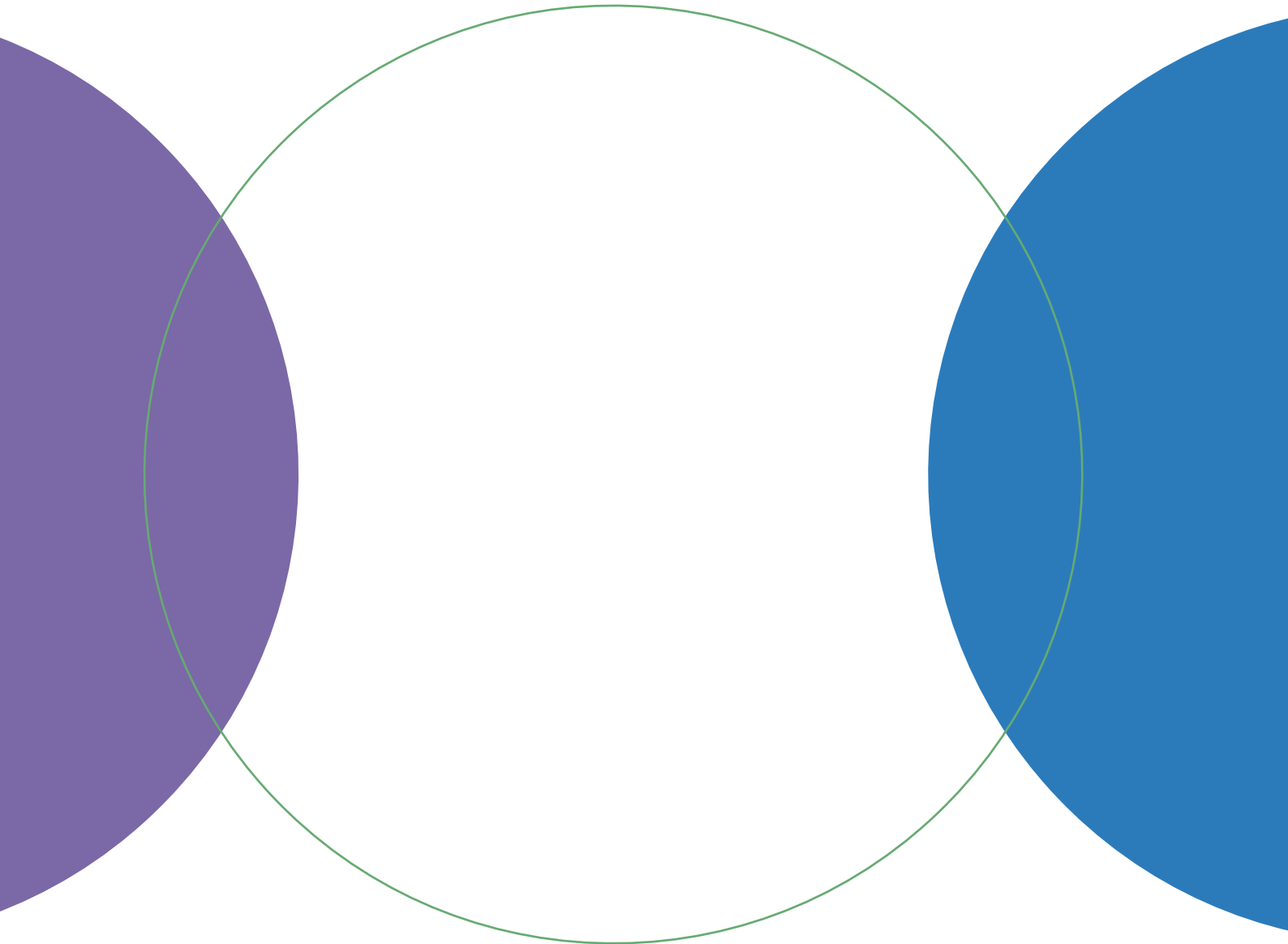


# ESG PLAN 2030

 GrupoMalwee



# Summary

Message from the President .....	3
What inspires us .....	4
Our values .....	4
Our manifest .....	5
Who we are today .....	6
Our brands .....	8
<b>What we have done so far .....</b>	<b>9</b>
Highlights of our sustainable management .....	11
2020 Plan “I embrace Sustainability with Style” – 2015 .....	11
TIMELINE .....	12
Water .....	13
Climate changes .....	14
Use of material resources .....	16
Waste .....	18
Chemical pollution .....	19
Social themes .....	20
Decent work .....	21
Diversity and inclusion .....	22
<b>What to expect from the future</b>	
<b>Guidelines to our ESG Plan 2030 .....</b>	<b>23</b>
Climate change .....	27
Use of material resources .....	29
Water .....	32
Decent work .....	33
Gender equity .....	35
Race diversity .....	36
Our commitments and our business .....	38
Our brands .....	39
Distribution channels .....	43
Our enablers .....	44
Approvals .....	49
Who built our ESG Plan 2030 .....	50

# Message from the President

The world is in constant evolution. In the last decades, science and technology have boosted development. On the other hand, humanity still faces big social and environmental challenges that, if not surpassed in a collective way, keep us apart, day by day, from the possibility of a fair and prosperous world for everyone. For that reason, acting is urgent! Malwee Group understands its main role in this global agenda and, since its foundation, 53 years ago, has acted in a way to balance business prosperity to its commitment to society and the environment. After all, for us, the world is meant to last!

Therefore, in the last decades, we were pioneers in the use of sustainable raw material, in the investment of factory processes with lower environmental impact and we started leading a movement of society's awareness for a sustainable and democratic fashion. This way to lead business started being part of our corporate culture and it is, without a doubt, our way of being and doing fashion.

For that, in presenting ESG Plan 2030 from Malwee Group, we move one

more step forward in the direction of our commitment in contributing in an effective way for reaching the Goals of Sustainable Development, with bold goals and based on science. This plan is not headed only to material themes of bigger impact in the fashion sector. It is our way of looking at humanity's challenges.

For this reason, it was built in a participative way with suppliers, clients, employees and society representatives that elected priority themes, for our action, such as facing climate crises which is the biggest environmental urgency of this century.

ESG Plan 2030 opens one more chapter in our sustainable journey and reaffirms our responsibility with future generations in a sustainable fashion for the good of people and the planet.

**Because, for us, the world was meant to last. And to make the world last, we need to start today.**

**Guilherme Weege**  
Malwee Group CEO



# What inspires us

## **We are a company moved by lasting relationships!**

We see the world through the positive impact that we create on the lives of our employees, clients, business partners and community.

We build solid partnerships, based on trust, in mutual growth, in prosperity and in research of strategic solutions to make better business.

We do more than democratic fashion and with less environmental impact.

We defend that it is possible to grow with sustainability and to build a better world for us and for future generations.

## Our values

### **doing good.**

It is the feeling that brings us together and reflects respect and care that we have for people and for the planet. It is being aware and thinking with responsibility in initiatives that benefit everyone around us: our people, society and the planet. It is being open, acting with empathy, dialog, listening and valuing diversity. This value incorporates ethics and respect for people.

### **doing right.**

It is what is shared by the quality of our products and the results that we want for business. It is being trustable; doing everything we put ourselves in with excellence and overcoming expectations. It is transforming and changing the world around us, solving problems with new solutions.





# Our manifest

**Time** does not stop.

It does not **come back**.

It does not **wait**.

It is time to **rethink** how much time things last.

We need to revise today **our look into the future** of everything.

Each time the world needs **people** that, together, make the future today.

That is what moves who makes Malwee Group.

We make **sustainable fashion**.

That follows **life**.

That creates **memories**.

That tells **stories**.

Our story is made by **relations** that cross generations.

It is like this between us and our clients, partners and the **planet**.

Because everything that Malwee Group does is meant **to last**.

It is for **people's** own good.

And the **planet's**.

Because to make the world last we need to **start today**.

**Malwee Group**.

Because the world was meant to last..



# Who we are today

In the retail industry, we are one of the main fashion companies in Brazil. With constant investments in innovation, we reduce the socio-environmental impact of our operations. With our brands' strength, we take to our consumer the message that we need to change the way of consuming, fortifying our relation with people and the planet. We have legitimacy and leadership in ESG initiatives – Environmental, Social and Governance – that orientates the transformations in our business that, together, in a collaborative way, growing and overcoming humanity's challenges.

