
Climate Transition and Adaptation Plan

November 2025

GrupoBoticário 



Contents

Introduction	3	Call to Action	39
Leadership message	4		
The climate challenge and our response	7		
Our climate goals	8		
Our journey so far	10		
Our journey	12	Credits	40
Our Climate Transition and Adaptation Plan	13		
Engaging the value chain	24		
Adaptation and resilience	29		
Climate governance and transparency	36		
Funding the transition	38		



SELF-GENERATION OF SOLAR ENERGY CAMACARI/BA FACTORY

Introduction

- A message from the management
- The climate challenge and our response
- Our climate goals
- Our journey so far



Leadership message

The beauty of conserving nature

Since the founding of O Boticário in 1977, I have always believed in certain precious ingredients for building a valuable business, such as respect for relationships and conservation of nature. This idea led to the creation of the *Fundação Grupo Boticário de Proteção à Natureza* (Boticário Group Foundation for Nature Protection) in 1990, even before Rio-92, the UN's environmental conference held here in Brazil that sparked the global debate on sustainability.

This year, 2025, we are celebrating the 35th anniversary of the Foundation, now considered to be one of Brazil's leading corporate foundations and responsible for conservation of the Salto Morato Nature Reserve, on the north coast of Paraná, and

the Serra do Tombador Nature Reserve, in the countryside of Goiás. The two areas combined cover more than 11,000 hectares of protected native vegetation and have contributed to the discovery of 178 new species of fauna and flora.

We have also supported more than 1,800 projects to date, including initiatives such as the *Viva Água* Movement, which has already mobilized around BRL 27 million and more than 90 institutions around initiatives aimed at water security, climate adaptation, and sustainable development in the regions where we operate.

The Foundation is maintained with funds from the Boticário Group's Private Social

Investment Policy, which directs up to 1% of its net revenue to environmental actions, with a focus on climate adaptation and water security. By integrating its actions with our ecosystem, it has expanded the impact of our initiatives in this field with the same long-term strategic vision that guarantees the continuity of our business.

We are very proud of this history, which has seen us active in different strategic biomes in Brazil, whilst always ensuring that environmental conservation comes first. I would like to invite you to read our Climate Transition and Adaptation Plan and join us on this collective journey. After all, nature is a common asset that is an integral part of building the beauty of the future.



MIGUEL KRIGSNER
Founder and Chairman of the Board of Boticário Group, and Chairman of the Board of Trustees of the Boticário Group Foundation for Nature Protection

Climate action connected to business strategy



FERNANDO MODÉ

CEO of the Boticário Group and Member of the Board of Trustees of the Boticário Group Foundation for Nature Protection.

Taking action on climate change is an essential pillar in the Boticário Group's long-term strategy. We also mobilize our ecosystem with the aim of conserving nature, strengthening our business resilience, and generating shared value for our consumers and society.

Boticário Group has reinforced its commitment by setting the target of reducing emissions by 90% by 2050

Our Climate Transition and Adaptation Plan is fully connected to our business strategy, including potential paths that we will constantly evaluate and seek to make viable over the next 25 years of our business, on a path towards reducing greenhouse gas emissions by 90% by 2050 - targets that are validated by the Science Based Targets Initiative (SBTi) and are in line with the Paris Agreement.

We are proud to already use renewable energy in our own operations, and one of our main goals is that, by 2030, 75% of our corporate sales stores will also operate with renewable energy. We were pioneers in issuing Sustainability-Linked Bonds (SLB) in Latin America and the Brazilian market, linking the ESG agenda to the financial market and consolidating our leadership in sustainable finance.

These moves have reinforced our responsibility to lead by example and reflect a vision that strengthens our approach to climate challenges, while engaging our entire value chain in a more sustainable future. Today, more than 50% of the suppliers involved in the CDP Supply Chain already have climate targets, thus demonstrating the extent of this transformation.

Together with the Boticário Group Foundation for Nature Protection, which has been working for environmental conservation for 35 years, and with our brands, employees and partners, we will continue to build an increasingly resilient beauty ecosystem that is attentive to the needs of nature and society as a whole.

Climate governance for the future of the planet

Climate change goes beyond changes in temperature: it is a challenge to life, people, cities, and all biodiversity. This is why it must be tackled collectively - with companies, government, and society coming together to act decisively.

At the Boticário Group, this agenda is closely monitored by our Advisory Board and ESG Committee, guaranteeing consistent, transparent climate management that is connected to our medium- and long-term strategies.

Our Climate Transition and Adaptation Plan is part of this strategy, its main objective being to reduce greenhouse gas emissions by 90% by 2050, in line with the climate goals established in the Paris Agreement.

All this work also incorporates an understanding of the environmental risks into the management of the business, which are periodically monitored by the Risk and Audit Committee. In addition to this, we strengthen water security and

climate adaptation with Nature-Based Solutions (NBS), with this work being performed in partnership with the Boticário Group Foundation for Nature Protection.

We are looking to our future as it will be in 2050, but without losing our commitment to the present, as evidenced by the concrete progress we have made so far. Examples of this progress include:

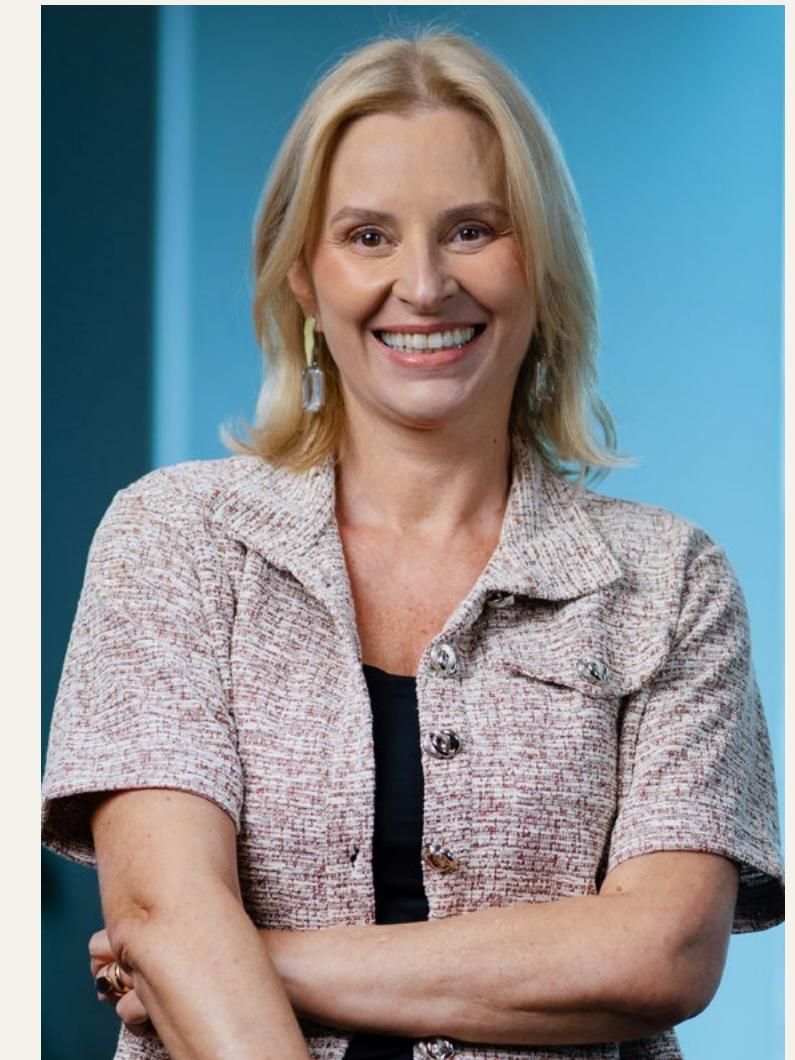
- The annual audited inventories that have been awarded the Gold Seal by the Brazilian GHG Protocol Program, of which we were one of the founding members in 2008. This practice guarantees transparency in relation to our greenhouse gas emissions.
- Transparency in line with international frameworks such as the Task Force on Climate-related Financial Disclosures (TCFD) and the Global Reporting Initiative (GRI).
- Scientifically-based emissions reduction targets validated by the Science Based Targets Initiative (SBTi).

- Recognition for the second consecutive year in the CDP Leadership category for our disclosure of data on climate and water security, demonstrating our maturity and consistency in this area.
- Our ESG Report that is recognized as one of the best in Brazil by Reporting Matters².

This strategy extends across our entire value chain, including suppliers, franchisees, employees, retailers, and business partners. We regularly invite our entire ecosystem to take part in engagement initiatives and programs, as well as specific training courses on sustainability and climate change. With a clear perspective of our collective responsibilities, we can continue to build an increasingly sustainable future.

1 SBNs are initiatives that use natural processes and ecosystems to address the most pressing challenges of our time, such as water availability and the impacts of extreme weather events, such as floods.

2 Methodology developed by the World Business Council for Sustainable Development (WBCSD)



FABIANA DE FREITAS
VP of Corporate Affairs at the Boticário Group

The climate challenge and our response

The climate crisis requires urgent response, including coordinated actions to reduce emissions, boost the transition to low-carbon activities, and strengthen the resilience of ecosystems.

Extreme events such as droughts, storms, and heatwaves have become more frequent and intense. The Intergovernmental Panel on Climate Change (IPCC) warns that limiting global warming to 1.5°C compared to pre-industrial levels requires a profound transformation in production and consumption models in order to achieve net zero emissions by 2050.

The Paris Agreement, signed in 2015, consolidated this goal and mobilized governments, companies, and civil society around a sustainable transition. This agenda involves both decarbonizing the economy and building resilience to impacts that are already underway. Nature plays an

essential role in this process, providing solutions that strengthen communities, cities, and production chains.

For the Boticário Group, climate risk management is a strategic issue, monitored by the ESG Committee and the Risk and Audit Committee, bringing together members of the Advisory Board, Independent Board Members, the Vice-Presidency of Corporate Affairs, and the principal executives responsible for implementing the climate strategy in the business ([learn more](#)).

This management and governance model makes it possible to focus the best action plans to reduce exposure to transition risks - those of a regulatory, technological or reputational nature that arise on the path towards a low-carbon economy - and physical risks, such as extreme weather events caused by climate change, which are already materializing in operations and the value chain.

These impacts can directly affect society, the cosmetics sector, the value chain and the company's operations. The Boticário Group recognizes that the climate agenda is directly connected to issues such as adaptation, the circular economy, the efficient use of resources, conservation of biodiversity, and water security.

Facing this challenge also means addressing the complexity of transition and adaptation. Some choices will require large investments and technological solutions that are still in the development phase for application at scale - such as decarbonizing transport operations and developing packaging with a smaller carbon footprint. Even so, the Boticário Group's Climate Transition and Adaptation Plan was conceived as an integral part of the corporate strategy. It guides procurement, logistics, product development, and investment allocation, involving business decisions by considering climate risks and opportunities in the short medium, and long-term strategic and financial planning.

1 Net zero emissions: a situation in which all greenhouse gas emissions generated by an organization, country, or sector are reduced as much as possible, and residual emissions (which cannot be eliminated) are offset by an equivalent removal of gases from the atmosphere, resulting in a final balance equal to zero.

