# Natura &Co Holding S.A.

Individual and Consolidated Financial Statements
For the year ended
December 31, 2024
Independent Auditors' Report

(A free translation of the original in Portuguese)

# *Independent auditor's report*

To the Board of Directors and Stockholders
Natura &Co Holding S.A.

## Opinion

We have audited the accompanying parent company financial statements of Natura &Co Holding S.A. (the “Company”), which comprise the statement of financial position as at December 31, 2024 and the statements of profit or loss, comprehensive income, changes in shareholders’ equity and cash flows for the year then ended, as well as the accompanying consolidated financial statements of Natura &Co Holding S.A. and its subsidiaries (“Consolidated”), which comprise the consolidated statement of financial position as at December 31, 2024 and the consolidated statements of profit or loss, comprehensive income, changes in shareholders’ equity and cash flows for the year then ended, and notes to the financial statements, including material accounting policies and other explanatory information.

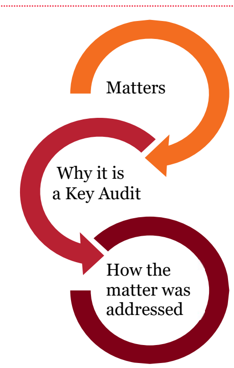
In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Company  and of the Company and its subsidiaries as at December 31, 2024, and the financial performance and the cash flows for the year then ended, as well as the consolidated financial performance and the cash flows for the year then ended, in accordance with accounting practices adopted in Brazil and with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) (currently described as “IFRS Accounting Standards” by the IFRS Foundation).

## Basis for opinion

We conducted our audit in accordance with Brazilian and International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Parent Company and Consolidated Financial Statements section of our report. We are independent of the Company and its subsidiaries in accordance with the ethical requirements established in the Code of Professional Ethics and Professional Standards issued by the Brazilian Federal Accounting Council, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## Key audit matters

Key Audit Matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the parent company and consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



| Why it is a Key Audit Matter | How the matter was addressed in the audit |
|---|---|
| **Discontinued operations – Loss of control over former subsidiary Avon Products Inc. – Notes 1.1.1 and 37.3** | |
| As disclosed in Notes 1.1.1 and 37.3 to the financial statements, on August 12, 2024, the former subsidiary Avon Products Inc. voluntarily filed for a court-supervised reorganization in the United States of America ("Chapter 11*"). Therefore, considering the specific circumstances involved in this process, the Company concluded that, as of that date, it no longer had control over Avon Products Inc. and its subsidiaries (jointly "API"). Consequently, the API's assets and liabilities were derecognized from the Company's financial position . Additionally, in its parent company financial statements, the Company presented a balance of accounts receivable from the subsidiary API, which also began to be measured at fair value. As a result, a loss from discontinued operations was recognized in the amount of R$ 8,187,572 thousand.<br><br>The conclusion about the loss of control, as well as: (i) the deconsolidation of API's assets and liabilities; and (ii) the measurement of fair value of the Company's receivables from API; involved critical judgments by management, in addition to relevant estimates based on significant and subjective data and assumptions.<br><br>Due to the relevance of the amounts involved and the complexity in applying estimates and judgments by management, this matter was considered to be one of the key audit matters. | Our audit procedures included, among others, updating the understanding of the relevant internal control environment related to the process of assessing control over investees, reading the main documents related to the approval of Chapter 11 and discussions with the Company's legal advisors who supported management in carrying out the voluntary process.<br><br>We assessed the critical judgments adopted by the Company's management in concluding on the loss of control over its investment in API as a result of the Chapter 11 process.<br><br>With the support of our experts, we assessed the deconsolidation of API's assets and liabilities, as well as the measurement of fair value of the investment. In addition, with the support of our experts, we assessed the logical consistency, mathematical recalculation and assumptions used in measuring the fair value of the Company's receivables from API.<br><br>We also assessed the appropriateness of the disclosures made by the Company in the financial statements.<br><br>As a result of the audit procedures performed, we considered that the significant judgments and assumptions used by management, as well as the disclosures in the notes to the financial statements, are consistent with the data and information obtained. |

| Why it is a Key Audit Matter | How the matter was addressed in the audit |
|---|---|

**Business combination – repurchase of business of the former subsidiary Avon Products Inc. ("API"), outside the United States of America, called Avon Cosmetics Ltd. ("ACL") – Notes 1.1.2 and 5**

On December 4, 2024, the Company reacquired control over ACL, comprised of API's business outside the United States of America, for R$756,688 thousand (US$ 125,000 thousand), having recognized a gain on bargain purchase in the amount of R$ 987,459 thousand in the result for the year.

The preliminary measurement and the recognition of the assets acquired and liabilities assumed at their fair values, as well as the preliminary calculation of the gain on bargain purchase, involved critical judgments by management, in addition to the application of relevant estimates based on significant and subjective data and assumptions.

The relevance of the amounts involved, as well as the use of significant estimates and judgments by management in determining the fair values, may have a significant impact on the measurement of assets acquired and liabilities assumed. In addition, the measurement of final fair values may impact the preliminarily recognized amounts and, consequently, the bargain purchase value calculated on the acquisition. Therefore, this matter was considered to be one of the key audit matters.

Our audit procedures included, among others, updating the understanding of the relevant internal control environment related to the business combination process, reading the main documents related to the acquisition of ACL and analyzing the main events that led management to conclude on the date of acquisition.

We obtained the understanding and tested the procedures established by management, including the completeness and integrity of the database and calculation models for measuring and accounting for the acquisition.

We tested the measurement of fair values in business combinations prepared by management and, together with our experts, we assessed:

(i) Whether the methodologies used by management are consistent with the methods used in the market and in accordance with the circumstances;

(ii) The reasonableness of the significant assumptions adopted in the identification and measurement of fair values of the assets acquired and liabilities assumed on the acquisition, comparing them with the historical information available or with observable market and/or segment data; and

(iii) The logical consistency and mathematical recalculation of the model prepared by management.

In addition, we verified the main accounting and tax impacts arising from the measurement of fair values of the assets acquired and liabilities assumed in the

| Why it is a Key Audit Matter | How the matter was addressed in the audit |
|---|---|
| | business combination, and the disclosures made by management in the financial statements.<br><br>Our audit procedures provide evidence that the methodology, judgments and estimates used are reasonable and the disclosures are consistent with the data and information obtained. |
| **Realization of deferred income tax assets of the subsidiary Avon Cosmetics Manufacturing S. de R.L. de C.V. ("Avon Mexico") – Note 12.1** | |
| As disclosed in Note 12.1, the subsidiary Avon Mexico presents, as of December 31, 2024, balance of deferred income tax assets arising from temporary differences and tax losses in the total amount of R$ 412,000 thousand.<br><br>Projections of future taxable income prepared by the Company's management include data, assumptions and tax planning opportunities involving significant judgments.<br><br>Thus, the realization of deferred income tax assets may occur differently from management's estimates. For this reason, we still consider this matter significant for our audit. | Our audit procedures included, among others, updating the understanding of the relevant internal controls environment related to the process of assessing the probable realization value of the deferred income tax asset of the subsidiary Avon Mexico.<br><br>We tested the logical consistency and mathematical recalculation of the projections of future taxable income, prepared based on cash flow projections approved by those in charge of the Company's governance, and evaluated the reasonableness of the main assumptions used in the projections of future taxable income generation.<br><br>In respect to the effects of tax planning opportunities, we read the formal approvals documents of the planning and involved tax experts in the evaluation of the legal and tax aspects.<br><br>We also evaluated the adequacy of the disclosures made by the Company in the consolidated financial statements.<br><br>Our audit procedures provide evidence that judgments and assumptions used by management, and the disclosures in the notes to the financial statements, are consistent with the data and information obtained. |

## Other matters

### Statements of Value Added

The parent company and consolidated statements of value added for the year ended December 31, 2024, prepared under the responsibility of the Company's management and presented as supplementary information for IFRS Accounting Standards purposes, were submitted to audit procedures performed in conjunction with the audit of the Company's financial statements. For the purposes of forming our opinion, we evaluated whether these statements are reconciled with the financial statements and accounting records, as applicable, and if their form and content are in accordance with the criteria defined in Technical Pronouncement CPC 09 - "Statement of Value Added". In our opinion, these Statements of Value Added have been properly prepared, in all material respects, in accordance with the criteria established in the Technical Pronouncement, and are consistent with the parent company and consolidated financial statements taken as a whole.

## Other information accompanying the parent company and consolidated financial statements and the auditor's report

The Company's management is responsible for the other information that comprises the Management Report.

Our opinion on the parent company and consolidated financial statements does not cover the Management Report, and we do not express any form of audit conclusion thereon.

In connection with the audit of the parent company and consolidated financial statements, our responsibility is to read the Management Report and, in doing so, consider whether this report is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement in the Management Report, we are required to report that fact. We have nothing to report in this regard.

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## Responsibilities of management and those charged with governance for the parent company and consolidated financial statements

Management is responsible for the preparation and fair presentation of the parent company and consolidated financial statements in accordance with accounting practices adopted in Brazil and with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) ((currently described as "IFRS Accounting Standards" by the IFRS Foundation), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the parent company and consolidated financial statements, management is responsible for assessing the ability of the Company and its subsidiaries, as a whole, to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company and its subsidiaries, as a whole, or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

## Auditor's responsibilities for the audit of the parent company and consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the parent company and consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Brazilian and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Brazilian and International Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the parent company and consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Company and its subsidiaries.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company and its subsidiaries, as a whole, to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the parent company and consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and its subsidiaries, as a whole, to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the parent company and consolidated financial statements, including the disclosures, and whether these financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the Group's audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis to form an opinion on the parent company and consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purpose of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats to our independence or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

São Paulo, March 14, 2025



PricewaterhouseCoopers
Auditores Independentes Ltda.
CRC 2SP000160/O-5

Sérgio Antônio Dias da Silva
Accountant CRC 1SP062926/O-9

Este documento será assinado eletronicamente por meio da ferramenta DocuSign (www.docusign.com.br), nos termos do art. 100, § 20, da Medida Provisória no 2.200-2/2001 e foi preparado na data indicada ao seu final, data esta que será considerada válida para todos os efeitos e fins de direito.

NATURA &CO HOLDING S.A.

**STATEMENT OF FINANCIAL POSITION AS OF DECEMBER 31, 2024 AND 2023**
(In thousands of Brazilian reais - R$)

| ASSETS | Note | Parent 2024 | Parent 2023 | Consolidated 2024 | Consolidated 2023 |
|---|---|---|---|---|---|
| **CURRENT** | | | | | |
| Cash and cash equivalents | 7 | 7,601 | 1,079 | 2,641,683 | 3,750,944 |
| Short-term investments | 8 | 43,740 | 1,579,899 | 1,816,443 | 4,024,056 |
| Trade accounts receivable | 9 | - | 2,562 | 5,280,765 | 3,524,395 |
| Accounts receivable - sale of subsidiary | | - | - | - | 22,915 |
| Trade accounts receivable - Related parties | 33 | 274,417 | 150,815 | - | - |
| Inventories | 10 | - | - | 3,378,152 | 3,087,395 |
| Recoverable taxes | 11 | - | 52,367 | 660,629 | 608,530 |
| Income tax and social contribution | | 50,391 | - | 374,290 | 175,563 |
| Derivative financial instruments | 6 | - | - | 342,945 | 188,997 |
| Other current assets | 15 | 13,771 | 15,545 | 644,640 | 604,427 |
| **Total current assets** | | **389,920** | **1,802,267** | **15,139,547** | **15,987,222** |
| **NON-CURRENT** | | | | | |
| Accounts receivable - sale of subsidiary | | - | - | 427,753 | 806,582 |
| Recoverable taxes | 11 | - | - | 716,604 | 1,112,407 |
| Deferred income tax and social contribution | 12 | 58,017 | 47,948 | 1,905,164 | 2,200,695 |
| Judicial deposits | 13 | 3 | - | 475,746 | 408,030 |
| Derivative financial instruments | 6 | - | - | 46,276 | 89,453 |
| Long-term investments | 8 | - | - | 28,692 | 36,698 |
| Other non-current assets | 15 | - | - | 1,377,722 | 1,027,679 |
| **Total non-current assets** | | **58,020** | **47,948** | **4,977,957** | **5,681,544** |
| Investments | 16 | 15,620,400 | 22,056,486 | - | - |
| Property, plant and equipment | 17 | - | - | 3,493,953 | 3,457,574 |
| Intangible | 18 | - | - | 12,479,004 | 16,569,866 |
| Right of use | 19 | 321 | 773 | 1,042,962 | 1,050,809 |
| **Total non-current assets** | | **15,678,741** | **22,105,207** | **21,993,876** | **26,759,793** |
| **TOTAL ASSETS** | | **16,068,661** | **23,907,474** | **37,133,423** | **42,747,015** |

| LIABILITIES AND SHAREHOLDERS' EQUITY | Note | Parent 2024 | Parent 2023 | Consolidated 2024 | Consolidated 2023 |
|---|---|---|---|---|---|
| **CURRENT** | | | | | |
| Borrowings, financing and debentures | 20 | - | - | 55,890 | 163,844 |
| Lease liability | 19 | 9 | 341 | 207,245 | 298,600 |
| Trade accounts payable and reverse factoring operations | 21 | 44,310 | 31,033 | 6,341,783 | 5,302,478 |
| Suppliers - related parties | 33 | 227,786 | 333,116 | - | - |
| Dividends and interest on equity payable | 25 | 1,414 | 294,231 | 1,414 | 294,231 |
| Salaries, profit sharing and social charges | | 54,930 | 19,881 | 1,200,874 | 1,019,688 |
| Tax obligations | 22 | 44,948 | 83,762 | 674,354 | 634,760 |
| Income tax and social contribution | | - | - | 57,218 | 908,442 |
| Derivative financial instruments | 6 | - | - | 147,480 | 329,676 |
| Provision for tax, civil and labor risks | 23 | - | - | 19,950 | 491,301 |
| Other current liabilities | 24 | 18,318 | 31,984 | 901,281 | 970,479 |
| **Total current liabilities** | | **391,715** | **794,348** | **9,607,489** | **10,413,499** |
| **NON-CURRENT** | | | | | |
| Borrowings, financing and debentures | 20 | - | - | 6,786,795 | 5,947,858 |
| Obligations with senior shareholders in Natura Pay FIDC | | - | - | 353,489 | - |
| Lease liabilities | 19 | 355 | 483 | 769,587 | 851,840 |
| Salaries, profit sharing and social charges | | 3,773 | 4,230 | 118,077 | 16,069 |
| Tax obligations | 22 | - | - | 176,813 | 127,194 |
| Deferred income tax and social contribution | 12 | - | - | 1,356,206 | 328,090 |
| Income tax and social contribution | | - | - | 417,503 | 380,176 |
| Provision for tax, civil and labor risks | 23 | 1,154 | 1,097 | 993,950 | 875,291 |
| Other non-current liabilities | 24 | 256 | 4,077 | 881,927 | 686,533 |
| **Total non-current liabilities** | | **5,538** | **9,887** | **11,854,347** | **9,213,051** |
| **TOTAL LIABILITIES** | | **397,253** | **804,235** | **21,461,836** | **19,626,550** |
| **SHAREHOLDERS' EQUITY** | 25 | | | | |
| Capital stock | | 12,484,515 | 12,484,515 | 12,484,515 | 12,484,515 |
| Treasury shares | | (19,991) | (164,236) | (19,991) | (164,236) |
| Capital reserves | | 10,481,255 | 10,558,567 | 10,481,255 | 10,558,567 |
| Profit reserve | | - | 780,308 | - | 780,308 |
| Accumulated losses | | (8,879,594) | - | (8,879,594) | - |
| Equity appraisal adjustment | | 1,605,223 | (555,915) | 1,605,223 | (555,915) |
| **Shareholders' equity attributed to the Company's shareholders** | | **15,671,408** | **23,103,239** | **15,671,408** | **23,103,239** |
| Non-controlling interest in shareholders' equity of subsidiaries | | - | - | 179 | 17,226 |
| **Total shareholders' equity** | | **15,671,408** | **23,103,239** | **15,671,587** | **23,120,465** |
| **TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY** | | **16,068,661** | **23,907,474** | **37,133,423** | **42,747,015** |

*The accompanying notes are an integral part of the Financial Statements.

NATURA &CO HOLDING S.A.

STATEMENT OF PROFIT OR LOSS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(In thousands of Brazilian reais - R$, except for earnings per share)

| | Note | Parent | | Consolidated | |
|---|---|---|---|---|---|
| | | 2024 | 2023 | 2024 | 2023 |
| **NET REVENUE** | 27 | - | - | 24,089,804 | 19,831,044 |
| Cost of sales | 28 | - | - | (8,372,597) | (7,123,421) |
| | | | | | - |
| **GROSS PROFIT** | | - | - | 15,717,207 | 12,707,623 |
| **OPERATING (EXPENSES) INCOME** | | | | | |
| Selling, marketing and logistics expenses | 28 | - | - | (9,968,893) | (8,103,601) |
| Administrative, R&D, IT and project expenses | 28 | (270,474) | (188,615) | (3,358,347) | (2,726,629) |
| Impairment loss on trade receivables | 9 | - | - | (480,182) | (498,641) |
| Share of profits (losses) from subsidiaries | 16 | (12,411,196) | 3,399,519 | - | - |
| Other operating income (expenses), net | 31 | (108,886) | (2,795) | (1,001,714) | (378,285) |
| **OPERATING (LOSS) PROFIT BEFORE FINANCIAL RESULTS** | | (12,790,556) | 3,208,109 | 908,071 | 1,000,467 |
| Financial results | 30 | (8,369) | (73,119) | (692,809) | (1,637,462) |
| **PROFIT (LOSS) BEFORE INCOME TAX AND SOCIAL CONTRIBUTION** | | (12,798,925) | 3,134,990 | 215,262 | (636,995) |
| Income tax and social contribution | 12 | (89,984) | (152,897) | (957,370) | 407,810 |
| **(LOSS) PROFIT FOR THE PERIOD FROM CONTINUING OPERATIONS** | | (12,888,909) | 2,982,093 | (742,108) | (229,185) |
| DISCONTINUED OPERATIONS | | | | | |
| LOSS FROM DISCONTINUED OPERATIONS | 37 | 3,959,050 | (8,362) | (8,187,572) | 3,203,695 |
| **(LOSS) PROFIT FOR THE PERIOD** | | (8,929,859) | 2,973,731 | (8,929,680) | 2,974,510 |
| **ATTRIBUTABLE TO** | | | | | |
| The Company´s shareholders | | (8,929,859) | 2,973,731 | (8,929,859) | 2,974,510 |
| Non-controlling shareholders | | - | - | 179 | - |
| **(LOSS) PROFIT PER SHARE FOR THE PERIOD -R$** | | | | | |
| Basic | 32 | (6.4571) | 2.1582 | (6.4571) | 2.1588 |
| Diluted | 32 | (6.4571) | 2.1482 | (6.4571) | 2.3251 |

*The accompanying notes are an integral part of the Financial Statements.

NATURA &CO HOLDING S.A.

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(In thousands of Brazilian reais - R$)

| | Note | Parent | | Consolidated | |
|---|---|---|---|---|---|
| | | 2024 | 2023 | 2024 | 2023 |
| (LOSS) PROFIT FOR THE PERIOD | | (8,929,859) | 2,973,731 | (8,929,680) | 2,974,510 |
| Other comprehensive income to be reclassified to the income statement in subsequent years: | | | | | |
| Conversion of the financial statements of foreign subsidiaries | 16 | 1,189,241 | (3,444,834) | 1,189,241 | (3,446,836) |
| Exchange rate effect on the conversion of hyperinflationary economy | 16 | 843,739 | 227,027 | 843,739 | 227,027 |
| Gain (loss) in cash flow hedging transactions | 6.3.1.1 | - | - | 76,989 | 746,648 |
| Tax effects on gain (loss) in cash flow hedging transactions | 12 | - | - | (23,944) | (251,950) |
| Equation on (loss) gain in cash flow hedging transactions | 6.3.1.1 | 76,989 | 746,648 | - | - |
| Equation on the tax effects of gain (loss) in cash flow hedging transactions | 12 | (23,944) | (251,950) | - | - |
| Other comprehensive income (loss) not reclassified for the income (loss) of the periods in subsequent periods: | | | | | |
| Actuarial earnings (losses) | | - | - | 97,964 | (23,205) |
| Tax effects on earnings (losses) from actuarial | | - | - | (22,851) | 9,583 |
| Equity on actuarial earnings (losses) | | 97,964 | (23,204) | - | - |
| Equity on tax effects on actuarial earnings (losses) | | (22,851) | 9,583 | - | - |
| Comprehensive loss for the periods, net of tax effects | | (6,768,721) | 237,001 | (6,768,542) | 235,777 |
| ATTRIBUTABLE TO | | | | | |
| The Company´s shareholders | | (6,768,721) | 237,001 | (6,768,721) | 237,001 |
| Noncontrolling shareholders | | - | - | 179 | (1,224) |
| | | (6,768,721) | 237,001 | (6,768,542) | 235,777 |

*The accompanying notes are an integral part of the Financial Statements.

**NATURA &CO HOLDING S.A.**

**STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY**
**FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023**
**(In thousands of Brazilian reais - R$)**

| | | | | Capital Reserves | | | | | Equity appraisal adjustment | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Note | Capital stock | Treasury shares | Share premium | Special reserve | Additional paid-in capital | Legal profit reserve / Retained earnings | Accumulated losses | Capital transactions | Other comprehensive income (loss) | Shareholders' equity attributed to controlling shareholders | Non-controlling shareholders | Total shareholders' equity |
| **BALANCES AS AT JANUARY 1, 2022** | | **12,484,424** | **(262,360)** | **9,894,936** | **362,059** | **375,956** | **-** | **(1,994,555)** | **(92,066)** | **1,564,340** | **22,332,734** | **18,450** | **22,351,184** |
| Net income for the period | | - | - | - | - | - | - | 2,973,731 | - | - | 2,973,731 | 779 | 2,974,510 |
| Exchange rate effect in the conversion of a hyperinflationary economy | | - | - | - | - | - | - | - | - | 227,027 | 227,027 | - | 227,027 |
| Other comprehensive income | | - | - | - | - | - | - | - | - | (2,963,757) | (2,963,757) | (2,003) | (2,965,760) |
| **Total comprehensive income for the period** | | **-** | **-** | **-** | **-** | **-** | **-** | **2,973,731** | **-** | **(2,736,730)** | **237,001** | **(1,224)** | **235,777** |
| Movement in stock option and restricted stock plans: | | | | | | | | | | | | | |
| Provision for stock option and restricted stock plans | 25 | - | - | - | - | 122,589 | - | - | - | - | 122,589 | - | 122,589 |
| Exercise of stock option and restricted stock plans | 25 | 91 | 98,124 | - | - | (196,973) | 95,118 | - | - | - | (3,640) | - | (3,640) |
| Mandatory minimum dividend | | - | - | - | - | - | - | (293,986) | - | - | (293,986) | - | (293,986) |
| Profit retention reserve | | - | - | - | - | - | 685,190 | (685,190) | - | - | - | - | - |
| Acquisition of subsidiaries under common control | | - | - | - | - | - | - | - | 708,541 | - | 708,541 | - | 708,541 |
| **BALANCES AS AT DECEMBER 31, 2023** | | **12,484,515** | **(164,236)** | **9,894,936** | **362,059** | **301,572** | **780,308** | **-** | **616,475** | **(1,172,390)** | **23,103,239** | **17,226** | **23,120,465** |
| **BALANCES AS AT DECEMBER 31, 2023** | | **12,484,515** | **(164,236)** | **9,894,936** | **362,059** | **301,572** | **780,308** | **-** | **616,475** | **(1,172,390)** | **23,103,239** | **17,226** | **23,120,465** |
| Loss for the period | | - | - | - | - | - | - | (8,929,859) | - | - | (8,929,859) | 179 | (8,929,680) |
| Reflective effect of hyperinflation on subsidiary | | - | - | - | - | - | - | - | - | 843,739 | 843,739 | - | 843,739 |
| Other comprehensive income | | - | - | - | - | - | - | - | - | 1,317,399 | 1,317,399 | - | 1,317,399 |
| Total comprehensive income for the period | | **-** | **-** | **-** | **-** | **-** | **-** | **(8,929,859)** | **-** | **2,161,138** | **(6,768,721)** | **179** | **(6,768,542)** |
| Movement in stock option plans and restricted shares: | | | | | | | | | | | | | |
| Provision for stock option and restricted share grant plans | 25 | - | - | - | - | 64,203 | - | - | - | - | 64,203 | - | 64,203 |
| Exercise of stock option and restricted share grant plans | 25 | - | 144,245 | - | - | (140,649) | - | - | - | - | 3,596 | - | 3,596 |
| Income tax on stock plans | | - | - | - | - | 20,272 | - | - | - | - | 20,272 | - | 20,272 |
| Transfer of grant plans for labor obligations due to conversion of ADRs into phantom shares | | - | - | - | - | (21,138) | - | - | - | - | (21,138) | - | (21,138) |
| Distribution of additional dividends for fiscal year 2023 | | - | - | - | - | - | (685,190) | - | - | - | (685,190) | - | (685,190) |
| Distribution of interest on equity | | - | - | - | - | - | (44,853) | - | - | - | (44,853) | - | (44,853) |
| Partial absorption of the loss for the fiscal year | | - | - | - | - | - | (50,265) | 50,265 | - | - | - | - | - |
| Reduction of non-controlling interests of the former subsidiary Avon Internacional | | - | - | - | - | - | - | - | - | - | - | (17,226) | (17,226) |
| **BALANCES AS AT DECEMBER 31, 2024** | | **12,484,515** | **(19,991)** | **9,894,936** | **362,059** | **224,260** | **-** | **(8,879,594)** | **616,475** | **988,748** | **15,671,408** | **179** | **15,671,587** |

*The accompanying notes are an integral part of the Financial Statements.

NATURA &CO HOLDING S.A.

STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(In thousands of Brazilian reais - R$)

| | Note | Parent | | Consolidated | |
|---|---|---|---|---|---|
| | | 2024 | 2023 | 2024 | 2023 |
| **CASH FLOW FROM OPERATING ACTIVITIES** | | | | | |
| (Loss) profit for the periods | | (8,929,860) | 2,973,731 | (8,929,680) | 2,974,510 |
| **Adjustments to reconciliate loss for the periods with net cash generated by (used in) operating activities:** | | | | | |
| Depreciation and amortization | 16, 17 and 18 | 417 | 1,770 | 968,810 | 901,292 |
| Interest and exchange variation on short-term investments | | (10,624) | (4,352) | (380,779) | (977,203) |
| Loss from swap and forward derivative contracts | 6 | - | - | (15,073) | 1,791,905 |
| Increase (reversion) of provision for tax, civil and labor risks | 23 | 57 | - | 120,971 | 9,130 |
| Monetary adjustment of judicial deposits | 13 | - | - | (29,016) | (28,460) |
| Monetary adjustment of provision for tax, civil and labor risks | 23 | - | 46 | 76,829 | 72,303 |
| Income tax and social contribution | | 89,984 | 152,897 | 957,370 | (262,810) |
| Income from sale and write-off of property, plant and equipment and intangible | 17, 18 e 19 | - | - | 67,710 | 146,218 |
| Share of profits (losses) from subsidiaries | 16 | 12,411,196 | (3,399,519) | - | - |
| Interest and exchange rate variation on leases | 19 | 83 | 113 | 88,047 | 146,308 |
| Interest and exchange rate variation on borrowings, financing and debentures, net of acquisition costs | 20 | - | - | 402,988 | 411,702 |
| Adjustment and exchange rate variation on other assets and liabilities | | - | 708 | - | 2,777 |
| Provision (reversal) for losses on property, plant and equipment, intangible assets and leases | 31 | - | - | - | 11,591 |
| Increase (reversion) of provision for stock option plans | | 25,120 | 28,417 | 67,799 | 118,858 |
| Provision for losses with trade accounts receivables, net of reversals | 9 | - | - | 480,182 | 545,986 |
| Provision for inventory losses, net of reversals | 10 | - | - | 303,768 | 386,642 |
| Provision for carbon credits | | - | - | 1,995 | (12,459) |
| Effect of hyperinflationary economy | | - | - | 643,056 | 117,553 |
| Gain from bargain purchase | | - | - | (987,458) | - |
| Adjustment to fair value of receivables associated with loss of control over associated company | | 111,570 | - | 1,082,805 | - |
| Gain from interest and exchange rate variation on receivables from related parties | | (48,392) | - | - | - |
| Loss of unrealizable tax credits | | - | - | 29,331 | - |
| | | **3,649,551** | **(246,189)** | **(5,050,345)** | **6,355,843** |
| **DECREASE (INCREASE) IN ASSETS** | | | | | |
| Trade accounts receivable and related parties | | (39,383) | (6,186) | (2,043,198) | (1,056,031) |
| Inventories | | - | - | (318,167) | (219,674) |
| Recoverable taxes | | 52,367 | - | 384,087 | 473,330 |
| Other assets | | (7,720) | (168,324) | 106,112 | (377,199) |
| **Subtotal** | | **5,264** | **(174,510)** | **(1,871,166)** | **(1,179,574)** |
| **INCREASE (DECREASE) IN LIABILITIES** | | | | | |
| Domestic and foreign trade accounts payable and related parties | | (92,053) | 293,073 | 727,779 | (107,006) |
| Payroll, profit sharing and social charges, net | | 13,454 | (33,403) | 168,329 | 11,543 |
| Tax liabilities | | (38,814) | 71,571 | 58,035 | (10,311) |
| Other liabilities | | (17,491) | (4,859) | (169,177) | 141,088 |
| **Subtotal** | | **(134,904)** | **326,382** | **784,966** | **35,314** |
| **CASH GENERATED BY (USED IN) OPERATING ACTIVITIES** | | **3,519,911** | **(94,317)** | **(6,136,545)** | **5,211,583** |
| **OTHER CASH FLOWS FROM OPERATING ACTIVITIES** | | | | | |
| Payment of income tax and social contribution | | (63,131) | (297) | (718,199) | (381,489) |
| Release of judicial deposits net of withdrawals | 13 and 23 | (3) | - | (89,253) | 21,734 |
| Payments related to tax, civil and labor lawsuits | 23 | - | - | (95,622) | (13,025) |
| Payments due to settlement of derivative transactions | | - | - | (64,432) | (1,487,092) |
| Payment of interest on lease | 19 | (83) | (113) | (86,507) | (83,414) |
| Payment of interest on borrowings, financing and debentures | 20 | - | - | (520,674) | (910,219) |
| Operating Activities - discontinued operations | | (4,145,199) | - | 5,157,979 | (4,533,004) |
| **CASH GENERATED BY (USED IN) OPERATING ACTIVITIES** | | **(688,505)** | **(94,727)** | **(2,553,253)** | **(2,174,926)** |
| **CASH FLOW FROM INVESTING ACTIVITIES** | | | | | |
| Cash from acquisition of subsidiary | | - | - | 747,144 | - |
| Additions of fixed and intangible assets | | - | - | (547,610) | (638,721) |
| Receipt from sale of fixed and intangible assets | | - | - | 26,535 | 326,416 |
| Investment in securities | | (1,848,397) | (1,631,950) | (28,300,676) | (18,867,618) |
| Redemption of securities | | 3,381,373 | 77,905 | 30,716,383 | 16,744,695 |
| Redemption of interest on securities | | 13,807 | 2,762 | 226,219 | 211,979 |
| Capital increase in subsidiaries | 16 | (1,502,410) | (308,377) | - | - |
| Receipt of dividends from subsidiaries | 16 | 1,673,936 | 1,950,098 | - | - |
| Investment activities - discontinued operations | | - | - | (592,634) | 12,176,806 |
| **CASH GENERATED BY (USED IN) INVESTING ACTIVITIES** | | **1,718,309** | **90,438** | **2,275,361** | **9,953,557** |
| **CASH FLOW FROM FINANCING ACTIVITIES** | | | | | |
| Payment of lease liabilities - principal | 20 | (422) | (289) | (219,462) | (137,008) |
| Payment of loans, financing and debentures - principal | 21 | - | - | (1,470,472) | (7,654,211) |
| Captures of loans, financing and debentures | 21 | - | - | 1,475,561 | 1,494,101 |
| Payment of dividends and interest on equity | | (1,022,860) | - | (1,022,860) | - |
| Payment of funds from settlement of transactions with financial derivatives | | - | - | (85,828) | (310,870) |
| FIDC captures | | - | - | 353,489 | - |
| Capital increase | | - | 91 | - | 91 |
| Financing activities - discontinued operations | | - | - | - | (1,153,862) |
| **NET CASH USED IN FINANCING ACTIVITIES** | | **(1,023,282)** | **(198)** | **(969,572)** | **(7,761,759)** |
| Effect of exchange rate variation on cash and cash equivalents | | - | - | 138,203 | (461,641) |
| **(DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS** | | **6,522** | **(4,487)** | **(1,109,261)** | **(444,769)** |
| Opening balance of cash and cash equivalents | | 1,079 | 5,566 | 3,750,944 | 4,195,713 |
| Closing balance of cash and cash equivalents | | 7,601 | 1,079 | 2,641,683 | 3,750,944 |
| **(DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS** | | **6,522** | **(4,487)** | **(1,109,261)** | **(444,769)** |

*The accompanying notes are an integral part of the Financial Statements.

NATURA &CO HOLDING S.A.

STATEMENT OF VALUE ADDED
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(In thousands of Brazilian reais - R$)

| | Note | Parent | | Consolidated | |
|---|---|---|---|---|---|
| | | 2024 | 2023 | 2024 | 2023 |
| **INCOME** | | **-** | **(2,795)** | **31,507,281** | **25,068,286** |
| Sale of goods, products and services | | - | - | 31,666,920 | 26,142,521 |
| Provision for doubtful accounts, net of reversals | 9 | - | - | (480,182) | (498,641) |
| Other operating expenses, net | | - | (2,795) | 320,543 | (575,594) |
| **GOODS ACQUIRED FROM THIRD PARTIES** | | **(283,706)** | **(133,792)** | **(22,268,291)** | **(16,491,703)** |
| Cost of goods sold and services rendered | | - | - | (11,760,584) | (9,830,318) |
| Materials, energy, third-party services and others | | (174,820) | (133,792) | (9,017,189) | (6,662,914) |
| Loss/Recovery of assets | | (108,886) | - | (1,490,518) | 1,529 |
| **GROSS VALUE ADDED** | | **(283,706)** | **(136,587)** | **9,238,990** | **8,576,583** |
| **RETENTIONS** | | **(417)** | **(1,770)** | **(968,810)** | **(901,292)** |
| Depreciation and amortization | 17, 18 and 19 | (417) | (1,770) | (968,810) | (901,292) |
| **VALUE ADDED PRODUCED BY THE COMPANY** | | **(284,123)** | **(138,357)** | **8,270,180** | **7,675,291** |
| **TRANSFERRED VALUE ADDED** | | **(12,359,011)** | **3,407,848** | **632,127** | **1,222,111** |
| Equity in subsidiaries | 16 | (12,411,196) | 3,399,519 | - | - |
| Financial income - including inflation adjustments and exchange rate variations | 30 | 52,185 | 8,329 | 632,127 | 1,222,111 |
| **VALUE ADDED TO DISTRIBUTE - CONTINUED OPERATIONS** | | **(12,643,134)** | **3,269,491** | **8,902,307** | **8,897,402** |
| TOTAL VALUE ADDED TO DISTRIBUTE - DISCONTINUED OPERATIONS | | 3,959,050 | (8,362) | (8,187,572) | 3,203,695 |
| **'TOTAL VALUE ADDED TO DISTRIBUTE** | | **(8,684,084)** | **3,261,129** | **714,735** | **12,101,097** |
| **TOTAL DISTRIBUTION OF VALUE ADDED** | | **(8,684,084)** | **3,261,129** | **714,735** | **12,101,097** |
| **Payroll and social charges** | 29 | **87,289** | **44,381** | **3,606,660** | **3,543,510** |
| Payroll and social charges | | 55,870 | 41,752 | 2,658,816 | 2,656,770 |
| Benefits | | 30,552 | 1,667 | 668,097 | 543,208 |
| FGTS | | 867 | 962 | 279,747 | 343,532 |
| **Taxes, fees and contributions** | | **97,932** | **161,569** | **4,712,819** | **2,723,504** |
| Federal | | 97,932 | 161,569 | (153,354) | (1,526,100) |
| State | | - | - | 4,866,173 | 4,249,604 |
| **Third-party capital remuneration** | | **60,554** | **81,448** | **1,324,936** | **2,859,573** |
| Financial expenses | | 60,554 | 81,448 | 1,324,936 | 2,859,573 |
| **Equity remuneration** | | **(8,929,859)** | **2,973,731** | **(8,929,680)** | **2,974,510** |
| Dividends | | - | 293,986 | - | 293,986 |
| Retained profits - compensation for accumulated losses | | - | 1,994,555 | - | 1,994,555 |
| Retained profits - constitution of profit reserve | | - | 685,190 | - | 685,190 |
| Share of non-controlling interests in retained profits | | - | - | 179 | 779 |
| Losses for the period | | (8,929,859) | - | (8,929,859) | - |

*The accompanying notes are an integral part of the Financial Statements.

## INDEX OF EXPLANATORY NOTES

# 1. GENERAL INFORMATION

Natura &Co S.A. ("Natura &Co") was established on January 21, 2019 with the objective of participating in other entities, as a partner or shareholder, that develop their main activities in the cosmetics, innovations and personal hygiene sector, through the development of manufacturing, distribution and marketing of their products, headquartered in Brazil, in the city of São Paulo, State of São Paulo, at Avenida Alexandre Colares, No. 1,188, Vila Jaguará, CEP 05106-000. Natura &Co and its subsidiaries are referred to as the "Company".

Additionally, Natura &Co traded American Depositary Receipts ("ADRs") on the New York Stock Exchange ("NYSE"), under the ticker "NTCO", however, on January 18, 2024, the Company's Management approved the delisting from the NYSE, which is in line with its long-term strategy of simplifying its operations. On December 9, 2024, the Board of Directors approved the deregistration of the Company with the United States Securities and Exchange Commission.

The brands under the Company's management include "Natura" and "Avon". In addition to using the retail, e-commerce, business-to-business and franchise markets as product sales channels, the Company's subsidiaries stand out for their direct sales channel, conducted mainly by consultants.

## 1.1 Chapter 11 Process of Former Subsidiary Avon Products Inc. and Its Controlled Entities in the United States ("API") and repurchase of Avon's Operating Assets Outside the United States

### 1.1.1 Filing of the Chapter 11 Process in the United States and Loss of Control of the former subsidiary API

On August 12, 2024, the non-operational subsidiary and holding company for the Avon beauty brand, API, announced that it had commenced a voluntary Chapter 11 proceeding in the U.S. Bankruptcy Court for the District of Delaware to manage legacy debt and liabilities. API intends to proceed with the sale of its assets pursuant to Section 363 of the U.S. Bankruptcy Code.

The Company is API's largest creditor and intends to support API's operations throughout the restructuring process by committing to provide debtor-in-possession financing ("DIP Facility") of US$ 43 million (R$266,269) and by submitting an offer of US$ 125 million (R$756,688) to acquire Avon's operations outside the United States through a court-supervised auction. For its offer, the Company plans to use its existing claims against API as consideration.

There was no impact on API's operations outside the United States, which are not part of the Chapter 11 proceedings. This includes operations in Latin American markets, where the Avon brand is distributed by Natura.

The Company ceased to have control over the operations of API and its subsidiaries on the date of the Chapter 11 filing, August 12, 2024, and the assets and liabilities associated with that operation were derecognized from the Company's equity and financial position (including goodwill balances recognized upon the acquisition of API) and the results obtained up to that point were reclassified to discontinued operations in the statement of income for the year.

The net gain from the write-off of assets and liabilities of the former subsidiary API was R$3,809,100 (see further details in note no.37). This amount includes the reclassification of accumulated balance sheet translation gains, including the hyperinflationary economy adjustment, the effects of cash flow hedging transactions, recognized in other comprehensive income.

As part of the accounting effects related to the loss of control over API and its subsidiaries, the Company recognized in its equity and financial position balances receivables (net) from its former subsidiary API and its subsidiaries, which consist substantially of loans and financing granted to API and some of its subsidiaries. These net receivables are initially recognized at their respective fair values, in accordance with the requirements associated with loss of control by accounting practices adopted in Brazil and International Financial Reporting Standards ("IFRS").

Such receivables, prior to remeasurement at fair value upon the loss of control and subsequent recognition in the consolidated financial statements, included financing amounts of R$4,102,848 owed by the former subsidiary API and R$10,172,147 owed by its subsidiary Avon Cosmetics Ltd. and its subsidiaries and affiliates ("ACL"). Given the waiver granted (as mentioned in explanatory note No. 1.2 below) on API's debt as part of the global transaction agreement, the amount of R$3,479,360 was recognized as part of the fair value adjustment of these receivables, before taxes, limiting these receivables to the amount of the offer made for the acquisition of API's operating assets, totaling US$125 million. The balance is presented in note No. 37.

For the financing receivables owed by ACL and its subsidiaries (presented in explanatory note No. 37 and not part of the Chapter 11 process), the fair value was calculated based on the projected cash generation capacity of the counterparties over the debt period, as well as the fair value of the collateral associated with these receivables. The unobservable inputs involved include projections of future cash flows, which are consistent with the most recent budgets available and approved by the appropriate governance levels, discounted to present value using a discount rate that reflects applicable market outlooks.

The collateral primarily consists of rights to the Avon brand's intellectual property and shares in certain ACL subsidiaries and affiliates. These are valued based on the revenue generation perspective of the operations, using the "relief from royalty" methodology, which applies a royalty rate to such revenues to compensate the brand owner for the licensing of the brand. In addition to the royalty rate (determined through market studies supported by external appraisers), the unobservable inputs involved include cash flow projections and the discount rate, subject to the same characteristics previously described.

Accordingly, the amount of R$ 7,230,135 was recognized as a fair value adjustment for receivables from ACL, before taxes, impacting the income statement under discontinued operations (as part of the effects related to the loss of control over the former subsidiary).

The total fair value adjustment for receivables from API and ACL, amounting to R$10,709,495, is presented in explanatory note No. 37.

Until the date of loss of control, the results of the former subsidiary API were presented as discontinued operations in the income statement as well as in the statement of cash flows.

The Company restated the balances of the income statement, cash flow statement and the corresponding explanatory notes to income for the year ended December 31, 2023, so that the disclosures relate to the operations that were discontinued as at the balance sheet date of the last period presented.

Further details about this operation, as well as the results of discontinued operations for years ended December 31, 2024 and 2023 are presented in explanatory note no. 36, where we present the effects of the investment write-off in API, as well as the fair value adjustment of the receivables with API and its subsidiaries.

### 1.1.2 Repurchase of Avon's Operating Assets Outside the United States

On December 4, 2024, the court overseeing the Chapter 11 process approved (i) the global settlement agreement between the Company and the Avon Unsecured Creditors' Committee and (ii) the sale of Avon's assets outside the United States to the Company through a credit bid in the amount of $125 million, as mentioned in explanatory note No. 1.1. This approval was formalized through the issuance of court orders recorded in the bankruptcy court docket on December 6, 2024.

As a result of the approval and implementation of the plan, the Company reacquired Avon's operating assets outside the United States as part of the Chapter 11 process initiated by API on August 12, 2024, through its indirect subsidiary, Natura &Co UK Holding Limited ("Natura &Co UK"). The net assets acquired were determined to constitute a business combination, as disclosed in explanatory note No. 5.

Under the terms of the offer to repurchase the subsidiaries, the Company agreed to disburse the full amount of the debtor-in-possession (DIP) financing, totaling $43 million, and to waive all of its secured and unsecured claims against API, except for the $125 million mentioned in explanatory note No. 1.1, which was used as consideration for the purchase of operations outside the United States. The effects of the waiver of secured and unsecured claims against Avon's debtor entities are included in explanatory note No. 37.

Additionally, as part of a global agreement negotiated alongside the offer described above, the Company agreed to:

- Pay $34 million in cash to the API debtors' estate;
- Disburse the full amount of the DIP financing, totaling $43 million;
- Waive all of the Company's secured and unsecured claims against the Avon Debtors, except for the $125 million mentioned in explanatory note No. 1.1, which was used as consideration for the purchase of operations outside the United States. The effects of the waiver of secured and unsecured claims against the Avon Debtors are included in explanatory note No. 37;
- Assume obligations related to API's Personal Retirement Plan, totaling $4.7 million, as presented in explanatory note No. 24; and
- Cover current and potential future legal costs associated with the Chapman case, which is part of the former talc-related litigation.

Additional details on the accounting for the business combination are included in explanatory note No. 5.

## 1.2 Sales of former subsidiaries Aesop and The Body Shop

As disclosed in the financial statements for the year ended December 31, 2023, the Company concluded in that year the sale of the former subsidiaries Natura Brazil Pty Ltd. (hereinafter referred to as "Aesop") and Natura International B.V. (hereinafter referred to as "The Body Shop"). The respective accounting effects associated with the sales were presented in the financial statements for that year and did not impact the comparative period on December 31, 2024, presented in this interim financial information.

Regarding the deferred fixed consideration, due on December 29, 2028, and owed by the acquirer of The Body Shop (Aurelius Group) in the amount of R$427,753 (R$320,153 as of December 31, 2023), the Company did not identify any indications that the counterparty's credit risk had increased significantly enough to require the recognition of expected credit losses as of December 31, 2024, and 2023.

The variable portions of contingent consideration ("earn-out") linked to the achievement of certain performance targets were recognized as of December 31, 2023, in the amount of R$486,429. However, on March 31, 2024, following the bankruptcy filing of the former subsidiary The Body Shop in the United Kingdom, the Company assessed that the information supporting the fair value measurement of these receivables as of December 31, 2023, could no longer be considered reliable for fair value determination.

As a result, an impairment was recorded for the full amount of receivable, impacting on the income statement under discontinued operations. There was no retroactive impact on the financial statements for the year ended December 31, 2023.

The respective results of discontinued operations for the year ended December 31, 2023 are presented in explanatory notes no. 6.5(b) and 37.

## 2. MANAGEMENT STATEMENT AND BASIS OF PRESENTATION OF THE INTERIM ACCOUNTING INFORMATION

The individual and consolidated financial statements (hereinafter referred to as "financial statements") were prepared and are being presented in accordance with accounting practices adopted in Brazil, which include the rules of the Brazilian Securities and Exchange Commission ("CVM") and the pronouncements, interpretations and guidelines of the Accounting Pronouncements Committee ("CPC") and in compliance with the International Financial Reporting Standards ("IFRS"), currently referred to by the IFRS Foundation as "IFRS accounting standards", issued by the International Accounting Standards Board ("IASB"), and the provisions contained in the Brazilian Corporation Law.

The financial statements disclose all relevant information specific to the financial statements, and only such information, which is consistent with that used by Management in its management.

The Company's financial statements were approved by the Board of Directors and authorized for issue at a meeting held on March 11, 2025.

The financial statements were prepared based on historical cost, except for items measured at fair value against profit or loss, which include (i) derivative financial instruments; (ii) contingent consideration arising from the sale of the former subsidiary The Body Shop; (iii) other financial assets referred to in Note no. 6.5; and (iv) liabilities related to cash-settled share-based payment plans (Phantom shares from B3) that were previously backed by ADRs (explanatory note No. 29.1). (v) financial liabilities designated as fair value hedges.

The financial statements are expressed in thousands of Reais ("R$"), rounded to the nearest thousand, and the disclosures of amounts in other currencies, when necessary, were also made in thousands. Items disclosed in other currencies are duly identified when applicable.

## 3. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The material accounting policies applied in the preparation of these financial statements are defined below. These practices have been applied consistently in all the years presented, except for the accounting policies adopted for the first time in 2024, as described in note no. 3.28).

### 3.1 Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on the classification of current and non-current, according to the expectation for realization and/or expected consumption during the ordinary course of the operating cycle, as defined in CPC 26 (R2) - Presentation of Accounting Statements - (IAS 1).

Deferred tax assets and liabilities are classified as non-current assets and liabilities, as disclosed in note no. 3.17.

### 3.2 Foreign currency translation

#### 3.2.1 Functional currency

The items included in the financial statements of the Company and each of the companies included in the consolidated financial statements are measured using the currency of the main economic environment in which each of the companies operates ("functional currency"). The financial statements are presented in the Company's functional and presentation currency, the Brazilian Real.

#### 3.2.2 Transactions and balances in a currency other than the functional currency

Transactions in foreign currency, that is, any currency other than the functional currency, are translated into the functional currency of the entities included in these consolidated financial statements using the exchange rates prevailing on the dates of the transactions.

Balance sheet account balances are translated using the exchange rates prevailing on the dates of the reporting period. Gains and losses from exchange rate variation arising from the settlement of such transactions and the translation of monetary assets and monetary liabilities denominated in foreign currency are recognized in the statement of profit or loss as "finance income" and "finance expenses".

#### 3.2.3 Subsidiaries with different functional currency

In preparing the consolidated financial statements, the statement of profit or loss and cash flow statement and all other changes of assets and liabilities of foreign subsidiaries, whose functional currency is not the Brazilian Real, are translated into Brazilian Reais at the monthly average exchange rates, which approximates the exchange rate in effect on the date of the transactions.

The balance sheet is translated into Brazilian Reais at the exchange rate prevailing at each reporting date. The effects of exchange rate variations resulting from these translations are presented under the item Other Comprehensive Income ("OCI") in the statement of comprehensive income in shareholders' equity.

The translation calculation is different for Natura Cosméticos S.A. – Argentina ("Natura Argentina"), Cosmeticos Avon Sociedad Anonima Comercial e Industrial ("Avon Argentina") and Avon Kozmetik Urunleri Sanayi ve Ticaret Anonim Siketi ("Avon Turkey"), which became hyperinflationary economies as of July 1, 2018 for Argentina and June 1, 2022 for Turkey, in which other than the balance sheet, the revenue and expenses are also translated into Reais at the exchange rates prevailing at each reporting date (note no. 3.2.4).

### 3.2.4 Hyperinflationary economy

On July 1, 2018 and June 1, 2022, Argentina and Turkey were considered hyperinflationary economies, respectively considering the rise in the official price indices of the respective countries accumulated on those dates (Consumer Price Index, or "IPC" for the Argentina and the Internal Wholesale Price Index, or "IPIM" for Turkey).

Accordingly, non-monetary assets and liabilities recorded at historical cost in these subsidiaries were restated based on the respective indices mentioned above, with the effects resulting from changes in general purchasing power being presented in the statement of income. The net effect of the inflation adjustment for the years ended December 31, 2024 and 2023 were presented in a specific account for the effect of hyperinflation in the financial result (see note no. 30).

For the purpose of converting the accounting balances of the respective subsidiaries into the presentation currency (reais R$) used in the Company's individual and consolidated financial statements, the following procedures were adopted:

- Assets and liabilities were translated at the exchange rate prevailing at the reporting date (0.006 and 0.00599 Argentine peso for each Brazilian Real and 0.1751 and 0.1639 Turkish lira for each Brazilian Real on December 31, 2024 and 2023, respectively); and
- Revenues and expenses of the year were translated at the exchange rate prevailing at the reporting date (the same as indicated above), instead of the average exchange rate of the year, which is used to translate currencies in non-hyperinflationary economies.

The accumulated inflation for the year ended December 31, 2024 was 117.8% in Argentina and 44.4% in Turkey (211.4% in Argentina and 64.8% in Turkey as of December 31, 2023), as per IPC index.

## 3.3 Consolidation

The following procedures are applied in the preparation of the financial statements:

### a) Investments in subsidiaries

The Company controls an entity when it is exposed to, or is entitled to, the variable returns arising from its involvement with the entity and can affect those returns by exercising its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date when the Company obtains control until the date when the control ceases to exist.

In the individual financial statements, investments in subsidiaries are accounted for using the equity method. The financial statements of the subsidiaries are prepared at the same reporting date as the parent company. Whenever necessary, adjustments are made to suit subsidiaries' accounting policies to those of the Company.

In accordance with the equity method, the portion attributable to the Company on the net income or loss for the year regarding these investments is recorded in the statement of profit or loss of the parent company under the item "share of profit (loss) of equity investees". All intra-group balances, income and expenses and unrealized gains and losses arising from intra-group transactions are eliminated completely. The other comprehensive income ("OCI") of subsidiaries is recorded directly in the Company's shareholders' equity under the item "OCI".

(Amounts in thousands of Reais - R$, except as mentioned otherwise)

Below is a list of the Company's direct subsidiaries as of December 31, 2024 and 2023:

| | Interest - % | |
|---|---|---|
| | 2024 | 2023 |
| Direct interest: | | |
| Avon Products, Inc. (API) | - | 100.00 |
| Natura Cosméticos S.A. | 100.00 | 100.00 |
| Natura &Co International S.à r.l. | 100.00 | 100.00 |

The activities of the direct subsidiaries are described below:

- Avon Products, Inc. ("API"): a global manufacturer and marketer of beauty and related products, with operations started in 1886 and established under the laws of the State of New York in the United States of America on January 27, 1916. It conducts its business in the beauty sector and other consumer products through direct selling companies to create manufacture and market beauty and non-beauty products. Its business is carried out mainly through one channel: direct selling.

  On August 12, 2024, the Company ceased to have control over the operations of API and its subsidiaries, the date of the Chapter 11 filing, with the assets and liabilities associated with that operation being derecognized from the Company's statement of financial position (including the goodwill balances recognized upon the acquisition of API) and the results obtained up to that point being reclassified as discontinued operations in the income statement.