\* ESG - Environmental, social and governance.

## Our people

We are present in **80% of the cities** and hearts of brazilians:

**23**  
thousand

multibrand  
stores

**210**

stores from  
"Aqui tem  
Malwee"

**20**

franchisees

**4**

online  
channels

We are a team formed by  
**4,2 thousand**  
**direct employees**  
present in 3 factories  
and one office.



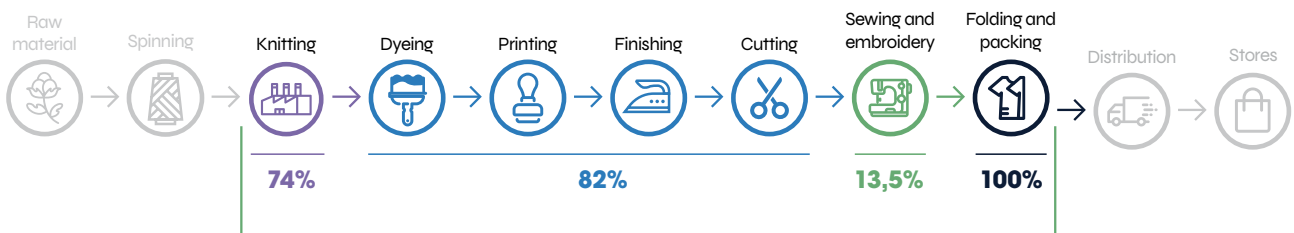
# Our suppliers

With more than 2,5 thousand active suppliers we create thousands of direct employment and we guarantee the manufacture of diverse products with high quality standards.



# Our production chain:

## MALWEE GROUP OPERATIONS IN THE VALUE CHAIN



Over 45 million of garment produced  
 100% national market  
 92% national and 8% imported production

# Our brands



## MALWEE

Malwee makes endless fashion. Clothes that last and do not lose themselves in each collection. Made in a more sustainable way. Timeless and democratic, for different biotypes, ages and styles.



## ENFIM

Enfim is a young and cool brand. We live intensely each moment. We are fashion, trendy and with an attitude, connecting culture through collabs, music, art and entertainment to the brand's universe.



## MALWEE KIDS

Malwee Kids is a brand that brings color and fun to children wear and play. It translates an energy from the little ones' daily routine in a funny and meant to last fashion. After all, everything we do is a way to take care of whom we love, of the future and the planet.



## Carinhoso

Premium child brand from Malwee Group, Carinhoso translates the expression of being a child through an actual fashion and rich in details, made for special moments. It brings style and comfort to the little ones' wardrobe, always tuned to the world's trends.



## ZIG ZIG ZAA

Fashion that contributes to healthy development of children, focused in the affective interaction, awakening imagination and creativity. Its clothes are playful, fun and colorful, with elements that stimulate curiosity.



# What we have done so far

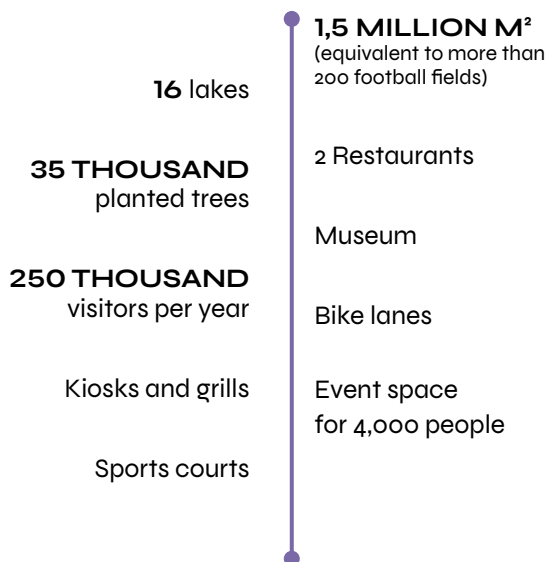
## Highlights of our relationship with the communities

Doing good is part of our culture. Throughout our over 50 years of history, we have contributed in an effective manner with society through incentives and support to projects in health, education, sports, culture and leisure.

We also maintain and preserve three ecological parks that, together, add 4,2 million square meters of protected green area.

## Parks and forests

**Malwee Park** is a symbol of our commitment with people and the planet. Launched in 1978 in Jaraguá do Sul (Santa Catarina state), it is one of the biggest preservation areas in Santa Catarina. More than an ecological shelter, the park is also a leisure, culture and gastronomy space. Malwee Park is open to the community, free of charge.



Besides the park, Malwee Group keeps another 2,7 million square meters of green space in Santa Catarina.

**Malwee Peak** with 1,4 million square meters is considered a tourist attraction from the region; and Fountain and Green Reserve.

**The Fountain and Green Reserve** is registered as the Private Reserve from State Natural Patrimony. It has 1,3 million square meters and it shelters watersheds of Jaraguá River and species of flowers and animals endangered by extinction. The area is directed exclusively to conservation and scientific research.

# Malwee Institute 2019

In 2019, we structured the management of our social responsibility actions, founding Malwee Institute. The institute was created to concentrate and continue the socio-environmental actions that Malwee Group has been doing over the course along with its communities. The institute accepts this role, developing new projects and choosing actions in the Group, directing its focus on childhood and the environment, with the challenge of increasing the impact and scope of actions. In less than 2 years of acting the results are already significant:



**+21.400  
children**

impacted by  
the Institute

**+A million  
reais  
invested**

in projects and  
campaigns

**+31  
ONGs**

benefited  
by actions

**+800  
benefited  
families**

with food  
baskets during  
pandemic time

# Highlights of our sustainable management

The fashion sector is known, lately, for its huge social and environmental impact, reaching the second position among industries that pollute the most. On a global average, it's responsible for **20% of industrial pollution of water, 10% of greenhouse gas emission, 5,3% of waste creation and 23% of chemical consumption**, which induces 20 thousand annual deaths from improper cotton's growth.

Us, from Malwee Group, believe it's possible to make fashion in a different manner, creating a positive impact for the community and investing in processes that reduce, at most, the impact of our operation in the environment.

We were pioneers in implementing environmental management in our business, highlighting the investment in technologies and new processes such as using more sustainable raw material in our collections to water management, effluents, waste and control of atmospheric pollution.



## 2020 Plan

## 2020 PLAN "I EMBRACE SUSTAINABILITY WITH STYLE" - 2015

We believe that fashion and sustainability can and should walk together and thinking about that, we developed, in 2015, our first Strategic Plan of Sustainability with bold goals to be reached in a period of five years. The 2020 Plan established 15 goals and it was finished in 2020, with nine of them concluded and surpassed, and six with positive performance.

# Timeline

We have a story of pioneering, social and environmental commitment, which changed the way of making fashion in Brazil. Follow our timeline, the main points of this journey:



\* The company was highlighted in the Transparency Index of Fashion (ITM), promoted by the Fashion Revolution movement, for three consecutive years in 2018, 2019, 2020 and highlighted in the evaluation of Humanized Companies for 2 consecutive years, in 2019 and 2020.

Now, we are in a new movement! We live in a world scenario even more challenging that demands real changes in the way of doing business and to relate with the planet and our society. We are proud of what we have done so far, and this journey motivates us to go further. Get to know our actions and results related to environmental and social themes most impacted by our sector.

# Water

## Our actions:

- Installation of **Tecnobio**, an effluent treatment system which is referenced in Latin America
- Installation of a reuse system of over **200 million liters of water** in the productive process
- Investment in **effluents treatment** improving the launch standards
- Implantation of Malwee Denim Lab, the **1° 5.0 laundry of Latin America** that reduces almost 98% of water consumption
- Black basic shirt produced with **80% of reused water**
- Our neon colors produced with **98% less water**



## RESULTS

### Our operations

<b>5% of reduction</b>	<b>9% of reduction</b>	<b>37% less water</b>	<b>We saved 346.096 million</b>
in water consumption per piece produced internally (process efficiency)	in collecting water per piece produced internally	removed from rivers, in absolute value.	liters of water from rivers to enable our operation, in the period of 2014 - 2020

### Our chain

**7% reduction** in absolute value and **10% per piece produced** in water consumption throughout our production chain.\*

\* Measured by ACV tool – Organizational, period of 2018 and 2019.



