

GrupoBoticário 

ESG Practices 2025

Supplementary document

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1. About this report

This is a supplementary publication to the [2025 Integrated Report](#) and the Company's thematic socio-environmental documents.

We provide this document to offer transparency regarding a selection of specific operational practices, policies, and data. The content addresses aspects of Corporate Governance (ethics, risk, and advocacy), Operational and Product Management (sustainable sourcing and quality), Natural Capital (biodiversity and water resources), as well as Human Rights and Labor Practices. The data and indicators presented are substantiated by our internal management processes and the 2025 Integrated Report, a publication that features independent third-party assurance.

This material reinforces our ongoing commitment to accountability, methodological rigor, and the continuous advancement of our ESG agendas.

2. Ethics and Business

2.1 Code of Conduct

The Code of Conduct applies to all employees of Grupo Boticário companies, located in Brazil and abroad, as well as shareholders, members of the Advisory Board and Committees, and all those who formally commit to its compliance and observance, such as suppliers and third parties. The updated and current version of the Code of Conduct is published on the [Grupo Boticário Conduct Portal](#).

The Code establishes formal guidelines regarding the following aspects:

- **Corruption and Bribery:** Pursuant to Law 12.846, dated August 1, 2013, it is strictly prohibited to promise, offer, or give, directly or indirectly, an undue advantage to a public official or a third party related to them, as well as to finance, fund, sponsor, or in any way subsidize the commission of illicit acts. Combating corruption is everyone's responsibility. Offering or granting undue advantages to public officials for personal gain or to benefit Grupo Boticário, as well as financing illicit acts, are illegal, unjustifiable, and strictly prohibited conducts, regardless of the context (more information in section 2.2).
- **Discrimination:** Grupo Boticário values, respects, and cherishes the plurality of all individuals, regardless of any personal characteristic, whether based on race, ancestry, religion, gender identity, sexual orientation, nationality, citizenship, origin, marital status, socioeconomic status, disability, age, or other personal attributes, respecting any and all differences. Abusive behaviors that may be interpreted as workplace bullying, sexual harassment, sexual misconduct, or any abuse of power are strictly not tolerated. Everyone must be treated with respect and dignity; physical or verbal behaviors that are humiliating, discriminatory acts or actions, or those that interfere with job performance or create an intimidating, abusive, hostile, or offensive work environment are unacceptable.
- **Information Confidentiality:** In the course of their duties, employees may have access to confidential and strategic data belonging to Grupo Boticário—such as formulas, operational methods, business models, financial information, and personal data of employees and suppliers. In accordance with the Information Security and Privacy Policies, such content must be kept strictly confidential, and its

disclosure under any pretext or its use for personal gain or improper benefit is expressly prohibited.

- **Conflicts of Interest:** A real or potential conflict of interest occurs when an employee's personal interests and position may directly or indirectly benefit private interests that conflict with those of Grupo Boticário, or that may cause harm or loss to the Company. Employees must not use their affiliation with Grupo Boticário to obtain undue advantages for themselves or to improperly favor other businesses or individuals. They must avoid even situations that present the appearance of a conflict of interest, which could cause others to question their sense of integrity.
- **Antitrust/Anti-competitive Practices:** Grupo Boticário respects other companies operating in the markets where it is present and ensures fair and healthy competition, free from espionage or other practices that are not associated with fair or legal business methods.
- **Money Laundering and/or Insider Trading:** We strongly repudiate any act of money laundering, the financing of terrorism, and the proliferation of weapons of mass destruction (AML/CFT), as well as other illegal activities involving financial resources, including those that involve the simulation or concealment of funds. We understand that it is our responsibility as a company, and towards society, to prevent our operations and business from being illegally used for such practices. Consequently, we implement the necessary procedures and robust internal controls to ensure compliance with applicable laws and regulatory requirements. The use of confidential information (insider trading) by employees to obtain any type of personal advantage or improper benefit is strictly prohibited.
- **Environment, Health, and Safety:** The health, quality of life, and safety of all employees and partners are of the utmost value to Grupo Boticário. The beauty that Grupo Boticário promotes is also reflected in how it interacts with the environment, contributing to a more beautiful and sustainable world. Grupo Boticário supports environmental conservation through practices that go beyond mere compliance with environmental laws. The Group fosters a culture of respect for natural heritage, which is shared with employees and encouraged among consumers, business partners, and suppliers.

- **Reporting:** Grupo Boticário provides the [Conduct Channel](#), operated by an independent third-party consultancy, accessible 24 hours a day, seven days a week, to employees, business partners, and third parties. The platform operates in a secure environment and ensures impartiality and absolute confidentiality, allowing reports to be submitted on an identified or anonymous basis (more information in section 2.3).

2.2 Anti-Corruption and Anti-Bribery Policy

Grupo Boticário establishes guidelines to prevent and curb bribery and corruption practices in the conduct of its business. The Company's actions encompass the following aspects:

- **Prevention of bribery and corruption:** Grupo Boticário expressly prohibits promising, offering, or giving, directly or indirectly, any undue advantage to public or private officials. Combating corruption is a shared responsibility, and the financing of illicit acts is neither tolerated nor justified under any circumstances.
- **Guidelines for gifts and hospitality:** The Group establishes a benchmark limit for receiving and offering gifts and presents, requiring that they be occasional and do not constitute a conflict of interest. Receiving cash is strictly prohibited, and granting any gifts to public officials requires prior and express approval from the Compliance department.
- **Guidelines for political contributions:** In accordance with the Brazilian Elections Law (Law No. 9,504/1997), Grupo Boticário does not make donations to political parties or campaigns.
- **Guidelines for charitable contributions and sponsorships:** Social donations are directed exclusively to formally constituted legal entities, prioritizing institutions located in the vicinity of our operations. To ensure transparency and mitigate risks, partner institutions must undergo the Integrity Due Diligence (IDD) process conducted by the Compliance department prior to any transfer of funds.
- **Anti-corruption and anti-bribery training:** The Compliance department maintains an ongoing training and communication program on the subject. All employees are required to complete the mandatory training provided, especially modules focused on anti-corruption legislation, the Code of Conduct, and interactions with public officials.

- **Procedures established for addressing violations:** The Group provides The Conduct Channel, managed by an independent consultancy, operating 24 hours a day, seven days a week. The channel ensures absolute confidentiality, allows for anonymous reporting, and guarantees non-retaliation against reporting parties. The routing and subsequent actions are the responsibility of the Conduct department and the Conduct Committee, chaired by the Compliance Officer, who reports to the Risk and Audit Committee.
- **Corrective or disciplinary actions:** Failure to comply with the guidelines set forth in the Code of Conduct and the Anti-Corruption Policy results in the application of disciplinary measures proportionate to the severity of the deviation. Consequences range from reorientation sessions and warnings (verbal or written) to suspension and termination for just cause.
- **Strategic oversight:** At Grupo Boticário, the Advisory Board is the highest governing body responsible for guiding the strategy and overseeing the conduct of business and the organization's integrity. For conduct and corruption management, the Board relies on the Risk and Audit Committee, which oversees internal controls, assesses risk exposure, and receives reports from the Conduct Committee, chaired by the Compliance Officer.

2.3 Whistleblowing Mechanism

Grupo Boticário relies on The Conduct Channel as its primary instrument for receiving and investigating reports regarding potential violations of the Code of Conduct and unethical behavior. Complementarily, the Group also maintains ombudsman channels and an email dedicated to compliance, available for registering grievances.

- **Responsible departments:** Reports are received, investigated, and handled according to a structured analysis workflow conducted by the Conduct Committee, overseen by the Risk and Audit Committee, with investigations carried out by a multidisciplinary team. The routing and subsequent actions are the responsibility of the Conduct department and the Conduct Committee, chaired by the Compliance Officer, who reports to the Risk and Audit Committee.
- **Third-party operator:** Its management is carried out by an external consultancy that receives and triages the reports in accordance with the Corporate Governance established for this matter. The Conduct Channel is an independent mechanism. A

specialized external structure enables the receipt of all grievances. Service is provided via an automated answering system or an independent attendant external to Grupo Boticário

- **Anonymous reporting:** The Conduct Channel is available 24/7. Reports are submitted in a secure environment and can be made on an identified or anonymous basis.
- **Maintaining confidentiality:** The channel ensures impartiality, confidentiality, and accessibility. Confidentiality and impartiality are foundational premises of the conduct management process, respecting all parties involved in the reports received. The Conduct Channel is an independent mechanism that ensures confidentiality, protects the identity of the reporting party, and manages the routing of received grievances.
- **Non-retaliation:** The channel ensures the guarantee of non-retaliation against individuals who make good-faith reports. It is everyone's commitment to maintain a work environment at Grupo Boticário where there is freedom to clarify doubts, register concerns, and report perceived irregularities openly. Retaliation of any kind is strictly not tolerated.
- **Training:** All employees receive training on the Code of Conduct and the operation of the Channel. Furthermore, for the past seven years, Grupo Boticário has annually hosted Compliance Week, featuring activities related to the topic. The conduct management process plays an essential role within the Compliance Program. Continuous communication and educational initiatives serve to prevent misconduct.
- **Investigation process:** Reports are received, investigated, and handled according to a structured analysis workflow conducted by the Conduct Committee, overseen by the Risk and Audit Committee, with investigations carried out by a multidisciplinary team. Procedures are periodically reviewed and monitored using indicators that assess the effectiveness of the investigation and remediation actions. When confirmed, violations may result in disciplinary measures and corrective actions aimed at preventing recurrence. Such measures are applied in accordance with the law, once the analysis of the report is concluded and the misconduct is verified. Appropriate measures related to non-compliance with the Code of Conduct can

range from training to termination. It is also possible that the outcome may be a simple reorientation, the correction of a specific process, or an educational action.

3. Risk Management

3.1 Risk Governance

Grupo Boticário has formal governance mechanisms in place to oversee risks, led by the Risk and Audit Committee, an advisory body linked to the Company's Advisory Board. The Advisory Board consists of nine members, five of whom are independent directors, and none of the members hold executive management functions. The Risk and Audit Committee is responsible for overseeing the organization's financial integrity and compliance, as well as assessing exposure to strategic risks and monitoring the effectiveness of internal controls.

Grupo Boticário's risk governance aligns with consolidated market frameworks (such as COSO ERM and ISO 31000) and is structured around the Three Lines Model, detailed below:

- **Operational Risk Responsibility (First Line):** The business areas act as the first line, being directly responsible for identifying, assessing, and addressing operational risks in their daily routines.
- **Risk Management and Compliance Oversight (Second Line):** Acting as the second line, independent of frontline functions, the Risk and Internal Controls management teams are responsible for defining the methodology, coordinating the process, and providing technical support to business areas in the continuous measurement and monitoring of risks.
- **Independent Assurance (Third Line):** Internal Audit acts as the Group's third line, independently evaluating the effectiveness of governance, controls, and risk management and compliance processes.

