



Integrated and
Sustainability
Annual Report
magalu 2024



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INTRODUCTION

- About this Report
- ESG Highlights
- Business Highlights
- Message from the Board
- Financial Results



Magalu physical stores: greater convenience for the customer, more benefits for the ecosystem

#imagedescription: In a store, a salesperson and a customer look at and handle vacuum cleaners, surrounded by appliances.

GRI 2-2 | 2-3 | 2-5

ABOUT THIS REPORT

This Annual Sustainability Report, the 14th published by Magalu, reports the Company's performance between January 1 and December 31, 2024 to our employees, business partners, suppliers, investors, customers and other stakeholders. It also presents the social and environmental impacts generated by our operations during this period. More than just a commitment to transparency, this publication is a tool for the continuous improvement of our sustainability strategy and the governance of our impacts. Here, we consolidate the progress achieved over the past year, without losing sight of the challenges and opportunities that lie ahead.

Our report is based on international performance disclosure standards: the Global Reporting Initiative (GRI), the Sustainability Accounting Standards Board (SASB), and Integrated Reporting standards. The document also associates our actions with the Sustainable Development Goals (SDGs) established by the United Nations (UN). The financial report covers all affiliated companies in the Magalu ecosystem, consolidating data from Magazine Luiza, KaBuM!, Netshoes, Época Cosméticos, Aiqfome, Estante Virtual, Zattini, MagaluBank, Magalog, Magalu Cloud and Magalu Ads. The sustainability report considers affiliated companies already part of the Magalu system*, Consórcio Magalu and KaBuM!.

We remain firm in our commitment to advancing our sustainability journey with transparency and accountability — core principles of our culture — and this year we submitted our integrated report for an independent external audit. The information received limited assurance by KPMG, following the [Policy for Recruiting Independent Auditors and Non-Audit Services](#), which establishes guidelines governing the company's relations with independent auditors and which is responsible for ensuring the independence, integrity and quality of the external audit.

Enjoy the report!

* IN DECEMBER 2024, MAGAZINE LUIZA, MAGALOG, NETSHOES, ÉPOCA COSMÉTICOS, LUIZALABS, JOVEM NERD, ESTANTE VIRTUAL, HUB FINTECH, LUIZA RESOLVE, AIQFOME, CANALTECH, MAGALU CLOUD AND HUBSALES WERE ALREADY PART OF MAGALU SYSTEMS

SOCIAL AND ENVIRONMENTAL HIGHLIGHTS

In 2024, Magalu made significant progress with its sustainability agenda, reaffirming its commitment to generating positive impacts on the environment and for society. The expansion of our initiatives ensured our continued inclusion, for the fourth consecutive year, in the B3 Corporate Sustainability Index (ISE), which lists companies

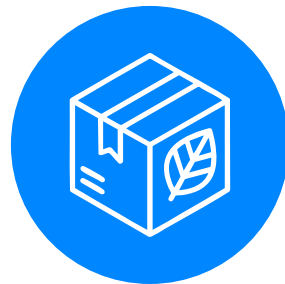
with a recognized commitment to corporate sustainability. Over the year, Magalu strengthened several strategic fronts, such as the collection and responsible disposal of electronic waste, expanded across the country; the adoption of recyclable materials for packaging, increasing the use of paper and reducing plastic consumption; the use

of clean energy to power operations, with the contracting of new solar plants; combating violence against women; the development of female and black leadership; and the support of socially impactful businesses on our platform. Below are some of the main highlights of Magalu's sustainability agenda.



COLLECTION AND RESPONSIBLE DISPOSAL OF ELECTRONICS

- **30** new electronics collection points installed in stores in the Northeast and Southeast.
- **525** stores authorized to receive electronic waste.
- **70** metric tons of waste collected in 2024, 300% more than in 2023.



PACKAGING

- Replacing plastic with paper when filling Época Cosméticos order boxes.
- FSC (Forest Stewardship Council) certification for **100%** of the paper and cardboard we purchase.
- Reducing the use of virgin plastic for cargo storage in distribution centers, prioritizing recycled or reusable materials.



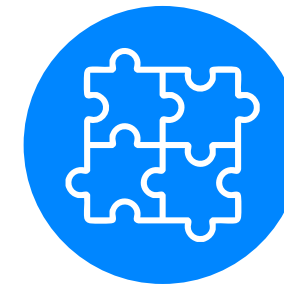
CLEAN ENERGY

- Expansion of the distributed energy generation network, with **6** new solar plants (Bahia, Goiás, Mato Grosso, Pernambuco and Rio Grande do Sul), totaling **23** units, in addition to a small hydroelectric plant.
- An additional **124** stores now use solar power, totaling **800** units.



COMBATING VIOLENCE AGAINST WOMEN

- **138** cases addressed by the Women's Channel.
- Creation of the Magalu for Women Network, which brings together **38** NGOs that benefit from the Magalu Fund to Combat Violence Against Women, launched in 2020.



DIVERSITY AND INCLUSION

- Magalu's Affinity Groups brought together more than **600** employees in weekly meetings.
- **68** diversity and inclusion awareness training sessions.
- Launch of the Move+ Program, which prepares women and black people for leadership positions. Of the **48** graduates, more than half were recognized for promotion or merit.
- **41.91%** women and **39.05%** black people in leadership positions¹.



SUPPORT FOR BUSINESSES WITH POSITIVE SOCIAL IMPACTS

- **86** sellers in Mundo Social (Social World), a section of the marketplace that offers benefits to businesses with positive socio-environmental impacts, such as reduced rates, mentoring and marketing support.
- **~5,000** registered items (SKUs) from socially impactful businesses available on the platform.



COMMUNITY

- More than BRL **1.6** million donated by Magalu, in addition to more than BRL **1.7** million donated by the Company's controlling families, totaling BRL **3.4** million in private social investment in 2024.
- More than **5,000** items donated to families affected by the floods in Rio Grande do Sul, in 29 cities.



FINANCIAL
PERFORMANCE

BRL **65.3**
billion in revenue,
a **3.6%** increase
compared to 2023.

10% growth
in physical store
sales, **12%** of which
was in SSS (same-
store sales).

BRL **3** billion in
adjusted EBITDA,
a **39%** increase
compared to 2023.

7.8% EBITDA
margin, 2 percentage
points higher than
the previous year.

Adjusted net profits
of BRL **277** million,
reversing a loss of
BRL **550.1** million in
the previous year.

Operating cash flow
of BRL **3.1** billion,
with 100% EBITDA-
to-cash conversion.

BRL **400** million
gain from working
capital optimization.

Gross debt reduction
of BRL **2.8** billion.

Net cash position
of BRL **3.3** billion
in December, an
increase of BRL **1.6**
billion in one year.

Total cash position
of BRL **7.9** billion.

BUSINESS HIGHLIGHTS

Magalu ended 2024 with consistent performance and consolidated its recovery in a challenging macroeconomic environment marked by high interest rates. The Company delivered higher profitability and stronger cash generation, while reducing debt and driving operational efficiency by strengthening strategic areas such as physical stores, logistics and financial services. Below are the main highlights of the year.



E-COMMERCE AND
MULTICHANNEL
SALES

BRL **46** billion
in revenue from
company online sales
(1P) and sellers' (3P)
— equivalent to 71%
of total revenue.

53.7 million
monthly active users
on the Magalu app.

24% of 3P orders
processed through
Fulfillment (sellers'
product storage and
delivery). This share
doubled in one year.

50% of online
sales through physical
stores, both from 1P
and 3P, reinforcing
the multichannel
approach.



CUSTOMER SATIS-
FACTION AND NPS

Launch of the
Encanta Magalu
(Magalu Enchants)
project, focusing
on the customer
experience.

77 NPS points in
the fourth quarter,
a 10-point increase
over the year.

83 NPS points in
physical stores and
from online sales in
the fourth quarter.

14-point growth in
seller NPS in one year.



COMPANIES
AND SERVICES

KaBuM!: opening
of the first physical
store in São Paulo.

Netshoes:
rebranding and launch
of the Vai no Seu
Ritmo (Go at Your
Pace) campaign.

LuizaCred: net
profit of BRL 295
million, reversing a BRL
98 million loss in 2023.

MagaluPay: total payment volume
(TPV) exceeding BRL 100 billion in
transactions; launch of CDC Digital,
integrated with e-commerce.

Magalu Cloud:
over 300 contracts
signed with external
companies.

Magalu Ads:
103% revenue
growth in 2024.

Magalog: highest level of service (delivery punctuality
and efficiency) in its history, with a rate of over 95%,
a 40% increase in revenue from external customers,
and 80% of orders delivered within 48 hours.



Frederico Trajano, CEO of Magalu, at the Company's headquarters

#imagedescription: White man in a light blue shirt and jeans standing in an office with a sofa, chairs and bookshelf in the background.

GRI 2-22

MESSAGE FROM THE BOARD

At Magalu, we often say that everything changes — except our values, which have remained the same since our founding, almost 68 years ago. We continue with our mission of providing for many what continues to be a privilege for a few in Brazil, and of being a company that values people and assumes its responsibility for the planet — a prerequisite for life in society and business continuity.

This report brings together the results for 2024, the penultimate year of the current administration's second strategic cycle. The last ten years have been marked by radical (and necessary) transformations in the nature of our business. The first cycle occurred between 2016 and 2020, when we digitized our operations: even closing more than 1,300 stores during the pandemic, we grew 50% and assumed the leadership in electronics sales in the country — a position that has only expanded since then.

In 2021, we began the cycle of building and consolidating our business ecosystem—a network of companies and services connected by a digital platform, which shields us from ongoing macro-economic fluctuations that impact interest rates and credit. We

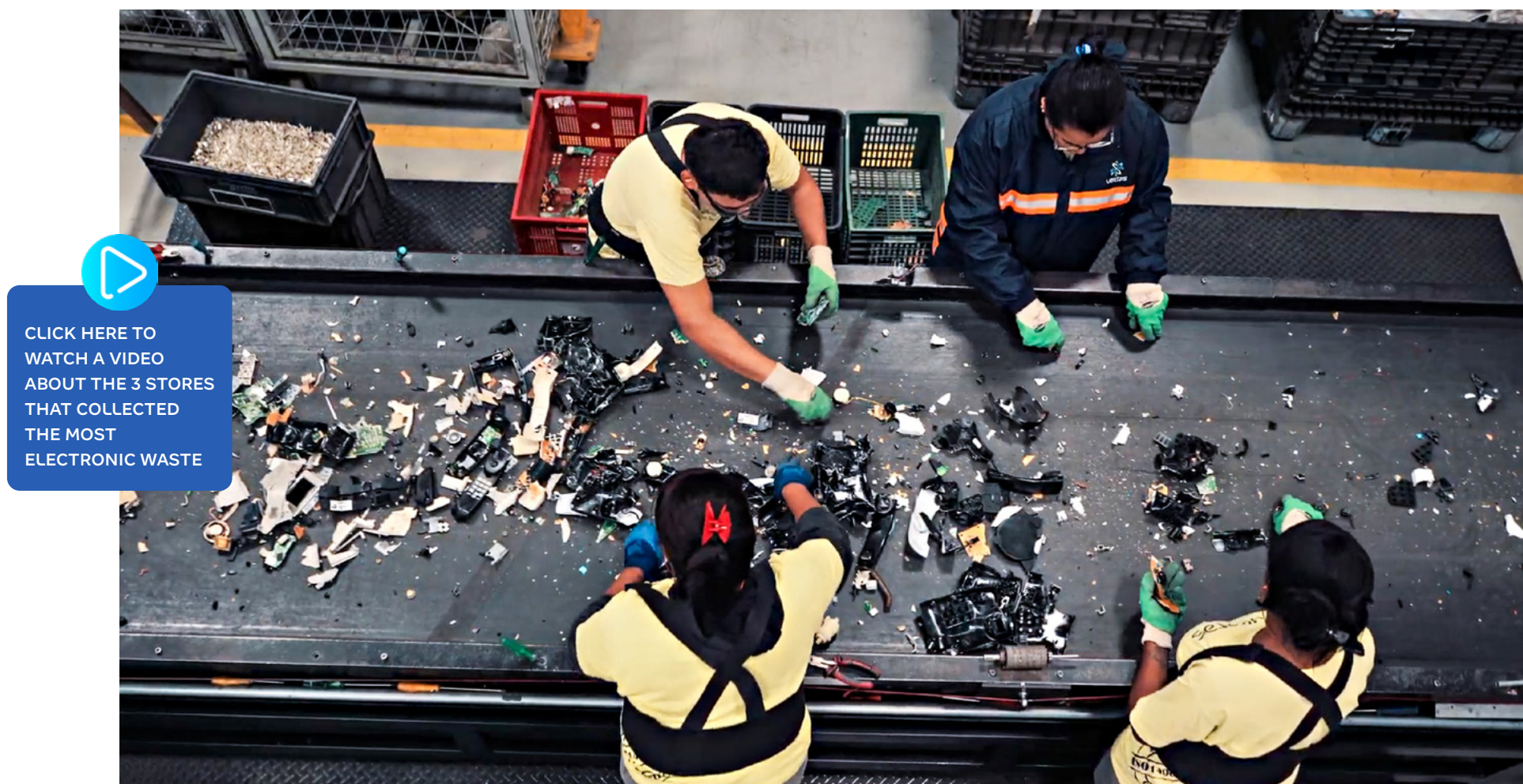
acquired companies that are references in their markets — such as Netshoes, KaBuM! and Hub Fintech, the origin of MagaluBank. We strengthened our marketplace, which currently has over 350,000 sellers and represents over 40% of our digital sales. In 2023, we launched Magalu Ads, a new retail media platform, and Magalu Cloud, a cloud service focused primarily on small and medium-sized businesses in Brazil.

In 2024, with interest rates at their highest levels in years, we demonstrated to the market that we are on the right track. We ended the year with BRL 277 million in net income and BRL 3 billion in EBITDA, a 39% increase compared to 2023. Gross debt fell by BRL 2.9 billion, and net cash reached BRL 3.3 billion. Total sales reached BRL 65 billion, with over 70% of this volume in digital channels. At the same time, we maintained our commitment to corporate sustainability, which is inseparable from our business strategy. We invested in initiatives across our social, environmental and governance pillars, focusing on integrated management, clear goals and generating positive impacts.

While progress is always possible and necessary, the data presented in this report demonstrates that Magalu effectively aligns words with actions — something society expects and demands of the business world. On the diversity and inclusion front, we ended 2024 with 41.91% women in management positions (or above) and 39.05% black people in coordination positions (or above).

Among the highlights of our social efforts is the strengthening of the Magalu Fund to Combat Violence against Women: we created the Network for Women with the 38 organizations benefiting from the fund, focused on support, guidance and income generation for victims of domestic violence.

Over the year reported here, we took a leap forward on the environmental front. We collected and sent 70 metric tons of electronic waste for recycling — three times the volume of the previous year. The collection involved not only our stores, but also community outreach with schools, expanding the initiative's reach. Our goal is clear: to scale up the program and transform Magalu into a national reference in the disposal and reuse of this type of waste, still neglected in Brazil. We expanded renewable energy generation to power our operations with six new solar plants in five states. We now have 23 plants, in addition to a hydroelectric plant, which serve 800 of the Company's 1,245 stores.



CLICK HERE TO
WATCH A VIDEO
ABOUT THE 3 STORES
THAT COLLECTED
THE MOST
ELECTRONIC WASTE

Thanks to initiatives like these, Magalu remained in the ISE portfolio, B3's Corporate Sustainability Index, for the fourth consecutive year. As a sign of the entire management's commitment to best socio-environmental practices, part of Magalu's executives' variable compensation is tied to achieving socio-environmental targets.

Recently, the ESG agenda has been increasingly questioned, but Magalu has always been guided by its own values and will not back down. Our principle is simple: right is right. We remain steadfast in our mission of building a solid business that contributes to Brazil and respects the planet's limits.

Enjoy the report,

Frederico Trajano

“

In recent times, the ESG agenda has been increasingly questioned, but Magalu has always been guided by its own values and will not back down. Our principle is simple: right is right.

”



Appliance storage area at a Magalu distribution center

#imagedescription: An employee operates a forklift in a distribution center. Around him, dozens of appliances are stacked on pallets and high metal shelves.

FINANCIAL RESULTS

The year 2024 marked an important phase of consolidation for the Magalu ecosystem. By building a network of companies and services that reinforce one another and generate benefits for the whole, Magalu reduced the cyclicity of its core business, based primarily on discretionary goods, and strengthened its ability to withstand the negative impacts of the sharp rise in interest rates in Brazil. Over the year, we recorded four consecutive quarters of profit and margin growth, along with greater cash generation and an improvement in the Company's debt position.

IN 2024...

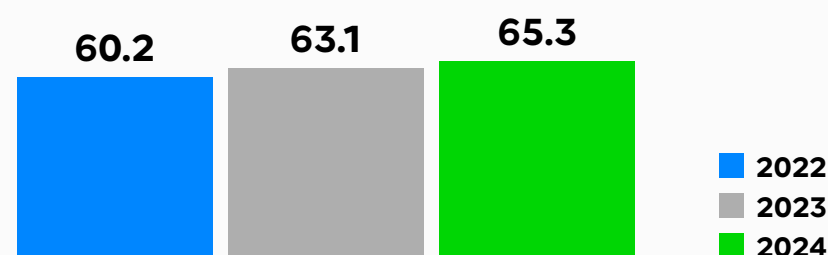
The Company showed profits in the four quarters, expanded its margins, increased cash generation and improved its debt position.

...SALES GREW

BRL 65.3 billion
in sales

3.6%+
compared to 2023

TOTAL SALES
(IN BILLIONS OF BRL)

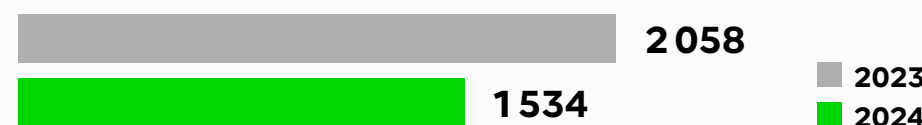


...FINANCIAL EXPENSES DECREASED

25%
decrease over the year

A **BRL 524 million**
reduction

ADJUSTED NET FINANCIAL EXPENSES
(IN MILLIONS OF BRL)



...NET CASH INCREASED

BRL 3.3 billion
in December

BRL 1.6 billion
more than in 2023

NET CASH EVOLUTION
(IN BILLIONS OF BRL)



...WORKING CAPITAL OPTIMIZED

BRL 400 million
in gains

ADJUSTED WORKING CAPITAL
(IN BILLIONS OF BRL)

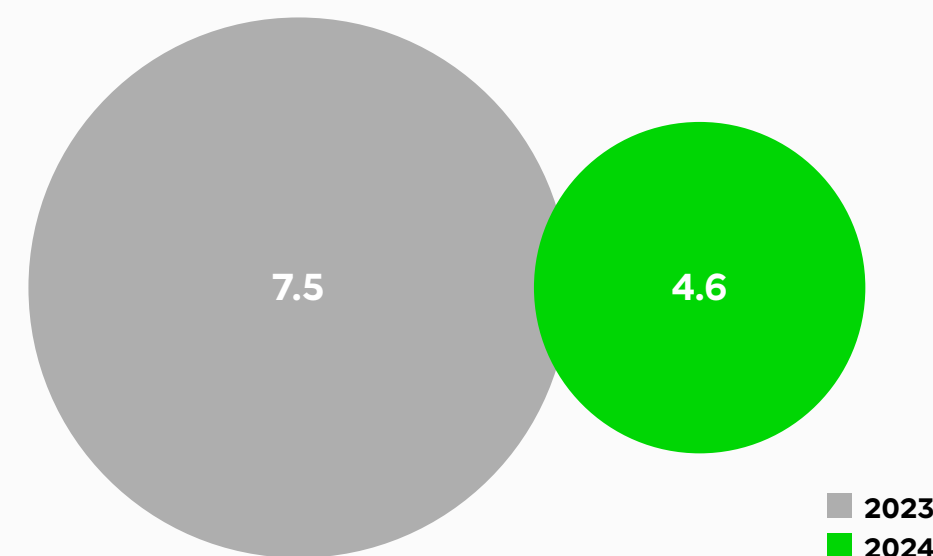


...DEBT DECREASED

BRL 2.8 billion reduction over the year

Most of the debt is now **long-term**

DEBT
(IN BILLIONS OF BRL)

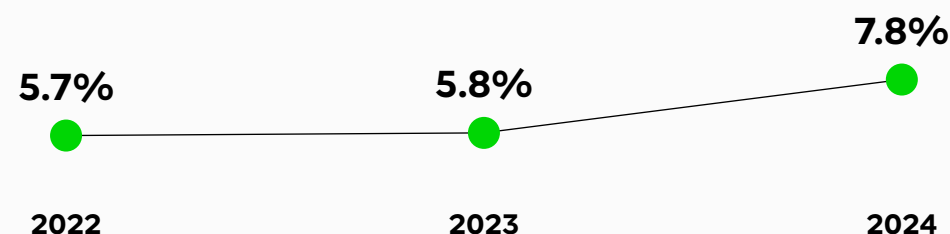


...ADJUSTED EBITDA REACHED BRL 3 BILLION

39%+
compared to 2023

7.8%
margin, a 2 percentage point
increase in the year

ADJUSTED EBITDA MARGIN



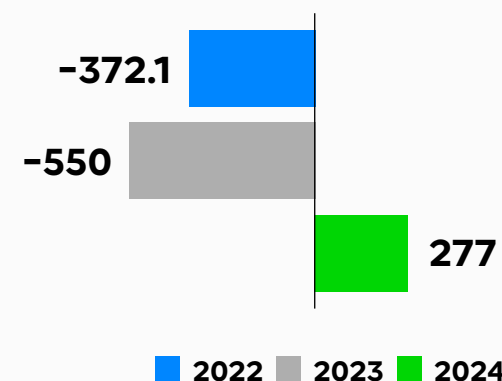
...NET PROFITS INCREASED

BRL 277 million
in net profits

BRL 827 million
more than in 2023

5 consecutive
quarters of profit

ADJUSTED NET PROFITS
(IN MILLIONS OF BRL)



In a period marked by a focus on recovery and consistent margin growth, Magalu’s total revenue increased 3.6%, reaching BRL 65.3 billion. Physical store sales were a highlight, reaching BRL 19.2 billion — a 10% increase overall and a 12% increase when considering same-store sales (excluding openings and closures). E-commerce accounted for 71% of total sales, surpassing BRL 46 billion. In this segment, sales from in-house inventory (1P) remained stable at BRL 27.5 billion, while the marketplace (3P) grew 3%, reaching BRL 18.7 billion. The app attained the mark of 53.7 million monthly active users.

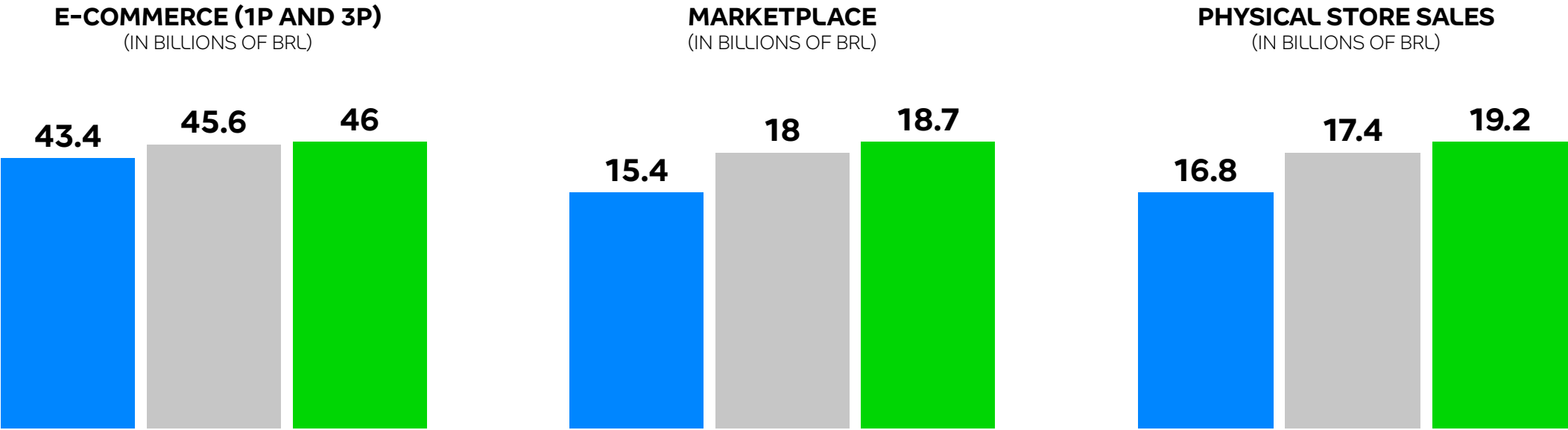
Gross margin reached 30.6%, an increase of 1.4 percentage points. Revenue growth from services such as marketplace and insurance sales also contributed to this result.

The improvement in profitability had a direct impact on operating income. Adjusted EBITDA increased 39% to BRL 3 billion, with an EBITDA margin of 7.8%, an increase of 2 percentage points compared to 2023. This performance reinforced the

SALES EVOLUTION BY CHANNEL

The Company recorded BRL 65.3 billion in total sales in 2024, with positive growth in physical stores, e-commerce and the marketplace.*

■ 2022 ■ 2023 ■ 2024



PHYSICAL STORES GAIN IMPORTANCE

Increase in physical store sales boosts performance and reinforces multichannel integration





KaBuM!'s first physical store opened in São Paulo, using the store-in-store concept, focusing on open-box products and the customer experience

#imagedescription: A store employee, standing, helps a seated customer who is testing a driving simulator.

group's operational strength across all channels, from physical stores to the marketplace.

The reduction in financial expenses was one of the year's main highlights. With a 25% decrease, they now represent 4% of the Company's net revenue, a 1.6 percentage point reduction compared to the previous year, and 52% of EBITDA, compared to 97% in 2023. This improvement reflected improved

cash flow from operations, the increased share of Pix (electronic cash transfers) in sales, and the improved capital structure.

These results marked Magalu's return to consistent profitability. In the year, the Company's gross operating profit before taxes grew by BRL 1.3 billion, and adjusted net income reached BRL 277 million — an increase of BRL 828 million compared to 2023.

Operating cash flow also posted significant growth: BRL 3.1 billion, equivalent to 100% EBITDA-to-cash conversion. Among the initiatives that contributed to this result was the optimization of working capital, which generated a gain of BRL 400 million over the year.

DEBT REDUCTION

Magalu also significantly improved its financial structure, reducing its gross debt by almost BRL 3 billion and extending its debt position. As a result, it closed the year with net cash of BRL 3.3 billion, an increase of BRL 1.6 billion compared to 2023, and a total cash position of BRL 7.9 billion — figures that reflect the strength of the group's financial structure.

Concurrent with the improved financial performance, Magalu focused on improving the customer experience. In 2024, it launched Encanta Magalu (Magalu Enchants), a set of initiatives focused on customer service excellence and improving service levels. The impact was direct: the corporate NPS reached 77 points in the fourth quarter, the highest in its history, and surpassed the results obtained in the same period of the previous year by 10 points.

This result was mainly driven by a 14-point increase in the marketplace NPS, bringing it closer to the strong satisfaction levels already seen in physical stores and proprietary e-commerce — both at 83 points (*learn more about this on pages 28-31*).

PERFORMANCE OF DIGITAL AND FINANCIAL PLATFORMS

The Company expanded its fulfillment* share, increased the volume of financial transactions, and expanded its service operations

Fulfillment Magalu accounted for 24% of marketplace orders in 2024—double the figure for 2023.

At LuizaCred, card revenues reached BRL 16 billion in 4Q24, with 6.2 million active cards and BRL 20.3 billion in portfolio. Delinquency continued to decline, and net income was BRL 145 million in the quarter (ROE of 31%) and BRL 295 million for the year. Magalu Ads revenue grew 103% year-over-year and 220% in 4Q24. The number of key accounts increased 15% in 2024 and 20% in the last quarter.

In the year it launched its first products, and Magalu Cloud accounted for 40% of internal workloads, reducing infrastructure costs. The solution has approximately 300 external clients, focusing on SMEs.

At MagaluBank, TPV reached BRL 27.4 billion in 4Q24 and BRL 100.1 billion year-to-date. Card revenues totaled BRL 59.5 billion in 2024.

*A MODEL IN WHICH MAGALU CARRIES OUT THE STORAGE, SEPARATION, PACKAGING AND DELIVERY OF SELLERS' PRODUCTS (MARKETPLACE SELLERS) FROM ITS OWN DISTRIBUTION CENTERS

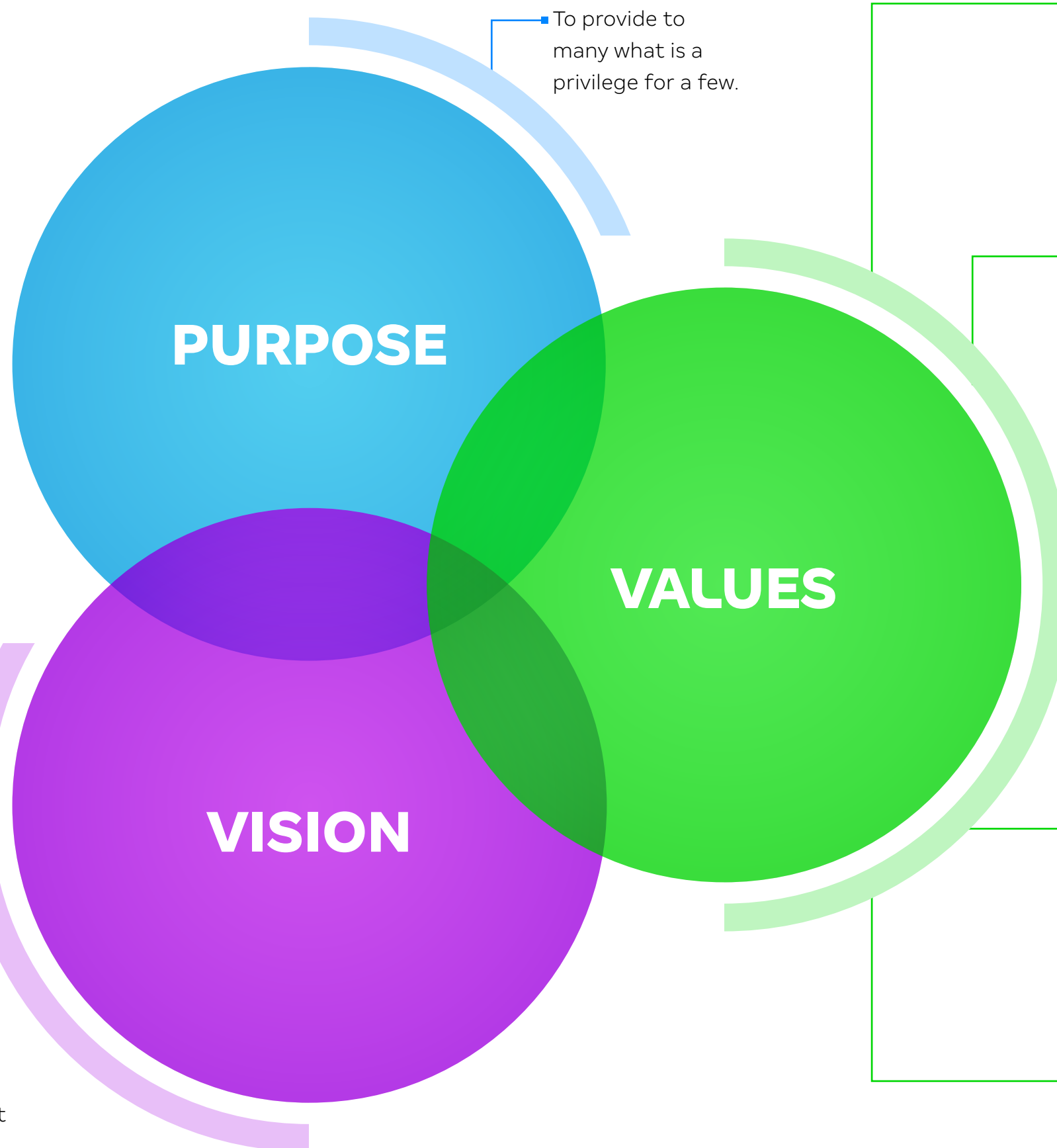
WHO WE ARE

- Purpose, Vision and Values
- Ecosystem
- Magalu in Brazil

OUR PURPOSE AND ACTIONS

What guides our way of doing business

To be the most innovative group in Brazilian retail, offering a variety of products and services to Brazilian families with quality and guarantee of origin. To serve our customers where, when and how they want, whether in physical stores or online. With differentiated service and competitive prices, we please our customers with the best retail team in Brazil.



To provide to many what is a privilege for a few.