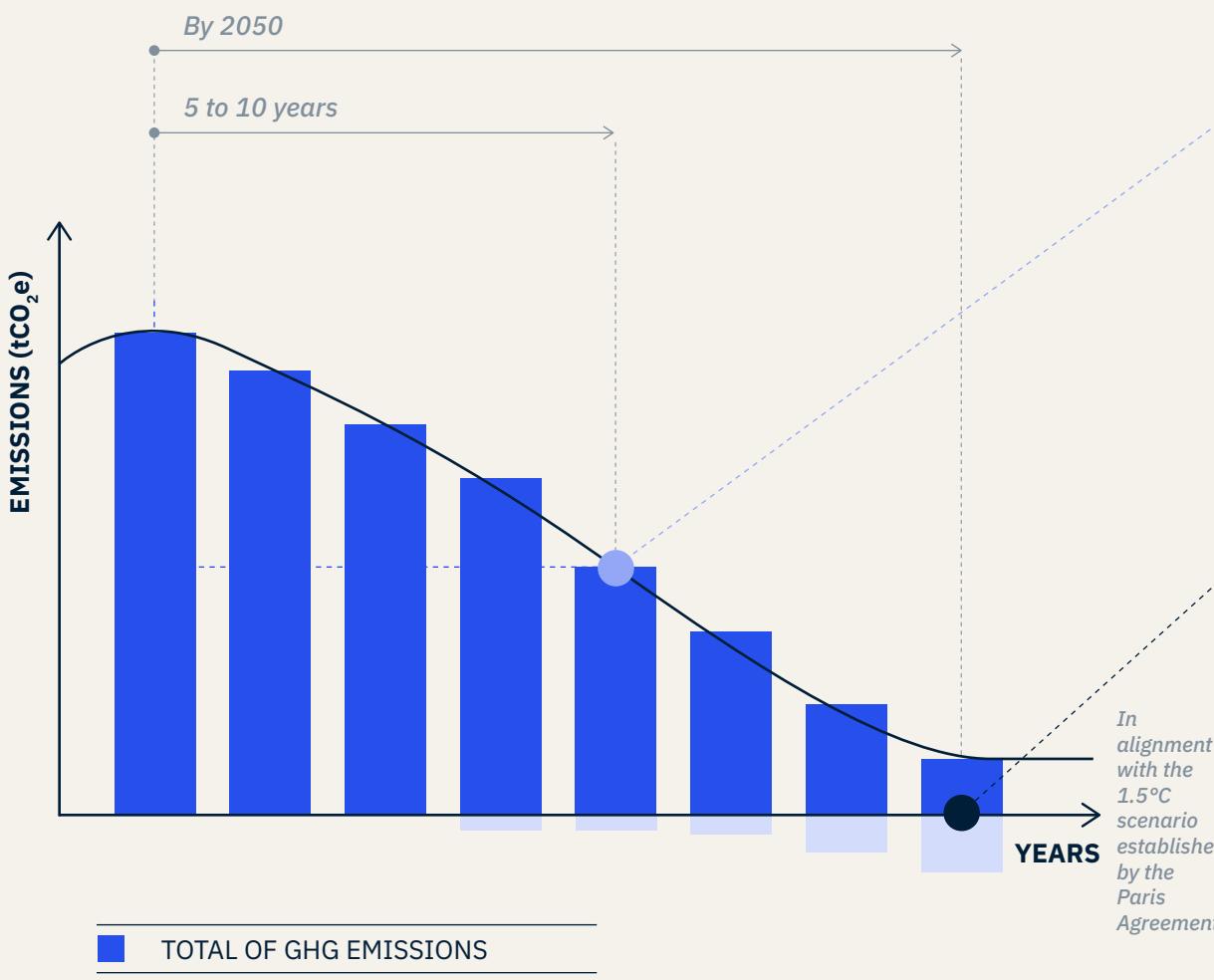
Our climate targets

The Boticário Group has made a commitment to achieving zero net emissions by 2050, in line with the global goal of limiting the Earth's warming to 1.5°C, as established in the Paris Agreement.

To this end, short, medium, and long-term targets have been set, covering the three scopes of greenhouse gas (GHG) emissions: direct emissions (Scope 1), those related to the purchased energy (Scope 2), and emissions within the value chain (Scope 3). These concepts are explored in more depth [here](#).

1 The Science Based Targets initiative (SBTi) is a corporate climate action organization that enables companies and financial institutions around the world to play their part in combating the climate crisis. Find out more: <https://sciencebasedtargets.org/>

2035 and 2050 targets



Boticário Group is the first company in Latin America and the Caribbean in the Durable Consumer Goods, Household and Personal Products sector to have had its net zero targets **validated** by the Science Based Targets initiative (SBTi¹).

2035 SBTi AMBITION

TARGETS VALIDATED BY THE SCIENCE BASED TARGETS INITIATIVE (SBTi)

- Scopes 1 and 2: absolute reduction of 67% of GHG (greenhouse gas) emissions compared to the base year of 2022.
- Scope 3: absolute reduction of 37.5% of GHG emissions compared to the base year of 2022.

2050 SBTi AMBITION

- To achieve the target of net zero, reducing scopes 1, 2 and 3 GHG emissions by 90% compared to the base year of 2022, and neutralize residual emissions through carbon removal or capture projects in the value chain.

The establishment of these targets was science-based and they have been approved by the SBTi, which ensures that they are measurable, consistent, and in line with the best international practices.

Structure of the Plan

The creation of the Boticário Group's Climate Transition and Adaptation Plan was based on the framework developed by the Transition Plan Taskforce (TPT), an initiative currently coordinated by the [IFRS Foundation](#). This model guides the combination of the diagnosis, targets and strategy, clarifying the commitments made and how they will be implemented.

The journey to limit global warming in line with the Paris Agreement includes periodically reviewing the Group's strategies, incorporating technological innovations, regulatory changes, and lessons learned from partners, collaborators, and experts. The Boticário Group has been working hard in this area over the last two years, resulting in a climate ambition aligned with science and the challenges faced by the business.

The Climate Transition and Adaptation Plan is therefore the instrument that translates this ambition into practical actions in different time frames. It guides investment decisions, product development, and relationships with the value chain, with the aim of building a business that is more resilient and prepared for the future.

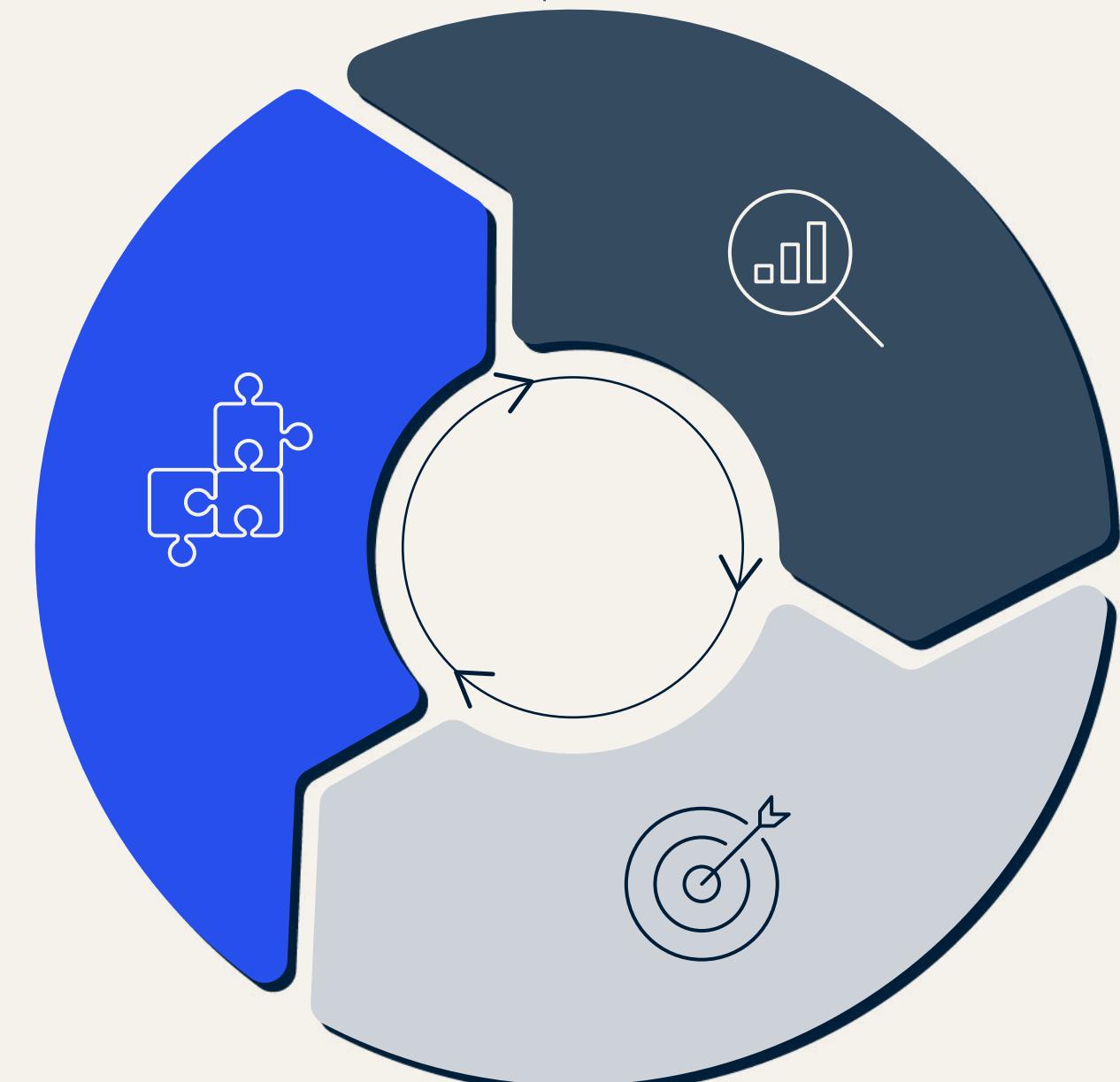
DIAGNOSIS: greenhouse gas emissions inventory (scopes 1, 2 and 3), with a base year of 2022, covering the entire value chain, and identifying the main sources of impact.



STRATEGY: assessment of climate impacts on business and financial planning; use of the Marginal Abatement Cost Curve (MACC) to prioritize projects, including adaptation measures established in partnership with the Boticário Group Foundation, with an emphasis on Nature-based Solutions (NbS) ([learn more](#)).