3.2 Risk Management Processes

Process for determining risk tolerance and review frequency: Risk prioritization at Grupo Boticário is conducted using a 5x5 heat map, which intersects the probability of occurrence (evaluated on levels ranging from "Remote" to "Almost Certain" and from "Insignificant" to "High") with the severity of the impact. Impact is analyzed multidimensionally, considering financial, reputational, operational, regulatory, and environmental dimensions. Risk

classification undergoes evaluation by risk owners and validation by senior leadership, ensuring alignment with the business. Critical risks receive priority monitoring, and the process is continuous, featuring periodic reviews to adapt to internal and external changes. Risk exposure reviews occur with high frequency: risks are reviewed monthly, with updates and adjustments made according to the evolution of internal and external scenarios.

Risk Management Process Audit (Internal and External): Grupo Boticário's risk management system and processes, as well as its internal and compliance controls, undergo regular audits to measure the maturity of GRC (Governance, Risk, and Compliance) topics.

- **External Audit:** The Group's risk management process features independent, external dual validation. Annually, a global top-tier independent audit firm evaluates the effectiveness of internal controls and maps corporate and financial risks across all subsidiaries, issuing reports that guide the mitigation of vulnerabilities. Additionally, to ensure alignment with global best practices, an external assessment focused on the governance model was completed in March 2025. This was conducted by a specialized international consultancy through a "Maturity Diagnostic of Internal Audit, Risk, Internal Controls, and Compliance Functions."
- **Internal Audit:** Complementarily, and to ensure business resilience, the Internal Audit department, operating with full independence as the Third Line, executed a cycle of regular audits throughout the 2024-2025 biennium. These assessments tested and validated the practical effectiveness of the risk management and business continuity system processes, ensuring the effective mitigation of operational vulnerabilities within the Company.
- **Effectiveness and Remediation (Oversight):** The results and findings from these external and internal audits are reported to the Risk and Audit Committee (RAC), which oversees the integrity and effectiveness of the organization's governance and internal controls. Based on these independent assessments, the Committee attests to the effectiveness of the risk management system and ensures the implementation of necessary action plans and controls to remediate non-conformities and continuously enhance the Company's defense systems.

Risk Culture - Training and Integration into Product Development: Grupo Boticário has implemented strategies to foster an effective risk culture throughout the organization.

- **Risk management-focused training:** The Group conducts specific training for its employees addressing continuous and business continuity risks through the corporate education portal.

- **Incorporation of risk criteria into product and service development:** Risk management is applied systematically throughout portfolio development. All developed products undergo rigorous toxicological risk assessment to ensure consumer protection. In 2025, no significant non-compliance incidents related to the health and safety impacts of products and services were recorded (GRI 416-2). The Group values transparency with consumers regarding its practices and product safety. Management is driven by the Controversial Ingredients and Regulatory Radar process, combined with risk assessment, ensuring the strict control of potentially hazardous materials and substances. Furthermore, the Group incorporates environmental risk assessment from the very conception of its formulas through the Environmental Risk Assessment Index (I.A.R.A.®), which measures and mitigates the impact of formulations on the aquatic environment and supports technical decisions during the development phase. This methodology underwent third-party validation in 2025, reinforcing its robustness and credibility.

- **Financial incentives tied to risk management metrics:**

Grupo Boticário's compensation policy seeks to ensure a competitive, fair structure aligned with the long-term business strategy. Variable compensation is structured through short-term incentive programs, such as the Profit-Sharing Program (PPR), eligible to all employees, and the Variable Compensation Program (PRV), directed at leadership and executive roles. It also includes Long-Term Incentives (LTI) for the Executive Board, which are tied to long-term performance. A key differentiator of this policy is the integration of ESG targets into variable compensation, which can account for up to 10% of the evaluated indicators. These include topics such as circular economy, waste, and diversity and inclusion, strategically selected based on the materiality of their impacts, potential benefits, and associated business risks. This directive strengthens sustainability within the business strategy and actively mitigates material socio-environmental and reputational risks identified in the double materiality assessment:

 - **Waste Management and Circular Economy Targets:** These mitigate operational and financial risks related to raw material scarcity and the rising

costs of reverse logistics and disposal. Detailed risk assessment information is available in the [2025 Integrated Report](#), on page 159.

- **Diversity and Inclusion Targets:** These mitigate social, reputational, and human capital risks, preventing losses in talent attraction and retention, regulatory sanctions, and negative brand impacts. Detailed risk assessment information is available in the [2025 Integrated Report](#), on page 161. .
- **Integration between Double Materiality and Enterprise Risk Management:** The double materiality assessment, conducted comprehensively every two years and simplified annually, considers the risks, opportunities, and financial impacts on business performance, alongside the company's socio-environmental impacts. This process feeds back into the Enterprise Risk Management (ERM) System for the "Climate Change" topic, which is incorporated into the strategic risk matrix under the oversight of senior leadership. Other material topics are monitored continuously and complementarily by the relevant technical departments. As an example of these complementary initiatives focused on impact qualification, we apply the proprietary ESG ROI methodology to specific topics. This methodology financially values socio-environmental benefits to guide mitigation actions and investment prioritization, making tangible not only the value generated for society but also for the business.

3.3 Long-Term Emerging Risks

The Group continuously monitors its emerging risks, characterized by heightened uncertainty and potential future impacts on the business model, utilizing scenario analysis, sector studies, and benchmarking. Below, we detail two critical long-term emerging risks for the Company:

RISK 1: Crisis in the supply of natural resources and sustainable sourcing

- **Description:** The inability to secure a stable supply of key ingredients produced sustainably and at a reasonable cost—due to imbalances between supply and demand and/or variations in crop cycles—is an emerging risk highlighted in the World Economic Forum's 2026 Global Risks Report. This risk may be further intensified by potential new pandemics, the accelerating effects of climate change, biodiversity loss, evolving geopolitical dynamics, and growing demand for raw materials with assured traceability and sustainable sourcing. In response to this

uncertainty, the Boticário Group continuously seeks alternative solutions that meet its operational needs, enhance flexibility, and help mitigate potential business impacts.

- Impact: Disruptions in the supply of raw materials may adversely affect the Group's operations, increasing the risk of shortages, driving up product and production costs, and hindering the ability to meet consumer demand.
- Mitigation:
 - Suppliers of critical inputs: The Boticário Group adopts a multisourcing approach for suppliers of critical inputs, diversifying its supplier base and reducing the risk of shortages.
 - Partner Assessment and Development Program (PADP): The program evaluates suppliers based on specific criteria, including audits and action plans.
 - Risk matrix and strategic procurement planning: The Group continuously monitors the costs and availability of critical inputs, and we update the risk matrix and Strategic Procurement Plans annually.
 - Risk of disruption in the supply of raw materials: this is part of the strategic risk associated with climate change and is monitored using a KRI (Key Risk Indicator).

RISK 2: Rapid growth of artificial intelligence (AI)

Description: Progress made in the development of AI solutions—which may pose a risk to information security and have significant growth potential in the coming years—was highlighted as an emerging risk in the World Economic Forum's 2026 Global Risks Report. The lack of regulation is also an aggravating factor and a global concern. For the Boticário Group, the main risks associated with the malicious use of AI are an increase in fraud and data theft through tools and the use of deepfakes—the realistic manipulation of videos, including in real time (during a video call, for example)—in cyber fraud targeting our employees and our information system, which could result in financial losses and the compromise of confidential data. Such losses, in turn, could damage the company's reputation and result in legal liability, given the data protection laws in the countries where the Group operates (e.g. Brazil's LGPD and the European Union's GDPR). In addition, there

is a risk of biases and potential copyright infringements, which can have financial and reputational consequences

- Impact: Financial loss, loss of confidential data, damage to reputation, and legal liability.
- Mitigation:
 - Multidisciplinary committees: these committees analyze AI initiatives and risks within the ecosystem.
 - Supplier review: this process verifies data security parameters. • Algorithm impact assessment: this measures the risks associated with the use of AI.
 - Data privacy and cybersecurity: see [2025 Integrated Report](#).

4. Engagement and Advocacy

Grupo Boticário recognizes that its goal of creating value for all of society depends on joint action with its stakeholders, engaging institutionally with all of them, always guided by transparency and collaboration. The company promotes continuous dialogue with local communities, civil society organizations, government authorities, and partner companies, reaffirming its role as an agent of transformation. It is through this network engagement that Grupo Boticário drives sectoral agendas, acting through adherence to global commitments and participation in strategic forums. Some examples of these actions include: (i) the Brazilian Business Council for Sustainable Development (CEBDS), which focuses on environmental and climate initiatives and policies; (ii) the UN Global Compact, which ensures alignment with the Sustainable Development Goals (SDGs); (iii) the LIFE Business and Biodiversity Coalition; and (iv) the Climate Change Working Group of the Brazilian Association of the Personal Hygiene, Perfumery, and Cosmetics Industry (ABIHPEC).

4.1 Climate Strategy Influence

Grupo Boticário's institutional advocacy is based on a structured management system, which relies on dedicated Institutional Relations and ESG teams to monitor and collaborate with the trade associations to which the Company is affiliated. This structure has defined responsibilities up to the executive level and operates under the direct oversight of the Advisory Board, the ESG Committee, and the Risk and Audit Committee.

Grupo Boticário consolidates its public commitment to climate policies in alignment with the Paris Agreement. During the 2025 cycle, the Company's business performance stood out for maintaining decarbonization (net-zero) targets validated by the SBTi, active participation in forums such as CEBDS, and, strategically, the launch of its Climate Transition and Adaptation Plan (PTAC) at COP30. In parallel, the Grupo Boticário Foundation led the technical influence in structuring public policies throughout the year. The Foundation provided direct advisory for the inclusion of Nature-Based Solutions (NbS) in the Federal Adaptation Law (Law No. 14,904/2024) and the Resilient Green Cities Program, in addition to contributing globally to the definition of indicators for the UN Global Goal on Adaptation (GGA). To ensure corporate consistency, Grupo Boticário continuously monitors the alignment of partner trade associations with its own climate strategy. In the event of any divergences in climate positions, the Company prioritizes dialogue and direct

engagement to influence the revision of these agendas, and may, ultimately, reassess the continuity of the partnership and its membership if the incompatibility persists.

Grupo Boticário's institutional transparency and accountability are reflected throughout its ecosystem of official publications. Full details of our public policy engagements, as well as the practical impact of the sectoral initiatives and supported forums, can be reviewed in full in the [2025 Integrated Report](#) and the [Grupo Boticário Foundation's Activity Report](#). This climate and sectoral influence strategy is cross-cutting to the business and applies to all jurisdictions where we operate.

4.5 Sectoral Contributions

In strict compliance with the law and the principles of transparency and ethical integrity, Grupo Boticário does not make contributions or donations to political campaigns, candidates, political parties, or local, regional, or national political organizations. In line with this directive, no financial contributions were made for these purposes in 2025.

During the same period in 2025, the total amount of contributions allocated to business associations and tax-exempt groups focused on sectoral influence totaled BRL 1,769,306, with the three largest contributions directed to:

- **ABIHPEC** (Brazilian Association of the Personal Hygiene, Perfumery, and Cosmetics Industry): BRL 874,560.
- **IDV** (Institute for Retail Development): BRL 187,927.
- **ABECS** (Brazilian Association of Credit Card and Services Companies): BRL 163,200.00.