THE CUSTOMER ALWAYS COMES FIRST

The customer is paramount in every decision, and to achieve this, we strive to know them well. We are passionate about selling and providing excellent service. We tirelessly strive to please our customers, and when we make mistakes, we make every effort to win them back.

PEOPLE WHO LIKE PEOPLE

We work with a positive energy and celebrate our achievements. We enjoy working as a team, collaboratively, transparently, and face-to-face, always with the utmost respect. Constructive feedback is encouraged and welcome. We grant autonomy with responsibility and strive to attract, value and develop talent.

HANDS-ON APPROACH

We are bold and not afraid to make mistakes. We think outside the box and always find simpler, more creative ways to do things. We work hard, proactively, and solve problems even when they are not our responsibility. We make things happen quickly, putting ideas into practice even when they are not 100%. We work tirelessly to stay close to the front line.

ATTITUDE OF OWNERSHIP

We think about the company as a whole and the long-term sustainability of the business, not just about our own department or store: we don't cut corners. We do more with less and never settle for what isn't right, which is why we are always striving to improve and raise the bar. We embrace and promote our culture.

SIMPLICITY AND INNOVATION

We are constantly learning, always striving to exercise autonomy responsibly.



GRI 2-2 | 2-6

OUR ECOSYSTEM

Magalu is an ecosystem formed by a network of interconnected retail businesses in Brazil, based on a successful combination of technology, multichannel sales and culture.



COMPANIES AND SERVICES

LOGISTICS		FINANCIAL SERVICES		MAAS		CONTENT
Magalu Deliveries	GFL	Magalu Consortium	VIP Commerce	Com School	GrandChef	Canaltech
Sode	Sinclog	MagaluPay	Magalu Cloud	SmartHint	Bit55	Steal The Look
Logbee		LuizaCred	Stoq	Hubsales		Jovem Nerd

INTERCONNECTED BUSINESSES IN RETAIL

Get to know the main companies that make up the Magalu group

magazineLuiza

Founded in 1957 by Luiza Trajano Donato, Magalu is now a retail platform that operates with physical stores, online stores, telesales, e-commerce, marketplace, social commerce and corporate sales. Its multichannel model allows customers to shop in a variety of ways, with delivery nationwide. Physical stores also function as logistics hubs to optimize deliveries. Services such as In-Store Pickup (Retira Loja) and Ship from Store contribute to distribution efficiency. Magalu also offers tools and services to marketplace sellers to boost their sales.

magaluCLOUD

As part of the Magalu as a Service platform, Magalu Cloud was created in December 2023, as the only 100% Brazilian cloud solution, billed in Brazilian currency (BRL) and with support in Portuguese. It serves the group's companies and offers computing, storage and networking services with high performance, security and low latency (response time) for external clients. It brings together the operations of VIP Commerce, Stoq, ComSchool, SmartHint, Hubsales, GrandChef and Bit55.

MagaluADS

Launched in 2021, this is the group's digital advertising platform, allowing sellers and suppliers to promote their products in the Magalu ecosystem. It uses geolocation technology and integrates online-to-offline (O2O) advertising solutions, expanding the reach of campaigns both online and offline. Magalu Ads also brings together the content companies Canaltech, Steal the Look and Jovem Nerd.

KaBum! >>

One of the pioneers of e-commerce in Brazil, it specializes in technology and games. Acquired in 2021, it offers a comprehensive portfolio of computers, hardware, peripherals, gaming products and smart home devices. In 2024, it opened its first physical store in São Paulo, using the store-in-store concept, inside a Magalu megastore.

netshoes

Netshoes, a leading e-commerce company for sporting goods in Brazil, was founded in 2000 and acquired by Magalu in 2019. Its portfolio includes footwear, apparel and sports accessories. The company also operates online stores for partner brands, including those of some of the country's biggest soccer teams, integrating the synergies of the Magalu ecosystem to optimize logistics, technology and operations.

ÉPOCA COSMÉTICOS • PERFUMARIA

An e-commerce site specializing in beauty products, including perfumes, makeup, skin products and cosmetics in general. Founded in 2006, the company was acquired by Magalu in 2013.

ZATTINI

Fashion and beauty e-commerce, offering footwear, clothing, accessories and makeup, connecting customers with major fashion brands.

aiqfome

Brazil's second-largest food delivery platform, focused on small and medium-sized cities in the interior of the country. Acquired in 2020, it operates using a licensing-based expansion model, allowing local entrepreneurs to acquire the right to operate the brand and app in their cities.

magalubank

Magalu's financial division, bringing together credit operations (represented by LuizaCred, a joint venture between Magalu and Itaú Unibanco), payments (through MagaluPay), insurance (a partnership between Magalu and BNP Paribas Cardif) and Consórcio Magalu.

Magalog

The result of the merger of five companies—Magalu Entregas, Sode, Logbee, GFL and Sinlog—it is one of the largest logistics operators in Brazil. With 21 distribution centers and an integrated network, it offers warehousing, fulfillment, and ultra-fast delivery solutions. It serves companies in the Magalu group, marketplace sellers and external customers.

estante virtual

The country's largest bookstore, initially created as a virtual secondhand bookstore, has expanded to also sell new books, expanding its portfolio. The company was acquired in 2020.

GRI 2-1

MAGALU IN BRAZIL

Get to know the key operational figures and the number of Magalu stores, distribution centers and cross-docking centers¹ in each Brazilian state.

PHYSICAL AND LOGISTICS PRESENCE

1,245

stores

175²

cross-docking centers

21

distribution centers (DCs)

5,000

drivers in the logistics network

DIGITAL PRESENCE

128 million

available product offers

500 million

monthly app visits

350,000+

sellers in the marketplace

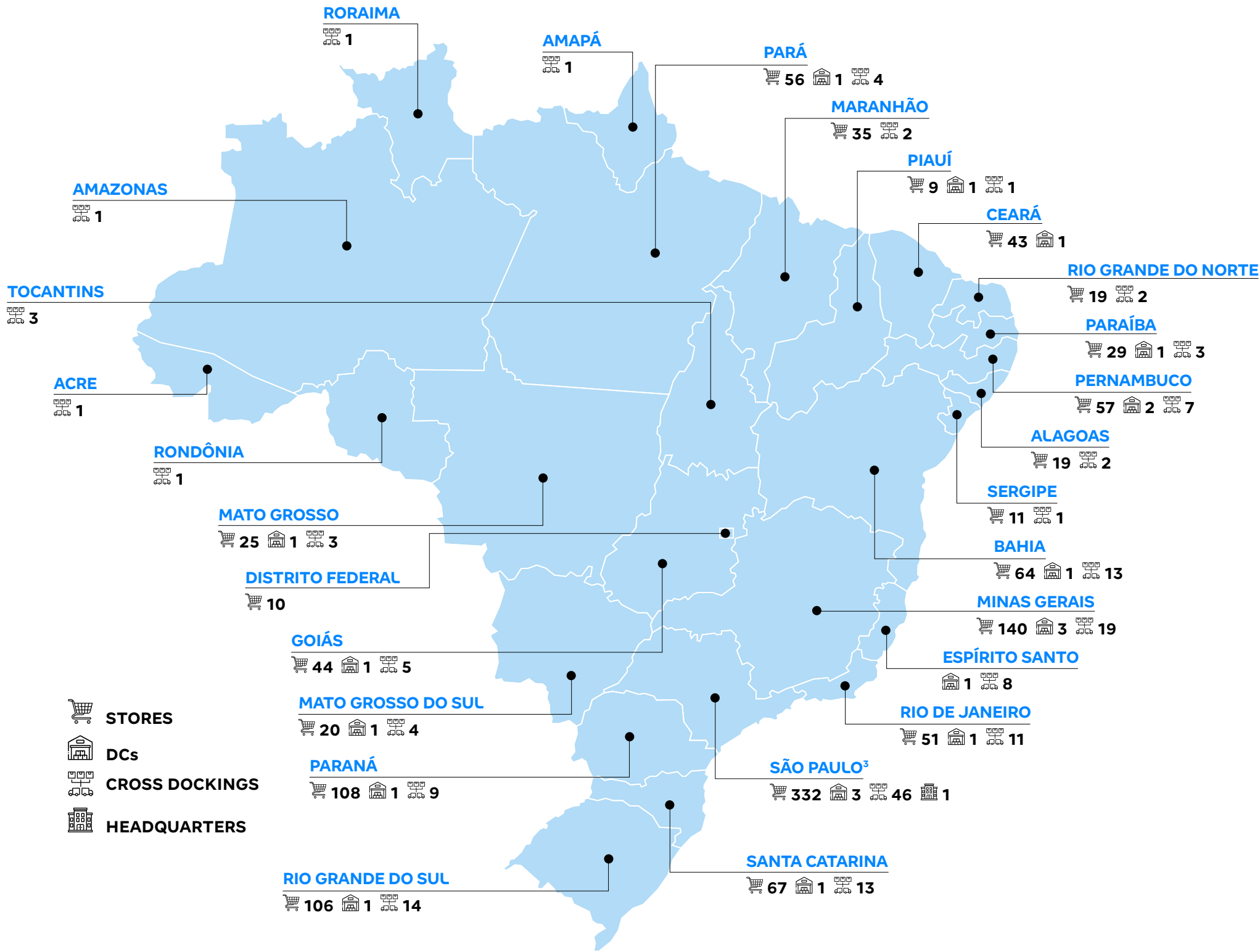
53.7 million

monthly active users on the Magalu app

MAGALU TEAM

42,744

employees



1. LOGISTICS INFRASTRUCTURE WHERE PRODUCTS ARE QUICKLY TRANSFERRED FROM RECEIVING TRUCKS TO DELIVERY VEHICLES.

2. THE NUMBER INCLUDES 26 PROPRIETARY BASES AND 149 PARTNER BASES.

3. MAGALU IS HEADQUARTERED IN THE CITY OF FRANCA, IN THE STATE OF SÃO PAULO

STRATEGY AND RESULTS

- Business Strategy
- Performance by Brand
- Value Generated
- Awards and Recognition
- Customer Satisfaction
- Innovation
- Influencer Lu

BUSINESS STRATEGY

Magalu guides its business with strategic plans defined periodically, in five-year cycles. Each cycle is built on in-depth analysis of market trends and opportunities for transformation and differentiation, ensuring the Company’s continuous evolution in a highly dynamic sector.

The current strategy cycle, which began in 2021, focuses on building and consolidating the Magalu ecosystem, expanding its presence beyond traditional retail. Over this period, the Company has promoted its marketplace platform and acquired several companies in complementary segments such as technology, logistics, financial services and digital content, in addition to operations such as KaBuM!, a leading electronics and gaming retailer in Brazil, Aiqfome, the second-largest food delivery company in the country, and Netshoes, a leading sporting goods company. The advertising platform Magalu Ads, the logistics company Magalog, the cloud computing and storage service Magalu Cloud, and the financial service Maga-

luBank also resulted from this movement.

The Magalu ecosystem stands out, above all, for its multichannel approach, a unique characteristic of the Company compared to its competitors. The company’s more than 1,200 physical stores are not just points of sale- they function as logistics hubs, serving 1P e-commerce (proprietary inventory), marketplace sellers and customers, improving ser-

vice levels and reducing operating costs.

In 2024, the consolidation of Magalu’s logistics operations resulted in significant efficiency gains, directly impacting the customer experience. The logistics service level exceeded 95%, with 80% of orders delivered within 48 hours. At the same time, the Encanta Magalu (Magalu Enchants) project mobilized the Company’s teams to improve service

quality and customer satisfaction. The initiative resulted in the largest historical improvement in the Company’s NPS, which rose 10 points compared to the previous year.

With the current cycle ending in 2025, the company is preparing for a profound transformation in the coming years with artificial intelligence, moving towards the forefront of AI-commerce.

FROM DIGITAL TO ECOSYSTEM: MAGALU’S JOURNEY

2016-2020

MAGALU DIGITALIZATION

DIGITAL INCLUSION

MULTICHANNEL

STORE DIGITALIZATION

DIGITAL SALES PLATFORM

DIGITAL CULTURE

2021-2025

ECOSYSTEM CONSOLIDATION

MARKETPLACE GROWTH

NEW CATEGORIES

FINTECH MAGALU

FASTER DELIVERY

MAGALU AS A SERVICE



BUSINESS THAT COMBINES GROWTH AND SUSTAINABILITY

In 2024, the companies and services in the ecosystem achieved significant progress in both business results and the socio-environmental agenda, as follows



Magalu's HB in Franca: efficient management reduced costs and improved financial results

#imagedescription: Two women on a crosswalk in front of a mirrored building with the Magalu logo.

MAGALU

The operation improved margins and profitability. Several initiatives contributed to this result, including detailed inventory control and working capital improvements. This allowed the operation to generate cash while maintaining the same level of product availability. This result was driven by physical stores, which increased revenues by 10% and underwent adjustments, including service improvements, cost cutting, and the partial return of properties to reduce rental expenses. Concurrently, investments were made in the renovation of 200 units. The multichannel strategy has become even more important, whether through pickups or direct shipping of products sold through e-commerce. At the same time, the share of marketplace sellers using Fulfillment Magalu doubled, reaching 24%.

Another highlight was the increase in customer satisfaction, which rose 10 points in the year, according to the NPS (Net Promoter Score) metric, reaching 77 points overall, with physical stores and online proprietary product sales scoring 83 points, and the marketplace increasing by 16 points (*more details on this can be found on pages [28-31](#)*). An especially significant achievement was the strategic partnership with AliExpress for the sale of Magalu products on the Chinese platform and vice versa, expanding the reach of both marketplaces (*see table on page [22](#)*).

KABUM!

In 2024, KaBuM! implemented a series of strategic and operational changes that optimized the business structure, adjusted the product portfolio, and improved commercial efficiency.

The brand returned to focusing on technology

products, which resulted in a 12% increase in the active customer base in this category in 2024.

Another highlight was the opening of the brand's first physical store, using the store-in-store concept, inside a Magalu store in the north of São Paulo, focusing on selling open-box products. The success of the store led to the decision to open two more stores in São Paulo in 2025 and to explore further expansion.

NETSHOES

In 2024, Netshoes maintained its leading position in sporting goods e-commerce in Brazil. This performance was driven by strengthening product categories such as running, training, soccer and sportstyle, a segment that experienced significant growth.

The company underwent a rebranding last year, including a modernized logo and the launch of the slogan "Go at Your Pace," which reinforced the brand's identity among consumers. Furthermore, it reinforced its positioning not only as a reference in sports products, but also as a lifestyle brand, reflecting the growing demand for comfort and authenticity in apparel. In 2024, it became one of the top five fashion brands in Nielsen's Top of Mind ranking.

The brand also strengthened its connection with runners. In 2024, it hosted editions of the Netshoes Run in three cities—Florianópolis, Salvador and São Paulo—bringing together more than 14,000 participants. The events took in donations of over 1,000 pairs of used sneakers and 700 kilos of food, which were donated to the NGO Amigos do Bem.

MAGALUBANK

Magalu's financial hub posted strong results in credit offerings and in the expansion of digital financial services for customers and marketplace partners, such as accounts, digital wallets, insurance, prepaid

cards, transfers, incoming payments, working capital loans, and advances on receivables. The total volume of processed transactions (TPV) surpassed BRL 100 billion in the period.

Another highlight was the growth of Direct Consumer Credit (DCC), primarily driven by e-commerce, with the launch of Digital DCC, offering a new installment payment solution for consumers and marking another step in the company's digital transformation. This modality expanded access to credit in a streamlined manner, integrated with the online shopping experience.

LuizaCred, a credit card joint venture between Magalu and Itaú Unibanco, achieved one of the best operational and financial performances in its

Netshoes office in São Paulo: rebranding and adoption of the slogan Vai no Seu Ritmo (Go at Your Pace)

#imagedescription: A man and two women walk down a corridor in a modern office, bearing the Netshoes logo.



KaBuM! booth at Brasil Game Show: return to the focus on technology and the opening of the first physical store

#imagedescription: People walk around KaBuM!'s multicolored booth. In the background, a large screen displays Ninja, the brand's avatar.



The Company's logistics, consolidated in Magalog, improved in efficiency and quality

#imagedescription: Black man surrounded by boxes at a Magalu logistics center, next to a blue van.

history. The operation recorded a net profit of BRL 295 million for the year, reversing a BRL 98 million loss in 2023.

Non-performing loan (NPL) indicators showed significant declines, despite rising interest rates in the country, reflecting careful credit analysis and approvals. Short-term NPL fell 0.4 percentage points to 2.7%, while long-term NPL decreased 1.7 percentage points to 8.1%.

With a base of 6.2 million credit cards and a credit portfolio of BRL 20.3 billion at the end of the year, LuizaCred played a strategic role in customer loyalty and increasing the average ticket size at Magalu.

MAGALOG

In 2024, Magalu consolidated all of its logistics operations in Magalog—a new, independent business that centralizes the Company’s logistics and also serves external customers. The creation of this unit resulted in significant gains in efficiency and quality. Service levels reached an all-time high, exceeding 95%, directly boosting Magalu’s e-commerce NPS, 70% of which is influenced by deliveries.

In the year, approximately 80% of orders sold and delivered by Magalu reached their final destination within 48 hours, a 6-percentage point increase compared to 2023. Furthermore, the logistics infrastruc-



Frederico Trajano, Magalu CEO, and Kai Li, AliExpress LATAM CEO, during the signing ceremony of the agreement between the two marketplaces in China

#imagedescription: Two men shake hands and smile for the camera, with the Magalu and AliExpress brands displayed on the screen behind them.

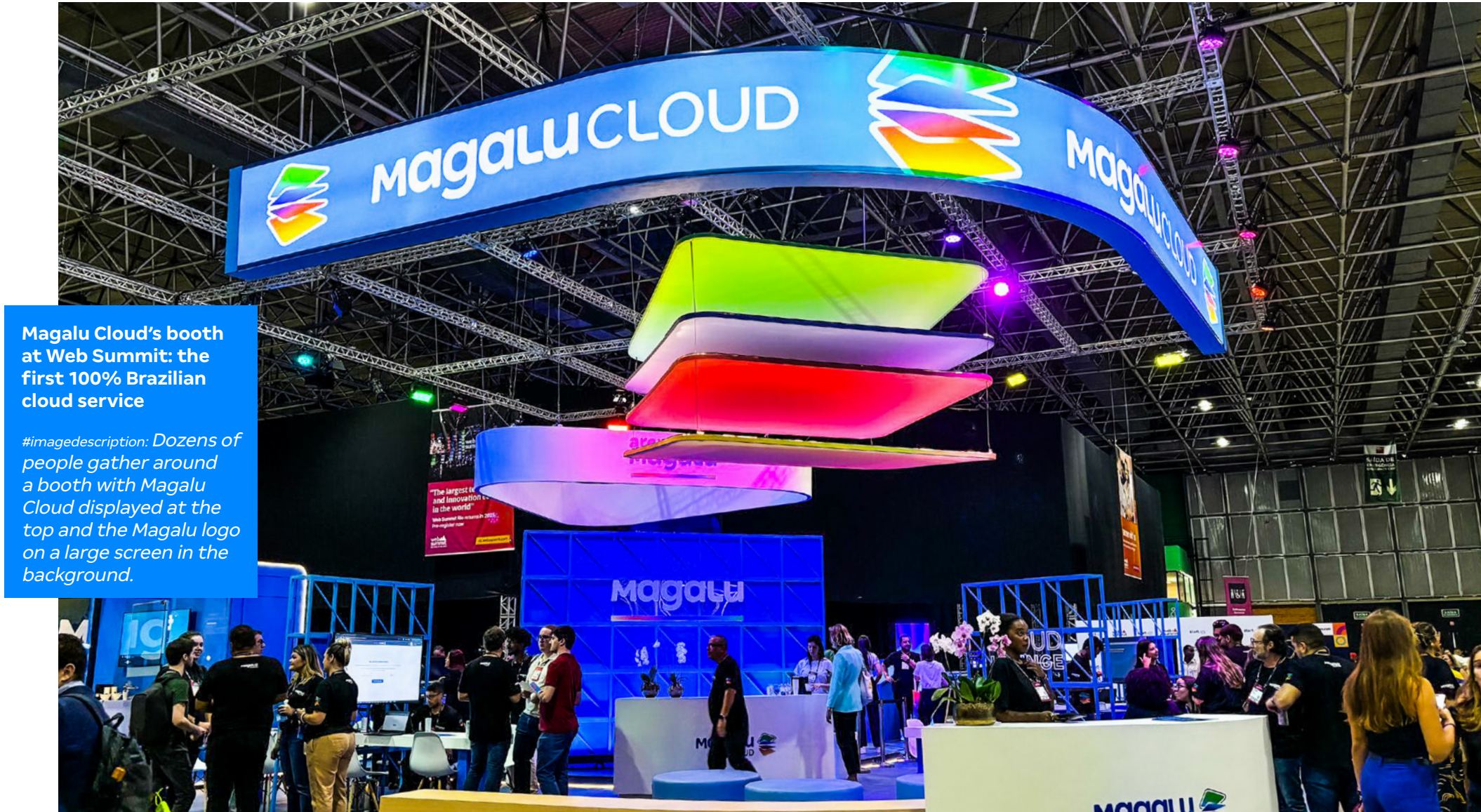
PIONEERING PARTNERSHIP WITH ALIEXPRESS EXPANDED MAGALU’S REACH

The companies began selling each other’s products on their marketplaces, offering benefits to consumers on both platforms

In June 2024, Magalu entered into a pioneering partnership with AliExpress, the Alibaba Group’s global e-commerce platform, in which each company began selling its products on the other’s marketplace. This initiative expanded Magalu’s presence in the cross-border segment, which includes the sale of international products, adding items from AliExpress’s Premium Choice line to its portfolio. At the same time, Magalu began offering its products on the Chinese platform, espe-

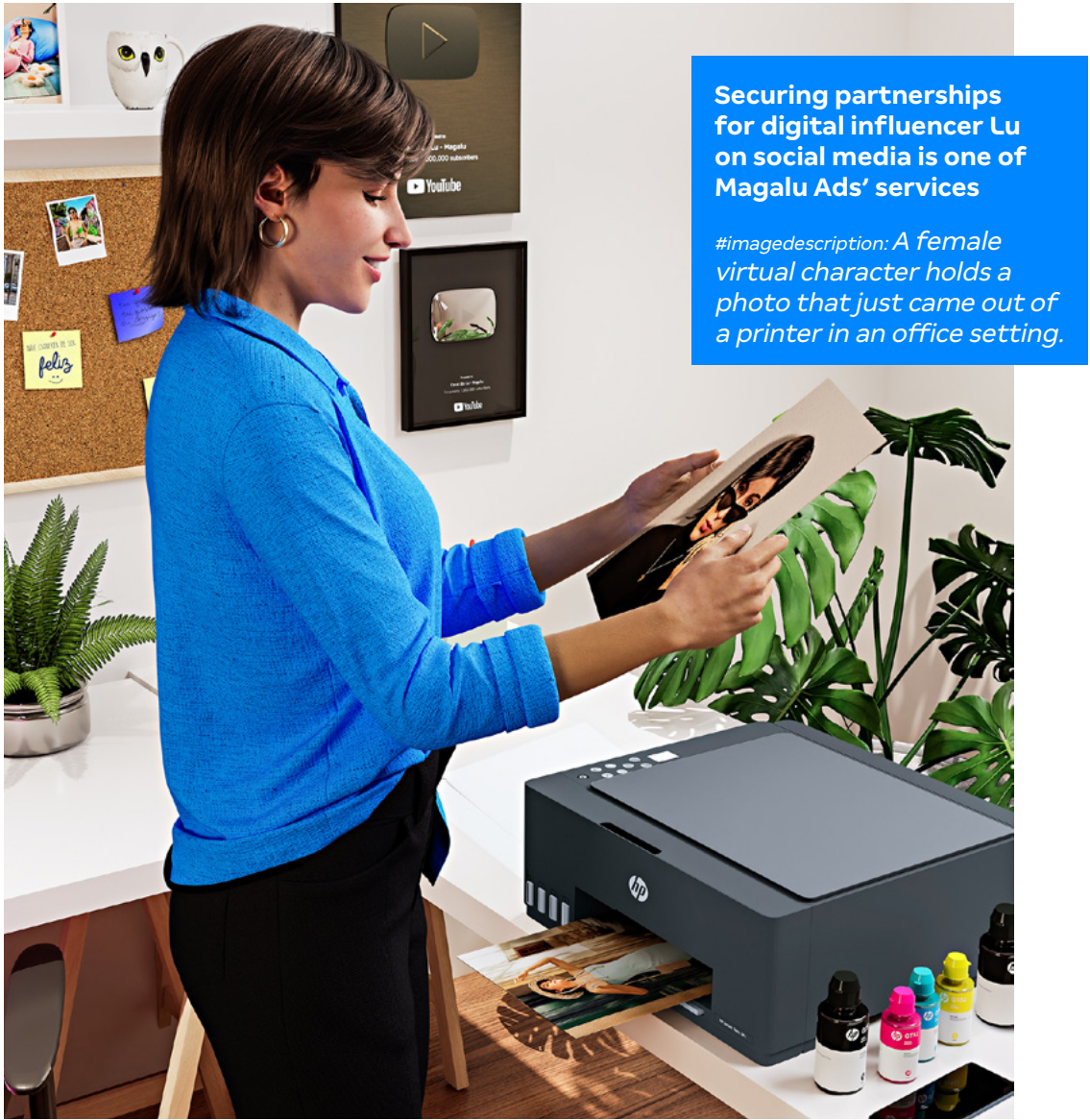
cially higher-priced items such as smartphones, appliances and TVs.

The partnership provided significant benefits for consumers on both sides. On the Magalu app, customers get easy access to imported products with the security of buying on a trusted platform. AliExpress users, meanwhile, find Magalu products with exclusive benefits, such as discount coupons, cashback and interest-free payment installments. Magalu items are identified with their own seal and displayed in the “From Brazil” section.



Magalu Cloud’s booth at Web Summit: the first 100% Brazilian cloud service

#imagedescription: Dozens of people gather around a booth with Magalu Cloud displayed at the top and the Magalu logo on a large screen in the background.



Securing partnerships for digital influencer Lu on social media is one of Magalu Ads’ services

#imagedescription: A female virtual character holds a photo that just came out of a printer in an office setting.

ture was expanded by 46,000 square meters, with new facilities at the distribution centers in Ribeirão Preto (SP), Contagem (MG) and Gravataí (RS).

Another highlight was the growth of the delivery and pickup operation for e-commerce products, both proprietary and those of marketplace partners, in physical stores. This reduced fuel consumption by up to 80% by serving customers within a 10-kilometer radius of the unit and sped up delivery times. Revenue from services provided to external customers grew 40% over the year.

In 2024, Magalog also started using cabotage shipping, which is expected to reduce fuel consumption by at least 30% compared to road transport.

MAGALU CLOUD

Initially created to reduce the Company’s infrastructure costs, Magalu Cloud, the first 100% Brazilian cloud service, established itself as a strategic pillar of the Magalu ecosystem in 2024. The company offers cloud solutions for the group’s businesses and external clients, at more affordable prices than those of international competitors.

Over the year, the Magalu Cloud team doubled in size, reflecting the growth and maturity of the operation. All of the unit’s products were also made available to the market, including Object Storage for secure and scalable data storage, Turia IAM for identity and access management, and ID Magalu, which en-

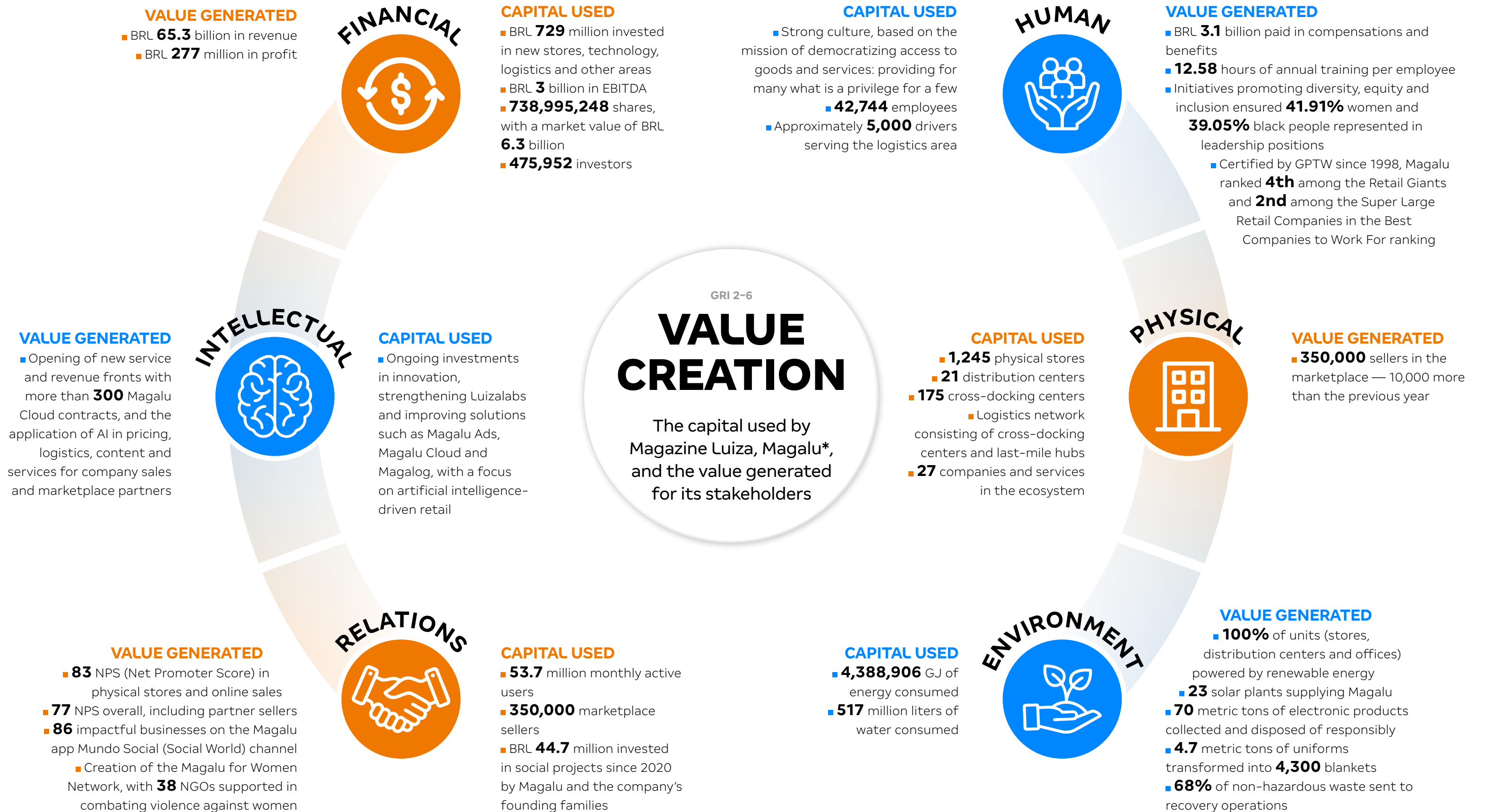
ables single sign-on (SSO) across multiple services with a single account. This structure enabled the company to sign more than 300 contracts with external companies. Internally, the company’s cloud also gained momentum, with Magalu expanding its infrastructure operations in its cloud from 30% to 40%, contributing to savings of up to 50% in technology costs.

As a Brazilian company, it contributes to strengthening national sovereignty in a strategic segment. Furthermore, it provides environmental advantages, with data centers located in the Southeast and Northeast regions that benefit from the country’s predominantly clean energy matrix.

MAGALU ADS

In 2024, Magalu Ads experienced accelerated growth, with a 103% increase in revenues compared to the previous year. This growth was driven by improvements made to the sponsored products platform and display solutions, which included a more efficient algorithm, improved usability and the introduction of a self-service model for large advertisers.

The number of major advertisers (key accounts) grew 15%, reaching 20% in the last quarter. This expansion reinforced the importance of Magalu Ads as a strategic media channel in the Magalu ecosystem, contributing to sales conversion and a more effective monetization of digital traffic.



* SINCE 2018, MAGAZINE LUIZA HAS ALSO USED THE NAME MAGALU AS A TRADEMARK.

AWARDS AND RECOGNITION

Companies and executives in the Magalu ecosystem received national recognition over the year. See some highlights



MARCH

BOTS BRASIL AWARDS

Magalu, in partnership with Meta, received an award for the Direct Connect project, which allows customers to access the product catalog via WhatsApp, using the virtual assistant Lu. This award recognizes the best chatbots in the country.

MOST LOVED IN RIO

The award, granted by the magazine Veja Rio, recognizes the brands most loved by Rio residents in various sectors. Magalu was chosen in the Home Appliances Store category.

APRIL

BUSINESS REPUTATION

Magalu's Board Chair, Luiza Helena Trajano, was named for the seventh time the business leader with the best reputation in the country, according to Ranking Merco Líderes 2023. The survey interviewed 762 executives, analysts, journalists and academics. Frederico Trajano, CEO of Magalu, also made the list. The company ranked 8th in the Merco Empresas ranking and 4th in the Merco Responsabilidade ESG ranking.

