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Consolidated, Sustainability-Related Financial Information

Natura Cosméticos S.A.

Relating to the fiscal year ended December 31, 2025

Independent Auditors' Report

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(Convenience Translation into English from the Original Previously Issued in Portuguese)

INDEPENDENT AUDITOR'S LIMITED ASSURANCE REPORT ON THE INFORMATION INCLUDED IN THE 2025 SUSTAINABILITY-RELATED FINANCIAL

To the Management, Board and Shareholders of
Natura Cosméticos S.A.

Introduction

We have been engaged by Natura Cosméticos S.A. ("Natura" or "Company") to present our limited assurance report on the information included in the Company's Sustainability-Related Financial Information related to the year ended December 31, 2025 ("Report").

Our limited assurance scope does not comprise prior-period information or any other information disclosed in conjunction with the Report, including any embedded images, audio files or videos.

Management's responsibilities

The Company's Management is responsible for:

- Selecting and establishing appropriate criteria to prepare the information included in the Report.
- Preparing the information in accordance with the IFRS Sustainability Disclosure Standards (IFRS S1 and S2), issued by the International Sustainability Standards Board (ISSB), and their Brazilian equivalents, the Technical Pronouncements of the Brazilian Committee on Sustainability Pronouncements (CBPS 01 and 02), approved by the Brazilian Securities and Exchange Commission (CVM) through CVM Resolution No. 193/2023 and its updates (Resolution Nos. 219/2024, 227/2025, and 244/2026), (the "Criteria").
- Designing, implementing and maintaining internal controls over the relevant information for the preparation of the information included in the Report, that is free from material misstatement, whether due to fraud or error.

Independent auditors' responsibility

Our responsibility is to express a conclusion on the information included in the Report, based on our limited assurance engagement conducted in accordance with Technical Communication CTO No. 07/2022, issued by the Federal Accounting Council (CFC), and with Brazilian Standard NBC TO 3000 - "Trabalhos de Asseguração Diferente de Auditoria e Revisão", also issued by the CFC, which is equivalent to International Standard ISAE 3000 - Assurance Engagements Other Than Audits or Reviews of Historical Financial Information, issued by the International Auditing and Assurance Standards Board (IAASB). Those standards require that we comply with ethical and independence requirements and other related responsibilities, including the application of the Brazilian Quality Control Standard (NBC PA 01) and, therefore, the implementation of a comprehensive quality control system, including documented policies and procedures on the compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

In addition, those standards require that the work should be planned and performed to obtain limited assurance that the information included in the Report, taken as a whole, is free from material misstatement.

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A limited assurance engagement conducted in accordance with Brazilian Standard NBC TO 3000 (ISAE 3000) consists mainly of making inquiries of Management and other professionals of the Company involved in the preparation of the information, as well as applying analytical procedures to obtain evidence that enables us to reach a limited assurance conclusion on the information taken as a whole. A limited assurance engagement also requires the performance of additional procedures when the independent auditor becomes aware of matters that cause the auditor to believe that the information included in the Report, taken as a whole, might present material misstatements.

The procedures selected were based on our understanding of the processes related to the compilation, materiality, and presentation of the information included in the Report, other engagement circumstances, and our consideration of areas and processes associated with the material information disclosed in the Report in which material misstatements might exist. These procedures comprised, among others:

a) Planning the work, considering the relevance, volume of quantitative and qualitative information, and the operating and internal control systems that were used to prepare the information included in the Report.

b) The assessment of whether the structure and presentation of the sustainability information are in accordance with the ISSB/CBPS standards and pronouncements.

c) Understanding the calculation methodology and the procedures adopted for the compilation of indicators through inquiries of the managers responsible for the preparation of the information.

d) Applying analytical procedures to quantitative information and making inquiries about the qualitative information and its correlation with the indicators disclosed in the information included in the Report.

e) For cases in which non-financial data are correlated with financial indicators, comparing such indicators with the financial statements and/or accounting records.

The limited assurance procedures also included an assessment of compliance with the guidelines and criteria established by the ISSB standards, as well as their corresponding Brazilian standards issued by the CBPS and approved by the CVM.

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

Scope and limitations

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less extensive in, reasonable assurance work. Consequently, the level of assurance obtained in a limited assurance work is substantially lower than that obtained if a reasonable assurance work had been performed. If we had performed a reasonable assurance work, other matters and misstatements that might exist in the information included in the Report might have been identified. Accordingly, we do not express an opinion on this information.

Sustainability data are subject to more inherent limitations than financial data, due to the nature and diversity of the methods used to determine, calculate or estimate such data. Qualitative interpretations of materiality, relevance and accuracy of the data are subject to individual assumptions and judgments. In addition, we have not performed any work related to data disclosed for prior periods or future projections and goals.

Our assurance report should be read and understood in the context of the inherent limitations of management's process for preparing sustainability information and metrics, including the fact that such information is not intended to provide assurance regarding compliance with social, economic, environmental, or engineering laws and regulations.

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Conclusion

Based on the procedures performed, as described in this report, and on the evidence obtained, nothing has come to our attention that causes us to believe that the information included in Natura's Report for the year ended December 31, 2025, has not been prepared, in all material respects, in accordance with the criteria of the IFRS Sustainability Disclosure Standards (IFRS S1 and S2), issued by the International Sustainability Standards Board (ISSB), and their Brazilian equivalents, the Technical Pronouncements of the Brazilian Committee on Sustainability Pronouncements (CBPS 01 and 02), approved by the Brazilian Securities and Exchange Commission (CVM) through CVM Resolution No. 193/2023 and its updates (Resolution Nos. 219/2024, 227/2025, and 244/2026), which allow for the voluntary disclosure of financial information related to sustainability.

São Paulo, September 28, 2026

DELOITTE TOUCHE TOHMATSU
Auditores Independentes Ltda.

Reinaldo Oliari
Engagement Partner

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1 Basis for preparation

Declaration of conformity and regulations

This Report on Sustainability-Related Financial Information in relation to Natura Cosméticos S.A. (also referred to as the "Company") has been prepared in accordance with the IFRS Sustainability Disclosure Standards (IFRS S1 and S2), issued by the International Sustainability Standards Board (ISSB), and their Brazilian equivalents, the Technical Pronouncements of the Brazilian Committee on Sustainability Pronouncements (CBPS 01 and 02), approved by the Brazilian Securities and Exchange Commission (CVM) through CVM Resolution No. 193/2023 and its updates (Resolution Nºs. 219/2024, 227/2025, and 244/2026), which allow for the voluntary disclosure of financial information related to sustainability. As guidelines, the Company has also adopted the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard 2004 (GHG Protocol), IFRS S2 Industry-based Guidance, and the SASB (Sustainability Accounting Standards Board) for Household & Personal Products.

Scope of the organization and coverage of this report

The information and indicators cover the 2025 fiscal year. The organizational scope for reporting purposes is aligned with the scope of the **Consolidated Financial Statements** for the fiscal year 2025, issued on March 16, 2026; the list of subsidiaries can be found in section "3.3 Consolidation." For the inventory and reporting of Greenhouse Gas (GHG) emissions, the Company has adopted an operational control approach, as it believes this approach reflects the operations over which it has the authority to implement environmental management policies, procedures, and controls, thereby promoting greater consistency in the management, monitoring, and reporting of its information. The information and GHG emissions data cover all companies controlled by the Company and all operations in the countries where it operates.

Connectivity

This document was prepared in order to provide useful information to capital providers and should be read in conjunction with the Company's 2025 **Financial Statements**, **Integrated Report**, and **ESG (Environmental, Social, and Governance) Data Book**. The functional and presentation currency for the disclosed information is the Brazilian Real (BRL), which is consistent with the currency used in the Financial Statements. The amounts are expressed in millions of reais (BRL millions), unless otherwise stated.

Materiality

In accordance with the same governance and management approval procedures applied to the financial statements, the Company considers any information to be material if its omission, misrepresentation, or concealment could reasonably influence decisions made by capital providers (investors and creditors) based on the financial reports issued by the Company.

Transitional reliefs

In its first reporting period for sustainability-related financial information, the Company adopted the transitional relief provisions set forth in CVM Resolution No. 193/2023, CBPS 01, and CVM Resolution No. 219/2024, including: (i) an exemption from disclosing comparative information relating to the previous period; (ii) the issuance of this report after the publication of the Financial Statements for the fiscal year ended December 31, 2025, issued on March 16, 2026; and (iii) the disclosure of information exclusively regarding climate-related risks and opportunities, in accordance with the applicable requirements for the first reporting year.

Greenhouse Gas (GHG) metrics:

To measure GHG emissions, the Company follows the approach established by the GHG Protocol, as required by IFRS S2. These emissions are classified and reported under scopes 1, 2, and 3, covering the Company's operations and its

value chain. The quantification of GHG emissions follows the principles of ISO 14064-1 and uses the emissions factors and global warming potentials (GWPs) published by the United Nations Intergovernmental Panel on Climate Change (IPCC). For more information, see **Section 8** of this report and the **ESG Data Book**.

There were no transactions, events, or material facts after the base date of December 31, 2025, that could impact or alter the information or indicators presented in this report.

1.1. Judgments and uncertainties

In preparing this report, the management exercised critical judgment and made assumptions subject to a high degree of uncertainty. The assessment of potential future financial effects on the Company's cash flow, performance, and financial position does not constitute a guarantee of future results, as it is based strictly on accounting estimates and the analysis of climate scenarios.

In accordance with the proportionality principles set forth in the regulations, this information was prepared using the reasonable and reliable data that was available as of the date of this report, obtained without undue cost or effort, in a manner consistent with the Company's current capabilities and resources. The assumptions regarding scenarios, discount rates[1], and limitations of predictive modeling are disclosed individually throughout this report, being included directly in the details of the mapped risks.

1.2. Determining timeframes

The identification of risks and opportunities took into account the Company's strategy, categorized according to the following timeframes:

Learn more about the climate risk selection criteria (R1 through R5) in Section 5 and their respective details in Section 6.

SHORT-TERM
0 to 3 years (aligned with the budget planning cycle);

MEDIUM-TERM
from 3 to 10 years (aligned with the target cycle of the Commitments 2030);

LONG-TERM
More than 10 years, extending through 2050, in line with the 2025–2050 Vision timeframe, the Company's Climate Transition Action Plan, and its commitment to achieving net-zero emissions.

1 Discount rates reflect the current market's assessment of risks specific to the Company, taking into account the value of money over time and the individual risks of the related assets that were not incorporated into the premises included in the cash flow model. These cash flows were discounted using a discount rate calculated on a pre-tax basis and in the currency consistent with that used in the projections throughout the report, which is 14.81%. The discount rate was based on the weighted-average cost of capital, which reflects the specific risk of the Company's operating segment.

2 Business model

The Company is a publicly traded Brazilian corporation, registered as a Category "A" securities issuer with the CVM and listed on the *Novo Mercado* segment of B3 S.A. – *Brasil, Bolsa, Balcão* (B3). Founded in 1969, the company is a leader in the beauty, personal care, and fragrance sector in Latin America, operating in eight countries in the region, and supported by a workforce of more than 13,000 employees.

The business model integrates the Natura brands and Avon's operations in Latin America, combining the extensive direct sales chain with a multichannel network consisting of more than 1,100 stores and digital platforms. This ecosystem is supported by Natura &Co Pay Sociedade de Crédito Direto, a financial services arm that works to expand access to banking services, provide credit, and promote financial inclusion for Beauty Consultants — a factor that enhances the network's socioeconomic resilience in the face of externalities and climate shocks.

The development, manufacturing, and marketing of the portfolio are highly dependent on the bioeconomy and socio-biodiversity. This upstream supply chain — with the Amazon being its main strategic region, based on more than 25 years of operations — directly involves more than 13,100 local families and is a critical factor both for the primary supply of raw materials (bioingredients) and for mitigating climate risks at the source.

Guided by **2025–2050 Vision**, the Company is moving forward on a journey towards a regenerative business model, incorporating the climate transition as a driver for strategy and risk management. The model's financial resilience is underpinned by science-based decarbonization targets validated by the Science Based Targets initiative (SBTi), and by managing residual GHG emissions through investments in high-integrity carbon credits (Beyond Value Chain Mitigation), in accordance with the guidelines of the Voluntary Carbon Markets Integrity Initiative (VCMI).

Our achievements and solutions

Beauty and wellness products in various categories

Business networks for Beauty Consultants

Multichannel business model

Value generated and impacts

Society and the environment
» Promoting sustainability with a focus on the climate, the Amazon, the circular economy, and regeneration

Investors
» Financial return

End consumers
» Shopping experiences

Communities
» Income generation, fair trade, environmental conservation, and social development

Contributors
» Well-being, fair pay, diversity

Beauty Consultants
» Promoting entrepreneurship, income generation, and financial independence

Suppliers
» Sustainable development of the supply chain — human rights, innovation, traceability

Global presence

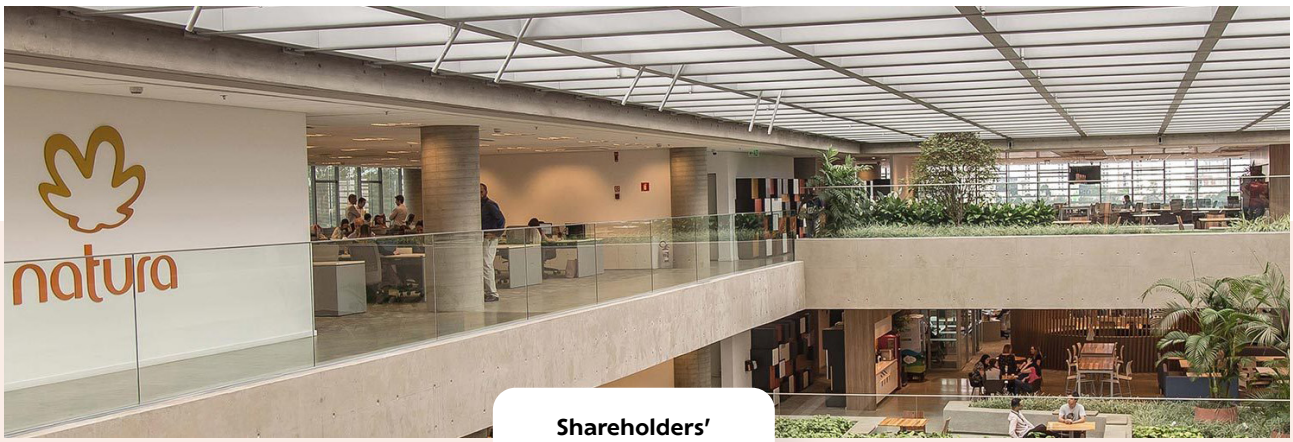


8 Countries
(Argentina, Brazil, Chile, Colombia, Ecuador, Mexico, Peru, and Uruguay)

13,000 employees

3 Our governance

The Company has a corporate governance structure supported by its listing on B3's *Novo Mercado*, the segment of the Brazilian stock market with the most stringent corporate governance requirements. The Company's strategic oversight and management of social and environmental risks are conducted by a Board of Directors appointed based on criteria of experience and diversity, with the support of a Statutory Audit Committee and five other specialized Advisory Committees. This organizational structure means that sustainability and climate issues can be supervised, integrating plans for monitoring and mitigating any related risks as an essential part of its long-term sustainability goals and commitments.



Shareholders' Meeting

Board of **Directors**

Statutory **Executive Board**

Corporate Governance Committee

Human Resources and Organizational Development Committee

Strategic Committee

Sustainability Committee

Products and Brands Committee

Audit, Risk Management and Finance Committee

Internal Audit

CEO

Executive Committee and other executives from the business units

3.1. Roles, responsibilities, and expertise

The Company's governance structure clearly defines roles and responsibilities regarding the direction, oversight, and management of social, environmental, and climate issues within the broader business context, with these topics being reported periodically as needed. The appointment of members of the Company's management (Board of Directors and Executive Board), pursuant to Article 13 of the Bylaws, complies with the nomination criteria established by the **Policy for the Appointment of Officers**, which seek to ensure that the management is aligned with the Company's principles, values, and purposes. Moreover, in carrying out the Company's activities, the Management body takes into account the short and long-term economic, social, environmental, and legal effects, in accordance with the Sole Paragraph of Article 3 of its **Bylaws**. At the operational level, the Executive Board is responsible for implementing the approved guidelines, managing climate risks on an ongoing basis, and ensuring the appropriate allocation of resources to strengthen the resilience of the business model.

3.1.1. Board of Directors (Oversight)

The Board is responsible for the Company's strategic direction, including climate-related issues. In the pursuit of its activities, the Board of Directors is supported by six Advisory Committees — which have no decision-making authority — one of which is established by the Bylaws; these committees review matters and, whenever necessary, recommend that they be approved by the Board of Directors. Within the scope of oversight of sustainability and climate-related issues, the Sustainability Committee and the Audit, Risk Management, and Finance Committee are of particular note (details on the Advisory Committees and their roles are provided below). As a pillar of control and compliance, the Audit, Risk Management, and Finance Committee conducts a detailed review of the Risk Map, which is subsequently submitted to the Board of Directors for annual approval of the risk matrix, enabling continuous monitoring of threats throughout the year.

3.1.2. Executive Board (Evaluation and Management)

Risk management and preliminary risk assessment are carried out under the leadership of the Executive Committee, which is composed of the Chief Executive Officer (CEO) and the vice presidents, each in their respective areas of responsibility, who are responsible for implementing the strategic plans outlined by the Board of Directors. This group includes executive positions responsible for managing and monitoring the Climate Transition Action Plan, the GHG emissions inventory, carbon offset initiatives, and climate-related projects and investments. Among the agencies and roles that make up this structure, the following are of note: Vice Presidency of Finance, Risk, and Strategy, which is led by the Chief Risk Officer and the Controllership Department, working to ensure that climate risks are quantified and integrated into the Enterprise Risk Management (ERM) and financial planning; and the Sustainability Office (Chief Sustainability Officer – CSO), which reports to the Vice Presidency of Sustainability, Legal Affairs, and Institutional Relations and is responsible for coordinating the implementation of the Climate Transition Action Plan, monitoring the GHG inventory, and promoting the integration of environmental, social, and governance goals across the business units. The sustainability leadership team continuously advises the Board of Directors' Sustainability Committee by providing technical reports and updates on progress towards public goals and commitments.

3.1.3. Risk owners

In addition to the oversight and management roles described above, in order to establish accountability at the functional and departmental levels, each climate risk is formally assigned to an executive or managerial leader (risk owner). These leaders are responsible for implementing controls, monitoring key performance indicators (KPIs), and reporting residual exposure. Risks associated with the supply chain fall under the responsibility of the Sustainable Procurement management departments, while operational and logistical risks are the responsibility of Asset Management. Regulatory compliance and climate transition risks, meanwhile, are the responsibility of the Executive Board and the Innovation, Climate, and Nature Management team.

3.1.4. Advisory Committees to the Board of Directors

Corporate Governance Committee

This committee's responsibilities include overseeing ongoing compliance with legal and statutory requirements, as well as with the corporate governance practices that have been formally adopted by the Company.

Human Resources and Organizational Development Committee

Supports the Board of Directors in making decisions related to issues such as employee and executive remuneration and benefits, and develops proposals for long-term incentives, which may be linked to the Company's strategic goals.

Strategic Committee (currently known as the Performance and Strategic Projects Committee)

Serves as an advisory body to the Board of Directors, assisting in the definition of strategic priorities and supporting the Executive Board in the implementation of approved projects, in line with established objectives.

Sustainability Committee

Responsible for monitoring the implementation of sustainability strategies and proposing adjustments to achieve the goals set forth in **2025–2050 Vision** and the **Climate Transition Action Plan**. Its role includes assisting the Company in identifying measures designed to address priority risks and negative impacts, as well as continuously promoting the integration of climate risks into the corporate risk matrix and regeneration strategies.

Products and Brands Committee

Supports strategic and business decisions related to products and brands, including assessing the economic feasibility of innovations proposed by executive teams — such as improvements in formulas or packaging — and ensuring alignment with the "*Bem estar Bem*" pillar, the 2025–2050 Vision, and the regeneration strategy.

Audit, Risk Management, and Finance Committee

Among other things, oversees risk management and the internal control processes, as well as ethics and compliance, and advises the Board of Directors on monitoring the integrity and effectiveness of risk management controls and financial reporting. One of its responsibilities involves monitoring the Company's overall exposure to risks, including climate-related risks, to ensure that these are addressed through robust control processes and transparent reporting.