- Natura Cosméticos S.A. ("Natura Cosméticos"): is a privately held corporation, established in accordance with the laws of the Federative Republic of Brazil on June 6, 1993, for an indefinite term and the main focus of which is the commercialization of cosmetics and fragrances in general. It also operates through e-commerce and has an expanded network of its own physical stores. The former subsidiaries The Body Shop International Limited (The Body Shop) and Emeis Holding Pty Ltd. (Aesop) were fully sold during the year ended December 31, 2023 (see explanatory notes no. 1.2, and 37).

- Natura &Co International S.à r.l. ("Natura &Co International"): a company established in Luxembourg on February 14, 2020 with the main purpose of operating as the finance arm of the Company (a "Finco"), centralizing the fundraising activities with external entities and providing funding for the other entities of the economic group on behalf of the parent company. Furthermore, the entity has also the purpose of managing and holding stakes in national and foreign companies.

  On December 4, 2024, as a result of the approval and effectiveness of the Chapter 11 plan of the former subsidiary API, the Company reacquired the Avon operational assets outside the United States, through its indirect subsidiary Natura &Co UK (a direct subsidiary of Natura &Co International). The effects of the business combination are presented in explanatory note No. 5.

As of December 31, 2024 and 2023, there are no subsidiaries directly or indirectly controlled that have significant interests held by non-controlling shareholders.

## 3.4 Goodwill

Business combinations (except for those involving entities under common control) are accounted for using the acquisition method. The consideration transferred is measured at fair value on the acquisition date, as well as the identifiable assets acquired, and liabilities assumed. The consideration transferred does not include amounts related to the settlement of pre-existing relationships; such amounts are generally recognized in profit or loss.

The Company determines that it has acquired a business when the acquired set of activities and assets includes input and a substantive process that together significantly contribute to the ability to generate outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the acquired inputs include an organized workforce with the necessary skills, knowledge, or experience to execute that process, or if it significantly contributes to the ability to continue producing outputs. The assumed financial assets and liabilities are assessed to classify and allocate them according to contractual terms, economic circumstances, and relevant conditions as of the acquisition date.

Acquisition-related costs are expensed as incurred and recognized as other operating expenses. Any goodwill resulting from the transaction is tested annually for recoverability and whenever circumstances indicate that the carrying amount may be impaired.

Goodwill arising from a business combination is initially measured at cost, with the exceeding aggregate amount of: (i) the consideration transferred, measured at fair value; (ii) the amount of any non-controlling interest in the acquiree; and (iii) in a business combination achieved in stages, the fair value of the acquirer's previously held equity interest in the acquiree at the acquisition date; over the net assets acquired (identifiable net assets acquired and assumed liabilities). When this aggregate amount is lower than the net amount of the identifiable assets acquired and the assumed liabilities, a gain on a bargain purchase is immediately recognized in the statement of profit or loss. Subsequently, goodwill is measured at cost less any accumulated impairment losses.

For impairment testing purposes, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the group of Cash-Generating Units ("CGU") that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units and annually tested, and whenever circumstances indicate that the carrying amount may present impairment losses.

Pre-existing relationships between an acquirer and the acquiree that are effectively settled in a business combination are recognized in profit or loss, based on fair value for non-contractual relationships and, for contractual relationships, at the lower of: (i) the amount by which the contract is favorable or unfavorable from the acquirer's perspective compared to current market transactions; and (ii) the amount of any settlement provision established in the contract that is available to the counterparty for whom the contract is unfavorable.

If (ii) is lower than (i), the difference must be included as part of the business combination accounting.

When the initial accounting for a business combination is not complete by the end of the reporting period in which the combination occurs, the acquirer discloses preliminary amounts for items whose accounting is not yet finalized. During the measurement period, the acquirer retrospectively adjusts the preliminary amounts to reflect new information obtained about facts and circumstances that existed as of the acquisition date and that, if known, would have affected the measurement of the amounts recognized at that date. The measurement period must not exceed one year from the acquisition date.

In a business combination involving entities under common control, where all combined entities or businesses are controlled by the same party or parties before and after the combination and such control is not transitory, the Company applies the predecessor value method.

When applying this method, the financial statements consider the historical accounting records of the acquired entity as equivalent to the Company's records, reflecting: (a) the operating results and financial position of the acquiree in prior periods; (b) the operating results of the Company and its acquiree resulting from the restructuring; (c) the Company's assets and liabilities at historical cost (and at prior fair value when applicable); and (d) the Company's earnings per share for all periods presented (adjusted when applicable). In such cases, no goodwill is recognized, and any effect is recorded in Equity.

## 3.5 Cash and cash equivalents

Cash and cash equivalents are maintained for the purpose of meeting short-term cash commitments, not for investment or other purposes. Cash and cash equivalents include cash, demand deposits and short-term investments realizable within 90 days of the original date of the security or considered to be highly liquid granted by the issuer or convertible into a known amount of cash and which are subject to an insignificant risk of changes in value. Instruments that are not eligible for the classification of cash and cash equivalents, due to their liquidity, maturity or even the risk of changes in value, are classified as short-term investments.

## 3.6 Financial instruments

### 3.6.1 Financial assets

#### Initial recognition and measurement

Upon initial recognition, a financial asset not measured at fair value through profit or loss, is measured at fair value plus or minus transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability. Subsequently, financial assets are measured at amortized cost, at fair value through other comprehensive income ("FVTOCI"), or at fair value through profit or loss ("FVTPL").

The classification of financial assets at initial recognition depends on the characteristics of the contractual cash flows of the financial asset and the business model of the Company for the management of these financial assets. The business model of the Company for managing financial assets refers to how the Company manages its financial assets to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortized cost are "non-derivative" financial assets held within a business model with the objective to hold financial assets to collect contractual cash flows, while financial assets classified and measured at fair value through OCI are held within a business model with the objective of holding financial assets to collect contractual cash flows and selling them.

#### Subsequent measurement

*Financial assets at amortized cost*

Financial assets at amortized cost are subsequently measured using the effective interest method and are subject to impairment analysis. Gains or losses are recognized in the statement of profit or loss when the asset is written off, modified, or impaired.

The main financial assets of the Company classified as amortized cost include balances of trade accounts receivable, other current assets and non-current assets balances (see note 6.5).

*Financial assets at fair value through profit or loss*

Financial assets at fair value through profit or loss are presented in the balance sheet at fair value with net changes in fair value recognized in the statement of profit or loss. This category includes derivative instruments and short-term investments which the Company had not irrevocably elected to classify according to the fair value through OCI.

The financial assets measured at fair value through profit or loss are investment funds, government securities, restricted cash, treasury bills, investment fund Dynamo Beauty Ventures Ltd. fund ("DBV Fund"), Amazonia Viva and Natura Ventures, Certificate of Bank Deposits ("CDB"), repurchase operations, derivatives financial and operational instruments and contingent considerations arising from the disposal of the former subsidiary The Body Shop, as presented in note no. 6.5.

### Derecognition (write-off) of financial instruments

A financial asset (or, where applicable, part of a financial asset or part of a group of similar financial assets) is written off when the rights to receive cash flows from the asset have expired, when the Company transfers its rights or risk to receive cash flows from the asset or when the Company has assumed an obligation to pay the full amount of received cash flows, without significant delay, to a third party under an on-lending agreement and either (i) the Company has transferred substantially all risks and benefits of the asset, or (ii) the Company has neither transferred nor retained substantially all risks and benefits of the asset, but transferred the asset control.

When the Company transfers its rights to receive cash flows of an asset or executes an on-lending agreement, it assesses whether, and at which extent, it has retained the risks and benefits of ownership. When the Company has neither transferred nor retained substantially all risks and benefits of the asset, nor transferred control over the asset, the Company continues to recognize the asset transferred to the extent of its continued involvement. In this case, the Company also recognizes an associated liability. The transferred assets and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

### Impairment of financial assets

The Company recognizes an allowance for expected credit losses ("ECL") for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted by an approximation of the original effective interest rate.

ECLs are recognized in two stages: (i) for credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provisioned for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL); (ii) for credit exposures for which there has been a significant increase in credit risk since initial recognition, an allowance for losses is required for credit losses expected over the remaining life of the exposure (a lifetime ECL), irrespective of the timing of the default.

For trade accounts receivable, the Company applies a simplified approach to calculating ECLs. Therefore, the Company does not track changes in credit risk but instead recognizes an allowance for losses based on the ECL at each reporting date. The Company has recorded a provision that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. Further details are disclosed in note no. 4.6.

The Company considers the financial asset in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flow.

### 3.6.2 Financial liabilities

#### Initial recognition and measurement

All financial liabilities are recognized initially at fair value and, in the case of borrowing, financing and debentures, net of directly attributable transaction costs. The Company's main financial liabilities include borrowing in local and foreign currency, financing and debentures (note no. 20), obligations with senior quota holders in Natura Pay FIDC (note no. 38), derivative instruments (note no. 6), trade accounts payable and supply chain financing arrangements (note no. 21), trade accounts payable - related parties (note no. 33), lease liabilities (note no. 19), insurance payable (note no. 24) and dividends payable (note no. 25).

#### Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories: (i) financial liabilities at fair value through profit or loss; or (ii) financial liabilities at amortized cost.

*Financial liabilities at fair value through profit or loss*

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities classified upon initial recognition at fair value through profit or loss. Due to the fair value hedge established to protect against interest rate variability associated with the issuance of real estate receivable certificates ("CRI"), the respective liabilities presented in borrowing, financing and debentures were designated at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the short term. This category also includes derivative instruments entered into by the Company that are not classified as hedging instruments in the hedge relationships defined by CPC 48 - Financial Instruments (IFRS 9). Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognized in the statement of profit or loss.

Financial liabilities designated on initial recognition at fair value through profit or loss are designated on the initial recognition date and only if the criteria of CPC 48 (IFRS 9) are met.

*Financial Liabilities at amortized cost*

This is the most relevant category for the Company. After initial recognition, interest-bearing borrowings, financing and debentures are subsequently measured (except issuance of the real estate receivables certificates) at amortized cost using the effective interest rate method. Gains and losses are recognized in profit or loss when the liabilities are written off as well as through the effective interest rate amortization process.

Any difference between raised and settled amounts is recognized in the statement of profit or loss, using the effective interest rate method during the year in which the borrowings, financing and debentures are outstanding.

Amortized cost is calculated by considering any premium or discount on acquisition and fees or costs that are an integral part of the effective interest rate method. The effective interest rate amortization is included as finance expenses in the statement of profit or loss.

This category generally applies to trade accounts payable and supply chain financing arrangements (see note no. 21), interest-bearing borrowing, financing and debentures (see note no. 20) and lease liabilities (see note no. 19).

#### Derecognition

Financial liability is written off when the obligation under the liability is discharged, canceled, or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as derecognition of the original liability and recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

#### Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

The offsetting of financial instruments is also applied to bank balances subject to the central treasury management system ("cash pooling") instituted with the financial institution, in which the current account positions of the Company (including overdraft balances) are offset since the Company has a legally enforceable right to settle at the net amount and intends to settle the positions on a net basis.

### 3.6.3 Derivative financial instruments

Derivative financial instruments transactions contracted by the Company consist of swaps and non-deliverable forwards ("NDF") intended exclusively to hedge against foreign exchange risks related to (i) exchange rate risks associated to balance sheet position, purchase of goods and property, plant and equipment, forecast exports in addition to and foreign-denominated cash flows for capital contributions in foreign subsidiaries; and (ii) variability in interest rates associated with contracted debt.

The derivative instruments are measured at fair value, and changes are recognized through profit or loss, except when they are designated as cash flow hedge accounting, in which changes in fair value are recorded in OCI.

The fair value of derivative instruments is measured by the treasury department of the Company based on information on each contracted transaction and related market inputs as of the reporting date of the financial statements, such as interest and exchange rates.

For the purpose of hedge accounting, hedges are classified as: (i) fair value hedges when hedging the exposure to changes in the fair value of a recognized asset or liability or an unrecognized firm commitment; (ii) cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognized asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognized firm commitment; and that may affect the result. The Company does not have a *hedge* of a net investment in foreign operation on the years presented.

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which it wishes to apply hedge accounting, the risk management goal and strategy for hedging.

The documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Company will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing and future basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated. Any imbalance between the hedge index of the object and the hedge instrument that is not in compliance with the hedge purpose is adjusted so that the index returns to the standards established in the protection strategy.

Fair value and cash flow hedges that meet all the qualifying criteria for hedge accounting are accounted for as described below.

### Fair value Hedge

It consists in providing protection against variation at fair value of assets or liabilities recognized or firm commitments not recognized, or a component of any such items, that is attributed to a specific risk and that may affect the result.

Any gain or loss arising from variations at fair value of the derivative instruments designated as hedge instruments and the hedged assets or liabilities are recognized in the financial result.

In the years ending on December 31, 2024 and 2023, the Company used derivative instruments, and the hedge accounting was used at fair value, as disclosed in note no. 6.3, to hedge against the variation in the interest rates agreed upon as part of the issue of the real estate receivable certificates ("CRI").

### Cash flow hedges

It consists in providing a hedge against variation in cash flows attributable to a specific risk related to a known asset or liability or a highly probable forecast transaction and that may affect statement of profit or loss.

The effective portion of changes in fair value of derivative instruments that is designated and qualified as cash flow hedge is recognized in OCI and accumulated in the "gains (losses) from cash flow hedge operations" and "tax effect on gain (loss) from cash flow hedge operations". In a cash flow hedge, the effective portion of gain or loss

from the hedge instrument is recognized directly in OCI, in shareholders' equity, while the ineffective portion of hedge is immediately recognized as finance income (expense).

For the years ended December 31, 2024 and 2023, the Company used derivative instruments, applying cash flow hedge accounting and, as disclosed in note 6.3, for hedge against the risk of change in exchange rates related to borrowings in foreign currency, purchase and sale transactions in foreign currency and intercompany borrowing operations that: (i) are highly related to the changes in the market value of the hedged item, both at the beginning as well as during contract term; (ii) have documentation of the transaction, hedged risk, risk management process and methodology used in assessing future effectiveness; and (iii) are considered effective in reducing the risk associated with the exposure to be hedged. It allows the application of the hedge accounting methodology, with the effect of the fair value measurement on the shareholders' equity and the realization on the statement of profit or loss in the item related to the hedged item.

#### Discontinuing hedge accounting

Hedge accounting is discontinued when the Company terminates the hedge relationship, the hedge instrument matures or is sold, revoked, or executed, or no longer qualifies to hedge accounting. Any gains or losses recognized in OCI and accumulated in shareholders' equity up to that date remain in shareholders' equity related to cash flow hedge and are recognized when the forecast transaction is eventually recognized in the statement of profit or loss.

If a forecast transaction results in the subsequent recognition of a non-financial asset or liability, the cumulative gain or loss in OCI is recycled to profit or loss during the same year for which the non-financial asset acquired or non-financial liability assumed affects the profit or loss. For example, when the non-financial asset is depreciated or sold.

On the other hand, if a forecast transaction results in the subsequent recognition of a financial asset or liability, the cumulative gain or loss in OCI is recycled to profit or loss during the same period for which the financial asset acquired or financial liability assumed affects the profit or loss. For example, when financial income or expense is recognized.

When the forecast transaction is no longer expected, cumulative gains or losses and deferred in the statement of changes in shareholders' equity are immediately recognized in the statement of profit or loss.

The Company assesses, on a prospective basis, throughout the hedge term, the effectiveness of its derivative instruments, as well as changes in their fair value.

The fair values of derivative instruments are disclosed in note no. 5.5.

### 3.7 Trade accounts receivable

Trade accounts receivable correspond to amounts receivable for the sale of goods and services in the ordinary course of the activities of the Company and are recognized to the extent that the consideration, which is unconditional, is due by the customer (that is, only the passage of time is required before payment of the consideration is due) and are measured on initial recognition at cost for the consideration to which the Company expects to be entitled in exchange for the products promised to the client.

Subsequently, trade accounts receivables are measured at amortized cost by using the interest rate method and they are subject to an impairment test.

### 3.8 Inventories

Inventories are valued at their average cost and the net realizable value, whichever is lower. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

The Company considers the following items when determining its allowance for inventory losses: discontinued products, products with slow turnover, expired products or products nearing the expiration date and products that do not meet quality standards, recorded as "cost of sales".

### 3.9 Carbon credits – carbon neutral program

In 2007, the Company assumed, with its associates, clients, suppliers and shareholders, a commitment to be a Carbon Neutral company, which is to neutralize its emissions of greenhouse gas ("GHG"), throughout its production chain, from extraction of raw materials to post- consumption.

This commitment, which presently refers to the operations of all the Company and does not reflect a legal obligation to the extent in which the specific regulations still have not been promulgated by the legislative branch.

Thus, considering the practices historically applied by the Company and the specificity of the commitments assumed and disclosed to the market and society, this commitment is considered a non-formalized obligation, according to CPC 25 - Provisions, Contingent Liabilities and Contingent Assets (IAS 37).

The liability is estimated through audited carbon emission inventories carried out annually and valued based on the best estimate of the cash disbursement that will be required to settle the current obligation at the reporting date, considering the history of similar transactions carried out by the Company for such end. As of December 31, 2024 and 2023, the balance recorded as "Other non-current liabilities" refers to the total carbon emissions that have not yet been neutralized by corresponding projects and therefore not granting of the carbon neutral certificate.

The Company elected to make purchases of carbon credits by investing in projects with environmental benefits arising from the voluntary market. Thus, the costs incurred will generate carbon credits after completion or maturation of these projects. Such expenses are recorded in the line item "other current assets" (see note 15) and are measured on initial recognition at cost based on the amounts invested and subsequently measured based on the estimated average value of certificates receivable from recent transactions between unrelated parties.

Upon effective delivery of the related carbon neutral certificates to the Company, and duly filed, the obligation of being carbon neutral is effectively fulfilled; therefore, the asset balances are offset against those of the liabilities.

It is worth noting that, although the recently approved Law No. 15,042/24 has established and regulated the carbon market in Brazil by creating the Brazilian Greenhouse Gas Emissions Trading System ("SBCE"), as of the date of these financial statements, its requirements had not yet been implemented, nor had the permissions and criteria to be followed by the entities covered by the law been defined and granted (which will be determined in the future through the National Allocation Plan – PNA – established by the law). Thus, as of the date of the financial statements, the effects associated with the entity's participation in the decarbonization market are based on the assumptions of a voluntary market.

### 3.10 Property, plant and equipment

Property, plant and equipment is measured at cost of acquisition or construction, plus interest capitalized during construction period, in the case of qualifying assets, and reduced by accumulated depreciation and impairment losses, if applicable. Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted, if applicable.

Land is not depreciated. Depreciation of the other assets is calculated to reduce the cost of items of property, plant and equipment less their estimated residual values using the straight-line method over their useful lives and is recognized in the statement of profit or loss. The estimated useful lives of the assets are mentioned in note no. 16.

Gains and losses on disposals are calculated by comparing the proceeds from the sale with the carrying residual amount and are recognized in the statement of profit or loss as "other operating income (expenses), net".

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

## 3.11 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are reported at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and the related expenditure is reflected in profit or loss in the year in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite. With the sale of its former subsidiaries Aesop and The Body Shop in 2023, the Company no longer has assets with an indefinite useful life, apart from the goodwill arising from the acquisition of Singu (currently renamed Bluma).

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the method for an intangible asset with a finite useful life are reviewed at least at each reporting date. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense regarding intangible assets with finite lives is recognized in the statement of profit or loss in the expense category that is consistent with the function of the intangible assets.

Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually, and when circumstances indicate that the carrying amount may be impaired, either individually or at the CGU level. The assessment of indefinite life is reviewed annually to determine whether indefinite life continues to be supportable. If not, the useful life is changed from indefinite to finite on a prospective basis.

An intangible asset is written off upon disposal (i.e., at the date the receiver of the asset obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon write-offs of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss in item "other operating income (expenses), net".

The main classes of intangible assets and useful life are detailed below and described in note no. 18.

### 3.11.1 *Software*

Licenses of software and enterprise management systems acquired are capitalized and amortized according to the useful lives, and maintenance costs are recognized as expenses when incurred.

Business management system acquisition and implementation costs are capitalized as intangible assets when the asset is identified, when there is evidence that future economic benefits will be generated and when the asset is controlled by the Company, taking into consideration its economic and technological viability. Contracts involving hosting and/or processing of information in the cloud ("cloud computing arrangements") generate intangible assets to the extent that on the contract start date, the Company obtains control of the software. Contracts which only provide the right of access to the supplier's software during the term of the contract are treated as a service contract and, consequently, recognized as an expense in the statement of profit or loss as the service is provided (since the right of receiving access to the supplier's software does not give the Company, at the commencement date of the contract, the power to obtain the future economic benefits arising from the software itself and to restrict third parties' access to those benefits).

The amounts incurred on software development recognized as assets are amortized under the straight-line method over its estimated useful life. The expenditures related to software maintenance are recognized in profit or loss of the year when incurred.

#### 3.11.2 Trademarks and patents

Separately acquired trademarks and patents are stated at their historical cost. Trademarks and patents acquired in a business combination are recognized at fair value on the date of acquisition. For trademarks and patents with a defined useful life, amortization is calculated using the straight-line method.

#### 3.11.3 Relationship with agents

Relationships with agents acquired in business combinations are recognized at fair value on the date of acquisition and amortization is calculated using the straight-line method.

#### 3.11.4 Technologies developed

Technologies developed include technology for product development (including formulas, labeling data, manufacturing processes, regulatory approvals, product packaging and designs) arising from business combination, and are recognized at fair value on the date of acquisition and its amortization is calculated using the straight-line method.

### 3.12 Impairment of non-financial assets

The Company reviews, on each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when the annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset or the CGU fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written off to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their current value using a pre-tax discount rate that reflects the subsidiary's weighted average cost of capital in which the CGU operates, which reflects the risks specific to the CGU and is derived from its existing business and respective risks.

The Company bases its impairment calculation on most recent budgets and forecast calculations, which are prepared separately for each of the Company's CGU (or groups of cash-generating units with respect to goodwill for future profitability) to which the individual assets are allocated and monitored for the purpose of its recoverability. These budgets and forecast calculations generally cover a period of ten years. A long-term growth rate is calculated and applied to project future cash flows after the tenth year.

Impairment losses are recognized in the statement of profit or loss in expense categories consistent with the function of the impaired asset.

For non-financial assets, excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such an indication exists, the Company estimates the assets or CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such a reversal is recognized in the statement of profit or loss.

Goodwill and other intangible assets with indefinite useful lives are tested for impairment annually as of December 31, and when circumstances indicate that the carrying amount may be impaired. Impairment losses relating to goodwill cannot be reversed in future periods.

### 3.13 Lease liability

The Company reviews, at the beginning of the contract, whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period in exchange for consideration. The Company (as a lessee) applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the strike price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognized as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the current value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate that is implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (i.e., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Company's lease liabilities are disclosed in note no. 19.

#### 3.13.1 Right-of-use assets

Right-of-use assets are recognized at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated using the straight-line method over the shorter of the lease term and the estimated useful lives of the assets, disclosed in note no. 19.

The right-of-use assets are also subject to impairment, as disclosed in note no. 3.12.

#### 3.13.2 Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases regardless of their nature (that is, those leases that have a lease term of 12 months or less from the start date and do not contain a call option). The Company also applied for the lease of low-value assets recognition exemption, regardless of their nature. Lease payments in short-term and leases of low-value assets are recognized as an expense using the straight-line method over the lease term.

#### 3.13.3 Lease liability in a sale and leaseback transaction

The Company, as seller-lessee, measures the right-of-use asset resulting from a sale and leaseback transaction in proportion to the previous accounting balance of the asset relating to the right of use retained by the seller-lessee. Therefore, in a sale and leaseback transaction, the seller-lessee recognizes only the amount of any gain or loss related to the rights transferred to the buyer-lessor.

For subsequent measurement, the Company, as seller-lessee, determines "lease payments" or "revised lease payments" in a way that the seller-lessee would not recognize any amount of the gain or loss that relates to the right of use retained. The application of these does not prevent the seller-lessee from recognizing in profits or loss results any gain or loss relating to the partial or full termination of a lease.

### 3.14 Discontinued operations

A group of assets comprising operations intended for disposal qualifies as a discontinued operation disposal group if it is a component of an entity that either has been disposed of, or is classified as held for sale, and: (i) represents a separate major line of business or geographical area of operations; (ii) is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations; or (iii) is a subsidiary acquired exclusively for the purpose of resale.

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount in the statement of profit or loss as profit or loss after taxes in the statement of profit or loss.

As of December 31, 2024, discontinued operations refer to the results derived from the derecognition of assets, liabilities, and operations of the former subsidiary API and its subsidiaries, resulting from the loss of control on the date of the Chapter 11 filing, on August 12, 2024, including the fair value adjustment of pre-existing receivables from API and its subsidiaries.

As of December 31, 2023, discontinued operations refer to the results derived from the derecognition of assets, liabilities, and operations of the former subsidiaries Aesop and The Body Shop, following the completion of the sale of these entities on August 30, 2023, and December 29, 2023, respectively. Additionally, it includes the restatement of the income statement balances related to the former subsidiary API and its subsidiaries to ensure that disclosures reflect the operations discontinued as of the balance sheet date of the last reported period.

### 3.15 Trade accounts payables and supplier finance arrangement

The Company is part of a supplier finance arrangement with a financial institution to facilitate administrative procedures for suppliers to advance receivables related to the routine purchases of the Company. In this operation, the financial institution separately offers to pay the supplier in advance in exchange for a discount and, when agreed between the bank and the supplier (the decision to join this transaction is solely and exclusively on the supplier), the Company pays the financial institution on the original payment date at the full-face value of the originating obligation.

This operation does not change the amounts, nature, and timing of the liability (including previously agreed-upon terms, prices and conditions) and it does not affect the Company with financial charges practiced by the financial institution, on performing a thorough analysis of suppliers by category. There is no guarantee given by the Company.

Additionally, the payments made by the Company represent purchases of goods and services, are directly related to invoices from trade accounts payable and do not change the Company's cash flows. Thus, the Company has determined that these amounts remain part of the working capital used in its normal operating cycle and continues to recognize the liability as trade payables. Accordingly, these transactions are presented as operating activities in the statements of cash flows.

Additional disclosures regarding the characteristics of supplier arrangements, as required by the amendments to IFRS 7 (CPC 40 (R1)) and IAS 7 (CPC 03 (R2)), are provided in Note 21.

### 3.16 Provisions for tax, civil and labor risks

Provisions are recognized when the Company has a legal or constructive obligation as a result of past events, and it is probable that an outflow of resources will be required to settle the obligation, and its value can be reliably estimated. Provisions are quantified at the current value of the expected outflow of resources to settle the obligations using the appropriate discount rate according to risks related to the liability.

The provisions for tax, civil and labor risks are monetarily adjusted through the end of the year to cover probable losses, based on the nature of the risk and the opinion of the Company's legal advisors. The monetary adjustments are recorded in finance income (expenses), see note no. 30.

