



Azzas 2154

Disclosure Report

Date Submitted: September 4th, 2026



Disclosure Materials

Certified B Corporations must complete a Disclosure Questionnaire to identify potentially sensitive issues related to the company (e.g. historical fines, sanctions, material litigation, or sensitive industry practices).

This component does not affect the company's score on the B Impact Assessment. If the company answers affirmatively to any items in the Disclosure Questionnaire that B Lab deems relevant for public stakeholders, then, as a condition of their certification, the company must:

- 1) Be transparent about details of the disclosure issues identified on the company's public B Impact Report
- 2) Describe how the company has addressed this issue
- 3) Demonstrate that management practices are in place to avoid similar issues from arising in the future, when necessary.

In all cases, the Standards Advisory council reserves the right to refuse certification if the company is ultimately deemed not to uphold the spirit and integrity of the community.

In addition to the voluntary indication of sensitive issues in the Disclosure Questionnaire, companies pursuing Certification also are subject to a background check by B Lab staff. Background checks include a review of public records, news sources, and search engines for company names, brands, executives/founders, and other relevant topics.

Sensitive issues identified through background checks may or may not be within the scope of questions in the Disclosure Questionnaire, but undergo the same review process and are subject to the same possible review by the Standards Advisory Council, including ineligibility for B Corp Certification, required remediation, or disclosure.

B Lab's Public Complaints Process

Any party may submit a complaint about a current B Corp through [B Lab's Public Complaint Process](#). Grounds for complaint include:

- 1) Intentional misrepresentation of practices, policies, and/or claimed outcomes during the company's [certification process](#)
- 2) Breaches of the B Corp Community's core values as expressed in our [Declaration of Interdependence](#)

This document contains a copy of the company's completed Disclosure Questionnaire and related disclosure documentation provided by the company.



Disclosure Questionnaire

Industries and Products

	Yes	No
Please indicate if the company is involved in production or trade in any of the following. Select Yes for all options that apply.		
Animal Products or Services	☐	☒
Biodiversity Impacts	☐	☒
Chemicals	☒	☐
Disclosure Alcohol	☐	☒
Disclosure Firearms Weapons	☐	☒
Disclosure Mining	☐	☒
Disclosure Pornography	☐	☒
Disclosure Tobacco	☐	☒
Energy and Emissions Intensive Industries	☒	☐
Fossil fuels Gambling	☐	☒
Genetically Modified Organisms	☐	☒
Illegal Products or Subject to Phase Out	☐	☒
Industries at Risk of Human Rights Violations	☒	☐
Monoculture Agriculture	☐	☒
Nuclear Power or Hazardous Materials	☒	☐
Payday, Short Term, or High Interest Lending	☐	☒
Water Intensive Industries	☐	☒
Tax Advisory Services	☐	☒

Outcomes & Penalties

	Yes	No
Please indicate if the company has had any formal complaint to a regulatory agency or been assessed any fine or sanction in the past five years for any of the following practices or policies. Check all that apply.		
Anti-Competitive Behavior	☐	☒
Breaches of Confidential Information	☐	☒
Bribery, Fraud, or Corruption	☐	☒
Company has filed for bankruptcy	☐	☒
Consumer Protection	☐	☒
Financial Reporting, Taxes, Investments, or Loans	☐	☒
Hazardous Discharges Into Air/Land/Water (Past 5 Yrs)	☐	☒
Labor Issues	☐	☒
Large Scale Land Conversion, Acquisition, or Relocation	☐	☒
Litigation or Arbitration	☒	☐
On-Site Fatality	☒	☐
Penalties Assessed For Environmental Issues	☐	☒
Political Contributions or International Affairs	☐	☒
Recalls	☐	☒
Significant Layoffs	☐	☒
Violation of Indigenous Peoples Rights	☐	☒
Other	☒	☐

Practices

	Yes	No
Please indicate if the following statements are true regarding whether or not the company engages in the following practices. Check all that apply. If the statement is true, select "Yes." If false, select "No."		
Animal Testing	☐	☒
Company/Suppliers Employ Under Age 15 (Or Other ILO Minimum Age)	☐	☒
Company prohibits freedom of association/collective bargaining	☐	☒
Company workers are prisoners	☐	☒
Conduct Business in Conflict Zones	☐	☒
Confirmation of Right to Work	☐	☒
Does not transparently report corporate financials to government	☐	☒
Employs Individuals on Zero-Hour Contracts	☐	☒
Facilities located in sensitive ecosystems	☐	☒
ID Cards Withheld or Penalties for Resignation	☐	☒
No formal Registration Under Domestic Regulations	☐	☒
No signed employment contracts for all workers	☐	☒
Overtime For Hourly Workers Is Compulsory	☐	☒
Payslips not provided to show wage calculation and deductions	☐	☒

