

**Sustainability
Report
24**



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Introduction

Welcome

(2-3; 2-14)

We are pleased to present the sixth consecutive edition of Lunelli's Annual Sustainability Report. Covering the period from **January 1 to December 31, 2024**, this document was prepared by the department under the leadership of People and Sustainability Management and approved by the Presidency.

Reinforcing our commitment to transparent management, the report consolidates information on the company's strategy and results across the **EESG pillars – economic, environmental, social, and governance**. All content was structured in accordance with the **Global Reporting Initiative (GRI) Standards**.

The Sustainability Report plays a strategic role in building trust between the company and its stakeholders and in highlighting Lunelli's commitment to **generating positive impact. It serves as a key tool to showcase our actions and results**, reinforcing our dedication to a more responsible and sustainable future.

We emphasize the importance of active participation from all stakeholders. We invite you to share any questions, suggestions, or comments regarding this document by writing to **sustentabilidade@lunelli.com.br**. We believe that constructive dialogue is essential to further enrich our approach and strengthen our efforts toward a more sustainable future.



Message from the President

(2-22)

Over the course of Lunelli's 43-year history, we have consistently reinforced **our commitment to making meaningful fashion, which has allowed us to make progress across all pillars of integrated sustainability within the EESG framework.**

For the fourth consecutive year, we were certified by Great Place to Work (GPTW) as an "Excellent place to work." We were also once again ranked among the 20 Best Companies to Work For in Santa Catarina, in the Large Companies category, and featured in the rank for the first time in the state of Ceará. Additionally, we received the Great People Mental Health certification, which recognizes Lunelli's efforts in promoting mental health, the leadership motivation and ability to address the topic within their teams, and the sense of trust our employees feel as we work to strengthen psychological safety. Lunelli was also recognized as the Best Textile Company of 2024 in health, well-being, and workplace safety by the Brazilian Textile and Apparel Industry Association (ABIT), reinforcing our purpose of caring for people and providing a safe, healthy, and inclusive work environment. These recognitions are a source of great pride and drive us to continuously improve, strengthening **our purpose of promoting customer success through the happiness and satisfaction of our employees.**

In 2024, we made progress in Lunelli's Diversity and Inclusion agenda. We conducted a collaborative process that engaged leaders and employees from local working groups. From that, we gathered suggestions, insights, and information that shaped our **Diversity and Inclusion Policy**. Through active listening, we were able to build a document that represents our people and connects us to

Lunelli's culture. This initiative is part of the project **"Respect Inspires Respect,"** which encompasses all our efforts related to this topic.

We also advanced our environmental agenda. We promoted innovation in sustainable materials and products, digitally printing over 7.9 million meters of knits and fabrics. We produced more than 15.4 thousand tons of knits and fabrics, of which were 99.88% made with responsible cotton and 100% produced with responsible viscose, in addition to using Ecovero, Modal, and Lyocell fibers. We were also recognized by the **Expressão Ecology Award for our Circular Fashion project**, which uses recycled cotton in its composition.

We continued to improve our greenhouse gas emissions calculations, covering Scopes 1, 2, and 3, expanded the transition to sourcing renewable energy, and reinforced our commitment to maintaining eco-efficient industrial operations.

We deepened our commitment of acting as a signatory to the **UN Global Compact** – Brazil Network and Paraguay Network, reaffirming our support and engagement in implementing the Ten Principles of the United Nations in terms of Human Rights, Anti-Corruption, Labor, and the Environment, as well as developing actions and projects that support the 17 Sustainable Development Goals.

For the second consecutive year, we were invited to participate in **COP29, the United Nations Climate Change Conference**, where we presented our EESG-related initiatives and projects to an international audience. This invitation reflects Lunelli's continued commitment to sustainability and the pursuit of practical actions to make meaningful fashion.

At Lunelli, **we continuously highlight the importance of the economic pillar for business sustainability.** We closed the year with 14 facilities, 46 stores, and more than 21.5 thousand customers. We reached R\$ 1.6 billion in revenue – a result made possible by our collective efforts. As a way of recognizing this achievement, we shared the year's results and distributed over R\$ 15.6 million to our employees through the Results Achievement Program and Production Bonus.

We are committed to always placing our employees and customers at the center of our decisions, recognizing that they are the ones who drive Lunelli's success. In this report, we share with our stakeholders the main results of the year, as well as the information and actions we carried out, always guided by our ideology and by our sustainability vision: **"Making meaningful fashion that promotes positive impact in the world and for all."** I would like to extend my sincere thanks to all employees, representatives, franchisees, suppliers, partners, and customers for their trust and partnership. May we continue to celebrate each achievement and milestone together on this journey.

Viviane Cecilia Lunelli, President & Chief Executive Officer of Lunelli



HIGHLIGHTS OF 2024

R\$ 1.6 billion

in revenue

15.4 thousand

tons of knits produced

26.5 million

garments produced

7.9 million

meters of digitally printed knits and fabrics

4,887 employees

69% women and 31% men

46 stores

13 company-owned stores, 28 franchises
and 5 VQL (Lunelli Qualified Retailers)

21.5 thousand

active customers

R\$ 15.6 million

distributed through the Results Achievement
and Production Bonus Programs

Responsible fashion:

99.88%

BCI cotton

100%

responsible viscose

19%

reduction in waste sent to landfill

Chemical products free
from restricted substances:

64.04%

at the Textile Processing unit in Brazil

65.77%

at the Apparel unit

Meaningful Fashion



Carlos Eduardo Lima Ferreira - Sewing - Lunelli Northeast

Institutional Presentation

In 2024, Lunelli celebrated 43 years of history. Throughout these years, we have been guided by our ideology, by a constant pursuit of growth, and by the inspiration to create meaningful fashion!

MISSION

To improve people's lives through opportunities, products, and services.

VISION

To be the most respected Fashion Textile Group in the country.

VALUES

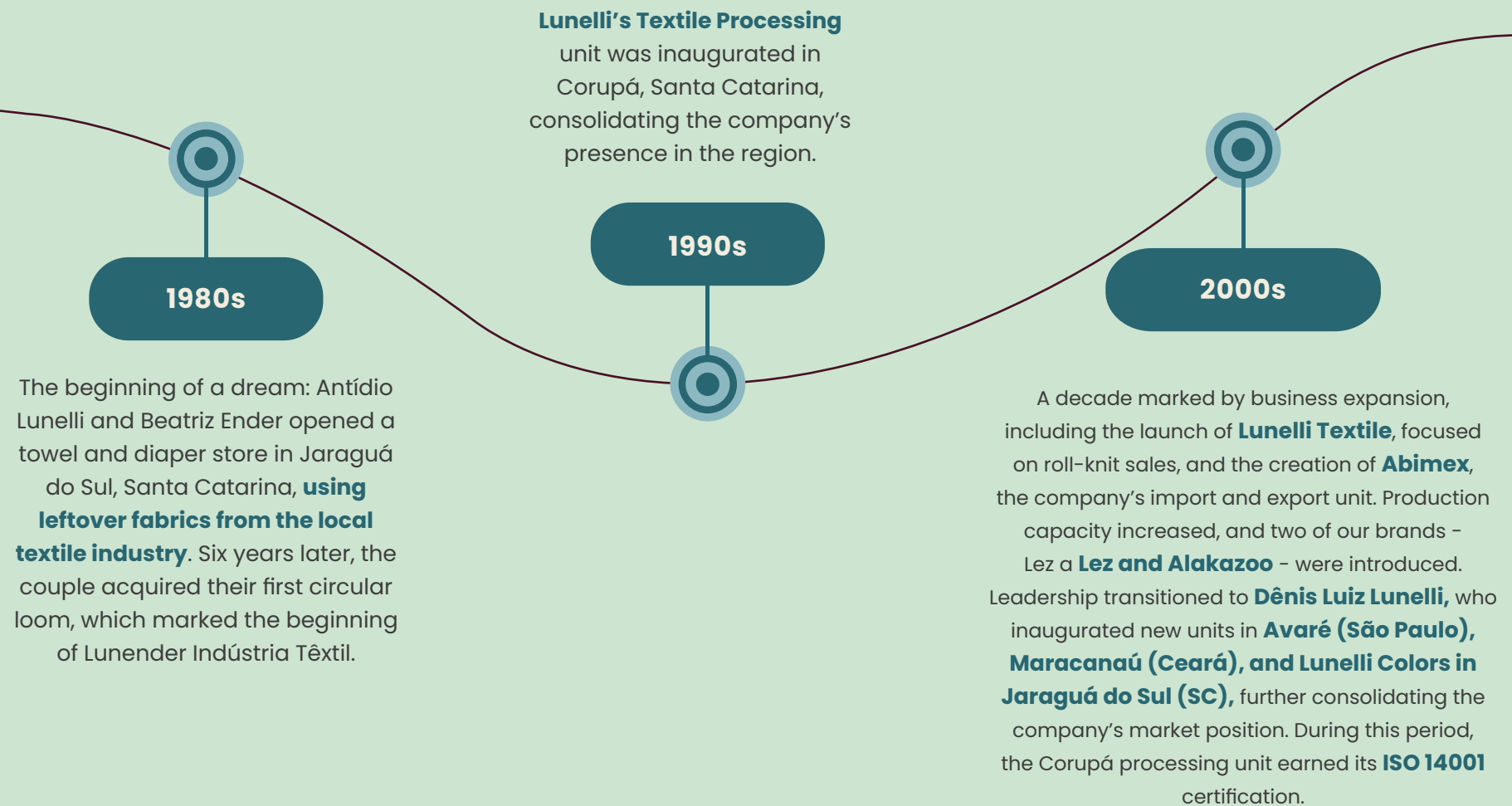
Enthusiasm; Simplicity; Results-driven mindset.

PURPOSE

*"To promote our customers' success through the happiness and satisfaction of our employees."
– Dênis Luiz Lunelli*

Timeline

More than a business journey, Lunelli's history is a continuous thread of commitment to excellence. Each chapter of this story has been woven with the talent of people who share our values. From an entrepreneurial dream to well-established brands, we continue to write this story with the same enthusiasm that brought us here.



Operations continued to expand, with the opening of the new administrative, financial, and shipping building - **Lunelli Comercial** - in Guaramirim (SC), and the acquisition and implementation of an automated shipping process. The name **Lunender** was adopted exclusively for the company's women's brand, and in 2011, Lunelli's Advisory Board was established. The decade also marked the launch of the brand **Hangar 33**, expansion of the units in Luiz Alves (SC) and Maracanaú (CE), the first investments in digital printing, and the founding of **Lunelli Paraguay**.

2010s

2020s

We celebrated **40 years of making Meaningful** Fashion, achieved record-breaking revenue, and in addition to being recognized as one of the 20 Best Companies to Work For in Santa Catarina and Ceará (Large Companies category - **GPTW**) we also took part in the United Nations Climate Change Conference (**COP**). These achievements reflect Lunelli's strong commitment to sustainability and social responsibility. The leadership transition, with **Viviane Cecilia Lunelli** taking over as CEO, marked a significant milestone for the company. In addition, signing the **UN Global Compact** reaffirmed Lunelli's commitment to sustainable practices, paving the way for an even more promising future.

Our Business Model

(2-6)

We rely on people who are committed to making meaningful fashion in every stage of our processes, from the arrival of yarn in our knitting facilities to the delivery of the final garment.

Our industrial structure includes knitting, dyeing, printing, finishing, cutting, sewing, embroidery, final treatments, folding, shipping, among others.

In 2024, we produced over 15.4 thousand tons of knit fabric, 7.9 million meters of digitally printed fabrics, and 26.5 million garments.

Our products are present in 58% of the Brazilian territory.

21.5 thousand customers

28 franchises and **5** VQLs (Lunelli Qualified Retailers)

13 company-owned stores



2. Employees

4,887 employees

69% women and 31% de men

R\$ 15.6 million distributed through the Production Bonus and Results Achievement Program

1. Supply

535 direct suppliers

334 subcontractors and outsourced partners

99.88 % BCI-certified yarn

100% responsible viscose yarn





3. Manufacturing

2 ISO 14001 certified units
9 ABVTEX certified units
5 units sourcing renewable energy in the deregulated energy market
1 unit equipped with solar panels
15.4 thousand tons of knit fabric produced
26.5 million garments produced
7.9 million meters of digitally printed knits and fabrics

4. Sales and Distribution

13 company-owned stores
28 franchises
5 VQLs (Lunelli Qualified Retailers)
21,5 thousand customers
318 sales representatives



6. Consumers

Products are present in **58% of the Brazilian territory**



5. Community

R\$ 1.14 million invested
13 supported projects

OUR BRANDS



With **43 years of history**, Lunelli manages leading brands in the fashion market. Through **Lunelli Knits and Fabrics**, we offer solutions for clothing manufacturers and major retailers throughout Brazil and abroad.

Our brands – **Lunender, Lez a Lez, Alakazoo, Hangar 33, Fico, and Vila Flor** – are connected to a wide network of multibrand retail entrepreneurs and franchises, strengthening our presence in cities across the country. This portfolio reflects our commitment to offering products that meet diverse audiences and follow market trends.

In addition, we also operate under a private label model, producing exclusive garments for major national and international brands, showcasing our versatility and ability to meet a wide range of industry demands.

We make meaningful fashion by managing strong brands, combining advanced production technology, and delivering solutions for the Brazilian fashion market.

Lunelli

Lunelli Textiles is recognized for the quality and innovation of its products, which combine comfort, durability, and sophistication, meeting market trends and the needs of our customers.

To bring these fabrics to life, we rely on Lunelli Studio, a creative space where we develop and select exclusive prints, creating designs that give each collection a unique identity and enables us to offer customized solutions to our partners.

We are also the largest digital printing facility in Brazil, which allows us to produce with speed, precision, and lower environmental impact. This cutting-edge technology allows for high-definition prints while supporting a more sustainable production process – one that aligns with our mission to respect the environment at every stage.

Sustainability is at the heart of our work. We use responsible raw materials and constantly seek solutions to make our production more efficient and eco-friendly, without compromising the quality that defines us.

With that, Lunelli stands out in the market by delivering knits and fabrics that not only meet expectations regarding innovation and quality but also reaffirm our commitment to a more sustainable future.

www.lunellimalhasetecidos.com.br

@lunellitextil



Lunender

A leading name in women's fashion, Lunender introduces, with each new collection, garments designed to accompany women through every occasion of their daily lives. Blending fashion trends with personal style, the brand embraces a democratic, elegant, and personality-driven approach to fashion.

Created for real women, Lunender celebrates authenticity and women's empowerment, with every detail having been thought to bring elegance and comfort.

@lunenderoficial



Lunender
mais mulher

Lunender
HITS



High Summer 2025 Collection



Lez a Lez is an Urban Beach fashion brand for women with a youthful spirit – sophisticated, modern, and feminine. It allows them to explore fashion in different occasions, with a style that is light and balanced, blending the elegance of classic tones with the uniqueness of authentic prints, while embracing a naturally sensual essence.

Our commitment is to create and communicate meaningful fashion. The production of the denim in our “Don’t Turn Your Back To The World” line involves several stages – from using Eco Cycle-based fabrics, which contain recycled denim fibers and save up to 93% of water during the finishing stage – to sourcing BCI-certified (Better Cotton Initiative) cotton.

In addition, our processes reduce the release of textile waste into the environment, with 100% of generated waste collected. Our packaging is biodegradable, helping to reduce environmental impact. Pursuing sustainable initiatives is part of our essence. We believe a better world is possible – and through our actions, we can help protect it.

www.lezalez.com

@lezalez



Vila flor

Authentic and full of color, Vila Flor was created with the purpose of making fashion sustainable and inclusive.

Our concept is to sustainably develop products from surplus knits and fabrics – creating pieces that embrace the unique features of every body type, size and style. Our designs also adapt to different occasions and everyday activities.

We believe the purpose of fashion is to express personality, so it should be easy, effortless, and for everyone.

www.vilaflor.com.br

@modavilaflor





HANGAR 33

Hangar 33 is inspired by a passion for the vast world of aviation. Created by Dênis Luiz Lunelli, this menswear brand is not only a tribute to aviators but a celebration of the connection between style and adrenaline.

Just as a hangar is a sanctuary for aircraft, Hangar 33 stands as a safe haven for men who embrace the wind of freedom and the thrill of the skies - without giving up style, sophistication, or comfort in the way they dress.

The brand has a genuine and authentic connection to aviation, and one of its most memorable achievements is supplying the iconic uniforms for the Esquadrilha da Fumaça - the Brazilian Air Force's elite air demonstration squadron - a symbol of excellence and tradition.

www.hangar33.com.br

@hangar_33



Spring Collection 2024



Fico Surfwear was born from a deep connection with the sea along the coast of São Paulo. Raphael Levy, who spent his teenage years surfing the beaches of Guarujá, decided to create a brand that would express his love for the sport. In 1983, he officially launched the brand, 100% national, and in 2019, it was acquired by Lunelli.

www.fico.clothing
[@ficosurfwear](https://www.instagram.com/ficosurfwear)





Alakazoo creates fashion to turn childhood into a magical world. Every detail reflects the beauty and wonder of the universe of children, sparking imagination and showing that everyone is capable of creating small bits of magic to make the world a better place. With inclusion and empathy, we create a world full of possibilities!

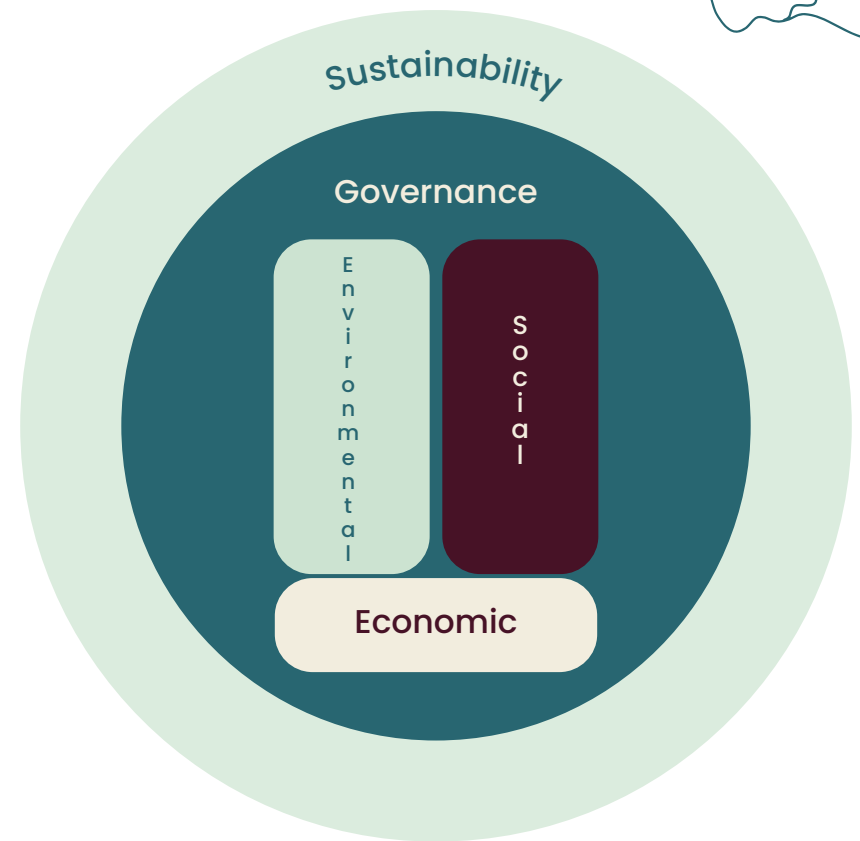
@instalakazoo



Sustainability Vision

Making meaningful fashion that promotes positive impact in the world and for all.

We guide our sustainability strategy based on the concept of sustainable development and the principles of ESG, through which we seek to promote balance among the Economic, Social, and Environmental pillars, with Governance serving as a foundation. By integrating these principles and best practices with our commitment to making meaningful fashion and Lunelli's core ideology, we apply the **EESG** approach across our organization.



E

Economic

Job and income generation, business financial sustainability, profit sharing, and value generation.

E

Environmental

The company's care in managing resources and offering products/services that reduce environmental impact.

S

Social

Human relationships, both internal and external, including employees, the community, clients, suppliers, and partners in general.

G

Governance

Business management best practices (policies, processes, culture, etc.), integrity, transparency, equity, accountability, and sustainability.

Priority Topics

(3-1)

Our latest materiality process included the following steps:

- 1** Analysis of internal and external documents, as well as market research, industry reports, and EESG strategies to update the list of potential topics;
- 2** Stakeholder engagement process, including interviews with internal leaders and stakeholders, and an online survey targeting external stakeholders;
- 3** Analysis of the collected results and review of material topics from the previous cycle to compare and identify updates and progress.
- 4** Development of the updated Materiality Matrix and launch of the stakeholder communication process.