INCONFIDÊNCIA MEDAL

Luiza Helena Trajano, Board Chair, received the honor granted by the state of Minas Gerais to individuals and institutions that have contributed to the development of the region and the country.

TOP 10 HR PROFESSIONALS

Magalu's Executive Director of People Management, Patricia Pugas, was named one of the 10 most admired HR professionals in Brazil. Promoted by Grupo Gestão RH in 2023, the voting results were announced in 2024.



MAY

MODERN CONSUMER

The Modern Consumer award recognizes companies that stand out for their excellence in customer service and innovation. Magalu won 1st place in the Marketplace category.

THE AGE OF DIALOGUE

Promoted by Grupo Padrão and Consumidor Moderno magazine, the award recognizes companies that excel in improving customer relations and reducing litigation. Magalu was recognized as one of the companies with the highest rates of resolving consumer complaints.



AUGUST

IBEVAR-FIA 2024 RANKING

Magalu was recognized as one of the most admired retail companies by consumers in the Ibevar-FIA 2024 Ranking, prepared by the Brazilian Institute of Retail Executives (Ibevar) in partnership with FIA Business School. The company won 1st place in the Electronics and Furniture category.



NOVEMBER

GREAT PLACE TO WORK

Magalu ranked 4th in the Retail Giants category and 2nd in the Super Large Retail category in the ranking of the best companies to work for. The company began using the GPTW climate survey in 1998 and, since then, has consistently earned the Great Place to Work certification, ranking among the Best Companies to Work for in Brazil.

AUTOMATION AWARD

Magalu was one of the winners of the 26th edition of the Automation Award 2024, promoted by GS1 Brasil, in the Market Application category. The recognition was thanks to the case study for registering the barcode that identifies sellers' products on the marketplace platform — GTIN (EAN-13) — the result of a joint effort across several areas of the company.



NOVEMBER

ESTADÃO MARCAS MAIS

Magalu was recognized as one of the Top 5 Brands of the Future in the 10th edition of the Estadão Marcas Mais award, and was among the country's top brands in the Online Sales Site and Home Appliance Store categories.

DOCTOR HONORIS CAUSA

André Fatala, Vice President of the Magalu Platform, received Brazil's first Doctor Honoris Causa in Software Engineering, awarded by Cesar School, a leading higher education institution in the country.

GOLD AT THE ABT AWARDS

Magalu won gold at the 24th ABT Awards in the Communication Campaigns (Outsourced) category for using the Robbyson team engagement platform in initiatives with its employees. The ABT Award, the largest in Brazil for customer relations, recognizes and promotes best practices in this area.



DECEMBER

RECLAME AQUI AWARD

Companies in the Magalu ecosystem won awards in eight categories: Magalu, in Marketplace, Physical Stores and Mega-Scale E-commerce; Netshoes, in Sporting Goods (E-commerce); KaBuM!, in IT E-commerce; KaBuM! Smart, in Niche E-commerce; Estante Virtual, in Books (E-commerce); and LuizaCred, in Credit Cards. The award recognizes the highest-rated brands by consumers on the Reclame Aqui platform for settling consumer complaints, based on the quality of their service and efficiency in resolving customer issues.



TIKTOK AD AWARDS 2024

In the awards ceremony, which recognizes the best advertising initiatives by brands on TikTok, Magalu won in the TikTok Funciona (TikTok Works) and Advertiser of the Year categories.



GRI 3-3

CUSTOMER SATISFACTION



Customer satisfaction:
Magalu store service
reinforces its commitment to
excellence and contributes to
the historic increase in NPS

*#imagedescription: Two smiling
women interact, looking at
stoves and refrigerators on
display. One of them holds a
cell phone up, showing the
screen to the other woman.*

At Magalu, “customer first” isn’t a slogan. It’s a daily decision that guides processes, goals and attitudes at all levels of the organization. In the last strategic cycle, this commitment gained greater momentum. Every year, Magalu chooses a priority area for improvement. In 2024, it was the Encanta Magalu (Magalu Enchants) project, created to elevate service levels and simplify the customer experience.

The work carried out over the year was reflected in the NPS (Net Promoter Score) indicator, which measures customers’ willingness to recommend Magalu to others, considering the entire purchasing journey, from first contact with the brand to after-sales.

During the period, the Company’s overall NPS — which combines scores from physical stores, 1P, and 3P e-commerce — rose 4.3 points, from 69.7 to 74. When compared to the last quarters of each year, the increase was even greater: from 67.1 to 76.9, a variation of 9.8 points.

In physical stores, the index increased 3.5 points, reaching 81.8 in 2024. In e-commerce, with proprietary inventory (1P), the increase was 2 points, bringing the NPS to 80.8 points. In both cases, an excellent NPS level was achieved, above 80 points.

The marketplace (3P) showed even stronger growth, with a 6-point increase year-over-year, reaching 67.7. Considering the last quarters of the year, the increase was 13.7 points. This result is particularly meaningful, as seller performance and additional logistics steps increase operational complexity.

METRICS AND TARGETS

The improvement in customer satisfaction is the result of a series of initiatives adopted by the Company over the year. Priority indicators were defined, such as Contact Rate, First Call Resolution, seller reputation, delivery service level and refund timeframes, in addition to projects to implement im-

provements in each of these areas.

The improvement in seller reputation in the marketplace deserves special mention. Sellers are evaluated based on factors including sales cancellations, deadline compliance and service quality. Sellers with the best ratings receive additional benefits, such as being featured in promotional campaigns and on media outlets. Sellers with low reputations are given time to improve. If issues are not resolved, these sellers are removed from the platform. In 2024, approximately 60,000 sellers left the Magalu platform due to poor performance.

The company also began providing visibility on the platform of detailed seller reputation data — making it easier for customers to use this information as a selection criterion and encouraging the continuous improvement of partner services.

Another decisive factor in the increase in NPS was the performance of Magalu Entregas, responsible for delivering products from company inventory and sellers’ products stored in Distribution Centers (fulfillment model) and the complex logistics operation of collecting and delivering products from sellers to consumers. In 2024, the service level of this operation reached 94%.

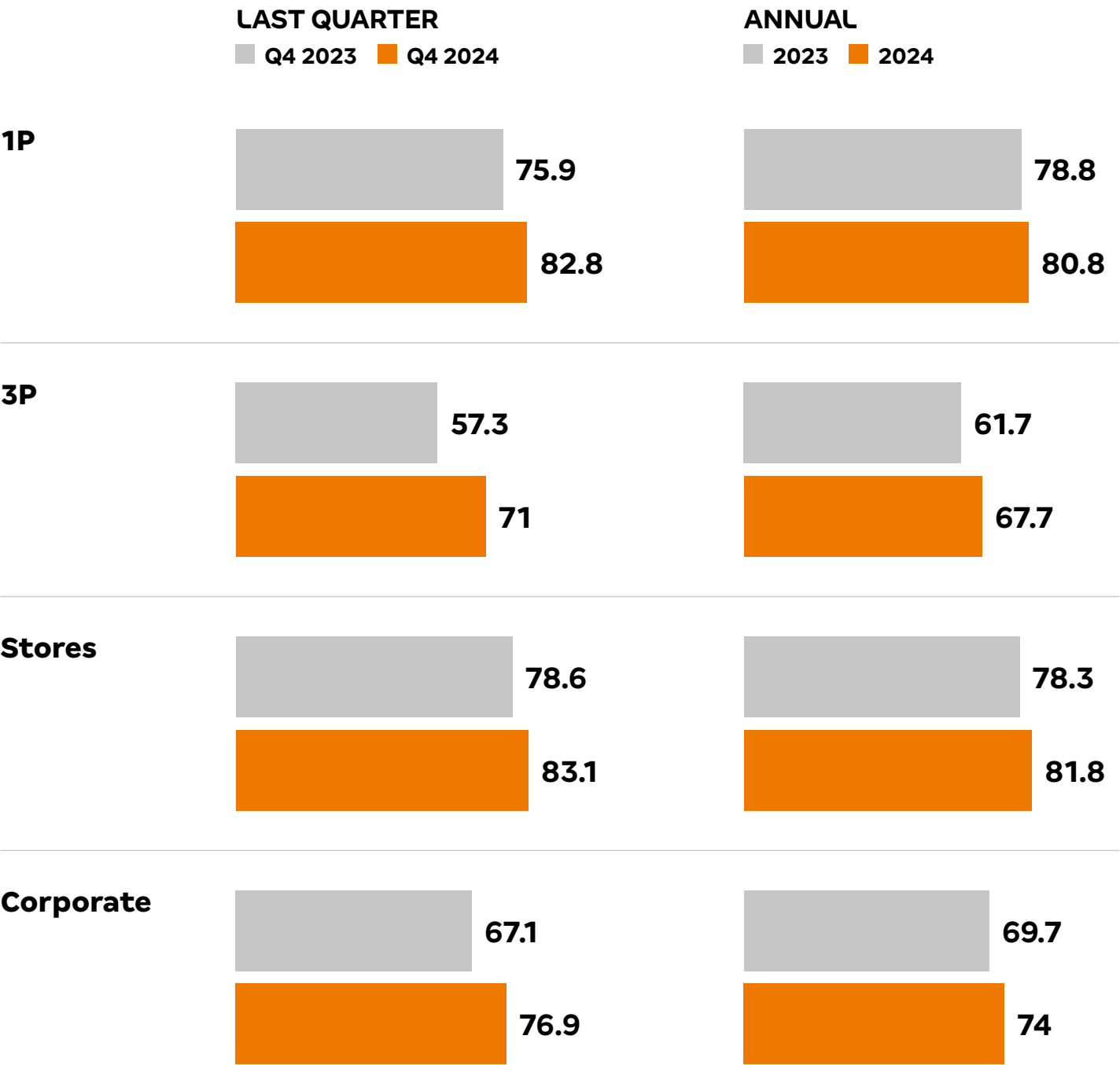
CANCELLATIONS AND REFUNDS

The increase in customer satisfaction is also the result of improvements in purchase cancellations. Product specifications have been improved, and with more information available for consumers at the time of purchase, the number of purchase regrets has decreased. Magalu has simplified the cancellation process, allowing, for example, for items to be returned directly to its stores, eliminating the need for mailing back products.

Refunds to customers for canceled orders have seen significant improvements, with the refund time

NPS INCREASED ACROSS ALL CHANNELS

Customer satisfaction index evolution over the year and compared to the last quarters of 2023 and 2024



Employees at Luiza Resolve, Magalu's customer service department, in Franca, São Paulo

#imagedescription: A large room with dozens of people sitting side by side, in rows, wearing headphones in front of computer screens serving customers.



QUALITY INDICATORS

Metrics that explain the evolution of NPS

- More effective product searches
- Improvement in average seller reputation
- New payment options
- 94% service level
- Reduction in refund times for canceled purchases
- Increase in self-service

reduced from six days, on average, to three. For payments made via Pix or bank deposit, refunds are now issued immediately after the cancellation request.

FLEXIBLE PAYMENT OPTIONS

In 2024, the company introduced new payment methods, such as the ability to make purchases using two credit cards simultaneously. This innovation is especially beneficial for customers with low credit

limits. Additionally, Magalu began offering the MagaluPay Digital Installment Plan ('Carnê Digital') in its e-commerce store, a direct-to-consumer credit option previously restricted to physical stores.

The improvement of the website's product search system, a priority project for the technology team, also had significant impacts on NPS growth in 2024. The system now displays product discounts in search results that are even more aligned with cus-

tomers' desires and needs, positively impacting the initial stage of the purchase journey.

Self-service options were significantly expanded over the year. Of all requests that were previously handled by the Company's customer service department – such as copies of invoices, proof of refund, cancellations and delivery information – 50% are now resolved directly on the app, compared to 20% the previous year.

Customer journey

From click to post-sales, Magalu takes care of the customer experience at every touchpoint

Every purchase made at Magalu involves more than just systems and deliveries—it mobilizes an integrated network of people, processes and decisions with a common goal: ensuring a positive experience at every stage. Putting the customer first means treating each point of the journey as an essential part of the customer experience we deliver.

Below are the steps on this digital journey, from the beginning to the end of the shopping experience.



Product Search
Access via website or app. Search for what you want to buy.



Evaluation and Selection
Compare prices, delivery times, reputation and shipping and payment options.



Add to Cart
Selected product in cart — ready to complete the purchase.



Login or Registration
Create an account with personal information and password on the website or app.



Payment Selection
Card, Pix (electronic transfer), bank deposit, MagaluPay.



Delivery Address
Register or select a saved address.



Delivery Option Selection
Regular, express or in-store pickup.



Purchase Confirmation
Email and app notification. Bank deposit/Pix: pending payment.



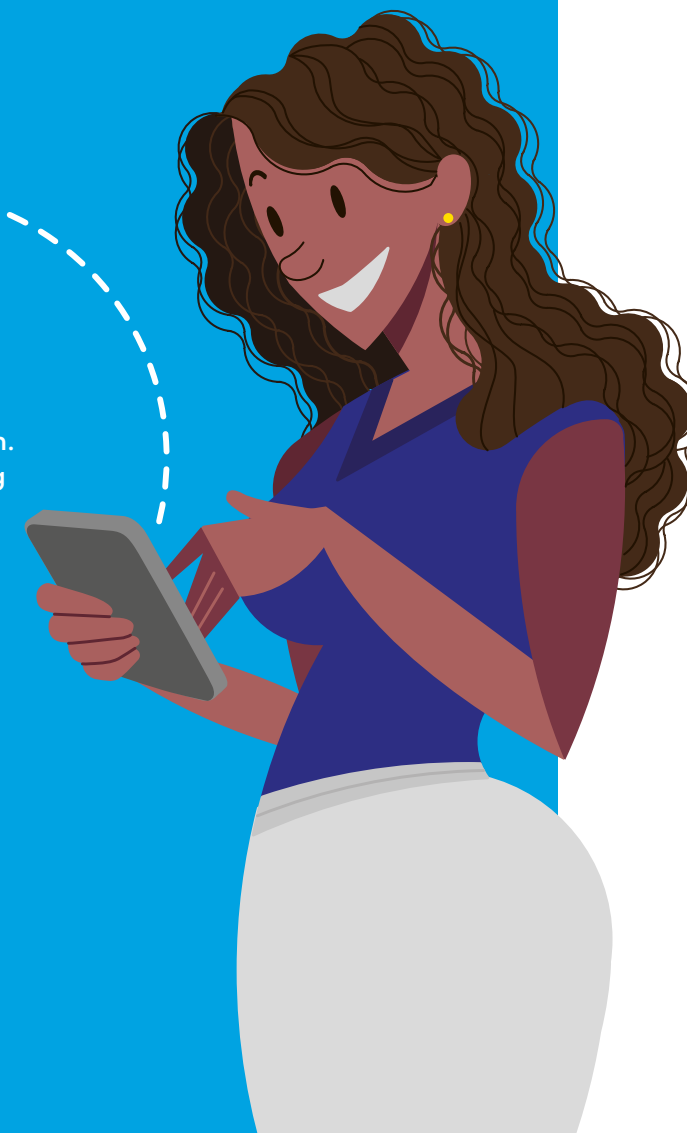
Order Preparation
Separated and packaged at the DC, cross-docking, seller's warehouse or store.



Product delivery
Delivery to the selected address or pickup at a physical store.



Exchange or return
Made with support via customer service, app or WhatsApp.

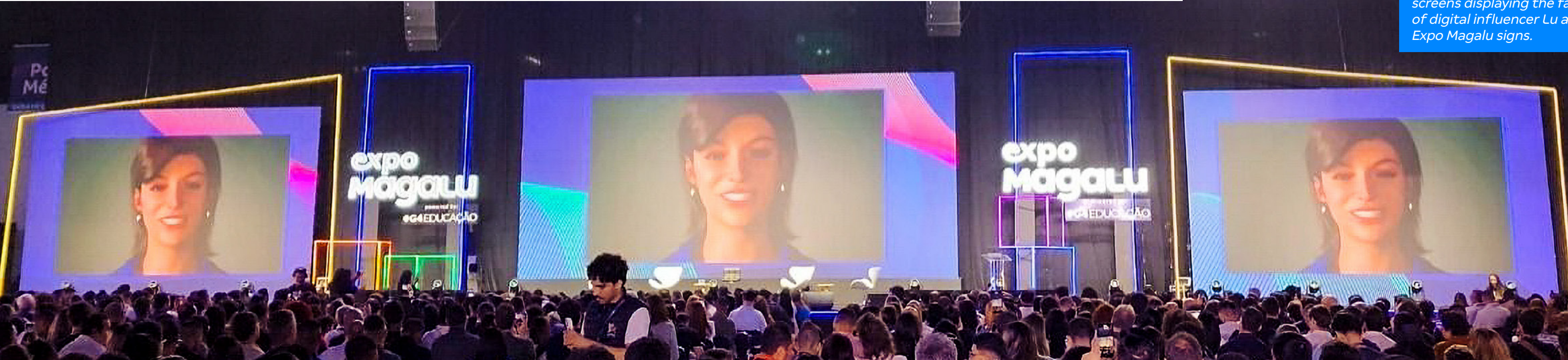




INNOVATION: THE EVOLUTION OF AI-COMMERCE

Expo Magalu 2024: An event focused on sellers that addressed several innovations in e-commerce

#imagedescription: A packed auditorium in front of the stage, featuring three large screens displaying the face of digital influencer Lu and Expo Magalu signs.



Innovation has marked Magalu’s history since the beginning. The name Magazine Luiza, for example, was chosen in a radio contest promoted by the company’s founder, Luiza Trajano Donato, in 1957. At the time, consulting the market to make business decisions was revolutionary. Finding new ways of doing things is at the core of the company, guiding the way it organizes itself, serves customers, structures operations, and positions itself.

Six decades later, technology is central to the company’s innovation process. Over the years, Magalu has established itself as a data-driven multi-channel platform, integrating physical stores, e-commerce, financial services and digital solutions. This infrastructure is supported by cloud resources and artificial intelligence applications, which improve the business’s efficiency and adaptability.

Since 2016, the company has intensified investments in technology. Over the following four years, the focus was on digitizing its operations and consolidating its e-commerce and marketplace business. In 2021, the Company expanded this initiative.

LUIZALABS AND MAGALU CLOUD

One of the pillars of this journey is Luizalabs, the laboratory responsible for the Company’s technological and digital development, which expanded its team by 15% in 2024. One of the results of this effort is Magalu Cloud. Initially created to meet internal cloud computing needs, the solution was scaled up and is now a business that serves more than 300 external clients.

The next frontier to be explored is artificial intelligence. Magalu believes that the use of AI in con-

versational commerce will be a game-changer for global retail. Based on this vision, the topic should become the central focus of the next strategic plan, to be defined in 2025.

AI IN PRACTICE

Several initiatives involving AI have already been implemented. Notable among these is the use of generative artificial intelligence to enhance product descriptions, summarize customer reviews, and apply dynamic pricing on the platform, as well as predict and adjust delivery times and optimize logistics routes. Currently, Magalu is preparing for a new stage of evolution toward AI-Commerce, which has the potential to transform the shopping experience through text, voice and image interactions in a fluid, personalized manner, and all in real time. One of the

icons of this transformation is our virtual assistant Lu, one of the greatest assets created by Magalu in its digital journey (*read more on pages 33-34*).

Innovation at Magalu, however, goes beyond just technology. It extends to all aspects of the business, from strengthening its omnichannel approach — with approximately 50% of online sales linked to physical stores — to reconfiguring points of sale as logistics hubs and experience spaces for customers.

The opening of the new store in the Conjunto Nacional shopping center, an iconic landmark in São Paulo, scheduled for 2025, reinforces this movement. The space brings together the group’s affiliated brands — Magalu, Netshoes, KaBuM!, Época Cosméticos and Estante Virtual — in a store-in-store model and marks a new stage in the integration of physical and digital retail.

LU 5.0: MORE REALISTIC, MORE INTELLIGENT, MORE PRESENT

A new look, smarter, and with much more attitude. In 2024, Lu—Magalu’s virtual assistant and digital influencer—evolved. Driven by artificial intelligence and a new ultra-realistic look, she gained production speed and expanded her repertoire. The change wasn’t just aesthetic. With new capabilities, Lu began working on multiple fronts: videos, livestreams and events.

A milestone in this evolution occurred during Expo Magalu, an annual event focused on entrepreneurs and sellers, featuring presentations, networking and content on digital retail. Lu appeared live for the first time, speaking fluently and naturally with Luiza Helena Trajano, Chair of



Lu with her new ultra-realistic look, full of style

#imagedescription: The influencer takes a full-body selfie in front of a mirror. Dressed in a black asymmetrical blouse and green cargo pants, she’s in a living room with modern decor.



LU IN 2024: TECHNOLOGY AND IMPACT

Performance aligned with Company strategy

- Updated visuals with ultra-realistic technology and generative AI
- **First live interaction at Expo Magalu (mentioned above)**
- 40 different brands contracted Lu
- 105 advertising campaigns carried out over the year
- 29 million people reached with her campaigns
- BRL 5.2 million in advertising revenue

SUCCESSFUL POSTER GIRL

The virtual influencer has expanded her presence in advertising campaigns



Scenes of Lu in campaigns for Burger King, Elseve, L’Oréal, Amstel beer and Electrolux refrigerators: she is increasingly in demand

#imagedescription: Four scenes show virtual influencer Lu in advertising campaigns: in front of a Burger King store; washing her hair with Elseve products in the bathroom; sitting on a sofa holding an Amstel beer and snacks; and in a modern kitchen next to Electrolux appliances.

In 2024, Lu continued her successful trajectory as an advertising icon not only for Magalu, but also for dozens of external brands—and earned a lot of money (see box). For the first time, she appeared on TV promoting a brand unrelated to Magalu: Burger King. In the commercial, she used her virtual identity to reinforce the chain’s commitment to products with no artificial ingredients.

The influencer has also participated in cul-

tural and technology events. At the Salvador Carnival, she participated in campaigns for Chevrolet and Trident, reaching over 3 million people. At São João in Campina Grande, Paraíba, she was invited by Elseve, a L’Oréal Paris company. In September, she became the first virtual influencer to lead a Meta campaign for WhatsApp, focusing on digital security. During the same period, she starred in a campaign for the home appliance brand Electrolux, explaining

their artificial intelligence technology that adjusts refrigerator temperatures based on household habits—all in clear, modern and empathetic language.

She also made her debut in the alcoholic beverage sector with Amstel. In the campaign launched ahead of the Copa Libertadores final, she appeared in a relaxed setting, beer in hand, with a game-day atmosphere. The video had over 406,000 views and generated 48,000 interactions.

the Board of Directors. The presentation highlighted her potential for live broadcasts, presentations and major events, further expanding her relevance in the Company’s digital ecosystem.

Magalu is investing in artificial intelligence to make the online shopping experience AI-First, with Lu at the center of this transformation. She is currently being prepared to offer highly personalized customer service, guiding customers throughout the entire shopping journey. To this end, she is being trained on a vast range of information—from customer reviews and preferences to data from past interactions and product catalogs.

This new phase will also be multimodal. In addition to understanding text and audio, Lu will interpret images. A customer can, for example, send a photo of their kitchen and describe what they are looking for. Lu will analyze the kitchen and the customer’s preferences and recommend the ideal refrigerator or stove. With these advancements, the virtual assistant will play a key role in Magalu’s digital strategy.

LU’S PAST

Created in 2003, Lu was introduced to help Magalu customers in the company’s e-commerce with more personalized and accessible service. Over time, she evolved from a virtual assistant to a high-profile digital influencer, establishing a presence on major social media platforms and reaching over 40 million followers.

She has starred in campaigns for major brands, been on the covers of Vogue and Elle magazines, appeared on the giant screens in Times Square in New York and performed on stage with celebrities like Anitta and Alok. She has also racked up awards in the advertising world, including a Golden Lion at Cannes and several trophies at the Clio Awards.

SUSTAINABILITY

- Sustainable Strategy
- Materiality Matrix
- Connection with Stakeholders

GRI 2-29

SUSTAINABLE STRATEGY

We strive to ensure that our operations deliver positive results both within and beyond the Company. Guided by our mission—to provide many with what is a privilege for a few—we are committed to generating wealth responsibly, ensuring that our businesses remain resilient in the short term and over the long run, while contributing to a prosperous, socially just, and environmentally sustainable future. This is what sustainability means to Magalu.

This is reflected in our sustainability, diversity and inclusion policies, support for small entrepreneurs, reverse logistics for electronic waste, clean energy, and the use of packaging with fewer environmental impacts. Policies and actions in these areas have contributed to maintaining Magalu in the B3 Corporate Sustainability Index (ISE), which recognizes companies for their commitment to corporate sustainability.

OUR SOCIAL AND ENVIRONMENTAL PILLARS

The four strategic fronts that, aligned with the Company’s business model, guide Magalu’s responsible actions



CLIMATE

- Reduce our carbon footprint through optimization, efficiency gains and innovation in transport (fuels and logistics network).
- Expand the operation’s energy supply with renewable sources, focusing on distributed solar generation.



PEOPLE

- Promote diversity, inclusion and equal opportunities for underrepresented groups (women, black people, LGBT+ and people with disabilities).
- Ensure ethical and sustainable value chains with the development of partnerships and supplier traceability mechanisms.



CIRCULARITY

- Play a key role in the collection and recycling of electronic waste in the country.
- Reduce the use of virgin plastic in consumer packaging and in the operations of distribution centers and logistics hubs.



COMMUNITY

- Combat all forms of violence against women and promote social inclusion through entrepreneurship.
- Support social projects in our communities and respond to disasters at regional and national levels.



The Magalu store in Saúde, in the south of São Paulo, is among the 525 collection points for used electronics

#imagedescription: A man places a monitor in a blue box marked: “Dispose of old electronics here.”

GRI 3-1 | 3-2

MATERIALITY MATRIX

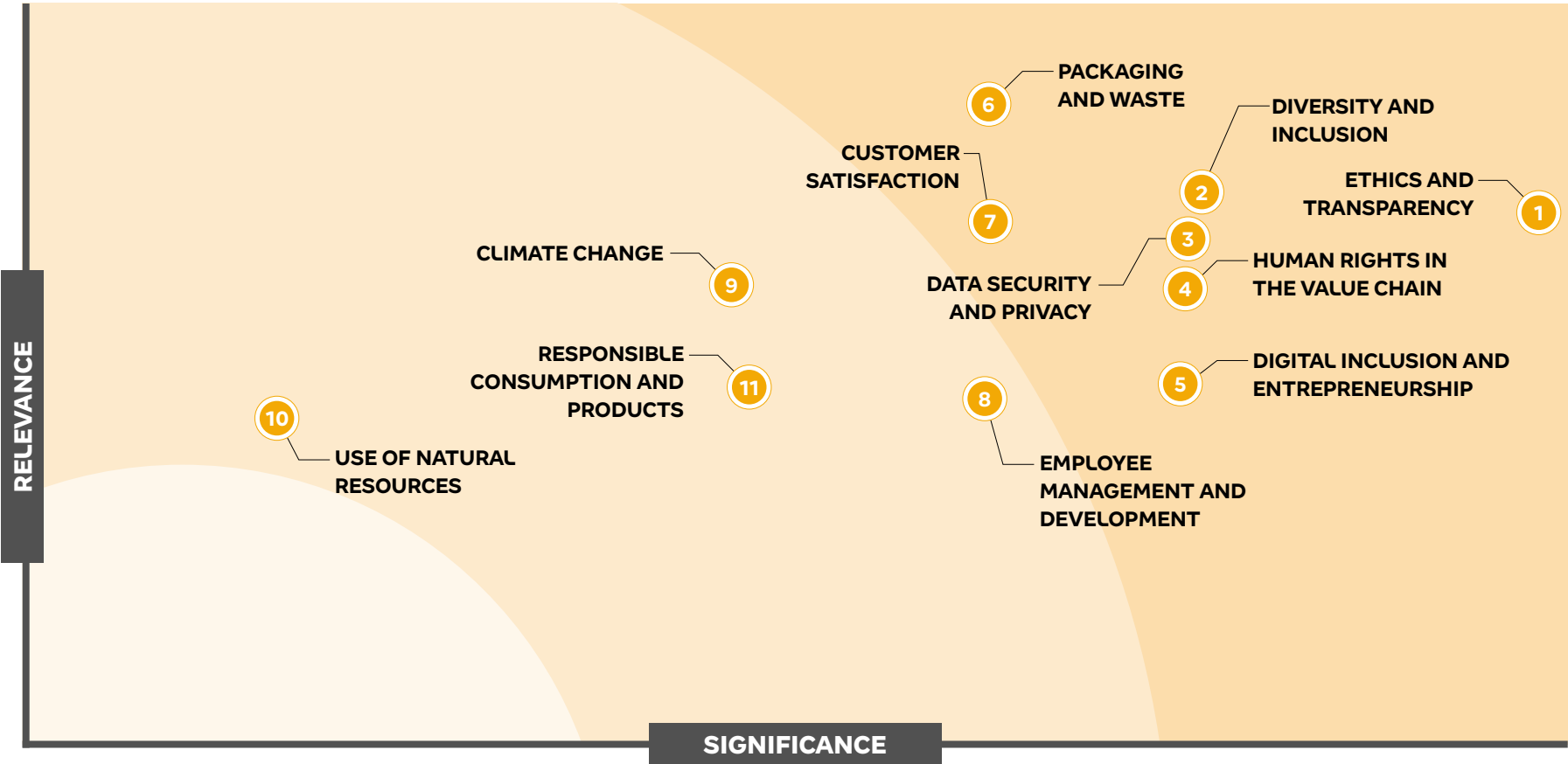
Magalu conducts materiality studies to monitor its stakeholders’ perceptions of the main impacts related to its operations. In its latest 2021 analysis, the Company conducted a structured process that involved reviewing more than 24 documents, conducting 24 interviews with internal leaders and strategic external stakeholders (suppliers, NGOs, investors and advisors), and evaluating market trends and benchmarks. These actions allowed for the identification of key sustainability topics based on criteria

such as impact on value creation, likelihood of occurrence and magnitude of transformation, as well as relevance to stakeholders such as employees, consumers, government and investors.

Based on this combination of qualitative and quantitative analyses, 11 prioritized material topics were identified. In 2025, Magalu intends to redo this analysis, considering the significant transformations that have occurred in the business in recent years (*more information on page 19*).

MATERIAL PRIORITY TOPICS FOR MAGALU

The main topics identified in the materiality study, reflecting the most relevant impacts, challenges and opportunities for the company and its stakeholders



AXES OF THE MATRIX

RELEVANCE Level of expectations mapped among stakeholders regarding the topic.	SIGNIFICANCE The following criteria are evaluated: ■ Impact on the Company's value creation; ■ Probability of a topic becoming a risk or an opportunity; ■ Magnitude: Magalu's potential for transformation in the Brazilian context.
--	--

- 1

ETHICS AND TRANSPARENCY
Actions related to corporate governance, integrity and the organization's Code of Conduct.
- 2

DIVERSITY AND INCLUSION
Strengthening actions through the adoption of public goals.
- 3

DATA SECURITY AND PRIVACY
Actions related to Brazil's General Data Protection Law (LGPD).
- 4

HUMAN RIGHTS IN THE VALUE CHAIN
Monitoring supplier performance.
- 5

DIGITAL INCLUSION AND ENTREPRENEURSHIP
Actions aimed at developing the Magalu Partner program at local and regional levels, training and professional development projects for small retailers, and financial inclusion and education.
- 6

PACKAGING AND WASTE
Use of low-impact materials and environmentally responsible disposal.
- 7

CUSTOMER SATISFACTION
Consumer relations policies and practices.
- 8

EMPLOYEE MANAGEMENT AND DEVELOPMENT
Working conditions, employee recognition and development.
- 9

CLIMATE CHANGE
Plans to reduce and/or offset greenhouse gas (GHG) emissions.
- 10

USE OF NATURAL RESOURCES
Energy and water consumption policies and practices.
- 11

RESPONSIBLE CONSUMPTION AND PRODUCTS
Products developed and sold by social impact organizations, using low-impact raw materials.

GRI 2-29

CONNECTION WITH STAKEHOLDERS

Magalu has an ongoing dialogue with its stakeholders, with channels and initiatives that ensure constant engagement with all stakeholders impacted by its ecosystem.

The figure on the right presents the Company's main relationship initiatives. Many of these initiatives are detailed in this report in the sections on employees (pages 44-52), sellers (pages 40-43), suppliers (pages 87-88), customers (pages 28-31) and communities (pages 53-55).



HOW WE INCLUDE

- Digital Inclusion and Entrepreneurship
- Our Employees
- People Management and Development
- Diversity and Inclusion
- Donations and Private Investment





GRI 2-6 | 3-3 | 203-1 | 203-2
SASB CG-MR-410a.1

DIGITAL INCLUSION AND ENTREPRENEURSHIP

**Raphael Chiarelli: From near
bankruptcy to leading hearing
aid accessory sales after
joining Magalu's marketplace**

*#imagedescription: A smiling,
bearded man poses standing in
a warehouse with shelves full of
small boxes.*

When the pandemic began, entrepreneur Raphael Chiarelli thought his business would fail. Owner of a small hearing center in the northern zone of São Paulo, he saw his clientele—mostly elderly—disappear overnight, with no prospect of returning. “I thought it was the end,” he recalls.