Contingent assets are not recognized by the Company and are only disclosed in case of probable receipt of economic benefits. If it is practically certain that economic benefits will be received, the assets and the corresponding gain are recorded in the financial statements of the year corresponding to the change in the estimate.

Contingent liability recognized in a business combination is initially measured at its fair value. Subsequently, it is measured at the higher of the amount that would be recognized in accordance with the requirements for provisions above or the amount initially recognized less (when appropriate) cumulative amortization recognized in accordance with the requirements for revenue recognition.

The Company has contracts that provide for the payment of success fees arising from tax, civil and labor proceedings in which it is a defendant, and based on its best estimate, calculated, and provisioned the amounts for which it understands that there is an expectation of future disbursement.

### 3.17 Current and deferred income tax and social contribution

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the tax authorities based on the tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the Company operates and generates taxable income. The Company periodically assesses the tax treatment assumed in the determination of taxes on profit with respect to situations in which the applicable tax regulation gives rise to interpretations that may be different and considers whether it is likely that the tax authority would accept the uncertain tax treatment. The Company assesses these taxes balances based on the most probable or expected value, depending on which method is assessed as the one that provides the best forecast for resolving the uncertainty.

The Company has material uncertain tax positions, and which - in case of any unfavorable outcome under litigation - could result in a material adverse impact to the financial statements.

In Brazil, they include the corporate income tax ("IRPJ") and the social contribution on net income ("CSLL"), which are calculated based on taxable income by applying the 15% rate plus additional of 10% on taxable income exceeding R$ 240 for IRPJ and 9% for CSLL and considers the offset of tax losses, limited to 30% of annual taxable income. Taxable income reflects profit before taxes adjusted by non-taxable and non-deductible items (both temporary and permanent items).

Deferred taxes represent tax debits and credits on temporary differences between tax base and accounting base of assets and liabilities on accrued tax losses. Deferred tax assets and liabilities are classified as non-current as required by CPC 32 - Income taxes (IAS 12).

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. The estimate of future taxable income requires judgements, estimates and interpretation of tax laws.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted at the reporting date and reflect the uncertainties relating to these taxes, when applicable.

Deferred tax assets and liabilities are offset if there is a legal feasible right to offset tax liabilities against tax assets, and if they are related to taxes registered by the same tax authority under the same taxable entity. Thus, for presentation purposes, tax asset and liability balances are disclosed separately.

## 3.18 Employee benefits

### 3.18.1 Short-term benefits

The obligations of short-term benefits for employees are recognized as personnel expenses as the corresponding service is rendered. The liability is recognized at the amount of the expected payment if the Company has a legal or non-formalized obligation to pay the amount due to services rendered by the employee in the past and the obligation can be reliably estimated.

### 3.18.2 Profit sharing program

The Company recognizes a liability and an expense for its profit-sharing program based on criteria that considers the profit attributable to its shareholders and which is tied to the achievement of specific operational goals and objectives established and approved in the beginning of each year.

### 3.18.3 Defined contribution plans

Obligations to contribute to defined contribution plans are recognized in the statement of profit or loss as personnel expenses when the related services are rendered by employees. Contributions paid in advance are recognized as an asset to the extent that a cash refund or a reduction in future payments is possible.

### 3.18.4 Defined benefit plans

The Company's net obligation for defined benefit plans (retirement and post-employment health care) is calculated for each plan based on the estimated amount of the future benefit that beneficiaries will receive in return for services rendered in previous years. This amount is discounted to its current value and is presented net of any plan asset's fair value. The calculation of the defined benefit plan obligation is carried out annually by an external and independent actuary using the Projected Unit Credit Method. When the calculation results in a potential asset for the Company, the asset to be recognized is limited to the current value of economic benefits available in the form of future reimbursements or reductions in future contributions. To calculate the current value of economic benefits, any applicable minimum cost requirements are considered.

The current service cost and accrued interest on the present value of the liability are recognized in the statement of income and the actuarial gains and losses, generated by the remeasurement of the liability due to changes in actuarial assumptions, are recognized in "OCI". In the event of changes or reductions in the plan, the effects of the cost of past services are recognized in the statement of profit or loss on its occurrence date.

## 3.19 Share-based payments

The Company offers its executives share-based compensation plans, settled in its own shares and in cash for plans previously backed by American Depositary Receipts ("ADR").

i) Stock option plans;
ii) Restricted share purchase program;
iii) Stock option plan related to the strategy acceleration;
iv) Performance share purchase program; and
v) B3 phantom shares, settled in cash, for plans that were previously backed by ADRs.

The plans are measured at fair value at the grant date. In determining the fair value, the Company uses an adequate valuation method, details of which are disclosed in note no. 29.1.

The cost of transactions settled with equity instruments is recognized, together with a corresponding increase in shareholders' equity under "additional paid-in capital", throughout the period in which the service conditions are fulfilled, ending on the date on which the employee is fully vested in the right to the award (vesting date). The cumulative expense recognized for equity instruments transactions settled on each base date up to the vesting date reflects the extent to which the vesting period has transpired and the Company's best estimate of the number of equity instruments to be vested. The expense or credit of the year is recorded in the statement of profit or loss under "selling or administrative expenses", depending on the internal department where the eligible employee is allocated.

For the stock options plan and the strategy-acceleration program, even after expiration of the term for exercise, the recognized expense is not reversed since the right has been vested in executive officers.

When an award of equity instruments settlement is canceled (except when the cancellation occurs due to loss of right over the equity instrument for not fulfilling the grant conditions), it is treated as if it had been acquired on the date of cancellation, and any expense not recognized is registered immediately. This includes any award for which the Company or the counterparty have the option of not fulfilling the non-vesting obligation. All cancellations of transactions settled with equity instruments are treated in the same way.

The dilution effect of options granted is reflected as additional share dilution in the calculation of diluted earnings per share.

On January 18, 2024, the Company announced the approval of its secondary delisting from the New York Stock Exchange while maintaining its primary listing on the B3 stock exchange in São Paulo. As a result, ADR-backed plans were converted into B3 phantom shares. Consequently, these phantom shares are classified as cash-settled share-based payments.

The modification from equity-settled payment (the previous classification of ADRs before delisting) to cash-settled payment resulted in the recognition of a liability, reflecting the Company's obligation to make a payment upon vesting.

The initial measurement of the liability is based on the fair value of the underlying B3 shares and considers the service period up to the vesting date. Fair value is typically determined using either the Black-Scholes or Stochastic model, depending on the type of award. The Stochastic model is used to assess awards with market conditions, incorporating a discount factor for the probability of meeting the relevant targets. For awards not subject to a market-based performance condition and with a fixed term, the Black-Scholes valuation model is applied.

There was no impact on profit or loss from the initial recognition of the liability, as it was recorded as a corresponding entry in equity. At each reporting date and, ultimately, at the settlement date, the fair value of the liability is remeasured. Remeasurements of the liability are recognized in the income statement.

### 3.20 Dividends and interest on net equity

The proposed payment of dividends and interest on net equity made by the Management that is within the portion equivalent to the minimum mandatory dividend is recorded in the line item "dividends and interest on net equity" in current liabilities, as it is considered a legal obligation provided for by the Company's bylaws; However, the portion of dividends exceeding minimum mandatory dividends, as declared by the Management after the reporting date, referred to in the financial statements, but before the authorization date for the issuing of the financial statements, is recognized in the line item "additional proposed dividend", in shareholders' equity.

For corporate and accounting purposes, interest on net equity is stated as allocation of income directly in shareholders' equity.

### 3.21 Treasury shares

The Company's own equity instruments which are reacquired (treasury shares) are recognized at acquisition cost and deducted from shareholders' equity. No gain or loss is recognized in the statement of profit or loss regarding the purchase, sale, issue or cancellation of the Company's own equity instruments.

Upon disposal or transfer of treasury shares to beneficiaries of share-based payment plans (settled in shares), the amount of the consideration received is recognized as an increase in shareholders' equity, and any gain or loss resulting from the transaction is recorded as a capital reserve.

### 3.22 Operating segments

The information per business segment is presented in note 25 in a manner consistent with the internal report provided to the chief operating decision maker.

With the divestment of the former indirectly controlled subsidiaries **The Body Shop** and **Aesop** — which substantially represented their respective namesake operating segments — the balances of these subsidiaries were no longer included in the consolidated balance sheet as of December 31, 2023. Consequently, the results from these segments were classified as **discontinued operations** in the income statement for the year ended December 31, 2023.

Additionally, with the loss of control over the former subsidiary **API** on August 12, 2024, the results generated by the respective segment that encompassed these operations (**Avon International**) were also classified as **discontinued operations** in the income statements for the years ended December 31, 2024, and 2023.

As disclosed in **Note 1.2**, on December 4, 2024, following the approval and implementation of the **Chapter 11** plan for the former subsidiary API, the Company **reacquired the operational assets of Avon outside the United States** through its indirectly controlled subsidiary **Natura &Co UK** (a direct subsidiary of Natura &Co International). Therefore, as of December 31, 2024, the Company's operating segments consist of **Avon International** (including only results generated after the reacquisition) and **Natura &Co Latin America**.

The main decision-making body of the Company, which is responsible for defining the allocation of funds and for the performance assessment of the operating segments, is the Board of Directors, which is supported by five thematic advisory committees: The Audit, Risk Management, and Finance Committee, responsible for operationalizing internal and external audit processes, mechanisms, and controls related to risk management, as well as ensuring the coherence of financial policies with strategic guidelines and the business risk profile; The Strategic Committee, responsible for supporting the monitoring and direction of corporate strategy; The Corporate Governance Committee, responsible for overseeing the functioning of our corporate governance system; The Organizational Development and People Committee, responsible for providing support to the Board of Directors in making decisions related to Human Resources, Organizational Development, and Management Systems strategies, policies, and norms; and the Sustainability Committee, responsible for monitoring the Group's and its Business Units' strategies on issues associated with achieving the objectives established in the Commitment to Life, assumed by the Company in 2020, and strategies related to Sustainability in the corporate and Business Unit contexts.

## 3.23 Revenue from contracts with customers

Revenue from contracts with customers is recognized when control of the goods or services is transferred to the customer at an amount that reflects the fair value of the consideration the Company expects to be entitled in exchange for those goods or services. The Company has concluded that it is the principal in its revenue arrangements.

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price, the effects of variable consideration, existence of a significant financing component, non-cash consideration, and consideration payable to the customer (if any) are considered.

The nature and other considerations on the transaction price and the moment in which the performance obligation is fulfilled for each of the main revenue streams are shown below.

### 3.23.1 Direct sales

Revenue from direct sales is generated by sales to the Company's consultants (our customers) based on the fair value of consideration received/receivable, excluding discounts, rebates and taxes or charges on sales. Revenue from sales is recognized when the performance obligation is fulfilled, i.e., when the promised product is physically delivered, and the Consultant obtains control over the product.

### 3.23.2 Direct sales – Additional charges and penalties for late payments

The Company charges their customers (Consultants) additional charges and penalties for late payments in the settlement of sales receivables. Due to the level of uncertainty in collecting these amounts (variable consideration), the subsidiaries recognize revenue from additional charges and penalties based on the consideration that the Company expects to be entitled given its history of collection from customers.

### 3.23.3 Retail sales and *e-Commerce*

The Company, which operates in the retail market, measures sales revenues based on the fair value of the consideration received/receivable, excluding discounts, rebates and taxes or charges on sales. These revenues are recognized when the performance obligation is fulfilled, i.e., when the promised product is physically delivered, and the consumer obtains control over the product.

### 3.23.4 Other performance obligation

#### 3.23.4.1 Loyalty program (points campaign)

The Company offers points campaign (loyalty program), in which customers accumulate points - while buying the Company's products - to be exchanged (redeemed) for products in the future. Measurement of points is based on their expected cost, plus a margin. The amount allocated to the loyalty program is deferred and the revenue is recognized upon redemption of the points accumulated by consultants for retail and direct sales, or when they expire or are no longer considered redeemable. The loyalty program points are valid for up to approximately five months (six cycles).

#### 3.23.4.2 Program for recognition of Natura and Avon beauty consultants' performance

The Company has performance recognition programs, in which the beauty consultants are awarded based on different indicators, for example, volume of purchases, length of service, among others. The Company believes that this performance recognition program has an added value and hence is considered a commitment to our network. Measurement of performance recognition programs is based on their expected cost, plus a margin. The amount allocated to performance recognition programs is deferred and revenue is recognized when awards are delivered to the Company's Consultants.

#### 3.23.4.3 Events

The Company organizes events to encourage and recognize the best Consultants. The Company believes that these events have added value to the Consultants, in addition to generating in them an expectation to participate in these events. Thus, the Company has determined that these events are a performance obligation. Measurement of events is based on their expected cost, plus a margin. The amount allocated to events is deferred and the revenue is recognized when the event is held.

#### 3.23.4.4 Franchises (courses, training and consulting/outfit and opening)

Upon execution of the agreement, the Company charges from franchisees a fixed amount, part of which is allocated to courses, training and consultancy to train and instruct the franchisee to sell "Natura" brand products. In addition, the other part of the amount charged refers to outfits (specific products to be used at the franchisee store) and inauguration (franchisee's store opening event). The Company believes that these items represent a material right and, for such, they are considered a performance obligation. Measurement is based on the market value of these items, being initially recognized as deferred revenue. When the franchisee's store is opened, this deferred revenue is allocated to the statement of profit or loss.

#### 3.23.4.5 Franchises (brand right of use)

Upon the execution of the agreement, the Company charges from franchisees a fixed amount, part of which is for the use of the "Natura" brand. The Company believes that this item represents a material right and, for such, it was considered a performance obligation. Measurement is based on residual value, i.e., the remaining value after excluding the market value of courses, training and consultancy services, outfit and inauguration, and the advertising fund. This amount is initially recognized as deferred revenue. This deferred revenue is allocated to statement of profit or loss, on a straight-line basis, over the term of the franchise agreement.

#### 3.23.4.6 Incentives related to "free-of-charge" products and promotional gifts

The Company grants incentives related to "free-of-charge" products and promotional gifts for its customers (Natura and Avon consultants and/or end consumers). Since it is considered a material right, the Company recognizes it as a performance obligation. Considering that the delivery of products and the fulfillment of the performance obligation to deliver "free-of-charge" products or promotional gifts occurs at the same time, the Company concluded that an allocation of prices and monitoring these two performance obligations separately are not applicable.

### 3.24 Sales taxes

Net revenues are recognized net of sales taxes, except (i) when sales taxes incurred on the purchase of goods or services are not recoverable from the tax authorities, in which case the sales tax is recognized as part of the acquisition cost of the asset or expense item, as the case may be; (ii) when the amounts receivable and payable are presented together with the sales taxes amount; and (iii) when the net amount of sales taxes, recoverable or payable, is included as a component of the amounts receivable or payable in the balance sheet.

Tax incentives related to taxes on sales for the current year are recognized in the Company's statement of profit or loss for the year and recorded in net sales.

#### 3.24.1 Concept of supplies for calculating credits of PIS and COFINS contributions

The Company claims that PIS and COFINS credits are measured and calculated reliably and based on the best interpretation of current legislation and the country's jurisprudential scenario, whose evolution is permanently assessed by the Company and its legal advisors.

### 3.25 Statement of added value

The purpose of this statement is to show the wealth created by the Company and its distribution during a certain period and it is presented by the Company, as required by Brazilian corporate law.

The statement of added value was prepared using information obtained in the same accounting records used to prepare the financial statements and pursuant to the provisions of the Brazilian accounting standard CPC 09 (R1) - Statement of Added Value.

### 3.26 Earnings per share

The basic earnings per share are calculated by dividing the profit (loss) attributable to the Company's shareholders by the weighted average number of outstanding common shares, excluding common shares purchased by the Company and held as treasury shares.

Diluted earnings per share are calculated by adjusting the weighted average number of outstanding common shares, assuming the conversion of all potential common shares that would cause dilution. The Company has stock options, restricted shares, strategy acceleration and performance shares that would have a dilutive effect on any earnings per share.

The Company chose to present the basic and diluted amounts per share resulting from discontinued operations together with the information on earnings per share of continuing operations in note 32, presenting the information for continuing operations in the statement of profit or loss. Such information is presented based on consolidated statement of profit or loss.

### 3.27 New Standards, Amendments, and Interpretations Adopted for the First Time in the Fiscal Year Beginning on January 1, 2024

The standards and amendments that came into effect for fiscal years beginning on or after January 1, 2024, did not have a material impact on the Company's financial statements. The Company has not early adopted any other standard, interpretation, or amendment that has been issued but is not yet in effect.

#### 3.27.1 Supplier Finance Arrangements ("reverse finance operation") - Amendments to IFRS 7 (CPC 40 (R1)) and IAS 7 (CPC 03 (R2))

The amendments to IAS 7 (equivalent to CPC 03 (R2) – Statement of Cash Flows) and IFRS 7 (equivalent to CPC 40 (R1) – Financial Instruments: Disclosures) clarify the characteristics of supplier financing arrangements and require additional disclosures regarding such agreements.

The disclosure requirements in these amendments aim to help financial statement users understand the effects of supplier financing arrangements on an entity's liabilities, cash flows, and liquidity risk exposure.

These additional required disclosures will include: (a) the terms and conditions of the arrangements (for example, extended payment terms and security or guarantees provided); (b) as at the beginning and end of the reporting period: (i) the carrying amounts, and associated line items, of the financial liabilities that are part of a supplier finance arrangement; (ii) the carrying amounts, and associated line items, of the financial liabilities for which suppliers have already received payment from the finance providers; (iii) the range of payment due dates for both the financial liabilities disclosed under (i), as the comparable trade payables that are not part of a supplier finance arrangement; and (c) the type and effect of non-cash changes in the carrying amounts of the financial liabilities.

As a result of the implementation of these amendments, the Company has provided additional disclosures regarding its supplier financing arrangements, as detailed in Note 21.

### 3.27.2 Amendments to IAS 1 (CPC 26 (R1)) - Noncurrent liabilities with covenants

IASB issued amendments to IAS 1 (CPC 26(R1)), so as to improve on the information provided by an entity when its right to avoid liquidation of a liability for at least twelve months is subject to satisfaction of covenants.

The amendments did not have an impact on the Company's financial statements due to the absence of restrictive covenants applicable to the entity as of December 31, 2024, the Company's historical compliance with such covenants, and the consistency between the Company's classification policies for current and non-current liabilities and the clarifications established by the amendments.

### 3.27.3 Amendments to IFRS 16 (CPC 06 (R2)) - Lease liabilities and sale and leaseback

The amendments to IFRS 16 (CPC 06 (R2)) specify the subsequent measurement requirements for sale and leaseback transactions that meet the criteria under IFRS 15 (CPC 47) to be accounted for as a sale. The amendments require that a seller-lessee subsequently measure lease liabilities arising from a leaseback transaction in a way that prevents the recognition of any gain or loss related to the retained right-of-use asset.

The amendments did not have an impact on the Company's financial statements, as the Company's leaseback accounting policies are consistent with the clarifications introduced by the amendments, including the recognition of leaseback transactions disclosed in Note 18.

## 3.28 New Standards, Amendments, and Interpretations Not Yet Effective

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issue of the Company's financial statements are disclosed below, except for those which, in the Management's assessment, cannot produce any effect on the financial statements. The Company intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

### 3.28.1 IFRS 18 - Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18, which replaces IAS 1 (equivalent to CPC 26 (R1) – Presentation of Financial Statements). IFRS 18 introduces new presentation requirements for the income statement, including specified totals and subtotals. Additionally, entities are required to classify all income and expenses into one of five categories within the income statement: operating, investing, financing, income taxes, and discontinued operations, with the first three being newly introduced.

The standard also mandates the disclosure of management-defined performance measures, subtotals of income and expenses, and new requirements for aggregating and disaggregating financial information based on the identified functions of the financial statements (primary financial statements (PFS)) and the accompanying notes.

Furthermore, narrow-scope amendments have been made to IAS 7 (equivalent to CPC 03 (R2) – Statement of Cash Flows), including: changing the starting point for determining cash flows from operations under the indirect method from "profit or loss for the period" to "operating profit or loss"; removing the option to classify cash flows from dividends and interest at the entity's discretion; consequential amendments to various other standards.

IFRS 18 and the related amendments will be effective for reporting periods beginning on or after January 1, 2027. Early adoption is not permitted in Brazil. The applicable standard for Brazil is still subject to deliberation and issuance by the Accounting Pronouncements Committee (CPC).

The Company is currently assessing the potential impact of these changes on its financial statements and related disclosures. The final impact will depend on the implementation model and any specific determinations made locally by the CPC upon issuing the corresponding standard.

### 3.28.2 Amendments to CPC 02 (R2) – Effects of Changes in Exchange Rates and Translation of Financial Statements and CPC 37 (R1) – First-time Adoption of International Accounting Standards

In September 2024, the CPC issued Technical Pronouncements Review No. 27, incorporating amendments introduced by the Lack of Exchangeability, as published by the IASB, which resulted in changes to Technical Pronouncement CPC 02 (R2) – Effects of Changes in Exchange Rates and Translation of Financial Statements and CPC 37 (R1) – First-time Adoption of International Accounting Standards.

The amendments seek to define the concept of convertible currency and provide guidance on procedures for non-convertible currencies, determining that exchangeability should be assessed on the measurement date based on the purpose of the transaction. If the currency is deemed non-convertible, the entity must estimate an exchange rate that reflects market conditions. In cases where multiple exchange rates exist, the entity should use the rate that best represents the settlement of cash flows.

The pronouncement also emphasizes the importance of disclosures regarding non-convertible currencies, ensuring that financial statement users understand the financial impacts, associated risks, and criteria used in estimating the exchange rate.

The amendments are effective for financial statement periods beginning on or after January 1, 2025. The Company does not expect these changes to have a material impact on its financial statements.

#### 3.28.3 Technical Guidance OCPC 10 – Carbon Credits ($tCO_2e$), Emission Allowances, and Decarbonization Credits (CBIO)

The guidance was issued by the Federal Accounting Council (CFC) and the Brazilian Securities and Exchange Commission (CVM) in December 2024. Its purpose is to establish the basic requirements for the recognition, measurement, and disclosure of decarbonization credits, which must be observed by entities in both the origination and acquisition of these credits, whether for compliance with decarbonization targets (retirement) or for trading purposes. Additionally, it provides guidance on associated liabilities, whether arising from legal obligations or non-formalized commitments, as defined in CPC 25 – Provisions, Contingent Liabilities, and Contingent Assets (IAS 37).

OCPC 10 does not introduce new procedures or modify the guidelines established in other accounting standards issued by CPC. It is consistent with IFRS Accounting Standards, despite the absence of a directly corresponding IFRS standard. The guidance also addresses the accounting treatment of these transactions in the context of Law No. 15,042/24, which established the Brazilian Emissions Trading System (SBCE).

Considering the value chain in the decarbonization process, economic agents have been identified and classified according to their business models, grouped into the following categories: Government, Originators, Intermediaries, and End Users. The Company understands that, based on its business model, it acts as an End User, as it acquires decarbonization assets for retirement purposes (acquisition for compliance with decarbonization targets).

The guidance is applicable to financial statements starting on or after January 1, 2025. The Company is currently assessing the potential impacts on its financial statements; however, no material effects are expected, considering its historically adopted practices and the specific nature of its commitments, which have been disclosed to the market and society as non-formalized obligations, in accordance with CPC 25 (IAS 37).

#### 3.28.4 Amendments to IFRS 9 and IFRS 7 – Classification and Measurement of Financial Instruments

As part of the Post-Implementation Review (PIR) of IFRS 9, the IASB concluded that certain aspects of the requirements related to the assessment of contractual cash flows of financial assets (i.e., the "Solely Payments of Principal and Interest" (SPPI) test) could be clarified to support consistent application, particularly for financial assets with characteristics linked to environmental, social, and governance (ESG) objectives.

As a result, in May 2024, the IASB issued new classification and measurement requirements under IFRS 9 – Financial Instruments. The amendments aim to address inconsistencies in accounting practices, enabling companies to apply measurement and classification guidelines more consistently while providing greater transparency for investors and other financial statement users. The key amendments include:

- Classification of financial assets with ESG and similar characteristics: ESG-linked features in loans may impact the measurement of these instruments, determining whether they should be measured at amortized cost or fair value. The amendments clarify how the contractual cash flows of these loans should be assessed under the SPPI test.

- Settlement of liabilities through electronic payment systems: The amendments clarify the timing of derecognition of financial assets and financial liabilities. Additionally, the IASB has introduced an accounting policy option allowing entities to derecognize financial liability before cash is delivered on the settlement date, provided specific criteria are met.

The amendments are effective for annual reporting periods beginning on or after January 1, 2026. The Company is currently assessing the potential impact of these amendments on its financial statements.

## 4. CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

The preparation of the individual and consolidated financial statements requires management to make certain judgments and use assumptions and estimates based on experience and other factors considered relevant, which affect the values of assets and liabilities, and which may present results that differ from actual results.

The areas that require a higher level of judgment and have greater complexity, as well as the areas in which assumptions and estimates are material for the financial statements, are disclosed below.

### 4.1 Income tax, social contribution, and other taxes

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits, together with future tax planning strategies and other sources of income.

The Company has R$14,213,943 of reportable unrecognized tax losses as of December 31, 2024 (R$12,254,435 on December 31, 2023). These losses relate to subsidiaries that have a history of losses, do not expire, and may not be used to offset taxable income in other subsidiaries. The subsidiaries have neither any taxable temporary difference nor any tax planning opportunities available that could partly support the recognition of these losses as deferred tax assets. Based on this, the Company determined that it cannot recognize deferred tax assets on these tax losses carried forward.

### 4.2 Provision for tax, civil and labor risks

The Company is party to several legal and administrative procedures as described in note no. 23. Provisions are recorded for processes related to tax, civil and labor risks related to lawsuits that represent probable, except for those related to business combinations, and are estimated with a certain degree of certainty. The assessment of the likelihood of loss includes the assessment of the available evidence, the hierarchy of laws, the available jurisprudence, the most recent court decisions, and their relevance in the legal system, as well as the assessment of legal advisors.

### 4.3 Post-employment health care plan

The cost of the post-employment health care plan is determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These are based on a series of financial and demographic assumptions, such as the discount rate, medical inflation, and percentage of adhesion to the plan, which are disclosed in note no. 24. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

### 4.4 Share based programs

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which depends on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option or appreciation right, volatility and dividend yield and making assumptions about it.

The stock option plan, restricted share plan, strategy-acceleration program and performance share program are measured at fair value at the grant date and the expense is recognized in profit or loss during the vesting period and in "Additional paid-in capital" in shareholders' equity. On the balance sheet dates, Management reviews the estimates as to the number of purchase options/restricted shares and, where applicable, recognizes the effect arising from this review in profit or loss for period against shareholders' equity. The assumptions and models used to estimate the fair value of the stock option plan, restricted share plan and strategy-acceleration program are disclosed in note no. 29.1.

