



Track & Field

**ANNUAL
REPORT
2022**

Introduction

| GRI 2-2, 2-3 |

Committed to the mission of connecting people to an active and healthy lifestyle, we want to inspire our customers through our products that combine performance and style, in addition to the events and sporting experiences that emphasize wellness – which means offering alternatives to those seeking to include sports in their routine, and who are concerned about looking after body and mind.

For us, this lifestyle involves physical and mental balance that only regular physical activity, combined with a healthy diet, can bring. We understand that by strengthening this intention throughout our entire

wellness ecosystem, we are contributing to people having a more respectful relationship with themselves, with others and with the environment.

We are working tirelessly to make all this possible, and our goal is to impact as many people as possible. And, through this publication, we are going to share how this journey has been. For the first time, we are publishing an Annual Report because we want to enhance the transparency of the progress that our business has made, as well as the opportunities and challenges that still face us. Throughout this document we will present the results of our own operations across Brazil as a whole in the period between January 1

and December 31, 2022.

This publication is reported with reference to the standards of the Global Reporting Initiative (GRI 2021), an independent international organization that provides guidance to companies across a range of segments on how to convey their impacts on the environment, the economy and society, including issues involving human rights. It also includes several indicators of the Sustainability Accounting Standards Board (SASB) for the apparel, accessories and footwear sector. The SASB is another independent organization that sets international standards for the transparent disclosure of material sustainability information. The GRI content

and the SASB indicators take into account every front on which we operate, which are managed as a single economic entity whose main activities include the development and commercialization of sporting and leisure goods in general, the organization of sporting events and an operation in the food for immediate consumption segment.

The content of this report was defined from a materiality process (details on page 73), in-depth interviews with executive officers and other executives directly involved with our strategy, and from information gathered by different areas with the support from external consultants. The Annual

Report was submitted for validation by the Sustainability Committee, the Executive Board and the Board of Directors, and was also subjected to limited assurance by an external auditor as provided for in Brazilian Accounting Standard, NBC TO 3000 – Assurance Work other than Auditing and Review.

| GRI 2-5, 2-14 |

To clarify doubts and/or send suggestions, contact us by e-mail at esg@tf.com.br.

Enjoy your read!

Message from the CEO

| GRI 2-22 |

Our mission of **connecting people to an active and healthy lifestyle** drives us on every day, and we have sought to bring this to fruition with every new initiative. We have evolved with the aim of getting closer to the customers and to offer a complete wellness ecosystem through our products, events, stores and experiences.

In an organic and consistent manner, we have invested in businesses aligned with our purpose, while developing every closer bond with the consumers. The strong synergy and contribution of all our employees, franchisees and suppliers are essential if we are to achieve our corporate project. This accredits us today as one of

Brazil's largest retailers in the wellness segment.

The year 2022 was one of coming-of-age and strengthening of initiatives and strategies, creating the vital foundations for our continued growth in years to come. The launch of the Experience Store model, the resumption of in-person events in the wake of the acute phase of the Covid-19 pandemic, and the follow-on of the *Continue em Movimento* program in which we provide a daily offering of a calendar of free on-line classes in a range of sporting activities are just some examples.

We have also advanced our expansion project for

opening new stores, reaching the milestone of 331 stores in 2022. We ended the year with 11 concept stores that provide an immersive experience in our wellness ecosystem, with six of them also offering the TFC Food&Market experience – an integrated coffee shop and mini-market that offers a coliving space, a menu and a selection of curated tasty and healthy products to enhance the customer's experience.

At the same time as we have strengthened our presence in the physical world, we have also invested in the digital space. We have reformulated our e-commerce purchasing experience, rolled out our marketplace, tfmall, which

offers a range of exclusive curated products and we have reinforced our omnichannel strategy that includes initiatives like ship-from-store and infinite shop window.

The results we have seen in our Net Promoter Score

**CONNECTING PEOPLE
TO AN ACTIVE AND
HEALTHY LIFESTYLE
IS WHAT DRIVES US ON
EVERY DAY.**

(NPS), which we systematically monitor, reflect the customer's experience with the brand, and they are a strong indicator of the success we enjoy with this audience. In the fourth quarter of 2022, we reached 83.2 points.

We want to genuinely push ahead with the sustainability agenda, just like we did with governance – which is now much stronger. Since 2021 we have been working to understand the environmental impacts and priority topics for our business. We are at the beginning of this journey, but we are very enthusiastic about developing and implementing social and environmental practices in a structured and genuine

manner, from the inside out. To do so we have undertaken commitments that will guide our performance until 2025 and which are discussed in this report.

We are focused on writing a solid history rooted in a long-term outlook. We are certain that it will only be possible to build this with the joint cooperation of our shareholders and investors, employees, suppliers, franchisees, partners and, of course, always side by side with the customers.

Enjoy your read!



Fred Wagner
Founding Partner and CEO

Message from the Board of Directors

| GRI 2-22 |

Supporting the company in strengthening its mission was what powered our operations in 2022; all of this aligned with the transformations in post-pandemic society that has returned to its consumption patterns, the relationship with work and, above all, has begun to see the increasing relevance of caring for its physical and mental health.

We, the Board of Directors of Track&Field, spent the entire

year studying these behavioral changes in depth and the way in which the business can and must contribute. To do so, we produced a detailed matrix of the company's corporate risks, seeking to understand every possible way in which our strategy could evolve while always putting the customer at the center of every initiative of our wellness ecosystem. We also pushed ahead with an important mapping of our impacts on the environment, so that in this way we can define what our tactics will be for reducing them.

With a strong digital presence and the physical capillarity of our stores, events and experiences throughout Brazil, we believe we are contributing to encourage the wellness of society while

at the same time creating opportunities and promoting job creation across our entire network – franchisees, suppliers and partners.

In regard to the sustainability agenda, we know we still have a long way to go, but we are determined to see it gain more traction and thereby further strengthen our commitment to society and the environment. Our objective is to create more and more experiences for the customers and contribute to a healthier life for everyone. And, as this Annual Report demonstrates, this is a continuous journey with no finish line.

Enjoy your read!



José Vicente Marino,
Chairman of the Board of
Directors until March 2023



Gabriela Baumgart,
Chairman of the Board of
Directors as of March 2023

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1 TRACK & FIELD

Today, **we are a complete wellness ecosystem** and a brand acknowledged for innovation and the high quality of our products, as well as being early movers in events and sports experiences.

Our history began as a company dedicated to sportswear. And, since then we have followed a consistent growth trajectory for more than 30 years. We currently have our administrative headquarters and a production unit in São Paulo (SP); a distribution center (DC) in Osasco (SP); a production unit in Joinville (SC) and a chain of 331 stores in 24 states and the Federal District, including our own establishments and franchisees, and we have a strong presence in the digital transformation process with a solid e-commerce and omnichannel model.

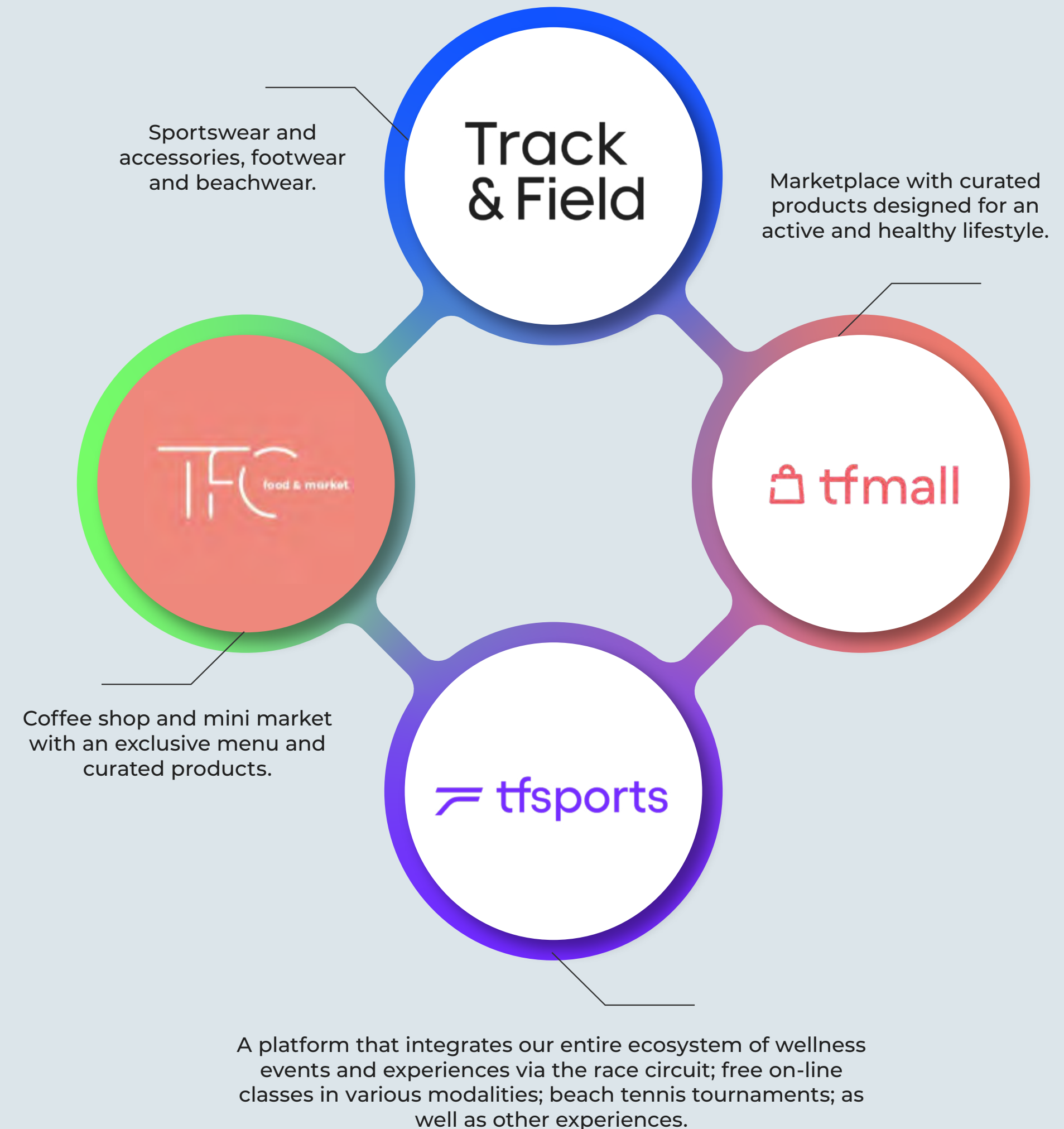
This extensive presence in the Brazilian market is

boosted by the diversity of our products – which include sportswear and accessories, footwear and beachwear intended for people from the age of six. Moreover, we have strengthened the sporting events front, like the Santander Track&Field Run Series (a street race circuit), the Track&Field Beach Tennis Open (a tournament) and the Track&Field Experience (events jointly organized with the franchise network to provide customers with meet-ups and in-person classes given by trainers specializing in various modalities). We have also enhanced the customers' experience with initiatives such as the Experience Store,

our concept stores that connect them to a universe of experiences involving wellness and healthy living. With an exclusive concierge team inspired in the hotel industry, the Experience Store personalizes the customer's entire journey – from choosing the products, the best way to receive their purchases and to send gifts, to enrollment in events and close contact with other wellness professionals.

Up to 2022 we had inaugurated 11 concept stores, six of them with a coffee shop and mini market with an exclusive menu and curated products called TFC Food&Market. Designed to be the reference for the

T&F ECOSYSTEM



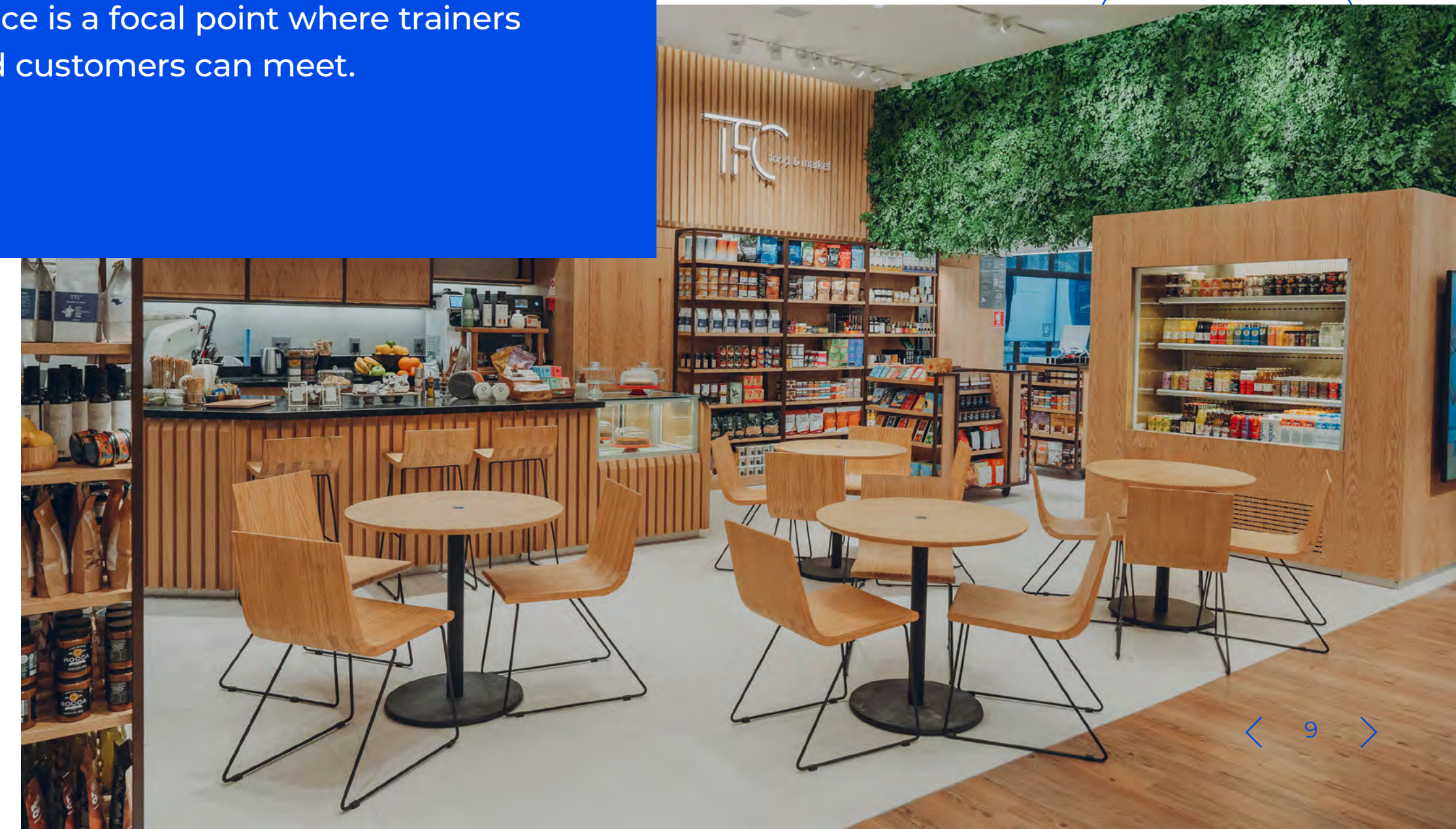
public looking for options in a healthier and more balanced diet, in addition to being a focal point for meet-ups with trainers and professionals in the wellness segment, the TFC Food&Market further expands the consumer's in-store experience with food, beverages and body and home care products.

In the digital space, this attention is replicated in the various channels where we are present, through e-commerce and initiatives like the marketplace and social selling – sales with digital interaction between sales staff and customers.

UP TO 2022 **WE HAD INAUGURATED 11 CONCEPT STORES**, SIX OF THEM WITH TFC FOOD&MARKET UNITS.

TFC Food&Market

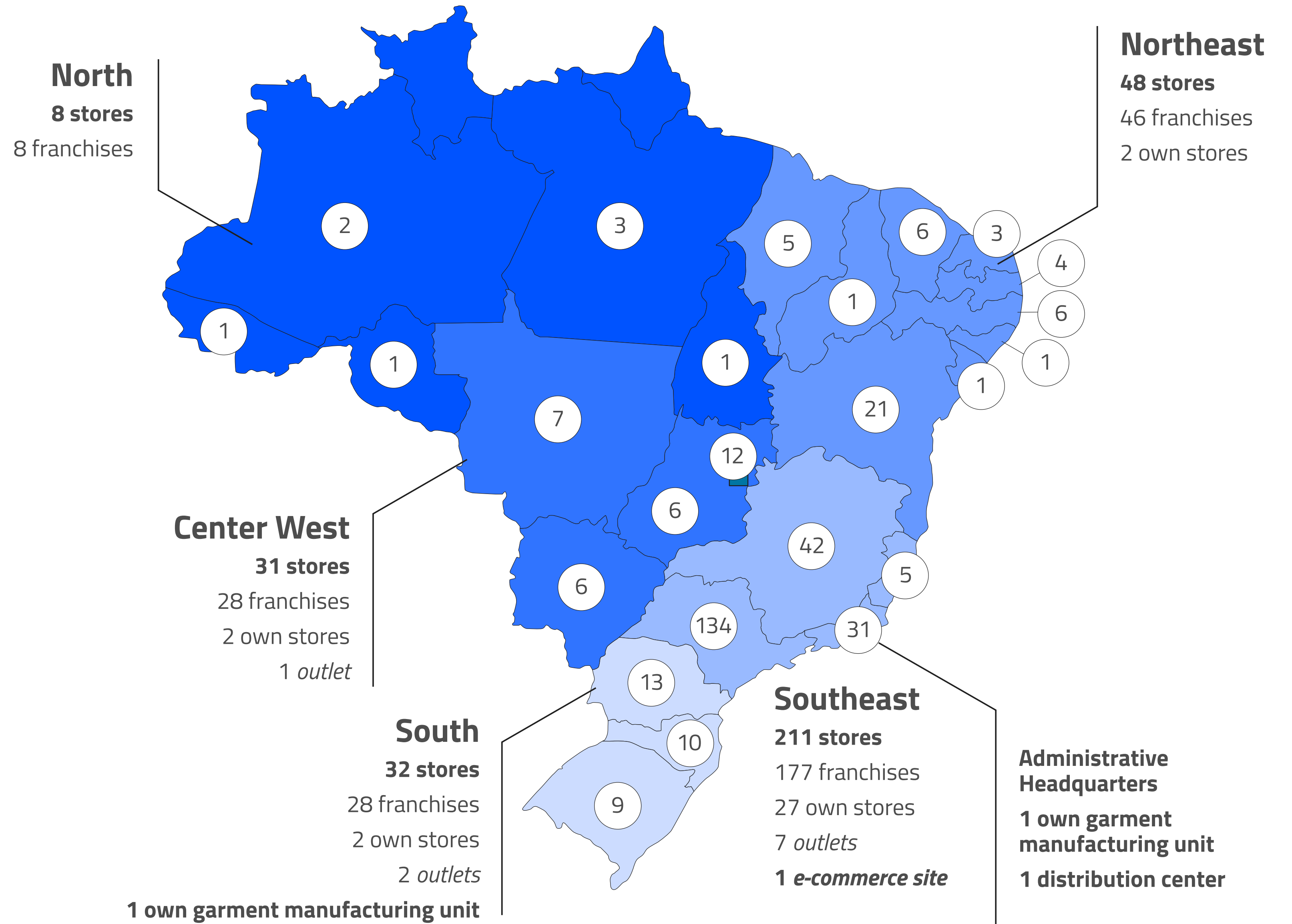
An initiative that has been enhancing our customers' experience since 2021 is the TFC Food&Market, currently integrated into six of our concept stores. This is a space with a coffee shop and mini market and a menu that prioritizes options that add energy to moments of pleasure during those little pauses in our day-to-day lives. The customers can also purchase carefully selected products like healthier, fresh food and beverages, mostly sourced locally and free of chemical additives, in addition to supplements, natural self-care and home & health product lines. The space is a focal point where trainers and customers can meet.



Our locations

Nationwide coverage

| GRI 2-1 |



CAPTIONS:

N^o = Number of stores



Our history

We were founded in 1988, in São Paulo (SP), during a period marked by the instability of the Brazilian economy, by an initiative between the friends Alberto Azevedo, Fred Wagner and Ricardo Rosset to create a clothing brand that stood apart for being designed for the sports market. Starting with partnerships with important players in the textile industry and an innovative strategy involving the incorporation of

technology, we positioned ourselves competitively in a scenario that was gaining traction in the 1990s and whose hallmark was the globalization of fashion and clothing chains, the rise of e-commerce, the incentive to play sports and attention to environmental conservation.

Our first store was inaugurated in 1990 in the Jardim Sul Mall in the capital city of São Paulo. In 1992, two more stores

opened their doors – one in the Iguatemi Mall and the other in the Morumbi Mall, both in São Paulo. The chain began to expand in 1994 with the opening of stores in Recife (PE), Curitiba (PR) and Campinas (SP), heralding Track&Field's arrival in other regions of Brazil. During the 34 years following our foundation, we have consolidated our nationwide presence with durable, quality products while

promoting and active and healthy lifestyle.

In 2004, the T&F Run Series and Iron Man Brazil were launched and, the following year, we joined forces with Volkswagen to launch the Parati Track&Field project. In 2009, we set up our e-commerce platform. Two years later, we expanded the number of stores by adopting a differentiated franchise model, thereafter selecting franchisees who identified with our brand. And in 2017, we launched TFSports, a platform that promotes and integrates our ecosystem of wellness events and experiences.

We reached the milestone of 200 stores in 2018, when we also further enhanced the journey with the emphasis on the solidness of the business based on ethical and transparent directives by implementing a new

governance policy and the strategic plan.

Conduct based on ethics and integrity was the hallmark of the gradual evolution of our governance model, incorporating best practices – a movement that was intensified in 2020 when we took the company public via B3 - Brasil, Bolsa, Balcão.

