2		Management approach and its components			68
	GRI 103-3		Assessment of the management approach			68
SECTOR COLLABORATION						
GRI 103: MANAGEMENT FORMS	GRI 103-1		Explanation of material themes and their limits			26
	GRI 103-2		Management approach and its components		6	8, 17
	GRI 103-3		Assessment of the management approach			26
PLASTIC POLLUTION						
GRI 103: MANAGEMENT FORMS	GRI 103-1		Explanation of material themes and their limits			62
	GRI 103-2		Management approach and its components			62
	GRI 103-3		Assessment of the management approach			62
						The theme's management is still in its initial phase, however, it is guided by the global goal of reducing up to 50% of single-use plastics in physical stores, online and distribution centers. C&A will focus on the topic from 2022 onwards, starting diagnoses and replacing single-use plastics with more sustainable alternatives.

SASB Index

SASB Standards	Disclosure	Report page or direct response	Relationship with SDGs
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 agreements.	To determine compliance, the chemical safety program follows the ZDHC standards. The treatment methods used in the suppliers' wastewater are based on CONAMA Resolution No. 430/11. Any deviation from measurements is considered a violation in our audits.	6 and 12
CG-AA-430a.2.	Percentage of: (1) Tier 1 supplier facilities and (2) supplier facilities beyond Tier 1 that have completed the Sustainable Apparel Coalition (Higg FEM) Higg Facilities Environmental Module assessment or an equivalent environmental data assessment.	2.28% from tier 1 suppliers and 4.94% from tier2. In 2021, we carried out assessments in the units that generate the volume of industrial effluent with the highest volume of participation	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 auditor	100% of Level 1 units have been audited by a labor code of conduct; 99.76% suppliers that have been audited by a labor code of conduct performed by an external auditor (ABVTEX); 0.0% of suppliers beyond Level 1 were audited	8 and 12
CG-AA-430b.2.	Priority non-compliance rate and associated corrective action rate for supplier labor code of conduct audits	In 2021, we ended with a rate of 3.29% of priority non-compliance and 12.9% of corrective actions. Of the production units, 2 have already taken corrective actions. The remaining 09 units are within the deadline stipulated by the action plan for corrections (forecast for the first quarter of 2022).	8 and 12
RAW MATERIAL SUPPLY			
CG-AA-440a.2.	Percentage of raw materials certified by a third party with an environmental and/or social sustainability standard/norm	46% of raw materials are third-party certified.	8 and 12
ACTIVITY METRICS			
CG-AA-000.A.	Number of: (1) Tier 1 suppliers and (2) suppliers beyond Tier 1	Page 57	

TCFD Index

Themes	TCFD recommendations	Reply report page
Governance	Describe how the Board oversees risks and opportunities related to climate change.	<p>Our highest instance of corporate governance below the shareholders' meeting is the Board of Directors, responsible, among others attributions, for establishing our policies and the election, supervision and management of the Executive Board. Economic topics are the main focus of discussions and the definition of strategies by the Board of Directors and environmental issues are currently discussed at least once a year.</p> <p>See chapter: Corporate Governance (Board of Directors, Executive Board and Internal ESG Committee) – page 17 and Reference Form 2021, item 5.1, page 66</p>
	Describe the Board's role in risk assessment and management and opportunities related to climate change.	<p>The Board of Directors is responsible for the governance of the local risk management process, so that the Company is managed in a conscientious and diligent manner, in accordance with the following attributions and responsibilities: i. Approve the risk management policy; ii. Define an appropriate risk tolerance, prioritizing risks and approving mitigation plans; and iii Supervise and approve risk response plans, when necessary.</p> <p>In 2020, from the identification stage, the company analyzed the degree of each risk, considering its potential impact on the business and the probability of each risk materializing. Afterwards, the main risks were listed in which the Company's Executive Board, with the support of the Audit and Risk Management Committee and the Board of Directors, defined the Heat Map, prioritizing the risks with the greatest impact on the Company's strategy. The "Climate Change" risk is considered in our Risk Dictionary as the "Climate Change and Natural Disasters" risk, "Strategic Risks" category.</p> <p>In accordance with the risk appetite guidelines determined by the company's senior management, the risk of "Climate Changes" ("Climate Changes and Natural Disasters") has not been prioritized, but is being monitored by the Company within the Risk Management governance. It is worth mentioning that the risk related to the socio-environmental theme ("9. Social Responsibility and Sustainability") was prioritized by the Company and a "response plan" was created and is being monitored by the Executive Board, the Audit and Risk Management Committee and the Board of Directors.</p>

