



WITH A “B” FOR BROWNIE

NON-FINANCIAL INFORMATION STATEMENT

FISCAL YEAR 2023

BROWNIE



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I. Ceo's message

It is a pleasure for BROWNIE to present our first sustainability report and share with you what we are doing to advance in this area, which is so relevant to our business, people, and the planet.

Our business strategy is designed so that sustainability is integrated transversally into the operations and expansion of our Group.

At BROWNIE, we are committed to managing our economic, environmental, and social impacts, including respecting human rights in all activities and business relationships.

In the short term, we focus on implementing measures to reduce our environmental impact by carefully selecting suppliers, adopting the Re|Love standard towards more sustainable production, and focusing on renewable energy in our stores and offices. Socially, we emphasize caring for our customers and employees and supporting the community.

In the medium term, our goal is to establish robust environmental and social governance systems that ensure sustainability at every stage of our value chain.

BROWNIE's strategic priorities centre on the continuous improvement of sustainability practices, emphasizing our supply chain partners through the Positive Partnerships program, as well as reducing the use of non-renewable materials and increasing energy efficiency in our operations.

We also plan to expand our circular economy program, Closing the Loop, to promote more responsible use of resources through eco-design, the use of more sustainable raw materials, and giving products a second life.

In the long term, we aspire to be leaders in transparency in the fashion sector, which is key to sustainability, to be role models for new generations in this aspect, and to continue contributing significantly to the well-being of the communities in which we operate.

Shortly, these challenges will be joined by adapting to new environmental regulations, implementing innovative technologies, and expanding our social responsibility initiatives.

We aim to achieve ambitious goals towards carbon neutrality, the use of organic and recycled materials in our products, and the continuous improvement of conditions throughout our supply chain. These actions reflect our unwavering commitment to a sustainable and prosperous future for all.

We thank all our human team, partners, and customers for their continuous support and collaboration on this journey towards sustainability.

Sincerely,

Juan Morera, CEO



2. Highlights of 2023

116 physical retail locations 4.865 m²

Logbook

- Approval of the Sustainability Policy
- Creation of the Sustainability Committee
- Launch of the 2023-2027 Sustainability Strategy
- Training in sustainable leadership

Good Governance

- Approval of the Criminal Compliance and Human Rights Policies
- Creation of the Compliance Committee
- Approval of the Code of Ethics and Conduct

100%

of governing body members trained in anti-corruption policies and procedures

Well Done

- Update of the Re|Love standard
- Promotion of the Closing the Loop program
- Creation of Positive Partnerships
- Initiation of the implementation of Retraced to trace all product suppliers
- Measurement of product environmental impact with BCome

2.136.715

garments produced

4,6%

surplus garments

24%

of garments meet the Re|Love standard

23%

local suppliers relative to the total number of suppliers

Good Environmental Practices

100%

renewable energy in Spain

80%

of window display elements are recycled or reused

Wellbeing

The Human Team

497 people

476 women
21 men

59%

of staff under 30 years old

87%

permanent contracts

3.661

hours of training

The Customers

26

workshops and events

431.200

social media followers

The Community

64.566 €

donated in social action

- Creation of the Empowering & Inspiring Girls program



3. The Brownie world

3.1 Roots

3.2 Business model

3.3 Our presence in the world

3.4 Value chain

3.5 Partnerships

Originating in Barcelona, BROWNIE is a brand for young-spirited women founded in 2006. Today, in 2023, it boasts a team of over 500 people and 100 stores across Spain, Portugal, Andorra, France, Mexico, Chile, and Israel, as well as a multilingual online sales channel (Spanish, English, French, and Portuguese).

3.1 Roots

BROWNIE was founded in 2006 by Mercedes Ortega and Juan Morera, a couple eager to start a new adventure in the fashion industry. Mercedes, a fashion enthusiast and retail expert, provided the vision and design. Juan, who had created fashion collections for various companies, contributed his knowledge in garment production and interior design.

Mercedes and Juan embarked on a project they named BROWNIE, in honor of the chocolate-brown poodle that had just joined the family, and focused on offering quality, feminine products inspired by the Mediterranean. Over time, their goal was to make BROWNIE the first choice for the young audience in the peninsula.

2006



First BROWNIE store in Barcelona

2010



First BROWNIE store in Madrid

2014



Office move to Neptú Street

2015



First opening in Portugal (Oporto)

2016



Juan Morera, co-founder, passes away

2016



Opening of the first corners in El Corte Inglés, the largest department store chain in Spain

2018



Juan Morera (son) appointed general manager

2019



Creation of the Re|Love standard for more sustainable products

2019



Training on sustainable materials

2021



Opening in Paris

2021



Energy saving and efficiency plan in stores

2022



Office moved to Castanyer Street

2022



Training on sustainable products

2023



Openings in Mexico and Chile through franchises

2023



Update of the Re|Love standard

2023



Calculation of carbon footprint (scope 1 and 2) in Spain

2023



Joana Jordá appointed general manager

3.2 Business model

“With a “B” for BROWNIE” reflects our essence and the way we develop our business model. Our approach is based on a constant pursuit of quality and a commitment to sustainability and innovation.

BROWNIE designs all its garments and accessories at the company offices in Barcelona, and these are manufactured through a network of external suppliers in Spain, Portugal, Morocco, Turkey, India, and China. The products are then shipped to our logistics center in Sabadell (Spain) and from there to our retail locations. Products purchased through our online store are also shipped from the logistics center.

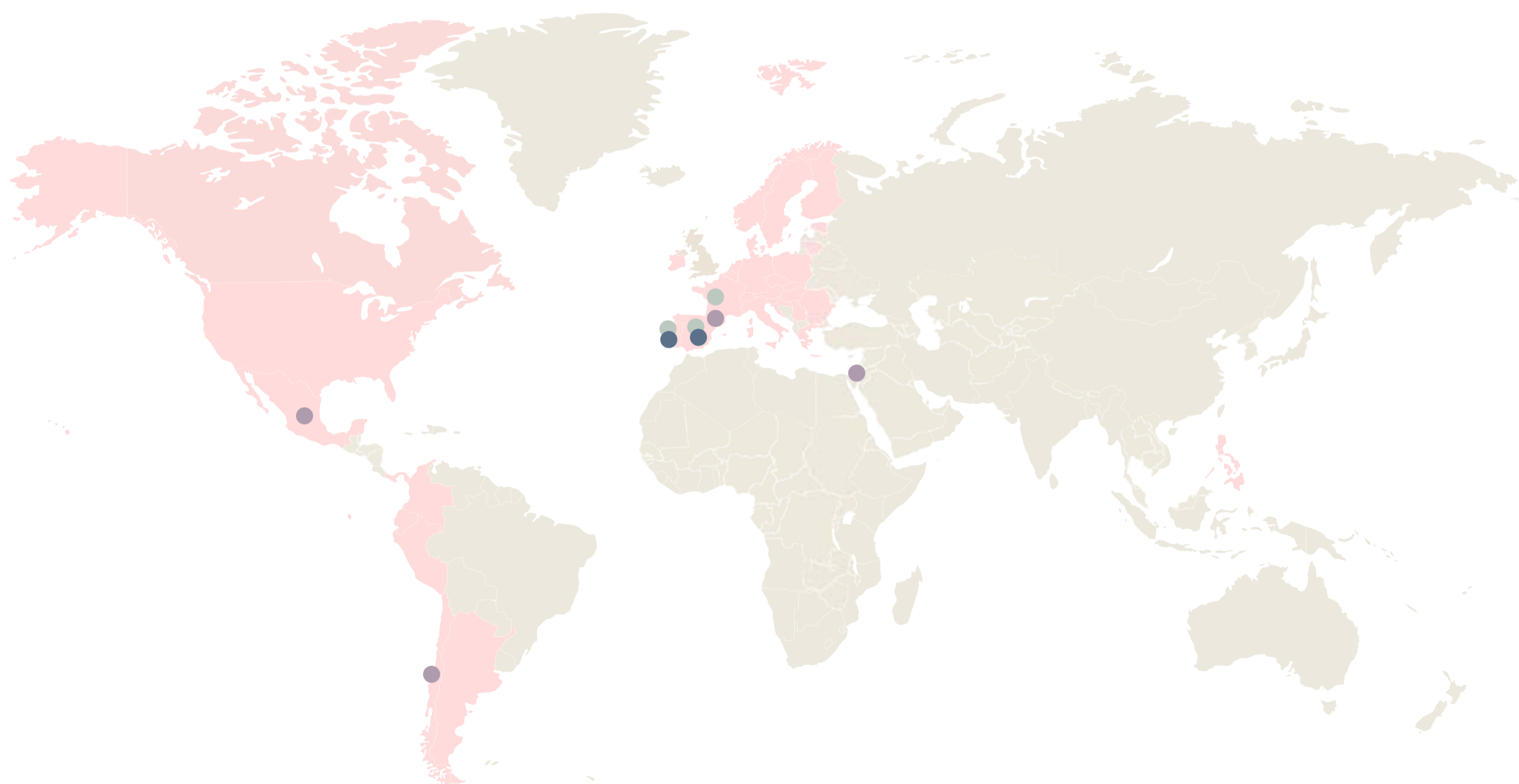
BROWNIE has experienced significant growth in key strategic markets, consolidating its presence in various regions around the world. This expansion has been driven by a comprehensive strategy that has enabled the identification of market opportunities and the adaptation of its products and services

to effectively meet local needs. The company has established strategic alliances with local partners, facilitating its penetration into new markets and allowing it to build a solid international reputation.

To further expand its presence and offer a consistent global experience, BROWNIE has developed a robust franchising system. This business model successfully replicates its concept and standards in different locations, maintaining the essence and quality that characterize the brand. Through the franchise system, BROWNIE has reached new markets quickly and effectively, providing entrepreneurial opportunities to local business owners and strengthening the brand's presence worldwide.



3.3 Our presence in the world



E-commerce service

39 countries

- Argentina
- Austria
- Belgium
- Bulgaria
- Canada
- Chile
- Colombia
- Croatia
- Denmark
- Ecuador
- Estonia
- Philippines
- Finland
- France
- Greece
- Hungary
- Ireland
- Ireland
- Italy
- Lithuania
- Luxembourg
- Norway
- Netherlands
- Panama
- Peru
- Poland
- Portugal
- Czech Republic
- Romania
- Serbia
- Spain
- Slovakia
- Slovenia
- Sweden
- Sweden
- United States
- Switzerland

Stores

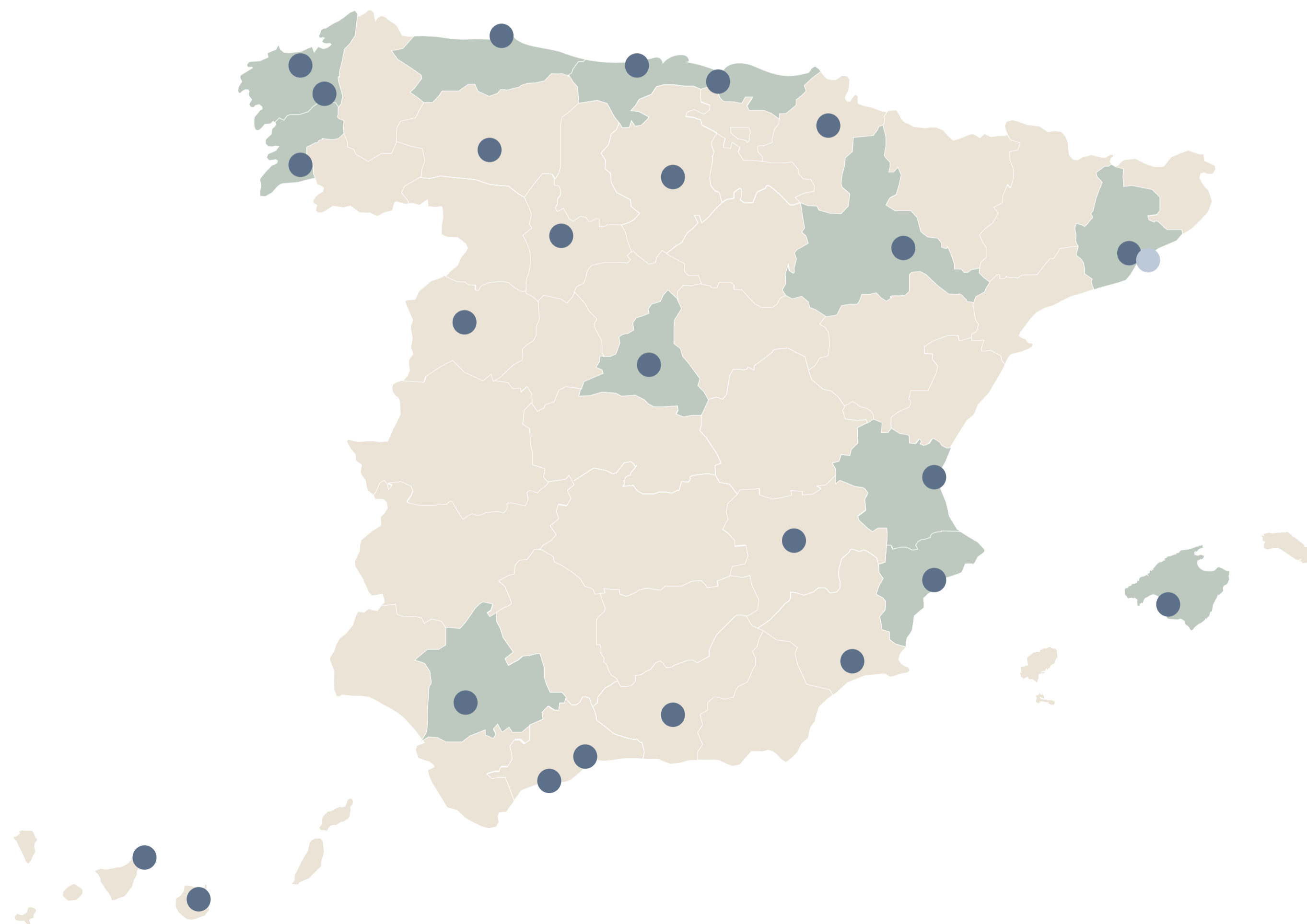
- 25 in Spain**
- 9 in Portugal**
- 4 in France**

Corners in El Corte Inglés

- 37 in Spain**
- 2 in Portugal**

Franchise Locations

- 34 in Mexico**
- 2 in Chile**
- 1 in Israel**
- 2 in Andorra**



● Stores

Spain

- Illa
- Rambla Catalunya
- Santalo
- Mandri
- Francesc Macià
- La Roca Village
- Sant Cugat
- Zaragoza
- Palma De Mallorca
- Aeropuerto
- Fuencarral
- Hermosilla
- Lagasca
- Moraleja Green
- Zielo Pozuelo
- San Sebastian
- Bilbao
- San Sebastian Garbera
- La Coruña
- Vigo
- Santander
- Santander New
- Oviedo
- Valencia Jorge Juan
- Valencia Aqua
- Alicante
- Sevilla

Portugal

- Amoreiras
- Oeiras
- Chiado
- Colombo
- Norteshopping
- Marques De Soares
- Braga
- Cascais
- Aveiro
- Mar Shopping

Andorra

- Andorra Pyrenees
- Illa Carlemany

France

- Pt-Velizy
- Pt Nation
- Paris Saint Germain
- Pt - Nancy
- Pt - Lille
- Paris Le Marais
- Bercy
- Velizy

● Corners in El Corte Inglés

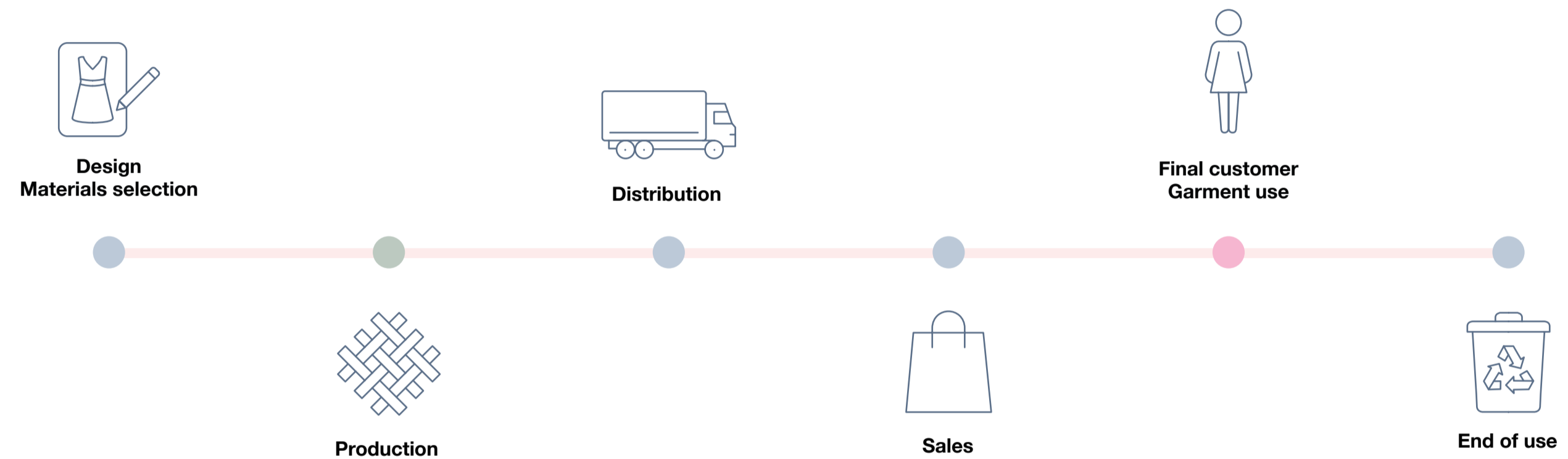
37 in Spain
2 in Portugal

● Headquarters Barcelona

3.4 Value chain

The value chain of BROWNIE begins with the design of our garments, footwear, and accessories. In this stage, we define the patterns and select the ideal materials. Subsequently, we work closely with our business partners to produce these products, choosing materials that comply with sustainability standards and manufacturing them with a focus on durability.

Once manufactured, we distribute the products to our logistics center, from where they supply both our physical stores and online orders, ensuring efficient logistics and timely delivery.



What's Next?

During 2023 we developed a project focused on extending the lifespan of our products, emphasizing quality and added value. This project includes the creation of repair workshops and the collection and sale of our second-hand garments, with the proceeds going to charitable causes.

<p>Design Materials selection</p>	<p>Distribution</p> <ul style="list-style-type: none"> Logistics centers Stores 	<p>Final customer Garment use</p>	<ul style="list-style-type: none"> ● BROWNIE ● Business partners ● Customers
<p>Production</p> <ul style="list-style-type: none"> Raw material Fiber Yarn Fabric Cutting and tailoring 	<p>Sales</p> <ul style="list-style-type: none"> Own stores El Corte Inglés corners Franchises E-commerce 	<p>End of use</p> <ul style="list-style-type: none"> Second life: Upcycling / Second-hand sales Valorisation: New recycled fibres Use in other industries 	

3.5 The 10 key industry trends

Our focus on sustainability considers the macroeconomic, social, and political trends affecting our organization. In a constantly changing global environment, it is essential to adapt and respond to new customer demands, stricter environmental regulations, and increasing expectations regarding corporate social responsibility. These trends drive us to innovate and improve our practices to maintain relevance and competitiveness in the market.

1. Global Economy and Market Volatility

Economic uncertainty and geopolitical tensions can significantly influence the profitability and financial stability of textile companies, requiring proactive risk management and diversification of suppliers.

2. Supply Chain Resilience

Integrating sustainable practices at all stages of the supply chain is crucial to strengthening resilience to climate and environmental risks, ensuring business continuity and the protection of operations.

3. Transparency and Corporate Social Responsibility (CSR)

Transparent communication of sustainability practices and ethical behavior is essential for building trust and loyalty with stakeholders, in a context where CSR is increasingly valued by consumers and interested parties.

4. Environmental Regulations and Labor Standards

Complying with environmental and labor regulations in the countries where we operate is crucial for ensuring legal observance, protecting human rights, and safeguarding the brand's reputation.

5. Digital Optimization

The textile industry is adopting digital technologies, such as artificial intelligence, to improve operational efficiency in production processes, inventory management, and logistics, reducing costs and enhancing demand forecasting accuracy.

6. Innovation and Customer Experience

Technological innovation focuses on enhancing the customer experience through personalization and adaptation via digital platforms and e-commerce solutions, offering a smoother and more personalized shopping experience.

7. Data Regulation and Privacy

Digitalization and data collection pose challenges in terms of privacy and protection, requiring compliance with regulations to protect individuals and avoid fines and sanctions.

8. Biodiversity and Regenerative Natural Systems

Promoting biodiversity and regenerating natural systems are becoming higher priorities, reflecting a shift towards more sustainable practices in the textile industry. The use of regenerative materials or biomaterials is gaining momentum. Instead of relying on synthetic materials like polyester, brands are opting for more environmentally friendly alternatives such as organic cotton, Tencel, and mushroom leather. This transition reflects the sector's commitment to environmental sustainability and reducing its ecological footprint.

