

*Sustainability
Report
25*



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Introduction

Welcome

(2-3; 2-14)

We are pleased to present **Lunelli's Annual Sustainability Report**, now in its seventh consecutive edition. This document covers the period from **January 1 to December 31, 2025** and was prepared by the Sustainability department, under the leadership of the People, Management and Sustainability Department, and approved by the Executive Board.

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)**. The content was structured in accordance with the **Global Reporting Initiative (GRI) Standards**.

We emphasize the importance of active participation from all stakeholders and invite you to send your questions, suggestions, and comments regarding this document to **sustentabilidade@lunelli.com.br**. We believe that the exchange of ideas and collaboration are essential to building a more sustainable future.



Karla Delmiro Lourenço, Marketing – Lunelli Apparel



Message from the President

The year 2025 was challenging. Even in the face of an adverse market environment marked by both internal and external uncertainty, **we reinforced our confidence in our business and our people, achieving significant progress across all EESG dimensions.**

We continued to advance our investment plan, which had already received R\$ 63 million in 2024, with an additional R\$ 46 million allocated in 2025 toward the implementation of advanced technologies. These investments enhanced the efficiency of our units and prepared our industrial operations for future challenges, while ensuring safe and environmentally responsible practices.

In 2025, we achieved B Corp certification, an international recognition of our business model and sustainability practices. B Corps are companies that use business as a force for good, promoting positive impact for people and the planet while creating value through their operations.

Other important milestones included the achievement of the Great Place to Work certification at our Paraguay unit in its first year of participation, improvement in the ranking of the 20 Best Companies to Work For in the state of Ceará in the Large Companies category, and recertification for the fifth consecutive year for our operations in Brazil as an “Excellent place to work.”

Over the past year, we further developed our controls and enhanced the management of environmental indicators across all production units, while also further developing our Greenhouse Gas (GHG) Inventory, covering Scopes 1, 2, and 3.

We also made progress in our innovation agenda regarding sustainable materials and products, digitally printing more than 5.8 million meters of knits and fabrics. We produced more than 24.1 million garments and 13.2 thousand tons of knits and fabrics. In 2025, we made progress in the development of the project to identify and classify sustainability attributes in knits and fabrics, improving raw material traceability and expanding the level of information available to our customers and partners.

We reinforced our commitment to the global sustainability agenda as a signatory to the **United Nations Global Compact** – Brazil Network and Paraguay Network. With our participation in **COP30 – the United Nations Climate Change Conference** held in Belém, Pará – we were able to present our EESG initiatives and projects to national and international audiences. We closed the year with operations comprising 14 facilities, 55 stores, and more than 21.5 thousand customers, with revenue totaling R\$ 1.5 billion.

Through continued investment in technology, sustainability, and people, Lunelli remains firmly committed to **generating positive impact in society and contributing to the future of Brazilian fashion.**

Making meaningful fashion that promotes a positive impact in the world and for everyone is not only what guides our sustainability strategy at Lunelli, but also what reflects our **commitment to valuing, respecting, and caring for people, the planet, and our products.**

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/CEO

Highlights of



2025

R\$ 1.5 billion

in revenue

13.2 thousand

tons of knits and fabrics produced

24.1 million

garments produced

5.8 million

meters of digitally printed fabrics

4,298 employees

88% Brazil and 12% Paraguay

32% men and 68% women

190 leaders

50% men and 50% women

58 stores,

including company-owned stores,
franchises, and Lunelli Qualified Retail

+21.5 thousand

active customers

Responsible fashion:

100%

of knits and fabrics assessed
against sustainability criteria

91.2%

of knits and fabrics with
sustainability attributes

80%

of chemical products in
compliance with ZDHC

Meaningful Fashion



Rafaela Batista de Lima, Laboratório - Lunelli Textile Processing - Brazil

Institutional Presentation

With more than four decades of history, Lunelli has become one of the largest textile industries in Brazil. Founded in 1981 by Antídio Aleixo Lunelli, alongside Beatriz Ender, the company has grown supported by committed family management, operational excellence, and a continuous focus on innovation and sustainability.

More than a business trajectory, Lunelli's history is a continuous thread of commitment to excellence. Each chapter of this journey is woven with the talent of people who share the same values.

From an entrepreneurial dream to well-established brands, we continue to write this story with the same enthusiasm that has brought us this far. Learn more about our history on our website: www.lunelli.com.br.

Over the course of 44 years, Lunelli has grown and strengthened its commitment to making **Meaningful Fashion**. With a sustainable and ethical business model, we value everyone involved in the process, from supplier to end customer.

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

Our Value Chain

(2-6)

We operate across an extensive end-to-end value chain that integrates all our processes, from the purchase of yarn to retail operations. Lunelli operates in a vertically integrated model, with people committed to making meaningful fashion at every stage of our processes. Our industrial structure includes knitting, dyeing, printing, finishing, cutting, sewing, folding, shipping, and retail operations.



People

4,298 employees
68% women and **32%** men
88% Brazil and **12%** Paraguay
190 leaders (Executive Board, Management, Coordination and Supervision)
50% men and **50%** women
685 PNI ideas implemented, with an estimated return of **R\$ 6.4 million**



Supply Chain

611 raw material suppliers
96% domestic suppliers of raw materials
91.2% of knits and fabrics with identified sustainability attributes
Supplier socio-environmental risk assessment
77% of chemical products in compliance with ZDHC



Production Process

02 ISO 14001 certified units
09 ABVTEX certified units
09 units sourcing renewable energy in the free energy market
01 unit with solar energy generation
13.2 thousand tons of knits and fabrics produced
24.1 million garments produced
5.8 million meters of digitally printed fabrics



Sales and Retail

07 brands
58 stores, including
02 employee stores
01 Hangar 33 space
55 Lez a Lez stores
09 company-owned stores
35 franchises
11 VQLs (Lunelli's Verified Retailers)
21.5 thousand customers
311 sales representatives



Community Engagement

R\$ 871 thousand in social investment
20 supported projects

Our Brands



With **44 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 broad network of multibrand retail entrepreneurs and franchises, expanding our presence in several cities across the country. This portfolio reflects our commitment to offering **products that meet the needs of diverse audiences and align with market trends**.

In addition, we operate under a private label model, producing exclusive garments for major national and international brands, highlighting 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 Knits and Fabrics is a benchmark in high-quality textiles, recognized for excellence, innovation, and high standards. Our developments combine comfort, performance, durability, and sophistication, translating trends into relevant solutions aligned with our customers' needs.

To bring each creation to life, we rely on Lunelli Studio, our creative space dedicated to the research, development, and curation of exclusive prints. It is where we build original visual identities, define strategic color palettes, and develop customized solutions that strengthen our partners' collections.

We are the largest digital printing facility in Brazil, a technology that allows us to operate with high definition, color precision, and production agility, reducing environmental impacts and expanding creative possibilities. This structure consolidates our presence in Brazil and strengthens our operations across Latin America.

Sustainability is what guides our decisions. We use responsible raw materials, continuously invest in innovation, and seek efficiency at every stage of the process, delivering knits and fabrics that elevate quality standards and reinforce our commitment to a more sustainable future.

www.lunellimalhasetecidos.com.br

@lunellitextil

@lunellitextiles



Lunender

Lunender is a reference in women's fashion and develops collections designed to accompany women through every moment of their daily lives. With a democratic fashion approach, the brand combines trends, versatility, and elegance to enhance different styles, body types, and occasions.

Designed for real women, Lunender celebrates authenticity and female empowerment through pieces that combine comfort, fit, and practicality. This care also extends to how the brand evolves its processes, incorporating more responsible choices and strengthening its commitment to more conscious fashion.

In denim, the brand reinforces this positioning by investing in technology to offer greater comfort, freedom of movement, and quality. In this way, Lunender delivers products that combine style and functionality with a more accessible, democratic, and conscious approach to fashion.

@lunenderoficial



Lunender
mais mulher

Lez^aLez

Lez a Lez is an Urban Beach fashion brand for women with a youthful spirit – sophisticated, modern, and feminine. Its collections are designed to adapt to different occasions, combining lightness and balance with the understated tones of basics and authentic prints, expressing a naturally sensual aesthetic.

Our commitment is to create and communicate meaningful fashion. The production of denim for our “Don’t Turn Your Back To The World” line involves several stages, from the use of Eco Cycle fabrics, which incorporate recycled denim fibers and reduce water consumption by up to 93% during finishing, to sourcing Better Cotton Initiative (BCI) certified cotton.

In addition, our processes help reduce textile waste, with 100% of generated waste collected. Our packaging is biodegradable, contributing to lower environmental impact. Sustainability is an integral part of our essence. We believe a better world is possible and that, through our actions, we can help preserve it.

www.lezalez.com.br

@lezalez

Lez a Lez App download link: <https://linktr.ee/applezalez>



Vila flor

Vila Flor was created with the purpose of developing fashion in a sustainable and accessible way.

By repurposing surplus knits and fabrics, the brand transforms existing resources into new products, contributing to waste reduction and to a more conscious cycle within the textile value chain.

Its concept is based on creating pieces that celebrate different body types, sizes, and styles, with designs developed to suit a variety of daily occasions and activities.

We believe that fashion is a form of personal expression and should be practical, light, and democratic, expanding access to clothing with responsibility and purpose.

www.vilaflor.com.br

@modavilaflor



3|E 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 also a celebration of the connection between style and adrenaline.

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

The brand has an authentic and genuine connection to aviation, and among its most memorable achievements is the supply of the iconic uniforms for the Esquadrilha da Fumaça, a symbol of excellence and tradition.

www.hangar33.com.br

@hangar_33





Fico Surfwear was born from a deep connection to the sea and the coastal lifestyle of São Paulo. Inspired by the experience of Raphael Levy, who spent his teenage years surfing the beaches of Guarujá, the brand was founded in 1983 to translate his passion for surfing and the sense of freedom it represents into its products.

With an authentic and casual identity, Fico has built its trajectory in the national market, establishing itself as a brand connected to sport, nature, and the beach lifestyle. Since 2019, when it became part of Lunelli's portfolio, it has continued to strengthen its purpose of combining attitude, comfort, originality, and sustainability.

This positioning is reflected in responsible choices throughout product development, with a significant portion of the collection made using Certified Responsible Cotton, reinforcing the brand's commitment to more conscious fashion aligned with its essence and the pursuit of lower environmental and social impact.

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





Alakazoo creates fashion to transform childhood into a world of imagination, lightness, transformation, and discovery. Inspired by the beauty and fantasy of the children's world, the brand develops collections that celebrate creativity, joy, and the freedom of being a child.

This perspective is also reflected in the "Fashion for All" project, which reinforces the brand's commitment to inclusion, empathy, and representation. The initiative aims to expand possibilities through products designed to embrace diversity in childhood, promoting greater identification, a sense of belonging, and opportunities for each child to truly see themselves represented in fashion.

In addition, Alakazoo integrates sustainability into its product development, combining responsibility, care, and innovation. With that, the brand reinforces its purpose of contributing to a better future for both children and the planet.

@instalakazoo



Sustainability



Strategy

Sustainability Vision:
*Making meaningful fashion
that promotes positive impact
in the world and for all.*

We guide our sustainability strategy based on an integrated approach to corporate sustainability and **ESG**, through which we seek to promote balance among the Economic, Environmental, Social, and Governance pillars.

By integrating concepts and best practices to mitigate negative impacts and risks, while enhancing positive impacts, we apply the **EESG** approach and strengthen our commitment to making Meaningful Fashion.

E

Economic

Job creation and income generation, financial sustainability, and value creation.

E

Environmental

Management of natural resources, and products and services aimed at reducing negative environmental impact.

S

Social

Human relationships based on respect for all people involved, both within and outside the company.

G

Governance

Best practices in organizational management, integrity, transparency, equity, accountability, and sustainability.

Double Materiality

(3-1, 3-2, 3-3)

In 2025, we updated our Materiality Matrix through a Double Materiality process. The process included a mapping phase, in which we analyzed the value chain, strategic guidelines, and stakeholders, defining potential topics, risks, and opportunities. We identified material topics through stakeholder consultations and conducted an analysis of both the financial and socio-environmental dimensions, with the participation of market experts and internal leaders, to better understand the potential impacts of each topic on the business and on society. Finally, we developed the materiality matrix and carried out strategic alignment with the Executive Board.

The initial stage consisted of mapping the company's structure and analyzing key strategic documents, such as competitor assessment, risk mapping, the B Corp Diagnostic, the Ethos Assessment, the Sustainability Report and the Strategic Plan.

Based on this set of information, it was possible to understand the value chain, identify risks and opportunities, assess the organization's strategic direction, analyze the maturity of current material topics, and observe competitors' positioning. This analysis also made it possible to define the frameworks, references, and institutions to be used in the next stage, dedicated to identifying potential material topics. The diagnostic also included an assessment of trends in the textile sector. From an initial list of 100 material topics, 21 potential topics were selected for stakeholder consultation.

In the second stage, focused on stakeholder engagement, different assessments were considered.

For the Financial axis, different categories of risk were evaluated in accordance with Lunelli's Risk Management Policy. This process enabled us to assess financial impact in a broader way, also considering potential effects resulting from operational failures or reputational damage. For a more comprehensive view, the likelihood of occurrence of each topic was also considered and measured, enabling an integrated risk assessment. Financial impact may be negative (risks) or positive (opportunities). In this assessment, financial opportunities were also measured, along with an assessment of how likely they were to occur.

For the Socio-environmental axis, impact was assessed more broadly, taking three main criteria into consideration: intensity of the effect, scope, and persistence over time. For a more comprehensive view, the likelihood of occurrence of each topic was also analyzed and measured, enabling an integrated assessment of socio-environmental risk.

For the Importance axis, only the ranking of the relevance of each topic, as assessed by stakeholders, was considered. This axis complements the other assessments by incorporating the perspective of perceived importance, strengthening the integrated analysis.

Quadrant 1: priority topics that represent high impact across both dimensions.

T10	Water management
T16	Talent attraction and retention
T21	Human rights in the value chain
T15	Socio-environmental responsibility in the supply chain
T3	Ethical and responsible value chain
T8	Responsible sourcing and materials
T11	Chemical management
T17	Quality of life and working hours

Quadrant 2: topics with greater financial impact.

T18	Health and safety
T1	Compliance and anti-corruption
T4	Stakeholder engagement
T9	Energy management

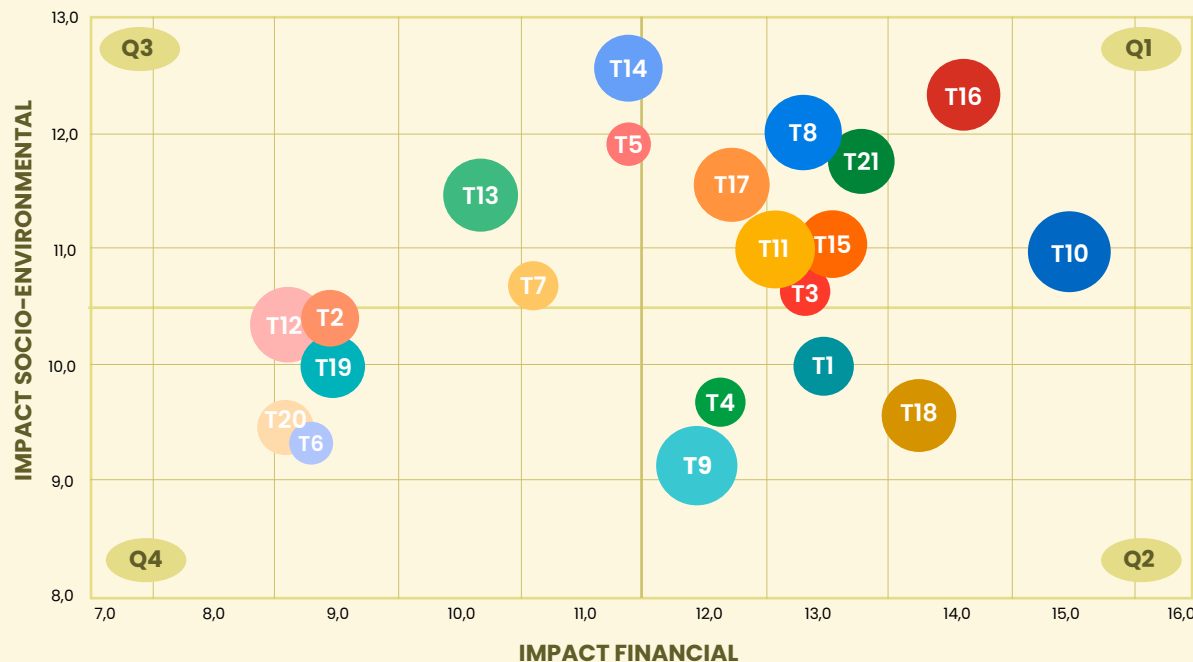
Quadrant 3: topics with greater socio-environmental impact.

T14	Climate change mitigation and adaptation
T5	Risk management
T7	Innovation and technology
T13	Product circularity

Quadrant 4: topics with lower impact across both dimensions.

T2	Responsible communication
T19	Diversity and inclusion
T6	Traceability
T12	Lower-impact products
T20	Community engagement and social investment

The matrix was built based on the dimensions of impact (financial vs. socio-environmental) and level of importance, and was structured into four quadrants:



Key: The size of the bubbles represents the level of importance

In addition to the main matrix, a specific assessment of financial risks and opportunities was carried out, also structured into quadrants. This complementary analysis supports strategic decision-making, particularly in identifying topics with the potential to contribute to corporate planning.

The implementation of double materiality represents a decisive step in strengthening the company's sustainability strategy. By integrating financial and socio-environmental perspectives, the analysis enables us to identify both the impacts we generate and the risks and opportunities that may affect our results.

This process enhances decision-making, strengthens risk management, guides investments, and provides clarity on where to focus efforts to generate value.

Alignment with the SDGs

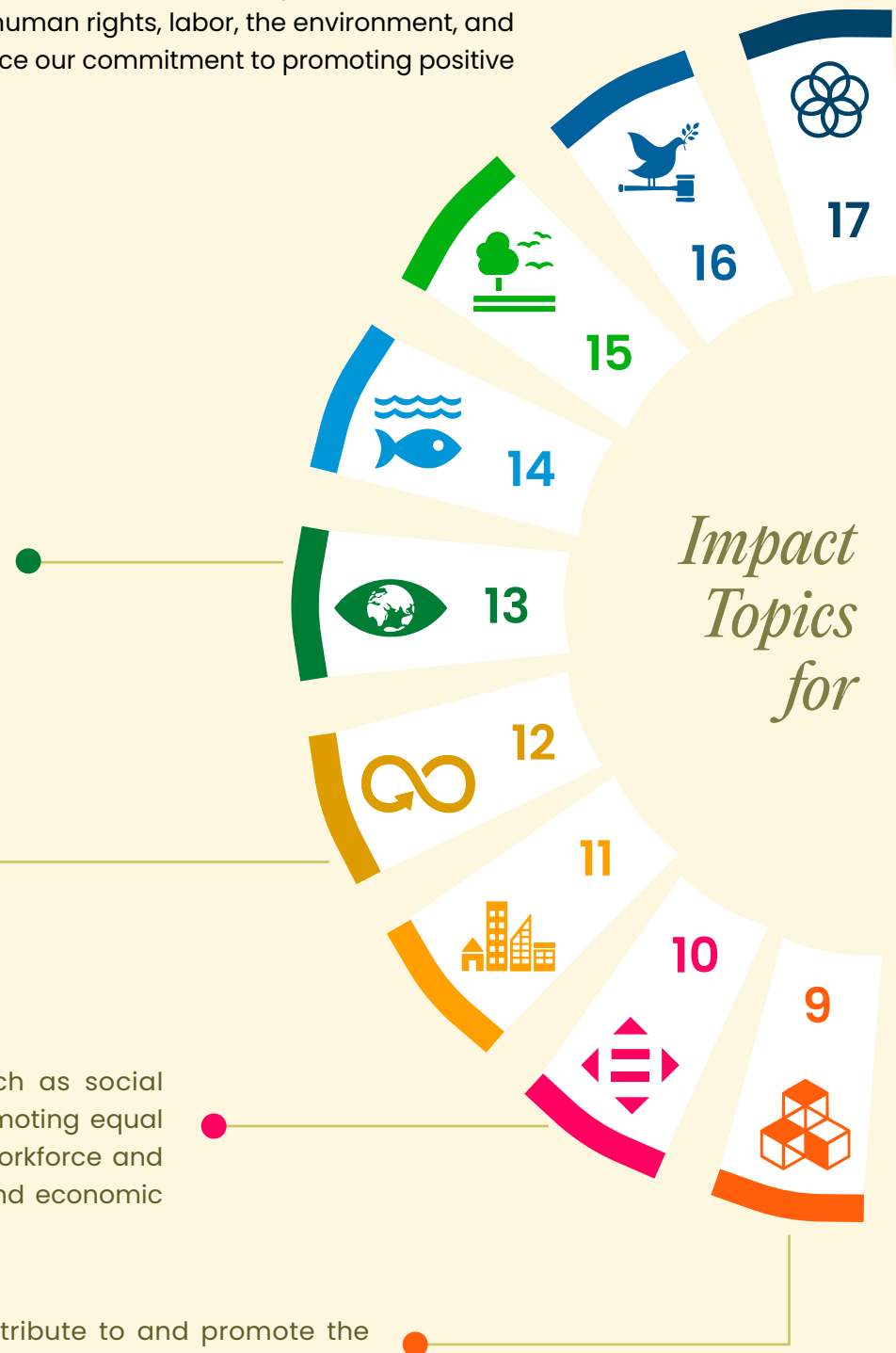
Lunelli is a signatory to the UN Global Compact - Brazil Network and Paraguay Network, an initiative of the United Nations that encourages companies to adopt universal principles related to human rights, labor, the environment, and anti-corruption. In doing so, we reinforce our commitment to promoting positive impacts for society and the planet.