5. Supply Chain Management

5.1 Management Guidelines

Grupo Boticário's guidelines for sustainability management in the supply chain formally apply to 100% of commercial partners, service providers, and third parties. Guided by respect for human rights and the environment, the Company requires full adherence to its [Code of Conduct](#) to ensure an ethical, fair, and transparent business ecosystem.

The onboarding and contracting of partners are guided by the best cost-benefit ratio and are supported by the Integrity Due Diligence (IDD) process, conducted by the Compliance department. This framework continuously evaluates the reputation, governance, and legal compliance of those involved, subjecting strategic suppliers to annual conduct and integrity checks. Upon identifying operational or labor deviations, Corrective Action Reports (CARs) are issued; the lack of remediation or the identification of severe infractions results in contractual sanctions, temporary blocks, or definitive contract termination.

5.1.1. Human Rights and Labor

Grupo Boticário's management is strongly driven by respect for human rights, extending its premises and guarantees throughout the value chain. All suppliers and partners must formally adhere to the Code of Conduct, which establishes non-negotiable guidelines:

- **Child and forced labor:** The Group imposes an absolute ban on modern slavery, forced labor, and child exploitation or abuse. The company strictly prohibits child labor and forced labor across all its facilities and supply chain, reaffirming its commitment to best practices.
- **Working conditions and compensation:** The guarantee of labor rights is required as a condition for decent work. Partners must ensure working hour controls and fair compensation, strictly complying with the Consolidation of Labor Laws (CLT).
- **Prevention of discrimination and harassment:** Grupo Boticário establishes a mandatory ban and prevention against any discriminatory practices based on race, gender, sexual orientation, disability, age, or other characteristics. The company strictly prohibits and rigorously combats acts of moral or sexual harassment

(workplace bullying), tolerating no abusive, physical, or verbal behaviors that are humiliating or hostile in the work environment.

- **Freedom of association:** Suppliers must ensure freedom of association and the right to collective bargaining for their employees and subcontractors. Grupo Boticário recognizes relevant trade unions as the legal representatives of workers and seeks constant dialogue on labor-related issues.

5.1.2. Occupational Health and Safety

Business partners must incorporate occupational health and safety management into their operations. The health, quality of life, and safety of all employees and partners are of the utmost value to the Group, making strict adherence to safety procedures mandatory across all activities. Rigorous attention and the proper use of necessary Personal Protective Equipment to mitigate operational risks are required.

5.1.3. Environment

Supplier engagement is essential to reduce operational impacts on society and the environment; therefore, suppliers are encouraged to adopt responsible practices within their sustainability planning.

- **Emissions and energy:** The Group encourages its business partners to seek the implementation of best practices, establish targets, and make commitments to greenhouse gas (GHG) emissions management and the pursuit of resource efficiency.
- **Waste and pollution:** Suppliers are encouraged to adopt measures focused on pollution prevention, water efficiency, and the responsible management of solid waste and pollutants.
- **Biodiversity and deforestation:** Grupo Boticário is committed to promoting responsible sourcing in its supply chains to combat illegal deforestation and biodiversity loss, as well as to promote adequate working conditions. To contribute to this agenda, the Group encourages suppliers to adopt practices that guarantee zero deforestation, prevent the conversion of native ecosystems, avoid contributing to the exploitation of endangered species, and ensure respect for the rights of local and traditional communities.

- **Responsible sourcing:** Supply chain management must ensure sustainable provenance to guarantee traceability across indirect tiers. To mitigate structural risks, the Group requires mandatory traceable certifications for critical supply chains, such as paper, wood, and palm oil. Consequently, in 2025, the Group achieved the milestone of 100% of sugarcane alcohol, 99% of wood and derivatives, and 97% of palm oil sourced from certified and responsible origins.

5.1.4. Business Ethics

Integrity, ethics, and transparency are non-negotiable pillars and standards that extend throughout Grupo Boticário's value chain.

- **Anti-corruption:** Combating corruption is treated as a shared responsibility. The Group utilizes the Integrity Due Diligence (IDD) process to assess corruption and fraud risks among its commercial partners. It is expressly illegal and prohibited to offer, promise, or grant undue advantages to public authorities or officials to obtain personal or commercial gains.
- **Anti-competitive practices and fair trade:** Grupo Boticário adopts a clear and rigorous stance to curb anti-competitive practices, always ensuring a business environment founded on fair dealing. Any action that may constitute unfair competition is strictly prohibited, and partner selection is based on the best cost-benefit ratio, free from favoritism.
- **Conflicts of interest:** Employees and partners must not use their affiliation with Grupo Boticário to obtain undue advantages. Everyone must avoid relationships that benefit private interests at the expense of the Group or that generate business losses.
- **Confidentiality and Data Privacy:** The unauthorized disclosure of the Group's confidential information is strictly prohibited. Partners and employees must fully comply with privacy laws to safeguard the personal data of all involved stakeholders.

5.1.5. Communication and Whistleblowing Mechanism

- **Whistleblowing Mechanism:** Grupo Boticário provides an independent and confidential Conduct Channel, operated by a specialized external consultancy and available 24/7. The platform allows employees, suppliers, and third parties to

submit identified or anonymous reports regarding ethical deviations or violations of the Code of Conduct.

- **Protection against retaliation:** Conduct governance ensures non-retaliation, guaranteeing a safe and fully protected environment for whistleblowers who report irregularities in good faith.

Further information is available in the [Supplier Guidelines](#) and the [Code of Conduct](#).

5.2. Supplier ESG Programs

Grupo Boticário maintains structured measures to ensure the effective implementation of its suppliers' ESG programs, with clear governance and incentives established within the organization.

- **Implementation oversight:** The model is overseen by formal governance bodies. The ESG Committee defines and monitors the cross-cutting integration of environmental, social, and governance aspects into the business model and the value chain. The ESG Committee is composed of the CEO, the Vice-Chairman of the Advisory Board, an independent board member, and an external expert; it reports directly to the Advisory Board, which is the Group's highest governing body.
- **Analysis of purchasing practices:** Grupo Boticário's procurement practices are systematically reviewed to ensure that commercial terms, costs, and deadlines align with ESG requirements and do not conflict with the Code of Conduct. The Procurement department seeks to balance cost optimization, quality, and sustainability. To ensure supply chain predictability, the Group shares its supply plans electronically. The Company also supports the financial health of its partners through the *Facilita* Program, offering receivables anticipation at below-market rates, and the ESG-linked Supply Chain Finance program, which provides even more attractive rates to suppliers with proven good sustainability practices. Additionally, the procurement strategy acts as an active driver for ongoing support and development. Through the *Elo ESG* initiative and the Partner Assessment and Development Program (PADP), buyers and technical teams act in a consultative capacity to bridge commercial strategy with ESG needs, offering guidance and support to help suppliers advance on their sustainability journeys. The Affirmative Procurement pillar reinforces this systemic approach, fostering the inclusion of diverse companies in the supply chain.

- **Exclusion of suppliers for non-compliance with minimum ESG requirements:** Grupo Boticário's partner onboarding and integration journey establishes compliance with minimum conduct and sustainability expectations as a prerequisite for supply. During onboarding, suppliers undergo assessments covering health and safety, legal compliance, social responsibility, environmental sustainability, and diversity. The follow-up and frequency of potential verification audits (remote or on-site) are not generalized but rather driven by the results of a corporate risk matrix, which considers the business strategy alongside ESG factors. Based on these assessment outcomes, if deviations are identified, partners must remediate non-conformities through Corrective Action Reports (CARs). However, if the supplier fails to resolve critical issues, misses remediation deadlines, or breaches the non-negotiable guidelines of the Code of Conduct, the Compliance department recommends discontinuing the partnership, thereby blocking their onboarding or resulting in definitive contract termination.
- **Preference for suppliers with better ESG performance:** Within the Partner Assessment and Development Program (PADP), ESG criteria hold a defined weight of 10% in the supplier's final performance score; this assessment covers 70% of Grupo Boticário's negotiated spend. Companies that excel overall in these evaluations are formally recognized by the program and strategically prioritized for new business allocations. Complementarily, the "ESG Highlight" award annually recognizes partners who excel in socio-environmental performance, granting them a trophy and Grupo Boticário's official quality seal. As an additional financial incentive, Grupo Boticário structured the ESG-linked Supply Chain Finance program, a credit facility developed in partnership with Itaú BBA. This mechanism allows partners with proven socio-environmental practices to access more attractive financing conditions, such as reduced interest rates, directly incentivizing the adoption and continuous improvement of sustainability initiatives across the supply chain.
- **Incentivizing Social Practices:** Grupo Boticário encourages its partners to engage in social impact initiatives. A notable example is the *Gente que Faz o Bem* Festival, an initiative in partnership with *Hamburgada do Bem*, which generates positive impacts in surrounding communities, strengthening engagement, local responsibility, and connections with vulnerable territories. Our suppliers are invited to support the cause through donations and volunteer participation in in-person events across Brazil.

- **Internal buyer training:** *Elo ESG* is the mechanism that structurally integrates the sustainability agenda into Grupo Boticário's purchasing decisions. Through this program, buyers are trained annually to act as multipliers of socio-environmental criteria for suppliers, reinforcing the incorporation of ESG aspects in both commercial decisions and daily relationships with strategic partners. In 2025, 100% of buyers received this training. The program's execution has a practical focus: *Elo ESG* members directly support the Supplier Development team during consultative discussions, expanding the capacity to guide partners in filling out questionnaires and drafting improvement plans. Moreover, the group actively participates in value chain diversity initiatives, such as hosting business roundtables with female entrepreneurs, bridging the Company's inclusion strategy with tangible demands from the procurement department.

5.3 Supplier Screening

From the onboarding stage, suppliers are evaluated against socio-environmental criteria and formally commit to adhering to the Code of Conduct, the Supplier Guidelines, and specific contractual clauses that ensure alignment with the Group's ethical standards and principles, which are available on the Supplier Portal. The company conducts systemic screening to identify risks and ensure alignment with its guidelines:

- **Aspects considered in selection (Environmental, Social, Governance, and Business Relevance):** Risk management is structured through two complementary tools: the Supplier Risk Matrix, which evaluates each partner individually (by Tax ID/CNPJ), and the Category Risk Matrix, which analyzes subcategories of indirect items considering internal factors (criticality, dependency, financial impact) and external factors (reputation and information security). In 2025, ESG criticality was officially incorporated into the Category Matrix, deepening socio-environmental integration into the procurement strategy. Based on this analysis, suppliers are classified as strategic (subject to remote or on-site audits with license validation) or regular (tracked via automated monitoring of public data and restricted watchlists).