In 2021, we invested in a new distribution center in Osasco (SP), inaugurated in June, and which almost quadrupled our storage and distribution capacity. We also rolled out the concept of the Experience Store and inaugurated our first TFC Food&Market unit. Then, in 2022 we commenced operations at our production unit in Joinville (SC) and began expanding the number of our stores under the Experience Store concept.

1988

Our activities commence in the apparel industry.

1990

First store opens at the Jardim Sul Mall, in São Paulo (SP).

1992

Inauguration of the store at the Iguatemi São Paulo Mall and another at the Morumbi Mall, both in São Paulo city.

1994

Expansion of the chain to other regions, with the inauguration of the stores in Recife (PE), Curitiba (PR) and Campinas (SP).

1998

Support for the Brazilian Anti-Cancer Institute (IBCC), participating in the “Breast Cancer in the Sights of Fashion”.

2002

We embraced the cause of the WWF-Brazil and launched the Ecosystem line, using part of the sales proceeds to support environmental conservation projects.

2004

Launch of the Track&Field Run Series and Iron Man Brazil sporting and collaborative events.

2005

Launch of the Parati Track&Field Project, in partnership with Volkswagen.

2008

In a partnership with the Txai Itacaré Eco Resort, we engaged in the protection of the sea turtles that lay their eggs in Bahia.

2009

Launch of our on-line sales platform.

2011

Adoption of the differentiated model that allows us to expand the number of stores by selecting franchisees that identify with our brand.

2014

Partnership begins with the NGO Arredondar, which encourages customers to round up the total value of their purchases, donating the change in centavos to the project.

2015

Partnership with the Guga Kuerten Institute begins.

2016

Launch of the Amni Soul Eco® beachwear line, the world’s first biodegradable polyamide thread.

2017

Rollout of TFSports, a platform for enrollment and information about sporting events and experiences.

Texts and highlights in blue describe the advances in the ESG agenda.

2018

Initial implementation of the governance structure and new strategic planning, marked by the transition of the founders – from the

Executive Board to the Board of Directors. Incorporation of socioenvironmental attributes in products and production processes, with the acquisition of equipment

for digital printing on tee-shirts without using water.

2019

Journey begins to transform our organizational culture by creating the T&F Transforma project to bolster our purpose and define the next steps.

The Sustainability Committee was also created to advance the ESG agenda, including independent members of the Board of Directors.

2020

Initial public offering of shares on B3 - Brasil, Bolsa, Balcão. Our omnichannel (pickup-in-store and ship-from-store) operations also began.

2021

Our private social investment strategy includes support for the Paraty Athletics School via a partnership with

Comunitas in the Juntos, Educação pelo Esporte project. That same year, our Sustainability Committee began implementing the ESG agenda. In this respect,

we published the “Our ESG Trajectory” report and began an in-depth analysis to define our sustainability strategy.

We also inaugurated the first Experience Store, the TFC Food&Market at the Iguatemi São Paulo Mall and the distribution center in Osasco (SP).

2022

Our ESG Commitments to 2025 are defined. In events, TFSports resumes the post-Covid-19 pandemic race circuit and eliminates plastic at the

water stops during the runs. In addition, we adopted measures to reduce the volume of leftovers and waste at our races.

We began expanding the network of stores in the Experience Store concept, as well as the infinite shop window and marketplace (tfmall) operations, and we inaugurated our factory

in Joinville (SC). Digital printing equipment replaced, which allowed us to double the production capacity of tee-shirts for use at our events or by our franchisees.

Texts and highlights in blue describe the advances in the ESG agenda.

OUR MISSION

Connecting people with an active and healthy lifestyle.

OUR VISION

To create products and experiences that surpass the customers' expectations, efficiently expanding our presence in the Brazilian market.

OUR VALUES



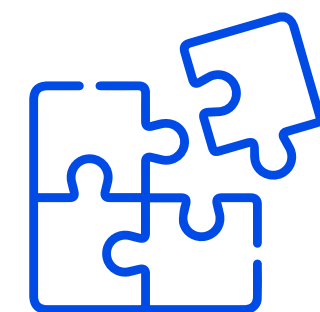
Integrity

- A sense of ethics
- Honesty
- Transparency
- Coherence
- Fairness



Respect

- Empathy
- Humility
- Listening without being judgmental
- Respectful communication
- Complying with the rules and what was agreed



Collaboration

- Sense of collectiveness
- Teamwork
- Focus on the solution and customers
- Sharing ideas and objectives
- Learning together
- Asking for and giving feedback



Care for business

- Growth mentality
- Well-founded decisions
- Improving and innovating
- Assuming risks in a responsible manner
- Efficiency
- Sustainability



Customer success

- Customers are at the center of our decisions
- Adding value to products and experiences
- Meeting and surpassing the customers' expectations
- Developing new franchisees
- A spirit of serving
- Listening and being our customer's ambassador

PURPOSE

A healthy life demands equilibrium.

The role of the Track&Field brand is to make this equilibrium possible, knowing that it is unique and different for each person.

It is to use sport to inspire the search for wellness and to show that in order to accelerate it is essential to breathe.

This conviction must be reflected in everything we deliver: from the product to the store, from the content to the experience. Always striving to surpass expectations .

We are, indeed, going to encourage health, more natural living, respecting the environment without ever forgetting that the quest for health is a constant one and involves caring for body and mind.

Highlights of 2022

Major achievements



The year saw the coming of age of our digital transformation strategy, the enhancement of the customers' wellness experience and the expansion of the business and services. The highlights of the year follow:

CHAIN OF
331 STORES

in 145 cities of 24 states and the Federal District

44 own stores,
including 10 outlets

35 stores
inaugurated

287 franchised
stores

1,467
DIRECT
EMPLOYEES

5,538,214
ITEMS SOLD

ADJUSTED NET
INCOME OF

BRL 100
MILLION

(growth of 32% in relation to 2021)

SELLOUT BY THE
NETWORK EXCEEDED

BRL 1
BILLION

OVER 1,600 EVENTS
HELD, WITH

180,000
PARTICIPANTS

Awards

In 2022, we received two awards for innovation in our e-commerce packaging: The Gold Trophy at the ABRE 2022 Awards in the retail solutions and e-commerce category; the Major Cases in Packaging Award from *Embalagem Marca Magazine*. We were also considered by our employees as the most admired brand in the sporting goods segment in a survey undertaken by the Brazilian Institute of Retail Sector & Consumer Market Executives (IBEVAR).

OVER 387,000
USERS
REGISTERED

on the TFSports platform, as well as 3,579 trainers in 40 modalities

Roll-out of the new paper packaging for the entire store network

Net Promoter Score (NPS) of 83.2 points for the 4th quarter of 2022

*TRACK&FIELD
EXPERIENCE*

37 experiences

**OVER 1,300
PARTICIPANTS**

*SANTANDER
TRACK&FIELD
RUN SERIES*

88 legs

**OVER 150,000
ENROLLMENTS**

40 cities in 17 states and the
Federal District

13 half-marathons
and a full marathon

*TRACK&FIELD
BEACH TENNIS
OPEN*

16 rounds across Brazil

15 cities
in 13 states

**OVER 3,700
ENROLLMENTS**

*EXPERIENCE
STORE*

11 units
(seven of our own and four
franchises)

*10 units inaugurated in
2022*
(six of our own and four
franchises)

OMNICHANNEL

**293 PHYSICAL
STORES**

operating as inventory
points of the omnichannel
(ship-from-store/ pick-
up-in-store) distribution
network. In 2021, we had
251 premises.

In the 4th quarter of 2022,
the **38.2%** sellout was
impacted by social selling

**66.4% of the sales captured
by the e-commerce site were
delivered by stores** – making
this modality an important
ally of our franchisee
network and ensuring more
agile deliveries.

*CONTINUE EM
MOVIMENTO
PROGRAM*

1,468 free classes

**OVER 31,900
ENROLLMENTS**

*INFINITE SHOP
WINDOW*

**50 STORES IN
THE NETWORK**





2 STRATEGY

Our mission of connecting people with an active and healthy lifestyle through products and experiences is supported by a multi-pillar ecosystem: own stores, a franchisee network, digital channels and organizing events and experiences.

Business model

Our business model consists of several commercialization channels through which we seek to enhance the customers' experience. In addition to our network of own stores and the e-commerce platform, since 2011 we have also enjoyed the support of our franchisees – who at the end of 2022 represented 86.71% of our total premises, having captured a sellout of BRL 596.8 million. We have a differentiated relationship with this stakeholder, since we only collect royalties when the products are sold to the end-consumer, and by establishing an effective partnership relationship (further reading about our relationship with franchisees on page 57).

Within the business strategy, an approach that has been gaining traction is social selling, in other words, sales involving digital interaction between the sales staff and the customers. This has made it possible to leverage the commercialization of our products in these stores, increasing the productivity of our sales team and raising our average ticket.

We have adopted several ways of strengthening and expanding the capillarity of our brand operations, including agile delivery of products to customers. We use an omnichannel model that includes the ship-from-store initiative where physical stores function as small distribution centers. Products are delivered

Through this robust structure we have built the Track&Field ecosystem, with wellness experience fronts that enable us to hold various annual events, and a platform that currently connects more than 3,500 trainers and wellness professionals in 40 sports modalities with 387,000 registered users.



within a maximum of two business days. In 2022, this express modality accounted for 84% of our deliveries. Another strategy is the pickup-in-store method where on-line orders can be picked up at physical stores.

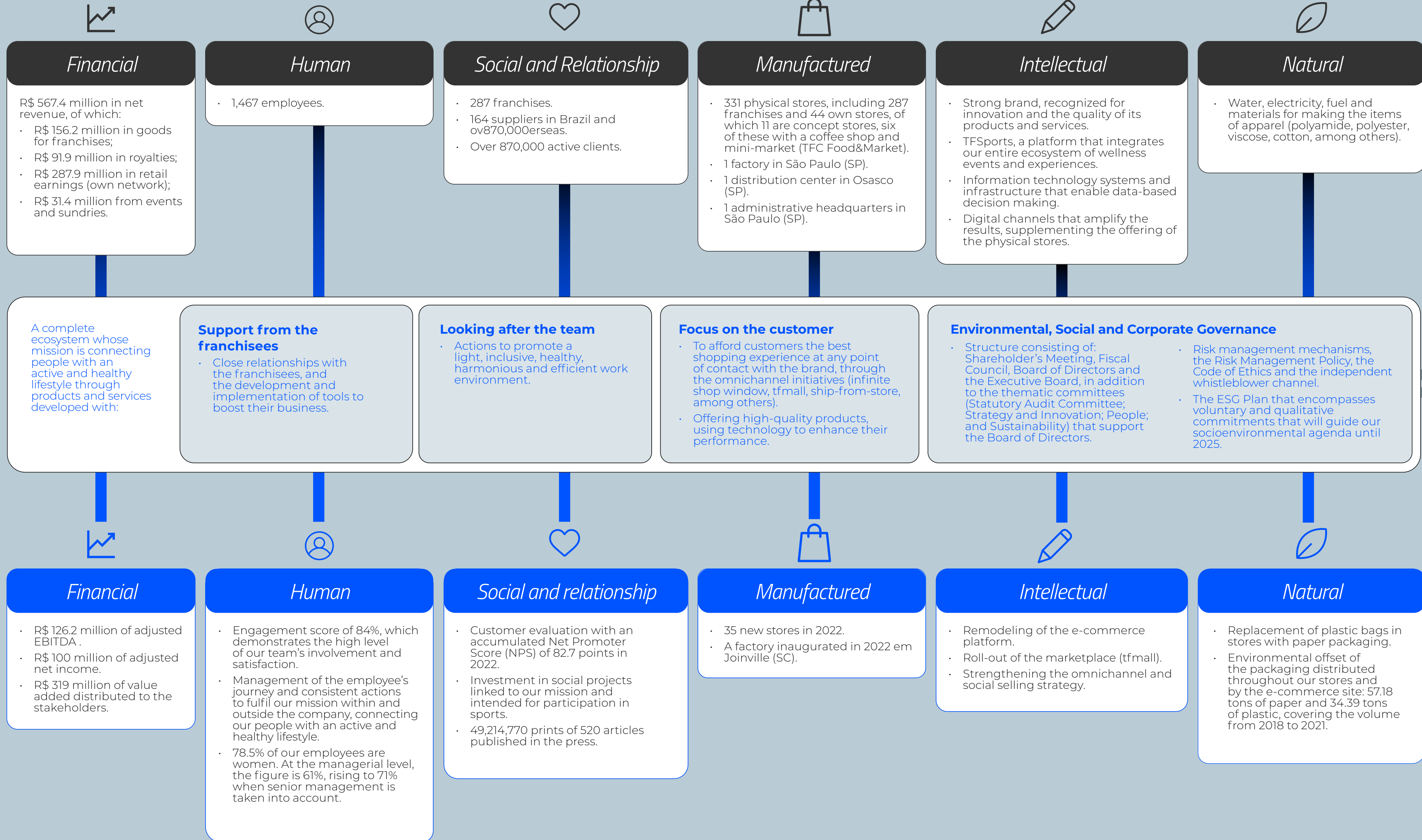
These initiatives also helped to maintain the high level of customer satisfaction, reflected in our Net Promoter Score (NPS) which stood at 82.7 points at years' end.

Our logistics were strengthened in 2021, following the inauguration of our distribution center in Osasco (SP). These facilities have increased our check-in and check-out capability by 100%, quadrupling storage capacity while at the same time reducing expenditures and increasing picking capacity by over 145%.

All these initiatives have strengthened our integrated wellness structure focused on connecting people with an active and healthy lifestyle through our products and services. To demonstrate how we create long-term value, we illustrate below our business model in diagram form, in accordance with the reference guidelines of the International Integrated Reporting Council (IIRC).



INPUTS PROCESS OUTCOMES



OUTPUTS

Products and outputs:

- Diversified quality products that include sportswear and accessories, footwear and beachwear, intended for men and women from the age of six.
- Over 5.5 million items commercialized.
- 1,609 sporting events that attracted more than 180,000 participants.
- Connection between 387,000 users and 3,500 trainers in 40 different modalities offering both paid and free classes.

Subproducts and externalities:

- Waste generation, primarily recyclable, textile and organic waste.
- Air emissions (in 2022):
 - 18.25 tCO₂e (scope 1)
 - 90.41 tCO₂e (scope 2)
 - 38,353.62 tCO₂e (scope 3)

ESG Agenda

We began structuring our ESG agenda in 2018, focusing initially on the governance pillar. Along with the coming of age of this agenda internally came the awareness of our responsibility to society and the environment, to reduce negative impacts while generating positive ones; and in the belief that we can do more, we sought to understand the repercussions of what we do and to draw up a Sustainability roadmap.

An important step in this direction was taken in 2019 when our Sustainability Committee was set up with the key responsibility of monitoring and defining long-term strategies, targets and objectives so that we continue to embrace the best practices

and initiatives aligned with ESG standards. Its composition reveals the importance we attach to the topic – the coordinator is currently Alberto Azevedo, one of our founding partners and a member of the Board of Directors. The other participants are José Vicente Marino, an independent board member and José Aparecido Favilla, a textile specialist and external member.

And, in 2021 we began the process of defining materiality and published our key initiatives in this field in the document “Our ESG Trajectory”. The first materiality matrix was concluded in 2022, in which we established benchmarks and consultations with stakeholders; and we mapped four priority topics: corporate governance,

supply chain, the environment and social issues. That same year, we did a mapping exercise to understand our environmental impacts in regard to water consumption, energy, waste generation and greenhouse gas emissions.

Based on these studies, and working with internal teams, the Executive Board, the Sustainability Committee and the Board of Directors, we drew up and validated our ESG plan that encompass voluntary and qualitative commitments that will guide our socioenvironmental agenda until December 31, 2025, supplementing the governance agenda.

The commitments are divided into three pillars: People,

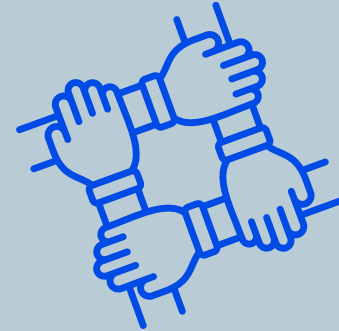
Products and Experiences, and the Environment. Each of these commitments, which may be reviewed according to the business context, will include key performance indicators to monitor progress. From 2023 onward, some of these indicators will be included in the targets of the Statutory Executive Board linked to variable compensation.

We aim to create a legitimate movement that involves and empowers all our employees, essential in building this process while contributing to a more sustainable society. Every action we take, and the progress we make, will be covered in our annual reports.



ESG Plan 2025

PEOPLE



Involve key stakeholders in the ESG journey:

- ✓ Promote and foster initiatives that connect people with an active and healthy lifestyle.
- ✓ Encourage our employees to have a more active, healthier lifestyle; promote a culture of sustainability and a more diverse and inclusive work environment.
- ✓ Restructure and expand our socioenvironmental assessment program to the Brazilian textile supply chain.
- ✓ Be more transparent about our ESG initiatives with our investors and customers.



PRODUCTS AND EXPERIENCES



Offer products and experiences that enable a more active, healthy and sustainable lifestyle.

- ✓ Look for alternatives and solutions with socioenvironmental features for products and experiences.
Pilot initiatives that contribute
- ✓ to extending the usage cycle of products and materials.



ENVIRONMENT



Understand and reduce the environmental footprint of our operations:

- ✓ Monitor, reduce and neutralize¹ scopes 1, 2 and 3 greenhouse gas emissions.
- ✓ Create a Solid Waste Management Plan for our own operations, while also stipulating waste reduction targets.



1. Scopes 1 and 2.

3 *CORPORATE GOVERNANCE*

**For us, this is an unending
journey** that will grow stronger
with the passage of time.



Corporate Governance

| GRI 2-1, 2-9 |

We believe that corporate governance must contribute to a more effective decision-making process that cannot be dissociated from a transparent relationship with our stakeholders – customers, employees, investors, franchisees, suppliers and society in general. Based on this, we are striving to continuously improve our governance practices and structure. For us, this is an unending journey that will grow stronger with the passage of time.

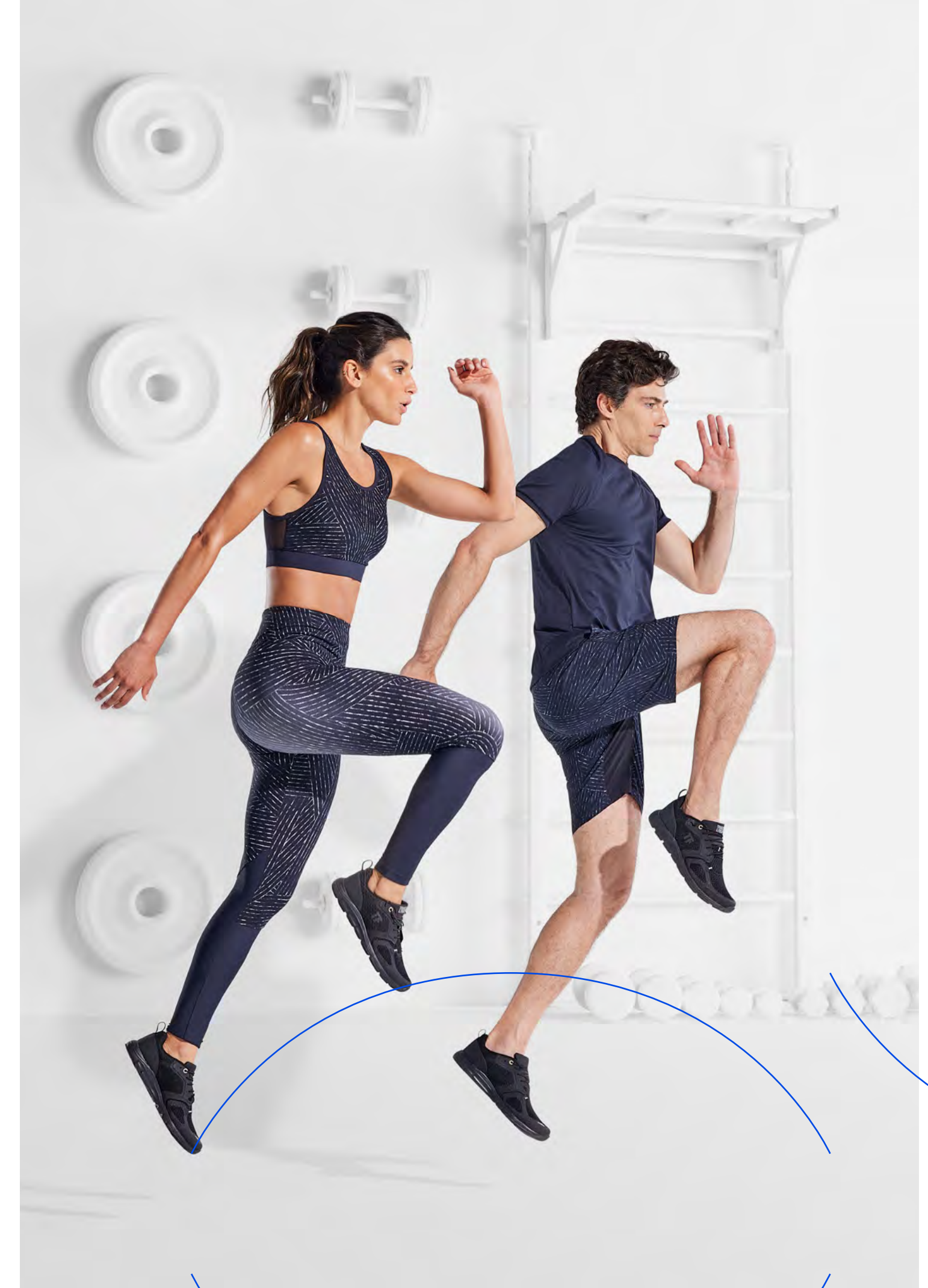
This commitment that we have embraced indicates our goal of increasingly expanding our vision of

the business in a climate of harmony among all stakeholders.