One Saturday, he saw an advertisement on TV for the Magalu Partner project, which offers a simple way for small entrepreneurs to sell their products on the company’s marketplace. Right away, he registered his store, Soluções Auditivas, on the platform, offering hearing aid batteries. Minutes later, he received the notice of his first sale. “By Monday, my entire stock was gone,” he recalls.

Raphael Chiarelli is an example of the role of Magalu’s marketplace in the digital inclusion of small entrepreneurs. In his case, the change was radical. From a small business on the verge of closing, he became the largest seller of hearing aid batteries in the country. He also created a second store to sell hearing aid accessories—Tom Audiologia. Today, he is present in several marketplaces, employs 14 people, and makes over 5,000 sales per month. “About 60% of them are on Magalu,” he notes.

OVER 350,000 SELLERS

Like him, more than 350,000 entrepreneurs sell their products on Magalu’s marketplace. The platform is one of the main showcases for Brazilian e-commerce and also provides marketing, payment methods, credit and logistics services to sellers. A highlight is fulfillment, a logistics model that stores partner products in Magalu’s Distribution Centers. In this arrangement, the Company is responsible for all operations involving inventory, sorting, packaging and delivery of orders, and consumers benefit from shorter delivery times and cheaper or even free shipping. Sellers, in turn, don’t need to worry about delivery, can focus on more strategic business tasks,

and benefit by selling more: the sales conversion rate through fulfillment is double, on average, that of the marketplace conventional logistics system.

For small merchants, the benefits can be even greater. This is the case of Loretto Café, a coffee shop in Espírito Santo do Pinhal, in the interior of São Paulo, which also produces and sells private-label specialty coffees. In early 2024, in its first marketplace experience, Loretto joined the Magalu platform, initially delivering products via the Brazilian Postal Service. “Shipping costs could represent up to 50% of the price of the coffee,” says Leandro Tadeu da Silva, partner in charge of online sales. At the end of the year, Loretto began using the fulfillment service and now enjoys three benefits: Magalu pickup of products from the coffee shop; delivery to a Magalu store closest to the establishment; and free ship-



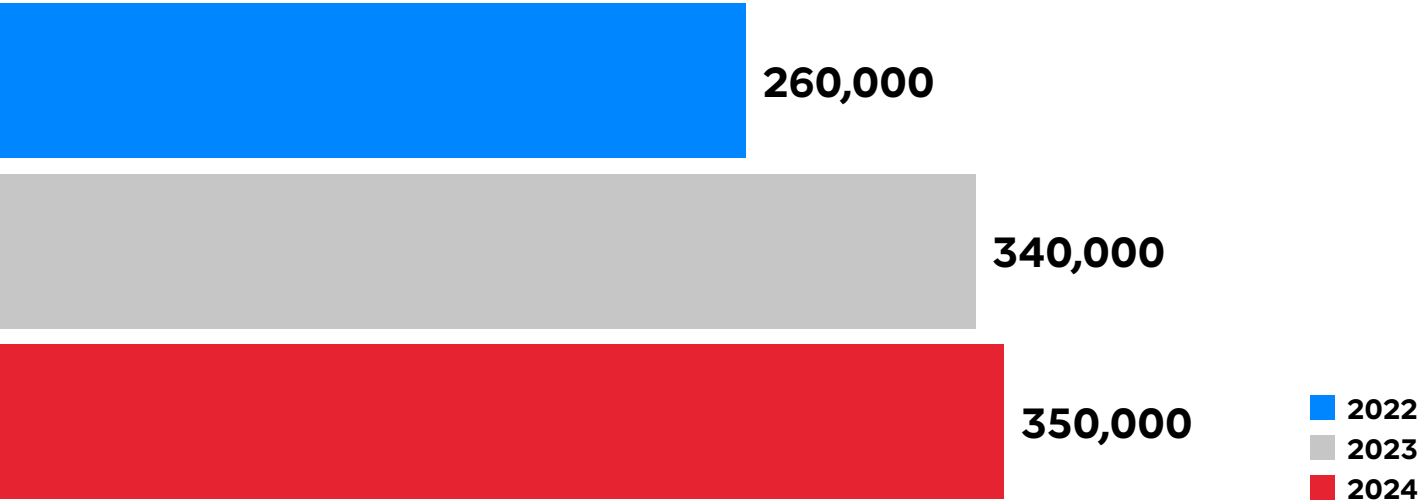
Sheila Makeda sells cosmetics for curly hair at Mundo Social (Social World), which offers advantages for products with positive social and environmental impacts

#imagedescription: Black woman smiles at a table with cosmetic bottles. In the background, a 3D sign displays the name Magalu.



MORE AND MORE PARTNERS ON THE MARKETPLACE

The number of sellers has grown more than sevenfold in three years





Artisans from the Marina Bitu bag and hat co-creation project for Magalu's Mundo Social (Social World) marketplace

#imagedescription: On the left, seven smiling women pose, side by side. Above, hands weave natural fibers next to ready bags and hats.



ping for customers. As a result, sales increased from BRL 300 to over BRL 10,000 per month.

For Magalu, this model ensures the faster delivery of a growing number of products, in addition to improving logistical efficiency, as the same vehicle can supply stores, pick up goods, and deliver items sold by both Magalu (1P) and sellers (3P). This integration reduces delivery times by 40% and total logistics costs by 20%. In 2024, the number of sellers using fulfillment reached 4,000. This model now represents 24% of third-party product sales.

SOCIAL AND ENVIRONMENTAL IMPACTS

Since 2019, Magalu has supported Mundo Social (Social World), a section of our marketplace that concentrates and promotes products with positive social and environmental impacts. Sellers, the majority of whom are women (60%), enjoy lower fees for using the platform. They also get access to programs designed to strengthen their businesses, including management mentoring and support for promoting products on social media.

Seller selection is based on several criteria. The business' main manager must be a person from an underrepresented group or belong to an NGO or project with positive social and environmental impacts. Furthermore, they must have a maturity level appropriate for the platform's requirements. Most businesses focus on food, fashion, beauty, pets, crafts, stationery, vegan products and cosmetics not tested on animals. In 2024, Mundo Social (Social World) had 86 active sellers. Of these, 12 sold over the entire year (see the table to the side for more project numbers).

Sheila Makeda is one of the group's entrepreneurs, creator of Makeda Cosméticos, a brand dedicated to the care of curly and coily hair. She founded

MUNDO SOCIAL (SOCIAL WORLD) X-RAY

The project's key numbers in 2024

86 active sellers	60% led by women	4,951 registered items	Over 3,000 products sold	BRL 791,500 in revenue
----------------------	---------------------	---------------------------	-----------------------------	---------------------------

the company in 2012, after years working in her mother’s beauty salon, where she noticed the lack of specific products for these hair types, in a market that still neglected a very representative segment of the Brazilian population.

At the end of 2022, Sheila joined Mundo Social (Social World), and since then, her presence on the platform has been essential to the brand’s growth. In addition to lower fees, she mentions benefits like support for marketing initiatives—including sending products to digital influencers—as one of the project’s main differentiators. “Currently, between 20% and 50% of our sales come from Magalu,” she says.

A highlight of Mundo Social (Social World) in 2024 was the partnership with the signature fashion brand Marina Bitu. The Ceará-based brand, dedicated to preserving and promoting the richness of Brazilian Northeastern culture through collaboration with artisan communities, teamed up with Fibrarte, an association of around 20 women artisans from the city of Missão Velha, in the interior of Ceará, to co-create two exclusive items: a bucket hat and a minaudière bag. Both pieces are made from banana tree fiber, a raw material abundant in the region.

Mundo Social (Social World) Magalu is also a partner of the Empreende Aí business school, which promotes entrepreneurship as a tool for social transformation, focusing on communities and favelas across Brazil. The school uses its own methodology, developed in collaboration with partners and adapted to the realities of poorer peripheral areas. In 2024, the initiative benefited 174 black women entrepreneurs.

Magalu provided the space for the opening and closing events of these women’s training, provided mentoring leaders, technology and equipment to outstanding students, and created business opportunities for them on the Mundo Social (Social World) platform. Working with Empreende Aí, the company also hosted an in-person discussion group and lunch with LGBTQIA+ entrepreneurs to address the main challenges faced by this community.

CURATION AND TRAINING FOR SELLERS

Learn about Magalu’s main initiatives to ensure the quality of its marketplace partners

The marketplace’s NPS (Net Promoter Score), which measures customer reviews of products sold by sellers, increased by 6 points in 2024. This improvement reflects Magalu’s commitment to the quality of the products offered on the platform. It all begins with a rigorous analysis of the company intending to sell on our marketplace. This analysis includes checking the company’s good standing with the National Registry of Legal Entities (CNPJ) and its corporate structure at different levels. Public watchlists, sanctions and restrictions are also consulted, as well as registrations with regulatory agencies. To be admitted to the platform, the company must demonstrate their products are compatible with the National Classification of Economic Activities (CNAE).

For accepted sellers, UniMagalu offers training courses addressing various topics related to online sales—from taxation and cash flow management to using social media to boost sales. In 2024, more than 76,000 sellers enrolled in live or recorded classes on the platform.

Sellers are also continuously monitored. This monitoring aims to ensure the quality of the products and services offered and prevent irregularities. To prevent tax evasion, for example, order data is

compared with information on invoices.

Measures are also taken to prevent the sale of illicit products—such as pirated, smuggled, or counterfeit goods, as well as items that infringe on intellectual property rights. Magalu provides manufacturers in its supplier base with access to its Brand Protection Platform (Plataforma de Proteção de Marca - PPM), which enables the verification of offers on the website and app. Participants can report suspicious products offered online through the Brand Reporting Channel (Canal de Denúncia à Marca). In 2024, 175 brands joined the initiative, bringing the total to 1,578 participants.

In addition, the Magalu website has a public reporting channel for reporting cases involving illegal, counterfeit or dubious products (see [page 84](#)).

PENALTIES APPLIED

To ensure the highest level of customer service, sellers who violate the platform’s rules or fail to provide adequate service are subject to two types of sanctions. The first is catalog-based sanctions, applied when prohibited or irregular products are sold. Depending on the severity of the violation, or in the case of a repeat offense, sales may be suspended for 7 days, 14 days, or permanently.

The second type is reputation-based sanctions, applied to sellers with frequent late postings, excessive cancellations, or failure to provide customer service within the established timeframes. Sellers with a rating below 1.5 (on a scale of 5), or who fail to post orders, are suspended for 15 days. After this period, they can resume selling. Repeat offenses may result in expulsion from the platform. In 2024, 15,892 temporary sanctions and 69,150 permanent sanctions were applied.

UNIMAGALU IMPACTS

See the results of the year’s sales training initiatives

LIVE CLASSES

594
sessions held

22,137
registrations

11,322
participants

5,805
training completions

RECORDED CLASSES

139
learning bites

54,717
registrations

GRI 2-7 | 405-1
SASB CG-MR-330a.1

OUR EMPLOYEES

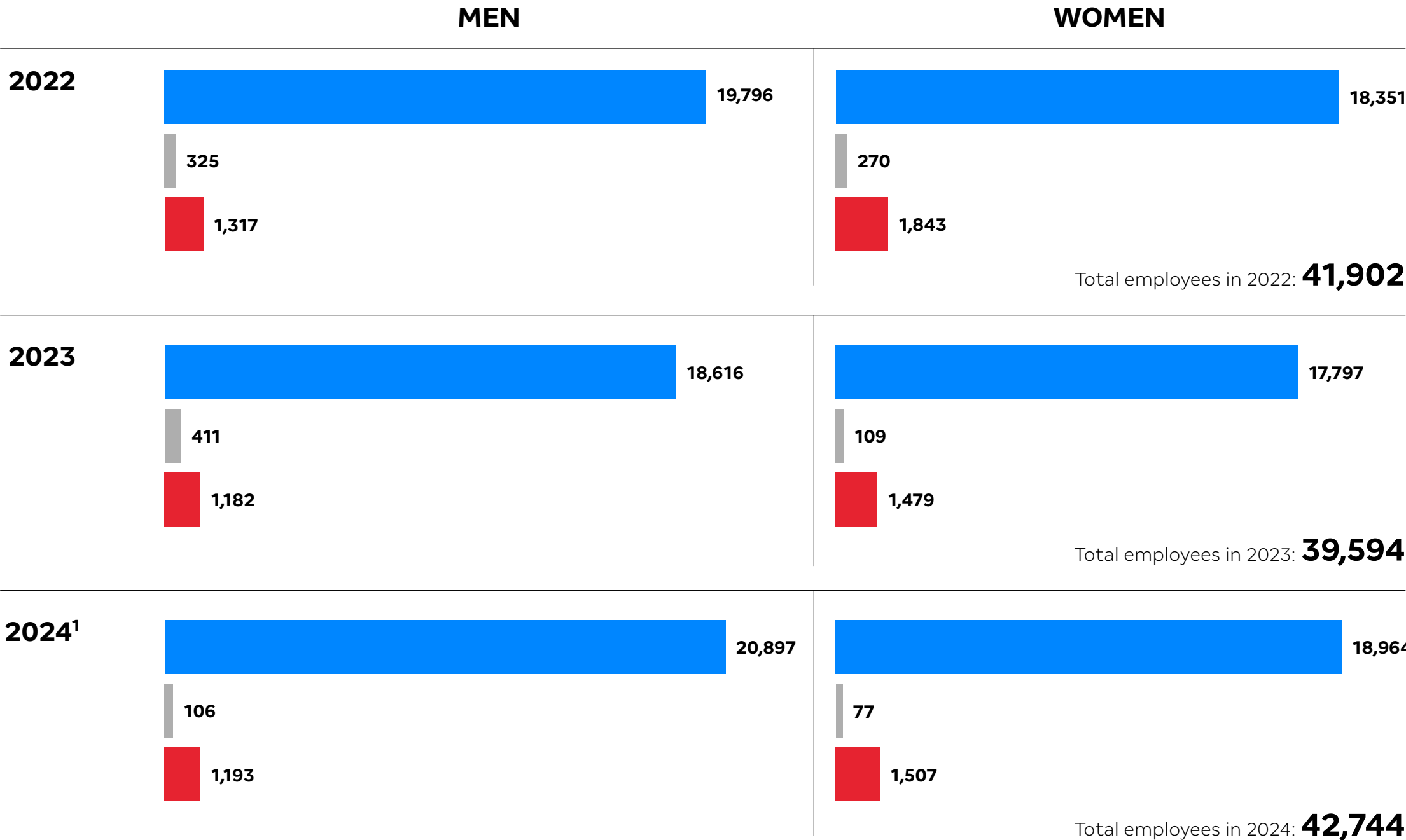
Magalu considers people its most valuable asset. This conviction is expressed in one of its core values — “People who like people” — which reinforces the importance of teamwork, collaboration and mutual respect. More than just a principle, this value translates into actions that consolidate the Company as a reference in the organizational environment.

Since 1998, Magalu has been included in the ranking of the Best Companies to Work For, promoted by Great Place to Work (GPTW). In 2024, the Company ranked second in the Super Large Retailer category (more than 10,000 employees). And, for the seventh consecutive year, it ranked among the top five among companies with more than 10,000 employees across all sectors, ranking fourth.

At the end of the year¹, Magalu had 42,744 employees — 39,861 permanent employees, 183 temporary, and 2,700 intermittent ones — a 7.96% increase compared to 2023. Of this total, 51.93% were men and 48.07% were women. The majority of the workforce was concentrated in the Southeast region, broken down by age groups under 30 (45%) and 30 to 50 (49%). The following tables present the team composition by gender, age group, racial diversity and regional distribution.

COMPOSITION BY CONTRACT TYPE AND GENDER

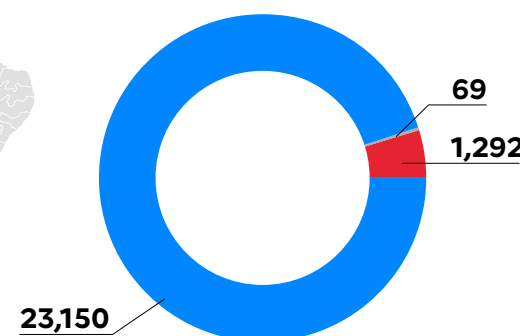
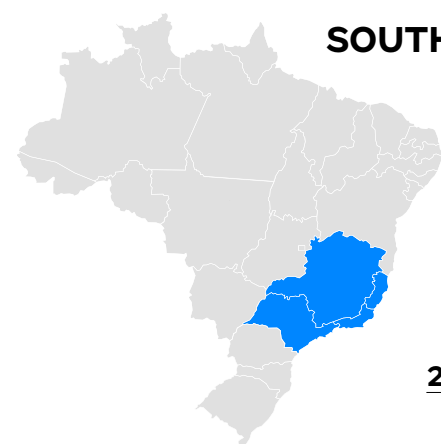
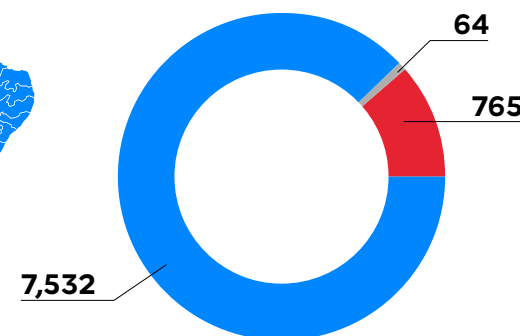
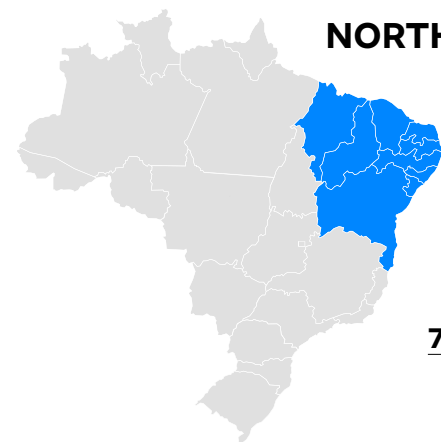
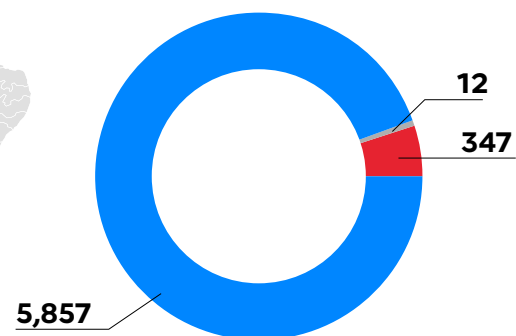
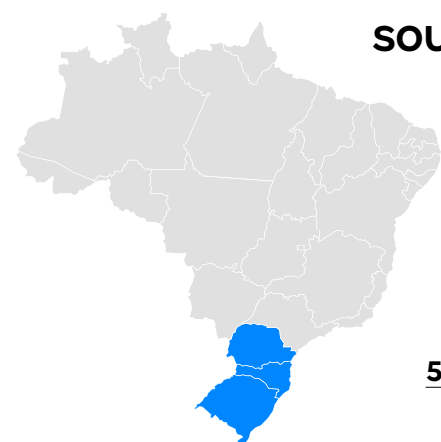
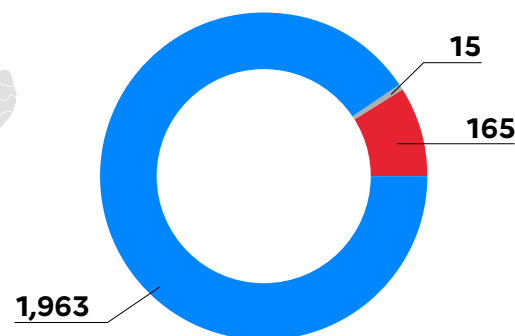
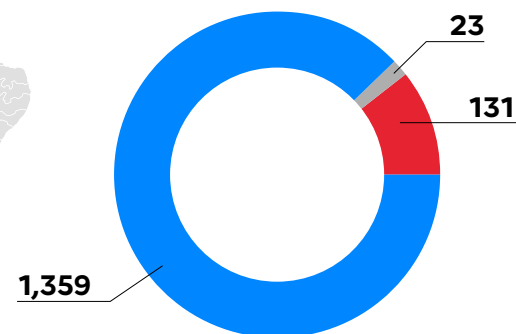
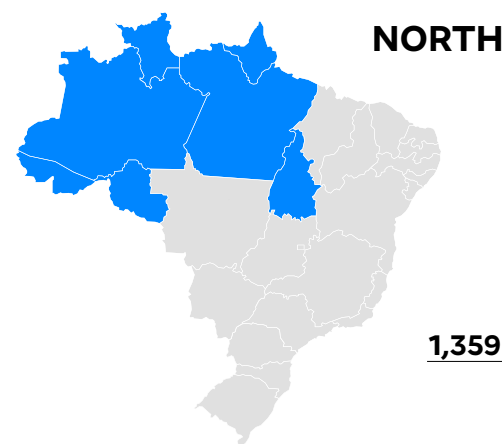
■ Permanent ■ Temporary ■ Intermittent



¹ IN THE REPORTING YEAR, WE CONSIDERED DATA FROM MAGALU, CONSÓRCIO LUIZA, AND KABUM!. THE DATA CONSOLIDATION PROCESS FOR THE OTHER AFFILIATES IS ONGOING. THE COMPANY ALSO HAS 2,826 OUTSOURCED EMPLOYEES WHO WORK MAINLY IN THE AREAS OF LOGISTICS AND ASSET SECURITY (GRI 2-8).

DISTRIBUTION BY REGION

■ Permanent ■ Temporary ■ Intermittent



BY AGE GROUP

■ Under 30 ■ 30 to 50 ■ Over 50

BOARD OF DIRECTORS



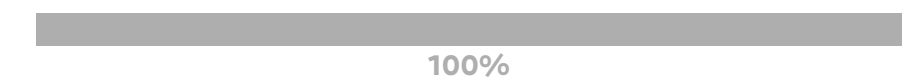
FISCAL COUNCIL



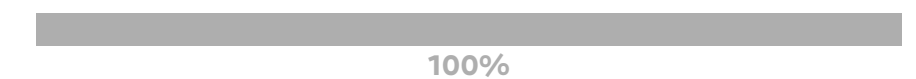
BOARD ADVISORY COMMITTEES



PRESIDENCY



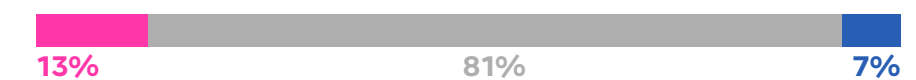
VICE-PRESIDENCY



DIRECTORS



MANAGERS



COORDINATORS



ADMINISTRATIVE



OPERATIONAL



INTERNS



APPRENTICES



INTERMITTENT

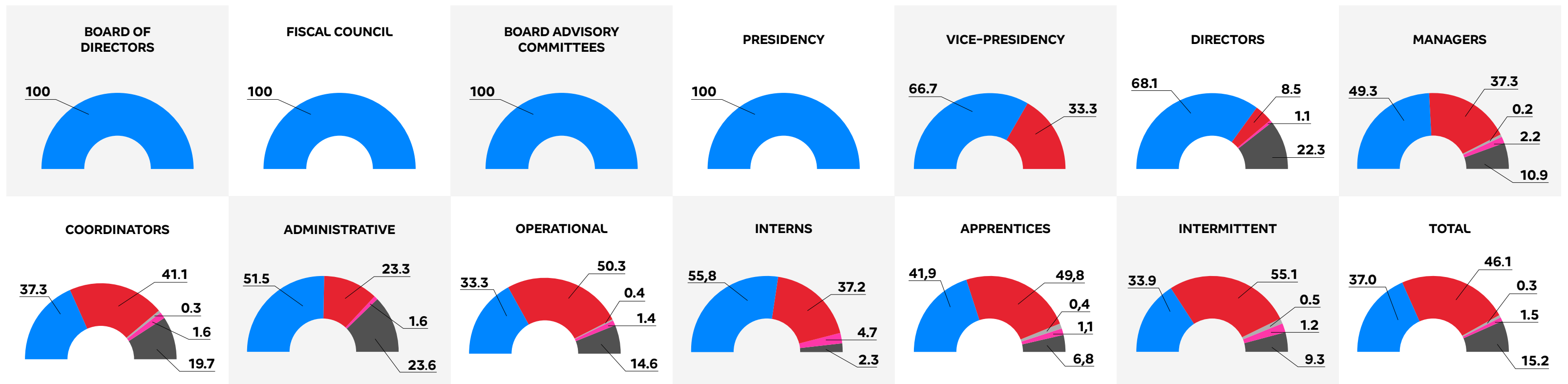


TOTAL



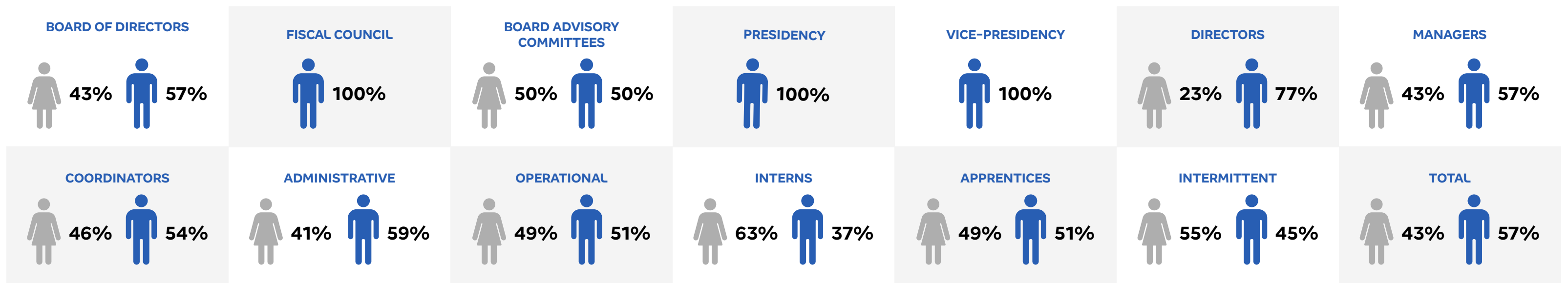
ETHNIC DIVERSITY¹ (%)

■ White
 ■ Black and brown
 ■ Indigenous
 ■ Asian
 ■ Not reported



GENDER COMPOSITION BY FUNCTIONAL CATEGORY

■ Women
 ■ Men



¹ PERCENTAGES EXTRACTED FROM REGISTRATION DATA AND DATA FROM THE VOLUNTARY CENSUS CONDUCTED BY THE COMPANY.



Employees in the 2024 Manager in Training course, which trained 193 professionals

#imagedescription: Dozens of people in a classroom look at a woman with a microphone in her hand facing them.

HOURS OF
TRAINING

12.58

Was the average training
hours per employee

GRI 3-3 | 404-1 | 404-2

PEOPLE MANAGEMENT AND DEVELOPMENT



Leadership training participants: women received 14.15 hours of training per year, and men 11.13 hours

#imagedescription: Two women sitting side by side in chairs with clipboards taking notes.

More than technology or processes, it’s people that drive Magalu. Thus, the company has ongoing investments in the development of its employees through programs that combine technical training, leadership development and valuing diversity. On all fronts, the goal is the same: to create an environment where each person can grow, evolve and contribute to a stronger ecosystem.

In 2024, employees in the Magalu¹ ecosystem completed, on average, 12.58 hours of training. Women completed 14.15 hours, and men 11.13 hours. Among the position levels, the highest average of training hours was for managers, with 37.46 hours over the year.²

In 2024, the Portal do Saber (Knowledge Portal), the Company’s main learning tool, underwent improvements to make it easier to use and navigate. With new personalized channels, more courses and updated content, the Portal offers content, by position, on diverse topics, such as diversity, equity and in-

clusion (DEI), leadership and artificial intelligence. The content is available in different formats—presentations, videos, podcasts, PDFs and infographics. Last year, the Portal achieved a 9.7 user satisfaction rating and provided a total of 537,696 hours of training.

Among the training programs provided, the Manager in Training program stands out, designed to develop future store leaders. The six-month program includes theoretical modules, online courses, a practical internship and a final project. The initiative offers special benefits for women, such as financial support for mothers with children under 12 and assistance for internships in cities near their home. In 2024, 193 employees graduated from the Manager in Training program.

In the next phase, the First Steps for New Managers Program supports the transition of newly promoted managers, with eight months of support from regional coordinators and

TRAINING ENGAGEMENT

The number of participants in some of the Magalu training initiatives in 2024

KNOWLEDGE PORTAL

Online training with learning paths

593,204
hours of training

IT’S MY TURN

High School exam preparation

375
scholarships offered

MANAGER IN TRAINING

Training for store managers

193
trained

FIRST STEPS FOR NEW MANAGERS

Support to adapt to the new position

174
new managers supported

NEW RETAIL ACADEMY

Development for managers, coordinators and regional leaders

362
participants

KNOWLEDGE WEDNESDAY - STORES

Weekly training on strategic topics

161,000
participants

¹ THE ANALYSIS INCLUDES COMPANIES AFFILIATED WITH MAGALU WHOSE TRAINING IS ALREADY CENTRALIZED ON THE PORTAL DO SABER (KNOWLEDGE PORTAL).
² THE CALCULATION OF HOURS CONSIDERS 83% OF THE TRAINING COMPLETED BY MAGALU ECOSYSTEM EMPLOYEES IN 2024, GIVEN THAT A PORTION OF THIS TRAINING IS STILL IN THE PROCESS OF INTEGRATION ON THE KNOWLEDGE PORTAL PLATFORM, EXPECTED TO BE COMPLETED IN 2025.

BENEFITS OFFERED TO EMPLOYEES

Resources offered to support quality of life, financial stability and development of Magalu professionals

HEALTH AND WELL-BEING

Three health plan options

- Dental plan
- Subsidized gym membership
- Wellhub subsidy

Food and transportation

- Food or meal vouchers
- Transportation vouchers

FINANCIAL

- Private pension plan with additional company contributions
- Special credit lines
- Consortium with special conditions

BENEFITS FOR EMPLOYEES WITH DISABILITIES

- Waiver of the monthly health plan fee
- Option of applying for scholarships after 6 months
- Wellhub subsidy

BENEFITS FOR EMPLOYEES WITH CHILDREN

Leave of Absence

- 6-month maternity leave
- 20-day paternity leave

Personalized Package

- Monitoring for pregnant women
- Online courses
- Discount on baby items sold by Magalu
- “Cheque-mãe” (childcare assistance for mothers, widowed fathers, parents of children with special needs, and same-sex couples with children up to 11 years old)

The weekly Monday rituals, held at the Magalu Arena and shared online, include training sessions

#imagedescription: People sitting in an auditorium watch two presenters on a stage in front of a large screen with digital content.



mentoring from a “sponsoring manager.” In 2024, 174 managers completed this journey.

Leadership development is also a focus of the New Retail Academy, directed toward managers, regional managers and area coordinators. The program combines classes by experts and hands-on store management activities, addressing topics such as neurolinguistic programming, effective communication, relationship techniques, body language, data organization and analysis, and data-driven decision-making.

The Knowledge Wednesday program³ keeps teams up-to-date on strategic Magalu topics, such as the company’s non-negotiable principles and training for sales services. In 2024, 28 editions were held, with 161,000 in-person and online participants.

Focusing on formal education, the “It’s My Turn” program prepares youth for the Encceja exam (National Exam for Certification of Competencies for Young People and Adults) and the opportunity to obtain a high school diploma. Over the year, 375 scholarships were awarded — 250 to employees and 125 to the general public — through a partnership with the education company, Descomplica.

In addition to these initiatives, Magalu conducted a survey focused on the transition of people planning to retire, which will be consolidated as a dedicated program in 2025 on the Portal do Saber (Knowledge Portal). Magalu also offers development programs focused on diversity, equity and inclusion (*described in the next section*).

GRI 3-3

DIVERSITY, EQUITY AND INCLUSION

Founded and led by women for decades, Magalu has made diversity and inclusion an inseparable part of its identity. These values have been part of the company's trajectory since its founding, shaping its culture and its management model. Magalu believes that ensuring equal opportunities—regardless of gender, race, age, physical condition or sexual orientation—is essential to building a more just society. This commitment is directly aligned with the Company's mission: to provide many with what is a privilege for a few.

Diversity in the workforce is a strategic differentiator. Teams made up of people with different experiences, backgrounds and perspectives improve listening skills, strengthen connections with millions of customers throughout Brazil and generate more creative and efficient solutions. Internally, this plurality fosters engagement, promotes talent retention, and contributes to building a more just and welcoming work environment. By treating inclusion as part of its culture—and not as an isolated action—Magalu sustains its business vision with purpose and a focus on positive impacts.