9. Encouraging the Use and Reuse of Garments

The growth of the second-hand market and the promotion of garment use are booming trends as sustainable alternatives to fast fashion consumption, extending the lifespan of clothes.

10. Value of Human Capital

Companies are investing in training and development programs to prepare their workforce to fully leverage emerging technologies. In addition to improving talent retention, these initiatives aim to ensure that workers have the necessary skills to adapt to changes and contribute to the long-term success of the company.

These ten trends reflect the current challenges and opportunities in the textile sector, where sustainability, digitalization, and adaptation to a changing geopolitical and economic environment are fundamental to long-term business success.

3.6 Partnerships

BROWNIE has a lasting and stable commitment to business schools and educational institutions, focusing on the next generations.





4. Logbook

- 4.1 The principles that guide us**
- 4.2 Relationships with stakeholders**
- 4.3 Materiality analysis**
- 4.4 Sustainable development goals**
- 4.5 Sustainability strategy**

“We are aware that the textile sector has multiple impacts on the environment.”

Lucas Morera, Sustainability Director

What are the main sustainability initiatives that BROWNIE has implemented in 2023 and how have they impacted the company and the environment?

I would highlight the creation of the Sustainability Committee, of which I am the president. This committee includes general management and the people responsible for the departments most affected by sustainability. Thanks to the Committee, we can strategically drive our 2023 - 2027 sustainability plan.

What are the main challenges for BROWNIE in achieving more sustainable production and what strategies have been implemented to overcome them?

We are aware that the textile sector has multiple impacts on the environment, one of which is derived from the materials we use to make our garments. Thanks to our Re|Love standard and the Closing the Loop program, we can continue advancing in reducing our impact, a complex, exciting, and necessary path.

How does BROWNIE involve its team, customers, and the community in its sustainability efforts?

Our customers are at the center of our business, and we engage with them in multiple ways; for example, we hold workshops with them to understand their concerns about environmental and social issues. Regarding the team, most of our executives and employees are women, so the DNA of BROWNIE is feminine.

What sustainability goals and projects does BROWNIE have planned for the next five years, and how does it expect to achieve them?

Our purpose is to value people, focusing on empowering and inspiring our customers, workers, the value chain, and the BROWNIE community.

Thanks to people and their motivation for a more sustainable world, we will improve the use of materials and manufacturing processes and focus on programs to reduce waste and become increasingly circular.



4.I The principles that guide us

BROWNIE's mission is to share our happy, optimistic, and joyful world. It is a familiar and positive world conveyed through its human team, its treatment, its stores, its carefully curated collections, and its presence on social networks.

Vision

BROWNIE aims to be the global reference brand in fashion for teenagers and young-spirited women, dressing them for all occasions. BROWNIE is synonymous with fashion, femininity, style, elegance, and quality.

Values

BROWNIE's culture is built on three key values that summarize the trajectory of the company and its human team:

**Humility
Transparency
Honesty**

4.2 Relationships with stakeholders

As a socially responsible company, we assume our duty to develop and maintain a constant, fluid, and transparent relationship with the groups we interact with or that are affected by our activity, to align the sustainability strategy with their concerns and expectations.

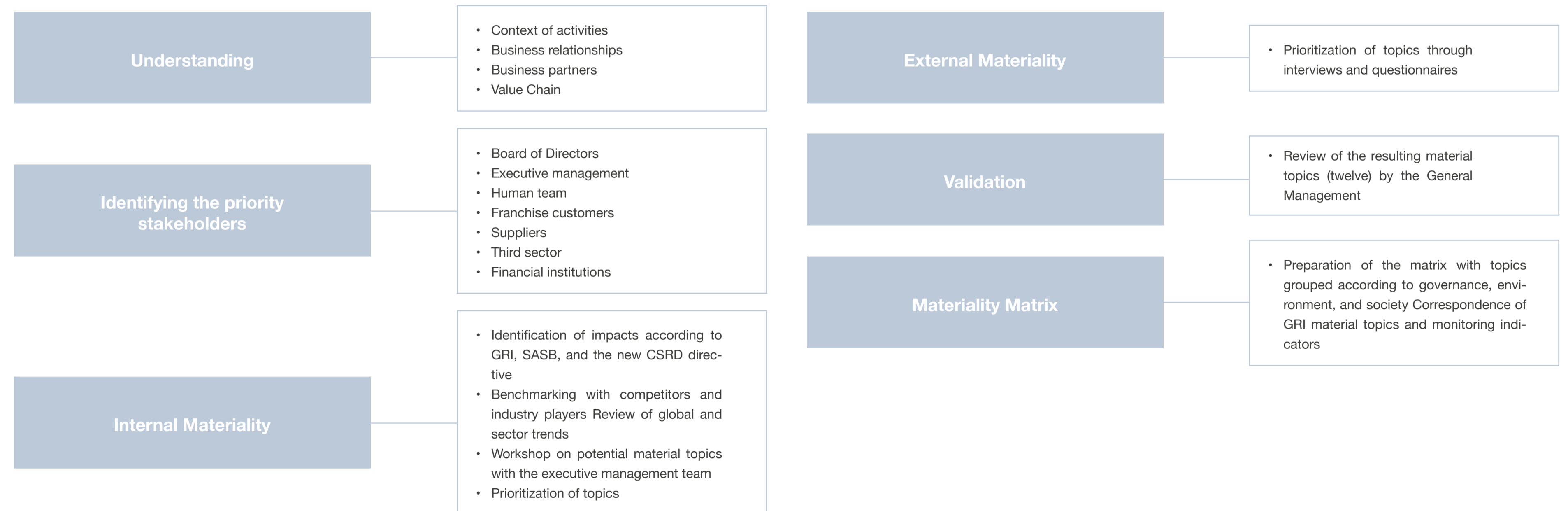
Stakeholders	Communication and dialogue channels
SHAREHOLDERS AND EXECUTIVE TEAM	<ul style="list-style-type: none"> • Weekly meeting of the executive team • Periodic meetings with the executive team, middle management, and store managers • Team building activities with executives • Annual meeting to share conclusions • Financial balance shared with the entire workforce
HUMAN TEAM	<ul style="list-style-type: none"> • Welcome package • Internal WhatsApp • Internal newsletter • Email Team meetings • Bizneo App • Satisfaction survey
CUSTOMERS	<ul style="list-style-type: none"> • Website • App • Social media: Instagram TikTok Facebook YouTube • Satisfaction survey • Customer service email and phone • Chat Returns Portal • Commercial newsletter • B2B purchasing platform
SUPPLIERS	<ul style="list-style-type: none"> • Supervision meetings • WeChat • Email • Phone • Face-to-face meetings and video meetings
COMMUNITY	<ul style="list-style-type: none"> • Email • Phone • Job offers
BANKS	<ul style="list-style-type: none"> • Meetings • Email • Phone

4.3 Materiality analysis

The materiality analysis has been conducted according to the Global Reporting Initiative (GRI), the leading standard for stakeholder engagement.

In the fiscal year 2023, we conducted our first materiality analysis, essential for outlining our sustainability strategy and developing an action plan aligned with material topics. This approach enables us to identify the needs and expectations of our stakeholders and to define and prioritize the main ESG (environmental, social, and governance) topics that BROWNIE should address.

Phases of the analysis



Materiality Matrix BROWNIE 2023



Governance

1	SUSTAINABLE DEVELOPMENT COMMITMENT
4	GREENWASHING
6	TRANSPARENCY AND TRACEABILITY
8	ETHICAL, ANTI-CORRUPTION, AND COMPLIANCE

Social

5	HEALTH AND SAFETY AT WORK
7	SOCIAL EVALUATION OF SUPPLIERS
12	EMPLOYMENT QUALITY
13	PROFESSIONAL DEVELOPMENT TRAINING
19	PRODUCT QUALITY AND SAFETY
20	DIVERSITY, INCLUSION, AND EQUALITY
22	CUSTOMER SATISFACTION
23	POLICIES, SALARY REMUNERATION, WAGE GAP
24	COMMUNITY INVESTMENTS

Environmental












2	RAW MATERIALS/ MATERIALS
3	WATER/WASTEWATER
9	CHEMICAL MANAGEMENT
10	EMISSIONS
11	CIRCULARITY
14	SUPPLIER ENVIRONMENTAL EVALUATION
15	BIODIVERSITY
16	EFFICIENT TRANSPORT
17	ECO-DESIGN
18	SUPPLY CHAIN TRACEABILITY
21	ENERGY

What's Next?

We have already initiated the process of double materiality analysis, exploring the impacts, opportunities, and risks along our value chain and in collaboration with our stakeholders. This comprehensive approach includes a financial assessment that will allow us to chart a solid path toward a more resilient and prosperous future.

4.4 Sustainable development goals

At BROWNIE, we are aware that companies play a central role in achieving the United Nations Sustainable Development Goals. This is a responsibility and an opportunity to align business objectives with those of equity and sustainability.

Material Topics	Priority Sustainable Development Goals for BROWNIE
<p>Good Governance</p> <ul style="list-style-type: none"> • Commitment to sustainable development, corporate culture, and conduct • Greenwashing • Informative transparency and traceability • Ethics, anti-corruption, bribery, and compliance 	  
<p>Social</p> <ul style="list-style-type: none"> • Health and safety at work • Social evaluation of suppliers • Employment Quality 	  
<p>Environmental</p> <ul style="list-style-type: none"> • Sourcing of raw materials and materials • Water and wastewater management • Chemical management in products • Emissions, GHGs, and climate change • Circularity and efficient use of resources 	    

4.5 Sustainability strategy

At BROWNIE, we integrate sustainability into our business model so that all the activities we carry out are conducted in a manner that respects people, the environment, and the community in general, starting from a commitment to respect for Human Rights and the United Nations Sustainable Development Goals.

Through our **Sustainability Policy**, we commit to creating economic, social, and environmental value and generating a positive impact throughout our value chain.

BROWNIE has a **Sustainability Committee** whose main function is to advise the Board of Directors and supervise, among other things, environmental and sustainability performance, human rights and diversity, and corporate governance strategy. The Committee is also responsible for ensuring that the corporate culture is aligned with the company's mission, vision, and values. The BROWNIE Board of Directors is ultimately the highest governing body on sustainability matters.

The Sustainability Committee consists of key representatives from various departments.

The Sustainability Director serves as the Committee Chair and reports to the Board of Directors on the issues and decisions made in the Committee sessions, which are scheduled to meet at least four times a year.

Committee Competencies

- Ensure human, material, and financial resources to guarantee the effective implementation of sustainability management aligned with the organization's strategy.
- Define, evolve, and improve the model of relationship and dialogue with stakeholders.
- Ensure that the Sustainability Action Plan and its actions address material aspects and contribute to mitigating the environmental, social, and good governance risks identified by the organization.

- Advise management on market opportunities or operations related to ESG aspects.
- Review sustainability policies and inform the Board of Directors of potential modifications and updates to the strategy.
- Stay informed about any organizational changes that have implications for the sustainability management system.
- Activate communication mechanisms with the Board of Directors.
- Supervise and inform the Board of Directors about the Sustainability Plan and periodically assess the degree of compliance with defined objectives.
- Review the Group's social action strategy, sponsorship, and patronage plans.
- Internally disseminate the latest trends in responsible communication and marketing.

Sustainable Leadership Training

Training is key to integrating sustainability into the business model and is essential in an increasingly aware business context of environmental and social challenges. In this regard, BROWNIE's executive and management team has received comprehensive training on sustainable leadership. The program explored trends and challenges for 2030, including the commitment to carbon neutrality by 2050 and the transition to a circular economy. Additionally, we delved into innovative concepts such as the Doughnut Economy, which redefines economic success in terms of social and environmental equity.

The training also addressed the importance of a robust sustainability strategy, aligned with textile industry laws and regulations, and adapted to emerging risks and opportunities. We explored impact business models that aim to generate economic, social, and environmental benefits while identifying key material topics to guide our actions toward a more sustainable future.

Throughout the program, we also focused on aligning our company's purpose, mission, and vision with sustainability principles, recognizing that tomorrow's business success depends on our commitment to creating long-term value for all stakeholders.

Strategic Lines

ENVIRONMENT

- Conservation of resources
- Reduction of toxins

SOCIETY

- Empowering & Inspiring girls

Our sustainability action plan is dynamic and evolving, as its nearly 70 initial actions are reviewed following the achievement of objectives and the inclusion of requirements dictated by new European Sustainability Reporting Standards and directives such as Due Diligence, Communication, and Consumer Protection, among others.

BROWNIE's sustainability strategy has a holistic approach that reflects our commitment to making a positive impact on the world and creating a more sustainable and equitable future for all.

Pillars

GOOD GOVERNANCE

Solid corporate governance is based on codes of conduct, clear policies, and a comprehensive risk map, ensuring transparent and responsible management of our operations throughout the entire value chain and a commitment to sustainable development.

PRODUCT

Solid corporate governance is based on codes of conduct, clear policies, and a comprehensive risk map, ensuring transparent and responsible management of our operations throughout the entire value chain and a commitment to sustainable development.

PEOPLE

Solid corporate governance is based on codes of conduct, clear policies, and a comprehensive risk map, ensuring transparent and responsible management of our operations throughout the entire value chain and a commitment to sustainable development.

PLANET

Solid corporate governance is based on codes of conduct, clear policies, and a comprehensive risk map, ensuring transparent and responsible management of our operations throughout the entire value chain and a commitment to sustainable development.

Highlighted Actions

- Integration of sustainability into daily management plans through digital tools
- Analysis of impacts, risks, and opportunities
- Incorporation of sustainability performance indicators by the Board of Directors
- Development of an ethical marketing policy

- Increase in Re|Love products
- Measurement of the life cycle of BROWNIE products
- Circularity program
- Positive Partnerships program
- Product traceability with Retraced
- Increase in quality and chemical testing
- Conducting audits
- Implementation of the digital passport, coming into effect in France

- Development of the Equality Plan
- Creation of policies for remuneration, performance evaluation, work-life balance, digital disconnection, and training
- Collaboration with Special Employment Centers
- Satisfaction surveys and workplace climate surveys
- Wellbeing program for the human team
- Empowering and Inspiring Girls program
- Creation of a community relations policy

- Pilot project for reusable packaging for product transport to stores
- Calculation of the carbon footprint (scope 1 and 2) of all stores outside Spain
- Calculation of the carbon footprint (scope 3) of human team mobility and product transport (production and distribution)
- Pilot project for sustainable last-mile delivery with non-polluting vehicles
- Sustainability manual for stores

● Completed and ongoing ● In progress



5. Good governance

5.1 Our organizational structure

5.2 Compliance and ethical conduct

5.3 Respect for human rights

5.4 Growth and strength



“We focus and commit to sustainability”

Joana Jordà, General Manager

What good governance policies has BROWNIE implemented to ensure transparency and accountability in all its operations?

2023 was a turning point in this regard. We continued to expand, with the complexity that growth entails, but we established ethical policies associated with solid and increasingly transparent governance.

How does BROWNIE ensure that business practices respect human rights throughout the supply chain?

We are committed to promoting fair working conditions and protecting human rights wherever we operate, which allows us to assume our responsibilities and, in turn, strengthen our competitiveness and reputation globally. The traceability of all elements of the supply chain, along with long-lasting and trustworthy relationships with suppliers, helps us ensure that human rights are respected and upheld.

What measures is BROWNIE taking to balance economic performance with its sustainability goals?

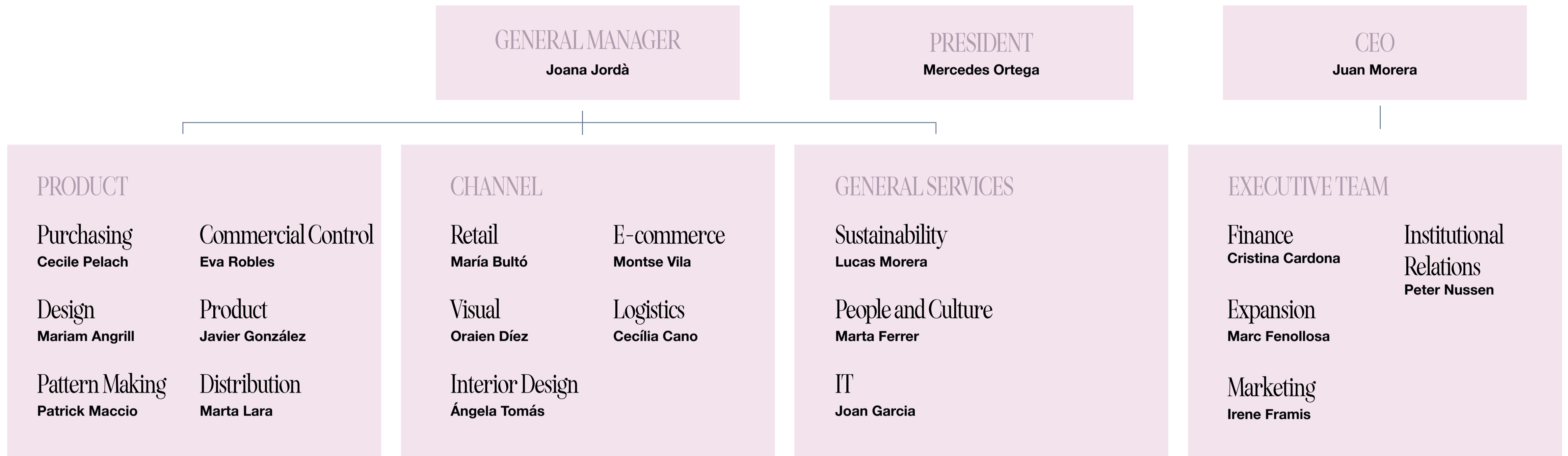
The involvement of management in the strategic objectives set by the Sustainability Committee ensures that sustainability becomes an increasingly integral part of all our processes as we grow. We focus on the commitment to sustainability, a key material issue for all BROWNIE's internal and external stakeholders.

Some of the most significant impacts are in the supply chain; our business partners are becoming increasingly sustainable as we are together on this roadmap. Innovation in our products and processes, as well as the commitment and training of management and employees, allows us to make progress in this regard.

We ensure that BROWNIE not only remains profitable but also contributes positively to the environment and society.



5.1 Our organizational structure



SUPPORT COMMITTEES

Sustainability Committee. Members: General Management | Purchasing | Design | Pattern Making | Product | Logistics | Sustainability | People and Culture | IT
Chaired by: Lucas Morera

Compliance Committee. Members: People and Culture | IT | Finance (substitute)

5.2 Compliance and ethical conduct

BROWNIE's standards of ethical conduct apply to all areas of its activity. Regarding criminal risks, the company applies zero tolerance and establishes measures for their prevention, detection, and early management.

BROWNIE has a **Criminal Compliance Policy** that reflects the company's commitment to promoting a culture of integrity, ethics, and respect for the law, as well as the requirement to comply with Spanish criminal legislation and the prohibition of committing criminal acts.

The policy is outlined in the BROWNIE Group's **Criminal Compliance Manual**. This manual describes and develops the organization's knowledge and commitment, the roles and responsibilities, and the functions of the Internal Information System (the Ethical Channel). It also details the disciplinary regime for non-compliance and the method for evaluating and prioritizing criminal risks. Additionally, it includes the means to support the Criminal Compliance Model, such as recruitment plans, training plans, financial resource management plans, partner control plans, and dissemination plans. The manual also features a continuous improvement system.

The **Compliance Committee** is responsible for overseeing the implementation and monitoring of the Criminal Compliance Model by adopting control, monitoring, and communication measures that adhere to the principles of speed, security, and effectiveness. To fulfill this function, it has the necessary authority and independence.

Internal Policies of BROWNIE Group	
Sustainability Policy	The framework of BROWNIE Group for the integration of sustainable practices into the business model, ensuring that activities are always conducted in a socially and environmentally responsible manner, respecting Human Rights and promoting sustainable development.
Criminal Compliance Policy	Measures for the prevention, detection, and early management of criminal risks.
Code of Ethics and Conduct of BROWNIE Group	Standards of ethical behavior and conduct through principles of action that BROWNIE Group must apply in all areas of its activity.
Anti-Fraud, Anti-Corruption, and Sanctions Policy	Measures aimed at preventing and avoiding the commission of crimes related to fraud and corruption that could affect the Group's activities.
Human Rights Policy	Commitment to comply with national and international laws that defend and promote human rights, both regarding staff and any other stakeholder group.
Product Quality Standard	Standard to ensure the quality of the products that BROWNIE offers to its customers.
Chemical Management Policy	BROWNIE's strategy for chemical management throughout the value chain; establishes product safety and health requirements.
Animal Welfare Policy	Details and develops the principles included in the Code of Ethics and Conduct concerning suppliers in matters of animal welfare.
Equality, Diversity, and Inclusion Commitments Policy	Basic principles to ensure inclusive workplaces, proper management of both internal and external diversity, and guarantee equal opportunities for all people interacting with the Group.
Supplier Code of Ethics and Conduct	Development of the minimum behavior standards and action criteria outlined in BROWNIE's Code of Ethics and Conduct that must be observed by each supplier.
Internal Information System Policy	Tool to prevent and detect threats to the public interest, ensuring and prioritizing the protection of whistleblowers.
Communication Management Procedure	Provisions necessary for the Internal Information System to comply with the requirements established in Law 2/2023, of February 20, regulating the protection of whistleblowers and the fight against corruption.