The Company also maintains share-based payment plans that were previously backed by ADRs. Following the approval of the secondary delisting from the New York Stock Exchange on January 18, 2024, these ADR-backed plans were converted into an equivalent number of phantom shares of B3. As a result, phantom shares are considered cash-settled share-based payments. The modification from equity-settled payments (the previous classification of ADRs before delisting) to cash-settled payments resulted in the recognition of a liability, reflecting the Company's obligation to make a payment at vesting. The initial measurement of the liability is based on the fair value of the B3 shares underlying and considers the service period provided up to the measurement date.

The fair value was determined using either the Black-Scholes model or a Stochastic model, depending on the nature of the award. The Stochastic model is used for awards with market conditions, incorporating a discount factor to reflect the probability of meeting relevant targets. The Black-Scholes model is applied to awards that are not subject to market-based performance conditions and have a fixed term. Further details are disclosed in Note 29.1.

### 4.5 Impairment of non-financial assets

An impairment loss exists when the carrying amount of an asset or CGU exceeds its recoverable amount, which is the higher of fair value less cost of disposal and value in use. Fair value less costs of disposal is calculated based on information available about similar assets sold or market prices less additional costs to dispose of the asset.

Value in use is calculated based on the discounted cash flow model. Cash flow derives from financial budgets approved by the Board of Directors for a period of three years and complemented for a discretionary period of ten years estimated by Management, with a terminal value projected for the end of the period. The ten-year period was considered for better aligning and smoothing the effects projected between the discretionary period and the effects calculated in perpetuity. The cash flows are prepared following the operating segments, projections considering market expectations for operations, estimated investments and working capital, as well as other economic factors that are specific to the Company and the nature of its risks and operations. The value in use is sensitive to the discount rate used under the discounted cash flow method, as well as the operating margins considered, the growth rate and perpetuity used for extrapolation purposes.

### 4.6 Allowance for trade accounts receivables expected losses

The allowance for expected losses on trade accounts receivable from customers is estimated based on the loss risk in an aging list model. The characteristics of the Company's trade accounts receivable are (i) immaterial financial component; (ii) non-complex receivables portfolio; and (iii) low credit risk.

For trade accounts receivable, the Company applies the simplified approach in calculating expected credit losses ("ECL") based on expected credit losses at each reporting date. The allowance determined based on (i) each of the subsidiaries credit losses historical experience, observed in each group of the trade accounts receivable aging list, and (ii) adjustments for specific forward-looking factors for defaulters and the economic environment. An estimated range is used based on the weighted average of the losses for the last 12 months. The calculation also considers the length of time of the relationship of the independent beauty consultant and a division between renegotiated and non-renegotiated overdue trade accounts receivable.

### 4.7 Allowance for inventory losses

The allowance for inventory losses is estimated using a methodology to contemplate discontinued products, materials with slow turnover, materials with an expired expiration date or close to the expiration date, and materials outside the quality parameters.

### 4.8 Leases - Incremental borrowing rate

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate ("IBR") to measure lease liabilities. The IBR is the interest rate that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company "would have to pay", which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when they need to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary's functional currency).

The Company estimates the IBR using observable input (such as market interest rates) when available and is required to make certain entity-specific estimates.

### 4.9 Measurement of the fair value of the receivable of earn out from the sale of the former subsidiary The Body Shop

As disclosed in explanatory notes 6.5 and 37, part of the agreed consideration, from the former subsidiary The Body Shop sale, involved in the future collection of installments are contingent on meeting performance targets: of the operation of The Body Shop.

The eventual achievement of these goals is assessed based on likely hood studies associated with the specific results of The Body Shop as of the balance sheet date, applying the discounted cash flow method. Further details about premises and measurement basis are included in explanatory note 6.5.

### 4.10 Credit Losses on Receivables from Former Associates API and ACL (Parent Company)

The Parent Company had receivables from its subsidiaries API and ACL, primarily related to intra-group financing provided in 2024 and in prior periods. Based on the best available information, including the monitoring of developments in API's judicial recovery process, the Parent Company considered there to be significant uncertainty regarding the recoverability of amounts due from API.

For receivables due from ACL and its subsidiaries, the provision was calculated based on the projected cash generation capacity of the counterparties over the debt coverage period, as well as the expected realization of the associated guarantees. The assumptions used in calculating the expected credit loss value include cash flow projections that consider estimated cash generation, which are consistent with the most recent budgets available and approved of the appropriate governance levels and are discounted to present value using a rate that reflects applicable market expectations.

The guarantees primarily consist of rights to the Avon brand's intellectual property and shares of the Company, which are valued based on revenue generation potential using the "relief from royalty" methodology.

As a result of this fair value assessment of receivables from ACL, the Parent Company recognized an amount of R$108,886 as a fair value adjustment to the receivables, impacting the income statement under other net operating expenses (see Note 31), with net receivables remaining at R$126,992.

With the conclusion of the judicial recovery process and the formalization of the debt forgiveness granted to API, covering all outstanding balances with Natura &Co Holding (Parent Company), the receivable was fully written off, leaving no further rights to receivables from API in the Parent Company's accounting records.

### 4.11 Business combination

As disclosed in Note 3.4, business combinations are accounted for using the acquisition method, which involves the measurement of acquired assets and assumed liabilities at their respective fair values. This assessment requires the use of estimates and assumptions that involve significant judgment by the Company, including those applied in the measurement of brand assets, sales representatives, developed technology, systems and processes, as well as the measurement and recognition of contingent liabilities. Disclosures related to these matters are included in Note 5.

## 5. BUSINESS COMBINATION

### Acquisition of Avon ("ACL")

As disclosed in Note 1.1, on December 4, 2024, the Company reacquired the operating assets of Avon outside the United States as part of the Chapter 11 process initiated by API on August 12, 2024. The reasons for the voluntary Chapter 11 filing and the Company's offer to repurchase Avon are included in Note 1.1.

The net assets acquired were considered a business combination, as they comprise a set of activities and assets that include resource input and substantial processes that, together, contribute significantly to the ability to generate output, as disclosed in Note 3.4. As a result, the Company (through its subsidiary Natura &Co UK) obtained control over these operations, and the acquisition was accounted for using the acquisition method.

Since the acquisition date, ACL and its subsidiaries have contributed R$ 701,735 to net revenue and impacted on R$ 154,615 in losses in the Company's consolidated financial statements.

**Consideration transferred:**

Negotiations and relationships that are separate from the offer to acquire control are excluded from the acquisition method for business combination purposes. When applying the acquisition method, only amounts that reflect the consideration transferred for the acquisition of the acquired assets and assumed liabilities are considered. Separate transactions, even if initiated alongside negotiations for the acquisition of control, are recognized separately.

Accordingly, the consideration paid to obtain control of ACL was equivalent to the credit offer made in the amount of US$125 million, as previously disclosed. Acquisition-related costs and other expenses that are not incurred from the perspective of acquiring control over a business do not constitute part of the consideration transferred for obtaining control and, therefore, do not affect the consideration paid or the determination of the business combination effects.

Such costs and separately recognized transactions include those disclosed in Note 1.2 above.

**Preliminary measurement of the fair value of acquired assets and assumed liabilities:**

The following table summarizes the preliminary fair value measurement of the consideration transferred for the acquisition, as well as the identifiable assets and liabilities as of the acquisition date.

The fair values of the acquired net assets remain preliminary, as the acquisition took place at the end of the last quarter of 2024. Consequently, the measurement of the items listed is subject to revision during the measurement period, which will extend until the end of the fiscal year ending December 31, 2025.

| | In thousands of R$ |
|---|---|
| **Consideration transferred** | |
| Credit offering (US$125,000 thousand) | 756,688 |
| Effective settlement of pre-existing relationships [(a)] | 1,225,679 |
| | **1,982,367** |
| **Fair value of assets acquired:** | |
| Cash and cash equivalentes | 747,144 |
| Accounts receivable from customers [(b)] | 548,264 |
| Accounts receivable from related parties [(c)] | 453,500 |
| Inventories | 849,769 |
| Fixed assets | 892,370 |
| Rights of use | 256,229 |
| Intangible assets [(d)] | 2,661,406 |
| Other assets | 2,010,963 |
| **Fair value of liabilities assumed:** | |
| Accounts payable | 1,324,925 |
| Accounts payable to related parties [(c)] | 570,226 |
| Lease liabilities | 287,285 |
| Provisions, including restructurings | 513,921 |
| Salaries, profit sharing and social charges | 330,050 |
| Tax obligations | 97,480 |
| Income tax and social contribution | 240,387 |
| Provision for tax, civil and labor risks [(e)] | 114,110 |
| Deferred income tax and social contribution liabilities | 1,178,918 |
| Other liabilities | 792,517 |
| **Total identifiable net assets at fair value** | **2,989,826** |
| **Bargain purchase gain obtained on acquisition** | **987,459** |

(a) Pre-existing relationships recognized separately in relation to the business combination include net receivables recognized by the acquirer (the subsidiary Natura &Co UK) on the acquisition date. Such receivables include the amounts below, already measured at their respective fair values:

| | In thousands of R$ |
|---|---|
| Refunds and operational receivables (i) | 422,182 |
| Financing received from the acquiree (ii) | (1,079,223) |
| Financing provided to the acquiree (iii) | 1,882,720 |
| | **1,225,679** |

(i) The balances of reimbursements and operational accounts receivable that the acquirer held with the acquired company reflect transactions in the normal course of business, including payments for services, reimbursements of costs incurred on behalf of the Company, including centralized costs and share-based payments. These amounts are historically settled at their respective carrying values and are subject to insignificant changes regarding credit risk variations or time value of money. Therefore, the Company assessed that these assets are equivalent to their respective fair values as of the acquisition date.

(ii) The balances of loans received from the acquired company reflect funds transferred from subsidiaries of the acquired company to the acquirer in the past and are assessed as substantially at their fair values, considering the use of market rates and the absence of significant indications of deterioration in counterparty credit risk (the acquirer itself and its subsidiary Natura &Co Luxembourg). Therefore, the Company assessed that these liabilities are equivalent to their respective fair values as of the acquisition date.

(iii) As for the balance of loans provided to ACL and its subsidiaries, the fair value was calculated based on the projected cash generation capacity of the counterparties during the period covered by the debts, as well as the fair value of the guarantees associated with them. The unobservable input involved includes the cash flow projections, consistent with the most recent budgets available and approved by the appropriate governance levels and discounted to present value using a rate that represents the applicable market expectations.

The guarantees consist primarily of rights over the intellectual property of the Avon brand and shares of certain subsidiaries of ACL, which are assessed from the perspective of revenue generation from operations within the "relief from royalty" methodology, inputting a royalty percentage on such revenues in order to compensate the brand owner for the transfer of these rights. In addition to the royalty itself (which is obtained from market studies supported by external appraisers), the unobservable inputs involved include cash flow projections and the discount rate, subject to the same characteristics previously described.

Thus, since the initial recognition of these receivables at fair value, when the control over the above-mentioned operations was lost, the Company incurred an amount of US$ 174.7 million (equivalent to R$ 1,082,805) as an adjustment to the fair value of the receivables, gross of taxes, so that, on the date of the business combination, the actual settlement of these receivables already took into account the pre-existing relationship at its fair value. The effects of measuring the receivables at fair value were recognized in the financial statements under other operating expenses, separately from the effects of the business combination.

(b) The fair value of accounts receivable is equivalent to their carrying amount, and it is expected that the full contractual amounts will be received.

(c) Balances of operational accounts receivable (including export and import activities of products and other services) that ACL holds with the Company, excluding the parent company Natura &Co UK, the acquirer. These amounts have historically been settled at their respective carrying amounts and are subject to minimal changes regarding credit risk variations or time value of money. Therefore, the Company has assessed that these assets are equivalent to their respective fair values at the acquisition date.

(d) The fair value of intangible assets includes the intangible assets acquired and recognized by ACL before the allocation of fair value, amounting to R$382,013, plus certain intangibles (software) acquired from the former subsidiary API as part of the terms of the transaction, amounting to R$8,358, and plus the effects of the fair value allocation described below, for a total amount of R$2,271,036.

The fair value of the intangible assets associated with intellectual property (which includes the brand, sales processes and systems, developed technology, and the previously executed contract with Natura Cosméticos) was calculated based on the income approach and the royalty relief method. The royalty relief method is frequently used to determine the value of a brand or trade name. This method is based on the concept that if an entity owns a brand, it does not have to pay for its use and is therefore relieved from the obligation to pay a royalty. The value of this theoretical payment is used as a substitute for the income attributable to the intangible assets. The valuation is derived by calculating the present value of the royalty savings after taxes, determined by applying an appropriate royalty rate to the projected revenue, using an appropriate discount rate.

The fair value for the sales representative relationships was calculated based on the Excess Earnings Method ("multi-period excess earnings method" or "MEEM"), a method that isolates the revenue and cash flow related to the intangible asset being valued and estimates the fair value through the sum of the discounted future excess profits attributable to the intangible assets.

| | Nature | Fair Value | Useful life |
|---|---|---|---|
| Avon tradename | It represents the fair value of the trade name "Avon," calculated using the royalty relief method applied to projections involving the operations of Avon International and Avon Latam, referencing the royalties defined contractually in an agreement between the subsidiaries Avon and Natura in 2024, and a market benchmark of comparable royalties.<br>These applied royalties are based on (i) market royalty studies conducted for the management of Avon during discussions on determining the licensing conditions of the company's intellectual property ("IP") components; and (ii) the understanding of the economic return from operations, reflecting the ability of a licensor to bear the licensing expenses of the IP.<br>As a basis for calculating the royalty relief, projections in US dollars of the most recent available revenues and cash flows, approved by the appropriate governance levels, were used and discounted to present value using a rate that represents the applicable market perspectives and additional risks associated with the unique asset subject to evaluation. | 1,400,358 | indefinite |
| Sales processes and systems | It represents the fair value of the processes and systems applied in the marketing of products under the Avon brand, including sales structuring, marketing materials, catalogs, among others. The royalty relief method described above for the trade name similarly applies to the valuation of this asset, with the composition of the royalties adjusted according to its share in the overall intellectual property.<br>Since the IP licensing agreement with Avon Latam establishes the royalty conditions and the term of use of the intellectual property in an immutable contract that does not include the use of the Avon sales processes and systems, the fair value analysis of the processes and systems was conducted based on the total revenue of Avon International, excluding the operation of Avon Latam, under the management of Natura. | 55,378 | 5 years |
| Developed technology | It represents the fair value of all the technology required to develop Avon products, including formulas, labeling data, manufacturing processes, regulatory approvals, product packaging, and designs. The royalty relief method described above for the trade name similarly applies to the valuation of this asset, with the composition of the royalties adjusted according to its share in the overall intellectual property. | 177,200 | 8 years |

| | | | |
|---|---|---|---|
| | Since the IP licensing agreement with Avon Latam establishes the royalty conditions and the term of use of the intellectual property in an immutable contract, the fair value analysis of the developed technology was conducted based on the total revenue of Avon International, excluding the operation of Avon Latam, under the management of Natura. | | |
| Latam agreement | It represents the fair value of the remuneration for the intellectual property of Avon, under the IP licensing agreement with Avon Latam, excluding the remuneration for the trade name component "Avon."<br>According to the terms established in the licensing agreement, Natura Cosméticos will undertake the development of Avon Latam products within a period of 9 years, during which operations in Latin America will pay royalties for the use of the product technology developed by Avon. Therefore, the analysis was based on the royalty relief method described above, applied according to the contractual terms on the projected revenue of Avon Latam.<br>It is important to note that the respective agreement is concluded between the subsidiaries ACL and Natura Cosméticos and is not part of the pre-existing relationships of the acquirer (Natura &Co UK) and the acquired entity, as Natura &Co UK is not controlled and is an affiliate of Natura Cosméticos. | 190,560 | 9 years |
| Sales representatives | It represents the fair value of the relationship between Avon and its sales representatives. The fair value is calculated based on the active representatives by country, considering the operation of Avon International at the evaluation date, multiplied by the respective average ticket price at the evaluation date, and adjusted annually for the projected inflation of the dollar. The churn rate is a significant assumption and is calculated based on the historical annual loss of representatives who cease to be active until the existing base is marginally exhausted. The projected information was also considered as significant assumptions and derives from the same projections and budgets mentioned for the above-identified intangibles. | 447,540 | 14 years |

(e) The contingent liabilities assumed in the acquisition that are considered present obligations arising from past events and can be reliably measured have been recognized and are initially measured at fair value as of the acquisition date, and subsequently measured in accordance with the requirements of IFRS 3 (CPC 15 (R1)), at an amount higher than would be recognized under IAS 37 (CPC 25). The liabilities assumed and recognized by ACL before the allocation of fair value and identification of contingent liabilities in the business combination total R$71,474. The fair value of the contingent liabilities included in the liabilities as part of the business combination totaled R$42,635. The table below demonstrates the total value of the contingent liabilities assumed at the transaction date, including the fair value assigned and the respective class of provisions:

| | In thousands of R$ |
|---|---|
| Tax | 24,475 |
| Civil | 18,160 |
| **Total** | 42,635 |

(f) It consists of deferred tax liabilities of approximately R$ 21,299 related to the initial balance of ACL and the net position of deferred tax assets and liabilities related to the allocation of the purchase price of tax liabilities amounting to R$ 1,157,619.

**Measurement and Preliminary Fair Value Allocation as of December 31, 2024:**

As previously disclosed, the Company presented a preliminary measurement of the effects of the business combination as of December 31, 2024. This presentation is preliminary due to the late acquisition in December 2024 and the need for sufficient time to obtain the relevant and appropriate evidence for measuring the fair value of the acquired net assets. The Company will complete the measurement of the effects of the business combination within the one-year period following the acquisition date.

The assets and liabilities for which measurement is ongoing include fixed assets and right-of-use assets, inventories, lease liabilities, and the respective deferred taxes related to the fair value of these assets and liabilities.

The nature and amounts associated with any remeasurement to be performed during the measurement period will be disclosed in the interim financial statements to be presented during the fiscal year ending December 31, 2025.

## 6. FINANCIAL RISK MANAGEMENT

### 6.1 General considerations and policies

Risks and financial instruments are managed through policies, the definition of strategies and implementation of control systems, defined by the risk management committees of the entities of the group, and approved by the Company's Board of Directors. The compliance of treasury financial instruments positions, including derivatives, in relation to these policies, is presented and assessed on a monthly basis by the Company's Treasury Committee and subsequently submitted to the analysis of the Audit and Risk Management and Finance Committees, the Executive Committee and, if necessary, the Board of Directors.

Risk management of the Company's operations is performed by the Company's Corporate Treasury, which is also responsible for approving short-term investments and borrowing transactions. Risk management of the subsidiaries Avon and Natura Cosméticos is conducted by local treasury teams, subject to monitoring and approval of the Company's Corporate Treasury.

### 6.2 Risks associated with the conflict between Russia and Ukraine

The Company's Management is continuously monitoring developments to assess any possible future impacts that may arise as a result of the ongoing crisis, including the impairment of financial and non-financial assets, which the Company's Management assesses based on the best information available. As of the date of these financial statements, the effects of the conflict on the financial position, financial performance, and operations have not been material.

Additionally, as a result of the developments of the conflict during the fiscal year ending December 31, 2024, there have been no impacts arising from potential covenant breaches or losses related to derecognition and/or modification of financial instruments, or the reclassification of amounts in the cash flow hedge reserve due to the loss of hedge effectiveness of derivatives recognized under hedge accounting or the loss of the expectation that transactions assessed as highly probable will actually occur.

### 6.3 Financial risk factors

The Company's activities expose them to several financial risks: market risks (including foreign currency and interest rate risks), credit risk and liquidity risk. The Company's overall risk management program is focused on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance, using financial instruments to hedge certain risk exposures. The Company does not operate derivative instruments with the purpose of speculation.

(Amounts in thousands of Reais - R$, except as mentioned otherwise)

### 6.3.1 Market risks

Market risks reflect the risks that the fair value or future cash flow of a financial instrument will fluctuate as a result of changes in market prices, including foreign exchange risk, interest rate risk and other price risks. The Company is exposed to market risks arising from their business activities. These market risks mainly comprise possible fluctuations in exchange and interest rates.

Other price risks include, among others, exposures to financial instruments due to changes in commodities and raw material prices. Climatic aspects, such as the availability of natural raw material used in the products and/or significant changes in the cost of these items may expose the Company to additional market risks that affect the entity's operations as well as the measurement and/or recoverability of financial instruments. As of December 31, 2024, the Company's Management assessed these risks and concluded that they are not material.

#### 6.3.1.1 Derivative financial instruments used to manage market risks

The Company classifies derivative financial instruments as financial derivatives and operational derivatives. Financial derivatives include swaps or forwards used to hedge exchange rates or interest rate risks related to loans, financing, debt securities and loans between related parties. Operational derivatives include forward contracts used to hedge the exchange rate risk of the Company's operational activities (such as import and export transactions).

As of December 31, 2024 and 2023, derivative contracts are held directly with financial institutions and not through stock exchanges, and are not subject to margin deposits to guarantee these transactions:

| Consolidated | Fair value | | Fair value adjustment gain (loss) | |
|---|---|---|---|---|
| Description | 2024 | 2023 | 2024 | 2023 |
| Swap contracts: | | | | |
| Asset portion: | | | | |
| *IPCA* long position | 817,529 | 876,664 | (82,454) | 19,457 |
| Liability portion: | | | | |
| Post-fixed overnight rate for interbank deposits *("CDI")* | | | | |
| Short position on CDI | (822,395) | (824,344) | - | - |
| *Non-deliverable forward contracts* – Forward: | | | | |
| Natura Cosméticos S.A. | (25,118) | (5,878) | (25,118) | (2,090) |
| Natura Indústria | 11,539 | (28,856) | 11,539 | (28,856) |
| Natura Dist. MXN (Latam) | (1,131) | 320 | (1,131) | 151 |
| Avon Industrial Ltda. | 6,574 | (3,702) | 6,574 | (3,702) |
| ACL/API | 3,209 | (43,248) | (10,900) | (28,633) |
| Natura &Co Luxembourg | 251,534 | (22,182) | 8,478 | 180 |
| **Total derivative financial instruments, net:** | **241,741** | **(51,226)** | **(93,012)** | **(43,493)** |

(Amounts in thousands of Reais - R$, except as mentioned otherwise)

Below are the changes in net derivatives balances for the years ended on December 31, 2024 and 2023:

| | Consolidated |
|---|---|
| **Balance as of December 31, 2022** | **(796,877)** |
| Losses arising from contracts for operations with swap and forward derivative instruments for the year (not realized) | (1,791,905) |
| Payment of funds due to settlement of derivative transactions - operational activity | 1,487,092 |
| Payment of funds due to settlements of derivative instruments - financing activity | 310,870 |
| Gains on cash flow hedging operations (other comprehensive income) | 746,648 |
| Other movements | (7,054) |
| **Balance as of December 31, 2023** | **(51,226)** |
| Gains arising from swap and forward derivatives contracts for the year (not realized) - financial result | 15,073 |
| Payment of funds by settlement with derivatives – operational activity | 64,432 |
| Payment of resources by settlement with derivatives – financing activity | 85,828 |
| Gain on cash flow hedging transactions (other comprehensive income) | 102,183 |
| Hedge transactions settled in inventories | (25,194) |
| Other movements | 50,645 |
| **Balance as of December 31, 2024** | **241,741** |

### a) Foreign currency risk

The Company is exposed to foreign exchange risk resulting from financial instruments and operations in currencies other than their functional currencies, as well as to operating cash flows in foreign currencies. To reduce this exposure, policies were implemented to hedge the Company from foreign exchange risk, which establish exposure levels related to these risks. Pursuant to the Foreign Exchange Hedging Policy, the derivatives entered into by the Company should eliminate the foreign exchange risk of financial instruments in currencies other than their functional currencies and should also limit losses due to exchange rate variation on future cash flows.

The treasury procedures defined by the current policies include quarterly projection and assessment of the consolidated foreign exchange rate exposure of the Company, on which Management's decision-making is based. The Company's foreign exchange hedging policy considers the amounts of foreign currency of assets and liabilities balances from commitments already assumed and recorded in the financial statements, as well as future cash flows associated with transactions predicted to be highly probable with an average term of up to twelve months.

During the year ended on December 31, 2023, the Company transferred its sustainability-linked debt ("Notes", as described in explanatory note 19) from the subsidiary Natura Cosméticos S.A. to the subsidiary Natura &Co Luxembourg Holdings S.á.r.l. ("Natura &Co Luxembourg"), as part of the rebalancing and reorganization process of the Group's debt initiated when the sale of the former subsidiary Aesop.

The referred debt, denominated in US dollars, was included in a hedge accounting structure with the purpose of protecting against the variability of payments arising from fluctuations in exchange rates and interest rates. Given the transfer made to the subsidiary Natura &Co Luxembourg, whose functional currency is the US dollar, the hedged risk was no longer eligible within hedge accounting, and consequently, the Company proceeded with the derecognition of the structure. As a result of the transfer, the amount of R$4,958,286, previously recognized in the liability of subsidiary Natura Cosméticos S.A., was derecognized and recognized in subsidiary Natura &Co Luxembourg. The losses recognized in comprehensive income of R$700,810, before tax effects, were reclassified to profit or loss as a financial expense. Additionally, the derivative financial instrument's liability position of R$1,380,405 was settled with the corresponding financial institutions in

(Amounts in thousands of Reais - R$, except as mentioned otherwise)

September 2023.

As a result of the events outlined above, as of December 31, 2024, the derivatives contracted for such purposes relate to the protection against exchange rate fluctuations of intercompany loans and financing and highly probable purchases of raw materials used in the production process.

### Sensitivity analysis

For the foreign exchange risk sensitivity analysis, the Company's Management believes that it is important to consider, in addition to the assets and liabilities with exposure to fluctuations in exchange rates recorded in the balance sheet, the fair value of the financial instruments entered into by the Company to hedge certain exposures as of December 31, 2024 and 2023, as set forth in the table below:

| | Consolidated | |
|---|---|---|
| | 2024 | 2023 |
| Trade accounts receivable in foreign currency in Brazil | 624,625 | 328,346 |
| Trade accounts payable in foreign currencies in Brazil | (303,676) | (158,500) |
| Fair value of financial derivatives | 18,114 | (38,436) |
| **Net asset exposure** | **339,063** | **131,410** |

a) Excluding transaction costs.