Screening and monitoring of High-Risk Suppliers: National high-risk suppliers undergo an annual documentary screening requiring the submission of basic registration documents, financial and accounting data for the last three fiscal years (depending on the corporate structure), and specific licenses for high-risk product families or manufacturing items. The process is supported by the U-Qualify tool,

integrated into the SAP Ariba SLP system, which captures public certificates in real-time and allows suppliers to upload pending items, while each technical department issues its annual assessment directly in the system. Complementarily, strategic risk partners complete the Sustainability Questionnaire, comprising 14 thematic pillars (e.g., GRI guidelines, Ethos Institute, UN Global Compact, reporting, energy and water efficiency, waste, GHG emissions, diversity, and ethics channels). Suppliers falling into risk categories are reassessed annually in the Risk Matrix, the results of which define the audit cycle and may be submitted for deliberation by the Risk Committee (Risk Management Manual). Cases presenting critical deviations trigger the "Very High by Knockout" criterion, requiring mandatory committee deliberation and a re-audit, where applicable. For the international supply chain, documentary screening is adapted to the legal requirements of each jurisdiction (Germany, Portugal, Italy, Spain, and France).

- **Governance of Non-Compliant High-Risk Suppliers:** In the event of an urgent commercial need to contract partners with an unfavorable risk assessment, it is mandatory to trigger the Exception Flow in SAP Ariba SLP (requiring formal justification, a risk assessment report, and approval from the Executive Board and the Risk Committee).
- **Supplier Supply Chain Management Assessment (Tier 2 / Subcontractors):** During audits of high-risk suppliers, Grupo Boticário evaluates how the partner manages its own supply chain and subcontractors. In national audits, the company verifies the existence of a formal supplier onboarding and reassessment process covering quality, supply, health, safety, environment, and social responsibility criteria, alongside the formalization of socio-environmental commitments and formal controls over subcontracting. In the Asian checklist, the ESG mapping and commitment of the supplier's extended chain (Next Tier) are audited against the Code of Conduct's requirements, mandating documentary management and prior approval for subcontracting with full traceability and compliance monitoring.
- **Selection Methodology (Sector and commodity-specific risk):** The screening methodology encompasses environmental, social, financial, and business continuity dimensions. In the climate and water domains, the Group conducts physical risk analyses (such as floods and water scarcity) by cross-referencing supplier locations with specialized maps to identify supply chain vulnerabilities. In the social domain,

continuous assessments prevent human rights violations (child labor, modern slavery, and union restrictions), resulting in 98% of strategic suppliers being evaluated against these criteria in 2025. To mitigate the risk of disruption in critical inputs, the Group adopts a dual-sourcing strategy (maintaining more than one approved supplier) and requires mandatory traceable certifications—achieving 2025 targets of 100% for sugarcane alcohol, 99% for wood and derivatives, and 97% for palm oil, based on recognized standards such as Bonsucro, FSC, and RSPO.

- **Country risk methodology:** To mitigate country risk, Grupo Boticário continuously evaluates the political, economic, and regulatory landscape of the markets where it operates or intends to operate. Governance guidelines steer commercial operations and strategic partnerships across the value chain, focusing on compliance with local and international regulations.

5.4 Supplier Assessment and Development

To ensure the consistency of ESG management across the value chain, Grupo Boticário maintains a structured system for the continuous monitoring and tracking of its suppliers. This model combines assessment, reporting, and traceability tools that enable the identification of risks, the measurement of socio-environmental maturity, target tracking, and the steering of development plans.

- **Systemic verification of evidence:** Continuous monitoring occurs via digital self-assessment and benchmarking platforms, requiring systemic verification of ESG data and performance for strategic partners:
 - **Beauty Chain:** An internally developed digital platform where suppliers answer a maturity questionnaire covering governance, diversity, social, and environmental aspects (including waste, water, energy, and GHG emissions).
 - **Linkana:** Supports documentary management and provides an ESG rating linked to the supplier's Tax ID (CNPJ), based on public data and verifiable evidence.
 - **CDP Supply Chain:** Utilized as a standard for documentary assessment, focusing on climate and water management. The program mobilizes strategic partners to report environmental data and advance the management of climate, water, and forest-related risks and opportunities.

- **On-Site Assessments and Supply Chain Traceability:** Grupo Boticário adopts a rigorous remote and on-site verification model, structured around two complementary fronts:
 - **Second-Party Audits (Internal / Field Verification by Grupo Boticário):** The onboarding and monitoring process conducted by the Partner Development team includes documentary evaluation and on-site audits based on technical standards, legislation, and Code of Conduct requirements. During field audits, the Group conducts on-site verifications of the practical application of ESG culture by region: In Brazil, it evaluates governance within committees, internal training, and eco-efficiency target management (CO2, water, and waste); in Asia, it audits control processes, periodic self-audits, and the training of managers and workers on ESG policies; in Europe, it verifies formal communication, monitoring, and the active promotion of socio-environmental and ethical practices.
 - **Third-Party Audits and Independent Certifications:** To mitigate structural risks in critical supply chains beyond the direct supplier (Tier 1), the Company operates the Pandora Program, focused on identifying and remediating risks regarding Human Rights violations, modern slavery/child labor, and deforestation. In 2025, the program expanded its scope to include third-party (socio-environmental) audits in the coffee supply chain, conducted independently by Imaflora. The program also operates the Pandora PCR (provenance of post-consumer recycled materials) and Pandora Fragrances (perfumery raw materials) initiatives, anchored in third-party certifications that ensured 2025 achievements of 100% certification for sugarcane alcohol (Bonsucro and Elos), 99% for wood/paper (FSC/PEFC), and 97% for palm oil (RSPO).
- **Corrective Action Plans, Remediation, and Score Reassessment:** The Group adopts an approach focused on remediation and continuous development. When non-conformities are identified (ratings other than "Fully Compliant" or "Not Applicable"), the Quality Management/Partner Development department automatically generates a Corrective Action Plan (CAR) in the system. When the auditor validates the effectiveness of the corrective evidence submitted by the partner (in the "Under Review" status), the "New Score" feature is triggered, which

automatically recalculates the official audit score and records the auditable history between the "Initial Score" and the "Current Score" (GDF - Functional Documentation, pp. 6-8). The remediation of deviations ensures the supplier has the opportunity and support to improve its performance prior to the application of potential contractual sanctions.

- **Maintenance Schedule and Cycling:** Maintenance audits occur at intervals of 12, 24, or 36 months, determined by the risk management classification.

5.5. Supplier Development

Grupo Boticário's supplier development process encompasses multiple support, capacity-building, and monitoring fronts to ensure the advancement of its partners:

- **Information/training on the ESG program:** The Group provides continuous capacity-building and engagement, including training tracks on Diversity, Inclusion, and Waste Management/Circular Economy for its partners via the PADP and the Supplier Portal, alongside monthly remote forums discussing ESG themes and trends.
- **Supplier access to comparative ESG indicators against peers:** The Group supports continuous ESG assessments utilizing self-assessments and benchmarking via the exclusive Beauty Chain digital platform. On this platform, partners complete a detailed assessment and receive a diagnostic of their performance, alongside support and recommendations for continuous advancement across ESG pillars. To ensure a premier comparative analysis, the collected data is structured to provide a segmented view by category and supplier. This highlights strengths and improvement opportunities based on market best practices, offering clear and assertive guidance for the partner's development relative to its peers.
- **Remote/on-site support for corrective actions:** Suppliers demonstrating improvement opportunities receive technical support and guidance from the Procurement department to develop customized action plans.
- **In-depth technical support programs:** The Group runs in-depth technical initiatives on complex topics, such as the *Acquanexus* project, structured to strengthen and boost partners' water management. Furthermore, the company provides technical and financial support aimed at helping suppliers improve their

sustainability practices, especially regarding emissions reduction and water and energy consumption across the value chain.

- Supply Chain Development and Process Governance:** The objective of auditing high-risk suppliers at Grupo Boticário is to drive the continuous development of our partners, strengthening the resilience and quality of our supply chain. We view auditing as an evolutionary journey: any supplier can achieve a 100% score simply by submitting the appropriate corrective actions on the ServiceNow platform for evaluation and support by our internal team. Even in instances of a "Non-Compliant" classification, the partner may be evaluated by a Committee and continue remediating their Action Plans under the close supervision of Grupo Boticário's team. The process is conducted 100% online, allowing suppliers to respond to questionnaires and attach evidence directly to the platform, thereby ensuring total governance, transparency, and traceability across all stages.

5.6 KPIs for Supplier Assessment and Development

To demonstrate the effectiveness of supply chain management, Grupo Boticário monitors key performance indicators (KPIs) focused on engagement, systematic assessment, and impact remediation. In 2025, the Group's ecosystem comprised over 5,635 active suppliers

Performance Indicators (FY 2025)	Valor / Volume
Total active suppliers	5,635
Number of significant (strategic) suppliers	119
Number of significant suppliers with development actions	119 (100%)
Unique significant suppliers assessed (via documentary or on-site assessments)	117 (98%)
Significant suppliers assessed as having negative impacts (actual or substantial potential)	48
Suppliers with negative impacts supported by Corrective Action Plans	48 (100%)

Significant suppliers with contracts terminated due to ESG impacts	0
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Continuous monitoring takes place at the Directs Performance Forum, tracking targets under Control to Emergency parameters. To ensure maximum transparency, the tracking of the Audit Action Plan Progress is 100% integrated, enabling supply management to monitor the compliance status of partners across the value chain in real time.

6. Tax Strategy

Grupo Boticário recognizes that the proper payment of taxes is a fundamental part of our corporate and economic responsibility to the societies in which we operate. Through this public document, we establish a group-wide commitment regarding our tax strategy and governance, guided by transparency, ethics, and sustainability.

6.1 Our Tax Principles

To ensure the integrity of our global operations, our tax strategy strictly encompasses the following aspects:

- **Full Compliance (Spirit and Letter of the Law):** We are committed to complying with both the spirit and the letter of tax laws and regulations in all countries where the company operates. We do not seek abusive interpretations of the law to obtain undue advantages.
- **Fair Value Allocation:** We commit to not transferring the value created by our operational and economic activities to low-tax jurisdictions. Profits must be taxed where the corresponding economic value is actually generated.
- **Commercial Substance:** We maintain a commitment not to use tax structures without commercial substance. All our corporate operations and financial transactions are driven by genuine commercial purposes.
- **Transfer Pricing (Arm's Length Principle):** We are committed to executing our transfer pricing policies using strictly the arm's length principle, aligned with OECD guidelines and applicable local legislation.
- **Combating Tax Evasion and Transparency:** We commit to not using secrecy jurisdictions or so-called tax havens for tax evasion purposes. We prioritize clarity in our structures and actively cooperate with tax authorities.

6.2 Governance and Senior Management Oversight

The ultimate responsibility for our tax strategy and tax risk management lies with our highest decision-making body. This Tax Strategy and Governance policy has been reviewed, endorsed, and is continuously monitored by our Advisory Board, which ensures that these principles are applied consistently across all group subsidiaries.