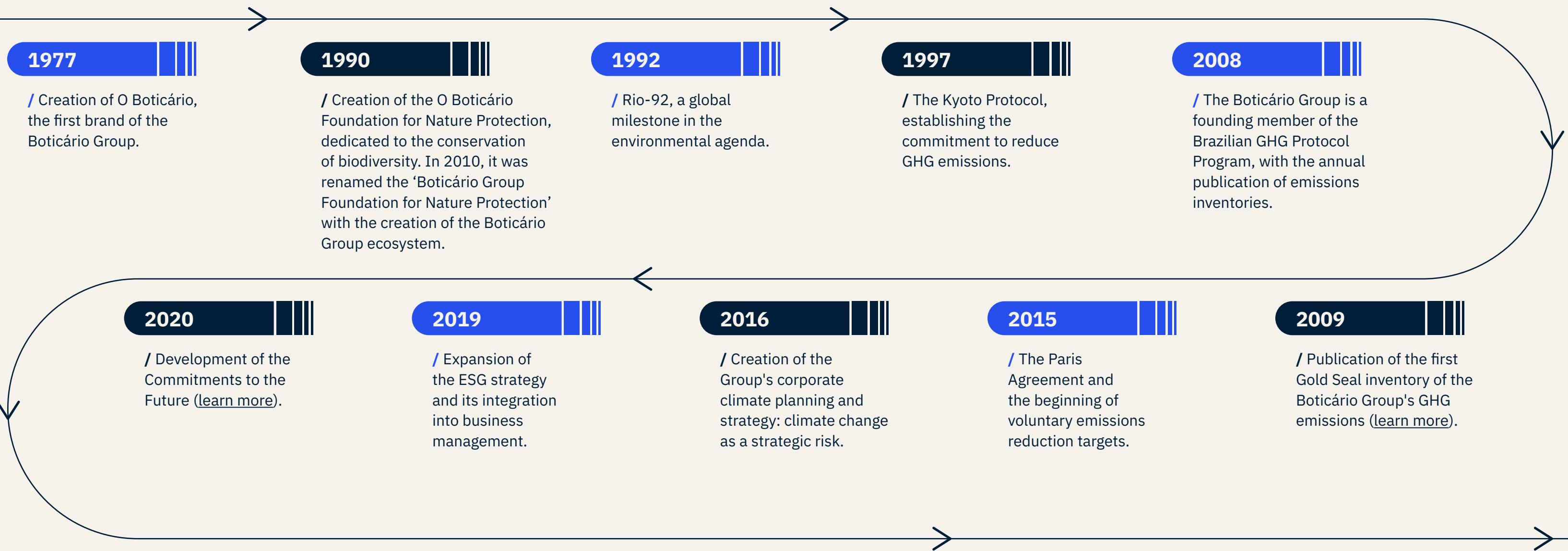


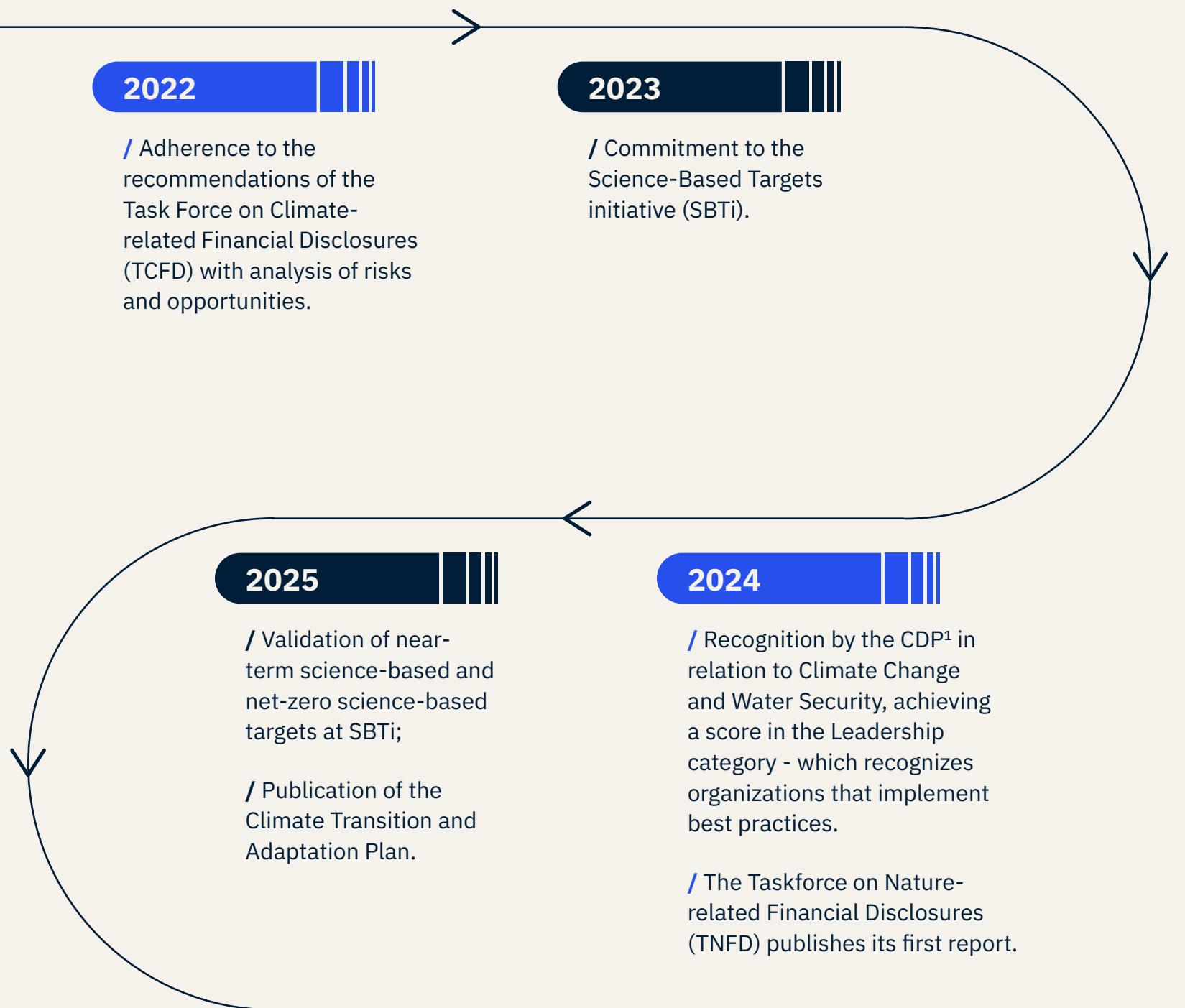
TARGETS AND COMMITMENTS: absolute reductions approved by SBTi, taking into account both the global urgency and the reality of the business.



Our journey so far

The Boticário Group's climate agenda has been consistently developed over more than three decades and reflects the company's evolution in the face of environmental, social, and market challenges.





Along the way, the Group has consolidated processes for measuring and managing emissions, made progress on initiatives that promote the circular economy by expanding its recycling programs, and evolved in integrating sustainability as one of the strategic pillars of the business.

This progress has also brought with it many challenges. The collection of data from the more than 4,000 active suppliers is still difficult. Technological barriers or obstacles to the supply of certain sustainable raw materials restrict the progress on certain fronts. Even so, the company has invested in collaboration, innovation, technology, and data, developing viable solutions together with strategic partners.

The Group's climate commitment is evolving through management, innovation and collaboration

Management of the climate agenda has also been strengthened. Today, climate-related targets are monitored by monthly management actions and individuals from different areas have been made responsible, reinforcing the belief that sustainability is a shared responsibility throughout the company.

The journey so far shows consistency in the climate commitment, as well as the need for constant improvement and engagement of the value chain. The Climate Transition and Adaptation Plan continues along this path, transforming the lessons learned in the past into a solid strategy for the future.

¹ The CDP is a global, non-profit organization that administers the world's only independent environmental disclosure system.

Our journey

- Our Climate Transition and Adaptation Plan
- Engaging the value chain
- Adaptation and resilience
- Climate governance and transparency
- Funding the transition



Our Climate Transition and Adaptation Plan

Where we started: our emissions profile

The Boticário Group conducts its greenhouse gas (GHG) inventory once a year, applying the methodology of the Brazilian GHG Protocol Program. Since 2008, it has published the results in the Public Emissions Registry, with independent third-party verification and Gold Seal certification, which attests to the highest level of quality.

In 2022, the inventory was revised to include all relevant emissions sources over 5%, including 11 of the 15 Scope 3 categories, and covering all the relevant emissions detected in the Boticário Group's beauty ecosystem. This milestone defined 2022 as the base year for the targets approved by the Science Based Targets initiative (SBTi). Learn more at: [ESG Reports](#).



SCOPE 1**DIRECT EMISSIONS**

/ **Stationary combustion:** emissions from boilers and diesel generators.



/ **Mobile combustion:** fuel emissions by own and leased vehicles.



/ **Fugitive emissions:** cooling gases emissions from air conditioning systems and CO₂ from fire extinguishers at sources owned or controlled by the company.

SCOPE 2**INDIRECT EMISSIONS**

/ **Electricity purchases (based on location):** an approach that considers the national emissions factor informed by the Ministry of Science, Technology and Innovation.



/ **Electricity purchases (market-based):** an approach that considers the emissions factors of certified energy sources, such as those purchased on the free energy market.

SCOPE 3**UPSTREAM****INDIRECT EMISSIONS**

/ **Purchases of goods and services:** packaging materials, PMs and miscellaneous services.



/ **Capital goods:** all fixed assets.



/ **Energy-related activities:** indirect emissions not included in Scope 2.



/ **Upstream transportation and distribution:** freight paid by the organization.



/ **Waste generated in operations:** waste treatment process (recycling, incineration, landfill).



/ **Business travel:** air and road transportation of employees on corporate trips.



/ **Commuting:** charter transport, transportation vouchers, and private vehicles.

**DOWNSTREAM****INDIRECT EMISSIONS**

/ **End-of-life treatment of products:** final processing of post-consumer products (recycling, landfill, etc.).



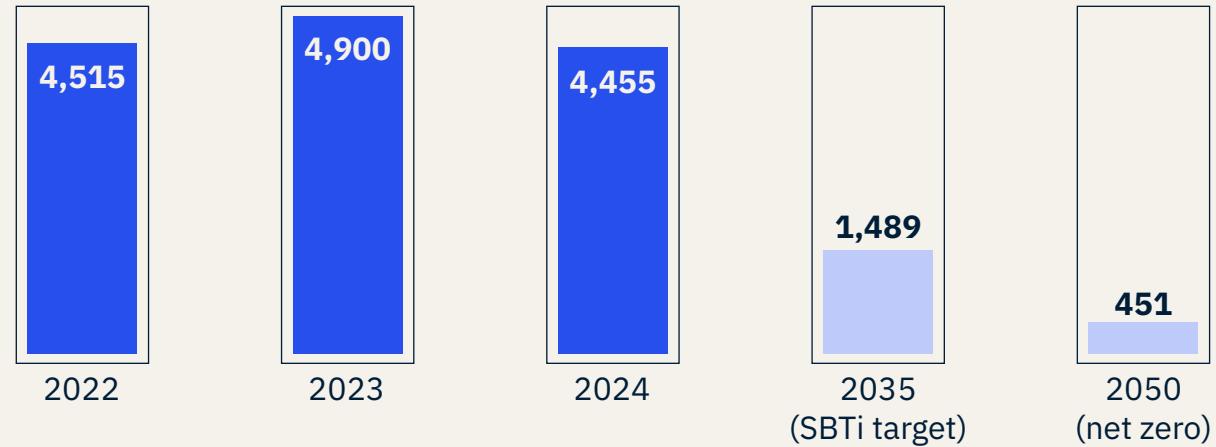
/ **Franchised stores:** electricity consumption.



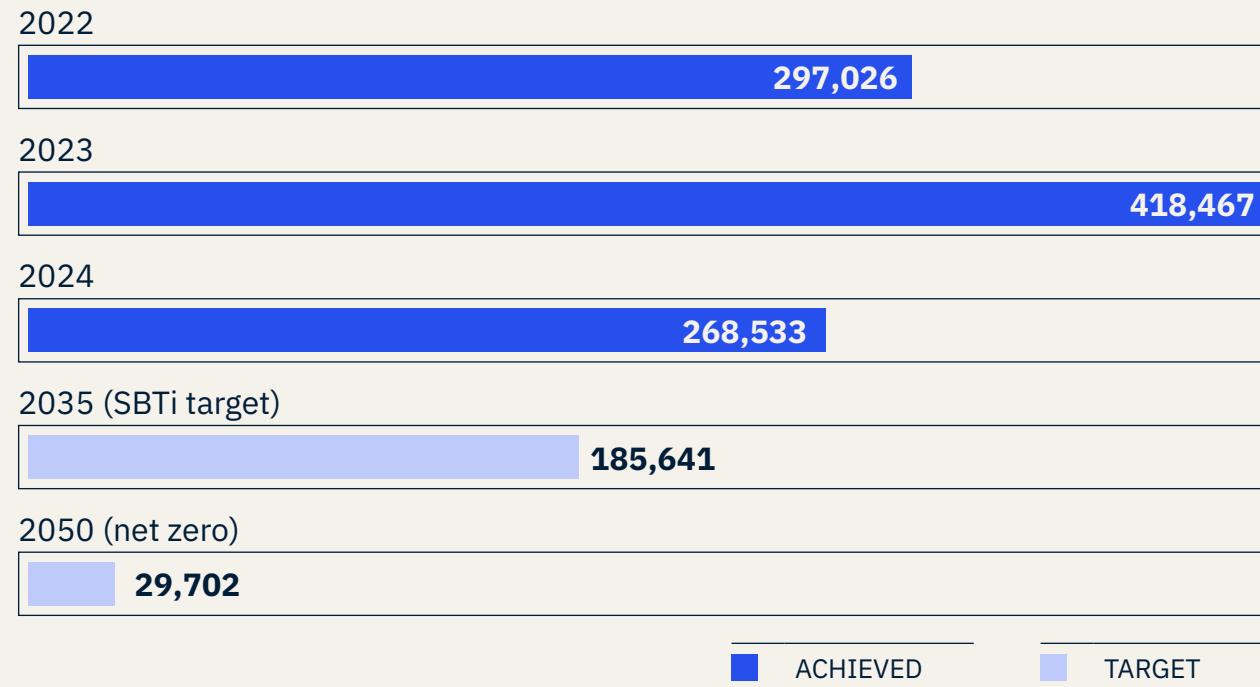
/ **Downstream transport and distribution:** freight not paid by the organization for the distribution of products.

Outlined below is the recent evolution of emissions and the targets set for the coming years:

GHG emissions (tCO₂e) - Scopes 1 and 2 (market-based)



GHG emissions (tCO₂e) - Scope 3



Decarbonization strategy

The Boticário Group has adopted a decarbonization strategy that combines analytical tools and practical actions, covering the emissions in scopes 1, 2 and 3. The prioritization of projects takes into account both the cost-benefits and the environmental impact.

To do so, two complementary tools are used:

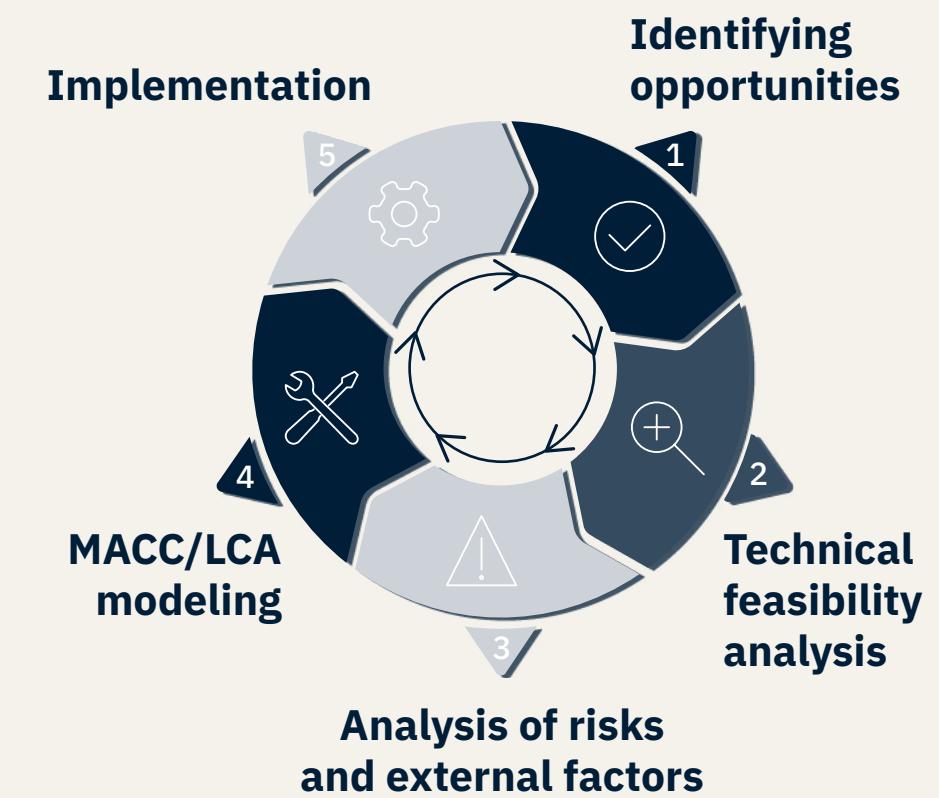


Marginal Abatement Cost Curve (MACC): this evaluates the cost per ton of CO₂ prevented, making it possible to economically prioritize the most viable solutions.