Themes	TCFD recommendations	Reply report page
Strategy	Risks and opportunities related to climate change that the organization identified in the short, medium and long term.	<p>We can be affected by extreme climate change, natural disasters and natural resource crises. Our apparel supply chain can be adversely affected by natural disasters or extreme weather changes, such as storms or floods, and especially by a crisis of natural resources (such as lack of water), significantly impacting the chain from planting cotton to clothing production. The occurrence of any of the above factors could adversely affect our inventory management, our operations and financial results. Additionally, our operations of stores and distribution centers may be adversely affected by natural disasters or extreme weather changes, such as storms or floods, among others, leading to significant interruptions or reduction in activities, and may delay or affect our ability to distribute our products, prevent or delay deliveries, impose additional costs on our products and reduce foot traffic, which could reduce our sales and adversely affect our business, results of operations and financial condition.</p> <p>In the field of opportunities, our work can be done through:</p> <ul style="list-style-type: none"> ▶ Participation in renewable energy programs and adoption of energy efficiency measures through migration to the Free Energy Market ▶ Shift to decentralized power generation through construction of solar power plant ▶ Replacement of the Air Conditioning system with more modern/efficient equipment (reducing fugitive emissions) ▶ Implementation of green logistics: use of more efficient means of transport such as electric trucks ▶ Development of new products and services through R&D: Omnichannel: services via APP, WhatsApp, Minha C&A, Marketplace Galeria C&A ▶ Returns on investments in low-emission technologies: <ul style="list-style-type: none"> ▶ Collections with Cradle to Cradle Certification, which uses more efficient processes and less environmental impact. ▶ Circular jeans collection, using leftovers from a supplier's production and those collected in the used clothing collection program. ▶ Collection with more sustainable dyeing, using safe chemicals. Jeans collection with at least 65% less water.
	Impacts of climate change-related risks and opportunities on the organization's business, strategy and financial planning	Questionnaire Answered by C&A to CDP available at (link), item 2
	Resilience of the organization's strategy, considering different climate change scenarios, including a scenario of 2°C or less.	C&A Global, in committing to the Science Based Targets Initiative reduction target, performed a scenario analysis and our absolute emission reduction targets are aligned with climate scenarios that keep global warming well below 2°C. See the full disclosure of our commitment

Themes	TCFD recommendations	Reply report page
Risk management	Processes used by the organization to identify and assess risks related to climate change.	Climate risk is identified and monitored through the corporate risk matrix and respective action plan. See more in the Risk Management chapter Consult the Risk Management Policy
	Processes used by the organization to manage risks related to climate change.	Consult C&A's Risk Management Policy link : (page 3) https://ri.cea.com.br/en/governanca-corporativa/bylaws-and-policies/ At the end of the stage of assessing the company's degree of exposure, the decision-making process is carried out regarding the treatment of risks, in accordance with the risk appetite guidelines determined by the company's senior management.
	How the processes used by the organization to identify, assess and manage risks related to climate change are integrated into the organization's overall risk management.	This phase involves identifying, training and supporting risk owners in the development and formalization of a “response plan” that includes possible alternatives to address the risks: a. Avoid: eliminate risks, redefine business objectives and/or strategies; b. Reduce: diversify, intensify the level of management and/or improve controls; c. Accept: no further action, keep monitoring. d. Share: share or transfer the risks in part or in full.
		Questionnaire Answered by C&A to CDP available at (link), item 3.3 Summary