# Climate changes

## Our actions:

- **Neutralization of greenhouse gases**
- Change of BPF boiler for **natural gas**
- Change of energetic matrix of natural gas to **biomass**
- Installation of **LED lamps** in all factories
- Change of engines in the industry for **more efficient versions**
- Purchase of electricity of **traceable wind matrix** for Main Facility
- Increase of boiler efficiency with pre-drying of biomass using the **heat losses from chimneys**

## Numbers

**7% of reduction**

from inner energy consumption per produced piece and 37% in absolute value

**87% of**

renewable electricity

**70% of**

thermic renewable electricity

**83% of**

the total consumed electricity of renewable source



## RESULTS

### Our operations

**70% reduction**

of greenhouse gases of scope 1\*

**95% reduction**

of greenhouse gases of scope 2\*

**75% reduction**

of transmissions of scopes 1 and 2\*

\* According to GHG protocol

### Our chain

**4% of greenhouse gas emission reduction** per piece produced and 2% in absolute value and global transmissions of our operation, scopes 1, 2 and 3\*

\* Measured by ACV tool – Organizational, period of 2018 and 2019.





## Use of material resources

### Our actions:

- Change of regular plastic bags to **biodegradable ones**
- Change of 100% of plastic bags for **FSC paper**
- Use of **cupuaçu' softener**
- Use of **organic cotton**
- Collection "I embrace sustainability", with garments produced with **recyclable polyester, cotton and banana fiber**
- First **stoned denim with ozone**
- Use of **biodegradable polyamide**
- Launch of Moda do Bem - "Fashion for Goods", garments produced with **sustainable raw materials**
- Partnership with Ampara Animal and launch of animal print collection, inspired by **jaguars protected by the ONG**
- Launch of **the most sustainable denim in Brazil**, produced with a glass of water



# Principles of applied circular economy:

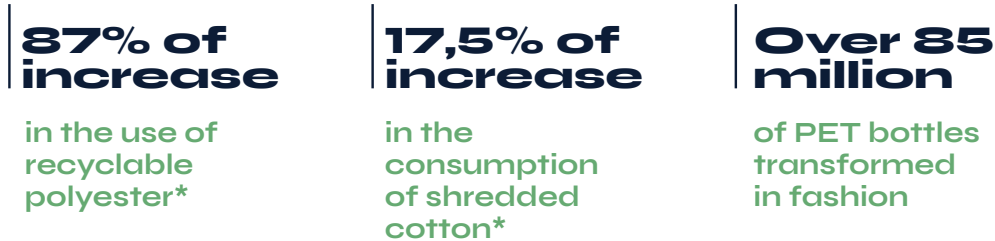
## Circular raw materials

- In 2008, we launched the first clothes produced with PET knit, recyclable polyester from PET bottles
- In 2011, we started the use of shredded cotton. This yarn comes from the reuse of fabric retails from textile industry

## Lasting products and new business models

- We invest in durability and quality of produced knit
- Partnership with Repassa for second-hand selling
- Partnership with Roupateca for renting clothes

## Numbers



\* In the period of 2014 - 2020 - on the ongoing Plan of 2020

## RESULTS

### Our operations



### Our chain

**17% reduction in absolute value** and 18% per piece produced in the use of land throughout the chain.\*

\* Measured by ACV tool - Organizational, period of 2018 and 2019.

# Waste



## Our actions:

- Implantation of **Selective Garbage Collection**
- Monitored **industrial landfill**
- **Transformation of textile waste** from cutting to sub product for new yarn fabrication
- Iodine drying, from the last step of effluents treatment, **using the energy from boiler gas**

## RESULTS

### Our operations

<b>Reduction of 61%</b> from waste	<b>Reduction of 79%</b> from waste headed for industrial landfill
---------------------------------------	--



# Chemical pollution

## Our actions:

- Air: monitoring quality standards from **atmospheric emissions** of all chimneys
- Soil: **monitoring the soil** and groundwater surrounding industrial landfill
- Water: **effluent analysis** with removal of up to 98% of BOD (Biochemical Oxygen Demand). A very high value above the standards demanded by law
- **Effluents analysis** for ZDHC standards, with absence from 10 of 11 restrict substances
- Products: **Monitoring restrict chemicals** on kids' garments
- Malwee Denim Lab (Denim laundry) **free of chemicals' use** which are harmful to employees

## RESULTS

### Our operations

24% of used chemicals registered on the ZHDC platform with third party certification, **20% more than the annual goal established** by the platform.

### Our chain

**56% of used chemicals registered** with self-declaration of achievement limits on the list of restricted substances.



## Social themes

On social themes, our performance in the last five years on the ongoing Sustainability Plan 2020, was focused on ensuring decent work, on fighting child labor and against slavery throughout the supply chain. The diversity theme had a bigger evolution on hiring and including disabled persons in our operations. For the ESG 2030 Plan, we expanded our way of looking, including acting on themes such as racial diversity, gender, LGBTQIA+, generational and refugees.

# Decent work



## Our actions:

- Implementing **Ethics Code** for suppliers
- Definition of **social and environmental standards** of suppliers' homologation
- **Monthly control of guides from INSS and FGTS** of suppliers with high risk of human rights violation
- Monthly inspections **fighting child labor and slavery**, besides ensuring labor rights
- **Auditing** ecritical suppliers
- Program of **strategic partners** for raw material suppliers
- **ABVTEX certification** in our operations
- Being part of **Fashion Revolution campaigns**
- Signatory for **ABVTEX program**

## RESULTS

### Our operations

- Green label on “Moda Livre” app
- Leadership, for two years in a row, of Fashion Transparency Index, being among the **20 MOST TRANSPARENT BRANDS IN THE WORLD**

### Our chain

**58% of suppliers' base evaluated** in social and environmental standards  
83% of service providers production certified with ABVTEX




# Diversity and inclusion

## Our actions:

- Child brand Zig Zig Zaa encourages **children's development and inclusion**, with prints produced in braille
- Inclusion program for **disabled persons**
- Priority on hiring **women to leadership**
- Open selective process, but **not exclusive**, to minorities
- Creation of **Diversity Committee**

## Numbers:

- **66% women**, form our team, where among them, 68% are in coordination roles, 30% are in management roles and 16% are in director roles
- **4% of our employees are disabled persons**, where 0,1% are on leadership roles
- **0,6% of our employees** are black
- **25% are young people** and 0,5% are over 60 years old



# **What to expect from the future**

**Guidelines to our  
ESG Plan 2030**

To start the construction of ESG Plan 2030 from Malwee Group, we search for inspiration on our purpose and on the connection idea and lasting relationships that we aim to grow with people, with the business and the planet.

Therefore, the first step of our work is to identify the most important social and environmental aspects and impacts of our business. On the environmental part, we point out to water, material resources, climate change, waste and chemical pollution. On social themes, we map issues that involve decent work, racial diversity, disabled persons, LGBTQIA+, generational and refugees.

With the participation of consumers, store clients, suppliers, class entities and employees from all parts of the company, we discussed deeply analyzing each theme, and as it follows, we applied an Evaluation Matrix for defining prior themes of our company:

## **Water, Material Resources, Climate Changes, Decent Labor, Gender Diversity and Race.**

Ensuring that the world was meant to last and that for making it last depends on the decisions and choices we make today, we defined bold goals based on science, to be reached until 2030.

## **Circular Vision**

To sustain life on our planet we need a vision turned to circularity.

**The circular economy is inspired by natural ecosystems where there is no waste and everything is a nutrient for a new cycle.**

Understanding that we need to rethink our way of producing and consuming our natural resources, we see the circular economy as an urgent need for any business. Therefore, we bring as a main challenge, to be more circular each time.

We already had our first steps on this way. Part of the water we use in the productive process, cotton and polyester is already circular. In addition, we make partnerships with businesses that are focused on reuse of clothing, by renting or reselling second-hand clothes.

For this decade, the challenges of implementing business based on circularity are huge. Therefore, we challenge ourselves to build a plan that prioritizes the concept of circularity in our business.





## Sustainable Development Goals (SDG)

We are always searching to cultivate lasting relations with people, with business and with the planet. This way of looking at the world around us, reinforces our independence consciousness. Everything is connected! Because of that, it becomes fundamental to connect our planet's needs and people to the main impacts of our business. However, how to do that? How to know if we are effectively making this relationship better?