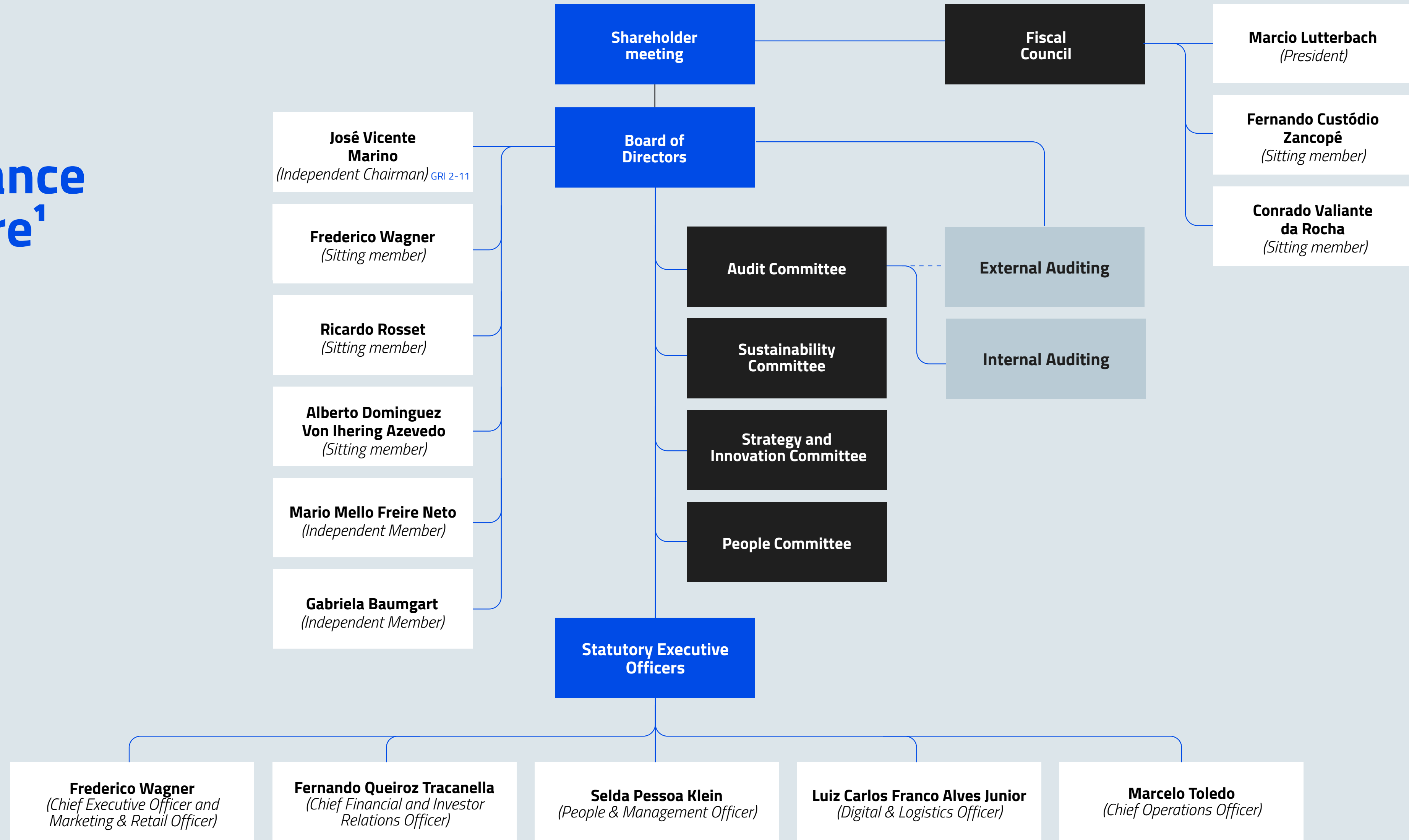
In 2020, we became a Brazilian corporation, thereby placing maximum decision-making power in the hands of the shareholders' meeting which took place for the first time on April 30, 2021. The roles of the Board of Directors and the Executive Board were also defined in accordance with the best governance practices available on the market.

The decision to go public arose both from our search for governance compatible with publicly-

quoted companies and the commitment to efficiently execute in the long term the strategy that our founders had outlined and to ensure the perpetuity of the company.



Our governance structure¹



The purpose of constantly enhancing our governance led us to the successful initial public offering (IPO), after which our shares were admitted for trading on B3 - Brasil, Bolsa, Balcão. We are currently listed at corporate governance level 2 on B3, and we are bound by all the

rules of the Novo Mercado segment – the segment with the highest requisites – with the exception of equity composition. Our governance is characterized by decision-making and advisory instances through which the strategies and decisions taken are totally aligned with

our objectives and principles of ethics, transparency and respect for our stakeholders.

The General Meeting of Shareholders convenes as a rule once a year, and exceptionally whenever necessary – or where the company's interests require a statement from the shareholders.

Under our Bylaws, all our shares – whether common (ON) or preferred (PN) – are entitled to a vote in all resolutions of the General Meeting of Shareholders. We have adopted the supervoting stock model, quite common on the US capital market, under which preferred shares have ten times the voting rights of common shares. This means that in order to calculate market capitalization (market cap), the volume of common shares must be divided by ten.

The **Board of Directors** is the collegiate body

responsible for establishing the business directives, defining policies and assessing risks and opportunities – which includes taking into account economic, social and environmental impacts. The entity consists of a group of five to seven members elected by the General Meeting of Shareholders for a unified term of office of two years. One-fifth of the collegiate body, or at least two members (whichever is greater) shall consist of independent directors, one of whom shall be the Chairman of the Board.

[| GRI 2-10, 2-12 |](#)

SHAREHOLDER STRUCTURE¹

Shareholder	Common Shares	Percentage	Preferred Shares	Percentage	Total	Percentage	Economic Value
Frederico Wagner	292,417,125	33.33%	4,702,220	6.53%	297,119,345	31.30%	21.25%
Ricardo Rosset	292,417,125	33.33%	4,702,220	6.53%	297,119,345	31.30%	21.25%
Alberto Dominguez Von Ihering Azevedo	292,417,125	33.33%	4,702,220	6.53%	297,119,345	31.30%	21.25%
Treasury Shares	0	0.00%	4,222,903	5.87%	4,222,903	0.44%	2.64%
Shares in free float	0	0.00%	53,663,301	74.54%	53,663,301	5.65%	33.6%
Total shares	877,251,375		71,992,864	100.00%	949,244,239	100.00%	100%

1. Position as of December 31, 2022.



All members must have professional experience and a wide range of knowledge that reflect our strategic issues, and they are evaluated at least once during their term of office in accordance with the internal rules and regulations of the Board of Directors, based on how they have performed specific activities and issues deliberated upon. The results are used to identify opportunities for improvement in the continuous search to enhance the entity. This process is carried out by external advisors, which contributes to both the development of the methodology as well as its agility and efficiency.

[| GRI 2-17, 2-18 |](#)

It is incumbent on the **Fiscal Council** to establish the internal rules and regulations. The entity's main responsibility is to oversee the acts of the management bodies and to analyze the financial statements so as to render our controls more secure and transparent.

The remit of the **Executive Board** is to execute the strategy, strengthen the business, and manage impacts and it is responsible for implementing the policies and guidelines handed down by the Board of Directors. It can have from two to eight members, and they can accumulate positions.

[| GRI 2-13 |](#)

Advisory committees

[| GRI 2-12, 2-13, 2-16, 2-17 |](#)

The activities of the Board of Directors are supported by a group of thematic committees responsible for providing data that enables the other instances to take decisions founded on reliable sources of information. These are:

- **Statutory Audit Committee:** Advises the Board of Directors on monitoring internal controls, evaluations of the financial statements, exposure to risks and the strengthening of compliance mechanisms. It consists of at least three members, one of whom with acknowledged experience in corporate accounting issues.

– **Strategy and Innovation Committee:**

Advises on matters involving the strategic direction and on innovation projects. It consists of a minimum of three and a maximum of five members appointed from among the members of the board, with a term of office of up to two years.

– **People Committee:**

Validates and monitors the People & Management strategic plan and supports the company across a range of topics in human resources, especially those applied to the management and senior management.

– **Sustainability Committee:**

Monitors and defines long-term strategies, targets and objectives so that we

continue to adopt practices and initiatives aligned with social and environmental issues.

The Board of Directors draws on periodic reports by the advisory committees and the Executive Board to monitor and provide guidance on how to manage the impacts on the economy, the environment and people. Any critical concerns are also notified to the Board of Directors by these committees. The Audit Committee receives the logs of the Ethics line consolidated by the People & Management officer, and in 2022 no significant situations were reported.

The three founding partners are involved at several

instances of our governance – one of them also holding the position of CEO. This means that they can share their experiences not only in how to conduct business, but also their 30 years-plus of experience in the Brazilian sportswear retail market, which contributes to expanding our corporate vision and is an essential element for our expansion and strategy, as well as for affording our customers a more active and healthier lifestyle.

DIVERSITY OF GOVERNANCE BODIES AND EMPLOYEES

[| GRI 405-1 |](#)

	Men	Women
Executive Board	80%	20%
Board of Directors	83.33%	16.67%
Fiscal Council	80%	20%
Audit Committee	33%	67%
Strategy and Innovation Committee	100%	0%
People Committee	100%	0%
Sustainability Committee	100%	0%

DIVERSITY OF GOVERNANCE BODIES BY AGE BRACKET

[| GRI 405-1 |](#)

	From 30 to 50	Over 50
Executive Board	80%	20%
Board of Directors	16.67%	83.33%
Fiscal Council	40%	60%
Audit Committee	33%	67%
Strategy and Innovation Committee	0%	100%
People Committee	0%	100%
Sustainability Committee	0%	100%

Good practices in action

Our governance features the following aspects of transparency and integrity. Several of our practices include:

- The availability of a range of communication channels offering important, updated information to the shareholders and the market in general;
- Shareholder access to the management at general meetings, public meetings or by engaging with the investor relations team;
- Independent members sitting on the Board of Directors;
- The work of the deliberative and advisory bodies, like the Audit Committee and the thematic committees (strategy and innovation, people and sustainability); and
- The imposition of strict compliance mechanisms to ensure the dissemination of the precepts of ethics among the employees and other stakeholders.
- Maintenance of the Fiscal Council, installed with a representative indicated by the minority shareholders.





Conflict of interests

| GRI 2-15 |

Our Policies on Transactions with Related Parties and the Management of Conflicts of Interest go into detail on the fact that any board member, committee member or executive officer who identifies a potential conflict of interest must abstain from taking any decision, participating only partly in the meetings merely for the purpose of providing more information. This document is subject to our bylaws and code of conduct and the laws governing the issues, like Law 6.404 of December 15, 1976, as amended – Brazilian Corporation Law and the regulations issued by the Brazilian Securities Exchange Commission (CVM) like those referring to the Novo Mercado segment; while at the general meetings of shareholders, the matter is dealt with in accordance with the prevailing legislation (Article 115 of Brazilian Corporation Law).

Management compensation

| GRI 2-19, 2-20 |

Members of the board and the advisory committees are entitled to monthly compensation defined in accordance with individual negotiation and taking into account, among other factors, the time served, competence and professional reputation, as well as the value of each member's service in the market in addition to compensation surveys in the business sector involving companies of a similar size to ours.

In the case of the executive officers, in addition to monthly compensation that reflects the responsibilities they hold and salary surveys

of the segment where we operate, they are eligible for medical and dental assistance plans, and meal vouchers, among others, in addition to participating in the annual profit-sharing program (PLR) provided they meet previously established targets, and a restricted stock options plan. The options are granted once a year, taking into account the attainment of performance targets and a grace period.

In turn, the compensation of the members of the Fiscal Council is fixed by the meeting of shareholders, pursuant to the applicable legislation.

The maximum global amount payable to our managers by way compensation is determined by the shareholders' meeting, and the maximum global remuneration complies with the limits imposed by article 152 of Brazilian Corporation Law.

Compensation is reviewed on an annual basis, bearing in mind market practices of companies operating in the same segment, and seeks to attract and retain professionals who effectively contribute to our results, and the amounts are incorporated into the management's proposal presented at the general meeting. The following criteria

are taken into account at the annual adjustment of management's fixed remuneration - any changes in the activities carried out or compensation levels used by companies in the same industry and of the same size in the market, also factoring in positions of similar complexity and meritocracy.

Furthermore, internal surveys are carried out by our People & Management area with the support of specialized consultants. This is how we seek to compare our practices with those of other companies.

Occasionally, and if necessary, specific surveys are carried out for certain key positions of the members of the board and the advisory committees. Read the directives of our compensation policy (available [here](#)).



Ethics and Compliance

| GRI 2-23, 2-24 |

We have adopted in our relationships the most rigorous standards of conduct and ethical principles that all managers, employees, franchisees, partners, suppliers and contractors must abide by, regardless of their hierarchical position.

We drew up our Code of Conduct based on fundamental ethical principles and rules of conduct that are the guidelines for our behavior and enable us to get along in a fair and harmonious manner with our external shareholders. The content deals with the practices and standards of behavior that must apply to our daily business.

Besides clarifying the mission, vision, principles and values, the document gives details about how we expect our teams to maintain ethical relationships – making it clear that compliance with the legislation and our internal rules and regulations is essential, and that we repudiate attitudes of harassment and discrimination of any nature. The Code also contains guidelines on interpersonal relationships, accepting gifts and hospitality, engaging in party political activities and the duties to society in general, such as respect for human rights and those involving work practices, safety, health and the environment.

Information security and confidentiality are also covered in the document, since protecting the data of third parties, customers, suppliers, service providers and business partners is essential. Situations that could lead to conflicts of interest are also identified, as well as the approach we expect when contracting with suppliers and third parties and when accrediting franchisees.

The document also sets out the sanctions and penalties in cases of proven non-compliance with the rules stipulated therein – ranging from verbal warnings to dismissal for serious misconduct. Where violations committed constitute a

crime, the proper authorities are notified.

In addition, we have adopted a series of policies intended to prevent and mitigate risks in various fields of operation. For example, we have mentioned the Policy on Related Party Transactions and Management of Conflicts of Interest, the Market Risk Management Policy, the Policy on Information Disclosure and Securities Trading and the Internal Privacy Policy.

The precautionary principle pervades all our policies, establishing processes and strategies to control risks and mitigate potential damage. The commitments declared under these policies are incorporated into the

processes and monitored using internal controls, internal audits and other controls.

Adhesion to our set of ethical principles is formalized when an employee joins the team and, whenever necessary, trainings and campaigns are carried out about the content of the document and how it is applied, as well as dealing with the creation of mechanisms involving auditing, risk prevention and the measures taken in response to improper behavior. During 2022, we extended the disclosure of Code of Ethics and Conduct through additional notifications to the employees.

We have had an Ethics and

Conduct Committee since 2020, which in 2022 consisted of the People & Management officer, the Chief Financial Officer, the ESG executive management and legal counsel. This is the collegiate body that manages the Code of Ethics and Conduct, ensuring it is complied with and maintaining a culture of ethics, among other duties.

Ethics line

| GRI 2-26 |

During the year, we strengthened communication about our Code of Conduct and the Ethics Line, a channel available for secure and anonymous whistleblowing about occasional irregularities. It is independently managed by Aliant/ICTS, open to employees, franchisees, customers, partners suppliers or any other stakeholders with whom we have a relationship, enabling them to report, without having to identify themselves, situations involving suspicions of fraud, corruption, ethical deviations of conduct, and illegal acts, among others. In case of doubt about any situation, the Ethics Line can be contacted.

Any complaints received are dealt with by the Ethics Committee which verifies if there are grounds, and deliberates on applying the appropriate sanctions, except in the case of complaints involving officers or members of the board, the Statutory Audit Committee or the Ethics Committee itself. Reports involving executive officers or board members are forwarded to the Statutory Audit Committee; reports involving members of the Ethics Committee are submitted to the People & Management officer; and those referring to the Statutory Audit Committee are presented to the Board of Directors.

The channel is available at:

Site: www.canaldeetica.com.br/trackefield

Telephone: 0800 591 7159

Risk management

Our Risk Management Policy sets out the principles, guidelines and responsibilities we have adopted to prevent or mitigate the key risks to our operations in order to identify and monitor them – and, in so doing, enhance and protect our values, assets, reputation and competitiveness to guarantee the continuity of our business.

There are five main risk groups for which we have measures to identify and deal with:

- **Business and/or strategic:** involving strategic decisions, market uncertainties, competition and reputation;
- **Operational:** Involving the manufacturing process, affecting efficiency and the use of resources;

- **Financial:** Involving exposure of the financial and/or accounting transactions and the reliability of our financial statements;
- **Regulatory or compliance:** Concerning compliance with the rules and legislation governing the sector where we operate, among others;
- **Social and environmental:** Possibility of losses arising from adverse impacts on the environment and society.

We currently analyze the key risks using a matrix that identifies them based on the degree of impact and the likelihood they will

occur. When reviewing the Risk Management Policy in 2022, we extended the risk map with assistance from outside consultants. In this process, we identified the greatest risks (classified as very high, high and medium) using as a benchmark the Committee of Sponsoring Organizations of the Treadway Commission (Coso), an international entity that develops mechanisms for controlling and managing risk. Based on this study, our policy will be reviewed and updated and will take effect in 2023, it will also be published in our next reference form.

Market Risks

We also have a Market Risk Management Policy that aims to protect us from the risks arising from events involving uncertainties that might adversely affect our ability both to achieve our objectives and to generate value. Market risks include:

- Interest rate risk;
- Exchange rate risk;
- Credit risk; and
- Liquidity risk

Each one of them uses procedures by which we strive to prevent and mitigate them – monitoring the macroeconomic scenario, bringing forward payments to international suppliers and maintaining prudent management in order to maintain access to raising credit lines, among other measures.

Negative impact management

| GRI 2-25 |

In May 2022, we created governance for crisis management and remediation of negative impacts originating at stores, events and brand channels. The incidents recorded are analyzed by the area in charge which, on identifying the sensitivity of the cases, forwards them to the T&F Incidents group consisting of staff from our legal, corporate governance and public relations areas. This forum is responsible for investigating and dealing with day-to-day incidents, according to the nature of each one and the potential

risk to our reputation and image. In critical cases, the Crisis Committee, consisting of our Chief Executive Officer, Chief Financial and Investor Relations Officer, ESG Executive Manager and Legal Counsel, come into play to monitor and deliberate on the issues. Sensitive topics include discrimination, harassment, accidents involving customers, complaints about fraud and/or illegal acts by franchisees or suppliers, customer data and/or confidential information leaks, among other strategic issues.

The Customer Service Unit (CSU) is the official contact channel for our customers to file complaints, and we are constantly monitoring the efficiency of this platform. For all cases filed, five days after they are closed a satisfaction survey is sent out regarding the service level received. In 2022, we registered 70.7% of positive evaluations covering all customer service channels (e-mail, forms, telephone and chat).

FINANCIAL RESULTS

Financial results

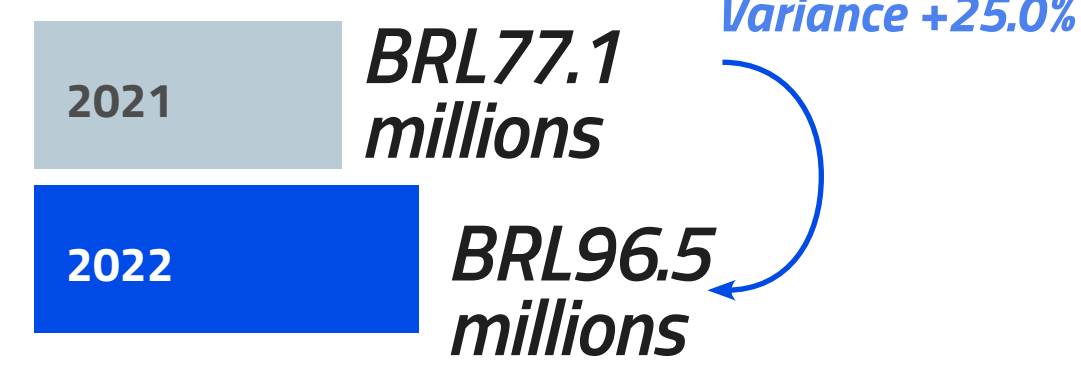
Throughout 2022, the macroeconomic scenario in Brazil continued to produce challenges and uncertainties. Gross domestic product (GDP) growth rates showed a recovery trend, up by 2.9%. Inflation remained above the 4.75% target set by the Central Bank – although it eased somewhat in the final months of the year on account of lower fuel prices. The benchmark interest rate, Selic, was 13.75% at the year-end.

Notwithstanding this scenario, 2022 was for us a year of strong growth reflecting the consolidation of the structural changes in consumer behavior, with greater engagement towards an active and healthy lifestyle in addition to the growing demand for more comfortable clothing. Within

this context, with a well-positioned brand, stylish and quality products, we were once again favorably impacted by the increase in our addressable market. Besides the favorable market conditions, the year was also marked by the acceleration of several strategies that leveraged our wellness ecosystem and boosted our performance.

One of the greatest achievements was the consolidation of our first omnichannel wave. Since the onset of the pandemic, our focus has been on the ship-from-shore modality, aiming to capture digital sales, but with billing in the closest store to the customer where the product is available. This enabled us to provide consumers with a more

NET INCOME



NET REVENUE



agile service and at lower shipping costs. In 2022, 66.4% of our e-commerce sales were already billed by the physical stores, both our own and the franchises.