Life Cycle Assessment (LCA): this measures the environmental impacts of products, considering raw materials used in formulas and packaging materials at all stages of development, contributing to decisions related to more sustainable processes and design.

In addition to the environmental and financial variables assessed in the LCA and MACC, risk assessments, maturity of the technology, and regulatory aspects are taken into account when developing mitigation actions. This is an ongoing process that allows us to assess the best decarbonization strategy for the business.

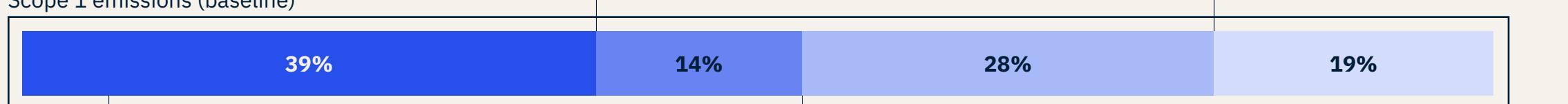


Own operations and energy use (Scopes 1 and 2)

Direct emissions from the Boticário Group's operations (scope 1) arise mainly from two sources: stationary combustion in factory boilers and mobile combustion by the executive and sales force fleets of vehicles.

By 2030, the company plans to have replaced fossil-based natural gas consumption with renewable fuels in the boilers at São José dos Pinhais (PR). This change has the potential to reduce the Boticário Group's direct emissions by around 40%, making significant progress in achieving the climate targets. With regard to the fleets, which accounted for 28% of Scope 1 emissions in 2022 (baseline), the transition to, and encouragement of, the use of biofuels is underway, and electric and hybrid alternatives are being evaluated as these technologies mature in the Brazilian market.

67% Near-term SBTi target for scopes 1 and 2
by 2035
Scope 1 emissions (baseline)




BOILERS
(São José dos Pinhais/PR factory)
Planned initiatives:
replacing natural gas with fuels from renewable sources


COMMERCIAL AND EXECUTIVE FLEETS
Planned initiatives:
replacement of fossil fuels with biofuels and gradual increase of hybrid and electric fleets

In Scope 2, associated with electricity consumption, the Boticário Group already ensures that 100% of its operations are supplied by renewable sources. Factories, distribution centers and company-owned stores already operate with this model, either through direct purchase on the free-energy market or with the distributed generation model, with traceability certificates testifying to renewable sources (I-RECs).

For our own retail operations, the target is for at least 75% of the corporate sales stores being directly managed by the Boticário Group (excluding stores in establishments with energy contracts managed by the condominiums) to be using renewable energy by 2030. Currently, more than 180 of our own retail stores already use renewable energy.

We are in constant movement

“In recent years, we have consolidated the transition of our electricity matrix to renewable sources in our own factories and distribution centers.

Now, with even greater ambitions, we will use our desire to improve to uncover sustainable and competitive solutions that will guide our industrial operations towards net zero.”

LEANDRO BALENA,
Executive Director, IMPE (Industrial, Maintenance, Projects, and Engineering)

Renewable energy in direct operations



FACTORIES

/ São José dos Pinhais (PR)
/ Camaçari (BA)



DISTRIBUTION CENTERS

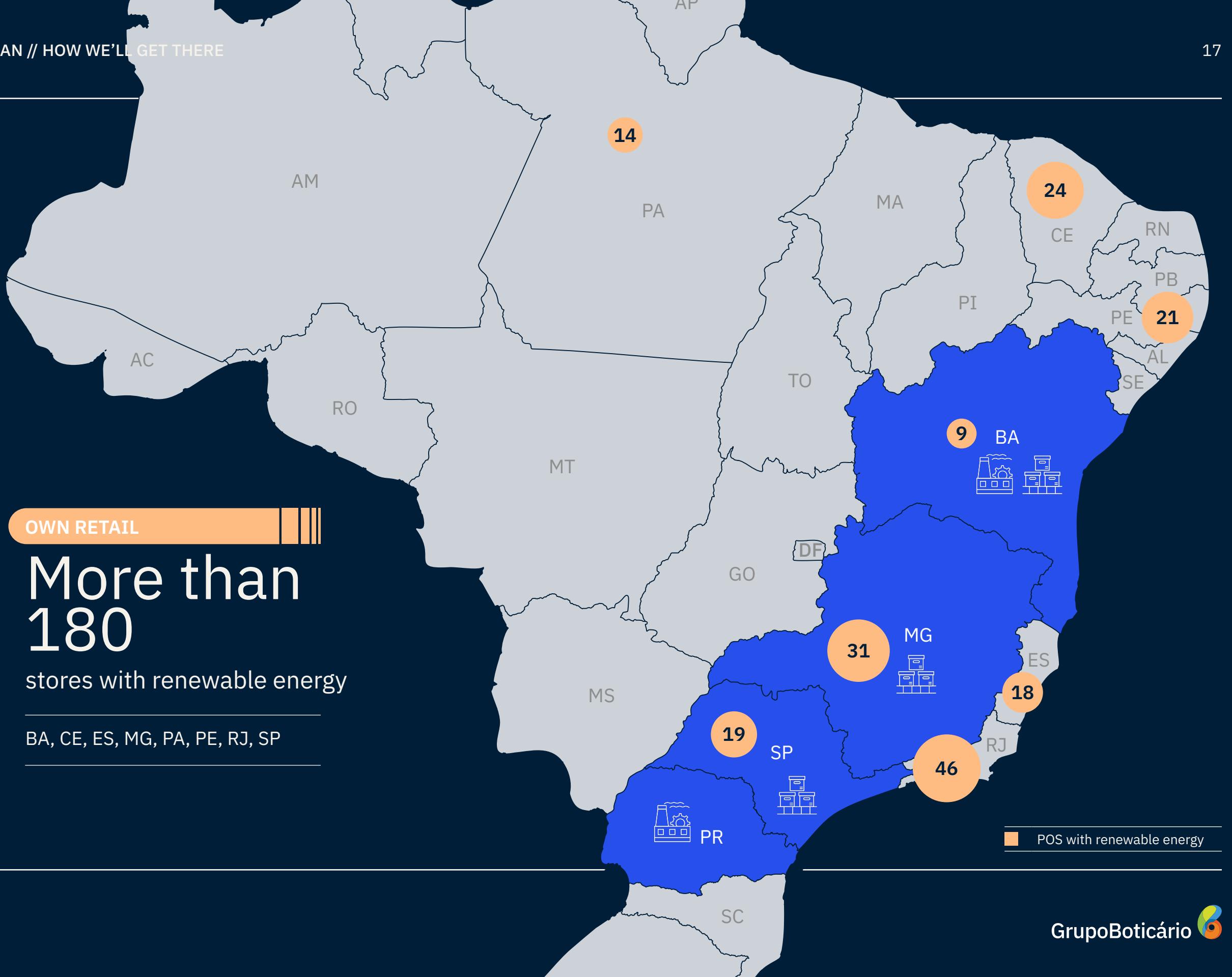
/ Registro (SP)
/ São Gonçalo dos Campos (BA)
/ Varginha (MG)

OWN RETAIL

More than
180
stores with renewable energy

BA, CE, ES, MG, PA, PE, RJ, SP

POS with renewable energy

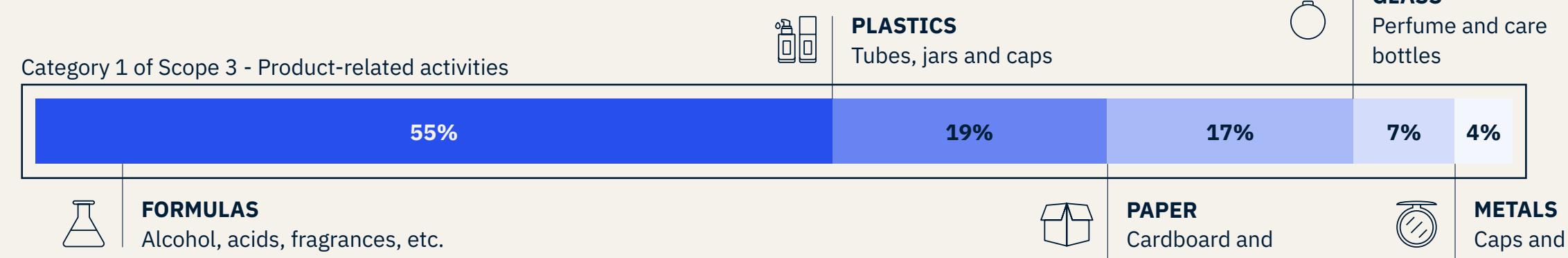


Value chain (Scope 3)

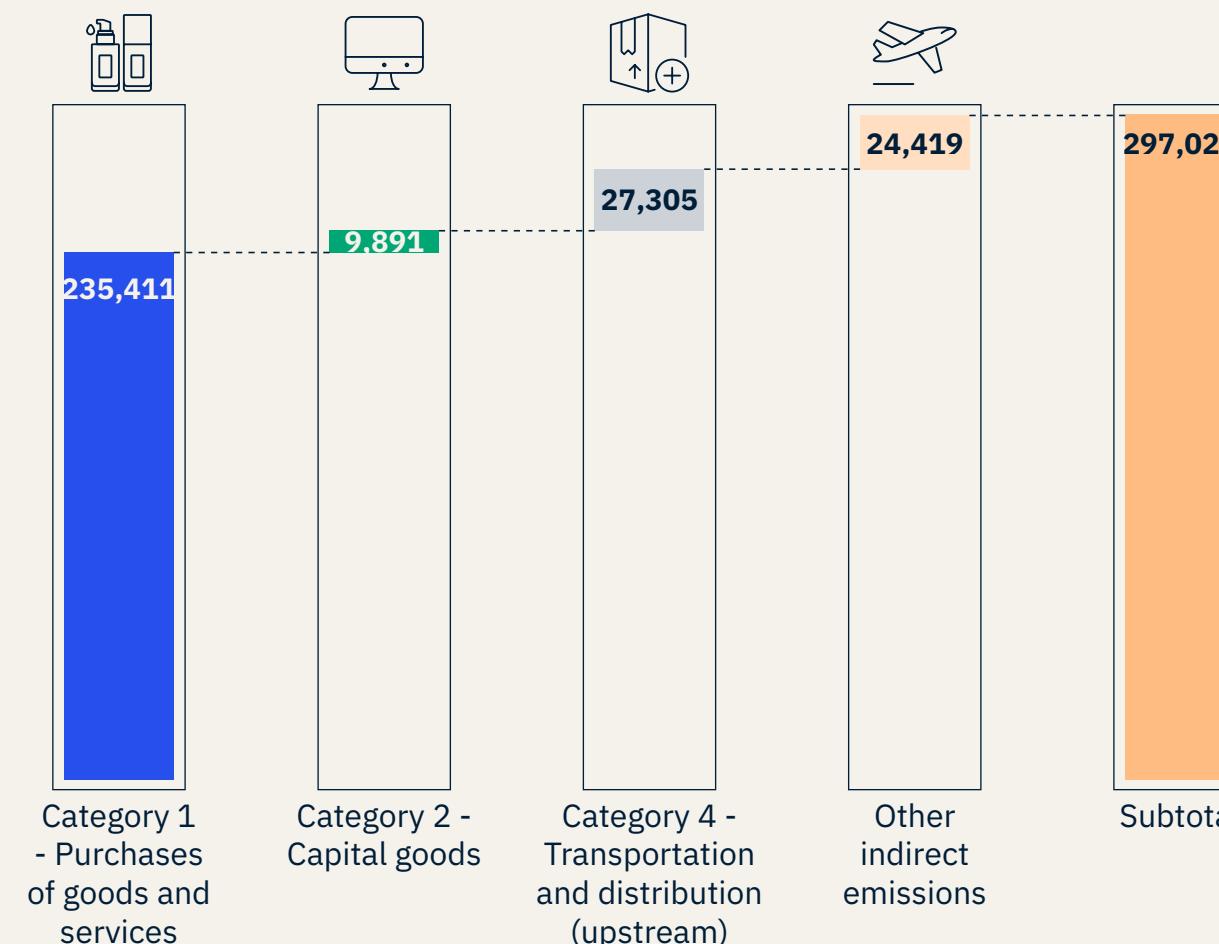
More than 95% of the Boticário Group's total emissions are associated with Scope 3, or in other words, those that occur outside the company's direct operations and are directly related to technological development, infrastructure, and engagement with the value chain and strategic stakeholders. The main sources are to be found in the organization's procurement activities, whether relating to acquired goods and services or capital goods, as well as emissions from the transportation and distribution of products and inputs.