3.2. Assessment and development of the Board of Directors' expertise

The Company maintains a Skills Matrix that is reviewed periodically, within which members of the Board of Directors declare their areas of expertise, ensuring the technical balance and alignment necessary for strategic discussions. The Company continuously monitors the diversity of the Board of Directors' expertise to ensure effective oversight of strategy, business operations, and comprehensive risk management, including social, environmental, and climate risks. This analysis is based on periodic evaluation processes, the professional backgrounds, and the qualifications of the board members, enabling the identification of opportunities for technical improvement. Whenever necessary, refresher sessions are held on emerging topics and regulatory developments, with the support of internal and external experts. The skills and qualifications of the members of the Board of Directors are published on the **Investor Relations website**.

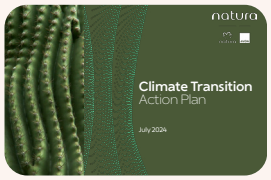
To ensure the effectiveness of these forums, monitor changes in the regulatory and environmental landscapes, and track the development of the governing bodies, the Board of Directors and its committees undergo evaluation processes that generally take place annually. This ongoing assessment not only guides the evolution of the forums — their composition and scope — but also highlights any potential need for technical support.

In 2026, the Company also held training and refresher sessions on IFRS S1 and S2 for board members and members of the Audit, Risk Management, and Finance Committees, with the support of external experts, covering the concepts of these standards, climate-related risks and opportunities, the responsibilities of the respective bodies, and their practical implications for governance and risk management at the Company.



3.3. Integrating climate governance into the business

The Company's climate governance is integrated into its corporate governance structure and guides decision-making on issues related to strategic planning, risk management, business and portfolio strategy, and compliance with the Company's public commitments.



Climate Transition Action Plan

The implementation of the Climate Transition Plan to achieve net-zero GHG emissions across the entire value chain is regularly monitored by the Sustainability Committee and the Board of Directors, which track the progress of initiatives, the performance of key indicators, and the need for adjustments to the decarbonization strategy. Among the key drivers of the Climate Transition Action Plan are the incorporation of the carbon footprint as a criterion for decisions regarding innovation, product development, and packaging, as well as the substitution of raw materials — under the supervision of the Products Committee — which contributes to the reduction of GHG emissions, particularly within the value chain (Scope 3).



Strategy (2025–2050 Vision)

Long-term planning requires that the trade-offs between short-term financial results and socio-environmental impacts be discussed at the senior management level. The medium-term (2025–2030) and long-term (2050) commitments outlined in the 2025–2050 Vision guide the Executive Board and the Board of Directors in allocating resources to regenerative initiatives.



Enterprise Risk Management (ERM)

As detailed in **Section 5**, the corporate risk management methodology has fully incorporated climate risks (physical and transition risks), subjecting them to the same reporting, assessment, and internal audit procedures applied to financial and operational risks.



Nature Transition Plan

Developed in 2025 and formally published in 2026, the Company aims to contribute, through its operations and value chain, to the goals of the Global Biodiversity Framework to halt and reverse biodiversity loss by 2030 and promote the restoration of nature in the regions where it operates by 2050. These indicators are monitored quarterly by the Executive Board.

3.4. Climate-related executive remuneration

The Company's executive compensation policies are reviewed periodically by management and submitted to the Human Resources Committee, which recommends their approval to the Board of Directors. Annual variable compensation incorporates sustainability performance metrics, with company-wide targets and specific targets for employees, based on the achievement of economic, social, and environmental goals. The executives, including the CEO, receive a combination of a fixed salary, benefits, and variable compensation.

Progress on the key performance indicators is monitored by the management and reported to the Board of Directors, with the most strategic indicators monitored on a quarterly basis. Among these, the 2025 profit-sharing indicator is of great importance. It is linked to the reduction of absolute GHG emissions and aligned with the Company's Net Zero strategy, and its performance is monitored and reported in compensation governance forums.

TIME HORIZON	COVERAGE	INDICATOR	WEIGHTING	RESULTS
Short-term	All executives	Annual variable compensation tied to the achievement of objective-based results, including environmental performance indicators, such as progress on sustainable packaging initiatives	20%	Annual progress related to short-term GHG emissions-reduction performance
Long-term	Executive Board	Long-term incentive plan (LTIP), contingent upon meeting multi-year performance targets, including goals related to reducing GHG emissions	30%	Long-term GHG emissions reduction targets and alignment with the Company's climate transition strategy



4 Strategy and regeneration

The Company's business model is intrinsically linked to emerging challenges, such as climate change and the urgent need to transition to a low-carbon economy. Capable of materially affecting investment cycles, earnings, and cash flow, these issues prompt updates to public commitments and long-term planning.

In recent years, in parallel with the development of the **2025-2050 Vision**, the Company has revisited its corporate strategy and defined its strategic focus for its business in Latin America. After ten years of global expansion, this move marks a return to the company's roots, beginning a strategy to reorganize the capital structure and streamline operations as part of a well-grounded effort to integrate businesses and operations. Included in the Financial Statements (*see* **item 1.1 – Corporate reorganization through reverse incorporation under common control**), this transformation is based on several key elements:

- **Reorganization of the capital structure and corporate streamlining**, with a focus on the Company and its scope of operations in Latin America;
- **Completion of the phases for integration of Natura and Avon's operations** in Latin America;
- **Review of the brand positioning strategy** with the aim of achieving market leadership in key Latin American markets with the Natura and Avon brands.

In line with the 2025–2050 Vision, the strategy review established a focus on Latin America and corporate streamlining



The initiatives on these fronts are detailed in the **2025 Integrated Report** and reflect the evolution of the Company's climate management, in line with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and the requirements of IFRS Standards S1 and S2. These initiatives are also aligned with the 2025–2050 Vision, the **Climate Transition Action Plan**, and public sustainability commitments.

4.1. Climate-related commitments

The Company's public commitments and goals related to climate change are integrated into various aspects of its strategy and encompass environmental, social, and governance issues. These commitments are defined and monitored through the Company's governance mechanisms, including the Board of Directors and its Advisory Committees, and are incorporated into the strategies associated with the Commitments 2030 that form part of the **2025–2050 Vision**. These commitments are part of the Company's Strategic Planning process, which is conducted annually with a three-year projection horizon (three-year plan) and aims to ensure that our goals are continuously aligned with market dynamics, climate, and sustainability. Under this governance structure, while the second and third years provide strategic guidelines and long-term scenario modeling, the first year of the cycle is detailed with operational and budgetary discipline, consolidating the transition initiatives and strategic projects that have already received formal budgetary approval (Capex and Opex) and technical validation from the Executive Committee and the Board of Directors. This process aims to ensure predictability and governance in the allocation of resources by integrating our priority areas of efficiency, decarbonization, and risk mitigation directly into the Company's immediate financial execution plan.

This report provides an in-depth analysis of the targets associated with the **Climate Transition Action Plan** and the management of climate-related risks, which are relevant to the assessment of the Company's strategy. **Section 8** presents the commitments and targets selected for this report, their metrics, and their current status. The other commitments, although not directly linked to the Transition Plan or to specific climate risks, also contribute to the climate agenda and the business model. For additional information on the Company's performance in 2025 and all of its commitments and goals, please refer to the **2025 Integrated Report**.

4.2. Analysis of scenarios and impact assessment

To assess the resilience of its strategy and business model to climate-related factors, the Company conducts climate scenario analyses and, in order to identify and assess climate-related risks and opportunities, considers qualitative scenarios and benchmark data to evaluate both its ability to respond and the potential effects on all of its operations and the value chain, taking into account different temperature scenarios and policies. The use of a broad and diverse range of scenarios allows us to test the resilience of the business model in the face of regulatory uncertainties and extreme climate scenarios.

The Company selects climate scenarios based on the internationally recognized public models used by leading organizations which are validated by the scientific community. These scenarios provide a consistent basis for assessing possible future climate conditions, as detailed below for each of the risks discussed in this report.

Once prioritized, the scenarios are used to assess how climate-related trends and events may change over time, estimate their potential financial impact, and conduct sensitivity analyses considering future uncertainties. Each of the risks

disclosed in **Section 6** was analyzed taking into account its materiality in the context of forward-looking scenarios, and, whenever feasible, the potential financial effects and sensitivities were assessed and disclosed quantitatively.

The Company bases its analysis on a series of internationally-recognized public scenarios, grouped into three reference trajectories: ambitious policy, moderate approach, and high warming levels. In 2023/2024, in-house experts reviewed climate scenarios to identify where changes and emerging developments might create or alter risks and opportunities. The qualitative analysis of the identified risks and opportunities, conducted in 2024, considered three intensity scenarios and three different timeframes (short term: 0 to 3 years; medium term: 3 to 10 years; and long term: more than 10 years through until 2050).

The analysis incorporates data from recognized sources regarding population growth, technological development, economic development, and a broad range of factors related to energy, land use, and GHG emissions, in line with scenarios published by: IPCC, IEA (World Energy Outlook), and the Network of Central Banks and Supervisors for Greening the Financial System (NGFS). For specific risks that are not adequately represented by public scenario datasets, these are supplemented with assumptions and estimates from customized scenarios, based on the Company's operational history and an assessment of future trends. The IFRS Foundation's SASB standards were used as a reference for identifying sustainability-related risks and opportunities, as well as for defining the sector-specific metrics applicable to the Company.

According to the benchmark approach to climate scenarios developed by the World Business Council for Sustainable Development (WBCSD) and the World Economic Forum (WEF), individual scenarios are grouped into reference families. This approach supports an assessment of both transition risks and physical risks, allowing the analysis to draw on a variety of climate-scenario data sources that help describe how future climate-related outcomes could affect businesses.



4.2.1. General climate scenarios analyzed

Accelerated Net Zero
+1.4–1.8 °C

1. POLICIES AND REGULATION
» Immediate adoption of stringent climate policies to achieve net-zero global GHG emissions by 2050;
» Immediate and coordinated political action, in line with the Paris Agreement.

2. CLIMATE AND ENERGY TRANSITION
» Moderate regional variation;
» Rapid technological advancement;
» Lower increase in temperature and smaller physical change;
» High level of electrification in the economy. Rapid growth of renewable energy sources. A significant reduction in the use of fossil fuels.

3. ECONOMIC CONTEXT
» Short-term inflationary pressures resulting from investments in the transition. Sustained growth of the green economy, expansion of low-carbon markets, and increased investment in innovation and clean technologies.

Disorderly Transition
+1.6–2.7 °C

1. POLICIES AND REGULATION
» Climate policies are lagging behind, which calls for an aggressive policy response starting in 2030;
» A belated but firm political response.

2. CLIMATE AND ENERGY TRANSITION
» Significant regional variation;
» Technological progress starts slowly but gradually gains momentum and scale;
» Moderate temperature increase and physical change;
» The expansion of renewable energy continues, though at a slower pace than necessary due to regulatory uncertainty. The energy transition is proceeding unevenly.

3. ECONOMIC CONTEXT
» High economic volatility. Rising inflation, rising unemployment, and rising interest rates due to a delayed response to climate change. A decline in consumers' disposable income during the 2030s.

Extreme Warming
+2.6–4.4 °C

1. POLICIES AND REGULATION
» Climate policies are insufficient, belated, and fragmented at the global level, which creates a high level of physical risk;
» Policy measures are failing to curb emissions;
» Climate sensitivity was underestimated.

2. CLIMATE AND ENERGY TRANSITION
» Significant regional variation;
» Climate innovation is taking a back seat to concerns about energy security and economic growth. Investment in mitigation technologies is limited, while resources are directed towards adaptation and resilience. Continued technological dependence on fossil fuels, coupled with a slower adoption of clean technologies;
» Greater temperature increase and physical change;
» Predominance of fossil fuels. Governments prioritize energy security and economic growth. Despite the expansion of renewable energy, dependence on fossil fuels remains high.

3. ECONOMIC CONTEXT
» Increasing physical damage undermines economic growth, driving up adaptation and insurance costs, while reducing productivity, and affecting global GDP.

External data sources

	Accelerated Net Zero	Disorderly Transition	Extreme Warming
PHYSICAL RISK SCENARIOS	IPCC[2] AR6 SSP1-2.6	IPCC AR6 SSP2-4.5	IPCC AR6 SSP5-8.5[3]
TRANSITION RISK	» IEA World Energy Outlook[4] » NGFS Net Zero 2050[5]	» Commitments announced by the IEA's World Energy Outlook » Delayed NGFS Transition	» Policies outlined in the IEA's World Energy Outlook » Current NGFS Policies

2 Intergovernmental Panel on Climate Change, Sixth Assessment Report.

3 Please note that this analysis was conducted using the CMIP-6 set of scenarios and prior to the updates for CMIP-7, which have not yet been released. Although the socioeconomic assumptions associated with this scenario are now considered unlikely, the temperature projection still serves as a useful stress test for the upper range of potential physical risk.

4 International Energy Agency.

5 Network for Greening the Financial System.

4.3. Climate Transition Action Plan

In light of the intensifying impacts of climate change, biodiversity loss, and the transition to a low-carbon economy, the Company recognizes the interdependence between climate, nature, and business, and integrates the management of climate-related risks and opportunities into its strategic planning, decision-making, and capital allocation processes, in alignment with its **2025–2050 Vision** and its public sustainability commitments.

Published in 2024, the **Climate Transition Action Plan** consolidates the Company's strategy to achieve net-zero emissions across the entire value chain, marking the evolution of the Natura Carbon Neutral Program, which began in 2007. In line with the goal of limiting global warming to 1.5°C, as set forth in the Paris Agreement, the Plan outlines the key areas of focus for strengthening the business's resilience, accelerating decarbonization, and integrating social and environmental considerations into the transition strategy.

The implementation of the Climate Transition Action Plan is structured around three strategic pillars: (i) building resilience and mitigating climate risks through regenerative solutions; (ii) decarbonizing the business based on science-based targets aligned with the 1.5°C scenario; and (iii) promoting a just and equitable transition, driving the regeneration of society and nature.

These pillars guide the integration of climate considerations into the corporate strategy, risk management, product development, and the value chain, contributing to the creation of long-term value and the strengthening of the Company's resilience.



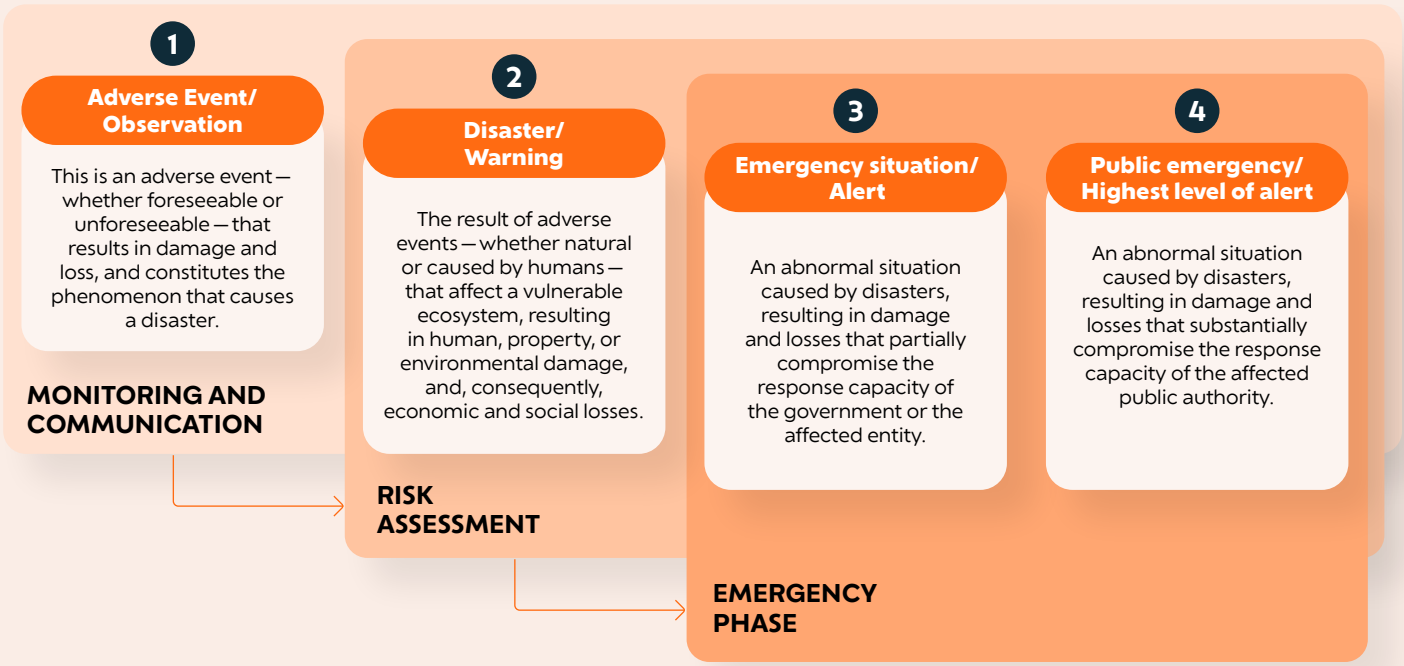
4.4. Response to climate crises

The Company seeks to make its business more resilient and safeguard the execution of its strategy through crisis response protocols, in order to support its network of partners and its own operations in preparing to deal with extreme weather events.

To this end, the Company maintains a Corporate Policy on Action in Climate Crises, which is shared with the following publics in every Latin American country: Beauty Consultants, sales teams, employees, business leaders, franchise salespeople, third parties, cooperatives/partners in the recycling chain, the agricultural and extractive sector, suppliers, and civil society.

The protocol for crises, disasters, and climate emergencies continuously monitors events and classifies them according to their severity in order to trigger the appropriate monitoring, communication, and emergency response measures. The measures are designed to be implemented quickly and in a coordinated manner following a disaster (see the flowchart in the table below).

4.4.1. Climate crisis monitoring model



Within this framework, the Disaster Response Committee was established in response to recent extreme weather events in Brazil as a means of supporting victims, as part of the Company's commitment to climate justice. The Committee's aim is to protect the Company's network of relationships and address its most urgent needs, mitigating the social vulnerability and instability that directly affect income and quality of life, while recognizing that climate change can disproportionately affect certain groups. The Committee, which is reactive and temporary in nature, is activated in the event of extreme weather events or disasters that could have significant impacts on the Company's network of stakeholders, particularly communities, employees, suppliers, Beauty Consultants, and other vulnerable groups.

Governance of the Disaster Response Committee: Whenever a climate-related disaster occurs, a Disaster Management Committee leads the multi-functional coordination between internal and external stakeholders to ensure effective decision-making.

Strategic emergency measures: Emergency measures prioritize the preservation of life and the continuity of activities through the swift coordination of essential services and communication.

Building a grassroots coalition: Key medium-term initiatives focus on building coalitions and governance structures to manage the public funds allocated for disaster response in a transparent manner.

Resilience strategies for the future: Study of measures and plans to make the Company's communities and operations resilient in the face of new events and threats.

4.5. Sustainable financial instruments

To finance its Transition Plan and voluntary commitments, the Company uses financial tools to integrate climate considerations into its decision-making, including the use of Sustainability-Linked Bonds (SLB). Until 2025, $1 billion was raised in 2021 and BRL 1.3 billion in 2024 through these instruments. In its Research and Development (R&D) and project decision-making processes, the company uses marginal abatement cost analysis and internal carbon pricing (*read more in* **Risk R4**) to prioritize resource allocation efficiently, seeking opportunities with the best return on investment.

The first SLB, issued in 2021, is tied to targets for reducing GHG emissions intensity and increasing the percentage of post-consumer recycled (PCR) materials in packaging.

The second SLB, issued in 2024, is tied to targets related to biodiversity conservation and the sustainable use of bioactive compounds from the Amazon region; the company was the first in Brazil to issue a bond of this nature. They optimize the capital structure by directly linking financing costs to strategic commitments and sustainability performance. The Financial Statements present information on sustainability operations (*see explanatory note* **19.1.i - Sustainability-Linked Debentures (13th issuance)**).

Learn how the Company uses sustainability-linked debt instruments here.



Environmental Finance
Sustainable Debt Awards 2025
Winner
Sustainability bond of the year – sovereign

- Latin America's First SLB Focused on Biodiversity
- Winner of the 2025 Corporate Sustainability Bond of the Year award from Environmental Finance

5 Risk Management

Climate-related risk management is a cornerstone of value protection and operational resilience at the Company, and is essential to safeguarding the business' long-term viability and the continuity of its operations.