Another very important strategic initiative was the continuity of the network revitalization program. Following the first inauguration of a store under the Experience Store concept at the Iguatemi

Mall in September 2021, we continued remodeling our own stores and the franchises after this new concept, as well as opening all new stores in this same format.

The benefits for the customers and for the operation not only arise from more modern surroundings, but also on account of greater efficiency when exhibiting certain product categories, high cross selling and the possibility of

introducing our ecosystem of events and experiences into the physical stores. A further highlight is the TFC Food&Market, a laboratory for us to better understand a market with a high potential for healthy eating and supplements, a new channel for generating additional feet on the ground in the stores, testing of products linked to an active and healthy lifestyle and promoting events with our

WE MAINTAINED OUR

ZERO DEBT POSITION IN 2022,

even after accelerating the investments in refurbishments, production capacity and technology

customers and trainers.

Our e-commerce platform has also undergone substantial transformation. We have focused on improving the customer's

experience by upgrading the platform, among other initiatives. Additionally, we have invested in actions to enhance search engine optimization (SEO) to improve the positioning of our digital media. The initial results of these initiatives are reflected in the channel's performance, with growth of 13% over the previous year.

From a product point of view, our summer and winter collections were well received, capturing the leading trends in the sportswear segment, where the emphasis is always on quality and technology. Besides consolidating the permanent product categories, we have also invested in new collections of modalities strongly identified with our brand. Among these, worthy of note are the capsule collections for tennis and the watersports product range.

The year 2022 also saw the resumption of sporting events after a hiatus of practically two years on account of the pandemic. Against this backdrop of a rebound, the TFSports platform has accelerated the capture of users and trainers connected to the app, offering our customer base classes and events.

The sellout, which is the sum of the gross sales from all our sales channels, including own stores, franchises and e-commerce, stood at BRL 1 billion, an increase of 25.7% in comparison with the book result in 2021.

We once again posted significant growth in comparison with the previous year, both in net revenue (+30.6%), reaching BRL 567.4 million, and the bottom line, as measured by Adjusted EBITDA or adjusted net

income – +37.5% and +32.0%, respectively.

One of the highlights of the year was operational leverage, with a drop of 3.5p.p. in expenses over net sales, confirming the presumption that as we grow we have opportunities to dilute our fixed costs; and that with the greater participation of the franchise channel, the weight of the expenses with our own stores in relation to total net sales is declining.

BRL1 BILLION

SELLOUT

Gross sales results in all channels

BRL126.2 MILLION

ADJUSTED EBITDA

+37.5% over 2021, with an adjusted EBITDA margin of 22.2% in 2022

Our adjusted financial result has also been showing consistent improvement, ending 2022 at BRL 3.4 million (~14% YoY). It is worth emphasizing that during the year we maintained our zero-debt position without discounting receivables or borrowing to extend supplier payment terms.

FINANCIAL INDICATORS

(in BRL thousands, unless otherwise indicated)¹

	2020	2021	2022	Variance between 2021 and 2022 (% , unless otherwise indicated)
Net revenue	267,320	434,592	567,426	30.6
Gross profit	155,834	259,962	326,770	25.7
Gross Margin (%)	58.3	59.8	57.6	- 2.2 p.p.
Adjusted EBITDA	51,541	101,878	143,761	41.1
EBITDA margin (%)	19.3	23.4	25.3	1.9 p.p.
Adjusted EBITDA ²	44,501	91,742	126,184	37.5
Adjusted EBITDA Margin (%)	16.6	21.1	22.2	1.1 p.p.
Net income	25,831	77,147	96,460	25.0
Net margin (%)	9.7	17.8	17.0	- 0.8 p.p.
Adjusted net income ³	29,091	75,741	99,954	32.0
Adjusted net margin (%)	10.9	17.4	17.6	0.2 p.p.
Net cash ⁴	89,077	66,771	60,489	- 9.4
Net cash equivalents ⁵	139,237	130,906	141,558	8.1

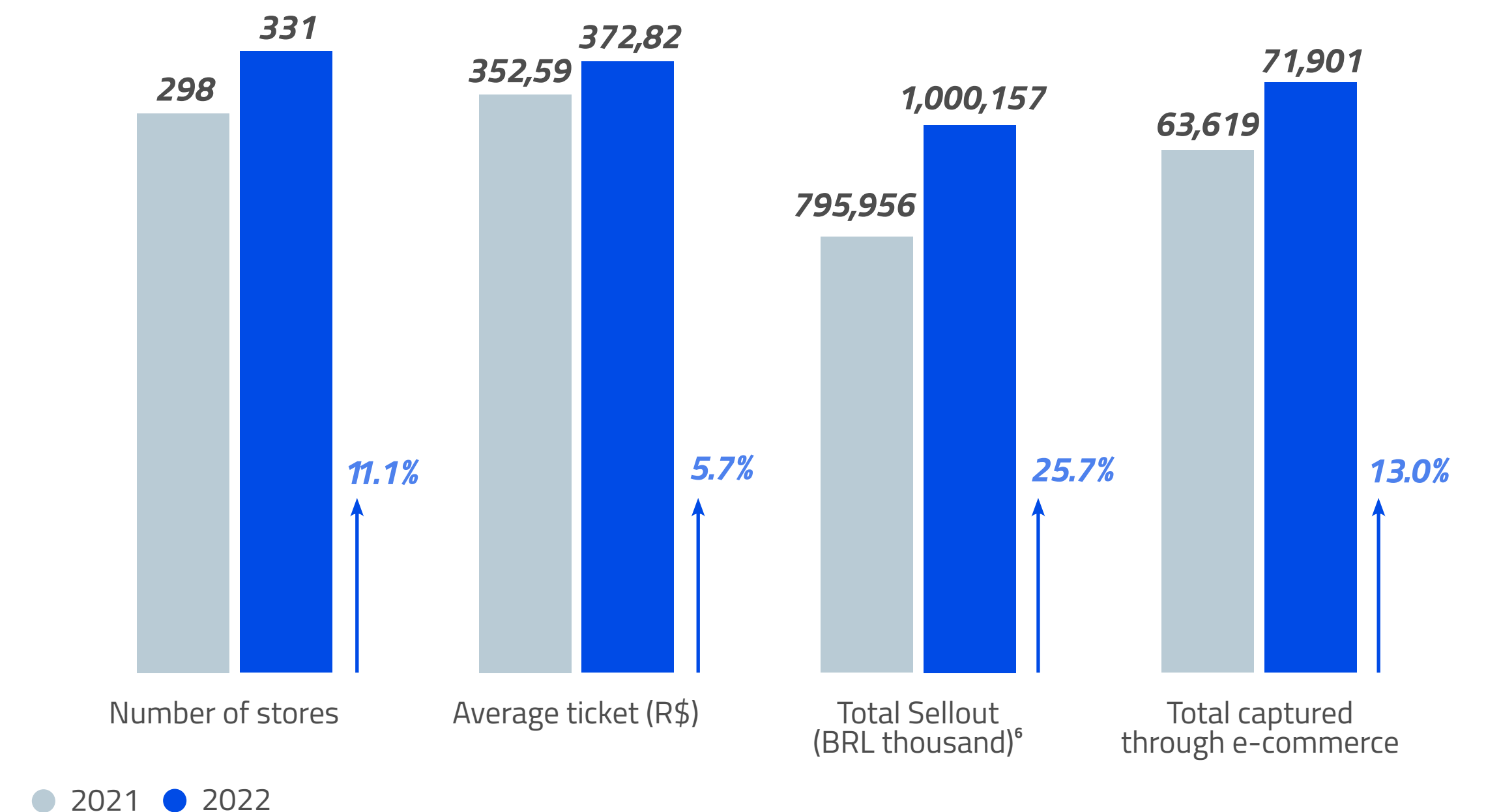
1. Adjusted figures refer to non-accounting measurements for comparability purposes and better market analysis. 2. Adjusted EBITDA: excluding the effects of IFRS 16 (effect of excluding expenses with depreciation of right of use and lease expenses on rents) and non-recurring expenses. 3. Adjusted Net Income: excludes the application of IFRS 16 and non-recurring expenses. 4. Net cash: Cash and cash equivalents minus bank loans. 5. Net cash equivalents: Net cash + card receivables. 6. Total Sellout: Represents consumer sales of the Track&Field Group regardless of the sales channel (physical/on-line or also whether own store/franchise).

FINANCIAL RESULT (in BRL thousands)

	2020	2021	2022	Variance between 2021 and 2022 (%)
Financial income	5,742	6,619	10,263	55.1
Financial expenses	-10,849	-8,256	-15,060	82.4
Financial Result	-5,107	-1,637	-4,797	193.0
Net Effect of Adjustments ¹	3,183	4,660	8,241	76.8
Adjusted Financial Result	-1,924	3,023	3,444	13.9

1. IFRS effects: interest, leasing transactions and discounts (Covid-19 pandemic period).

OPERATIONAL INDICATORS



5

PEOPLE

| GRI 2-6, 2-29 |

Track & Field

The mission of connecting people with an active and healthy lifestyle reflects the importance we place on everyone's wellness. This understanding applies to all our stakeholders with whom we relate: employees, customers, franchisees, our supplier chain and society in general.

Focus on the customer

Enhancing experiences

| GRI 3-3 CUSTOMER FRONT AND CENTER |

One of our major focal points is to enhance our customers' experience. That is why we are continually investing in initiatives that contribute to achieving this objective. An example of this is our omnichannel strategy that stands apart as an important step forward for optimizing our customer's on-line purchases and the delivery of the products and, consequently, to improve the consumers' experience on account of the agility and security of the process. In 2022, we had 293 physical stores using the ship-from-

store system, 18 of which are configured for nationwide sales, operating like mini distribution centers and using their inventories to service e-commerce orders.

During 2022, we reformulated the visual merchandising of the stores – all accessories and equipment are exhibited according to their modality in the same in-store space, thus allowing customers to have a more integrated view of the products. Today, we also use QR codes that make it possible to access content such as playlists, in

addition to offering training and classes in different sports modalities given by well-renowned trainers.

The materialization of our brand ecosystem can be seen in our **Experience Stores** that break down the barriers between the physical and the on-line world by providing customers with unique experiences in clean and intuitive surroundings where they are served by a specialized concierge team that helps them choose classes and/or an event and partner trainer.



One of the innovations in this atmosphere is the **TFC Food&Market**, a coffee shop and mini market integrated with an Experience Store which is also a conviviality space that brings the entire customer experience full circle. In addition, our marketplace **tfmall**, available on the e-commerce site and in several physical stores, comes with a highly selective curatorship of premium products in the wellness segment, expanding the portfolio offered to customers.

One of the highlights of the year was the implementation of the infinite store window that allows one of our stores to sell items from any other store, our distribution center or our partner sellers on **tfmall**.

When added to the marketplace and omnichannel strategies, we have evolved in our mission, which has gained further traction with the **Experience Stores**.

Product mix

Another point to be taken into account in the process for enhancing our customers' level of satisfaction is the product mix we offer. We serve a variety of audiences, beginning from the age of six. The four main product lines are sportswear (athleisure), beachwear, accessories and footwear.

Orange December

Aware of our role in wellness-related issues, at the end of 2022 we held an awareness event referring to Orange December to emphasize precautions against skin cancer. The initiative brought together Track&Field customers and athletes in the Einstein Space in São Paulo (SP) for a moment of caring and learning. Besides participating in a talk and Pilates classes, the guests took home a kit with our products and a tee-shirt with UVTECH® technology designed for outdoor sports that protects against the sun's rays.





Sports incentives

Our products and services contribute so that we can move ahead with our mission of connecting people with an active and healthy lifestyle, but we feel we need to go further and actually inspire people. Thus, was born TFSports, a wellness platform that integrates the sports events that we organize and the experiences we provide.

During the year, we organized over 1,600 events that drew more than 180,000 participants. And, in order to further enhance the experience, we have an audience of 387,000 users connected to our platform, as well as 3,500 trainers in 40 different sports offering our customer base paid and free classes – adding healthy habits and wellness to these people's lives.

At our races, we offer free enrollment with numbered running bibs for persons with disabilities (PwDs) when they present a medical report, and a discount of 50% for their companions. We have major groups participating from among this audience through initiatives like the *Pernas de Aluguel* (Legs for Rent) and Achilles projects that connect these participants to races while strengthening the aim of affording them quality of life, entertainment and fun and, at the same time, engaging in social inclusion.

Santander Track&Field Run Series: highlights

+150
 THOUSAND
 RUNNERS
 REGISTERED

40
 CITIES

18
 BRAZILIAN
 STATES

13
 HALF-
 MARATHONS
 IN 2022

1
 FULL
 MARATHON
 IN 2022

1ST
 PLACE IN LATIN
 AMERICA IN THE
 NUMBER OF RACES

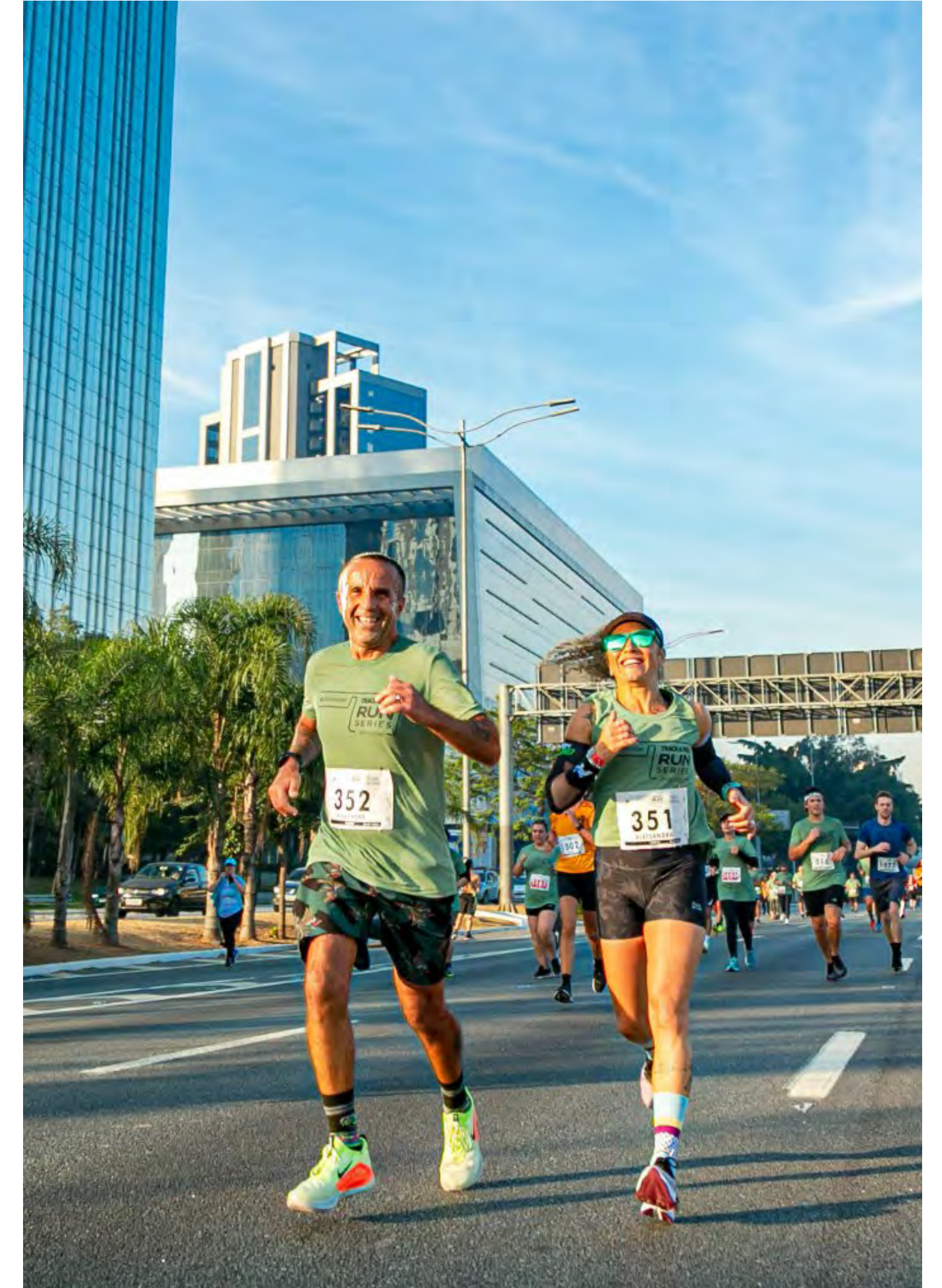
In 2022, there was a gradual resumption of in-person sporting events.

We were invited to be part of the list of companies responsible for defining sanitary protocols at major events, which demonstrates our important role in this

segment. We always comply with what the authorities stipulate involving anti-Covid-19 actions – such as restricting the number of participants, the use of masks and gloves by staff and providing hand sanitizer, as well as extending the deadline for people to pick up their kits

so as to avoid crowding.

In addition, the circuit also organized joint initiatives with the Tamar project, so that the athletes registered in the Fernando de Noronha (PE) and Praia do Forte (BA) legs could participate in talks and the release baby turtles.





Check it out below:

Fernando de Noronha (PE)

- Release date: June 18, 2022
- Venue: Quixabinha Beach
- Species: Loggerhead Sea Turtle
- Scientific name: Caretta caretta
- Number of hatchlings released: 40

Praia do Forte (BA)

- Release date: November 12, 2022
- Venue: Praia do Chapéu Beach
- Species: Green Turtle
- Scientific name: Chelonia Mydas
- Number of hatchlings released: 30

Another important action that began in 2022 was the **Track&Field Beach Tennis Open**, a tournament with 16 phases covering the entire country – including 15 cities in 13 states that attracted over 3,700 entrants. The success of the initiative has led us to plan expanding it in 2023 when it will have 35 events.

Lastly, worthy of note during the year was the **Track&Field Experience** – a series of joint events held with our franchisee network to offer customers in-person meet-ups and classes given by trainers specializing in different sports modalities such as running, yoga, foundational training, cycling

and beach tennis, among others. In 2022, we staged 37 experiences with over 1,300 participants. We are looking to further expand this initiative in 2023 by putting on a series of 350 experiences.



Looking after the team

Strengthening our culture

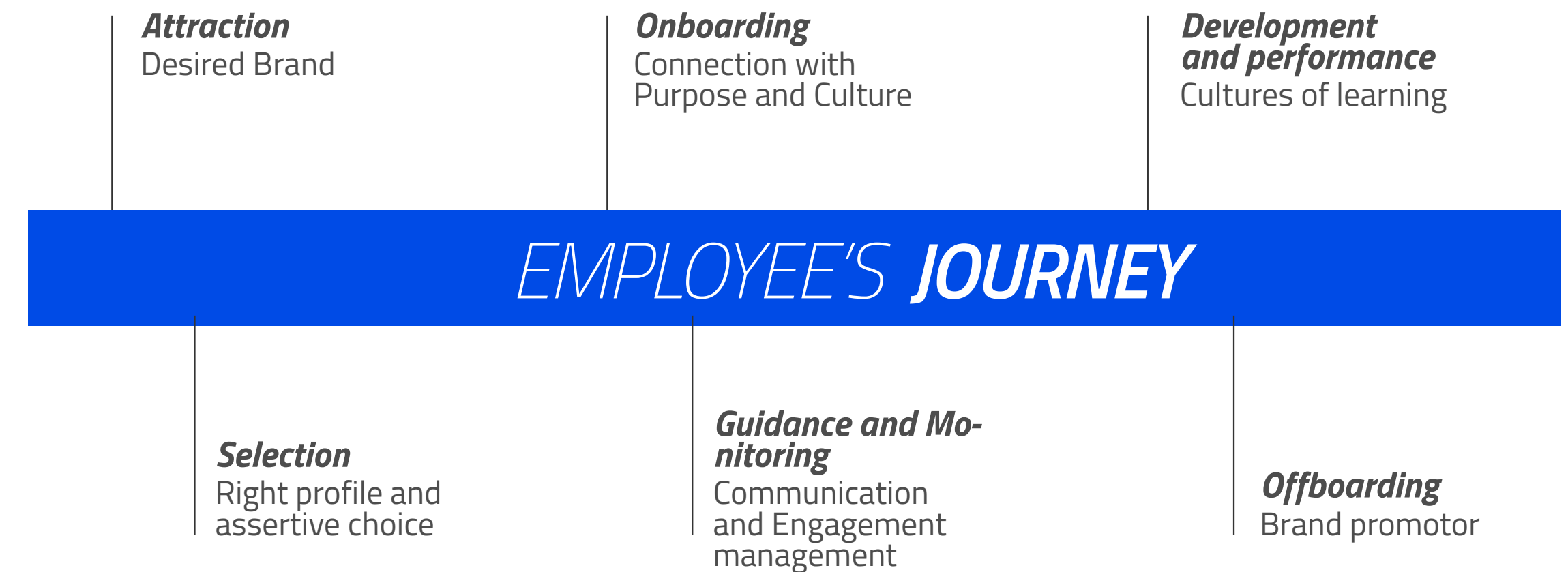
| GRI 3-3 QUALITY OF LIFE AMONG EMPLOYEES |



In order to connect people with our mission and to have a healthy culture, attract, engage with and retain the best people, we manage the employee's journey by looking after them from the moment of their first contact with us. We use engagement surveys to monitor and deal with possible conflicts throughout this journey and we have enhanced our processes and tools.

We ended 2022 with 1,467 employees, of whom 78.5% women and 21.5% men, all covered by collective bargaining agreements. We also have 179 outsourced professionals and interns working in several areas like architecture, controller's department, styling, gardening, legal department, cleaning, maintenance, security information technology, transport and direct sales.

| GRI 2-7, 2-8, 2-30 |



| CARING AND WELLNESS | RECOGNITION | RETENTION | ETHICS |

We want to advance our diversity and inclusion agenda and, to do so, in 2023 we will create our Diversity Program in which we will define the priority audience with whom to work, as well as the indicators for measuring our initiatives.