	Yes	No
Sale of Data	☐	☒
Tax Reduction Through Corporate Shells	☐	☒
Workers cannot leave site during non-working hours	☐	☒
Workers not Provided Clean Drinking Water or Toilets	☐	☒
Workers paid below minimum wage	☐	☒
Workers Under Bond	☐	☒
Other	☐	☒

Supply Chain Disclosures

	Yes	No
Please indicate if any of the following statements are true regarding your company's significant suppliers.		
Business in Conflict Zones	☒	☐
Child or Forced Labor	☐	☒
Negative Environmental Impact	☐	☒
Negative Social Impact	☐	☒
Other	☐	☒



Disclosure Questionnaire Statement

Disclosure Questionnaire Category: Chemical Intensive industry

Azzas 2154 is involved in the production/sale of products, or is part of an industry that can potentially be classified as chemical intensive, meaning that they are more likely to have significant impacts on the environment, such as pollution of air, land, and water, as well as potential human health risks to those exposed to harmful chemicals if the use and disposal of chemicals are not properly managed. Certified B Corps are required to make transparent their involvement in such activities or industries.



Disclosure Questionnaire Statement

Disclosure Questionnaire Category: Energy and Emissions Intensive industry

Azzas 2154 is involved in the production/sale of products, or is part of an industry that can potentially be classified as energy and emissions-intensive, meaning that they are more likely to have significant impacts on the environment based on their carbon emissions associated with their operations and their contribution to climate change. Certified B Corps are required to make transparent their involvement in such activities or industries.



Disclosure Questionnaire Statement

Disclosure Questionnaire Category: Industries at Risk of Human Rights Violations

Azzas is involved in the Cotton Industry. This industry is reliant upon materials at high risk of human rights infringements, meaning that the company is responsible for ensuring they have enough practices and policies in place to prevent and mitigate negative impacts in their operations and value chain. Based on the size of the company, these impacts may be limited. Certified B Corps are required to make transparent their involvement in such industries.



Disclosure Questionnaire Statement

Disclosure Questionnaire Category: Nuclear Power Industry

Azzas 2154 reported that it works in the Nuclear Power Industry. This sector carries potential risks to the health and safety of employees and local communities, as well as potential risks to the environment, including water and soil pollution, habitat disruption, and thermal pollution, which may affect local ecosystems and communities. Certified B Corps must make their involvement in the industry transparent under their B Corp Profile.



Disclosure Questionnaire Statement

Disclosure Questionnaire Category: On-Site Fatality

Azzas 2154 has had one on-site fatality in the last five years. The company is responsible for ensuring they have enough practices and policies in place to prevent similar incidents from happening again. Certified B Corps are required to make transparent when such incidents have occurred.

Disclosure Questionnaire Statement

Disclosure Questionnaire Category: Operations located in Conflict Zones

Issue Date	Ongoing
Topic	Company has suppliers located in Conflict Zones
Summary of Issue	The Azzas 2154 Group is the largest fashion group in Latin America, bringing together 28 brands in the footwear, handbags, and apparel segments and approximately 22,000 employees. The Group is the result of the merger of two companies previously independently certified as B Corporations, Arezzo&Co and Grupo Soma, and operates in Brazil, Europe, the United States, and Asia, with all of its own manufacturing facilities located in Brazil. Within the Group's supplier universe, a single Tier 1 finished-goods supplier was identified that has, among its various production facilities, one operation located in Myanmar. This is a corporate group with dozens of units in different locations, only one of which is situated in Myanmar, a country currently experiencing civil war according to the Global Conflict Tracker. However, no established correlation exists between the products purchased by Azzas 2154 from this supplier and the production facility located in Myanmar. Accordingly, the presence of this unit within the supplier's global structure does not allow one to state that the Group's purchases originate, in whole or in part, from that operation. The Azzas 2154 Group recognizes the importance of expanding the visibility and traceability of its supply chain and, in this regard, has made a public commitment to advance traceability of priority products and raw materials, such as leather and cotton, back to their origin, seeking to ensure that its supplier base adheres to the Company's values and commitments.
Size/Scope of Issue (e.g. \$ financial implication, # of individuals affected)	A total of 0,37% of the company's total purchases come from the supplier that has a limited operation in Myanmar.
Impact on Stakeholders	Business activities located in conflict zones are considered high-risk as they are more likely to cause or contribute to the conflict and/or sociopolitical instability.