To find this way, we turn our attention to **the Sustainable Development Goals (SDG) of 2030 Agenda**. The SDG is the plan of action defined by leaders in the United Nations (UN) to put an end to poverty, protect the planet and ensure that people reach peace and prosperity. There are seventeen bold and connected goals that approach the main development challenges to be reached until 2030. In the ESG Plan 2030 we define which are the priority SDGs of our actions and impact.



## Donut Economy

Also presenting the need to balance between attending to human necessities and keeping the environmental limits of the planet, Kate Raworth developed the economic model to reach a prosperous economy, calling it the Donut Economy, named this way because it has the shape of a donut.

The model shows the basic needs for a decent life for all, where the body of the donut is the space we must place ourselves, keeping balance of a regenerative and distributive economy between a decent and safe space for humanity. And on the outer edge limit, stays the ecological ceiling we must not surpass.

We brought this model to the construction of our plan, because our goal is that the business is balanced by attending to the necessities of people without surpassing the limits of our planet.

# ESG - Environmental, Social & Governance

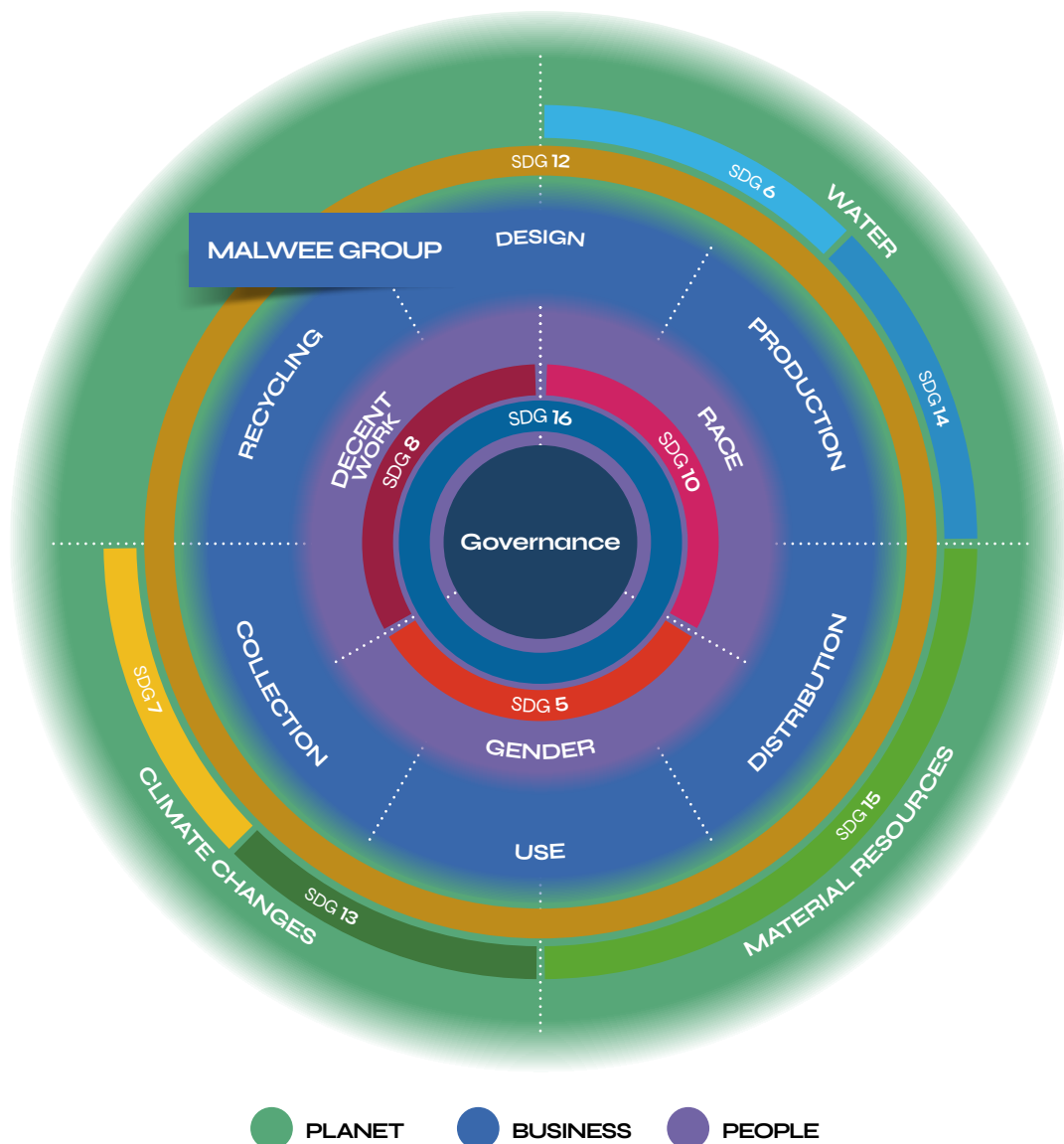
The initial ESG got stronger in the last years of the financial market in order to lower the risks and evaluate the performance of an organization or business when deciding where to invest. The Governance (G) is about the responsibilities' definition, authority and processes for deciding the next steps. When we bring together the Environmental (E) and Social (S) aspects, it guarantees the strategy execution respecting the environmental limits and personal relations.

When we bring the acting of society and the planet to the business, we need to connect management tools that make this insertion possible. Therefore, we improved our Sustainability Plan to the ESG model

## “Environmental, Social and Governance”

giving more visibility and transparency to the governance actions.

This way, we build our management model to ESG Plan 2030. The image below represents the union of these elements in the composition of our plan:



Now that we comprehend the principles and commitment that lead our goals to 2030, we will get to know our commitment to the future, translated to major goals to Malwee Group until 2030.

# Climate change



*“We never had such consciousness of what we are doing to our planet and we never had such power to do something about it.”*

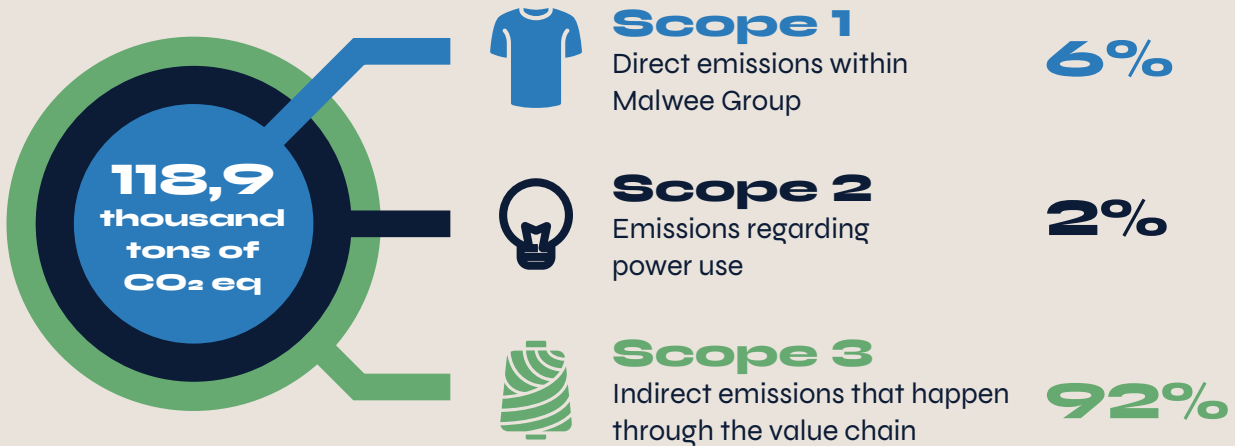
(David Attenborough)



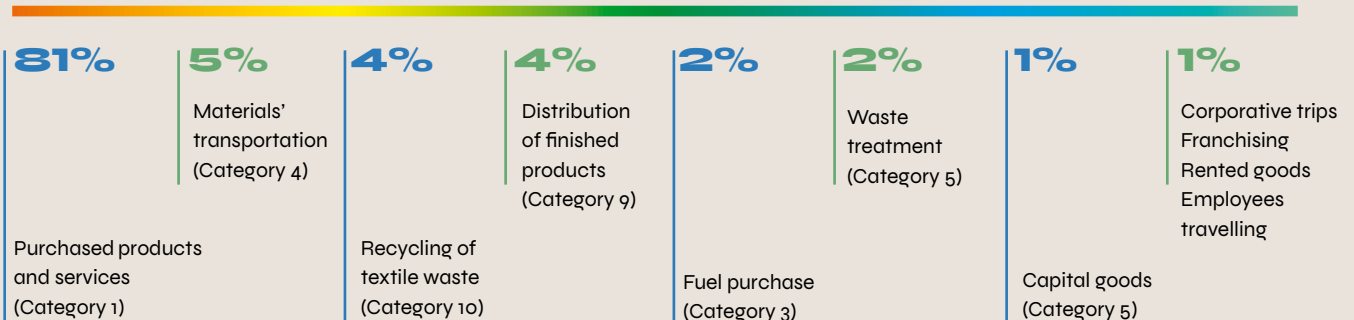
We never had such data and we were never so sure that what was being announced as probable, it is already certain. The scientists advise and the events have been confirmed. The impacts of climate change are unbelievable and the need for collective action is urgent. To be part of this change, Malwee Group signed, in 2019, the commitment of Business Ambition 1.5C° from the UN that defines goals of emission reduction based on science. We know that the most important thing is to reduce most of these emissions. Because of that, even after reaching a record reduction of 75% of our emissions in the scopes 1 and 2 from GHG Protocol, we commit ourselves to reach even more expressive numbers of reduction until 2030 and reaching 2050, as a NET Zero company.