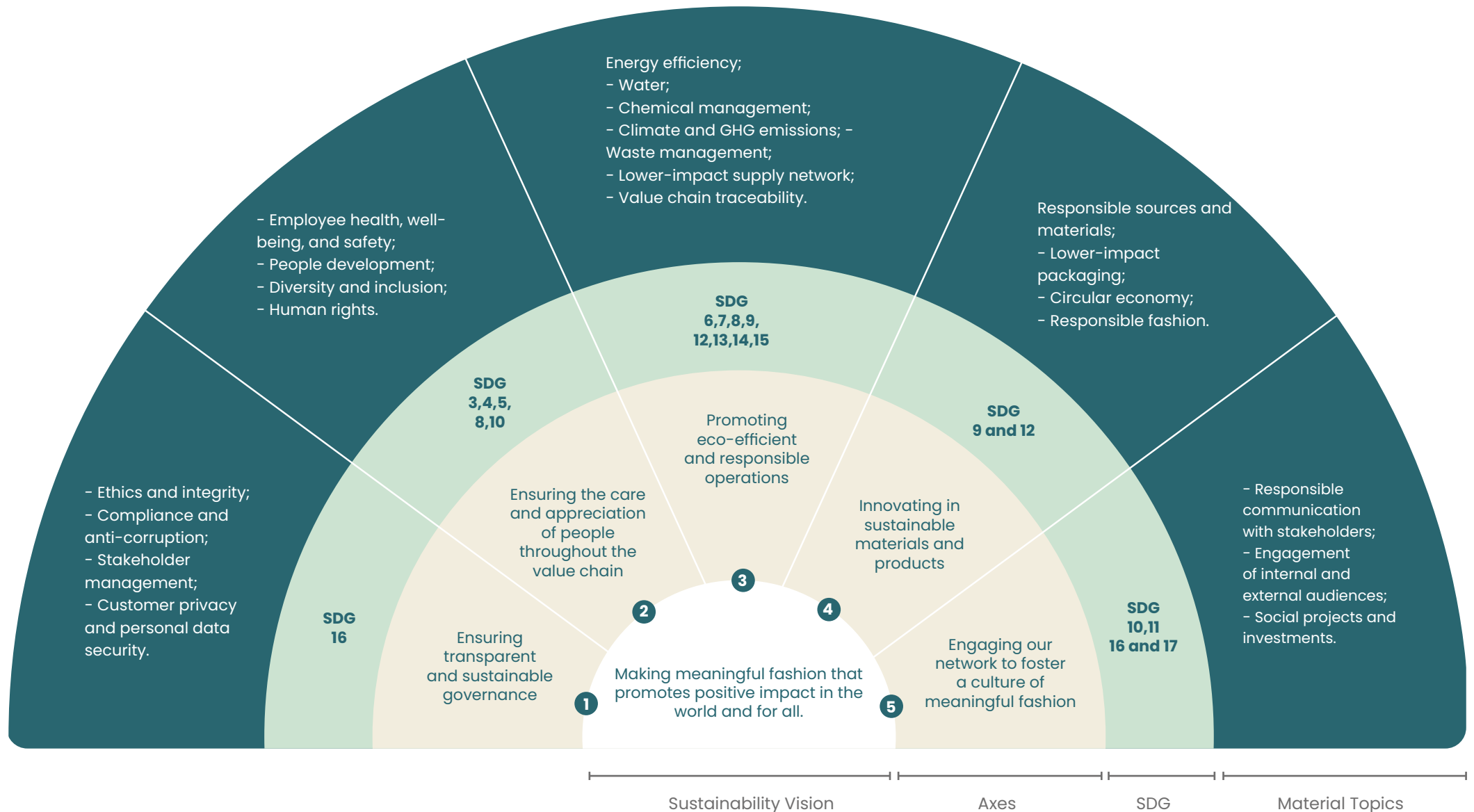
Based on the material topics identified, we structured a Materiality Matrix organized by relevance and impact. This process highlighted the most significant issues for Lunelli and its stakeholders. The list of material topics was integrated into our sustainability strategy, aligning with our strategic pillars and initiatives.

The materiality review strengthens our understanding of the business context, supporting more strategic decision-making grounded in our ongoing commitment to sustainability. We are committed to transforming these insights into concrete actions that generate lasting, positive impact for all stakeholders.



List of Material Topics

(3-2)



Relationship with the SDGs

In 2023, Lunelli, both in Brazil and Paraguay, became a signatory to the United Nations Global Compact, an initiative by the UN that encourages companies to adopt universal human rights, labor, the environment, and anti-corruption principles. This milestone marks a significant step in our journey, connecting us to a global community committed to sustainability.

To support this commitment, we prioritized nine Sustainable Development Goals (SDGs) that are strategic in guiding our actions, enhancing the results of our management practices, and aligning our purpose of making meaningful fashion with global sustainability objectives.

In addition to that, In 2024, we strengthened our commitment to sustainable development by improving internal communication related to the SDGs. Our goal was not only to showcase each of the 17 SDGs, but also to highlight those that are a priority for Lunelli. This initiative aims to deepen understanding and increase employee engagement, reinforcing a culture of sustainability within the company.

In this way, we Intensify our efforts in generating positive impact for the society and the planet. This initiative reinforces our belief that fashion can be a driver of transformation, creating meaningful change for all.





SDG 3 – Highlights the key practices we can adopt to promote health and well-being among our employees and communities, including initiatives, benefits, and programs that support healthy lifestyles and promote well-being for all, at all ages.



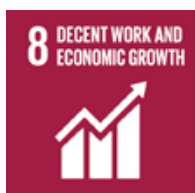
SDG 4 – It highlights key practices we can adopt to help promote quality education, such as increasing the number of employees trained in technical development and basic skills, expanding leadership training and capacity-building initiatives, and broadening access to scholarships and professional development opportunities for all.



SDG 5 – Highlights the key practices we can adopt to promote gender equality, such as increasing overall female representation, women in leadership roles, and to increase the overall number of women throughout the supply chain; managing complaints related to gender discrimination; and providing training on non-discrimination.



SDG 6 – Highlights the key practices we can adopt to support water conservation and responsible usage, including providing access to safe drinking water and sanitation within our operations, in local communities, and throughout our supply chain; conducting water risk assessments; and managing wastewater and chemicals in our operations.



SDG 8 – It highlights the main practices we can adopt to promote decent work and economic growth, including paying fair wages, ensuring fair working conditions across our operations, and providing opportunities for professional development.



SDG 9 – Highlights the key practices we can adopt to develop the industry, promote innovation, and improve infrastructure, including building resilient infrastructure, fostering inclusive and sustainable industrialization, and encouraging innovation.



SDG 10 – It highlights key practices we can adopt to help reduce inequalities, including social investment, employee benefits and care, the promotion of equal opportunities, increasing representation across all levels of the workforce and leadership, and fostering social and economic inclusion.



SDG 12 – Highlights the main practices we can adopt to support responsible consumption and production, including adopting circular economy principles, evaluating supplier impact on resource use, and establishing and publicly sharing sustainability goals.



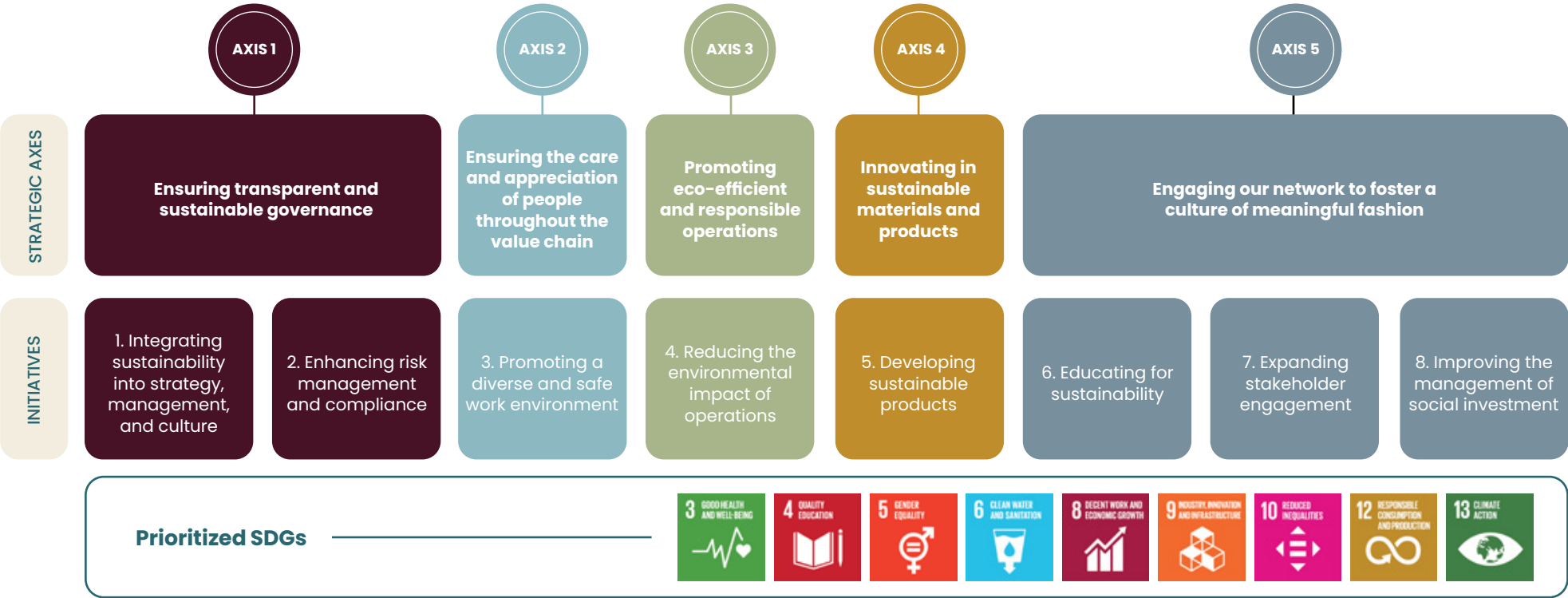
SDG 13 – It highlights the key practices we can adopt to address global climate change and its impacts. These include strengthening resilience and adaptive capacity to climate-related risks and natural disasters; integrating climate change measures into policies, strategies, and planning; improving education, raising awareness, and building human and institutional capacity for mitigation, adaptation, impact reduction, and early warning; and identifying and managing climate-related business risks.

Sustainability Strategy

(2-22, 3-3)

Lunelli’s sustainability strategy is structured and guided by its Sustainability Policy, Sustainability Plan, and Materiality process. This framework shapes Lunelli’s Sustainability Journey.

To guide our strategy across key topics, we established 5 strategic axes, 8 initiatives, and 20 internal commitments, all aligned with the company’s overall strategy and the Sustainable Development Goals.



The strategic axes have been highlighted throughout the report to support identification, improve readability, and demonstrate the relationship between each topic and our sustainability strategy.



How we Generate Value (2-24; 3-3)

AXES	SDG	Material Topics	Value for the business	Internal or external scope
AXIS 1 Ensuring transparent and sustainable governance		<ul style="list-style-type: none"> - Ethics and integrity; - Compliance and anti-corruption; - Stakeholder management; - Customer privacy and personal data security. 	Ensuring integrity in business conduct and protecting the reputation of the brand and institutional image. Managing the organization's economic, social, and environmental risks, as well as those in the value chain, while ensuring compliance with current legislation.	Internal and external
AXIS 2 Ensuring the care and appreciation of people throughout the value chain	    	<ul style="list-style-type: none"> - Employee health, well-being, and safety; - People development; - Diversity and inclusion; - Human rights. 	Providing a safe and healthy work environment, fully respecting human rights. Promoting diversity and inclusion based on respect, while supporting the development, training, and recognition of our employees, aiming to attract and retain talent committed to making meaningful fashion.	Internal and external
AXIS 3 Promoting eco-efficient and responsible operations	       	<ul style="list-style-type: none"> - Energy efficiency; - Water; - Chemical management; - Climate and GHG emissions; - Waste management; - Lower-impact supply network; - Value chain traceability. 	Adopting a responsible approach to resource use and developing eco-efficiency solutions. Managing consumption and the socio-environmental impacts generated. Promote a supply chain aligned with sustainability commitments, ensuring the integrity of information in both the processes carried out and the products developed.	Internal and external
AXIS 4 Innovating in sustainable materials and products	 	<ul style="list-style-type: none"> - Responsible sources and materials; - Lower-impact packaging; - Circular economy; - Responsible fashion. 	Promoting the responsible use of natural resources in collaboration with the production chain to minimize environmental impact. Encouraging the circular economy and extending the lifespan of materials.	Internal and external
AXIS 5 Engaging our network to foster a culture of meaningful fashion	   	<ul style="list-style-type: none"> - Responsible communication with stakeholders; - Engagement of internal and external audiences; - Social projects and investments. 	Engaging, training, and communicating strategically to strengthen the institutional vision of meaningful fashion. Acting in synergy with the brands and corporate image, as well as promoting it across our stakeholder network. Contributing to positive impact in communities and promoting development through social investment.	Internal and external

Governance



Integrity and transparency are the foundation of the way we operate. For Lunelli, making fashion goes beyond the garments we create - it's about cultivating meaning in every step of the process. We prioritize relationships that foster a collaborative environment and mutual prosperity, positively impacting all people involved.

*moda com
significado*



Julia Eloisa Heupa de Souza - Relationship Center - Lunelli Comercial

Governance Structure

(2-1; 2-9; 2-10; 2-11; 2-12; 2-13; 2-17)

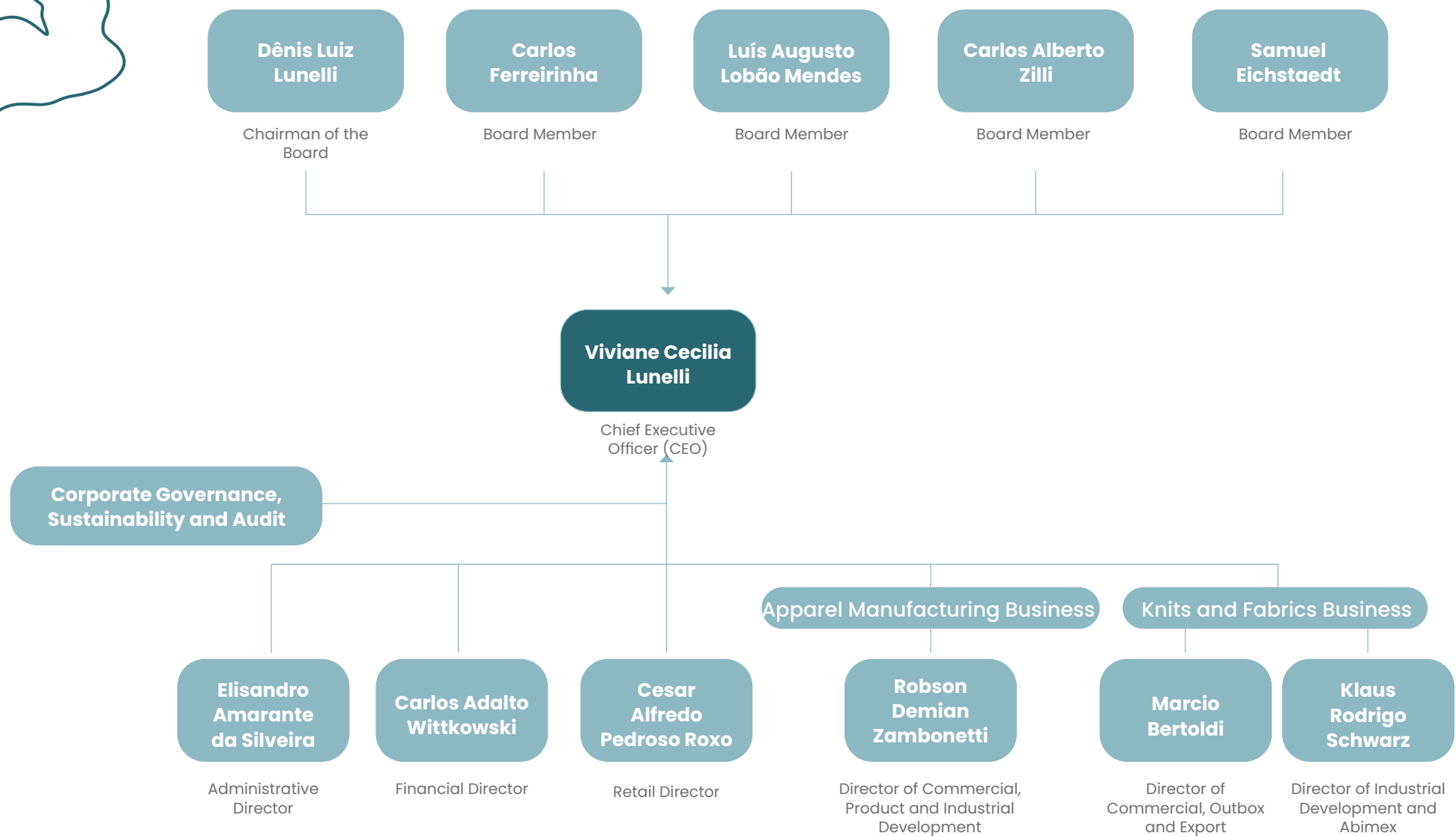
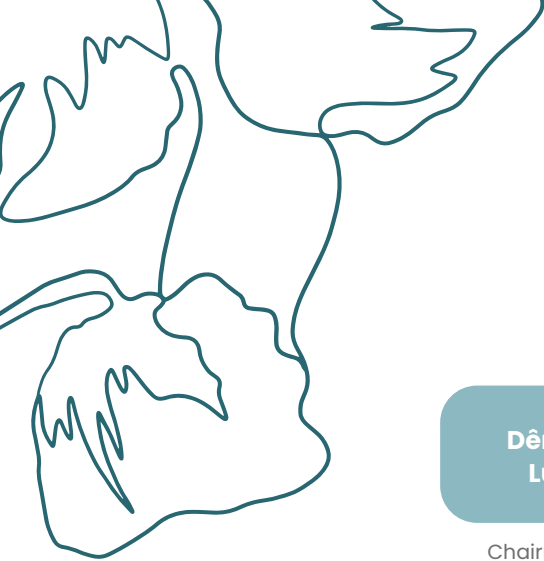
Our Corporate Governance is defined through a set of monitoring and control mechanisms aimed at ensuring that business decisions are aligned with the organization's long-term goals. Governance, compliance, and risk management activities are guided by the principles established in the Code of Best Practices of Corporate Governance – Integrity, Transparency, Fairness, Accountability, and Sustainability – as defined by the IBGC (Brazilian Institute of Corporate Governance).

Lunelli is a privately held company that has three shareholders from the founding family and an advisory board composed of five representatives. The Board is responsible for the overall guidance of the company's business, defining its mission, objectives, and guidelines, as well as strategic plans, programs, and investment projects. It also oversees the implementation of the risk management policy, the creation of committees, and supervises the performance of the company, the Board itself, and the Executive Team. The relationship between executives and other stakeholders, among other responsibilities, is defined in the Articles of Association, internal policies, and company procedures. In addition to chairing meetings, the Chairman of the Board is responsible for organizing and coordinating activities, and for aligning the Board's actions with the interests of the company, its shareholders, and other stakeholders.

In 2024, we recorded the change in position of Samuel Eichstaedt, who stepped down from the Executive Board to take on a role as company advisor, focusing on research and innovation projects. During the same period, two board members – Antídio Aleixo Lunelli and Carlos Alberto Zilli – also stepped down.

In regards to the Executive Board, another professional also left the company, prompting a restructuring of the leadership team and their respective responsibilities. To support business management, the Executive Board is now composed of six directors in addition to the CEO, with responsibilities divided by business units and management areas.

Our Governance structure is governed by a Corporate Governance Policy. We also adopt key governance documents such as the Articles of Association, Internal Regulations, Code of Conduct for employees and suppliers, the Business Plan and Long-Term Strategy, and the Results Achievement Plan (PCR), in addition to specific policies and procedures for each area.

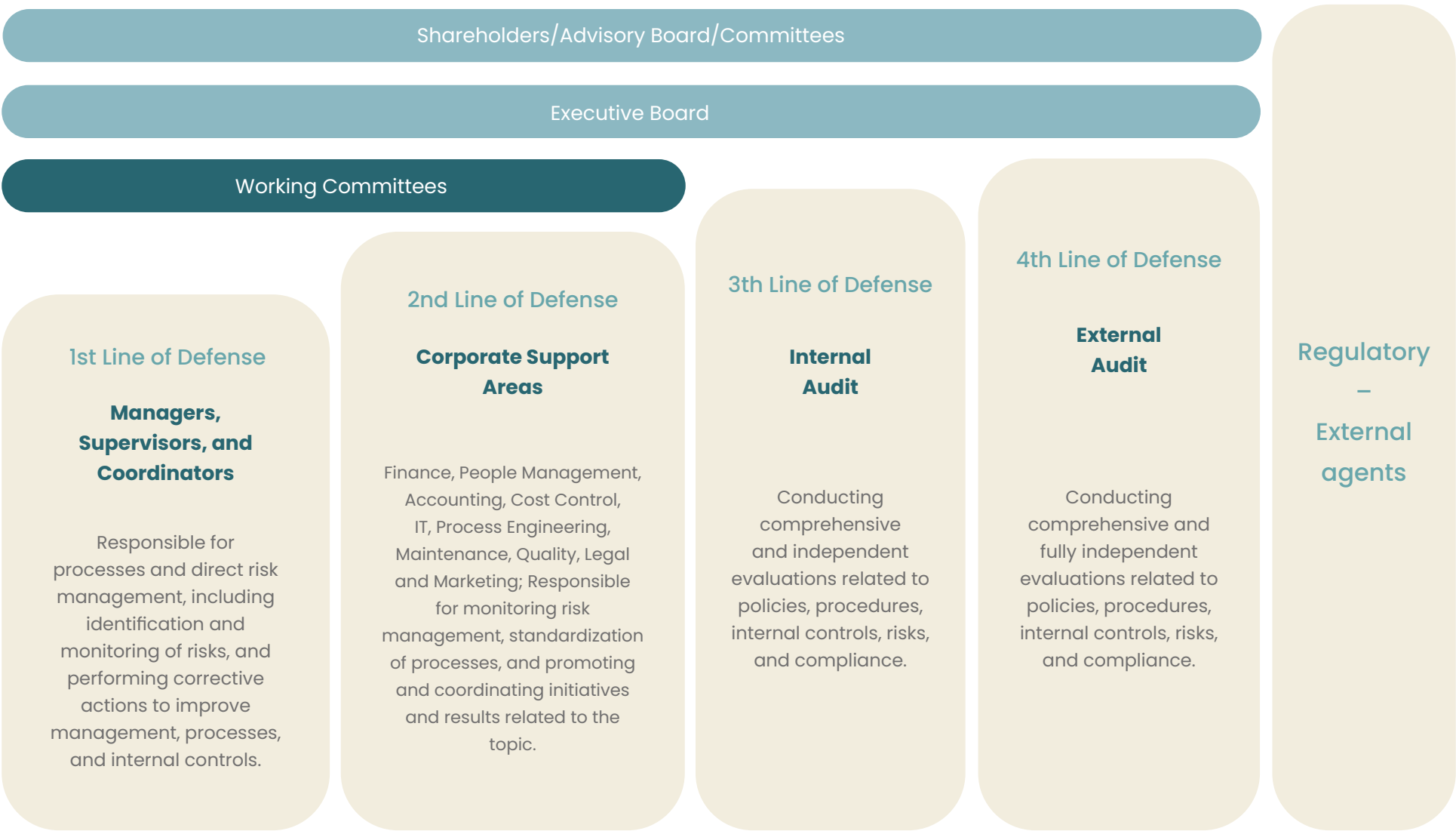


Risk Management (2-25; 201-2; 205-1)

Risk management is a key pillar that ensures the sustainability and resilience of the business. All employees are responsible for risk management and must ensure that internal controls are appropriate for monitoring process-related risks and enable the systematic and formal communication of events that could negatively affect the company's results.