In recent years, other agendas have gained importance. The promotion of racial equity has made significant progress and



Participants of the Para Todos (For All) affinity group for people with disabilities

#imagedescription: Thirteen smiling people with Magalu name tags, most wearing blue t-shirts, pose for the camera.



Participants of the Diversifica (Diversify) group focused on the LGBTQIA+ community

#imagedescription: Group of ten people, most in yellow t-shirts. A rainbow flag, the LGBTQIA+ symbol, is proudly displayed in the background.



Participants of the Quilombo group for black people

#imagedescription: Ten women and three men wearing yellow t-shirts with the Quilombo group logo and Magalu name tags smile at the camera.



Vozes (Voices) group focused on gender issues and women's empowerment

#imagedescription: Thirteen smiling women wearing black t-shirts with the word Vozes printed in orange.

reached an important milestone in 2020 with the launch of the first trainee program exclusively for black people, resulting in the hiring of 19 young people that year.

One of the tools that strengthens this commitment are affinity groups — communities created in 2020 by collaborator volunteers to support the Company on its diversity and inclusion journey. The groups Diversifica (LGBTQIA+), Quilombo (for blacks), Para Todos (PwD) and Vozes (gender) have specific agendas, but also common goals: creating safe spaces for listening and belonging, promoting mutual support, encouraging debate, and expanding diversity awareness. Over the year, these communities brought together more than 600 people in weekly meetings.

BLACK PEOPLE AND WOMEN IN LEADERSHIP

One of the fundamental pillars of the strategy was the expansion of personal and professional development initiatives aimed at minority groups. One of the highlights was the Move+ Program, created to prepare women and black people for

leadership positions — and expanded in 2025 to include people with disabilities. With training and mentoring, Move+ addressed topics such as strategic leadership, self-confidence, gender bias and emotional intelligence. In 2024, 48 people finished the program — more than half received promotions or merit recognition. As a result of these and other initiatives consolidated since 2020, Magalu¹ ended the year with 41.91% women and 39.05% black people in leadership positions — in management and above coordination, respectively — in line with its established targets.

Aimed at expanding and strengthening the presence of women in the technology sector, the company created the LabGirls program, which seeks to foster an environment of acceptance, sharing of experiences, and professional development. In its first edition, five meetings were held over the year on topics such as the professional growth of women in technology, sisterhood, women leadership, entrepreneurialism and the creation of collaborative and inclusive environments. These events brought together 995 participants.

WOMEN AND BLACK PEOPLE IN LEADERSHIP POSITIONS

See the evolution in these indicators in recent years (%)

WOMEN²



BLACK PEOPLE³



DIVERSITY IN ACTION

The scope of some of Magalu's diversity and inclusion programs in 2024

INCLUSION PROGRAM

Inclusion of PwD employees

1,992 participants

DIV.AREJO

Development of PwD employees

545 participants

MOVE+

Development of women and black leaders

377 participants

LABGIRLS

Support for women in technology

995 participants

There was also progress in the inclusion of people with disabilities. The program focuses on attracting, retaining, and developing these professionals, ensuring adequate accessibility and support for their work in the company. The initiative also promotes awareness-raising among leaders and teams on the topic. In 2024, the program involved 1,992 employees in 43 events, offered an in-person Libras (Brazilian sign language) course for 21 participants, and produced a Libras version of the Magalu Anthem, further strengthening accessibility in internal communications.

Div.arejo, a program focused on the integration, training and retention of people with disabilities in different areas of the company, offers training on organizational culture, customer service and interpersonal skills, as well as an ongoing support channel. In 2024, the two program areas — Div.arejo Integration and Div.arejo Development — involved 545 participants.

YOUTH PROGRAMS

Another initiative for inclusion involves low-income or vulnerable young people. The Magalu Jovem Aprendiz (Young Apprentice) program, in partnership with institutions such as Trampo Justo, Primeira Chance and Abrigo Santa Fé, had more than 1,800 participants who worked at different company units.

Actions aimed at this public include the Acolhe Jovem (Welcome Youth) program, which offers individualized support with an educational psychologist to help with learning difficulties; the Internal Mentoring Program, which provides professional guidance with volunteer mentors; and the Evolution Journey, which promotes interactive livestreams on essential skills for the job market.

In 2024, the company also invested in Prepara Magalu (Magalu Development Program), an external program with more than 20 hours of courses focused on the personal and professional development of youth (16 and older), helping them excel in job selection processes.



AFFINITY GROUPS

Gender, race, people with disabilities and LGBTQIA+ communities

GROUP	TOPIC	NO OF MEMBERS
Vozes	Gender	280
Para Todos	People with disabilities	126
Quilombo	Race	364
Diversifica	LGBTQIA+	265



Magalu’s emergency donations for flood victims in Rio Grande do Sul included mattresses, appliances and essential items

#imagedescription: Two images show items donated by the company. In the larger photo, mattresses are being loaded onto a truck. In the smaller one, a fire department vehicle transports a washing machine in the trunk.

GRI 413-1

DONATIONS AND PRIVATE SOCIAL INVESTMENTS

The May 2024 floods in Rio Grande do Sul impacted 478 of its 497 municipalities and approximately 2.4 million people—one of the greatest climate tragedies in the state’s history. Magalu reacted quickly to the emergency and directed efforts to support the hardest-hit communities—which included 93 employees and their families. The company launched an emergency donation campaign. More than 5,000 urgently needed items were distributed—including washing machines, mat-

tresses, bedding, diapers, hygiene products and pet food—reaching 29 cities.

The company’s response to the disaster in Rio Grande do Sul in 2024 reflects the essence of Magalu’s social strategy: being there when it matters most, with agility, care and responsibility. Just as it did during the Covid-19 pandemic, the company stood by the communities in a critical moment and, in many ways, joining forces to ensure shelter and reconstruction.

Management of social initiatives is coordinated by a committee led by Luiza Helena Trajano, President of the Board of Directors. The group, which includes members from different areas of Magalu, meets monthly to deliberate on requests for support, monitor impacts and establish priorities, with special attention to initiatives that strengthen and value small businesses. To this end, partnerships with community leaders have been essential for mapping the most urgent needs in vulnerable communities.

In 2024, Magalu donated BRL 1,665,185 in its own resources to a number of projects. The company’s founding families contributed an additional BRL 1,756,881. Together, the donations during the period totaled BRL 3,422,066 in private social investments.

Children and educators from the Torrões (AL) unit of Amigos do Bem, a social project supported by the Company

#imagedescription: With arms raised in celebration, girls, boys and adults in blue uniforms are gathered in front of the entrance of a large center. Over the entrance, a sign reads: Amigos do Bem Transformation Center – Alagoas Unit.



DONATIONS AND SOCIAL REACH

Between 2020 and 2024, Magalu and its founding families invested BRL 44.7 million in social projects, benefiting 740 institutions. See the main highlights for 2024





Magalu employees participate in a blood donation drive (left). Toys collected during the Christmas Solidarity campaign (above)

#imagedescription: In the larger image, employees lying on hospital beds donate blood, accompanied by healthcare professionals. In the smaller image, with a large screen in the background, two women face the camera in a room full of toys.

Throughout the year, 6,300 products and 2,700 food baskets were distributed, benefiting 220 institutions and over 12,800 people. The donations were distributed across Brazil in response to local emergencies, strengthening ties with the communities where the Company operates.

COMBATING VIOLENCE AGAINST WOMEN

The prioritized topics included food security, health, education, productive inclusion, support for vulnerable populations and

combating gender-based violence, one of Magalu’s main priorities. Created in 2020, the Magalu Fund to Combat Violence Against Women has allocated BRL 4.8 million to projects that offer psychological support, legal guidance and income-generating opportunities to victims of domestic violence in different regions of the country.

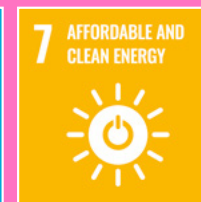
Thirty-eight organizations were selected biannually to benefit from the fund, which, in 2024, formed the Magalu Women’s Network. The network serves as a center for collective coordi-

nation, focused on sharing experiences, developing joint strategies and strengthening actions promoted by Third Sector organizations. By bringing together different fronts of action, the initiative aims to expand the reach of protective measures and strengthen support for victims.

Since 2020, a total of BRL 44,720,676 has been invested in social initiatives across the country, of which BRL 18,086,025 was provided by Magalu and BRL 26,634,651 from the founding families—resources that benefited 740 institutions.

WHAT WE DO FOR THE PLANET

- Climate Change
- Packaging and Waste
- Use of Natural Resources





In Alegrete, Rio Grande do Sul, one of the solar plants that supplies energy to Magalu

#imagedescription: Aerial image of a solar plant in a rural area, with rows of solar panels installed on grassy ground.

GRI 3-3 | 305-1 | 305-2 | 305-3

CLIMATE CHANGE

In 2024, Magalu published its sixth greenhouse gas (GHG) emissions inventory in the public emissions registry of the Brazilian GHG Protocol Program, an internationally recognized standard for managing and consistently and reliably reporting emissions. Committed to transparency and the traceability of this data, for the fifth consecutive year the Company has used an external auditor to verify its inventory.

We also began measuring our emissions monthly. Based on these reports, we adjusted the direction of ongoing mitigation projects in different areas of the Company, involving approximately 150 collaborators.



Trucks from the Company's fleet of 58 electric vehicles: 275 tons of CO2eq avoided in 2024

#imagedescription: Two Magalu blue box trucks are parked side by side at a charging station, with one of them connected to the charger.

SCOPE 1

The Company's direct (Scope 1) emissions grew 17% in 2024, mainly due to the increase in fugitive emissions of refrigerant gases used in our store air conditioning systems. During the same period, the country's average temperature reached 25.02°C, almost 1°C above the historical average¹, intensifying the demand for air conditioning at our branches. This had a direct impact on the frequency of air conditioning equipment maintenance and, consequently, on the escape and consumption of refrigerant gases for cooling our units.

In the Mobile Combustion category, which includes emissions from the combustion of fuels in our fleet, we recorded a 5% reduction. To optimize operating costs, we increased the number of remote in-

teractions between offices and stores, which allowed us to reduce the number of trips made by our vehicles and the volume of GHG emissions from these vehicles, which run on gasoline and ethanol. Furthermore, the company has a policy that prioritizes the use of ethanol, with the goal of ongoing reductions in gasoline consumption.

SCOPE 2

According to the guidelines of the Brazilian GHG Protocol Program, emissions from electricity consumption (Scope 2) were divided into two approaches: purchasing choice and location.

Emissions related to our purchasing choices remain zero, given the efforts to generate and acquire renewable energy, which began in 2017 (see

pages 70-72).

Considering the location of the energy supply, there was a 38% increase in emissions compared to 2023. This growth is primarily due to the increase in the emission factor of the National Interconnected System (SIN), which connects electricity generation and transmission in the country. Due to the lack of rain in Brazil in 2024, this factor increased by 41%.

Nevertheless, Magalu's total electricity consumption (136,459 MWh) decreased 0.2% in 2024 compared to the previous year. This decrease reflects the awareness-raising initiatives we promoted among employees, focused on the responsible use of energy across all units. The unification of operations at the Extrema Distribution Center in Minas Gerais also contributed to the reduction.

GRI 305-4 EMISSIONS INTENSITY

The increase in the indicator that relates volume of emissions to net revenue reflects an evolution in this measurement

Based on the relation between emissions volume and our net operating revenue (tons of CO²eq/BRL net operating revenue), the GHG emissions intensity indicator was 7.329 in 2024, a 49% increase compared to 2023. This increase is due to the significant growth in Scope 3 emissions, which are directly linked to the improvements in emissions measurements along our value chain. Until 2023, these emissions were estimated based on historical databases, and the improvement of this calculation last year had a direct impact on the accuracy of the figures.

Following GHG Protocol best practices, Magalu has been pursuing a path of greater precision in its GHG emissions inventory, while simultaneously identifying opportunities for efficiency gains and climate mitigation in its operational areas.



SCOPE 3

Indirect emissions generated in our value chain increased 57%. This increase largely reflects improvements in measuring emissions from our outsourced logistics network. Until 2023, the Company calculated emissions from most transportation modes based on historical average mileage. In 2024, however, the calculation methodology was changed, and

routing replaced historical averages. This change improved data accuracy, generating a more accurate calculation of the distances driven in our logistics operations. As a result of this improvement, and not necessarily reflecting an actual increase in our activity, there was a 75% increase in transportation emissions recorded in 2024 compared to 2023, which impacted the overall Scope 3 percentage.

RECOGNITION

The Company consolidates its recognition in sustainability and climate performance indices:

ISE B3

For the fourth year in a row, it is part of the B3 Corporate Sustainability Index (ISE) portfolio.

ICO2 B3

For the fifth year, it is included in the Carbon Efficient Index (ICO2), which recognizes commitment to the transition to a low-emission economy.



For the fifth time, it received the Gold seal from the GHG Protocol, a Brazilian program focused on measuring emissions.



It achieved a B score from CDP, the leading financial market reference for assessing corporate climate management.

CARBON FOOTPRINT

Greenhouse gas (GHG) emissions over the past three years

	2022	2023	2024
Scope/Category	tCO2e	tCO2e	tCO2e
Stationary Combustion	145	67	90
Mobile Combustion	2,771	2,681	2,558
Fugitive Emissions	6,835	10,385	12,684
Scope 1	9,751	13,133	15,331
Scope 1 - Biogenic Emissions	903	1,102	948
Scope 2 - Electricity	5,650	5,219	7,217
Acquisition (Location)			
Scope 2 - Electricity	0	0	0
Acquisition (Purchase Choice)			
Employee transportation	8,042	17,970	14,458
Fuel and energy-related activities not included in Scopes 1 and 22	56	0	0
Purchased goods and services	6,365	5,162	7,029
Solid waste generated	7,100	7,802	7,081
Downstream transportation and distribution	1,880	4,663	4,066
Upstream transportation and distribution	163,821	131,518	229,802
Business travel	758	941	996
Scope 3	188,023	168,057	263,432
Scope 3 - Biogenic Emissions	19,399	22,026	39,907

NOTE: WITH ADJUSTMENTS TO THE EMISSIONS CALCULATION METHODOLOGY, THE 2024 RESULTS IN THE FOLLOWING CATEGORIES ARE NOT COMPARABLE WITH THOSE OF PREVIOUS YEARS: PURCHASED GOODS AND SERVICES (CATEGORY 1, ACCORDING TO THE GHG PROTOCOL); WASTE GENERATED IN OPERATIONS (CATEGORY 5); UPSTREAM TRANSPORTATION AND DISTRIBUTION (CATEGORY 4).

GRI 305-5

EMISSIONS REDUCTION INITIATIVES

In parallel with the methodological developments in our emissions management, the Company implemented initiatives to reduce logistics emissions, the main source of climate impacts in its operations. In 2024, we consolidated our logistics operations in Magalog, which centralizes the contracting of logistics partners to meet the needs of the Magalu ecosystem and other customers.



WATCH A
VIDEO ABOUT
THE USE OF
ELECTRIC
VEHICLES

1

ELECTRIC VEHICLES

Magalog currently operates a fleet of approximately 58 electric vehicles, replacing combustion-powered vehicles. This avoided the emission of 275 metric tons of CO₂eq in the transport of products to customers in 2024. This transport alternative was implemented in 2021 with 23 electric urban cargo vehicles, which began operating in cities in the states of São Paulo, Paraíba, and Bahia.



3

AI IN ROUTING

Over the year, we also began developing an intelligent routing project that uses artificial intelligence to analyze daily delivery needs by region and automatically calculate the most efficient routes. The system considers multiple operational factors, such as order volume and delivery times, and allows for optimized fleet allocation. This solution is scheduled for implementation in 2025 and, once implemented, will have the potential to eliminate unnecessary routes and significantly reduce the circulation of low-occupancy vehicles.



2

CABOTAGE

The search for decarbonization alternatives in logistics led Magalu to adopt cabotage shipping in its operations in July 2024, including using the mode for moving products over long distances between distribution centers across Brazil. The use of maritime transport for inventory transfers has proven highly efficient in logistics, especially on routes from the South to the North of the country. Each shipment transported via cabotage replaces, on average, six trucks on highways, resulting in a 30% reduction in fuel consumption and a 70% decrease in carbon emissions compared to traditional road transport. This mode is expanding, and in 2024, the use of cabotage resulted in a reduction of 190 metric tons of CO₂eq.

CLIMATE RISKS: GOVERNANCE, STRATEGY AND METRICS

Based on the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and scenarios outlined by the UN Intergovernmental Panel on Climate Change (IPCC), Magalu conducted a climate impact study of its operations.



Magalu Distribution Center in Louveira, São Paulo:
The study estimated the impacts of global warming on working conditions and damage to the physical and logistics infrastructure

#imagedescription: A woman operates a forklift in a large warehouse with products stored on tall metal shelves.

CLIMATE GOVERNANCE

The progress in measuring our carbon footprint has enabled us to establish an absolute emissions reduction target for 2035, based on the guidelines of the Science Based Targets Initiative (SBTi). The target, which uses 2024 as the base year, marks the beginning of an important decarbonization journey.

To ensure consistency on this journey, the target was tied to executives' variable compensations. In 2024, it included qualitative objectives, based on the execution of projects with the potential to reduce emissions and improve the accounting of our GHG inventory. The progress of these initiatives began being monitored with monthly indicators, regularly reported to the People and Organizational Culture Committee, which advises the Board of Directors and monitors the execution of the Company's sustainability strategy. In 2025, these efforts resulted in the creation of a new governance body for this topic, the Climate Committee. This group oversees the measurement, innovation and institutional coordination of Magalu's decarbonization initiatives and reports to the Executive Board, as well as the CEO.

As our strategy develops internally, the Company is preparing to communicate its objectives more broadly to its stakeholders in 2025.

CLIMATE STRATEGY

The study identified chronic physical risks—such as rising average temperatures and prolonged droughts—and used this data to estimate the exposure of its operations to acute physical risks, such as storms and floods.

The analysis assessed the exposure level of stores and distribution centers to these risks, by region, over two time horizons: short-term (to 2030) and long-term (to 2050). Two of the five climate scenarios presented in the Sixth Assessment Report (AR6) of the Intergovernmental Panel on Climate Change (IPCC) were adopted.

The results directly guide the company’s strategic planning, influencing decisions about infrastructure investments, process adaptations and team training. The climate variables analyzed were temperature and rainfall, crucial for understanding the impacts of changes in the following areas:

HEAT STRESS: Gradual temperature increases can directly impact employee working conditions and generate greater demand for air conditioning in stores and distribution centers.

INFRASTRUCTURE DAMAGE: Extreme events can compromise the physical infrastructure of stores and distribution centers.

DELIVERY LOGISTICS: Climate change can affect product transport, whether due to droughts that impact rivers, or floods that block land routes.

The short-term analysis (to 2030) identified more immediate risks, allowing the company to prepare for tangible operational challenges. The long-term outlook (to 2050) revealed that climate impacts may intensify.

By superimposing the location of its 1,300 units on the IPCC climate scenarios, Magalu projects warming levels above the global average in the regions where the company operates. An average annual

temperature increase of 2.42°C is expected in Scenario 1 (Moderate Emissions) and 3.04°C in Scenario 2 (High Emissions) by 2050. These projections indicate significant and heterogeneous climate impacts in Brazil.

The study projects significant climate change in the North and South regions of Brazil by 2050.

The North is likely to experience more intense temperature increases and lower rainfall, increasing the risk of heat stress and disrupting river transport.

The South is expected to experience more moderate warming, but with a significant increase in rainfall, increasing the risks of flooding and impacts on infrastructure and land logistics.

The analysis also identified 85 stores that are expected to face significant increases in average temperatures. These stores are located in states including Mato Grosso, Tocantins, Pará and the Federal District, and are already a priority for the Company’s response and adaptation actions.

Business continuity planning requires well-informed decisions, especially regarding climate challenges. With the insights from this study, the company can strengthen its capacity to manage physical risks, optimize resource allocation, and protect its teams and infrastructure.

CLIMATE SCENARIOS USED IN THE MAGALU STUDY

The company used two of the five climate scenarios projected by the UN Intergovernmental Panel on Climate Change (IPCC) as a basis.

IPCC SCENARIO	SSP2-4.5	SSP5-8.5
Trend	Scenario 1 - Moderate Emissions	Scenario 2 - High Emissions
	It represents a middle path, in which the world makes moderate efforts to control greenhouse gas emissions. In this scenario, global warming is expected to increase by about 2.5°C by the year 2100.	It describes a future with high emissions and intense, and unsustainable, economic growth. It is the most worrying and risky scenario, which predicts a global warming increase of up to 5°C by 2100.



Magalu Store: 85 units are priority targets for preparatory actions to mitigate rising average temperatures

#imagedescription: Laptops, TVs and other equipment are displayed in a Magalu store, with employees and customers talking to each other.



CLIMATE RISK MANAGEMENT

Since 2021, Magalu’s climate risk monitoring and reporting has followed the methodology recommended by the Task Force on Climate-Related Financial Disclosures (TCFD). We comprehensively assess the company’s internal and external scenarios, identifying and categorizing business-related risks according to physical risks—related to the direct effects of climate change—and transition risks, which involve the necessary adaptations to operate in a low-carbon economy.

In 2024, Magalu worked to strengthen this risk matrix and, as a result, selected seven priority risks, which guide the Company’s climate strategy.













After analyzing the climate risks, we then measured the financial impacts these risks could have on the business in the short, medium and long term.

To mitigate the identified level of exposure, we prepared action plans, organized into specific work fronts, which include flood containment mechanisms and reinforcement of store roofs and gutters, among other actions. Each initiative was designed to reduce risks, optimize resources, and ensure rapid responses to emerging climate and financial threats.

Read more about our metrics and emissions performance on page [57](#).

MAGALU CLIMATE RISK MATRIX

The identified risks can be physical, such as floods, drought and heat stress; or transitional, which include legal, regulatory and technological change factors.

TYPE	CATEGORY	RISK FACTOR	IMPACT
 Physical	Severe	 Floods	- Structural damage to Magalu stores and distribution centers due to the increased frequency and severity of rainfall. - Interruptions to our logistics operations, delays in supply, and increased operating costs.
 Physical	Severe	 Drought	Delays in deliveries from suppliers and in logistical operations due to the impacts of prolonged droughts on river transport
 Physical/ Transitional	Chronic Physical/ Legal	 Heat Stress / Sanctions and Litigation	Reduction in productivity and thermal comfort in stores and distribution centers due to higher average temperatures
 Transitional	Regulatory	 Carbon pricing	Additional costs with the potential regulation of taxes or fees on carbon emissions.
 Transitional	Technological	 Transition to low-carbon energy	Operational risks in changing the fossil fuel-powered fleet to lower-emission sources, considering the dependence on road transport.
 Transitional	Technological	 Dependence on hydroelectric power	Vulnerability to water crises that affect energy generation, which may lead to higher operating costs.

GRI 3-3 | 301-1 | 301-2 | 306-1 | 306-2
SASB CG-MR-410a.3

PACKAGING AND WASTE

Reducing waste generation and increasing recycling are essential measures to promote the circular economy, which avoids waste and alleviates pressures on natural resource extraction. Circularity is one of the pillars of Magalu's sustainability strategy and is expressed in two areas: collection and recycling of electronic waste and reductions in the use of virgin plastic in consumer packaging in the operations of distribution centers and logistics hubs. This topic is central to Magalu's materiality matrix and has given rise to a number of low-impact, cost-effective solutions for the business.

Distribution Centers and logistics hubs are the company's main waste generation points and are therefore the focus of these solutions. These units generate both common recyclable retail waste, such as paper and plastic, and maintenance waste, such as oil, which requires environmentally responsible disposal. The initiatives are organized in three areas: operational waste management, more sustainable packaging, and projects to promote the circular economy.

Below is a detailed overview of these fronts.



Magalu Distribution Center in Extrema, Minas Gerais: more sustainable packaging

#imagedescription: Four people viewed from above pack products in the shipping area of a distribution center.

MORE SUSTAINABLE PACKAGING

Impact Reduction and Innovation in Materials and

The choice of packaging seeks to combine operational efficiency and fewer environmental impacts. Furthermore, it provides consumers with guidance on proper disposal, depending on the type of material used.

From the perspective of reducing environmental impacts, Magalu organizes its packaging strategy on four fronts: use of recycled raw materials, substitution of plastics with paper (when technically viable), conscious consumption of materials and the preference for suppliers whose inputs have environmental certifications — which attest to the origin or handling of the raw materials.

In 2024, we advanced in the implementation of more efficient packaging and storage solutions in our Distribution Centers, prioritizing the use of recycled and reusable materials in these facilities. These actions resulted from the Packaging Committee, which brings together areas such as operations, purchasing, infrastructure and sustainability. It was created in 2022 to develop and implement improvements in the packaging acquisition and processing stages at distribution centers.

We began a pilot project with reusable unitizing cages in our main cross-docking operation to replace the use of stretch film — an adhesive elastic plastic film — for cargo protection. These rigid cages, used in the transfer of orders between logistics centers, ensure safety and stability during transport, can be reused many times, and eliminate the need for single-use plastics. The switch also streamlined vehicle loading, as this solution requires less time to wrap the cargo. The test avoided the consumption of approximately 2.6 metric tons of plastic. The intention is to expand the adoption of unitizing cages on more routes and cross-docking facilities by 2025.

REUSABLE CAGE IN THE PLACE OF PLASTIC FILM

How the eco-efficient solution adopted by Magalu's logistics area works to pack many boxes in a single cargo unit



CONVENTIONAL SYSTEM

Products are packed and secured to the pallet using stretch film, a single-use plastic.



REUSABLE CAGE

The load is packed in reusable unitizing cages, eliminating the need for plastic.



FILLER PAPER: SAME PROTECTION AND MORE RECYCLABILITY

At Época Cosméticos, the protective plastic fillers previously used in order boxes were replaced with recycled honeycomb paper. This change eliminated the consumption of 30 metric tons of plastic over the year, increased packaging productivity by 15%, reduced input costs by 28%, and also led to a reduction in electricity consumption, as the protective plastics previously used required energy to inflate. The project will now be adopted at other units in the Magalu ecosystem.



Honeycomb paper replaces plastic in Época Cosméticos packaging: the sustainable solution will be rolled out at other Magalu units

#imagedescription: An employee wrapping a cosmetic bottle in honeycomb paper.



Preparing packaging at the Extrema distribution center: the envelopes are made of 60% recycled material

#imagedescription: A woman in a blue uniform and black gloves smiles at the camera in front of stacks of shoe boxes wrapped in purple plastic with the Netshoes brand.

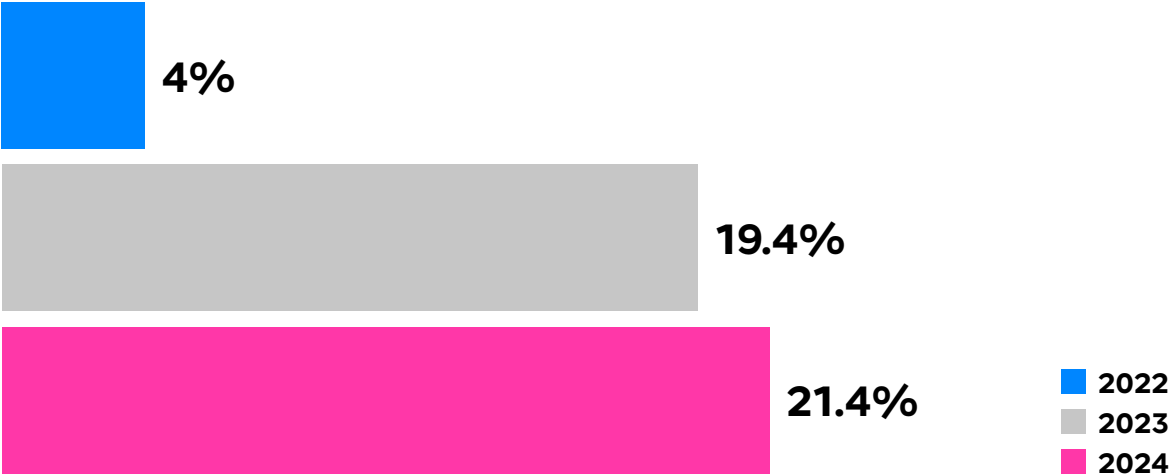
USE OF RECYCLED MATERIAL

Magalu and Netshoes security envelopes, commonly used for shipping small packages to customers, are made with 60% recycled plastic and 40% virgin plastic. The recycled material is certified, meaning it has a guarantee of origin and the raw material's production process. By prioritizing the use of materials already in circulation, Magalu reduces the demand for new resources and effectively reinforces its commitment to the circular economy. This initiative directly contributed to an improvement in the overall indicator of plastic use — virgin, recycled, or from renewable sources.

In 2024, the percentage of recycled plastic consumed in the ecosystem increased from 19.4% to 21.4%. Meanwhile, the volume of plant-based plastic, made from sugarcane — which is used in the bags used in physical stores — increased from 26 to 34 metric tons.

EVOLUTION IN THE USE OF RECYCLED PLASTIC

The percentage continues to increase, year after year



*BAGS MADE FROM BIOPLASTICS FROM SUGARCANE. (I'M GREEN RESIN).

WASTE MANAGEMENT IN OPERATIONS

Responsibility and control in all stages of the logistics cycle

Magalu is responsible for the management of all the waste generated in its operations, from stores to distribution centers, from separation to final disposal. The process complies with environmental legislation (in this case, Brazil's National Solid Waste Policy) and relies on a technical team and approved partners for the transport and treatment of the waste.

Operational teams have direct contact with management partners and control the documentation and disposal of materials. Management also addresses waste from the value chain, such as post-consumer electronic waste from our customers.

The company has reinforced operational training in hubs and distribution centers on the separation and environmentally responsible disposal of waste, with a platform that integrates all of the Company's units and improves overall data visibility, improving controls of the volume of waste generated and disposed of.

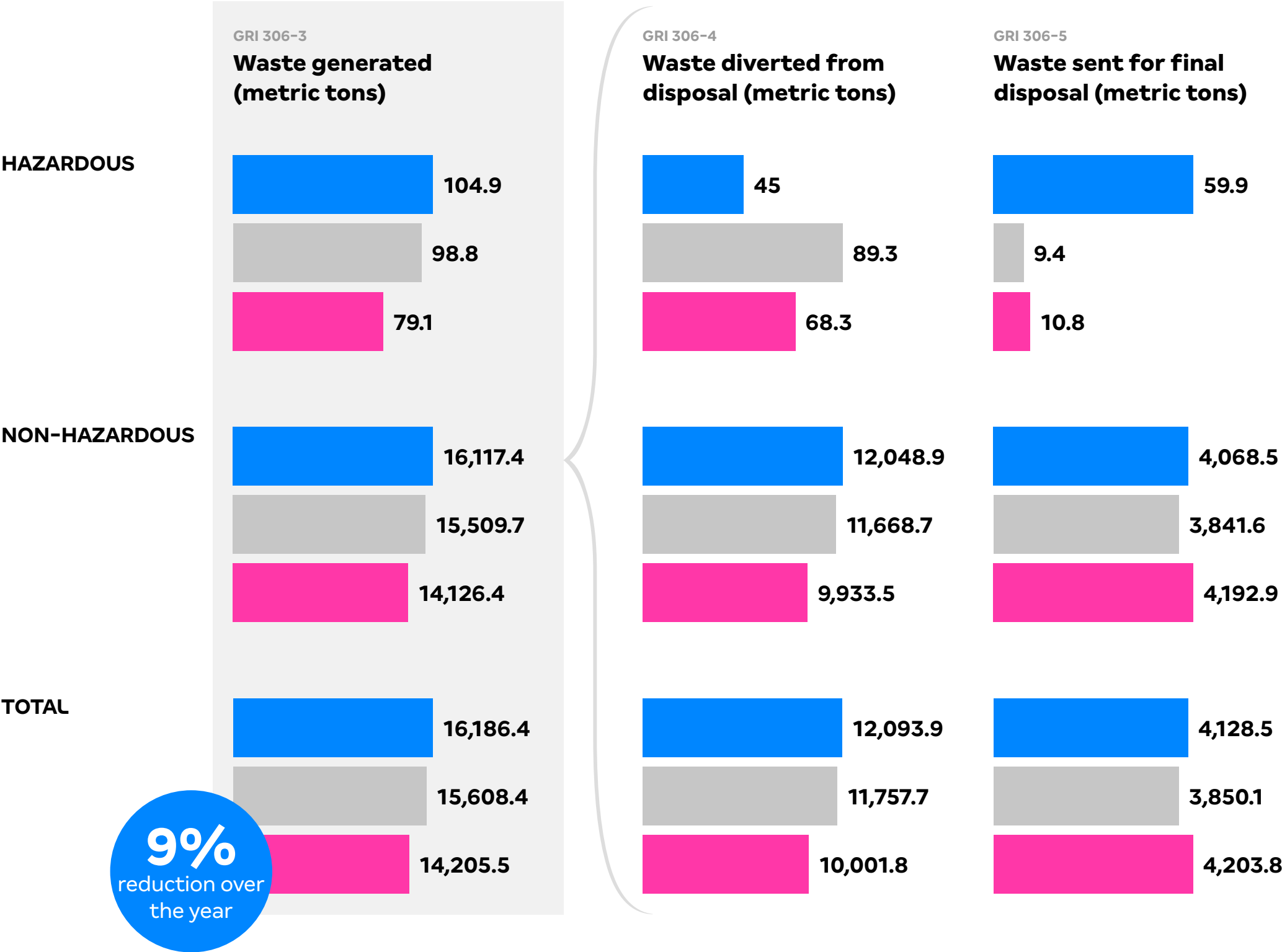
In 2024, total waste generation declined by 9%, with a reduction of 19.7 metric tons of hazardous waste, such as battery water, and 1,383 metric tons of common waste, including recyclables such as paper, cardboard and plastic.