The Company follows a risk management methodology aligned with international standards, particularly the guidelines of the Committee of Sponsoring Organizations (COSO) and the ISO 31000 standard. Risk governance involves the Chief Risk Officer (CRO), a position reporting to the Vice President of Finance, Risk, and Strategy, who is responsible for assisting in the identification, assessment, and communication of risks to management. The Advisory Committees, which provide guidance and information to the Board of Directors regarding business risks and opportunities, including those related to sustainability, as detailed in **Section 3** of this report. Policies addressing risk management are available on the **Investor Relations website**.

The Company undergoes regular external audits regarding quality and environmental issues, in accordance with the ISO 9001 and 14001 certifications held by our facilities. The corporate risk map undergoes periodic reviews, approved by management, which monitors certain emerging risks (learn more in the **ESG Data Book**, ESG indicator G12), while sustainability risks are regularly considered in the Company's governance processes and bodies.

Although the Company's strategy takes into account opportunities related to the climate transition, their potential financial effects in the current cycle do not meet the financial materiality thresholds as defined by the ISSB. The analysis also takes into account qualitative factors, including, but not limited to, the Company's strategy and ambition, business model, resilience, innovation, and value chain. Accordingly, the following financial information focuses on the climate risks deemed relevant to the Company and for which there is sufficiently substantiated information. It should be noted that the current assessment of these risks did not indicate a need for significant capital investments or additional financial resources to manage them. In this regard, the Company's initiatives to combat climate change — consistently structured around the pillars of industrial energy efficiency, low-carbon logistics, the circularity of inputs, and the promotion of agroforestry in the Amazon to generate credits within its own value chain (insetting) — are considered an integral part of the Company's corporate strategy, as presented in the **2025 Integrated Report**.

5.1. Climate risk analysis

Climate-related business risks are analyzed on a consolidated basis along with the Company's other risks and presented annually to the Audit, Risk Management, and Finance Committee. Details regarding financial risk management and the measures taken to protect the Company's value are provided in the Financial Statements (*see* **Note 5 - Financial Risk Management**).

The identification of climate risks is based on internal risk assessments, climate scenario analyses, and external data sources (such as the SASB standards, as detailed in **Section 4.2**), allowing for the assessment of potential effects and dependencies throughout the value chain, including operations, the supply chain, and market conditions. The identified risks are assessed and prioritized based on probability, potential financial impact, and timeframe. Take a look at the following workflow.

Progress in addressing climate risks

OUR METHODOLOGY

- **Review of the main climate-related risks and opportunities** identified by Natura, taking into account the availability of internal and external data and feasible methodologies for producing useful quantitative results.
- **Definition of financial impact drivers** and development of financial models. Mapping impact pathways for selected climate-related effects and identifying data sources.
- **Development of preliminary financial models**, using public sources and climate change scenario databases.

OUR FOCUS

- Quantifying the financial effects of the risks;
- Considering the scope of current risk management strategies;
- Assessing the potential to mitigate this impact, once it has been quantified.

2021 to March 2024

1 Preparation and identification

- TCFD compliance benchmarking in the consumer goods sector;
- Engagement interviews with senior leaders and stakeholders (24 key areas);
- Collection of internal and external data with the support of experts.

OUTCOMES AND DELIVERABLES

Initial mapping of 191 potential risks and opportunities (R&O) throughout the value chain.

2024

2 Analysis of scenarios and modeling

- Physical Risks: Analysis of global climate models (IPCC Atlas);
- Transition Risks: Review of published materials and analysis of NGFS and IEA WEO scenarios;
- Mapping of financial drivers and identification of data sources.

OUTCOMES AND DELIVERABLES

Selection of 27 priority R&O items. Development of preliminary financial models for material effects, based on magnitude and probability.

2025

3 Validation of the context

- Analysis of climate scenarios together with political, economic, social, technological, and legal factors, as well as cross-functional discussions (Finance, Sustainability, Supply Chain, R&D, and others).

OUTCOMES AND DELIVERABLES

Analysis of financial impacts for priority risks and opportunities.

4 Integration with ERM, controls, management

- Application of the materiality rule in the corporate risk matrix;
- Definition of Risk Owners for continuous monitoring.

OUTCOMES AND DELIVERABLES

Incorporating financial analysis of physical and transition climate risks into risk management and business continuity plans.

2026

5 Voluntary alignment with the IFRS and refinement of risks and opportunities

- Measuring residual risk exposure and defining mitigation metrics.

OUTCOMES AND DELIVERABLES

Disclosure structured in accordance with the requirements of IFRS Standards S1 and S2.

5.2. Climate risk assessment methodology

Climate change is identified as one of the Company's main risk factors, due to the potential impacts arising from the transition to a low-carbon economy — such as changes in policies and regulations — as well as the physical risks resulting from acute and chronic climate events that affect operations and the value chain. Considered essential to the Company's resilience, this topic has been addressed since the last decade in line with the guidelines of the TCFD, the disclosures and premises of which are incorporated into IFRS Standards S1 and S2.

Since 2023, climate-related risks have been incorporated into the Company's ERM framework as part of a continuous improvement process based on the TCFD, which has also led to improvements in the commitments and metrics of the **2025–2050 Vision**. Throughout 2025, the Company improved its climate risk management processes through four initiatives:

1. Expansion of the use of climate scenario analysis to support the assessment of financial impacts;
2. Greater integration of climate risk results into financial planning;
3. Greater cross-functional involvement in support of risk identification and assessment;
4. Development of additional datasets to strengthen the analysis of risks in the value chain.

5.2.1. Identification, assessment, and selection of climate-related risks and opportunities

The Company assesses the risk factors arising from climate change from a financial perspective, identifying and measuring them whenever there is a reasonable potential that they may affect cash flows, performance, or its financial position in the short, medium, or long term. Transition risks and physical risks are assessed in accordance with corporate risk management criteria, in line with the COSO framework and the ERM model.

In selecting the information to be disclosed, the Company conducted a combined assessment of aspects related to the magnitude (quantitative impact on financial line items) and nature (qualitative impact and strategic direction) of each material topic, as well as how these factors affect the Company's business outlook, financial position, and resilience.

Management model: Climate-related risk management follows the Three Lines Model[6], in line with the Company's overall ERM methodology. Through this mechanism, a clear division of responsibilities is established, which is reflected in the internal structures for evaluating and monitoring this issue.

Evaluation criteria and time horizon: Climate-related risks are assessed using the same criteria and scoring thresholds applied to all business risks. As a result, they are directly comparable to other financial, operational, and strategic risks and may be included in the Company's core risk portfolio, whenever applicable. An analysis of alignment with strategic and sustainability goals can help guide the prioritization process.

6 First line: Operations Management; Second line: GRC Functions; and Third line: Internal Audit.

Assessment of impact, probability, and time horizon: The Company uses a structured methodology to identify, assess, and prioritize climate-related risks and opportunities for each climate scenario trajectory and time horizon. This methodology assesses "Impact" and "Probability" as the two main factors for measuring exposure, while considering the speed of occurrence as a complementary factor. The scenarios are analyzed across three timeframes in terms of the magnitude of their impact on financial and reputational outlooks.

Risk measurement is based on the intersection of probability and impact, using standardized corporate guidelines, which determine its position on the Risk Map. The selection process is based on residual exposure, which is assessed after verifying the effectiveness of existing controls and mitigation measures. Events that exceed the Company's risk appetite and tolerance limits are classified as High Exposure. In such cases, priority management protocols are triggered, requiring a detailed mitigation action plan and the formal designation of the respective Risk Owners.

IMPACT

Assessment of the potential severity of possible climate-related events by measuring the magnitude of their effects from both a financial and reputational perspective.

PROBABILITY

Assessment of the likelihood of the climate event occurring under the analyzed scenario pathways.

SPEED

Assessment of the time elapsed between the onset of the risk and the full manifestation of its effects, determining the Company's response window in the face of an adverse event.

TIMEFRAMES

Strategic forecasting and planning timeframes, classified as Short-Term (0 to 3 years), aligned with budget and business planning cycles; Medium-Term (3 to 10 years), aligned with the timeline of the Commitments 2030; and Long-Term (more than 10 years, through to 2050), aligned with the corporate Net Zero target and the **2025–2050 Vision**.

EXTERNAL DATA SOURCES

They include information on assumptions related to temperature alterations, policy developments, carbon pricing, and physical climate risks.

- NGFS Climate Scenarios;
- Scenarios from the IEA's World Energy Outlook;
- Scenario Trajectories from the IPCC's Sixth Assessment Report.

INTERNAL DATA ENTRIES

Used to integrate and adapt the assessment to the Company's value chain and business units.

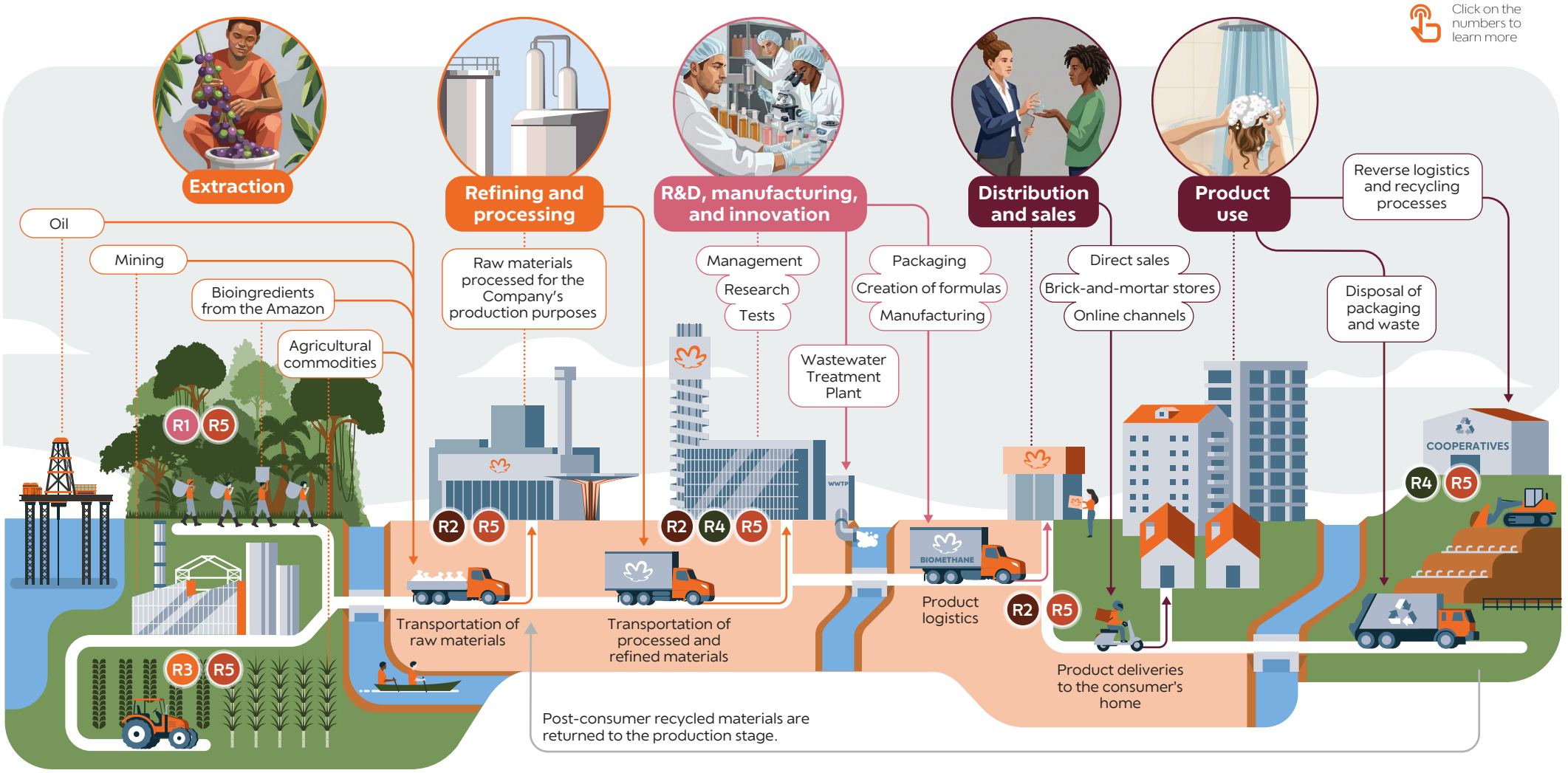
- Operating data by asset;
- Supply chain mapping and procurement data;
- Financial planning data and cost assumptions;
- Insurance data;
- Revenue from business units;
- Risk mitigation and adaptation costs.

SCOPE OF THE EVALUATION

We are gradually expanding the scope as data availability improves. Currently, the scope of the assessment is specific to each risk and opportunity analyzed, but generally includes the following sources:

- Own operations;
- Key elements of the upstream and downstream value chain, including suppliers, distribution networks, and the partner network.

5.3. Climate risks in the value chain



R1 Supply of bioingredients

R2 Disruption to operations and logistics

R3 Prices of critical commodities

R4 Regulatory compliance costs

R5 Investment in climate transition

Go back to the original image

Best viewed in Adobe Acrobat

5.4. Risk-related judgments and uncertainties

Measuring the potential financial effects and identifying the material information presented in this report require the exercising of critical judgment and the use of estimates by the Company's management. These estimates are subject to inherent measurement uncertainties, stemming primarily from the use of forward-looking premises, reliance on estimated data throughout the value chain — both upstream and downstream — as well as limitations in predictive modeling and climate scenarios. The following table summarizes the main sources of measurement uncertainty and the critical judgments applied in the valuation process.

CLIMATE RISKS	SIGNIFICANT JUDGEMENTS AND UNCERTAINTIES	REFERENCE SECTION
R1 R2 R3 R4 R5	Identification of relevant climate risks, determination of their materiality, and measurement of their financial effects, taking into account those that could reasonably affect the Company's outlook, cash flows, and business model.	5.1
R1 R2 R3 R4 R5	Definition of short-term (0 to 3 years), medium-term (3 to 10 years), and long-term (through 2050, considering the Net Zero goal) timeframes, used in assessing the financial impacts and in budget planning.	1.2 5.2
R1 R2 R3 R4 R5	Establishment of premises regarding the future evolution of business activities, macroeconomic conditions, and the ability to generate and sustain cash flows, taking into account the potential effects of different climate scenarios on the Company's perspectives.	1.1 6
R1 R2 R3 R4 R5	Assessment of the limitations, spatial resolution, and uncertainties associated with the physical climate models used, including IPCC global models (CMIP6) and the interpolation and extrapolation techniques employed to adapt the results to the Company's time horizons.	4.2 5.2 6 7.1
R1 R2 R3 R4 R5	Selection and application of climate scenarios and definition of their respective assumptions and levels of uncertainty, taking into account the plausibility of the scenarios used in the resilience analysis and the references cited, including the IPCC, IEA, NGFS, and WBCSD.	4.2 5.2 7.1
R4 R5	Estimation of the Company's exposure to potential carbon and regulatory compliance costs throughout the value chain, including premises regarding the mechanism and magnitude of any pass-through of these costs by suppliers of packaging and industrial inputs.	6
R4 R5	Estimates of trends in prices and the availability of carbon credits in the voluntary and regulated markets, taking into account uncertainties related to future market conditions and strategies for offsetting residual GHG emissions, including insetting and offsetting.	6 8.2.1
R1	Assessment of the physiological vulnerability and sensitivity of priority bioingredients from Amazonian sociobiodiversity — including Brazil nuts, *cupuaçu*, and *murumuru* — to temperature fluctuations and water stress.	6
R2	Assessment of the adequacy and sufficiency of mitigation and adaptation measures, business continuity plans, and insurance coverage, including their ability to address potential loss of profits and property damage resulting from climate-related events.	6 7.1
R2	Assessment of the exposure to, and potential operational and financial impacts of, acute weather events — such as storms, floods, and heat waves — on industrial facilities, distribution centers, and logistics operations.	6 7.1
R3	Assessment of the sensitivity of the costs and availability of critical agricultural commodities to climate change and the transition to a low-carbon economy, considering potential effects on the prices, supply, and volatility of palm oil and sugarcane ethanol.	6
R4	Definition of assumptions related to changes in the regulatory environment and the Company's potential exposure to the Brazilian Emissions Trading System (SBCE), including eligibility criteria, any applicable obligations, and estimates regarding the price of emissions permits.	6
R4	Definition of premises related to geographic expansion and changes in regulatory requirements regarding post-consumer recycled content (PCR), as well as estimates of the potential financial effects resulting from changes in fees and Extended Producer Responsibility (EPR) obligations in Latin America.	6
R5	Estimation of the investments and expenses (Capex/Opex) required to decarbonize significant sources of Scope 3 GHG emissions, taking into account premises regarding the economic feasibility, availability, and maturity of technologies applicable to hard-to-abate sectors.	4.3 6
R5	Projection of future GHG emissions and assessment of the premises related to the key reduction levers outlined in the Climate Transition Action Plan, considering the 2030 and 2050 timelines and the uncertainties inherent in forward-looking estimates.	6 8.1.1
R5	Definition of the methods, emissions factors, data sources, and premises used in the measurement and allocation of scope 1, 2, and 3 GHG emissions, including decisions regarding the availability, quality, and representativeness of primary and secondary data from the value chain.	8.1

6 Breakdown of climate-related risks

R1
R2
R3
R4
R5
Back

The Company assessed the effects of climate risks and did not identify any adjustments to the carrying amount of assets and liabilities in the current period. The costs and investments required to implement the climate strategy are fully covered by the operation's own resources.



R1 Supply of bioingredients 8.2.2

RISK CATEGORY **Physical risk**

TIMEFRAME **Medium term** (3 to 10 years)

EXPOSURE IN THE VALUE CHAIN

- Suppliers of bioingredients in the Amazon region (ingredients developed and produced exclusively by the Company from resources sourced from the Amazon, in partnership with local supplier communities). For ingredients sold in bulk that can be obtained from various suppliers, see **Risk 3**.
- Three bioingredient supply chains identified as being most vulnerable: Brazil nut, *cupuaçu*, and *murumuru*.

KEY LINE ITEMS THAT MAY BE AFFECTED IN THE FINANCIAL STATEMENTS ISSUED ON DECEMBER 31, 2025

- **Note 26. Net Revenue**
- **Note 27. Operating expenses and Cost of Goods Sold**
- Impact on gross margin in the event of a drop in the sales of products that rely on bioingredients.
- Investments in supply chain resilience and in R&D projects related to bioingredients; raw material expenses.

Nature of the risk

The use of natural ingredients and bioingredients derived from socio-biodiversity, primarily from the Amazon region, is one of the distinguishing features of the product line and the Natura brand. Gradual changes in rainfall patterns and intensity, average temperature, and atmospheric gas concentrations alter the behavior and developmental dynamics of the different species, while extreme events — such as droughts, storms, and wildfires — have the potential to cause damage to crops and negatively affect rural communities.

Within this context, new pressures may arise on the supply chains for bioingredients from the Amazon, increasing the risk of fluctuations in harvest volume and seasonality, or impacts on the quality and sustainability of the different species. If this results in an absolute shortage of an essential ingredient for certain products, this situation could affect sales and customer loyalty, in addition to generating new costs related to innovation and revised product formulas to replace the unavailable ingredients.

In 2026, the Company conducted an initial assessment of potential climate-related vulnerabilities in its bioingredient supply chains. Taking into account the bioingredients that account for the largest share of revenue and the best available public and internal evidence, 3 of the 27 approved bioingredients were identified as potentially sensitive to climate change: Brazil nut, *cupuaçu*, and *murumuru*. In all three cases, historical impacts on productivity resulting from various climatic effects were observed, particularly rainfall patterns and water stress, as well as the effects of El Niño/Southern Oscillation (ENSO), making this issue a key focus for future risk assessment and risk management efforts.