Risk management is a key component of our Governance Structure, and the Risk and Crisis Management Policy is our main guiding document. Its purpose is to ensure the level of governance desired by the company through the adoption of lines of defense, definition of practices and responsibilities, and the development of action and contingency plans.

Lines of Defense Structure – Risk and Crisis Management:



Internal and external audits serve both executive and advisory functions. In 2024, we completed 31 internal audits and contracted 1,960 hours of external audit services, focused on operations, financial statements, and tax reporting

To complement risk management, a risk map was developed to provide a comprehensive view of our operations, processes, and areas. This tool enables us to identify and manage various types of risks that may affect business performance and value generation. Risks are identified and classified according to their nature and sorted into four macro categories: Strategic, Financial, Operational, and Compliance Risks.



Once identified, each risk is assessed based on its level of exposure, considering the potential impact, the likelihood of occurrence, and the available options for treatment and mitigation. This analysis allows us not only to mitigate potential impacts, but also to turn challenges into opportunities, supporting more informed decision-making.

To mitigate the identified risks, senior management, as well as support areas and operational leaders connected to the lines of defense, are responsible for the processes and direct management of risks, from identification and monitoring to implementing corrective actions to improve management, processes, and internal controls. To support risk analysis, we carried out a targeted mapping of the supply chain, identifying opportunities for improvement in supplier management, sourcing of inputs and raw materials, and outsourcing processes. In response to the impact caused by the floods in Rio Grande do Sul, we conducted an analysis of operational, financial, and strategic risks to the business. Motivated by recent extreme weather events, we incorporated climate-related aspects into our business risk analysis.

To support risk mitigation and assist senior management, we rely on our Working Committees structure, which was restructured in 2024 to align their activities and provide a foundation for Lunelli's growth and the achievement of strategic projects and objectives.

- Operational Competitiveness and Efficiency – Knits and Fabrics
- Operational Competitiveness and Efficiency – Apparel
- Infrastructure
- Digital Transformation
- Financial
- LunelliPrev
- People Management
- Sustainability

Each committee is composed of a director, a coordinator, a secretary, and up to five employees who hold leadership positions or are considered key contributors, with specific roles and responsibilities.

In total, the committees were made up of 43 employees, with 86% in leadership roles and 14% identified as key contributors. Gender representation included 77% men and 23% women.

Due to the restructuring, the average tenure of committee members was 1.5 years.

Working Committees – Statistics	2022	2023	2024
Number of Meetings	115	92	86
Number of Proposals	470	411	273
Approved Proposals	245	235	157
Registered Proposals	195	151	95
Rejected Proposals	26	18	16

In 2024, we continued with the People Management Committee, composed of the Chairman of the Board, a Board Member, the CEO, and the Management team of People Management and Sustainability. This committee reinforces our commitment to corporate governance and people development, ensuring strategic and sustainable management.

In the same year, we created nine Lunelli Business Platforms to support the strategic objectives of brand advancement, aiming to increase revenue through market share and profitability. Each platform is overseen by a responsible director and composed of key employees.



Ethics and Integrity Culture

Code of Conduct

(2-23; 205-2)



Lunelli's Code of Conduct was developed based on the company's ideology, values, and principles. The document guides our professional behavior and establishes the standards and attitudes considered appropriate to foster an excellent place to work.

The document is divided into three main topics: Environmental, Social, and Governance. In addition to this structure, the Code of Conduct outlines which UN Sustainable Development Goals (SDGs) are linked to each topic.

We believe that we are all responsible for upholding standards and improving our processes, striving for a more sustainable and ethical business – for the people and for the planet.

In 2023, 100% of our employees were trained on the Code of Conduct.

In 2024, this process was integrated into the onboarding of new employees, ensuring that everyone begins their journey at Lunelli with a clear understanding of our organizational principles and values. We also implemented an internal communication plan to reinforce and keep the topic alive, addressing all aspects of the Code of Conduct in a clear and accessible way.

Regarding the **Supplier Code of Conduct**, after completing the full mapping of our partners, we initiated the formal consent process for all suppliers with legal contracts. This ensures that they are aware of and agree with the principles established in the document. By the end of 2024, 85% of contracts already included the acknowledgment clause related to the Supplier Code of Conduct. Contracts that did not initially include this clause were identified, and a corrective action plan was implemented to prevent such omissions from recurring. This plan aims to reinforce our commitment to ethics and alignment with our values in all business relationships.

We aim to lead by example and, in partnership with our employees, representatives, clients, franchisees, suppliers, and all stakeholders, we all have great potential to be agents of change and transform the world around us.

Code of
Conduct for
suppliers
and partners



Code of
Conduct



INFORMATION SECURITY POLICY

Lunelli's information security policy directly reflects our commitment to the integrity, confidentiality, and availability of the information under our responsibility, and was drafted in compliance with Law No. 13.709/2018, the General Data Protection Law (LGPD). This document aims to establish guidelines for appropriate conduct when handling Lunelli's information.

In 2024, communication regarding the Information Security Policy to all employees was intensified, reinforcing awareness and highlighting the critical importance of this topic for protecting and strengthening our business.

When reviewing the results for 2024, a total of 18 incidents related to the Information Security Policy were recorded. However, we strengthened our response capacity, ensuring that 100% of the cases were addressed with appropriate corrective measures, reaffirming our commitment to information security and protection.

ANTI-CORRUPTION

At Lunelli, any act or practice that may constitute corruption is strictly prohibited, whether direct or indirect, in accordance with the Brazilian Anti-Corruption Law No. 12.846/2013. All employees, in conducting business and daily activities, must comply with and enforce this legal provision.

We do not tolerate actions or behaviors involving the payment or receipt of improper benefits (such as gifts, favors, loans, contributions, or special services), or anything that may constitute bribery, corruption, illegal payment, or the exchange of favors with public officials to obtain preferential treatment or advantages from government agents.

All guidance is reinforced in our Code of Conduct, which encourages employees to report any suspected cases of corruption through our Ethics reporting channel.

Ethics Reporting Channel (2-26; 406-1)

In our ongoing pursuit of transparency and ethics, we value the active participation of our employees and the community to ensure alignment with the principles established in our Code of Conduct.

To facilitate the process of asking questions or reporting actions that may conflict with these principles, we offer an ethics reporting channel that is available 24/7 through our communication channels. Reports can be made anonymously, without the need for identification.

We believe that everyone’s contribution is essential to strengthen integrity and promote an ethical culture within our organization. All reports received are properly handled and are completely confidential. Our legal team conducts the analysis and investigations, ensuring an impartial and thorough process for each reported case.

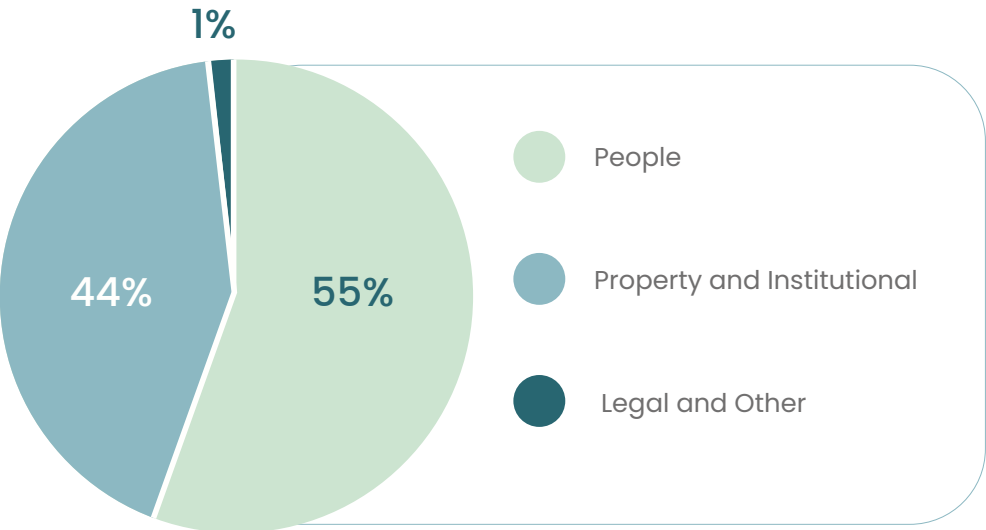
If the person reporting the issue chooses to identify themselves, we guarantee a response within five calendar days of the submission,

reinforcing our commitment to providing a timely and effective reply. In cases where the report is confirmed, appropriate measures are taken based on the severity of the situation. This commitment reflects our ongoing effort in maintaining a safe, ethical, and fair workplace for all.

In 2024, we expanded access to the Ethics reporting channel by introducing a QR Code format, available at various locations within our units and through the “I’m Lunelli” (Sou Lunelli) app, which is accessible to all employees, in addition to the existing phone and email channels. With these new formats, we further encouraged use of the channel, reaching a total of 322 interactions, classified into three main categories: **People; Property and Institutional; and Legal and Other.**

Ethics Reporting Channel

Internal calls extension 7488
External calls +55 (47) 9090 3373 – 7488
E-mail ouvidoria@lunelli.com.br



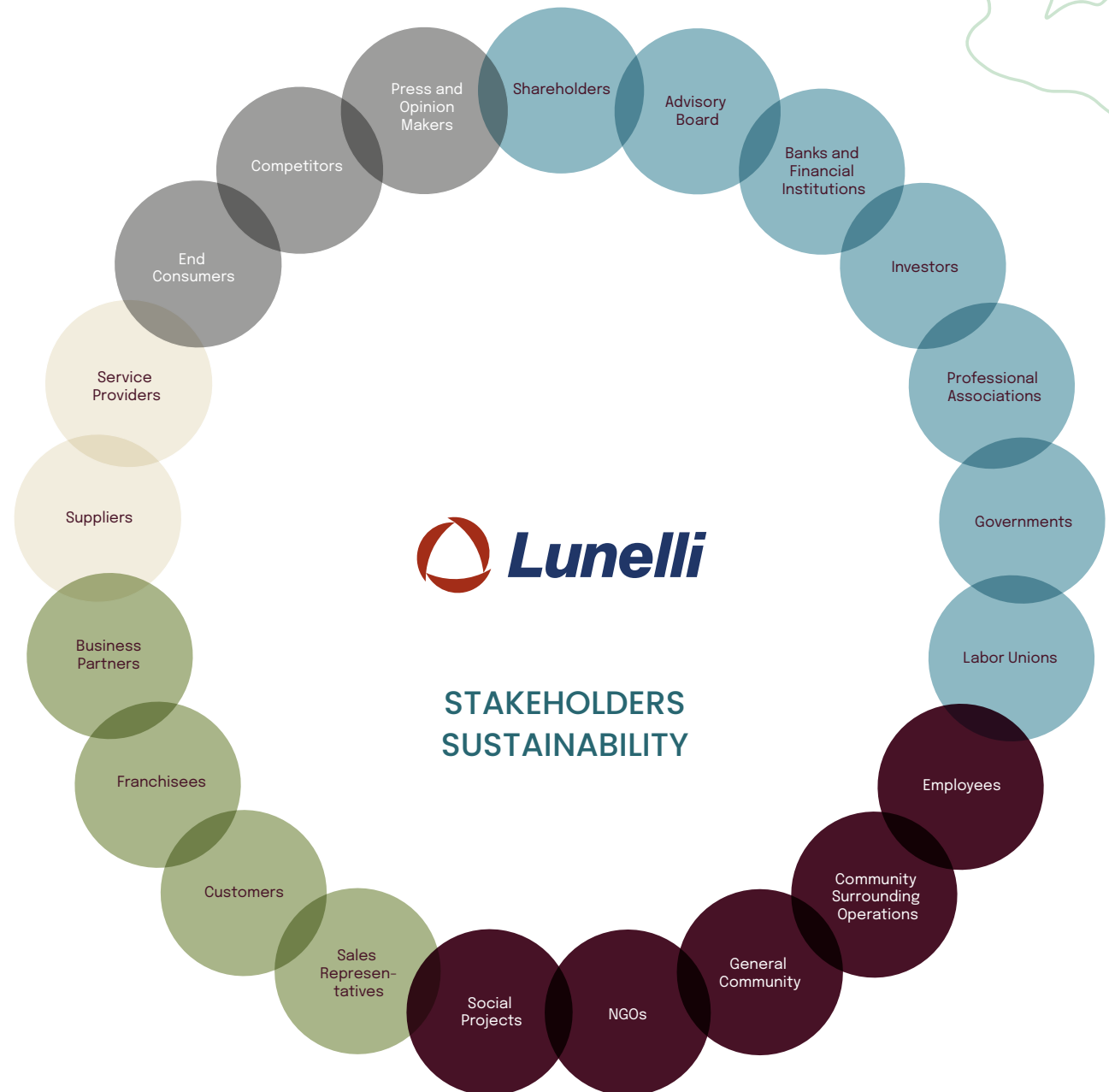
We encourage everyone to use the ethics reporting channel whenever necessary, reaffirming our commitment to integrity, mutual respect, and the creation of a transparent and responsible work environment.



Responsible Communication with Stakeholders

(2-29)

To ensure mindful and responsible communication with the company's stakeholders, our stakeholder mapping was updated and the most effective methods and channels of communication were defined. Our goal is to inform, engage, and strengthen relationships while aligning all interested parties with Lunelli's sustainability strategy.



Engagement and Internal Communication

We aim to communicate with our internal audience in order to strengthen relationships, promote transparency, and ensure responsible communication.

For our leaders and employees, we hold quarterly results meetings to present key figures, business performance, and the main actions taken during the period. We also communicate through internal marketing channels and conduct engagement and work environment surveys.



Priscila Elen Pessati Dalpra – People Management – Lunelli Apparel
Sueli da Cunha Colasio – People Management – Lunelli Apparel

I'm Lunelli App

In 2024, we launched the “I’m Lunelli” (“Sou Lunelli”) app, a digital corporate communication tool through which all employees receive updates on our benefits, campaigns, brands, and products. The app also allows users to make their own posts, sharing their daily routines and achievements with colleagues across the company. The app also provides access to employment-related information, such as payroll, worked hours reports, timesheets, vacation receipts, income statements, and more.

Sou **Lunelli**



Sales Meetings

We hold sales conventions featuring the launch of new collections for our commercial team, sales representatives, and franchisees, ensuring commercial and strategic alignment. In our in-person meetings, we create an immersive experience around the brand universe and the themes of each collection, as a way to present the collection and guide its development to represent the brands in the market.

In these events, we honor representatives for their years of service to the company. Our goal is to formally recognize their work and express our gratitude for their dedication and professionalism over the years.



Lunelli Luiz Alves

Coffee with Essence

This is a special moment where employees have the opportunity to sign up for a chat with the CEO, where the exchange of insights is encouraged, questions are clarified, and suggestions are shared. In 2024, these meetings were held at the Textile Processing units, Luiz Alves, Outbox, Abimex, LNL Textile, Apparel, and Commercial units – located in Santa Catarina, as well as at the Northeast Unit in Ceará.

Events and Communication with External Audiences

Institutional communication for all external audiences and stakeholders is made through social media, our corporate website and brand platforms, the sustainability report, and press releases.

Customer support is provided through the Lunelli Relationship Center, as well as customer service channels on our e-commerce platforms and social media.

We strive to keep communication and listening channels open across our entire stakeholder network.

In 2024, we continued with the **“Walk the Talk”** initiative, a communication movement with stakeholders, promoting and participating in conversations and discussions on **EESG**-related topics.

Gumz Transforms 2024

Inspire to act,
transform to grow

The event focuses on strategic topics such as management, the economic scenario, entrepreneurship, performance, motivation, and sales. The 2024 event featured a keynote by Clóvis de Barros Filho and included Lunelli's participation in the panel “Culture, Environment, and Happiness at Work” (“Cultura, ambiente e felicidade no trabalho”), with Viviane Cecilia Lunelli and July Rodermel discussing the importance of organizational culture in driving performance and employee engagement. A healthy work environment boosts productivity and innovation.

Inspiring Women of 2024

We participated in and supported the event “Brilliant Women Talk” (“Talk Mulheres Brilhantes”), which promotes female entrepreneurship and networking. In its fourth edition, the event brought together businesswomen and leaders to share experiences and insights on challenges and innovation in business. Among the speakers, we highlight the participation of our CEO, Viviane Cecilia Lunelli, along with other influential female leaders such as Juliana S. Tridapalli, regional chief of police of Blumenau, and Valda Stange, CEO of TopMed.



FIESC: Reinvention Radar 2024

We took part in the “Reinvention Radar 2024” (“Radar Reinvenção 2024”) event, organized by FIESC (Federation of Industries of the State of Santa Catarina), where discussions focused on the future of Santa Catarina’s industrial sector. In the panel “References – Business Performance”, (“Referências – Performance nos Negócios”) our CEO, Viviane Cecilia Lunelli, shared insights on corporate governance and performance indicators, reinforcing the company’s commitment to business sustainability. She participated alongside Leonardo Zipf (Duas Rodas) and Hugo Schneider (Grupo H. Carlos Schneider), moderated by Alex Marson (Neoliderança) and Caroline Maldaner (F.M. Pneus).



IBGC Southern Seminar

We participated in the panel “Walk The Talk: Culture of Integrity” (“Walk The Talk: Cultura de Integridade”), highlighting the importance of ethics in our practices and relationships, alongside Alberto Conrad Lowndes, president of Haco, with moderation by Bruno Basso, coordinator of the Santa Catarina chapter of IBGC (Brazilian Institute of Corporate Governance). Integrity is at the heart of our culture, guiding operations and promoting an environment of trust and respect.



ONDM – The Business of Fashion

We were pleased to participate in both editions of the ONDM (National Organization of the Apparel Industry) event in 2024. In Goiânia, the event not only hosted a large business fair and brand activations but also offered lectures by top market experts. During the panel “Beyond Fashion: Actions That Drive Transformation Through ESG” (“Muito além da moda: ações que transformam através do ESG”), we had the opportunity to exchange experiences with Marcos Silva, Founder and CEO of Grupo Sallo, and Caetano Laudelino, Founder of Multiplier and partner at GL Têxtil. Together, we shared insights on environmental responsibility, low-impact product innovation, and fair and ethical governance. In Santa Catarina, the Chairman of the Board, Dênis Lunelli, joined Jaqueline Drews (GL Têxtil) and Thiago Casagrande (Casagrande Consultores) to discuss the future of sales through commercial representatives.

Walk the Talk – Conversations for a More Responsible Future

During this event, we presented the key highlights of the 2023 Sustainability Report, reinforcing initiatives and practices aimed at fostering a more sustainable operation. It was a valuable moment of exchange focused on progress, challenges, and future commitments aligned with social and environmental responsibility.



Isabella de Quadros Brustolim – Sustainability – Lunelli Apparel
 Caio Mandolesi – Mediator and journalist
 Mariana Riskoski Emmerich – Sustainability – Lunelli Apparel



CONCARH

Human Resources Congress of Santa Catarina

In the panel “Necessary Conversations – A Dialogue Between CEOs, HR, and Leadership” (“Conversas Necessárias – Um diálogo entre CEOs, RHs e Lideranças”), we addressed diversity, inclusion, and the economy of care, emphasizing that organizational culture are the foundation of effective strategies. We were joined by Gladys Dinis, Director of Human Capital in Angola, and Dione de Quadros, People and Management Director at Intelbras, the panel was mediated by Eliane Ramos, Vice President of the board of ABRH (Brazilian Association of HR).



1st Haco Summit

At the 1st Haco Summit, our CEO, Viviane Cecilia Lunelli, took part in a talk on management, discussing challenges and opportunities in the textile sector alongside Alberto Conrad Lowndes, CEO of Haco, and Tiago Altenburg, CEO of Altenburg, with moderation by Marco Antônio Oliveira, CEO of O4B Consultoria. The event offered a valuable exchange on innovation and competitiveness in the fashion industry.

Lide Trends

We participated in Lide Trends, organized by LIDE SC (Group of Business Leaders of Santa Catarina), where the “Education for the Future Manifest” (“Manifesto Educação para o Futuro”) was presented, connecting academia, the productive sector, and society. The goal is to strengthen education as the foundation for Santa Catarina’s sustainable socioeconomic development.



ABIT International Congress

Lunelli had the honor of participating in the International Congress promoted by ABIT (Brazilian Textile and Apparel Industry Association), joining the panel “Sustainable Development as a Strategic Driver for Competitiveness” (“O desenvolvimento sustentável como driver estratégico para a competitividade”) alongside panelists such as Lars Fogh Mortensen, Circular Economy Specialist from Denmark; Sissi Alves da Silva, General Coordinator for Bioeconomy and Circular Economy at MDIC (Ministry of Development, Industry, Trade and Services); Leandro Ito, Head of Sustainability at C&A; and Paulo Amaury Sarmiento Costa, Partner at Nova Kaeru, moderated by Fernando Valente Pimentel, Executive Director of ABIT. We remain committed to building a sustainable future through fashion that generates positive impact.