Category 1 of Scope 3 - Product-related activities



Scope 3 | Emissions profile (tCO₂e)



Development of products with a lower carbon footprint

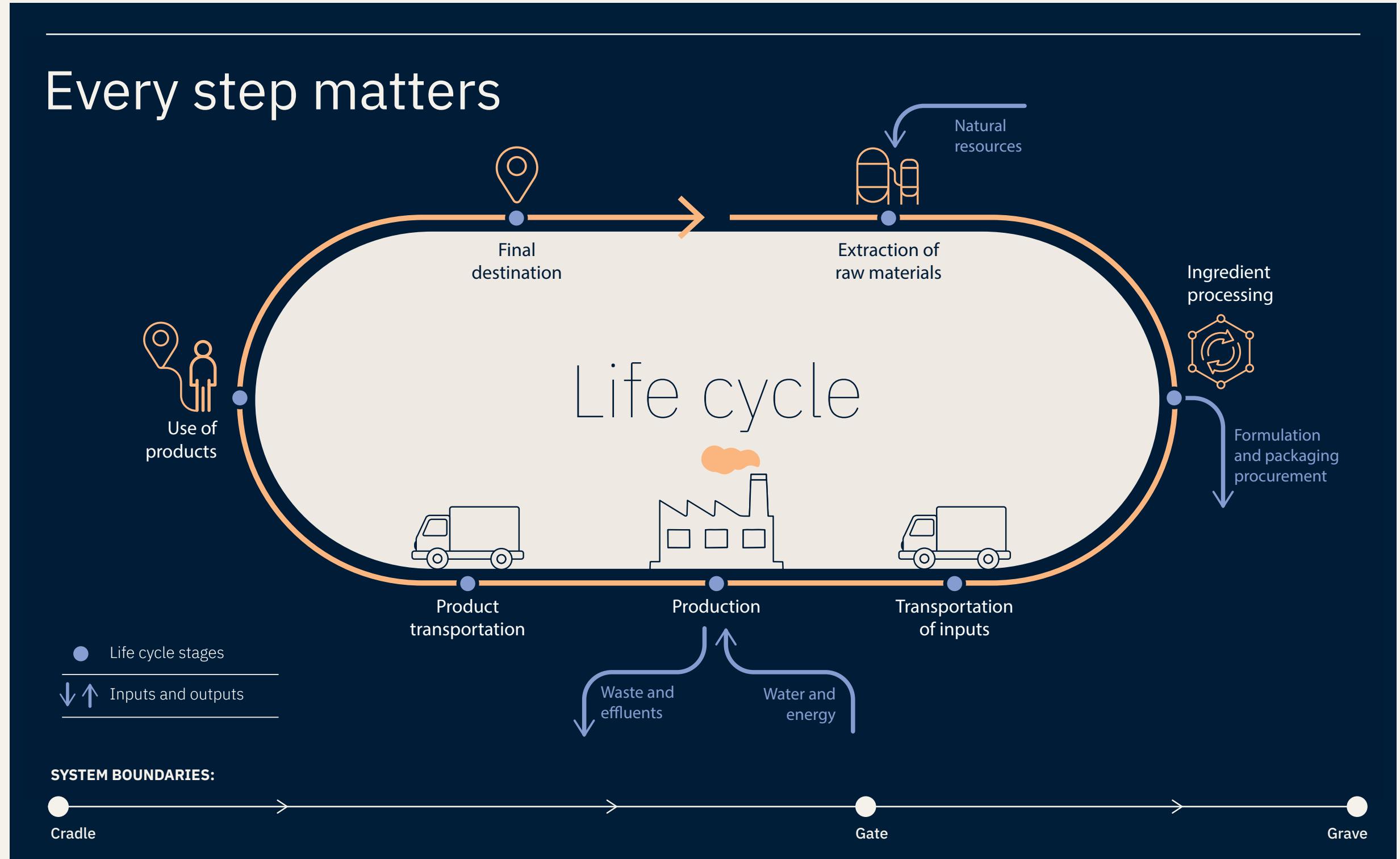
Emissions related to the purchase of raw materials and packaging account for 41% of the total Scope 3 emissions, making them a priority for meeting the 2030, 2035 and 2050 targets. Engaging the supply chain and increasing the use of renewable ingredients, recycled content, and plastic from renewable sources are essential measures in reducing the carbon footprint of products.

The Life Cycle Assessment (LCA) is the main tool adopted by the Boticário Group to measure the environmental impacts of its products throughout the cycle. The methodology considers each stage of the production process, in a "cradle-to-gate" approach, which includes everything from the extraction and processing of raw materials to manufacturing and distribution.

The application of LCA makes it possible to identify the critical points with the greatest impact and to guide improvements in formulas and packaging. Since 2024, the Boticário Group has applied the LCA to 100% of its portfolio, establishing it as a strategic tool for innovation, research, and decision-making.

To ensure transparency and accuracy, the Boticário Group has structured its LCA in accordance with the ISO 14040:2006 standard, which defines the principles and structure for carrying out studies. This alignment has been validated by a panel of experts, resulting in a critical review certificate of the method developed internally by the company. Certification guarantees the reliability of the methodology and data, ensuring that strategic decisions based on the LCA are scientifically sound.

This practice contributes to reducing the carbon footprint and guides the development of products with less impact, prioritizing renewable ingredients and sustainable packaging solutions.



Packaging

LCA analyses also guide decisions on packaging materials and formats, ensuring that innovations result in measurable carbon footprint reduction benefits.

The Boticário Group's packaging strategy consists of three main elements:

- Reduced use of materials through optimized design;
- Incorporation of recycled materials in our packaging, with an emphasis on increasing the use of post-consumer recycled (PCR) plastics and glass;
- Circularity, including design for recyclability, and use of green polyethylene (PEV).

2030
commitment
related to the
topic

These actions reduce the dependence on virgin raw materials, encourage reuse, and strengthen the circular economy together with suppliers and consumers. By prioritizing lower-impact raw materials and directing packaging to recycling, they contribute to reducing carbon emissions and relieving the pressure on landfills.

By expanding the range of refills and the reverse logistics available at points of sale, the Boticário Group is also engaging consumers in more conscientious consumption practices, connecting innovations in packaging to a change in habits.

Minimize the environmental impact caused by solid waste from our direct operations by reducing the volume of waste, through programs designed to encourage recycling and the practice of circularity in packaging.

PACKAGING

ALUMINUM PACKAGING

SPLASH ZAAD

- / Reduction of GHG emissions
- / Recyclable material
- / No visual impact
- / Advanced aluminum alloy with bisphenol-free varnish
- / Use of recycled post-consumer aluminum



CAP WITH PP PCR AND PP VEGETABLE OIL

ARBO

- / Reduction of GHG emissions
- / Recyclable material
- / No visual impact
- / Renewable source
- / Reuse of raw material (used cooking oil)



PLANT-BASED PLASTIC

MATCH AND CUIDE-SE BEM

- / Reduction of GHG emissions
- / Recyclable material
- / No visual impact
- / Renewable source (sugar cane)



Formulas

To make formulas less emissions-intensive, the Boticário Group has adopted an integrated strategy. The initial diagnosis identified those with the biggest carbon footprint, guiding research aimed at developing sustainable innovations. In parallel, the company is working with suppliers to structure a chain of low-emission ingredients, prioritizing renewable and sustainable raw materials in the development of new products.

FORMULATION

CO₂-DERIVED ETHANOL - ARBO

ARBO ATLÂNTICA

- / Greenhouse gas reduction vs plant-based ethanol
- / Recycled raw materials
- / Not dependent on changes in land use
- / Low water consumption



Transportation and distribution

Transport operations are one of the biggest challenges in the decarbonization strategy. The Boticário Group continuously maps its transport operations, identifying opportunities for efficiency and evaluating alternative modes. Examples of efficiency include reducing the number of journeys using double-decker trucks, and constantly optimizing the number of products per box and journey.

The company is currently operating pilot projects with electric and gas trucks at distribution centers located in Registro (SP), São Gonçalo dos Campos (BA), and Campina Grande do Sul (PR), as well as at the factory in Camaçari (BA). These tests make it possible to evaluate emerging technologies, such as the use of biomethane, and to prepare for the scalability of low-carbon transport solutions.

In addition to its own initiatives, the Group engages its partner carriers in the form of workshops, recognition of good practices, and joint development plans. This approach reinforces the understanding that the decarbonization of logistics depends on collaboration between the company and its partner carriers.

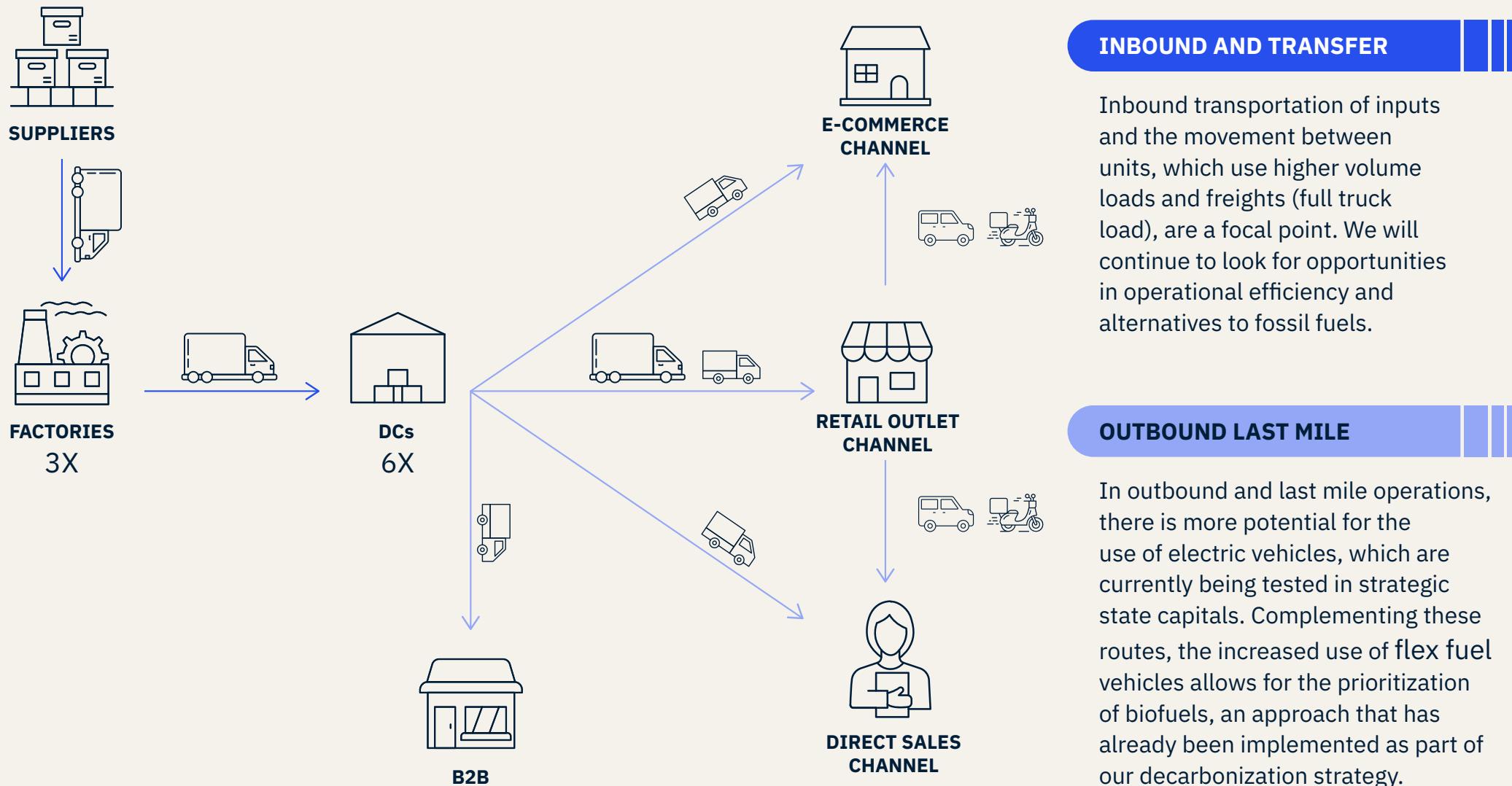
Other initiatives

In addition to the priority actions aimed at reducing emissions, the Group is also developing complementary initiatives that support its long-term goals:

- Revision of support and communication materials, with a focus on reducing print runs and promoting formats with less environmental impact.
- Proprietary reverse logistics programs for different brands and sales channels. Created in 2006, *Boti Recicla* has become the largest reverse logistics program in the cosmetics sector in Brazil in terms of the number of voluntary collection points. In addition to this, the Group also participates in the ***Mãos pro Futuro (Hands for the Future) Sectoral Program***, developed by ABIHPEC,¹ and runs initiatives such as *Recicla Quem Disse, Berenice?* and a packaging collection program aimed at retailers. These actions guarantee the collection and proper disposal of post-consumer packaging and retail materials, in partnership with 19 recipients - approved cooperatives - which are responsible for sorting and recycling the waste.