Themes	TCFD recommendations	Reply report page
Metrics and Goals	<p>Metrics used by the organization to assess risks and opportunities related to climate change in accordance with its strategy and risk management process.</p>	<p>We aim to make fashion with a positive impact, and this starts when we offer our customers products with less environmental impact or with circularity attributes in their development.</p> <p>In the current context in which we experience clear climate changes caused by man, our growth agenda is subject to inventory management risks, due to climatic variations, seasonality, changes in consumer preferences and fashion trends.</p> <p>Climate risks and opportunities influence financial planning, such as indirect costs and acquisitions and divestitures. Actions to respond to risks and opportunities may incur indirect expenses or investments, and must be provided for in a plan approved by the Management and competent governance bodies.</p> <p>Our apparel supply chain can be adversely affected by natural disasters or extreme climate change, and particularly by a natural resource crisis (such as lack of water), significantly impacting the chain from cotton plantation to clothing production. The occurrence of any of the above factors could adversely affect our inventory management, our operations and financial results. We may therefore be subject to a decline in revenue due to a reduction in demand for products and services and the inability or delay in identifying changes in customers' consumption habits and behavior.</p> <p>During the year, we made continuous investments in the modernization of the supply chain and of the collection construction processes to meet consumer demands quickly, considering: i. mesh and distribution, ii. omnichannel operation and iii. Technology.</p> <p>We are susceptible to the degradation of the company's reputation and image with its customers, employees, suppliers, regulatory bodies and investors if we are unable to adequately demonstrate our initiatives on the subject. We invest in more efficient production processes in the use of resources for our collections, reducing the use of water, chemicals and consequently emissions. We also invested in technology for our operations in the form of efficiency initiatives in stores (100% LED lighting; inverter air conditioning equipment; emergency generator with low diesel consumption; real-time remote energy monitoring; remotely adjusted temperature setpoint; automation to remotely turn on/off air conditioning equipment and elevators and escalators with inverter and with a consumption reduction system when they are out of use and supply from renewable sources with more than 60% of stores in the free market and construction of solar plants). We implemented pilot projects of green logistics, with fuel replacement for CNG and electric trucks with monitoring of emissions reduction.</p>
	<p>Scope 1, Scope 2 and, if applicable, Scope 3 greenhouse gas emissions, and the related risks.</p>	<p>Climate Change Chapter. GHG inventory. See 63</p>
	<p>Goals used to manage climate change-related risks and opportunities, and performance against goals.</p>	<p>C&A, a fashion retail company, in line with the sector agreement, commits to reducing Scope 1, 2 and 3 greenhouse gas (GHG) emissions by 30% by 2030, compared to the base year of 2018. This commitment was established globally for all regions and business units, with the Science Based Targets Initiative (SBTi). Targets covering greenhouse gas emissions from the company's operations (scopes 1 and 2) are consistent with the reductions needed to keep warming well below 2°C. Locally, C&A Brasil considers its base year 2019, after the IPO that same year, which provided greater autonomy for local management. In this way, and for greater adherence to the national context, the company is reviewing the methodology to be adopted regionally. (see commitment)</p>



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Limited assurance report issued by independent auditors

To the Board of Directors and Shareholders of
C&A Modas S.A.
São Paulo - SP

Introduction

We were engaged by C&A S.A. ("C&A" or "Company") to apply limited assurance procedures on the sustainability information disclosed in the Annual Report 2021 ("Report"), in the accompanying information to this report related to the period ended December 31, 2021.