International Happiness Congress

We took part in the International Happiness Congress (Congresso Internacional da Felicidade), an event that deeply aligns with our purpose. We believe fashion is about positive impact and well-being. Taking part in the International Happiness Congress reinforces our commitment to human development and caring for each individual. We remain inspired by the purpose that guides us: to promote our customer's success through the happiness and satisfaction of our employees.



COP29

Baku
Azerbaijan



COP 29

For the second consecutive year, Lunelli was invited to participate in COP 29 – the 29th Edition of the United Nations Climate Change Conference. This is a global event, and this edition took place in Baku, Azerbaijan.

During the conference, Lunelli had the opportunity to present in an exclusive panel to share information regarding the projects developed at the company to strengthen the sustainability agenda and the results achieved in areas such as circular fashion, greenhouse gas inventory, diversity and inclusion, and supply chain development. In addition, Lunelli was invited to take part in two other topic-based panels: the first addressed the importance of listening and collaborative approaches to advance the diversity agenda, and the second discussed the fashion industry's actions to promote the circular economy.

COP29 is primarily focused on the urgent need to align global policies with the commitments of the Paris Agreement, signed in 2015, which requires signatory countries to annually report their progress in reducing greenhouse gas emissions. This year's edition also addressed topics such as diversity and inclusion, circular economy, and the challenges of global supply chains – key elements for a fair and inclusive transition to a green economy.

The invitation to participate in COP29 reflects Lunelli's ongoing commitment to sustainability and the implementation of practical actions. Our journey continues, driven by the belief that each step toward a more sustainable future holds the power to transform the fashion industry.

Social Engagement

(2-28; 2-23)

In 2024, we strengthened our partnerships with organizations and associations, promoting knowledge exchange, strategic dialogue, and the development of proposals aligned with the company's interests and challenges.



ABVTEX – Brazilian Association of Textile Retailers. We actively follow the initiatives promoted by the association and hold ABVTEX certification in Lunelli's Sewing and Knits and Fabrics units.



BCI – Better Cotton Initiative – We support the global initiative and aim at incorporating BCI certification of the cotton supply chain as a purchasing criterion.



Rede Brasil

Global Compact – Network of Brazil and Paraguay – Signatories of the United Nations (UN) Global Compact.



SDG – Sustainable Development Goals – We seek to establish a connection between our business and the positive impacts we can generate to help achieve, as a society, the goals defined by the United Nations (UN).



Made of Cotton (Sou Algodão) – We support the movement, an initiative by Abrapa (Brazilian Cotton Growers Association), which aims to strengthen the Brazilian cotton supply chain.

Other associations:

ACIJS – Business Association of Jaraguá do Sul

ACIAG – Business Association of Guaramirim

ACIAC – Business Association of Corupá

ACIA – Commercial, Industrial and Agricultural Association of Avaré

ABRH – Brazilian Association of Human Resources

ABF – Brazilian Franchising Association

ABIT – Brazilian Textile and Apparel Industry Association

Certifications, Awards, and Recognitions

GPTW SC AND CE

For the fourth consecutive year, Lunelli received the “Great Place to Work” certification, recognizing Lunelli as an excellent place to work. This is the third year in a row that the company features in the ranking of the best companies to work for in the state of Santa Catarina (large company category), being the only company in the segment to appear in the ranking.

The survey provides an in-depth assessment and highlights the best workplaces, recognizing excellence in management and an outstanding organizational environment, positioning Lunelli as an employer brand focused on career development and the future of its employees.

The year 2024 also marked Lunelli’s debut in the ranking of the best companies to work for in the state of Ceará.



Viviane Cecilia Lunelli – President & CEO – Lunelli Comercial
Jaqueline Weiller Neumann – People Management and Sustainability – Lunelli Apparel
Geraldo Magela Albuquerque Costa – General Manager – Lunelli Northeast
Susana Karla Monteiro Rayol – People Management – Lunelli Northeast
Maria Valdenice Moraes da Silva – Quality – Lunelli Northeast
Jesoela de Paula Rigon – People Management – Lunelli Apparel

Mental Health Certification



We received the certification of excellence for consistently promoting and supporting mental health in the workplace. The evaluation is made by the integrated ecosystems consultancy Great People Mental Health, part of the GPTW (Great Place to Work) network.

The open-ended comments submitted by our employees were analyzed using artificial intelligence algorithms based on organizational neuroscience research. The results certified Lunelli as a Mental Health company at a strategic level. This certification recognizes that Lunelli actively promotes mental health, that its leadership team demonstrates both interest and skill in addressing the topic with their teams, and that our employees feel they are in a trust-building environment focused on improving psychological safety.

The City Council of Jaraguá do Sul presented Lunelli with an official motion of applause for receiving the Great People Mental Health certification.

Abvtex



At present, nine of our production units are certified by ABVTEX (Brazilian Association of Textile Retailers), which reinforces our commitment to best practices in the sector. In 2024, we expanded this recognition by obtaining certification for one more unit, located in Luiz Alves. This certification attests to compliance with strict social and environmental responsibility standards, along with other key aspects essential to building a more ethical and sustainable supply chain in the fashion industry.



4 units with Gold classification
Luiz Alves, Avaré, LNL Garment Manufacturing, Northeast



3 units with Silver classification
Comercial, Apparel, and AJD



2 units with Bronze classification
Textile Processing and Textile

Partner Company – 60+ Program, São José Hospital of Jaraguá do Sul

We received the social responsibility award as a partner company in the 60+ Program, during an event organized by the hospital for social investors. The event aimed to present achievements, strengthen relationships with partners, and share financial reports. The 60+ Program is an institutional initiative made up of a series of actions that aim at improving care for elderly patients, ensuring greater humanization, dignity, and safety throughout their healthcare journey at the hospital.

Lunelli is awarded the Medal of Honor for Merit in Maracanaú

We received the Medal of Honor for Merit from the Municipality of Maracanaú in recognition of 40 years of dedication and partnership.

It is an honor to be recognized for our commitment to contributing to the development and well-being of the Maracanaú community.



Geraldo Magela Albuquerque Costa – General Manager – Lunelli Northeast

Expressão Ecology Award – Circular Fashion

We proudly celebrated receiving the **Expressão Ecology Award (Prêmio Expressão de Ecologia)** for the sixth time, during the 30th edition of the event held in Florianópolis. Created by Editora Expressão, it is one of the most prestigious awards in Brazil for recognizing environmental responsibility in the corporate sector.

The recognition of our project **“Circular Fashion”** (“Moda Circular”) in the Recycling category highlights our continued commitment to sustainable practices and the ESG agenda.

The award-winning project is a fashion industry initiative aimed at promoting recycling and sustainability through the reuse of textile fibers.

In this process, leftover textile scraps from Lunelli’s production operations are carefully sorted by color, then go through defibering and carding stages that transform them into new fibers, which are reintroduced into the production process. Additionally, Lunelli uses innovative technologies in the washing stage, **enabling a 20–30% reduction in water consumption**, the use of low-impact bi-functional reactive dyes, and softening through mist application – ensuring high-quality garments with enhanced durability. This closed-loop production model is a clear example of the circular economy in action, aiming to minimize waste and maximize resource efficiency.



Isabella de Quadros Brustolim – Sustainability – Lunelli Apparel
Viviane Cecília Lunelli – President & CEO – Lunelli Comercial
Paulo Roberto Sensi Filho – Owner and Commercial Director of Grupo Eurofios
Deizimara de Oliveira – Jeans Design – Lunelli Apparel
Ana Laura Lunelli Bosse

ABF Certification

The ABF (Brazilian Franchising Association) Certification is the highest recognition in the Brazilian franchising market. It acknowledges the quality and excellence of franchising organizations based on management practices, performance, and relationship standards. The certification endorses companies that are recognized as leaders in the industry. The evaluation is done directly by franchisees and, indirectly, by customers as well.

In 2024, our brand Lez a Lez received the International Franchise Award for the sixth consecutive year, alongside its sixth certification in Excellence in Franchising.



Gislaine Satler – Retail – Lunelli Apparel

Leadership Award 2024 – Business Leadership of the Year category

We were honored with the Leadership Award 2024 in the Business Leadership of the Year category (Prêmio Líderes 2024 – Categoria Liderança Empresarial do Ano), during a historic edition of the event. Our CEO, Viviane Cecilia Lunelli, was the winner and became the first woman ever to receive this prestigious recognition, further solidifying her leadership.

The Leadership Award is one of the most important honors in the state, recognizing individuals and companies that stand out for their positive impact on economic and social development. The award celebrates, each year, resilience, talent, and the ability to transform businesses and communities. For Lunelli, this award symbolizes not only the hard work of its leadership but also the commitment and dedication of the entire team that drives the company forward, taking it to new levels of management excellence and performance.

Also, we would like to highlight that, in 2022, Lunelli had already been recognized by the LIDE Award in the Governance category, granted by the Business Leaders Group of Santa Catarina. That achievement reinforced the positive initiatives implemented by Lunelli. This continued recognition reflects our growth and efforts in building a stronger presence in the industry.



Viviane Cecilia Lunelli – President & CEO of Lunelli
Delton Batista – President of LIDE SC



Jaqueline Weiller Neumann – People Management and Sustainability – Lunelli Apparel
Antonio Gleidson Herculano de Queiroz – Workplace Safety – Lunelli Apparel

Animaseg Award 2024

We were recognized as the best textile company of 2024 in the category of Health, Well-being, and Workplace Safety.

The nomination was made by ABIT (Brazilian Textile and Apparel Industry Association), and the award was granted by the SST Commanders – Workplace Health and Safety professionals with over 30 years of experience and dedication to the cause.

We received the certification for being acknowledged as a company with ethical, welcoming practices focused on employee well-being, reaffirming our purpose of caring for people and providing a safe, healthy, and inclusive work environment.

Economic Performance **LezaLeza**

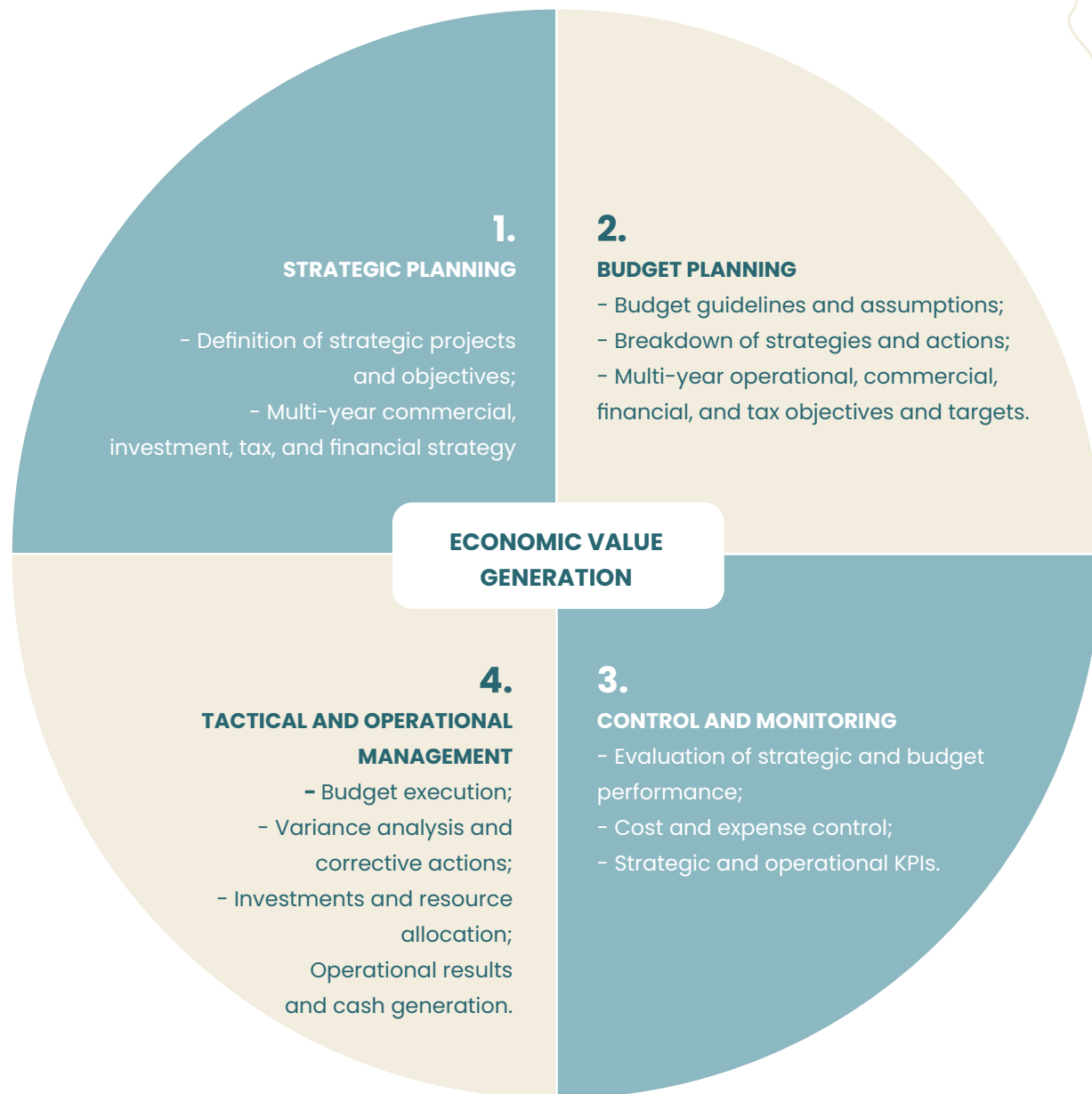
Our economic performance is the result of the balance we promote across the **EESG pillars** (**Economic, Environmental, Social, and Governance**).



Economic Management

Our sustainability vision includes economic value generation as a strategic pillar, ensuring the financial health of the business. To achieve this, we prioritize job and income creation, balanced profit distribution, and the continuity of value generation, integrating economic growth with corporate responsibility.

Lunelli's sustainable growth is driven by a structured economic management model, organized into four interconnected macro stages. Each stage is essential for business development and involves specific strategic actions. This process ensures the efficient allocation of resources, aligned with the company's strategic planning, reaffirming our commitment to transparency and responsibility in resource management. This way, we are constantly striving to optimize results in a sustainable manner.



Financial Performance

(203-1)

The year of 2024 marked an important milestone for Lunelli. With confidence in our people and in the business, we invested over R\$64 million. These investments are part of a new cycle of growth aimed at strengthening the foundation of the business and expanding our production capacity, improving operational efficiency, and increasing the sustainability of our operations - including industrial areas, equipment, and technologies.

**Our revenue grew by 5.5%,
nearing R\$1.6 billion in
2024.**



Economic Value Generated and Distributed

(201-1)

For decades, we have maintained a solid and established presence in the market, always focused on the sustainable growth of our business. The Statement of Value Added (DVA) encompasses all of Lunelli’s operations.

Distribution of Value Added	2022	2023	2024
Personnel	36.2%	40.9 %	44.4 %
Taxes, fees and contributions	18.2%	22.7%	18.0%
Compensation of third-party capital	22.4%	19.4%	21.0%
Compensation of equity capital	23.2%	17.0%	16,6%
	100.0%	100.0%	100,0%

The group “Taxes, fees, and contributions” stood out with the best performance in the 2024 comparison with 2023, mainly due to the effective use of tax opportunities. Regarding the “Personnel” group, there was an increase primarily due to the gradual reinstatement of payroll taxes.

“Compensation of third-party capital” rose mainly as a result of the increase in the national interest rate (SELIC). As for the “Compensation of equity capital” group, proportions were generally maintained when comparing 2024 to 2023.

Retail and Franchise Network

We closed 2024 with 13 company-owned stores and 28 franchises across Brazil. Additionally, we launched the Lunelli Qualified Retailers (VQL) project, in partnership with 5 retailers. Over the past year, we saw significant progress, with a 21% growth in the network, totaling 46 stores.

The growth of our retail network reflects our commitment to strategically expanding brand presence while fostering growth and strengthening relationships with our commercial partners.



Multibrand and Sales Representatives

We are committed to strengthening trust and partnership with our sales representatives and clients, consistently guided by our core values. In 2024, we worked with 318 commercial representatives, bringing our brands to the majority of Brazilian cities and serving over 21,500 active clients.

These impressive figures not only reflect our broad market presence but also reaffirm the continued confidence placed by the market in our products and services.



“UNE” Program (Social Selling)

The UNE Program is an initiative that enables individuals – including employees, sales representatives, and store owners – to generate extra income in a simple and secure way. Participants register in the program and promote the products of Lunelli’s brands within their personal networks, earning a commission on sales made using their discount codes in the brands’ e-commerce platforms.

The entire process – from registration to sales – is 100% digital, making the experience more practical and accessible for all participants.

For the Lez a Lez brand, the benefit was renamed “SELLER COUPON” (“Cupom do Vendedor”), focusing on encouraging sales staff from company-owned stores, franchises, and licensed retailers to promote their personal coupon codes for online purchases. For the brands Lunender, Alakazoo, Fico, and Hangar 33, the program continued to focus on the broader community.

Through the website programaune.com.br, community members can create their own coupon codes and begin promoting the brands, opening up opportunities to earn extra income.

In 2024, the UNE Program accounted for 7% of our total e-commerce sales.

OMNICHANNEL

In 2024, the B2C channel (Lunelli’s own E-commerce) **grew by 4% compared to 2023.**

Among the highlights is the 25% increase recorded for the brand FICO in comparison to the previous year, while Lez a Lez grew by 10% in the same period. This growth was driven by brand visibility strategies that expanded and strengthened our presence in the digital market.

In addition, the entire network of physical stores, for both company-owned and franchise units, was integrated with the e-commerce platform, enabling greater visibility of inventory through the online channel. This initiative led to a

 **3.8% increase in sales at physical stores.**

Another innovation was the implementation of express delivery, allowing orders placed on the website to be directed to the nearest physical store, **ensuring 24-hour delivery within the same city as the store.**

Lastly, during the reported period, we launched the exclusive Lez a Lez app, dedicated entirely to the brand’s sales, strengthening the relationship with consumers and enhancing the digital shopping experience.

Social

We are constantly focused on fostering personal growth and creating lasting impact through our interactions. The core principle that has always guided us is our responsibility toward the people who are connected to us – whether they are employees, representatives, suppliers, partners, franchisees, clients, or members of the community.



Maria Luisa de Souza Nascimento
Folding – Lunelli Northeast



People

(2-7; 2-8; 2-30; 401-1; 401-2; 405-1)

At Lunelli, we create meaningful fashion while providing a safe and welcoming environment that promotes the well-being of all. Our purpose is to “Promote our customers’ success through the happiness and satisfaction of our employees.” We are committed to supporting the development and well-being of our people, always in compliance with labor legislation, respecting labor rights, and maintaining a close relationship with the unions operating within the location of our units. We actively participate in collective negotiation processes that impact all our employees.

At the unit in Paraguay, this is carried out through agreements established directly with government agencies, due to the absence of labor unions in the country.

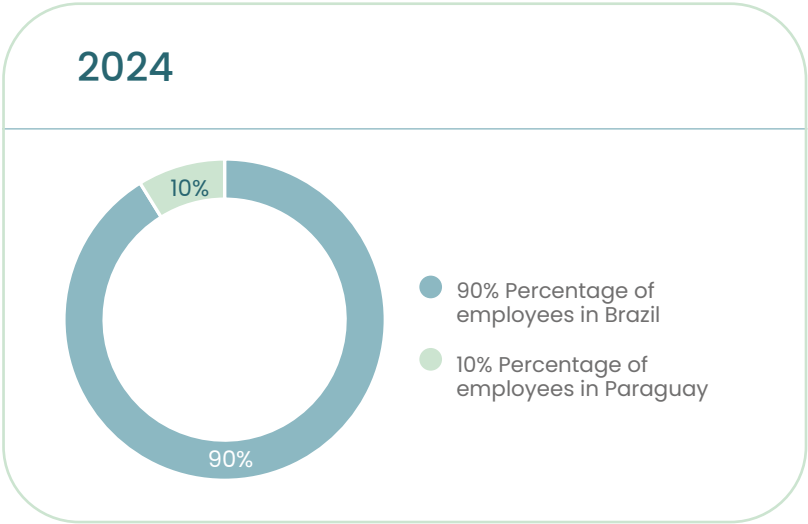


Bruna Soares Camilo – People Management – Lunelli Northeast

Employee Profile



We closed 2024 with 4,887 employees across our units in Brazil and Paraguay, with 90% based in our Brazilian facilities. Currently, we do not have any employees working under intermittent or part-time contracts.