This analysis considers only financial assets and liabilities recorded in Brazil in foreign currency, since exposure to the foreign exchange rate variation in other countries is close to zero. The following table shows the projection of the incremental loss that would have been recognized in profit or loss for the subsequent year, if the current net foreign exchange exposure remains static, based on the following scenarios:

| | Consolidated | | | |
|---|---|---|---|---|
| Parity - R$ vs US$ | 6.1923 | 6.2841 | 4.7131 | 3.1421 |
| Operation/Instrument | Scenario Brazilian Real | Scenario Probable | Scenario I Depreciation 25% | Scenario II Depreciation 50% |
| **Assets denominated in US$** | | | | |
| Fair value of "financial" derivatives | 18,114 | 18,383 | 13,787 | 9,191 |
| Trade accounts receivable in foreign currency in Brazil | 624,625 | 633,890 | 475,417 | 316,945 |
| **Liabilities denominated in US$** | | | | |
| Trade accounts payable in foreign currencies in Brazil | (303,676) | (308,180) | (231,135) | (154,090) |
| **Impact on net income and shareholders' equity** | **339,063** | **5,029** | **(80,994)** | **(167,017)** |

The probable scenario considers future US dollar rates for a 90 days-term. According to quotations obtained at the Brazilian Stock Exchange ("B3") as of December 31, 2024 and in line with the first maturities of financial instruments with exchange exposure, R$ 4.8953 / US$ 1.00. Scenarios I and II consider an increase/decrease in the US dollar of 25% (R$ 3.6715 / US$ 1.00) and 50% (R$ 2.4477 / US$1.00), respectively.

### b) Interest rate risk

The interest rate risk arises from short and long-term investments, borrowing, financing and debentures. Financial instruments issued at variable rates expose the Company to cash flow risk associated with the interest rate.

The Company's cash flow risk associated with interest rate arises from short-term and long-term investments, borrowing and financing issued at floating rates. The Company's Management holds, for the most part, the index of its exposures to deposit and lending interest rates tied to floating rates. Short-term investments are adjusted by the Certificate interbank deposits ("CDI") whereas borrowing and financing are adjusted by the CDI and fixed rates, according to the contracts entered into with financial institutions and through the negotiation of securities with investors in that market.

(Amounts in thousands of Reais - R$, except as mentioned otherwise)

Additionally, the Company considered potential aspects related to sustainability and climate change commitments as part of the risks to which it is exposed in relation to the interest rate on financial instruments, except for the risks associated with the ESG notes (disclosed below as part of the liquidity risk), there is no exposure to material risks which should be subject to specific disclosure.

### Sensitivity analysis

As of December 31, 2024, there are borrowing, financing and debentures contracts denominated in foreign currency that are linked to interest swap agreements, changing the liability index rate to the CDI variation. Accordingly, the risk of the Company becomes exposure to the variation of the CDI. The following table presents the exposure to interest rate risks of transactions related to CDI, including derivative transactions (borrowing, financing and debentures in Brazil were considered in full, given that 99.8% of the amount is related to the CDI):

| | Parent | Consolidated |
|---|---|---|
| Total borrowing, financing and debentures - in local currency (note no. 20) | - | (2,389,399) |
| Operations in foreign currency with derivatives related to CDI [(a)] | - | (4,866) |
| Short-term investments (notes 7 and 8) | 43,740 | 2,185,961 |
| **Net exposure** | **43,740** | **(208,304)** |

(a) Refers to transactions involving derivatives related to CDI to hedge the borrowing, financing and debentures arrangements raised in foreign currency in Brazil.

The sensitivity analysis considers the exposure of borrowing, financing and debentures, net of short-term investments, linked to CDI (notes no. 7 and 8).

The following tables show the projection of incremental loss that would have been recognized in profit or loss for the following year, assuming that the current net liability exposure is static and the following scenarios:

| | Description | Company Risk | Probable scenario | Scenario II | Scenario III |
|---|---|---|---|---|---|
| Parent | Net asset | Rate increase | 433 | 1,870 | 3,307 |
| Consolidated | Net liability | Rate increase | (3,310) | (14,293) | (25,276) |

The probable scenario considers future interest rates for 90 days-term, according to B3 quotations on the expected dates of the first maturities of financial instruments with exposure to interest rates, as of December 31, 2024. Scenarios II and III consider an increase in interest rates by 25% (16.43% per year) and 50% (19.71% per year), respectively, over a CDI rate of 13.14% per year.

### 6.3.1.2 Derivative instruments designated for hedge accounting

### a) Cashflow hedge

The Company has formally designated, for hedge accounting purposes, certain financial and operational derivative financial instruments described above, in accordance with the Company's risk management policy, to hedge against foreign exchange fluctuations arising from intercompany loans and financing, as well as other foreign currency exposures resulting from recognized balance sheet items and highly probable transactions. The type of hedge relationship applied to such instruments is cash flow hedging, which is used to offset variations in the carrying value of the debt and the projected operational cash flows in foreign currency (imports and exports)..

(Amounts in thousands of Reais - R$, except as mentioned otherwise)

There is an economic relationship between the hedged items and the hedging instruments, as the terms of the contracts correspond to (i) the terms of anticipated and highly probable transactions (for example, the notional amount and expected payment date) to the case of derivative instruments contracted to protect highly probable purchases; and (ii) Terms associated with debt contracted in foreign currency that are hedged by derivative financial instruments aimed at eliminating the variability of cash flows associated with these currencies.

The Company established a hedge ratio of 1:1 for the hedge relationships, as the underlying risks of the contracts are identical to the protected risk components. To test the effectiveness of the hedge, the Company uses the hypothetical derivative method and compares the changes in the fair value of the hedging instruments with the changes in the fair value of the hedged items attributable to the hedged risks.

The sources of ineffectiveness, historically immaterial, may come from: (i) differences in the timing of cash flows from hedged items and hedging instruments; (ii) different indices (and, consequently, different curves) associated with the hedged risk of hedged items and hedging instruments; (iii) counterparty credit risk having a different impact on fair value movements of hedging instruments and hedged items; and (iv) changes in the expected amount of cash flows from hedged items and hedging instruments.

For the fiscal year ending December 31, 2024, the designation primarily referred to derivative instruments (forward contracts) aimed at eliminating the foreign exchange risk of intercompany loans and financing, as well as the Company's operational activities, such as highly probable import and export transactions.

For the fiscal year ending December 31, 2023, the designation primarily referred to derivative instruments (swap contract) entered into in May 2021, which aimed at eliminating the variation in principal and interest payments in dollars associated with the ESG Notes, making the payments fixed at CDI plus spread. As previously mentioned, due to the transfer of this debt to Natura &Co Luxembourg, the hedged risk was no longer eligible within the hedge accounting framework, and consequently, the Company proceeded with the derecognition of the structure.

As of December 31, 2024, the net position of derivative instruments designated as cash flow hedges consists of exclusively of operational derivatives and are detailed below (consolidated financial statements):

| | | | | Other comprehensive income | |
|---|---|---|---|---|---|
| | Subject to hedging | Notional currency | Fair value | Accumulated gains (losses) | Gains (losses) for the year |
| Currency swap – US$/R$ | | | | | |
| Natura Cosméticos | Currency and interest rate | BRL | (5,876) | 738 | 2,828 |
| Forward (Avon industrial) | Currency | BRL | 6,574 | 6,574 | 10,276 |
| Forward (Natura Mexico) | Currency | BRL | - | - | (161) |
| Forward (Natura Indústria) | Currency | BRL | 44,895 | 44,895 | 66,392 |
| Forward (ACL/API) | Currency | BRL | 4,904 | 2,532 | (1,081) |
| Forward (Natura &Co Luxembourg) | | | - | - | (1,265) |
| **Total** | | | **50,497** | **54,739** | **76,989** |

(Amounts in thousands of Reais - R$, except as mentioned otherwise)

The movement in hedge reserves recorded in other comprehensive income is shown below:

| | Consolidated |
|---|---|
| **Cash flow hedge balance as of December 31, 2022** | **(498,578)** |
| Change in fair value recognized in other comprehensive income | 746,648 |
| Tax effects on fair value of hedge instrument | (251,950) |
| **Cash flow hedge balance as of December 31, 2023** | **(3,880)** |
| Change in fair value recognized in other comprehensive income | 76,989 |
| Tax effects on the fair value of the hedging instrument | (23,944) |
| **Cash flow hedge balance as of December 31, 2024** | **49,165** |

## b) Fair value hedge

For the years ending December 31, 2024 and 2023, the designation (which only included financial derivatives) referred to derivative instruments (swap contracts) contracted in October 2022, which aim to eliminate the variation in interest rates associated with the 2nd and 3rd series of debentures from the 12th issue ("CRI debentures") contracted in IPCA for a flow in CDI plus spread, in accordance with the Group's risk management policy.

The type of hedge relationship applied to such instruments is fair value hedge, which is used to offset variations arising from changes in the fair value of the liability attributable to the specific risk.

There is an economic relationship between protected items and hedging instruments, as the terms of the contracts correspond to terms associated with the contracted debt. The Company established a hedge ratio of 1:1 for the hedge relationships, as the underlying risks of the contracts are identical to the protected risk components.

To test the effectiveness of the hedge, the Company uses the sensitivity test, measuring the variation using the offset method in US dollars. Sources of ineffectiveness, historically immaterial, may arise from: (i) reductions or modifications of the protected item (debt payment); (ii) changes in the credit risk of the Company or the counterparty to the contracts; (iii) changes in the spread over IPCA in the swap.

As of December 31, 2024, the net position of derivative instruments designated as fair value hedges consists exclusively of financial derivatives and is detailed below:

| | Protection object | Reference currency (Notional) | Fair value |
|---|---|---|---|
| Fair value | Interest Rate | BRL | (4,866) |
| **Total** | | | **(4,866)** |

## 6.3.2 Credit risk

Credit risk refers to the risk of a counterparty not fulfilling its contractual obligations, causing the Company to incur financial losses. The Company's sales are made to a large number of Natura and Avon Consultants, and this risk is managed through a credit granting process. The result of this management is reflected in the item "provision for expected credit losses" in "accounts receivable from customers", as shown in explanatory note no. 9.

The Company is also subject to credit risks related to financial instruments contracted in the management of its business, mainly represented by cash and cash equivalents, financial investments and derivative financial instruments. The Company considers the credit risk of the operations it maintains in financial institutions with which it operates to be low, which are considered by Management to be first line.

(Amounts in thousands of Reais - R$, except as mentioned otherwise)

The financial investment policy established by the Company's Management elects the financial institutions with which contracts can be concluded, in addition to defining limits regarding the percentages of resource allocation and absolute values to be applied to each of them.

### 6.3.3 Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash, short-term investments, funds available through credit facilities and the ability to settle market positions.

Management monitors the Company's liquidity level considering the expected cash flow in exchange for unused credit facilities, as shown in the following table:

| | Parent | | Consolidated | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| Total current assets | 389,920 | 1,802,267 | 15,139,547 | 15,987,222 |
| Total current liabilities | (391,715) | (794,348) | (9,607,489) | (10,413,499) |
| **Total net working capital** | **(1,795)** | **1,007,919** | **5,532,058** | **5,573,723** |

As of December 31, 2024, the carrying amount of financial liabilities measured using the amortized cost method, considering interest payments at a floating rate and the value of debt securities reflecting the forward market interest rates, may be changed due to the variation in floating interest rates. Their corresponding maturities, considering that the Company is in compliance with contractual covenants, are evidenced below:

| Parent | Less than a year | One to five years | Total expected contractual cash flow | Interest to be accrued | Carrying amount |
|---|---|---|---|---|---|
| Lease liability | 262 | 129 | 391 | (27) | 364 |
| Trade accounts payables, related parties' and reverse factoring operations | 272,096 | - | 272,096 | - | 272,096 |
| Dividends payable | 1,414 | - | 1,414 | - | 1,414 |

| Consolidated | Less than a year | One to five years | More than five years | Total expected contractual cash flow | Interest to be accrued | Carrying amount |
|---|---|---|---|---|---|---|
| Borrowing, financing and debentures | 229,906 | 3,734,957 | 4,883,848 | 8,848,711 | (2,006,026) | 6,842,685 |
| Obligations with senior quota holders – Natura Pay FIDC | - | - | 353,489 | 353,489 | - | 353,489 |
| Derivatives | 195,465 | (27,967) | 74,243 | 241,741 | - | 241,741 |
| Lease liability | 353,763 | 714,488 | 149,062 | 1,217,313 | (240,481) | 976,832 |
| Trade accounts payable, related parties and reverse factoring operations | 6,341,783 | - | - | 6,341,783 | - | 6,341,783 |
| Dividends payable | 1,414 | - | - | 1,414 | - | 1,414 |

The borrowings contracted in the fiscal year ending December 31, 2024, are disclosed in Note 20. Additionally, as disclosed in Note 21, the Company entered into a supplier financing agreement with a financial institution to facilitate administrative procedures, allowing suppliers to accelerate receivables related to the Company's routine purchases. This agreement does not alter the amounts, nature, or terms of the obligation. As of December 31, 2024, there are no indicators or evidence suggesting that the financing suppliers involved in the agreement are not in good financial standing, and the Company does not have significant liquidity risk concentration with these financing suppliers.

Matters related to climatic factors and other sustainability commitments assumed may expose the Company to possible risks related to its financial instruments, especially related to the potential variability of cash flows required to settle obligations with third parties on financing that involve such commitments. Currently, the Company has debts that were obtained based on sustainability targets, the failure to meet which may affect the cost of the debt and future cash flows.

On May 4, 2021, subsidiary Natura Cosméticos concluded the offer of the notes linked to the sustainability goals subject to interest of 4.125% p.a. and with maturity date on May 3, 2028 ("ESG Notes") subject to foreign exchange risk, in the total principal amount of US$1,000,000, and these are guaranteed by the Company.

The targets, to be met by 2026, include a reduction in greenhouse gas emissions by 13% and the use of recycled plastic in packaging by at least 25%. Any non-compliance with the sustainability goals set forth above and/or lack of report issued by an external verifier attesting to the fulfillment of these goals within 30 days before November 3, 2027 (in relation to the year to be ended December 31, 2026) may affect the Company's liquidity, as it would lead to a 65-basis point increase in the interest rate per year. On the date of preparation of these financial statements, the Company has no indication that these targets will not be met at the time of effective measurement.

On July 5, 2024, the subsidiary Natura Cosméticos completed its 13th issuance of simple debentures, not convertible into shares, of a senior unsecured type, in a single series, in the amount of R$1.326.000, maturing in July 2029, subject to remunerative interest corresponding to 100% of the CDI plus annual interest of 1.20%. The debentures have sustainability targets, focusing on the development of bioingredients from the Amazon sociobiodiversity, and are linked to the fulfillment of other goals in the Vision 2030, also known as the "Commitment to Life."

The targets, to be met by 2029, include reaching 47 and 49 new bioingredients by the first and second observation dates, on December 31, 2026 and 2027, respectively, or on any early redemption and/or extraordinary amortization date.

### 6.4 Capital management

The Company's objectives when managing its capital are to safeguard the Company's ability to continue to provide returns to shareholders and benefits to other interested parties, in addition to maintaining an ideal capital structure to reduce this cost.

The Company monitors capital based on financial leverage ratios. This index corresponds to net debt divided by EBITDA (earnings before interest, taxes, depreciation and amortization - EBITDA). Net debt, in turn, corresponds to total loans and financing (including short- and long-term loans and financing, as shown in the consolidated balance sheet) subtracted from the amount of cash and cash equivalents and marketable securities (except resources of "Crer Para Ver" and the investment fund Dynamo Beauty Ventures Ltd ("DBV").

### 6.5 Fair value measurement

Financial instruments that are measured at fair value on the balance sheet dates as determined by CPC 46 – Fair value measurement (IFRS 13) follow the following hierarchy:

- Level 1: Valuation based on quoted (unadjusted) prices in active markets for identical assets and liabilities at balance sheet dates. A market is viewed as active if quoted prices are readily and regularly available from a securities exchange, broker, industry group, pricing service or regulatory agency and those prices represent actual market transactions that occur regularly on a purely commercial basis;

(Amounts in thousands of Reais - R$, except as mentioned otherwise)

- Level 2: Used for financial instruments that are not traded in active markets (for example, over-the-counter derivatives), whose evaluation is based on techniques that, in addition to the quoted prices included in Level 1, use other information adopted by the market for the asset or passive directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3: Valuation techniques for which the lowest level of input that is significant for measuring fair value is not observable.

Below, we present the carrying amount and fair values of the Company's financial instruments as of December 31, 2024 and 2023:

| Parent | Note | Classification by category | Fair value hierarchy | Carrying amount 2024 | Carrying amount 2023 | Fair value 2024 | Fair value 2023 |
|---|---|---|---|---|---|---|---|
| Financial assets | | | | | | | |
| Cash and cash equivalente | 7 | | | | | | |
| Cash and banks | | Amortized cost | Level 2 | 7,601 | 1,079 | 7,601 | 1,079 |
| Prepaid insurance expenses | 15 | Amortized cost | Level 2 | 12,802 | 14,013 | 12,802 | 14,013 |
| Short-term Investments | 8 | | | | | | |
| Exclusive investment funds | | Fair value through profit or loss | Level 2 | 43,740 | 1,579,899 | 43,740 | 1,579,899 |
| Trade accounts receivables – related parties | 33.1 | Amortized cost | Level 2 | 274,417 | 153,377 | 274,417 | 153,377 |
| Judicial deposits | 13 | Amortized cost | Level 2 | 3 | - | 3 | - |
| Financial liabilities | | | | | | | |
| Lease liability | 19 | Amortized cost | Level 2 | (364) | (824) | (364) | (824) |
| Trade accounts payable, related parties and reverse factoring operations | 21 and 33.1 | Amortized cost | Level 2 | (272,096) | (364,149) | (272,096) | (364,149) |
| Insurance payable | | Amortized cost | Level 2 | (18,206) | (19,719) | (18,206) | (19,719) |
| Dividends payable | 25 | Amortized cost | Level 2 | (1,414) | (294,231) | (1,414) | (294,231) |

(Amounts in thousands of Reais - R$, except as mentioned otherwise)

| Consolidated | Nota | Classification by category | Fair value hierarchy | Carrying amount 2024 | Carrying amount 2023 | Far value 2024 | Far value 2023 |
|---|---|---|---|---|---|---|---|
| **Financial assets** | | | | | | | |
| Cash and cash equivalente | 7 | | | | | | |
| Cash and banks | | Amortized cost | Level 2 | 1,876,354 | 2,113,566 | 1,876,354 | 2,113,566 |
| Certificate of bank deposits | | Amortized cost | Level 2 | 74,661 | 203,561 | 74,661 | 203,561 |
| Repurchase operations | | Amortized cost | Level 2 | 690,668 | 1,433,817 | 690,668 | 1,433,817 |
| | | | | **2,641,683** | **3,750,944** | **2,641,683** | **3,750,944** |
| **Short-term Investments** | 8 | | | | | | |
| Government securities | | Fair value through profit or loss | Level 1 | 419,267 | 1,272,445 | 419,267 | 1,272,445 |
| Restricted cash | | Amortized cost | Level 2 | 3,050 | 30,240 | 3,050 | 30,240 |
| Financial treasury bills | | Fair value through profit or loss | Level 2 | 296,994 | 392,253 | 296,994 | 392,253 |
| Loan investment fund | | Fair value through profit or loss | Level 2 | 579,022 | 2,329,118 | 579,022 | 2,329,118 |
| DBV investment fund | | Fair value through profit or loss | Level 3 | 28,692 | 36,698 | 28,692 | 36,698 |
| Foreign currency investment funds | | Fair value through profit or loss | Level 2 | 518,109 | - | 518,109 | - |
| | | | | **1,845,134** | **4,060,754** | **1,845,134** | **4,060,754** |
| **Trade accounts receivables - related parties** | 9 and 33.1 | Amortized cost | Level 2 | 5,280,765 | 3,524,395 | 5,280,765 | 3,524,395 |
| Advance insurance expenses | | Amortized cost | Level 2 | 74,239 | 110,355 | 74,239 | 110,355 |
| Judicial deposits | 13 | Amortized cost | Level 2 | 475,746 | 408,030 | 475,746 | 408,030 |
| Sublease receivables | 15 | Amortized cost | Level 2 | - | 180,440 | - | 180,440 |
| Receivables from service providers | 15 | Amortized cost | Level 1 | 42,935 | 109,639 | 42,935 | 109,639 |
| Receivables from sale of subsidiaries – The Body Shop | | | | | | | |
| Fixed consideration | | Amortized cost | Level 2 | 427,753 | 343,068 | 427,753 | 343,068 |
| Contingent consideration | | Fair value through profit or loss | Level 3 | - | 486,429 | - | 486,429 |
| | | | | **6,301,438** | **5,162,356** | **6,301,438** | **5,162,356** |
| Financial derivatives (hedge instrument) | | Fair value through profit or loss | Level 2 | 45,631 | 23,293 | 45,631 | 23,293 |
| Financial derivative instruments | | Fair value through profit or loss | Level 2 | 343,590 | 255,157 | 343,590 | 255,157 |
| | | | | **389,221** | **278,450** | **389,221** | **278,450** |
| **Financial liabilities** | | | | | | | |
| **Borrowing, financing and debentures** | 20 | | | | | | |
| Borrowing in local currency | | Amortized cost | Level 2 | (6,025,001) | (5,234,844) | (6,025,001) | (5,234,844) |
| CRI Borrowings | | Fair value through profit or loss | Level 2 | (817,684) | (876,858) | (817,684) | (876,858) |
| Obligations with senior quota holders – Natura Pay FIDC | | Amortized cost | Level 2 | (353,489) | - | (353,489) | - |
| Financial and operating derivative instruments | | Fair value through profit or loss | Level 2 | **(147,480)** | **(329,676)** | **(147,480)** | **(329,676)** |

(Amounts in thousands of Reais - R$, except as mentioned otherwise)

| Consolidated | Nota | Classification by category | Fair value hierarchy | Carrying amount | | Far value | |
|---|---|---|---|---|---|---|---|
| | | | | 2024 | 2023 | 2024 | 2023 |
| Lease liability | 19 | Amortized cost | Level 2 | (976,832) | (1,150,440) | (976,832) | (1,150,440) |
| Trade accounts payables, related parties' and reverse factoring | 21 and 33.1 | Amortized cost | Level 2 | (6,341,783) | (5,302,478) | (6,341,783) | (5,302,478) |
| Insurance payables | 24 | Amortized cost | Level 2 | - | (1,239) | - | (1,239) |
| Dividends payable | 25 | Amortized cost | Level 2 | (1,414) | (294,231) | (1,414) | (294,231) |

When measuring, the carrying value represents a reasonable approximation of the fair value, as described below:

(i) the balances of cash and cash equivalents, trade accounts receivable, accounts payable to suppliers (including the supplier financing agreements) and other current liabilities are equivalent to their carrying amounts, mainly due to the short-term maturities of these instruments;
(ii) the balances of the short-term investments: a) measured at amortized cost approximate their fair values as a result of the transactions to be conducted at floating interest rates; and b) measured at fair value through profit or loss based on the rates agreed with the financial institutions considering the agreed rates among the parties, including market information that allows for such calculation;
(iii) except for the real estate receivables certificates in 2023, which are measured at fair value due to the designation as fair value hedge accounting, the carrying amounts of borrowing, financing and debentures are measured at their amortized cost and disclosed at fair value, which does not differ materially from the carrying amounts as the agreed interest rates are consistent with current market rates; and
(iv) the fair value of exchange rate derivatives (swap and forwards) is determined based on the future exchange rates at the dates of the balance sheets, with the resulting amount being discounted at present value.

Except for the obligations related to share-based payment plans, previously backed by ADRs and converted into Phantom Shares B3 with cash settlement (see Note 29.1), and the receivables related to the loss of control of the former subsidiary API, recognized in the third quarter of 2024 and settled on December 4, 2024, after the judicial approval of the Chapter 11 process and the sale of the operational assets of Avon outside the United States to the Company, through a credit offer equivalent to the value of the previously recorded receivables (US$ 125 million) (see Note 1.1), there were no transfers between the measurement levels in the fair value hierarchy during the fiscal years ended December 31, 2024, and 2023 for these assets and liabilities.

Additionally, there were no material effects on the fair value of financial assets and liabilities in the fiscal years ended December 31, 2024, and 2023 as a result of increased price volatility in markets affected by the Russia-Ukraine conflict, counterparty risk in financial assets, or market inactivity considered in the evaluation.

### a) Fundo Dynamo Beauty Ventures Ltda.

The fair value of the investment in the Fundo Dynamo Beauty Ventures Ltda. ("DBV Fund"), classified at level 3 of the fair value hierarchy is calculated based on information on the net value of the investment in the Fund (NAV) calculated by the Fund's manager based on valuation assumptions consistent with the accounting practices adopted in Brazil and IFRS, adjusted to reflect the fair value assumptions applicable to the nature of the Company's investment. The Company's valuation considers inputs not observable in the model, reflecting the contractual restrictions on this investment for early redemption of the security in the market. The significant unobservable inputs used in the fair value estimate reflect a discount due to the lack of liquidity of the security, which represent the values that the Company determined that market agents would consider for these discounts when defining the investment price. An increase (reduction) of 1% in the discount applied (16.3%) would result in an increase (reduction) in the fair value of the investment of R$242 (R$394 in 2023).

**b) Receivables associated with the divestiture of the former subsidiary The Body Shop**

As part of the sales agreement with the acquirer of the former subsidiary The Body Shop (as disclosed in explanatory note no. 36), a contingent consideration was agreed, stipulating additional cash payments to the Company of up to £30,000 in 2025 and £60,000 in 2026, if certain performance measures are achieved by The Body Shop's operation in each of the respective previous fiscal years.

During the year 2024, following the request for judicial recovery in the United Kingdom by the former subsidiary The Body Shop (which included operations in that country), and the appointment of an administrator, the Company's management assessed that such event would not impact the financial statements for the year ended December 31, 2023.

However, in April 2024, when the proposals from the judicial administrator were filed, additional information became available that affected the prospective fair value assessment of the receivable.

Based on these facts and circumstances, the Company's management concluded that the information supporting the fair value measurement of these receivables as of December 31, 2023, could no longer be considered reliable for determining the current fair value of the receivable. As a result, an adjustment was made to the fair value of the receivable in the first quarter of 2024, with the respective impact affecting the income statement under discontinued operations in the amount of approximately R$ 330,000 (net of income tax), without any retroactive impact on the financial statements for the year ended December 31, 2023.

As of December 31, 2023, the key performance indicators of The Body Shop indicated that it was likely the target would be achieved, and therefore, the fair value of the contingent consideration reflects the achievement of the projected results as of that date. The fair value is determined by using the discounted cash flow method. The significant unobservable assumptions used in the fair value measurement include the adjusted EBITDA and the discount rate. An increase (decrease) of 1% in the applied discount rate (4.5%) would result in an increase (decrease) in the fair value of the receivable by R$13,456. An increase (decrease) of 25% in the adjusted EBITDA probability would not result in changes to the fair value of the receivable.

c) **Receivables associated with the former subsidiaries Avon Products Inc ("API") e Avon Cosmetics Limited ("ACL") (Parent Company)**

As disclosed in Note 4.10, the Parent Company has receivables from the subsidiary ACL, primarily related to intercompany financing provided in 2024 and in previous periods, in the original amounts of R$235,878. Considering the deterioration of the credit risk of the subsidiary ACL, the Parent Company assessed that the credit risk has significantly increased, and estimated the foreseeable cash flows for its recoverability, taking into account all contractual terms of the financial instrument, which includes cash flows associated with collateral held or other credit enhancements that are an integral part of the contractual terms.