100%

of the members of the governing body have received communication and training on these anti-corruption policies and procedures.

100%

of the staff have received communication about the organization's policies and procedures through the Code of Ethics and Conduct.

Code of ethics and conduct

At BROWNIE Group, we are committed to operating with ethics and integrity. We prioritize honesty, integrity, transparency, respect for human rights, the legitimate interests of all people and organizations we interact with, and adherence to

sustainability, quality, safety, and dignity in workplace standards. BROWNIE strives to be a national and international reference in the textile sector, which also means being an ethical leader.

We have a **Code of Ethics and Conduct** that forms the basis of our Criminal Compliance Model. The Code outlines the guidelines for relationships with:

- **Members and collaborators of the company:** The organization considers people its fundamental pillar, defending and guaranteeing compliance with human and labor rights. We are committed to applying current regulations and best practices in employment conditions, health, and workplace safety.
- **Suppliers and customers:** Operations with suppliers and customers are conducted based on objective and impartial criteria that guarantee equal opportunities, avoiding favoritism or conflicts of interest in selection processes. All members of the organization will interact with customers and suppliers in a lawful, ethical, and respectful manner.

- **National and international public officials:** BROWNIE Group collaborators and members will interact with public and judicial authorities and institutions lawfully and ethically, always following the officially established procedures by the public sector, respecting norms, and preventing any corrupt conduct.

- **Media and social networks:** BROWNIE commits to ensuring that all information disclosed to the media is truthful and transparent.

- **Political parties:** Membership in political parties should reflect a personal nature.

- **Third-party contractors and subcontractors:** Before starting a business relationship, BROWNIE Group analyzes, evaluates, and conducts due diligence on the third party to ensure firsthand their integrity, quality, and suitability.

Regarding **financial transparency and honest accounting**, the organization's information accurately reflects its economic, financial, and equity reality, following generally accepted accounting principles. BROWNIE Group adheres to common-

ly accepted accounting principles, thus prohibiting any action that prevents or obstructs the verification and evaluation of financial statements.

Additionally, BROWNIE Group members and collaborators must avoid situations that could create a conflict between their interests and those of the organization. These situations might include assisting the competition, receiving gifts that could influence professional decisions, or selecting a service or supplier to promote personal or family interests.

Any irregular activity or conduct contrary to the Policy or the principles contained in the Code of Ethics and Conduct, and in general, any violation of current regulations, should be reported to the BROWNIE Group's Ethical Channel.

People interacting with BROWNIE have access to an internal information system (Ethical Channel) to anonymously and confidentially report any activity that contravenes the principles of the Code or behavior contrary to current regulations.

The Criminal Compliance Policy, along with the Code of Ethics and Conduct and the rest of the policies, protocols, and internal standards implemented in terms of Compliance, constitute the fundamental pillar of BROWNIE's compliance culture.

We are working on developing a risk management model to ensure compliance and enhance our resilience capacity. We have identified and evaluated possible risks and control measures with all company areas to develop a criminal risk map.

5.3 Respect for human rights

At BROWNIE, we have a Human Rights Policy that commits us to respect the fundamental human rights of all individuals throughout the value chain, from those who manufacture our products to those who buy them, the people who work at BROWNIE, and the communities around us.

In this regard, we commit to complying with national and international laws that defend and promote human rights, promoting environmentally responsible behavior, respecting the right to privacy and intimacy of individuals, and making appropriate use of the information and personal data collected.

The **Human Rights Policy** is included in the Employee Code of Ethics and Conduct and the Supplier Code of Conduct. The Code establishes the principles of equal opportunity and non-discrimination, the eradication of child and forced labor, and the right to association and collective bargaining in the workplace, always in absolute respect of the provisions of the European Community, the International Labour Organization, and the United Nations Global Compact.

We are committed to implementing the Human Rights Policy and taking measures to identify and address any real or potential adverse impact we may be involved in, either directly or indirectly, through our activities or business relationships. We plan to carry out due diligence procedures and take appropriate measures to prevent and mitigate the possible negative effects of our activities, promoting a positive impact throughout the value chain.

This policy, signed by the CEO, and the Code of Ethics and Conduct, approved by the Board of Directors, encompass human rights. All members of BROWNIE's executive team have received training in this regard.

Human Rights and Stakeholders	
HUMAN TEAM	We are committed to creating a work environment where the human and labor rights of those working at BROWNIE are respected. We actively work to create a healthy, safe, fair, and inclusive work environment. In turn, we require all BROWNIE professionals to strictly respect human rights and promote the well-being of people, regardless of their location and throughout all operations.
SUPPLIERS	All suppliers are required to comply with national and international laws, as well as BROWNIE's Supplier Code of Ethics and Conduct, environmental standards, and expectations for ethical and responsible behavior. Suppliers must understand their impact on human rights and respect the rights of all individuals affected by their business, including their direct staff, manufacturing chain, and local community. Forced compliance contracts and child labor are strictly prohibited.
CUSTOMERS AND COMMUNITIES	We are committed to respecting the human rights of the customers we interact with, providing them with safe products and services, and serving the communities where we operate by respecting local laws, culture, and customs. At BROWNIE, we reject any form of discrimination against our customers and always respect their right to privacy by protecting and properly using their data.

0 reports of human rights violations

BROWNIE's policies apply to all Group companies, as the parent company conducts most operations with human rights risks. Beyond the policy and the Code of Ethics and Conduct, suppliers must comply with the provisions established in the supplier form, approved in the fiscal year 2023.

5.4 Growth and strength

	2022	2023	Change 2022-2023
Benefits obtained country by country	141.153 €	3.102.724 €	2.098%
Spain	426.773 €	2.795.190 €	555%
Portugal	493.213 €	379.168 €	-23%
France	-737.231 €	55.906 €	-108%
Belgium	-41.602 €	-127.540 €	207%
Taxes on profits paid	280.096 €	-653.414 €	-333%
Public subsidies received	0 €	0 €	-

BROWNIE has not received any financial assistance or public subsidies.

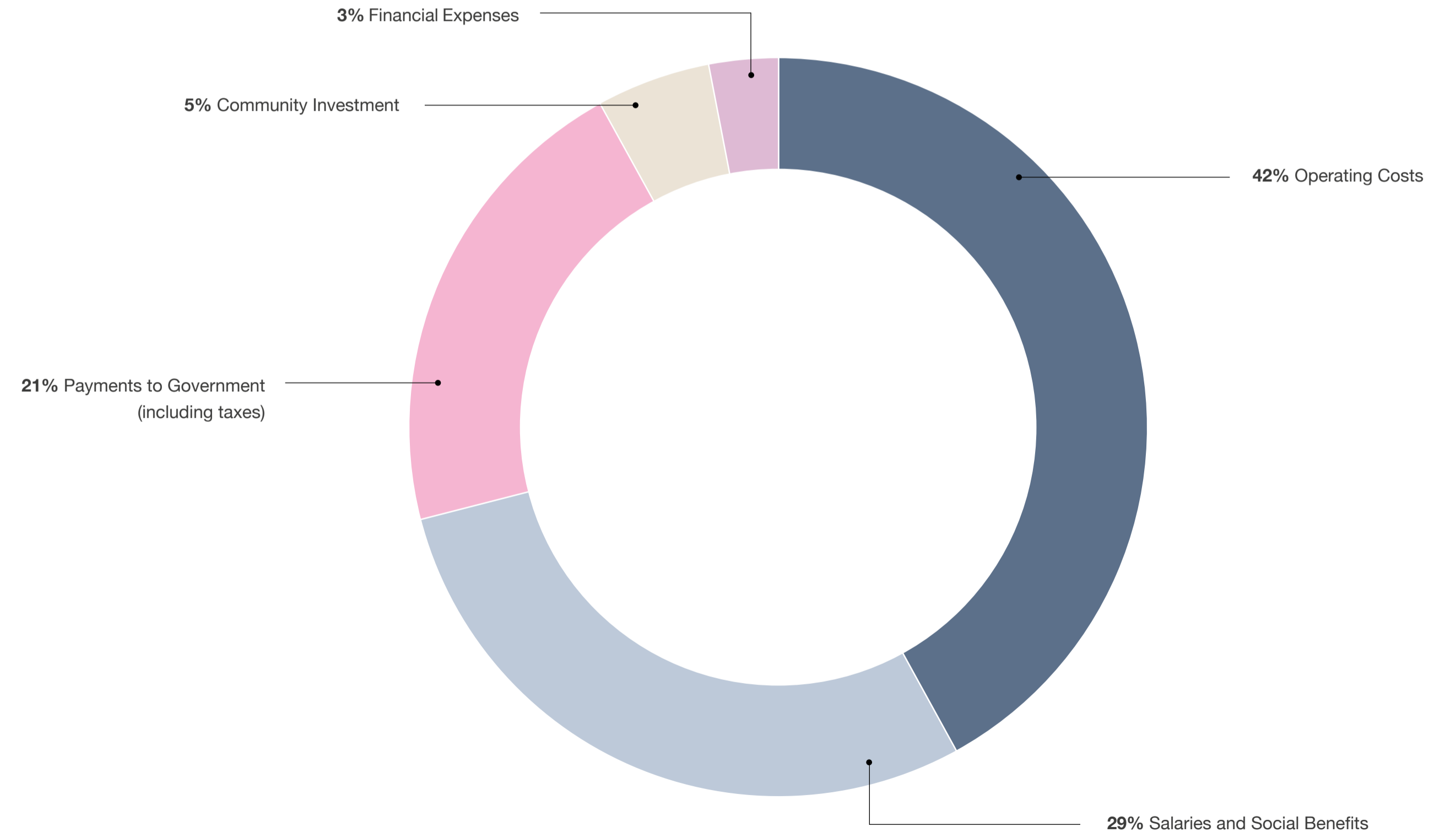
Economic Impact of BROWNIE's Activity



Autonomous Community of Spain	Impact in euros
Total SPAIN	10.801.046
Total FRANCE	1.637.840
Total PORTUGAL	2.546.152

Direct Economic Value Generated and Distributed	2022	2023	Change 2022-2023
Direct Economic Value Created	52.073.719 €	67.711.973 €	30,03%
Revenue	52.073.719 €	67.711.973	30,03%
Economic Value Distributed	51.172.049 €	56.136.761 €	9,70%
Operating Costs	20.326.580 €	23.835.763 €	17,26%
Community Investment	7.851.912 €	2.959.120 €	-62,31%
Payments to Government (including taxes)	8.683.563 €	11.724.098 €	35,01%
Financial Expenses	920.438 €	1.383.280 €	50,28%
Salaries and Social Benefits	13.389.556 €	16.234.500 €	21,25%
Economic Value Retained	901.670 €	11.575.212 €	1.183,75%

Estado del valor añadido (ejercicio 2023)

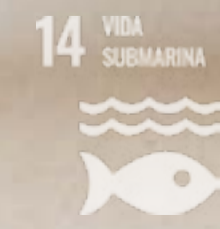


The impact of our activity on job creation (salaries) and local development (rentals) is estimated to be nearly 15 million euros for the fiscal year 2023.



6. Well done

- 6.1 The re|love standard
- 6.2 The closing the loop program
- 6.3 Supply chain
- 6.4 Garment traceability
- 6.5 Product life cycle analysis



“We are already offering the most sustainable and highest quality garments possible”

Mercedes Ortega, Founder

What is the design philosophy that guides the creation of BROWNIE's collections?

Since I founded BROWNIE in 2006, our design philosophy has been firmly linked to making girls and teenagers happy with friendly garments that perfectly adapt to their morphology and needs, with timeless designs that make them last over time. Over the years, this purpose has evolved into a greater commitment to using natural materials and more sustainable practices that connect with the generation we serve.

What impact has the implementation of the Re|Love standard had on customers' perception of quality and sustainability?

The Re|Love standard was created to advance sustainability internally and reduce the impacts caused by garment production. We have not yet communicated the environmental and social benefits of its application to clients; however, we are already offering them the most sustainable and highest quality

garments so they can enjoy them for much longer.

How does BROWNIE help empower women?

Store managers at BROWNIE play a crucial role in empowering women by acting as leaders and role models. Their ability to manage teams, make decisions, and provide excellent customer service demonstrates the value and competence of women in leadership roles.



To ensure the quality of products for customers, BROWNIE has developed a Product Quality Standard that sets the requirements to be met by suppliers.

To verify compliance with BROWNIE's technical specifications and safety standards, suppliers must carry out the corresponding tests. The quality standard applies to all garments, footwear, jewellery, sunglasses, etc.

Product Quality Control Process



What's Next?

BROWNIE is working to implement quality control at the source, which entails greater efficiency, better communication with suppliers, and reduced risk. The company is currently conducting a pilot test with a supplier located in India to conduct a full quality audit.

Chemical Management

The **Chemical Management Policy and Product Safety and Health Standard** define BROWNIE's strategy for chemical management throughout the entire value chain. This policy establishes product safety and health requirements and works on developing comprehensive management of chemicals used in manufacturing that are potentially hazardous to the environment or people. Compliance with this policy and its safety and health requirements will be mandatory for all BROWNIE suppliers.

The objectives of the Chemical Management Policy are:

- Ensure that chemicals are managed sustainably and responsibly throughout the entire production chain to reduce potential harm to human health and the environment.
- Ensure that hazardous chemicals have been eliminated from BROWNIE's production and supply chain.
- Ensure that the items supplied and/or marketed by BROWNIE do not pose risks to the customer.

The **Manufacturing Restricted Substances List (MRSL)** contains substances potentially hazardous to the environment or people that may be used in the manufacturing processes of textiles, leather, and certain accessories such as bags, belts, scarves, jewellery, and similar products. BROWNIE suppliers and their respective supply chains commit to complying with the **Zero Discharge of Hazardous Chemicals Manufacturing Restricted Substances List (ZDHC MRSL)** in force at all times in the manufacturing processes of all products supplied to BROWNIE.

Suppliers commit to complying with the **Product and Packaging Restricted Substances List (AFIRM Packaging RSL)**

for all products supplied to BROWNIE. The RSL will provide suppliers with guidance to meet the manufacturing and marketing requirements for safe products free of harmful, toxic, or hazardous chemicals, and will include an extensive list of regulated chemicals in the countries where BROWNIE markets its items.

To ensure compliance with the Manufacturing Restricted Substances List and the Product Restricted Substances List, suppliers must implement a **chemical management system** and work with their supply chain to guarantee adherence. They must also share the policy and requirements with their manufacturing chain and/or suppliers and monitor their implementation.

Minimum measures that suppliers must comply with regard to chemical management:

- Adopt a management system that ensures the control of all purchased chemicals, their origin, chemical composition, etc.
- Store, use, and manage chemicals according to the corresponding safety data sheet.
- Ensure the purchase of chemicals that comply with the Manufacturing Restricted Substances List and guarantee that only chemicals that comply with it are used in BROWNIE productions.
- Maintain an inventory of chemicals used in their facilities.
- Document all chemicals used in production processes and keep records of the recipes used in BROWNIE's productions.
- Suppliers must request appropriate documentation from their chemical suppliers demonstrating compliance with the Manufacturing Restricted Substances List and Product Restricted Substances List.

Ensure that wastewater from production processes is treated before being discharged into the environment, according to applicable legislation. Analysis, monitoring, and compliance with the Manufacturing Restricted Substances List will be an additional monitoring tool for their chemical management system.

At BROWNIE, we comply with the European Union's **REACH regulation** (Registration, Evaluation, Authorization, and Restriction of Chemicals), which aims to improve the protection of human health and the environment from the risks posed by chemicals, and the **AFIRM Restricted Substances List**, an initiative led by apparel and footwear companies to promote chemical management in the global supply chain.

What's Next?

BROWNIE aims to expand chemical testing on different products from suppliers located in countries with laxer laws than those of the European Union to identify toxic contaminants prohibited by our Chemical Policy. We are also progressing in our chemical standards intending to reduce them and create a pilot program to work with natural dyes and assess the feasibility of transition while ensuring the quality and design of our garments

6.1 The Re|Love STANDARD

We believe that fashion can be environmentally friendly. That's why we identify, under the name Re|Love, garments that have been made following strict quality requirements and with a lower environmental impact.

Re|Love Standard

23,77%

of garments

30,04%

of materials

Re love standard requirements	
Supply chain requirements	<ul style="list-style-type: none"> • Zero critical violations of the BROWNIE Code of Ethics and Conduct. • Traceability of the entire supply chain provided by the supplier. • Certification of the supplier and their entire supply chain to the most sustainable standard according to the type of fiber or material in the order.
Raw materials requirements	<ul style="list-style-type: none"> • The outer fabric or material must contain the minimum percentage of the most sustainable fiber/material according to Re Love specifications. • Re Love garments with filling must meet the minimum requirement for the most sustainable fiber in the outer fabric; the filling must be 100% recycled. • If Re Love garments contain polyurethane in their composition, it must be solvent-free or water-based.
Process requirements (for water and/or energy-saving processes)	<ul style="list-style-type: none"> • 100% reuse of process water in Zero Liquid Discharge wet processing facilities. • Facilities that generate and consume a minimum amount of electric or thermal energy from renewable sources. • Mass-dyed synthetic or artificial fibers. • Spray or foam dyeing. • Finishing with ozone, laser, or spray.

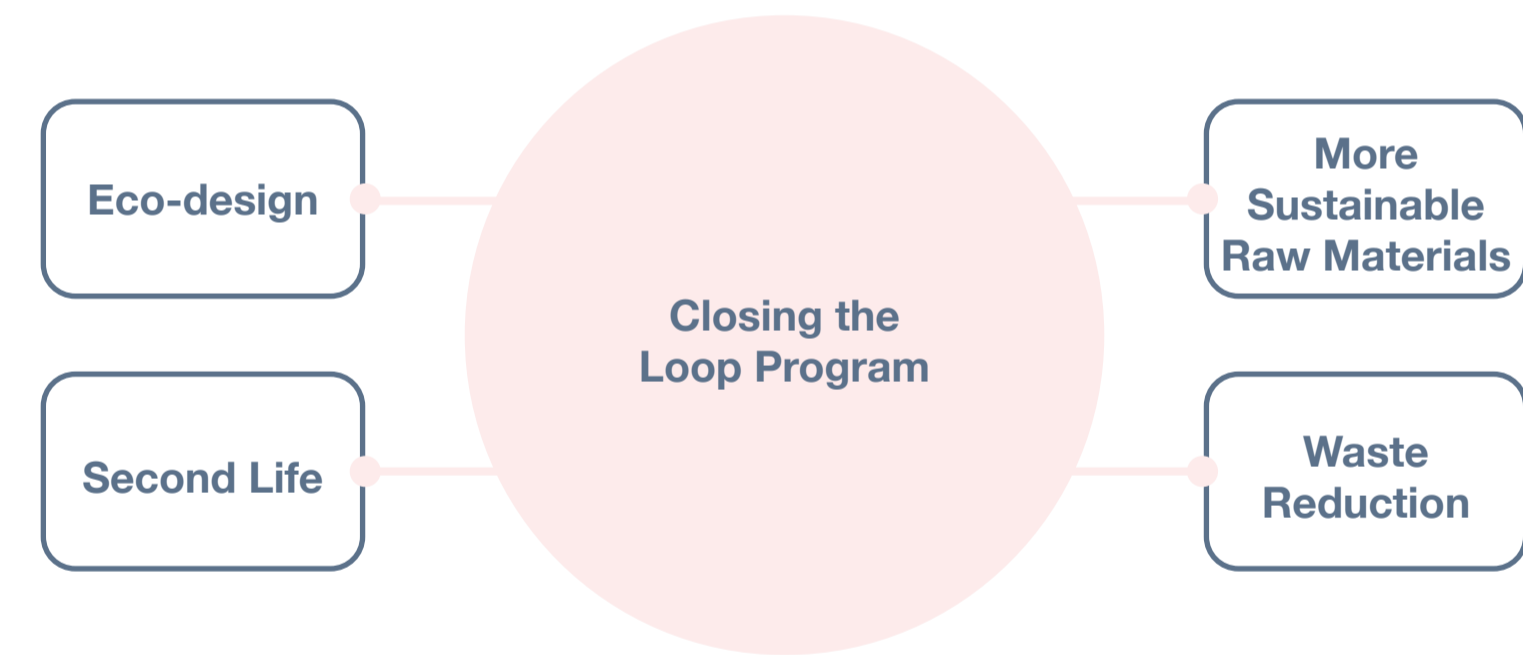
6.2 The Closing the Loop program

The Closing the Loop program arises from BROWNIE's desire to orient its business towards a circular model, prioritizing eco-design and the sustainable use of resources.

Circular Industry Model



Program Areas



Eco-design

We have started by selecting more sustainable materials and designing for durability. We will continue to minimize waste, optimize production processes, and design for recycling.

By adopting a holistic and more environmentally friendly approach, BROWNIE can reduce its environmental impact and promote more sustainable practices throughout its supply chain.