Key practices adopted 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, increasing awareness, and enhancing human and institutional capacity for mitigation, adaptation, impact reduction, and early warning related to climate change; and identifying and managing risks to the business.

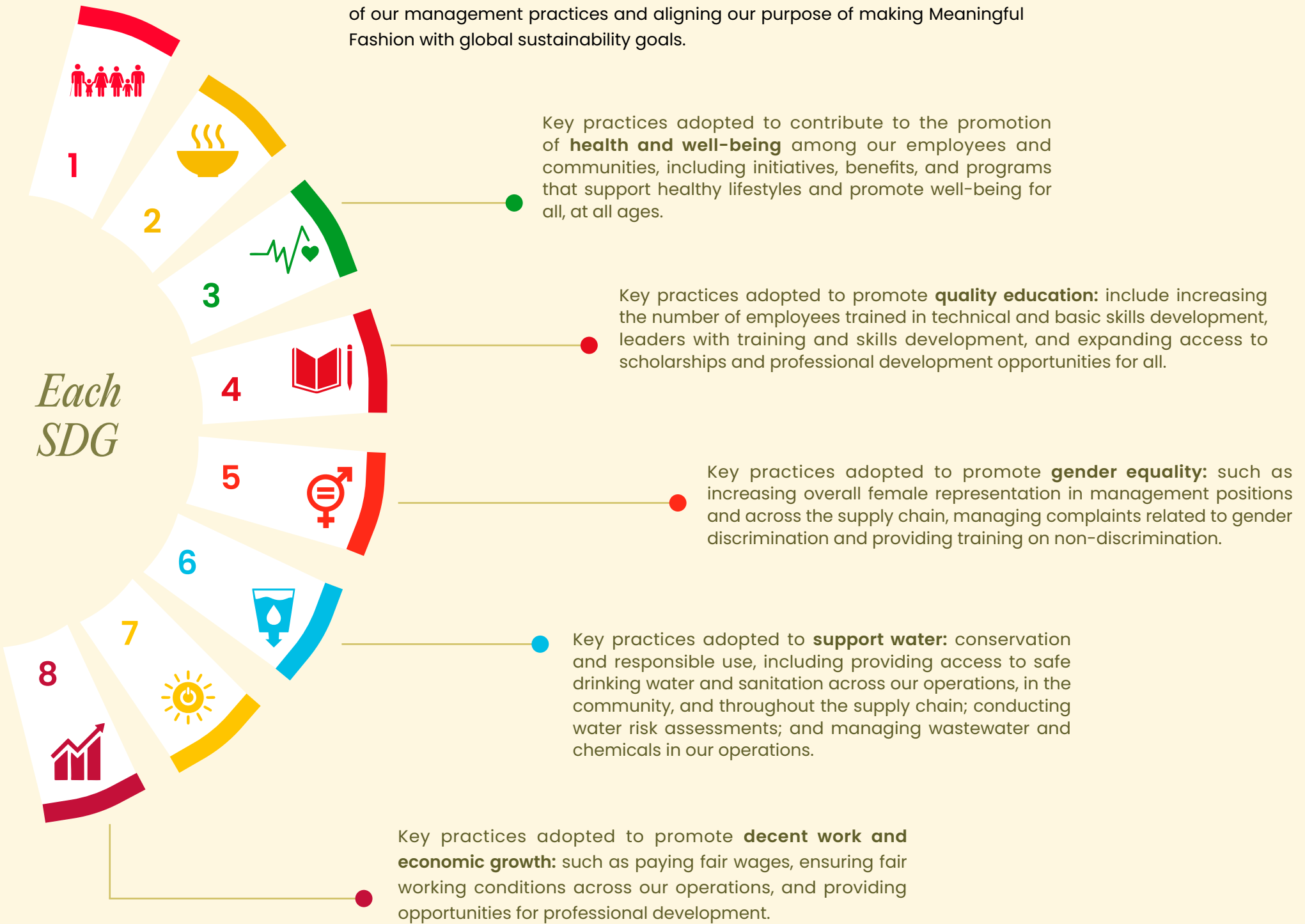
Key practices adopted to promote **responsible consumption and production**: such as adopting circular economy principles, assessing supplier impact on resource use, and establishing and publicly disclosing sustainability goals.

Key practices adopted to **reduce inequalities**: such as social investment, employee benefits and people care, promoting equal opportunities, increasing representation across the workforce and leadership, and empowering and promoting social and economic inclusion.

Key practices adopted to contribute to and promote the **industry, innovation, and infrastructure**: such as building resilient infrastructure, promoting inclusive and sustainable industrialization, and fostering innovation.



We integrate our sustainability strategy with the SDGs and have prioritized nine Sustainable Development Goals to guide our actions, enhancing the outcomes of our management practices and aligning our purpose of making Meaningful Fashion with global sustainability goals.

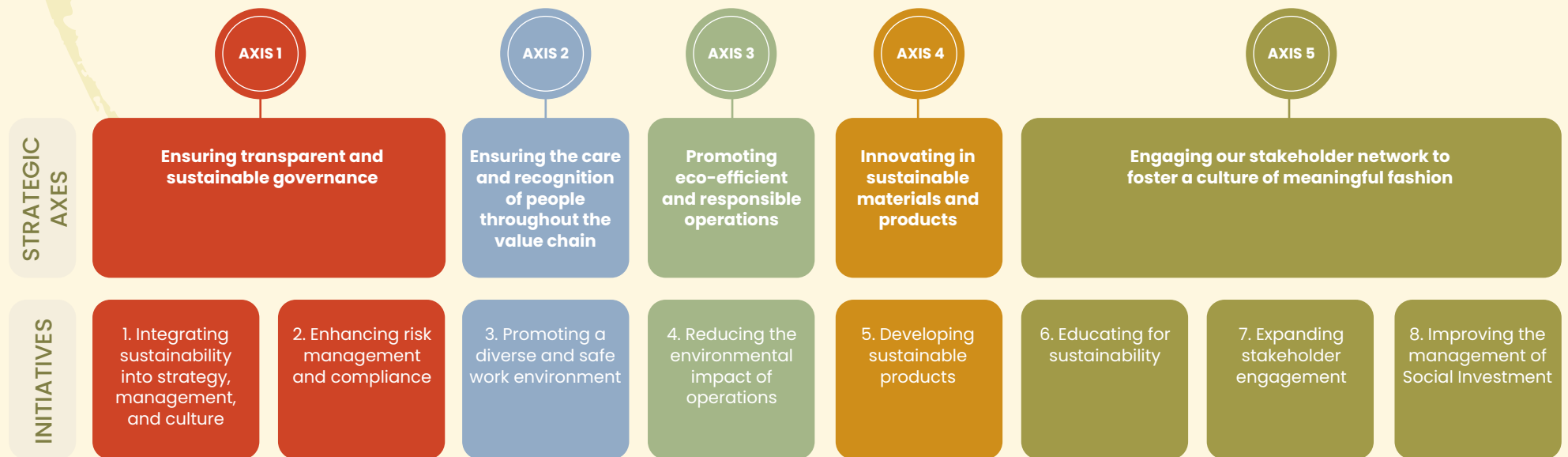


Sustainability Strategy

(2-22)

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

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


























Throughout this report, the strategic axes are highlighted to facilitate identification, improve readability and show the connection between the sustainability strategy and each topic addressed.



In 2025, we updated our strategic plan and the materiality assessment, reassessed the maturity of sustainability across all topics and integrated the B Corp dimensions into Lunelli's sustainability strategy.

By reinforcing our vision of "Making meaningful fashion that promotes positive impact in the world and for all," we guide our strategic plan with a systemic and integrated approach to the business.

STRATEGIC AXES	ESG PILLAR	MATERIAL TOPIC	B CORP IMPACT TOPIC	SDG	VALUE FOR THE BUSINESS
 <p>AXIS 1 Ensuring transparent and sustainable governance</p>	Governance	Compliance and anti-corruption	Purpose and Stakeholder Governance (PSG)	  	Ensure integrity in business conduct and safeguard the brand's reputation and institutional image. Manage the organization's economic and socio-environmental risks, as well as those across the value chain, while ensuring compliance with applicable legislation.
		Ethical and responsible value chain	Human Rights (DH) Environmental Management and Circularity (GAC)		
		Stakeholder engagement	Purpose and Stakeholder Governance (PSG)		
		Risk management	Fundamental Requirement (FR)		
 <p>AXIS 2 Ensuring the care and recognition of people throughout the value chain</p>	Social	Talent attraction and retention	Fair Work (SJ) Justice, Equity, Diversity, and Inclusion (JEDI)	     	Offer a safe and healthy work environment, fully respecting human rights. Promote diversity and inclusion based on respect, while supporting the development, training, and recognition of our employees, with the aim of attracting and retaining talent committed to meaningful fashion.
		Quality of life and working hours	Fair Work (SJ)		
		Health and safety	Fair Work (SJ) Human Rights (DH)		
		Diversity and inclusion	Justice, Equity, Diversity, and Inclusion (JEDI)		
		Human rights in the value chain	Human Rights (DH)		
 <p>AXIS 3 Promoting eco-efficient and responsible operations</p>	Environment	Climate mitigation and adaptation	Climate Action (AC)	      	Adopt a responsible approach to resource use and develop eco-efficiency solutions. Manage consumption and the socio-environmental impacts generated. Foster a supply chain aligned with sustainability commitments, ensuring the integrity of information across processes and products.
		Energy management	Environmental Management and Circularity (GAC) Climate Action (AC)		
		Water management	Environmental Management and Circularity (GAC)		
		Chemical management	Environmental Management and Circularity (GAC)		
		Socio-environmental responsibility in the value chain	Human Rights (DH) Environmental Management and Circularity (GAC)		
	Governance	Traceability	Human Rights (DH) Environmental Management and Circularity (GAC)		
 <p>AXIS 4 Innovating in sustainable materials and products</p>	Environment	Responsible sourcing and materials	Human Rights (DH) Environmental Management and Circularity (GAC)	 	Promote the responsible use of natural resources in collaboration with the production chain to minimize environmental impact. Encourage the circular economy and extend the lifespan of materials.
		Lower environmental impact products	Environmental Management and Circularity (GAC)		
		Product circularity	Environmental Management and Circularity (GAC)		
	Governance	Innovation and technology	Environmental Management and Circularity (GAC) Climate Action (AC)		
 <p>AXIS 5 Engaging our stakeholder network to foster a culture of meaningful fashion</p>	Social	Community engagement	Purpose and Stakeholder Governance (PSG) Justice, Equity, Diversity, and Inclusion (JEDI)	   	Strengthening community engagement and responsible communication enhances transparency and engagement with stakeholders, reducing the risk of social conflicts, loss of trust, and reputational damage. We engage, train, and communicate strategically to strengthen the institutional vision of meaningful fashion. We act in synergy with the brands and the institutional image, while also promoting this vision across our relationship network. We contribute to positive impact in communities and promote development through social investment.
	Governance	Comunicação responsável	Purpose and Stakeholder Governance (PSG)		

Governance



Paula Ritto, Development - Lunelli Textile



Governance Structure

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

Our Corporate Governance structure is defined through a set of monitoring and control mechanisms aimed at ensuring that business decisions are aligned with the organization’s long-term objectives.

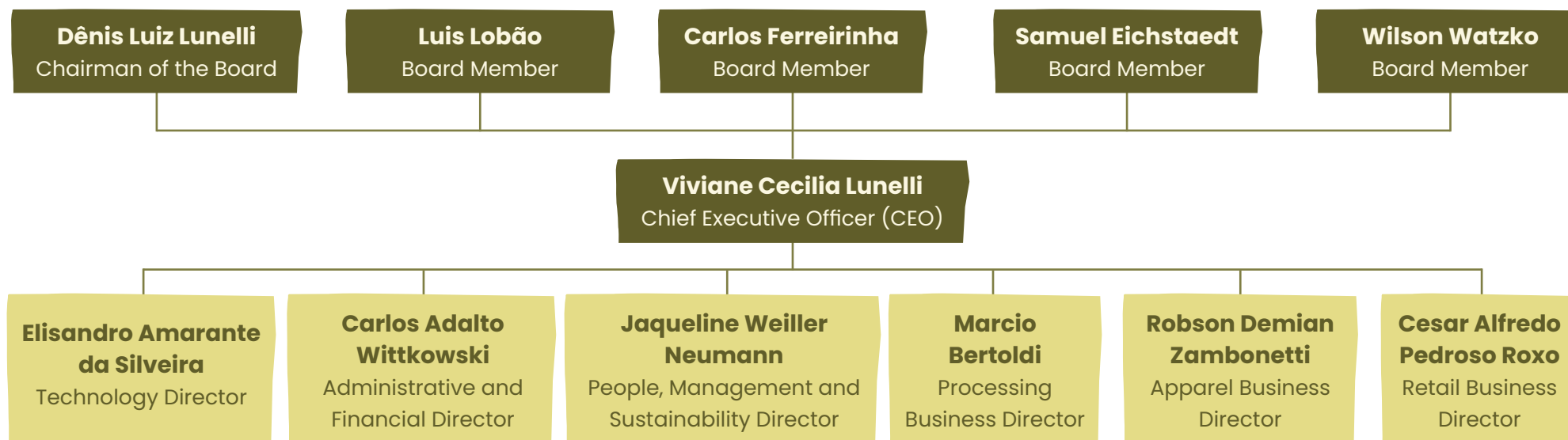
Governance, compliance, and risk management activities are guided by the principles of governance - Integrity, Transparency, Fairness, Accountability, and Sustainability - as established by the Brazilian Institute of Corporate Governance (IBGC) in the Code of Best Practices of Corporate Governance.

Lunelli is a privately held company with 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 establishment of committees, and the performance of the company, the Board itself, and the Executive Board. 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 presiding over 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.

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.

In 2025, we recorded the appointment of a new board member, Mr. Wilson Watzko, focused on economic and financial management. At the executive level, a restructuring was implemented to strengthen business management, comprising six areas organized by business units: Knits and Fabrics, Apparel, Technology, Administrative-Financial, Retail, and People, Management and Sustainability. With this new structure, the Sustainability department is now part of the People, Management and Sustainability Area.



Risk Management

(2-25, 201-2, 205-1)

Risk management is a key pillar in ensuring the sustainability and resilience of the business. It is the responsibility of all employees to ensure that internal controls are adequate for monitoring process-related risks and enable the systematic and formal communication of events that may negatively impact the company's results.

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

We have developed a risk map that provides a comprehensive view of our operations, processes, and areas, enabling us to identify and manage the various types of risks that may impact business performance and

value creation. Risks are identified and classified according to their nature into four macro categories: Strategic, Financial, Operational, and Compliance Risks. Once identified, the level of risk exposure is assessed by considering potential impact, likelihood of occurrence, and available response and mitigation options. This analysis allows us not only to mitigate potential impacts, but also to turn challenges into opportunities, supporting informed decision-making.

In order to mitigate identified risks, senior management, together with support areas and operational leaders across the lines of defense, is responsible for direct risk management processes, from identification and monitoring to the implementation of corrective actions to improve management, processes, and internal controls.

Lines of Defense Structure – Risk and Crisis Management:



Internal and external audits serve both executive and advisory functions. In 2025, we performed 26 internal audits and contracted 1,960 hours of external audit services, focused on Industrialization, Procurement and Outsourcing, and financial and tax reporting.

As part of our risk analysis, in 2025 we established a procedure for the analysis, assessment, and monitoring of socio-environmental risks related to suppliers, aiming to ensure compliance with the organization’s sustainability commitments, the security of business relationships and the promotion of ESG best practices across the supply chain.

To strengthen risk mitigation and support senior management, we rely on our Working Committees structure. In 2025, we integrated the People Management and Sustainability Committees and established the Pricing Committee for the Lunelli Platform.

- Operational Competitiveness and Efficiency
- Operational Competitiveness and Efficiency – Knits and Fabrics*
- Infrastructure
- Digital Transformation
- Financial
- LunelliPrev
- People Management and Sustainability
- Lunelli Pricing Platform

The committees are composed of a director in charge, 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 composed of 37 employees, of which 92% were in leadership roles and 8% were key employees. Gender representation was 70% men and 30% women. The average tenure of committee members was 1.9 years.

Working Committees	2023	2024	2025
Number of Meetings	92	86	70
Number of Proposals	411	273	222
Approved Proposals	235	157	107
Registered Proposals	151	95	86
Rejected Proposals	18	16	10

In 2025, the Digital Transformation Commission was replaced by the Digital Transformation Committee, with the addition of an external member. We maintained the People Management Committee and also established two Work/Study Groups: “Tax Reform” and “Labor and Social Security Legal Studies.”

Ethics and Integrity Culture

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

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. It is organized into three main topics: Environmental, Social, and Governance. In addition to this structure, the Code of Conduct identifies which UN Sustainable Development Goals (SDGs) are linked to each topic. The document also outlines guidelines for internal conduct, human rights, anti-corruption practices, data privacy, and other principles related to integrity and ethics.

The same structure has been applied to the Supplier Code of Conduct, including a formal reading and acceptance process incorporated into contracts with suppliers and partners, as well as into the supplier onboarding process through the digital platform.

We strive to lead by example and, together with our employees, representatives, clients, franchisees, suppliers, and all stakeholders, we have the potential to drive change and help transform the world around us.

Both the internal Code of Conduct and the Supplier Code of Conduct are available on our website.

Anti-Corruption

(2-23,2-24,205-1,205-2)

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 any conduct that may constitute bribery, corruption, illegal payments, or the exchange of favors with public officials in order to obtain preferential treatment or advantages from government agents.

These guidelines are reinforced in our Code of Conduct, which encourages employees to report any suspected cases of corruption through our Ethics Hotline.

Information Security Policy

Lunelli's Information Security Policy directly reflects our commitment to the integrity, confidentiality, and availability of the information under our responsibility, in accordance 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.

Each year, we communicate the Information Security Policy internally to all employees, reinforcing awareness and highlighting the fundamental importance of this topic for protecting and strengthening our business.

In 2025, we recorded 15 information security incidents and 27 LGPD-related cases, consisting of inquiries or requests for the removal of data from Lunelli's database, all of which were addressed promptly. We strengthened our response capacity, ensuring that 100% of cases were handled effectively, reaffirming our commitment to information security and data protection.

Ethics Hotline

(2-25, 2-26, 406-1)

We are committed to promoting transparency and ethical practices, valuing the active participation of our employees, sales representatives, partners, and the community to ensure alignment with the principles established in our Code of Conduct and other guidelines.

We provide all stakeholders - including employees, sales representatives, franchisees, suppliers, partners, and the broader community - with access to our Ethics Hotline, which serves all companies within the Group through a unified channel. The hotline is available 24 hours a day and allows reports to be made anonymously, without the need for identification.

We believe that everyone's contribution is essential to strengthening integrity and fostering an ethical culture within our organization. All reports received are handled with care and complete confidentiality. Our legal team conducts analyses and investigations, ensuring an impartial and thorough process for each reported case. If the reporting party chooses to identify themselves, we provide them with a response within five calendar days of submission, reinforcing our commitment to timely and effective feedback.

In cases where reports are confirmed, appropriate measures are taken according to the severity of the situation. This commitment reflects our ongoing effort to maintain a safe, ethical, and fair work environment for all.

In 2025, we recorded a total of 454 hotline reports, classified into three main categories: People; Property and Institutional; and Legal and Other. This represents a 41% increase compared to 2024, reflecting the positive impact of internal campaigns carried out during the year and increased trust in the use of the hotline.

We encourage everyone to use the hotline whenever necessary, strengthening our commitment to integrity, mutual respect, and a transparent and responsible work environment.

Ethics Hotline

Internal calls | extension 7488

External calls | +55 (47) 9090 3373 - 7488

Email | ouvidoria@lunelli.com.br



Certifications, Awards, and Recognitions



We are a Certified B Corporation!

Lunelli is part of a global movement that promotes collective action to build a more inclusive, equitable, and just economy. There are currently more than 10,000 B Corporations worldwide, collectively generating over 1 million jobs* *(B Lab Global (2022), (B Impact Assessment version 1.6).

As a Certified B Corporation, we are proud to be part of a community of companies working together to drive change and engage in collective action toward a shared goal: a global economy that benefits people and the planet.

Our production and business practices meet high environmental, social, and governance standards. We continuously strive to be transparent and accountable for our impact, adapting our practices to reflect evolving social and environmental challenges and aligning with the expectations and values of consumers.