7. Product Quality

Grupo Boticário features a dedicated Product Safety structure, wherein all developed items undergo toxicological assessment. The process encompasses verifying safe ingredient concentrations, conducting clinical and in vitro studies, compiling technical dossiers, and adhering to standardized operating procedures, ensuring regulatory compliance and consumer protection. In 2025, no significant non-compliance incidents regarding the health and safety impacts of products and services were recorded. The Group values transparency with consumers regarding its practices and product safety. Management is driven by the Controversial Ingredients and Regulatory Radar process, combined with risk assessment, ensuring the strict control of potentially hazardous materials and substances. The [Transparent Beauty website](#) compiles information on ingredients, formulations, and initiatives related to research, innovation, and sustainability, featuring a glossary with over 900 entries. Beauty Influencers also contribute by sharing technical and scientifically sound information on social media.

- **Preventive processes and rigorous testing:** In addition to recognized quality and safety, Grupo Boticário's products are committed to offering total safety to their consumers. Within our laboratories, multidisciplinary teams adhere to national and international standards to guarantee cosmetic quality and safety. We have expanded the protection levels recommended by legislation, ensuring even greater safety in cosmetic usage. Prior to any product reaching the market, Grupo Boticário applies rigorous safety assessment phases to prevent the delivery of non-compliant products, anticipating potential issues. The pre-clinical phase involves a meticulous analysis of each ingredient by toxicologists to predict potential risks, assess impurity limits, and establish safe concentrations. Subsequently, safety is confirmed in the clinical studies phase, which employs the most advanced international protocols conducted in partnership with Clinical Research institutes. These tests are consistently monitored by medical specialists, such as dermatologists, pediatricians, and/or ophthalmologists, ensuring product compliance with governmental and international scientific regulations, who issue expert opinions on ingredient safety and regulatory adherence. Finally, we conduct the cosmetovigilance (post-market surveillance) phase, tracking the product post-sale by collecting information regarding consumer complaints. This process is detailed and shared on the [Transparent Beauty website](#)

- **Integration of emerging technologies:** The company integrates advanced technologies into its quality processes, utilizing artificial intelligence for the screening and validation of ingredients and formulations. Group scientists employ computational tools and databases (known as "in silico" analyses) to evaluate the chemical structure of molecules and predict safe usage conditions. This technology assists in preemptively identifying structural components that could interact negatively with the human hormonal system, thereby mitigating risks associated with endocrine disruptors. In 2025, Grupo Boticário celebrated 25 years of developing 100% cruelty-free products (free from animal testing). This trajectory is sustained by consistent investments in research, infrastructure, and capacity building. Over the past five years, the Group invested over BRL 40 million in developing alternative methods to animal testing, encompassing scientific research, laboratory tests, technical training, specialized equipment, and certifications, and projects an approximate 20% increase in this investment by 2030, alongside the renovation and modernization of the Pre-Clinical Center in São José dos Pinhais (PR) starting in 2026. Grupo Boticário's portfolio of alternative methods currently features 59 available technologies. Notable among these are advanced models such as 3D skin with hair follicles (an unprecedented model in Brazil, created in partnership with the Rensselaer Polytechnic Institute in the USA, to be incorporated into testing starting in 2026); and the BotiBabySkin neonatal epidermis, developed for safety assessment of infant products and capable of mimicking the delicacy of infant skin. The portfolio also includes bioprinting applications and organ-on-a-chip systems—which simulate the physiological, biochemical, and mechanical characteristics of human organs, such as skin—alongside the use of AI in ingredient and formulation screening and validation. These technologies enable more precise simulations of human tissue behavior, increasing test reliability and eliminating the need for animal testing. The Group's leadership in this agenda is also reflected at the institutional and regulatory levels. The Company played an active role in shaping the Brazilian regulatory environment by joining the ABIHPEC technical working group, contributing to the approval of Federal Law No. 15,183/2025, sanctioned in 2025, which bans animal testing for cosmetics nationwide. Furthermore, it participated in the WC13 – World Congress on Alternatives and Animal Use in the Life Sciences, acting as a local organizer and promoting the sharing of scientific knowledge on alternative methods with researchers, regulators, and companies

from various countries. Further examples of innovation and technology initiatives can be found in the [2025 Integrated Report](#), pages 98 to 107.

- **Quantitative quality targets:** The Group monitors quantitative indicators of quality and customer acceptance, such as the Net Promoter Score (NPS) target of 88.3 established for 2025, which the company surpassed by achieving a score of 89.4. A portion of Grupo Boticário's Sustainability-Linked Bonds (SLBs) is also directly tied to research and innovation commitments, featuring two bonds linked to targets in these areas: achieving a 100% vegan product portfolio by 2026 and increasing the number of alternative testing methods from 55 to 70 by 2030, as detailed in the [2025 Integrated Report](#), page 54. Additionally, the company maintains targets for eliminating chemicals of concern to guarantee maximum portfolio safety, ensuring that zero formulations produced contain hazardous substances, in accordance with Annex XVII of the international REACH regulation. The Group also established and fulfilled the time-bound commitment to finalize, in 2025, the substitution and elimination of D5 and D6 silicones—classified as Substances of Very High Concern (SVHC) by the European Chemicals Agency (ECHA)—across all leave-on products.
- **Internal audits:** The foundation of the Integrated Management System complies with the ISO 9001:2015 standard and the Good Manufacturing Practices for Cosmetics guidelines (ISO 22716:2007). Compliance is verified through internal and external audits. Within its proprietary laboratories, the company conducts advanced evaluations using alternative cruelty-free methods, including 3D bioprinting, reconstructed skin models (3D Skin and Boti Baby Skin®), and Organ-on-a-Chip systems. Furthermore, it applies ecodesign analyses, Life Cycle Assessment, and the proprietary I.A.R.A.® (Environmental Risk Assessment Index) tool to measure and reduce the ecotoxicity and aquatic biodegradability of formulas. As a practical result of the robustness of this system of audits and preventive internal controls, Grupo Boticário recorded no significant non-compliance incidents related to the health and safety impacts of products and services on consumers in 2025.
- **Training for internal stakeholders:** Grupo Boticário promotes continuous capacity building for its teams to consolidate a culture of excellence and compliance with Good Manufacturing Practices (ISO 22716). Through a mandatory digital training program featuring regular periodic refreshers directed at employees within the Operations Vice-Presidency, the company ensures ongoing retraining regarding

internal procedures, technical standards, and risk control. This initiative empowers operational teams to facilitate the early identification and prevention of non-conformities throughout the entire production workflow.

- **Independent external verification of the quality management system:** Grupo Boticário subjects its processes to rigorous external verifications, notably the ISO 9001 certification. Complementarily, the company became the first manufacturing operation in Brazil and Latin America within the cosmetics sector to obtain the international ISO 56001 (Innovation Management) certification, substantiating the governance and technical rigor applied to new product development right from the conceptual phase.
- **Quality requirements for suppliers:** All raw materials and inputs undergo documentary and technical screening to verify regulatory and toxicological parameters alongside impurity limits. The Group mandates adherence to socio-environmental commitments, supply chain traceability criteria, and compliance with the cruelty-free (no animal testing) policy. According to the [Supplier Guidelines](#), page 6, to ensure quality, safety, and legal compliance, suppliers of finished personal care, cosmetic, and fragrance products must meet the "Technical Requirements" detailed in Annex 1 - Technical Standards for Third-Party Manufacturers.
- **Grievance mechanisms (Customer Service Channels and Cosmetovigilance):** For external stakeholders, the Group provides direct and accessible channels for submitting product-related complaints, encompassing the Customer Relationship Center and the Ombudsman for all brands, alongside the Customer Service (SAC) and The Conduct Channel (accessible via the corporate portal). The grievances and reports received through these channels feed into a robust post-market surveillance system known as Cosmetovigilance. Through Cosmetovigilance, it is possible to determine the acceptable profile of product complaints following market introduction. This data collection and analysis of in-market product data relate to complaints concerning: Safety, Efficacy, and Packaging. Capturing this post-market data assists in providing feedback to the development chain, evaluating whether the quantity (number of complaints) and quality (profile and severity of complaints) align with expectations for a specific product. This volume and profile vary significantly from product to product and can be influenced by multiple factors,

including target audience, sales volume, method of use, and product category. Based on this data, we can further enhance our product performance and refine future launches

- **Transparency in incident reporting and corrective actions:** Grupo Boticário acts with transparency by publicly reporting compliance incidents and corrective measures. In 2025, the Company disclosed the recording of two non-compliance cases restricted to technical discrepancies in product classification, taking voluntary and immediate remediation actions with the regulatory body. During the same period, no significant non-compliance cases related to the health and safety impacts of products and services on consumers were recorded.

8. Biodiversity

The preservation of biodiversity and natural capital is the foundation of Grupo Boticário's operational resilience, raw material supply, and innovation. This agenda is overseen at the highest level by the Advisory Board, with advisory support from the ESG Committee and the Risk and Audit Committee (RAC), in alignment with the 2030 Commitments for the Future, the Kunming-Montreal Global Biodiversity Framework (Targets 14 and 15), and the UN Global Compact.

The Company operates through a systemic approach based on two complementary forces:

- **The business (mitigation and resilience):** Focuses accountability on operational management and the value chain, emphasizing eco-efficiency, the reduction of environmental pressures, raw material traceability, and the rigorous management of physical and transition risks associated with natural capital.
- **Grupo Boticário Foundation (legacy and positive impact):** With a 35-year history, the Foundation operates independently as a legacy driver for the ecosystem, enabling practical nature conservation, biodiversity protection, and the development of Nature-Based Solutions (NbS) as infrastructure for urban climate adaptation and societal water security.

8.1 Biodiversity Risk Assessment and Nature Dependencies

Grupo Boticário understands that natural capital is the indispensable infrastructure for the resilience and long-term sustainability of its business, continuously integrating biodiversity into corporate planning and enterprise risk management. Aligned with the Kunming-Montreal Global Biodiversity Framework (specifically Target 15), the Company adopts the TNFD recommendations, utilizing the LEAP (Locate, Evaluate, Assess, Prepare) approach and the LIFE Methodology, permanently bridging climate (TCFD) and nature-related analyses.

- **Direct Operations (Site-Specific):** Across the industrial units (São José dos Pinhais/PR and Camaçari/BA) and distribution centers (Registro/SP and São Gonçalo dos Campos/BA), the measurement of direct environmental impacts is governed by the Integrated Management System (IMS) Policy, based on the ISO 9001, ISO 14001, ISO 45001, and ISO 50001 standards. The policy also ensures the Right of

Refusal, authorizing the halt of activities in the event of imminent environmental risk. Additionally, the LIFE Methodology is employed as a management process for this topic, utilizing the Life Key tool to calculate the Biodiversity Pressure Index (BPI) based on five operational vectors (water, energy, waste, GHG, and physical footprint). This process is subjected to independent third-party auditing for certification purposes. To maintain the LIFE Certification via annual external audits, the company is continuously required to ensure compliance with applicable laws, licenses, and permits, and to implement additional conservation actions. These actions, projects, or initiatives generate a positive performance score (DPB) which, upon exceeding the minimum target (DMB), ensures a Net Positive Impact (NPI). In 2025, this framework was integrated into the physical water risk and water stress scenario modeling developed in partnership with Waterplan for the river basins encompassing the manufacturing sites and their surroundings.