# Where we leave from

Greenhouse gases from Malwee Group, calculated in 2019, correspond to:



## Emissions of value chain (Scope 3)



# Where we want to get

Malwee Group, after a reduction of 75% of greenhouse gases in its operations, commits to reduce until 2030:

## GOAL 1 - INNER REDUCTION

50%\* of greenhouse gases from scopes 1 and 2, in relation to 2019.

## GOAL 2 - VALUE CHAIN REDUCTION

58% \*\*of greenhouse gases from bought materials and services, per piece produced internally, in relation to 2019.

## GOAL 3

Be NetZero until 2050.

\* Scope 1 and 2 target approved by the SBTi of 50% reduction.

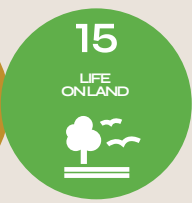
\*\* Scope 3 target approved by the SBTi of 57.8% reduction.



# Use of material resources

*“If we could build an economy that used things instead of exhausting them, we could build a future.”*

(Ellen Macarthur)



The model “extract, use, throw away” has been taking humanity very close to the limit of the planet. In the fashion world, this model has intensified with fast fashion that expressively reduces the clothing quality and its time of use, creating a model of harmful consumption to people and the planet. However, on the other hand, slow fashion movements, upcycling and circular economy are looking for options to hold the abusive use of natural and material resources. Therefore, with the commitment of making high quality and long lasting fashion, we established goals to increase the use of raw materials and processes of less environmental impact and increase the circularity of business.



## Raw materials and Processes

### Where we leave from

Until 2020, we consider “sustainable product” the one that has more than 10% of its fibers with less environmental impact in its composition. Regarding the processes, we do not establish a limit. From these steps, we reach 91% of products produced with raw materials or more sustainable processes, and 24% of pieces produced with raw materials. For 2030, we raised the level and we will consider as a “sustainable product” the one that contains, at least, 30% of sustainable raw materials in its composition and/or presenting a 50% reduction of the process impact considered sustainable. On a circular economy, despite the advance in the use of raw materials that come from the waste of shredded cotton, recyclable polyester, and the will of reuse of selling second hand clothes and renting clothes as well, we still need to go deeper in finding alternatives.

### Where we want to get

#### GOAL 1

Malwee Group compromises in having 100% of its products produced with raw material and/or processes with less environmental impact in its production chain until 2030.

#### GOAL 1.1

Compromises in applying increasingly circularity principles to business, as well as increasing the use of materials from circularity processes in its operations.\*

\* Goal to be defined on the ESG Plan revision in 2025.



# Packages

## Where we leave from

In the last 2020 Sustainability Plan, we focused on giving the right destiny and reducing the waste produced in our operations. The efforts keep going, but, for 2030, we add goals related to the waste of our products in the tip of the consumption chain and before this chain as well.

We will pay attention to how we receive the inputs and raw materials, checking reverse logistic opportunities and reuse our supplier's packages.

### **GOAL 2- Packages**

Eliminar o uso de plástico de origem fóssil das embalagens de produto, com 100% das embalagens de fonte renovável e reciclável até 2030.

### **GOAL 3 - Value Chain**

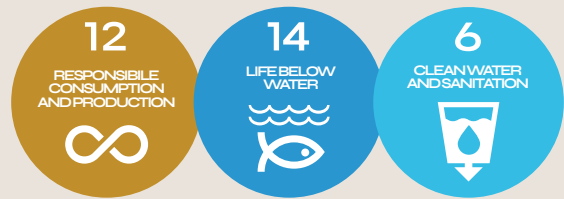
Promote recycling and reverse logistics in all value chains.\*

\* Goal to be defined on the ESG Plan revision in 2025.

# Water

*“The human being forgot that the water comes from the rain and the food comes from the soil. We started to believe that the water and our food are products from a corporation.”*

(Vandana Shiva, physicist and environmentalist)



In the past, water was considered an endless resource. Today, due to some issues such as population growth, urbanization, industrialization, waste, pollution and climate change, the water resources are becoming rare. The textile sector is responsible for 20% of water pollution and Malwee Group as a big consumer, continues the journey of reduction of this essential resource for the planet and human life.

## Where we leave from

**From a water consumption of 19,34 liters per internally piece produced in 2020**

## Where we want to get

### GOAL 1 - Quantity

Reducing in 30% the water used per produced piece in our industry until 2030, compared to 2020.

### GOAL 2 - Quality

Zero substances restricted in the effluents of our industry until 2030 compared to 2020.

### GOAL 3 - Value Chain

Calculate the organizational water consumption and promote actions of water reduction throughout the value chain\*.

\* Goal to be defined on the ESG Plan revision in 2025.





## Decent work

*“Fighting poverty is not a charity issue, but justice.”*

(Nelson Mandela)



Do you know who made the clothes you are wearing? This question brings to light a deep discussion about the social impact on the product chain of fashion. The sector, at the same time that is a big generator of employment, is also pointed for the non-compliance of human rights and exploitation reports of manpower in all levels. Especially from 1980, with the decentralization of production and large-scale negotiations, slavery modern cases, awful work conditions, bad remuneration and tiring journeys came to light. To avoid cases like this happening in our product chain, we keep a strict checking program, inspection visits and keeping track of suppliers. For 2030, new goals expand the control and give even more transparency to our operations.

## Where we leave from

We reached in 2020:

58% of suppliers evaluated

61% of raw material suppliers  
and checked services

83% of factions certified by ABVTEX.



## Where we want to get

### GOAL 1 - Supply Chain

Ensure 100% of tracking and transparency of human rights' conditions in the supply chain until 2030.\*

\*This goal predicts block chain technology or similar to make traceable and public all supply chains from Malwee Group.

### GOAL 2 - Supply Chain

Keep 100% of suppliers on excellence level\* in human rights until 2030.

\* Excellence level are suppliers that:

1. Fully attend Health and Security legislation, maternity leave, association freedom and collective deals and habitation conditions
2. Having non-discrimination programs and equal rights for foreigners, women, ethnicity and other minorities
3. Having actions against child labor, irregular foreigner, forced to slavery and harassment.

**Goal 2.1.** 100% of critical suppliers certified.\*

**Goal 2.2.** No tolerance to violation in all supply chain:

- Slavery
- Child labor
- Harassment
- Irregular foreigner

\* Critical suppliers are all at high risk of violation from human rights in their activities: factions, national and international private labels.

### GOAL 3 - Internally

Structure inner actions to advance in the promotion of decent salary.\*

\* Goal to be defined on the ESG Plan revision in 2025.

# Gender equity

*“I have rights. I have the right to education.  
I have the right to play. I have the right to sing.  
I have the right to speak. I have the right to go to  
the market. I have the right to express myself.”*

(Malala)



Men and women must be free to make their choices and develop their personal capacities without the interference or limitation of stereotypes. All responsibilities, rights and opportunities must be equally distributed for all genders, without any type of restriction.

## Where we leave from

Our picture in 2020 presents:

**66% of women in our membership board**

**68 % in coordination roles**

**30% in coordination roles??**

**16% board of directors**

## Where we want to get:

### GOAL 1 - Quantity

At least 50% of women in all leadership levels until 2030.