Response and mitigation

The Company has been working with socio-biodiversity-based extractive communities for over 25 years and has established a solid management system to develop supply chains, identify and mitigate potential supply risks, and contribute to the resilience of partner communities. Notable among these initiatives are:



Adaptation Direct **a. Supply Chain Management in Socio-biodiversity – GRAS:** The supply chain management team works in collaboration with extractive communities in the Amazon to promote risk identification and management, with a particular focus on supply chain management policies, as described in the **ESG Data Book** (Value Chain section). Of these policies, the **Supplier Code of Conduct** and the **Critical Supply Chain Standard** are of particular note. Risk management is based on a relationship of trust and a presence in the field, as well as the use of a Geographic Information System (GIS) to provide a clear understanding of the traceability of the socio-biodiversity chain and monitor historical trends and production volumes. Harvest periods are monitored to identify shortages or surpluses, with an 18-month planning horizon for strategic ingredients, which allows for proactive inventory planning to mitigate the risk of shortages.

The Company is developing strategic initiatives to enhance the efficiency, flexibility, and resilience of its supply chains. This work includes the agile validation of new partner communities through expedited contracting processes; the promotion of local agribusinesses for decentralized processing, enabling the extraction and refining of bio-active oils and butters directly at the source; and the adoption of preservation technologies that extend the shelf life of ingredients and ensure the continuous availability of supplies.

The action plans for the identified supply chains are:



BRAZIL NUTS
Early monitoring and establishment of strategic reserves during high-yield harvests to offset any seasonal declines.



CUPUAÇU
Projects to expand farmed areas and promote regenerative practices to improve productivity.



MURUMURU
Investment in a new community-based agribusiness powered by a Battery Energy Storage System (BESS) in Marajó to decentralize production and strengthen scalability.

Adaptation Direct **b. *Amazônia Viva* Financing Mechanism:** A blended funding instrument created by the Company itself in partnership with VERT Securitizadora and the Brazilian Biodiversity Fund (FUNBIO) to strengthen the socio-biodiversity economy in the Amazon. The initiative strengthens the cooperative movement and the sustainability of agro-extractivism by combining skills-building, forest conservation and regeneration with income generation.

Adaptation Direct **c. Resources shared with socio-biodiversity communities:** The Company aims to double the resources it shares with the communities with which it interacts by 2030, compared to 2020. One of the pillars is payment for environmental services, which is strategic for strengthening the bioeconomy, and forest conservation and regeneration, as well as increasing and diversifying community income.

Financial effect

a. Current financial effects

This risk could result in lost sales if the Company is unable to manufacture a particular product due to a shortage of a specific bioingredient. Responding to this situation by substituting an unavailable ingredient would entail R&D and marketing costs to adapt the product lines. Furthermore, investments in projects and management continue as a means of minimizing the risk of shortages.

During the 2025 fiscal year, this risk did not materialize, and there was no impact on sales resulting from a shortage of bioingredients, nor were there any costs associated with replacing unavailable ingredients. However, there are ongoing project and management costs associated with minimizing the future risk of shortages, as shown in the table below.

INCOME STATEMENT (December 31, 2025 Financial Statements)	INVESTMENT DESCRIPTION	FISCAL YEAR ENDED DECEMBER 31, 2025 (in BRL millions)
Note 27 – Cost of Goods Sold	Socio-Biodiversity Supply Chain Management Team (GRAS)	10.6
Note 27 – Administrative, R&D, IT, and Project Expenses	Projects that strengthen social and environmental resilience in supplier communities	10.7
Total		**21.3**

b. Expected financial effects

In 2025, products containing the three bioingredients assessed for climate-related vulnerabilities (Brazil nut, *cupuaçu*, and *murumuru*) generated BRL 584.2 million in net revenue, representing 2.63% of the Company's total sales for the year. This metric is used to assess the potential financial exposure associated with climate risks in the supply chain in the event of an extreme shortage.

Based on currently available information and existing mitigation initiatives, the Company does not expect any material short-term financial effects associated with the shortage of these bioingredients. The use of proportionality is justified by the high level of uncertainty in measuring future financial effects, which may vary depending on the frequency and severity of climate events, agricultural productivity conditions, supplier resilience, and the broader market dynamics that affect the availability and prices of these inputs. In the medium term, the Company expects to continue investing in projects, although the levels and timing of these investments remain subject to annual budget approvals, strategic priorities, and changes in market and weather conditions.

Judgments and uncertainties

Given the unique characteristics of the bioingredients used by the Company, predicting the potential effects of changes in temperature patterns, rainfall variability, and broader climatic conditions on agricultural productivity and long-term supply is an inherently complex process. It is therefore acknowledged that there exist uncertainties regarding the magnitude and timing of these potential climate. In this context, the Company continues to refine its assessment methodologies and scenario analysis capabilities in order to extend its understanding of future potential climate-related financial impacts on its value chain.

R2 Disruption to operations and logistics 8.3.1

RISK CATEGORY

Physical risk

TIMEFRAME

Short term
(0 to 3 years)

EXPOSURE IN THE VALUE CHAIN

- The Company's own and outsourced manufacturing facilities[7], distribution centers, and the logistics chain in the Latin American countries where the Company operates.

7 Four company-owned factories (Brazil – Cajamar and Benevides; Mexico – Celaya; and Argentina – Moreno).

KEY LINE ITEMS IN THE FINANCIAL STATEMENTS PUBLISHED ON DECEMBER 31, 2025 THAT MAY BE AFFECTED

- **Note 9. Inventory**
- **Note 13. Other assets**
- **Note 16. Fixed assets**
- **Note 23. Other liabilities**
- **Note 26. Net revenue**
- **Note 27. Operating expenses and Cost of Good Sold**
- **Note 30. Other operating expenses**
- **Note 34. Insurance coverage**

- Effect on gross margin in the event of a loss of sales.
- The value of fixed assets, investments, and adjustments resulting from the impact of weather events, as well as any effect on inventory.
- Expenses related to insurance, coverage, and claims.
- Logistics costs and other administrative expenses.

Nature of the risk

Climate change is expected to influence the nature, location, frequency, severity, and duration of extreme weather events, exposing production and logistics activities to new or increasing threats. In the geographic regions where the Company operates, this is expected to include higher temperatures and prolonged heat waves, as well as episodes of heavy rainfall and associated risks, such as floods and landslides.

Events related to extreme weather conditions, such as storms and floods, can cause direct damage to facilities, machinery, and inventory, and ultimately jeopardize the continuity of operations and production. Exposure to high temperatures can negatively affect workers' health and productivity and could potentially compromise the quality of the inventory consisting of products that are more sensitive to fluctuations in temperature. Measures to maintain resilience may lead to increased costs, including those related to facility modifications, cooling, and maintenance. There may also be additional costs associated with expanding insurance coverage, as well as potential increases in premiums, as climate-related losses put pressure on the global insurance market. In addition to the Company's own facilities, these situations could affect suppliers, partners, customers, and the infrastructure on which the Company's business continuity depends, including power outages and blockades on access routes. Disruptions in logistics operations can also increase shipping costs and affect customer satisfaction and the network of Beauty Consultants.

Response and mitigation

Measures to address this climate risk are linked to the Company's business continuity management model, insurance coverage, and plans for the improvement of facilities and maintenance.

Adaptation Direct **a. Business Continuity Management System**: Business continuity plans are managed, reviewed, and monitored at all facilities. For each site, the Company conducts an analysis of the potential financial and operational risks arising from scenarios that include climate-related hazards, such as weather conditions, floods, and fires, as well as the loss of essential public infrastructure. Each site uses recovery time and downtime metrics plan to develop and monitor its plan. Control strategies include preventive measures that address the root causes of risks (for example, facility improvement plans) and insurance, as well as operational flexibility, including the transfer of production and distribution to other company-owned or third-party facilities.

Adaptation Direct **b. Insurance:** The Company's insurance policy takes into account where the risks are concentrated and their significance, providing coverage for any property damage to buildings, facilities, inventory, machinery, and/or equipment at its industrial and administrative facilities, as well as for loss of profits resulting from such events. The Company works closely with its insurance consultant to analyze threats and opportunities, seeking to tailor coverage to its needs and monitor potential changes in insurance costs.

Adaptation Direct **c. Facility adaptation plans:** The Company implements specific measures at each location to ensure the resilience of its operations and the work of its employees. The results of the climate risk assessment, in an unmitigated scenario, show a high level of exposure to risks related to rising temperatures, including high temperatures and heat waves. Measures to mitigate this risk and promote proper working conditions include the use of heat-reflective paints on roofing, natural ventilation, and the modernization of cooling equipment. One example of this is the replacement of the chillers at the Cajamar site Mitigation Direct, which improves cooling efficiency while mitigating GHG emissions.

Adaptation Direct **d. Climate risk assessments:** During 2024 and 2025, the Company conducted an assessment of exposure to climate-related risks at its main facilities, including six factories (both owned and third-party) in Brazil, Colombia, Mexico, and Argentina; its four largest distribution centers (all in Brazil); and two plants operated by strategic suppliers. Together with a consultant, site-specific climate parameters were modeled, using the most recent data from the Global Climate Model, to assess ten climate risks. The analysis used prospective climate scenarios[8] based on global models to project physical trends and estimate the effects over the Company's strategic timeframes. To align the scientific data from the global models with the internal financial planning cycles, linear interpolation of the parameters was applied between the baseline and the key years of 2030 and 2050, with later time horizons being excluded because they exceeded the corporate timeframe. The Socio-Climatic Vulnerability Index (IVSC) was also developed in partnership with a specialized data provider in Brazil, providing quarterly reports on short-term climate forecasts and risk prediction intelligence for the locations of our operational assets and our network's operations.

Adaptation Direct **e. Water management program:** The Company is developing a comprehensive water resources strategy aimed at strengthening the resilience of its operations against potential risks of water scarcity. See **Section 8** of this report for more information.

8 Global climate-related physical hazard models (IPCC) use ensembles that project 30-year statistical averages for standardized time windows: 2030 (2015–2044), 2050 (2035–2064), and 2070 (2055–2084). To align these projections with the Company's corporate horizons (Section 1.2), the parameters were linearly interpolated between the base year, 2030, and 2050 (the 2070 horizon was excluded because it falls outside the scope of the Company's long-term strategic planning). Consequently, the potential financial effects reported in this section reflect the annualized expected average impact on cash flows within each timeframe, rather than the maximum loss resulting from a single extreme event in a single fiscal year.

Financial effect

a. Current financial effects

This risk could jeopardize the Company's ability to maintain the continuity of production and distribution of goods, resulting in lost sales, as well as pre-insurance losses arising from damage to buildings, inventory, and equipment. It may be necessary to make investments to improve the facilities, as well as cover operating expenses to maintain insurance coverage. There were no financial impacts resulting from operational disruptions caused by adverse weather events in 2025.

In 2025, there were no significant investments in facility improvement projects focused on climate adaptation; however, the Company constantly assesses the need for facility adaptation projects. The coverage amounts and insurance expenses are detailed below:

INSURANCE COVERAGE AND EXPENSES
(BALANCE SHEET - FINANCIAL STATEMENTS AS OF DECEMBER 31, 2025)

Fiscal year ended December 31, 2025 (in BRL millions)

Note 13 – Other Assets
Prepaid insurance expenses

35.8

Note 23 – Other Liabilities
Insurance payables

15.3

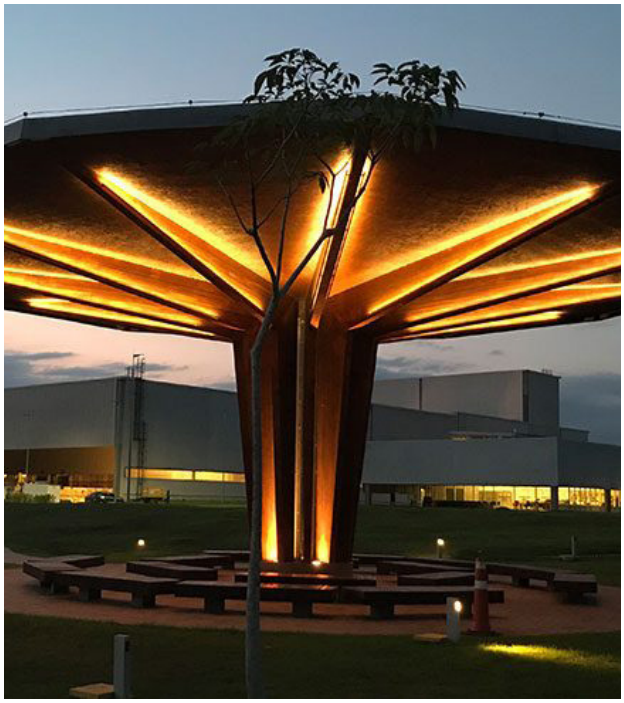
Note 34 - Insurance Coverage
Full insurance coverage (maximum insured limit for industrial facilities, buildings, inventory, and equipment)

6,084.0

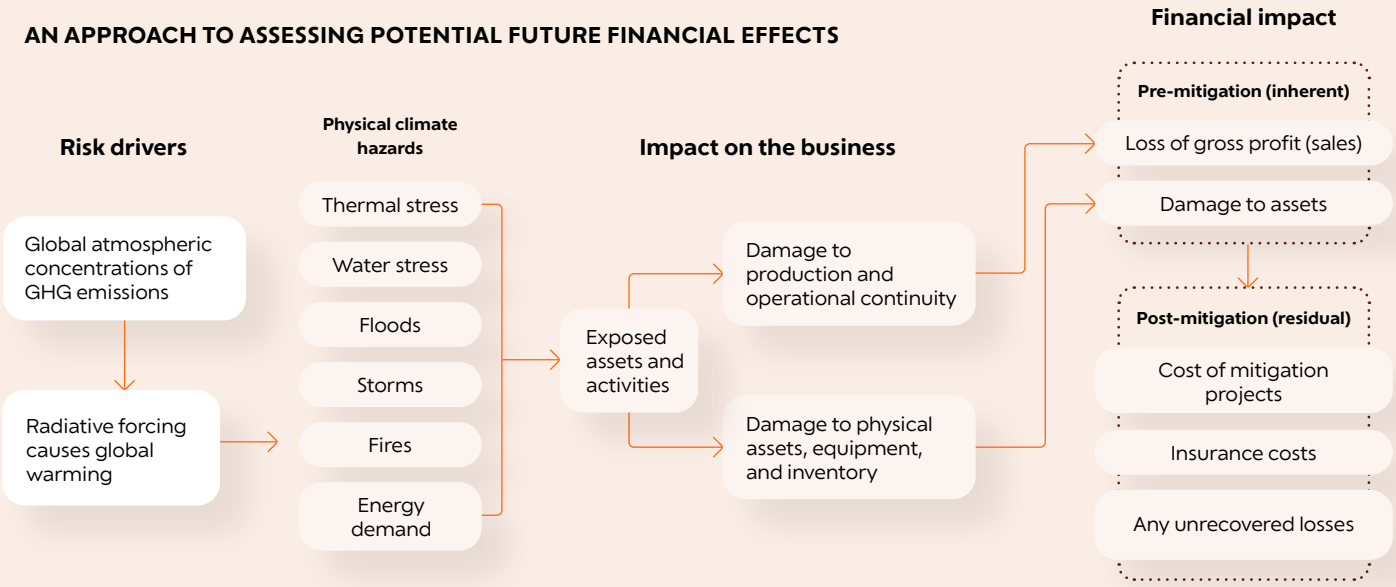
b. Expected financial effects

The Company estimated the unmitigated Value-at-Risk (VaR) resulting from climate-related damage and lost productivity. Representative climate risks were modeled, and VaR parameters were estimated based on historical loss functions for similar climate events.

Productivity losses were assessed by considering each unit's contribution to gross profit, based on the final sales price of the products, adjusted for the growth rate in our strategic plan and for a long-term growth rate consistent with our financial plan. Losses due to damage to physical assets were assessed based on the total insured value of property, equipment, and inventory at the facility.



AN APPROACH TO ASSESSING POTENTIAL FUTURE FINANCIAL EFFECTS



The assessment indicated that exposure to physical climate risks could possibly have a material effect on the business in the medium to long term if the proper controls — including insurance — are not maintained. Heat waves and extremely high temperatures pose the greatest risk, primarily due to their potential to negatively impact productivity.

As global warming intensifies, the estimated potential financial impacts of this risk — before mitigation and insurance measures are taken into account — increase to a level that could be financially significant in the medium and long term.

At its own facilities, the Company invests in temperature controls and mitigates the risk of rising temperatures to employee health, well-being, productivity, inventory, and equipment, and ensures that residual financial exposure remains low. However, because exposure to this risk increases over time, monitoring, managing, and controlling this exposure remain a priority. Other climate-related risks, particularly extreme rainfall and wind, pose a lower level of exposure; on the other hand, they may be more difficult to predict and control due to the complexity of the dynamics involved. In the short term, the Company plans to carry out a maintenance and structural integrity reinforcement project at a strategic distribution center, aimed at preserving the asset's operational capacity in the face of adverse weather conditions and the identified physical risks.

The table below shows the potential financial impacts of acute climate events and those related to rising temperatures. The figures presented for the short-, medium-, and long-term periods reflect a range aligned with the three climate scenarios analyzed (SSP1 - 2.6; SSP2 - 4.5; SSP5 - 8.5), based on the IPCC (see **Section 4** for more details). The sums shown in the rows refer to the extremes in the low (SSP1) and high (SSP5) scenarios.

POTENTIAL FINANCIAL EFFECTS ON GROSS MARGIN PROJECTED BEFORE MITIGATION AND INSURANCE, ADJUSTED TO PRESENT VALUE (in BRL millions)

Type of physical risk	Short term (0–3 years)	Medium term (3–10 years)	Long term (10–25 years)
Events related to rising temperatures	42.5 – 49.3	228.9 – 412.0	505.7 – 1,485.5
Acute weather events	3.1 – 4.1	13.9 – 23.8	21.5 – 59.1
Total	**45.5 – 53.5**	**242.8 – 435.7**	**527.2 – 1,544.6**

Judgments and uncertainties

In the process of assessing exposure to climate-related physical risks at major facilities, VaR modeling requires the use of estimates and forward-looking scenarios that carry uncertainties inherent in financial measurement.

The reported measurement reflects the current status of gross exposure data—that is, potential exposure to climate risks before fully accounting for the effects of operational controls, adaptation measures, insurance coverage, and other risk mitigation mechanisms implemented by the Company. As part of the ongoing methodological evolution of its risk management, the Company is working to progressively integrate these assessments at the operating unit level. This mapping and ongoing assessment of the effectiveness of existing operational mitigation controls make it possible to update estimates of residual (net) financial effects. Consequently, this process provides the basis for decision-making regarding the implementation of additional adaptations at the Company's facilities in response to climate scenarios.

R3 Prices of critical commodities 8.3.2 8.3.3

RISK CATEGORY

Physical Risk

Transition Risk

TIMEFRAME

Medium term
(3 to 10 years)

EXPOSURE IN THE VALUE CHAIN

- Reliance on supply chains for high-volume agricultural commodities: palm oil and sugarcane ethanol. Although the Company classifies other production ingredients as essential commodities, climate-related price risks are not considered significant given their share of total purchasing expenses.
- The main production areas in Latin America are located in the state of Pará for palm oil; and the states of São Paulo and Goiás for sugarcane ethanol; however, the prices of these commodities are also influenced by developments in global producing markets, in addition to local climatic effects.

KEY LINE ITEMS IN THE FINANCIAL STATEMENTS PUBLISHED ON DECEMBER 31, 2025 THAT MAY BE AFFECTED

- **Note 27. Raw materials/packaging materials/resale**
- **Note 27. Administrative expenses, R&D, IT, and projects**
- Expenses related to commodities included in cost of sales.
- Investments in mitigation measures included in operating expenses.

Nature of the risk

Both climate change and factors related to the transition to a low-carbon economy have the potential to influence the supply, demand, and, ultimately, the prices of agricultural commodities in our supply chain. Climate change is expected to alter growing conditions for crops, including temperature and rainfall patterns, as well as the presence of pests, soil quality, and other factors. Extreme weather events, such as droughts, wildfires, and floods, may also become more intense, prolonged, or frequent. Both palm oil and sugarcane cultivation are sensitive to climate conditions; water stress affects plant behavior and productivity, while extreme weather events pose a risk of damage to crops. Measures to mitigate these effects, such as the installation and increased use of irrigation, drive up energy and water costs, which are passed on to prices.

Palm oil and sugarcane ethanol prices also reflect the progress of environmental guidelines and the energy transition. Ethanol and palm oil prices are directly linked to the expansion of global biofuel mandates, and are also influenced by fluctuations in the food market and growing regulatory restrictions on land use aimed at combating deforestation.