Gediéli Toporosky Schmidt, Development – Lunelli Textile

Manifesto Lunelli

a Certified B Corporation

The future is woven from the choices we make today. With courage, we open our eyes to the present.

Because when we truly look at others and at the world, we understand that **it is time to act.**

We believe the future is shaped by our choices, and by how quickly we choose to make them.

That is why Lunelli has become a Certified B Corporation. The responsibility to be part of this **transformation** is in our hands, to build today the reality we want to share tomorrow.

We must begin by looking at ourselves: **what can we do?**

We create Meaningful Fashion that generates a positive impact in the world, and for all!

From the inside out, together we shape our true purpose: **to inspire.**

Being B goes beyond certification.

It means being part of a global movement of companies that place **people and the planet at the center of decision-making.**

It means standing alongside customers, suppliers, and partners who believe in the power of change.

Because making meaningful fashion also means making a **commitment to the future.**

It is about weaving more human relationships, more conscious choices, and more sustainable businesses.

We do not want to be the best in the world. **We want to be the best for the world.**

Lunelli is Meaningful Fashion.
Lunelli is a B Corporation.

2nd largest fashion group in the country
to achieve B Certification!

19th company in the world
in the textile and apparel sector with more than 1,000 employees to receive the certification.

Learn more at:
www.lunelli.com.br/sistemab



Watch the manifesto video

GPTW

For the **fifth consecutive year**, we received the “Great Place to Work” certification, recognizing Lunelli as an excellent place to work. We were also ranked for the second consecutive year among the Best Companies to Work for in the state of Ceará, in the Large Companies category. In addition, we achieved GPTW certification in Paraguay for the first time!

We had a voluntary participation rate of 88%, with 89% of employees responding to the survey in Paraguay and 84% in our units in Brazil. This reflects the engagement and commitment of our team to active listening and continuous improvement in promoting a healthy and welcoming work environment.



In Paraguay, we were certified in our first assessment!



In Brazil, for the 5th consecutive year



In Ceará, ranked for the 2nd consecutive year!



Lunelli Northeast Team

Mental Health

For the second consecutive year, we received the certification of excellence for consistently promoting and supporting mental health in the workplace, awarded by the integrated ecosystems consultancy Great People Mental Health, part of GPTW (Great Place to Work).



ABVTEX

The certification of the Brazilian Textile Retailers Association (ABVTEX) is held by nine of our production units, reinforcing our commitment to best practices in the sector. In 2025, we maintained certification across our units, increasing from four in 2024 to seven units awarded the Gold Seal in 2025.

This certification attests to compliance with rigorous social and environmental responsibility criteria, as well as other key aspects essential to a more ethical and sustainable supply chain in the fashion industry.

Lunelli Textile Processing Brazil, Lunelli Luiz Alves, Lunelli Commercial, Lunelli Apparel, Lunelli Textile, Lunelli Avaré and Lunelli Northeast.

empresa aprovada

PROGRAMA ABVTEX



AJD Sewing Units and Lunelli Apparel Manufacturing

empresa aprovada

PROGRAMA ABVTEX



Gender Equality and Inclusion Seal

Ceará Biennium 2025/2026

The Gender Equality and Inclusion Seal is a certification awarded every two years to recognize companies and organizations - both public and private - that promote equal access, career advancement, fair compensation, and retention in the workforce without gender or racial discrimination. The recognition is granted by the Ceará State Office for Women's Affairs.

Lunelli was awarded the Bronze Seal for adopting best practices in people management and organizational culture that promote equal opportunities between men and women, including access to employment and continued participation in the workforce, compensation and professional development. The company also provides support to women in addressing their specific needs, particularly in childcare, as well as promoting ethnic-racial inclusion and the inclusion of people with disabilities.



Susana Rayol and Geraldo Magela, Lunelli Northeast, receiving recognition



Geraldo Magela and Susana Rayol, Lunelli Northeast, receiving the Ser Humano CE Award



Diego Felippi, Jaqueline Weiller Neumann and Jesoela Rígon, Lunelli Apparel, receiving the Ser Humano Award SC

Human Value Award - ABRH-CE and ABRH-SC

The Human Value Award is granted annually to organizations whose innovative practices have achieved significant quantitative and qualitative results and can be considered benchmarks in the market.

Lunelli was recognized at the Brazilian Association of Human Resources of Ceará (ABRH-CE) Human Value Award with the case "Respect Inspires Respect" ("Respeito Inspira Respeito") in the ESG - Diversity Actions category. The project was developed collaboratively, involving more than 180 people, including employees, leaders, and technical teams from various Lunelli units. Active listening, transparent dialogue, and a focus on local realities led to the development of our Diversity and Inclusion Policy, aligned with Lunelli's ideology, the "Respect Inspires Respect" manifesto, and our sustainability strategy.

In 2025, in addition to being recognized at the Human Value Award in the state of Ceará, we were also recognized by the Human Value Award Santa Catarina in three categories.

In the "People Management - Organizational Excellence" category, we were recognized for the Live Well Program (Programa Viva Você), which promotes employee health and well-being through initiatives such as access to psychological support, running classes, yoga, nutrition counseling, and social assistance. In the "People Management - Development" category, we were recognized for our LunelliPrev Private Pension Plan, which offers a complementary retirement plan and encourages financial planning and well-being. In the "ESG - Diversity Actions" category, we were recognized for the "Respect Inspires Respect" project, which led to the collaborative development of Lunelli's Diversity and Inclusion Policy.

This recognition of best practices in People Management and ESG reinforces our commitment to making meaningful fashion.

Excellence in People Management 2025

We were ranked 4th in Brazil in the People Management Excellence Award, promoted by Grupo Gestão RH.

Conducted with technical support from FGV In Company, the survey evaluates companies across four key areas of human capital management: Employee Psychological Health, Corporate Social Responsibility, Human and Organizational Development, and People Management Practices.

This recognition reinforces Lunelli's commitment to caring for people, fostering a healthy work environment, and supporting the personal and professional growth of each employee.

Circular Economy in Industry Award

World Circular Economy Forum (WCEF)

The Federation of Industries of the State of São Paulo (FIESP) and the National Confederation of Industry (CNI) evaluated and recognized our Circular Economy initiative, carried out through the Vila Flor brand, as one of the best practices in Circular Economy within the industrial sector across Latin America and the Caribbean. The initiative is featured in an e-book of selected cases released during the World Circular Economy Forum. *Access the full material here.*

Vila Flor was created with the purpose of developing fashion in a sustainable and accessible way. By making use of surplus knits and fabrics, the brand transforms existing resources into new products, contributing to waste reduction and promoting a more conscious cycle within the textile supply chain.



Expression Ecology Award 2025



Lunelli was the winner of the 31st Expression Ecology Award in **three categories**. Recognized as one of Brazil's most established awards in sustainability and environmental preservation, the Expression Ecology Award has received more than 3,500 project submissions throughout its history, evaluated based on criteria such as relevance, innovation, environmental impact and potential for replication. This year, Lunelli stood out among 151 projects as the only company to receive three recognitions.

Among the awarded projects, the **“Lunelli Junior Brigade”** won in the Environmental Education category. Developed at the Corupá unit in Santa Catarina, the initiative provides training for children aged 7 to 10, exclusively for employees' children, covering topics such as environmental education, first aid, traffic safety, and responsible use of social media. The project directly impacted 27 children, fostering leadership and community engagement.

Lunelli was also recognized in the Solid Waste category for the use of **biodegradable and compostable** packaging for the Lez a Lez brand, which replaced 100% of traditional plastic packaging.

In addition, the **“Water Distiller for Digital Printing”** project implemented the in-house production of distilled water for the printing unit, eliminating the use of plastic containers and reducing CO₂ emissions associated with transportation. Developed under Lunelli's New Ideas Program (PNI), the solution removed approximately 3,300 packages from circulation annually and generated nearly R\$ 60,000 in annual savings.

This marks Lunelli's 7th Expression Ecology Award. This result highlights the consistency of Lunelli's sustainable development initiatives over time.

ABF Seal of Excellence and ABF ESG Award

The Brazilian Franchising Association (ABF) Seal of Excellence is the leading award in the franchising market in Brazil. It recognizes the quality and excellence of organizations operating as franchisors, based on management practices, performance, and relationships. The award recognizes companies that are leaders in the sector, based on evaluations by franchisees and, indirectly, by customers.

In 2025, the Lez a Lez brand was recognized in **two categories** by ABF, reinforcing its leading position in the national franchising sector. The brand received, for the **seventh consecutive year**, the Seal of Excellence in Franchising, as well as the **Sustainability Excellence Award**, granted to the LunelliPrev case – a supplementary pension plan focused on employees' financial well-being.

Kadrize Vailon, Lez a Lez Chapecó franchisee and Cesar Roxo, Retail Director



Order of Industrial Merit 2025

Our President, Viviane Cecilia Lunelli, received the Order of Industrial Merit 2025, awarded by the Federation of Industries of the State of Santa Catarina (FIESC). This honor is the highest distinction granted by FIESC to industrial leaders who stand out for their contributions to the development of the state and the community.



Antidio Aleixo Lunelli, Viviane Cecilia Lunelli and Dênis Luiz Lunelli



Lunelli Paraguay Team receiving Santiago Peña and his team

Presidential Visit in Paraguay

On Industry Day in Paraguay (September 8), we had the honor of welcoming the President of the Republic, Santiago Peña, to our Textile Processing unit in Paraguay.

Lunelli believes in the power of industry to transform, generate jobs, develop talent, strengthen communities, and create value responsibly. A decade ago, Lunelli chose Minga Guazú as part of its expansion journey, and since then, we have been creating opportunities and driving the local economy.



Kleitton Roberto Schwarz, Industrial Manager - Lunelli Paraguay receiving recognition

Business Chamber

of Ciudad del Este & Alto Paraná - Paraguay

We were recognized by the Business Chamber of Ciudad del Este and Alto Paraná for achieving B Corporation certification, reflecting Lunelli Paraguay commitment to positive impact, sustainability, and the well-being of people and the local community.



Kleitton Roberto Schwarz, Industrial Manager - Lunelli Paraguay receiving recognition

Paraguayan Maquila Companies Chamber

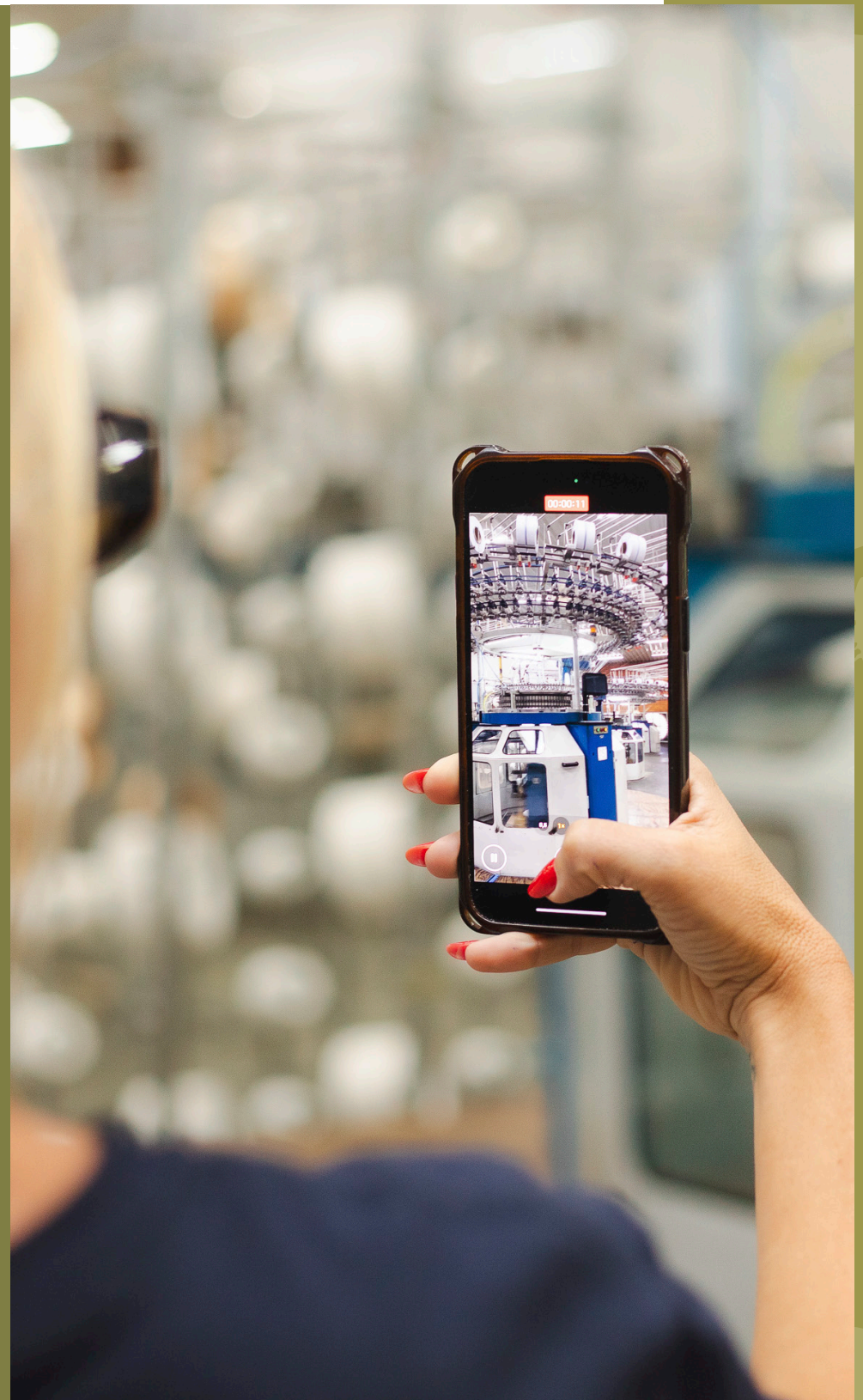
CEMAP

Lunelli received an award for excellence in corporate sustainability and contribution to the B Corporation ecosystem, a milestone that reinforces our commitment to high-impact practices in the country. The recognition took place at the 9th Outstanding Maquiladoras Recognition (9^o Reconocimiento a Maquiladoras Destacadas) 2025, organized by CEMAP.

Communication with Stakeholders

(2-29)

To ensure responsible and effective communication with those connected to our business, we updated our stakeholder mapping and defined the most appropriate channels and approaches to inform, strengthen relationships, and engage stakeholders in Lunelli's sustainability strategy.



Employee Engagement and Communication

Sou Lunelli

I'm Lunelli App

The I'm Lunelli app is a digital corporate communication tool through which all employees receive information about benefits, campaigns, our brands, and products. It also allows employees to create their own posts, sharing their daily experiences and achievements with colleagues. The app also provides access to employment-related information, such as payslips, timesheets and time tracking records, vacation statements, income reports, among others.

Coffee with Essence

This is a special moment in which employees can sign up for a session with the President to share insights, ask questions, and offer suggestions for the continuous improvement of our processes.



Recognition for Years of Service

Each year, we hold recognition events to celebrate employees reaching 5, 10, 15, and 20 years of service, with a formal ceremony and celebration. We also host a special dinner for employees completing 25 to 40 years with the company, to celebrate alongside their families, senior leadership, and shareholders.

As a moment of appreciation for their work and dedication, employees share their personal stories and achievements, as well as their journeys within Lunelli. It is a truly special occasion for everyone, where we reaffirm our mission to improve people's lives through opportunities, products, and services.



Dênis Luiz Lunelli, Márcio Bertoldi, Gisele Bertoldi, Isabela Bertoldi and Viviane Cecilia Lunelli

Sales Meetings

We hold sales conventions to launch new collections for our commercial team, sales representatives, and franchisees, with the goal of ensuring commercial and strategic alignment. During our in-person meetings, we provide an immersive experience into the brands and the themes of each collection, so they can present the collections and represent each brand effectively in the market. In these events, we recognize sales representatives for their years of dedication to the company. Our goal is to formally acknowledge their work and express our appreciation for their commitment and competence over the years.



Events and Communication with External Audiences

ONDM

ONDM (O Negócio da Moda) is one of the leading content and networking events in the textile and fashion industry in Brazil. For Lunelli, it is a strategic platform for knowledge exchange, brand positioning, and market engagement, where we showcase our knit and fabric solutions, stay up to date with industry trends, participate in talks, and position ourselves as a leader in innovation, digital printing, and sustainability.

Lunelli Inspires

Lunelli Inspires is a proprietary brand event created to inspire customers, partners, and fashion professionals. More than presenting products, it promotes content, creative exchange, and experiences, connecting trends, processes, sustainability, printing, and consumer behavior. It is a moment of connection, where Lunelli shares knowledge and reinforces its role as a creative partner of the brands.



Inside Fashion Business 2025

Innovation and Sustainability in Fashion Retail

We took part in Inside Fashion Business 2025, an event that brought together leading figures from the fashion retail sector at the Google Campus in São Paulo to discuss the industry's challenges and opportunities, with a focus on innovation, sustainability, and human transformation. We led the panel "The future and growth of the industry with a focus on sustainability" ("O futuro e o crescimento da indústria com olhar para a sustentabilidade") and proudly launched our 2024 Sustainability Report, in which we share the year's key results and actions, guided by our ideology and our vision of sustainability: "to create meaningful fashion that promotes a positive impact in the world and for all."



In Fashion Lectra

We had the opportunity to participate in In Fashion Lectra, joining a panel on sustainability, a topic that is part of Lunelli's strategy and essential to long-term business sustainability. We shared our journey and showed how sustainability is integrated across all stages of the production process. We also emphasized the importance of acting today to ensure a more balanced future. The event brought together industry leaders and companies and provided a valuable opportunity for the exchange of experiences, highlighting the role of innovation and socio-environmental responsibility in fashion.



Colombiatex

Colombiatex is one of the largest and most important textile trade fairs in Latin America, held in Colombia. For Lunelli, the event is an international showcase to present our knits, prints, and sustainable solutions, as well as to strengthen our presence in the Latin American market and expand commercial and creative connections.

Sustainable Origin Connection

Lunelli took part in the Sustainable Origin Connection, the leading event in the footwear sector dedicated to ESG discussions. We participated in the panel "Impacting People, Transforming Realities" ("Impactar pessoas, transformar realidades"), alongside Klabin and Sebrae RS. The event, organized by Abicalçados and ASSINTECAL, reinforces our commitment to integrating ESG across the entire value chain, contributing to the development of a more conscious and responsible industry.

Brascol Transforma 2025

Lunelli participated in BRASCOL Transforma 2025, an event focused on the children's market. The panel explored the connection between industry and retail, addressing challenges such as digitalization, changes in consumer behavior, and the pursuit of quality and sustainability.

The Happiness Congress

Once again Lunelli participated as supporters of the International Happiness Congress, an event that closely aligns with our purpose of “promoting the success of our customers through the happiness and satisfaction of our employees.” This partnership reflects our commitment to going beyond fashion and contributing to the creation of a happier world.

Over the course of two days, we shared knowledge and expanded our perspectives on the topic, with speakers from across Brazil and other countries exploring the theme of “Happiness” from different points of view.

We believe that fashion is about positive impact and well-being, and participating in the International Happiness Congress reinforces our commitment to human development and care for each individual.



Conference of the Parties

COP30 - Belém/PA, Brazil

COP30
BRASIL
AMAZÔNIA
BELÉM 2025

Lunelli took part in COP30, held in Belém, as part of a program that reinforced its commitment to sustainable fashion and the development of strategic partnerships.

Over the course of five days, company representatives participated in discussions in the Blue Zone and at partner venues, addressing topics such as circular economy, traceability, governance, and the advancement of B Corporations in Brazil and Latin America.

Lunelli’s participation in COP30 strengthens its sustainability vision of creating meaningful fashion that promotes a positive impact in the world and for all.





Estação Gasômetro - Belém/PA

Regenera Project - "Regenerative Businesses" -
The power of fashion organizations committed to
generating positive impact.



Casa ComBio - Combu Island - Belém/PA

Event of the B System Brazil & Latin America - Launch
of the B FASHION GUIDE.



BlueZone COP30 - Belém/PA

Panel "B Corporations for the Future: Using the power of
business to promote social and environmental good",
with Natura and Sistema B.



BlueZone COP30 - Belém/PA

Panel "The power of business for sustainable
development", with Prof. Luis Lobão.



Ana Laura Lunelli Bosse, Combu Island, Belém/PA

BlueZone COP30 – Belém/PA

Panel “Weaving a sustainable future”, with Renner, Capricórnio, Brand Têxtil, and LACES, and “Circular Economy and ESG Projects”, with AkzoNobel, LACES, and Brand Têxtil.

We also attended other events and thematic panels during COP30, including the panel by the Brazilian Textile and Apparel Industry Association (ABIT) and the Brazilian Agency for Industrial Development (ABDI) – Recircula Brasil, which addressed “Circularity in Industry: Transforming Waste into Resources”, held in the COP30 Green Zone. At the Margarida Schivasappa Theater, we attended the Grupo Mulheres do Brasil event at COP30, which included the launch of the Women’s Letter. On Combu Island, we participated in Impact Business Day and Designing 2030 alongside Sistema B Brasil & Latin America and other certified B Corporations.