¹ ABIHPEC is the Brazilian Cosmetics, Perfumery and Personal Hygiene Industry Association.

Simplified model - the Boticário Group's transport operations



We are
passionate
about execution

“ The Boticário Group's transportation operations have the specific characteristics of a multichannel and multi-brand model, which provides our network with both advantages and challenges. Our passion for quality performance drives our strategy. We experiment and quickly learn how to efficiently scale up solutions, while we are also able to reduce operational risks and implement opportunities that minimize environmental impacts.”

UIBIRA BERNARDI,
Executive Director of Logistics

GRUPO BOTICÁRIO'S REVERSE LOGISTICS PROGRAMS

In 2024, the Boticário Group's reverse logistics programs recorded an 85% increase in the volume of packaging collected and sent to recycling cooperatives, compared to 2023.

The network already has more than 4,500 collection points in every Brazilian state, which receive cosmetics packaging regardless of the brand. These initiatives benefit more than 500 waste collectors throughout the country and contribute directly to reducing the greenhouse gas (GHG) emissions associated with the end of life of products.



RECYCLING CHAIN DEVELOPMENT PROGRAMS SUPPORTED BY THE BOTICÁRIO GROUP

Since 2021, the Boticário Group has been running the *Estação Preço de Fábrica* (Factory-Price Station) project in partnership with the Green Mining startup. The initiative aims to strengthen the recycling chain and increase circularity by operating seven collection points in Minas Gerais, São Paulo and Bahia. At these points, materials such as glass, plastic and paper are collected and sent for recycling in partnership with glass packaging producers.

As well as increasing the circularity of waste, the project generates a positive social impact by rewarding collection with more attractive remuneration rates, stimulating income, and strengthening cooperatives. It also contributes to reducing greenhouse gas emissions by making the recycling chain more efficient and structured.

Engaging the value chain

Climate transition will only be possible through mobilization of the Boticário Group's main partners: suppliers, transporters, franchisees, consultant networks, and consumers. Engagement of the chain is highly structured, combining diagnoses, training, collaboration, recognition, and continual monitoring.

Suppliers

The Group uses two main tools to collect data and evaluate its suppliers:

- **Beauty Chain (ESG Questionnaire):** personalized data collection on governance, social, diversity and environmental issues (climate, water, biodiversity, energy and waste), applied widely to the Group's suppliers.
- **CDP Supply Chain:** collection of data on emissions, climate maturity, water, and forests, covering strategic suppliers and others identified as being involved in these criteria.

The Group has a Supplier Evaluation and Development Program (PADP), which provides a way of evaluating strategic partners on an annual basis, taking into account technical, commercial, quality, service, and ESG criteria (including the Beauty Chain and CDP).

By 2024, 50% of the suppliers participating in the CDP Supply Chain* already had their own emissions reduction targets, demonstrating progress in terms of engagement. Based on the diagnoses, development plans are structured and workshops are offered to support the path towards decarbonization in different sectors of the chain.



50%
of the suppliers invited to respond to the CDP Supply Chain by supplying data already have emissions reduction targets

* CDP's Supply Chain Program is an environmental disclosure platform for global suppliers that allows for a clear understanding of the risks, impacts, and opportunities involved in the value chain.

ENGAGEMENT PILLARS

Engagement of the value chain is highly structured, being based on five pillars:

 **Data:** ongoing collection of information on GHG emissions, combining methodologies based on expenditure and Life Cycle Assessment (LCA).

 **Definition of major suppliers in the climate strategy:** segmentation by relevance and level of maturity, with improvement plans and monitoring of actions for all strategic suppliers.

 **Collaboration for development:** joint training, a channel for open dialogue, and encouragement of innovation in low-carbon solutions.

 **Strategy customization:** adaptation of approaches depending on the challenges of each partner and sector, with special attention being paid to critical suppliers.

 **Recognition:** an annual award that recognizes suppliers with the best ESG performance by category, whilst opening up additional business opportunities.

Pursuing Responsible Growth

“We have been engaging our strategic suppliers in the PADP for over 28 years

to be able to move forward consistently, as we strive for responsible success.

FABIO MIGUEL,
Executive Director of Procurement



Consumers and society

As well as engaging suppliers, the Boticário Group also involves consumers and society in more conscientious consumption practices. Reverse logistics programs involve the public in the circular economy agenda to a greater extent by encouraging the proper disposal of beauty product packaging following consumption. At the same time, educational campaigns reinforce the importance of everyday choices that contribute to reducing the carbon footprint.

Boti Recicla Store



Between May 23 and 25, 2025, O Boticário's concept store in the Pinheiros neighborhood of São Paulo hosted the **Boti Recicla Store**, an unprecedented initiative that accepted empty cosmetics packaging as a means of payment. The initiative collected more than **one ton of waste**, preventing the emission of an equivalent amount of CO₂.

All the material was sorted by type and sent for recycling by a partner cooperative. Part of the material went to *Mão Colorida*, a visual communication company that will transform the waste into **eco-boards**, made from materials that are difficult to recycle. These boards will replace MDF and other traditional raw materials in the furniture of the brand's new stores, thus practically demonstrating the potential benefits of the **circular economy**.

Network of resellers and franchisees

The network of resellers and franchisees has been encouraged to act as an agent of transformation in the retail sector through training programs and incentives to adopt sustainable practices.

In 2024, the Boticário Group launched 12 educational videos focused on sustainable practices in franchises, providing examples relevant to the climate journey. The aim

was to expand knowledge and encourage franchisees to engage with the topic, with the initiative also coming to form part of the IAF Cast, the network's internal podcast, as a space for sharing experiences and good sustainability practices.

Another noteworthy initiative is the *Energia do Amanhã* (Energy of Tomorrow) Program, which seeks to expand the grid's access

to renewable energy at more competitive prices, demonstrating that the energy transition is viable as part of the Boticário Group's beauty ecosystem. One advantage offered by the program is that it allocates a percentage of each invoice paid by franchisees to the *Viva Água* Movement, creating a virtuous cycle of shared value and positive environmental impact.

Employees

The engagement also includes the Boticário Group's employees, who receive annual training on climate change and take part in sustainability training courses. Over the last three years, more than 3,000 employees have been trained, strengthening the culture of sustainability as part of the Boticário Group's routine.

REVERSE LOGISTICS GYMKHANA

In addition to continuing to train employees, an annual gymkhana is held to encourage the proper disposal of post-consumer cosmetics packaging at the voluntary collection points that form part of the *Boti Recicla* Program, strengthening reverse logistics and raising awareness of the positive impacts this practice can have.

Management of risks and opportunities

In addition to reducing its emissions, the Boticário Group is also preparing for the current and future impacts of climate change. This work involves mapping risks, identifying opportunities, and developing transition and adaptation measures that strengthen the resilience of the business, its value chain, and society as a whole.

CLIMATE SCENARIOS

Following the TCFD guidelines, a transition risk analysis was carried out considering different global climate change scenarios, including a scenario of lower than 2°C and another that reflects current policies.

Net zero (SSP1-1.9)

This limits the increase in the average global temperature to 1.5°C by the end of the 21st century, forecasting the level of effort needed for an accelerated transition to a low-carbon economy.

Declared policies (SSP2-4.5)

This category reflects the impact of currently implemented or announced climate policies, assessed by the sector and

the country, resulting in a medium-term prediction on warming trends.

Intermediate (RCP4.5)

This represents a moderate mitigation scenario, with an increase in the use of renewable energies and additional policies to reduce emissions. Following this path, global emissions would stabilize and begin to decline after 2080, limiting warming to levels below those predicted in the pessimistic scenario.

Pessimistic (RCP8.5)

This is a high emissions scenario, characterized by intensive use of fossil fuels, high population growth, and poor implementation of mitigation policies, resulting in a significant increase in temperatures by the end of the century.

The scenarios evaluated make it possible to project warming trends through to 2100. The Boticário Group, however, has adopted 2050 as its planning horizon, in line with the Paris Agreement and its net-zero emissions target.

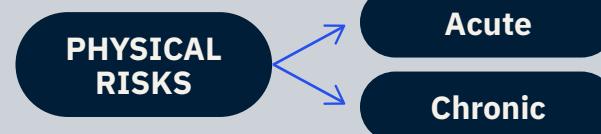
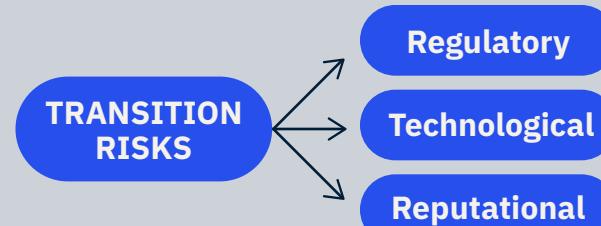
RISKS RELATED TO CLIMATE CHANGE

The Group adopts climate risk assessment methodologies in line with international standards, considering different global warming scenarios. These analyses are part of the corporate risk map and position climate variables alongside financial and operational aspects.

TRANSITION RISKS

These include regulatory and market factors that can directly affect operations and products:

- Pricing of greenhouse gas emissions;
- Shifts in consumer preferences towards products with a lower carbon footprint;
- Exposure to climate-related litigation;
- Late transition to low-carbon technologies and inputs;
- Emergence of mandatory certifications and labeling standards;
- Inclusion of climate variables in licensing processes;
- Non-compliance with regulations or market standards.



PHYSICAL RISKS

Physical risks are associated with an increase in the frequency and intensity of extreme events such as droughts, intense rainfall and heatwaves, as well as water scarcity and changes in climate patterns that could compromise the availability of resources.

Identifying physical risks requires a geographical analysis of the units, surveying the main climate indicators applicable to each municipality through the use of tools such as *Adapta Brasil*. Physical risks classified as being 'significant' and 'high' were prioritized in order to draw up action plans.

IDENTIFICATION AND ASSESSMENT OF PHYSICAL RISKS

4 Climate threats

/ **Drought:** long periods of drought

/ **Heatwaves:** high temperatures for the period according to historical records

/ **Floods:** events related to floods, flash floods, and waterlogging

/ **Storms:** extreme rainfall intensity

2 Dimensions assessed

Acute

/ Extreme, sudden and short-lived weather events

Chronic

/ Gradual and long-term changes in climate patterns

13 Impacts identified

Main impacts:

- / Loss of inputs and finished products
- / Reduction in production capacity
- / Damage to employees' health

Website	Storms	Drought	Floods ¹	Heatwaves
Factories	2/3 with significant impact	3/3 with significant impact	3/3 with significant impact	1/3 with significant impact
Distribution centers	2/7 with significant impact	No significant impact	5/7 with high impact 1/7 with significant impact	2/7 with significant impact

RISK CLASSIFICATION

HIGH

SIGNIFICANT

¹ In the study, "floods" take into account floods, flash floods and waterlogging. Most of the municipalities assessed indicated a high risk of occurrence.

Climate opportunities

Efforts to mitigate and adapt to climate change also create strategic opportunities for the Boticário Group. These include:

- More efficient use of resources;
- Adoption of alternative energy sources;
- Adoption of nature-based solutions with gains for the business (cost reductions, increased resilience, and reputation), promotion of biodiversity, and human well-being;

- Development of research and innovation in products and processes;
- Access to new sustainable funding options;
- Strengthening the resilience of the value chain by engaging suppliers.

These opportunities show that by tackling climate risks, the company can also generate value and competitiveness for its business ecosystem.



Adaptation and resilience

Based on the physical risks identified, the Boticário Group has structured its Climate Adaptation Plan for critical scenarios, including the most pessimistic ones. The plan includes structured actions, specific indicators, implementation stages, and continual monitoring.

The central objectives of the adaptation measures are:

- To prevent risks from materializing;
- To reduce impacts in the event of extreme events;
- To respond more quickly and effectively to the effects of climate change.

The measures have been grouped into two categories: **structural**, which involves Nature-Based Solutions (NbS) and investments in the physical infrastructure; and **non-structural**, which includes management protocols, response mechanisms, and exposure control.

The prioritization considers three criteria:

- **EFFORT**, related to implementation time;
- **INVESTMENT**, referring to implementation and maintenance costs; and
- **EFFECTIVENESS**, measured by the ability to reduce potential harm.