In 2022, when considering starting an internal understanding process, we held a census to which around 84% of the employees adhered. This self-declaration survey gave us access to important information about the profile of our teams.

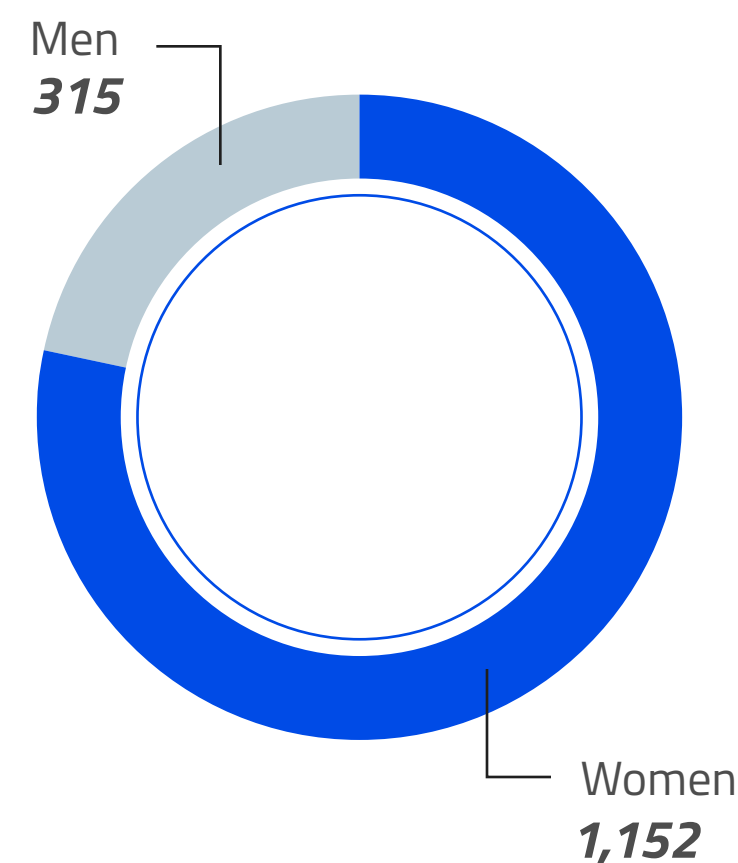
EMPLOYEES BY REGION IN 2022¹

| GRI 2-7 |

	Men	Women
Southeast	283	990
South	20	115
Center West	8	27
North ²	0	0
Northeast	4	20
Total	315	1,152

EMPLOYEES BY GENDER IN 2022¹

| GRI 2-7 |



EMPLOYEES BY POSITION AND ETHNICITY³

| GRI 405-1 |

Senior Management



Middle Management



Professionals



Retail Positions

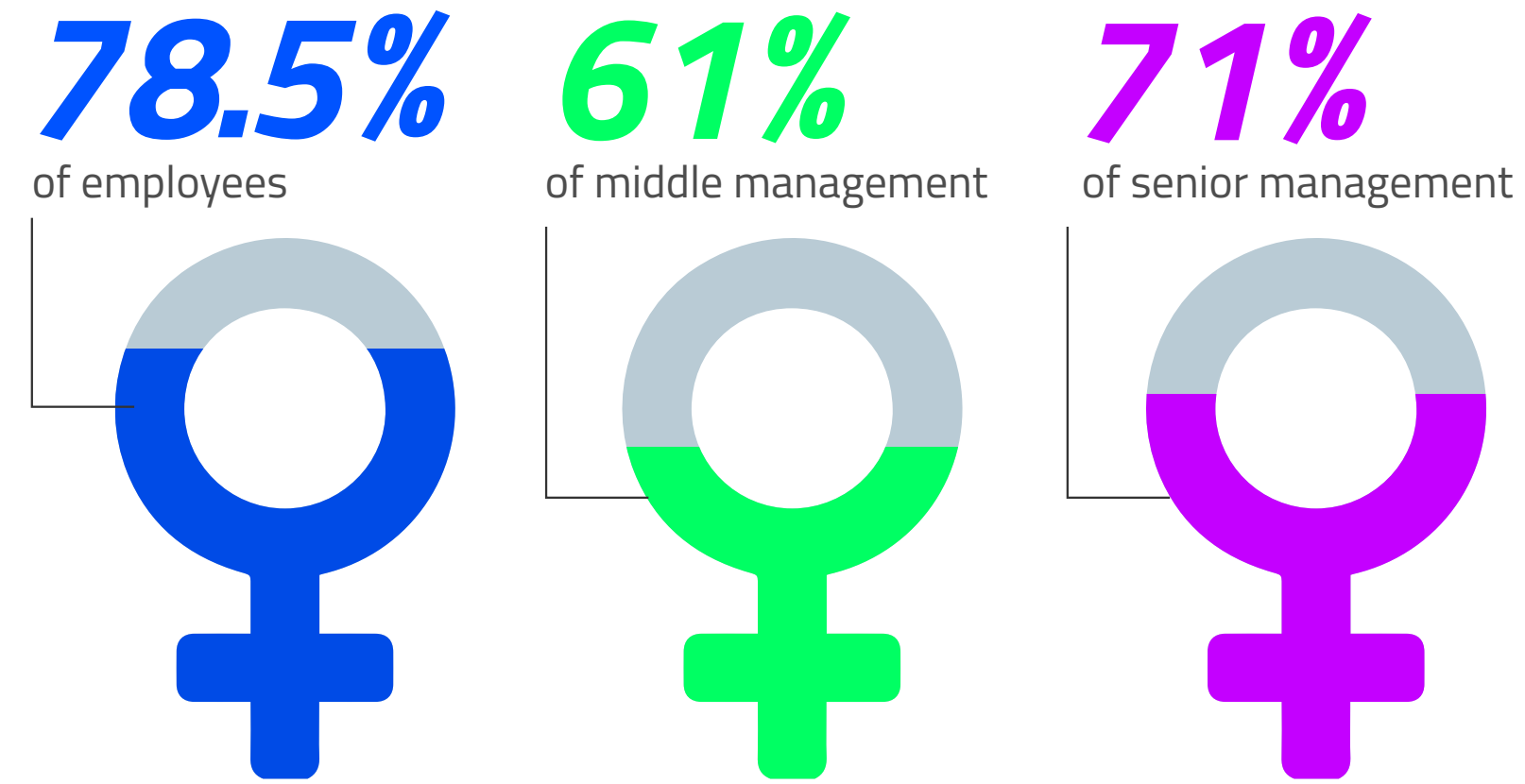


● Caucasian ● Black/Dark-skinned ● Asian-Brazilian ● Indigenous

3. Data extracted from the census carried out in February 2022.

1. Based on payroll data.
2. Track&Field does not have company-owned operations in Brazil's northern region.

WOMEN'S REPRESENTATIVENESS



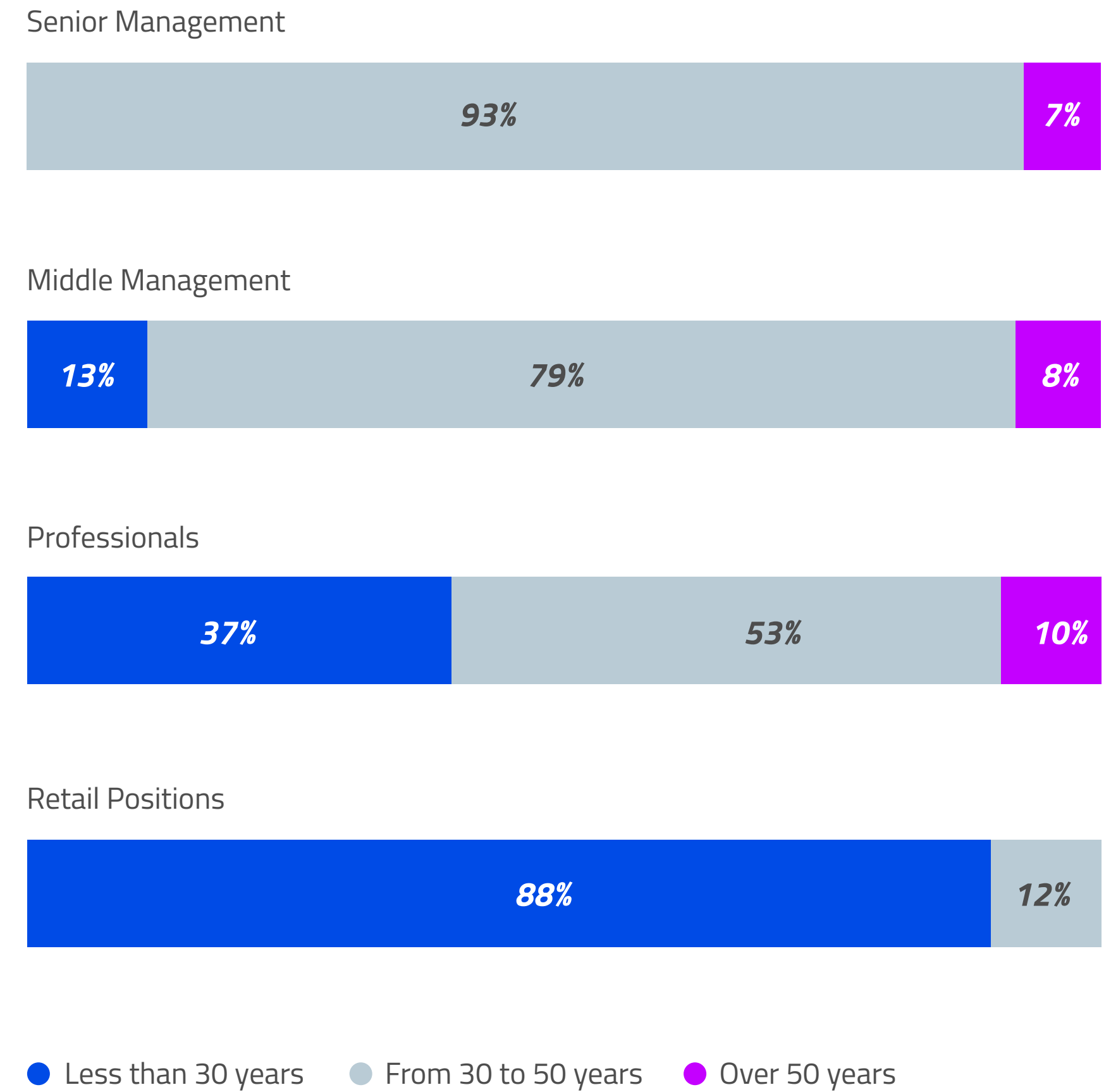
PERCENTAGE OF EMPLOYEES BY FUNCTIONAL CATEGORY AND GENDER IN 2022¹

| GRI 405-1 |

	Men	Women
Senior Management	29%	71%
Middle Management	39%	61%
Professionals	32%	68%
Retail positions	11%	89%

EMPLOYEES BY POSITION AND AGE GROUP¹

| GRI 405-1 |

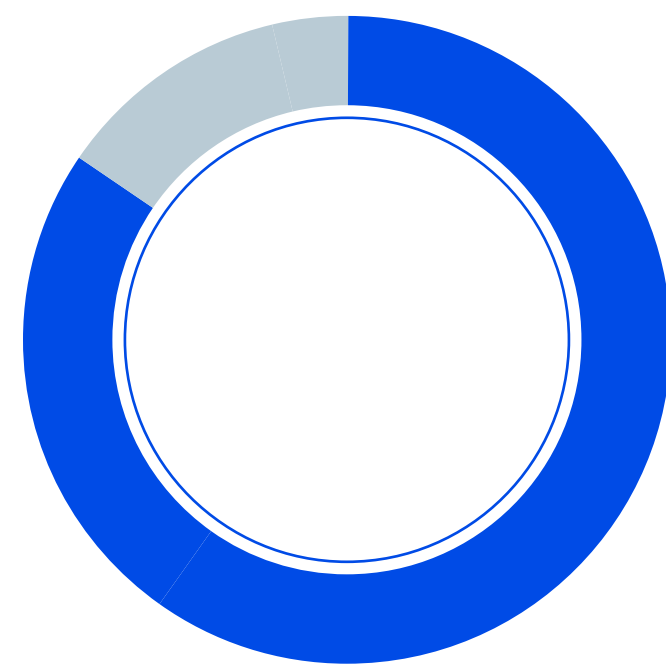


1. Includes direct employees hired under the Consolidated Labor Laws (CLT). The figures reflect the payroll system on 31/12/2022.

Our aim is to ensure a harmonious and efficient work environment.

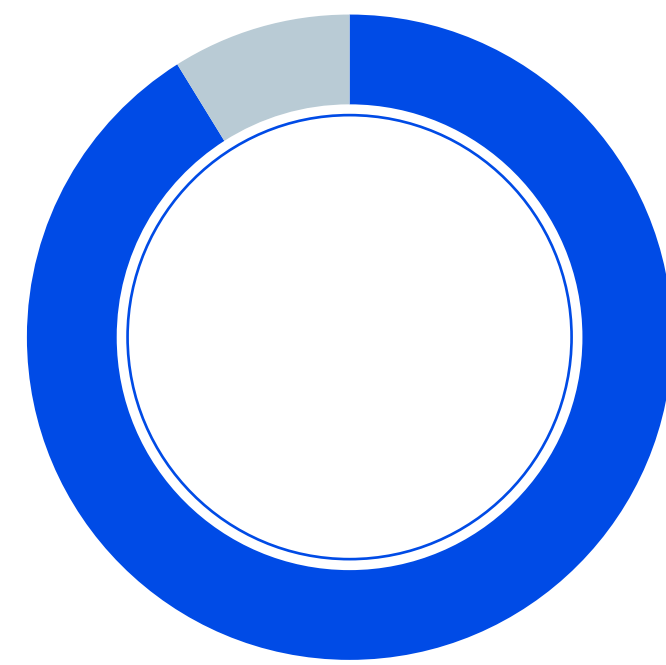
To that end we monitor and continually enhance the employee's journey through People & Management initiatives and processes which have proven to be positive, as demonstrated by the joint engagement survey carried out in 2022 with consulting company Pulses to which 80.6% of our employees responded.

We achieved an engagement score of 84%, which demonstrates the high level of our team's involvement and satisfaction. The feeling of belonging is also quite representative, reaching a score of 9.1 on a scale of 0 to 10. The adoption of the Pulses platform is an example of our concern in incorporating tools focused on the efficient management of our human capital and on valuing it.



84%

Engagement score



9.1

Ambassador score
(pride in belonging)

Engagement actions

During the year we worked on actions to connect our employees to our mission while promoting a light, relaxed and welcoming work environment:

#TamoDeVoltaNaT&F (We're Back at T&F): an initiative launched in March 2022 to welcome the administration personnel back to in-person activities. The action involved the employees' family members and friends who were invited to be present at our units to support the return from home office.

Women's Day: women account for 78.5% of our headcount, which is why on this date we extend our thanks to them and acknowledge them through activities connecting them to an active and healthy lifestyle – in 2022, special dance classes were held at all our units.

Mothers' Day: also, an important date for such a feminine company. In 2022, we put on a talk with mother and journalist Natália Ariede covering topics like careers, transformation and empathy.

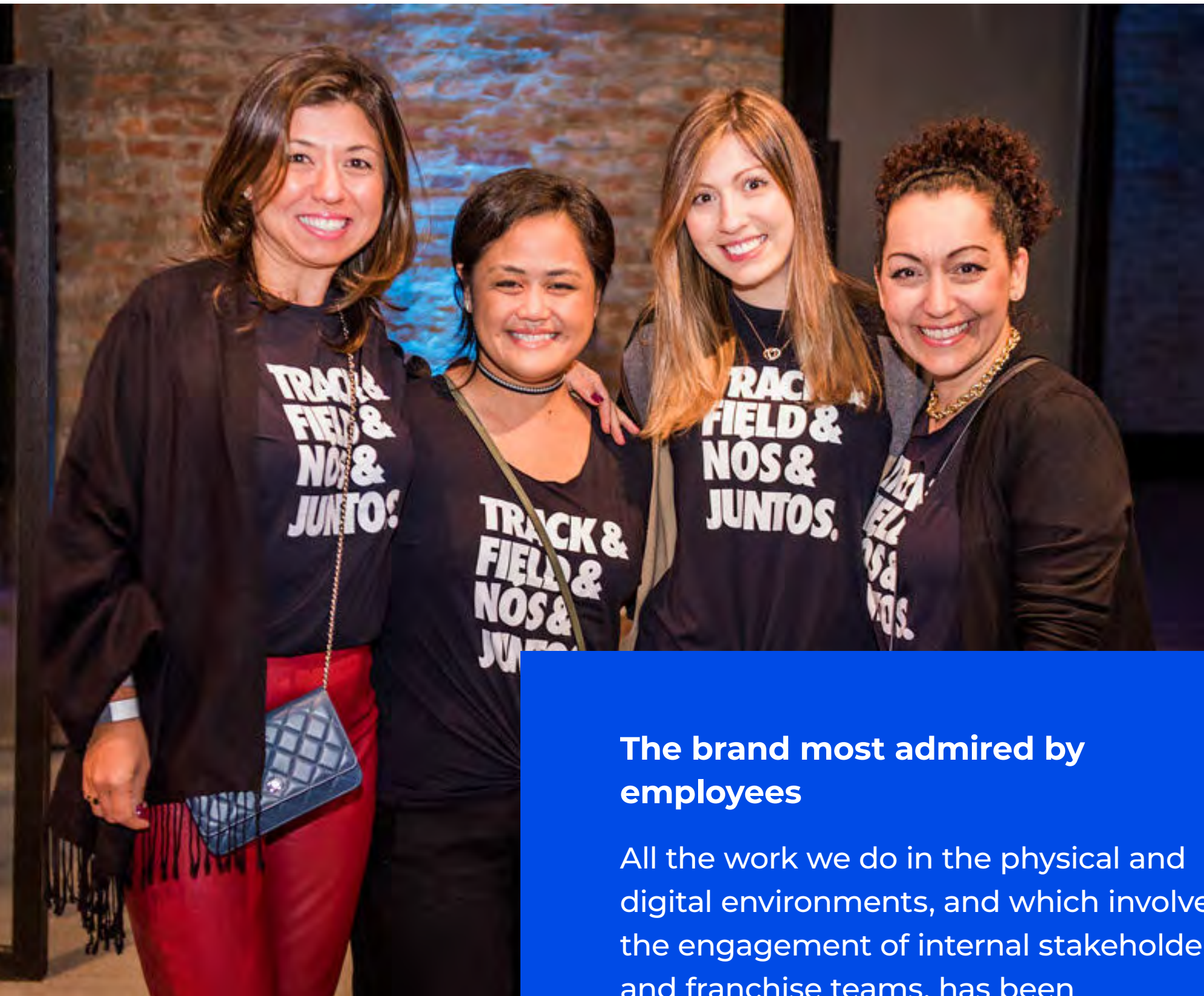
International Yoga Day: yoga classes at all our units to celebrate the date and connect our teams with the mission.



Fathers' Day: a chat with Thiago Koch, paternity specialist, about equal caring, the father's role and parenthood, among other topics.

Children's Day: TFKIDS is a day of fun activities at our units when our employees' children are invited to spend the day with us, find out more about the company and see where their parents work.

Birthdays of the Month: every month, we celebrate the birthdays of our employees at our units. This is always a time for relaxation and for people to connect.



The brand most admired by employees

All the work we do in the physical and digital environments, and which involves the engagement of internal stakeholders and franchise teams, has been acknowledged with the award for the brand most admired by the employees in the sportswear and accessories segment in 2022. Awarded by the Brazilian Institute of Retail & Consumer Market Executives (IBEVAR), it is based on a survey carried out on social media with the participation of customers and employees.

Attraction and retention

Our values of integrity, respect, collaboration, caring for the business and the customer’s success guide our every action involving the management of our employees’ development and performance.

Our compensation and benefits practices are in

line with the legislation, the collective bargaining agreements and market standards. Regarding benefits, all direct employees enjoy medical and dental assistance, meal vouchers, public transport vouchers, profit sharing and are entitled to 30 days’ vacations, 120 days’ maternity leave and 5

days’ paternity leave in line with Brazilian legislation. Furthermore, they enjoy discounts of 50% on clothing and 20% on accessories. When they participate in the races organized by TFSports, they receive free kits, and their dependents enjoy discounts.

[| GRI 401-2 |](#)

PARENTHOOD LEAVE IN 2022

[| GRI 401-3 |](#)

	2021		2022	
	Women	Men	Women	Men
Total number of employees entitled to take parenthood leave	884	262	1,152	315
Total number of employees that took parenthood leave	17	2	33	2
Total number of employees who returned to work after their parenthood leave ended	16	2	33	2
Total number of employees who returned to work after termination of their parenthood leave and were still employed twelve months after returning to work	12	3	13	1
Return-to-work rates¹	-	-	100%	100%
Retention rates²	-	-	81.25%	50.00%

1. Number of employees that returned to work after parenthood leave, divided by the total number of employees who should have returned to work after parenthood leave, multiplied by 100.

2. Employees retained for 12 months after returning to work from parenthood leave, divided by the total number of employees who should have returned from parenthood leave, multiplied by 100.

To ensure that our employees' compensation remains competitive in relation to the market, we participate regularly in salary surveys of the segment where we operate, based on which salary competitiveness levels are established with the aim of attracting and retaining the best talent.

All employees qualify for profit sharing according to the achievement of corporate goals.

In 2022, we structured our jobs and salary policy, creating position levels and salary brackets aligned with the segment in which we operate. For in-store teams, depending on the position they hold, the employees have a fixed salary or commission plus bonus, in addition to benefits.

The retail segment is known for its high turnover rate on account of the demands on

important commercial dates during the year. To attend to the needs of the business, we have recourse to temporary employees that are hired under the same arrangement and conditions of the other employees. In 2022, our turnover rate was 67.5%.