Lunelli’s participation in COP30 strengthens its sustainability vision of creating meaningful fashion that promotes a positive impact in the world and for all.



Engagement with society

(2-28)

We reinforced our partnerships with institutions and associations, promoting knowledge exchange, strategic dialogue, and the development of initiatives aligned with the company's interests and challenges.



ABVTEX

Brazilian Textile Retail Association

We follow the agendas promoted by the association and hold ABVTEX certification across nine Lunelli units, including sewing and knits and fabrics operations.



Better Cotton Initiative (BCI)

Organization responsible for the world's largest cotton sustainability program. We are members of BCI and incorporate its certification as a criterion in our raw material sourcing.

ABIT - Brazilian Textile and Apparel Industry Association Sustainability Committee

We have been members of the Committee since it was created. Its purpose is to support the sustainable development of the textile sector, focusing on circular economy, decarbonization, efficient use of resources, human rights, and ESG compliance. The group fosters collaboration among companies, government, and civil society to anticipate trends and support the advancement of sustainable practices in the textile and apparel industry.



Made of Cotton

We support this movement, an initiative by the Brazilian Cotton Producers Association (Abrapa), aimed at strengthening Brazil's cotton value chain.



Rede Brasil

United Nations Global Compact

We are signatories to the Brazil and Paraguay networks.

Business Associations

ACIJS - Jaraguá do Sul Business Association

ACIAG - Guaramirim Business Association

ACIAC - Corupá Business Association

ACIA - Avaré Commercial, Industrial and Agricultural Association

ABRH - Brazilian Human Resources Association

ABF - Brazilian Franchising Association

Economic



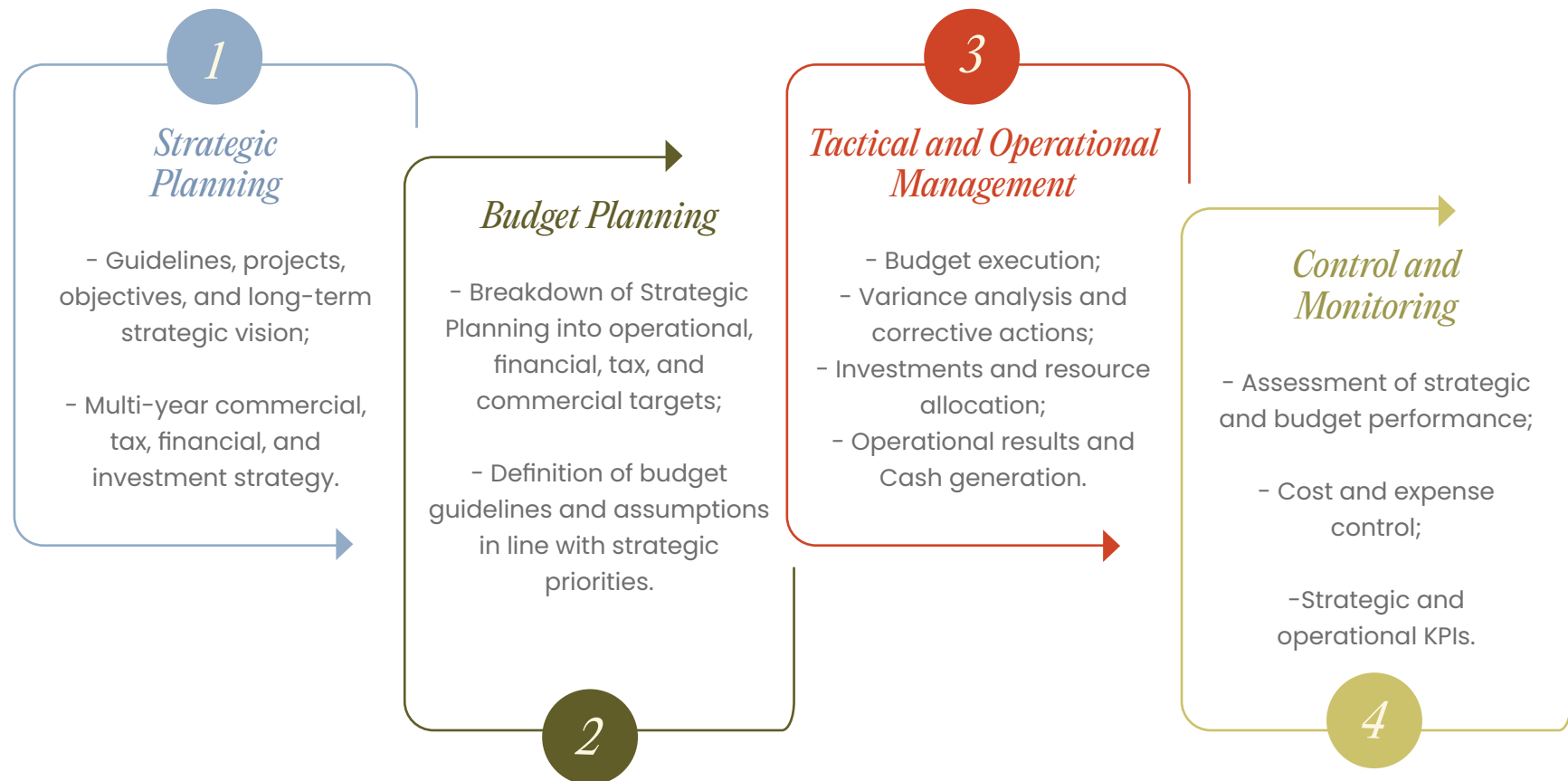
Economic Management

Our sustainability vision includes economic value creation as a strategic pillar, ensuring the financial sustainability of the business. To achieve this, we prioritize job creation and income generation, profit distribution, and sustainable value creation.

The growth and sustainability of the business are supported by an economic management model structured into four interconnected macro stages. Each stage involves specific strategic actions and developments, and its execution is essential to ensuring the company's growth and long-term continuity.

This process enables the efficient allocation of resources in alignment with Lunelli's strategic planning, reinforcing our commitment to responsible and transparent resource management, while continuously striving to optimize results in a sustainable way.

Economic Value Generation



Financial Performance

(203-1, 203-2)

Although 2025 was a challenging year, marked by an adverse market environment and both internal and external uncertainty, we reinforced our confidence in our business and our people. We continued to advance our investment plan, which had already received R\$ 63 million in 2024, with an additional R\$ 46 million allocated in 2025 for the implementation of advanced technologies and high-performance equipment. Through these investments, we enhanced the efficiency of our units and consolidated a modern industrial park, ensuring safe operations and preparing our industrial operations for future challenges. In 2025, our revenue totaled R\$ 1,549 million.

Economic value generated and distributed

(201-1)

For more than four decades, we have maintained a strong and well-established presence in the market, consistently focused on the sustainable growth of our business. In 2025, there was an increase in the "Personnel" category, mainly due to the gradual reinstatement of payroll taxes. "Compensation of third-party capital" also increased, primarily driven by the rise in the country's interest rate (SELIC), while the "Compensation of equity capital" category was mainly impacted by the company's results in 2025.

Statement of Value Added			
Distribution of Value Added	2023	2024	2025
Personnel	40,9%	44,4%	52,6%
Taxes, fees and contributions	22,7%	18,0%	21,8%
Compensation of third-party capital	19,4%	21,0%	29,0%
Compensation of equity capital	17,0%	16,6%	-3,4%
Total	100,0%	100,0%	100,0%

The statement of value added encompasses all of Lunelli's operations.

Results Achievement Program and Production and Quality Award

Lunelli has two programs aimed at sharing the results achieved with its employees: the Results Achievement Program (PCR) and the Production and Quality Award. Each unit participates in one of the programs, according to the nature of its activities.

The Results Achievement Program recognizes the results of an entire year and is paid in a single installment. The Production and Quality Award, in turn, recognizes results measured each month and is distributed monthly, together with payroll.

In 2025, more than R\$ 2,900,000.00 was distributed under the Production and Quality Award.

Retail and Commercial Operations

Our commercial and retail operations are conducted through B2B sales for our Textile business, under the Lunelli brand. For our apparel brands, we operate through multi-brand retailers, franchisees, licensed partners, and company-owned stores. In addition to our operations in multi-brand stores, we also operate internal stores for employees and the community, featuring all of the Group's brands, as well as a dedicated Hangar 33 operation, totaling 58 stores in operation.

55 Stores Lez a Lez
35 franchises
09 company-owned stores
11 VQL

(Lunelli Qualified Retail)

Retail and Franchise Network

Lez a Lez now has 55 stores in operation, including company-owned stores, franchise locations, and licensed stores under the Lunelli Qualified Retail (VQL) model.

In 2025, we opened 7 new franchised stores and 6 licensed stores under the VQL model, totaling 13 new openings.

We expanded into eight Brazilian states: Santa Catarina (Joinville, São José, and Joaçaba), Paraná (Cascavel and Londrina), Rio Grande do Sul (Porto Alegre and Gravataí), Minas Gerais (Belo Horizonte and Poços de Caldas), Espírito Santo (Vitória), Bahia (Luís Eduardo Magalhães), Mato Grosso (Sinop), and Tocantins (Araguaína).

Operating in 17 Brazilian states, with a total of 55 stores, we achieved approximately 20% growth in Lez a Lez's retail operations. This growth reflects our commitment to strategically expanding the brand's footprint, driving growth, and strengthening our relationships with commercial partners.

Multi-brand and Sales Representatives

We are committed to strengthening relationships and building trust with our sales representatives and clients, always in line with our core values. In 2025, we worked with more than 300 sales representatives, bringing our brands to most cities across Brazil and serving more than 21,500 active clients. These significant figures not only reflect our broad market presence but also reaffirm the continued confidence placed in our products and services.



UNE Program

The UNE Program is an initiative that enables individuals, employees, and store owners to generate additional income in a simple and secure way. Through the program, participants register, promote products from Lunelli's brands within their networks, and earn commissions on sales made using their coupon codes on 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 initiative was renamed "SELLER COUPON", focusing on sales staff from company-owned stores, franchises, and licensed partners, encouraging them to promote their coupon codes for online purchases. For the Hangar 33 brand, the focus remained on the community.

Through the website programaune.com.br, community members can generate their own codes and begin promoting the Hangar 33 brand, creating opportunities for additional income.

In 2025, the UNE Program accounted for 8% of our e-commerce sales.

Omnichannel

In 2025, we restructured our Digital Channels, discontinuing the virtual stores (e-commerce) of the Fico, Alakazoo, and Lunender brands, while maintaining Hangar 33 and Lez a Lez.

We began migrating our e-commerce platform to a new solution, with the aim of enhancing customer experience and improving overall e-commerce performance. The new platform provides a **more modern and intuitive environment**, with a focus on improving conversion rates. In addition, it expands our ability to showcase collections and organize products, enabling more structured and consistent marketing communication aligned with best practices adopted by leading players in the fashion market.

This evolution also strengthens the **scalability of our operations**, creating a more robust foundation for continuous improvements in user experience, performance, and commercial strategies.

Another highlight was the launch of a **new application for the Lez a Lez brand**, featuring faster and more intuitive navigation and providing an **improved customer experience**. The launch had a significant impact on results:



*31% increase
in sales*

In 2025 e-commerce results, the OMNI channel (In-store Delivery and Pickup) led participation at 14.5%, followed by the Endless Aisle (5.30%) and the Seller Coupon - UNE Program (3.18%), highlighting the importance of omnichannel initiatives in revenue composition.



Social



Fabiana Sardagna Klein, General Accounting - Lunelli Commercial

The social pillar represents a continuous effort to foster personal growth and generate lasting positive impact in people's lives. The core principle that has always guided our actions is our responsibility toward the people connected to us - whether they are employees, sales representatives, suppliers, partners, franchisees, clients, or members of the community.

Our People

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

Our purpose is to “Promote our customers’ success through the happiness and satisfaction of our employees.”

At Lunelli, we create meaningful fashion while striving to provide a safe and welcoming environment for all, promoting development and well-being. We operate in full compliance with labor legislation, respecting labor rights and maintaining a close relationship with trade unions in all regions where we operate, actively participating in collective bargaining processes that apply to all our employees.

In Paraguay, this relationship is managed through agreements established directly with government agencies.

We believe that Lunelli’s success is built on the happiness and satisfaction of our employees. For this reason, we aim to provide a work environment where respect is at the core of our relationships, creating opportunities for professional development and recognition.

In 2025, our workforce consisted of 4,298 employees, with 88% in Brazil and 12% in Paraguay.

**RESPEITO
INSPIRA
RESPEITO**



Employees by job category and gender	2023		2024		2025	
	Men	Women	Men	Women	Men	Women
Executive Board	90%	10%	89%	11%	75%	25%
Management	69%	31%	76%	24%	76%	24%
Supervision & Coordination	48%	52%	45%	55%	45%	55%
Staff	31%	69%	30%	70%	32%	68%
Total	32%	68%	31%	69%	32%	68%

In 2025, a new Executive Board was appointed, as previously mentioned in the Governance chapter, which contributed to an increase in the representation of women in the Executive Board job category.

We present the employee overview by job category, gender, race, and age.

Employees by job function, age group, and gender	Up to 21 years old		22 to 29 years old		30 to 49 years old		Over 50 years old	
	Men	Women	Men	Women	Men	Women	Men	Women
Executive Board	0%	0%	0%	0%	50%	13%	25%	13%
Management	0%	0%	0%	0%	57%	24%	19%	0%
Supervision & Coordination	0%	0%	1%	2%	40%	47%	4%	6%
Staff	5%	7%	9%	15%	15%	38%	3%	8%
Total	5%	7%	8%	14%	16%	38%	3%	8%

Employees by job function, age group, and year.	Up to 21 years old			22 to 29 years old			30 to 49 years old			Over 50 years old		
	2023	2024	2025	2023	2024	2025	2023	2024	2025	2023	2024	2025
Executive Board	0%	0%	0%	0%	0%	0%	80%	67%	63%	20%	33%	38%
Management	0%	0%	0%	11%	0%	0%	83%	92%	81%	6%	8%	19%
Supervision & Coordination	0%	0%	0%	5%	7%	3%	88%	85%	86%	7%	9%	11%
Staff	11%	11%	12%	25%	25%	24%	55%	55%	53%	9%	9%	11%
Total	10%	11%	12%	25%	24%	23%	56%	56%	55%	9%	9%	11%

Number of employees in leadership positions, by gender and race	Men	Women
Self-identified Black	24%	76%
Self-identified White	53%	47%
Self-identified Asian	0%	0%
Self-identified Indigenous	0%	0%
Race not reported	0%	0%
Total leadership positions	50%	50%

Salaries

(202-1)

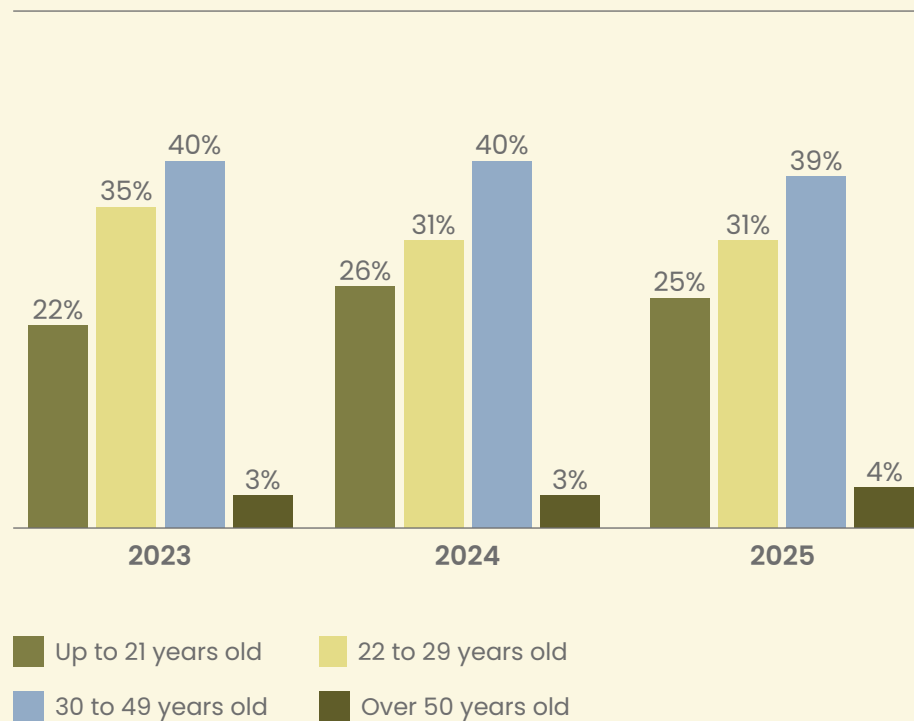
During the reporting period, compensation at our units in Brazil was above the national minimum wage (R\$1,518.00). We also grant salary adjustments after the probation period, increasing the gap between the national minimum wage and employees' actual compensation. At our unit in Paraguay, due to different legislation and local practices, employees join the company at the national minimum wage, with salary progression based on their experience and performance.

We do not differentiate salary structures based on gender, race, or age. Salary ranges for each job category include suggested pay bands aligned with roles, responsibilities, and experience, which are evaluated and applied accordingly.

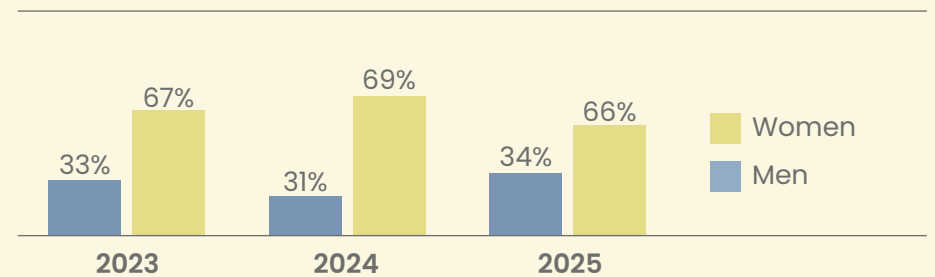
Total Number of Hires

Lunelli recognizes the importance of people to its development. Therefore, we adopt a hiring process based on valuing professional talent.

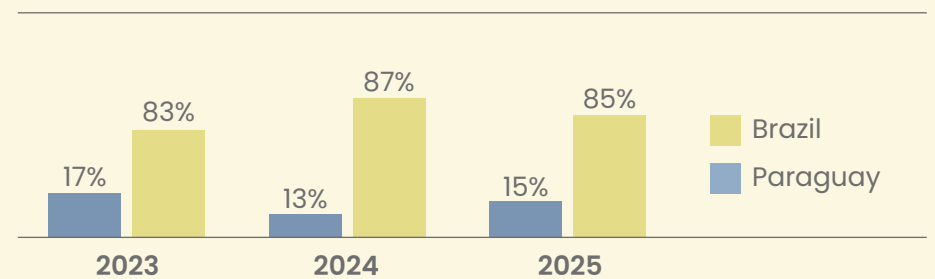
Hires by age group



Hires by gender



Hires by Country



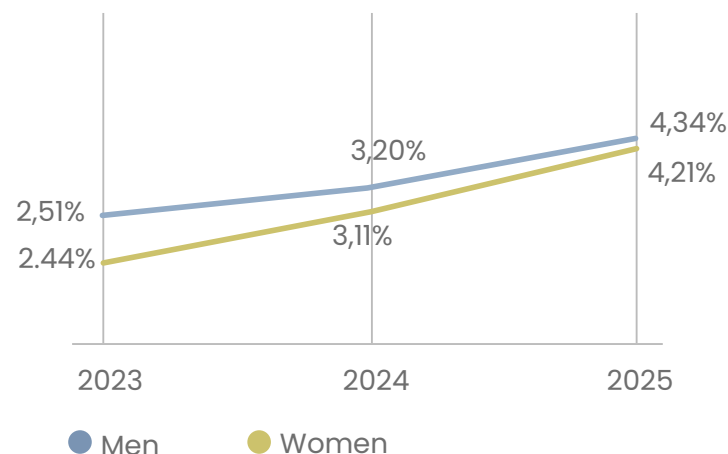
The turnover rate is calculated based on the number of terminations relative to the average headcount for the period.

2023	2024	2025
2,46%	3,14%	4,30%

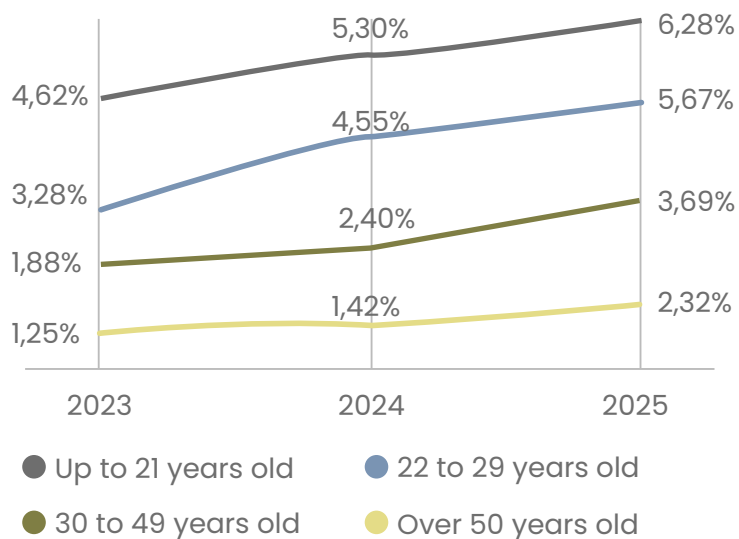
The 2026 People Management Trends report by Great Place to Work indicates that the current environment is characterized by increased uncertainty and organizational transformation, including structural changes, the adoption of new technologies, and the reorganization of teams, factors that may influence workforce mobility and turnover indicators.