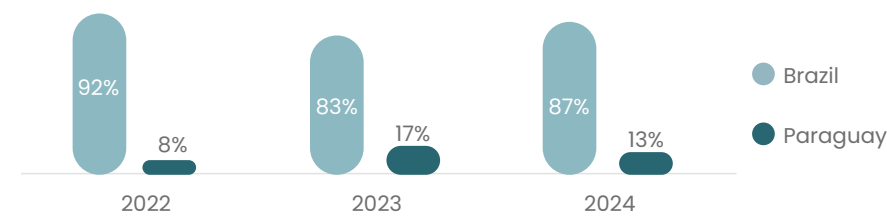
Alysson Berti – PPC – Lunelli Textile Processing Unit

Employees by functional category and gender	2022		2023		2024	
	Men	Women	Men	Women	Men	Women
Executive Board	88%	13%	90%	10%	89%	11%
Management	72%	28%	69%	31%	76%	24%
Supervision/Coordination	52%	48%	48%	52%	45%	55%
Employees	31%	69%	31%	69%	30%	70%
Total number of Employees	32%	68%	32%	68%	31%	69%

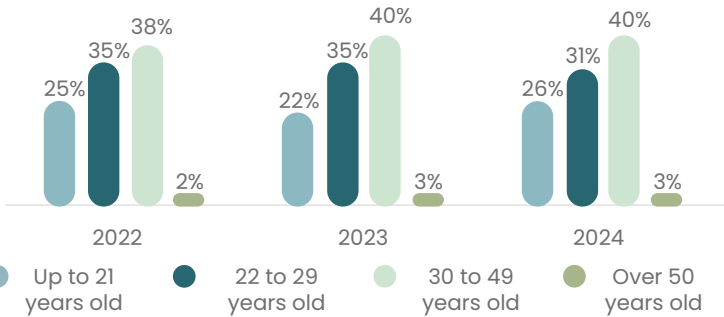
Employees by functional category, gender, and age group		2022				2023				2024			
		Up to 21 years old	22 to 29 years old	30 to 49 years old	Over 50 years old	Up to 21 years old	22 to 29 years old	30 to 49 years old	Over 50 years old	Up to 21 years old	22 to 29 years old	30 to 49 years old	Over 50 years old
Executive Board	Men	0%	0%	75%	13%	0%	0%	70%	20%	0%	0%	67%	22%
	Women	0%	0%	13%	0%	0%	0%	10%	0%	0%	0%	0%	11%
Management	Men	0%	3%	63%	6%	0%	3%	60%	6%	0%	0%	68%	8%
	Women	0%	6%	19%	3%	0%	9%	23%	0%	0%	0%	24%	0%
Supervision/ Coordination	Men	0%	3%	44%	5%	0%	2%	44%	3%	0%	2%	40%	3%
	Women	0%	3%	42%	3%	0%	3%	45%	4%	0%	5%	45%	5%
Employees	Men	4%	9%	15%	2%	4%	9%	15%	2%	4%	9%	15%	2%
	Women	7%	16%	41%	6%	7%	16%	40%	6%	7%	16%	40%	7%
Total number of Employees	Men	4%	9%	16%	2%	4%	9%	16%	2%	4%	8%	17%	2%
	Women	7%	16%	40%	6%	7%	16%	40%	6%	6%	16%	40%	7%

Lunelli recognizes that people are essential to its growth and success. For this reason, we adopt a hiring process based on valuing professional talent. In 2024, we experienced an increase in new hires over the period, driven by the expansion opportunities and the strengthening of our teams.

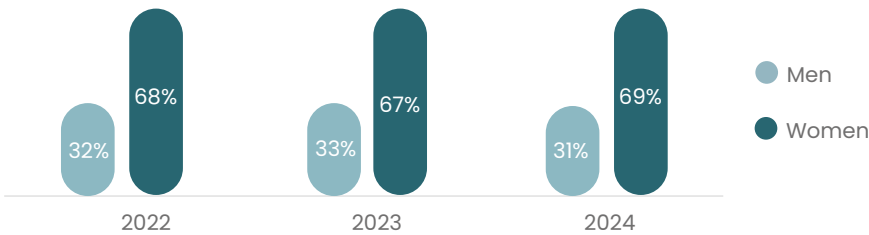
Hiring - Country



Hiring - Age group



Hiring - Gender

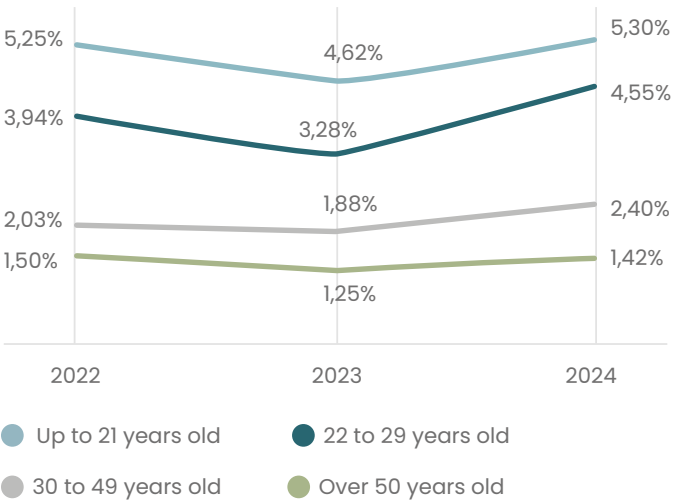


Regarding the turnover rate, it is calculated based on the number of terminations relative to the average headcount of the period.

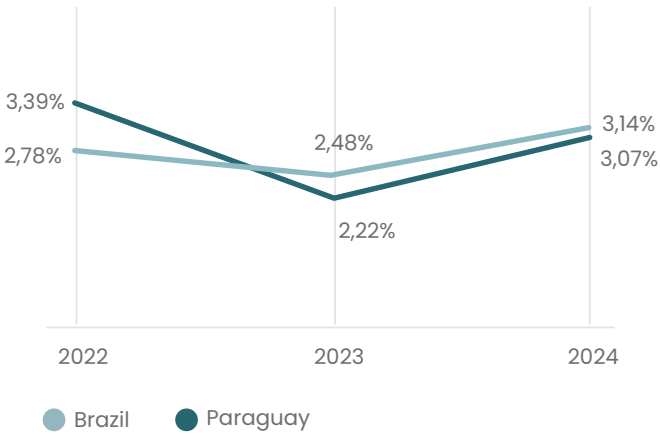
	2022	2023	2024
Turnover	2,81%	2,46%	3,14%

According to the People Management Trends study conducted by Great Place to Work, 39% of the participating companies reported an increase in their voluntary turnover indicators. This increase was particularly high throughout the year in the following sectors: Industry, Wholesale and Retail, Healthcare, Transportation and Logistics, Construction and Infrastructure, Advertising/Media, Food, Energy, Tourism and Leisure, Pharmaceuticals, NGOs/Third Sector, Fashion and Apparel, and Beauty and Personal Care. No sector reported a decrease in this indicator.

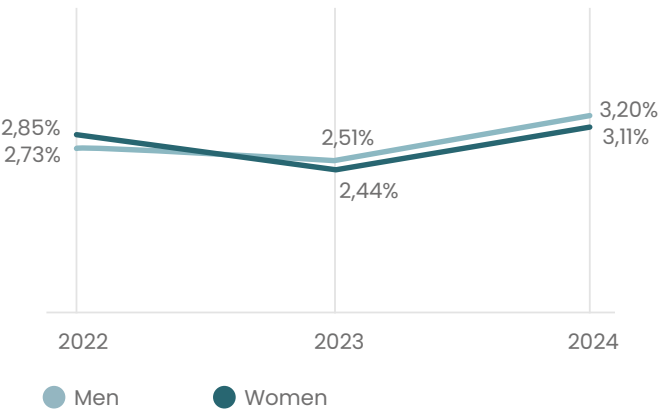
Turnover – Age group



Turnover – Country



Turnover – Gender



Salaries

(202-1; 405-2)

During the reporting period, compensation at our units in Brazil was above the national minimum wage (R\$1,412.00). We also implement a post-probation salary adjustment, which raises the employee's compensation above the national minimum wage. In our units in Paraguay, due to different legislation and local cultural practices, some employees start at the national minimum wage and receive salary adjustments based on experience and performance.

We do not differentiate our salary structure based on gender. Each salary range includes suggested pay intervals aligned with job responsibilities, duties, and experience, which are assessed and applied regardless of gender.

Marcia De Castro Rabelo – Sewing – Lunelli Northeast



Promoting Health, Happiness, and Well-Being

(403-3, 403-4, 403-6)



Through the “Live Yourself” Program (Programa “Viva Você”), we promote health and well-being among our employees by offering and encouraging participation in activities and professional support services such as yoga classes, running groups, physical therapy, psychological counseling, nutrition consultations, and access to social workers.

Throughout the year, we held 11,124 workplace exercise sessions – a 43% increase compared to 2023 – led by trained professionals who support our units according to demand and to the nature of each activity, with the goal of improving employee health and quality of life.

We also provide meals to the majority of our employees at on-site restaurants located within our units. These meals are prepared by nutritionists in accordance with the Workers’ Food Program (PAT), aimed at improving the nutritional quality of employees’ diets. For employees working in stores, we offer meal vouchers. In 2024, a total of 921,274 meals were provided through both options.

In 2024, a total of 25,817 sessions of on-site medical care were provided, including nursing procedures and medical appointments for pre-employment, periodic, return-to-work, job change, and exit medical exams.

We offer several additional benefits to our employees. In addition to on-site medical care, we provide health and dental insurance plans, benefiting 1,434 employees. We also celebrate special occasions, including our Years of Service Recognition (613 employees were honored in 2024), a day off (given to the employee in the month of their birthday), private pension plans, profit-sharing, and production bonuses.

Yoga classes – 288 participants

Running group – 204 participants

Physical therapy – 1,767 sessions

Psychologist – 1,178 sessions

Nutritionists – 168 sessions



Rafaela Knolseisen – Nutritionist – Lunelli Apparel





Family Visit

We celebrate the importance of family through our “Family Visit” event, joyfully opening our doors so that employees can share this special moment with their loved ones.

During the visit, families take part in a guided tour of our facilities, learn about each department, and gain a better understanding of how our operations work. The event not only strengthens the connection between the company and employees’ families, but also reflects our commitment to transparency and a positive work environment. It’s a chance for loved ones to see where their family members dedicate their skills and talents every day. We believe that family is the foundation of everything, and their support plays a vital role in the success of our employees – and of Lunelli as a whole.

Maternity and Paternity Leave (401-3)

Parental leave is more than just a benefit – it is an acknowledgment of the importance of family life. We understand that these moments are precious and impact not only the lives of parents but also the healthy and happy development of their children. That is why we are pleased to offer expectant mothers the opportunity to participate in our internal program **“Moms on Board” (“Mamães à Bordo”)**, which includes sessions with a nurse, a nutritionist, and a psychologist at the workplace.

	 Maternity	 Paternity
Total number of leaves	121	35
Return-to-work rate after leave	96%	100%
Retention rate 12 months after returning to work	50%	70%

During these sessions, pregnant employees receive guidance on maternity routines, postpartum care, psychological aspects of pregnancy and the postpartum period, breastfeeding, and newborn care. They also have the chance to exchange experiences with other participants.

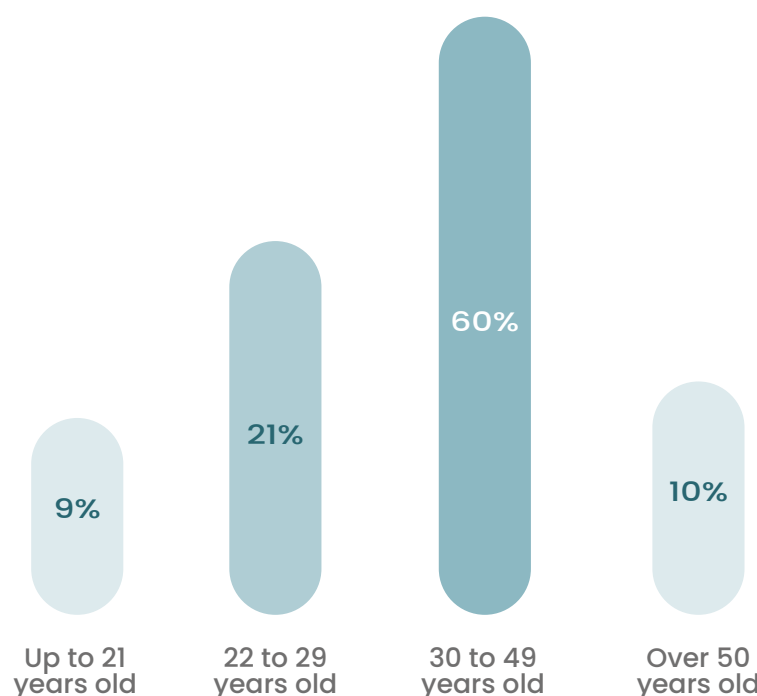
(201-3)

Lunelli offers a complementary pension plan to all employees in Brazil, with the goal of helping them build a financial reserve that provides extra income in retirement, supplementing the public pension provided by the INSS (National Institute of Social Security).

Employees who enroll in the plan make monthly contributions based on a percentage of their base salary, starting at a minimum of 1.0%, according to their preference. To support them in building their financial reserve, Lunelli also contributes to the plan. The company's contributions are deposited into each participant's account and follow fair, consistent, and non-discriminatory criteria.

We believe that by offering this benefit, we positively influence our employees, encouraging them to take an active role in their career and financial journey – from Worker > Saver > Investor – toward building passive income and long-term financial security. We also aim to promote good planning habits and a sense of financial well-being. In addition to offering the pension plan, we carried out several financial education initiatives throughout the year, providing courses to all employees. One of the highlights was the talk “Your Money Says a Lot About You” (“O Seu Dinheiro Diz Muito Sobre Você”) which addressed financial behavior with a focus on achieving personal goals and long-term financial sustainability. The event included the participation of leadership and was designed to guide our leaders in the conscious management of their resources.

In 2024, we reached a participation rate of 86.8%, with 3,656 employees enrolled and a total fund value of R\$35 million.



Every year, on October 1, we carry out the redistribution of the Pension Fund linked to our plan. Over the five years of LunelliPrev's existence, this additional benefit has already redistributed more than **R\$539,000** among employees participating in the plan. This is yet another way Lunelli encourages and supports those who are committed to building their future today. As a result, we closed the year with total assets exceeding **R\$35 million**.

Valuing and Developing People

PCR and Production Bonus

Lunelli offers two programs designed to share the company's results with its employees: the Results Achievement Program (PCR) and the Production Bonus. Each unit participates in one of the programs, depending on the nature of its activities and the roles performed by its employees.

The Results Achievement Program rewards the results of the entire year and is paid in a single installment. The Production Bonus, on the other hand, recognizes performance and is distributed monthly with payroll.

In 2024, R\$15.6 million were shared with the company's teams through these programs.

With this, we reinforce the principle that teamwork is essential to achieving results within the company.



Adjan Enke Ullmann – Folding – Lunelli Apparel
Adilson Steinbach – Distribution – Lunelli Apparel



Samara Wroblewski Linhares – Denim shipment – Lunelli Apparel

Training

(404-1; 404-2; 404-3)



CENTRO DE TREINAMENTO
Abílio Lunelli



With the goal of supporting career development and personal growth, we offer both internal and external training programs aligned with the needs of the business and our employees. Another key form of support is through scholarships for technical courses, language programs, undergraduate, and postgraduate education.

In total, 360 employees received scholarships, representing an investment of R\$427,000.

In 2024, the Abílio Lunelli Training Center celebrated its 9th anniversary, continuing its mission to train and develop professionals. Over the year, various training sessions were held, certifying 3,229 employees. The center is committed to providing accessible, free learning opportunities – whether formal content, general knowledge, or technical skills – always with the goal of supporting both behavioral and technical development.

Training	2022	2023	2024
Total number of hours	39,855	62,569	76,303
Total amount invested	R\$ 1,900,000	R\$ 2,800,000	R\$ 2,296,761

On August 1, 2024, we officially launched the “BE and DO” platform (Plataforma SER e FAZER).

“BE and DO” is an innovative program aimed at supporting the continuous development and improvement of employees from Lez a Lez company-owned stores and franchises through a digital platform. With structured content designed to enhance both technical and behavioral skills, the platform offers personalized learning paths that provide accessible, dynamic, and retail-focused training. The main goal of the program is to strengthen team performance, ensure excellence in customer service, improve processes, and increase employee engagement with Lunelli’s culture and values.

PNI – New Ideas Program



The New Ideas Program (Programa Novas Idéias) is our path to innovation, built on the philosophy of Quality Control Circles (QCC).

On this path, each employee plays an essential role as an active agent of continuous improvement, driving positive transformation across all areas of Lunelli.

The program is made up of cross-functional groups, typically composed of five members, who develop both qualitative and quantitative projects. These projects are categorized according to Lunelli's core values – enthusiasm, simplicity, and results-driven mindset – turning ideas into concrete actions that move the company toward new horizons.

Throughout the year, teams complete activities that accumulate points. At the end of the period, those that reach at least 70% of the maximum score qualify to participate in the PNI Showcase – an event that celebrates innovation and collaborative work.

On this day, teams present what they consider to be the most impactful project that was successfully implemented during the year, sharing their achievements with colleagues and leaders.



Finishing – Lunelli Textile Processing Unit

The event marks the end of the cycle and rewards the top performing teams with a special trip. One in every four teams selected to take part in the showcase is recognized as a top performer. **In 2024, the program involved 75 teams and engaged 380 employees. Together, they generated 1,306 ideas, resulting in an estimated return of R\$ 2.56 million.**

Lean Team

The Lean Team's main goal is to enhance customer service by strengthening the pillars of quality, delivery, and cost. This work is carried out through the application of Lean Manufacturing tools, focusing on reducing production waste and increasing operational efficiency.

Since 2010, the group has been composed of eight employees from different departments who are invited to serve as project coordinators. These leaders assemble temporary teams to implement improvements in production areas, ensuring a positive impact on operations.

In 2024, the Lean Team achieved significant results, implementing 29 projects.

Diverse and Safe Environment



MANIFEST:

We are all equal, although different. It’s our differences that make us more connected and stronger. We see differences not as something that separates us, but as a powerful force that connects us and makes us grow.

We treat everyone with equal respect, because we believe respect is rooted in empathy – and it inspires more respect in return. We also believe that diversity brings people together, and respect has the power to transform everything around us. Embracing diversity is how we connect to the future. Diversity is what makes us unique.

At Lunelli, respect unites us, and our differences make us stronger!

We believe that Lunelli’s success is built on the happiness and satisfaction of our employees. That’s why we strive to provide a work environment where respect is the foundation of all relationships, creating opportunities for professional growth and recognition.

In 2024, we advanced our Diversity and Inclusion agenda with the development of our official Diversity and Inclusion Policy – a significant step toward creating an even more inclusive, respectful, and equitable workplace.

To measure the results of our actions and align our actions with the sustainability agenda throughout all of our locations, we defined the following priority topics for the first cycle of the policy: Generational, Race and Ethnicity, Gender, People with Disabilities, and LGBTQIAP+ Inclusion.

This process was carried out collaboratively, with the active participation of leaders and employees from local working groups. We held workshops

and training sessions at the Lunelli Northeast Unit (Maracanaú/CE), Lunelli Avaré/SP, and Lunelli Textile Processing Unit in Corupá/SC, bringing together regional representatives for diversity topics.

Through these initiatives, we gathered suggestions, insights, and key information to shape our Diversity and Inclusion Policy. The document was developed based on Lunelli’s ideology, the “Respect Inspires Respect” Manifesto, and the company’s sustainability strategy.

The process included interviews, meetings, and workshops involving senior leadership, managers, employees from a variety of departments, and representatives of different groups and intersections – such as people with disabilities, men, women, young people, individuals of different races, nationalities, ethnicities, religions, LGBTQIAP+, and those aged 50+. With active listening, we created a document that reflects our team and strengthens Lunelli’s culture.



Eduardo Pedro da Silva
Cutting – Lunelli Apparel

Luiza Bezerra da Silva
Folding – Lunelli Apparel

Heladio de Souza Araujo
People Management – Lunelli Northeast

Denir Costa Santiago
Sewing – Lunelli Northeast

Raquel Cristina Caetano
Sewing – Lunelli Avaré

The local working groups were made up of 61 employees: 12 from the unit in Avaré/SP, 20 from Lunelli Northeast (Maracanaú/CE), and 29 from the units in Santa Catarina (Jaraguá do Sul, Guaramirim, Corupá, Luiz Alves, Barra Velha, and Massaranduba).

We also provided leadership training on “unconscious bias,” which led to the collection of feedback and suggestions to improve both the Diversity and Inclusion Policy and the Respect Inspires Respect program.

As part of this commitment, in 2024, accessibility improvements were made at the Commercial Unit in Guaramirim/SC. These included adjustments to sidewalks leading to the entrance gate, reception area, shipping department, and cafeteria, as well as the renovation of a restroom in the Shipping sector and the construction of a new accessible restroom in the Commercial area, as well as the addition of designated priority parking spaces.

These changes represent the so-called “reasonable accommodations*”, ensuring accessibility and inclusion for people with disabilities or reduced mobility in the lower level areas of the Guaramirim/SC Commercial Unit.

**According to the Brazilian Law for the Inclusion of Persons with Disabilities (LBI), reasonable accommodations are defined as necessary and appropriate modifications and adjustments that do not impose a disproportionate burden, aimed at ensuring that people with disabilities can exercise their rights and freedoms on an equal basis with others.*



We believe diversity is a constant source of innovation, creativity, and strength. It reflects the richness of individual experiences and the collective power they create. Our journey toward greater diversity and inclusion is ongoing and requires continuous dedication. **We are grateful to everyone who has been part of this process and contributed to our progress.**

Fashion for All – Alakazoo

In 2024, we launched the third edition of “Fashion for All” (“Moda para Todos”) at Alakazoo – an inclusive pajama line designed to stimulate the senses through added textures, tactile elements, and Braille text. For this third collection, we introduced the story “Shhh! What was that noise?” (“Shhh! Que barulho foi esse?”), in which a group of friends goes on a special adventure to uncover the source of a mysterious sound in the forest.

To further support this transformation, Alakazoo donated 5,000 copies of the book to institutions dedicated to serving and supporting children with disabilities and to environmental preservation projects. In addition to the printed version, the content is also available as an animated audiobook with Brazilian Sign Language (Libras) interpretation, available at www.alakazoo.com.br/modaparatodos.html.



To celebrate World Autism Awareness Day and raise awareness about Down syndrome, the brand also produced special campaigns and editorials featuring testimonials from mothers and fathers who shared their challenges, triumphs, joys, and how they are transforming the world around them.

Alakazoo is committed to being an inclusive and transformative brand, creating campaigns and collections that carry meaning beyond the clothing. The brand consistently seeks to include neurodivergent children and children with disabilities in its collection launch campaigns and catalogs, as well as promoting collaborative initiatives and campaigns that foster inclusion and support to the community.