	Countries classified as conflict zones are more likely to have a weak rule-of-law or a corrupt judicial system, which could undermine the effectiveness of operational grievance mechanisms for these businesses and their suppliers. In addition, the safety of the company's workers and other potential human rights violations are at risk.
Implemented Management Practices	As previously mentioned, the identified exposure relates to a Tier 1 finished-goods supplier that has, among its various production facilities, one operation located in Myanmar. No established correlation exists between the products purchased by Azzas 2154 and that specific facility, such that it is not possible to attribute a conflict-zone origin to the purchases made from this supplier, nor to establish a percentage of these purchases as third-party certified. Regardless of this classification, Azzas 2154 employs management and monitoring mechanisms applicable to its international supply chain. Direct international Tier 1 suppliers of finished goods are subject to audits conducted by independent, third-party certification firms, which assess their performance across four pillars: Labor Standards, Health and Safety, Environmental Assessment, and Business Ethics. These assessments are carried out based on global protocols approved by the Company, including SMETA (Sedex Members Ethical Trade Audit) and BSCI (Business Social Compliance Initiative). These mechanisms are complemented by the Company's Compliance guidelines. The Code of Conduct extends to suppliers and business partners requirements prohibiting child labor, slave labor or labor analogous to slavery, practices that violate human rights and the environment, and acts of corruption or related practices. The Company also maintains a Whistleblowing Channel for reporting suspected violations of laws, policies, regulations, the Code of Conduct, or the Group's ethical standards, which are investigated by the Compliance Department and may result in the adoption of appropriate measures.



Disclosure Questionnaire Statement

Disclosure Questionnaire Category: Litigation, Arbitration and Penalties

Issue Date	Ongoing
Topic	Litigations related to Labor, consumer protection, contract disputes, tax, and other topics.
Summary of Issue	Grupo Azzas is the largest fashion group in Latin America, with 28 brands (shoes, bags, and apparel) and approximately 22,000 workers. The group is a merge from previous independently certified B Corps (Arezzo&Co and Grupo Soma), and it has operations in Brazil, Europe, the US, and Asia, with all manufacturing facilities located in Brazil. The company has a large number of litigations that are currently open/on-going (appeal and/or pending) and closed (verdict against the company). These litigations can be divided into five (5) main topics: Labor, Consumer Protection, Other- Civil litigation, Tax, and Contract Dispute. Labor: - Two (2) public civil action cases in which the company appeared as the defendant party and remain active in the appellate phase. - One (1) public civil class action case closed in which the company appeared as the defendant party, and it was found liable- verdict against the company. This relates to collective moral damages/apprentice quota - More than two thousand (2,000) ongoing cases in which the company appeared as the defendant party and remain active, whether in the evidentiary, appellate, or enforcement phase. These relate to obligations to do, not to do, and collective moral damages. - Approximately three hundred (300) closed cases in which the company appeared as the defendant party, and it was found liable- verdict against the company. These labor dispute cases relate to several topics such as recognition of Employment Relationship, overtime, severance pay, FGTS. The amounts involved are provisioned and disclosed in the Group's audited financial statements in accordance with

	applicable accounting standards.
	Consumer Protection: - Approximately six hundred fifty (650) ongoing cases in which the company appeared as the defendant party and remain active, whether in the evidentiary, appellate, or enforcement phase. - Eighty (80) closed cases in which the company appeared as the defendant party, and it was found liable- verdict against the company. These consumer protection cases relate to several topics such as delivery problem, Delays, Defective Product, LGDP, refund, compensation action on Non-delivery order, Improper and Unauthorized Use of Musical Work Titles for Commercial Exploitation Purposes. The amounts involved are provisioned and disclosed in the Group's audited financial statements in accordance with applicable accounting standards.
	Other- Civil Litigation - Forty-two (42) ongoing cases in which the company appeared as the defendant party and remained active, whether in the evidentiary, appellate, or enforcement phase. - Ten (10) closed cases in which the company appeared as the defendant party, and it was found liable- verdict against the company. These civil litigation cases relate to the following topics: Misuse of Trademark, Similar Trademark, Unjustified Charge, Improper debt collection, compensation claim. The amounts involved are provisioned and disclosed in the Group's audited financial statements in accordance with applicable accounting standards
	Tax - One hundred thirty-one (131) ongoing cases in which the company appeared as the defendant party and remain active, whether in the evidentiary, appellate, or enforcement phase. These tax litigation cases relate to tax audit disputes including tax credit and incentives on the federal, state and municipal level(employee social contribution, VAT, sales tax etc.) The amounts involved are provisioned and disclosed in the Group's audited financial statements in accordance with applicable accounting standards