Among the companies participating in the study, 39.2% reported an increase in voluntary turnover. In this context, the variation observed in the company's turnover rate remains consistent with the current market environment, reflecting structural shifts in people management and in contemporary organizational culture. Lunelli continues to build a safe and healthy work environment and to support people development, in line with its commitments to sustainability and the value placed on its employees, as defined in its strategy and corporate policies.

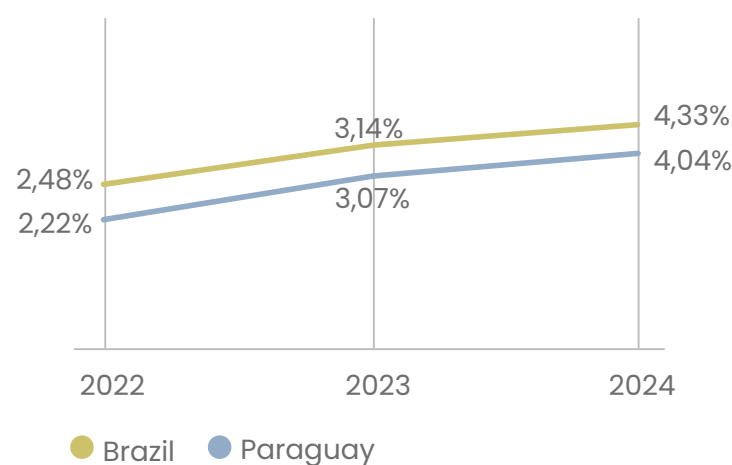
Turnover - Gender



Turnover - Age group



Turnover - Country



b. Health, Safety, and Well-being

(403-1 - 403-10, 416-1)

We strive to promote the well-being of our employees and are committed to ensuring the occupational health and safety of all our employees and service providers.

We aim to provide safe and healthy workplaces, in full compliance with occupational health and safety regulations and in line with the World Health Organization (WHO) definition of health, as “a state of complete physical, mental and social well-being and not merely the absence of disease.”

To support risk assessment, periodic assessments of risks and hazards associated with our activities are conducted through inspections carried out by the Internal Accident Prevention Commission (CIPA) and the Emergency Brigade, as well as assessments conducted by the Specialized Service in Occupational Health and Safety (SESMT). These are documented in the Risk Management Program (PGR) and aligned with the Occupational Health Medical Control Program (PCMSO) for monitoring and follow-up actions, with the aim of minimizing and/or eliminating occupational risks, while continuously promoting a safe and healthy environment for operations.

Lunelli’s SESMT is composed of Occupational Physicians, Safety Engineers, Nursing Technicians, and Safety Technicians who provide guidance and carry out preventive actions to minimize risks and reduce occupational accidents and illnesses, both for Lunelli employees and for third-party service providers operating within the units. Before starting their activities, all employees go through an onboarding process, during which they receive essential information for their roles, including safety measures and rules to ensure a safe working environment.

Health and safety information is also shared regularly through initiatives led by CIPA, whose representatives are elected annually and work to foster a culture of prevention and safety through actions such as Internal Week for the Prevention of Workplace Accidents (SIPAT). Departmental safety talks are also conducted - brief meetings of approximately 15 minutes, held directly in the workplace - covering topics such as health, disease prevention, traffic safety, prevention of occupational and commuting accidents, types of harassment, mental health, quality of life, and others. During the year, a total of 12,318 hours of occupational health and safety training were delivered across all company units.

The Emergency Brigade is composed of 262 volunteer employees who are trained annually to respond to situations such as fires, workplace accidents, chemical spills, among others.

Accidents with leave of absence	2023	2024	2025
Total number of accidents with leave of absence	87	107	79
Occupational accidents	60	79	62
Commuting accidents	27	28	17

In 2025, we reduced by 26% the total number of occupational accidents with leave of absence.

Junior Brigade

Considering 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, offering the children of our employees the opportunity to acquire valuable knowledge while extending Lunelli's culture of care beyond our employees, and reaching their families as well.

The program is designed for children aged 7 to 10, who attend classes led by safety professionals, acquiring hands-on experience and learning about first aid, prevention, social media awareness and safety, environmental education, traffic safety, bullying prevention, and other activities that contribute to both their technical and personal development.

The program was already implemented at our units in Guaramirim/SC, Corupá/SC, and Paraguay. In 2025, we launched the first Junior Brigade group at our Lunelli Northeast unit in Maracanaú/CE.



Safety, Organization, and Cleanliness



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. Throughout the year, the program was supported by 193 auditors who conduct monthly audits to assess and improve practices across departments. These auditors are key drivers of continuous improvement, always available to clarify questions, provide guidance, and, above all, incorporate the values of 5S into their daily activities.

The program also promotes training opportunities and moments for reflection, leading awareness and engagement initiatives throughout the factory. During these activities, opportunities for material reuse and

resource sharing are assessed, highlighting the "SOL in Action" initiative. This initiative emphasizes the importance of awareness and proper waste disposal, in line with sustainability principles.

The commitment of SOL auditors goes beyond monthly audits, reflected in everyday actions. The average performance of the units in the SOL Program was 9.35 on a scale from 0 to 10. This work contributes significantly to creating a safer, more organized, and cleaner work environment, aligned with Lunelli's sustainability and efficiency goals.

Live Well Program

To promote the health and well-being of our employees, we offer Yoga classes, a Running Group, Physiotherapy, Psychologist, Nutritionist, and Social Assistance services.

In addition to the well-being initiatives offered through the program, we provide employees with health insurance and dental plans. During the year, **11,136 workplace stretching sessions** were conducted by partner professionals, with activities tailored to the needs of each department. These activities aim to prevent occupational illnesses, reduce physical discomfort, and relieve stress, contributing to employees' overall health and well-being.

- Yoga classes, with 960 participations
- Running group, with 880 participations
- Physiotherapy, with 1,785 consultations
- Psychologist, with 962 consultations
- Nutritionist, with 150 consultations

Restaurants

In 2025, a total of **877,753 meals** were served in our restaurants. We offer meals planned by nutritionists, in accordance with the national Worker Nutrition Program (PAT), at the restaurants located in our units, and we provide meal vouchers to employees working in our stores.

Medical Center

In the past year, we recorded **10,130 outpatient visits**, including nursing procedures, medical appointments with Occupational Physicians, and pre-employment, periodic, return-to-work, job change, and exit medical examinations. The medical center also provides complementary services, such as dental care delivered by partner professionals, as well as nutritional, physiotherapy, social work, and psychological services.



Fabiana Silvestre De Almeida, Folding - Lunelli Apparel

Mothers on Board Program and Parental Leave

(401-3)

We are pleased to offer pregnant employees the opportunity to participate in our internal “Mothers on Board” program, which includes sessions with a nurse, a nutritionist, and a psychologist at our units. During these sessions, participants receive guidance on maternity routines, pre and postnatal care, the psychological aspects of pregnancy and the postpartum period, breastfeeding, newborn care, and have the opportunity to exchange experiences with other expectant mothers.

Parental leave is a recognition of the importance of family life. We understand that these moments are highly valuable and have an impact not only on the lives of parents but also on the healthy development of their children.

	2023		2024		2025	
	Maternity	Paternity	Maternity	Paternity	Maternity	Paternity
Total number of parental leaves	145	62	121	35	105	35
Total number of employees who returned to work after the end of parental leave	127	62	117	35	90	34
Return-to-work rate after parental leave	88%	100%	97%	100%	86%	97%
Retention rate 12 months after returning from parental leave	52%	70%	50%	70%	50%	57%

LunelliPrev

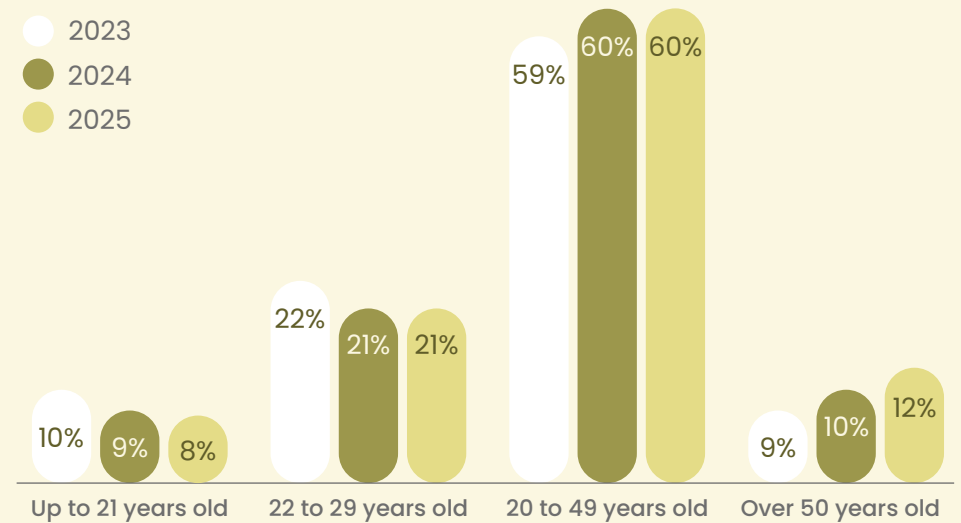
(201-3)

LunelliPrev is a supplementary pension plan offered by Lunelli to its employees, aimed at encouraging the creation of a financial reserve to provide additional income in retirement, complementing the public pension provided by the National Institute of Social Security (INSS).

Employees enrolled in the plan make monthly contributions by choosing a percentage of their base salary, with a minimum contribution of 1%. To support the building of this retirement reserve, Lunelli also makes monthly contributions to the plan. Lunelli's contributions are credited to the accounts of participating employees, following uniform, equitable, and non-discriminatory distribution criteria.

Through this benefit, we believe we can positively influence our employees by promoting financial education and encouraging them to take an active role in their progression from Employee to Saver and, subsequently, to Investor, helping them build complementary passive income while developing sound financial planning and security habits. Throughout the year, we carried out several initiatives focused on financial education and additional contributions.

In 2025, the plan reached a participation rate of 84.5%, amounting to 3,012 employees and total assets of R\$ 43.5 million.



We carry out an annual distribution of our plan's Pension Fund. Over the six years of existence of LunelliPrev's, more than **R\$ 760 thousand** has been shared among participating employees. This is another way Lunelli encourages employees to invest in their future. We closed 2025 with total assets of more than R\$ 43.5 million, of which 31% consisted of Lunelli contributions and 69% of employee contributions. The total return generated by the plan in 2025 was R\$ 3.9 million, equivalent to 103% of the CDI or 178% of savings account returns.



CENTRO DE TREINAMENTO
Abilio Lunelli

Training, Development, and Recognition

(404-1, 404-2, 404-3)

At Lunelli, our mission is to “Improve people’s lives through opportunities, products, and services.” The Abílio Lunelli Training Center is a strategic part of delivering this mission. We aim to support career advancement and personal growth by offering internal and external development programs aligned with business needs and strategy.



In 2025, 225 employees benefited from scholarships, representing more than R\$ 345 thousand invested.

Through Lunelli’s Scholarship Program, we support employees in pursuing technical courses, language studies, undergraduate degrees, and postgraduate programs.

10 Years of the Abílio Lunelli Training Center

The Abílio Lunelli Training Center brings to life the vision of our current Chairman, Dênis Luiz Lunelli,, who has always envisioned offering training opportunities to employees, providing free and accessible access to knowledge. It offers ongoing formal training in general and technical subjects, with a particular focus on programs that add value to people's lives, as we believe that education is key to becoming better professionals and individuals.

Objectives of the Abílio Lunelli Training Center

- **Promote education as a means of personal and professional growth;**
- **Provide technical training for key operational areas;**
- **Strengthen awareness of the organization's culture and values;**
- **Foster pride, engagement, and knowledge;**
- **Ensure higher quality, greater productivity, and reduced waste and rework.**

The name Abílio Lunelli is a tribute to the father who always encouraged his children in the pursuit of knowledge and development. This vision began to take shape in October 2015.



CENTRO DE TREINAMENTO
Abílio Lunelli

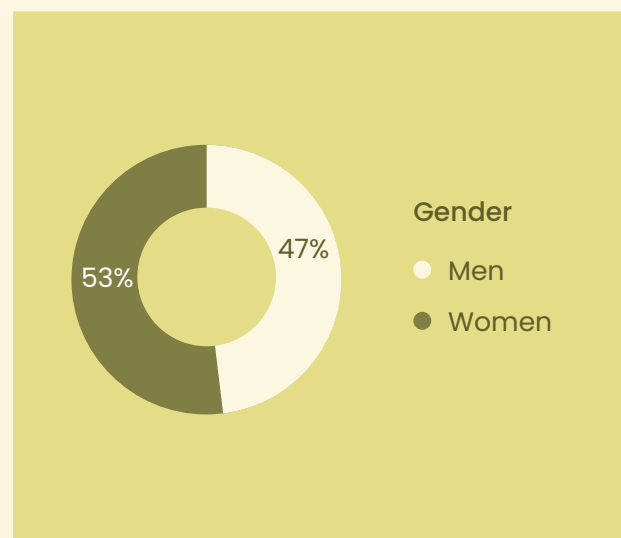
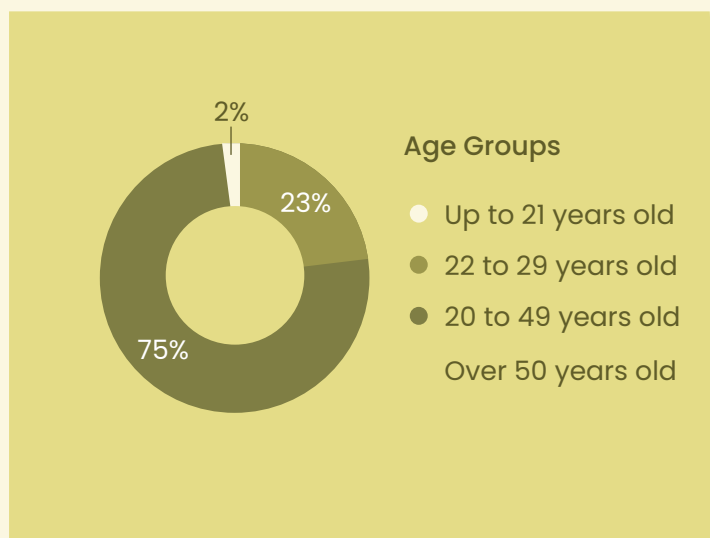
Over 10 years of operation, the Abílio Lunelli Training Center has certified more than 3,330 employees, providing access to knowledge free of charge and in an accessible way.

In 2025, 109 employees completed professional, skills development, and leadership training programs. In addition, training and awareness activities were carried out for all employees throughout the year. During the year, R\$ 1.9 million was invested in training and development.



Rodolfo Paes, PCP – Lunelli Avaré

Employees trained at the Abílio Lunelli Training Center in 2025.



Leadership development:

59% women

41% men

Professional training courses:

51% women

49% men

PNI – New Ideas Program

We encourage the development of new ideas and innovation through the PNI Program, based on the concept of Quality Control Circles (CCQ). Each employee participating in the PNI plays a key role as an active agent of continuous improvement.

The PNI is composed of cross-functional groups of five members each, who develop both qualitative and quantitative projects. These projects are categorized according to Lunelli's values (enthusiasm, simplicity, and results-driven focus). Throughout the year, they turn ideas into concrete actions while accumulating points. At the end of the cycle, teams that achieve at least 70% of the maximum score qualify to participate in the PNI Showcase. The showcase is an event that celebrates and presents implemented innovation projects and the results achieved. The event marks the end of the cycle and recognizes top-performing teams.

In 2025, the PNI featured 76 groups, engaging an average of 367 employees throughout the year. In total, 1,301 ideas were generated, and 685 projects were implemented, resulting in an estimated return of R\$ 6.4 million.

These results highlight the importance of fostering internal innovation, promoting ideas, and actively listening to teams as drivers of continuous improvement.

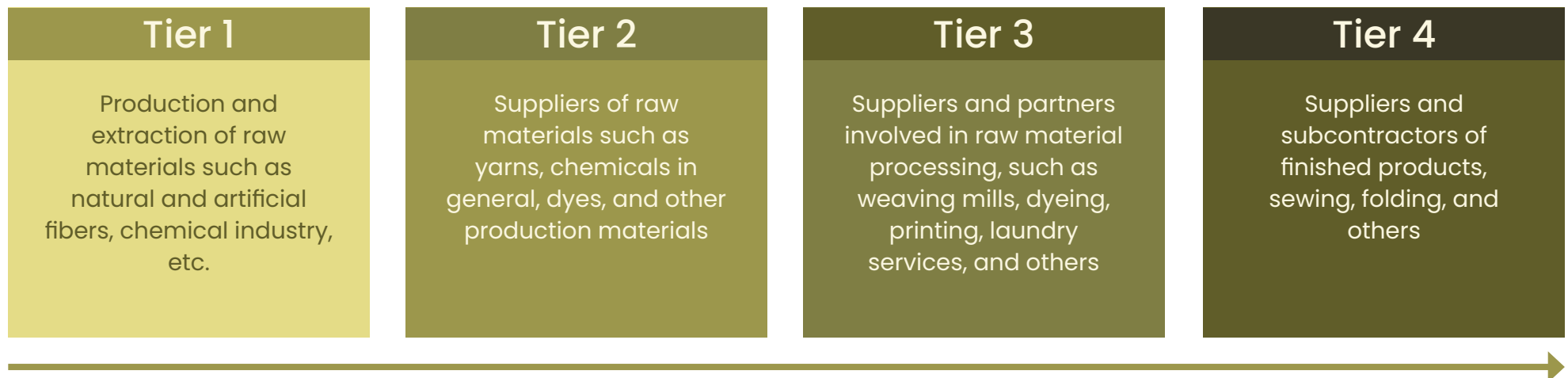


Luis Kendi Watanabe, Process Engineering – Lunelli Apparel

Supply Chain and Supplier Relations

(301-1, 308-1, 308-2, 407-1, 408-1, 409-1, 414-1, 414-2)

We operate a vertically integrated and connected production process, spanning all stages, from yarn input in the knitting stage, through textile processing, apparel manufacturing, and finishing, to the delivery of the final product to customers. We rely on an ecosystem of suppliers and partners operating at different stages of our value chain.





Ricardo Danyel Silva Souza, Treasury – Lunelli Comercial

Given the complexity of our supply chain, we have established a procedure for analyzing, assessing, and monitoring socio-environmental risks related to suppliers, aiming to ensure compliance with the organization’s sustainability commitments, the security of business relationships, and the promotion of good ESG practices across the supply chain. This process is applied to all suppliers classified as “A” and “B” within the ABC classification based on annual spend, across all supplier categories, including both domestic and international suppliers. Suppliers are categorized into “Outsourced Services,” “Raw Materials and Production Materials,” and “Logistics.” The first macro-category is divided into the following subcategories: Apparel Manufacturing/Textile Services; Maintenance/Facilities; Restaurants; and Laundry/Textile Processing Services. The second macro-category is divided into the following subcategories: Yarns; Trims; Fabrics; Chemicals; and Packaging. The third macro-category is divided into two subcategories: Transportation and Fuels.

For each subcategory, we assess the following topics: Water, Air and Climate, Chemical Substances, Waste, and Human Rights. Based on this assessment, we identified that risks related to Human Rights, particularly

those associated with labor conditions and working relationships involving third parties, are concentrated among outsourced sewing suppliers. For the other topics, we identified more significant risks across different subcategories depending on their activities. For Water, key risks are associated with suppliers of chemicals, laundry services, and fabrics. For Air and Climate, with suppliers of raw materials in general and logistics providers. For Chemical Substances, with suppliers of chemicals, laundry services, fuels, and fabrics. And for Waste, with suppliers of maintenance/facilities, restaurants, laundry services, and all suppliers of raw materials and other production materials.

Document analysis continues to be conducted based on certifications (e.g., ISO 14001, ABVTEX, SASSMAQ), environmental licenses, and other legal requirements, according to the supplier category. The supplier approval process has been strengthened, requiring suppliers to complete a form that assesses the existence of socio-environmental policies and practices (such as a code of ethics, ethics channel, diversity policy, environmental management, among others). In addition, all suppliers are required to formally acknowledge and agree to the organization’s Code of Conduct.