Health and Safety

(403-1; 403-2; 403-3; 403-4; 403-5; 403-7; 403-8; 403-9; 403-10)

We strive to promote the well-being of our employees through a range of initiatives. Based on this commitment, we are dedicated to ensuring the occupational health and safety of all our employees and service providers. We aim to provide safe and healthy work environments, always in compliance with occupational health and safety regulations and aligned with the World Health Organization's (WHO) definition of health: "a state of complete physical, mental and social well-being and not

merely the absence of disease." To assess risks, we carry out periodic evaluations of hazards present in our activities through inspections performed by CIPA (Internal Accident Prevention Commission) and the Emergency Brigade, and assessments conducted by SESMT (Specialized Service in Occupational Health and Safety). These assessments are documented in the Risk Management Program (PGR) and aligned with the Occupational Health Medical Control Program (PCMSO) to guide monitoring and action plans. These efforts aim to minimize and/or eliminate occupational risks, continuously fostering a safe and healthy working environment.



Lunelli's SESMT is composed of Occupational Physicians, Safety Engineers, Nursing Technicians, and Safety Technicians who provide guidance and carry out preventive actions aimed at minimizing risks and reducing occupational accidents and illnesses. These efforts apply to both Lunelli employees and third-party service providers operating within our units. Before beginning their activities, all employees go through an onboarding process where they receive key information regarding their occupation, including safety measures and rules to ensure a safe working environment.

Health and safety information is also shared regularly through CIPA-led initiatives, with annual elections for representatives. CIPA works to build a culture of prevention and safety through actions such as SIPAT (Internal Week for the Prevention of Workplace Accidents).

The Emergency Brigade is made up of 407 volunteers who receive annual training to respond to emergency situations such as fires, workplace accidents, chemical spills, and others.

We also hold safety talks within departments - brief meetings of about 15 minutes, conducted directly at the work stations. These sessions cover topics related to health, disease prevention, traffic safety, workplace and commuting accident prevention, among others.



At Lunelli, we currently apply established methodologies and tools aimed at protecting the physical well-being of our employees. In addition, we provide training on specific risks and safety courses as required by Regulatory Standards and Labor Legislation.

Work-related Injuries and Illnesses	2022	2023	2024
Total number of work-related injuries	0	0	0
Total number of work-related occupational illnesses	0	0	0
Total number of work-related lost days	1372	364	612
Total number of work-related fatalities	0	0	0
Total number of accidents with leave of absence	95	65	79

Junior Brigade

Given that our Emergency Brigade has always been a source of great pride for Lunelli, we decided to expand the program by creating the Lunelli Junior Brigade - an initiative that offers the children of our employees the opportunity to learn valuable skills while extending our culture of care beyond the workplace and into our employees’ families.

The project is designed for children aged 7 to 10, who attend classes led by safety professionals and participate in hands-on learning experiences. Topics include first aid, social media safety and education, environmental education, traffic safety, bullying prevention, and other activities that contribute to both their technical and personal development.

In 2024, we implemented the first Junior Brigade group at our units in Paraguay.





Lunelli's SOL Program is an initiative focused on promoting Safety, Organization, and Cleanliness across all areas of the company. Based on the principles of 5S, the program aims to achieve operational excellence through consistent and collaborative practices.

In 2024, the SOL program was supported by 190 dedicated auditors who conducted monthly audits to evaluate and improve practices in each department. These auditors act as true agents of continuous improvement, always available to answer questions, offer guidance, and most importantly, incorporate the values of 5S in their daily routines.

The program also promotes training sessions and moments of reflection, leading awareness and engagement initiatives across the factory. During these activities, possibilities for material reuse and resource sharing are explored, with a special focus on the "SOL in Action" initiative. This initiative emphasizes the importance of awareness and proper waste disposal, reinforcing the alignment with the sustainability principles.

The commitment of SOL auditors goes beyond monthly audits, reflecting in everyday actions. Their efforts significantly contribute to creating a safer, more organized, and cleaner work environment – which aligns with Lunelli's sustainability and efficiency goals.

Suppliers

(308-1; 308-2; 407-1; 408-1; 409-1; 414-1; 414-2)



We strive to maintain a close relationship with our supply chain, which is divided into two main groups: Industrial Processing Services and Raw Materials, with sub-divisions within each.

Having a vertically integrated and interconnected production chain, we face sustainability-related challenges, especially regarding environmental impacts and the risks associated with third-party labor practices – particularly in outsourced apparel manufacturing. For this reason, we are continuously working to improve our procurement processes and to influence the chain by implementing best practices.

Focusing on supplier approval and traceability of the supply chain, Lunelli established social criteria for contracting industrial processing services, as the highest risks of labor irregularities are associated with this segment, and also in subcontracting. Industrial processing services are considered to be the categories of subcontracting and finished product (outsourcing).

Subcontracting: the provision of labor for specific production processes.

Finished product (outsourcing): the supply of completed products, either from the internal or external market.

To mitigate risks, all service contracts must follow formal procedures, including the regular submission of documentation to ensure compliance with labor laws, along with continuous training in workplace safety for internal service providers.

We recognize that subcontracting and outsourcing may present challenges related to freedom of association, collective negotiations, and risks of violations of decent work standards. That is why we actively monitor these aspects throughout our supply chain.

Additionally, to ensure stricter environmental standards, we approve chemical product suppliers based on sustainable compliance criteria, having certified 62% of suppliers to date.

Lunelli Value Chain

Fiber and Filament Industry

Suppliers of fibers and filaments, chemical and natural products

Textile

Company-owned unit and suppliers for processing, knitting, weaving, fabrics, and knits

Apparel Manufacturing

Company-owned units and suppliers for garment manufacturing and finished products

Clients/ Industry

Clients of Lunelli Textile Processing and Private Label

Clients/Retail

Company-owned stores, e-commerce, franchises, sales representatives, and multibrand retailers

Customers

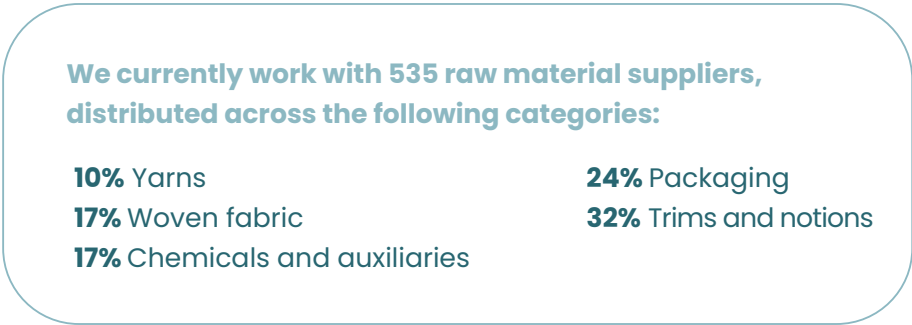
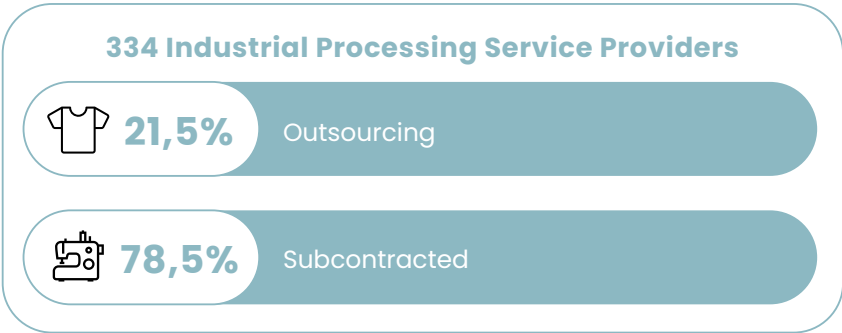
Customers of the brands Lez a Lez, Lunender, Hangar 33, Alakazoo, Fico, and Vila Flor

Supply Chain (2-29, 204-1, 301-1)

To improve management, we have implemented a supplier monitoring process, supported by a technical team dedicated to the supply chain.

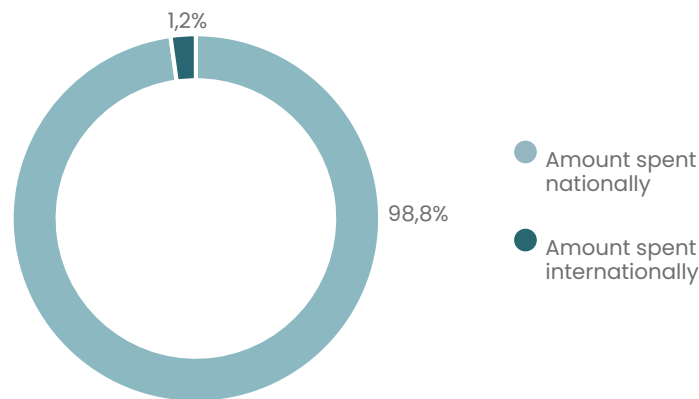
We rely on a qualified network of industrial processing service providers, who play a strategic role in our production chain.

Our commitment to the development of the national industry is reflected in the way we allocate our investments. Of the total amount spent on industrial services, 98.8% is directed to domestic suppliers, while only 1.2% goes to international suppliers. Additionally, in the subcontracting category, all suppliers are located within the national territory, helping to strengthen the local economy.



Supply Chain Distribution:

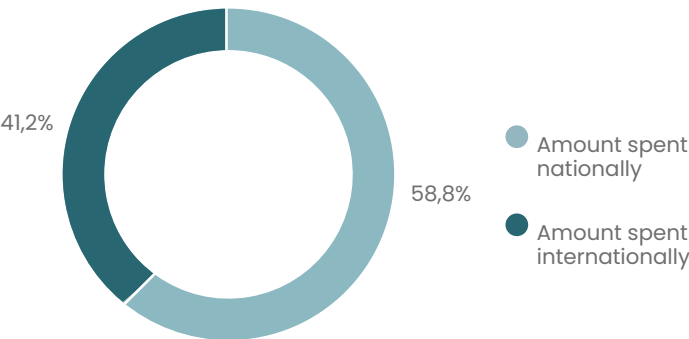
Industrial Processing Services



We also strive to ensure a sustainable and responsible supply of raw materials, relying on a diverse base of both national and international suppliers.

Regarding the origin of our raw materials, 41.2% of the total amount spent comes from international suppliers, while 58.8% is sourced from the domestic market.

Raw Materials



We work with both national and international suppliers for yarns, fabrics, and chemicals, ensuring access to essential materials for our production. Regarding trims and packaging, however, we prioritize domestic suppliers, supporting the local industry.

Sewing Meaningful Fashion

We brought together around 130 sewing suppliers for an event centered on topics such as company culture, people management, and process improvement. During the event, we also recognized top-performing companies for their outstanding performance. The initiative reinforces our connection with contracted partners and promotes a relationship built on trust.



Sewing Supplier Training

(2-29; 203-2; 413-1)

This year, we began the second cycle of training for our sewing suppliers. For this new phase, we worked in partnership with SEBRAE (Brazilian Micro and Small Business Support Service) Santa Catarina. As part of the initiative, SEBRAE offers training and consulting support to small businesses in areas such as financial management, people management, production processes, and sustainability, with the goal of further strengthening this important segment of the local economy.

By joining forces with small businesses and SEBRAE, we create a virtuous cycle of learning and growth, enhancing competitiveness and driving success that is shared by everyone involved.

Through this partnership, we promote a positive impact across our value chain.





18

month duration



24

participating companies



12

municipalities in Santa Catarina



491

people impacted

Years of experience in the sewing business

Over 20 years

8%

15 to 19 years

13%

10 to 14 years

17%

5 to 9 years

37%

Up to 4 years

25%

The goal of the program is to foster the development and competitiveness of small businesses within the supply chain by strengthening key competitive areas:

- **Productivity, through the elimination of waste**
- **Quality, by reducing rework and defects**
- **Speed, by improving on-time order delivery**
- **Sustainability, because we believe in responsible fashion**

Community Engagement

(203-1; 413-1)

At Lunelli, community engagement and corporate social responsibility are integral parts of our sustainability strategy. We manage our social investment efforts to maximize our positive impact on society, especially within the communities where we operate.

The projects and initiatives we develop and/or support are guided by three fundamental pillars: Ethics, Citizenship, and Initiative. These pillars shape the “Preserving is Caring” (“Preservar é Amar”) project, which was launched in 2002 as an Environmental Education initiative aimed at inspiring positive action within the community and among children. Today, we carry forward the legacy of “Preserving is Caring” as a guiding concept for Lunelli’s social investment strategy.

We are committed to social, environmental, and cultural development as a way to contribute – both directly and

indirectly – to our corporate sustainability goals. Our social investment is carried out strategically, with practices aligned to the company’s role in shared responsibility. This includes support for social, environmental, and cultural projects, as well as the implementation of customized initiatives through donations, sponsorships, or tax incentive programs.

In 2024, we allocated a total of R\$1,143,338.17 in social investment.

This included R\$361,838.71 in donations and sponsorships for social and environmental projects and actions, and R\$781,500.00 distributed through tax incentives for initiatives focused on elderly care, child and youth development, and the promotion of sports and culture.



Item / Year	2024
PHILANTHROPIC DONATIONS*	R\$ 361,838.17
FUNDING THROUGH FEDERAL AND STATE TAX INCENTIVE LAWS	R\$ 781,500.00
TOTAL AMOUNT	R\$ 1,143,338.17

*Donations do not include sponsorships of events or projects related to marketing or product promotion with a commercial focus. Philanthropic donations refer exclusively to financial contributions and donations of goods or services to non-governmental or nonprofit organizations.

Supported Projects and Initiatives

Support and Donation Initiatives Together for Rio Grande do Sul

Since the beginning of May 2024, we have mobilized efforts and provided aid to those affected by the disaster in Rio Grande do Sul.

We took action on multiple strategic fronts to support the community, our representatives, clients, and suppliers in the region. We mapped the impact on our teams, sales representatives, and employees, as well as on our retail operations, apparel and knitwear clients, and suppliers located in the state of Rio Grande do Sul. A critical financial impact analysis was also conducted, focusing on cash flow, accounts receivable, and the financial cycle.

Our response was immediate: we suspended active collection from clients, paused the reporting of overdue invoice payments, and offered extensions and installment plans for receivables at the request of the commercial teams. To support the sales team, we advanced commission payments to our regional representatives and provided assistance to franchises whose operations were affected.

We worked actively to make possible the collection, donation, and delivery of essential supplies to communities, including food, clothing, medication, hygiene and cleaning products, mattresses, and blankets.

In numbers:

5,250 kg
of donated
materials

3,150 kg
of materials
transported by
helicopter

6,725
blankets for
adults, children,
and pets

Internal Campaign:

We organized an internal donation campaign, setting up collection points at all our units. In partnership with the Jaraguá do Sul City Hall, the ACIJS Corporate Volunteering Group, and the Transportation Companies Group, we coordinated the delivery of the donations to Rio Grande do Sul.

As a result, we collected 1,150 boxes containing food, water, personal hygiene products, cleaning supplies, clothing, winter apparel, and blankets. We also assembled and donated over 200 staple food kits, cleaning kits, mattresses, pet food, baby strollers, and cribs.

Thinking beyond the immediate emergency, we sought long-term solutions to support recovery and help affected individuals rebuild their lives. A team from our People Management department traveled to Rio Grande do Sul to offer those impacted a chance to start over. This opportunity included a job offer to work at one of our units and a comprehensive benefits package to help these individuals transition into the new reality. Those hired, along with their families, were provided with transportation to visit our facilities and were accommodated in fully furnished homes, with rent fully covered by Lunelli for the first six months. They also received food assistance during the first 90 days. After this period, the employees remained in their homes and kept the furniture as a present from Lunelli. We flew missions with our company

helicopter to deliver essential supplies – such as food, clothing, water, medicine, and pet food – directly to several cities in the Taquari Valley and the Greater Porto Alegre region. In total, we transported over three tons of materials.

We also carried out missions to assess more than 15 areas and identify isolated communities in need of supplies and suitable landing zones for support operations in the Taquari Valley, RS.

Cities supported through aerial missions:

Lajeado, Belém Novo, Garibaldi, Muçum, Roca Sales, Arroio do Meio, São José do Herval, Novo Hamburgo, Canoas, and Porto Alegre.

At our Outbox unit, we produced and shipped over 6,000 blankets – including adult, children's, and pet blankets – to Rio Grande do Sul.

This initiative was made possible with the support of our partners, who helped enable both production and donation.



Scan the QR code to see the full range of actions we carried out to support individuals and partners affected by the floods.



Environmental Protector Program (PROA) – Environmental Military Policy

We support the Environmental Protector Program (PROA – Programa Proteror Ambiental) as a way to strengthen the three core pillars of our social and environmental investment strategy: Ethics, Citizenship, and Initiative. We believe that promoting environmental education and training young environmental protectors plays a vital role in building a more conscious society.

The Environmental Protector Program (PROA) focuses on informal environmental education for adolescents from both public and private schools. The initiative aims to share knowledge about biotic and abiotic factors with students aged 12 to 14 through theoretical and practical activities developed and/or coordinated by officers from the Environmental Military Police Battalion (BPMA – Batalhão da Polícia Militar Ambiental), in addition to guest contributors from other institutions.

The subjects taught in the PROA Program include: citizenship, ecology, flora and fauna management, waste and water resource management, understanding of conservation units, and environmental legislation. The Environmental Protectors also take part in field trips, study tours, water source cleanups, ecological awareness campaigns, and social outreach activities within their communities.

Colors: The Expression of the Lez a Lez Woman

In honor of Breast Cancer Awareness Month (Outubro Rosa), Lez a Lez presented a collection of artworks celebrating feminine strength and beauty.

As part of the initiative, an auction was held featuring original pieces created by Lunelli artists – combining fashion and purpose to raise awareness to breast cancer.

The charity art auction donated 100% of its proceeds to the Women’s Cancer Support Networks of Jaraguá do Sul and Guaramirim in Santa Catarina. In addition, Lunelli matched the amount raised, doubling the impact of the donation.

The exhibition was created with the purpose of showcasing artworks that express the beauty of women through a sensitive and sophisticated lens – reflecting on the origin of beauty: nature itself.

A total of R\$23,310.00 was raised and donated to the supported institutions.

The auction launch event took place at our Lez a Lez store in Jaraguá do Sul, with the presence of employees, designers, the artists behind the works, and representatives from the charitable organizations that would benefit from the proceeds.



[Learn more](#)



Projects Supported Through Tax Incentives

In 2024, we supported and monitored 13 projects in the areas of Culture, Sports, the Children and Adolescents Fund, and the Elderly Fund.

Through these initiatives, we generated and promoted a positive impact on the lives of 10,252 directly involved individuals.

Incentive Law	Total amount invested	Share of total investment	Number of people directly benefited
CULTURE INCENTIVE LAWS – FEDERAL AND STATE	R\$ 420,000.00	53.7%	8747
SPORTS INCENTIVE FEDERAL LAW	R\$ 105,000.00	13.4%	400
CHILD AND ADOLESCENT FUND	R\$ 105,000.00	13.4%	490
ELDERLY FUND	R\$ 105,000.00	13.4%	360
PRONON ¹ and PRONAS ²	R\$ 46,500.00	6.0%	255
TOTAL	R\$ 781,500.00	100%	10.252

¹PRONON: National Support Program for Oncology Care

²PRONAS: National Support Program for the Health of Persons with Disabilities

Featured Projects:



CULTURE

Readers Factory

The Readers Factory (Fábrica de Leitores) project took place in 12 cities across Santa Catarina between April and August 2024, involving 101 schools and benefiting 8,747 children. During this period, 368 performances were held. The project combined various cultural fields to create an interactive and immersive experience in art and education, blending theater, literature, and storytelling. Its main goal was to promote literacy and foster a love of reading among second and third-grade students in public schools, making use of play and imagination as essential tools. This initiative was an excellent way to spark children's love for reading!

Learn more at: <https://marte.art.br/fabricadeleitores2/>

The project reached 30 public schools in the cities where Lunelli operates.

Readers Factory – Guaramirim

A total of 16 schools benefited, including Escola Professora Alice Oliger Dias, EMEF Vereador Armin Bylaardt, and Grupo Escolar Padre Mathias Maria Stein.

Readers Factory – Luiz Alves

A total of 5 schools benefited, among them EM Celeste Scola, EBM Prof. Rafael Rech, and EM Vendelim Schweitzer.



Readers Factory – Massaranduba

A total of 6 schools benefited, including EMEF Ministro Pedro Aleixo, EMEF Alto Luiz Alves, and EMEF Profa. Araci Duarte.

Readers Factory – Barra Velha

A total of 3 schools benefited: EBM Profa. Antônia Gasiano de Freitas, ERM Prof. João Manoel da Silva, and ERM Profa. Maria Lindamir de Aguiar Barros.

Learning to Live Again – Maintenance of the Visual Rehabilitation Center for the Elderly

The “Learning to Live Again” (“Reaprendendo a Viver”) project is carried out by the Society for Assistance to the Blind in Fortaleza/CE. Its goal is to maintain and enhance the services offered by the Visual Rehabilitation Center for the Elderly and to establish an ADL (Activities of Daily Living) room tailored to the elderly. The project aims to serve up to 300 seniors aged 60 and over annually, from Fortaleza and its metropolitan area. Services are provided within the community, either through walk-ins or appointed by institutions that work directly with the target population.

Casa Sábios Institute

In 2024, we continued supporting Casa Sábios Institute through investments via tax incentive laws, donations of materials, and volunteer initiatives. Located in Maracanaú/CE, the institute aims to promote and provide assistance to elderly individuals of all genders who are in vulnerable situations, abandonment, and social, material, or nutritional vulnerability – who are demonstrably unable to be cared for by their families. The goal is to preserve their physical and mental well-being.

The project “Timeline: A Path to Active and Healthy Aging,” (“Linha do Tempo: Um Caminho para um envelhecimento ativo e saudável”) supported by Lunelli, serves 60 seniors and aims to create a space for connection, dialogue, and the sharing of knowledge and life experiences.