We focus on training and exploring digital tools to comply with the new textile waste directive that will come into effect in 2024. We are also exploring the implementation of 3D pattern making, samples, and design.

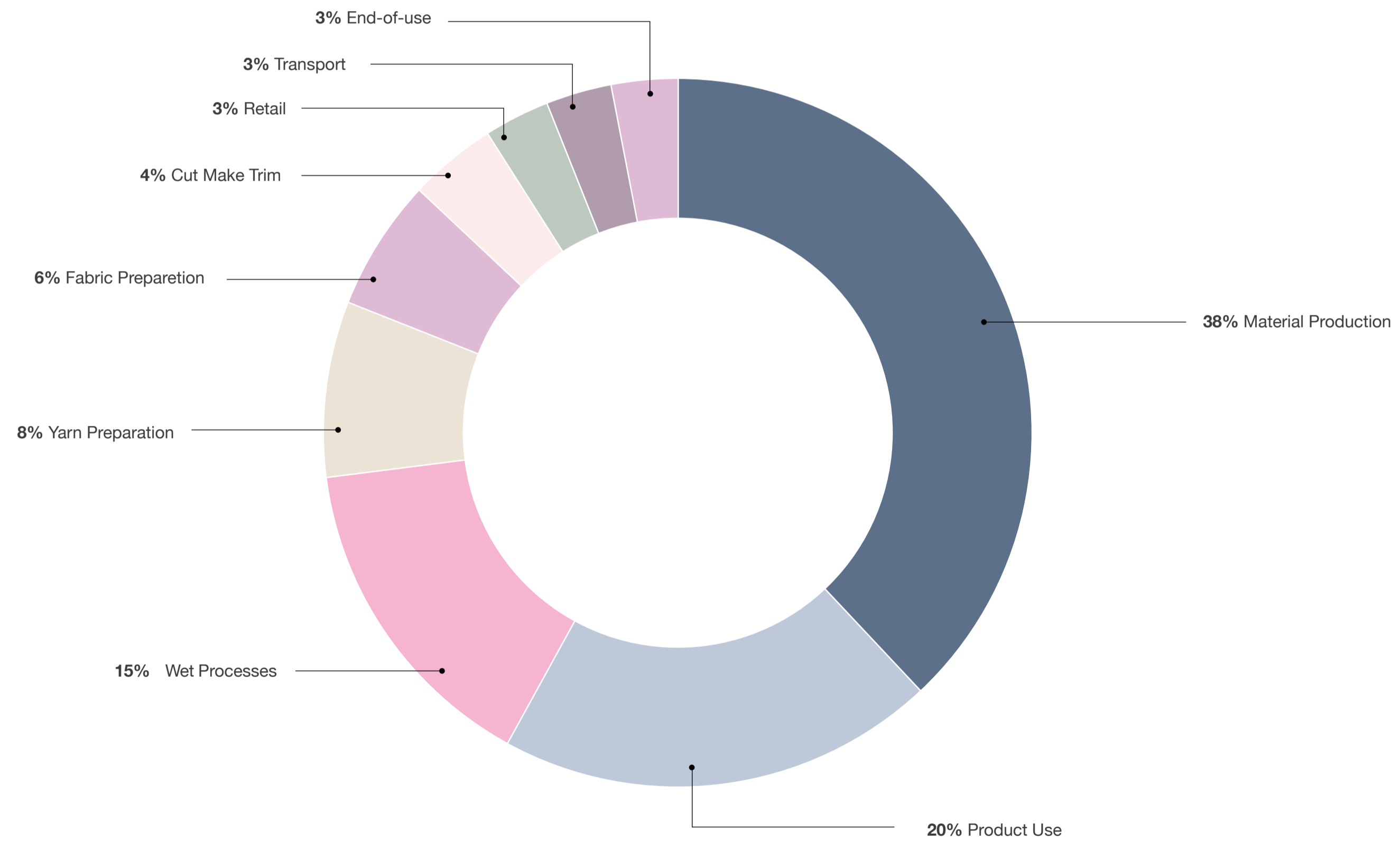
More Sustainable Raw Materials

Between 34% and 38% of fashion's emissions come from material production, so BROWNIE has decided to focus on the types of fibers used to reduce environmental impact.

Eco-design Criteria Applied at BROWNIE					
	WATER		MATERIALS		OTHERS
	Closed loop washing	Water Saving	Sustainable Certification	Recycling	
Jeans	✓	✓		✓ Buttons	
Outerwear			✓ FSC Certified Viscose	✓ Polyester	
Lightweight fabric garment			✓ FSC Certified Viscose Better Cotton Initiative (BCI) Cotton		Utilization of fabric remnants for scrunchies
Footwear			✓ Leather Working Group		Recycled paper for filling and wrapping
Jewellery				✓ Brass	
Accessories				✓ Polyester	Origin of the leather: meat industry Utilization of leather remnants for wallets

Where do the fashion industry's emissions come from?

Source: McKinsey & Company y Global Fashion Agenda (2020)



Thanks to the RE|LOVE standard, we have identified materials with the lowest environmental impact, for which we request certifications for their fibers and composition. The starting point includes organic materials, completely free of pesticides, and recycled materials.

Preferred materials	
ORIGEN	MATERIAL
Organic	Cotton in conversion, linen, or hemp
Recycled	Polyester, polyamide, acrylic, cotton, wool, cashmere, linen, viscose, lyocell, leather, brass, acetate
Responsible	Wool and alpaca
Recycled with trace	Polyester and polyamide
Cellulosic artificial with trace	Viscose Ecovero™ Lenzing, Livaeco™ Birla, Raysil® Birla, Ecotang Sanyou, Enka, Lyocell Tencel Lenzing, Refibra Lenzing, Excel Lyocell Birla, Modal Tencel Lenzing, Livaeco Modal Birla, modal Sanyou, and Acetate Naia™ Eastman
Europe	Linen
Certified	Certified cotton (minimum 90%)
Responsible	Certified leather (Gold or Silver, minimum 90%)

Some materials, such as metal, brass, and glass, although non-renewable, are highly recyclable and can enter circular economy processes. In the classification, the origin and natural regeneration capacity (renewables) are prioritized versus those that require extraction and do not regenerate (non-renewables).

We focus on training about materials to understand their environmental and social impacts, influencing the supply chain, and adjusting the RE|LOVE standard if necessary.

Raw Material Consumption by BROWNIE (kg)

Non-renewable Materials	2023	Renewable Materials	2023
Cotton	255.656	Polyester	77.661
Viscose	67.286	Acrylic	35.755
Leather	29.156	Recycled polyester	10.829
Wool	5.300	Metal	6.735
Linen	3.996	Polyetherimide	5.905
Organic cotton	1.868	Nylon	4.652
Rayon	1.681	Elastane	4.209
Recycled cotton	672	Polyurethane	2.893
Lyocell	643	Recycled brass	1.012
Sheepskin	346	Modacrylic	1.004
EcoVero viscose	335	Metal fiber	611
BCI Cotton	306	Crismetal	492
Jute	211	Cristal	149
Other natural fibers	192	Polyethylene	114
Recycled wool	170	Glass	56
Modal	148	Recycled polyamide	11
Cashmere	126	Iron	7
Alpaca	7	Gold	3
Mother-of-pearl (nacre)	4	Elastic	3
Shell	4	Stainless steel	2
Total	368.106	Resin	2
		Stone	1
		Brass	122
		Total	152.229

Waste Reduction

This program focuses on gradually incorporating a higher percentage of recycled and highly recyclable materials, both for product manufacturing and packaging and evaluating the feasibility of implementing a clothing recovery program at the end of its life cycle.

Thanks to the study of previous seasons, stock analysis, trends, and climate progression, we can estimate the demand for the next season and adapt as much as possible.

Our efforts include the environmental training of product and packaging purchasing teams, considering the Extended Producer Responsibility law in packaging and textiles, as well as product labelling.

Although the geopolitical context has led fashion brands to increase stock to ensure the supply chain, BROWNIE maintains it at 2-5% of total production. Our outlet store and sales campaigns help us achieve these stock levels.

Second Life

We aim to give our products a second, third, and fourth chance through the care of garments, footwear, and accessories, their repair, and second-hand sales.

We are developing a quality program and working on creating a store section dedicated to second-hand BROWNIE garments; customers who bring their clothes will receive tokens for causes that help our community.

The design and purchasing departments are present in the Sustainability Committee as their involvement is crucial to achieving the goals set in this circularity program.



6.3 Supply chain

BROWNIE seeks to ensure ethical and responsible behavior with all components in the value chain.

To achieve this, BROWNIE ensures that all suppliers comply with the principles established in the company's various policies and internal regulations and, generally, with the following principles:

- Respect human and labor rights and obligatorily comply with the Code of Ethics and Conduct, as well as the applicable policies and internal regulations of BROWNIE.
- Comply with national and international regulations derived from the activities that apply to them.
- Promote sustainable, safe, and healthy work environments.
- Implement continuous improvement processes to carry out a sustainable transformation of their production processes and minimize any associated negative impacts.
- Maintain an open and constant dialogue with various stakeholders.
- Additionally, BROWNIE will conduct due diligence in its value chain to identify potential environmental, social, or governance risks, prevent them, and, if applicable, remedy them.

BROWNIE has a **Supplier Code of Ethics and Conduct**, whose objective is to project ethical, professional, fair, equitable, environmentally responsible, and sustainable behavior and based on this, to promote good practices among all professionals in the environments and contexts where we interact.

The guidelines and behavior contained in the Supplier Code of Ethics and Conduct are mandatory. Therefore, suppliers and collaborators must expressly accept and ratify the principles of action established in this Supplier Code of Ethics and Conduct by signing the adherence document.

96

suppliers

23,44%

billing from local suppliers

22,60%

of local suppliers relative to the total number of suppliers

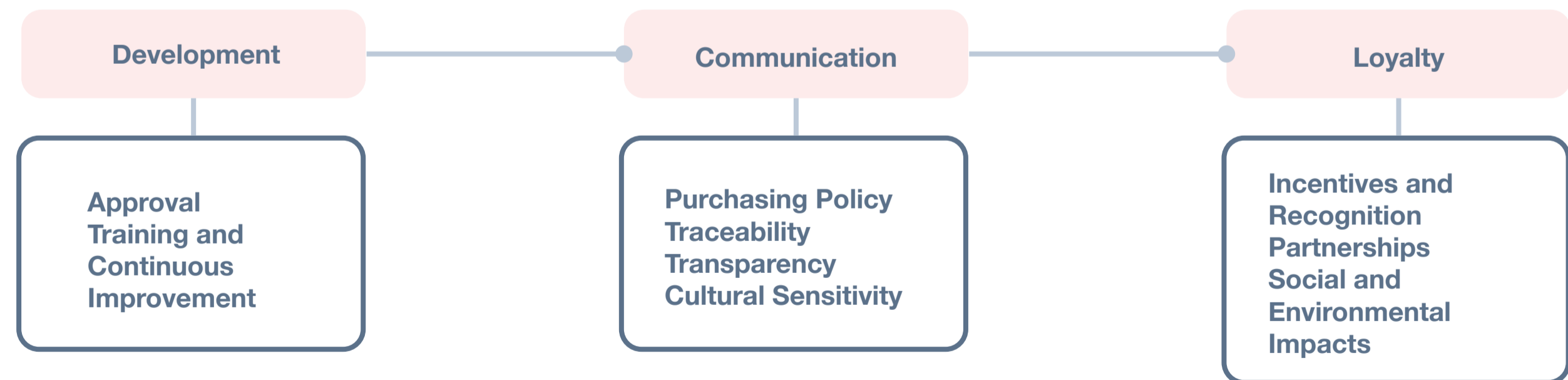
Positive Partnerships Program

In 2023, we launched the Positive Partnerships program to establish an evaluation process for new suppliers in our supply chain and to continue maintaining a strong and beneficial relationship with current suppliers, ensuring quality, sustainability, and mutual development.

In 2023 we are in the program's development phase, where we have established common criteria for the social and environmental evaluation of suppliers from China, Turkey, India, Morocco, Portugal, and Spain.

The Positive Partnerships program aims to reduce negative social and environmental impacts in the supply chain and improve relationships with our business partners.

Etapas del programa



Supply Chain Certifications

We require supplier companies with wet processing facilities (dye houses, printing facilities, laundries, or tanneries) to have the following certifications or environmental management systems:

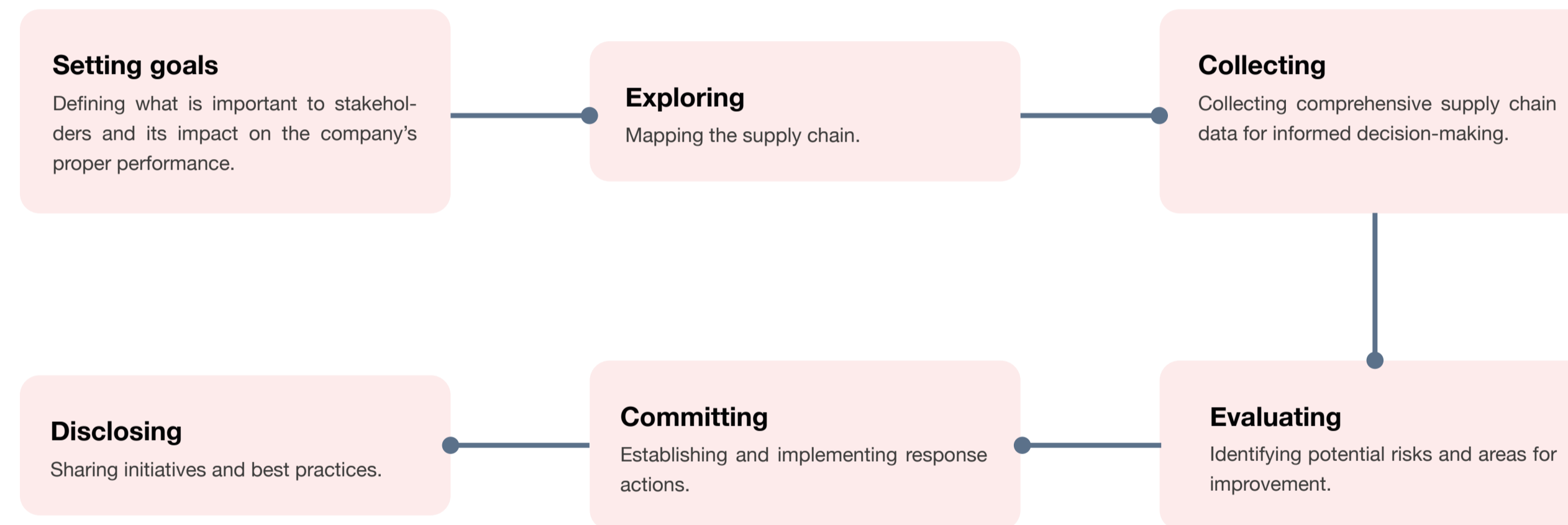
- OEKO TEX Standard 100 Certification
- Bluesign
- Zero Discharge of Hazardous Chemicals Certification
- Environmental management system certification according to ISO 14001
- Higg Facility Environmental Module (Higg FEM) Standard

6.4 Garment traceability

Retraced is BROWNIE's garment traceability tool, ensuring compliance with the Corporate Sustainability Due Diligence Directive (CSDDD). The platform facilitates efficient collaboration with suppliers to enhance their sustainability performance, track products, and minimize non-compliance risks.

BROWNIE initiated 2023 the process with all suppliers to trace the sources of raw materials and verify every step of their supply chain for different products and orders. We conduct webinars to implement the Retraced platform with our 96 suppliers.

The Retraced Frame

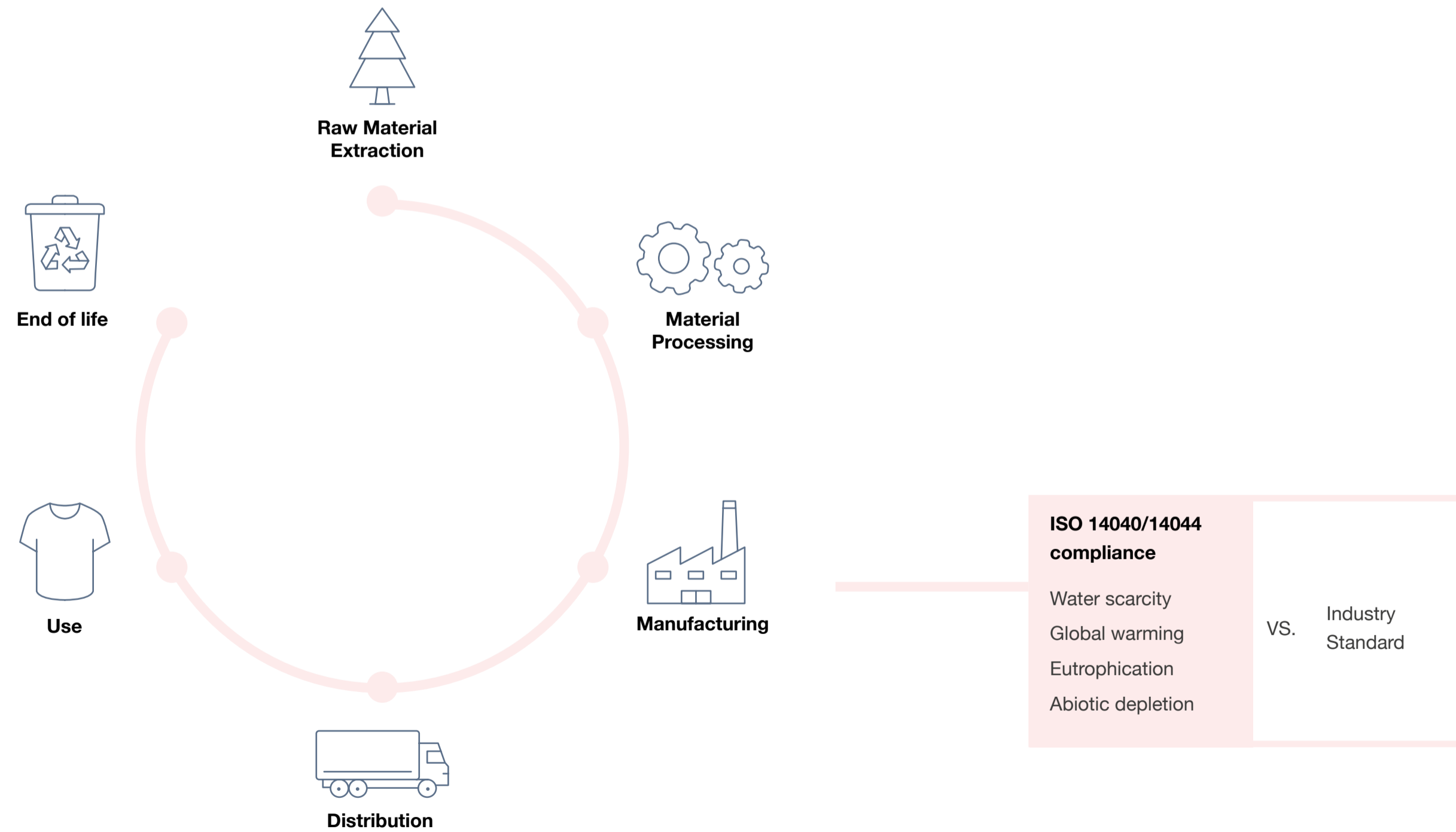


6.5 Product life cycle analysis

Measuring the life cycle of products is essential to understanding their environmental and social impact, from raw material extraction to final disposal. At BROWNIE, we have initiated this process to identify key areas for improvement in terms of resource efficiency, carbon emissions, water consumption, and biodiversity impacts.

After analysing the life cycle of 1,523 BROWNIE garments, we know that we have reduced impacts compared to the textile industry standards in water consumption, global warming, eutrophication, and abiotic depletion.

What is product life cycle analysis?



This information provides us with a solid foundation for strategic decision-making and the implementation of more sustainable practices throughout the entire value chain, as well as promoting transparency, responsibility, and innovation in the textile industry towards a more sustainable future.

The measurement was conducted using the BCome methodology, which follows the ISO 14040/14044 Environmental Management standards and the recommendations of the European Union's Product Environmental Footprint.

Water scarcity

10% savings

Equivalent to 2 Olympic-sized swimming pools of 5,000,000 liters

Water deprivation potential, whether for humans or ecosystems, is due to consumption in the value chain. Its characterization model is AWARE (Available WATER REMaining).

Global warming

23% savings

Equivalent to 47 houses of 100 m² consuming low voltage electricity.

Heat is absorbed by any greenhouse gas released into the atmosphere from the product's value chain. Its characterization model is the IPCC 2013 GWP 100a method.

Eutrophication

7% savings

Equivalent to 813 bottles of 3 liters of detergent.

Accumulation of phosphates and nitrates released using pesticides, fertilizers, detergents, and other chemicals in an ecosystem. The increase in their concentration in water bodies causes algae proliferation, altering the ecosystem and reducing its biodiversity. Its characterization model is the CML-IA baseline.