The mismatch between supply and demand leads to price volatility, with the potential for structural increases if this imbalance persists or other factors drive up production costs. This scenario could also compromise performance, material quality, and supply security in certain regions and among certain suppliers.



Response and mitigation

The Company manages risks in conjunction with its supply chain management model, implementing a series of controls that help reduce exposure to price, environmental, and social risks, as well as other variables associated with commodities.

Adaptation Direct **a. Supply chain management:** Multiple strategies are employed to mitigate exposure to potential price fluctuations in critical commodities. This involves seeking greater flexibility in procurement activities, including maintaining more than one approved supplier and diversifying supply regions, in order to expand options in the event of potential shortages. There are dedicated teams specializing in specific commodity portfolios that manage purchasing activities and maintain ongoing communication with suppliers to track supply and price forecasts. This approach uses market intelligence and data from the suppliers themselves (such as rainfall monitoring on plantations) to understand where recent weather conditions are likely to affect short-term productivity and prices, thereby aiding in the planning and management of market fluctuations.

Adaptation Direct **b. Standard for critical supply chains in Latin America:** As the primary control mechanism related to the purchase of critical commodities, this policy establishes procurement guidelines and social and environmental monitoring requirements for internal departments and supplier partners. In 2025, 97% of essential commodity purchases were covered by the guidelines of this standard. These materials are subject to a more rigorous level of monitoring, certification, and traceability, which contributes to the Company's ability to assess and manage certain risks associated with these commodities and implement resilience and adaptation measures in partnership with suppliers.

Adaptation Indirect **c. Regenerative practices in the supply chain:** The Company encourages its partners to adopt regenerative agricultural practices. It has been established that, by 2030, 100% of the direct suppliers of palm oil and ethanol must adopt at least one eligible practice (e.g., green manure, composting, or intercropping) in their dedicated cultivation areas, with progress tracked in hectares (ha). Compliance verification is based on independent market certifications (such as Regenerative Organic Certified – ROC) and a corporate monitoring protocol. The Company also invests in the Palm Oil Agroforestry System (SAF Dendê), a strategy that has been under consideration for more than a decade and has been expanding since 2021. It has also invested in the research and implementation of the Macaúba Agroforestry System (SAF Macaúba), which could serve as an alternative to large-scale palm oil consumption.

BRL 15.3 million

invested between 2021 and 2024 and

BRL 6.0 million

invested in 2025 for the development of sustainable agroforestry supply chains for palm oil.

Adaptation Direct **d. Research and Development – R&D:** When developing new ingredients, the R&D team also creates alternatives that can replace commodities. As part of its ongoing projects in 2025 aimed at product reformulation, the Company sought to explore changes to formulas that could potentially reduce its reliance on commodity-based ingredients while simultaneously optimizing costs.

Financial effect

a. Current financial effects

This risk has the potential to put pressure on short-term results due to increased costs in the supply chain. In 2025, expenditures on palm oil, its derivatives, sugarcane ethanol, and paper totaled BRL 1,741 million, representing 24% of the Company's Cost of Goods Sold (COGS). Although weather factors contributed to price fluctuations during the period, the convergence of multiple macroeconomic variables makes it extremely difficult to isolate this direct causal link.

To mitigate this exposure, the Company has taken steps to increase resilience by investing in the development of agroforestry systems in Brazil (the SAF Dendê and SAF Macaúba projects) and has launched an innovation project to reduce its dependence on these commodities.

INCOME STATEMENT (December 31, 2025 Financial Statements)	INVESTMENT DESCRIPTION	FISCAL YEAR ENDED DECEMBER 31, 2025 (in BRL millions)
Note 27 – Administrative, R&D, IT, and Project Expenses	Investment in the SAF Dendê and SAF Macaúba projects	6.0
	Innovation project for product reformulation	1.3
	Other enabling investments to increase the resilience of critical supply chains	1.3
Total		**8.6**

b. Expected financial effects

For future planning, measuring the isolated influence of the weather on commodity prices is a complex methodological challenge. Given the importance of these raw materials to the Company's operations, a sustained increase in their purchase prices would negatively impact the Company's overall profitability and operating performance.

Although the exact quantification of these future effects involves uncertainties, the Management monitors the scenarios by applying a proportionality mechanism to estimate the effects over the short-, medium-, and long-term horizons, based on historical operating data and external projections. As a short-term indicator, the drought associated with the 2023–2024 El Niño (which affected Brazil, Indonesia, and Malaysia) highlighted the market's sensitivity to raw material supply bottlenecks. For longer timeframes, the WBCSD's transition scenarios are used; their estimates of regulatory restrictions on land indicate fluctuations ranging from 6% to 20% for sugarcane and from 25% to 49% for oil palm.

In response, the Company's strategic plan calls for continued investment in sustainable palm oil initiatives in Brazil, subject to budgetary approvals and changes in market conditions.

Judgments and uncertainties

Although sectoral studies[9] link water stress and pressure on land use to the value of agricultural commodities, there is still significant uncertainty regarding the magnitude and timing of these effects in the medium and long terms. The complex dynamics of price formation are also influenced by other geopolitical factors such as wars, changes in import duties, new regulations, and fluctuations in fertilizer prices, which introduce even greater uncertainty regarding correlations with climate effects.

9 See IPCC (2019), European Environment Agency (2021), IISD (2023, 2023), and FAO (2025).

R4 Regulatory compliance costs 8.2

RISK CATEGORY **Transition Risk**

TIMEFRAME **Medium term** (3 to 10 years)

EXPOSURE IN THE VALUE CHAIN

- Markets with climate-related environmental regulations — whether already in place or under development — including Extended Producer Responsibility requirements and carbon pricing.
- Regulation of Inputs and Direct Emissions: It is expected that industrial players in our supply chain (such as chemical and packaging companies — including those in the plastic and glass sectors) will be included in the Brazilian Emissions Trading System (SBCE), which could result in an indirect pass-through of costs associated with regulatory compliance. No direct regulatory impacts on the Company's own facilities (Scope 1) are expected, since the GHG emissions at the units are below the regulatory operational caps due to decarbonization efforts that were implemented in the past.
- Beyond Value Chain Mitigation (BVCM): Investments in carbon credit projects in the voluntary market are now directly influenced by price dynamics, supply, and regulation in the national regulated market.

KEY LINE ITEMS IN THE FINANCIAL STATEMENTS PUBLISHED ON DECEMBER 31, 2025 THAT MAY BE AFFECTED

- **Note 22. Provisions for tax, civil, and labor-related risks**
  (The Company does not anticipate any direct tax effects arising from the identified regulations).
- **Note 27. Operating expenses and Cost of Goods Sold**
- **Note 27. Administrative, R&D, IT, and project expenses**

- Increase in operating expenses resulting from obligations related to shared responsibility and Extended Producer Responsibility.
- Cost of initiatives aimed at improving the portfolio's sustainability, including packaging materials, R&D, project expenses, and administrative expenses.
- Increase in the cost of packaging materials as a result of the pass-through of carbon costs as part of the cost of sales.

Nature of the risk

The Company has identified its dependence on two critical areas in its value chain that entail regulatory exposures, for which new requirements are expected in the short and medium term:

PACKAGING AND THE CIRCULAR ECONOMY (DIRECT REGULATION)

Geographic expansion and stricter Extended Producer Responsibility (EPR) regulations, combined with increasing requirements for post-consumer recycled (PCR) content, have a direct impact on the Company's operations. In countries where regulation already exists — such as Brazil, Chile, and Colombia — the advancement of these legal frameworks and the demand for a collection, sorting, and recycling infrastructure may lead

to a continuous increase in environmental fees and mandatory costs to finance reverse logistics. The expansion of these mechanisms into new markets in Latin America, combined with inflation and specific requirements based on material type, tends to progressively drive up the costs of managing packaging after use. At the same time, R&D activities are under pressure to make ongoing investments in the redesign of products and processes and the substitution of materials to meet compliance requirements and avoid regulatory penalties or surcharges—which may also lead to cost savings.

EMISSIONS AND CARBON PRICING (INDIRECT REGULATION):

The introduction of legal limits on GHG emissions and the creation of regulated carbon markets, such as the Brazilian Emissions Trading System (SBCE), indirectly affect the business. Although the Company's direct emissions do not exceed the thresholds for direct regulation, the business is exposed to the pass-through of compliance costs incurred by carbon-intensive upstream suppliers (such as the chemical, plastics, glass, paper, and aluminum industries). The price dynamics and supply generated by the interaction between regulated and voluntary carbon credit markets may also increase the costs of implementing a corporate strategy to mitigate GHG emissions beyond the value chain.

With the advancement of environmental legislation in Latin America and the expansion of the Company's operations in the region, packaging waste management costs are expected to increase. This financial pressure will be driven by specific technical requirements for each type of material, inflationary pressures, and increased demand for investments in regional infrastructure for collection, sorting, and recycling.



Response and mitigation

The Company's sustainability strategy aims to mitigate environmental risks and impacts and keep its operations ahead of regulatory and market trends.

Mitigation Direct **a. Integrated regulatory monitoring:** The Company's Legal, Regulatory, Research and Development, and Sustainability teams proactively monitor ongoing discussions, foreseeing potential regulatory changes and their impacts, in order to increase predictability for planning actions and investments and to promote the gradual evolution of the product portfolio, in compliance with applicable laws and regulations and mitigating potential effects on cash flow.

Mitigation Direct **b. Circularity Strategy in the Value Chain – *Elos* Program:** works to reduce the impacts and risks associated with waste generation and disposal through the *Elos* Program, which promotes the circularity of packaging and strengthens the recycling chain. The initiative supports the recovery of post-consumer materials and promotes inclusion and income generation for recycling cooperatives, contributing to the advancement of the Company's circularity goals and to the reduction of exposure to risks related to the availability of post-consumer recycled materials.



Mitigation Direct **c. Ecodesign and Life Cycle Assessment (LCA):** The governance of the Multidisciplinary Ecodesign Committee, combined with the systematic use of LCA, drives eco-efficiency throughout the production chain by optimizing the use of resources and energy to produce the raw materials for the products. In line with its goal of building a regenerative and circular portfolio, the Company develops formulas and packaging using renewable, recycled, recyclable, and compostable materials. This approach includes strategies for reducing weight and expanding refillable formats — measures that reduce the total volume of packaging introduced into the market and mitigate financial exposure to Extended Producer Responsibility (EPR) fees. To support this transition, the company has established goals and a pipeline of projects aimed at reducing carbon emissions, expanding the use of post-consumer recycled (PCR) plastic, and achieving 100% reusable, recyclable, or compostable (RRC) packaging, thereby strengthening the portfolio's position ahead of regulatory and market standards (see the case study on the right).

Regulations on packaging in Brazil

In 2025, Brazil's National Plastics Decree established mandatory limits on the use of PCR for manufacturers[10]. For many years, the Company has been gradually investing to increase the proportion of PCR material in our packaging, with 21.8% recycled plastic by 2025 and a target of 50% by 2030, which allows us to meet this demand cost-effectively. This could also reduce the impact if plastic taxes were to be introduced in any of these jurisdictions. Similarly, the adoption of reusable, recyclable, and compostable packaging, combined with the goal of reaching 100% by 2030, can yield benefits as more jurisdictions adopt differentiated pricing schemes for Extended Producer Responsibility.

10 Federal Decree No. 12,688, dated October 23, 2025, which establishes a reverse logistics system for plastic packaging and mandates a 22% post-consumer recycled (PCR) content requirement starting in 2026, with a progressive target of 40% by 2040.

Mitigation Direct **d. Internal carbon pricing and iP&L (Integrated Profit & Loss):** These tools integrate GHG emissions into financial assessment and decision-making (see **Risk R5**).

Mitigation Direct / Indirect **e. Climate Transition Action Plan:** Measures to decarbonize the value chain and reduce exposure to GHG regulations. Learn more about this topic in **Section 4** of this report.

Financial effect

a. Current financial effects

Current and emerging environmental regulations have the potential to increase the Company's operating expenses and the complexity of its supply chain. In 2025, these developments did not have any direct material impact on consolidated operating performance; however, they required resources and monitoring on two main fronts:

a.1. Impacts of packaging regulations (Plastic Decree and EPR): The evolving requirements for Extended Producer Responsibility (EPR) and reverse logistics already require the allocation of operating costs and investments to maintain regulatory compliance in the jurisdictions where companies operate.

- **Supply and demand pressures for PCR:** The mandatory recycled content quotas established by the National Plastics Decree (Brazil) are driving up demand for PCR, thereby increasing competition and the costs of purchasing this raw material in the current market. The Company's direct involvement with recycling cooperatives actively mitigates exposure to this price volatility.
- **Regulatory fees:** Extended Producer Responsibility laws in the jurisdictions where we operate generate ongoing expenditures to subsidize public, private, or collective systems for the collection, management, and disposal of waste for recycling.

a.2. Impacts of carbon and climate regulation: Changes in climate policies and carbon pricing mechanisms primarily affect the Company indirectly, with no direct material impact on its own assets.

- **Direct operational framework (Scope 1):** Since direct GHG emissions from the Company's own facilities fall below the thresholds for inclusion in Brazil's regulated market (such as the SBCE), direct operations remain exempt from tax obligations or direct compliance costs.
- **Indirect exposure through cost pass-through:** Changes in climate policies and carbon pricing mechanisms primarily affect the Company indirectly, with no direct material impact on its own assets.

The investments made in 2025 and reflected in the financial statements are detailed below.

INCOME STATEMENT (December 31, 2025 Financial Statements)	INVESTMENT DESCRIPTION	FISCAL YEAR ENDED DECEMBER 31, 2025 (in millions of BRL)
Note 27 - Cost of Goods Sold (other)	EPR charges in Brazil, Chile, and Colombia (Payment of mandatory tariffs associated with Extended Producer Responsibility)	2.6
Note 27 – Administrative, R&D, IT, and Project Expenses	*Elos* Program (Partnerships with cooperatives to supply PCR and comply with the Plastic Decree)	1.0
	Projects focused on packaging life-cycle efficiency and eco-design (circularity of non-recyclable plastics, the effectiveness of reverse logistics, and the incorporation of post-consumer recycled (PCR) materials into product lines)	0.4
	Decarbonization initiatives targeting Scope 3 GHG emissions	1.4
Total		**5.4**

b. Expected financial effects

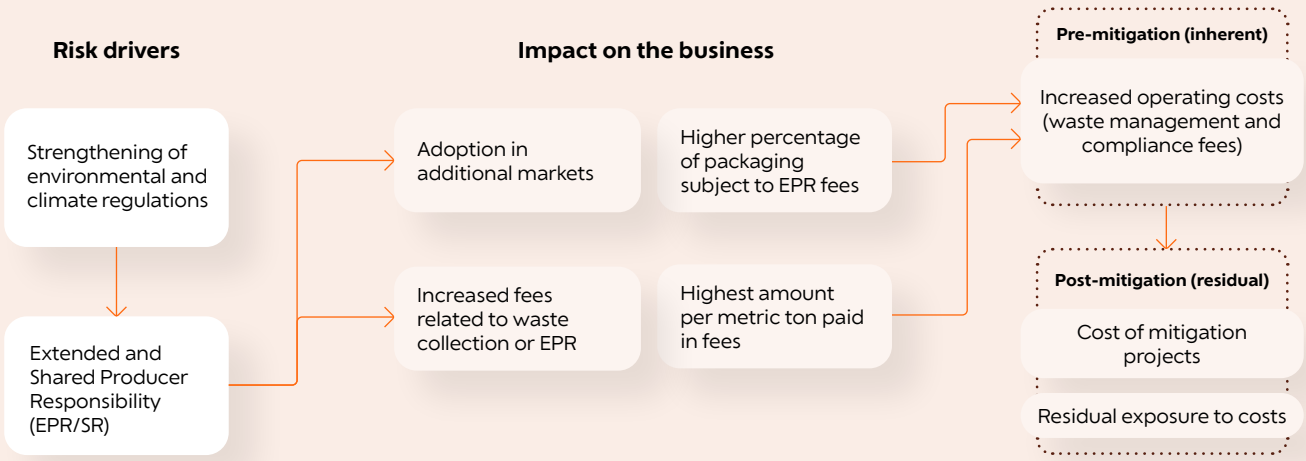
B.1. RESPONSIBILITIES FALLING TO PACKAGING MANUFACTURERS

To assess the potential financial effects resulting from changes in regulations regarding Extended Producer Responsibility (EPR), the Company conducted an analysis based on its own (customized) regulatory scenarios, since there are no widely recognized public scenarios for this topic. Given the high degree of uncertainty regarding how these regulations will evolve, we evaluated various medium-term scenarios that reflect possible implementation paths and their effects on operating costs. Long-term scenarios (longer than 10 years) were not considered due to the high level of uncertainty associated with changes in the regulatory environment.

Low: EPR systems remain limited to existing markets, with collection requirements increasing in line with existing government targets. Rates rise in line with inflation.

High: EPR systems are expanding across all Latin American markets, with the Brazilian government accelerating its recovery targets and collection requirements for participants. Driven by increasing regulatory pressure and competition for material recovery partners in Brazil, rates are rising faster than inflation.

EPR | APPROACH TO ASSESSING POTENTIAL FUTURE FINANCIAL EFFECTS





B.2. EMISSIONS TRADING SYSTEM IN BRAZIL

The Company does not currently expect its direct operations to be subject to carbon regulations, as we have been gradually reducing the direct emissions (Scope 1) from our own facilities; our emissions are at levels below the proposed emissions threshold of 25,000 tCO_2e per year for regulation under the Brazilian Emissions Trading System (SBCE). However, indirect effects on costs resulting from the transfer of carbon costs within the supply chain are taken into account.

Agricultural emissions are excluded; however, emissions from the chemical, plastics, paper (pulp), glass, metal, and logistics industries may be regulated. Evidence from the European Union Emissions Trading System[11] shows that the pass-through of emissions costs in these industries varies, but has the potential to reach 100 percent — for example, in the petrochemical sector.

To assess the sensitivity of its cost structure to future regulatory changes, the Company conducted a forward-looking scenario analysis for carbon pricing. The study assesses the potential impact on the Cost of Goods Sold (COGS) resulting from the pass-through of supply chain compliance costs within the context of the future implementation of the Brazilian Emissions Trading System (SBCE).

The analysis focused on four industrial supply chains that are expected to be covered by the scheme and which serve as the basis for plastic, paper (cellulose), glass, and metal packaging. In each case, the estimated exposure to GHG emissions is calculated based on the Company's Scope 3 emissions for that supply chain, with an adjustment to approximate the portion of those emissions that are direct (Scope 1) for supplier.[12] A cost-pass-through assumption is applied to each sector based on evidence from the European Union Emissions Trading System.[13]

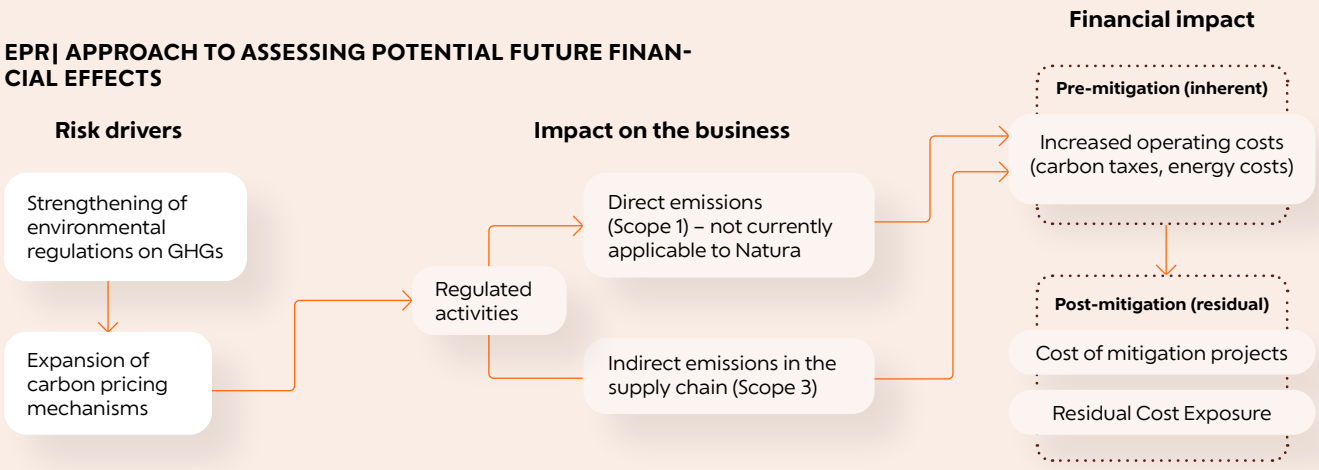
Given the level of uncertainty regarding how the cost of licenses will evolve under the new emissions trading system, two price scenarios were considered, one of which was a stress scenario designed to test sensitivity.