	Contract Dispute - Eighty-five (85) ongoing cases in which the company appeared as the defendant party and remained active, whether in the evidentiary, appellate, or enforcement phase. - Twenty-nine (29) closed cases in which the company appeared as the defendant party, and it was found liable-verdict against the company. These contract dispute cases relate mostly to breach of contract and moral damage compensation. The amounts involved are provisioned and disclosed in the Group's audited financial statements in accordance with applicable accounting standards
Size/Scope of Issue (e.g. \$ financial implication, # of individuals affected)	The combined value of these litigations represents around 2,6% of the company's revenues.
Impact on Stakeholders	The impact on stakeholders varies according to the litigation topic: - For Labor litigation, the main stakeholders impacted are the company's workforce, including former employees and service providers. - For Consumer Protection cases, the main stakeholders impacted are the company's customers. - For Other cases, the main stakeholders impacted are individuals in society. - For Tax Litigation, the main stakeholders impacted are the public sector and society. - For Contract Dispute litigations, the main stakeholders impacted are the company's suppliers and service providers.
Resolution	Ongoing cases are active cases, whether in the evidentiary, appellate, or enforcement phase. Closed cases are cases in which a verdict against the company was reached.
Implemented Management Practices	All cases are internally reviewed by the responsible legal and business teams, who assess the root cause and, where applicable, implement corrective actions and process improvements to prevent recurrence.



Disclosure Questionnaire Statement

Disclosure Questionnaire Category: Disclosure Outcomes & Penalties

Issue Date	Ongoing
Topic	Complaints and regulatory fines
Summary of Issue	Grupo Azzas is the largest fashion group in Latin America, with 28 brands (shoes, bags, and apparel) and approximately 22,000 workers. The group is a merge from previous independently certified B Corps (Arezzo&Co and Grupo Soma) and it has operations in Brazil, Europe, the US and Asia, with all manufacturing facilities located in Brazil. The company has regulatory complaints and fines in the following topics: Consumer Protection, Labor, and Tax Consumer Protection: - One (1) consumer protection administrative complaint, followed by a regulatory fine, initiated by Procon/IPem. Currently in the appellate phase. - One (1) consumer protection administrative complaint, followed by a regulatory fine, initiated by Procon/IPem. Currently in the remediation phase. - One (1) consumer protection administrative complaint, initiated by Procon/IPem, which did not result in a fine. These consumer protection complaints and fines are related to several topics, namely product delivery; product quality defects; delivery issues & product returns. The fines have been duly addressed by the company. Labor - One (1) labor administrative complaint, followed by a regulatory fine, initiated by the Minister of Labor and Employment & Regional Labor Superintendencies. Currently in the appellate phase. - One (1) labor administrative complaint, followed by a regulatory fine, initiated by the Minister of Labor and Employment & Regional Labor Superintendencies. Currently in the remediation phase. - One (1) labor administrative complaint, followed by a

	regulatory fine, initiated by the Minister of Labor and Employment & Regional Labor Superintendencies, which did not result in a fine. These labor regulatory complaints and fines are related to several topics, namely administrative fines, Labour Prosecution Office (MPT) investigations; apprentice quota ; quota for people with disabilities, subsidiary liability, ergonomics, unhealthy working conditions, moral harassment, racial discrimination. The fines have been duly addressed by the company. Tax - One (1) tax administrative complaint, followed by a regulatory fine, initiated by tax regulators - Federal Revenue Service, State and Municipal tax authorities. Currently in the appellate phase. - One (1) tax administrative complaint, followed by a regulatory fine, initiated by tax regulators - Federal Revenue Service, State and Municipal tax authorities. Currently in the remediation phase. These tax regulatory complaints and fines are related to notices of Infringement, Non-approved tax offsets, and debt notifications. The amounts involved are under administrative discussion and are provisioned and disclosed in accordance with applicable accounting standards. Other - One (1) administrative sanction due to capital market disclosure violation (material fact), initiated by CVM (Brazilian Exchange and Securities Commission). CVM accepted a settlement agreement (Termo de Compromisso) proposed by two executives (CEO and the Investor Relations Officer). The settlement amount was borne personally by the executives, with no financial impact to the company.
Size/Scope of Issue (e.g. \$ financial implication, # of individuals affected)	The combined value of these regulatory fines represents around 2,79% of the company's revenues.
Impact on Stakeholders	The impact on stakeholders varies according to the topic: - For Labor complaints, the main stakeholders impacted are the company's workforce, including former employees and service providers.

	- For Consumer Protection complaints, the main stakeholders impacted are the company's customers. - For Tax complaints, the main stakeholders impacted are the public sector and society. - For the case related to financial reporting breach, the main stakeholders impacted are other investors.
Resolution	Labor and Tax complaints and fines are either in the appellate or remediation phase. For the case related to capital markets disclosure, a settlement agreement was reached with CVM and the case was closed.
Implemented Management Practices	All cases are internally reviewed by the responsible legal and business teams, who assess the root cause and, where applicable, implement corrective actions and process improvements to prevent recurrence.