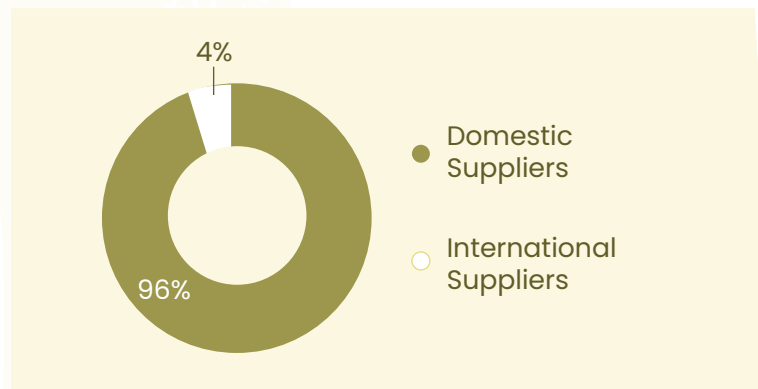
Supply Chain

(204-1, 301-1)

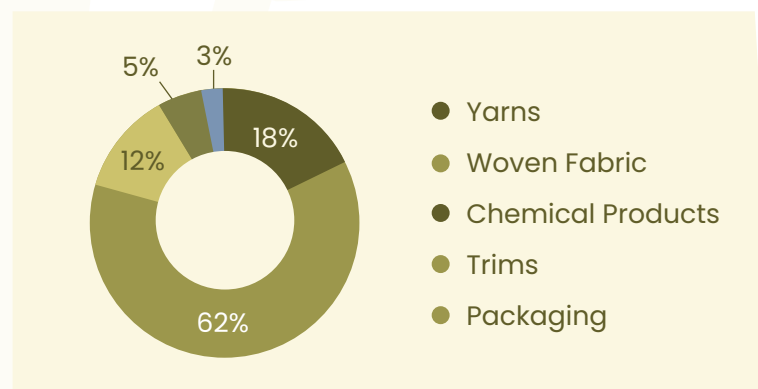
We rely on a qualified network of raw material suppliers and industrial processing service providers who play a strategic role in our production chain.

Regarding raw materials, we work with both domestic and international suppliers, ensuring access to essential materials for our production.

Number of domestic and international suppliers:

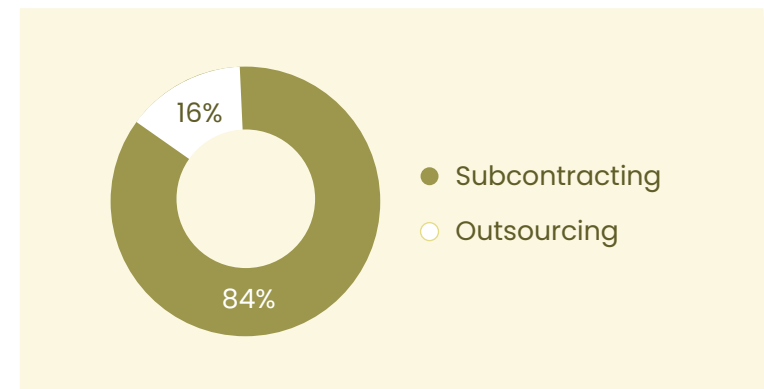


Raw material consumption, by volume used:

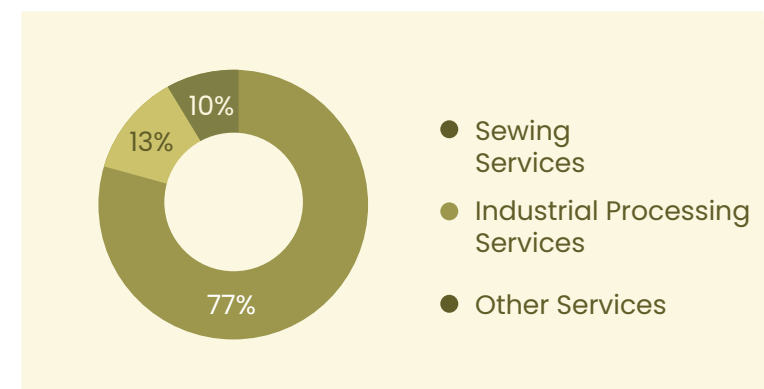


For Industrial Processing Services, we rely on subcontracted partners for sewing, processing, and other services, as well as outsourcing providers for development and production.

Subcontracted and outsourcing service providers, by volume spent:



Types of subcontracted services, by amount spent:



Training for Sewing Suppliers

In 2025, we concluded the second cycle of training for sewing suppliers. This cycle was carried out in partnership with Sebrae/SC, providing training and consulting to micro and small enterprises on topics such as performance management, financial management, people management, production processes, and sustainability.

The objective of the program is to promote the development and competitiveness of small businesses within the supply chain across key competitive dimensions: Productivity, by eliminating waste, quality, by reducing rework and defects and Speed, by improving on-time delivery of orders.

The program included 24 companies from 12 different municipalities, impacting more than 490 people.

Throughout the 2024–2025 cycle, in-person and online workshops were conducted, along with one-on-one support from the program’s

consultants to support the development of participating companies. At the end of the cycle, the top three companies were recognized and awarded a sewing machine, a notebook, and a professional training course offered by Sebrae.

In the coming year, the program will continue with a new 2026–2027 group for “Cycle 1,” similar to the one conducted in 2024–2025, with a program focused on productivity, quality, people management, finance, and sustainability. In addition, a “Cycle 2” group will be formed, composed of companies that participated in the 2024–2025 initiative, continuing the work carried out in the previous cycle, with a focus on corporate leadership, strategic planning, and total quality.

With this program, we supported the development of micro and small supplier companies within Lunelli’s supply chain, enhancing competitiveness, driving economic performance, and consolidating high-performance management practices.



Winning Company
Gustavo Gehrke Confeções



Winning Company
Mari Confeções



Winning Company
Lual Confeções

Social Investment and Community Engagement

203-1, 413-1, 413-2)

At Lunelli, community engagement and corporate social responsibility are part of our sustainability strategy. We manage our social investments to maximize our positive impact on society as a whole, especially within the communities where we operate.

The projects and initiatives we develop and support are guided by three fundamental pillars: Ethics, Citizenship, and Attitude. These pillars guide “Preserving is Loving” (“Preservar É Amar”), a project launched in 2002 as an environmental education initiative aimed at encouraging positive behaviors among communities and children. Today, we apply the legacy of “Preserving is Loving” as the guiding concept for Lunelli’s social investment.

We are committed to social, environmental, and cultural development in order to contribute both directly and indirectly to our corporate sustainability commitments. Social investment is carried out strategically, with practices aligned with the company’s role of shared responsibility, through support for socio-environmental and cultural projects, as well as the implementation of tailored projects through donations, sponsorships, or tax incentive programs

In 2025, a total of R\$ 871 thousand was invested in social initiatives. Of this amount, 59% was allocated to donations and sponsorships for socio-environmental projects and initiatives, and 41% through tax incentive programs supporting projects related to elderly care, children and teenagers, sports, culture, and recycling.

Item / Year	2025	
Philanthropic Donations*	R\$ 517,805.54	59%
Contributions through federal and state tax incentive programs	R\$ 353,191.96	41%
Total	R\$ 870,997.50	100%

*For donations, amounts allocated to events or projects related to marketing or product promotion with a commercial purpose are not included. Philanthropic donations include only financial contributions and donations of goods and services to non-governmental or non-profit organizations.

Projects Supported through Tax Incentive Programs

In 2025, we supported 20 projects through tax incentive programs, focused on elderly care, children and teenagers, sports, culture, and recycling. In this report, we highlight some of the key projects carried out over the past year.

Culture

Reading Territories Project

Maracanaú/CE

The Reading Territories Project promotes the revitalization of library spaces, in addition to promoting arts-based educational and cultural activities focused on reading within public schools, such as storytelling sessions, theatrical performances, and literary workshops. The project also includes the acquisition of book collections, educational and cultural games, furniture, and electronic equipment for school libraries.

Casa de Vovó Dedé Civil Society Organization

Fortaleza/CE

The Annual Activities Plan of Grandma Dedé's House aims to promote cultural and civic development through maintaining the institution's courses, performances, and other activities.

Grandma Dedé's House is a Civil Society Organization (OSC), a private, non-profit institution founded in 1993 in Barra do Ceará, a densely populated neighborhood with a very low Human Development Index (HDI) in Fortaleza/CE.

Its mission is to promote personal, educational, and professional human development through excellence in teaching music, art, culture, and technology to children and young people aged 6 to 29 in situations of risk and social vulnerability, encouraging the engagement of students, families, and the community, all entirely free of charge.



Susana Rayol, Geraldo Magela, Natália Barros, Wesley Rodrigues - Lunelli Northeast

Beto Studart Foundation for Talent Development

Fortaleza/CE

The Cultivating Talents - Expansion and Strengthening project (Cultivando Talentos - Ampliação e Fortalecimento) is an initiative of the Beto Studart Foundation, in partnership with the Alberto Nepomuceno Music Conservatory, which offers free music education and supports the development of talents among teenagers and young people in situations of social vulnerability.

Since its founding in 2004, the foundation has worked to develop talent across various forms of expression, including culture, sports, and education. It believes that culture is one of the most effective paths for transforming the social reality of many people.

Arts and Culture Society - SCAR

Jaraguá do Sul/SC e Guaramirim/SC

In 2025, we supported SCAR through two projects: the SCAR School of Creativity (Escola SCAR de Criatividade) and the NUVO - Vocal Center (Núcleo Vocal). NUVO aims to support two classical choirs: the SCAR Symphonic Choir and the SCAR Choir, which, with its 50 years of history, is a landmark in the region's musical culture.

In addition to preserving this tradition, the project seeks to promote excellence in choral singing in Santa Catarina, strengthening social integration and inclusion through music. A total of 65 scholarships are offered, with the aim of maintaining and enhancing the vocal groups, following a structured pedagogical approach focused on continuous development.

Children and Teenagers

IDEAR Institute

Maracanaú/CE

The IdearTEC project is based on the development and application of active methodologies within a project-based learning model, incorporating concepts and elements of Digital Technologies and Computing. It is aligned with the Brazilian National Common Core Curriculum (BNCC), particularly in the areas of Computational Thinking, Technology, and Digital Culture, as proposed by the Brazilian Computer Society (SBC) and the technological curriculum framework developed by the Brazilian Center for Innovation in Education (CIEB). The target audience includes elementary and high school students, mainly from the public education system. The project aims to support the inclusion of its participants in the digital world, enabling them to become independent and confident in using technology for their academic and personal activities.

Healthier Jaraguá

Jaraguá do Sul/SC

The project “Better Vision, Lower Failure Rates: Eye Health in State Schools” (“Mais Visão, Menos Reprovação: Saúde Ocular nas Escolas Estaduais”) in Jaraguá do Sul began in 2023. In its first phase (2023–2024), the project was implemented in two state schools, where 27% of students were identified as needing specialized ophthalmological evaluation. All eyeglasses were produced and provided to students free of charge. In its second phase, launched in 2025, the project aims to expand its reach to approximately 1,800 children from 1st to 5th grade across six state schools with the highest failure rates. The objective is to ensure eye health, reduce vision-related learning difficulties, improve academic performance, and generate local epidemiological data to support more effective public policies in children’s eye health.

Sport

Educa Mais Esporte Institute

Fortaleza/CE

In 2025, we supported the project “Black Belt on the Mat and in Life” (“Faixa Preta no Tatame e na Vida”) by the Educa Mais Esporte Institute. The institute reaffirms its belief that human development and the ethical recognition of each employee, volunteer, and service provider are essential to achieving high-impact results. By educating a child or teenager, an entire community can be transformed. We believe in the creative and intellectual potential of young people as a driver of innovation, capable of transforming behaviors and building new social realities. Sport is an essential tool for social inclusion.

Triathlon School Maracanaú

Maracanaú/CE

The Champions in Training Triathlon School (Escolinha de Triathlon Formando Campeões), launched in 2015 in Curitiba/PR, is now a benchmark model for triathlon development in Brazil. The Maracanaú/CE unit serves 50 children and is run by the Ceará State Triathlon Federation, with support from the Lucimário Caitano Institute. The project aims to provide children and teenagers aged 8 to 16, who are regularly enrolled in the public school system of the state of Ceará, with access to triathlon practice.

I Am Seleto

Guaramirim/SC

The official SELETO school aims to serve the local community and the region by offering football classes at no cost. It promotes education, well-being, and health through sport, incorporating ethical and moral values into its methodology, while also serving as a support space for families and the community. The project serves 350 children, boys and girls aged 6 to 16, 80% of whom attend public schools. Lunelli has supported the project since 2017, closely monitoring its activities and taking pride in contributing to the development of children and teenagers.

Elderly

IDEAR Institute Maracanaú/CE

The “Tech Tea” (“Chá Tecnológico”) Project focuses on developing and implementing an innovative teaching methodology to promote the socio-digital inclusion of older adults in the State of Ceará, through interactive classes and content adapted for online learning. The project is supported by a team of educators, psychologists, and other professionals, while also providing internet-enabled devices (tablets) and a dedicated distance learning platform.

Casa Sábios Institute Maracanaú/CE

The Casa Sábios Institute aims to provide support and assistance to older adults in situations of vulnerability, including those experiencing abandonment and social, material, and nutritional vulnerability, who lack family support, with the goal of preserving their physical and mental health. 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 older adults and aims to create a space for connection, dialogue, and the sharing of knowledge and life experiences.

São José Hospital Jaraguá do Sul/SC

The 60+ Program (“Programa 60+”) is an institutional initiative comprising a set of actions aimed at improving care for elderly patients, promoting greater humanization, dignity, and safety during treatment at the hospital. The project “60+ Rehabilitation: care for elderly patients” (“Reabilitação 60+ cuidado com o paciente idoso”) seeks to transform hospitalization into a recovery process, preserving patients’ autonomy and quality of life through specialized and individualized care.



Jeferson Ferrari, Fundraising, São José Hospital; Mariana Riskoski Emmerich, Lunelli Sustainability; and Maurício José Souto-Maior, General Director of São José Hospital.

PRONON

National Program for Support of
Oncology Care

Bethesda Institution

Joinville/SC

Support was provided to expand the diagnosis and staging of oncology patients with skin lesions, aiming to reduce waiting times for diagnosis, enable more than 2,880 specialized consultations, and strengthen equitable access to oncology treatment. For over 90 years, the Bethesda Institution has stood out as a reference in healthcare and patient care, serving the northern and northeastern regions of the state of Santa Catarina.

Marieta Konder Bornhausen Hospital

Itajaí/SC

Marieta Hospital is the largest hospital in Santa Catarina in terms of number of beds. Located in Itajaí/SC, it offers more than 30 specialties, a reference maternity unit with a neonatal ICU, a human milk bank, and multiple certifications. It is recognized as a high-complexity oncology center (UNACON), providing comprehensive care to approximately 3,600 patients per month. Support was provided to the project “Strengthening Radiotherapy Services through the Upgrade of the Linear Accelerator Equipment at HMMKB” (“Fortalecimento do Serviço de Radioterapia com o Aperfeiçoamento do Equipamento Acelerador Linear do HMMKB”), which aimed to upgrade the Linear Accelerator to enable faster, more precise, and less invasive radiotherapy treatments, with improved quality and effectiveness.

Projects and Initiatives Supported

Environmental Protectors Program (PROA)

Environmental Military Police

A key initiative is the support provided to PROA (Environmental Protectors Program), a program that promotes environmental education and the training of Environmental Protectors, enabling teenagers aged 12 to 14 to play an active role in building a more conscious society. The training includes classes on citizenship, ecology, and the management of flora, fauna, waste, and water resources, as well as knowledge of conservation units and environmental legislation. Environmental Protectors participate in field activities, study trips, water sources clean-up actions, environmental awareness campaigns, and social initiatives within their communities. In 2025, the program was carried out in Guaramirim/SC and trained 30 new Environmental Protectors, who continue to act as young multipliers of environmental preservation in their communities, applying and promoting good environmental practices.





Coffee & Inclusion

The event aimed to present the project “Respect Inspires Respect” and Lunelli’s Inclusion Program for People with Disabilities to social assistance organizations and public services. It provided an opportunity to present the company’s history, as well as its initiatives and programs, including a guided tour of the factory to showcase the production process and facilities, followed by a networking coffee session. The event also created an opportunity for professionals to connect, exchange ideas, share experiences, and discuss initiatives that can contribute to the inclusion of people with disabilities in the labor market. The event was held at the Lunelli Apparel and Lunelli Textile Processing units, with 55 participants representing social assistance organizations and public services from the Social Assistance Departments of the municipalities of Jaraguá do Sul, Guaramirim, and Corupá and Corupá (CRAS and CREAS - Social Assistance Reference Centers and shelters), as well as the Association of Parents and Friends of Exceptional People (APAE), the Association of Support for Children and Teenagers (AMAE), SOL NGO, the Social Action Department, the National Employment System (SINE), the Council for People with Disabilities, the National Social Security Institute (INSS), and the Social Service of Industry (SESI). The event was led and facilitated by the social worker and psychologist responsible for the program, enabling technical exchange and coordination with representatives of these services.



Fashion for All

In 2025, Alakazoo launched the fourth Fashion for All collection, featuring an inclusive pajama line designed to stimulate the senses through appliqués, textures, and Braille elements. For this fourth edition, the book “AlakaTEA - A World Where Respect Is All Around Us” (“AlakaTEA - Mundo onde o respeito nos cerca”) was released, celebrating neurodiversity and promoting respect and inclusion with garments designed for sensory comfort. Comfort and care for all children.

The Fashion for All line is an initiative by Alakazoo and an example of how children’s fashion can be combined with social responsibility, raising awareness and contributing to positive social change. With this new edition, the project distributed 14,000 books to institutions working in child development and inclusion. To date, Fashion for All has donated a total of 27,000 books to institutions supporting child development across Brazil.

Efficient Fashion Avaré

The Efficient Fashion project is carried out by Lunelli in partnership with the Municipal Department for the Rights of Persons with Disabilities of Avaré (SEDIPD), through which an adapted fashion show is developed specifically for people with disabilities who are supported by the department.

In 2025, the collection was developed with the participation of Ana Laura Lunelli Bosse, and the garments were produced by students and apprentices from the SENAI Industrial Garment Sewing course, in partnership with Lunelli Avaré/SP.

Participation in the project provided learning that goes beyond technical garment production, fostering empathy, inclusion, and the experience of creating meaningful fashion. The models were the true protagonists of the show, proudly representing the purpose and beauty of accessible and inclusive fashion.

The fashion show was held for the third consecutive year as part of this partnership and is a source of pride for all employees, students, and partners involved.



Lunelli Avaré/SP Team and volunteer participants from the Industrial Sewing Apprenticeship Course at Lunelli Avaré/SP



Actions are transformative, as they create meaningful connections that allow everyone to feel valued and included.

Alakazoo Pro-Down (Alakazoo Pró-Down) promotes respect, inclusion, and care for others, helping to reshape perspectives and share knowledge. In this boundless universe, there is only one path: love.



We believe the world is made up of pieces that come together, creating endless possibilities to be, feel, and live.

The My Blue World project, by Alakazoo, promotes inclusion, respect, and the care for children with autism. It encourages us to see the world through others' eyes, listen with empathy, and value each connection by embracing everyone.

To mark World Autism Awareness Day and raise awareness of Down syndrome,

the brand also carries out special campaigns featuring testimonials from mothers and fathers, sharing their challenges, achievements, and joys, and how they contribute to transforming the world around them.

Threads of the Land

Lez a Lez and Mulheres do Brasil Group

Lez a Lez introduced a special year-end capsule collection that brings together history, purpose, and artisanal craftsmanship, featuring exclusive pieces made with delicate Tenerife lace, handcrafted by the Terrartesã group, an initiative of the Mulheres do Brasil Group. More than fashion, this capsule celebrates the revival of an ancestral textile art, once nearly forgotten and now brought back to life by artisans from Ceará.

Rooted in Tenerife lace, a strong cultural expression in the state of Ceará, the project promotes the inclusion of artisans in the fashion industry's production process, generating fair income, valuing craftsmanship, and promoting female empowerment.

As part of this commitment, training courses were supported to develop Tenerife lace production skills, aimed at women in situations of vulnerability and artisans from the state of Ceará. These courses were carried out in partnership with existing associations and projects.

Lace production was carried out in partnership with six associations.



Voices of Freedom (Fortaleza/CE): this project supports women who have left the prison system and are in situations of vulnerability, promoting personal transformation and business development. It fosters a support network that includes socio-emotional assistance, training in entrepreneurship and business management, handicraft production training with specialized guidance, and access to microcredit.

Lagoa do Coração Community Center (Fortaleza/CE): this community center aims to promote integration and development within the local community, providing a space where residents can participate in activities, access support, and find resources to improve their quality of life.

Nas Ondas da Arte Association (Fortaleza/CE): a group of women artisans who produce handicrafts and offer training courses for the

community, including mothers and young people in the city of Fortaleza.

Lacemakers Center (Iguape/CE): artisans of traditional handmade craft! Moving forward with strength, pride, and hope, keeping the lace-making tradition of Ceará alive.

Força Flor - Human Development and Cultural Preservation (Paracuru/CE): a Ceará-based organization with 23 years of experience transforming lives! The project encompasses actions in sewing, handicrafts, youth football programs, academic support, and a range of weekly community initiatives.