Since 2023, common waste has not been incinerated at our facilities due to the environmental impacts associated with this disposal method. In 2024, this measure was extended to hazardous waste, with the exception of waste from outpatient clinics, as required by law. Despite the progress, the total volume of waste sent for final disposal, that is, to landfills, increased, driven by the increase in the generation of organic waste from our branches' food services. Given this scenario, Magalu is seeking partnerships to allocate this type of waste for composting.

TOTAL WASTE GENERATED AND DISPOSED OF BY MAGALU

The volume declined by 9%, with a reduction of 19.7 metric tons of hazardous waste

2022 2023 2024





Electronic Waste Collection in Franca: 39 metric tons of used electronics were collected through community mobilization

#imagedescription: People in pink t-shirts carry electronic equipment toward a truck.

REVERSE LOGISTICS

Initiatives that integrate sustainability, education and inclusion

Strengthening the circular economy, which extends the useful life of various materials, involves shared environmental responsibility among manufacturers, retailers and consumers, as outlined in Brazil’s National Solid Waste Policy (PNRS). As a retailer, Magalu is legally required to offer voluntary collection points for electronic waste, but it decided to go even further and become an important promoter of awareness and mobilization for circularity in Brazil, which is currently the world’s fifth-largest generator of this type of waste.¹

To this end, Magalu’s reverse logistics program for electronics, in partnership with the Brazilian Association for the Recycling of Electronic and Household Appliances (ABREE), was one of the highlights of 2024. With collection points in Magalu stores, we collect old or disused equipment and send it for recycling. In 2024, 25 new stores added collection points, bringing the total to 525 collection points nationwide.

In total, 31 metric tons of electronic waste were collected at our collection points. Another 39 metric tons were collected during the Magalu Electronic Waste Drive, a community mobilization initiative held in Franca, São Paulo, involving volunteer employees, residents, students and teachers in the city. Magalu set up a drive-thru to collect unused electronics at the city’s multi-sport gymnasium, where 490 vehicles participated in the effort. Seven metric tons of waste were collected. In parallel, the company held a competition to collect electronic waste in 64 schools, and collected 32 metric tons over the course of 15 days. This brings the total amount of waste destined for recycling in 2024 to nearly 70 metric tons — more than triple the amount in 2023. The company’s current goal is to reach 1,000 metric tons recycled by 2030, with collection points in all stores, even though it is not legally required to report amounts — the National Solid Waste

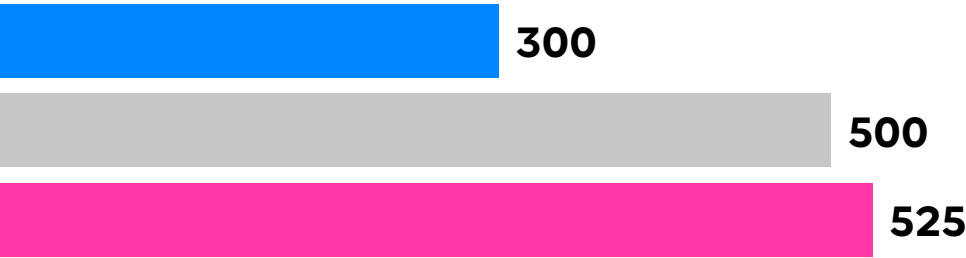


WATCH A VIDEO ABOUT ELECTRONIC WASTE COLLECTION IN FRANCA

EVOLUTION IN ELECTRONIC WASTE COLLECTION

2022 2023 2024

NUMBER OF STORES WITH COLLECTION POINTS



AMOUNT OF ELECTRONIC WASTE COLLECTED (METRIC TONS)



¹ SOURCE: <https://ewastemonitor.info/the-global-e-waste-monitor-2024/>
² 30 METRIC TONS IN STORES AND 39.8 MT IN ACTIONS CARRIED OUT IN FRANCA.



Participants in the Conexão Povos da Floresta (Connection with Forest People) project benefiting from Magalu's circularity program

#imagedescription: Ten adults, some displaying electronic products, and a baby in arms pose in a grassy area with trees in the background.

Policy (PNRS) assigns this responsibility to manufacturers and importers.

CIRCULARITY

As part of its responsible waste and materials management strategy, Magalu reuses scrap that would otherwise be discarded, such as damaged electronic equipment with technical problems returned to the Company. Since not all the parts in these items are damaged, Magalu auctions those that can be reused in new products. This extends the useful life of various materials, which are then reintroduced into our value chain. In 2024, this initiative resulted in the reuse of 1,261 metric tons* of equipment.

By promoting the sale of this material for reuse, we avoid sending it directly to processes such as recycling or reverse manufacturing, which, despite being environmentally friendly alternatives, still involve the consumption of energy and resources. Thus, we contribute to more efficient and sustainable resource management, reducing the pressures on ecosystems from raw material extraction.



Separating old uniforms to be used to make blankets for homeless people

#imagedescription: Warehouse with large bales of fabric stacked high and uniforms of various colors on countertops.

OLD UNIFORMS BECOME BLANKETS

The project's socio-environmental impact in 2024

4,732 kg
of uniforms
repurposed

4,300
blankets produced
and distributed to
homeless people

35.39 m³
of waste avoided
in landfill

To properly dispose of electronics, such as computers and printers used in our offices, Magalu has a partnership with Re-Urbi, a company specializing in reverse logistics for IT and peripherals waste. Non-functional items are recycled, and those that can still be used are refurbished and sold, with part of the proceeds going to socio-environmental projects. In 2024, more than 31,000 kilograms of this kind of material were recycled or refurbished, and the proceeds were used to deliver 34 cell phones to communities served by the Conexão Povos da Floresta (Connection with Forest People) project, which brings connectivity to populations in remote areas of the Amazon.

UNIFORMES QUE AQUECEM (UNIFORMS THAT PROVIDE WARMTH)

Magalu continued its uniform circularity project in partnership with Retalhar, which began in 2022. Uniforms discarded in our operations were transformed into blankets and donated to institutions that help homeless people. In 2024, 4,732 kilograms of fabric, roughly 14,879 uniforms, were used to produce approximately 4,300 blankets. Some of the blankets were donated to victims of the floods that affected Rio Grande do Sul in April. Through our partnership with Retalhar, we also generated income for socially vulnerable workers, who are responsible for manufacturing the blankets. Between 2022 and 2024, we transformed 46,000 uniforms into 12,000 blankets.



One of the 23 solar plants responsible for 40% of Magalu's electricity consumption

#imagedescription: A man in a uniform and helmet inspects equipment installed between rows of solar panels in an open field.

GRI 3-3 | 302-1 | 302-2 | 302-3 | 303-1 | 303-5
SASB CG-MR-130a.1

USE OF NATURAL RESOURCES

As the use of natural resources is a material topic for Magalu's business, we work to mitigate our impacts on the environment while simultaneously improving the cost-effectiveness of energy and water consumption.

IMPROVEMENT IN ENERGY INTENSITY

In 2024, Magalu used 3.6% less energy to produce each BRL of net revenue

2023	2024	Reduction of
3.720	3.587	3.6%
MWh/million BRL	MWh/million BRL	



RENEWABLE ENERGY GENERATION

Locations of solar plants and the small hydroelectric plant that supply our operations

ENERGY

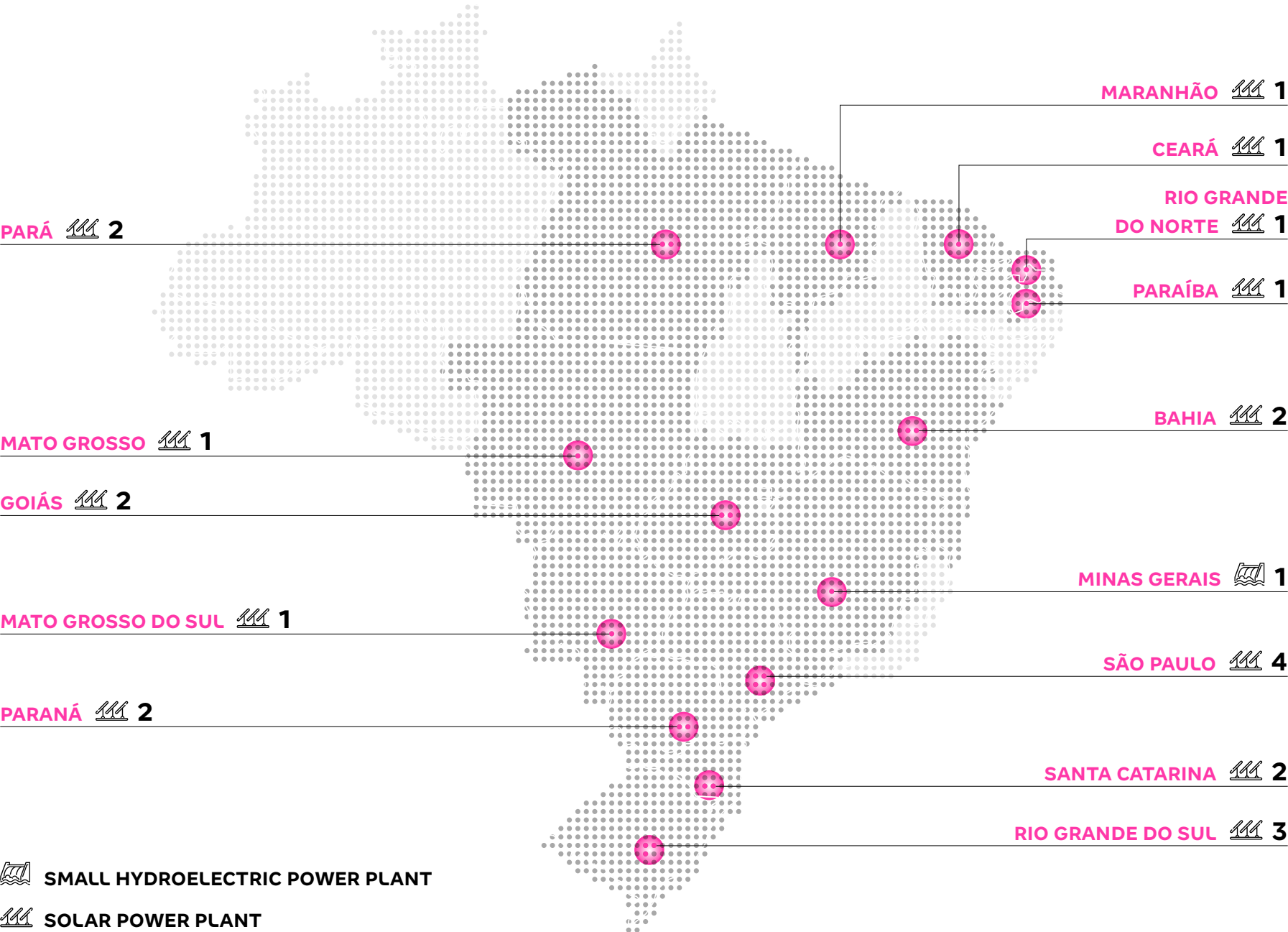
Over the year, we expanded our renewable energy generation capacity to power our operations. Six new solar plants were implemented in five states (Bahia, Goiás, Mato Grosso, Pernambuco and Rio Grande do Sul) and connected to our distributed electricity generation network—a model implemented in 2017. With this expansion, 124 stores were added to the solar-powered network. In total, the Company has 23 solar plants and a small hydroelectric plant in operation. Together, these sources met the electricity needs of 800 of the Company’s 1,247 branches in 2024, corresponding to approximately 40% of Magalu’s electricity consumption.

The offices of KaBuMI, in Limeira, in the interior of São Paulo, and Aiqfome, in Maringá, Paraná, are also supplied by solar energy, but via energy consortia. This is a solution where different companies share the generation of a solar plant. The model is ideal for regions where it is not feasible to build dedicated plants and allows for the contracting of supply quotas from a shared solar plant. The energy generated in this type of plant is converted into credits applied directly to the contracting companies’ electricity bills, which reduces energy consumption from the centralized grid, as well as the associated GHG emissions. In 2025, Magalu will expand its participation in solar energy consortia to the Company’s stores that are not supplied by dedicated generation plants.

WIND ENERGY, I-REC CERTIFICATES AND ENERGY EFFICIENCY

Even in units not yet eligible for the distributed generation model, Magalu ensures the use of renewable energy: 30% of consumption comes from free market contracts with wind power, and another 30% is offset through I-REC (International Renewable Energy Certificate) certificates. Thus, 100% of the Company’s operations have been powered exclusively by renewable energy sources since 2022.

Energy efficiency management is closely monitored by the Company’s senior leadership. The Energy Committee—with the participation





of senior management and the CEO—analyzes consumption data monthly and identifies opportunities for improvement. Magalu also developed a Best Practices Guide for electricity consumption, disseminated in all operational units—distribution centers, stores and offices—with specific guidelines on efficient energy use. In 2024, the company’s operations recorded a 4,874.01 GJ reduction in energy consumption, including fuel and electricity.

As a result, Magalu’s energy intensity—an indicator that correlates electricity consumption with net operating revenue—improved by 3.6%

year-over-year. This indicates that the company has increased its energy efficiency, generating more revenue per energy unit consumed.

In terms of energy consumption from fuel use, the company’s direct operations (Scope 1) saw a 6.9% reduction compared to the previous year. This decrease is primarily due to the improved management of its fleet and the resulting reduction in the consumption of fuels such as gasoline and ethanol in this category. To contain costs in our operations, we have increased the number of remote interactions between offices and stores. This reduced the number of trips made by our fleet

and, consequently, the amount of GHG emissions from these vehicles.

With respect to indirect energy consumption (Scope 3), which primarily accounts for the use of fuel in outsourced freight transport, we recorded a 61% increase. This increase primarily reflects improvements in measuring the routes traveled by our service providers in the logistics network. Until 2023, this measurement was based on historical estimates; now it considers the routes actually traveled. With more detailed data, the emissions inventory is now more accurate (*more details on pages 57–60*).

GRI 302-1 / 302-2

ENERGY CONSUMPTION INSIDE AND OUTSIDE MAGALU

Energy used in the last three years, by source, in gigajoules (GJ)

2022

Source	Scope 1	Scope 2	Scope 3	Total
NON-RENEWABLE FUELS				
Acetylene	0.09	-	-	0.09
Diesel	21,558.25	-	2,165,250.09	2,186,808.34
Gasoline	2,648.79	-	310 024.69	312,673.48
Liquefied petroleum gas (LPG)	1,573.81	-	6,029.38	7,603.19
Natural gas for vehicles (NGV)	-	-	156.69	156.69
Aviation kerosene	16,413.74	-	41,907.36	58,321.10
RENEWABLE FUELS				
Hydrated ethanol	10,546.11	-	2,621.56	13,167.67
PURCHASED ELECTRICITY				
Electricity	-	476,248.28	-	476,248.28
Grand total	52,740.79	476,248.28	2,525,989.77	3,054,978.84

2023¹

Source	Scope 1	Scope 2	Scope 3	Total
NON-RENEWABLE FUELS				
Acetylene	0.04	-	-	0.04
Diesel	21,317.47	-	1,945,803.66	1,967,121.13
Gasoline	3,975.91	-	381,187.81	385,163.72
Aviation gasoline	164.41	-	-	164.41
Liquefied petroleum gas (LPG)	604.49	-	5,665.56	6,270.05
Marine Diesel Oil	-	-	324.60	324.60
Aviation kerosene	14,278.26	-	12,015.59	26,293.85
RENEWABLE FUELS				
Hydrated ethanol	12,851.94	-	2,531.61	15,383.55
PURCHASED ELECTRICITY				
Electricity	-	492,451.34	-	492,451.34
Grand total	53,192.52	492,451.34	2,347,528.83	2,893,172.69

2024

Source	Scope 1	Scope 2	Scope 3	Total
NON-RENEWABLE FUELS				
Acetylene	0.04	-	-	0.04
Diesel	22,414.24	-	3,158,235.06	3,180,649.30
Gasoline	2,288.31	-	670,711.46	672,999.77
Aviation gasoline	13.51	-	-	13.51
Liquefied petroleum gas (LPG)	742.37	-	5,770.28	6,512.65
Marine Diesel Oil	0	-	227.30	227.30
Aviation kerosene	13,737.93	-	13,192.11	26,930.04
RENEWABLE FUELS				
Hydrated ethanol	10,318.88	-	-	10,318.88
PURCHASED ELECTRICITY				
Electricity	-	491,254.58	-	492,451.34
Grand total	49,515.28	491,254.58	3,848,136.21	4,388,906.07

¹ THE DATA HAS BEEN CORRECTED DUE TO A DOUBLE COUNTING ERROR (GRI 2-4).

WATER CONSUMPTION

The water Magalu uses is intended exclusively for human consumption and operational activities, as the Company does not carry out industrial processes. Water is supplied directly from municipal water systems, and the generated effluent is directed to the public sewage system, in compliance with legal parameters and current environmental standards.

Conscious of the importance of this resource, the Company monitors water consumption monthly to identify opportunities for reductions and to improve efficiency, in line with the principles of responsible water resource management. Our internal channels also promote awareness campaigns on responsible water use among employees, encouraging sustainable practices in daily operations.

In 2024, the organization recorded a 10.4% reduction in total water consumption compared to the previous year. This result was primarily due to initiatives at the Guarulhos Distribution Center (DC), where the rainwater collection and use system operated at full capacity. Furthermore, the consolidation of the Extrema DC operations into a single unit also contributed to the results.

HOW WE MONITOR WATER CONSUMPTION

Operational units are responsible for submitting monthly consumption data, accompanied by supporting documents — such as invoices, receipts, condominium and shopping mall statements and artesian well records — to the company’s payment control department.

In 2024, we achieved 74% direct metering in stores — obtained from water bills that report consumption in cubic meters of water and treated sewage. In Distribution Centers and offices, direct water consumption measurement has been taking place in 100% of units since 2022.

For the 26% of stores without direct metering, Magalu adopted an estimation methodology based on the average consumption in similar units. In 2025, the Company plans to implement a system that centralizes consumption data from all stores and ensure accurate metering across the network.

WATER CONSUMPTION (MEGALITERS)

Volume was 10.4% lower than the previous year

2022	2023	2024
544	578	517



Water reuse initiative:
the Guarulhos DC collects
rainwater for use in their
facilities

*#imagedescription: Two large
vertical white cylindrical
tanks next to a structure with
red piping. Beside them is a
truck with the Magalu logo.*

HOW WE WORK

- Governance
- Ethics and Transparency
- Risk Management
- Data Security and Privacy
- Human Rights in the Value Chain



GRI 2-9 | 2-10 | 2-11 | 2-12 | 2-13 | 2-15 |
2-17 | 2-18 | 2-19 | 2-20 | 405-1

GOVERNANCE



Carlos Renato Donzelli (1), Marcelo José Ferreira e Silva (2), Sílvio Romero de Lemos Meira (3), Floriano Peixoto Vieira Neto (4), Betania Tanure de Barros (5), Luiza Helena Trajano Inácio Rodrigues (6) and Inês Corrêa de Souza (7)

#imagedescription: Three women sitting in front and four men standing behind them pose for a photo against a blue background.



Magalu’s governance model has been refined over nearly seven decades, in line with the growing business and the goal of ensuring the company’s longevity. Principles such as transparency, equity, responsibility and accountability guide the company’s decisions and ensure alignment with the interests of its stakeholders. This approach contributed to Magalu’s inclusion in the B3 Corporate Sustainability Index (ISE) for the fourth consecutive year, which recognizes companies for adopting best environmental, social and governance (ESG) practices.

GOVERNANCE STRUCTURE

Currently, the Company’s governance structure

consists of the Board of Directors and its advisory committees, the Fiscal Council, the Executive Board and the General Shareholders’ Meeting. Magalu’s Board of Directors is composed of seven members, four of whom are independent.

Women hold three of the seven seats (43%), including the chair position. Female representation is higher than the market average, as demonstrated in the fourth edition of the “Women in Shares” study, conducted by B3 in 2024: only 8% of companies listed on the Brazilian stock exchange have a number of female directors equivalent to or greater than Magalu.

The Board of Directors brings together profes-

sionals with complementary expertise in retail, finance, accounting and auditing, business management and digital commerce, as well as proven experience in the corporate sector. The directors’ CVs are available on the Investor Relations website. (GRI 2-17)

The board also has four advisory committees: the Audit, Risk and Compliance Committee (CARC), the Finance and Consumer Credit Committee (COFIC), the People and Organizational Culture Committee (COPES), and the Strategy and Innovation Committee (COE). The in-depth discussions on strategic topics by these committees, including ESG factors, provide recommendations to the

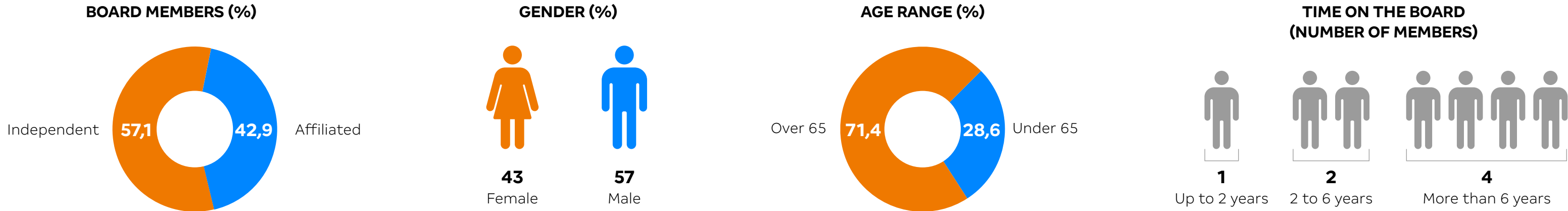
Board, and support directors in formulating and validating corporate policies, such as those for Sustainability, Human Rights, Diversity and Inclusion (see more on page 78).

According to Magalu internal regulations, the roles of Chair of the Board of Directors and CEO cannot be held concurrently, ensuring a separation between strategic oversight and the actual executive functions of the business. Furthermore, board members do not hold management positions in the company.

The Fiscal Council, a permanent corporate body, operates independently from management and contracted auditors, overseeing the Compa-

BOARD OF DIRECTORS OVERVIEW

Participation of women is a highlight on the Board, chaired by Luiza Helena Trajano



ny's management. Currently, the Fiscal Council has six members.

The Policy for Nominating Members of the Board of Directors, Advisory Committees and Statutory Board, established in 2018, defines minimum requirements and guidelines for appointing members. Nominations must comply with the Company's Bylaws, Internal Regulations and Code of Ethics and Conduct, in addition to current legislation and best corporate governance practices.

The selection of directors considers criteria such as qualifications, alignment with the company's values and culture, diversity of backgrounds and skills, availability for the role, range of knowledge, experience, cultural aspects, age and gender. Furthermore, Magalu guarantees voting rights to all shareholders.

The Board of Directors, advisory committees and the governance secretariat are jointly subject to performance evaluation mechanisms. These evaluations, conducted annually, analyze the achievement of annual targets, as well as subjective factors observed by superiors, peers and subordinates, as defined by the Board of Directors.

Moreover, nominations for reelection take into account the performance, attendance and time commitment of members during the previous term.

TRANSPARENCY

Magalu's Related Party Transactions Policy establishes guidelines to ensure that all decisions are made in accordance with the interests of the Company and its shareholders. This policy is aligned with the regulations of the Brazilian Securities and Exchange Commission (CVM), the B3 Novo Mercado Regulation, and the guidelines of the Accounting Pronouncements Committee.

Magalu also has a Policy for Neutralizing Conflicts of Interest, which contains guidelines for managing cases. Implemented in 2018 and revised in 2023, this policy unifies approaches related to the Company's management, its employees, third parties, business partners, and product and service providers. Furthermore, it reinforces corporate responsibility and the consequences of non-compliance with established standards. All policy documents are available on the Investor Relations (IR) website.

GRI 2-19 | 2-20

REMUNERATION FOR ADMINISTRATORS

Magalu's Senior Management Fee and Incentive Structure

Magalu's senior management compensation structure follows the guidelines established in the Directors' Compensation Policy, which considers performance targets, management criteria and risk exposure, in alignment with the Company's Risk Management Policy.

This policy, reviewed annually by the Board of Directors, seeks to balance management development with organizational goals and business strategy. The compensation of the members of the Board of Directors and the Executive Board is determined by the Board, with the support of the People and Organizational Culture Committee, based on market research and, when appropriate, specialized consulting services.

Directors receive fixed monthly fees, which are uniform among them, except for the positions of president and vice president, whose amounts reflect their additional responsibilities and dedication.

Board of Directors members receive a fixed portion, proportional to the responsibility of the position held, and a variable portion, based on professional performance, consisting of short-term bonuses and long-term stock incentives.

Members of advisory committees who are not members of the Board of Directors also receive fixed fees consistent with market rates. Finally, fiscal council members receive, as fees, the minimum amount stipulated in Article 162, §3, of Brazilian Corporation Law.

GRI 2-9

CORPORATE STRUCTURE

Magalu’s governance is comprised of boards, committees and the Executive Board, in addition to the General Shareholders’ Meeting. The roles of Chair of the Board of Directors and CEO of the Company cannot be held concurrently. The adopted model ensures impartiality, information control and transparency for all stakeholders.



RESPONSIBILITIES OF THE FISCAL COUNCIL AND COMMITTEES

The governance structure includes a permanent Fiscal Council and four advisory committees to the Board of Directors, each with specific responsibilities

FISCAL COUNCIL

This is a permanent corporate body. It operates independently of management and external auditors. Its main responsibilities include overseeing the actions of management and verifying compliance with legal and statutory obligations, analyzing quarterly and annual financial statements, issuing opinions on them, and expressing opinions on management proposals submitted to the General Meeting, such as changes in capital, mergers and dividend distributions. It is composed of six members who, in line with best governance practices, do not hold management positions in the company.

AUDIT, RISK AND COMPLIANCE COMMITTEE

Responsible for evaluating financial statements, quarterly reports and other institutional publications. It also monitors the performance and independence of external auditors to ensure compliance with laws and regulations. Furthermore, it monitors key corporate risks and oversees the work of Internal Audit.

FINANCE AND CONSUMER CREDIT COMMITTEE

The committee monitors economic indicators and the financial performance of the Company and its sub-

sidaries. It analyzes financial statements, assists in defining financial policy and planning, and oversees debt and investment policies. It also monitors financial risks, guarantees and contractual obligations.

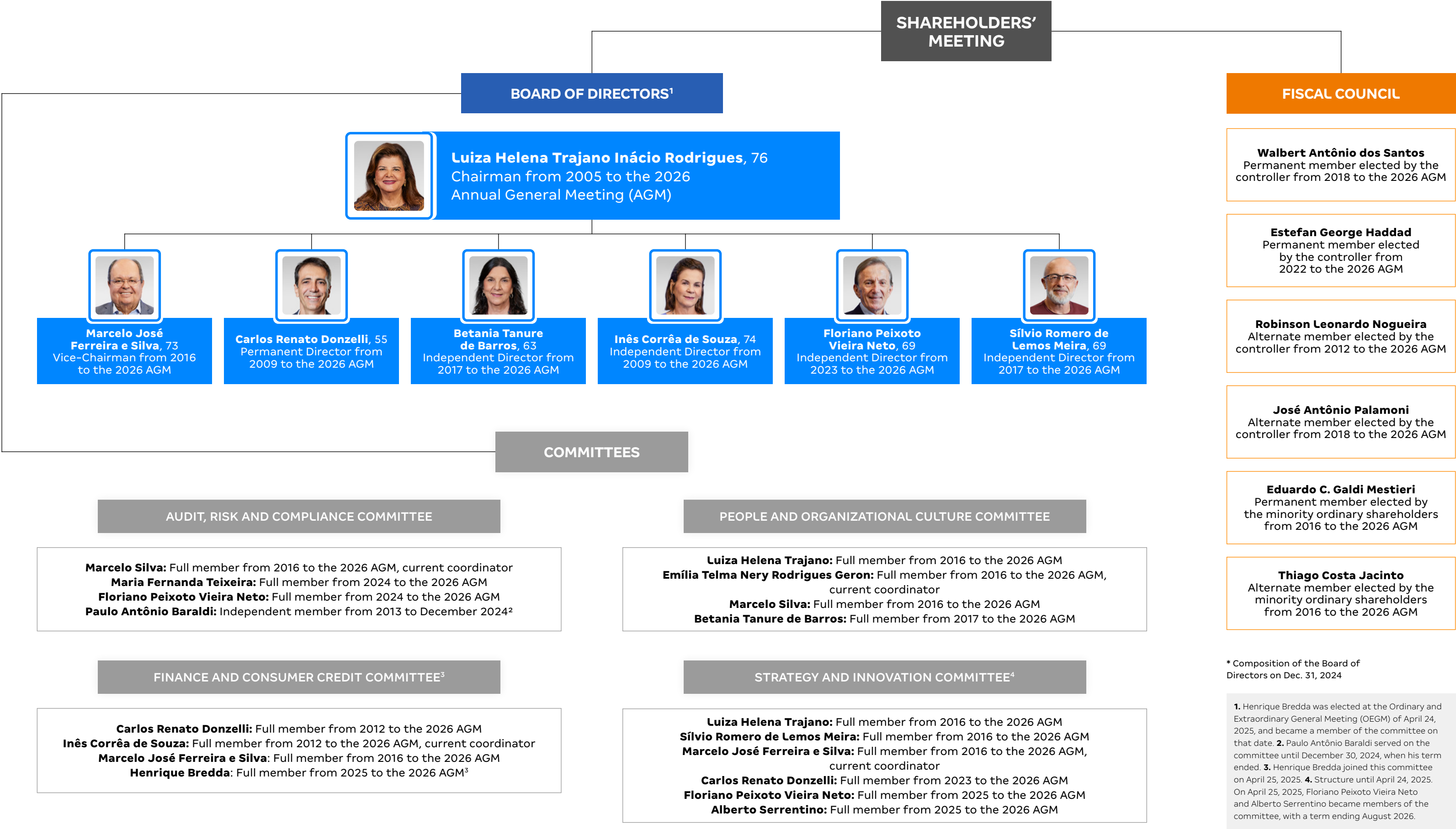
PEOPLE AND ORGANIZATIONAL CULTURE COMMITTEE

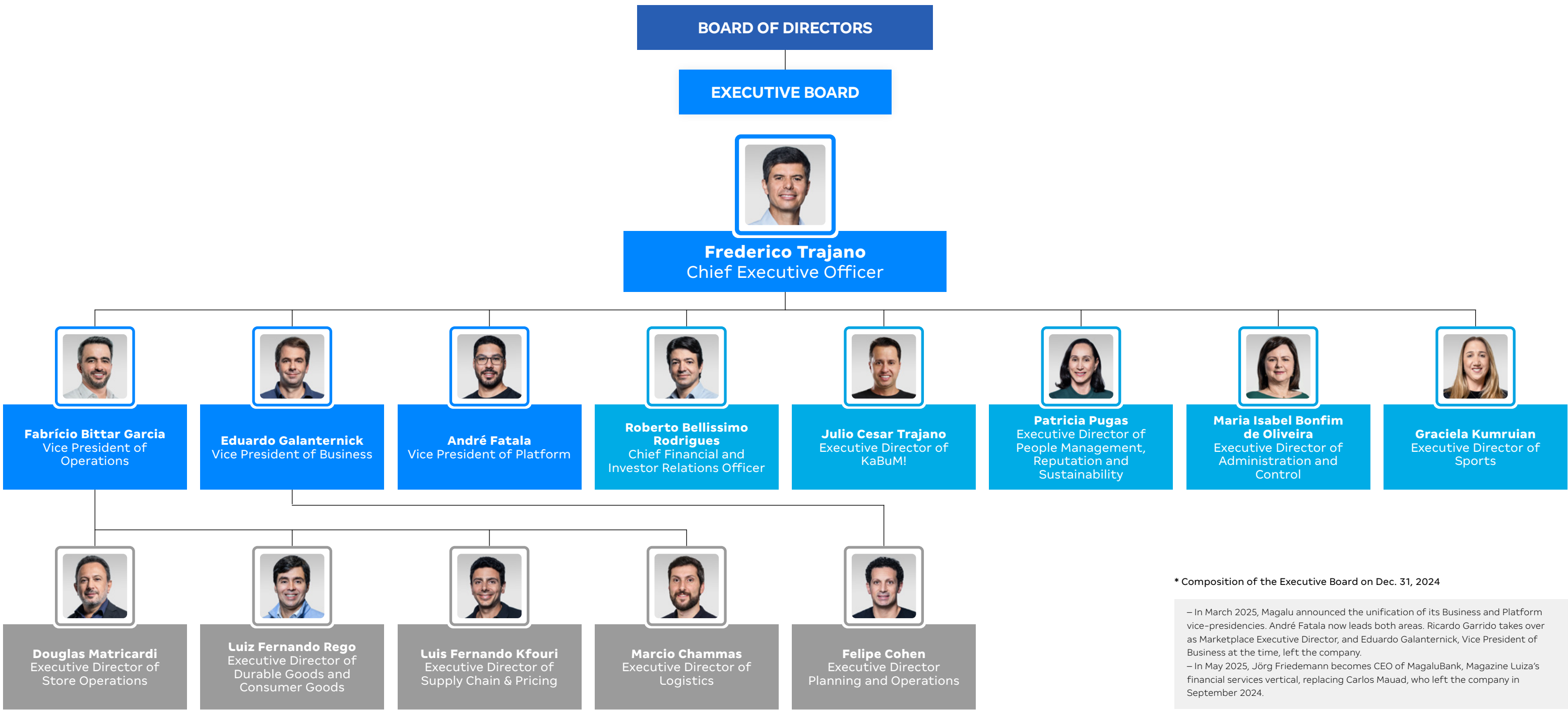
It discusses the organizational structure, analyzes human resources policies and performance evaluations, promotes organizational culture, and oversees the management of the Company’s Code of Conduct. It proposes compensation policies and monitors labor risks, in addition to recom-

mending and overseeing the process for defining the profile, appointment and evaluation of members of the Board of Directors.