Abiotic depletion

25% savings

Equivalent to 85 flights from Madrid to New York (5,754 km).

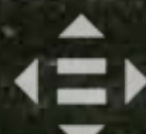
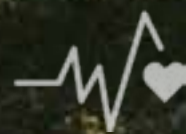
Depletion of non-living (abiotic) resources, including petroleum, natural gas, and coal used as energy carriers. It corresponds to the use of natural resources that are not renewable. Its characterization model is the CML-IA baseline.

Measured with BCom



7. Well-being

- 7.1 The human team**
- 7.2 Customers**
- 7.3 Community**



People and their well-being are a fundamental pillar for BROWNIE. Firstly, the human team working at the company is the necessary engine for creativity and excellence in every process. The company focuses on their satisfaction and happiness in the work environment.

Alongside the professional team, customers are essential to the BROWNIE world. Their preferences and needs inspire and guide the development of products that align with their tastes and lifestyles. The emotional connection with customers is vital, as it represents not just a commercial relationship but one of trust and affinity.

Lastly, the community's people are an integral part of the environment in which BROWNIE operates. Interaction and collaboration with the community not only strengthen the brand's image but also contribute to creating a more favorable environment for the growth and prosperity of all individuals.



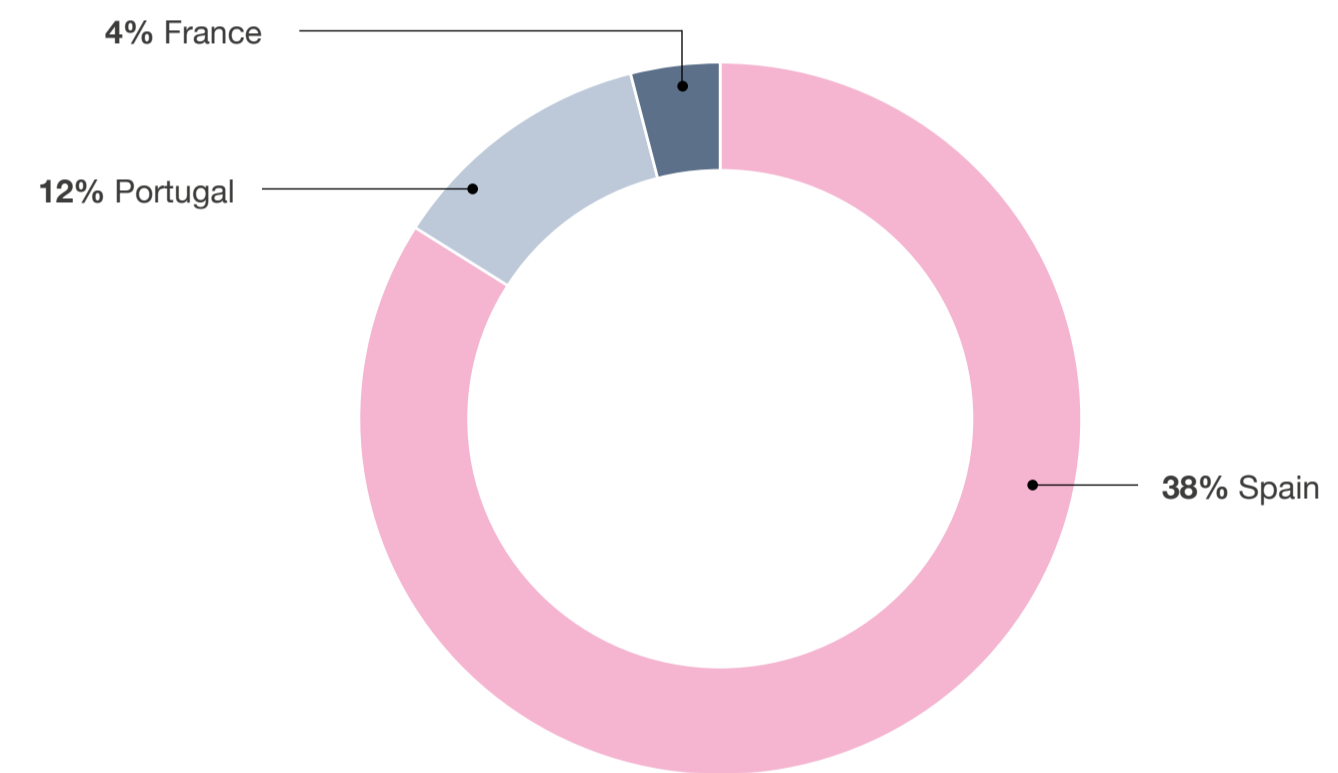
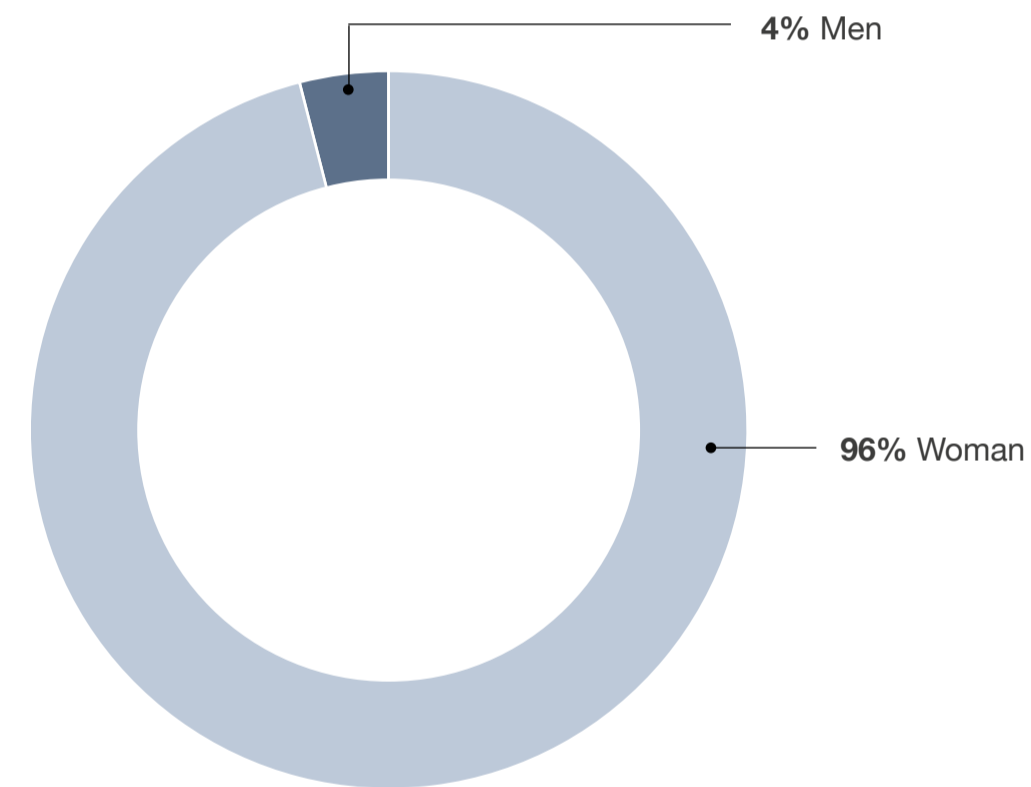
7.1 The human team

BROWNIE employs 497 people with the common goal of creating an unforgettable shopping experience for our customers. These individuals are a key element in ensuring the sustainability of the business.

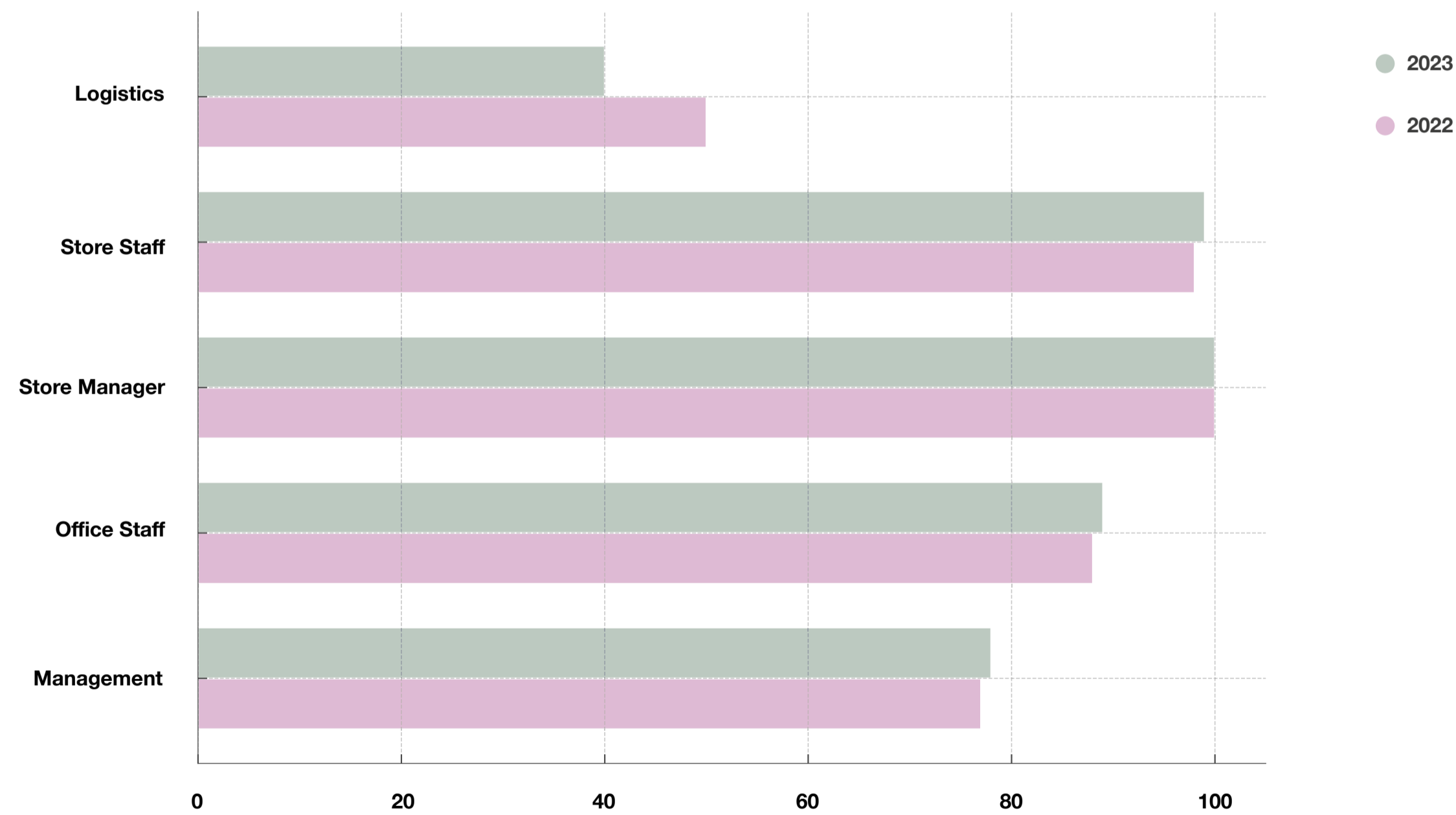
For the well-being of the human team, BROWNIE includes practices that help:

- Promote healthy habits.
- Foster a positive work environment that respects human and labor rights.
- Integrate flexible work policies.
- Encourage good relationships among teams based on our values: humility, honesty, and transparency.
- Consolidate a culture of respect for individuals and behavior open to diversity.
- Generate quality, stable employment with fair remuneration in a safe and healthy work environment that supports work-life balance.
- Attract and retain talent by promoting training and personal and professional development.
- Train the human team in good practices of ethical behavior, anti-corruption and bribery, environmental and personal well-being.
- Promote social and environmental awareness programs.
- Respect privacy, especially concerning personal data.

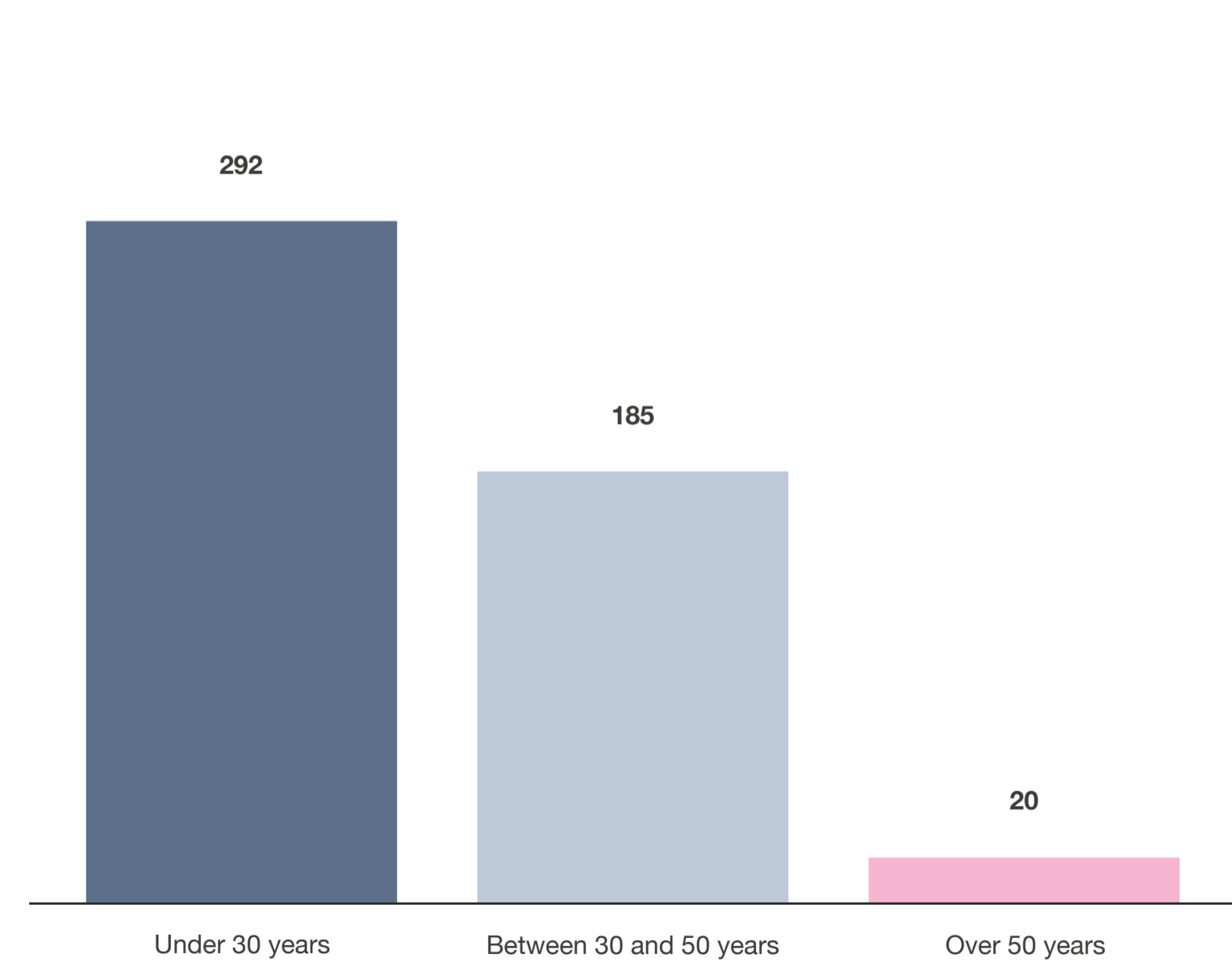
Profile of BROWNIE's Workforce



Percentage of Women in the Workforce



Staff by age



Employment Quality

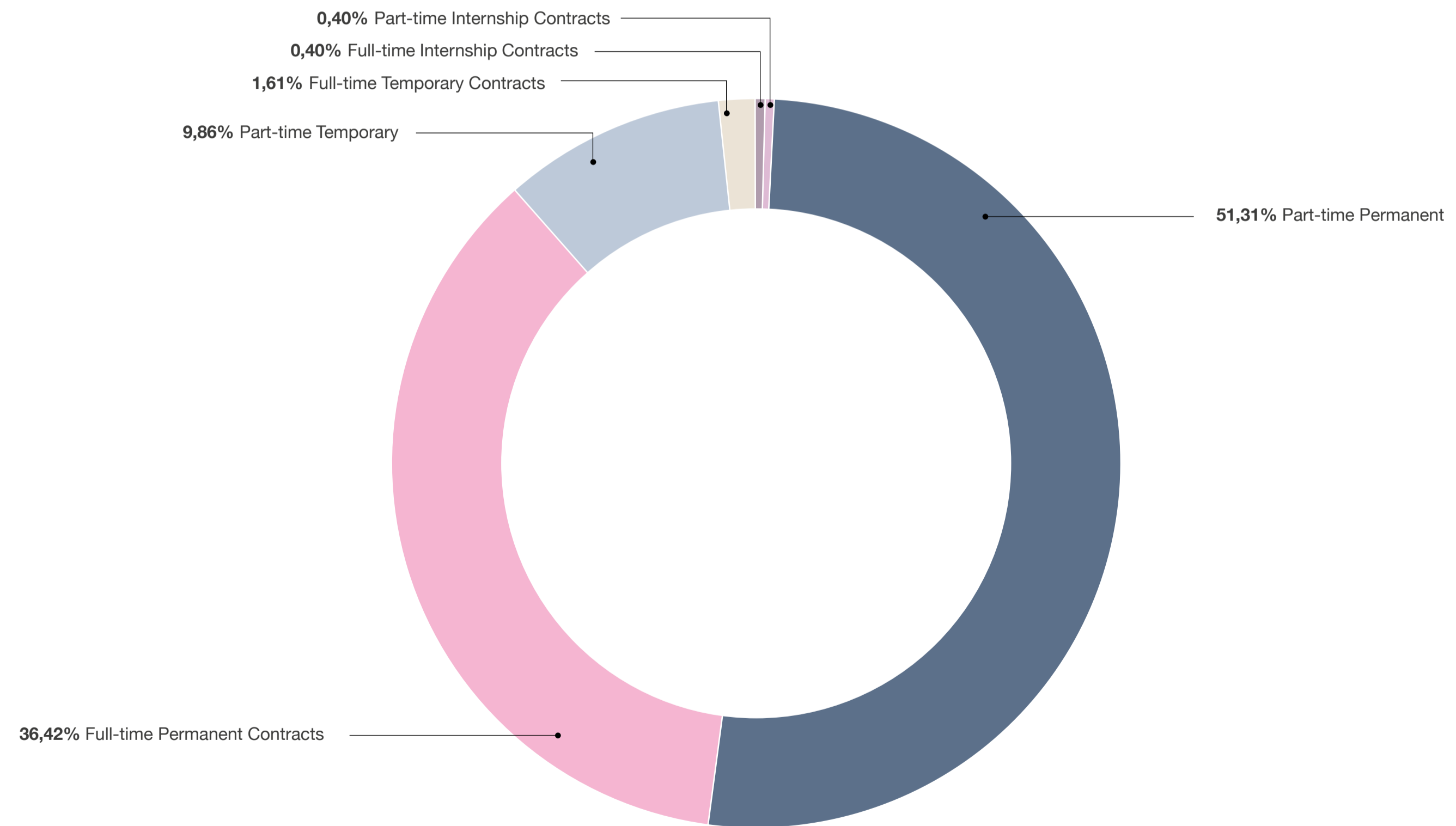
Offering employment to young people allows BROWNIE to directly contribute to the labor market inclusion of a key generation for the future. This not only provides them with the opportunity to gain work experience and develop professional skills but also enables them to contribute to the economy and social progress actively.

BROWNIE offers a quality of employment, with most contracts being permanent. We facilitate the possibility of working and studying simultaneously through intensive shifts and provide many young people with their first job opportunities.

100% of the people working at BROWNIE are covered by a collective bargaining agreement.

In France and Portugal, we have a single agreement for all employees; in Spain, we operate with over 30 different collective agreements, all corresponding to the textile sector. Not having a unified agreement complicates the implementation of policies due to significant differences in the application of regulations across territories.

Types of Contracts



Work-life Balance Measures

- Flexible start and finish times
- Compaction of breastfeeding hours

Social Benefits

For the entire workforce

- 40% discount on BROWNIE garments
- For office staff
- Fresh fruit and coffee
- Half-day off on birthdays
- Celebration of extraordinary moments: retirement, maternity/paternity, etc.

In the fiscal year 2023, all eligible employees (10 women) took maternity leave; 100% of the women whose leave period ended in 2023 returned to work.

Office Time Management

- Monday to Thursday:
Work hours: 8 am to 5 pm
Flexible start time until 9:30 am
45-minute lunch break
Intensive workday in July and August
- Friday:
Intensive workday from 8 am to 3 pm

Store Time Management

- We have different types of contracts, ranging from 40 to 8 hours per week as weekend reinforcements, allowing us to recruit senior and junior profiles who balance their studies with work. Depending on the store's business hours, various management functions, and the type of contract or profile, schedules are organized, typically morning, afternoon, or rotating morning and afternoon shifts.