60+ Program

The 60+ Program is carried out by Hospital São José in Jaraguá do Sul/SC. The main goal of the program is to improve care for elderly patients by providing more humanized, dignified, and safe treatment during their time at the hospital. In 2024, we supported the project “Much More Care” (“Muito + Cuidado”), part of the 60+ Program, which aimed to expand semi-intensive care for elderly patients, focusing on intensive treatment and multidisciplinary care.

The initiative included the addition of 10 beds in the Intermediate Care Unit, awareness and guidance campaigns for families, training and professional development for staff, providing of specialized cardiovascular care, and the application of rehabilitation protocols.

CHILD AND ADOLESCENT →

AMA – Association of Friends of Autistic Individuals of Jaraguá do Sul

This project involved the acquisition and implementation of two multifunctional spaces equipped with structures and tools adapted to the specific needs of individuals with autism. The goal is to increase developmental opportunities by promoting cognitive, sensory, motor, and social skills through playful and age-appropriate activities tailored to the profile of each individual – enabling individualized, humanized, and inclusive intervention.

In addition to supporting the project, in 2024 we implemented the “Blue April” campaign (“Abril Azul”) where we produced and donated a t-shirt, used during the donation drive and awareness campaign that was carried out with the local community.

APAE JARAGUÁ DO SUL

We supported the Psychomotricity Project by APAE (Association of Parents and Friends of Individuals with Intellectual and Multiple Disabilities) in Jaraguá do Sul/SC, which aimed to provide services using the psychomotricity method for 80 participants. The project focused on promoting the psychomotor development of children aged zero to six with suspected and/or diagnosed Intellectual Disabilities (ID), Autism Spectrum Disorder (ASD), and Global Developmental Delay (GDD).



Programming and Learning

The Programming and Learning (Programando e Aprendendo) project is carried out by Instituto Idear and focuses on teaching computer programming logic to children and adolescents in Maracaná/CE. It uses an interactive environment and visual programming language through which participants learn programming logic, game development, and app creation. The project includes specific modules, complementary activities, and logic challenges that engage perception, math, reading comprehension, and critical thinking.





SELETO Sport Club

The official SELETO School aims to serve the local community and surrounding region by offering free soccer classes. The initiative promotes education, well-being, and health through sports, incorporating ethical and moral values into its teaching methodology, while also serving as a support system for families and the wider community.

The project serves 350 children – boys and girls between the ages of 6 and 16 – with 80% of participants being public school students. Activities are held three times a week, in both morning and afternoon sessions, and include motor skill development, academic support, technical and tactical training, and goalkeeper practice, with age-appropriate methodologies. All participants receive a complimentary uniform (shirt, shorts, and socks), and there are no enrollment charges or monthly fees.

Lunelli has supported this project since 2017, closely following its activities and contributing to the development of children and adolescents.

Triathlon Training School Maracanaú/CE Branch

The “Triathlon Training School – Shaping Champions” (Escolinha de Triathlon Formando Campeões), launched in 2015 in Curitiba/PR, has become a national model for youth development in the sport. Created by Olympic athlete Juraci Moreira from Curitiba, the project now serves 1,300 children and adolescents across 25 centers in the states of Santa Catarina, Paraná, São Paulo, the Federal District, Goiás, Espírito Santo, Bahia, Ceará, and Sergipe.

The Maracanaú/CE branch serves 50 children and is managed by the Triathlon Federation of the State of Ceará, with support from Instituto Lucimário Caitano, and is made possible through Brazil’s Sports Incentive Law.

The project aims to introduce children and adolescents between the ages of 8 and 16, who are enrolled in the public school system in the state of Ceará, to the practice of triathlon.



PRONON AND PRONAS

PRONON – National Support Program for Oncology Care

This project is carried out by the São José Hospital Association in Jaraguá do Sul, with the main objective of increasing the number of CT scans performed for diagnosis, staging, and radiotherapy planning at São José Hospital in Jaraguá do Sul.

PRONAS – National Support Program for the Health of Persons with Disabilities

This project, implemented by APAE (Association of Parents and Friends of Individuals with Intellectual and Multiple Disabilities) in Guaramirim, focuses on expanding medical and support services for people with disabilities. Its main goal is to meet the growing demand for specialized care, reduce waiting lists, and provide a more inclusive and comprehensive service.



VOLUNTEERING

Volunteering is a way to live out social responsibility and put values like ethics, citizenship, and initiative into practice. At Lunelli, we promote volunteer initiatives that strengthen our values and inspire a culture of citizenship, encouraging employees to take an active role in their communities.



“Bem Do Nosso Jeito” – The Lunelli Way

MERRY CHRISTMAS

A highlight of the year, the “Merry Christmas” (Natal Feliz”) initiative brought together volunteers from all Lunelli units in Brazil and Paraguay. In 2024, more than 5,600 kilograms of food and personal hygiene products were collected and donated. A total of 536 kits were assembled and delivered to 13 organizations that support the community and people in situations of social vulnerability.



AMA STREET DRIVE

We participated in AMA's fundraising street drive, with the support of 21 volunteers who helped raise funds to help sustain the organization.

CORPORATE VOLUNTEER NETWORK

Lunelli is part of the Corporate Volunteer Network of the Business Association of Jaraguá do Sul/SC, which works to foster corporate volunteering.

As a participating company, we both lead and engage in initiatives organized by the network, making volunteer opportunities available to our employees. One example is our internal campaign to collect aluminum can tabs, which are exchanged for wheelchairs to support the local community. Other initiatives include food and clothing drives, environmental education campaigns, and more.



ENVIRONMENT

Conscious fashion aims to create a more sustainable value chain, where beauty and innovation coexist with social and environmental responsibility. To develop our products, we use materials with sustainable attributes, sourced from ethical production practices and fair working conditions – encouraging positive change in both consumer habits and industry practices.



Conscious Fashion

(301-1; 301-2; 301-3)



We are members of BCI – Better Cotton Initiative, an organization established to improve global cotton production at every stage of the supply chain. By joining and supporting the movement, we create and produce more responsibly, promoting a more conscious fashion supply chain. BCI connects people and organizations – from the farms to the stores – fostering continuous improvements throughout the cotton supply chain, for the benefit of people, the environment, and the future of the industry.

Responsible Cotton



We are members of BCI – Better Cotton Initiative, an organization established to improve global cotton production at every stage of the supply chain. By joining and supporting the movement, we create and produce more responsibly, promoting a more conscious fashion supply chain. BCI connects people and organizations – from the farms to the stores – fostering continuous improvements throughout the cotton supply chain, for the benefit of people, the environment, and the future of the industry.

In 2024, 99.88% of the cotton yarns used were BCI-certified.

Responsible Viscose

The certification ensures that the cellulose used for viscose production comes from responsibly managed forests, cultivated through a rigorous process that reduces environmental impact and complies with FSC® or PEFC standards. We also use the Canopy Hot Button Report as a reference to evaluate and classify our responsible viscose suppliers.

Canopy is a nonprofit environmental organization dedicated to protecting the world's ancient and endangered forests. It works in partnership with the brands to implement sourcing policies that ensure these forests are not used in textile production.

In 2024, 100% of the viscose yarns used were sourced from certified responsible suppliers.

In partnership with Lenzing, Lunelli was the first textile company in Brazil to use Lenzing EcoVero™ eco-friendly viscose.

LENZING
EcoVero™

LENZING™ ECOVERO™ fibers are cellulosic fibers derived from wood, a natural raw material. Naturally lightweight, LENZING™ ECOVERO™ fibers give fabrics and knits a soft feel and fluid drape. The fiber production processes are continuously refined to maximize resource efficiency and minimize environmental impact. As a result, the carbon emissions and water usage associated with the production of LENZING™ ECOVERO™ fibers are at least 50% lower compared to generic viscose fibers, according to the Higg MSI*.


Modal
Lunelli

TENCEL™ Modal fibers are cellulosic fibers derived from wood, a natural raw material. The fiber's cross-section and high tenacity contribute to the softness of fabrics, allowing them to withstand repeated wash and dry cycles. TENCEL™ Modal is produced using a resource-efficient process with high recovery rates of chemicals. According to the Higg MSI*, the carbon emissions and water usage in the production of TENCEL™ Modal fibers are at least 50% lower compared to generic modal fibers.

TENCEL™ Lyocell fibers are cellulosic fibers derived from wood, a natural raw material. They are known for their high tenacity and excellent moisture absorption, offering enhanced thermal comfort for the user. TENCEL™ Lyocell is also recognized for its innovative closed-loop production process. Wood pulp is transformed into cellulosic fibers, while more than 99.8% of the solvent is recovered and reused in the cycle, resulting in near-zero waste.

LENZING™ fibers are made from wood, a natural and renewable raw material carefully sourced from responsibly managed forests of controlled or certified origin, in compliance with FSC® or PEFC standards and following the strict guidelines of Lenzing's Wood and Pulp Policy.

Lenzing also supports conservation solutions aimed at protecting ancient and endangered forests. In 2017, Lenzing became the first cellulose fiber producer to complete the verification audit of the CanopyStyle Initiative. Lenzing's efforts were recognized with the "Dark Green Shirt," the highest ranking in the Canopy Hot Button Report.

LENZING™ ECOVERO™, TENCEL™ Modal, and TENCEL™ Lyocell fibers are certified with the widely recognized EU Ecolabel for textile products. This label is awarded to products that meet high environmental standards. Key evaluation criteria include production processes that limit the use of substances harmful to human health or the environment and that minimize major environmental impacts throughout the product's entire life cycle.

*Results based on LCA standards (ISO 14040/44) and available through Higg MSI certification (Version 3.7)





Circular Fashion

Lunelli reinforces its commitment to sustainability through the Circular Fashion initiative, strengthening our journey toward a more responsible business model. This product line is based on the use of recycled textile fibers, promoting waste reduction and the reuse of materials.

The process begins with the collection of textile waste from our industrial operations, such as fabric selvages, trimmings and offcuts. This step is carried out by a specialized partner company that then manually sorts the materials by color. Afterward, the waste undergoes defibering and carding, turning it into fibers ready for spinning.

The resulting products are certified by the Global Recycled Standard (GRS), ensuring traceability and compliance with international recycling standards. Once the recycled fibers are produced, the material is reintegrated into our production flow and is used in weaving, cutting, patternmaking, and garment manufacturing.

In 2024, this initiative enabled **2,584 tons of textile waste to be recycled**, reinforcing our commitment to reducing environmental impact and promoting more sustainable fashion.

Colors Collection

T-shirts from the Colors line go through a dyeing process at the washing stage, based on the specific colors requested in each order. In other words, the shirts are produced in white and dyed only once the order is placed. This approach helps avoid overproduction and reduces the use of dyes, salts, acids, and other chemicals typically used in the dyeing process – contributing to a more eco-friendly textile supply chain.



Ecodenim

During the washing stage in the traditional finishing process of denim production, around 25 liters of water were used for each pair of jeans. Today, thanks to innovative technologies, only 250 ml – **about one glass of water – is needed, resulting in up to a 99% reduction in water consumption.** We also use ozone, biodegradable products, and biopolishing, along with systems that reuse the water spent in the process. Additionally, we apply laser technology to create the “worn” effects on denim, replacing water-intensive methods and enabling cleaner, chemical-free production techniques.

Saiba mais:



Biodegradable and Compostable Packaging

The brand Lez a Lez uses **packaging made from 100% recycled plastic** and fatty acid derived from palm coconut oil. In a controlled environment, biodegradation can take up to 2.5 years. In 2024, this packaging accounted for more than 4.5 million units purchased.

ZDHC Program (Zero Discharge of Hazardous Chemicals)

The Zero Discharge of Hazardous Chemicals (ZDHC) program aims to eliminate the use of harmful substances in the textile industry. In partnership with EMS, our procurement team actively replaces suppliers based on the criteria required by the program.

Ø ZDHC

Eco-Efficient Processes



Since 2006, Lunelli's Textile Processing Unit in Brazil has been certified under the ISO 14001 standard. In 2024, our unit in Paraguay, located in Minga Guazú, received this certification for the first time. More than just recognition, the certification represents a commitment to reducing and mitigating environmental impact.



ISO 14001 is an international certification that validates an Environmental Management System (EMS), which includes a set of standards and procedures to be adopted by companies aiming to operate in an environmentally responsible way.

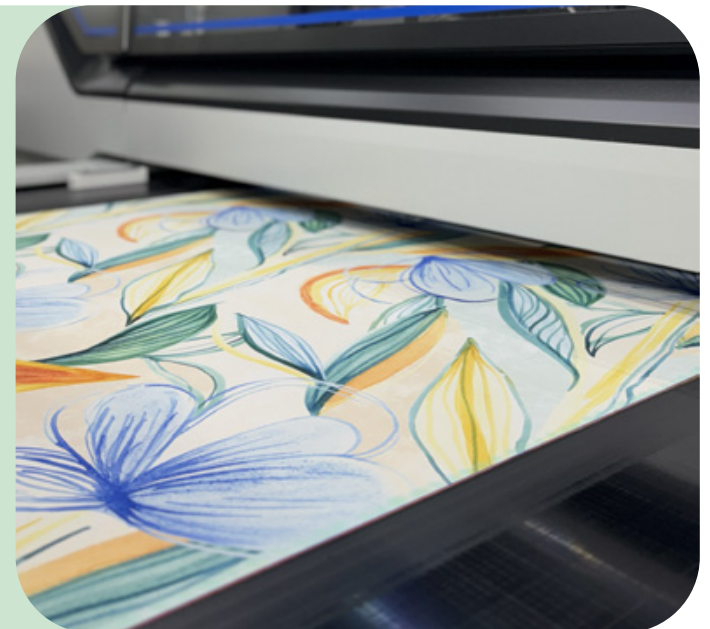
Through the Environmental Management System (EMS), we work to prevent pollution, reduce and mitigate negative impacts, and promote positive ones – **lowering waste generation, water and energy consumption, and greenhouse gas emissions.**

As part of our commitment to pollution prevention and the responsible use of natural resources, we advanced in the digitalization of internal processes, significantly reducing paper consumption. **In 2024, this initiative led to savings of over 72,500 sheets of paper,** contributing to environmental preservation and greater operational efficiency.

Key actions included the automation of legal contracts and the launch of the “I’m Lunelli” (“SouLunelli”) app, designed for internal communication. Through the app, documents such as payslips and corporate communication are now shared digitally, eliminating the need for printing and enhancing both speed and sustainability across processes.

Largest Digital Printing Operation in Brazil

In 2024, we digitally printed 7.9 million meters of knits and fabrics. As a lower-impact alternative for the environment, digital printing increases productivity by 20% and saves at least 15% of water consumption compared to traditional rotary printing. It also results in fabrics with greater durability in washing and higher quality. In addition to saving natural resources, digital printing eliminates waste and material loss during pattern alignment and significantly reduces (by 90%) the size of samples needed for color matching.



Water

(303-1; 303-3; 303-5)

At Lunelli, we continuously reinforce the importance of using water responsibly and consciously in our operations. Our water supply comes from rivers, local utility providers, wells, and rainwater harvesting systems, operating in compliance with environmental standards and regulations.

Within our production cycle, the highest water consumption occurs in units that carry out textile processing, printing, and dyeing. **Lunelli's Textile Processing Unit in Brazil, located in Corupá/SC, accounts for approximately 72.5% of the total water consumption across all units, sourcing its water from the Ribeirão Grande do Norte River.** After collection, the water is stored in ponds and treated at the Water Treatment Station (WTS) before being used in production processes. Similarly, Lunelli's Textile Processing Unit in Paraguay, located in Minga Guazú, sources water from the Monday River and follows the same storage and treatment procedures before it is used.

At our sewing unit in Maracanaú/CE, we've implemented a rainwater harvesting system, with storage in cisterns. The collected water is used for restrooms, floor cleaning, and other operational needs - particularly during the rainy season - helping to reduce reliance on the conventional water supply.

In our other units, most of the water comes from local utility providers, ensuring compliance

with environmental and safety regulations. Additionally, four of our garment manufacturing units use well water, with all usage managed through sustainable conservation practices.

Water (mega liters)	2022	2023	2024
Knits and Fabrics Business (A)			
Supply by utility provider	0.66	0.88	1.86
River sourced water	1,233.17	1,375.78	1,505.47
Well sourced water	0	0	0
Total	1,233.83	1,376.66	1,507.96
Apparel Manufacturing Business (B)			
Supply by utility provider	27.43	26.90	25.68
River sourced water	0	0	0
Well sourced water	16.82	17.16	30.01
Total	44.25	44.06	55.69
Total (A+B)			
	1,278.08	1,420.72	1,563.65

In 2024, even with a 9.7% increase in Knits and Fabrics production, our water consumption per kilogram of fabric produced was 97.8 L/kg - very close to the 98.0 L/kg recorded in 2023 - highlighting a more efficient operation compared to the previous year.





Wastewater

(303-2; 303-4)



After being used in production processes, the water from our textile processing units in Brazil and Paraguay becomes industrial effluent, while the water used for human consumption becomes domestic waste water. They are both sent to the Waste Water Treatment Station, where they undergo biological and physicochemical treatment before being returned to the environment.

Monthly monitoring ensures compliance with current environmental regulations, including Resolución 222/02 in Paraguay and CONSEMA Resolution No. 181/2021 and CONAMA Resolution No. 430/2011 in Brazil. All laboratory analyses are carried out by institutions accredited by the Environmental Institute (IMA).

At our Apparel unit in Guaramirim/SC, measures to reduce environmental impact were implemented, including the construction of a new biological treatment station for domestic wastewater. This system significantly minimizes the amount of waste discharged into the local public sanitation system. To ensure effectiveness, continuous monitoring is performed, which includes regular measurements of pH and the checking of other water quality parameters.

As most of the water supply in our other units comes from utility providers, we acknowledge the responsibility of these entities for the discharge of effluents into water bodies and for ensuring water quality.

Wastewater (mega liters)	2022	2023	2024
Knits and Fabrics Business (A)	2023	1.302,22	1.375,06
Apparel Manufacturing Business (B)	2024	2,46	2,31
Total (A + B)	1,037.42	1.304,68	1.375,22

In 2024, we generated 89.1 liters of effluent per kilogram of fabric produced, representing a reduction of 3.7 liters per kilogram compared to 2023. This reflects an improvement in the operational efficiency.



Energy

(302-1; 302-3)

Lunelli’s energy matrix is diversified and sustainability-driven. Our main source of electricity comes from the deregulated energy market. In addition, we use natural gas in specific production processes and reforested wood chips as biomass to fuel our boilers - reinforcing our commitment to renewable sources.

We also have a solar energy system at our yarn storage and supply unit, which helps reduce dependence on external energy sources and contributes to lowering carbon emissions.

At Lunelli Textile Processing (Corupá/SC), Lunelli Apparel (Guaramirim/SC), Lunelli Commercial (Guaramirim/SC), Lunelli Northeast (Maracanaú/CE), and Lunelli Avaré/SP, **we ensure the exclusive use of clean and renewable energy acquired from the deregulated energy market.**

Energy	2022	2023	2024
Knits and Fabrics Business (A)			
Electricity (kWh)	25,054,025	26,846,893	28,918,313
Wood chips (m3)	106,583	115,140	116,890
Natural gas (m3)	4,655,910	5,484,961	5,872,766
Apparel Manufacturing Business (B)			
Electricity (kWh)	6,190,336	6,040,131	6,786,416
Natural gas (m3)	80,496	72,001	65,911
Total (A + B)			
Electricity (kWh)	31,244,361	32.887.024	35.704.729
Wood chips (m3)	32,887,024	115.140	116.890
Natural gas (m3)	36,128,028	5.556.962	5.938.741



To better monitor our electricity consumption, we calculate the energy intensity rate for each business unit.

Energy Intensity	2022	2023	2024
Knits and Fabrics Business			
Electricity (kWh)	25,054,025	26,846,893	28,918,313
Quantity of fabric produced (t)	14,072	14,043	15,414
Energy intensity rate (kWh/t)	1,780.40	1,911.76	1,876,15
Electricity (kWh)	6,190,336	6,040,131	6,786,416
Quantity of garments produced (unit)	24,558,082	24,454,926	26,510,357
Energy intensity rate (kWh/unit)	0.25	0.25	0.26

Chemical Product

(416-1)



To eliminate the use of hazardous chemicals in our processes, we have implemented a verification system for all chemical products used, ensuring they are in compliance with the ZDHC (Zero Discharge of Hazardous Chemicals) program. This global initiative aims to remove harmful substances from the fashion industry’s supply chain, promoting safer and **more sustainable production for consumers, workers, and the environment.**

To ensure compliance with the program, all chemicals used in Lunelli’s textile processes undergo a thorough evaluation based on their Safety Data Sheets (SDS). The committee responsible for this analysis verifies whether the products are free from restricted substances, according to ZDHC guidelines, and whether they meet **appropriate handling conditions, ensuring employee safety.**

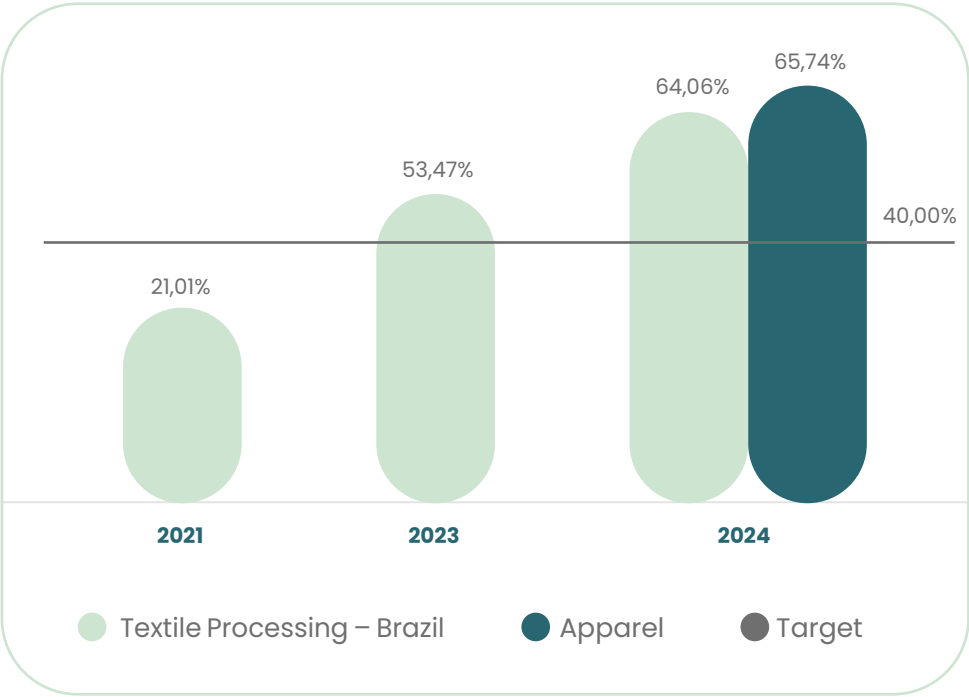
With that, we continue to advance in replacing chemical products with safer alternatives free from restricted substances and in selecting chemical suppliers that meet the program’s requirements.