STRATEGY AND INNOVATION COMMITTEE

It promotes the discussion of key drivers for the Company’s business and management, in addition to supporting multi-year planning. It provides supporting material for discussions on new business opportunities, verticalizations, integrations, mergers, acquisitions, partnerships, growth targets and expectations for operational excellence.





GRI 2-16 | 2-23 | 2-24 | 2-25 | 2-26 | 2-28 | 3-3 | 205-1 | 205-3 | 406-1

ETHICS AND TRANSPARENCY

Ethics and transparency are essential principles for business sustainability and for building a fairer and more competitive market, regardless of legal requirements. With nearly seven decades of history, Magalu has always acted with integrity, committed to conducting its activities ethically, honestly and free of irregularities, illegal acts, unfairness or corruption. In 2017, faced with a rapidly evolving business environment, the company institutionalized its Integrity Program to reinforce the importance of ethics and transparency in its corporate environment, in addition to complying with regulations, legal requirements and internal standards with the highest level of compliance. The program then focused on compliance actions, preventing money laundering and financing terrorism, and the monitoring, detection and response to non-compliance and misconduct.*

The program is structured with five pillars: senior management commitment and support; an independent and dedicated area; risk management; the definition of rules and instruments; and continuous monitoring.

The Integrity Program's main objective is to strengthen the company's culture of ethics and compliance, in direct connection with Magalu's Non-negotiables (see [table on page 82](#)). In addition, the program consolidates a culture of risk management. Through prevention and the adoption of control mechanisms ([more details on page 85](#)), the goal is to reduce operational and corporate impacts and identify and eliminate conflicts of interest.

Meeting room at Arena Magalu: ongoing training focused on integrity

#imagedescription: Five people around a meeting table in a modern room, viewed from outside through a wall of glass.

* NOTE: KABUM!, AN AFFILIATED COMPANY IN THE MAGALU ECOSYSTEM, HAS ITS OWN INTEGRITY PROGRAM. OTHER AFFILIATED COMPANIES ADHERE TO THE MAGALU INTEGRITY PROGRAM.

NON-NEGOTIABLES

These are behaviors that are not tolerated at Magalu under any circumstances and are subject to dismissal for just cause



1 DAMAGE TO CUSTOMER AND/OR COMPANY

- Intentionally causing financial harm to the company and/or the customer.
- Obtaining undue advantage in the performance of duties.
- Deceiving or misleading the customer or offering financial services without their prior consent.
- Altering or manipulating report results, cash closing, work hours or similar.



2 ENGAGING IN CORRUPTION

- Engaging directly or indirectly in bribery, kickbacks or other acts of corruption with public officials.
- Accepting or offering gifts to suppliers, service providers or partners and third parties that violate the Gifts, Bonuses and Hospitality Policy.
- Accepting personal favors in exchange for actions that jeopardize the company's image or cause financial harm to Magalu.



3 DISCRIMINATION OF ANY NATURE

- Discrimination against anyone based on ethnicity, color, religious beliefs, gender, sexual orientation, social status or political ideas.
- Disrespect or different treatment of employees based on their physical characteristics and/or ideological beliefs.



4 MORAL AND SEXUAL HARASSMENT

- Disrespectful in personal dealings with subordinates.
- Using a superior hierarchical position to expose employees, third parties or service providers to embarrassing or humiliating situations.
- Using a superior hierarchical position to expose employees, third parties or service providers to embarrassing or humiliating situations and behave disrespectfully in personal dealings with subordinates.
- Taking advantage of situations and/or the work environment to approach employees for romantic or sexual relationships.



5 INFORMATION AND PERSONAL DATA SECURITY

- Use of customer data to issue cards or make any transactions without their consent.
- Sharing passwords or system access credentials.
- Use of internal or confidential Magalu data and information without prior authorization from the management area responsible for the information.
- Failure to comply with Information Security guidelines.

KEY DOCUMENTS

To ensure compliance and ethics in all operations, the Integrity Program provides a set of documents that define clear guidelines for collaborators and partners. Key among these are the Code of Ethics and Conduct, the Anti-Corruption Manual, the Integrity Manual, the Gifts, Promotions and Hospitality Policy, the Conflict of Interest Neutralization Policy, the Risk Management Policy, and the Third-Party Integrity Analysis and Monitoring Policy.

Combating corruption, one of the Company’s non-negotiable principles, is formalized in the Code of Ethics and Conduct and the Anti-Corruption Manual. All processes with a potential risk of public corruption are mapped, and biannual internal audits are conducted.

Preventive measures include regular anti-corruption training for all collaborators, with specific content for those who interact directly with public officials. In 2024, 100% of employees received

communications about anti-corruption policies and procedures via internal channels, such as corporate TV and radio, as well as email and Workplace communications.

During the onboarding process, new collaborators participate in Integrity training, which includes the Non-negotiable Principles, and addresses the topic of corruption. Senior management, including members of the Board of Directors, also underwent specific training in December 2024. Over the year, Magalu trained 4,195 employees in the Anti-Corruption course offered on the Portal do Saber (Knowledge Portal), an internal learning platform. Integrity Agents, employees appointed by department leaders to serve as focal points for the Compliance, Integrity, and Money Laundering Prevention Department in their respective areas, and support the dissemination of a culture of integrity in the Company. They reinforce the content of Anti-Corruption training with their teams, with 2,107 people trained last year.

In 2024, Magalu recorded no cases of public corruption, but identified three private cases, two related to improper payments and one related to fraud. All cases were duly investigated and appropriate sanctions were applied, commensurate with the severity of each violation, in accordance with Magalu’s Integrity Program Consequences Policy.

REPORTING CHANNELS

Magalu provides specific channels for anyone to report concerns or violations of the Integrity Program rules. The main channels are Disque Luiza (Call Luiza), a direct channel to the Chair of the Board of Directors, Luiza Helena Trajano; the Reporting Channel; and the Women’s Channel.

Operated by an independent third-party company, the Reporting Channel is available 24 hours a day, every day of the year, and can be accessed online or by phone. Reports can be made anonymously or with identification, with guaranteed protection against

GRI 2-28

MEMBERSHIP IN ASSOCIATIONS

Magalu is a member of the following entities linked to the retail sector and integrity and sustainability issues

- São Paulo Environmental Agreement (Cetesb)
- Alliance for Integrity (Afin)
- Fecomércio
- Forum of Businesses and LGBTI+ Rights
- Women’s Group of Brazil
- Business Initiative for Racial Equality
- Institute for Retail Development (IDV)
- Women’s Movement 360
- Movement for Racial Equity (Mover)
- UN Global Compact
- Brazilian GHG Protocol Program

SUPPLIER STANDARDS

Business partners must respect Magalu’s principles and standards

The application of Magalu’s principles and values also extends to suppliers and partners. The Third-Party Integrity Analysis and Monitoring Policy includes evaluation criteria for suppliers, who undergo rigorous analysis before any partnership is formalized.

To do business with the Company, partners must formally adhere to the principles and rules of the Supplier Code of Conduct, which encompasses ethical, legal, and social and environmental responsibility standards, as well as labor, environ-

mental, competition and anti-corruption laws.

The document is based on respect for human rights throughout the value chain, prohibiting child labor, discrimination, harassment, abuse or any form of forced labor, in addition to linking the supplier’s services to ensuring decent working conditions, safety and health for employees. In the environmental area, suppliers must comply with applicable legislation, minimize negative impacts, and optimize the use of natural resources. Furthermore, the policy reinforces the

prohibition of the sale of counterfeit products, as well as unfair competition practices. Respect for intellectual property and the prevention of conflicts of interest are also required.

Magalu adopts zero tolerance for corruption, bribery and the financing of illicit activities. It requires compliance with anti-corruption legislation and the application of anti-money laundering measures. It also requires suppliers to comply with Brazil’s General Data Protection Law (LGPD) and ensure information security.



any retaliations. Investigations follow strict guidelines, as established in the Consequences Policy.

In 2024, the Reporting Channel registered 1,033 reports of violations of the Integrity Program, a decrease compared to the 1,222 reports in 2023. This decline reflects the new segmentation of the service, which now directs data protection cases and customer complaints to specific channels, such as the Privacy Channel. All reports received last year were analyzed and addressed.

Cases of discrimination receive priority treatment, with disciplinary measures and support actions for victims. In 2024, the channel registered 34 reports of discrimination, compared to 27 in 2023. All cases were evaluated, and remediation plans were initiated over the year.

PROTECTION OF WOMEN

Created in 2017, the Women’s Channel was developed to support female employees who are victims

of domestic and family violence. It allows anyone, either identified or anonymously, to report situations of risk faced by any Magalu woman, ensuring that cases are investigated and that victims receive appropriate support from the Company.

A third-party company receives the reports and forwards them to the appropriate department. The channel has an internal committee that analyzes each case and monitors its outcome until the victim breaks the cycle of violence or the perpetrator is brought to justice. During the process, the company utilizes public tools, such as the Women’s Defense Department and municipal women’s support networks.

Magalu also offers additional support to victims, such as assistance with moving, the option of transferring to another work unit (to ensure distance from the perpetrator) and food assistance. In 2024, the channel received 138 reports. There were 172 in the previous year.

REPORTING CHANNELS

Magalu provides several channels for expressing concerns or reporting violations of its Integrity Program



DISQUE LUIZA (CALL LUIZA)

Direct reporting channel to the Chair of the Company’s Board of Directors.

Telephone: (16) 3711-2068
E-mail: luizahelena@magazineluiza.com.br



INTEGRITY PROGRAM VIOLATIONS

Operated 24/7 by an independent specialized company, this channel can be used anonymously by any employee or third party to report a non-compliance with the law or the Company’s Code of Ethics and Conduct. All reports are evaluated and investigated, with the guarantee of anonymity and protection of whistleblowers against any retaliations.

Telephone: 0800 792 1007
E-mail: magazineluiza@canalconfidencial.com.br
Site: <https://canalconfidencial.com.br/magazineluiza/>



WOMEN’S CHANNEL

This channel is open to not only female employees who are victims of domestic violence, but also any employee who wants to inform the Company about colleagues, leaders or subordinates who have been subjected to violence.

Telephone: 0800 741 0009
E-mail: denuncia@canalmulhermagazineluiza.com.br



OTHER CHANNELS

Magalu also provides channels for reporting specific ethical issues, such as brand protection, irregular products advertised on the marketplace, and personal data protection violations.

GRI 2-16 | 2-24

RISK MANAGEMENT

Magalu has a Risk Management Policy that establishes guidelines for identifying, analyzing and monitoring risks that may impact the Company. The model adopted follows international best practices—including recommendations from the OECD (Organisation for Economic Co-operation and Development), the ISO 31000:2018 standard and COSO (Committee of Sponsoring Organizations of the Treadway Commission) principles—with the goal of improving the likelihood of achieving strategic goals, optimizing the use of resources, improving governance, and ensuring transparency for stakeholders.

The monitoring of different types of risk (see table) is carried out in a structured management process involving senior management and the Advisory Committees (*described on page 78*). The risk matrix is constantly updated and monitored, ensuring alignment with strategic guidelines and the tolerance levels defined by the Board of Directors.

The Company reports risks arising from climate change in its operations, following the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) (*see pages 61-63*). Furthermore, it has implemented processes to avoid relations with unreliable third parties that pose sig-

nificant risks, including social and environmental risks (*see pages 87-88*).

Risks—compliance, business, operational, cyber and socio-environmental—are mapped and analyzed based on the likelihood of occurrence and potential impacts on the business, including on Magalu’s image and reputation. Each decision considers the benefits, adverse impacts and associated risks.

DECISION-MAKING PROCESS

The Advisory Committees submit monthly reports to the Board of Directors detailing the topics addressed, the critical aspects identified, and recommended actions. Decisions on the submitted recommendations are made by a simple majority on the Committees, with the Coordinator of each Committee having the casting vote in the event of a tie. In addition, Committee members can schedule meetings with the Executive Board whenever necessary, in addition to requesting information and documents directly related to their responsibilities.

To strengthen organizational resilience, Magalu has internal guidelines to promptly ensure the continuity or restoration of business-critical processes in the event of serious incidents or disasters, as well as for applications considered essential to the company’s activities.

Moreover, the Company has a Crisis Management Committee, responsible for monitoring and responding to potential adversities to ensure effective communication with stakeholders and the press. Magalu continually strengthens its risk management structure and aligns its processes with best market practices to ensure efficiency, transparency and long-term sustainability.

TYPES OF RISKS MONITORED

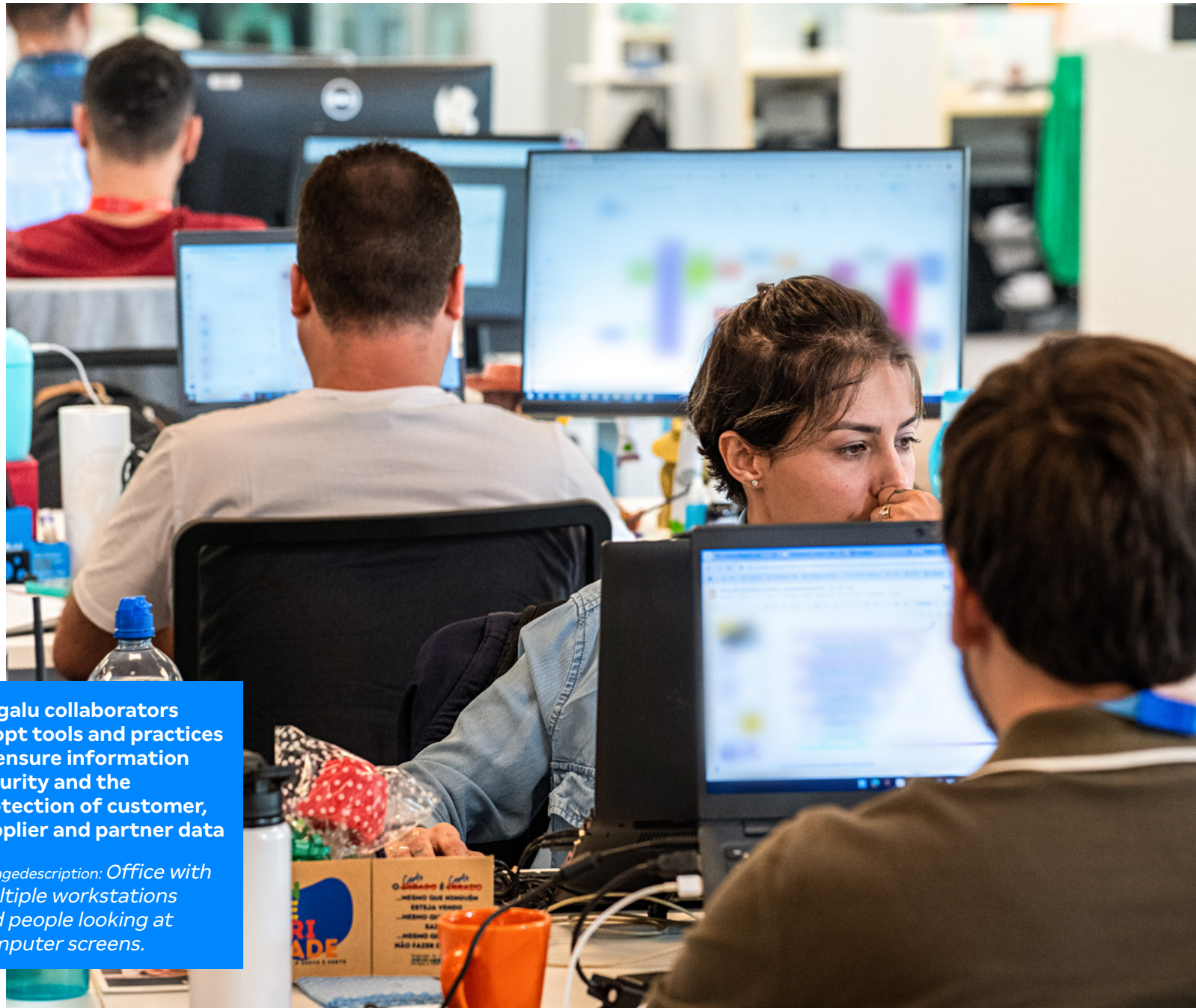
- **Business:** Competition, changes in retail, digital transformation and adaptation to new trends.
 - **Credit:** Default of customers and financial partners.
 - **Market:** Macroeconomic influences, such as inflation, consumption and industry trends.
 - **Exchange Rate:** Impacts of exchange rate fluctuations on product costs and prices.
 - **Interest Rates:** Changes in interest rates that affect financial costs and consumer purchasing power.
 - **Regulatory and Legal:** Changes in laws and regulations, especially tax and labor legislation.
 - **Environmental:** Environmental licensing requirements, waste management, and the impacts of climate change.
 - **Data Protection:** Cybersecurity and compliance with Brazil’s General Data Protection Law (LGPD).
- **Compliance:** compliance with anti-corruption standards and corporate governance.
 - **Technology:** System failures, cyberattacks and technology dependence.
 - **Supply Chain:** Dependence on suppliers and logistical risks.
 - **Image and Reputation:** Public perception, social actions and ESG.
 - **Labor:** Labor relations, outsourcing and labor law compliance.
 - **Financial and Liquidity:** Cash flow management, debt, and access to credit.
 - **Operational:** Issues in physical stores, distribution centers and e-commerce.
 - **Pandemic and Health:** Impacts of pandemics or health crises on operations.
 - **Intellectual Property:** Protection of trademarks, patents and copyrights.



GRI 3-3 | 418-1

SASB CG-MR-230a.1 | CG-MR-230a.2

DATA SECURITY AND PRIVACY



Magalu collaborators adopt tools and practices to ensure information security and the protection of customer, supplier and partner data

#imagedescription: Office with multiple workstations and people looking at computer screens.

With the significant increase in the flow of data in business relationships, information security and data protection have become pillars of digital trust. They have shifted from being a differentiator to becoming the core of the strategy. In 2024, Latin America faced an unprecedented surge in cyberattacks. According to the cybersecurity firm Fortinet, 921 trillion malicious activities were detected in the region. Brazil leads the ranking, with 38.73% of attempts — or 356 billion attacks, six times higher than in the previous year.

Magalu adopts rigorous practices to ensure the security of its systems and the protection of the information of our customers, collaborators, suppliers and partners. This commitment is formalized in a set of documents that define principles such as transparency, data minimization, security, non-discrimination, and data use compatible with the stated purpose. The guidelines also comply with the principles of fair competition and the requirements of Brazil's General Data Protection Law (LGPD).

The Company uses various technologies to monitor and prevent cyberattacks, commensurate with its level of exposure. It also conducts risk assessments of its service providers based on best practices and the information security frameworks recognized in the market to assess their security maturity. To this end, it administers a questionnaire to its partners based on the ISO 27001/27002 standards and the NIST (National Institute of Standards and Technology) 800 Series guidelines.

PROGRESS IN THE YEAR

In 2024, Magalu made significant progress in information security. The dedicated team was expanded from 34 to 59 professionals, and governance was strengthened with the appointment of a new director. The Company also adopted new tools to monitor vulnerabilities and respond effectively.

One of these tools performs network scans and configuration analysis to identify potential issues and support the prioritization of corrections. Another important measure was the replacement of the secure code analysis tool. The new solution allows developers to identify and fix vulnerabilities during system development, before they reach the production environment.

This year, Netshoes was the victim of a cyber incident, detected with monitoring tools, which could have resulted in the leak of files containing customer data. The incident affected 196,091 people — representing 0.61% of Magalu's active customer base — but did not involve sensitive data or affect the operations of the Company, which took all the necessary measures to mitigate the impacts. The case was reported to Brazil's National Data Protection Authority (ANPD) and to the affected customers, in accordance with legislation.

The Privacy Department has strengthened its collaboration with other areas of the Company, such as Information Security and Technology, to improve system access management processes. To this end, a working group was established to identify weaknesses and implement action plans.

GRI 2-6 | 2-23 | 2-24 | 3-3 | 408-1 | 409-1 | 414-1 | 414-2

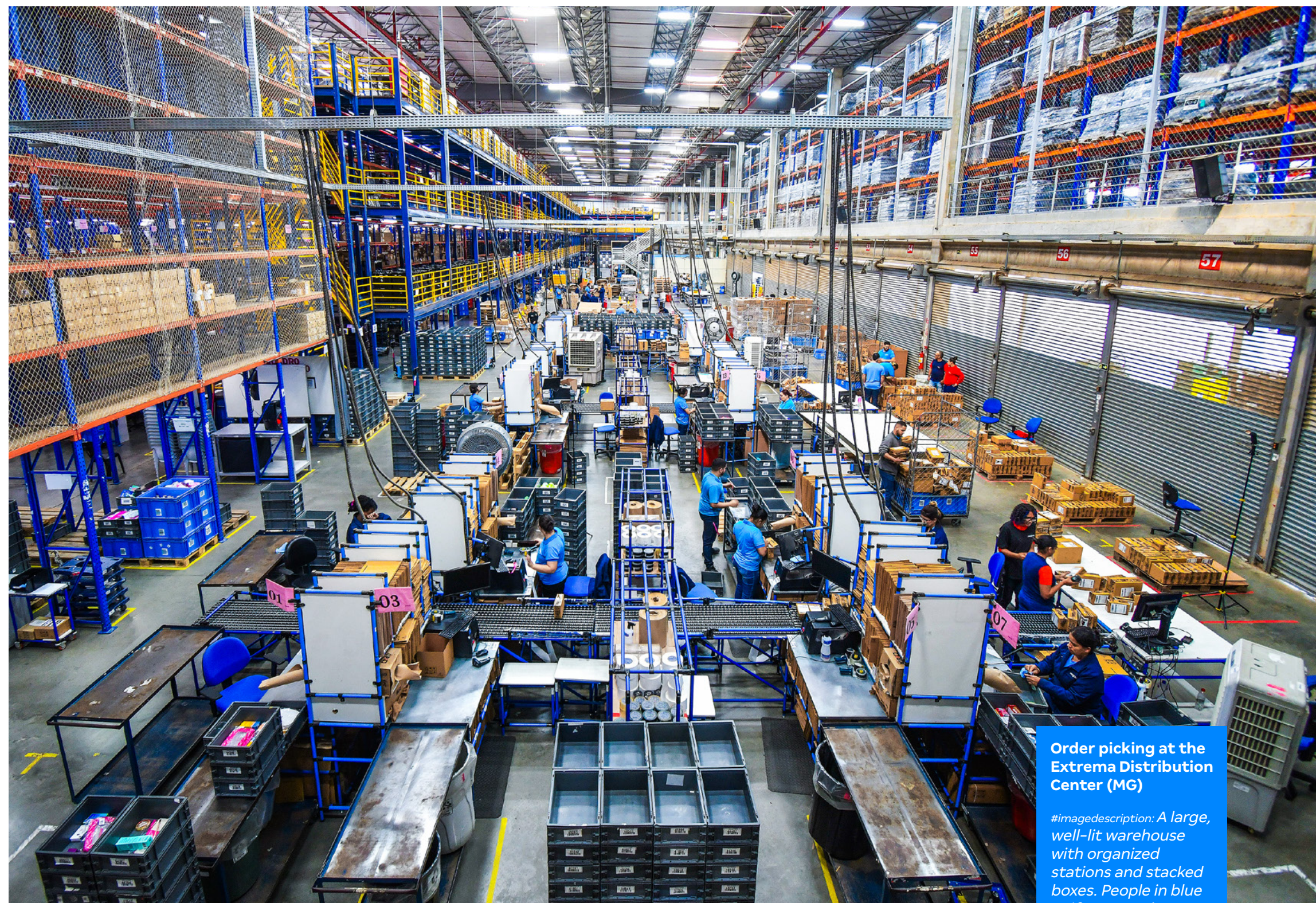
HUMAN RIGHTS IN THE VALUE CHAIN

“Do unto others as you would have them do unto you” is a principle that guides Magalu’s operations. Thus, great respect for human rights is a premise in all of the Company’s operations and business relations. This commitment is formalized in the Human Rights Policy, which guides Magalu’s conduct in its relations with suppliers (see table on page 88).

To ensure compliance with this guideline, the company has implemented a Third-Party Integrity Analysis and Monitoring process, which involves the collection, analysis and evaluation of information from suppliers, partners and related parties.

In addition to registration issues, legal proceedings are analyzed — focusing on criminal and tax cases — debts, sanctions and presence on restrictive lists, such as leniency agreements, the slave labor “blacklist,” negative news, and the CEAf (Federal Administration Expulsion Registry), CEIS (National Registry of Unfit and Suspended Companies), CEPIM (Registry of Banned Private Non-Profit Entities), and CNEP (National Registry of Punished Companies).

The criteria for inclusion in this process consider factors such as contract value, term, transaction volume, nature of the good, service or activity, and any identified red flags. At Magalu, this analysis applies to suppliers carrying out transactions exceeding BRL 1 million (or equivalent in foreign currency). At Netshoes and Época Cosméticos, contracts exceeding BRL 100,000 or attain-



Order picking at the Extrema Distribution Center (MG)

#imagedescription: A large, well-lit warehouse with organized stations and stacked boxes. People in blue uniforms work on production lines.



Collaborators organize products and orders at a distribution center in Minas Gerais using barcode scanners

#imagedescription: Three women in uniform work side by side in an aisle with shelves. In the foreground, one of them handles boxes and uses a data collector.

ing this amount over the last six months are evaluated. For other companies in the group, the qualifying amount is BRL 50,000.

Some supplier categories are analyzed regardless of the contract value due to the sensitive nature of the service. This includes security services, logistics, construction, printing, consulting, digital influencers, donations and sponsorships. The same applies to foreign suppliers from countries such as China and Thailand. In 2024, Magalu stopped operating directly in the fashion segment, which was also on this list. Until then, the company required suppliers in this sector to have ABVTEX certification, granted by the Brazilian Association of Textile Retail. Considering the operations of its affiliate Netshoes in the fashion sector, this segment will be included in the chain's new risk management procedures.

In 2024, all new suppliers, suppliers with contract renewals, suppliers with changes to their CNPJ (Brazilian Registry of Legal Entities), and those that met specific eligibility criteria underwent an integrity analysis, totaling 2,982 companies. These analyses indicated that four domestic suppliers presented negative social impact

risks involving gender and racial discrimination, and poor working conditions. As a result, the contracting department of one of these suppliers chose not to continue the contract. In the other cases, given the impossibility of replacing the supplier at that time, the contracts were executed, and the companies remain under active monitoring by Magalu.

In addition to the integrity analysis, Magalu monitors its suppliers for sustainability across the value chain. Last year, five suppliers in segments considered risky by the Company — furniture, transportation and foreign suppliers — underwent specific assessments, conducted through a separate audit or registered with the Supplier Ethical Data Exchange (Sedex), an international online platform that monitors suppliers with respect to labor rights and health, safety and environmental issues. Based on these audits, we identified that two foreign suppliers violated international principles on decent working conditions, either due to a lack of personal protective equipment or excessive working hours. The identified irregularities were immediately corrected or addressed with the implementation of an action plan, and all issues were corrected prior to the completion of the audit report, which was conducted by an external entity.

VALUES THAT GUIDE SUPPLIER RELATIONS

What Magalu's Human Rights Policy requires the company to do:

- Maintain relations with suppliers and partners that are aligned with Magalu's principles and values, promoting a responsible, transparent and ethical supply chain from the source.
- Demand respect for human rights along the chain by including specific clauses in contracts and submitting documentation demonstrating compliance with current labor and civil laws.
- Act proactively in cases of any indication of human rights violations, formally notifying the partner involved and demanding corrective and remedial actions.
- If these actions are not implemented, the business relationship must be terminated.
- Ensure that partners also carefully select their own suppliers, ensuring that they act in accordance with labor laws and the ethical standards established in the Magalu Group Code of Ethics and Conduct.
- Encourage the professional development of employees in the supply chain and actively combat all forms of discrimination in the workplace, whether based on race, gender, sexual orientation, disability or any other condition.
- Demand fair and sufficient compensation to guarantee human dignity, respect for legally mandated working hours, freedom of union association, and the right to collective bargaining of all suppliers.
- Never partner with companies that use forced, child or slave labor, or that do not act clearly and effectively to combat the sexual exploitation of children and adolescents.

APPENDICES

- Appendices
- GRI Content Index
- SASB Content Index
- Assurance Report
- Contacts



APPENDICES

RISK MANAGEMENT

GRI 2-27
In 2024, there were no significant cases of non-compliance with laws and regulations, nor were there any final convictions against the Company that resulted in the imposition of fines equal to or greater than BRL 50 million.

REMUNERATION

GRI 2-20 | 2-21 | 202-1
The ratio between the total annual remuneration* of the highest-paid individual and the annual average of other employees was 37.70 in 2024, considering the total of fixed and variable compensation and benefits. In 2023, this difference was 42.25. This reduction occurred because the highest-paid individual did not receive a salary adjustment during the period, while the other employees had their salaries adjusted.

The lowest salary paid by the organization is the national minimum wage, which, in 2024, was BRL 1,412 per month**, according to a federal government decree*. The minimum wage applies to men and women working full-time, 220 hours per month (excluding intermittent workers, apprentices, interns and collective bargaining agreements for specific categories).

Details on the compensation of Board Members and the Board of Directors, including the total amounts paid in 2024 (minimum, average and maximum), can be found in the [Reference Form](#) (items 8.1, 8.2 and 8.15).

* IT INCLUDES THE COMPANIES MAGAZINE LUIZA, MAGALOG, NETSHOES, ÉPOCA COSMETICS, LUIZALABS, JOVEM NERD, ESTANTE VIRTUAL, HUB FINTECH, LUIZA RESOLVE, AIQFOME LTDA., CANALTECH AND MAGALU CLOUD.
** AVAILABLE AT: https://www.planalto.gov.br/ccivil_03/_ATO2023-2026/2023/DECRETO/D11864.HTM

VALUE GENERATION

GRI 201-1
Economic value generated and distributed (in thousands of BRL)

	2022	2023	2024
A. Economic value generated*	43,737,551	43,951,244	46,932,928
B. Economic value distributed**	43,233,614 ¹	43,795,645	46,484,211
C. Economic value retained***	503,937 ¹	155,599	448,717

* REVENUES.
** OPERATING COSTS, SALARIES AND BENEFITS, PAYMENTS TO THE GOVERNMENT AND COMMUNITY INVESTMENTS.
** DIRECT ECONOMIC VALUE GENERATED LESS ECONOMIC VALUE DISTRIBUTED.
¹ INFORMATION HAS BEEN CORRECTED AND ADJUSTED TO ALIGN WITH THE COMPANY'S FINANCIAL STATEMENTS (GRI 2-4).

Amount distributed¹ (in thousands of BRL)

	2022	2023	2024
Operating costs	33,937,216	33,907,444	35,657,515 ²
Employee salaries and benefits	3,071,579	3,018,554	3,138,622
Payments to capital providers	2,295,677	1,885,863	2,318,399
Payments to the government	3,929,142	4,983,784	5,369,675
Total	43,233,614	43,795,645	46,484,211

¹ INFORMATION ABOUT AMOUNTS INVESTED IN COMMUNITIES CAN BE FOUND ON PAGES [53-55](#).
² INCLUDES DEPRECIATION AND AMORTIZATION.