### GOAL 2 - Quality

Wage equality between genders in all functional levels until 2030.

### GOAL 3 - Cadeia de Valor

Encourage the value chain to adopt goals of gender equality and embrace the development of entrepreneur women.\*

\* Enlarge entrepreneurship, as the ones from SEBRAE, to multibrand and confection, focused on women.

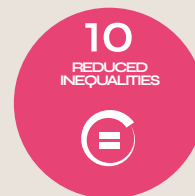
\* Goal to be defined on the ESG Plan revision in 2025.



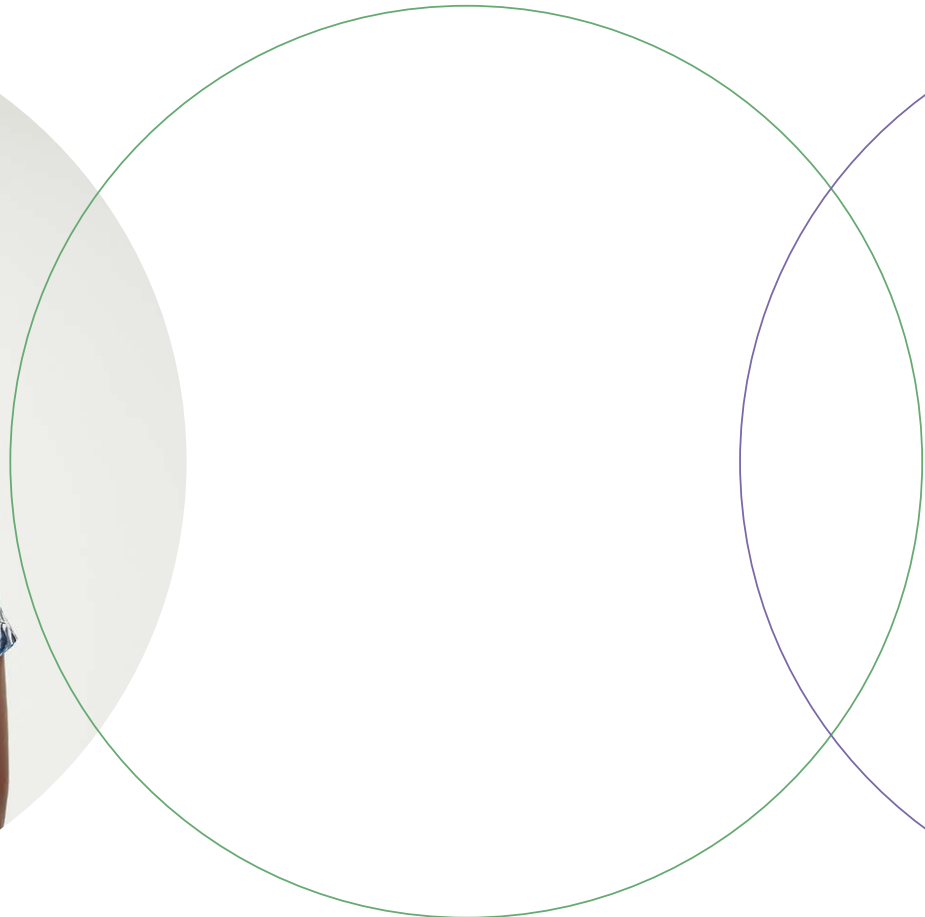
# Race diversity

*“Nobody is born hating another person by its skin color, by its origin or yet by its religion. To hate, people must learn, and if they can learn to hate, they can be taught to love”.*

(Nelson Mandela)



**Racial diversity** is an imperative reality in Brazil, which has one of the most diverse populations in the world regarding their historic roots that promoted the mixture of indigenous, black people and European and Asian immigrants. Brazilian culture is diverse, but does not exclude the expressive racial inequality, which is an important characteristic of our country and confirmed by its evident hegemony of a social class in the processes of work division and income division, beyond factors like health access, education, labor, sanitation and security. Built in a region strongly colonized by white people, Malwee Group has a big journey to reach its goals of racial equality.



## Where we depart from

Our scenario in 2020 presents that only 22,52% of employees are black. Result of a company that has 85% of its operations in Santa Catarina, where racial representation is 13,17%. However, there are opportunities, because in Pacajus (CE) and São Paulo's regions, where the company has business operations, black people's participation is 71,12% and 37,05% respectively. The company is structuring its first census to know better the reality and track its strategies as the agenda of the human race steps forward to reach its goals.

## Where we want to get

### GOAL 1 - Internally

Having at least 35% black people and/or indigenous people on the general board until 203.

### GOAL 2 - Internally

Reaching regional representatives reflected on the company until 2030.

### GOAL 3 - Cadeia de Valor

Promote race equality and inclusion on the value chain, encouraging racial knowledge until 2025.\*

\* Goal to be defined on the ESG Plan revision in 2025.



# Our commitments and our business

With the population growth, the shortage of natural resources and social inequality, companies need to act effectively in all their value chains.

Understanding our role as a transformation agent, Malwee Group plans its business, defining growth goals considering social and environmental goals defined on this plan and we have clearly on our mind the integration fronts.

# Our brands

Our brands are our contact point with clients and consumers. They are the connection between our values and the clothes our consumers will decide to wear. Through that, we broadcast fashion information, impact and about the future and we invite people to make conscious choices and to bet with us in a different way of consuming. After all, we believe the consumer has the power to change the world. Malwee and Malwee Kids are brands that bring in an explicit way in its positioning, our social and environmental commitment. Enfim brand prioritizes social themes, especially connected to diversity. Get to know the role of these brands in this construction:

## MALWEE

### The Endless Fashion

Malwee makes endless fashion. Clothes that last longer and don't get lost in each collection. A fashion that doesn't have an end after using, which isn't disposable. That can be used, repeated and sold, donated or changed afterwards.

The brand bets on a constant evolution of processes and choices for a sustainable fashion, connected to a new way of thinking, living and using natural resources. Making fashion with less impact for the future is essential for Malwee.

Its fashion is democratic and it thinks about dressing different biotypes, ages and styles, in the female, male plus size and child groups. Active in all parts of Brazil, Malwee wants to offer sustainable fashion in an accessible manner for many people, being able to live many stories.





## **The future is now!**

There is no tomorrow if we don't think about today. Transformation is urgent and necessary. Among the 2030 ESG Plan, Malwee will have direct action in the execution of environmental goals, that involves choosing raw materials, and a more sustainable design for the products (generating less waste and making recycling possible) until the final experience of the brand on the physical stores or online (reduction of packages and plastic).

Malwee will invest in the creation of a laboratory with the goal of speeding up the development initiatives, even more sustainably to its products. Besides that, the brand must bet in a not proportional manner on circularity principles, with long lasting clothes and consistent partnerships with websites for renting clothes, and with a pioneer project of recycling products after their use.

Conscious consumption must be democratic, offering products of less environmental impact with accessible prices and information, encouraging consumers to be activists and defenders of sustainable and responsible production, to demand this positioning of all brands from the products they consume. These are the beliefs of Malwee for this decade and all others to come.

Because everything that Malwee does is to last. It is for the people and planet's own good.



## CLOTHES TO GROW HAPPY!

Childhood is a sensible and important part of life.

An affectionate way of looking depends on the availability of being always careful and next to the child. With this inspiration and responsibility, Malwee Kids brand makes clothes so that people will be able to hug them all the time, even when they are not close to them. It wants to be an extension of the arm and the voice from the ones that love children. This looks always come from the practical and emotional worry of those who want to see a child growing happily.



## This way, Malwee Kids fashion is

**Sensory**, with clothes that make them feel the care hug, with all senses worked on detail.

**Actual**, an aligned fashion with necessities and actual speeches from society and industry evolutions.

**Conscious**, considering the childhood transformation and social and environmental impacts.

**Lasting**, we understand that quality is a synonym of products with well done design that can live many stories, in many children's lives.

Therefore, Malwee Kids will focus on environmental and social actions of ESG Plan 2030, offering products which are made with love and care that goes beyond the dressing moment. Its clothes are produced with less environmental impact and lasting longer. It is a look into the future! Fashion is made in a conscious and responsible way, without risking the future of kids. Caring between caregivers and kids, we wish to promote lasting and inclusive relationships. We want to help them strengthen the healthy growth of children and contribute to a decent and inclusive society, in the moments of playing through the days or in the challenging moments of their development.