- **Supply Chain (Upstream):** Using 2024 as the baseline year, alongside continuous monitoring, the Company consolidated the TNFD/LEAP diagnostic for its supply base. During the Evaluate phase, it utilized the "Criticality Funnel" alongside the ENCORE tool (SBTN) to screen 3,174 components (903 raw materials), resulting in the prioritization of 20 raw materials. In the Locate phase, the geospatial mapping (GIS) was deepened for the 8 most critical raw materials (sugarcane, palm, wood, coffee, oats, lily, quinoa, and grape) across 17 extraction locations. By cross-referencing data with the WWF Biodiversity Risk Filter, WRI Aqueduct, and Global Forest Watch, it was identified that 14 locations interact with ecologically sensitive areas (with 9 concentrated in the Atlantic Forest biome).
- **Downstream (Post-Consumer):** The environmental footprint on aquatic ecosystems during disposal is systematically calculated for 100% of new developments and portfolio products through Life Cycle Assessment (LCA) and the automated proprietary algorithm I.A.R.A.® (Environmental Risk Assessment Index). This tool analyzes the biodegradability, bioaccumulation, and ecotoxicity of rinse-off formulas starting from the design phase (a tool that celebrated 10 years of application, featuring third-party verification in 2025). Additionally, the Reef Safe methodology (accredited by Inmetro in 2025) continuously certifies that the sunscreen product line is safe for coral reefs.

- **Integration with Enterprise Risk and Impact Management:** The geospatial and interdependency analyses periodically feed back into the Enterprise Risk Management (ERM) System. The diagnostics indicated that overlaps with water-stressed areas and global regulatory requirements (such as the EUDR) pose physical, operational, and regulatory risks regarding raw material scarcity or increased costs. These risks are monitored in the annual review of the risk map and addressed through multi-sourcing, strategic supply planning, and Capex allocation via the ESG ROI methodology. Additionally, information regarding responses to risks and opportunities is integrated into the Company's Climate Transition and Adaptation Plan.

8.2 Biodiversity Commitment and Mitigation Hierarchy

The management of natural capital at Grupo Boticário takes place in an integrated manner with the Company's highest decision-making bodies. The nature agenda, which encompasses biodiversity, water security, and climate, is overseen at the highest level by the Advisory Board, with direct advisory support from the ESG Committee and the Risk and Audit Committee (RAC). This cross-cutting governance steers environmental conservation as a strategic public commitment formalized within the 2030 Commitments for the Future. The corporate ambition aims to achieve a Net Positive Impact (Nature Positive) on biodiversity, forecasting the gradual certification of eight operational units with the LIFE Certification by 2030 (a milestone already reached through recertification and Positive Performance surpassing targets at the São José dos Pinhais and Camaçari manufacturing plants in 2025).

- **Mitigation Hierarchy:** The Company rigorously applies the principles of avoiding, minimizing, restoring, and offsetting environmental impacts.
 - **Avoid:** During the raw material onboarding phase, the acquisition of endangered species listed on the IUCN Red List or those with restricted trade under CITES appendices is strictly prohibited—a rule contractually enforced in the Supplier Guidelines. There has been no conversion of natural ecosystems within the manufacturing footprint since 2009.
 - **Minimize and Restore:** Application of manufacturing eco-efficiency (GOTA Program and industrial wastewater reuse) and the execution of the Biodiversity and Ecosystem Services Action Plan (PABS). Grupo Boticário is a

pioneer in alternative methods for cosmetics development, operating completely cruelty-free (no animal testing) for over 25 years.

- **Offset / Legacy:** Execution of additional voluntary in-situ conservation projects, such as the Recarrega Camaçari Project (forest restoration) and the maintenance of the Salto Morato (PR) and Serra do Tombador (GO) Private Natural Heritage Reserves (RPPNs), which directly protect 11,000 hectares of the Atlantic Forest and Cerrado biomes.
- **Protected Areas Target:** Support and influence the conservation of 2 million hectares across terrestrial and marine environments by 2030 (with consolidated progress of 578,628 protected hectares by the end of 2025).
- **Sustainable Use and Benefit-Sharing:** Full compliance with Law No. 13,123/2015 and the Nagoya Protocol through registrations in SisGen and the formalization of non-monetary Benefit-Sharing Agreements (BSA). These resources benefit projects led by local communities and extractive cooperatives (such as the buriti, Brazil nut, carnauba, and cupuaçu supply chains), brokered through the VBio project showcase.
- **Stakeholder Engagement:** Development of initiatives alongside partner suppliers based on opportunities identified in our Partner Assessment and Development Program (PADP), in addition to advocacy and river basin conservation actions through the Viva Água Movement (which operates in watersheds such as Miringuava, Guanabara Bay, Cantareira, and Joanes/Jacuípe).

8.3 Sustainable Sourcing

Ensuring responsible sourcing and the protection of forest ecosystems are strategic priorities for Grupo Boticário, formalized within the 2030 Commitments for the Future through quantitative targets, defined timeframes, and internal policies (such as the Supplier Guidelines). The Company has made a public commitment to promote responsible sourcing across its supply chains as a means to combat illegal deforestation and biodiversity loss, and to promote decent working conditions. It aims to achieve 100% responsible provenance for its highly critical agricultural commodities by 2030 (100% for palm oil, 100% for sugarcane alcohol, and 90% for wood and derivatives), while also ensuring that at least 95% of all raw materials utilized stem from renewable or sustainably sourced origins by 2030.

- **Traceability and Forest Risk Mitigation (Pandora Program):** The Company operates the Pandora Program to trace the provenance of agricultural commodities beyond the direct supplier (Tier 1), preventing illegal deforestation, biodiversity loss, and human rights violations.
- **Supplier Onboarding, Due Diligence, and Screening:** Registration takes place via the SAP Ariba SLP tool. All partners undergo documentary assessment, Integrity Due Diligence (IDD for anti-corruption/anti-competitive practices), and operational and socio-environmental audits. Suppliers scoring below 80% in these audits are not approved for onboarding. Non-compliance with the Code of Conduct or environmental/labor guidelines leads to sanctions and contract termination.
- **Independent Third-Party Certification Assurance:** To mitigate risks in highly critical commodities (the Top of the Supply Risk Pyramid), external certification featuring a zero-deforestation requirement is mandated. In the consolidated 2025 reporting, the compliance rates achieved were:
 - **Sugarcane alcohol:** Achieved 100% sustainable certification (Bonsucro/RedCert2).
 - **Wood and paper derivatives:** Achieved 99% certification (FSC/PEFC), surpassing the original 90% target set for 2030 ahead of schedule.
 - **Palm oil and derivatives:** Achieved 97% certified inputs (RSPO), remaining on track to reach 100% by 2030.
- **Supply Chain Assessment and Engagement:** The Partner Assessment and Development Program (PADP) and the Beauty Chain platform monitor the ESG performance of the supply chain. The 2030 target is to annually assess the sustainability performance of Tier 1 suppliers responsible for at least 75% of the corporate spend (an indicator that achieved 63% spend coverage in 2025). Furthermore, 45% of the suppliers engaged in the CDP Supply Chain program already have public emissions reduction targets, upholding the 'B' score in CDP Forests.

9. Water

Water and wastewater management is conducted at Grupo Boticário as a foundational agenda for business sustainability and the resilience of the territories where the Company operates. Recognizing water as an essential natural resource for production, product quality, and ecosystem balance, the Group seeks to reduce pressure on water resources, mitigate risks associated with extreme weather events and water scarcity, and contribute to water security in strategic river basins.

This approach is structured around three complementary and interdependent pillars: industrial efficiency, product impact, and water conservation and security. At the operational level, the focus is on optimizing consumption, expanding water reuse, and incorporating technology and automation for monitoring and preventive management. For products, the lifecycle approach prioritizes formulations with lower aquatic impact during use and post-consumption. In the territorial dimension, the Company is expanding its collaborative initiatives aimed at watershed protection and climate change adaptation. The governance of this topic integrates water metrics into routine industrial management, linking operational targets, technical committees, and executive oversight forums. In 2025, advances across these three dimensions reinforced the consolidation of water as a cross-cutting topic in the corporate strategy, combining efficiency, innovation, and territorial action to strengthen business resilience and generate positive impacts for society.

9.1 Monitoring and Identifying Opportunities

To identify improvement opportunities and strengthen data reliability, Grupo Boticário utilizes the Unified Utilities Monitoring Center (Cumú), which integrates water withdrawal and reuse data in real time, enabling precise and preventive management. In 2025, this infrastructure was expanded by incorporating new automated water meters and creating dashboards dedicated to monitoring industrial water use. These enhancements eliminated manual measurements and enabled the agile identification of leaks and consumption anomalies, improving data-driven decision-making. Complementarily, the Company conducted a structured water risk assessment for its main manufacturing sites in partnership with Waterplan. This work involved modeling chronic and acute risk scenarios, such as water scarcity, based on technical data, climate projections, and historical datasets, strengthening the Group's capacity to anticipate risks and reduce vulnerabilities.

9.2 Optimization and Consumption Reduction

The Company relies on the *Gota* (Drop) Program, which centralizes and organizes actions aimed at improving the water balance, seeking to optimize the ratio between withdrawal, consumption, reuse, and discharge, thereby making water use progressively more rational and circular. The program operates through technological and operational improvements, such as cleaning process automation, equipment modernization, the reduction of losses in critical systems, and continuous consumption monitoring. As a result, since its inception in 2023, the program has enabled a reduction of over 1,400 m³ of water per month across various processes. Furthermore, in 2025, an initiative at the Camaçari (BA) site replaced the use of purified water with potable water in reactor cleaning processes, reducing the losses associated with producing purified water and promoting a more appropriate use of the resource.

9.3 Wastewater Quality and Treatment

Focused on the continuous improvement of wastewater quality, investments were made in São José dos Pinhais (PR) to modernize and expand the Wastewater Treatment Plant (WWTP) and the Water Reuse Plant (WRP), including a second stage featuring membrane ultrafiltration. The improvement in wastewater quality enabled the expanded use of reclaimed water for applications such as boilers and cooling towers, increasing generation and utilization throughout 2025 and consolidating higher levels of water circularity.

9.4 Commitments and Targets

Under the "Commitments for the Future" framework, Grupo Boticário has established clear targets for consumption reduction and water efficiency. The Company has committed to achieving at least a 25% reduction in the volume (m³) of water consumed per metric ton of finished product compared to the 2022 baseline (water intensity). Additionally, there is a commitment to utilize at least 90% of the reclaimed water generated in manufacturing operations by 2030, alongside a Sustainability-Linked Bond (SLB) target to utilize at least 80% of the reclaimed water generated at the São José dos Pinhais (PR) site by 2030.