OUR EMPLOYEES

GRI 2-30
COLLECTIVE BARGAINING AGREEMENTS
All Magalu* employees (100%) are covered by collective bargaining agreements. However, regarding wage negotiation rules, the rate is 97.5%, as it excludes workers with overly sufficient salaries, who follow the internal compensation policy and the meritocracy program. Apprentices and interns are not included in this calculation.

* AFFILIATES WHOSE DATA IS IN THE PROCESS OF INTEGRATION HAVE BEEN EXCLUDED.

GRI 404-1 AVERAGE TRAINING HOURS, BY GENDER

Average training hours, by gender^{1 2 3*}

	2022	2023	2024
Men	12.46	9.47	11.13
Women	14.41	11.13	14.15
Total	13.43	10.28	12.58

¹ THE CALCULATION OF TRAINING HOURS CONSIDERS THE EMPLOYEE BASE OF MAGALU AND ITS AFFILIATES, CONSÓRCIO LUIZA AND KABUM! IN DECEMBER 2024.
² CONSIDERING THE IMPROVEMENT OF PEOPLE MANAGEMENT AT THE MAGALU GROUP AND THE VARIATION IN THE INCLUSION OF AFFILIATED COMPANIES IN THE SCOPE OF THE INDICATOR BETWEEN THE YEARS REPORTED, THE RESULTS FOR 2022 AND 2023 ARE NOT COMPARABLE WITH THE 2024 FIGURES.
³ THE PORTAL DO SABER (KNOWLEDGE PORTAL) PLATFORM COUNTS THE TRAINING HOURS PER PERSON WHO COMPLETED EACH COURSE AVAILABLE.
* THE CALCULATION OF HOURS CONSIDERS 83% OF THE TRAINING SESSIONS CARRIED OUT BY MAGALU ECOSYSTEM COLLABORATORS IN 2024, GIVEN THAT A PORTION OF THE RECORDS OF THESE TRAINING SESSIONS IS STILL IN THE PROCESS OF INTEGRATION IN THE PORTAL DO SABER (KNOWLEDGE PORTAL) PLATFORM, WITH COMPLETION EXPECTED IN 2025.



Average training hours, by position^{1 2 3}

	2022	2023	2024
President and Vice-President	-	0.25	0.63
Board	0.46	7.59	10.82
Management	30.16	24.41	37.46
Coordination	19.3	16.34	18.67
Administrative	8.3	3.30	4.62
Operational	14.26	10.80	12.96
Apprentice	3.53	3.35	6.64
Intern	13.25	17.50	8.83
Intermittent	0	0.68	0.44
Total	13.43	10.17	12.58

¹ THE CALCULATION OF TRAINING HOURS CONSIDERS THE EMPLOYEE BASE OF MAGALU AND ITS AFFILIATES, CONSÓRCIO LUIZA AND KABUM! IN DECEMBER 2024.

² CONSIDERING THE IMPROVEMENT OF PEOPLE MANAGEMENT AT THE MAGALU GROUP AND THE VARIATION IN THE INCLUSION OF AFFILIATED COMPANIES IN THE SCOPE OF THE INDICATOR BETWEEN THE YEARS REPORTED, THE RESULTS FOR 2022 AND 2023 ARE NOT COMPARABLE WITH THE 2024 FIGURES.

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GRI 404-3
EMPLOYEES WHO UNDERGO PERFORMANCE REVIEWS*

Percentage of employees who received performance and career development reviews, by gender¹

	2022	2023	2024 ²
Men	75.0%	66.3%	63.80%
Women	80.0%	68.1%	70.62%
Total	75.0%	67.2%	67.05%

¹ WITH THE IMPROVEMENT OF THE MAGALU GROUP'S PEOPLE MANAGEMENT, THE RESULTS FOR 2023 AND 2024 ARE NOT COMPARABLE WITH THE 2022 FIGURES. IN 2024, MAGALU AND ITS AFFILIATES, CONSÓRCIO LUIZA AND KABUM! WERE INCLUDED IN THIS CALCULATION.

² VARIATIONS IN THE NUMBER OF COLLABORATORS ASSESSED IN 2024 ARE DUE TO THE CUT-OFF DATE FOR MAPPING THOSE ELIGIBLE FOR THE ASSESSMENT PROCESS. IN 2023, THE DATE WAS JUNE 1ST, AND IN 2024, THE CUT-OFF DATE WAS MARCH 1ST.

³ THE EVALUATION CONDUCTED BY THE COMPANY OF EACH EMPLOYEE INDIVIDUALLY HAS A BEHAVIORAL FRAMEWORK. THE PROCESS CONSIDERS THE LEVEL OF ADHERENCE TO MAGALU'S FIVE VALUES: PEOPLE WHO LIKE PEOPLE, SENSE OF OWNERSHIP, HANDS-ON, SIMPLICITY AND INNOVATION, AND CUSTOMER FIRST (SEE PAGE 14), WHICH ARE EXPRESSED IN SEVENTEEN BEHAVIORS THAT ARE ASSESSED PERIODICALLY. PERFORMANCE EVALUATIONS FOR ACHIEVING TARGETS ARE CONDUCTED BY THE AREA INVOLVED IN THE TARGETS ESTABLISHED FOR THE PERIOD IN A SPECIFIC MANAGEMENT SYSTEM.

GRI 401-3
MATERNITY/PATERNITY LEAVE

Parental leave

	2022		2023		2024	
	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN
Employees entitled to maternity/ paternity leave during the year	100%	100%	100%	100%	100%	100%
Number of employees who took leave during the year	354	1,057	640	1,245	563	1,046
Number of employees expected to return to work after the end of leave in the year ¹	354	1,057	635	972	579	932
Number of employees who actually returned to work after the end of leave in the year	354	1,048	635	971	579	932
Number of employees who remained working at the Company for 12 (twelve) months after returning from leave	418	493	383	499	358	467
Return rate ²	100%	99%	100%	99,9%	100%	100%
Retention rate ³	65%	51%	60.3%	51.4%	56%	49%

¹ RETURN RATE = TOTAL NUMBER OF EMPLOYEES WHO RETURNED TO WORK AFTER LEAVE / TOTAL NUMBER OF EMPLOYEES EXPECTED TO RETURN TO WORK AFTER LEAVE X 100.

² RETENTION RATE = TOTAL NUMBER OF EMPLOYEES RETAINED 12 MONTHS AFTER RETURNING TO WORK AFTER LEAVE / TOTAL NUMBER OF EMPLOYEES WHO RETURNED FROM LEAVE IN THE PREVIOUS REPORTING PERIOD(S) X 100.

GRI 405-2
WAGE AND REMUNERATION RATIO FOR WOMEN AND MEN

Ratio between base salary and remuneration received by women and men¹

	2023		2024	
	BASE SALARY	REMUNERATION	BASE SALARY	REMUNERATION
Board of Directors	0.95	0.93	1.01	1.42
Management	0.92	0.86	0.85	0.85
Coordination	0.93	1.0	0.78	0.89
Administrative	0.72	0.73	0.67	0.77
Operational	0.74	0.75	0.97	0.98
Apprentice ²	0.96	0.96	1.02	0.98
Intern ²	0.88	0.89	0.91	0.93

¹ TO CALCULATE THE RATIO OF BASE SALARIES BETWEEN MEN AND WOMEN, TOTAL WOMEN'S SALARIES WERE DIVIDED BY TOTAL MEN'S SALARIES FOR DECEMBER 2024. THE CALCULATION OF COMPENSATION FOLLOWED THE SAME MODEL. THE COMPANIES MAGALU, CONSÓRCIO LUIZA, AND KABUM! ARE CONSIDERED IN THE CALCULATION.

² THE DIFFERENT VALUES FOR APPRENTICES AND INTERNS ARE DUE TO DIFFERENT VALUES FOR THE IT AREA AND OVERTIME PAYMENTS.



GRI 405-1
ETHNIC DIVERSITY (%)

Diversity in job categories, by minority groups (%)

	WHITE	BLACK AND BROWN	INDIGENOUS	ASIAN	NOT INFORMED
Boards and committees*	100.00	0.00	0.00	0.00	0.00
President	100.00	0.00	0.00	0.00	0.00
Vice-President	66.67	33.33	0.00	0.00	0.00
Director	68.09	8.51	0.00	1.06	22.34
Management	49.32	37.32	0.20	2.24	10.93
Coordination	37.27	41.13	0.26	1.61	19.73
Administrative	51.45	23.25	0.04	1.61	23.65
Operational	33.28	50.32	0.41	1.36	14.64
Apprentice	41.94	49.82	0.36	1.08	6.80
Intern	55.81	37.21	0.00	4.65	2.33
Total intermittent workers	33.88	55.08	0.49	1.21	9.33
Grand total	36.96	46.07	0.35	1.43	15.19

GRI 405-1
Diversity in job categories, by gender (%)

	MEN	WOMEN
Boards and Committees*	69	31
President	100	0
Vice-President	100	0
Director	77	23
Management	57	43
Coordination	54	46
Administrative	59	41
Operational	51	49
Apprentice	51	49
Intern	37	63
Total intermittent workers	44	56
Total	52	48

GRI 405-1
Diversity in job categories, by age group (%)

	<30 ANOS	DE 30 A 50 ANOS	>50 ANOS
Boards and Committees*	0	19	81
President	0	100	0
Vice-President	0	100	0
Director	0	80	20
Management	13	81	7
Coordination	32	64	4
Administrative	40	58	2
Operational	42	50	8
Apprentice	100	0	0
Intern	100	0	0
Total intermittent workers	82	15	3
Total	45	49	6

WASTE AND PACKAGING

GRI 306-4
Total waste diverted from final disposal (metric tons)

TYPE OF WASTE	2022	2023	2024
Battery water	2.0	27.0	15.0
Cooking oil and/or grease traps	30.6	87.2	26.0
Oil and water separator tanks	-	1.0	-
Effluents containing workshop waste	-	19.1	-
Operational electronics	28.8	29.5	31.0
Operational PPE	2.5	1.3	3.3
Contaminated rags/ cloths/paper	9.3	2.8	6.0
Septic tanks ¹	1,106.2	246.6	3.0
Styrofoam	9.0	15.0	18.0
Light Bulbs	1.1	-	1.0
Wood	272.4	404.1	337.9
Metals	82.4	151.5	51.0
Mixture of recyclable waste	6,494.4	6,494.5	6,338.8
Lubricating oils	4.2	1.2	6.0
Organic material	92.4	81.5	70.9
Cardboard/paper	2,927.9	2,615.6	1,549.3
Plastic	358.1	601.4	896.0
Used tires	-	5.1	-
Prunings or sweeping debris	25.0	321.0	-
Damaged and returned products	593.5	892.9	583.8
Rejects	-	30.3	40.0
Uniforms	7.6	4.5	4.7
Glass	10.8	14.1	20.0
Toners	1.3	-	-
Edible oils and fats	32.2	-	-
Contaminated PPE and uniforms-	0.1	-	-
Batteries	2.4	-	-
Total	12,093.8	11,757.7	10,001.7

¹ A SIGNIFICANT REDUCTION, SINCE THE FILTER GARDEN OF THE BENEVIDES (PA) DC BEGAN OPERATING

* IT INCLUDES THE BOARD OF DIRECTORS, THE FISCAL COUNCIL AND THE FOUR ADVISORY COMMITTEES TO THE BOARD OF DIRECTORS.



GRI 301-1 | 301-2

Amount of materials used and percentage of recycled materials used

MATERIAL	AMOUNT USED (MT)	2023	PERCENTAGE FROM RECYCLING (%)	AMOUNT USED (MT)	2024	PERCENTAGE FROM RECYCLING (%)
		AMOUNT FROM RECYCLING (MT)			AMOUNT FROM RECYCLING (MT)	
RENEWABLE SOURCE						
Paper/cardboard	2,007.81	1,504.14	74.91	2,196.17	1,435.61	65.37
Plastic*	26.33	-	-	34.08	-	-
NON-RENEWABLE SOURCE						
Plastic	698.12	135.39	19.39	817.24	175.04	21.42
Metal	0.40	-	-	0.38	-	-

* BAGS MADE FROM SUGARCANE BIOPLASTIC (I'M GREEN RESIN).

GRI 306-3

Total waste generated, by type (mt)

	2022	2023	2024			
HAZARDOUS WASTE				Operational PPE	2.5	- 3.0
Battery water	1.9	27.0	15.0	Septic tanks	110.7	246.6 3.0
Oil and water separator tank	6.8	6.8	2.0	Styrofoam	8.9	15.0 18.0
Effluents containing workshop waste	2.3	19.1	-	Wood	290.8	463.4 345.9
Contaminated rags/ cloths/paper	17.1	2.8	11.0	Metals	82.4	151.0 51.0
Light bulbs	1.1	0.9	1.0	Mixtures of recyclable and organic waste	6,496.4	6,459.5 6,338.8
Lubricating oils	4.2	1.2	6.0	Organic waste	431.4	370.5 955.9
Damaged and returned products	68.9	41.8	40.0	Cardboard/paper	2,939.7	2,615.6 1,549.3
Outpatient waste	-	0.002	0.0039	Plastics	360.2	261.9 896.0
Batteries	2.4	-	-	Sweeping waste	103.6	338.9 115.0
Contaminated PPE and uniforms	0.1	-	0.3	Damaged and returned products	727.8	803.7 543.8
Incineration waste	-	-	-	Rejects	3,433.9	3,217.4 3,219.0
Subtotal	104.8	98.8	79.1	Uniforms	1.2	4.5 4.7
NON-HAZARDOUS WASTE				Glass	31.3	20.7 26.0
Cooking oil and/or grease traps	30.5	87.2	26.0	Toners	3.2	- -
Operational electronics	28.8	29.5	31.0	Subtotal	16,117.4	15,509.7 14,126.4
Debris/concrete	1.7	-	-	Total waste generated (hazardous + non-hazardous)	16,186.4	15,608.4 14,205.5

GRI 306-4

Total waste diverted from final disposal, by type of recovery operation (mt)

	2022	2023	2024
HAZARDOUS WASTE			
Recycling	3.5	37.7	36.0
Blending for co-processing, re-refining and decontamination	41.5	51.6	32.3
NON-HAZARDOUS WASTE			
Re-use	4.7	-	20.0
Recycling	10,589.8	11,166.6	9,762.5
Blending for co-processing, re-refining and decontamination	1,454.4	502.1	151.0
Total	12,093.9	11,757.7	9,933.5

GRI 306-5

Total waste sent for final disposal, by disposal method (mt)

	2022	2023	2024
HAZARDOUS WASTE			
Incineration	52.0	8.7	0.0039
Landfill	7.9	0.8	10.8
NON-HAZARDOUS WASTE			
Incineration	189.7	-	-
Landfill	3,878.8	3,841.6	4,192.9
Total	4,128.4	3,850.1	4,203.8



GRI CONTENT INDEX

Statement of Use Magazine Luiza reported the information cited in this GRI content index for the period from January 1, 2024 to December 31, 2024, with reference to the GRI Standards.

GRI 1 used GRI 1: Foundation 2021

GRI STANDARD	DISCLOSURE	LOCATION	SDG
GRI 2: General disclosures 2021	2-1 Organizational details	Magazine Luiza S.A. – Magalu – is a publicly traded private company listed on the São Paulo Stock Exchange (B3) and operates throughout Brazil. Its headquarters are in the city of Franca, in the state of São Paulo. See the operations map on page 17 .	-
	2-2 Entities included in the organization’s sustainability reporting	This report considered all of the Company’s subsidiaries, as set out in the Financial Statements (Note 13). The Reference Form , item 6.5, provides details on the economic group. For more information, see pages 4 (About this Report) and 15 (which presents the Magalu ecosystem).	-
	2-3 Reporting period, frequency and contact point	From January 1st to December 31st, 2024. Questions or suggestions: sustentabilidade@magazineluiza.com.br . Read more on page 4 .	-
	2-4 Restatements of information	Changes in information, if any, are highlighted in a note beside the indicators.	-
	2-5 External assurance	This report was subjected to assurance by an independent third party. Read more on page 4 . The Assurance Letter is published on page 103 .	-
	2-6 Activities, value chain and other business relationships	Pages 15 , 24 , 40 , 87	-
	2-7 Employees	Page 44	8, 10
	2-8 Workers who are not employees	Page 44	8
	2-9 Governance structure and composition	Page 75	5, 16



GRI STANDARD	DISCLOSURE	LOCATION	SDG
	2-10 Nomination and selection of the highest governance body	Page 75	5, 16
	2-11 Chair of the highest governance body	Page 75	16
	2-12 Role of the highest governance body in overseeing the management of impacts	The Board of Directors’ responsibilities include providing strategic guidance and overseeing its implementation, overseeing the management of the Directors, reviewing quarterly operating results, approving annual and multi-year budgets, expansion projects and investment programs, among other tasks. Learn more about the Board’s activities on page 75 .	16
	2-13 Delegation of responsibility for managing impacts	Page 75	-
	2-14 Role of the highest governance body in sustainability reporting	The Human Resources, Reputation and Sustainability Management Board is responsible for approving this Integrated Report and ensuring that all material topics have been addressed; that all group companies have been included; and that the holding company’s sustainability guidelines are reflected in the operations of partner companies.	-
	2-15 Conflicts of interest	Page 75	16
	2-16 Communication of critical concerns	Shareholders, other market agents and individuals can access the Investor Relations area to report concerns or directly contact the Company’s Advisory Committees, which are responsible for addressing critical concerns identified by the Board of Directors. Furthermore, the Advisory Committees submit monthly reports to the Board of Directors on the topics addressed and the critical concerns identified. As part of the risk matrix process, the Internal Audit area and the Audit, Risk and Compliance Committee monitor 15 areas of concern, which are periodically assessed and their status reported to the Board of Directors. The Magalu Group also provides different tools for its various stakeholders to report concerns, complaints or to report their actions. This includes specific channels for submitting complaints about the sale of illegal products or those that violate property rights. Read more on pages 81 and 85 .	-
	2-17 Collective knowledge of the highest governance body	Page 75	-
	2-18 Evaluation of the performance of the highest governance body	The process is coordinated by the People and Organizational Culture Committee. Read more on page 75 .	-



GRI STANDARD

DISCLOSURE

LOCATION

SDG

	2-19 Remuneration policies	Page 75	-
	2-20 Process to determine remuneration	Pages 75 , 90	-
	2-21 Annual total compensation ratio	Page 90	-
	2-22 Statement on sustainable development strategy	Page 7	-
	2-23 Policy commitments	Pages 81 , 87	16
	2-24 Embedding policy commitments	Pages 81 , 85 , 87	-
	2-25 Processes to remediate negative impacts	Page 81	-
	2-26 Mechanisms for seeking advice and raising concerns	Page 81	16
	2-27 Compliance with laws and regulations	Page 90	-
	2-28 Membership associations	Pages 81 , 93	-
	2-29 Approach to stakeholder engagement	Pages 36 , 38	-
	2-30 Collective bargaining agreements	Page 90	16

MATERIAL TOPICS

GRI 3: Material Topics 2021	3-1 Process to determine material topics	Page 37	-
	3-2 List of material topics	Page 37	-

ETHICS AND TRANSPARENCY

GRI 3: Material Topics 2021	3-3 Management of material topics	Page 81	-
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Page 90	8, 9
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Page 85	16
	205-3 Confirmed incidents of corruption and actions taken	Page 81	16

EMPLOYEE MANAGEMENT AND DEVELOPMENT

GRI 3: Material Topics 2021	3-3 Management of material topics	Page 47	-
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Pages 47 , 90	4, 5, 8, 10



GRI STANDARD

DISCLOSURE

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SDG

404-2 Programs for upgrading employee skills and transition assistance programs

Page [47](#)

8

404-3 Percentage of employees receiving regular performance and career development reviews

Page [91](#)

8, 10

DIVERSITY AND INCLUSION

GRI 3: Material Topics 2021

3-3 Management of material topics

Page [50](#)

-

GRI 401: Employment 2016

401-3 Parental leave

Page [91](#)

5, 8

GRI 405: Diversity and Equal Opportunity 2016

405-1 Diversity of governance bodies and employees

Pages [44](#), [75](#), [92](#)

5, 8

405-2 Ratio of basic salary and remuneration

Page [91](#)

5, 8, 10

GRI 202: Market presence 2016

202-1 202-1 Ratios of standard entry level wage by gender compared to local minimum wage

Page [90](#)

1, 5, 8

202-2 Proportion of senior management hired from the local community

100% of senior management are Brazilians.

8

CUSTOMER SATISFACTION

GRI 3: Material Topics 2021

3-3 Management of material topics

Page [28](#)

-

NPS

Page [29](#)

-

DATA SECURITY AND PRIVACY

GRI 3: Material Topics 2021

3-3 Management of material topics

Page [86](#)

-

GRI 418: Customer privacy 2016

418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data

Page [86](#)

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GRI STANDARD	DISCLOSURE	LOCATION	SDG
DIGITAL INCLUSION AND ENTREPRENEURSHIP			
GRI 3: Material Topics 2021	3-3 Management of material	Page 40	-
GRI 203: Indirect economic impacts 2016	203-1 Infrastructure investments and services supported	Page 40	5
	203-2 Significant indirect economic impacts	Page 40	1, 8
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Page 53	-
	413-2 Operations with significant actual and potential negative impacts on local communities	Magalu has community relations initiatives, as described on pages 53-55 . However, it has not yet conducted a formal assessment of potential indirect negative impacts in areas near its operations. In 2025, the Company plans to implement a socio-environmental management system that will implement, among other aspects, risk and impact assessments at key sites and new infrastructure, as well as the establishment of a stakeholder engagement structure.	1
HUMAN RIGHTS IN THE VALUE CHAIN			
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 87	-
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Page 85	5, 8
GRI 408: Child labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	Suppliers in the logistics and fashion segments, as well as foreign suppliers, are the main categories where the company assesses potential risks of human rights violations. Read more on page 87 .	8, 16
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Suppliers in the logistics and fashion segments, as well as foreign suppliers, are the main categories where the company assesses potential risks of human rights violations. Read more on page 87 .	8
GRI 410: Security practices 2016	410-1 Security personnel trained in human rights policies or procedures	100% of security personnel at Magalu stores and offices have received formal training on the organization's policies and procedures regarding human rights and their application in security. Training is provided semiannually to all outsourced security personnel in this scope, excluding distribution centers and offices of affiliated companies.	16



GRI STANDARD

DISCLOSURE

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SDG

RESPONSIBLE CONSUMPTION AND PRODUCTS

GRI 3: Material Topics 2021	3-3 Management of material topics	Page 87	–
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Page 87	8, 16
	414-2 Negative social impacts in the supply chain and actions taken	Page 87	8, 16

PACKAGING AND WASTE

GRI 3: Material Topics 2021	3-3 Management of material topics	Page 64	–
GRI 301: Materials 2016	301-1 Materials used by weight or volume	Pages 64 , 93	8, 12
GRI 306: Effluents and Waste 2020	301-2 Recycled input materials used	Pages 64 , 93	8, 12
	306-1 Waste generation and significant waste-related impacts	Page 64	3, 6, 11, 12
	306-2 Management of significant waste-related impacts	Page 64	3, 6, 8, 11, 12
	306-3 Waste generated	Page 93	11
	306-4 Waste diverted from disposal	Pages 64 , 90 , 93	3, 11, 12
	306-5 Waste directed to disposal	Page 93	3, 11, 12

USE OF NATURAL RESOURCES

GRI 3: Material Topics 2021	3-3 Management of material topics	Page 70	–
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Pages 70 , 72	7, 8, 12, 13
	302-2 Energy consumption outside of the organization	Pages 70 , 72	7, 8, 12, 13
	302-3 Energy intensity	Page 70	7, 8, 12, 13
	302-4 Reduction of energy consumption	In 2024, Magalu’s operations saw a reduction in energy consumption of 4,874.01 GJ, considering fuel and electricity.	7, 8, 12, 13
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Page 70	6
	303-5 Water consumption	Page 70	6



GRI STANDARD	DISCLOSURE	LOCATION	SDG
CLIMATE CHANGE			
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 57	-
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Page 57	3, 12, 13, 14, 15
	305-2 Energy indirect (Scope 2) GHG emissions	Page 57	3, 12, 13, 14, 15
	305-3 Other indirect (Scope 3) GHG emissions	Page 57	3, 12, 13, 14, 15
	305-4 GHG emissions intensity	Page 57	13, 14, 15
	305-5 Reduction of GHG emissions	Page 57	13 e 14



SASB CONTENT INDEX

RETAIL

TOPIC	CODE	METRIC	ANSWER/PAGE
Energy Management in Retail and Distribution	CG-MR-130a.1	(1) Total energy consumed, (2) percentage of electricity from the free market, (3) percentage of renewable energy	Page 70
Data Security	CG-MR-230a.1	Description of the approach for identifying and addressing data security risks	Page 86
	CG-MR-230a.2	(1) Number of data breaches, (2) percentage involving person data (PII), (3) number of customers affected	Page 86
Labor Practices	CG-MR-310a.1	(1) Average hourly wage and (2) percentage of store employees earning minimum wage, by region	In 2024, the average hourly wage was BRL 12.73. The percentage of employees who do not receive the minimum wage is less than 0.5% in the Central-West, Northeast, and Southeast regions.
	CG-MR-310a.2	Voluntary and (2) involuntary turnover rate for store employees	In 2024, the voluntary turnover rate was 38.8% and the involuntary turnover rate was 40.1%. In 2023, these percentages were 32.7% and 37.5%, respectively. The 2023 figures were revised to improve compliance with the indicator, considering turnover in stores and distribution centers. The following calculation is used to calculate turnover: Turnover rate = ((Total admissions + Total dismissals)/2)/Total headcount as of December of the previous year.
	CG-MR-310a.3	Total amount of monetary losses resulting from lawsuits associated with labor law violations	Details on labor litigation can be found in items 4.4 and 4.7 of the Reference Form . Read more about people management on page 47 .



TOPIC	CODE	METRIC	ANSWER/PAGE
Diversity and Inclusion in the Workforce	CG-MR-330a.1	Percentage of gender and racial/ethnic group representation for (1) management and (2) all other employees	Page 44
	CG-MR-330a.2	Total amount of monetary losses resulting from lawsuits associated with employment discrimination	There were no final convictions resulting from lawsuits associated with employment discrimination.
Supply, packaging and product marketing	CG-MR-410a.1	Revenue from third-party products certified by environmental and/or social sustainability standards	Page 40
	CG-MR-410a.2	Discussion of processes to assess and manage risks and/or hazards associated with chemicals in products	Magalu adopts various processes to assess and manage the risks and hazards associated with chemicals in its products. These include providing Safety Data Sheets (SDS) for operations, which contain information for accident management; and specific Personal Protective Equipment (PPE) kits to prevent accidents. Furthermore, the Company uses an aerosol containment procedure to prevent accidents involving pressurized fluids, minimizing the risk of chemical-related incidents. Product categories are separated to prevent cross-contamination, especially for products regulated by Anvisa, ensuring that products are stored and distributed properly and safely.
	CG-MR-410a.3	Discussion of strategies to reduce the environmental impacts of packaging	Page 64
Activity metrics	CG-MR-000.A	Number of: (1) stores and (2) distribution centers	1,245 stores, 21 DCs and 175 cross-dockings, totaling 196 logistics units.
	CG-MR-000.B	Total area of: (1) stores and (2) distribution centers	Stores – sales area: 686,976 m². Total storage area: 958,806 m².



LIMITED ASSURANCE REPORT OF INDEPENDENT AUDITORS

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Independent auditors' limited assurance report

(A free translation of the original report issued in Portuguese)

To the Board of Directors and Shareholders of
Magazine Luiza S.A.
Franca - SP
Independent auditors' limited assurance report on the environmental, social and governance (ESG) indicators included in the Integrated and Sustainability Annual Report Magalu 2024 for the year ended December 31, 2024

Conclusion

We have carried out a limited assurance engagement related to the environmental, social and governance (ESG) indicators included in the "Integrated and Sustainability Annual Report" ("Report") of Magazine Luiza S.A. ("the Company") for the year ended December 31, 2024 prepared with reference to the standards of *Global Reporting Initiative (GRI)- GRI Standards, the Sustainability Accounting Standards Board (SASB) standards, with guideline OCPC09 – Integrated Reporting (which relates to the Basic Conceptual Framework for Integrated Reporting, prepared by the International Integrated Reporting Council – IIRC), and the Applicable Company's internal controls ("Criteria").*

According to the procedures applied and the evidence we obtained, we are not aware of any fact that leads us to believe that the environmental, social and governance (ESG) indicators included in the "Integrated and Sustainability Annual Report" of Magazine Luiza S.A. for the year ended December 31, 2024 we were not prepared, in all material respects, with reference to the standards of Global Reporting Initiative (GRI Standards), the Sustainability Accounting Standards Board (SASB) standards, with guideline OCPC 09 – Integrated Reporting (which relates to the Basic Conceptual Framework for Integrated Reporting, prepared by the International Integrated Reporting Council – IIRC), and the Applicable Company's internal controls ("Criteria").

Basis for conclusion

We conducted our engagement in accordance with NBC TO 3000 (reviewed) – Assurance Engagements other than Audits and Reviews and ISAE 3000 (reviewed) – *Assurance engagements other than audits or reviews of historical financial information*, issued by the Federal Association of Accountants (CFC) and the *International Auditing and Assurance Standards Board (IAASB)*, respectively. Our responsibilities with respect to those standards are further described in the "Our responsibilities" section of the report.

We have followed the independence and other ethical requirements of the Accountant's Professional Code of Ethics and Professional Standards (including Independence Standards) issued by the Federal Association of Accountants (CFC) according to key principles of

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integrity, objectivity, professional competence and due zeal, confidentiality and professional behavior.

Our firm applies NBC PA 01 Quality Management to Independent Auditors' (legal entities) and *International Standard on Quality Management (ISQM) 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements, issued by CFC and IAASB*.respectively. This standard requires the firm to prepare, implement and operate a quality management system, including policies or procedures related to compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

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

Responsibilities of the Company's Management for the Report

The Company's Management is responsible for:

- design, implementation and maintenance of internal controls relevant to the preparation of the information included in the Report that is free from material misstatement, whether due to fraud or error;
- selecting the appropriate criteria for preparing the information included in the Report and appropriate reference to the criteria applied or describing those criteria; and
- the proper preparation and presentation of the information included in the Report on the basis of the criteria.

Our Responsibilities

We are responsible for:

- plan and carry out the engagement to obtain limited assurance about whether the information included in the Company's report for the year ended December 31, 2024, prepared on the basis of the the Criteria, is free from material misstatement, whether due to fraud or error;
- form an independent conclusion according to the procedures applied and the evidence obtained; and
- report our conclusion to the Company's Board of Directors and Shareholders.

Summary of the work we performed as basis for our conclusion

We exercise professional judgment and maintain professional skepticism throughout the work. We design and perform our procedures to obtain evidence about the non-financial information included in the Company's Report that is sufficient and appropriate to provide a basis for our conclusion. The procedures selected by our team depend on our understanding of the non-financial information included in the Company's Report and on other circumstances of the engagement, in addition to our consideration of the areas in which material misstatements are likely to occur. When carrying out the work, we:

- a. planned the engagement, considering the materiality of the issues to be addressed by the Company's activities, the relevance of the information disclosed by the Company, the amount of quantitative and qualitative information, as well as operating systems and internal controls that supported the preparation of the information included in the Report;



- b. obtained an understanding of the calculation method and the procedures followed to compile indicators by making inquiries and holding interviews with the managers in charge of gathering information;
- c. applied analytical procedures to quantitative information and inquiring about qualitative information and its correlation with the indicators disclosed in the information included in the Report;
- d. when non-financial data correlate with financial indicators, we compared these indicators with the financial statements; and
- e. evaluated the procedures followed for preparing the Report and its structure and contents, based on the Criteria.

The procedures applied in a limited assurance engagement vary in terms of nature and timing, and their extent is restricted (less extensive) than in reasonable assurance engagements. Therefore, the security level obtained from a limited assurance engagement issubstantially lower than the security that would have been obtained if a reasonable assurance engagement had been carried out.

São Paulo, August 8th, 2025.

KPMG Auditores Independentes Ltda.
CRC 2SP-014428/O-6

Original report in Portuguese signed by

Luis Claudio de Oliveira Guerreiro
Accountant CRC-RJ 093679/O-1

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2024 INTEGRATED AND SUSTAINABILITY ANNUAL REPORT

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Investor Relations Department

Corporate Audit

People Management Department

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INDICATOR CONSULTING

Michele Silva and Thatiele Moura

Learn more about our commitment to sustainability:

[Sustainability Policy](#)

[Code of Ethics and Conduct](#)

[Human Rights Policy](#)

[Diversity and Inclusion Policy](#)