The Company assessed its cost exposure under two mitigation scenarios to evaluate the net benefit in terms of the cost savings gained from implementing the decarbonization plan and achieving the expected linear progress toward the Net Zero targets.

Low: The lower limit represents the projected voluntary market price for a REDD+[14] credit in Brazil.[15]

High: The upper limit represents the carbon price scenario aligned with the IEA's (International Energy Agency) Net Zero.[16]

EPR| APPROACH TO ASSESSING POTENTIAL FUTURE FINANCIAL EFFECTS



11 Ex-post investigation of cost pass-through in the EU ETS (European Commission, 2015).

12 Based on the portion of the supply chain emissions factor that falls under Scope 1, as defined by the TASA-EFX Brazil Silver Model 2023 v2.1.

13 Ex-post investigation of cost pass-through in the EU ETS (European Commission, 2015).

14 Reduction of emissions from deforestation and forest degradation.

15 Based on Bloomberg BNEF (2025).

16 Based on the 2025 IEA World Energy Outlook "Selected emerging market and developing economies" (including Brazil).

The Company expects that emerging climate-related regulations could have a material effect on cash flow in the medium term if the Company does not take steps to mitigate them. This takes into account the two regulatory scenarios described: a tightening of EPR regulations in the markets where we operate and the passing on of compliance costs under the new SBCE to our material costs.

Progress towards Scope 3 GHG reduction targets has the potential to substantially reduce exposure to indirect carbon costs in the supply chain. However, there is the potential for capital costs to be passed on to achieve these reductions and/or adjustments in demand or market price, as already observed in a price premium for certain materials that enable traceability and certification mechanisms for low-carbon and high-integrity products.

POTENTIAL FINANCIAL EFFECTS ON GROSS MARGIN PROJECTED BEFORE MITIGATION AND INSURANCE, ADJUSTED TO PRESENT VALUE (in BRL millions)

Risk	Regulatory landscape	Mitigation scenario	Short term (0–3 years) (range)	Medium term (3–10 years) (range)
EPR Rates	**Low:** EPR only in existing markets, with rates rising in line with inflation. **High:** EPR will be extended to all markets starting in 2028, with rates increasing 5% above inflation.	Compliance with the packaging roadmaps	13.5 – 23.6	26.4 – 101.4
Allocation of CO_2 costs	**Low:** BNEF's voluntary REDD+ market price 16 scenario.[17]	No mitigation measures	-	17.3 – 113.1
	High: BNEF's price forecast for European Union Emissions Trading System (EU ETS) allowances.	Achievement of Net Zero targets	-	7.3 – 46.7
Total (before mitigation)			**13.5 – 23.6**	**43.7 – 214.6**
Total (after mitigation)			**13.5 – 23.6**	**33.7 – 148.1**

17 Bloomberg New Energy Finance.

For the short term, the Company has forecast the expected financial effects of managing regulatory compliance costs. The budget allocation reflects the stricter requirements of Brazil's National Plastics Decree, as well as ongoing support for legal obligations related to Extended Producer Responsibility (EPR) in Latin America, ecodesign projects, and the decarbonization of the value chain.

Judgments and uncertainties

The various regions and countries where the Company operates are constantly updating their regulations on climate-related issues; however, it is uncertain how these regulatory frameworks will evolve in the future.

The customized scenario analyses applied to the two topics covered by this risk have accuracy limitations inherent in the degree of certainty surrounding the regulatory environment. Only in the "high" scenarios analyzed by the Company — in the areas of EPR and GHG emissions trading — could material financial effects arise, and there is uncertainty regarding the extent of these models' geographic expansion, as well as regarding price trends. For the long term, the financial effects were estimated using a proportionality approach, taking into account the level of uncertainty surrounding the development and pricing of these scenarios.

R5 Investment in climate transition 8.1.2 8.2.1

RISK CATEGORY

Transition Risk

TIMEFRAME

Long term
(more than 10 years)

EXPOSURE IN THE VALUE CHAIN

- Areas of the value chain with GHG emissions that are difficult to reduce, particularly Scope 3 emissions, including agricultural emissions from purchased raw materials and logistics.

KEY LINE ITEMS IN THE FINANCIAL STATEMENTS PUBLISHED ON DECEMBER 31, 2025 THAT COULD BE AFFECTED

- **Note 13. Other assets – carbon credits**
- **Note 16. Fixed assets**
- **Note 23 Other liabilities – carbon credit**
- **Note 27. Operating expenses and Cost of Goods Sold**

- Investments in decarbonization initiatives in our operations and value chain, such as operating expenses and cost of sales.
- Assets and liabilities related to carbon credits.
- Investments in fixed assets for the implementation of low-carbon technology at the facilities.

Nature of the risk

The Company has set a goal of achieving net-zero GHG emissions by 2050, with interim targets aligned with the SBTi's scientific principles for 2030. The Climate Transition Action Plan (**Section 4**) outlines the key priorities and actions needed to decarbonize the value chain. With regard to the GHG emissions in scopes 1 and 2, the Company has an action plan with cost estimates for achieving its net-zero emissions target by 2030. However, there are still uncertainties regarding how to fully decarbonize the Scope 3 GHG emissions in the value chain (which accounted for more than 99% of the Company's total inventory in 2025), which could lead to unexpected challenges and costs.

The Company's supply chain includes sectors that are hard-to-abate, encompassing the farming of bio-inputs, logistics and transportation, and the industrial production of raw materials and packaging. Since upstream emissions account for more than 63% of the Company's total Scope 3 inventory, the decarbonization trajectory depends critically on the engagement of direct and indirect suppliers. This step forward depends not only on regulatory and economic incentives but also on the pace of the energy transition and the infrastructure in the countries where the Company operates. Moreover, the consolidation of lower-impact portfolios is limited by consumer behavior and acceptance.

Although the Company's **Climate Transition Action Plan** identifies the main sources of emissions and potential reduction pathways, the feasibility and cost of these actions depend on the development, maturity, availability, and large-scale implementation of new technologies and low-carbon alternatives. Driving change will require a supportive regulatory environment across different markets, as well as improvements in the accuracy and consistency of methodologies, standards (SBTi, GHG Protocol), and frameworks (SBCE) for measuring emissions, tracking progress, and pricing carbon externalities.

Dependence on these factors creates uncertainty regarding the level of investment the Company may need to make to meet its voluntary targets, in addition to increasing the risk of higher implementation costs and technological risks. Failure to meet these commitments would jeopardize the potential for value creation under the long-term strategy (**2025–2050 Vision**) and could have repercussions on the Company's reputation, including a decline in investor confidence.



Response and mitigation

The Climate Transition Action Plan outlines the strategy for achieving net-zero GHG emissions across scopes 1, 2, and 3 (*see* **Section 4**). Response efforts are focused on six areas:

Mitigation Direct **a. Domestic carbon pricing:** The Company has incorporated an internal carbon price to support the economic evaluation of decarbonization projects and guide decision-making and capital allocation, using an internal carbon price of $170/tCO$_2$e as a shadow price. The Company also considers carbon pricing scenarios in its climate scenario analyses to assess the potential effects of regulatory developments.

Mitigation Direct **b. Ecodesign and Life Cycle Assessment (LCA):** These tools help ensure that GHG emissions are a key component of the R&D process and decision-making regarding the product line. By mapping GHG emissions throughout the life cycle of our products and packaging, the Company is better able to identify critical emission points and develop effective measures in partnership with stakeholders in the value chain. See the **Risk R4** for more information.

Mitigation Indirect **c. Supply chain action plans:** Taking an integrated approach, workflows (now consolidated into Regenerative Squads) were developed and implemented in 2024, remaining active in 2025 in the following areas: beauty products (packaging and formulation), logistics, magazines, direct operations (scopes 1 and 2), and the Home & Style lines. Details can be found in the Climate Transition Action Plan. The Company began developing specific action plans for the supply chains, with the most significant emissions and the greatest influence on Scope 3. This includes a roadmap for the palm oil supply chain, in which opportunities are proposed to incorporate regenerative agroforestry production practices. See the **Risk R3** for more information.

Mitigation Indirect **d. Collaboration with suppliers:** Through close engagement with the value chain, the Company increases its understanding of its partners' stage of maturity and its ability to identify opportunities to reduce environmental impact collaboratively. Three measures are worth highlighting:

Data intelligence in the supply chain: LCA methodologies are used to assess the carbon footprint of inputs (PCF — Product Carbon Footprint). This approach helps strengthen relationships with the supplier network and supports the identification of opportunities to reduce the environmental impact, with a focus on areas such as operational efficiency, fuel substitution, the shift to nature-based raw materials, and the transition to renewable energy.

Mitigation Indirect **Regenerative Alliance:** an initiative involving 119 strategic suppliers from various sectors (including ingredients, logistics, and packaging) that promotes regenerative practices and decarbonization. For more details, see the **ESG Data Book**, in the "Value Chain" section.

Mitigation Indirect ***Elos* Program:** an initiative in partnership with packaging suppliers aimed at improving the traceability, certification, and reverse logistics of the post-consumer recycled materials the Company uses. For more details, see the **ESG Data Book**, in the "Value Chain" section.



Mitigation Direct **e. Integrated problem-solving:** Each of the Company's Commitments 2030 is managed by a different multidisciplinary team composed of representatives from different areas of the Company, who work together to address challenges related to decarbonization and other strategic sustainability issues. This model strengthens collaboration, decision-making, and the sharing of best practices across different markets and operations.

Mitigation Indirect **f. Engagement and influence:** The Company is actively involved in advocacy initiatives and engages with organizations, sector associations, and national and international forums to help improve public policies and regulatory frameworks that support the transition to a low-carbon economy. Among the priorities are strengthening the climate ambition in line with the 1.5°C goal established in the Paris Agreement, and advancing methodologies, standards, and mechanisms for the calculation of emissions, with a focus on Scope 3.

Financial effect

a. Current financial effects

In 2025, the investments made to implement the **Climate Transition Action Plan** totaled BRL 40 million in operating expenses, covering decarbonization initiatives in the company's own operations, across the value chain, and in the voluntary carbon market.

In direct operations (scopes 1 and 2), investments focused on energy transition and efficiency projects, and improvements to refrigeration systems, notably the completion and commissioning of the biomethane plant at the Cajamar factory in the state of São Paulo, for use in boilers and logistics. Under Scope 3, resources were directed toward initiatives related to product development, the transition to circular packaging with a smaller environmental footprint, and the strengthening of sustainable practices in the agricultural supply chain. Another investment aimed at enabling decarbonization has been the advancement of data digitization systems and processes, which allows for the more efficient management of the allocation of resources for decarbonization.

The Company has also allocated capital to investments that support its climate strategy and the management of its residual emissions, including the development of carbon projects within its own value chain (the Rendar Project) and the acquisition of high-integrity carbon credits. The accounting policy adopted, as well as the assets and liabilities recognized in relation to carbon credits, are disclosed in the **Financial Statements** (Note 3.10 – Carbon Credits, Note 13 – Other Assets and Note 23 – Other Liabilities). The following table presents a breakdown of the investments made during the fiscal year:

INCOME STATEMENT (December 31, 2025 Financial Statements)	INVESTMENT DESCRIPTION	FISCAL YEAR ENDED DECEMBER 31, 2025 (in BRL millions)
Note 27 – Administrative, R&D, IT, and Project Expenses	Investment in carbon credits (purchase of credits)	26.3
	Decarbonization of scopes 1 and 2 — Energy transition projects in operations	1.8
	Scope 3 Decarbonization — Initiatives in Formulas and Packaging	8.8
	Other enabling investments to advance the climate transition strategy	2.0
	Development of carbon credit projects in our value chain (Rendar project)	1.1
Total		**40.0**

b. Expected financial effects

To support the Climate Transition Action Plan and achieve the goals of the Commitments 2030, the Company has a financial planning process in which estimates of the necessary contributions are assessed and adjusted in line with changing market conditions during the annual budget approval process. In the short term, investments are focused on implementing priority decarbonization measures and maintaining the carbon credit program.

Judgments and uncertainties

Given the interdependencies and complexity described, as well as the level of uncertainty regarding investments and technological pathways, the Company does not have a quantified projection of the long-term investment required to decarbonize its value chain. As implementation of the Climate Transition Action Plan and the SBCE progresses, the Company is seeking to strengthen its ability to forecast the investment costs required to decarbonize the supply chain.

An integrated approach to climate transition and decarbonization

By monitoring regulatory and cost impacts related to the climate transition, Natura mitigates risks, evaluates changes to its processes and portfolio, and develops carbon credits throughout the value chain

Climate Transition Action Plan
Built on pillars that incorporate business resilience and a network of relationships, the plan establishes guidelines and priorities for achieving net-zero carbon emissions throughout the supply chain.

Internal carbon pricing
Natura has established its own methodologies to assess the relationship between financial capital and the costs associated with the climate transition.

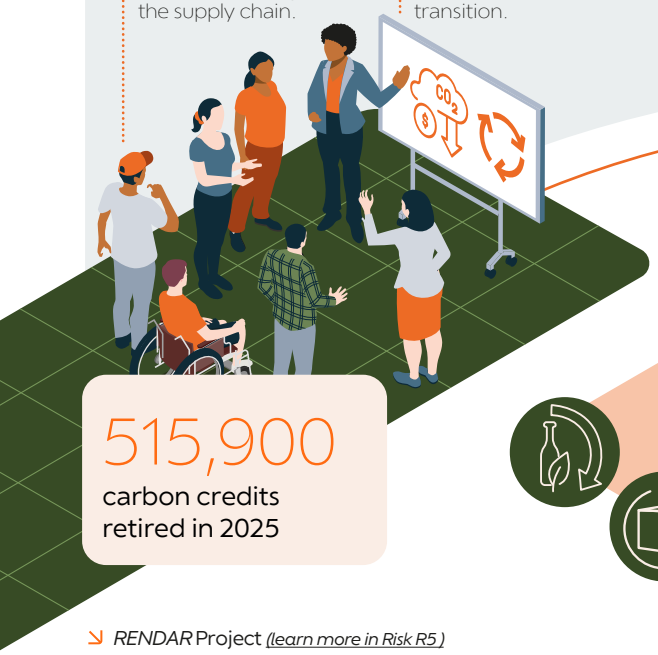


Ecodesign and Life Cycle Assessment (LCA)
The Company has tools designed to assess the impact of raw materials and packaging beginning with the product design phase, taking into account factors such as GHG emissions, circularity, the bioeconomy, and naturalness. This process supports ecodesign and the selection of materials and technologies that help reduce environmental impacts throughout the product life cycle.



Coalition for transformation of the value chain
The Regenerative Alliance and the Elos Program mobilize the value chain to promote traceability, circularity, and regenerative practices, and to foster decarbonization and resilience.

BRL 40.0 million
in operating expenses related to the Climate Transition Action Plan in 2025



515,900
carbon credits retired in 2025



Direct Suppliers
Regulatory developments, such as Brazil's regulated carbon market, may affect our suppliers and influence the costs of purchasing production inputs.



Carbon credits in the supply chain
Natura develops projects that compensate the environmental forest regeneration and conservation services in partnership with communities in the Amazon, combining the generation of carbon credits with income generation and and territorial governance.

↘ *RENDAR* Project *(learn more in Risk R5)*

↘ Circular Carbon Project| (RECA) and SAF Dendê *(learn more in the Climate Transition Action Plan)*

7 Climate resilience

R1
R2
R3
R4
R5
Back

Within the context of climate change and the transition to a low-carbon economy, the Company has developed a long-term transition plan that seeks to protect and strengthen resilience and value creation, while promoting the decarbonization of its value chain. Given the climate risks, as well as the scenarios analyzed by the Company, our business model and strategy strengthen our resilience in the face of climate change and the transition to a low-carbon economy.

The climate resilience analysis took into account the critical assumptions, limitations, and uncertainties associated with the climate scenarios adopted by the Company. The main assumptions used in the analysis — including those related to transition trajectories, changes in climate variables, and socioeconomic conditions — are detailed in section 4.2.1. General climate scenarios analyzed. The main limitations of the models and uncertainties relevant to climate risk assessment — particularly those related to the availability and quality of climate data for future scenarios, long-term projections, and scenario variability — are presented in Section 5.4. Risk-related judgments and uncertainties. The scenarios and their respective assumptions are reviewed and updated periodically on a judgmental basis, taking into account developments in scientific, economic, and regulatory information and their relevance to the Company. In 2025, the Company updated the scenarios used in the analysis, incorporating the most recent information and assumptions available.

Although there are risks that could have significant financial implications if the Company fails to address them effectively, the Management's assessment indicates that, through ongoing monitoring of these uncertainties and scenario updates, the Company's current controls and strategy are designed to adequately mitigate any potential impacts related to climate resilience.

7.1. Risk-based sensitivity analyses

Over the course of 2026, the Company aims to strengthen its resilience assessment by further developing its quantitative impact assessments, whenever possible, as well as reviewing the adequacy of controls and formalizing their management and monitoring within the ERM framework.

In addition to the detailed scenario analysis in **Section 4** of this report, the Company conducted a sensitivity analysis specifically focused on climate risks, with the aim of quantitatively assessing the potential financial effects under different scenarios and, ultimately, evaluating the resilience of its strategy and business in the face of these risks. The Company also presents the exposure trend for each of the climate-related risks, as follows:

RISK	EFFECT	EXPOSURE	TRENDS IN FUTURE CLIMATE SCENARIOS					
			Accelerated Net Zero		Disorderly Transition		Extreme Warming	
			2030	2050	2030	2050	2030	2050
R1 **Supply of bioingredients**	**Metric:** Net revenue from product lines containing bioingredients assessed for climate vulnerability. **Current period:** No current effect. **Expected effect:** This has not yet been quantitatively assessed due to the inherent complexity and data limitations. A risk that could materialize in the medium term, with no significant short-term effects, and which future scenarios suggest is likely to become significant in the long term, based on the revenue generated by products that rely on these bioingredients.	BRL 584.2 million in sales, representing 2.63% of consolidated net revenue. **Type:** Exposure	↑	–	↑	↑	↑	↑↑
R2 **Disruption to operations and logistics**	**Metric:** Key facilities exposed to climate risk prior to mitigation, using the SSP1-2.6 scenario in the short term. **Current period:** No current effect. **Expected effect:** Pre-mitigation exposure could become significant in the medium to long term if appropriate controls and adaptation measures are not implemented.	Five (equivalent to 42%) of our facilities are highly exposed to climate risks. **Type:** Exposure	↑	–	↑	↑	↑	↑↑
R3 **Prices of critical commodities**	**Metric:** Expenditures on palm oil, palm oil products, sugarcane ethanol, and paper. **Current period:** No significant financial impact. **Expected effect:** A risk that could materialize in the medium term, with no significant financial impact in the short term. It is not possible to precisely calculate the value corresponding to the risk due to its inherent complexity and data limitations.	BRL 1,741 million in expenditures on critical commodities, representing 24% of the Cost of Goods Sold. **Type:** Exposure	↑	–	↑	–	↑	↑
R4 **Regulatory compliance costs**	**Metric:** Extended Producer Responsibility (EPR) regulations and carbon pricing instruments. **Current period:** No significant financial impact. **Expected effect:** In the short term, we are already feeling the effects of existing regulations in the market in which we operate; there is a possibility that this could become a significant risk in the medium to long term under stricter regulatory scenarios, but the Company's strategy is expected to mitigate this exposure.	BRL 43.7 million impact on the gross margin, equivalent to 0.29% of the Company's total gross margin. **Type:** Exposure	↑	↑	–	↑↑	–	–
R5 **Investment in climate transition**	**Metric:** Reputational risk. **Current period:** No effects. **Expected effect:** Cannot yet be quantified with a reasonable degree of reliability.	Unmeasurable. **Type:** Exposure	–	–	–	↑	–	↑↑

8 Metrics and targets: our indicators and commitments

In this section, the Company provides a summary of its key performance indicators (KPIs), public commitments, and climate-related financial information, in accordance with the requirements of IFRS S1 and IFRS S2 and the metrics of the SASB standard.