For the third consecutive year, Lunelli’s Textile Processing Unit – responsible for the company’s highest chemical consumption – **surpassed its established target** and made further progress in implementing substitutions.

We closed 2024 with a 64.06% compliance rate with the program, representing a 6.02 percentage point increase over the previous year and 24.06 percentage points above the initial target.

As part of our broader commitment, we extended the ZDHC verification process to the apparel manufacturing business in 2024, starting with Lunelli Apparel – the unit with the highest chemical usage in the Garment Manufacturing Business. In this first evaluation, **we reached 65.74% compliance with the program’s criteria**, a strong result that reflects our ongoing dedication to making our processes more eco-efficient and responsible.

Percentage of products in compliance with ZDHC



These advances demonstrate our continuous progress and reaffirm our commitment to ongoing improvement, operational excellence, and the development of a textile industry that is increasingly safe and environmentally responsible.

Waste



(306-1; 306-2; 306-3; 306-4; 306-5)

At Lunelli, we ensure the implementation of best practices in waste management and proper disposal across our industrial units, maintaining compliance with environmental regulations and minimizing environmental impact. We manage the entire process through officially documented material disposal procedures and conduct regular audits in our production units.

The strengthening of **5S initiatives and the SOL Program (Safety, Organization, and Cleanliness)** have been essential in improving proper waste disposal and material segregation. In addition, we provide frequent training to our employees,

Non-Hazardous Waste (tons)	2022	2023	2024
Recycling – Knits and Fabrics	1,172.84	1,538.72	1,552.97
Recycling – Apparel	1,853.99	2,002.61	2,145.11
Recycling – Total	3,026.83	3,541.33	3,698.08
Landfill – Knits and Fabrics	2,706.50	2,441.03	1,835.77
Landfill – Apparel	627.95	522.97	553.54
Landfill – Total	3,334.45	2,964.00	2,389.31
Other Destinations – Total	2,777.37	2,228.90	2,291.39
Total Non-Hazardous Waste	9,138.65	8,734.23	8,378.79

Hazardous Waste (tons)	2022	2023	2024
Landfill – Knits and Fabrics	280.89	224.65	178.84
Landfill – Apparel	37.25	33.83	32.67
Landfill – Total	318.14	258.48	211.51
Other Destinations – Total	15.05	11.57	67.94
Total Hazardous Waste	333.19	270.05	279.45

Waste (tons)	2022	2023	2024
2022	9.471,84	9.004,28	8.658,24

raising awareness about the importance of proper waste separation and promoting an organizational culture focused on sustainability.

As part of our commitment to continuous improvement, we are constantly looking for new ways to optimize waste management and reduce material waste. One example is the initiative implemented at the Lunelli Textile Processing Unit in Brazil, where plastic bags from yarn spools are now reused as bin liners – reducing the need to purchase new bags. This initiative, developed under the institutional **PNI program, promotes the conscious reuse of materials, contributing to waste reduction and the responsible use of resources.**

In 2024, we continued to make progress in waste management:

- 4% reduction in total waste generation
- 4% increase in the recycling of non-hazardous waste
- 19% reduction in waste sent to landfill

Greenhouse Gases

(305-1; 305-2; 305-3; 305-5)

At Lunelli, we recognize the impacts of climate change and our responsibility to address them. **Since 2021, we have been expanding the scope of our Greenhouse Gas (GHG) Inventory, with the goal of achieving a more comprehensive mapping of our emissions.** In 2023, we made further progress by including more production units and company-owned retail stores in the assessment.

Our inventory follows the methodology of the GHG Protocol, an internationally recognized standard that ensures the quality and accuracy of emissions accounting.

2021	2022	2023
01 Industry	01 Administrative	01 Administrative
	02 Industry	03 Industry
	02 Sewing Units	02 Sewing Units
		02 Distribution Centers
		10 Company-owned stores

Scope 1

Direct emissions from sources owned or controlled by the reporting organization.

Scope 2

Indirect emissions from the generation of purchased electricity and/or thermal energy consumed by the organization.

Scope 3

Emissions related to the company's operations for which it is indirectly responsible.



GHG Emissions (tonCO ₂ eq.)	2022	2023
Scope 1 (A)	36.312,06	41.228,69
Mobile combustion	317,29	362,07
Stationary combustion	10.479,88	18.601,21
Fugitive emissions	866,45	129,26
Industrial processes	24.263,00	21.793,00
Wastewater effluents	385,45	343,15
Scope 2 (B)	1.031,26	951,12
Electricity purchased (location-based)	1.031,26	951,12
Electricity purchased (market-based)	-	-
Scope 3 (C)	70.821,52	68.790,48
Purchased goods and services	52.444,57	54.158,94
Fuel and energy (excluding Scope 1 and 2)	1.542,88	1.370,65
Upstream transportation and distribution	9.891,40	7.383,31
Business travel	1.943,10	1.725,57
Employee commuting	1.638,82	1.715,86
Leased assets	103,79	202,44
Solid waste	3.246,12	2.229,95
Wastewater effluents	10,83	3,76
Total (A + B + C)	108.164,84	110.970,28

We recognize that this represents only the initial stage of our emissions mapping efforts, and our goal is to further expand the Greenhouse Gas Inventory to include a greater number of units and stores.

In Scope 2, the choice of energy matrix has a direct impact on the results. To address this, we source electricity from the deregulated energy market for four of our companies, ensuring the use of 100% renewable sources. **In 2023, we consumed 23,201.917 MWh of subsidized renewable energy, resulting in a reduction of 894.99 metric tons of CO₂ equivalent emissions.**

In 2024, we expanded this model to include one more unit, bringing the total to five operating under this system: Textile Processing - Brazil, Apparel, Commercial, Northeast, and Avaré. This progress reinforces our commitment to sustainability and the reduction of our carbon footprint.



Gri Content Index

STANDARD	CONTENT	PAGE/RESPONSE	SDG	MATERIAL TOPIC
GRI 2 – General Disclosures 2021				
2-1	Organization details	Lunelli Participações Ltda – Page 31	16	Ethics and Integrity
2-2	Entities included in the organization's sustainability reporting	The content presented here covers all Lunelli companies.	16	Ethics and Integrity
2-3	Reporting period, frequency, and contact point	This report was published in April 2025.	16	Ethics and Integrity
2- 4	Restatements of information	In 2024, no restatements of information were made.	16	Ethics and Integrity
2-5	External assurance	This edition did not undergo external assurance.	16	–
2-6	Activities, value chain, and other business relationships	Page 12	16	Ethics and Integrity
2-7	Employees	Page 63	8	Human Rights
2-8	Non-employee workers	Page 63	8	Human Rights
2-9	Governance structure and composition	Page 31	16	Ethics and Integrity
2-10	Nomination and selection of the highest governance body	Page 31	16	Ethics and Integrity
2-11	Chair of the highest governance body	The Chair of the Board does not hold executive functions in the company. Learn more about the governance structure on page 31.	16	Ethics and Integrity
2-12	Role of the highest governance body in overseeing impact management	Page 31	16	Ethics and Integrity
2-13	Delegation of responsibility for impact management	Page 31	16	Ethics and Integrity
2-14	Role of the highest governance body in sustainability reporting	Page 3	16	Ethics and Integrity

STANDARD	CONTENT	PAGE/RESPONSE	SDG	MATERIAL TOPIC
2-15	Conflicts of interest	Our Advisory Board Charter and Employee Code of Conduct define the situations that may give rise to conflicts of interest. Employees are expected to inform their superiors of any potential conflict.	16	Ethics and Integrity
2-16	Communication of critical concerns	The management of the Ethics Channel is overseen by the Legal Department and is reported to the Advisory Board through a formal record.	16	Stakeholder Management
2-17	Collective knowledge of the highest governance body	Page 31	16	-
2-18	Performance evaluation of the highest governance body	We conduct an internal, formal annual evaluation of the Advisory Board's performance and individual assessments of its members.	16	-
2-19	Remuneration policies	The Advisory Board receives fixed compensation. The Executive Board receives both fixed and variable compensation linked to company and individual performance targets, in addition to role-related benefits - ensuring appropriate leadership commitment.	16	-
2-20	Process for determining remuneration	The remuneration determination process is proposed by the People Management Committee, reviewed by the Advisory Board, and approved by shareholders.	16	Human Rights
2-21	Ratio of annual total compensation	Not available	-	-
2-22	Statement on sustainable development strategy	Page 4 e 28	16	-
2-23	Policy commitments	Page 36 e 48	16	Ethics and Integrity
2-24	Integration of policy commitments	Page 29	16	Ethics and Integrity
2-25	Processes to remediate negative impacts	Page 33	16	Ethics and Integrity
2-26	Mechanisms for seeking advice and raising concerns	Page 38	16	Ethics and Integrity
2-27	Compliance with laws and regulations	There were no significant fines or sanctions. Parameters: amounts above R\$ 500,000 and final judicial decisions.	16	Ethics and Integrity

STANDARD	CONTENT	PAGE/RESPONSE	SDG	MATERIAL TOPIC
2-28	Memberships in associations	Page 48	17	Stakeholder Management
2-29	Approach to stakeholder engagement	Page 39 e 81	16	Responsible communication with stakeholders
2-30	Collective labor agreements	Page 63	8	Stakeholder Management
GRI 3: Material Topics 2021				
3-1	Process for determining material topics	Page 24	-	Stakeholder Management
3-2	List of material topics	Page 25	-	Stakeholder Management
3-3	Management of material topics	Page 28 e 29	-	Stakeholder Management
GRI 101: Biodiversity 2024				
101-1	Policies to halt and reverse biodiversity loss	Not available	-	-
101-2	Management of biodiversity impacts	Not available	-	-
101-3	Access to and fair and equitable sharing of benefits	Not available	-	-
101-4	Identification of biodiversity impacts	Not available	-	-
101-5	Locations with biodiversity impacts	Not available	-	-
101-6	Direct drivers of biodiversity loss	Not available	-	-
101-7	Changes in the state of biodiversity	Not available	-	-
101-8	Ecosystem services	Not available	-	-
GRI 201: Economic Performance 2016				
201-1	Direct economic value generated and distributed	Page 59	8 e 16	-
201-2	Financial implications and other risks and opportunities due to climate change	Page 33	13	Climate and GHG Emissions

STANDARD	CONTENT	PAGE/RESPONSE	SDG	MATERIAL TOPIC
201-3	Defined benefit plan obligations and other retirement plans	Page 70	3	Employee health, well-being, and safety
201-4	Financial assistance received from the government	There was no financing with government banks in 2024.	-	-
GRI 202: Presença no Mercado 2016				
202-1	Ratio of standard entry-level wage by gender compared to local minimum wage	Page 67	8 e 10	Diversity and Inclusion
202-2	Proportion of senior management hired from the local community	Among our board members, all were hired from our local community. We consider as board members those employees holding positions of Presidency and other statutory directors. We define the local community as the state where our units are headquartered.	8 e 10	Diversity and Inclusion
GRI 203: Indirect Economic Impacts 2016				
203-1	Infrastructure investments and services supported	Page 58 e 85	9,11 e 17	Social Projects and Investments, and responsible sourcing and materials
203-2	Significant indirect economic impacts	Page 83	-	-
GRI 204: Procurement Practices 2016				
204-1	Proportion of spending on local suppliers	Page 81	14	Stakeholder Management
GRI 205: Anti-corruption 2016				
205-1	Operations assessed for risks related to corruption	Page 33	16	Compliance and anti-corruption
205-2	Communication and training about anti-corruption policies and procedures	Page 36	16	Compliance and anti-corruption
205-3	Confirmed incidents of corruption and actions taken	There were none	16	Compliance and anti-corruption
GRI 206: Anti-competitive Behavior 2016				
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	There were none	16	Compliance and anti-corruption

STANDARD	CONTENT	PAGE/RESPONSE	SDG	MATERIAL TOPIC
GRI 207: Tax 2019				
207-1	Approach to tax	Not available	16	Compliance and anti-corruption
207-2	Tax governance, control, and risk management	Not available	16	Compliance and anti-corruption
207-3	Stakeholder engagement and management of concerns related to tax	Not available	16	Compliance and anti-corruption
207-4	Country-by-country reporting	Not available	16	Compliance and anti-corruption
GRI 301: Materials 2016				
301-1	Materials used by weight or volume	Page 81	12	Responsible Fashion
301-2	Recycled input materials used	Page 102 e 109	12	Responsible sourcing and materials
301-3	Reclaimed products and their packaging materials	Page 109	12	Lower-impact packaging
GRI 302: Energy 2016				
302-1	Energy consumption within the organization	Page 107	7, 12 e 13	Energy Efficiency
302-2	Energy consumption outside of the organization	In 2024, our own stores consumed 349,674 kWh.	7, 12 e 13	Energy Efficiency
302-3	Energy intensity	Page 107	7, 12 e 13	Energy Efficiency
302-4	Reduction of energy consumption	There was no reduction in energy consumption. However, in our main units (Processing, Apparel, Commercial, Avaré and Northeast), we are using clean and renewable energy available in the free market for a lower impact	7, 12 e 13	Energy Efficiency
302-5	Reductions in energy requirements of products and services	Not available	7, 12 e 13	Energy Efficiency
GRI 303: Water and Effluents 2018				

STANDARD	CONTENT	PAGE/RESPONSE	SDG	MATERIAL TOPIC
303-1	Interactions with water as a shared resource	Page 105	6 e 12	Water
303-2	Management of water discharge-related impacts	Page 106	6 e 12	Water
303-3	Water withdrawal	Page 105	6 e 12	Water
303-4	Water discharge	Page 106	6 e 12	Water
303-5	Water consumption	Page 105	6 e 12	Water
GRI 304: Biodiversity 2016				
304-1	Operational sites owned, leased, or managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	The Processing unit located in Corupá/SC has green areas and a Permanent Preservation Area (APP) of 101,542.15 square meters, representing 30% of the total area.	15	-
304-2	Significant impacts of activities, products, and services on biodiversity	Not available	15	-
304-3	Habitats protected or restored	Not available	15	-
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by the organization's operations	Not available	15	-
GRI 305: Emissions 2016				
305-1	Direct (Scope 1) greenhouse gas (GHG) emissions	Page 110	12 e 13	Climate and GHG Emissions
305-2	Energy indirect (Scope 2) greenhouse gas (GHG) emissions	Page 110	12 e 13	Climate and GHG Emissions
305-3	Other indirect (Scope 3) greenhouse gas (GHG) emissions	Page 110	12 e 13	Climate and GHG Emissions
305-4	Greenhouse gas (GHG) emissions intensity	Not available	13	Climate and GHG Emissions

STANDARD	CONTENT	PAGE/RESPONSE	SDG	MATERIAL TOPIC
305-5	Reduction of greenhouse gas (GHG) emissions	Page 110	7 e 13	Climate and GHG Emissions
305-6	Emissions of ozone-depleting substances (ODS)	Not available	13	Climate and GHG Emissions
305-7	NOX, SOX, and other significant air emissions	Not available	13	Climate and GHG Emissions
GRI 306: Waste 2016				
306-1	Waste generation and significant waste-related impacts	Page 109	3 e 12	Waste Management
306-2	Management of significant waste-related impacts	Page 109	3 e 12	Waste Management
306-3	Waste generated	Page 109	3 e 12	Waste Management
306-4	Waste diverted from disposal	Page 109	3 e 12	Waste Management
306-5	Waste directed to disposal	Page 109	3 e 12	Waste Management
GRI 308: Supplier Environmental Assessment 2016				
308-1	New suppliers selected using environmental criteria	Page 80	12	Lower-impact social and environmental supply chain
308-2	Negative environmental impacts in the supply chain and actions taken	Page 80	12	Lower-impact social and environmental supply chain
GRI 401: Employment 2016				
401-1	New employee hires and employee turnover	Page 65 e 66	8	Employee health, well-being, and safety
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Page 63	8	Employee health, well-being, and safety
401-3	Parental leave	Page 69	5, 8 e 10	Diversity and Inclusion

STANDARD	CONTENT	PAGE/RESPONSE	SDG	MATERIAL TOPIC
GRI 402: Labor/Management Relations 2016				
402-1	Minimum notice period regarding operational changes	There is no procedure in place defining the minimum notice period for operational changes.	8	-
GRI 403: Occupational Health and Safety 2018				
403-1	Occupational health and safety management system	Page 77	3 e 8	Employee health, well-being, and safety
403-2	Hazard identification, risk assessment, and incident investigation	Page 77	3 e 8	Employee health, well-being, and safety
403-3	Occupational health services	Page 68 e 77	3 e 8	Employee health, well-being, and safety
403-4	Worker participation, consultation, and communication on occupational health and safety	Page 68 e 77	3 e 8	Employee health, well-being, and safety
403-5	Worker training on occupational health and safety	Page 68 e 77	3 e 8	Employee health, well-being, and safety
403-6	Worker health promotion	Page 68 e 77	3 e 8	Employee health, well-being, and safety
403-7	Prevention and mitigation of occupational health and safety impacts directly linked to business relationships	Page 77	3 e 8	Employee health, well-being, and safety
403-8	Workers covered by an occupational health and safety management system	Page 77	3 e 8	Employee health, well-being, and safety
403-9	Work-related injuries	Page 77	3 e 8	Employee health, well-being, and safety
403-10	Work-related ill health	Page 77	3 e 8	Employee health, well-being, and safety
GRI 404: Training and Education 2016				
404-1	Average hours of training per year per employee	Page 72	4 e 8	People development

STANDARD	CONTENT	PAGE/RESPONSE	SDG	MATERIAL TOPIC
404-2	Programs for upgrading employee skills and transition assistance programs	Page 72	4 e 8	People development
404-3	Percentage of employees receiving regular performance and career development reviews	Page 72	4 e 8	People development
GRI 405: Diversity and Equal Opportunity 2016				
405-1	Diversity of governance bodies and employees	Page 63	5 e 10	Diversity and Inclusion
405-2	Ratio of basic salary and remuneration of women to men	Page 67	5 e 10	Diversity and Inclusion
GRI 406: Non-discrimination 2016				
406-1	Incidents of discrimination and corrective actions taken	Page 38	8 e 16	Diversity and Inclusion
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	Page 80	8 e 16	Human Rights
GRI 408: Child Labor 2018				
408-1	Operations and suppliers at significant risk for incidents of child labor	Page 80	8 e 16	Human Rights
GRI 409: Forced or Compulsory Labor 2016				
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Page 80	8 e 16	Human Rights
GRI 410: Security Practices 2016				
410-1	Security personnel trained in human rights policies or procedures	The entire internal and external Asset Security team is trained in Lunelli's Code of Conduct and other existing procedures.	16	Human Rights

STANDARD	CONTENT	PAGE/RESPONSE	SDG	MATERIAL TOPIC
GRI 411: Rights of Indigenous Peoples 2016				
411-1	Incidents of violations involving the rights of Indigenous Peoples	There were none	-	Human Rights
GRI 413: Local Communities 2016				
413-1	Operations with local community engagement, impact assessments, and development programs	Page 85	-	Social projects and investments
413-2	Operations with significant actual and potential negative impacts on local communities	Not available	-	-
GRI 414: Supplier Social Assessment				
414-1	New suppliers screened using social criteria	Page 80	8	Lower-impact environmental and social supply chain
414-2	Negative social impacts in the supply chain and actions taken	Page 80	8, 12 e 16	Lower-impact environmental and social supply chain
GRI 415: Public Policy 2016				
415-1	Political contributions	There were none	16	Ethics and Integrity
GRI 416: Customer Health and Safety 2016				
416-1	Assessment of the health and safety impacts of product and service categories	Page 108	3	Employee health, well-being, and safety
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	In 2024, there were no incidents of non-compliance concerning the health and safety impacts of Lunelli's products and services.	3	Employee health, well-being, and safety

STANDARD	CONTENT	PAGE/RESPONSE	SDG	MATERIAL TOPIC
GRI 417: Marketing and Labeling 2016				
417-1	Requirements for product and service information and labeling	Through the placement of labels on products, we are able to organize and identify relevant information for each item. To comply with Brazilian labeling legislation, we follow the standards of the Brazilian Association of Technical Standards (ABNT). We provide the corporate name, CNPJ, country of origin, conservation instructions according to NM ISO 3758:2013, and composition according to product/fabric. For better product traceability, the production order number and product reference are included on the label.		Responsible fashion
417-2	Incidents of non-compliance concerning product and service information and labeling	In 2024, we had a case of non-compliance regarding product labeling information that resulted in the application of a fine	16	Responsible communication with stakeholders
417-3	Incidents of non-compliance concerning marketing communications	There were none	16	Responsible communication with stakeholders
GRI 418: Customer Privacy 2016				
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	There were none	-	Customer Privacy & Personal Data Security

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