# ENFIM

## A young, dynamic and cool brand.

We like fashion, trends and attitude.

Our universe is plural, where the young people are the main roles! In it, we build bridges, connecting people and talents through collabs, music, art, culture and entertainment.



With the MISSION of building and expressing the young identity through the universe of our brand and the VISION of being the fashion brand which is remembered by the young public, Enfim has the PURPOSE of building bridges and connecting people and talents through collabs, music, art, culture and entertainment.

## Main brand points are fashion, art, amusement and diversity.

Three elements that features the attitude of Enfim brand are:

**Direct dialogue**, we want everyone who is involved in our universe to feel close and comfortable to interact. We talk about trends and what exists of cooler in the world of fashion, in an easy and direct way.

**Intensity**, because we always live the moment, and dynamic because we adapt easily to changes. We talk about what is important today and we also search for culture incentives, connecting the fashion universe to music, art and amusement.

**Empowerment to narrow differences**: we believe that our role is to empower young people and narrow differences, supporting important themes from society, such as anti-racism, feminism, LGBTQIA+ and the “body positive” movement.

Therefore, Enfim will strengthen social actions from ESG Plan 2030, giving the message to become better when we are together. We are always available, ready to help, open and free. To speak, listen, discuss and promote, through dialogue and collaboration, a decent and inclusive society.



## Distribution channels

**The mission of distribution channels is to take the product to the consumer. Here at Malwee Group we can say this way starts long before and what we deliver is much more than a product.**

We are sure that one of the reasons for our success are long relationships that we share with our business partners throughout the years, celebrating great achievements or sharing mutual support in the most challenging moments. We are proud of partnerships built with respect, trust, prosperity and the best brand experience to our consumers.

Lately, we count with four distribution fronts: multi brand chain, “Aqui Tem Malwee” chain, specialized and exclusive from brands of the Group; single-branded, own and franchised stores and online selling channels, multi brand and marketplace. We are certain that our ESG Plan 2030 will be reached with the commitment and partnership of our channel operators acting along with necessary changes.

The success of our environmental goals depends a lot on the logistic transformations’ processes, on packages of products, on the engagement of circular economy processes and the consumer awareness for more conscious and sustainable choices.

Only searching for solutions and executing in an integrative way, product and selling point will encourage our result, engaging the most important piece of it all: the consumer.

# Our enablers



## Operations

Our bases of operations have our industry as a foundation. With more than 80% of our products produced internally, we bring great achievements in environmental impact reduction and examples of decent labels. It was in the operations' area that we achieved our biggest highlights in the first social and environmental goals' cycle (2015-2020). It was this experience that made us define even more challenging goals for this new cycle. We have big challenges, because defining goals based on science, that contribute to humanity's challenges, go beyond the basic productions' principles. Adding values from our company "Doing good" and "Doing well done", brings us to a level of excellence that goes beyond the business commitment, it is a commitment to society. Therefore, to make our production happen - internally or supply chain, requires to adapt the elements of operation for an execution with less water, low greenhouse emission, less fossil origin packages, with more circular processes and ensuring decent work and supporting diversity. These elements made our goals even more challenging.

### Get to know our challenges

**Quality:** we are known by our last longing standards for products, therefore, the search for alternative raw materials with less environmental impact must always ensure the quality standard and goods durability.

**Flexibility:** be flexible, attending the market requests and fashion trends, without increasing water consumption and carbon emission. This flexibility also happens in our supply chain, ensuring decent labor in all chains.

**Costs:** develop, produce and keep durability standards of our products through continuing to improve the processes and standards, searching for less impact and ensuring the human rights and labor, keeping the competitive cost of our products.

**Deadline:** deal with deadlines, enduring the delivery of products, operating as efficient logistic models and of less impact, encouraging logistic chains to search for transportation options of low carbon, as well as restraining violation of human rights, related to their employees or to the ones who are under vulnerable situations on transportation routes.

Therefore, the base of Operations takes great responsibility over all goals from ESG Plan 2030 and still takes the responsibility to go beyond encouraging these good deeds through the supply chain.

## People and Culture

The base of People and Culture is the guardian of Malwee Group's essence, translated in our positioning. It is the thread that guides the goals of the business and that works as essential for the people and culture employment theme in the company.

Our essence appreciates long lasting relationships in all fronts of the company - especially our employees - is what moves Malwee Group.

Our focus of "Doing good" and "Doing well done", aligned with our belief that the world was meant to last, is attached in our employment culture and guides attitudes and behaviours of all our employees, exploring the mindset of a sustainable growth of good actions, to the people and the planet. This way, guided by a long lasting relationship with our planet, we transform and communicate our purpose of generating value to society and the environment.

Also, the construction of development and evolution journeys from our employees are directly attached to ESG plan 2030, through the broadcast of culture in a diverse and inclusive environment. On the front line of these constructions are multidisciplinary teams, as the Diverse and Inclusion Committee, Sustainability Committee, Ethics Conduct Committee and ESG Committee, responsible for developing the trainings and learning platforms for all levels of the company, competence expectations' alignment, besides communication campaigns so that the subjects of ESG be present in the routine of all that make fashion at Malwee.



## Governance

Malwee Group is a business group formed by companies which are privately held, organized under the holding Dobrevê Participações S.A. (a “Malwee Group Holding”). The strategic decisions, planning and activity control of Malwee Group’s companies are centralized on the administration board of Malwee Group Holding.

## Administration Board

According to the Social Constitution of Malwee Group Holding, the Administration Board can have three to seven members, of which at least one must be an independent board member. The Board’s work is guided by an inner regiment that establishes the duties and responsibilities of its members and has rules for installation and voting during meetings. The Board gathers, at least, once in a trimester, but they usually gather more often, according to the needs and moment of the company.

**The Board is composed of market professionals, based on their graduation and professional experience, where 40% are women.**

## Committees

Malwee Group has three Advice Committees.

**ESG Committee:** The goal is to add issues related to ESG clearly to the Administration Board, gathering the environmental, social and employment governance in a systemic vision inside the other committees.

**Brand Committee:** The goal is to ensure that there is a bigger connection between the brands’ positioning with Malwee Group’s purposes and a clear communication of this positioning and purpose to all stakeholders, from getting deep on these themes along with the Board.

**Digital Committee:** The goal is to go deeply on risk analysis and opportunities regarding the increase of business digitalization and society, allowing Group Malwee Board to put itself facing technological changes, searching for being the first on digital business in its acting area.

## Board of Directors

The Board of Directors responds to the Administration Board from Malwee Group Holding and the directors participate periodically in the Board meetings to show off the indicators and strategic projects of their respective sectors.

The Board of Directors is formed by the CEO, financial director, operations' director, adult unit director, child unit director and human resources' director. Female representation is 16%

## Other five committees that support the executive board of directors:

**Risk Committee:** evaluates the business risks in the people and human rights, environment, information technology, products, services, human resources, breaking rules, financial, general management, change management and activities.

**Quality Committee:** analyses and verifies the quality indicators of products and processes, ensuring the durability standards.

**Suppliers' Committees:** ensuring the execution of risk actions, to ensure that all employment rules are followed as well as the respect to the human rights, ensuring decent labor for all involved employees in Malwee Group supply chain.