Linha Viva Cooperative (Tauá/CE): a cooperative that transforms threads into unique stories, producing handcrafted items from the Inhamuns region, combining tradition, craftsmanship, and contemporary design.

In total, the project involved

*93 artisans, indirectly
impacting 372 people.*

A total of

*3,996 kits were produced,
resulting in more than
10,000 lace applications overall.*

Tenerife lace is a delicate art form that spans centuries across borders. Originally created on the island of Tenerife, in the Canary Islands, this technique arrived in Brazil and found fertile ground in the Northeast, especially in Ceará, where it was embraced, reinterpreted, and transformed into a tradition. Handcrafted with fine threads and great care, Tenerife lace is woven on circular frames, creating patterns that resemble mandalas, flowers, or stars.

In Ceará, it remains alive in the hands of artisans who imprint their own identity on each piece. More than a form of handicraft, Tenerife lace represents a connection between past and present, where time follows the rhythm of the needle and each stitch carries a sense of history, care, and belonging.

Watch the full project video here:





Volunteering The Lunelli Way

Volunteer initiatives are promoted to reinforce Lunelli's values, encouraging a culture of citizenship and active employee participation in their communities.

Julio Friedemann, Marketing – Lunelli Apparel

Merry Christmas 2025

An annual corporate volunteering initiative is carried out with the participation of all company units. In 2025, 354 food baskets, 828 liters of milk, 315 new toys, 14 kits of infant and adult diapers and wet wipes, and 238 cleaning product kits were collected and donated. The initiative benefited 14 institutions that support communities and people in situations of vulnerability across all regions where Lunelli operates.



Corporate Volunteering Center

Lunelli is part of the Corporate Volunteering Center of the Jaraguá do Sul Business Association in Santa Catarina contributing to the development of corporate volunteering. As a participating company, we promote and take part in initiatives led by the center, sharing volunteering opportunities with our employees, such as recycling pull tabs collected through internal campaigns, food and clothing donation drives, environmental education initiatives, among others.



**Núcleo de
Voluntariado
Corporativo
ACIJS**

AMA Fundraising Drive

Participation in the Association of Parents and Friends of People with Autism (AMA) 2025 fundraising drive involved 25 employee volunteers, who supported fundraising efforts to help maintain the organization.



Environment



Rodrigo Gaio, Purchasing - Lunelli Apparel; Ediani Kulkamp, Human Resources Management - Lunelli Textile Processing; Lorena and Helena Kulkamp Gaio.



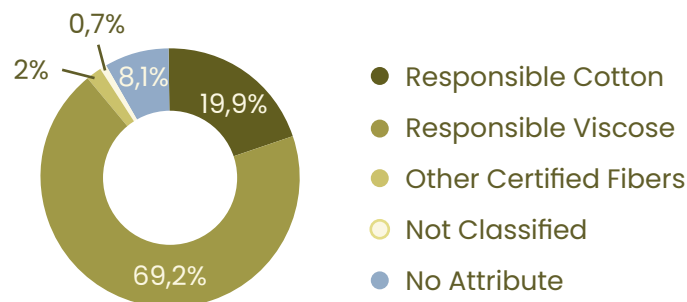
Conscious Fashion

We aim to reduce and mitigate the negative impact on the environment by investing in eco-efficient and responsible processes, and by innovating in materials and products with sustainable attributes.

In 2025, we made progress in the project to identify and classify sustainability attributes in knits and fabrics, aiming to enhance raw material traceability and the level of information available to our customers and partners.



In the past year, 91.2% of all yarn raw materials purchased for knits and fabrics were classified with sustainability attributes. Only 8.1% had no attributes, and 0.71% were not classified.



For the final textile product, we conduct an analysis based on minimum criteria to determine whether the base qualifies as a lower-impact product, using an internally developed reference table that defines the minimum composition of lower-impact raw materials.

This progress in classifying sustainability attributes for raw materials is part of Lunelli's sustainability strategy, through which we seek to develop and innovate in lower-impact materials, strengthen the supply chain in line with ESG best practices, and provide greater transparency and high-quality information to our customers and partners.

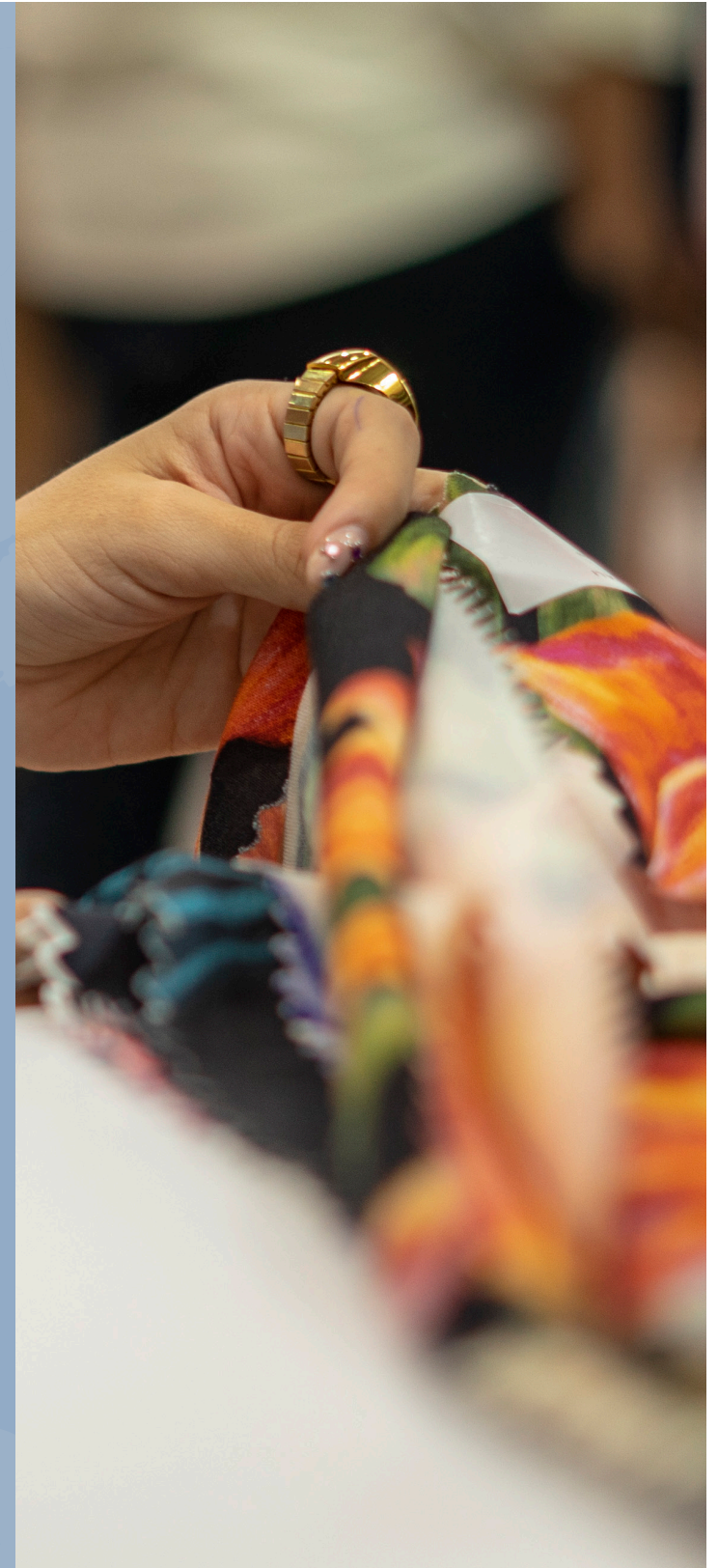
Responsible Cotton

We are members of the Better Cotton Initiative (BCI), an organization established to improve global cotton production at every stage of the value chain. Through our commitment to and support of the initiative, we produce more responsibly and promote a more conscious fashion value chain. BCI connects people and organizations—from farms to stores—fostering continuous improvement across the cotton value chain, benefiting people, the environment, and the future of the industry as a whole

Responsible Viscose

The certification ensures that the cellulose used for viscose production is sourced from wood obtained through responsible forest management, following 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. The initiative works in partnership with brands to implement sourcing policies that ensure these forests are not used in textile production.




Lenzing Fibers

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

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 in line with the strict guidelines of Lenzing's Wood and Pulp Policy.

Lenzing also promotes 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. Its 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.


Modal
Lunelli


Liocel
Lunelli


EcoVero™

Circular Fashion

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

Colors Collection

T-shirts from the Colors line go through a garment dyeing process, based on the specific colors requested in each order. In other words, the garments are produced in white and dyed according to the requested colors. This approach helps avoid excess production while reducing the use of dyes, salts, acids, and auxiliary chemicals involved in the dyeing process, contributing to a more sustainable textile supply chain.

Ecodenim

In the conventional finishing process for jeans, 25 liters of water were used in the laundry stage. Today, with the adoption of innovative technologies, only 250 ml - about one glass of water - is required, resulting in up to 99% reduction in water consumption. In addition, we use ozone, biodegradable products, and biopolishing, while reusing the water involved in the process. We also apply laser technology to create "worn" effects on denim, replacing water-based washing processes and enabling cleaner production techniques with reduced use of chemicals.

Biodegradable and Compostable Packaging

The Lez a Lez brand 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 2025, this packaging accounted for more than 4.5 million units purchased.

Digital Printing

In 2025, we digitally printed 5.8 million meters of knits and fabrics. As a lower-impact process for the environment, digital printing increases productivity by 20% and reduces water consumption by at least 15% compared to traditional rotary printing, while producing higher-quality fabrics with greater wash durability. 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 required for color matching.

Brazil in Prints

Brazil in Prints is an original Lunelli project that celebrates Brazilian culture, diversity, and richness through digital printing. Each collection is inspired by regions, stories, and elements of Brazil, transforming cultural references into exclusive prints with strong identity and meaning. It reflects Lunelli's expertise in printing, using fabric as a medium to tell Brazilian stories.



Eco-efficient Processes

Lunelli's Environmental Management System has been ISO 14001 certified since 2006.

In 2006, Lunelli's Textile Processing unit in Brazil was certified under the ISO 14001 standard - Environmental Management System, and since then has adopted best practices for pollution prevention, as well as the reduction and mitigation of negative impacts and the promotion of positive ones, reducing waste generation, water and energy consumption, and greenhouse gas emissions. In 2024, we also certified the Lunelli Textile Processing unit in Paraguay, located in Minga Guazú, extending the environmental management practices implemented in Brazil to our operations in Paraguay.

ISO 14001 is an international certification that validates an Environmental Management System, which includes a set of standards and processes to be adopted by companies seeking to operate in an environmentally responsible manner.

We adopt a responsible approach to resource use and the development of eco-efficient solutions, managing consumption and socio-environmental impacts, fostering a supply chain aligned with our sustainability commitments, and ensuring the integrity of information across our processes and products.



Regina Oliveira Do Espirito Santo - Lunelli Textile Processing

Energy Sources

(302-1-302-5)

We operate with a diversified energy matrix, using electricity, natural gas, diesel, biomass, and solar energy. Our electricity is sourced from the free energy market, complemented by the use of natural gas for specific processes, biomass from reforested wood to fuel boilers for steam generation, diesel for emergency generators and other equipment, and solar energy for on-site generation in one of our operating facilities.

In 2025, we expanded from 5 to 9 units using renewable energy, increasing our consumption of lower-impact and renewable sources. At the Lunelli Textile Processing in Brazil, Lunelli Apparel, Lunelli Commercial, Lunelli Northeast, Lunelli Avaré, Lunelli Outbox, Lunelli Apparel Manufacturing, and Lunelli Luiz Alves units, we use clean and renewable energy sourced from the free market.

In 2024, Lunelli consumed 24,503.025 MWh of renewable energy with regulatory incentives. Based on this volume, we reduced emissions by 1,339.73 tCO₂e equivalent. The voluntarily avoided emissions are equivalent to 9,380 trees over 30 years in a reforestation project. Data for 2025 will be provided by COMERC in May 2026, after the publication of this report.

Energy Source	2023	2024	2025
Electricity (kWh)	32,887,024	35,704,729	31,115,996
Wood chips (m ³)	115,140	116,890	96,825
Natural gas (m ³)	5,556,962	5,938,741	5,531,012
Fossil fuel (liters)	34,822	46,077	99,134

In 2025, we achieved a 13% reduction in total electricity consumption, a 17% reduction in biomass consumption, and a 7% reduction in natural gas consumption. The increase in diesel (fossil fuel) consumption was mainly due to the emergency use of generators, such as at Lunelli Northeast, which experienced working days without electricity.

Expansions and structural improvements, including at the Textile Processing units in Paraguay and Brazil, also required higher consumption of this fuel to support operations.



We calculate energy intensity to monitor operational efficiency, considering electricity use for the Apparel Manufacturing Business and electricity, natural gas, and biomass consumption for the Knits and Fabrics Business.

Energy Intensity	2023	2024	2025
Apparel Manufacturing Business			
Electricity (kWh)	6,040,131	6,786,416	6,401,900
Number of garments produced (units)	24,454,92	26,510,357	24,120,336
Energy intensity rate (kWh/unit)	0.25	0.26	0.26
Knits and Fabrics Business			
Electricity (kWh)	26,846,89	28,918,313	24,714,805
Wood chips (m ³)	115,140	116,890	96,825
Natural gas (m ³)	5,484,961	5,872,830	5,469,841
Quantity of fabric produced (t)	14,043	15,414	13,202
Electricity intensity rate (kWh/t)	1,911.76	1,876.15	1,871.98
Biomass intensity rate (m ³ /t)	8.20	7.58	7.33
Natural gas intensity rate (m ³ /t)	390.58	381.02	414.31

For the Apparel Manufacturing Business, we maintained an energy intensity rate of 0.26 kWh/unit. For the Knits and Fabrics Business, the electricity intensity rate (kWh/t) remained very close to the level recorded in 2024. Biomass intensity per ton of fabric produced decreased by 3.2% (m³/t), while natural gas intensity increased by 8.7% (m³/t) per ton produced.

Chemical Products

We manage chemical use with the aim of eliminating hazardous substances from our production processes. We have implemented a verification system to ensure that all chemicals used comply with the ZDHC (Zero Discharge of Hazardous Chemicals) program. This initiative aims to eliminate harmful substances from the fashion industry's supply chain, promoting safer, lower-impact production for workers, consumers, and the environment.

All chemical products used in Lunelli's textile processes undergo evaluation based on their Safety Data Sheets (SDS). The team responsible for this analysis verifies if the products are free from restricted substances and meet appropriate handling and storage conditions to ensure employee safety.

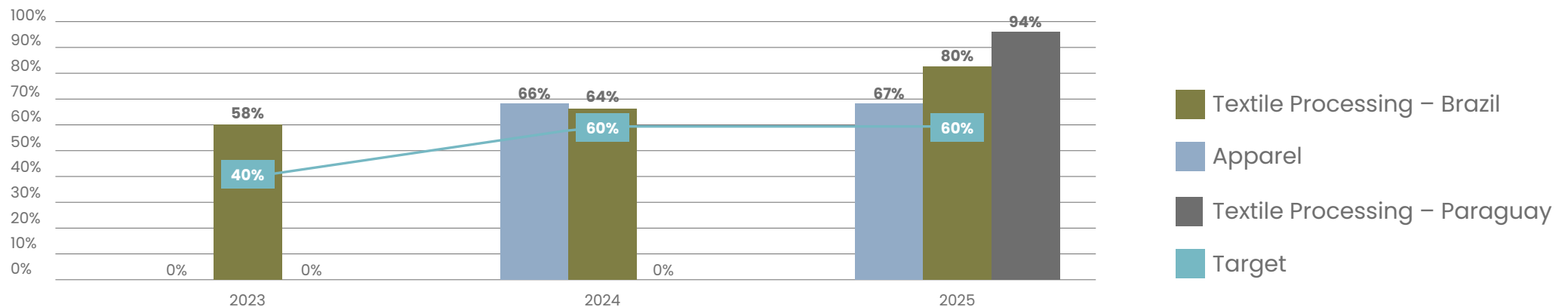
In 2025, we exceeded our target for the replacement of hazardous chemicals with safer alternatives and expanded this target to include the Textile Processing unit in Paraguay.

We closed 2025 with 67% of chemical products compliant with ZDHC at the Lunelli Apparel unit, 80% compliance at the Textile Processing unit in Brazil, which accounts for the highest chemical consumption across all operations, and 94% compliance at the Textile Processing unit in Paraguay. Considering all chemical products applicable to ZDHC, we ended the year with 77% compliance with the program, representing an increase of 12 percentage points compared to the previous year.

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.



Percentage of chemical products compliant with ZDHC



Water and Effluents

(303-1-303-5)

Water

We source water for our units and processes through different methods, according to operational needs and the characteristics of the locations where we operate, ensuring compliance with environmental standards and regulations. Our water supply includes surface water from rivers, water provided by local utilities, groundwater from wells, and initiatives for rainwater harvesting.

WATER WITHDRAWAL (MEGALITERS)	2023	2024	2025
Withdrawal – Apparel Manufacturing Business	44.06	55.69	54.48
Supply by utility provider	26.90	25.68	25.59
River sourced water	0,00	0,00	0,00
Well sourced water	17.16	30.01	28.89
Withdrawal – Knits and Fabrics Business	1,376.66	1,507.96	1,169.76
Supply by utility provider	0.88	0.86	0.49
River sourced water	1,375.78	1,505.47	1,168.26
Well sourced water	0,00	0,00	0,00
Total consumption	1,420.72	1,563.65	1,224.24

For the Apparel Manufacturing Business, water use is primarily for human consumption, with the exception of processes such as localized printing and other operational activities that require water use. The main sources are local utility providers and groundwater from wells.

For the Knits and Fabrics Business, water consumption is directly linked to industrial production, where the highest water use occurs within our production cycle. The Lunelli Textile Processing unit in Brazil, located in Corupá/SC, sources water from the Ribeirão Grande do Norte River. The Lunelli Textile Processing unit in Paraguay, located in Minga Guazú in the Alto Paraná region, sources water from the Monday River. After withdrawal, the water is stored and treated at the Water Treatment Station (WTS) before being used in production processes.

In 2025, total water consumption decreased by 22%. At the Textile Processing units, consumption reached 88.6 L/kg, representing a 9% reduction in water use per kilogram of fabric produced compared to the previous year.

Effluents

After water is used in processes or for consumption, effluents are generated. Water used for human consumption becomes domestic effluent and is directed to appropriate treatment. Industrial effluents, generated from water use in industrial processes, are sent to the Effluent Treatment Station (E.T.E.), where they undergo biological and physicochemical treatment before being returned to the water body. Monthly analyses are conducted to ensure compliance with environmental regulations, including Resolución 222/02 in Paraguay and State Environmental Council (CONSEMA) Resolution No. 181/2021 and National Environment Council (CONAMA) Resolution No. 430/2011 in Brazil, ensuring that discharge standards are met after treatment.

EFFLUENTS (MEGALITERS)	2023	2024	2025
Effluents – Apparel Manufacturing Business	2.46	2.31	1.98
Effluents – Knits and Fabrics Business	1,302.22	1,372.91	1,156.80
Effluents – Total	1,304.68	1,375.22	1,158.77

In 2025, we achieved a 16% reduction in total effluent generation across all units, as well as a 2% reduction in effluent generation per kilogram of fabric produced compared to the previous year, reaching 87.6 L/kg.



Solid Waste

(306-1 - 306-5)

Our operations extend from the purchasing of yarn to the final garment, and all production processes generate either liquid or solid waste. Liquid waste is treated and properly disposed of, as described in the Water and Effluents section.

For solid waste, we monitor the generation and disposal of all waste across our production units, implementing best practices for waste management and proper disposal. Strengthening the implementation of initiatives such as 5S through the SOL (Safety, Organization, and Cleanliness) Program is essential for continuous improvement in waste management and risk mitigation. In addition, we provide training for our employees on the importance of proper waste segregation, fostering an organizational culture focused on sustainability.

Non-Hazardous and Hazardous Waste (tons)	2023	2024	2025
Total Non-Hazardous Waste	8,734.23	8,378.79	8,472.42
Recycling - Knits and Fabrics Business	1,538.72	1,552.97	1,416.19
Recycling - Apparel Manufacturing Business	2,002.61	2,145.11	2,340.17
Total sent for recycling	3,541.33	3,698.08	3,756.36
Industrial landfill - Knits and Fabrics Business	2,441.03	1,835.77	2,167.11
Industrial landfill - Apparel Manufacturing Business	522.97	553.54	2,548.95
Total sent to landfill	2,964.00	2,389.31	4,716.06*
Total sent to other destinations (co-processing, thermal treatment, incineration)	2,228.90	2,291.39	0.00

Total Hazardous Waste	270.05	279.45	199.37
Industrial landfill** - Knits and Fabrics Business	224.65	178.84	124.81
Industrial landfill** - Apparel Manufacturing Business	33.83	32.67	31.46
Total sent to landfill	258.48	211.51	156.27
Total sent to other destinations (co-processing, thermal treatment, incineration)	11.57	67.94	43.10

Total waste generated and disposed	9,004.28	8,658.24	8,671.79
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*We redirected the disposal of certain categories of non-hazardous waste to landfill. There was no significant change in waste generation compared to the previous year.