The implementation is transversal, involving teams from different areas of the company, reinforcing the understanding that climate management is a shared responsibility.

These measures are complemented by projects developed in partnership with the Boticário Group Foundation, aimed at ensuring water security, coastal resilience, and Nature-Based Solutions in urban areas ([learn more](#)).

Comparative table: climate adaptation measures

STRUCTURAL MEASURES			
EXAMPLES	EFFORT (time)	INVESTMENT (cost)	EFFECTIVENESS (reduction of risk)
/ Nature-based solutions (NbS) / Investment in infrastructure	Medium to long-term	Medium to high	High
NON-STRUCTURAL MEASURES			
EXAMPLES	EFFORT (time)	INVESTMENT (cost)	EFFECTIVENESS (reduction of risk)
/ Risk management / Control and response protocols / Exposure procedures	Short to medium term	Low to medium	Medium to high

Climate Adaptation Plan: main impacts and measures

Pillar	Main impacts	Adaptation measures listed
Infrastructure	Damage to the physical structure of the company's assets as a result of extreme weather events (flooding, storms, intense heat)	<ul style="list-style-type: none"> / Climate crisis response plans / Green infrastructure for water retention and infiltration (rain gardens) / Prior climate risk assessment
People	Reduced productivity and risks to employee health and safety	<ul style="list-style-type: none"> / Occupational health and first aid protocols / Investments in thermal comfort and well-being
Production	Loss of inputs, reduction in production capacity, or interruption of the supply chain	<ul style="list-style-type: none"> / Water collection and reuse / Monitoring and supporting the conservation of water sources / Encouraging more sustainable production practices

Some adaptation measures focusing on water security, equipment and infrastructure adjustments are already being implemented, helping to increase the resilience of both the Boticário Group and society to the effects of climate change.

Water Security in operations

Water management is a central pillar of the Boticário Group's climate adaptation, which combines actions to reduce consumption and increase efficiency and reuse, favoring water availability in the regions where it operates.

RECARREGA CAMAÇARI PROGRAM

The *Recarrega Camaçari* program aims to increase water availability in priority areas by replenishing the Marizal São Sebastião Aquifer in Camaçari (BA). In 2025, a pilot project was launched with the restoration of one hectare of degraded forest (approximately 1,400 seedlings), together with the installation of two biodigesters to treat the sanitary effluent from 12 houses neighboring the factory.

WATER REUSE

Increasing the water efficiency of operations is already one of the company's commitments. With specific targets for reducing water intensity in production processes and increasing water reuse in plants, the Boticário Group has been developing a series of initiatives aimed at achieving these objectives. In 2024, in addition to using reuse water to flush toilets, clean floors, sidewalks, and facades, and irrigate gardens, the Boticário Group

started using this resource in processes such as running boilers (generating savings of more than 3% of the total volume consumed by the company), demonstrating the success of the improvements made to the Reuse Water Treatment Plant (ETAR) at the São José dos Pinhais factory (PR) in 2023.

2030 commitment related to the topic

Increasing the water efficiency of the business and positively impacting strategic river basins for ourselves and for society.

Nature conservation and biodiversity

The Boticário Group actively seeks to increase the resilience of ecosystems and business operations, understanding that nature is a basic model that needs to be followed. Nature conservation and biodiversity are essential pillars of the Boticário Group's strategy. The Boticário Group Foundation for Nature Protection, which is celebrating its 35th anniversary, focuses on Nature-Based Solutions (NbS) as the main path to climate adaptation and water security.

Boticário Group Foundation

Nature conservation and the promotion of biodiversity are part of the essence of the Boticário Group, not just as part of the climate agenda, but as an objective and legacy that supports the sustainability of the business.

Since 1990, the Boticário Group Foundation has been working to maximize this commitment, connecting conservation and climate adaptation through integrated projects, programs, and solutions. This initiative reinforces the role of nature as a strategic ally in building a low-carbon future by combining topics such as water security, coastal resilience, biome conservation, and urban solutions, as well as integrating Nature-Based Solutions (NbS) into mitigation and adaptation actions.

In 2025, the **Boticário Group Foundation is celebrating its 35th anniversary**. Over the following pages are some of the results achieved over the course of our journey.



More than

1,800

conservation initiatives supported, including research projects, impact businesses, and conservation innovation projects



178 species

of fauna and flora discovered in Brazil



Protection of

11,000 hectares

through two private reserves located in two of Brazil's most threatened biomes: the Atlantic Rainforest and the Cerrado

VIVA ÁGUA MOVEMENT

The Viva Água Movement (MVA), created by the Boticário Group Foundation, is an adaptation measure that translates the vision of conservation as a climate ally into practice. The initiative engages multiple actors to promote water security and resilience in strategic river basins.

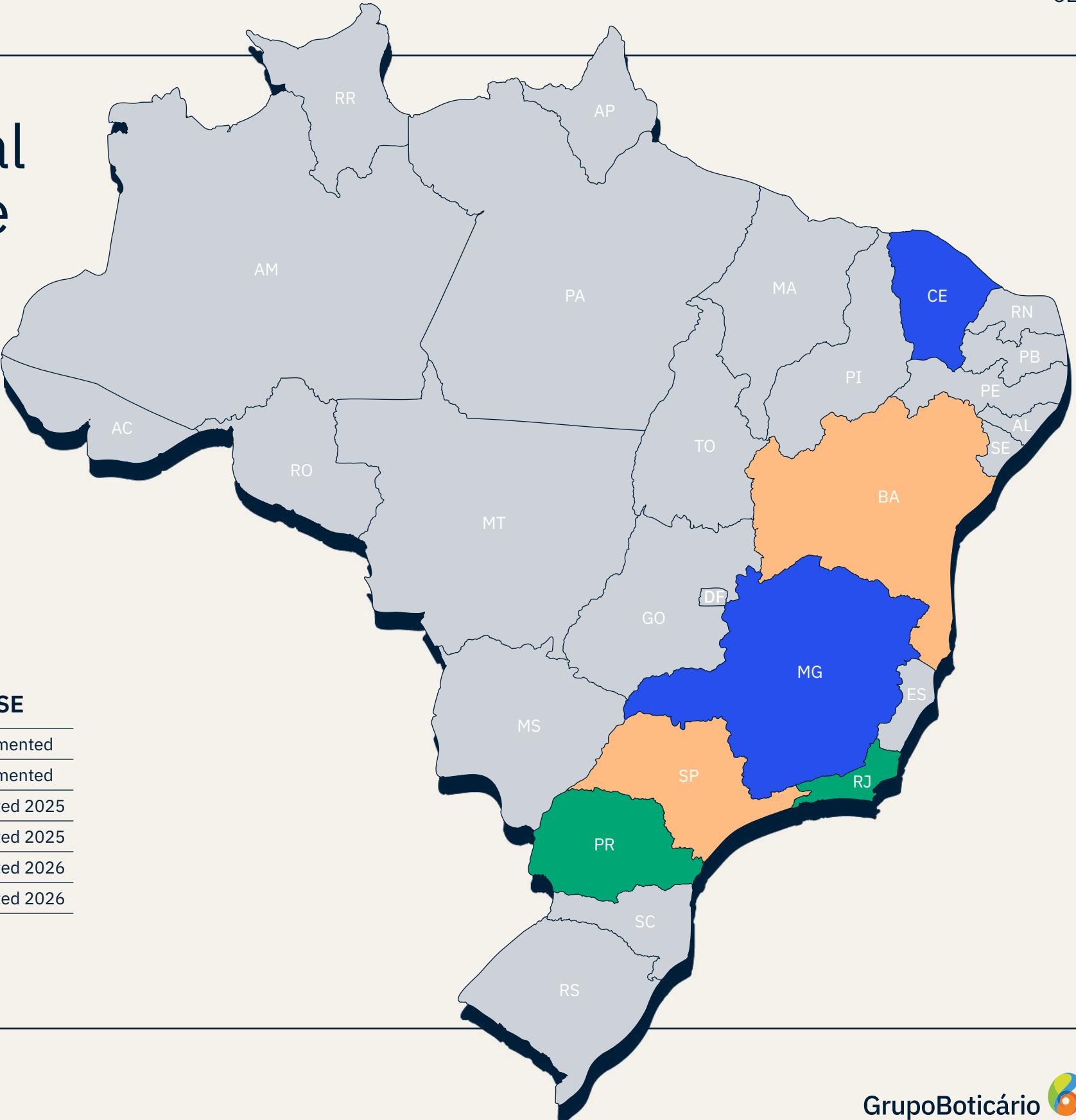
Since its launch in 2019, it has worked in four regions: two consolidated - the Miringuava River Basin (PR) and Guanabara Bay (RJ) and two in the implementation phase - the Cantareira System (SP and MG) and Grande Salvador (BA).

Its aim is to implement collaborative governance that connects and strengthens existing initiatives, as well as co-create solutions aimed at nature conservation and supporting entrepreneurship, using innovative financial mechanisms that boost positive socio-environmental impacts and water security.

The goal is to have the initiative operating in six territories by 2030, expanding the scope of conservation and adaptation actions in Brazil and contributing to the country's water and climate resilience.

MVA National Performance

REGION	PHASE
CURITIBA (PR)	Implemented
RIO DE JANEIRO/RJ	Implemented
SÃO PAULO (SP)	Expected 2025
SALVADOR (BA)	Expected 2025
FORTALEZA (CE)	Expected 2026
BELO HORIZONTE (MG)	Expected 2026



PRIVATE NATURAL HERITAGE RESERVES

As part of its historic commitment to conservation, the Boticário Group Foundation maintains two Private Natural Heritage Reserves (RPPNs) in biomes that are among the most threatened in the country: the Atlantic Rainforest (Guaraqueçaba - PR) and the Cerrado (Cavalcante - GO). Together, they protect around 11,000 hectares of strategic ecosystems.

These areas contribute to the conservation of biodiversity - the reserve in Cavalcante is home to a diversity of 471 species of plants and 553 species of animals, while the reserve in Guaraqueçaba has recorded 692 species of flora and 585 species of fauna. Protected areas also ensure essential ecosystem services, such as regulating the water cycle, maintaining air quality, and protecting genetic resources. They also act as refuges for species in scenarios of extreme weather events and help to mitigate floods and preserve water, strengthening the adaptation of local communities to climate change.



471
plant species and

553
animal species
in the reserve in
Cavalcante (GO)



692
plant species and

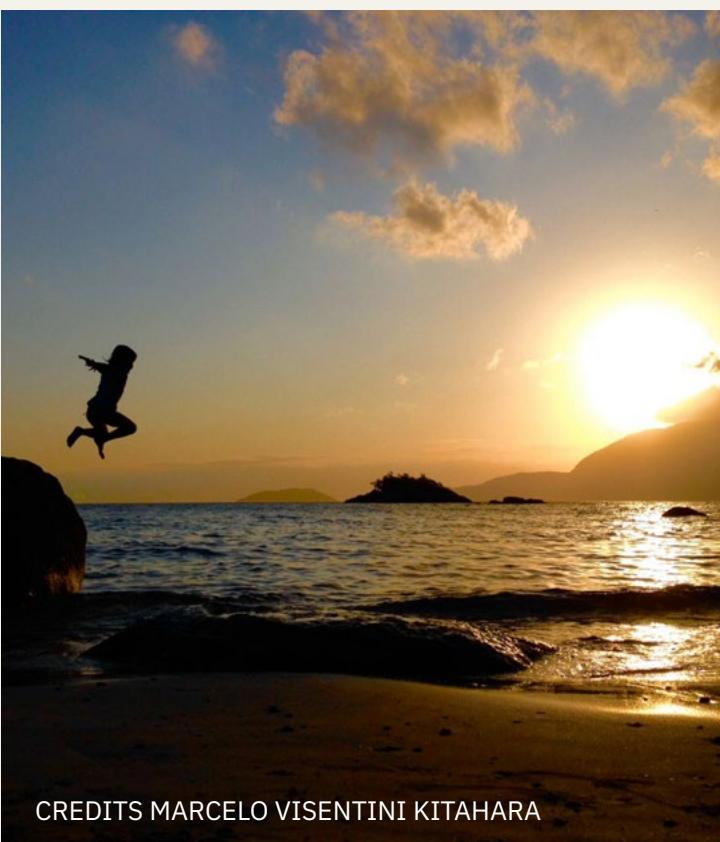
585
animal species
in the reserve in
Guaraqueçaba (PR)



NbS ACCELERATOR¹ IN CITIES

In partnership with WRI Brasil, the Boticário Group Foundation supported the creation of the Accelerator for Nature-Based Solutions in Cities, a program that implements conservation in the urban space, structuring climate adaptation projects in different regions of the country.

Over the course of nine months, the initiative contributed to the development of ten projects in different regions of the country, making them more robust and viable for implementation. The program focused on the main challenges facing municipal governments, such as the difficulty teams have in drafting qualified projects with Nature-Based Solutions and the lack of economic and financial valuation tools, and highlighted the urgent demand from the public sector for support in this field.