Responsibilities of C&A's Management

The Management of C&A is responsible for adequately preparing and presenting the sustainability information in the Annual Report 2021 in accordance with both the Standards for Sustainability Report of Global Reporting Initiative – GRI, with Orientation CPC (Brazilian Accounting Pronouncements Commite) 09 - Integrated Report (which is correlated with the Basic Conceptual Framework of the Integrated Report prepared by the International Integrated Reporting Council - IIRC), with the Sustainability Accounting Standard – Apparel, Accessories & Footwear of the Sustainability Accounting Standards Board (SASB), with the Task Force on Climate-Related Financial Disclosures (TCFD), and the internal controls determined necessary to ensure this information is free from material misstatement, resulting from fraud or error.

Responsibility of independent auditors

Our responsibility is to express a conclusion about the information in the Report based on a limited assurance engagement conducted in accordance with Technical Communication (CT) 07/2012, which was prepared based on NBC TO 3000 (Assurance Engagements Other Than Audits and Reviews), both issued by the Brazilian Federal Accounting Council - CFC equivalent to international standard ISAE 3000, issued by the International Federation of Accountants and applicable to Non-Financial Historical Information. These standards require compliance with ethical requirements, including independence ones, and the engagement is also conducted to provide limited assurance that the information disclosed in the Report, taken as a whole, is free from material misstatement.

KPMG Auditores Independentes Ltda. ("KPMG") applies Brazilian and international standards on quality control, and consequently maintains a comprehensive quality control system including documented policies and procedures related to compliance with ethical and professional standards, in addition to the legal and regulatory applicable requirements. We comply with the comprehensive code of ethics including detailed independence requirements, established based on the ethical principles of integrity, objectivity, competence and professional care, confidentiality and professional behavior.



A limited assurance engagement conducted in accordance with NBC TO 3000 (ISAE 3000) consists mainly of questions and interviews with the Management of C&A and other professionals of the Company involved in the preparation of the information disclosed in the Report and use of analytical procedures to obtain evidence that enables us to reach a limited assurance conclusion about the sustainability information taken as a whole. A limited assurance engagement also requires additional procedures when the independent auditor acknowledges issues which may lead them to believe that the information disclosed in the Report taken as a whole could present material misstatement.

The selected procedures were based on our understanding of the issues related to the compilation, materiality and presentation of the information disclosed in the Report, on other engagement circumstances and also on our considerations regarding areas and processes associated with material sustainability information disclosed where relevant misstatement could exist. The procedures consisted of:

- engagement planning: considering the material aspects for C&A's activities, the relevance of the information disclosed, the amount of quantitative and qualitative information and the operational systems and internal controls that served as a basis for preparation of the information in the C&A's Report. This analysis defined the indicators to be checked in details;
- understanding and analysis of disclosed information related to material aspects management;
- analysis of preparation processes of the Report and its structure and content, based on the Principles of Content and Quality of the *Standards* for sustainability report of the Global Reporting Initiative - GRI (GRI - Standards) and with Orientation CPC (Brazilian Accounting Pronouncements Commite) 09 - Integrated Report (which is correlated with the Basic Conceptual Framework for Integrated Report, prepared by the The International Integrated Reporting Council (IIRC), with the Sustainability Accounting Standard – Apparel, Accessories & Footwear of the Sustainability Accounting Standards Board (SASB), and with the Task Force on Climate-Related Financial Disclosures (TCFD);
- evaluation of non-financial indicators;
 - understanding of the calculation methodology and procedures for the compilation of indicators through interviews with management responsible for data preparation;
 - application of analytical procedures regarding data and interviews for qualitative information and their correlation with indicators disclosed in the Report;
 - analysis of evidence supporting the disclosed information;
- analysis of whether the performance indicators omission and justification are reasonable to be accepted associated to aspects and topics defined as material in the materiality analysis of the Company.
- comparison of financial indicators with the financial statements and/or accounting records.

We believe that the information, evidence and results we have obtained are sufficient and appropriate to provide a basis for our limited assurance conclusion.