NEW HIRES AND EMPLOYEE TURNOVER IN 2022¹

| GRI 401-1 |

	Hires	Dismissals	Turnover rate
By gender			
Men	239	185	58.7%
Women	1081	805	69.9%
By age group			
Less than 30 years	948	735	80.3%
From 30 to 50 years	328	232	47.4%
Over 50 years	44	23	36.5%
By region			
Southeast	1097	878	69.0%
South	158	69	51.1%
Center West	42	21	60.0%
North ²	0	0	0.0%
Northeast	23	22	91.7%
Total	1320	990	67.5%

1. The turnover rate was calculated taking into account the number of dismissals for the year, divided by the total number of active employees on 31/12/2022. The figures and rate reflect the needs and demands on important retail dates during the year, on which we recourse to temporary employees who are hired under the same arrangement and conditions as the other employees.
 2. We have none of our own operations in the Northern region.





Internship Program

Launched in 2021, the aim of our internship program is to attract and develop new talent. In 2022, we hired ten interns from various backgrounds with ages of between 20 and 60 years.

Lasting for two years, with the possibility of full-time employment at the end of this period, in the program the new talents participate in a development track involving monitoring conversations, quarterly meetings about what they have learned in each period and presentation of thematic panels. In 2022, we upgraded eight interns who had participated in the program in 2021.

Capacity building and training

| GRI 404-2 |

We are continually enhancing our capacity building and training models in order to fulfil our mission and our strategies through technical and behavioral development while strengthening our culture and values.

In 2022, our main focus was on leadership development and training for our retail (store) teams in customer service, the omnichannel and products, ensuring that our customers have a high level of service.

In the case of our management teams, the Heads Up program took place involving issues related to the three dimensions of leadership: Self-leadership, People Leadership and Business Leadership. Talks

were given by specialists on matters like culture, self-awareness, team building and management, diversity, performance management, digital thinking, leadership legacy and business perpetuity. In 2023, the program will include new topics within the same dimensions and will be extended to more leadership levels.

For store teams, in 2022 we changed the remote training platform and expanded the production and inclusion of live sessions and animated videos, as these are more attractive languages.

The capacity building process of our own store and franchise teams follows the same model. We registered over 2,726 accesses on the tool, which has played an important role in managing own store teams and

in further enhancing customer service. And as happens every year, we maintained the traditional training for the network on issues directly involving the business. The annual syllabus includes structured and updated cycles on content, like the current and weekly collection of mini collections; new rollouts (tfmall, infinite shop window and omnichannel-related initiatives); and seasonal dates (Mothers' Day, Black Friday and Christmas).

Performance evaluation

Up until early 2022, we used to do the annual TrackList, a process for evaluating our employees based on competencies related to our values. Aiming to enhance our evaluation model, in 2022 we launched the pilot of the new performance review and performance management process, TFHit, via a new platform called Qulture Rocks. In this new process, all employees are evaluated in two dimensions: results (“What”) and behaviors (“How”). Behavioral evaluations are based on our values of integrity, respect, collaboration, looking after the business and customer success. Managerial staff are also evaluated in leadership behavior.

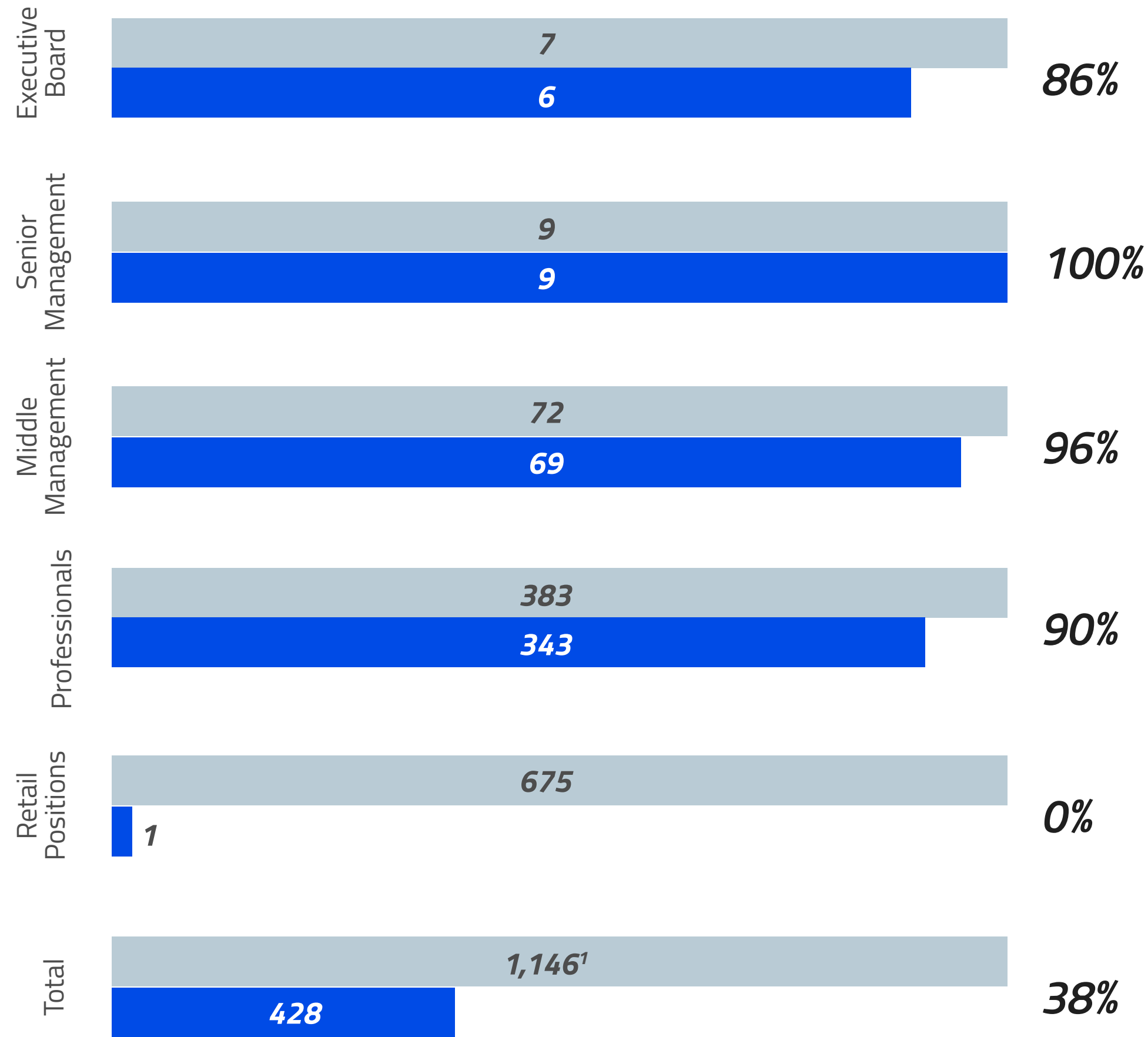
The objectives of the new performance review process are to create a culture of feedback and development, increasing the transparency and dialogue between leaders and teams while raising both individual and team performance. To do so, managers are being trained in how to provide feedback and, once a year, all employees will receive this training during the evaluation period.

Following the improvements and lessons from the pilot project, the TFHit will be the official annual performance review process, with the participation of all employees from different operations (administration, production, logistics and retail) commencing January 2023 (referring to the performance in 2022).



TRACKLIST

Percentage of employees who received regular performance and career development reviews in 2022 | GRI 404-3 |

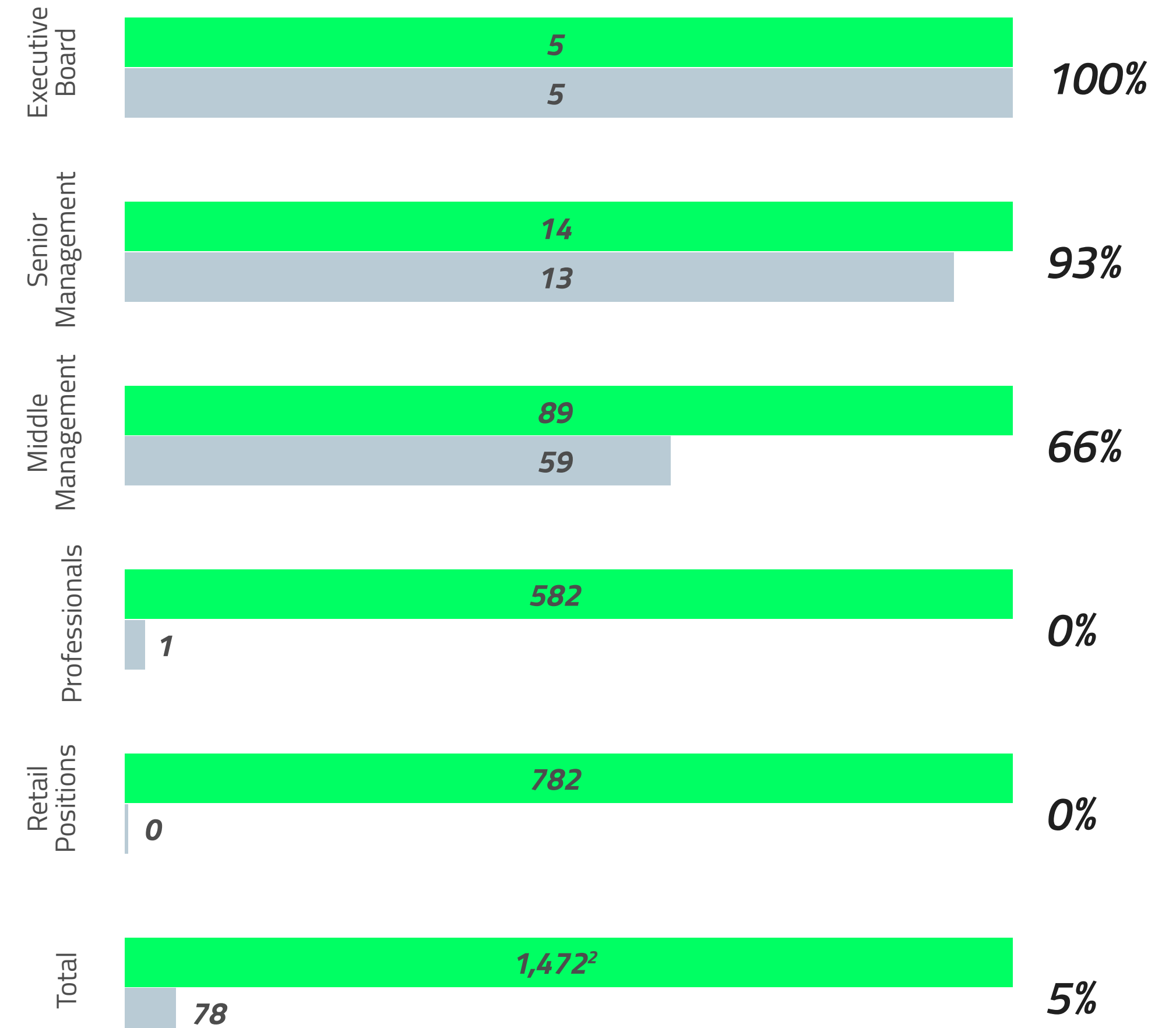


● Total active employees during the evaluation period ● Total employees who participated in the evaluation

1. Total active employees at the beginning of 2022 when the TrackList was applied.

TFHIT (PILOT PROJECT)

In 2022, we enhanced our performance evaluation model and selected a group of employees to participate in the pilot project



● Total active employees during the evaluation period ● Total employees who participated in the pilot project

2. Total active employees at 31/12/2022 + statutory executive officers.



Promoting health and wellness

| GRI 403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7, 403-8, 403-9, 403-10 |

We are working to fulfil our mission within and outside the company, which is why we are constantly searching for actions connecting our people with an active and healthy lifestyle.

We do this through benefits, like discounts on sporting goods and free participation, including kits, in our races and a 50% discount for companions, the Continue em Movimento Program with free classes available on our TFSports app and a partnership with the Gympass platform through which our employees can use health clubs in different regions and in different modalities, while we also maintain partnerships with a nutrition clinic.

We have also begun offering our internal audience 25 free places in partnerships with sports advisors and exclusive discounts to the other employees and their families. Every week, training sessions are offered with physical educators to encourage a healthier life and the development of sporting objectives, like participating in long-distance races.

Supplementing this, bearing in mind the need for education and the provision of knowledge for connecting with an active and healthy life, also taking into account the needs of different audiences (administration, operations and stores), we offer an annual cycle of talks about health, both physical (nutrition and physical

activity) and emotional (mental and financial). These talks provide educational content on those issues, guidance for daily application in the various routines of life and work and we issue 21-day challenges for accompanying and changing habits.

Although our approach is primarily preventive, we have partnerships with social and psychological assistance that we deploy to support and guide our employees in professional or personal crisis situations, as well as a team of Business Partners (HR consultants) that support our managerial staff in people management and provide constant support for a range of situations.

In addition, for the Distribution Center team we offer ergonomic and security measures and equipment:

- **A Decompression room** with a space for taking breaks and quick snacks during working hours.
- **Anti-fatigue ergonomic mats** when handling items at the check-in, check out and quality control phases to assist employees who work many hours standing up. Our factories in São Paulo (SP) and Joinville (SC) also provide these mats.
- **Check-in and check out desks** and the installation of electric shelves, avoiding employees having to carry heavy weights and facilitating handling and access to the tools.

Regarding occupational safety, we provide courses on firefighting and driving forklift trucks, among others, according to each function.

All employees, when joining our team, adhere to the Code of Ethics and Conduct which includes instructions about workplace safety. In addition, we also have a Risk Management Program (RMP) and Comissão Interna para Prevenção de Acidentes - CIPA (Internal Accident Prevention Committee) - consisting of eight representatives, four of them elected by the employees and four appointed by management – which identify possible risks of occupational accidents and offer guidance on the

need for maintenance, as the case may be. According to the monitoring of the areas by our occupational safety technician, and set out in detail in our RMP, no risks or occupational illnesses have been identified in our operations. The management system can call on support from an outsourced company, is compliant with Normas Regulatórias -NR (Regulatory Standards) applicable to our operations and covers all employees and, occasionally, third parties who provide services on our premises. In 2022, there were no accidents with or without leave of absence and no deaths.



Franchisees

We are team players

The principal basis of the connection to our franchisees is the synergy with our mission and the alignment with our strategy which is to be a brand that does much more than offer products, assuring our customers of new experiences. The commitment to the values of ethics and transparency that we cherish involves adhering to our Code of Ethics and Conduct. Furthermore, it is important for the franchisees to show commitment to the business, and their financial condition must be compatible with the

investment required. This is a very valuable partnership for us because we recognize the franchisee's entrepreneurial approach, essential for the soundness of the business.

Our operating model prioritizes investment in franchisees and prefers relationships that are based on this (see more on page 18). This positioning was further strengthened during the period when the challenge of the Covid-19 pandemic was at its height, when we and our franchisees contributed to intermediating the negotiations with shopping malls looked for ways to help them in the period when their stores were closed.

Our relationship with this

audience begins well before the store begins trading, when we provide them with legal support and can help negotiate occupancy costs. On other fronts, we draw up the architecture project and accompany the assembly of the store in its different aspects, ranging

from organizing inventories; visual merchandising and communication and marketing.

We also provide guidance on hiring employees, which involves constant training in order to guarantee the standard of service in every store.

WE VALUE THE ENTREPRENEURSHIP OF THE FRANCHISEES, SO ESSENTIAL TO THE GROWTH OF OUR NETWORK. THAT IS WHY WE SUPPORT THEM AT EVERY STAGE OF THE DEVELOPMENT OF THEIR BUSINESS



Connection with nature

In 2022, our franchisee in Bonito (MS) developed a project to raise customer and employee awareness about looking after the environment. During the year, many tree saplings were donated to customers and employees and lots of trees were planted locally. Also, during environment week the franchisee supported a socioenvironmental fair for kids in order to raise children's awareness about environmental issues.

At the Track&Field Experience held at Boca da Onça, there was a trekking course, and, at the end of the event, the participants engaged in planting tree saplings which encouraged contact with the unique biodiversity existing in the region.

In 2022, we continued to develop and implement digital communication tools and the generation of sales leads between the franchisees and their customers. We have also centralized the creation of advertising campaigns, coordinating the franchisees' regional marketing. Just like the previous year, we continued to invest in maintaining already existing franchise agreements – always putting our franchisees first when deciding to open new stores.

At the end of the year, we had 287 franchisees responsible for capturing 59.7% of the network's sales, equivalent to BRL 596.8 million. Alongside these figures, another important result obtained

from this close relationship we have with the franchisee network is the fact that at the end of the day they become our “ambassadors” in different parts of the country – using their relationships and adapting our operating model to the local peculiarities.

This enables the sustainable expansion of our brand and affords us valuable lessons about Brazil's different regional characteristics.

Suppliers

Precautions across the entire chain

| SASB CG-AA-000.A; GRI 3-3 SUPPLY CHAIN MANAGEMENT |

Our relationship with our suppliers is founded on respect and cooperation. Ever since our operations began, they have made important contributions to the differential competitive advantages we enjoy in the market. Our supply chain includes an extensive and diversified range of partners that includes suppliers of inputs, raw materials and domestic and imported finished goods.

Although we produce fabric in the Joinville (SC) factory, we also purchase

this material and trimmings from specialized suppliers for internal production or outsourced sewing factions, which are small companies that make the items (cutting, sewing and finishing, among others). We also acquire finished products from a range of domestic or international suppliers that manufacture the items after we have approved them.

Another link in our supply chain are the suppliers of consumables and other inputs not intended for our core business.

We highly value respect for the human rights of all individuals, therefore we do not tolerate any kind of child, forced or compulsory labor, nor do we allow our suppliers and partners to engage in these practices. In the case of sewing factions, we carry out periodic assessments on site in which we monitor whether these companies are complying with labor and taxation practices aligned with the legislation and our Code of Conduct (which they adhere to when they sign the agreement). We also inspect the facilities and working conditions. In 2022, we made 55 on-site visits to 18 outsourced sewing factions across Brazil. As a result of this work, we issue evaluation reports about the contractors. In cases



where the performance was not at a satisfactory level in some of the issues analyzed, action plans were jointly drawn up with the outsourced sewing factions. Where no improvement was forthcoming, the agreement was terminated. In 2022, we registered 19 priority non-conformities and 41 corrective actions.

| GRI 414-2; SASB CG-AA-430B.2, CG-AA-430B.3 |

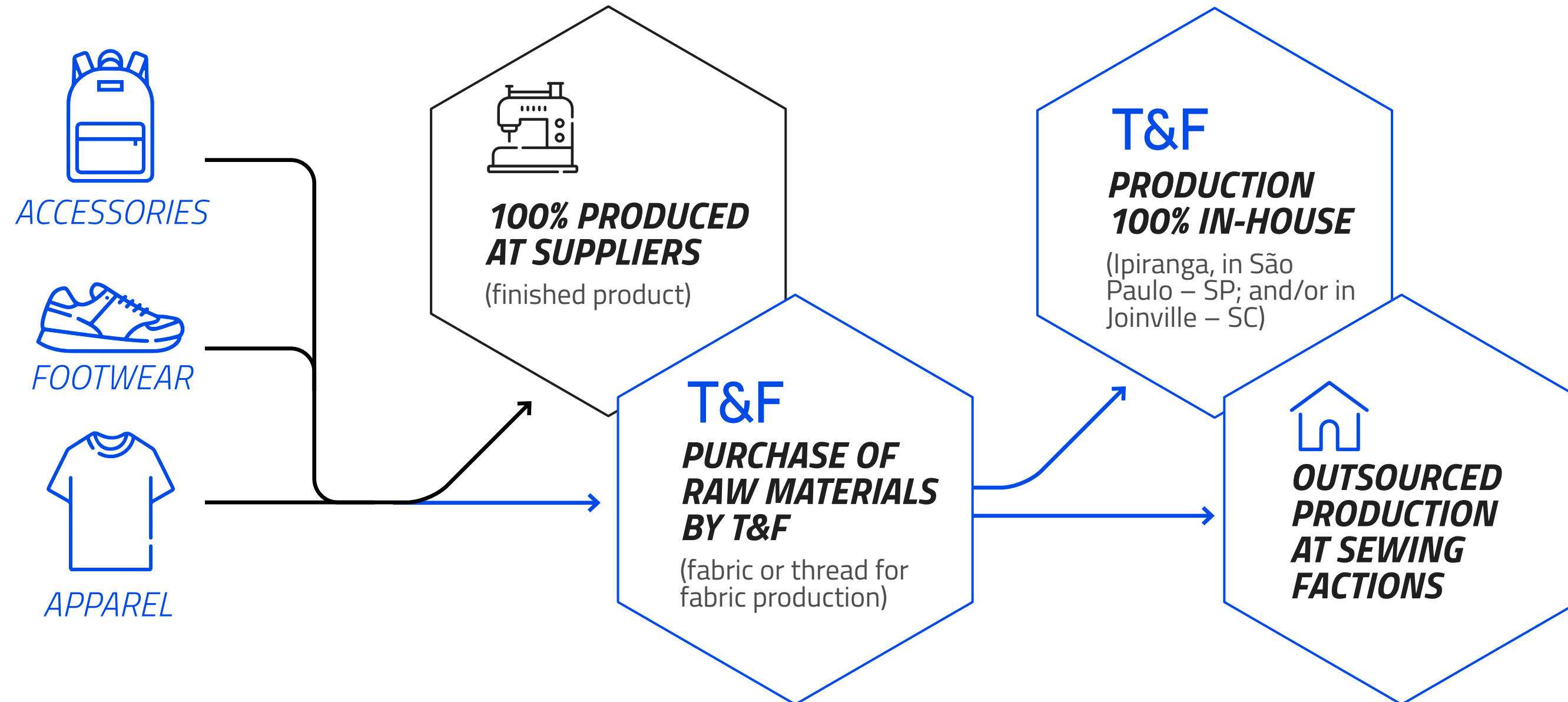
Hybrid production model

We use a hybrid production model. In this way we aim to guarantee excellent manufacturing alternatives where the goal is better value for money for the consumer. In addition to affording excellent lead time and optimizing costs of the core product, the option for this model gives us access to innovations and new technologies and, therefore,

expand the variety of products for consumers.