(Amounts in thousands of Reais - R$, except as mentioned otherwise)

The guarantees consist primarily of rights over the intellectual property of the Avon brand and shares of the Company, which are assessed from the perspective of revenue generation of operations within the "relief from royalty" methodology, imputing a royalty percentage on such revenues in order to compensate the brand holder for the assignment. In addition to the royalty itself (which is derived from market studies supported by external appraisers), the unobservable inputs involved include the revenue and cash flow projections approved by the appropriate governance levels of the Subsidiary and used in conducting the business, as well as the discount rate, which reflects the applicable market risks.

As a result of this fair value assessment of the guarantees associated with the receivables from ACL, the Subsidiary recognized an amount of R$ 108,886 as an adjustment to the recoverable value of the receivables, impacting the income statement under other operational expenses, net (Note no.31), leaving the net receivables value at R$ 126,992.

## 7. CASH AND CASH EQUIVALENTS

| | Parent | | Consolidated | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| Cash and bank deposits | 7,601 | 1,079 | 1,876,354 | 2,113,566 |
| Certificate of bank deposits | - | - | 74,661 | 203,561 |
| Repurchase operations [(a)] | - | - | 690,668 | 1,433,817 |
| | **7,601** | **1,079** | **2,641,683** | **3,750,944** |

a) Repurchase operations are securities issued by banks with the commitment of repurchasing the securities by the issuing banks themselves, and resale by the client, with defined rates, pre-determined terms, backed by private or public securities depending on the banks' availability and are registered at the Securities Custody and Financial Settlement Center ("*CETIP*"). These applications are highly liquid with a redemption period of up to 90 days. As of December 31, 2024 and 2023, repurchase operations are remunerated at an average rate of 100.0% of CDI).

## 8. SHORT-TERM INVESTMENTS

| | Parent | | Consolidated | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| Exclusive Investment fund [(a)] | 43,740 | 1,579,899 | - | - |
| Mutual investment funds [(b)] | - | - | 579,022 | 2,329,118 |
| Treasury bills [(c)] | - | - | 296,993 | 392,253 |
| Government securities ("LFTs") [(d)] | - | - | 419,267 | 1,272,445 |
| Dynamo, Amazônia Viva and Natura Ventures Investment funds | - | - | 28,692 | 36,698 |
| Foreign currency investment funds [(e)] | - | - | 518,111 | - |
| Restricted cash | - | - | 3,050 | 30,240 |
| | **43,740** | **1,579,899** | 1,845,134 | **4,060,754** |
| | | | | |
| Current | 43,740 | 1,579,899 | 1,816,443 | 4,024,056 |
| Non-current | - | - | 28,692 | 36,698 |

(Amounts in thousands of Reais - R$, except as mentioned otherwise)

a) The Company concentrates part of its investments in an exclusive investment fund, which holds shares in the Essential Investment Fund.

The values of the shares held by the Company are presented under the heading "Exclusive Investment Fund" in the parent company.

The financial statements of the Exclusive Investment Fund, in which the group has exclusive participation (100% of the shares), were consolidated, except for Instituto Natura's share, and the values of its portfolio were segregated by type of investment and classified as equivalent to cash and securities, based on the accounting practices adopted by the Company. For consolidated presentation purposes, the balance of exclusive investment funds, as well as the positions of other subsidiaries, are presented according to the financial component.

The balance as of December 31, 2024, the *Crer Para Ver* line represented R$81,485 (R$94,322 on December 31, 2023) in the Exclusive Investment Fund.

b) Mutual investment funds refer to the financial investments of some of the Company's subsidiaries, which are concentrated in the Company's entities in Argentina, Chile, Colombia, and Mexico.

c) As of December 31, 2024, financial investments in Financial Bills were remunerated at an average rate of 104.10% of the CDI (108.15% on December 31, 2023).

d) As of December 31, 2024, financial investments in LFTs were remunerated at an average rate of 91.20% of the CDI (100.75% of the CDI on December 31, 2023).

e) Fund with investments in US government bonds and/or repurchase agreements backed by US government bonds, in a top-tier financial institution abroad.

The breakdown of securities constituting the Essential Investment Fund portfolio, regarding which the Company holds 100% interest, on December 31, 2024 and 2023 is as follows:

| | Consolidated | |
|---|---|---|
| | 2024 | 2023 |
| Bank deposit certificates | 24,767 | 644 |
| Repurchase operations (cash and cash equivalents) | 347,710 | 1,433,487 |
| Treasury bills | 296,993 | 392,253 |
| LFTs | 169,036 | 1,272,445 |
| | **838,506** | **3,098,829** |

These amounts are consolidated with the Company's other investments of the same nature in Consolidated.

## 9. TRADE ACCOUNTS RECEIVABLE

| | Consolidated | |
|---|---|---|
| | 2024 | 2023 |
| Trade accounts receivable | 5,749,687 | 3,893,880 |
| (-) Expected credit losses | (468,922) | (369,485) |
| | **5,280,765** | **3,524,395** |

Máximo exposure to credit risk on the date of the financial statements is the carrying amount of each maturity date range, net of the allowance for expected credit losses. The following table shows trade accounts receivable by exposure to allowance for expected credit losses as of December 31, 2024 and 2023:

(Amounts in thousands of Reais - R$, except as mentioned otherwise)

| | Consolidated | | | |
|---|---|---|---|---|
| | 2024 | | 2023 | |
| | Trade accounts receivable | Expected credit losses | Trade accounts receivable | Expected credit losses |
| Current | 4,802,623 | (131,071) | 3,150,046 | (111,784) |
| Past due: | | | | |
| Up to 30 days | 463,718 | (53,836) | 348,851 | (48,397) |
| From 31 to 60 days | 122,955 | (51,129) | 89,271 | (32,502) |
| From 61 to 90 days | 96,115 | (58,803) | 66,496 | (31,128) |
| From 91 to 180 days | 235,992 | (146,459) | 239,194 | (145,656) |
| Over 180 days | 28,284 | (27,624) | 22 | (18) |
| | **5,749,687** | **(468,922)** | **3,893,880** | **(369,485)** |

The changes in the allowance for expected credit losses for the year ended December 31, 2024 and 2023 are as follows:

| | Consolidated |
|---|---|
| **Balance as of December 31, 2022** | **(431,151)** |
| Write-off from sale of subsidiaries | 7,107 |
| Additions, net of reversals | (605,874) |
| Write-offs [(a)] | 634,657 |
| Translation adjustment | 25,776 |
| **Balance as of December 31, 2023** | **(369,485)** |
| Additions, net of reversals | (480,182) |
| Write-offs [(a)] | 407,411 |
| Translation adjustment | (30,475) |
| Acquisition of subsidiaries (ACL) | (77,154) |
| Loss of control of the former subsidiary Avon International (API) | 80,963 |
| **Balance as of December 31, 2024** | **(468,922)** |

a) Refers to securities overdue for more than 180 days that are written off when the Company has no expectation of recovering accounts receivable from customers and sales from the customer portfolio.

## 10. INVENTORIES

| | Consolidated | |
|---|---|---|
| | 2024 | 2023 |
| Finished products | 2,768,584 | 2,390,999 |
| Raw materials and packaging | 860,033 | 882,514 |
| Auxiliary materials | 189,922 | 224,370 |
| Products in progress | 50,475 | 41,604 |
| (-) Losses in carrying inventories | (490,862) | (452,092) |
| | **3,378,152** | **3,087,395** |

The changes in the allowance for inventory losses for the years ended December 31, 2024 and 2023 are as follows:

| | Consolidated |
|---|---|
| **Balance as of December 31, 2022** | **(491,959)** |
| Write-off from sale of subsidiaries | 63,971 |
| Additions, net of reversals [(a)] | (422,498) |
| Write-offs [(b)] | 352,519 |
| Translation adjustment | 45,875 |
| **Balance as of December 31, 2023** | **(452,092)** |
| Additions, net of reversals [(a)] | (303,768) |
| Write-offs [(b)] | 214,998 |
| Translation adjustment | (15,145) |
| Acquisition of subsidiaries (ACL) | (110,618) |
| Loss of control of the former subsidiary Avon International (API) | 175,763 |
| **Balance as of December 31, 2024** | **(490,862)** |

(Amounts in thousands of Reais - R$, except as mentioned otherwise)

a) This refers to the recognition of the losses due to discontinuation, expiration and quality, to cover expected losses on the realization of inventories, pursuant to the policy of the Company.

b) This consists of write-offs of products for which losses have already been registered, where the Company has no expectation of sales/recoverability.

## 11. RECOVERABLE TAXES

| | Consolidated | |
|---|---|---|
| | 2024 | 2023 |
| ICMS on acquisition of inputs [(a)] | 314,586 | 561,224 |
| Taxes on purchasing inputs abroad | 342,333 | 214,699 |
| ICMS on acquisition of fixed assets | 20,382 | 15,912 |
| *PIS/COFINS* on acquisition of inputs [(b)] | 549,024 | 620,631 |
| Tax on Industrialized Products – IPI [(c)] | 74,421 | 127,127 |
| Other | 76,487 | 181,344 |
| | 1,377,233 | 1,720,937 |
| | | |
| Current | 660,629 | 608,530 |
| Non-current | 716,604 | 1,112,407 |

a) Tax credits related to the tax on the circulation of goods, interstate and intercity transportation and communication services ("ICMS") were generated mainly by purchases whose tax rate is higher than the average sales. The Company expects to realize these credits in the normal course of operation by offsetting them against sales transactions in the domestic market.

b) The accumulated PIS and COFINS tax credits basically arise from credits on purchases of raw materials used in production and acquisition of fixed assets, as well as credits arising from the exclusion of ICMS from the PIS/COFINS calculation basis. The realization of these credits normally occurs through offsetting with sales transactions in the domestic market.

c) Balance will be used to offset Tax on Industrialized Products ("IPI") payable in future operations of the Company.

## 12. INCOME TAX AND SOCIAL CONTRIBUTION

### 11.1 Deferred

The deferred Corporate Income Tax - IRPJ and Social Contribution on Net Income - CSLL amounts arise from temporary differences in the subsidiaries. For certain subsidiaries and the Company, deferred tax balances on tax losses were also recognized. The Company's Management assesses the possibility of offsetting deferred income tax assets and deferred income tax liabilities according to each jurisdiction.

The amounts are as follows:

(Amounts in thousands of Reais - R$, except as mentioned otherwise)

### i) Breakdown of deferred income taxes and social contribution

| | Parent | | Consolidated | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| Tax loss carryforwards | - | - | 1,308,252 | 1,778,203 |
| Provision for trade receivables losses | - | - | 309,006 | 141,595 |
| Provision for inventory losses | - | - | 158,452 | 141,650 |
| Amortization and depreciation – useful life differences | - | - | 33,904 | 31,991 |
| Lease liabilities | 286 | 144 | 235,758 | 262,175 |
| Accruals, reserves and provision for tax, civil and labor risks [(b)] | 47,107 | 5,705 | 428,447 | 358,108 |
| Employee benefits | 10,895 | 32,223 | 344,981 | 340,807 |
| Non-functional currency positions, including derivatives and hedge accounting transactions | - | - | 10,195 | 9,811 |
| Foreign tax credit carryforwards [(a)] | - | 10,003 | 61,060 | 10,003 |
| Other temporary diferences | - | - | 168,862 | 145,151 |
| **Total deferred tax assets** | **58,288** | **48,075** | **3,058,917** | **3,219,494** |
| Non-functional currency positions, including derivatives and hedge accounting transactions [(c)] | - | - | (3,812) | (16,500) |
| Amortization and depreciation – useful life differences | - | - | (280,019) | (213,266) |
| Employee benefits | - | - | (193,587) | (145,149) |
| Right to use assets | (271) | (127) | (261,027) | (195,814) |
| Contingent consideration | - | - | - | (157,966) |
| Fair value of identifiable net assets in business combination [(d)] | - | - | (1,359,022) | (281,436) |
| Other temporary diferences | - | - | (412,492) | (336,758) |
| **Total deferred tax liabilities** | **(271)** | **(127)** | **(2,509,959)** | **(1,346,889)** |
| **Total of deferred income tax and social contribution, net** | **58,017** | **47,948** | **548,958** | **1,872,605** |
| **Deferred income taxes and social contribution assets, net [(e)]** | **58,017** | **47,948** | **1,905,164** | **2,200,695** |
| **Deferred income taxes and social contribution liabilities, net [(e)]** | **-** | **-** | **(1,356,206)** | **(328,090)** |

a) Primarily relates to foreign tax credit carryforwards in Brazil.
b) Includes (i) expenses under the accrual basis, reflecting deductible expenses incurred in the year, (ii) deferred revenue, (iii) accrued and unpaid compensation and (iv) other reserves not currently deductible for tax.
c) Includes deferred tax liability over net assets fair value identified in the subsidiary acquisition Avon in 2020 and 2024.
d) Balance presented in the balance sheet including the effects of the jurisdictional offset of deferred tax assets and liabilities of the same nature, originating from the same taxpayer and tax authority.

See Footnote 3 for a summary description of the income tax accounting policies adopted by the Company related to deferred taxation. Management continuously evaluates all sources of income to allow unrecognized deferred tax asset to become recognized when it is probable that there are sufficient sources of taxable income to allow for their recognition. Generally, recognition will occur when there is a history of profits that can be sustained and relied upon in the future and/or when facts/circumstances change indicating that a history of losses has been overcome due to elimination of loss-making factors, changes in operations and other factors. Similarly, management evaluates when de-recognition is appropriate when the sources of income are not sufficient to support continued recognition of deferred tax assets.

As of December 31, 2024, there are deferred tax assets recognized in the current and previous periods for tax losses and/or other deferred tax assets arising from operations of the indirect subsidiary Avon Mexico Cosmetics Manufacturing S. De R.L. De C.V. ("Avon Mexico"), which is currently in deficit, totaling R$412.000 (R$376.000 as of December 31, 2023). In relation to the indirect subsidiary Avon México, the Company's Management assessed the recoverability of these deferred tax assets based on all available information, including future taxable profits projected and incorporated into the projections, as well as the monitoring of initiatives (which also involve the restructuring of operations in the Latin America) that were approved at the highest levels of governance, and concluded that the realization of the assets is probable. The projections are also consistent with those prepared and used internally for business planning and impairment testing purposes. Based on these projections and the underlying facts and circumstances, it was determined that there would be sufficient taxable income to realize the benefit of the recognized deferred tax assets.

(Amounts in thousands of Reais - R$, except as mentioned otherwise)

The changes in deferred asset and liability income tax and social contribution for the years ended December 31, 2024 and 2023 were as follows:

| | Parent | Consolidated | |
|---|---|---|---|
| | Assets | Assets | Liabilities |
| **Balance as of December 31, 2022** | **150,167** | **3,519,515** | **(934,414)** |
| Effect on income statement | (79,856) | (894,732) | (167,668) |
| Transfer between deferred income tax and social contribution liabilities and assets | - | (18,502) | 18,502 |
| Reclass of UTP to Deferred Tax Liability | - | - | (46,760) |
| Constitution of tax credits on a universal basis | - | 20,213 | - |
| Discontinued operations | - | (374,090) | 788,977 |
| Reserve for grant of options and restricted shares | (22,363) | (31,772) | 2,486 |
| Other comprehensive income impact | - | 8,195 | - |
| Translation adjustment | - | (28,132) | 10,787 |
| **Balance as of December 31, 2023** | **47,948** | **2,200,695** | **(328,090)** |
| Effect on income statement | (67,750) | (726,050) | 68,503 |
| Transfer between income tax and deferred social contribution liabilities and assets | - | 19,664 | (19,664) |
| Reclassification of contingency to deferred asset | - | 178,040 | - |
| Constitution of tax credits on a universal basis | - | 8,804 | - |
| Write-off associated with discontinued operation [(a)] | 63,291 | 91,247 | 118,032 |
| Reserve for granting options and restricted shares | 14,528 | 29,769 | - |
| Actuarial reserve | - | (21,450) | - |
| Tax effects on gains (losses) from cash flow hedging transactions | - | (23,944) | - |
| Effect on other comprehensive income | - | 148,391 | (10,826) |
| **Balance as of December 31, 2024** | **58,017** | **1,905,164** | **(172,045)** |

As of December 31, 2024, the Company had the following unrecognized deferred tax assets:

| Item | Amount | Indefinite Expiration | Definite Expiration |
|---|---|---|---|
| Net operating loss [(a)] | 13,766,406 | 12,736,785 | 1,029,621 |
| Credits [(b)] | 36,905 | - | 36,905 |
| Other future deductible Items | 2,044,446 | 2,044,446 | - |
| **Total** | **15,847,757** | **14,781,231** | **1,066,526** |

a) During 2025, no significant expirations are expected; the majority of expirations are expected to occur in 2027 and successive years.

b) During 2025, no significant expirations are expected; the majority of expirations are expected to occur in 2027.

Unrecognized deferred tax assets are substantially associated with the acquisition of Avon's operations, especially from operations in Luxembourg, United Kingdom and United States. As of December 31, 2024, there are no events or circumstances that could allow for further recognition of unrecognized deferred tax assets. This situation could change in the future as events and/or relevant facts and circumstances allow.

(Amounts in thousands of Reais - R$, except as mentioned otherwise)

## 11.2 Reconciliation of income tax and social contribution reflected in continuing operations:

| | Parent | | Consolidated | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| Income (loss) before income tax and social contribution | (12,797,982) | **3,134,990** | **215,742** | **(636,995)** |
| Income tax and social contribution at the rate of 34% | 4,351,314 | (1,065,897) | (73,352) | 216,578 |
| Brazil Investment subsidies | - | - | 216,883 | 427,994 |
| Share of profit of equity investees | (4,219,807) | 1,155,836 | - | - |
| Effect from differences of tax rates of entities abroad | - | - | (246,049) | (37,400) |
| Taxation of profits of foreign subsidiaries [(a)] | (30,457) | (24,546) | (38,107) | (49,264) |
| Unrecognized Deferred income tax | (35,233) | - | (1,035,814) | 44,421 |
| Non-Deductible donation and contribution | - | - | (31,636) | (25,925) |
| Hyperinflation | - | - | 131,344 | (32,294) |
| Interest on Net Equity | (123,082) | (221,849) | 15,250 | - |
| Withholding and Sub-national taxes not recognized | - | - | (1,602) | (6,327) |
| Uncertain tax position | - | - | 1,300 | (55,187) |
| Bargain Purchase gain | - | - | 248,640 | - |
| Debtor in possession | - | - | (45,689) | - |
| Other permanent differences | (32,719) | 3,559 | (98,719) | (74,785) |
| **Income tax and social contribution revenue (expenses)** | **(89,984)** | **(152,897)** | **(957,551)** | **407,811** |
| **Income tax and social contribution - current** | **(22,234)** | **(232,753)** | **(300,004)** | **(891,333)** |
| **Income tax and social contribution - deferred** | **(67,750)** | **79,856** | **(657,547)** | **1,299,142** |
| **Effective tax rate - %** | (0,7%) | **4.0%** | **443,8%** | **64%** |

a) Certain earnings of foreign subsidiaries may be subjected to income taxation net of applicable credits, if any, by their parent holding companies in addition to the local taxing jurisdictions in which they conduct operations. Within the Natura Group, these types of taxation regimes exist in various jurisdictions including but not limited to Brazil, Australia, United Kingdom, United States.

b) During 2024, the Company recognizes a bargain purchase gain associated with Avon International CGU. The Avon International bargain purchase gain is non-taxable for income tax purposes.

## 11.3 Income tax and social contribution included in discontinued operations

During the year ended December 31, 2024, a pre-tax profit of R$8,499 million was reflected in discontinued operations primarily associated with the former subsidiaries Aesop and The Body Shop. The pre-tax profit was generated by the net gain resulting from the divestiture of these business units partially offset with the net loss from operations of these business units and other discontinued operational losses associated with the Avon business unit. As of December 31, 2024, income tax expense was reflected in the results of discontinued operations in the amount of R$312 million resulting in an effective tax rate of 3.7%. The difference of 30.3% between the effective tax rate and the statutory tax rate of 34% is primarily attributable to the exclusion of income associated with currency translation effects included in book income that is excluded from taxable income partially offset with the effect of losses that cannot be benefitted.

During the year ended December 31, 2023, a pre-tax loss of R$5,741 million was generated and no income tax benefit was able to be reflected in the results of discontinued operations. The income before taxes generated by the net gain from the sale of these business units was partially offset with the loss of these business units and other discontinued operating losses associated to Avon business unit. As of December 31, 2023, the income tax expense was reflected on discontinued operations amount in the amount of R$ 2,537 million, resulting in a effective tax rate of 44.2%. The difference of 9.2% between the effective tax rate and the statutory tax rate of 34% was mainly relate to the exclusion of revenue associated to translation effect included in the earns that is excluded from the taxable earns partially offset with the effect of losses that should not be used.

(Amounts in thousands of Reais - R$, except as mentioned otherwise)

See section 11.1 for the cumulative amount of unrecognized tax benefits that exist for the Company related to its assets, liabilities and tax attributes (net operating loss and income tax credit attributes that exist as of December 31, 2024).

## 13. JUDICIAL DEPOSITS

Judicial deposits represent restricted assets of the Company and are related to the amounts deposited and held in court until the resolution of the disputes to which they are related. The judicial deposits held by the Company as of December 31, 2024 and 2023 are as follows:

| | Consolidated | |
|---|---|---|
| | 2024 | 2023 |
| Unaccrued tax proceedings [a] | 316,956 | 228,331 |
| Accrued tax proceedings [b] | 152,436 | 154,077 |
| Unaccrued civil proceedings | 2,758 | 5,462 |
| Accrued civil proceedings | 1,293 | 1,453 |
| Unaccrued labor proceedings | 2,076 | 10,018 |
| Accrued labor proceedings | 227 | 8,689 |
| **Total judicial deposits** | **475,746** | **408,030** |

a) The tax proceedings related to these judicial deposits refer, substantially, to ICMS-ST.
b) The tax proceedings related to these judicial deposits refer, substantially, to the sum of the amounts highlighted in explanatory note no. 22 and the amounts provisioned according to explanatory note no. 23.

Changes in judicial deposits balances for the year ended December 31, 2024 and 2023 are presented below:

| | Consolidated |
|---|---|
| **Balance as of December 31, 2022** | **457,550** |
| New deposits | 13,493 |
| Redemptions in favor of the Company | (35,227) |
| Monetary adjustment | 28,460 |
| Application in the liquidation of proceedings | (55,494) |
| Translation adjustment | (752) |
| **Balance as of December 31, 2023** | **408,030** |
| New deposits | 107,087 |
| Redemptions in favor of the Company | (17,834) |
| Monetary correction | 29,016 |
| Application in the liquidation of proceedings | (50,553) |
| **Balance as of December 31, 2024** | **475,746** |

In addition to judicial deposits, the Company has guarantee insurance policies and letters of guarantee for some legal proceedings.

(Amounts in thousands of Reais - R$, except as mentioned otherwise)

## 14. NON-CURRENT ASSETS HELD FOR SALE

The changes in the balance for the years ended December 31, 2024 and 2023 are as follows:

| | Consolidated |
|---|---|
| **Balance as of December 31, 2022** | **51** |
| Transfers from the former subsidiary Aesop [(a)] | 2,492,471 |
| Other transfers [(b)] | 555,013 |
| *Impairment* [(c)] | (53,117) |
| Write-offs by disposal [(d)] | (2,988,713) |
| Translation adjustment | (5,705) |
| **Balance as of December 31, 2023** | **-** |
| Transfers of fixed assets, other assets and liabilities [(e)] | 139,225 |
| *Impairment* [(f)] | (44,893) |
| Write-offs by disposal [(g)] | (95,084) |
| Translation adjustment | 752 |
| **Balance as of December 31, 2024** | **-** |

(a) The transfers include the value of the assets of the former subsidiary Aesop, the sale of which was assessed as highly probable in the quarter ended March 31, 2023. The stake in the entity was sold during the quarter ended September 30, 2023.

(b) As at September 30, 2023, these transfers include properties of the former subsidiary Avon, located in the United States and Chile. The impairment recorded refers to the difference between the market value and the book value of these properties.

(c) Reflect the recognition of impairment loss due to the write-down of properties of the subsidiary Avon, located in the United States, Chile, and Brazil, transferred to non-current assets held for sale, and tested for impairment at the time of transfer and subsequent measurement at the lower of fair value less costs to sell and the carrying amount prior to the transfer.

(d) The disposals presented in the movement include the value of assets from the subsidiary Aesop, and the sale of an asset from the subsidiary Avon in Chile, in the amount of R$37,484.

(e) On December31, 2024, the transfers of fixed assets included properties of the former subsidiary Avon, located in the United Kingdom.

(f) On December 31, 2024, they reflect the recognition of a loss due to impairment of properties of the former subsidiary Avon, located in the United Kingdom, transferred to non-current assets held for sale and, being tested for impairment purposes upon transfer and consequent measurement at the lower of fair value less costs to sell and the previous carrying amount.

(g) On December 31, 2024, the write-offs include the sale of properties, of the former subsidiary Avon, located in the United Kingdom.

(Amounts in thousands of Reais - R$, except as mentioned otherwise)

## 15. OTHER CURRENT AND NON-CURRENT ASSETS

| | Parent | | Consolidated | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| Marketing and advertising advances | - | - | 64,861 | 43,150 |
| Supplier advances | 935 | 308 | 315,083 | 203,193 |
| Employee advances | 35 | 64 | 22,198 | 19,297 |
| Rent advances and guarantee deposits | - | - | 2,267 | 20,284 |
| Advance insurance expenses | 12,802 | 14,013 | 74,239 | 110,355 |
| Overfunded pension plan [(a)] | - | - | 1,221,085 | 723,130 |
| Customs broker advances – Import taxes | - | - | 50,324 | 43,316 |
| Sublease receivables | - | - | - | 180,440 |
| Carbon credits | - | - | 11,975 | 13,970 |
| Receivables from service providers | - | - | 42,935 | 109,639 |
| Other | - | 1,160 | 217,397 | 165,332 |
| | **13,772** | **15,545** | **2,022,364** | **1,632,106** |
| | | | | |
| Current | 13,772 | 15,545 | 644,641 | 604,427 |
| Non-current | - | - | 1,377,723 | 1,027,679 |

a) Pension plan originating from the subsidiary Avon International.