Scope and limitations

The procedures applied to a limited assurance engagement are substantially less extensive than those applied to a reasonable assurance engagement. Therefore, we cannot provide reasonable assurance that we are aware of all the issues that would have been identified in a reasonable assurance engagement, which aims to issue an opinion. If we had conducted a reasonable assurance engagement, we may have identified other issues and possible misstatements within the information presented in the Report.

Nonfinancial data is subject to more inherent limitations than financial data, due to the nature and diversity of the methods used to determine, calculate or estimate these data. Qualitative interpretation of the data's materiality, relevance and accuracy are subject to individual assumptions and judgments. Additionally, we have not examined data related to prior periods, to evaluate the adequacy of policies, practices and sustainability performance, nor future projections.

Basis for conclusion with reservation

C&A declares that its Annual Report was prepared in accordance with the recommendations of the TCFD - Task Force on Climate-Related Financial Disclosures. However, the Company didn't fully comply with the TCFD requirements regarding the following topics: (i) Governance (the board's role in the supervision and assessment of risks and opportunities related to climate change); (ii) Strategy (risks and opportunities related to climate change that the organization has identified in the short, medium and long term, impacts of risks and opportunities related to climate change on the business, the organization's strategy and financial planning, resilience of the company's strategy organization, considering different climate change scenarios, including a scenario of 2°C or less); and (iii) Risk Management (processes used by the organization to identify, assess and manage risks related to climate change and how the processes used by the organization to identify, assess and manage risks related to climate change are integrated into general risk management of the organization).

Conclusion with reservation

Based on the procedures performed, described in this report, except for the effects of the matter described in the Basis paragraph for conclusion with reservation, we have not identified any relevant information that leads us to believe that the information in the Annual Report 2021 C&A is not fairly stated in all material aspects in accordance with the Standards for Sustainability Report of Global Reporting Initiative - GRI (GRI- Standards) with Orientation CPC (Brazilian Accounting Pronouncements Commite) 09 – Integrated Report (which is correlated with the Basic Conceptual Framework for Integrated Report prepared by the International Integrated Reporting Council – IIRC), with the Sustainability Accounting Standard – Apparel, Accessories & Footwear of the Sustainability Accounting Standards Board (SASB), and with the Task Force on Climate-Related Financial Disclosures (TCFD), and with the records and files that served as the basis for its preparation.

São Paulo, March 31st, 2022

KPMG Auditores Independentes Ltda.
CRC 2SP014428/O-6

Original report in Portuguese signed by
Sebastian Yoshizato Soares
Accountant CRC 1SP257710/O-4

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Limited verification report issued by independent auditors

To the Board of Directors and Shareholders
C&A Modas S.A.
São Paulo - SP

Introduction

We have been engaged by C&A Modas S.A. ("C&A" 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, 2021.

Responsibilities of C&A Management

The management of C&A 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.

Independent auditors' 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.

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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 independent auditor 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 C&A.
- (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 1,165.44 tons of CO₂e, Scope 2 (indirect greenhouse gas emissions), amounting to 21,683.75 tons of CO₂e, Scope 3 (other indirect greenhouse gas emissions), amounting to 19,125.29 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 a 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 C&A's "Corporate Inventory of Direct and Indirect Greenhouse Gas Emissions".

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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 2021, of C&A 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, May 10th, 2022.

KPMG Auditores Independentes Ltda.
CRC 2SP014428/O-6

Original report in Portuguese signed by
Sebastian Yoshizato Soares
Accountant CRC 1SP257710/O-4

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Office hours

COORDINATION

ESG team

PHOTOS

C&A Brasil and Rodrigo Paiva Archive

WRITING, INDICATOR CONSULTANCY, ART AND DESIGN DIRECTION

Visão Sustentável

C&A MODAS S.A.

Alameda Araguaia, 1.222/1.022, Alphaville Centro Industrial e Empresarial, CEP 06455-000 – Barueri/
SP – Brasil (GRI 102-3)

C&A carries out tests on employees and requests them from service providers on a regular basis, as in the case of the disclosure photos in this Report, to prevent the coronavirus from spreading.