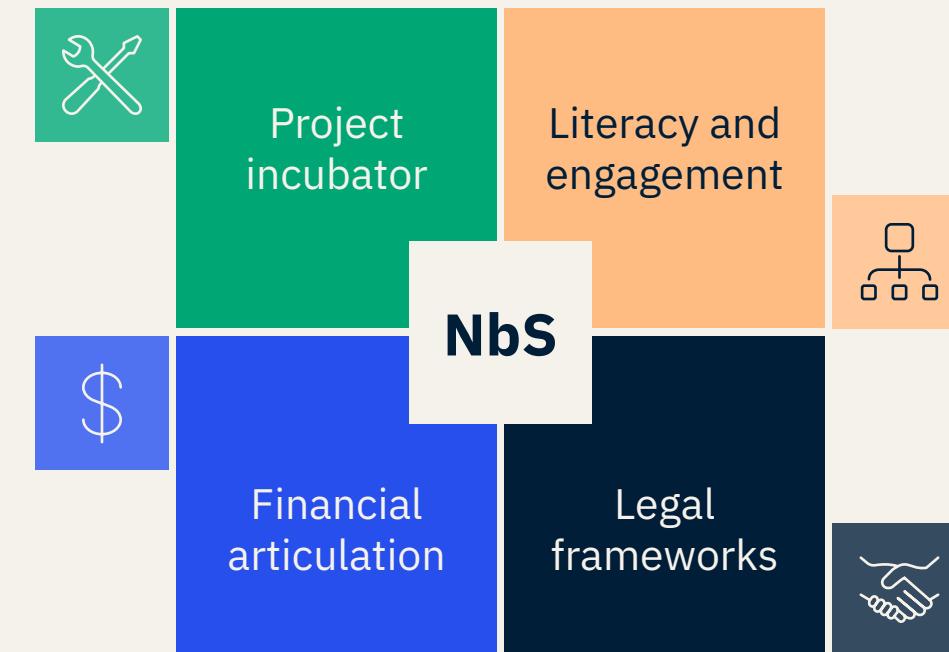


Its main legacy has been the practical learning on how to transform initial ideas into structured projects capable of leveraging funding to integrate Nature-Based Solutions into urban climate adaptation strategies. Of the ten municipalities supported, in less than a year four had already received funding to implement the projects. Learn more at: [WRI Brasil](#).

¹ NbS are actions that use natural processes and ecosystems to tackle the most pressing challenges of our time, including water availability and the impacts of extreme weather events such as floods.

SOLUÇÃO NATUREZA (NATURE SOLUTION) PROGRAM

The *Solução Natureza* Program aims to promote climate resilience in Brazilian municipalities through the structured implementation of Nature-Based Solutions (NbS) at a national level. The program works along four main lines: literacy and engagement, the regulatory environment, financial mechanisms, and project incubators.



The structure of the program is wide-reaching and seeks to remove barriers to the large-scale implementation of NbS-based urban projects. It involves everything from disseminating the concept and designing projects to making funding possible and establishing a favorable regulatory environment, encouraging the expansion of NbS in Brazilian cities.

The program seeks to attract public and private investment for NbS, engage financial institutions and co-construct innovative financing mechanisms, qualify public entities to prepare projects, and raise public awareness about the importance of NbS for sustainability and climate resilience.

Focus areas of the *Solução Natureza* Program

Solução Natureza

Project Incubator

Out of the experience gained from the Accelerator for Nature-Based Solutions in Cities, the Nature Solution Project Incubator was born, a Boticário Group Foundation initiative in partnership with C40 Cities¹. Its aim is to support up to 30 municipalities in qualifying urban development projects with NbS and connecting them with funding agents, thus expanding the reach of urban projects that use NbS to make cities greener, more resilient, and more adapted to the climate crisis.

[Learn more here.](#)



Regulatory environment - action on climate policies and financing

The Foundation also works strategically to integrate NbS into public adaptation policies, implementing the perspective of conservation and Nature-Based Solutions (NbS) into national and international agendas. It operates on a range of different fronts:

/ National level: technical advice and influence on the integration of NbS into adaptation guidelines, such as the Federal Adaptation Law ([Law No. 14.904/2024](#)), the *Cidades Verdes Resilientes* (Resilient Green Cities) Program, the Climate Adaptation Plan, and the *AdaptaCidades* Program.

/ International level: inclusion of NbS in the United Nations' (UN/UNFCCC) Global Goal on Adaptation (GGA) standards.

/ Financial mechanisms: In partnership with the *Associação Brasileira de Desenvolvimento* (Brazilian Development Association / ABDE) and WRI Brasil, the Boticário Group Foundation offers training for all the leading urban development financing banks in Brazil. It also provides guidance to development finance institutions on improving innovative financial mechanisms, assessing climate risks, and prioritizing urban projects that incorporate NbS, thus strengthening the resilience of cities, with benefits for people and nature.



Training and engagement

The Boticário Group Foundation works to disseminate the concept of NbS to the general population, as well as develop specific initiatives focused on training strategic players (representatives of the federal government on the Inter-ministerial Committee on Climate Change and

authorities in those municipalities considered to be the most vulnerable in Brazil - via the federal government's *AdaptaCidades* program). More than 2,000 strategic players were trained over the course of 2023 and 2024 to draw up sectoral adaptation plans involving NbS at federal level, and adaptation plans at municipal level, while also providing an online knowledge course on the ENAP Platform (National School of Public Administration Platform).



***Teia Resiliência Climática* (Climate Resilience Web)**

The *Teia Resiliência Climática* is a multi-sectoral program aimed at funding different regional projects, aimed at climate adaptation and protection of biodiversity. There have already been two editions focusing on NbS: one on the Great Atlantic Forest Reserve (GRMA) and the other on climate resilience in Rio Grande do Sul. The objective of the Web is to mobilize resources with strategic partners to enable concrete conservation actions at local level. To this end, calls for projects are issued and evaluated by a technical committee.

¹ C40 Cities is a network of almost one hundred mayors from the world's major cities, who collaborate to tackle the climate crisis and promote sustainable urban development

Climate governance and transparency



The Boticário Group has adopted a robust and integrated climate governance model, aligned with the principles of transparency, responsibility, and engagement with global sustainability goals. This model ensures that the issue of climate change is dealt with at the highest level of decision-making and that the results are systematically monitored as part of the management of the business.

ESG Governance structure

The Advisory Board, made up of nine members (all with non-defined terms) directly oversees strategic environmental issues, including climate change, water and biodiversity. This forum also monitors the performance and progress of climate targets, reinforcing the centrality of the issue in corporate management.

The ESG Committee, linked to the Advisory Board and led by an independent director,

is made up of the CEO, the Chairman and Vice-Chairman of the Board, as well as external experts and key executives. They are responsible for defining and monitoring the company's ESG strategy, reporting directly to the Board. Meetings are held quarterly, and once a year there is an expanded alignment with the main internal stakeholders, a practice that is seen as a distinct advantage in the governance process.

INTEGRATION WITH RISK MANAGEMENT

The climate agenda is incorporated into the corporate risk map, monitored by the Risk and Audit Committee, which is responsible for governance, compliance, risk management, internal controls, business continuity, audits, fraud prevention, and conduct. Climate risk management covers physical and transition risks. This integration ensures that climate variables are taken into account in strategic planning processes, investment decisions and scenario assessments.

ORGANIZATIONAL CULTURE AND INCENTIVES

Internal engagement is reinforced by variable remuneration programs that include sustainability indicators. These criteria represent up to 5% of the performance metrics, with a focus on circular economy targets that contribute to the decarbonization strategy. This mechanism reinforces the importance of the climate agenda in human resources practices and the organizational culture.

In constant evolution, the Boticário Group has taken significant steps forward in the integration and expansion of initiatives linked to the circular economy and business strategy in recent years. The circular economy targets, which since 2021 have influenced the leadership's variable remuneration, became part of the Profit Sharing Program (PPR) in 2024, covering all employees, broadening the scope and engagement concerning the issue, and promoting shared responsibility at different levels of the organization.

Transparency and reporting

The main frameworks, reporting initiatives and climate targets adopted by the Boticário Group are:



Created by the G20's Financial Stability Board (FSB), this initiative guides companies on the disclosure of climate risks and opportunities in a clear and consistent manner. From 2024, it fell under the remit of the ISSB, which standardizes sustainability reporting.



International collaboration that sets science-based emissions reduction targets. The targets must be ambitious enough to limit global warming to 1.5°C, in line with the Paris Agreement. It has become the gold standard for companies seeking to demonstrate climate leadership.



The Boticário Group has adopted the TNFD's recommendations. The first report was included in the 2024 ESG report, containing information on the impacts, dependencies, risks and opportunities related to nature in the Group's businesses, as well as strategies to manage them. The TNFD enables integration between the climate agenda and nature, offering systemic management that connects energy transition, mitigation, and adaptation to climate change together with the conservation and regeneration of nature, strengthening the corporate strategy and transparency towards stakeholders.



A global environmental disclosure system, considered one of the most important in the world. It allows companies, cities and states to report environmental data and be evaluated on their performance.



A national program that offers tools and training to gauge, manage and reduce greenhouse gas (GHG) emissions. It supports organizations in quantifying their emissions and contributes to the transition to a low-carbon economy.

Institutional partnerships and commitments

The Boticário Group reinforces its climate strategy by adhering to global commitments and participating in strategic forums:

- **UN Global Compact:** alignment with the Sustainable Development Goals (SDGs).
- **LIFE Coalition for Business and Biodiversity:** a group of companies committed to accelerating the inclusion of biodiversity in business.
- **Conselho Empresarial Brasileiro para o Desenvolvimento Sustentável (Brazilian Business Council for Sustainable Development / CEBDS):** offers a means of participating in environmental and climate initiatives and policies.
- **Public-private committees in Paraná:** leadership in ESG and climate discussions.



Funding the transition

The transition to a low-carbon economy requires discipline in the allocation of capital and the use of financial mechanisms that guarantee the viability of decarbonization and adaptation projects. The Boticário Group invests in initiatives that combine positive environmental impact and economic viability, such as:

- Energy efficiency;
- Replacing fossil fuels with renewable alternatives;
- Expanding the use of clean energy;
- Circular economy solutions;
- Decarbonization of logistics.

To support its decisions on prioritizing mitigation projects, the company uses analytical tools such as the Internal Carbon Price, which assigns a value to emissions and guides project choices.

The Group is also a pioneer in sustainable finance in Brazil: in 2020, it was the first

company to issue sustainability-linked bonds (SLB) in the local market, raising BRL 1 billion with the aim of guaranteeing 100% renewable energy in its direct operations - a goal that was achieved in 2022. In 2024, another BRL 1.15 billion in bonds was issued linking interest rates to the commitment to ensure that 75% of its own corporate sales stores would be using renewable energy by 2030.

These instruments reinforce climate commitment and transparency, while offering more attractive financing conditions. Find out more about our sustainable finances in the [ESG Report](#).



BRL 4B +
in sustainable bonds



Call to Action



The climate transition is a collective challenge that depends on the mobilization of society as a whole. The Boticário Group recognizes that achieving the goals and building a low-carbon future will only be possible with the joint action of suppliers, consumers, employees, institutions, and governments.

This Climate Transition and Adaptation Plan is also an invitation for shared action. In collaboration with the Boticário Group, suppliers can develop less impactful raw materials and logistics solutions. Consumers have the power to choose products and practices that favor circularity and conscientious consumption. Institutional partners extend the reach of solutions and help influence public policies at scale.

The Boticário Group values dialogue and joint construction. Questions, contributions, or suggestions regarding the Climate Transition and Adaptation Plan can be sent to esg@grupoboticario.com.br.

To strengthen this dialogue, the Boticário Group provides an institutional contact channel esg@grupoboticario.com.br, which is open to the public for contributions, feedback, and suggestions. The aim is to maintain a continuous process of listening and learning, in line with the best global practices of transparency and engagement.

We would like to conclude this report by reaffirming our commitment to responsibility, science and collaboration, so that beauty in the future is synonymous with resilience, sustainability, and shared prosperity. Follow our journey, [commitments and reports on the website](#).

Credits

Boticário Group team:

Felipe Augusto Santos da Silva
Laura Machado de Souza Azevedo
Lívia Queiroz
Mariana Scheffer Cavanha
Wellington Silva Baldo

Boticário Group team:

André Ferreti
Anke Salzmann
Juliana Baladelli Ribeiro

Responsible executive:

Luis Augusto Meyer

Additional technical consultation:

Future Climate

Grupo Report

Project management, content and design - [Grupo Report](#)

Technical team:

Beatriz Miranda, Ligia Feliciano, Murilo Botega, Naná Prado, Rubem Hojo, Uly Cabral

Translation:

Grupo Report

Proofreading:

Steve Wingrove