9.5 Water Circularity and Recycling

In operations, water and wastewater management focuses on reducing potable water demand and expanding reuse, making processes more circular and resilient. After use, water undergoes treatment and returns to the systems for non-potable applications, such

as flushing, cleaning, and irrigation at the São José dos Pinhais (PR) and Camaçari (BA) plants, and the São Gonçalo dos Campos (BA) Distribution Center. With the improvement in treatment quality, recycled water is now also applied to more demanding industrial uses, such as in boilers and cooling towers (pages 81, 82). Reflecting the practical application of this continuous recycling, in 2025, Grupo Boticário consumed 38 megaliters more of reclaimed water than in 2024, representing an increase of over 60%.

9.6 Capacity Building and Awareness

To ensure engagement and capacity building in water efficiency, Grupo Boticário adopts a structured strategy of continuous training and awareness campaigns. Technical training is coordinated by the industrial logistics team and structured into five levels, ranging from general guidelines on future commitments to approaches focused on environmental risks and specific consumption controls per factory area (such as the rigorous processes in perfume bottling). Complementarily, the topic of water is a mandatory module in the onboarding of new employees and is kept active in the operational routine through sustainability pillars. For general awareness, the Company promotes activations throughout the year, notably the "Comprehensive Care Week" (*Semana do Cuidado Integral*), focused on the transparency of water metrics and data, and World Water Day campaigns, which feature on-site activations in cafeterias, educational videos, and mobilization via influencers, thereby consolidating a culture of rational resource use at all levels.

10. Human Rights

10.1 Commitment to Human Rights

Our core values, as well as our purpose, are guided by respect for people, the environment, and Human Rights. We operate transparently, upholding the principles of sustainability, diversity, and inclusion as the criteria for building the future we envision. We recognize the valorization and embracement of diversity, alongside the safeguarding of Human Rights, not merely as the right thing to do, but as fundamental strategic levers for our future outlook.

This commitment is formalized through corporate policies approved by senior management, such as the Human Rights and Diversity Commitment Charter, the Code of Conduct, the Diversity and Inclusion Policy, the Anti-Corruption Policy, and the Compliance Policy. Beyond internal governance, our actions are grounded in rigorous public commitments, including adherence to the UN Universal Declaration of Human Rights, the UN Global Compact, the Women's Empowerment Principles (WEPs), the Unstereotype Alliance, the Business Pact for Integrity and Against Corruption (Ethos Institute), and the Brazil Pact for Business Integrity.

In alignment with our culture, respect for Human Rights is a directive applied to 100% of our direct operations and extended throughout our value chain (society, consumers, partners, suppliers, franchisees, and resellers). Our policies establish:

- **Zero tolerance for forced and child labor:** Absolute prohibition and zero tolerance for forced labor, modern slavery, child exploitation, and human trafficking within our facilities or supply chain.
- **Respect for freedom of association:** We recognize relevant trade unions as the legal representatives of our employees, ensuring freedom of association and collective bargaining, and seeking constant dialogue on labor or union matters.
- **Combating discrimination and harassment:** Behaviors that may be characterized as discriminatory or as any form of harassment (including workplace bullying) are strictly unacceptable. We foster a culture of respect through equal opportunities and the pursuit of representation.
- **Fostering inclusion across the value chain:** We recommend partnerships based on the exchange of diversity best practices; we support franchisees and resellers with

awareness campaigns to disseminate inclusive attitudes; and we actively seek out commercial partners and suppliers led by underrepresented groups (Supplier Diversity).

10.2 Human Rights Due Diligence Process

Grupo Boticário operationalizes its commitments through a continuous and structured Human Rights Due Diligence (HRDD) process, grounded in the precautionary principle, to periodically assess the risks of violations within the Company and among our business partners. This cycle operates across the following phases: Identification, Integration, Monitoring, and Remediation.

10.2.1 Phase 1: Periodic and Systematic Review of Risk Mapping (Identification)

The systematic and periodic review of our risk mapping is guided by a participatory management model, wherein stakeholders act as key protagonists not only in identifying impacts but also in designing and directing mitigation actions. This continuous process occurs through the following interconnected fronts:

- **Enterprise Risk Management (ERM) System:** The identification and prioritization of compliance, operational, and supply chain risks are integrated into the Group's heat map. This mapping undergoes monthly reviews, featuring updates and adjustments to adapt to evolving scenarios, with results and action plans reported semi-annually to the Risk and Audit Committee.
- **Double Materiality Assessment:** Every two years, supplemented by an annual executive review, we update our mapping of impacts, risks, and opportunities. This process explicitly encompasses the "Human and Labor Rights" macro-topic, subjecting it to direct consultation with stakeholders (including NGOs and local communities) to ensure that potential new issues are identified and integrated into the strategy.
- **Mapping in New Business Relationships:** The preventive mapping of social risks is systematically conducted prior to closing mergers, acquisitions (M&A), and joint ventures, during which the Legal department and the ESG Directorate assess liabilities to prevent the inheritance of potential violations. Within the supply chain, risks are mitigated through Integrity Due Diligence (IDD) processes.

- **Mapping of Vulnerable Groups and Demographic Intelligence:** To guide strategic decisions, Grupo Boticário monitors its workforce composition by integrating initial onboarding data with self-reported data from the Diversity Census. This mapping ensures the recognition and tracking of multiple demographic segments, including women, Black individuals, people with disabilities, the LGBTQIA+ community, professionals over 45, and Indigenous peoples. Concurrently, the Company continuously refines the capture of new indicators, such as the ongoing systemic structuring for tracking migrant workers. Consolidating this tracking maintains a landscape of available information, transforming data into intelligence capable of identifying challenges, guiding priorities, and anticipating trends for the preventive mitigation of discrimination risks.

10.2.2 Phase 2: Integration of Controls and Mitigation Practices

The human rights risks and socio-environmental impacts identified in Phase 1 are integrated into the Company's management processes, triggering preventive mechanisms, mandatory contractual clauses, technical certifications, and development actions across our operating territories:

- **Value Chain Governance and Contractual Clauses:** We contractually require 100% of our approved partners to sign an adherence agreement to the Code of Conduct, the Supplier Sustainability Management Guide, and specific socio-environmental contractual clauses available on the Supplier Portal. Risk management is structured through two complementary tools: the Supplier Risk Matrix (individual assessment by Tax ID/CNPJ) and the Category Risk Matrix (which formally incorporated ESG criticality into the procurement strategy in 2025). Regarding social and Human Rights matters, continuous assessments are conducted to prevent child labor, forced labor, and restrictions on freedom of association. As active mitigation and supply chain development fronts, we apply the Partner Assessment and Development Program (PADP) to steer continuous improvement plans, alongside the CDP Supply Chain platform to engage the supply chain in climate and water risk management. Additionally, we adopt a dual-sourcing strategy for critical inputs, eliminating reliance on sole suppliers and reducing the costs of socio-environmental or climate disruptions to zero.
- **Mitigation in Critical Inputs:** To neutralize labor and socio-environmental risks in the sourcing of critical commodities, we operate under a multi-sourcing model and

mandate internationally recognized traceable certifications (achieving 100% for sugarcane alcohol via Bonsucro, 99% for paper/wood via FSC, and 97% for palm oil via RSPO).

- **Affirmative Procurement (Supplier Diversity):** We developed the Affirmative Procurement pillar to foster business with diverse-owned enterprises, actively mitigating economic and racial inequalities within the value chain, in direct synergy with the recommendations of our Commitment Charter.
- **Territorial Impact Management and Social Development:** We mitigate social vulnerability risks and promote socioeconomic development in the areas surrounding our operations and Conservation Units through preventive assessments, continuous active listening, corporate volunteering, and professional capacity-building projects integrated into the business strategy:
 - **Social License to Operate (SLO) and Ongoing Dialogue:** The Social Impact department works to secure the Social License to Operate (SLO) in the communities surrounding our operations, structured around the pillars of Engagement, Communication, and Community Action. This strategy is operationalized through public consultations and formal relationship channels, supported by prior socioeconomic diagnostic assessments when applicable. During the establishment of the Pouso Alegre (MG) manufacturing plant, we applied an SLO framework supported by a Local Diagnostic to map community needs and guide the hiring of local labor. This was alongside the execution of the Environmental Control Report (RCA) and Environmental Control Plan (PCA) to assess, mitigate, and continuously monitor operational socio-environmental impacts to secure the Environmental License. For the Pouso Alegre (MG) and São José dos Pinhais (PR) operations, we structured dedicated channels for active listening and grievance receipt. This workflow features grievance screening by the Customer Service team in Pouso Alegre (MG) and the Social Impact team in São José dos Pinhais (PR), coordination with responsible technical areas, and the issuance of formal, conclusive responses to close each community grievance.
 - **Professional Capacity Building and Economic Empowerment:** Through the *Beleza de Educar* (Beauty of Educating) program (in partnership with SENAI

in Camaçari - BA and São José dos Pinhais - PR), we offer scholarships to youth from surrounding communities. Additionally, the *Empreendedoras da Beleza* (Beauty Entrepreneurs) program—and its Business Acceleration Hub for women from peripheral communities in SP, PR, BA, MG, and ES—trained 1,775 women in 2025, boosting financial autonomy and mitigating economic asymmetries in the Group's priority territories.

- **Social Investment and Volunteering:** We allocated 100% of the funds available through tax incentive laws (BRL 6.83 million in 2025) to projects executed in the vicinity of our operations (reaching over 49,000 people). Through the *Gente que Faz o Bem* volunteer program, we mobilized employees and suppliers for social actions across 9 of the Group's operating locations.
- **Viva Água Movement — Fostering Entrepreneurship and Sustainable Production:** Grupo Boticário recognizes that operational resilience depends on the health of ecosystems in its operating territories. Therefore, our actions extend beyond the factory gates through water conservation and security initiatives led in partnership with the Grupo Boticário Foundation, primarily via the Viva Água Movement. This movement collaborates with multiple stakeholders to promote water security and climate change adaptation in strategic watersheds through Nature-Based Solutions (NbS) and the promotion of sustainable entrepreneurship across 4 strategic territories (Miringuava - PR, Guanabara Bay - RJ, Cantareira System - SP/MG, and Joanes/Jacuípe Basins - BA). It currently benefits approximately 15 million people by protecting water sources and improving water governance, with a target to reach six consolidated territories by 2030, including Fortaleza (CE) and Belo Horizonte (MG). Notable 2025 achievements include 157 engaged producers and entrepreneurs in Miringuava (PR), the execution of 15 'Miringuava Dialogues' to strengthen active listening and community belonging, and 82 community entrepreneurs positively impacted.
- **Inclusion of Traditional Peoples, Family Farming, and Benefit-Sharing:** Respect for human rights guides Grupo Boticário's management of nature dependencies, impacts, and risks, maintaining specific socio-environmental guidelines for interactions and engagement with traditional and local

peoples and communities, smallholder farmers, and family agriculture. To ensure a fair and integrated impact across biodiversity chains, we guarantee equitable access and the sharing of benefits arising from the use of genetic resources (Access and Benefit-Sharing - ABS), in strict compliance with the Nagoya Protocol and the Brazilian Biodiversity Law (No. 13,123/2015).