In 2025, we continued to advance in waste management:

-26%

the amount of hazardous waste sent to landfill

+2%

the amount of non-hazardous waste sent for recycling

-3%

textile waste generation

-30%

hazardous waste generation

Textile Waste

Textile waste generated in the process is collected and sent to Eurofios, a Lunelli partner company responsible for sorting and recycling. The process begins with the collection of textile waste, such as fabric selvages, trimmings, and offcuts from our industrial operations. This step is carried out by a specialized partner company that manually sorts the materials by color. The waste then undergoes defibring and carding, turning it into fibers ready for spinning. The resulting products are certified by the Global Recycled Standard (GRS) and have multiple applications in the textile, home décor, and craft markets. Once the recycled yarns are produced, the material is reintegrated into our production flow and used in weaving, cutting, patternmaking, and garment manufacturing, including denim products.

In 2025, we reduced textile waste generation by 3% compared to 2024, with 2,506 tons of textile waste sent for recycling.

Results:

18 waste picker organizations and recycling operators benefited. Environmental offsetting directed a volume of materials to recycling equivalent to 312 passenger cars¹. As a result, 450.242 t of carbon dioxide emissions were potentially avoided².

1. A passenger car weighs approximately one metric ton on average

2. Estimated carbon emissions potentially avoided through the environmental offsetting carried out.

Study available at: <https://info.eureciclo.com.br/-estudo-carbonoeureciclo-planton>

Packaging Offsetting



The partnership between Lunelli and Eureciclo represents an important step in advancing innovative practices to mitigate the impact of post-consumer packaging. Through this collaboration, we promote the environmental offsetting of our packaging, contributing to the reduction of negative impacts associated with the consumption and disposal of solid waste. This initiative not only meets the legal requirements established by the National Solid Waste Policy (PNRS), but also strengthens our commitment to socio-environmental responsibility by encouraging proper waste disposal and supporting the recycling chain (GRI 2-22).

The partnership with Eureciclo connects our operations to a structured network of recycling cooperatives and operators, expanding the reach and effectiveness of reverse logistics initiatives. Throughout the reporting period, environmental offsetting benefited 18 cooperatives and/or operators across 15 Brazilian states: Bahia, Ceará, Federal District, Espírito Santo, Goiás, Mato Grosso do Sul, Mato Grosso, Paraíba, Pernambuco, Piauí, Paraná, Rio de Janeiro, Rio Grande do Sul, Santa Catarina, and São Paulo, generating significant socioeconomic impacts. This process not only promotes social inclusion and income generation, but also contributes to strengthening local economies and improving the efficiency of waste collection and sorting systems (GRI 2-6).

Emissions and Greenhouse Gases

(305-1-305-5)

To prevent or mitigate the impacts of climate change, global temperature rise must be limited to 1.5°C above pre-industrial levels, and net-zero emissions must be achieved by 2050. Extreme weather events, intensified droughts, and increased risk of wildfires are impacts of climate change that are already affecting all regions of Brazil and the world. The first step toward action is to understand the impacts generated by our operations through the Greenhouse Gas (GHG) emissions inventory.

The GHG Emissions Inventory is a management tool used to quantify potential impacts on climate change. This assessment considers both direct and indirect GHG emissions.

The inventory follows international standards, covering all direct emissions (Scope 1), indirect emissions from energy consumption (Scope 2), and indirect emissions from other sources across the value chain (Scope 3). The document was prepared in accordance with the principles and requirements of ISO 14064:2022. Part 1: Specification and guidance for organizations for the quantification and reporting of greenhouse gas emissions and removals, as well as the guidelines of the Brazilian GHG Protocol Program. This approach ensures that the reported data is free from material misstatements and can be considered reliable.

Under the operational control approach, we account for 100% of GHG emissions and removals from operations over which the organization has control (ABNT ISO 14064-1). The operational units included in the inventory are listed below:

Stores and Franchises

Apparel Manufacturing Business

- Lunelli Apparel
- Lunelli Commercial
- Lunelli Avaré
- Lunelli Luiz Alves
- Lunelli Northeast
- Lunelli Apparel Paraguay
- Lunelli Commercial Jaraguá
- Lunelli Massaranduba
- Lunelli Apparel Manufacturing Sewing Unit
- AJD Sewing Unit

Knits and Fabrics Business

- Abimex Import and Export
- Lunelli Textile Processing Brazil
- Lunelli Textile Processing Paraguay
- Lunelli Textile
- Out Box
- Lunelli Textile Showroom

Emission sources were mapped based on diagnostic assessments and categorized in accordance with the GHG Protocol and the Brazilian GHG Protocol Program.

GHG Emissions (tCO₂e) by category in 2025

Scope	Category	Emissions (tCO ₂ e)	Share (%)
Scope 1	Stationary combustion	24,825.29	15,08%
	Mobile combustion	398.98	0,24%
	Effluents	2,872.40	1,75%
	Fugitive emissions	3,915.45	2,38%
Escopo 1 Total		32,012.11	19,45%
Scope 2	Electricity - Location-based method	1,393.51	0,85%
Escopo 2 Total		1,393.51	0,85%
Scope 3	Purchased goods and services	4,251.93	2,58%
	Capital goods	927.06	0,56%
	Fuel- and energy-related activities	424.42	0,26%
	Upstream transportation and distribution	117,027.61	71,11%
	Waste	2,272.94	1,38%
	Business travel	404.23	0,25%
	Employee commuting	1,642.71	1%
	Downstream transportation and distribution	2,885.49	1,75%
Franchises	1,336.21	0,81%	
Escopo 3 Total		131,172.60	79,70%
Emissões Totais		164,578.23	100%

ABIT Decarbonization League

Lunelli is a signatory to the Decarbonization League of the Textile and Fashion sector, a collective movement that addresses the climate challenge through engagement and action. Led by the Brazilian Textile and Apparel Industry Association (ABIT), with the support of partner organizations, the initiative aims to accelerate the transition of companies in the sector toward a low-carbon economy. Its origins date back to Colabora Moda Sustentável, the first major multi-stakeholder coalition in the Brazilian fashion industry. Created in 2017, the initiative brought together key actors across the fashion value chain - industry, retail, associations, NGOs, academia, and experts - around a common goal: to develop collective and innovative solutions to the sector's challenges. This experience demonstrated that collaboration is an effective path toward transformation and a more sustainable future. This legacy paved the way for further progress and joint actions, such as the collaboration between ABVTEX, ABIT, and SENAI CETIQT to

GHG Emissions - Compiled by Scope with year-by-year comparison

Escopo	2022	2023	2024	2025
Scope 1	36,312.06	41,228.69	21,832.84	32,012.11
Scope 2	1,031.26	951.12	1,449.53	1,393.51
Scope 3	70,821.52	68,790.48	126,307.40	131,172.60
Total emissions	108,164.84	110,970.29	149,589.77	164,578.23

The changes observed between 2024 and 2025 reflect the expansion of the Textile Processing units in Brazil and Paraguay. While the Brazilian unit underwent boiler modernization, the operation in Paraguay was expanded with new facilities and equipment. These developments had a direct impact on Scope 1 emissions. At the same time, improvements in data collection made it possible to incorporate previously unavailable information, particularly those related to transportation, which significantly influenced Scope 3 results.

promote capacity building and knowledge sharing among industry and retail companies, culminating in the publication "Fashion and Climate: A Guide to Measuring and Reporting Greenhouse Gas Emissions", to which Lunelli also contributed. Building on this collaborative journey, a new milestone in climate engagement and action was established: the Decarbonization League. The initiative gives visibility to companies that have already made concrete commitments to addressing climate change, measuring and disclosing their greenhouse gas (GHG) emissions, while also encouraging those at earlier stages to commit to publishing their total emissions by 2027. Through the engagement and commitment of each company, we strengthen the competitiveness of the industry, enhancing its resilience and its ability to be prepared for the future.



Sumário GRI

STANDARD	CONTENT	PAGE/DISCLOSURE	SDGs
GRI 2: Conteúdos Gerais 2021			
2-1	Organization details	Lunelli Participações Ltda	16
2-2	Entities included in the organization's sustainability reporting	<p>The content presented here covers all Lunelli operational units.</p> <p>Apparel Manufacturing Business: Lunelli Apparel, Lunelli Commercial, Lunelli Avaré, Lunelli Luiz Alves, Lunelli Northeast, Lunelli Apparel Paraguay, Lunelli Commercial Jaraguá, Lunelli Massaranduba, Lunelli Apparel Manufacturing Sewing Unit, and AJD Sewing Unit.</p> <p>Knits and Fabrics Business: Abimex Import and Export, Lunelli Textile Processing – Brazil, Lunelli Textile Processing – Paraguay, Lunelli Textile, Out Box, and Lunelli Textile Showroom.</p>	16
2-3	Reporting period, frequency, and contact point	Page 03	16
2-4	Restatements of information	There were no restatements of information.	16
2-5	External assurance	In this edition, we did not opt for external assurance.	16
2-6	Activities, value chain, and other business relationships	Page 11	16
2-7	Employees	Page 59	8
2-8	Workers who are not employees	Page 59	8
2-9	Governance structure and its composition	Page 29	16
2-10	Nomination and selection of the highest governance body	Page 29	16
2-11	Chair of the highest governance body	The Chair of the Board does not hold executive functions within the Company. Learn more about the governance structure on page 29.	16
2-12	Role of the highest governance body in overseeing impact management	Page 29	16
2-13	Delegation of responsibility for impact management	Page 30	16
2-14	Role of the highest governance body in sustainability reporting	Page 03	16

STANDARD	CONTENT	PAGE/DISCLOSURE	SDGs
2-15	Conflicts of interest	The principles that may give rise to conflicts of interest are established in the Advisory Board's bylaws and in the Code of Conduct for employees. Accordingly, individuals must always report to their superiors any situation that may result in a conflict of interest.	16
2-16	Communication of critical concerns	The management of the reporting channel is overseen by the Legal Department and is communicated to the Advisory Board through formal reporting.	16
2-17	Collective knowledge of the highest governance body	Page 29	16
2-18	Performance evaluation of the highest governance body	We conduct an annual internal formal performance evaluation of the Advisory Board, as well as individual evaluations of its members.	16
2-19	Remuneration policies	The Advisory Board receives fixed remuneration. The Executive Board receives fixed and variable remuneration linked to the achievement of Company and individual targets, ensuring the necessary commitment from senior leadership, in addition to role-related benefits.	16
2-20	Process for determining remuneration	The process for determining remuneration is proposed by the People Management Committee, and is subsequently reviewed by the Advisory Board and approved by the shareholders.	16
2-21	Ratio of annual total remuneration	Not available	-
2-22	Statement on sustainable development strategy	Page 26	16
2-23	Policy commitments	Page 32	16
2-24	Integration of policy commitments	Page 20-27, Page 32	16
2-25	Processes to remedy negative impacts	Page 30	16
2-26	Channels for advice and raising concerns	Page 33	16
2-27	Compliance with laws and regulations	There were no significant cases of fines or sanctions. Criteria: amounts above BRL 500,000.00 and final binding court decisions.	16
2-28	Membership in associations	Page 51	17
2-29	Approach to stakeholder engagement	Page 43-50	16, 17
2-30	Collective bargaining agreements	Page 59	8

STANDARD	CONTENT	PAGE/DISCLOSURE	SDGs
GRI 3: Material Topics 2021			
3-1	Process for defining material topics	Page 22-23	-
3-2	List of material topics	Page 23	-
3-3	Management of material topics	Page 22-23	-
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 54	8
201-2	Financial implications and other risks and opportunities related to climate change	Page 30-31, 74-76	8, 12, 13
201-3	Defined benefit plan obligations and other retirement plans	Page 68	3, 10
201-4	Financial assistance received from government	Not available	-
GRI 202: Market Presence 2016			
202-1	Ratio of the lowest salary to the local minimum wage, by gender	Page 61	8, 10
202-2	Proportion of senior management hired from the local community	All members of our senior management were hired from the local community. For the purposes of this disclosure, senior management includes employees holding the position of President and other statutory directors. The local community is defined as the state in which our units are located.	8, 10

STANDARD	CONTENT	PAGE/DISCLOSURE	SDGs
GRI 203: Indirect Economic Impacts 2016			
203-1	Infrastructure investments and services supported	Page 54	8, 9, 12
203-2	Significant indirect economic impacts	Page 54	8, 9, 12
GRI 204: Procurement Practices 2016			
204-1	Proportion of expenditure on local suppliers	Page 74-77	9, 12
GRI 205: Anti-corruption 2016			
205-1	Operations assessed for risks related to corruption	Page 32	16
205-2	Communication and training on anti-corruption policies and procedures	Page 32	16
205-3	Confirmed incidents of corruption and actions taken	None	16
GRI 206: Anti-competitive Behavior 2016			
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	None	16
GRI 207: Tax 2019			
207-1	Tax approach	Not available	16
207-2	Tax governance, control, and risk management	Not available	16
207-3	Stakeholder engagement and management of tax-related concerns	Not available	16
207-4	Country-by-country reporting	Not available	16
GRI 301: Materials 2016			
301-1	Materials used, by weight or volume	Page 76	12
301-2	Raw materials or recycled materials used	Not available	12
301-3	Reused products and their packaging	Not available	12
GRI 302: Energy 2016			
302-1	Energy consumption within the organization	Page 96	7, 12, 13

STANDARD	CONTENT	PAGE/DISCLOSURE	SDGs
302-2	Energy consumption outside the organization	Not available	7, 12, 13
302-3	Energy intensity	Page 96	7, 12, 13
302-4	Reduction of energy consumption	In 2025, we achieved a 13% reduction in total electricity consumption.	7, 12, 13
302-5	Reductions in the energy requirements of products and services	Page 96	7, 12, 13
GRI 303: Water and Effluents 2018			
303-1	Interactions with water as a shared resource	Page 98	6, 12, 14
303-2	Management of impacts related to water discharge	Page 99	6, 12, 14
303-3	Water withdrawal	Page 98	6, 12, 14
303-4	Water discharge	Page 99	6, 12, 14
303-5	Water consumption	Page 98	6, 12, 14
GRI 304: Biodiversity 2016			
304-1	Operational sites owned, leased, or managed within or adjacent to protected areas and areas of high biodiversity value located outside protected areas	The Textile Processing unit located in Corupá/SC has a green area and a Permanent Preservation Area (APP) totaling 101,542.15 m ² , which represents 30% of the total area.	15
304-2	Significant impacts of activities, products, and services on biodiversity	Not available	15
304-3	Protected or restored habitats	Not available	15
304-4	Species included in the IUCN Red List and national conservation lists with habitats in areas affected by the organization's operations	Not available	15
GRI 305: Emissions 2016			
305-1	Direct greenhouse gas (GHG) emissions (Scope 1)	Page 103	7, 9, 12, 13

STANDARD	CONTENT	PAGE/DISCLOSURE	SDGs
305-2	Indirect greenhouse gas (GHG) emissions (Scope 2) from purchased energy	Page 103	7, 9, 12, 13
305-3	Other indirect greenhouse gas (GHG) emissions (Scope 3)	Page 103	7, 9, 12, 13
305-4	Greenhouse gas (GHG) emissions intensity	Not available	7, 9, 12, 13
305-5	Reduction of greenhouse gas (GHG) emissions	Page 103	7, 9, 12, 13
305-6	Emissions of ozone-depleting substances (ODS)	Not available	7, 9, 12, 13
305-7	Emissions of NOx, SOx, and other significant air emissions	Not available	7, 9, 12, 13
GRI 306: Waste 2016			
306-1	Waste generation and significant waste-related impacts	Page 100	12
306-2	Management of significant waste-related impacts	Page 100	12
306-3	Waste generated	Page 100	12
306-4	Waste not sent for final disposal	Page 100	12
306-5	Waste sent for final disposal	Page 100	12
GRI 308: Supplier Environmental Assessment 2016			
308-1	New suppliers selected based on environmental criteria	Page 75-77	12
308-2	Negative environmental impacts in the supply chain and actions taken	Page 75-77	12
GRI 401: Employment 2016			
401-1	New hires and employee turnover	Page 62	8
401-2	Benefits provided to full-time employees that are not offered to temporary or part-time employees	Page 58-73	8
401-3	Maternity/paternity leave	Page 67	3, 5, 8, 10

STANDARD	CONTENT	PAGE/DISCLOSURE	SDGs
GRI 402: Labor/Management Relations 2016			
402-1	Minimum notice period for operational changes	There is no defined procedure establishing a minimum notice period for operational changes.	-
GRI 403: Occupational Health and Safety 2018			
403-1	Occupational health and safety management system	Page 64	3, 8
403-2	Hazard identification, risk assessment, and incident investigation	Page 64-65	3, 8
403-3	Occupational health services	Page 64-67	3, 8
403-4	Worker participation, consultation, and communication with workers regarding occupational health and safety	Page 64-67	3, 8
403-5	Training of workers in occupational health and safety	Page 64-67	3, 8
403-6	Promotion of worker health	Page 64-67	3, 8
403-7	Prevention and mitigation of occupational health and safety impacts directly linked to business relationships	Page 64-67	3, 8
403-8	Workers covered by an occupational health and safety management system	Page 64-67	3, 8
403-9	Work-related accidents	Page 64-67	3, 8
403-10	Occupational diseases	Page 64-67	3, 8
GRI 404: Training and Education 2016			
404-1	Average hours of training per employee per year	Page 69-72	4, 8
404-2	Programs for employee skills development and career transition assistance	Page 69-72	4, 8
404-3	Percentage of employees receiving regular performance and career development reviews	Page 69-72	4, 8
GRI 405: Diversity and Equal Opportunity 2016			
405-1	Diversity in governance bodies and employees	Page 58-61	5, 10

STANDARD	CONTENT	PAGE/DISCLOSURE	SDGs
405-2	Ratio of women's base salary and remuneration to men's	Page 61	5, 10
GRI 406: Non-discrimination 2016			
406-1	Cases of discrimination and corrective actions taken	Page 33	8, 16
GRI 407: Freedom of Association and Collective Bargaining 2016			
407-1	Operations and suppliers where the right to freedom of association and collective bargaining may be at risk	Page 74-77	8, 16
GRI 408: Child Labor 2018			
408-1	Operations and suppliers with significant risk of child labor cases	Page 74-77	8, 16
GRI 409: Forced or Compulsory Labor 2016			
409-1	Operations and suppliers with significant risk of forced or compulsory labor cases	Page 74-77	8, 16
GRI 410: Security Practices 2016			
410-1	Security personnel trained in human rights policies or procedures	All internal and external security personnel are trained on the Lunelli Code of Conduct and other applicable procedures.	16
GRI 411: Rights of Indigenous Peoples 2016			
411-1	Incidents of violations of the rights of Indigenous Peoples	None	-
GRI 413: Local Communities 2016			
413-1	Operations involving local community engagement, impact assessments, and community development programs	Page 78-89	-
413-2	Operations with actual or potential significant negative impacts on local communities	None	-
GRI 414: Supplier Social Assessment			
414-1	New suppliers selected based on social criteria	Page 74-77	8
414-2	Negative social impacts in the supply chain and actions taken	Page 74-77	8, 12, 16

STANDARD	CONTENT	PAGE/DISCLOSURE	SDGs
GRI 415: Public Policy 2016			
415-1	Political contributions	None	16
GRI 416: Customer Health and Safety 2016			
416-1	Assessment of health and safety impacts associated with categories of products and services	Page 64-67	3
416-2	Incidents of non-compliance concerning health and safety impacts caused by products and services	In 2025, there were no recorded cases of non-compliance related to health and safety impacts caused by Lunelli's products and services.	3
GRI 417: Marketing e Rotulagem 2016			
417-1	Requirements for product and service information and labeling	Through product labeling, we are able to organize and identify the 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 company's legal name, Taxpayer Identification Number (CNPJ), country of origin, care instructions in accordance with NM ISO 3758:2013, and composition according to the product/fabric. For better product traceability, the label includes the production order number and product reference.	16
417-2	Incidents of non-compliance related to product and service information and labeling	None	16
417-3	Incidents of non-compliance related to marketing communications	None	16
GRI 418: Customer Privacy 2016			
418-1	Confirmed complaints concerning breaches of customer privacy and loss of customer data	None	-

CORPORATE INFORMATION

Lunelli
833 Athanásio Rosa Street
Guaramirim/SC - Brazil
ZIP Code 89270-000
Tel: +55 (47) 3373-7000
Export: +55 (47) 3373-7000

CREDITS

Coordination and writing

People Management and Sustainability Team

Collaboration

Contributions from all areas of the Company

Visual identity and layout

Rafael Schunck

Photography

Lunelli archive



Lunender

Lunelli

lez^{lez}

Makazoo

EE HANGAR EE

FICO

Vila flor

Rua Athanásio Rosa, 833 - Centro - CEP: 89270-000 - Caixa Postal 111 - Guaramirim/SC - Brasil

Central de Relacionamento - Telefone e WhatsApp: 0800-721-1414 - E-mail: crl@lunelli.com.br | Exportação: +55 (47) 3373-7139

Tel: +55 (47) 3373-7000 | lunelli.com.br