For additional information on the reported indicators and other sustainability data, please refer to the ESG Data Book.

8.1 Cross-sectoral climate-related metrics R4 R5

8.1.1 Greenhouse Gases (GHG)

The Company's GHG emissions inventory was prepared in accordance with IPCC guidelines, GHG Protocol standards, and the methodologies and emissions factors of the Brazilian GHG Protocol Program. The Company adopts an operational control approach to inventory consolidation, as it reflects the operations over which it has the authority to implement environmental management policies, procedures, and controls, thereby promoting consistency in the monitoring, management, and reporting of its emissions. The inventory covers all the operations under the Company's operational control.

In all scopes, the following gases are considered: CO_2, CH_4, N_2O, and HFCs, as well as PFCs, SF_6, and NF_3 in Scope 1. The conversion to carbon dioxide equivalent (CO_2e) uses the IPCC's Global Warming Potentials (GWP), considering a 100-year timeframe.

To prepare its GHG inventory, the Company uses a centralized digital platform (SINAI Technologies), which incorporates the most recent references for GHGs and their respective emission factors. The system ensures consistency in data exchange and communication between teams, integrating the climate strategy into the Company's strategic and financial planning. To enhance data transparency and integrity, the GHG inventory undergoes a limited assurance review by our independent auditors.

The methodologies adopted internally are considered to be suitable for measuring and reporting GHG emissions because they reflect the main emissions sources associated with the company's activities, covering direct emissions (Scope 1), indirect emissions from energy consumption (Scope 2), and other emissions in the value chain (Scope 3). In 2025, there were no changes to the measurement methodologies, input data, or assumptions used to calculate GHG emissions, thereby ensuring the consistency and comparability of the reported information.

GHG EMISSIONS (in metric tons of CO_2e)

GHG Emissions Category	2025[18]
Scope 1	**8,286**
Scope 2 – Location-Based	**11,433**
Scope 2 – Market-Based	**0.2**
Scope 3	**1,080,071**
1a: Purchased goods and services (product)	353,782
1b: Purchased goods and services (not products)	151,106
2: Capital goods	877
3: Fuel and energy-related activities	7,641
4: Upstream transportation and distribution	96,833
5: Waste generated in operations	1,433
6: Business trips	2,652
7: Daily commute of employees	9,204
8: Upstream leased assets	807
9: Downstream transportation and distribution	15,715
10: Processing of sold products	0
11a: Use of products sold (direct)	4,647
11b: Use of products sold (indirect)	309,057
12: Handling of products sold at the end of their useful life	126,317
13: Assets leased to downstream entities	0
14: Franchises	0
15: Investments	0
Total (location-based), excluding the indirect use phase (11b)	**790,733**
Total (market-based), excluding the indirect use phase (11b)	**779,300**
Total (location-based)	**1,099,790**
Total (market-based)	**1,088,356**
Biogenic carbon[19] – Scope 1	11,759
Biogenic carbon – Scope 2	0
Biogenic carbon – Scope 3	12,065
Biogenic carbon – Total for scopes 1, 2, and 3	**23,824**

18 To ensure historical comparability and methodological consistency, the base year for 2025 was recalculated due to structural changes in organizational boundaries, specifically the divestiture of Avon's operations in Central America and the Dominican Republic. The scope of this inventory is the same as that of the Financial Statements.

19 In accordance with the Greenhouse Gas (GHG) methodology of the Brazilian Program (PBGHG) and the Greenhouse Gas Protocol, the Company's inventory reports biogenic emissions separately. Biogenic emissions refer to the CO_2 resulting from the burning or decomposition of biological raw materials; for example, wood, biofuels, and biomass. Unlike CO_2 emissions from fossil sources, biogenic CO_2 is part of a short-lived carbon cycle and is therefore excluded from the calculation of total emissions.

8.1.1.1. Scopes 1 and 2

The Company operates in eight countries, with Brazil serving as the hub for its main operational and administrative activities and accounting for 43% of scope 1 and 2 (location-based) emissions in 2025. In absolute terms, these emissions totaled 8,571 metric tons of CO_2 equivalent, compared with total share issues cope 1 and 2 emissions across all operations, which amounted to 19,719 tCO_2e.

The calculation of Scope 1 emissions is based on the GHG Protocol and IPCC guidelines, using, as applicable, the emissions factors from the Brazilian GHG Protocol Program (PBGHG Protocol) and the National Energy Balance (BEN). Scope 2 emissions are calculated using official electricity emissions factors specific to each country of operation, including those published by the relevant national authorities, as well as databases from the International Energy Agency (IEA), where applicable.

The Scope 2 GHG inventory, based on both approaches, is presented below, by each country where the Company operates:

LOCATION	2025 (tCO_2e)	
	Location-based	Market-based
Argentina	1,567.66	0.00
Brazil	3,870.00	0.00
Chile	519.99	0.00
Colombia	217.48	0.00
Ecuador	59.34	0.03
France	0.42	0.00
Mexico	4,979.20	0.18
Peru	219.40	0.00
TOTAL	**11,433.47**	**0.21**

To account for Scope 2 emissions under the market-based approach, the Company adopts a strategy of procuring renewable electricity through Power Purchase Agreements (PPAs) in Brazil, Argentina, and Mexico, supplemented by the purchase of International Renewable Energy Certificates (i-RECs). In 2025, the Company expanded this strategy so that 100% of the electricity it consumed would come from renewable sources, resulting in Scope 2 (market-based) emissions that were close to zero.

NUMBER OF I-RECS PURCHASED (MWh)	2025[20]
	109,372.00

20 Countries of purchase origin: Brazil, Argentina, Chile, Colombia, Mexico, Peru, Ecuador, and France. The volume purchased offsets the total volume of electricity consumed in the countries in question.

8.1.1.2. Scope 3

The Scope 3 emissions inventory is prepared in accordance with the guidelines of the IPCC and the GHG Protocol, using specific methodologies for each category, based on the availability, quality, and materiality of the value chain data. For the most relevant categories — especially Category 1, "Purchased Goods and Services" — the Company prioritizes the use of primary data from suppliers, supplemented by cradle-to-gate LCA models and representative secondary databases, such as Ecoinvent, when applicable.

The calculation of approximately 80% of the emissions from product components classified as Category 1 materials is based on primary data and detailed LCA modeling. In the other categories, approaches based on distance traveled, fuel consumption, economic factors (spend-based), and other specific assumptions — such as product usage profiles, service life, regional electricity generation factors, and waste treatment routes — are used, depending on the nature of each category and the availability of information.

To calculate Scope 3 emissions, the methodology combines primary activity data with financial modeling, historical extrapolations, and Life Cycle Assessments (LCA). Among the key assumptions and assessments, the allocation of emissions between categories 1 (production) and 12 (disposal) for inputs such as cardboard, bags, and magazines — based on criteria such as units invoiced — stands out, in addition to an estimate per unit sold in France. Moreover, the logistics distribution combines actual fuel data or direct reporting with distance and weight metrics (TKM) for air and sea routes; the leased assets of the *Aqui Tem Natura* channel are assigned a theoretical average area; employee travel is based on headcount data cross-referenced with internal assumptions; calculation of downstream transportation by Beauty Consultants is based on a study assigning an assumption of kilometers per cycle for those using their own vehicles; and estimation of the use phase for rinse-off products is based on physical parameters for water heating cross-referenced with local electricity grid factors.



8.1.2 Capital allocation and investment

The Company directs investments towards the implementation of its climate transition strategy and the management of climate-related risks, integrating these considerations into its business planning and capital allocation. In 2025, the Company invested BRL 13.7 million in decarbonization initiatives, including biomethane projects, Dendê SAF (sustainable agricultural fuel), and the development of recycled resins, as well as the procurement of lower-carbon inputs, such as post-consumer recycled plastic (PCR), green plastic, and organic alcohol.

8.2 Climate-related targets

The Company is committed to stepping up its internal efforts to promote systemic change in its value chain through public, voluntary climate commitments that go beyond regulatory requirements and do not stem from mandatory obligations in the markets where it operates. The primary goal is to achieve Net Zero across scopes 1, 2, and 3 by 2050, with science-based interim targets for 2030. Climate goals are reviewed every five years. In 2025, there was no review, since the next review is scheduled for 2028, five years after the initial approval of the targets.

The tables in this section show ongoing progress toward climate goals for carbon reduction, which were established based on an absolute reduction approach, in line with the 1.5°C pathway. The targets do not stem from a sectoral decarbonization approach nor are they linked to any specific law or regulation; they are monitored by the Board of Directors, with support from the Advisory Committees — particularly the Sustainability Committee and the Audit, Risk, and Finance Committee (see **Section 3**).

The Company monitors the progress toward its climate goals annually by tracking changes in absolute GHG emissions relative to the 2020 baseline. For the Scope 3 categories covered by the SBTi-validated target, the cumulative reduction was 40% compared to the base year, keeping the Company on track to achieve its 42% reduction target by 2030. The annual monitoring of the progress towards these goals is based on the corporate GHG emissions inventory, prepared in accordance with the GHG Protocol, and integrated into the Company's climate governance and monitoring processes under its **Climate Transition Action Plan**.

We advanced in our Net Zero commitment, reducing absolute carbon emissions by

17%

in 2025, within the scope of the SBTi, compared with the previous year.

8.2.1. Carbon credits

The Company's priority is to reduce scope 1, 2, and 3 emissions to achieve net-zero emissions. As part of this strategy, it purchases carbon credits to take responsibility for GHG emissions that have not yet been mitigated, while charting a course towards Net Zero.

Responsibility for current emissions: As it reduces its GHG emissions, the Company continues to purchase high-integrity carbon credits that avoid or remove GHG emissions beyond its value chain, in order to strengthen its contribution to mitigating the effects of its residual emissions while investing in solutions to accelerate the transition to a low-carbon economy. These credits are not included in the calculations for meeting decarbonization targets.

Net Zero: The Company recognizes that the reduction of some of the emissions in the value chain may not be economically or technically feasible. As it moves towards achieving its goals, the Company plans to increase its investment in carbon removal to offset at least 10% of its residual emissions, with the remaining 90% of reductions achieved through mitigation within the value chain.



In line with the Climate Transition Action Plan, the emissions offsetting strategy prioritizes the acquisition of high-integrity carbon credits based on Nature-Based Solutions (NbS) in the Legal Amazon. The Company has already acquired credits from more than 55 projects throughout Latin America. In the 2025 portfolio, 47.55% of the carbon credits acquired came from projects in the Amazon (a strategic region for the Company), with 14.37% originating directly from the Company's own value chain.

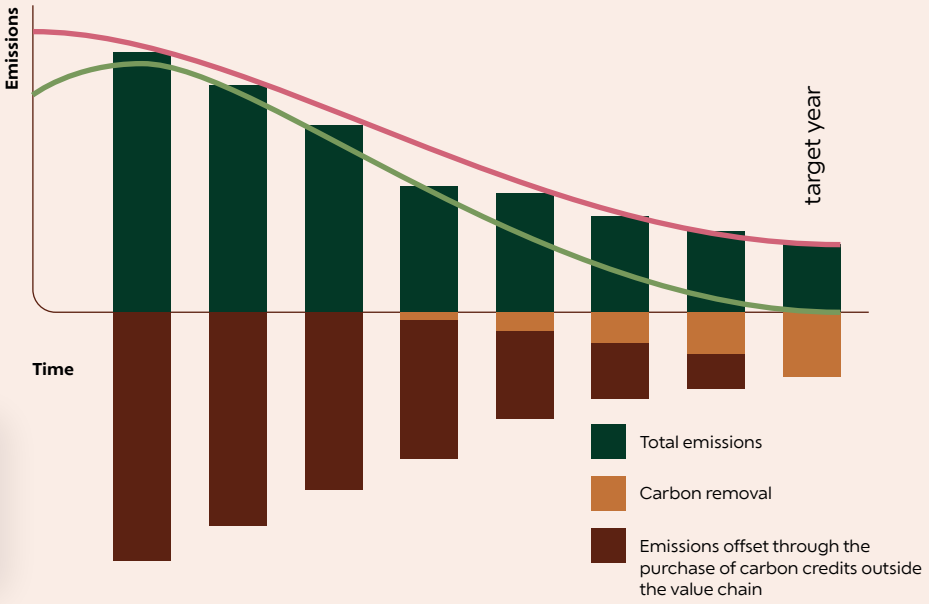
Target	Achieve net-zero emissions at our own facilities. This means reducing emissions from our processes by 90% (using 2020 as the base year).[21] R2 R4 R5	To reduce emissions in the value chain (Scope 3) by 42%, by engaging suppliers and consumers (using 2020 as the base year). R2 R4 R5	To achieve net-zero emissions by 2050, using 2020 as the baseline. R2 R4 R5
Metrics	Percentage reduction in absolute Scope 1 and Scope 2 emissions (using a market-based approach for Scope 2), compared to the 2020 baseline.	Percentage reduction in Scope 3 emissions (specifically those resulting from purchased goods and services, transportation and distribution, and end-of-life treatment of products sold) compared to the absolute Scope 3 emissions for these categories in 2020.	Percentage (%) reduction in scope 1, 2, and 3 GHG emissions by 2050, using 2020 as the base year.
Objective	To reduce the Company's operational emissions in line with a trajectory compatible with the 1.5°C global warming limit, contributing to full alignment with the climate strategy and the Net Zero commitment.	To reduce emissions across the value chain by engaging suppliers, logistics partners, consumers, and other stakeholders in the chain, in line with the Company's climate strategy and its path to Net Zero.	To achieve net-zero emissions across the entire value chain (Scopes 1, 2, and 3) by 2050 through absolute emissions reductions and the offsetting of any remaining residual emissions, prioritizing actual reductions over the purchase of high-integrity carbon removal credits.
Greenhouse Gases included	CO_2, CH_4, N_2O, and fluorinated gases (HFCs, PFCs, SF_6 , and NF_3, where applicable), expressed in CO_2e.	CO_2, CH_4, N_2O, and other GHG-classified gases covered by the GHG Protocol, expressed in CO_2e.	CO_2, CH_4, N_2O, HFCs, PFCs, SF_6 , and NF_3, in accordance with the requirements of the GHG Protocol and the IPCC.
Scope	This applies to Scope 1 and Scope 2 emissions from all of the Company's consolidated operations based on operational management, in accordance with the guidelines established by the GHG Protocol.	This applies to Scope 3 emissions in the categories covered by the target: purchased goods and services, upstream and downstream transportation and distribution, and end-of-life treatment of products sold, as validated by the SBTi.	Scopes 1, 2, and 3, covering all of the Company's own operations and value chain, taking into account all relevant categories and materials defined in the GHG Protocol.
Period	2020-2030	2020-2030	2020-2050
Base year	2020	2020	2020
Milestones or interim targets	No public interim targets have been set for this objective. Progress is monitored annually.	No public interim targets have been set for this objective. Progress is monitored annually.	• A reduction of 90% in scope 1 and 2 emissions by 2030 (based on 2020 levels); • A reduction of 42% in Scope 3 emissions by 2030 (based on 2020 levels); • Net-Zero Emissions by 2050, as defined by the SBTi.
Target type (absolute or intensity)	Absolute emissions reduction target.		
Carbon credits	Carbon credits are not used to meet this emissions reduction target.	Carbon credits are not used to meet this emissions reduction target.	Market mechanisms and environmental attribute certificates—such as renewable energy certificates, insetting mechanisms, and carbon credits—will be used in accordance with the definitions set forth in the SBTi Net-Zero Standard and the GHG Protocol.
Alignment with the jurisdictional commitment	This contributes to the global commitment to limit global warming to 1.5°C, in line with the Paris Agreement and the Company's Net Zero trajectory.	This contributes to the global commitment to limit global warming to 1.5°C, in line with the Paris Agreement and the Company's Net Zero trajectory.	In line with the Paris Agreement, the course taken to limiting global warming to 1.5°C, Brazil's commitment to climate neutrality by 2050 (NDC), and the SBTi's Net-Zero standard.

21 The -42% target for Scopes 1 and 2 by 2030, approved by the SBTi, remains in effect. In 2023, Latin America additionally set a more ambitious target of -90%, without replacing the SBTi target.

Target	Achieve net-zero emissions at our own facilities. This means reducing emissions from our processes by 90% (using 2020 as the base year). R2 R4 R5	To reduce emissions in the value chain (Scope 3) by 42%, by engaging suppliers and consumers (using 2020 as the base year). R2 R4 R5	To achieve net-zero emissions by 2050, using 2020 as the baseline. R2 R4 R5
Methodology for setting the target	Absolute emissions reduction target, established in accordance with the criteria of the Science Based Targets initiative (SBTi).	Absolute gross emissions reduction target, established in accordance with the SBTi methodology, taking into account the relevant Scope 3 categories.	Target set based on the SBTi methodology, taking into account the absolute reduction of GHG emissions across the entire value chain; inventory prepared in accordance with the GHG Protocol Corporate Standard and Corporate Value Chain (Scope 3) Standard, using emissions factors from the Brazilian GHG Protocol Program, the IPCC, and other applicable international sources.
Validation	Validated by the Science Based Targets initiative (SBTi) as aligned with the 1.5°C pathway.	Validated by the Science Based Targets initiative (SBTi) as aligned with the 1.5°C pathway.	The Company's 2030 emissions reduction targets have been validated by the SBTi, and remain in effect and aligned with the 1.5°C target. The long-term targets for 2050 are currently under review due to the Company's corporate reorganization and will be resubmitted to the SBTi for revalidation, while maintaining the public commitment to achieve net-zero emissions by 2050.
Review process	The target is monitored periodically as part of the Company's climate governance and may be revised in the event of methodological or regulatory changes, or significant changes in the operational scope or value chain.		
Metrics for tracking progress	Annual absolute Scope 1 and Scope 2 emissions (tCO_2e), percentage reduction compared to the 2020 baseline, and percentage of target achievement.	Annual absolute Scope 3 emissions (tCO_2e) for the covered categories, percentage reduction compared to the 2020 baseline, and percentage of target achievement.	• Absolute GHG emissions (tCO_2e) in scopes 1, 2, and 3; • Percentage reduction in emissions compared to the 2020 baseline; • Share of renewable energy; • Fossil fuel consumption; • Emissions by Scope 3 category; • Progress on the decarbonization projects outlined in the Climate Transition Action Plan.
Revisions	There was no revision of the 2025 target.	There was no revision of the 2025 target.	The target is monitored annually through the Company's corporate GHG inventory and climate governance framework. Any methodological revisions follow the guidelines of the GHG Protocol, the SBTi, and international best practices, while maintaining historical comparability where applicable.
Progress made during the year and status at year-end	In 2025, the Company achieved a 49% reduction in absolute Scope 1 and Scope 2 emissions compared to the 2020 baseline.	In 2025, the Company achieved a 40% reduction in Scope 3 emissions in the categories covered by the target compared to the 2020 baseline year, remaining on course to meeting the 42% reduction target set for 2030.	In 2025, the Company achieved an absolute reduction of approximately 17% in scope 1, 2, and 3 emissions compared to 2024, driven primarily by the expanded use of renewable energy, increased consumption of biomethane, operational efficiency gains, and decarbonization initiatives across the value chain.

Transition: from carbon neutral to Net Zero

Emissions must be reduced by 90% by 2050 at the latest, and offsetting practices are increasingly focused on activities that remove carbon from the atmosphere.



To promote the integrity and quality of credits and mitigate risks, the project selection process has been carried out through the *Compromisso com o Clima* program, in partnership with the Ekos Institute, since 2018, which issues public calls for the selection of high-integrity carbon credit projects through a solid process of legal due diligence and socio-environmental assessment specific to the Brazilian voluntary market. This selection process for high-integrity projects is based on the recommendations of the Oxford Principles, the VCMI Code of Claims of Practice, and the ICVCM's Core Carbon Principles (CCP), in order to ensure additionality, transparency, and traceability in market disclosures.

CARBON CREDITS IN 2025

Project name	Project type	Type of mitigation activity	Location	Methodology	Credit vintage	Number of credits
VTRM Renewable Energy	Renewable Energy (wind energy)	Avoided emissions	Brazil	VM0006	2023	132,276
Brazilian Amazon Group Project	Agriculture, forestry, and forest conservation	Avoided emissions	Brazil	VM0007	2022	200,000
RECA Project[22]	Agriculture, forestry, and forest conservation	Avoided emissions	Brazil	Carbon on Track	2024	111,982
VTRM Renewable Energy	Renewable Energy (wind energy)	Avoided emissions	Brazil	ACM0002	2020	71,650

8.2.2. Bioingredients

Each year, the Company monitors the growth in the number of bioingredients derived from Amazonian socio-biodiversity incorporated into its portfolio as an indicator of the implementation of its regenerative innovation strategy and the strengthening of sustainable supply chains.