In 2022, we took a significant step in the production process with the inauguration of a factory in Joinville (SC), where sewing factions are also located. The new unit guarantees us production capacity of our own fabrics, in addition to producing Thermodry and seamless items.

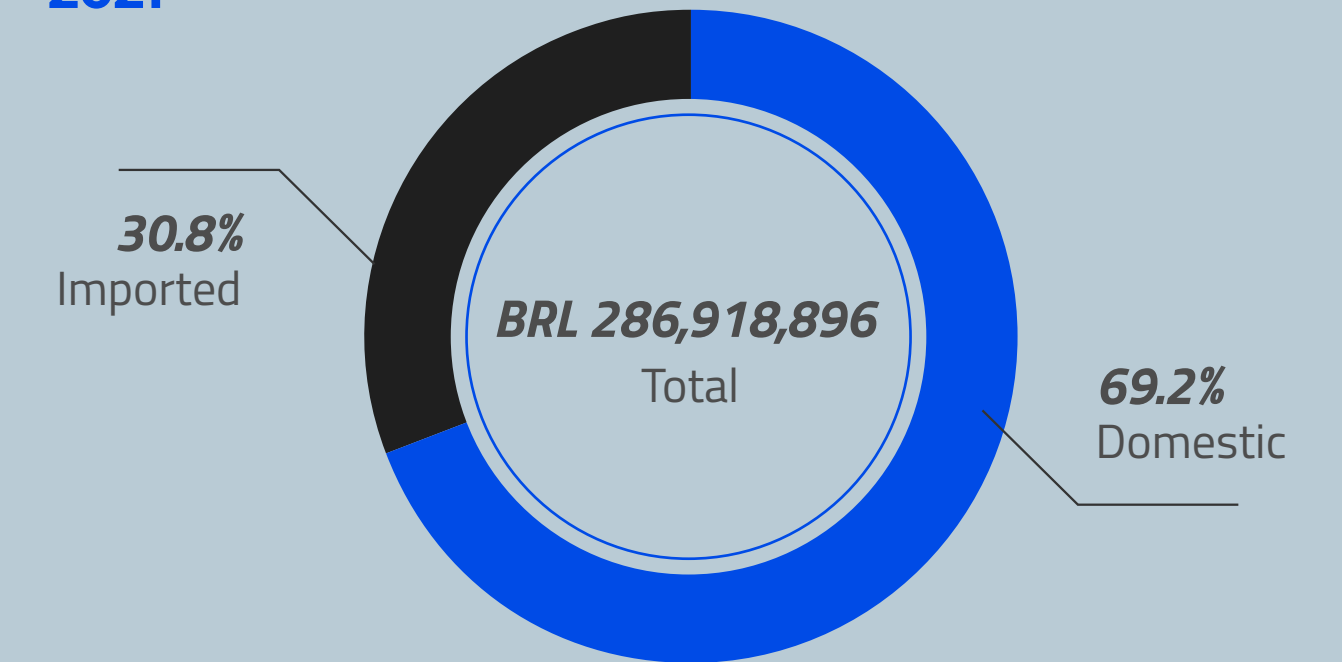
The installation of this unit dovetails with our strategy for growth and meeting market demand. It is important to point out that this initiative, together with the other sewing factions of our unit in the Ipiranga district in São Paulo (SP), enables us to draw on a hybrid production model while at the same time continuing the partnerships with our suppliers.



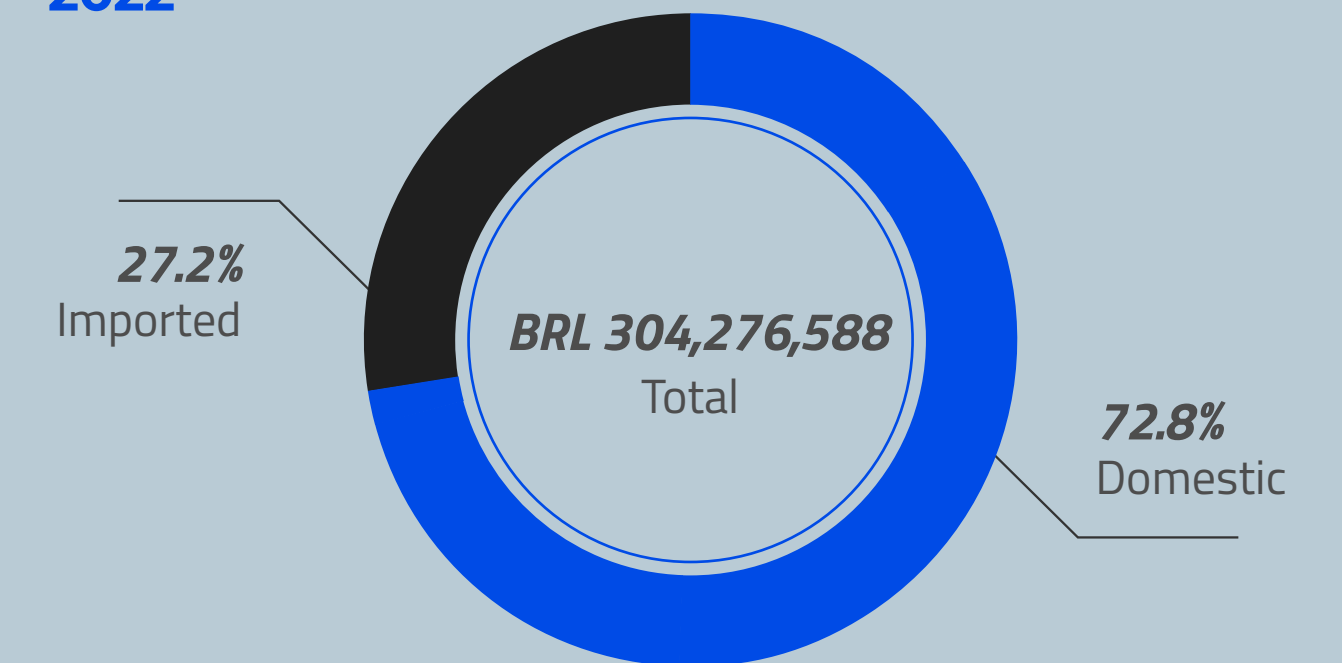
PROPORTION OF SPENDING ON LOCAL SUPPLIERS

| GRI 204-1 |

2021



2022



Constructive partnerships

Protecting our reputation

Investors and the press

We also have relationships with financial market analysts, investment funds, individual investors and regulatory bodies of the securities market looking for information about different aspects of our business, such as financial results, management's outlook, the strategy and prospects for our business in order for them to take decisions about investing in our shares.

Regarding the relationship with these audiences, the Investor Relations area has an up-to-date website (<https://www.tfco.com.br/en/>

[home/](#)) that prioritizes the transparency of all documents and information. In addition, every year we hold a public meeting, T&F Day, when we bring together our officers and leaders to talk about the latest events, outlooks, and strategies as well as commenting on the results and giving an overview of the business. Anyone can access the event, which is on-line, with the link available on the investor relations website. Every three months, we also hold a results videoconference open to the public, so that any stakeholder can access the results and the considerations of the management.

Our Investor Relations area also provides an e-mail address, ri@tf.com.br, for receiving requests that address doubts or meetings with stakeholders – which are always promptly responded to – maintaining close and continuous contact for better information disclosure.

And through public relations actions we seek to build and consolidate our relationships with journalists and communication vehicles with nationwide coverage, focusing primarily on editorials dealing with the economy and business, sport and fashion. This audience helps us to



strengthen the reputation of the brand as a complete wellness ecosystem and one of the leading companies in the segment in Brazil with the mission of connecting people with an active and healthy lifestyle through its products and services.



Community engagement

In 2022, we continued our involvement in projects linked to our mission, with the emphasis on initiatives intended for playing sports.

22nd State Olympiad of the Associations of Parents and Friends of Persons with Special Needs (Apaes) of Santa Catarina

We supported the event at which over a thousand people participated, including athletes, managers, referees and support teams, with a total of eight sports modalities contested, one of them being athletics.

Education through sport – the Paraty School of Athletics – a partnership since 2021

Through our private social investment, we contribute to the Paraty School of Athletics. Organized by Comunitas, a civil society organization, the program's target audience are public school pupils between the ages of 7 and 18 in the city of Paraty (RJ). In addition to incentivizing them about the impact of playing sports on quality of life, the objective of the athletics school is to make athletes out of them, contributing to the social advancement of these young people.

Impact

- **Training sessions:** 35 athletes participate, including children and adolescents;
- **Athletics Festival:** over 600 children participating;
- **Caiçara Canoe Circuit (canoeing and athletics):** approximately 450 participants, including athletes and their family members.

Instituto Guga Kuerten – a partnership since 2015

Inspired by Guga's track record in tennis, in 2000 the Kuerten family created Instituto Guga Kuerten to develop sports, education and social initiatives for adolescent children and persons with disabilities in Santa Catarina. Data about the impact is available at www.igk.org.br/nossos-numeros.



ASA - Associação Santo Agostinho – a partnership since 2020

The mission of the institution is to transform by educating and looking after children and adolescents, embrace elderly people and foster their well-being by offering opportunities for personal development with respect and dignity. The entity runs five children's education centers, five centers for children and adolescents and a day center for the elderly. Further information available at asatransforma.org.br.

• **Impact:** 1,300+ children, adolescents and elderly people attended to

Hospital de Amor – Partner since 2016

With a history stretching back 60 years, the institution is committed to health and wellness and operates through treatment units distributed throughout Brazil in prevention, rehabilitation and research in the oncology field.

• **Impact in 2022:**

333,237 patients attended to in 2,743 municipalities

1,250,882 appointments

252,544 chemotherapy sessions

Instituto Esporte & Educação – a partnership since 2020

Besides promoting a sports culture in low-income communities, the initiative trains physical education instructors based on inclusion, respect for diversity, collective construction, full-time education and autonomy. Founded in 2001 by Instituto Esporte & Educação (IEE) has already opened its doors to 6 million children and young people and has trained more than 55,000 teachers and educators throughout Brazil.





OUR PRODUCTS

We put our customers at the center of our business, for which reason we always strive to offer quality products that use the highest technology, are comfortable and have a longer useful life. This level of excellence guarantees the efficacy of our production chain, from the purchase of the materials, the development of the items, quality control and technical visits.

Our Style & Development team consists of 30 people. Our team is a quite diverse unit, combining people who have been here since the brand was born, and young talent that guarantees the essence of the products with the innovations that the market offers.

Materials used

Innovation and exclusivity

| 301-3, 3-3 ECODESIGN OF PRODUCTS |

We have adopted the strategy of offering two major collections a year and we launch “mini collections” so that customers can always find something new in our stores

To make our leading products we use fabrics made of artificial synthetic and/or natural fibers, among which worthy of note are polyamide and elastane (used in clothing with the exclusive design of the Powercool range), polyester, viscose and Pima and Egyptian cotton. All materials acquired are controlled in our internal system and are generally bought both in units of mass (kilograms) or units of length (linear meters). We do not yet use raw materials or materials from recycled sources.

Several products in our fitness and beachwear ranges are made from Amni Soul Eco®, a biodegradable polyamide thread that can decompose 10 times faster in landfills and 40 times faster in the ocean.

MAIN MATERIALS USED IN 2022, CATEGORIZED BY WEIGHT OR VOLUME¹

| GRI 301-1 |

Material ²	Source type	Weight (kg) ³	Lenth (linear meters) ³
Polyamide	Non-renewable	162,539.00	105,207.50
Polyester	Non-renewable	-	51,430.74
Viscose	Renewable	82,537.74	-
Cotton	Renewable	16,302.08	-

1. The Table only covers the main materials we purchase.
 2. In the case of mixed compositions, the predominant material was considered.
 3. The materials are purchased both in units of mass (kilograms) and units of length (linear meters). Therefore, they are not consolidated in just one of the units of measurement.



Track&Field Exclusivity

It is part of our essence to create innovative products. This is the case of Thermodry, an exclusive T&F fabric. Its “micro crepe” structure adds comfort, malleability and softness in contact with the skin. All these attributes give the article greater durability and convenience, as it is easy to wash, does not wrinkle and dries quickly.

Another exclusive fabric of our collections is Powercool, consisting of polyamide and elastane with a cold, soft touch, made with micro pores that allow rapid evaporation of sweat to the external environment. It offers the benefits of extreme comfort, elasticity and freedom of movement.



ENVIRONMENT

We conducted our first greenhouse gas emissions inventory, as well as an environmental impact mapping study to understand water consumption and waste generation in our own operations. From these, we understand that we have the opportunity to move forward on the environmental front.

Emissions and energy

Better understanding our impact

| GRI 305-1, 305-2, 305-3, 3-3 CLIMATE ACTION |

An important step that we took in 2022 was to develop our inventory of greenhouse gas (GHG) emissions referring to 2020 and 2021. This was the first time that we have developed this mapping, and we will continue to do so in the years ahead. In this initial phase we are getting a better understanding of how our operations affect the environment through these emissions, so that we will be in a position to draw up an appropriate mitigation strategy.

The GHG inventory abides by the accounting principles of

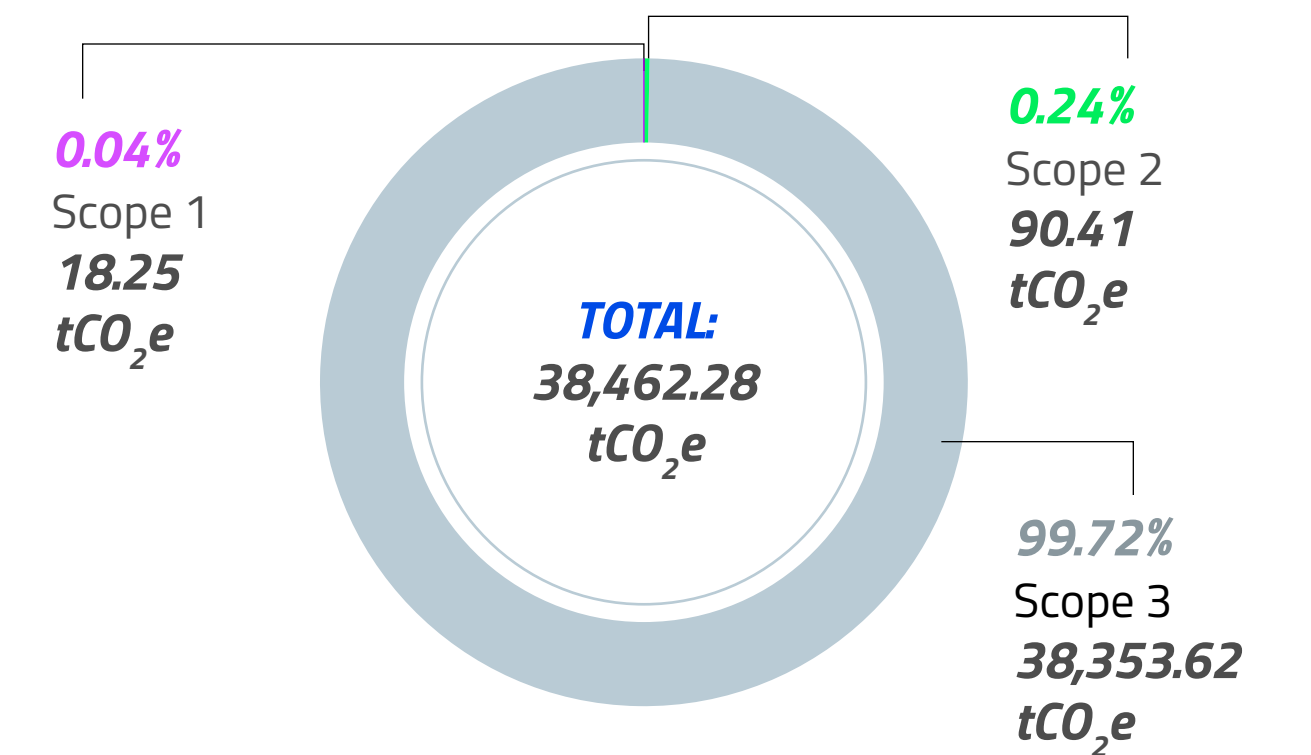
the GHG Protocol Corporate Standard, classifying the greenhouse gas emissions as direct (scope 1), indirect, through the purchase of energy (scope 2) and other indirect emissions (scope 3) and under ISO standard 14064-1.

The consolidated emission figures used in our inventory include the report on emissions from an operational control approach in which we are accountable for all GHG emissions. We also considered estimated data for franchises in the category corresponding in scope 3. Therefore, data

GHG EMISSIONS BY SCOPE (IN tCO₂e) IN 2022

Scope 1	18.25
Mobile combustion	6.10
Stationary combustion	1.15
Fugitive emissions	11.00
Scope 2	90.41
Acquisition of electricity	90.41
Scope 3	38,353.62
1. Goods and services purchased	33,017.16
2. Capital Goods	1,456.03
3. Activities related to fuels and energy not included under Scopes 1 and 2	48.24
4. Transportation and distribution (upstream)	148.63
5. Waste generated in operations	81.98
6. Business travel	269.48
7. Employee commuting	1,685.88
9. Transportation and distribution (downstream)	223.52
11. Use of Goods and services sold	852.93
12. End-of-life management of products sold	371.81
14. Franchises	197.96

GHG EMISSIONS BY SCOPE



BIOGENIC GHG EMISSIONS BY SCOPE (IN tCO₂e) IN 2022

Scope 1	2.48
Mobile combustion	2.36
Stationary combustion	0.12
Scope 3	232.81
1. Goods and services purchased	5.17
4. Transportation and distribution (upstream)	13.86
6. Business travel	3.91
7. Employee commuting (home-work)	191.80
8. Transportation and distribution (downstream)	18.07



gathering encompassed the following transactions: own stores; garment manufacturing units in São Paulo (SP) and Joinville (SC); the corporate offices, located on Avenue Presidente Juscelino Kubitscheck, in São Paulo (SP); logistics and franchises.

In the case of energy, factories, own stores, the office and the distribution center consumed 2,141.8 MWh of electricity (equivalent to 7,710.5 GJ) and the diesel generators, 484 liters (equivalent to 19,858.8 GJ). The conversion factors taken into account were 3.6 GJ for each 1 MWh of electricity and 41,030.64 GJ for each 1 m³ of diesel.

ENERGY CONSUMPTION WITHIN THE ORGANIZATION IN 2022 (GJ)¹

| GRI 302-1 |

	Distribution center	Office building	Factories	Own stores	Total
Electricity ¹	367.3	247.4	1,560.8	5,535.0	7,710.5
Diesel					19,858.8
Total					27,569.3

1. The data from the factories, distribution center and offices are actual data. In the case of stores, a consumption index of kWh/m² was created based on actual data, and extrapolations were made as to electrical energy consumption.

Waste management

Reducing impacts

| GRI 306-1, 306-2, 306-3, 3-3 SOLID WASTE |

Where waste is concerned, in this study we detected that our operations for the most part generate recyclable, textile and organic waste. At the distribution center we have adopted more resistant cardboard boxes that we are able to reuse three or four times. Moreover, when these boxes can no longer be reutilized, they are sent for recycling. In 2022, this was the fate of 54.38 tons of cardboard. The Joinville (SC) plant mostly

generates textile waste, and in 2022, 2.15 tons were forwarded for recycling.

Good environmental practices to minimize waste generation are also part of the routine at the races and events we organize. In 2022, the Santander Track&Field Run Series race circuit – the largest in Latin America by number of races – innovated and began offering runners hydration in aluminum cans instead of plastic cups whose consumption used to be from five to seven cups per participant. This ground-breaking initiative has inspired other market players. We also opted to reduce the use of tarpaulins at our events, expanding the use of more durable materials and enabling the

use of institutional articles. At the events of the Track&Field Beach Tennis Open we have begun to put greater value on natural surroundings, instead of producing backdrops using materials that are difficult to recycle.

AT TRACK&FIELD BEACH TENNIS OPEN DE EVENTS, **THE EMPHASIS WAS PLACED ON NATURAL ENVIRONMENTS** RATHER THAN DESIGNING BACKGROUNDS MADE FROM MATERIALS THAT ARE DIFFICULT TO RECYCLE.



Packaging

| GRI 306-3, 3-3 ECODESIGN OF PRODUCTS |

We know that the issue of packaging is a relevant one for the retail sector. With this in mind, and in the search to reduce our environmental footprint, since 2021 we have been working on reviewing several of the packaging models we offer our customers. In our stores, we have begun a pilot project for substituting plastic packaging with paper. Following tests and a positive response from customers, in the second half of 2022 we did the roll-out for the entire network, including own stores and franchises. The gift wrapping model was also revisited and Kraft paper is now used. Packing for e-commerce sales was also redesigned in 2021, taking into account functionality, resistance and the reduction of generated waste. The new model also received two awards in 2022: the Gold Trophy at the ABRE Brazilian Packaging Awards, recognition from the Associação Brasileira de Embalagem – ABRE



(the Brazilian Packaging Industry Association), considered the top award of the industry in Brazil; and the 2022 Award at the Major Packaging Case Studies event, in the Innovation category. Our traditional Ziplock bags also underwent a layout review and now include, as in the case of other types of packaging, messages encouraging their reuse. Lastly, in 2022 we environmentally offset all plastic and paper packaging distributed by the brand between 2018 and 2021 in line with Brazilian legislation. A total of 57.18 tons of paper and 34.39 tons of plastic were offset during the year.