- **Territorial Action and Socio-biodiversity Projects with Quilombola Communities (FGB):** The Grupo Boticário Foundation operates in nature conservation throughout Brazil. Since 1994, it has managed two Conservation Units—the Salto Morato Natural Reserve (2,253 ha/PR) and the Serra do Tombador Natural Reserve (8,730 ha/GO)—and supports projects in their surrounding territories to drive conservation and risk mitigation. Between 2023 and 2026, the FGB funded and supported projects focused on environmental conservation and income generation within traditional communities: the Kalunga Socio-biodiversity Fruits project (building a Cerrado fruit agro-industry involving 20 families in the Kalunga Quilombo, GO), the Rio Verde Quilombo Seed project (training 20 residents in native seed processing and coastal restoration in PR), and the *Trilha do Cavaleiro* (Knight's Trail) project (community-based tourism, mapping 30 km of trails, and training guides via the Moinho Quilombola Association in GO).

10.2.3 Phase 3: Monitoring, Assessment, and Public Transparency (Coverage and Locations)

Grupo Boticário annually and publicly discloses its human rights assessments through its Integrated Report. To certify the ecosystem's compliance over the last three years, we quantified the public coverage and the impact across our sites:

- **Direct Operations (100% coverage of assessed employees | 0% significant risk):**
The Group adopts an Integrated Management System (IMS) covering 100% of operations and employees, with 4 manufacturing/logistics sites holding ISO 45001 certification. Over the 2023-2025 period, 0% of operations presented a significant risk of human rights violations; consequently, no site required the implementation of remediation or negative impact mitigation plans. The Company maintains active preventive controls ensuring the immediate drafting and application of mitigation plans across 100% of locations should any deviation be identified in the future.

- **Tier 1 Suppliers (98% of strategic suppliers assessed on Human Rights | 0% significant risk):** In 2025, out of 5,635 active suppliers, 119 were classified as strategic (representing 63.3% of the Group's total spend). Monitoring operates in a segmented manner: regular suppliers are tracked via automated monitoring of restricted watchlists and public data, whereas strategic suppliers undergo remote and on-site audits. In 2025, 98% of strategic suppliers were assessed against rigorous Human Rights criteria, registering 0% significant risk of violations and, thus, zero need for mitigation plans on this subject. In continuous socio-environmental assessments, 61.2% achieved a score above 60% (classified as low risk). Partners with lower scores are automatically enrolled in Action and Improvement Plans, which are closely monitored by the Group's Procurement team.

10.2.4. Phase 4: Reporting, Response, and Types of Remediation Actions

Grupo Boticário publicly discloses its framework and the formal types of corrective actions applied when there is direct or indirect involvement in human rights impacts:

- **The Conduct Channel:** An external, independent channel available 24/7 to employees, suppliers, and communities, ensuring confidentiality, anonymity, and a strict non-retaliation policy.
- **Typology of Corrective Measures and Remediation:** When ethical or human rights violations are substantiated through investigations by the Conduct Committee, the Group deploys the following types of remediation and corrective actions:
 - **For employees/direct operations:** Application of formal disciplinary measures, which include verbal/written warnings, mandatory remedial training, and termination for just cause, alongside the immediate adjustment of local operational processes.
 - **For the value chain/suppliers:** Formal issuance of Corrective Action Plans (CAPs) with mandatory remediation deadlines, application of contractual penalties, temporary procurement blocks in the system, and, in severe cases or instances of recurrence, contract termination and the definitive end of the partnership.

11. Labor Practices

11.1 Commitment to Labor Practices

Grupo Boticário maintains a public, group-wide commitment to respecting labor and human rights, formalized within its institutional corporate policies. The Company's management is driven by the valorization of diversity and the promotion of a decent work environment founded on transparency, respect, and mutual trust among all parties. The company continuously reaffirms its commitment to best labor practices and strict compliance with applicable legislation. This commitment to integrity and respect is not restricted solely to direct employees but actively extends throughout the value chain, mandating that business partners, suppliers, third parties, and service providers formally adhere to these premises and behavioral expectations to operate with Grupo Boticário.

- **Equity and Compensation:** Grupo Boticário values a work environment based on transparency and equity. As part of its diversity and inclusion agenda, the Company prioritizes the reduction of asymmetries in development and performance across different groups. To support this commitment, the Group developed a rigorous internal comparability methodology that evaluates criteria embedded in the compensation policy. Employees are considered comparable when classified under the same technical criteria: Salary Scale, Job Level, Grade, Position, Working Hours, Performance (which directly impacts compensation through merit cycles), Branch/Location, Time in Role, and Tenure.
- **Working Hours and Rest Periods:** Grupo Boticário's corporate guidelines reaffirm the commitment to best labor practices and full compliance with the Brazilian Labor Code (CLT), ensuring strict adherence to legal limits for daily and weekly working hours, as well as rest periods.
- **Basic Rights and Restructuring:** Guided by strict compliance with prevailing legislation (CLT), the company guarantees its employees basic rights, such as paid annual leave and the fulfillment of all severance obligations and appropriate formal notice in cases of restructuring or termination. To ensure the fairness of this process, every termination decision is evaluated individually and discussed in advance between the immediate leader and the HR Business Partner (HRBP). Additionally, in scenarios involving organizational restructuring or collective

dismissals, the Group operates in accordance with labor legislation, ensuring best practices and respectful relations with trade unions, conducting the processes with transparency, respect, and care for all employees.

- **Decent Work and Human Rights:** We strictly prohibit forced labor, modern slavery, and child labor, applying these requirements unconditionally across the entire group and our supply chain.

11.2 Labor Practice Programs

To operationalize its commitments to human rights and labor practices, Grupo Boticário relies on corporate guidelines, implementing the following management programs and actions:

- **Working Hours and Vacation Monitoring:** Grupo Boticário adopts a flexible work model featuring in-person, hybrid, and remote formats, defined according to the nature of the roles. The objective is to balance operational efficiency, employee well-being, and talent attraction. The company's working hour guidelines ensure compliance with legal limits (daily and weekly) and their respective rest intervals, aligning them with business needs. For employees subject to this control, time tracking is a mandatory personal commitment. To ensure continuous health and rest for the teams, the scheduling or rescheduling of vacations must be completed and approved at least 30 days prior to the requested start date; it is the leadership's duty to ensure that employees utilize their time off within the legal timeframe.
- **Regular Dialogue with Worker Representatives:** Union engagement is a continuous management practice, maintaining open communication channels to discuss working conditions. Our labor relations framework covers 100% of our direct employees through collective bargaining agreements.
- **Pay Equity Monitoring and Programs:** In addition to meeting the legal requirements of Law No. 14,611/2023, the Company applies its proprietary job and merit evaluation criteria semi-annually to identify and eliminate any potential pay gaps between roles of equal value. The corporate commitment to gender equity is demonstrated in practice: currently, 58.5% (1,285) of all leadership positions and 56% of the executive board are held by women. The attraction and retention of diverse talent are driven by affirmative recruitment processes (70.4% women and 50.7% Black individuals hired in 2025) and structured career acceleration programs

(such as Mentorship, *Identities*, and *Protagonize*), which demonstrably increase the retention rates for these groups.

- **Expanded Social Protection and Well-being Coverage:** We offer a comprehensive health, well-being, and financial protection benefits package that exceeds legal requirements, integrating financial security pillars (private pension plan, life insurance, bereavement support, and financial counseling) and comprehensive health coverage (national health and dental plans, medication allowance, and vaccination campaigns). Recovery support for employees includes the Leave Support Program (PAF), which offers salary supplementation for eligible employees on medical leave via the Brazilian Social Security Institute (INSS). The effectiveness of these policies is demonstrated by concrete indicators:
 - **Mental Health:** Boticário is recognized by the Vittude Awards as a "Benchmark Company in Mental Health," reflecting a management approach that generated over 70,000 therapy sessions on the psychotherapy platform in 2025.
 - **Parenthood and Family Support:** The Universal Parental Leave—mandating 120 days for non-birthing parents and 180 days for birthing parents—has already supported over 2,500 employees (including 946 men), achieving a 100% return-to-work rate for women and 99.3% for men, with 16% of promotions recorded within one year of return. Family support features CEAK (Daycare), Nanny Allowance, and Early Childhood Education Allowance, alongside the *Família Cresceu* ("Family Grew" - 871 participants) and *Pais Atípicos* ("Atypical Parents" - 368 children supported) programs.
- **Technological Readiness and Employability (Future of Work):** To support the business's technological evolution and promote the continuous employability of our workforce, we invest heavily in corporate reskilling and upskilling, impacting 19,394 individuals in 2025 and training nearly 14,800 employees via the *Educa On* platform. A key highlight is the Data and Artificial Intelligence (AI) literacy program, which has already reached approximately 22% of the entire workforce, driving digital adaptation and ensuring our teams are ready for new market challenges. Complementarily, the Leadership Academy trained over 1,500 leaders in management.

- **Reskilling and Resilience for the Climate Transition:** Preparation for environmental challenges and the transition to a low-carbon economy are integrated into Grupo Boticário's strategy through our Climate Transition and Adaptation Plan (PTAC) and the corporate governance exercised by the Risk and Audit Committee. The Company continuously evaluates physical and transition climate risk scenarios, mapping the territories and operational links with the highest levels of vulnerability. To respond to climate and socio-environmental emergencies, we maintain structured contingency committees to guarantee rapid and effective humanitarian and financial support, covering both our direct workforce and our business partners in impacted regions. Concurrently, we drive the continuous upskilling of our workforce: over the past three years, more than 3,000 employees participated in sustainability and climate agenda training tracks, while structured technical reskilling programs in data, AI, and digital tools prepare our teams for sectoral transformations. Within the community sphere, the Group's private social investment highlights the allocation of over BRL 11 million through the Climate Resilience Web (*Teia Resiliência Climática*) program for reconstruction and adaptation initiatives in regions affected by socio-environmental disasters.

Discrimination and Harassment: Grupo Boticário's governance establishes a zero-tolerance policy regarding discrimination and expressly prohibits sexual harassment and non-sexual harassment (workplace bullying, unwanted attention, or abusive behavior) across all spheres. To foster awareness, the company provides mandatory training for all employees on preventing discrimination and harassment in the workplace. There is a clearly defined escalation process for incident reporting, supported by a third-party operated Conduct Channel, available 24/7, and structured to protect anonymity, confidentiality, and ensure non-retaliation. All reports are investigated impartially by a multidisciplinary team, resulting in the application of appropriate measures that can range from remedial training to employee termination.



12. References

The practices and guidelines detailed in this document are grounded in Grupo Boticário's official public policies and reports. To review them in full, please access the links below:

- [Grupo Boticário 2025 Integrated Report](#)
- [Code of Conduct](#)
- [Supplier Guidelines](#)
- [Transparent Beauty](#)
- [Human Rights and Diversity Commitment Charter](#)
- [Pay Transparency Report](#)
- [Grupo Boticário Foundation 2025 Activity Report](#)