In 2025, the Company achieved the target (55 types of bioingredients) set for 2030, thus fulfilling its commitment five years ahead of schedule. This result reflects the organization's internal capacity to pursue a complex process of research, development, and innovation, which involves the discovery of new species and bioactive compounds, technical and scientific

22 The RECA project is a carbon offset project involving a community of suppliers, developed using the "insetting" model, without a carbon offset registration or project ID. It is monitored by a specialized consulting firm (WayCarbon) and verified by an independent third party (Imaflora).

studies, technological development, regulatory validations, and the establishment of sustainable supply chains in partnership with communities in the Amazon's socio-biodiversity.

The goal is directly related to the SLB issued by the Company in 2024, the performance of which is tied to the expansion of the portfolio of bioingredients derived from Amazonian socio-biodiversity. Achieving the target ahead of schedule demonstrates the Company's ability to turn innovation into measurable results, reinforcing the execution of its regeneration strategy, the resilience of its supply chain, and its fulfillment of the commitments made to the financial markets.

8.2.3. Post-consumer plastic

Increasing the use of post-consumer recycled (PCR) plastic in packaging is a strategic metric used by the Company to monitor the implementation of its circular economy strategy, support the decarbonization of the value chain, and reduce the dependence on petrochemical plastic resins. The increased use of PCR helps reduce GHG emissions associated with packaging materials, while also mitigating risks related to the availability of resources, regulatory developments, and market expectations. This metric also incorporates the targets linked to the SLB issued by the Company in 2021, highlighting its relevance to the sustainability strategy and performance management. In 2025, the Company achieved 21.8% post-consumer recycled plastic content in its packaging (by weight), staying on track to reach the 50% target set for 2030. See details of the target on the following page.

Target	**To use 55 bioingredients from the Amazon's socio-biodiversity (up from 39 in 2020).** R1 R2
Metrics	Number of bioingredients derived from Amazonian sociobiodiversity incorporated into the Company's portfolio.
Objective	To expand the sustainable use of Amazonian socio-biodiversity by strengthening regenerative production chains, promoting biodiversity conservation, and contributing to the Company's regeneration strategy.
Scope	Supply chain for bioingredients derived from the Amazon's socio-biodiversity and used in the Natura brand's operations and product portfolio.
Period	2020-2030
Base year	2020
Milestones or interim targets	No public interim targets have been set. Progress is monitored annually.
Target type (absolute or intensity)	Absolute target (number of bioingredients).
Alignment with the jurisdictional commitment	In line with the Company's regeneration strategy and its global commitments to biodiversity conservation, including the Kunming-Montreal Global Biodiversity Framework.
Methodology for setting the target	Tracking of the goal is based on the number of bioingredients from the Amazon's socio-biodiversity that are actually incorporated into the Natura-brand portfolio, taking into account the Company's innovation process, which includes research and development, technical and scientific evaluation, regulatory validation, and feasibility assessments of new species and bioactive compounds.
Validation	Not applicable.
Review process	The target is monitored periodically as part of the governance of the regeneration strategy, with any possible review being based on the evolution of the corporate strategy.
Metrics for tracking progress	Number of bioingredients derived from Amazonian socio-biodiversity and changes in the Natura brand portfolio compared to the 2020 base year.
Revisions	There was no revision of the 2025 target.
Progress made during the year and status at year-end	In 2025, the Company sourced 55 bioingredients from the Amazon's socio-biodiversity, achieving the goal set for 2030 five years ahead of schedule.

Target	50% of all the plastic in our packaging will consist of recycled material (by weight). R2 R4	100% of our packaging will be reusable, refillable, recyclable, or compostable. R2 R4 R5
Metrics	Percentage (%) of post-consumer recycled (PCR) plastic content in packaging, by weight.	Percentage of packaging that is reusable, refillable, recyclable, or compostable, based on the Company's packaging portfolio.
Objective	To increase the use of post-consumer recycled plastic in packaging, reducing the demand for virgin plastic and promoting the circularity of materials.	To achieve 100% reusable, refillable, recyclable, or compostable packaging by 2030, promoting circularity, reducing waste generation, and minimizing the use of materials with a greater environmental impact.
Scope	Plastic packaging for the products sold at the operations managed by the Company.	Latin America, including the Natura and Avon brands. The indicator is reported on a consolidated basis for the region. The concept of refillable packaging applies to Latin America.
Period	2020-2030	2020-2030
Base year	2020	2020
Milestones or interim targets	Annual progress towards increasing the share of recycled plastic in packaging, with a final goal of reaching 50% recycled content (by weight) by 2030.	There are no formally disclosed interim quantitative milestones for this target. The company tracks the percentage of packaging that meets circularity criteria on an annual basis.
Target type (absolute or intensity)	Intensity target (percentage of recycled content in packaging).	Absolute figure, expressed as a percentage of the packaging portfolio that meets the circularity criteria, with a target of 100%.
Alignment with the jurisdictional commitment	In line with the principles of the circular economy, the New Plastics Economy Global Commitment (Ellen MacArthur Foundation/UNEP), the Extended Producer Responsibility and reverse logistics regulations applicable in the jurisdictions where the Company operates, as well as corporate circularity strategies.	Not applicable / not identified. The target is linked to the corporate circularity strategy and SDG 12 — Responsible Consumption and Production — rather than to a specific jurisdictional climate target.
Methodology for setting the target	Calculation of the percentage of post-consumer recycled plastic (PCR) relative to the total weight of plastic used in marketed packaging, taking into account materials purchased from qualified suppliers and internal traceability criteria.	This goal is aligned with the Commitments 2030 and is implemented through R&D, packaging design, and materials management. The Company uses an environmental calculator to evaluate material and design alternatives and conducts periodic assessments of its product portfolio, taking into account material composition, substitution potential, dimensional optimization, and compatibility with existing recycling systems.
Validation	A corporate goal approved by the Company's internal governance body and monitored annually through packaging management and ESG reporting processes.	
Revision process	Progress is monitored annually. Any methodological revisions take into account changes in the portfolio, the availability of recycled resins, technological advancements, and reporting criteria, while maintaining historical comparability where applicable.	
Metrics for tracking progress	• Percentage of post-consumer recycled (PCR) content in packaging (%); • Metric tons of recycled plastic used; • Percentage of virgin plastic replaced by post-consumer recycled plastic (PCR).	• Percentage of packaging that is reusable, refillable, recyclable, or compostable; • Percentage of post-consumer recycled (PCR) plastic in packaging; • In addition to indicators related to the mass of materials used and to disposal/reverse logistics.
Revisions	The target remains in effect, with no changes from the originally established objective.	
Progress made during the year and status at year-end	In 2025, 21.8% of the plastic used in the Company's packaging came from post-consumer recycled content, representing progress compared to previous years and keeping the Company on track to reach its 50% target by 2030. This performance was driven by the increased use of recycled resins and the development of packaging solutions with greater circularity.	In 2025, the Company achieved approximately 90% recyclable, refillable, or compostable packaging, moving toward its goal of 100% by 2030. The company also achieved a 21.8% recycled plastic content in its packaging.

8.2.4. Critical chains

The Company recognizes that responsible management of its supply chains is essential to protecting biodiversity and preventing deforestation and the conversion of native vegetation. Within this context, it sets out commitments to expand traceability, certification, and the independent verification of raw materials considered critical, thereby promoting a more resilient value chain that is aligned with its regeneration strategy.

READ MORE

Additional information on the climate strategy, progress toward targets, and emissions trends; as well as indicators and performance related to socio-biodiversity and circularity are available in the **2025 Integrated Report** and in the **ESG Data Book**.

Target	**To ensure that 100% of our critical supply chains are free of deforestation and the conversion of native vegetation, as verified by an independent third party.** R2 R3	
	• By 2025: for direct purchases of palm oil, soy[23], paper, and ethanol;	• By 2030: expansion to indirect supply chains for palm oil, soy, paper, ethanol, mica, and cotton, as well as critical supply chains in Latin America.
	→ Percentage of direct critical supply chains free of deforestation and land conversion - Palm Oil;	→ Percentage of direct critical supply chains free of deforestation and land conversion - Sugarcane ethanol.
Metrics	Percentage of direct critical supply chains that are free of deforestation and conversion of native vegetation, with specific indicators for palm oil and sugarcane ethanol.	
Objective	To ensure that 100% of the direct critical supply chains for palm oil, soy, paper, and ethanol are deforestation- and native vegetation conversion-free, with independent verification, by 2025, and to expand this commitment through to 2030 to include indirect supply chains, as well as mica, cotton, and other critical supply chains in Latin America.	
Scope	Direct purchases of palm oil, soybeans, paper, and ethanol. Starting in 2030, the scope will be expanded to include indirect supply chains for palm oil, soy, paper, and ethanol, as well as mica, cotton, and other critical supply chains for the Company in Latin America. Critical supply chains are those historically associated with greater environmental impacts and human rights risks.	
Period	2025, for the first phase of the target; 2030, for the expansion to indirect supply chains and other critical supply chains.	
Base year	2023	
Milestones or interim targets	2025: 100% of direct purchases of palm oil, soy, paper, and ethanol free of deforestation and land conversion, as verified by an independent third party. 2030: Expansion into indirect supply chains for these commodities, as well as mica, cotton, and other critical supply chains in Latin America.	
Target type (absolute or intensity)	Absolute, as it establishes as an expected outcome that 100% of the supply chains covered meet the zero deforestation and zero conversion criteria.	
Alignment with the jurisdictional commitment	This goal is aligned with the corporate strategy to protect biodiversity and prevent deforestation and land conversion, contributing to the objectives of the Kunming-Montreal Global Biodiversity Framework.	
Methodology for setting the target	Development of the methodology was based on a study of the correlation between different certification standards and the specific requirements defined by the Company to classify a raw material as deforestation- and conversion-free (DCF). The requirements framework is incorporated into the specific policies on critical raw materials.	
Validation	A corporate goal approved by the Company's internal governance body and monitored annually by means of management processes.	
Revision process	The Company has established specific policies for critical raw materials and monitors traceability/certification as well as the social and environmental criteria applicable to suppliers. Development of the DCF methodology was based on the correlation between certification standards and the Company's requirements.	
Metrics for tracking progress	Percentage of direct critical supply chains free of deforestation and land-use conversion, including the palm oil and ethanol indicators. Percentage of certified palm oil and ethanol, and percentage of traceability/certification for other critical supply chains.	
Revisions	The target remains in place for 2025 and 2030, with a gradual expansion of its scope. In 2024, seven new critical supply chains (carnauba, candelilla, canola, corn, critical fragrances, green polyethylene, and recycled materials) were identified and added to the monitoring agenda for Latin America.	
Progress made during the year and status at year-end	In 2025, the Company made progress in the management and traceability of critical supply chains, ensuring that 86% of its direct ethanol supply chains were free from deforestation and land conversion. For palm oil, 94.1% of the volume was certified, a metric complementary to the DCF. Thus, the 100% target for 2025 was not fully achieved, and efforts to further develop and monitor the initiative remain in place to expand the commitment through to 2030.	

23 No direct soybean suppliers have been identified to date.

8.3 Economic sector metrics

The following are operational indicators that can be used to interpret and compare the Company's environmental performance within its sector.

To view the indicators in detail, visit the ESG Data Book.



8.3.1. Water management and water risk R1 R2 R3

The Natura Integrated Management System Policy establishes guidelines for managing environmental, quality, and occupational health and safety issues. As part of its operational risk management and environmental compliance efforts, the Company has its own Environmental Management System (EMS), which is certified to the ISO 14001:2015 standard, promoting the efficient management of natural resources — including water and energy — and strengthening the resilience of its operations. The certification covers 100% of the company's own production sites, including the plants in Cajamar and Ecoparque, Brazil; Moreno, Argentina; and Celaya, Mexico.

As part of the EMS, water is a strategic resource for the Company's operations. The Company continuously monitors indicators related to water withdrawal, consumption, quality, reuse, and discharge, and has implemented initiatives to increase water efficiency and reduce consumption. Water management also involves analyzing consumption patterns and conducting periodic assessments of the risk of water scarcity for the company's own operations and its network of stakeholders, thereby supporting the management of climate-related risks.

The definition of water management objectives and targets is based on historical consumption data and individually established for each operating unit (Manufacturing and Distribution Centers), with subsequent consolidation at the regional level. Performance is monitored using key indicators related to water withdrawal, consumption, discharge, and water quality, enabling the tracking of improvements in water efficiency, supporting decision-making, and guiding continuous improvement initiatives.

WATER WITHDRAWAL AND CONSUMPTION	2025
Total water withdrawn (m^3)[24]	573,548
Total water consumed (m^3)	242,570
Percentage of each in regions with high or extremely high baseline water stress[25]	42.04%

24 This includes all of the Company's operations, including factories, distribution centers, and administrative offices. Only fresh water is withdrawn and consumed.

25 Based on the TNFD study conducted in 2024, it was possible to map regions experiencing water stress using the WWF Risk Filter and WRI Aqueduct methodologies. In 2025, water consumption in areas experiencing (extremely high) water stress was estimated at 241,112 m^3, representing 42.04% of the water withdrawn by the company's own operations.

Assessment and mitigation of water risks: In 2025, as part of its efforts to address risks associated with biodiversity and nature, the Company completed the implementation of the LEAP (Locate, Evaluate, Assess, Prepare) methodology, developed by the Taskforce on Nature-related Financial Disclosures (TNFD), which highlighted the Company's dependence on water-related ecosystem services throughout the value chain. Within this context, water crises can affect operations and the supply chain, including the availability of raw materials and the operation of production facilities.

To achieve a better understanding of these risks and to guide mitigation measures, a pilot project was conducted in 2025 to assess the water risk profile of the Cajamar and Ecoparque plants in Brazil. The assessment considered various areas of risk, rated on a severity scale ranging from 1 to 5 (low to high), making it possible to identify vulnerabilities and opportunities for improvement in water management at each facility. For the next cycle, there are plans to expand the analysis to include two additional facilities in Latin America, located in Argentina and Mexico.

Mitigating the risks of water scarcity involves adopting management practices aimed at reducing dependence on external sources, increasing the circularity of water use, and monitoring operational performance. These initiatives include monitoring water intake and consumption, measures to reduce consumption in production processes, initiatives for water reuse and recirculation, and the identification of opportunities for improvement based on risk assessments conducted at the facilities. In 2025, the Company also continued to implement water reuse initiatives in its operations, helping to reduce the demand for fresh water in its production processes.

These practices are complemented by the monitoring of indicators and the management of legal and operational requirements related to water withdrawal, discharge, and quality, with the aim of reducing the operations' exposure to water shortages, availability restrictions, and regulatory changes. The results of diagnostic assessments and the monitoring of indicators support the prioritization of actions and the advancement of water resource management in operations and throughout the value chain.



The main water-related risks identified for the business include:

- Operational disruptions due to water shortages caused by climatic factors;
- Changes to regulations governing water permits and water use;
- Inaccuracies in water intake records caused by incorrect meter readings;
- An increase in water consumption due to the growth in demand exceeding projected revenue; and
- Operational impacts resulting from regulatory changes related to licenses, permits, certifications, or other legal requirements.

8.3.2. Palm oil supply chain R3

The Company promotes the responsible management of its palm oil supply chain. Suppliers of ingredients or finished products containing palm oil must comply with the Critical Supply Chain Standard, which establishes traceability and third-party certification criteria to mitigate social and environmental risks, including those set forth by the Roundtable on Sustainable Palm Oil (RSPO).

Suppliers directly responsible for palm farming must meet traceability requirements that cover the locations of plantations and the flow of materials throughout the processing, refining, and manufacturing stages. The Company has established as a target, as described in our 2025–2050 Vision (Commitments 2030 targets), that by December 31, 2030, these suppliers must achieve full traceability of their farming areas.

BREAKDOWN OF PALM OIL[26]	2025
Amount of palm oil obtained (t)	48,856
Percentage certified as (a) Identity-Preserved	-
Percentage certified as (b) Segregated	-
Percentage certified as (c) Mass balance	44.41%
Percentage certified as (d) Claims Reserve	55.59%

26 All palm oil used by the Company is certified under the mass balance system. In 2025, we acquired credits from the "Book and Claim" program, and the Company did not make purchases from either of the following models: 'Identity-Preserved' and 'Segregated'.

8.3.3. Products based on green chemistry principles R3 R4

In 2025, 84% of the Company's revenue came from products classified internally as "Green Revenue", while 70% was associated with products classified as "Low-Carbon Revenue". These metrics are based on an internal taxonomy developed using sustainability criteria and benchmarks to identify and monitor the portfolio's contribution to the Company's ESG ambitions. Green Revenue is reported in accordance with the SASB standard (indicator CG-HP-250a.4) and reflects the incorporation of environmental, social, and product safety criteria with a focus on reducing impacts throughout the product life cycle. Low-Carbon Revenue, on the other hand, refers to the portion of revenue associated with products with lower carbon intensity.

To calculate Green Revenue, products that incorporate attributes such as 'refillability' and the use of raw materials with recognized certifications are considered, including the RSPO (Roundtable on Sustainable Palm Oil, related to the sustainable production of palm oil) and the UEBT (Union for Ethical BioTrade, which focuses on the ethical sourcing of biodiversity-based inputs), as well as organic alcohol, post-consumer recycled materials (PCRM), and renewable-source plastics — such as green polyethylene made from sugarcane — and inputs derived from Brazil's biodiversity.

Low-Carbon Revenue includes items with attributes such as refills, the use of RSPO-certified palm oil, organic alcohol, post-consumer recycled material (PCRM), and renewable-source plastic, reflecting initiatives aimed at reducing GHG emissions throughout the products' life cycles.

REVENUE	PERCENTAGE (%)
Products with sustainability features	84
Low-carbon products	70

9 IFRS S2 Content Index

Climate-Related Disclosures

Chapter	Description	Location	Paragraph
1.	Basis for preparation	page 5	IFRS S1.20; S1.22; S1.23; S1.24; S1.59a; S1.59b
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1.2.	Determining timeframes	page 6	IFRS S2 10.d
2.	Business model	page 7	IFRS S2.13
3.	Our governance	page 8	IFRS S2 6.b.i, 6.b.ii
3.1.	Roles, responsibilities, and expertise	page 9	IFRS S2 6.a.i, 6.a.ii, 6.a.iii, 6.b.i, 6.b.ii
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8.2.	Climate-related targets	page 56	IFRS S2 14.a(v); 33.a; 33.b; 33.c; 33.d; 33.e; 33.f; 33.g; 33.h; 34.a; 34.b; 34.c; 34.d; 35; 36.a; 36.b; 36.c; 36.d
8.3.	Economic sector metrics	page 64	IFRS S2 29

On the next page, **Sustainability Reporting Topics and Metrics**.

Sustainability Reporting Topics and Metrics

SASB | Consumer Goods – Household and personal products (CG-HP)

Code	Metrics	Chapter	Location
Water Management			
CG-HP-140a.1	(1) Total water withdrawn, (2) total water consumed; percentage of each in regions with High or Extremely High Baseline Water Stress	8.3.	pages 65 and 66
		8.3.1.	pages 65 and 66
CG-HP-140a.2	Description of water management risks and discussion of strategies and practicesto mitigate those risks	8.3.	page 66
		8.3.1.	page 66
Environmental and Social Impacts of the Palm Oil Supply Chain			
CG-HP-430a.1	Amount of palm oil sourced, percentage certified through the Roundtable on Sustainable Palm Oil (RSPO) supply chains as (a) Identity Preserved, (b) Segregated, (c) Mass Balance or (d) Book & Claim	8.3.	page 67
		8.3.2.	page 67

Other relevant SASB indicators

Code	Metrics	Chapter	Location
Product Environmental, Health, and Safety Performance			
CG-HP-250a.4	Revenue from products designed with green chemistry principles	8.3.	page 67
		8.3.3.	page 67
Activity metrics			
CG-HP-000.B	Number of manufacturing facilities	6.	page 32



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Any questions regarding the content, scope, and limitations of this report may be sent to: **ri@natura.net**.