- We have a tool to record staff check-ins, so if someone supports store tasks beyond the stipulated hours or needs to leave early for personal reasons, the system logs an hour bank that is settled as agreed with their manager.

In 2023 BROWNIE has yet no specific policies for work disconnection, which are planned to be developed in fiscal year 2024. However, 63.4% of the workforce belongs to stores, with total disconnection once their workday ends.

Equality and Diversity

Our **Policy on Equality, Diversity, and Inclusion** aims to establish the basic principles to ensure inclusive workplaces, proper diversity management, and equal opportunities for all staff.

As a result of this active policy, BROWNIE is developing an **Equality Plan**, which is expected to be approved during 2024 and implemented in all the company's offices, stores, and subsidiaries.

BROWNIE Group's commitments to equality, diversity, and inclusion are as follows:

- Ensure equal opportunities and non-discrimination based on gender, ethnicity, religion, beliefs, age, or any other circumstance in recruitment, training, professional development, remuneration, and promotion processes.
- Work to ensure diverse work teams, including a balanced gender composition.
- Promote the inclusion of people with diverse abilities and profiles.
- Work on eliminating physical and digital barriers.
- Promote respectful communication between people.
- Inform staff of their rights and responsibilities regarding justice, equity, and respect for diversity.
- Respect the personal and family life of all staff.
- Respect the personal and professional dignity of all staff.

- Establish an environment of respect and tolerance towards LGTBI+ and trans people.
- Use neutral and inclusive language in communications.
- Maintain a work environment free of harassment and offensive behavior.

As defined in the Code of Ethics and Conduct, BROWNIE rejects any manifestation of violence, physical, sexual, psychological, moral harassment, or others that create an intimidating or offensive environment for the personal rights of team members and takes the necessary measures to prevent or stop such conduct once detected.

Diversity is part of BROWNIE Group's core values, fostering an **open and inclusive culture** that applies to the entire human team, subsidiaries, and business partners. We are also committed to an inclusive gender linguistic policy that promotes the use of non-sexist language and reflects our diversity, ensuring that all people feel welcome and represented.

What's Next?

At BROWNIE, 4 people with disabilities were employed in 2023 (the same as in the fiscal year 2022). Our goal for the fiscal year 2024 is to work with Special Employment Centers and foundations for people with special needs.

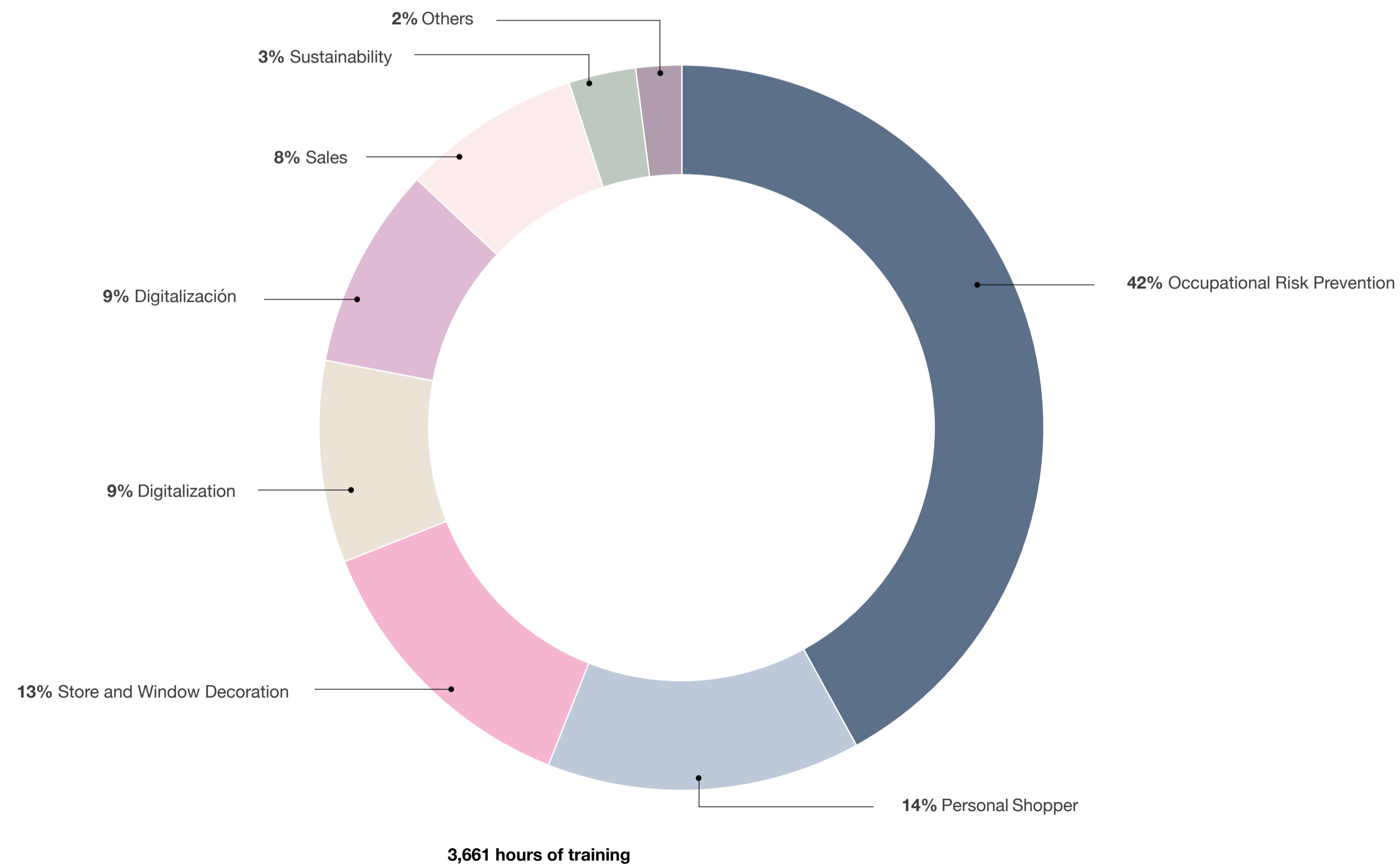
Training and Professional Development

In recent years, training for the human team has focused on internalizing and improving daily operations and deepening knowledge of the sector and business.

Employees receive mandatory training in Occupational Risk Prevention and Harassment Prevention according to the characteristics of their jobs. The training plan also includes language classes (English, French, etc.) for office staff working with international teams. We also use the Adams training platform, which offers a wide variety of courses in the commerce sector, with a changing monthly course selection.

In the coming years, the strategy will focus on leadership skills and the development of team leaders to support the company's growth.

Types of Training Provided



Occupational Health and Safety

BROWNIE promotes health and safety at work as an essential part of its activity and applies the preventive measures established in this regard and in current legislation, ensuring they are strictly observed by members and collaborators. We ensure that both members and collaborators, as well as contracted third parties, have the necessary means to minimize work risks.

We have an Occupational Risk Prevention Policy through which we assume the following commitments:

- Comply with applicable legislation on occupational risk prevention.
- Promote continuous improvement in behavior and levels of occupational risk prevention.
- Involve all company personnel in the responsibility of managing occupational risk prevention, including contractors and collaborators in the active commitment to improving working conditions for their staff.
- Encourage participation, information, training, and consultation of all personnel, including temporary and external workers performing tasks on the premises, to maintain an adequate level of prevention in the company.

We have an Occupational Risk Prevention Management Plan to establish the structure and processes necessary to ensure the functioning of preventive activity in the company. BROWNIE's management is responsible for approving the Plan, ensuring its implementation and monitoring, and being aware of the evaluations carried out and their results. At BROWNIE, we have an external prevention service.

The risk assessment method used is the "General Risk Assessment Method" published by the National Institute for Occupational Safety and Health, and includes:

- Identification of occupational hazards
- Risk assessment
- Preventive actions
- Review of risk assessment

Risk Assessment Phases



The **Annual Preventive Activities Program** comprises:

- Annual scheduling of preventive service activities by the external prevention service.
- Planning of the company's preventive activity. We establish preventive activities to avoid, reduce, or control the risks detected in risk assessments, periodic inspections, accidents/incidents that occurred, employee proposals, etc. The planning includes the necessary human and material resources, as well as the allocation of the necessary economic resources to achieve the proposed objectives.

100% of the people working at BROWNIE are covered by the occupational health and safety management system.

In the fiscal years 2023 and 2022, there were no fatalities or serious injuries due to workplace accidents at BROWNIE, and no employees suffered from occupational illnesses. The main work-related injuries were wounds, dislocations, sprains, and fractures.

Workplace Accident Injuries	2023
Number of recorded work-related injuries	7
Registered work-related injury rate	1,36
Frequency index	1,36
Absenteeism rate	2,33%

7.2 Customers

BROWNIE focuses on meeting the needs of our customers as they are the foundation of our business; we are deeply committed to maintaining their long-term trust and offering them products that combine design and quality.

We aim to convey joy and excitement through our carefully crafted collections, as well as a shopping experience centered on reinforcing positive values and a sense of community.

Principles of Action

- Manufacture our products in an ethical, transparent, and responsible manner, as outlined in the Code of Ethics and Conduct.
- Offer safe and quality products that meet our product standards and the expectations of our customers.
- Promote responsible and sustainable consumption habits by increasing the range of products made with more sustainable materials and processes and encouraging reuse and recycling.
- Work to ensure accessibility to both our physical and online spaces.
- Take necessary measures to always respect the right to privacy, protection, and proper use of personal data.

Events and Workshops that add value

To strengthen the relationship between the brand and our customers, BROWNIE promotes various events and workshops throughout the year.

In November 2023, we held a participatory workshop with BROWNIE customers to get their opinions on the most relevant social and environmental issues for the company. Girls aged 13 to 18 participated with their respective guardians. The most highlighted topics were the social evaluation of suppliers, product quality and safety, wage gap, circularity, and material selection.

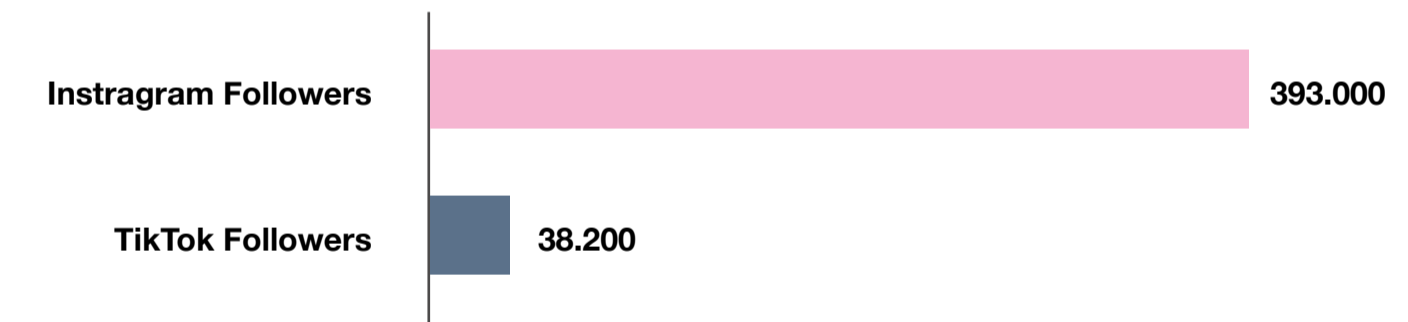
Other events we promoted in 2023 include Mom's Love, a gathering of influencers, moms, and #browniegirls held in several stores, where initials of mothers and daughters were embroidered live, and a styling session at the Hermosilla Street store (Madrid, Spain), followed by a workshop on covering notebooks and school supplies with polaroids taken during the activity.

The workshops serve as a platform to empower customers, providing them with knowledge about fashion, style, garment care, and current trends.

Honest Communication and Marketing

Para BROWNIE, la comunicación y el marketing veraz son For BROWNIE, honest communication and marketing are crucial as they help maintain credibility and trust with our customers. We are transparent about our sustainability practices and refrain from using advertising claims that are not backed by third-party standards.

Connecting with Customers



Customer Care

Our commitment to customer satisfaction and loyalty involves effective and empathetic management of complaints and claims. By listening to and adequately responding to customer concerns, BROWNIE turns potential negative experiences into opportunities to exceed expectations and stand out in the market.

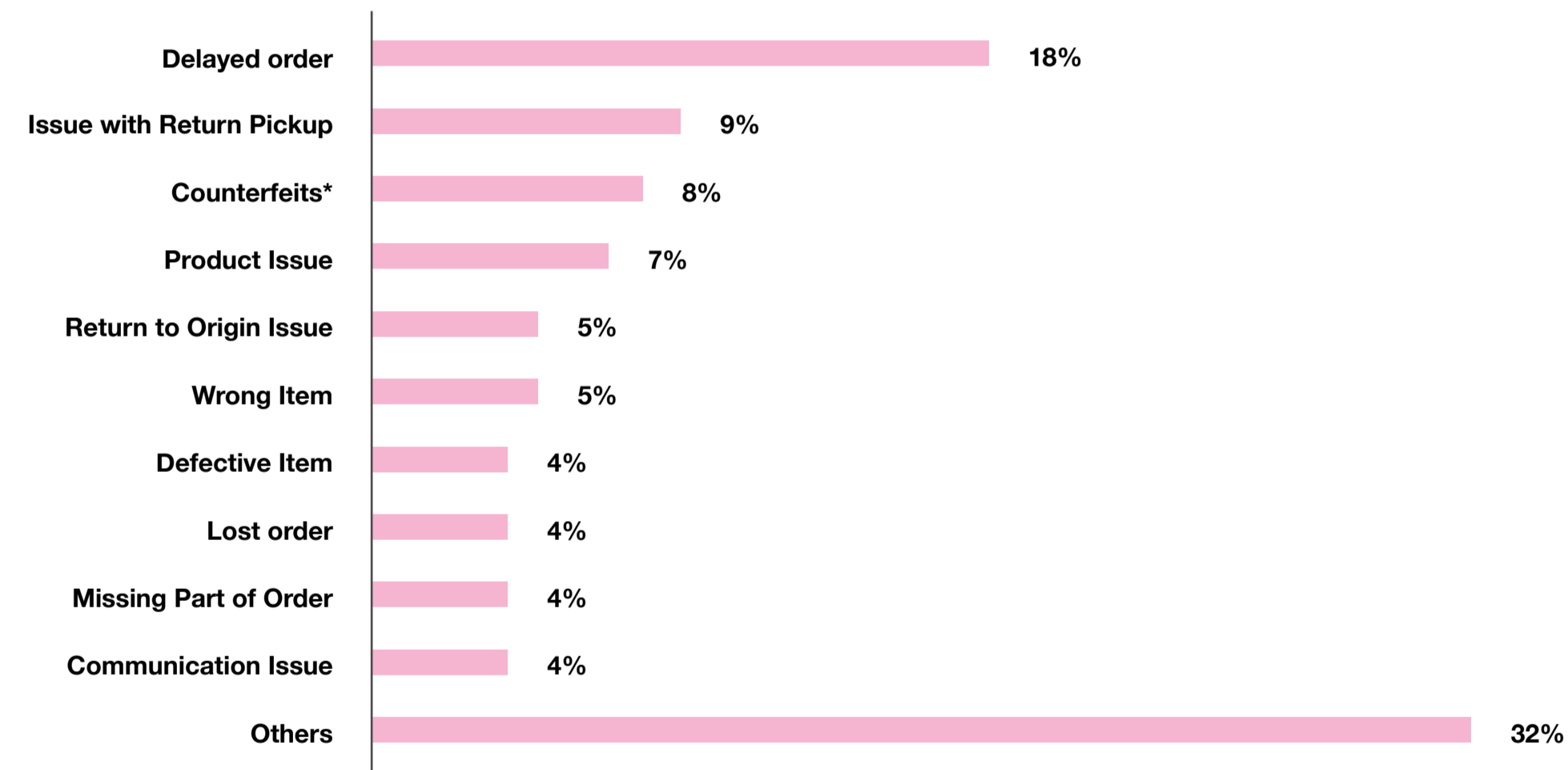
We provide customers with various channels to submit their complaints and/or suggestions:

- Social media: always available. Response time between 24-48 hours.
- Email: always available. Response time between 24-72 hours.
- Phone: Monday to Friday from 9 am to 2 pm.
- Chat: Monday to Friday from 9 am to 6 pm.
- Web Contact Form: always available. Response time between 24-72 hours.
- Physical Store: available according to each store's schedule.

100%

de quejas resueltas (9.557)

Complaints by Type



*Issue with fraudulent websites pretending to be BROWNIE

Towards the Digital Passport

The European Union is working to promote the Digital Product Passport (DPP) as part of environmental regulation for the fashion industry. This passport will require brands to share data about the sustainability and life cycle of their products to facilitate more informed purchasing decisions and greater transparency.

The future implementation of the Digital Passport makes it more necessary to measure the traceability of the entire supply chain, including manufacturing, printing, and spinning suppliers, down to every raw material used.

BROWNIE is implementing a tool for information transparency and traceability of its garments.

Information Included in the Digital Passport



7.3 Community

At BROWNIE, we are committed to adopting responsible social practices that create shared value in the communities where we operate. To this end, we promote investment initiatives through the voluntary contribution of monetary resources, BROWNIE employees' time, or in-kind donations.

In 2023, we collaborated with the following organizations:

- **Hospital Sant Joan de Déu:** Clothing donations for the hospital to sell in its store.
- **Cáritas:** Clothing donation.
- **Pulseras Candela Association:** Selling bracelets in our stores, with proceeds going to childhood cancer research.
- **Elena Barraquer Foundation:** Collaboration in the cataract surgery campaign in developing countries.
- **Aladina Foundation:** Collaboration in projects to help children with cancer.
- **Contigo Foundation:** Collaboration in the charity dinner to support cancer research projects.

64.566,42 €

donated to organizations

2%

of profits allocated to social action

Empowering & Inspiring Girls Program

At BROWNIE, we want to focus on women, whether they are customers, employees, suppliers, or members of our communities. This is why we created the Empowering & Inspiring Girls Program, aimed at motivating and empowering women to develop their potential and become agents of positive change in their communities. The program seeks to foster confidence, self-esteem, and leadership skills in participants, providing them with tools and opportunities to achieve their personal and professional goals, and promoting gender equality.

Customers | Empowering Girls

- Empowerment workshops
- Education on sustainability

Employees | Inspiring Girls

- Talks
- Training

Community | Healthy Girls

- Physical health
- Mental health



8. Environmental best practices

- 8.1 Stores and the circular economy
- 8.2 Carbon footprint
- 8.3 Sustainable use of resources

BROWNIE is an environmentally responsible organization, striving to minimize the impact of our activities on the environment through socially responsible and scientifically based methods. We extend this commitment to our suppliers through the development of the Re|Love collection.



8.1 Stores and the circular economy

The circular economy is based on the principle of keeping resources in use for as long as possible, extracting the maximum value from them before recovering and regenerating them at the end of their life cycle.

By using **recycled materials for store decorations**, BROWNIE not only reduces waste and minimizes the extraction of natural resources but also promotes a continuous cycle of use and reuse, exemplifying the principles of the circular economy. This not only reinforces BROWNIE's commitment to environmental respect but also creates a store environment that reflects its values, educating and inspiring customers about the importance of adopting sustainable practices in all aspects of life.

In all stores, **waste is separated and properly disposed** of for collection following municipal ordinances.

80% of the decoration elements used in the window displays are recycled, bought in second-hand markets, and reused across several seasons.

We also give second chances to our stock by selling it at the La Roca Village outlet (Barcelona, Spain) and in the showroom we hold with customers at BROWNIE's headquarters. Additionally, we take advantage of major sales campaigns like Black Friday to reduce the stock of previous collections.

What's Next?

We have started implementing a pilot plan to replace cardboard packaging for "last mile" deliveries with reusable boxes.

8.2 Carbon footprint

By implementing energy efficiency measures, BROWNIE contributes to the reduction of greenhouse gas emissions and the efficient use of resources. Calculating the carbon footprint is crucial for BROWNIE, as it provides a clear view of our environmental impact, allowing us to identify key areas for emission reductions.

Energy Consumption within the Organization	2023
Fuel from non-renewable sources	138.924,03 kWh
Natural Gas	15.837,50 kWh
Petrol	45.906,62 kWh
Diesel	77.179,91 kWh
Fuel from renewable sources	0,00 kWh
Energy Consumption	
Electricity Consumption	796.993,00 kWh
Total Energy Consumption	796.993,00 kWh
Energy Intensity*	163,82

* Energy consumption relative to the total m² of stores and offices

Actions to Reduce Energy Consumption in Stores

- Reducing the number of spotlights
- Using LED spotlights with maximum energy efficiency
- Using lights with motion sensors
- Designing stores to maximize natural light
- Using air curtains at entrances to prevent energy loss
- Regulating HVAC temperature (heating, ventilation, and air conditioning)

In 2021, we implemented a plan for energy savings and efficiency in stores. By applying various measures such as setting improvement targets and eliminating reactive energy, we achieved 20% energy savings.

The electricity consumed by BROWNIE is 100% CO2 emission-free certified energy, so the emission of compounds affecting climate change associated with electricity consumption is zero.