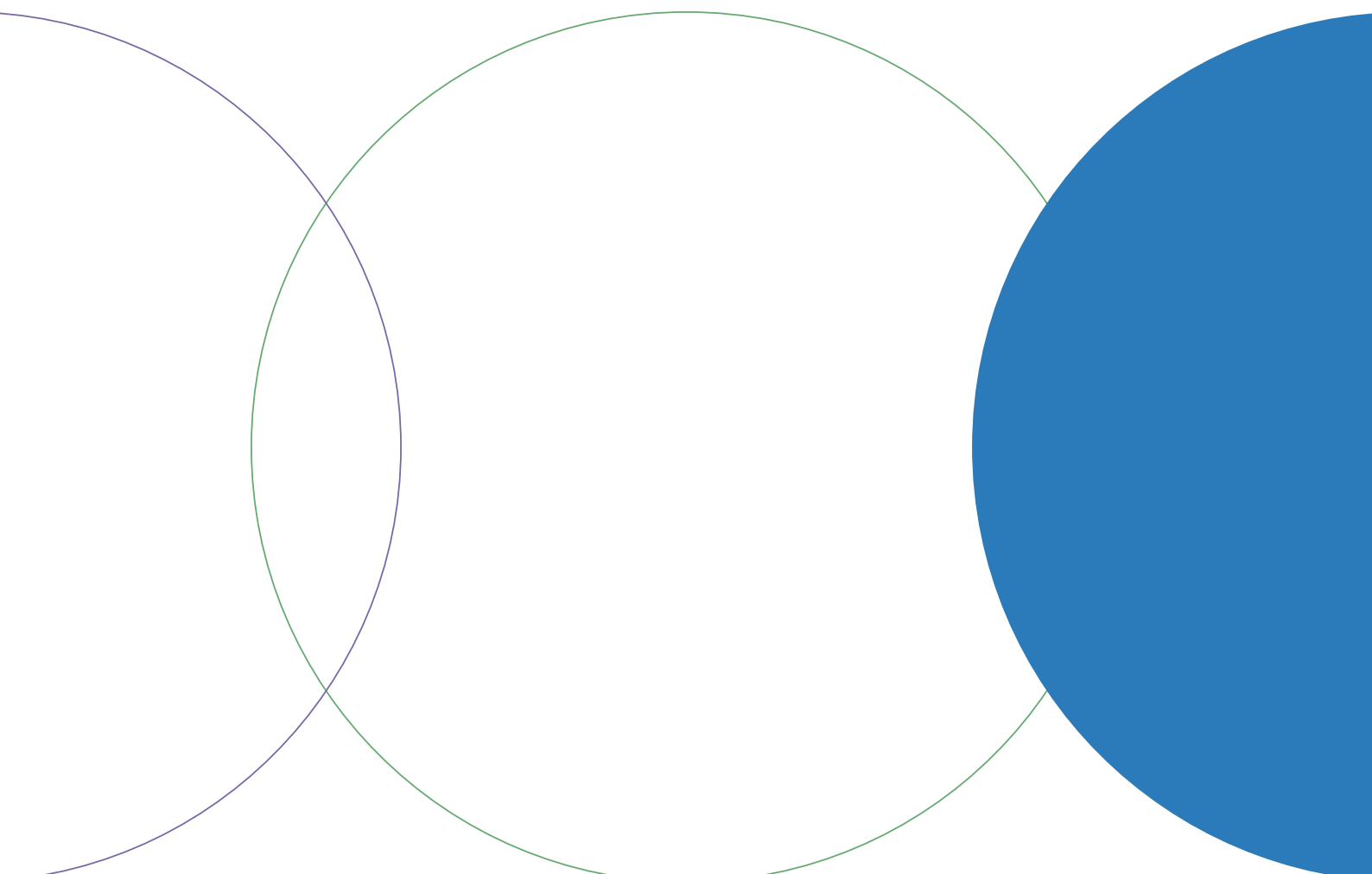
**Industrial Sustainable Committee:** keeps track of indicators and ensures that rules are followed to achieve environmental goals of industry, adding better steps in the process and new projects.

**Sustainable Product Committee:** evaluates and ensures the raw materials and processes are each time more sustainable in the commercialized products, in order to reach environmental goals for the ESG Plan 2030.

**Ethics and Conduct Committee:** receives, evaluates and investigates the behaviour complaints which are not connected with the principles and orientations established in the Ethics and Code of Conduct from Malwee Group. The committee is formed by the CEO, human resources' director and juridical manager. There are exclusive communication channels for receiving these complaints, which can be done in an anonymous way or not.

## External Auditing

Even though Malwee Group is a privately held company, the companies from Malwee Group have their financial statements checked by an independent auditor, registered in light of the Real Estate Committee, going through periodical rotation according to the good deeds of governance. Until 2019, the companies were audited by KPMG, and from 2020 on, they started to be audited by EY.



## Transparency

The social and environmental performance and the governance actions from Malwee Group are annually published in a performance report, following the standards of Global Reporting Initiative (GRI).

The company also broadcasts information related to its performance and its suppliers, as well as the politics related to management of its social and environmental impacts and its governance over them.



# Approvals

## APPROVAL OF ESG PLAN 2030

### Executive Directors

Amilcar Nagel  
Anay Zaffalon  
Augusto Passmann  
Carlos Eduardo  
Maia Leime  
Guilherme Weege  
Gustavo Viana

### ESG Committee

Diana Zerbini de  
Carvalho Martins  
Carlos Eduardo  
Maia Leime  
Lilian Taise da  
Silva Beduschi

### Administration Board

William Schmidt Ogalha  
José Augusto Figueiredo  
Paulo José Soares  
Gabriela Rizzo Cime Lima  
Isabel Carvalho  
Pinto Humberg





# Who built our ESG Plan 2030

## Internal guests

Adriana Tribess Moretti

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Alexia Bianca Aparecida da Silva

Alice Junqueira Salvadori

Aline Amarante Egredia

Amanda Luisa Neto

Amilcar Nagel

Ana Claudia Bonaparte Rodrigues

Ana Paula Nakagawa Camargo

Anay Zaffalon

Anderson André Weiler

Andrei Roberto de Almeida

Andressa Juliana Utzig Bertoldi

Anne Elise Deretti Goetten

Augusto Passmann

Basilio Cesar Gaedke

Carla Solange Reiss

Carlos Eduardo Klein

Carlos Eduardo Maia Leime

Celise Koch Horongoso

Charles Imroth

Cintia Izaias Cardozo de Freitas

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Gabriela Papa Stefanini  
Gerson Yukio Murakami  
Graciano Jose Bonetti  
Gregorio Martins Rosa Vasconcelos Reis  
Gudmila Regis Dutra Svensson  
Guilherme Marczynski  
Guilherme Moreno e Nascimento  
Guilherme Weege  
Gustavo Viana  
Indianara Jacomini  
Isabella de Quadros Brustolim  
Ivan Cesar Fallgatter  
Jacó Souto de Oliveira  
Janaina Carla Marcal  
Jandira Wackerhage Buzzarello  
Jeniffer Bilck  
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Joselandi de Sousa Santos Ferreira  
Joyce Regina Thinen Ortega  
Juliane da Silva Pocaia de Oliveira  
Larissa Cristina Amorim Simas  
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Lilian Taíse da Silva Beduschi  
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Luis Felipe Fernandes Riboriski

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Marcelly Kamchen Gorges  
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Maria Clarice Brych Rocha  
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Mariana Cardoso Bezerra  
Mariana Silveira Pereira  
Mariane Fatima dos Santos da Rocha  
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Natália Ribeiro Ceglio  
Otavio Correa De Arruda  
Patricia Ribeiro Calixto  
Patricia Wagenknecht Rueckert  
Pedro Carlesso Vieira Junior  
Priscila Paiva Shiroiwa  
Rafael Kercher  
Regiane Rodrigues Silva  
Robson Douglas Pavão  
Rodrigo Daniel Horongozo  
Rodrigo de Almeida  
Ronaldo Celio Jacobs  
Sabrina Wolff  
Samantha Emanuelle Ruthes de Quadros  
Samira Silva Costa  
Sandra Mathias Lennert  
Sandra Tatiany Pscheidt Dalpiaz  
Sergio Bahr  
Sigfried Wudtke  
Sirlei Sulanda Brigido Kamchen  
Sueli Maria Wintrich Schwircoski  
Thaynara Amaral Barcia  
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Vitor Hugo Furtado



## External guests

### Company

### Representation

ABVTEX

Edmundo Oliveira de Lima

Klabin

Vanessa Renata Monteiro

Santista

Vanei Moura

Malwee Institute

Diana Zerbiane Martins

Malwee Institute

Edna Zamboni

CHT

Leonardo Carvalho de Salles

CHT

Mayra Montel

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Verônica Petroni Romanelli

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Angélica Aparecida de Oliveira

Loyalty M. Store Malwee Iporã

Jéssica Weber Pereira Morinho

Loyalty M. Store Malwee Iporã

Begair Masson Bertuola

Armonia Consulting

Viviane Thais de Araújo

Armonia Consulting

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**Quick methodology support:** Vitor Hugo Furtado

**Revision:** Alice Junqueira Salvadori e Indianara Jacomini

**Translation:** Letícia Valcanaia

**Translation Revision:** Gudmila Regis Dutra Svensson





**ESG**  
**PLAN**  
**2030**

 GrupoMalwee