Water management

Understanding our consumption

| GRI 303-1, 3-3 ECODESIGN OF PRODUCTS, 3-3 WATER MANAGEMENT |

Our own operations are not intensive users of water – the resource is basically for sanitization and human consumption. However, we are aware of the huge challenges we face to map our supply chain and look for more efficient technologies. For example, we have adopted a digital printer that enables us to print tee-shirts without using water.

During 2022, at our unit located the Ipiranga district and the stores on Rua Oscar Freire and Rua Cristiano Viana

consumption was 1.9 m³. Our other units (corporate offices, distribution center, the factory in Joinville and own stores) are located in commercial condominiums and shopping malls, therefore we do not manage the data directly. In our own stores with no TFC Food&Market, there are no water catchment outlets. We do not have high water consumption operations in areas with drought stress.

| GRI 303-5 |

Regarding water discharge,

the service is provided by companies that manage the local sewage networks, and all our operations comply with the environmental laws and requisites. Nevertheless, we do not yet have data available about the volumes discharged, since many of our operations are located in condominiums and we have no access to the information.

| GRI 303-2, 303-3, 303-4 |

ATTACHMENTS

Materiality

| GRI 3-1, 3-2 |

The priority topics for ESG Management – which contributes to developing the content of this report – were identified after an extensive materiality process that began in 2021 and involved:

Phase 1

Benchmarking with reports of other companies in the sportswear and accessories sector, analysis of internal documents, sectorial studies and publications about sustainability.

Phase 2

Prior classification and consolidation of topics, interviews with our leaders and on-line surveys with predefined stakeholders.

Phase 3

Weighting of results observed during the previous stages.

Phase 4

Validation by senior management.

And, in 2022 a new analysis took place with the focus on significant economic, environmental and social impacts. In this respect, our risk map was evaluated, and sectorial studies reviewed, especially the notebooks of Sustainability Accounting Standards Board (SASB) for all segments directly connected with our operations: Clothing, accessories and footwear; E-commerce; and Restaurants. The impacts were allocated priority based on the approach of the different operations and subsequently grouped by material topics. The review process was once again submitted for validation by the Executive Board and the Board of Directors.

| GRI 2-14 |

As a result, the following material topics were defined:

Topic	Scope	Impact	Related disclosures	SDG
Product ecodesign	Aspects referring to the product design phases, such as using alternative and more sustainable raw materials such as cotton and viscose, recycled synthetic materials originating from regenerative agriculture; prioritization of monomaterials and the elimination of dyes and micro plastics.	Employees, customers, the environment, society	GRI 301: Materials 2016	12
" Climate action	Monitoring and Management of Greenhouse Gas (GHG) Emissions in scopes 1,2 and 3	Employees, government, the environment, society	GRI 302: Energy 2016 GRI 305: Emissions 2016	7, 13
Water management	Monitoring of water consumption throughout the entire product lifecycle, as well as effluent management to prevent contamination of surface and underground water.	Employees, government, the environment, society	GRI 303: Water and effluents 2018	14
Solid waste	Waste management (textiles, defective inventories and production samples, including product packaging) during the entire product life cycle, from producers of fibers to textile recyclers.	Employees, government, the environment, society	GRI 306: Waste 2020	12
Supply chain	Periodic on-site supplier audits to ensure that the company's criteria are being met - for example, conditions	Suppliers	GRI 308: Supplier environmental assessment 2016 GRI 408: Child labor 2016 GRI 409: Forced or compulsory labor 2016 GRI 414: Supplier social assessment 2016	8, 12
Employee quality of life	Foster employee quality of life, which includes ensuring appropriate working conditions taking into account occupational safety, health and well-being, including freedom of association; encouraging healthy habits among the employees; and decent, fair and equitable compensation.	Employees	GRI 401: Employment 2016 GRI 402: Labor Relations 2016 GRI 403: Occupational Health and Safety 2018 GRI 406: Non-discrimination 2016 GRI 407: Freedom of association and collective bargaining	3, 5, 8
Customer centricity	Offering customers the best experience at every point of contact with the brand, ensuring high levels of satisfaction, as well as data protection measures to avoid leaks, such as financial information, purchase history and demographic data. We want to connect people with an active and healthy lifestyle and, to comply with our mission, we offer the best experiences in our purchase channels and at our events, as well as quality products with technology.	Customers	GRI 418: Customer privacy 2016	3

(Consolidated) statement of value added for the years ended December 31 de 2022 and 2021

(In thousands of BRL, except net income per share)

| GRI 201-1 |

Revenue	2022	2021
Sales of goods, products and services	716,353	555,371
Other revenues	762	145
Revenues from construction of own assets	7,588	-
Credit losses	(106)	(532)
Expected credit losses	(52)	(62)
Inputs acquired from third parties	2022	2021
Cost of products, goods and services sold	(281,105)	(222,712)
Revenue from construction of own assets	(7,588)	-
Materials, energy, outsourced services and others	(66,085)	(63,004)
Gross added value	369,767	269,206
Depreciation and amortization	(6,471)	(3,093)
Net value added	363,296	266,113
Value added recived via transfer		
Share in profits of subsidiaries	-	-
Financial revenue	10,263	6,619
Total value added to be distributed	373,559	272,732

Distribution of value added	2022	2021
Personnel	103,726	77,743
Direct compensation	88,447	66,864
Benefits	10,232	7,264
Unemployment Compensation Fund (FGTS)	5,047	3,615
Taxes, fees and contributions	129,856	88,219
Federal	68,948	39,948
State	56,330	43,539
Municipal	4,578	4,732
Remuneration of third-party capital	9,418	3,811
Interest and banking expenses	34,099	25,812
Leases	43,517	29,623
Renuerung of own capital	96,460	77,147
Interest on own capital	18,290	9,530
Dividends	5,393	9,881
Retained earnings	72,777	57,736
Value added to be distributed	373,559	272,732

GRI Content Summary

Statement of use	The Track&Field report with reference to the GRI Standards for the period from January 1 to December 31, 2022.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	None.

GRI Standard / Other Source	Standard	Location	Omission		
			Requirement(s) omitted	Reason	Explanation
GRI 2: General Disclosures 2021	2-1 Organizational details	Pages 10, 24 and 85.			
	2-2 Entities included in the organization's sustainability reporting	Page 2			
	2-3 Reporting period, frequency and contact point	Pages 2 and 85.			
	2-4 Restatements of information	None. This is our first annual report.			
	2-5 External assurance	Pages 2 and 72.			
	2-6 Activities, value chain and other business relationships	Page 40.			
	2-7 Employees	Pages 46 and 47.			
	2-8 Workers who are not employees	Page 46.			
	2-9 Governance structure and composition	Page 24.			
	2-10 Nomination and selection of the highest governance body	Page 26.			
	2-11 Chair of the highest governance body	Page 25.			
	2-12 Role of the highest governance body in overseeing the management of impacts	Pages 26 and 27.			
	2-13 Delegation of responsibility for managing impacts	Page 27.			

GRI Standard / Other Source	Standard	Location	Omission		
			Requirement(s) omitted	Reason	Explanation
GRI 2: General Disclosures 2021	2-14 Role of the highest governance body in sustainability reporting	Pages 2 and 73.			
	2-15 Conflicts of interest	Page 30.			
	2-16 Communication of critical concerns	Page 27.			
	2-17 Collective knowledge of the highest governance body	Page 27.			
	2-18 Evaluation of the performance of the highest governance body	Page 27.			
	2-19 Remuneration policies	Page 31.			
	2-20 Process to determine remuneration	Page 31.			
	2-21 Annual total compensation ratio	The ratio between the highest individual remuneration and the median individual remuneration of the Company's employees is 41.23. To calculate the median, we only considered employees who worked 12 months during the 2022 fiscal year.			
	2-22 Statement on sustainable development strategy	Pages 3 and 5.			
	2-23 Policy commitments	Page 32.			
	2-24 Embedding policy commitments	Page 32.			
	2-25 Processes to remediate negative impacts	Page 35.			
	2-26 Mechanisms for seeking advice and raising concerns	Page 33.			
	2-27 Compliance with laws and regulations	There were no significant non-monetary fines or sanctions in 2022. The relevance criterion considers the representativeness of revenue and the impact on reputation.			
	2-28 Membership associations	We do not participate in industry associations.			
2-29 Approach to stakeholder engagement	Page 40.				
2-30 Collective bargaining agreements	Page 46.				

GRI Standard / Other Source	Standard	Location	Omission		
			Requirement(s) omitted	Reason	Explanation
Material Topics					
GRI 3: Material Topics 202	3-1 Process to determine material topics	Page 73.			
	3-2 List of material topics	Page 73.			
Product Ecodesign					
GRI 3: Material Topics 2021	3-3 Management of material topics	Pages 65 and 70.			
GRI 301: Materials 2016	301-1: Materials used by weight or volume	Page 65.			
	301-2 Recycled input materials used	Page 65.			
	301-3: Reclaimed products and their packaging materials	Page 65.			
Climate Action					
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 67.			
	302-1: Energy consumption within the organization	Page 68.			
GRI 302: Energy 2016	302-2 Energy consumption outside of the organization		All requirements	Information unavailable/incomplete	We do not monitor energy consumption outside the organization.
	302-5: Reductions in energy requirements of products and services		All requirements	Information unavailable/incomplete	We do not monitor reductions in energy requirements for products and services.

GRI Standard / Other Source	Standard	Location	Omission		
			Requirement(s) omitted	Reason	Explanation
GRI 305: Emissions 2016	305-1: Direct (Scope 1) GHG emissions	Page 67.			
	305-2: Energy indirect (Scope 2) GHG emissions	Page 67.			
	305-3: Other indirect (Scope 3) GHG emissions	Page 67.			
	305-6: Emissions of ozone-depleting substances (ODS)	Other Greenhouse Gases not covered by the Kyoto Protocol, such as those regulated by the Montreal Protocol, were not identified. HCFC-22 (R22), the only non-Kyoto gas reported in previous years as fugitive emissions, has not been checked for leaks/escapes for the year 2022.			
Water Management					
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 71.			
GRI 303: Water and effluents 2018	303-1: Interactions with water as a shared resource	Page 71.			
	303-2: Management of water discharge-related impacts	Page 71.			
	303-3: Water withdrawal	Page 71.			
	303-4 Water discharge	Page 71.			
	303-5: Water consumption	Page 71.			
Solid Waste					
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 69.			
GRI 306: Waste 2020	306-1: Waste generation and significant waste-related impacts	Page 69.			
	306-2: Management of significant waste-related impacts	Page 69.			
	306-3: Waste generated	Page 69 and 70.			
Supply Chain Management					
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 59.			

GRI Standard / Other Source	Standard	Location	Omission		
			Requirement(s) omitted	Reason	Explanation
GRI 204: Procurement Practices 2016	204-1: Proportion of spending on local suppliers	Page 60.			
GRI 407: Freedom of association and collective bargaining 2016	407-1: Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	No cases of operations and suppliers where the right to freedom of association and collective bargaining may be at risk were identified in our operations or at suppliers. Periodically, we carry out unscheduled audit visits to the outsourced sewing factories that produce our garments, validating the workers present and working conditions.			
GRI 408: Child labor 2016	408-1: Operations and suppliers at significant risk for incidents of child labor	No cases of child labor were identified in our operations or at suppliers. Periodically, we carry out unscheduled audit visits to the outsourced sewing factories that produce our garments, validating the workers present and working conditions.			
GRI 409: Forced or compulsory labor 2016	409-1: Operations and suppliers at significant risk for incidents of forced or compulsory labor	No cases of forced or compulsory labor were identified in our operations or at suppliers. Periodically, we carry out unscheduled audit visits to the outsourced sewing factories that produce our garments, validating the workers present and working conditions.			
GRI 414: Supplier social assessment 2016	414-1: New suppliers that were screened using social criteria	100% of the outsourced sewing factories are selected based on social criteria.			
	414-2: Negative social impacts in the supply chain and actions taken	Page 59.			
Employees' quality of life					
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 46.			
	401-1: New employee hires and employee turnover	Page 51.			
GRI 401: Employment 2016	401-2: Benefits provided to full-time employees that are not provided to temporary or part-time employees	Page 50.			
	401-3: Parental leave	Page 50.			
GRI 402: Labor/ Management relations 2016	402-1: Minimum notice periods regarding operational changes	The deadline agreed with the labor unions is at least one week.			

GRI Standard / Other Source	Standard	Location	Omission		
			Requirement(s) omitted	Reason	Explanation
GRI 403: Occupational health and safety 2018	403-1: Occupational health and safety management system	Page 55.			
	403-2: Hazard identification, risk assessment, and incident investigation	Page 55.			
	403-3: Occupational health services	Page 55.			
	403-4: Worker participation, consultation, and communication on occupational health and safety	Page 55.			
	403-5: Worker training on occupational health and safety	Page 55.			
	403-6: Promotion of worker health	Page 55.			
	403-7: Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Page 55.			
	403-8: Workers covered by an occupational health and safety management system	Page 55.			
	403-9: Work-related injuries	Page 55.			
	403-10: Work-related ill health	Page 55.			
GRI 406: Non-Discrimination 2016	406-1: Incidents of discrimination and corrective actions taken	There were no cases of discrimination.			
Customer at the Center					
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 41.			
GRI 418: Customer privacy 2016	418-1: Substantiated complaints concerning breaches of customer privacy and losses of customer data	No cases of violation of customer privacy were identified.			

GRI Standard / Other Source	Standard	Location	Omission		
			Requirement(s) omitted	Reason	Explanation
Other non-material disclosures					
GRI 201: Economic performance 2016	201-1: Direct economic value generated and distributed	Page 75.			
	201-3: Defined benefit plan obligations and other retirement plans	We do not offer a retirement plan to our employees. However, we make a monthly payment of the contribution to the Social Security of employees, destined to the National Institute of Social Security (INSS), which is responsible for the payment of retirement and other benefits to Brazilian workers (Law No. 8,213, of July 24, 1991).			
	201-4: Financial assistance received from government	We are beneficiaries of ICMS tax incentives in operations with textile products (article 41 of Annex III of RICMS/SP - Ordinance CAT n° 35/17) which are classified as investment subsidies, under the terms of Complementary Law 160/2017 which provides for an which allows the States and the Federal District to deliberate on the remission of tax credits, constituted or not, resulting from exemptions, incentives and fiscal or financial-fiscal benefits instituted in disagreement with the provisions of item "g" of item XII of the second paragraph of article 155 of the Federal Constitution and the restitution of the respective exemptions, incentives and fiscal or financial-fiscal benefits; and amends Law 12,973, of May 13, 2014. On December 31, 2022, we recorded a balance of BRL5,845 in the corresponding tax incentive reserve, as a contra entry to income for the year, of which BRL3,049 was recorded in net income and BRL2,796 in other operating revenues (Effect on results 1Q22 BRL4,008, 2Q22 BRL1,588, 3Q22 BRL216 and 4Q22 BRL33).			
GRI 404: Training and education 2016	404-2: Programs for upgrading employee skills and transition assistance programs	Page 52.			
	404-3: Percentage of employees receiving regular performance and career development reviews	Page 54.			
GRI 405: Diversity and equal opportunity 2016	405-1: Diversity of governance bodies and employees	Page 28, 47 and 48.			

SASB Content Summary

Metric	Code	Unit of Measure	Answer
Topics and accounting metrics for sustainability disclosure Sector: Consumer Goods Industry: Apparel, accessories and footwear			
Percentage of (1) Tier 1 supplier facilities and (2) supplier facilities beyond Tier 1 in compliance with wastewater discharge permits and/or contractual agreement	CG-AA-430a.1	Percentage (%)	The sewing factories do not use water in the production process, only for human consumption. The water and sewage used are from the public network.
Priority non-conformance rate and associated corrective action rate for suppliers' labour code of conduct audits	CG-AA-430b.2	Rate	Page 59.
Description of the greatest (1) labour and (2) environmental, health, and safety risks in the supply chain	CG-AA-430b.3	N/A	Page 59.
Number of (1) Tier 1 suppliers and (2) suppliers beyond Tier 1	CG-AA-000.A	Number	Page 59.

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Track & Field CO S.A.

Independent Auditor's Limited Assurance
Report on Non-financial Information
Included in the Annual Report 2022

Deloitte Touche Tohmatsu Auditores Independentes Ltda.

(Convenience Translation into English from the Original Previously Issued in Portuguese)

INDEPENDENT AUDITOR'S LIMITED ASSURANCE REPORT ON
NON-FINANCIAL INFORMATION INCLUDED IN THE ANNUAL REPORT 2022

To the Management and Shareholders of
Track & Field CO S.A.

Introduction

We have been engaged by Track & Field CO S.A. ("Company" or "Track & Field") to submit our limited assurance report on the non-financial information included in the Company's Annual Report 2022, related to the year ended December 31, 2022.

Our limited assurance scope does not comprise prior-period information or any other information disclosed in conjunction with the Annual Report 2022, including any embedded images, audio files or videos.

Management's responsibilities

The Company's Management is responsible for:

- Selecting and setting appropriate criteria to prepare the information included in the Annual Report 2022.
- Preparing the information based on the criteria and guidelines set out in the Global Reporting Initiative - GRI and the Sustainability Accounting Standards Board - SASB.
- Designing, implementing and maintaining internal controls over relevant information for the preparation of the information included in the Annual Report 2022, that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the non-financial information included in the Annual Report 2022, based on our limited assurance engagement conducted in accordance with Technical Communication CTO 03/2022, issued by the Federal Accounting Council ("CFC"), and based on Brazilian standard NBC TO 3000 - Assurance Engagements other than Audits or Reviews, issued by the CFC, which is equivalent to the international standard ISAE 3000 - Assurance Engagements other than Audits or Reviews of Historical Financial Information, issued by the International Auditing and Assurance Standards Board - IAASB. Those standards require that we comply with ethical and independence requirements and other related responsibilities, including as regards the adoption of the Brazilian Quality Control Standard (NBC PA 01) and, therefore, the implementation of a comprehensive quality control system, including documented policies and procedures on the compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

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In addition, those standards require that the work be planned and performed to obtain limited assurance that the non-financial information included in the Annual Report 2022, taken as a whole, is free from material misstatement.

A limited assurance engagement conducted in accordance with Brazilian standard NBC TO 3000 (ISAE 3000) consists mainly of making inquiries of Management and other professionals of the Company involved in the preparation of the non-financial information, as well as applying analytical procedures to obtain evidence that enables us to reach a limited assurance conclusion on the information taken as a whole. A limited assurance engagement also requires the performance of additional procedures when the independent auditor becomes aware of matters that cause the auditor to believe that the information included in the Annual Report 2022, taken as a whole, might present material misstatements.

The procedures selected were based on our understanding of the aspects related to the compilation, materiality and presentation of the information included in the Annual Report 2022, other circumstances of the engagement and our consideration of the areas and processes concerning the material information disclosed in the Annual Report 2022, in which material misstatements might exist. The procedures comprised, among others:

- Planning the work, considering the relevance, the volume of quantitative and qualitative information and the operating and internal control systems that were used to prepare the information included in the Annual Report 2022.
- Understanding the calculation methodology and the procedures adopted for the compilation of KPIs through inquiries with the managers responsible for the preparation of the information.
- Applying analytical procedures to quantitative information and making inquiries about the qualitative information and its correlation with the indicators disclosed in the information included in the Annual Report 2022.
- For cases in which non-financial data is correlated to financial indicators, comparing such KPIs with the financial statements and/or accounting records.

The limited assurance engagement also included the compliance with the guidelines and criteria of the GRI and SASB, applied in the preparation of the information included in the Annual Report 2022.

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

Scope and limitations

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in scope than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Had we performed a reasonable assurance engagement, other matters and misstatements that might exist in the information included in the Annual Report 2022 might have been identified. Accordingly, we do not express an opinion on this information.

Non-financial data are subject to more inherent limitations than financial data, due to the nature and diversity of the methods used to determine, calculate or estimate such data. Qualitative interpretations on materiality, relevance and accuracy of the data are subject to individual assumptions and judgments. In

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The sustainability indicators have been prepared and presented pursuant to the criteria set out in GRI and SASB Standards and, therefore, are not intended to ensure compliance with social, economic, environmental or engineering laws and regulations. However, the aforementioned standards provide for the presentation and disclosure of possible non-compliance with such regulations when sanctions or significant fines are applied. Our limited assurance report should be read and understood in this context, which is inherent in the criteria selected (GRI and SASB).

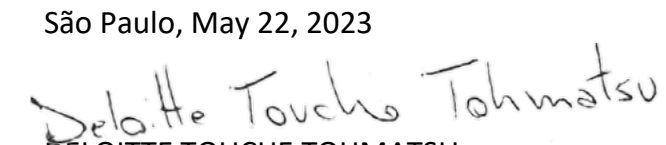
Conclusion


Based on the procedures performed, which are described herein, and on the evidence we have obtained, nothing has come to our attention that causes us to believe that the non-financial information, included in the Annual Report 2022 of the Company for the year ended December 31, 2022, was not prepared, in all material respects, based on the criteria and guidelines set out in the GRI and SASB.

Other matters

The accompanying Annual Report 2022 has been translated into English for the convenience of readers outside Brazil.

São Paulo, May 22, 2023


DELOITTE TOUCHE TOHMATSU
Auditores Independentes Ltda.


Alexandre Carboni Machado
Engagement Partner

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Track & Field

Credits

The collaboration and partnership of the Track&Field teams were essential for preparing this first Annual Report. Thanks to the dedication of each employee, we were able to share our achievements, advances and challenges during 2022. Thank you very much!

Coordination

T&F ESG Team

Content, design and consulting

Walk4Good

Photography

Internal collection

Limited assurance

Deloitte Touche Tohmatsu Auditores Independentes Ltda.

Corporate information

| GRI 2-1, 2-3 |

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