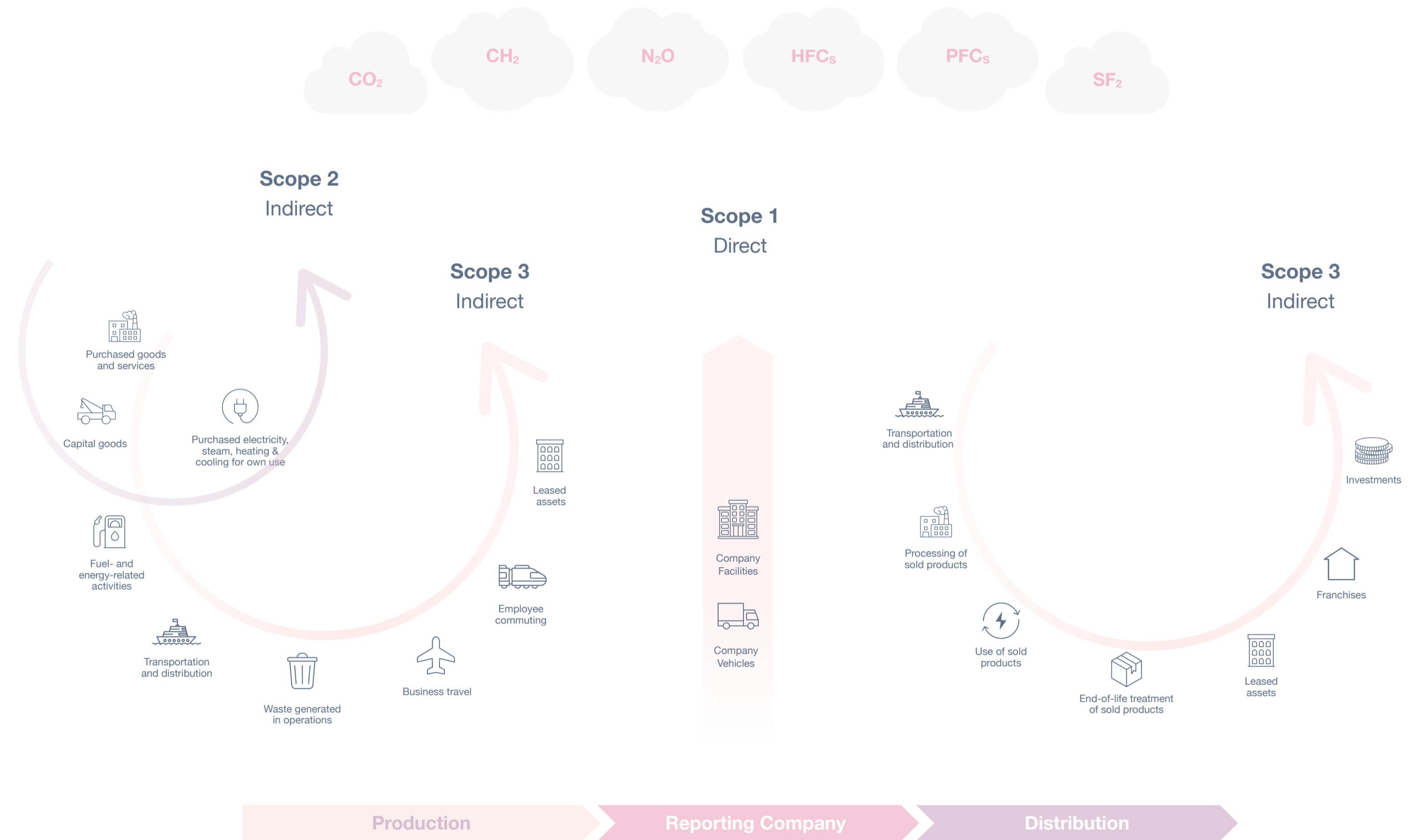
Carbon Footprint Calculation

What are Scope 1, 2, and 3 Emissions?

Scope 1: Direct emissions resulting from activities under the control of an organization.

Scope 2: Indirect emissions are associated with the organization's consumption of electricity.

Scope 3: Any other indirect emissions from sources outside of direct control. These are all emissions for which the organization is indirectly responsible, whether upstream (production) or downstream (distribution).



Scope 1: Direct emissions resulting from activities under the control of an organization.

Scope 2: Indirect emissions are associated with the organization's consumption of electricity.

Scope 3: Any other indirect emissions from sources outside of direct control. These are all emissions for which the organization is indirectly responsible, whether upstream (production) or downstream (distribution).

In fiscal year 2023, we calculated **the carbon footprint (Scopes 1 and 2)** for our offices in Barcelona and 24 stores located in Spain.

Greenhouse Gas Emissions (kg CO2eq)	2023
Direct GHG emissions (Scope 1)	296.031,88
Indirect GHG emissions associated with electricity (Scope 2)	0
Total	296.031,88
GHG Emissions Intensity*	60,85
Other Significant Atmospheric Emissions (kg)	
Nitrogen Oxides (N2O)	6.932,00
Methane (CH4)	10.574,40

*Emissions (Scopes 1 and 2) relative to the total m² of stores and offices.

We have also begun the process of measuring the Scope 3 carbon footprint (outside the organization) by requesting GHG emissions data from our main logistics operators. In the fiscal year 2023, the result of this calculation is 56,720 t CO2e.

What's Next?

In fiscal year 2024, we plan to calculate the impact of the mobility of BROWNIE employees and the transportation and distribution of products, expanding to all logistics operators.

We aim to reduce GHG emissions by 15% by 2030 (using 2023 as the baseline) and achieve Net Zero by 2050.

8.3 Sustainable use of resources

The sustainable use of resources by BROWNIE is crucial to minimizing its environmental impact and preserving natural resources.

Green Procurement

We apply green procurement criteria to consumables to reduce environmental impact and promote sustainable practices. By prioritizing recyclable products and those produced with eco-friendly methods, we reduce the carbon footprint and waste generation, conserving natural resources.

34,63 % of turnover from local suppliers
57,14 % of local suppliers concerning the total number of suppliers

What's Next?

In 2024, BROWNIE will continue to promote actions to reduce resource consumption. In this regard, a campaign is planned in all stores to encourage the sending of purchase receipts via email, thereby avoiding printing.

Consumable	Composition
Merchandise cardboard boxes	Boxes: 83% recycled Separators: 100% recycled
Gift bracelets	100% organic cotton
Tissue paper	100% recycled
Jewelry envelopes	10% recycled
Sales bags	100% recycled
Online shipping envelopes	70% recycled
Paper bags	100% recycled
Cloth bags	100% organic cotton
Box labels	COATED 80 FSC™



9. About this report

Grupo Textil BROWNIE, S.L. and its subsidiaries constitute a consolidated group of companies operating in the textile and retail sector. Grupo Textil BROWNIE, S.L. was established on December 28, 2015, becoming the parent company of a group of companies as defined in Article 42 of the Commercial Code. Currently, the company has a Spanish corporate name, as does its main subsidiary, Textiles and Confecciones BROWNIE, S.L. Additionally, it operates in the Portuguese and French markets through its subsidiaries BROWNIE Atlantico Unipessoal, Lda. and BROWNIE France S.A.S., respectively.

This document contains the most relevant information and key performance indicators of Grupo Textil BROWNIE, S.L. and its subsidiaries (referred to throughout this document as “BROWNIE”, “BROWNIE Group” or “Group”) for the fiscal year 2023, covering the period from March 1, 2023, to February 29, 2024.

BROWNIE includes the consolidated non-financial information statement, which encompasses the company's non-financial information in this document, as indicated in the “Content Table of the Law on non-financial information and diversity.” Through this document, BROWNIE meets the non-financial information and diversity reporting requirements outlined in Law 11/2018, December 28.

The key non-financial performance indicators included in this consolidated non-financial information statement have been prepared following the contents specified in the current commercial regulations at the time of issuing this document and following the sustainability reporting standards of the Global Reporting Initiative (GRI standards), an international reporting framework considered in the new Article 49.6.e of the Commercial Code introduced in Law 11/2018.

For any questions related to the content of this report, please contact sustainabilitand@BROWNIEspain.com.



Annexes

Tables

The Human Team¹ (GRI 2-7)

Number of Employees band Gender and Region	2022	2023	Change 2022-2023
Spain	367	415	13%
Men	22	20	-9%
% Men	6%	5%	-20%
Women	345	395	14%
% Women	94%	95%	1%
France	31%	20	-35%
Men	0	0	-
% Men	0%	0%	-
Women	31	20	94%
% Women	100%	100%	0%
Portugal	58	62	7%
Men	0	1	-
% Men	0%	2%	-
Women	58%	61%	5%
% Women	100%	98%	-2%
TOTAL BROWNIE	456	497	9%
Men	22	21	-5%
% Men	5%	4%	-12%
Women	434	476	10%
% Women	95%	96%	1%

Contract Types by Gender and Region	2023
Spain	415
Full-time Permanent Contracts	
Men	19
Women	144
Part-time Permanent Contracts	
Men	1
Women	228
Full-time Temporary Contracts	
Men	0
Women	3
Part-time Temporary Contracts	
Men	0
Women	16
Full-time Internship Contracts	
Men	0
Women	2
Part-time Internship Contracts	
Men	0
Women	2

Contract Types by Gender and Region	2023
France	20
Full-time Permanent Contracts	
Men	0
Women	4
Part-time Permanent Contracts	
Men	0
Women	15
Full-time Temporary Contracts	
Men	0
Women	0
Part-time Temporary Contracts	
Men	0
Women	1
Full-time Internship Contracts	
Men	0
Women	0
Part-time Internship Contracts	
Men	0
Women	0

Contract Types by Gender and Region	2023
Portugal	62
Full-time Permanent Contracts	
Men	1
Women	13
Part-time Permanent Contracts	
Men	0
Women	10
Full-time Temporary Contracts	
Men	0
Women	5
Part-time Temporary Contracts	
Men	0
Women	33
Full-time Internship Contracts	
Men	0
Women	0
Part-time Internship Contracts	
Men	0
Women	0

Contract Types by Gender and Region	2023
TOTAL	497
Full-time Permanent Contracts	
Men	20
Women	161
Part-time Permanent Contracts	
Men	1
Women	253
Full-time Temporary Contracts	
Men	0
Women	8
Part-time Temporary Contracts	
Men	0
Women	50
Full-time Internship Contracts	
Men	0
Women	2
Part-time Internship Contracts	
Men	0
Women	2

Annual Average of Permanent Contracts, Temporary Contracts, and Part-Time Contracts band Gender, Age, and Professional Classification	2023
Management	32
Full-time Permanent Contracts	
Men	7
Women	24
Part-time Permanent Contracts	
Men	0
Women	1
Full-time Temporary Contracts	
Men	0
Women	0
Part-time Temporary Contracts	
Men	0
Women	0
Full-time Internship Contracts	
Men	0
Women	0
Part-time Internship Contracts	
Men	0
Women	0

Annual Average of Permanent Contracts, Temporary Contracts, and Part-Time Contracts band Gender, Age, and Professional Classification	2023
Office Staff	78
Full-time Permanent Contracts	
Men	8
Women	55
Part-time Permanent Contracts	
Men	1
Women	8
Full-time Temporary Contracts	
Men	0
Women	1
Part-time Temporary Contracts	
Men	0
Women	1
Full-time Internship Contracts	
Men	0
Women	2
Part-time Internship Contracts	
Men	0
Women	2

Annual Average of Permanent Contracts, Temporary Contracts, and Part-Time Contracts band Gender, Age, and Professional Classification	2023
Store Manager	67
Full-time Permanent Contracts	
Men	0
Women	48
Part-time Permanent Contracts	
Men	0
Women	18
Full-time Temporary Contracts	
Men	0
Women	1
Part-time Temporary Contracts	
Men	0
Women	0
Full-time Internship Contracts	
Men	0
Women	0
Part-time Internship Contracts	
Men	0
Women	0

Annual Average of Permanent Contracts, Temporary Contracts, and Part-Time Contracts band Gender, Age, and Professional Classification	2023
Store Staff	315
Full-time Permanent Contracts	
Men	2
Women	32
Part-time Permanent Contracts	
Men	0
Women	227
Full-time Temporary Contracts	
Men	0
Women	6
Part-time Temporary Contracts	
Men	0
Women	48
Full-time Internship Contracts	
Men	0
Women	0
Part-time Internship Contracts	
Men	0
Women	0

Annual Average of Permanent Contracts, Temporary Contracts, and Part-Time Contracts band Gender, Age, and Professional Classification	2023
Logistics	5
Full-time Permanent Contracts	
Men	3
Women	2
Part-time Permanent Contracts	
Men	0
Women	0
Full-time Temporary Contracts	
Men	0
Women	0
Part-time Temporary Contracts	
Men	0
Women	0
Full-time Internship Contracts	
Men	0
Women	0
Part-time Internship Contracts	
Men	0
Women	0

Annual Average of Permanent Contracts, Temporary Contracts, and Part-Time Contracts band Gender, Age, and Professional Classification	2023
TOTAL	497
Full-time Permanent Contracts	
Men	20
Women	161
Part-time Permanent Contracts	
Men	1
Women	254
Full-time Temporary Contracts	
Men	0
Women	8
Part-time Temporary Contracts	
Men	0
Women	49
Full-time Internship Contracts	
Men	0
Women	2
Part-time Internship Contracts	
Men	0
Women	2

Number of Dismissals band Gender, Age, and Professional Classification	2023
Management	0
Men	0
Women	0
Under 30 years	0
Between 30 and 50 years	0
Over 50 years	0
Office Staff	4
Men	1
Women	3
Under 30 years	1
Between 30 and 50 years	2
Over 50 years	1
Store Manager	4
Men	0
Women	4
Under 30 years	3
Between 30 and 50 years	1
Over 50 years	0

Number of Dismissals band Gender, Age, and Professional Classification	2023
Store Staff	19
Men	0
Women	19
Under 30 years	16
Between 30 and 50 years	3
Over 50 years	0
Logistics	0
Men	0
Women	0
Under 30 years	0
Between 30 and 50 years	0
Over 50 years	0
Total	27
Men	1
Women	26
Under 30 years	20
Between 30 and 50 years	6
Over 50 years	1

GRI 405-1

Number of employees by Professional Classification, Gender, and Age Group	2023
Management	32
Men	7
Women	25
Under 30 years	1
Between 30 and 50 years	28
Over 50 years	3
Office Staff	78
Men	9
Women	69
Under 30 years	27
Between 30 and 50 years	44
Over 50 years	7
Store Manager	67
Men	0
Women	67
Under 30 years	16
Between 30 and 50 years	47
Over 50 years	4

Number of employees by Professional Classification, Gender, and Age Group	2023
Store Staff	315
Men	2
Women	313
Under 30 years	248
Between 30 and 50 years	64
Over 50 years	3
Logistics	5
Men	3
Women	2
Under 30 years	0
Between 30 and 50 years	2
Over 50 years	3
Total	
Men	21
Women	476
Under 30 years	292
Between 30 and 50 years	185
Over 50 years	20

The distribution of the workforce band professional category is not broken-down by country, as the majority of employees are concentrated in Spain, where the Group's headquarters are located.

GRI 405-2

Wage Gap by Professional Classification	2022	2023
Management	31,50%	22,89%
Office Staff	7,19%	17,93%
Store Manager*	0,00%	0,00%
Store Staff**	-47,36%	4,00%
Logistics	9,50%	15,65%

*No men in this category

**Baristas are not included since they follow the Madrid hospitality agreement (Spain)

GRI 2-21

Average Salaries	2022	2023	Variación 2022-2023
By Gender			
Men	1.670,70 €	1.735,42 €	3,87%
Women	3.044,50 €	3.671,91 €	20,61%
By Age			
Under 30 years	1.226,60 €	1.258,35 €	2,59%
Between 30 and 50 years	2.382,80 €	2.553,38 €	7,16%
Over 50 years	3.407,70 €	3.106,36 €	-8,84%
By Professional Classification			
Management	5.064,80 €	5.575,44 €	10,08%
Office Staff	2.374,17 €	2.614,85 €	10,14%
Store Manager*	2.024,54 €	2.063,72 €	1,94%
Store Staff	1.128,00 €	1.182,36 €	4,82%
Logistics	1.923,60 €	2.071,84 €	7,71%

*No men in this category

Stores and the Circular Economy

Waste Generated in BROWNIE Offices (kg)	2022	2023	Change 2022-2023
Hazardous Waste			
Small appliances	0	60	
Total hazardous waste	0	60	
Non-Hazardous Waste			
Scrap metal	20	30	50%
Wood	270	0	
Non-ferrous metal	10	0	
Paper and cardboard	1.467	1.370	-7%
Mixed glass	0	70	
Fabrics and shoes	0	260	
Plastic film	0	50	
Other	0	120	
Total non-hazardous waste	1.767	1.900	8%
Total Waste Generated	1.767	1.960	11%

Index of contents of the law on non-financial information and diversity

Information Required by the Law on Non-Financial Information and Diversity	Pages	Related GRI Standards
GENERAL INFORMATION		
BUSINESS MODEL		
	Pages	Related GRI Standards
	Grupo Textil BROWNIE, S.L. Calle de Castanyer, 29, 08022 Barcelona	GRI 2-1 Organizational details
Brief description of the Group's business model.	66	GRI 2-2 Entities included in the organization's sustainability reporting
	8 and 11	GRI 2-6 a. Activities, value chain, and other business relationships
	3	GRI 2-22 Statement on sustainable development strategy
Geographic presence.	9 y 10	GRI 2-1 d. Organizational details
	20, 21, 22 and 26	GRI 2-23 Policy commitments
Organization's objectives and strategies.	20, 21, 22 and 26	GRI 2-24 Embedding policy commitments
Main factors and trends likely to affect future evolution.	12	GRI 3-3 Main factors and trends likely to affect future evolution
GENERAL		
	Pages	Related GRI Standards
Reference in the report to the national, European, or international reporting framework used for the selection of key non-financial performance indicators included in each section.	66	GRI Statement of Use
Materiality principle.	18 and 19	GRI 3-1 Process to determine material topics GRI 3-2 List of material topics
Should the company comply with the law on non-financial information by issuing a separate report, it must be explicitly stated that this information is part of the management report.	The information contained in this report for the fiscal year 2023 is part of the management report.	

INFORMATION ON ENVIRONMENTAL ISSUES		
MANAGEMENT APPROACH	Pages	Related GRI Standards
Description of the policies applied by the Group regarding these issues, including the due diligence procedures used for the identification, assessment, prevention, and mitigation of significant risks and impacts, as well as verification and control, including the measures adopted.	26, 34-45, 59-64	GRI 3-3 c. Management of material topics (related to environmental issues) GRI 2-23 Policy commitments
These policies' results include relevant key non-financial performance indicators that enable monitoring and evaluation of progress and promote comparability between companies and sectors, following the national, European, or international reference frameworks used.	34-45, 59-64	GRI 2-24 Embedding policy commitments
The main risks related to these issues linked to the Group's activities, including, where relevant and proportionate, its business relationships, products, or services that may have negative effects in these areas, and how the Group manages these risks, explaining the procedures used to detect and assess them by national, European, or international reference frameworks for each matter. Information on the impacts that have been detected, with a breakdown, should be included, particularly on the main short-, medium-, and long-term risks.	34-45, 59-64	GRI 3-3 a. Management of material topics (related to environmental issues)
ENVIRONMENTAL MANAGEMENT	Pages	Related GRI Standards
Current (2023) and foreseeable effects of the company's activities on the environment and, where applicable, on health and safety.	No violations of environmental laws and regulations were recorded in fiscal year 2023.	GRI 2-27 Compliance with laws and regulations
Environmental evaluation or certification procedures.	34-45, 59-64	GRI 3-3 Environmental evaluation or certification
Resources dedicated to the prevention of environmental risks.	Data could not be collected for 2023 exercise, but it is expected to be obtained in fiscal year 2024.	GRI 3-3 Environmental investments
Application of the precautionary principle.	26	GRI 2-23 Policy commitments
Amount of provisions and guarantees for environmental risks.	Updated information as of year 2023 is not available. We are working on the proper collection of data for 2024.	GRI 3-3 Environmental investments
POLLUTION	Pages	Related GRI Standards
Measures to prevent, reduce, or repair emissions that significantly affect the environment, taking into account any form of atmospheric pollution specific to an activity, including noise and light pollution.	61 and 63	GRI 3-3 a. Management of material topics (related to pollution issues) GRI 2-25 Processes to remediate negative impacts GRI 3-3 Measures to prevent, reduce, or repair emissions

WASTE ECONOMY AND PREVENTION	Pages	Related GRI Standards
Measures for prevention, recycling, reuse, other forms of recovery, and disposal of waste.	41, 60, 64 and 75	GRI 301-2 Recycled input materials used GRI 306-1 Waste generation and significant waste-related impacts GRI 306-2 Management of significant waste-related impacts GRI 306-3 Waste generated
SUSTAINABLE USE OF RESOURCES	Pages	Related GRI Standards
Water consumption and water supply according to local limitations	Updated information as of 2023 is not available. We are working on the proper collection of data for 2024.	
Consumption of raw materials and measures taken to improve their usage efficiency.	39, 40 and 64	GRI 301-1 Materials used by weight or volume GRI 301-2 Recycled input materials used
Direct and indirect energy consumption.	61	GRI 302-1 Energy consumption within the organization GRI 302-3 Energy intensity
Measures taken to improve energy efficiency.	61 41	GRI 302-4 Reduction of energy consumption GRI 302-5 Reductions in energy requirements of products and services
Use of renewable energy.	61	GRI 302-1 Energy consumption within the organization
CLIMAT CHANGE	Pages	Related GRI Standards
Significant elements of greenhouse gas (GHG) emissions are generated because of the company's activities, including the use of goods and services it produces.	63	GRI 305-1 Direct (Scope 1) GHG emissions GRI 305-2 Energy indirect (Scope 2) GHG emissions GRI 305-3 Other Energy indirect (Scope 2) GHG emissions GRI 305-4 GHG emissions intensity
Measures taken to adapt to the consequences of climate change.	63	GRI 201-2 Financial implications and other risks and opportunities due to climate change
Medium and long-term voluntary reduction targets for reducing greenhouse gas emissions and the means implemented to achieve them.	We have set a goal to reduce GHG emissions by 15% by 2030 (using 2023 as the baseline) and to be Net Zero by 2050.	GRI 305-5 Reduction of GHG emissions

BIODIVERSITY PROTECTION		
	Pages	Related GRI Standards
Measures taken to preserve or restore biodiversity.	BROWNIE does not operate in any protected areas, so no specific measures for preservation are available.	GRI 304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas
Impacts caused by activities or operations in protected areas.		
INFORMATION ON SOCIAL AND PERSONNEL ISSUES		
MANAGEMENT APPROACH		
	Pages	Related GRI Standards
Description of the policies applied by the Group regarding these issues, including the due diligence procedures used for the identification, assessment, prevention, and mitigation of significant risks and impacts, as well as verification and control, including the measures adopted.	26, 47-53	GRI 3-3 c. Management of material topics (related to social issues) GRI 2-23 Policy commitments
These policies' results include relevant key non-financial performance indicators that enable monitoring and evaluation of progress and promote comparability between companies and sectors, following the national, European, or international reference frameworks used.	47-53	GRI 2-24 Embedding policy commitments
The main risks related to these issues linked to the Group's activities, including, where relevant and proportionate, its business relationships, products, or services that may have negative effects in these areas, and how the Group manages these risks, explaining the procedures used to detect and assess them under national, European, or international reference frameworks for each matter. Information on the impacts that have been detected, with a breakdown, should be included, particularly on the main short-, medium-, and long-term risks.	47-53	GRI 3-3 Management of material topics (related to labor and social issues)
EMPLOYMENT		
	Pages	Related GRI Standards
Total number and distribution of employees according to diversity criteria (gender, age, country, etc.).	4, 48, 49 and 68	GRI 2-7 a. Employees (and age breakdown)
Total number and distribution of work contract modalities, annual average of permanent contracts, temporary contracts, and part-time contracts by gender, age, and professional classification.	48, 69-73	GRI 2-7 b. Employees
Number of dismissals by gender, age, and professional classification.	72	GRI 3-3 Number of dismissals by gender, age and professional classification
Average remunerations and their evolution, disaggregated by gender, age, and professional classification or equal value.	74	GRI 3-3 Average remuneration by gender, age, and professional classification or equal value
Gender pay gap, the remuneration of equal job positions or the company's average.	74	GRI 405-2 Ratio of basic salary and remuneration of women to men

Average remuneration of board members and executives, including variable compensation, allowances, severance payments, contributions to long-term savings plans, and any other perception disaggregated by gender.	The average remuneration of board members and executives is considered sensitive information, so it is not reported.	GRI 3-3 Average remuneration of board members and executives
Implementation of work disconnection policies.	51	GRI 3-3 Policies on work disconnection
Employees with disabilities.	51	GRI 405-1 Diversity of governance bodies and employees
WORK ORGANIZATION	Pages	Related GRI Standards
Organization of working time.	51	GRI 3-3 Organization of working time
Number of absenteeism hours.	53	GRI 403-9 Work-related injuries
Measures aimed at facilitating work-life balance and promoting shared responsibility between both parents.	51	GRI 401-3 Parental leave
	51	GRI 3-3 Work-life balance measures
HEALTH AND SAFETY	Pages	Related GRI Standards
Working conditions regarding health and safety.	53	GRI 403-1 Occupational health and safety management system
		GRI 403-2 Hazard identification, risk assessment, and incident investigation
		GRI 403-3 Occupational health services
		GRI 403-5 Worker training on occupational health and safety
Workplace accidents, particularly their frequency and severity, as well as occupational diseases, are disaggregated by gender.	53	GRI 403-9 Work-related injuries
SOCIAL RELATIONS	Pages	Related GRI Standards
Organization of social dialogue, including procedures for informing and consulting with staff and negotiating with them.	17	GRI 2-29 Approach to stakeholder engagement (Human Team)
	Employees are informed in advance to allow time for adaptation to operational changes.	GRI 402-1 Minimum notice periods regarding operational changes
Percentage of employees covered by collective bargaining agreements by country.	50	GRI 2-30 Collective bargaining agreements
The balance of collective agreements, particularly related to health and safety at work.	53	GRI 403-8 Workers covered by an occupational health and safety management system

TRAINING			Pages	Related GRI Standards
Policies implemented in the field of training.			52	GRI 404-2 Programs for upgrading employee skills and transition assistance programs
Total number of training hours by professional categories.			4, 52	GRI 404-1 Average hours of training per year per employee GRI 3-3 Total training hours
UNIVERSAL ACCESSIBILITY FOR PEOPLE WITH DISABILITIES			Pages	Related GRI Standards
Integration and universal accessibility for people with disabilities.			Our stores comply with current legislation regarding accessibility.	GRI 3-3 Universal accessibility for people with disabilities
EQUALITY			Pages	Related GRI Standards
Measures taken to promote equal treatment and opportunities between women and men.			26 and 51	GRI 2-23 Policy commitments GRI 2-24 Embedding policy commitments
Equality plans (Chapter III of Spanish Organic Law 3/2007, of March 22, for the effective equality of women and men), measures taken to promote employment, protocols against sexual harassment, and gender-based harassment.			51	GRI 405-1 Diversity of governance bodies and employees GRI 2-23 Policy commitments
Integration and universal accessibility for people with disabilities.			54	GRI 3-3 Integration and universal accessibility for people with disabilities
Policy against all forms of discrimination and, where applicable, diversity management.			26	GRI 2-23 Policy commitments
			51	GRI 2-24 Embedding policy commitments
			28	GRI 406-1 Incidents of discrimination and corrective actions taken
INFORMATION ON HUMAN RIGHTS ISSUES				
MANAGEMENT APPROACH			Pages	Related GRI Standards
Description of the policies applied by the Group regarding these issues, including the due diligence procedures used for the identification, assessment, prevention, and mitigation of significant risks and impacts, as well as verification and control, including the measures adopted.			26, 28 and 42	GRI 3-3 c. Management of material topics (related to human rights) GRI 2-23 Policy commitments
These policies' results include relevant key non-financial performance indicators that enable monitoring and evaluation of progress and promote comparability between companies and sectors, following the national, European, or international reference frameworks used.			28 and 42	GRI 2-24 Embedding policy commitments

The main risks related to these issues linked to the Group's activities, including, where relevant and proportionate, its business relationships, products, or services that may have negative effects in these areas, and how the Group manages these risks, explaining the procedures used to detect and assess them by national, European, or international reference frameworks for each matter. Information on the impacts that have been detected, with a breakdown, should be included, particularly on the main short-, medium-, and long-term risks.

28 and 42

GRI 3-3 a. Management of material topics (related to human rights)
GRI 2-25 Processes to remediate negative impacts

HUMAN RIGHTS MANAGEMENT

Pages

Related GRI Standards

28

GRI 3-3 a. Impact on human rights

28

GRI 2-23 a. Policy commitments

Application of due diligence procedures in human rights matters; prevention of human rights violation risks and, where applicable, measures to mitigate, manage, and remedy possible abuses committed.

We are developing the entire supplier selection and approval system, which includes social criteria.

GRI 414-1 New suppliers that were screened using social criteria

All contracts with suppliers incorporate social clauses related to human rights, and suppliers must accept BROWNIE's Human Rights Policy.

GRI 414-3 Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening.

Complaints of human rights violations. Promotion and compliance with the provisions of the fundamental conventions of the International Labour Organization related to the respect for freedom of association and the right to collective bargaining; the elimination of discrimination in employment and occupation; the elimination of forced or compulsory labor; the effective abolition of child labor.

No complaints or claims for human rights violations were recorded in the fiscal year 2023.

GRI 406-1 Incidents of discrimination and corrective actions taken

INFORMATION RELATED TO THE FIGHT AGAINST CORRUPTION AND BRIBERY

MANAGEMENT APPROACH

Pages

Related GRI Standards

Description of the policies applied by the Group regarding these issues, including the due diligence procedures used for the identification, assessment, prevention, and mitigation of significant risks and impacts, as well as verification and control, including the measures adopted.

26

GRI 3-3 c. Management of material topics
GRI 2-23 Policy commitments
GRI 205-2 Communication and training about anti-corruption policies and procedures

These policies' results include relevant key non-financial performance indicators that enable monitoring and evaluation of progress and promote comparability between companies and sectors, following the national, European, or international reference frameworks used.

26

GRI 2-24 Embedding policy commitments

The main risks related to these issues linked to the Group's activities, including, where relevant and proportionate, its business relationships, products, or services that may have negative effects in these areas, and how the Group manages these risks, explaining the procedures used to detect and assess them by national, European, or international reference frameworks for each matter. Information on the impacts that have been detected, with a breakdown, should be included, particularly on the main short-, medium-, and long-term risks.

26

GRI 3-3 a. Management of material topics (related to environmental issues)
GRI 2-25 Processes to remediate negative impacts

INFORMATION RELATED TO THE FIGHT AGAINST CORRUPTION AND BRIBERY		
	Pages	Related GRI Standards
Measures taken to prevent corruption and bribery.	27	GRI 205-1 Operations assessed for risks related to corruption
Measures to combat money laundering.	4 and 27	GRI 205-2 Communication and training about anti-corruption policies and procedures
Contributions to foundations and non-profit organizations.	30 - 31	GRI 201-1 Direct economic value generated and distributed GRI 203-2 Significant indirect economic impacts
INFORMATION RELATED TO SOCIETY		
MANAGEMENT APPROACH		
	Pages	Related GRI Standards
Description of the policies applied by the Group regarding these issues, including the due diligence procedures used for the identification, assessment, prevention, and mitigation of significant risks and impacts, as well as verification and control, including the measures adopted.	26	GRI 3-3 c. Management of material topics (related to society issues) GRI 2-23 Policy commitments
These policies' results include relevant key non-financial performance indicators that enable monitoring and evaluation of progress and promote comparability between companies and sectors, following the national, European, or international reference frameworks used.	42 and 57	GRI 2-24 Embedding policy commitments
The main risks related to these issues linked to the Group's activities, including, where relevant and proportionate, its business relationships, products, or services that may have negative effects in these areas, and how the Group manages these risks, explaining the procedures used to detect and assess them by national, European, or international reference frameworks for each matter. Information on the impacts that have been detected, with a breakdown, should be included, particularly on the main short-, medium-, and long-term risks.	42 and 57	GRI 3-3 a. Management of material topics (related to society issues) GRI 2-25 Processes to remediate negative impacts
COMPANY COMMITMENTS TO SUSTAINABLE DEVELOPMENT		
	Pages	Related GRI Standards
	31	GRI 201-1 Direct economic value generated and distributed
Impact of the company's activities on employment and local development.	42	GRI 201-1 Direct economic value generated and distributed
	30	GRI 203-2 Significant indirect economic impacts
Impact of the company's activities on local populations and the territory.	None recorded.	GRI 413-2 Operations with significant actual and potential negative impacts on local communities
Relations maintained with local community actors and the modalities of dialogue with them.	57	GRI 2-29 Approach to stakeholder engagement
	13	GRI 2-28 Membership associations
Sponsorship and partnership actions.	57	GRI 413-1 Operations with local community engagement, impact assessments, and development programs

SUBCONTRACTING AND SUPPLIERS	Pages	Related GRI Standards
Inclusion of social, gender equality, and environmental issues in the purchasing policy.	We are developing the entire supplier selection and approval system, which includes social and environmental criteria.	<p>GRI 308-1 New suppliers that were screened using environmental criteria</p> <p>GRI 414-1 New suppliers that were screened using social criteria</p>
Consideration of social and environmental responsibility in relationships with suppliers and subcontractors.	From 2023 on we are developing the entire supplier selection and approval system, which includes environmental and social criteria.	<p>GRI 308-1 New suppliers that were screened using environmental criteria</p> <p>GRI 414-1 New suppliers that were screened using social criteria</p>
Supervision and audit systems and their results.	42 and 43	GRI 2-25 Processes to remediate negative impacts
CONSUMERS	Pages	Related GRI Standards
Measures for consumer health and safety.	During the fiscal year 2023, no cases of non-compliance related to product and service health and safety impacts were recorded.	GRI 416-1 Assessment of the health and safety impacts of product and service categories
Complaint systems, complaints received, and their resolution.	During the fiscal year 2023, no cases of non-compliance related to information and labelling were recorded.	GRI 417-2 Incidents of non-compliance concerning product and service information and labeling
TAX INFORMATION	Pages	Related GRI Standards
Profits obtained country by country, taxes on profits paid.	29 and 31	<p>GRI 201-1 Direct economic value generated and distributed</p> <p>GRI 207-1 Approach to tax - Taxes paid by country</p>
Taxes on profits paid.	29 and 31	GRI 201-1 Direct economic value generated and distributed
Information on public subsidies received.	29	GRI 201-4 Financial assistance received from the government

External verification certificate

GRUPO TEXTIL BROWNIE, S.L.
INFORME DE VERIFICACIÓN INDEPENDIENTE DEL ESTADO DE INFORMACIÓN NO FINANCIERA CONSOLIDADO DE GRUPO TEXTIL BROWNIE, S.L. DEL EJERCICIO FINALIZADO EL 29 DE FEBRERO DE 2024



INFORME DE VERIFICACIÓN INDEPENDIENTE DEL ESTADO DE INFORMACIÓN NO FINANCIERA CONSOLIDADO DE GRUPO TEXTIL BROWNIE, S.L. DEL EJERCICIO FINALIZADO EL 29 DE FEBRERO DE 2024

GRUPO TEXTIL BROWNIE, S.L.
 C/ Castanyer 29
BARCELONA

De acuerdo al artículo 49 del Código de Comercio hemos realizado la verificación, con el alcance de seguridad limitada, del Estado de información no financiera Consolidado (en adelante, EINF) correspondiente al ejercicio anual finalizado el 29 de febrero de 2024, de GRUPO TEXTIL BROWNIE, S.L. y sus sociedades dependientes (en adelante, el Grupo) que forma parte del informe de gestión consolidado del ejercicio 2023/2024 del Grupo.

El contenido del informe del EINF consolidado incluye información adicional a la requerida por la normativa mercantil vigente en materia de información no financiera que no ha sido objeto de nuestro trabajo de verificación. En este sentido, nuestro trabajo se ha limitado exclusivamente a la verificación de la información identificada en la tabla "Índice de Contenidos de la Ley en Materia de Información No Financiera y Diversidad" incluida en el EINF consolidado adjunto.

Responsabilidad de los administradores

La formulación del EINF incluido en el informe de gestión consolidado del Grupo, así como el contenido del mismo, es responsabilidad de los administradores de GRUPO TEXTIL BROWNIE, S.L.. El EINF se ha preparado de acuerdo con los contenidos recogidos en la normativa mercantil vigente y siguiendo los criterios de los *Sustainability Reporting Standards de Global Reporting Initiative* (estándares GRI) seleccionados, así como aquellos otros criterios descritos de acuerdo con lo mencionado para cada materia en la tabla "Índice de Contenidos de la Ley en Materia de Información No Financiera y Diversidad" del citado Estado.

Esta responsabilidad incluye asimismo el diseño, la implantación y el mantenimiento del control interno que se considere necesario para permitir que el EINF esté libre de incorrección material, debida a fraude o error.

DESPATX D'AUDITORIA MARTINEZ REBAS, S.L. Registro Mercantil de Barcelona. Tom 30840. Folí 51. Full B-353430. Inscripció 1. C.I.F. B-64587249
 Societat inscrita en el R.O.A.C. amb el n° 51821

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Los administradores de GRUPO TEXTIL BROWNIE, S.L. son también responsables de definir, implantar, adaptar y mantener los sistemas de gestión de los que se obtiene la información necesaria para la preparación del EINF.

Nuestra independencia y control de calidad

Hemos cumplido con los requerimientos de independencia y demás requerimientos de ética del Código de Ética para Profesionales de la Contabilidad emitido por el Consejo de Normas Internacionales de Ética para Profesionales de la Contabilidad (IESBA, por sus siglas en inglés) que está basado en los principios fundamentales de integridad, objetividad, competencia y diligencia profesionales, confidencialidad y comportamiento profesional.

Nuestra firma aplica la Norma Internacional de Control de Calidad 1 (NICC 1) y mantiene, en consecuencia, un sistema global de control de calidad que incluye políticas y procedimientos documentados relativos al cumplimiento de requerimientos de ética, normas profesionales y disposiciones legales y reglamentarias aplicables.

El equipo de trabajo ha estado formado por profesionales expertos en revisiones de información no financiera y, específicamente, en información de desempeño económico, social y medioambiental.

Nuestra responsabilidad

Nuestra responsabilidad es expresar nuestras conclusiones en un informe de verificación independiente de seguridad limitada basándonos en el trabajo realizado, que se refiere exclusivamente al ejercicio 2023/2024. Hemos llevado a cabo nuestro trabajo de acuerdo con los requisitos establecidos en la Norma Internacional de Encargos de Aseguramiento 3000 Revisada en vigor, "Encargos de Aseguramiento distintos de la Auditoría o de la Revisión de Información Financiera Histórica" (NIEA 3000 Revisada) emitida por el Consejo de Normas Internacionales de Auditoría y Aseguramiento (IAASB) de la Federación Internacional de Contadores (IFAC) y con la Guía de Actuación sobre encargos de verificación del Estado de Información No Financiera emitida por el Instituto de Censores Jurados de Cuentas de España.

En un trabajo de seguridad limitada los procedimientos llevados a cabo varían en su naturaleza y momento de realización, y tienen una menor extensión, que los realizados en un trabajo de aseguramiento razonable y, por tanto, la seguridad proporcionada es también menor.

Nuestro trabajo ha consistido en la formulación de preguntas a la Dirección, así como a las diversas unidades del Grupo que han participado en la elaboración del EINF, en la revisión de los procesos para recopilar y validar la información presentada en el EINF y en la aplicación de ciertos procedimientos analíticos y pruebas de revisión por muestreo que se describen a continuación:

- Reuniones con el personal del Grupo, para conocer el modelo de negocio, las políticas y los enfoques de gestión aplicados, los principales riesgos relacionados con esas cuestiones y obtener la información necesaria para la revisión externa.

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- Análisis del alcance, relevancia e integridad de los contenidos incluidos en el EINF del ejercicio 2023/2024 en función del análisis de materialidad realizado por el Grupo, considerando contenidos requeridos en la normativa mercantil en vigor.
- Análisis de los procesos para recopilar y validar los datos presentados en el EINF del ejercicio 2023/2024.
- Revisión de la información relativa a los riesgos, las políticas y los enfoques de gestión aplicados en relación a los aspectos materiales presentados en el EINF del ejercicio 2023/2024.
- Comprobación, mediante pruebas, en base a la selección de una muestra, de la información relativa a los contenidos incluidos en el EINF del ejercicio 2023/2024 y su adecuada compilación a partir de los datos suministrados por las fuentes de información.
- Obtención de una carta de manifestaciones de los administradores de la Sociedad y la dirección

Conclusión

Basándonos en los procedimientos realizados en nuestra verificación y en las evidencias que hemos obtenido no se ha puesto de manifiesto aspecto alguno que nos haga creer que el EINF de GRUPO TEXTIL BROWNIE, S.L. y sociedades dependientes correspondiente al ejercicio anual finalizado el 29 de febrero de 2024 no ha sido preparado, en todos sus aspectos significativos, con los contenidos recogidos en la normativa mercantil vigente y siguiendo los criterios de los estándares GRI seleccionados así como aquellos otros criterios descritos de acuerdo a lo mencionado para cada materia en la tabla "Índice de Contenidos de la Ley en Materia de Información No Financiera y Diversidad" del citado informe de gestión consolidado.

Uso y distribución

Este informe ha sido preparado en respuesta al requerimiento establecido en la normativa mercantil vigente en España, por lo que no podría ser adecuado para otros propósitos y jurisdicciones.

5 de julio de 2024



DESPATX D'AUDITORIA MARTINEZ RIBAS, S.L.

Pau Martínez Rovira