(Amounts in thousands of Reais - R$, except as mentioned otherwise)

## 16. INVESTMENTS

| | Parent | |
|---|---|---|
| | 2024 | 2023 |
| Investments in subsidiaries, net of losses | 15,620,400 | 22,056,486 |

Description and movement of balances as of December 31, 2024 and 2023:

| | 2024 | | | |
|---|---|---|---|---|
| | Natura Cosméticos S.A. | Avon Products, Inc. | Natura &Co International S.à r.l. | Total |
| Percentage of interest | 100.00% | 100.00% | 100.00% | |
| Shareholders' equity of the subsidiaries | 9,250,719 | - | (2,328,578) | 6,922,141 |
| Shareholders' equity interest | 9,250,719 | - | (2,328,578) | 6,922,141 |
| Fair value adjustment of acquired assets and liabilities | 116,506 | - | 208,716 | 325,222 |
| Goodwill | 5,543,819 | - | 2,829,218 | 8,373,037 |
| **Total** | **14,911,044** | **-** | **709,356** | **15,620,400** |
| | | | | |
| **Balance as at December 31, 2023** | **14,230,563** | **(1,108,081)** | **8,934,004** | **22,056,486** |
| Share of profit (loss) of equity investees | 753,251 | (1,523,734) | (11,207,539) | (11,978,022) |
| Share of profit (loss) of equity investees of assets arising from business combination | (97,250) | (303,222) | (32,702) | (433,174) |
| Translation adjustment | 53,200 | 352,657 | 1,359,560 | 1,765,417 |
| Translation adjustment from equity investees from business combination | 219,243 | (911,343) | 130,294 | (561,806) |
| Unrealized losses on translation adjustment – OCI | - | 9,152 | (23,521) | (14,369) |
| Effect of hyperinflationary economy adjustment | 646,480 | 198,548 | (1,289) | 843,739 |
| Contribution by the controlling company for purchase option plans granted to executive officers of the subsidiaries and other reserves net | 77,194 | (28,770) | - | 48,424 |
| Hedge accounting net of taxes | 55,403 | 2,549 | (4,907) | 53,045 |
| Dividends and Interest on Net Equity ("INE") | (1,818,771) | - | - | (1,818,771) |
| Actuarial losses of equity investees | 22,067 | - | 53,046 | 75,113 |
| Capital increase | - | - | 1,502,410 | 1,502,410 |
| Business combination from common control entity (b) | 40,419 | (40,419) | - | - |
| Goodwill from future profitability associated with transferred subsidiary (a) | 729,245 | (729,245) | - | - |
| Effect of loss of control of former subsidiary API (c) | - | 4,081,908 | - | 4,081,908 |
| **Balance as at December 31, 2024** | **14,911,044** | **-** | **709,356** | **15,620,400** |

a) Substantially reflect the losses incurred in the remeasurement of receivables with ACL recognized by the controlled entity Natura &Co International and other losses associated with Chapter 11.

b) Amount related to the transfer of subsidiaries Avon Chile, Argentina, Ecuador and Uruguay from the API corporate structure to Natura Cosméticos.

c) During the year 2024, the Company carried out a restructuring involving the transfer of the subsidiaries Avon Chile, Argentina, Ecuador and Uruguay among its investees. Upon carrying out such a transfer, the Company consequently carried out the reallocation of the goodwill balances due to expected future profitability arising from the acquisition of this operation (the underlying assets), which are responsible for the recovery of this associated goodwill from its continuing operations. This reallocation does not change the Company's equity position and total investment balance and does not affect the net assets of the investees.

d) Refers to the effect of the write-off of investment balances in the former subsidiary API, associated with the loss of control.

(Amounts in thousands of Reais - R$, except as mentioned otherwise)

| | 2023 | | | |
|---|---|---|---|---|
| | Natura Cosméticos S.A. | Avon Products, Inc. | Natura &Co International S.à r.l. | Total |
| Percentage of interest | 100.00% | 100.00% | 100.00% | |
| Shareholders' equity of the subsidiaries (unsecured liabilities) | 9,421,472 | (8,195,156) | 5,993,658 | 7,219,974 |
| Fair value adjustment of acquired assets and liabilities | - | 3,583,052 | - | 3,583,052 |
| *Goodwill* | 4,809,091 | 3,504,023 | 2,940,346 | 11,253,460 |
| **Total** | **14,230,563** | **(1,108,081)** | **8,934,004** | **22,056,486** |
| **Net income (loss) for the year of subsidiaries** | **6,488,140** | **(2,905,372)** | **480,643** | **4,063,411** |
| **Balances as of December 31, 2022** | **5,992,009** | **10,500,599** | **5,722,812** | **22,215,420** |
| Share of profit (loss) of equity investees | 6,488,140 | (2,905,372) | 480,643 | 4,063,411 |
| Share of profit (loss) of equity investees – goodwill impairment | - | (663,892) | - | (663,892) |
| Translation adjustment | (2,307,772) | (777,267) | (359,795) | (3,444,834) |
| Capital increase | - | 158,377 | 150,000 | 308,377 |
| Dividends paid | (1,950,098) | - | | (1,950,098) |
| Effect of hyperinflationary economy adjustment | 273,153 | (46,126) | - | 227,027 |
| Contribution by the controlling company for purchase option plans granted to executive officers of the subsidiaries and other reserves net of tax effects | 69,638 | 42,388 | - | 112,026 |
| Hedge accounting impacts, net of tax effects | 494,020 | 678 | - | 494,698 |
| Actuarial gains (losses) | (12,706) | (915) | - | (13,621) |
| Goodwill related to a transferred subsidiary.[a] | 4,809,091 | (7,749,435) | 2,940,344 | - |
| Acquisition of control under common control | 375,658 | 332,883 | - | 708,541 |
| Other impacts | (569) | - | - | (569) |
| **Balances as of December 31, 2023** | **14,230,564** | **(1,108,082)** | **8,934,004** | **22,056,486** |

(Amounts in thousands of Reais - R$, except as mentioned otherwise)

## 17. PROPERTY, PLANT AND EQUIPMENT

| | Consolidated | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | Useful life range (in years) | 2023 | Business Combination – ACL | Additions | Write-offs | Transfers | Loss of control write-off (a) | Translation adjustment | 2024 |
| **Cost:** | | | | | | | | | |
| Vehicles | 2 to 5 | 47,737 | 14,230 | 14,806 | (8,891) | 117 | (2,577) | 18,617 | 84,039 |
| Tooling | 3 | 211,026 | - | 20,946 | - | 5,475 | - | 305 | 237,752 |
| Tools and accessories | 3 to 20 | 181,730 | 226,708 | 5,903 | (34,294) | 1,447 | (30,148) | 32,110 | 383,456 |
| Facilities | 3 to 60 | 339,435 | 10,039 | 127 | (2,887) | 24,264 | 672 | 7,649 | 379,299 |
| Machinery and accessories | 3 to 15 | 2,200,219 | 1,069,975 | 11,280 | (98,357) | 23,730 | (49,307) | 154,716 | 3,312,256 |
| Leasehold improvements | 2 to 20 | 138,433 | 114,677 | 30,440 | (14,940) | 12,025 | 119,817 | 10,669 | 411,121 |
| Buildings | 14 to 60 | 1,130,440 | 635,248 | 2,673 | (1,156) | 1,202 | (57,831) | 68,866 | 1,779,442 |
| Furniture and fixtures | 2 to 25 | 158,826 | 58,383 | 19,928 | (9,334) | 4,176 | (8,553) | 5,629 | 229,055 |
| Land | - | 389,874 | 115,856 | - | - | - | (136,614) | 8,798 | 377,914 |
| IT equipment | 3 to 15 | 394,355 | 222,605 | 11,122 | (6,418) | 20,729 | (108,514) | 24,318 | 558,197 |
| Other assets | 2 | 25,460 | - | - | - | - | (12,198) | 798 | 14,060 |
| Projects in progress | - | 498,295 | 163,813 | 258,916 | (52,262) | (98,179) | (298,843) | (2,018) | 469,722 |
| **Total cost** | | **5,715,830** | **2,631,534** | **376,141** | **(228,539)** | **(5,014)** | **(584,096)** | **330,457** | **8,236,313** |
| | | | | | | | | | |
| **Depreciation value:** | | | | | | | | | |
| Vehicles | | (22,887) | (14,140) | (12,926) | 7,448 | (22) | 11,310 | (2,434) | (33,651) |
| Tooling | | (188,400) | - | (9,750) | - | - | - | (80) | (198,230) |
| Tools and accessories | | (62,406) | (208,257) | (3,090) | 32,600 | - | 12,843 | (33,356) | (261,666) |
| Facilities | | (207,339) | (8,768) | (17,830) | 2,856 | - | (2,288) | (3,863) | (237,232) |
| Machinery and accessories | | (1,188,622) | (800,334) | (158,333) | 85,698 | - | (183,507) | (43,252) | (2,288,350) |
| Leasehold improvements | | 5,854 | (105,866) | (26,849) | 12,619 | - | (129,750) | (5,968) | (249,960) |
| Buildings | | (160,812) | (353,209) | (43,641) | 957 | - | (220,751) | (35,365) | (812,821) |
| Furniture and fixtures | | (80,995) | (44,610) | (15,870) | 6,062 | - | (2,878) | (75) | (138,366) |
| IT equipment | | (328,257) | (203,980) | (29,288) | 5,811 | - | 66,744 | (19,610) | (508,580) |
| Other assets | | (24,392) | - | (360) | - | - | 12,997 | (1,749) | (13,504) |
| **Total depreciation** | | **(2,258,256)** | **(1,739,164)** | **(317,937)** | **154,051** | **(22)** | **(435,280)** | **(145,752)** | **(4,742,360)** |
| **Net total** | | **3,457,574** | **892,370** | **58,204** | **(74,488)** | **(5,036)** | **(1,019,376)** | **184,705** | **3,493,953** |

a) Refers to the effect of the write-down of fixed asset balances in the former controlled entity API, associated with the loss of control in the third quarter of 2024.

(Amounts in thousands of Reais - R$, except as mentioned otherwise)

| | Consolidated | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | Useful life range (in years) | 2022 | Additions | Write-offs | Transfers | Transfer to asset held for sale | Write-off due to sale of subsidiary | Translation adjustment | 2023 |
| **Cost:** | | | | | | | | | |
| Vehicles | 2 to 5 | 74,362 | 9,285 | (5,629) | 11 | - | - | (30,292) | 47,737 |
| Tooling | 3 | 204,177 | 72 | (135) | 6,700 | - | - | 212 | 211,026 |
| Tools and accessories | 3 to 20 | 175,452 | 13,676 | (16,033) | 4,360 | - | - | 4,275 | 181,730 |
| Facilities | 3 to 60 | 307,448 | 984 | (1,338) | 25,016 | (166) | - | 7,491 | 339,435 |
| Machinery and accessories | 3 to 15 | 2,272,136 | 37,809 | (75,340) | 180,157 | (25,065) | (62,120) | (127,358) | 2,200,219 |
| Leasehold improvements | 2 to 20 | 1,128,086 | 47,444 | (93,243) | 4,514 | (696,954) | (223,379) | (28,035) | 138,433 |
| Buildings | 14 to 60 | 1,916,939 | 15,966 | (56,721) | (2,617) | (582,033) | (28,653) | (132,441) | 1,130,440 |
| Furniture and fixtures | 2 to 25 | 674,062 | 57,609 | (89,422) | 672 | (93,440) | (359,311) | (31,344) | 158,826 |
| Land | - | 645,657 | 30,313 | (631) | - | (267,425) | (4,934) | (13,106) | 389,874 |
| IT equipment | 3 to 15 | 627,770 | 23,286 | (108,116) | 9,268 | (52,223) | (66,626) | (39,004) | 394,355 |
| Other assets | - | 26,230 | - | (12) | - | - | - | (758) | 25,460 |
| Projects in progress | - | 580,627 | 376,452 | (35,425) | (318,663) | (38,743) | (11,016) | (54,937) | 498,295 |
| **Total cost** | | **8,632,946** | **612,896** | **(482,045)** | **(90,582)** | **(1,756,049)** | **(756,039)** | **(445,297)** | **5,715,830** |
| **Accumulated depreciation:** | | | | | | | | | |
| Vehicles | | (38,070) | (5,812) | 4,912 | - | (24) | - | 16,107 | (22,887) |
| Tooling | | (179,485) | (8,920) | 135 | (13) | - | - | (117) | (188,400) |
| Tools and accessories | | (135,440) | (17,766) | 15,872 | (1,260) | - | - | 76,188 | (62,406) |
| Facilities | | (201,307) | (14,395) | 2,554 | (390) | 166 | - | 6,033 | (207,339) |
| Machinery and accessories | | (1,118,339) | (203,294) | 62,508 | (126) | 17,185 | 37,722 | 15,722 | (1,188,622) |
| Leasehold improvements | | (626,431) | (65,843) | 89,857 | - | 464,551 | 120,073 | 23,647 | 5,854 |
| Buildings | | (455,402) | (105,083) | 27,612 | 6 | 301,177 | 10,480 | 60,398 | (160,812) |
| Furniture and fixtures | | (408,832) | (79,210) | 71,758 | 1,620 | 62,651 | 248,773 | 22,245 | (80,995) |
| IT equipment | | (475,668) | (64,163) | 105,080 | 14 | 31,284 | 44,521 | (13,775) | (328,257) |
| Other assets | | (27,822) | (549) | - | - | - | - | 48,429 | (24,392) |
| **Total depreciation** | | **(3,666,796)** | **(565,035)** | **380,288** | **(149)** | **876,990** | **461,569** | **254,877** | **(2,258,256)** |
| **Net total** | | **4,966,150** | **47,861** | **(101,757)** | **(90,731)** | **(879,059)** | **(294,470)** | **(190,420)** | **3,457,574** |

(Amounts in thousands of Reais - R$, except as mentioned otherwise)

## 18. INTANGIBLE ASSETS

| | Consolidated | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | Useful life range (in years) | 2023 | Business Combination – ACL | Additions | Write-offs | Transfers | Loss of control write-off [(a)] | Translation adjustment | 2024 |
| **Cost** | | | | | | | | | |
| Software | 2.5 to 10 | 2,104,028 | 1,134,980 | 159,194 | (29,669) | 1,151 | (151,398) | 73,829 | 3,292,115 |
| Trademarks and patents (defined useful life) | 20 to 25 | 618,385 | - | - | - | - | (618,385) | 9,947 | 9,947 |
| Sales processes and systems | 20 to 25 | - | 55,378 | - | - | - | - | - | 55,378 |
| Avon Latam intellectual property licensing agreement | 20 to 25 | - | 190,560 | - | - | - | - | - | 190,560 |
| Trademarks and patents (indefinite useful life) | - | 2,350,528 | 1,400,358 | - | - | - | (2,350,528) | 25,760 | 1,426,118 |
| Goodwill Avon | - | 11,253,458 | - | - | - | - | (3,191,443) | 310,284 | 8,372,299 |
| Goodwill Singu | - | 52,049 | - | - | - | - | - | - | 52,049 |
| Relationship with retail clients | 10 | 203 | - | - | - | - | - | 253 | 456 |
| Relationship with franchisees and sub-franchisees | 10 to 15 | 1,928,421 | 447,540 | - | - | - | (736,370) | 74,954 | 1,714,545 |
| Technology developed | 5 | 1,351,930 | 177,200 | - | - | - | (1,351,929) | (1) | 177,200 |
| Other intangibles | 2 | 5,399 | - | 12,275 | (4,130) | - | - | - | 13,544 |
| **Total cost** | | **19,664,401** | **3,406,016** | **171,469** | **(33,799)** | **1,151** | **(8,400,053)** | **495,026** | **5,304,211** |
| | | | | | | | | | |
| **Accumulated amortization:** | | | | | | | | | |
| Software | | (1,014,595) | (744,610) | (287,323) | 12,148 | 2,368 | (48,558) | (52,660) | (2,133,230) |
| Trademarks and patents | | (123,677) | - | - | - | - | 123,677 | - | - |
| Relationship with retail clients | | (202) | - | - | - | - | - | (252) | (454) |
| Relationship with franchisees and sub-franchisees | | (869,119) | - | (133,630) | - | - | 347,626 | (30,867) | (685,990) |
| Technology developed | | (1,081,545) | - | - | - | - | 1,081,545 | - | - |
| Other intangibles | | (5,397) | - | (2,031) | 1,896 | - | - | - | (5,532) |
| **Total accrued amortization** | | **(3,094,535)** | **(744,610)** | **(422,984)** | **14,044** | **2,368** | **1,504,290** | **(83,779)** | **(2,825,206)** |
| **Net total** | | **16,569,866** | **2,661,406** | **(251,515)** | **(19,755)** | **3,519** | **(6,895,763)** | **411,247** | **12,479,005** |

a) Refers to the effect of the write-off of fixed asset balances in the former subsidiary API, associated with the loss of control.

(Amounts in thousands of Reais - R$, except as mentioned otherwise)

| | Consolidated | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Useful life range (in years) | 2022 | Additions | Write-offs | Impairment | Transfers | Transfer to asset held for sale | Write-off due to sale of subsidiary | Translation adjustment | 2023 |
| **Cost:** | | | | | | | | | | |
| *Software* | 2,5 to 10 | 2,949,813 | 391,102 | (621,831) | - | 96,351 | (96,956) | (469,184) | (145,267) | 2,104,028 |
| Trademarks and patents (defined useful life) | 20 to 25 | 813,204 | - | - | - | - | (139,869) | (4,443) | (50,507) | 618,385 |
| Trademarks and patents (indefinite useful life) | - | 4,818,030 | - | - | - | - | - | (2,503,964) | 36,462 | 2,350,528 |
| Goodwill Avon [(a)] | - | 12,307,865 | - | - | (663,892) | - | - | - | (390,515) | 11,253,458 |
| Goodwill Emeis Brazil Pty Ltd. [(b)] | - | 124,315 | - | - | - | - | (124,315) | - | - | - |
| Goodwill The Body Shop [(c)] | - | 1,645,527 | - | - | - | - | - | (1,701,981) | 56,454 | - |
| Goodwill acquisition of The Body Shop stores | - | 1,456 | - | - | - | - | - | (1,456) | - | - |
| Goodwill aquisition of Singu | - | - | 52,049 | - | - | - | - | - | - | 52,049 |
| Relationship with retail clients | 10 | 2,583 | - | (2,856) | - | - | (2,255) | (4,021) | 6,752 | 203 |
| Key money (indefinite useful life) [(d)] | - | 22,313 | - | (14,601) | - | - | - | (7,719) | 7 | - |
| Key money (defined useful life) [(e)] | 3 to 18 | 7,828 | 1,329 | (3,519) | - | - | - | (5,279) | (359) | - |
| Relationship with franchisees and sub franchisees and sales representative [(f)] | 14 to 15 | 2,676,563 | - | - | - | - | - | (686,701) | (61,441) | 1,928,421 |
| Technology developed (by acquired subsidiary) | - | 1,457,039 | - | - | - | - | - | - | (105,109) | 1,351,930 |
| Other intangible assets and intangible under development | - | 133,403 | 3,779 | (18,995) | - | (8,115) | (9,797) | (83,397) | (11,479) | 5,399 |
| **Total cost** | | **26,959,939** | **448,259** | **(661,802)** | **(663,892)** | **88,236** | **(373,192)** | **(5,468,145)** | **(665,002)** | 19,664,401 |
| **Accumulated amortization:** | | | | | | | | | | |
| Software | | (1,720,169) | (439,031) | 584,109 | - | 1,876 | 75,818 | 387,808 | 94,994 | (1,014,595) |
| Trademarks and patents | | (169,620) | (31,901) | - | - | - | 45,298 | 12,127 | 20,419 | (123,677) |
| Key money | | (10,103) | - | - | - | - | - | 10,103 | - | - |
| Relationship with retail clients | | (2,968) | (1,668) | 2,719 | - | - | 2,255 | - | (540) | (202) |
| Relationship with franchisees and sub franchisees | | (918,994) | (260,104) | - | - | - | - | 279,726 | 30,253 | (869,119) |
| Technology developed | | (874,225) | (278,969) | - | - | - | - | - | 71,649 | (1,081,545) |
| Other intangible assets | | (2,890) | (4,136) | 16,757 | - | 619 | 9,797 | - | (25,544) | (5,397) |
| **Total accrued amortization** | | **(3,698,969)** | **(1,015,809)** | **603,585** | **-** | **2,495** | **133,168** | **689,764** | **191,231** | **(3,094,535)** |
| **Net total** | | **23,260,970** | **(567,550)** | **(58,217)** | **(663,892)** | **90,731** | **(240,024)** | **(4,778,381)** | **(473,771)** | **16,569,866** |

(Amounts in thousands of Reais - R$, except as mentioned otherwise)

### a) Impairment test of intangible assets with indefinite useful lives

Goodwill balances arising from business combinations, as well as intangible assets with indefinite useful lives were allocated to the CGU groups which expect to benefit from the synergy of the business combinations. In accordance with CPC 01 (R1) / IAS 36 - Impairment of Assets, when a CGU or group of CGU has an intangible asset with an indefinite allocated useful life, the Company must perform at least annually the impairment test of it carrying amount.

With the loss of control of the former controlled entity API, upon the filing of the Chapter 11 process on August 12, 2024, the balances of intangible assets with indefinite useful lives were derecognized on that date.

With the sale of the stake in the former subsidiaries The Body Shop and Aesop, the respective balances of intangible assets with an indefinite useful life were derecognized in the year ended December 31, 2023.

On December 31, 2023, an impairment loss of R$ 663,892 was recognized on the goodwill balance associated with the group of CGUs comprising the operations of Avon International (API).

The carrying amount of intangible assets with undetermined useful life and goodwill allocated to each CGU group are presented below:

| Groups of CGUs | Trademarks and patents | | Goodwill | | Total | |
|---|---|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 |
| Natura &Co Latam | - | - | 8,424,348 | 9,527,619 | 8,424,348 | 9,527,619 |
| Avon International (ACL) | 1,426,118 | - | - | - | 1,426,118 | - |
| Avon International (API) | - | 2,350,347 | - | 1,777,889 | - | 4,128,236 |
| **Total** | **1,426,118** | **2,350,347** | **8,424,348** | **11,305,508** | **9,850,466** | **13,655,855** |

The brand "Avon" above, presented in the amount of R$ 1,432,466, was recognized as part of the business combination for the acquisition of ACL, as disclosed in explanatory note no. 5. Considering the acquisition in December of 2024, the assumptions applied in measuring the asset at its fair value substantially reflect the outlook as of December 31, 2024, and no events occurred during this period that would indicate these assumptions were no longer valid at that date or otherwise suggest there is a risk of impairment loss for this asset.

Therefore, the Company assesses that the assets are recorded at an amount substantially equivalent to its fair value at the balance sheet date. The critical assumptions and judgments associated with the valuation of this asset as part of the preliminary business combination effects are disclosed in explanatory note no. 5.

The main assumptions used in the calculations of the value in use as of December 31, 2024, are presented below:

The main assumptions used to calculate the value in use as of December 31, 2024 are presented below:

#### Impairment estimate (value in use)

Measured using the discounted cash flow methodology, based on financial budgets approved by the Board of Directors for the next year and supplemented by a discretionary period of ten years, estimated by management with a projected terminal value at the end of the period. The ten-year period was considered for better alignment and smoothing of the projected effects between the discretionary period and the effects calculated in perpetuity.

**Operating margin:**

Operating margins are based on average amounts obtained in the 2 years prior to the beginning of the budgeted period and projections for the next ten years. These margins are increased over the budget period to improve the expected efficiency.

**Estimated cost:**

Costs based on historical data and market trends, optimization of retail and direct sales operations (renewal of the geographical presence of stores, revitalization of the franchise network) and physical expansion with growth in market share.

**Revenue growth rates:**

Growth rates are initially based on published industry research and adjusted by the expected performance for each CGUs group (which, considering the level of goodwill monitoring by the Company, reflects the operating segments), given the initiatives in place for each segment as well as the respective macroeconomic environment that apply to each segment and are included in the budgets approved by governance leadership bodies (including the Board of Directors).

**Perpetuity growth rate:**

A constant growth rate of 6.69% is adopted. The rates are based on market analyses and published projections for the operating segment, adjusted to reflect the assumptions considered by management in the approved projections and to account for the inflation differential of other currencies, when applicable. These rates are also calculated in the same currency as those used in the projections and discount rates.

**Discount rate:**

The discount rates represent the assessment of risks in the current market, specific to each CGU, taking into account the time value of money and the individual risks of the related assets that were not incorporated into the assumptions included in the cash flow model. These cash flows were discounted using a pre-tax discount rate, in the same currency as that used in the projections, of 17.91%. The discount rate was based on the weighted average cost of capital, reflecting the specific risk of the assessed segment.

**Indicative analysis:**

The Company considers the correlation between its market value and its book value, among other factors, such as the decline in the performance of certain operations and macroeconomic indicators affecting the sector in which it operates, when assessing potential signs of impairment. As of December 31, 2024, the Company's market value was higher than the book value of its equity.

**Sensitivity analysis:**

The Company also conducted a sensitivity analysis considering potential deteriorations in: (i) the discount rate; and (ii) the growth rate in perpetuity. A 1 percentage point increase in the discount rate or a 1 percentage point decrease in the growth rate in perpetuity would not result in the need to recognize an impairment loss.

(Amounts in thousands of Reais - R$, except as mentioned otherwise)

## 19. RIGHT OF USE AND LEASE LIABILITIES

### a) Right of use

| | Consolidated | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | Useful life range (in years) [a] | 2023 | Business Combination ACL | Additions | Write-offs | Transfers | Loss of control write-off [b] | Translation adjustment | 2024 |
| **Cost:** | | | | | | | | | |
| Vehicles | 3 | 159,169 | 88,953 | 17,069 | (30,510) | - | (58,215) | 21,297 | 197,763 |
| Machinery and equipment | 3 to 10 | 37,881 | 19,358 | - | - | - | (20,073) | (266) | 36,900 |
| Buildings | 3 to 10 | 1,500,669 | 519,558 | 162,371 | (66,650) | - | (374,782) | 97,612 | 1,838,778 |
| IT equipment | 10 | 23,145 | 11,706 | - | (3,186) | - | (20,264) | 134 | 11,535 |
| Retail stores | 3 to 10 | 146,994 | - | 29,271 | (7,797) | - | - | (497) | 167,971 |
| Software | 3 to 4 | 19,130 | - | 437 | (12,353) | 3,811 | - | 65 | 11,090 |
| **Total cost** | | **1,886,988** | **639,575** | **209,148** | **(120,496)** | **3,811** | **(473,334)** | **118,345** | **2,264,037** |
| **Depreciation value:** | | | | | | | | | |
| Vehicles | | (76,487) | (40,481) | (35,943) | 29,233 | - | 26,995 | (4,768) | (101,451) |
| Machinery and equipment | | (13,444) | (10,305) | (4,260) | - | - | 8,388 | (537) | (20,158) |
| Buildings | | (627,752) | (322,404) | (159,645) | 42,742 | - | 174,098 | (77,551) | (970,512) |
| IT equipment | | (18,603) | (10,156) | (532) | 1,858 | - | 17,320 | (59) | (10,172) |
| Retail stores | | (90,939) | - | (23,076) | 3,629 | - | - | 617 | (109,769) |
| Software | | (8,954) | - | (4,433) | 7,784 | (2,294) | - | (1,116) | (9,013) |
| **Total accrued depreciation** | | **(836,179)** | **(383,346)** | **(227,889)** | **85,246** | **(2,294)** | **226,801** | **(83,414)** | **(1,221,075)** |
| **Net total** | | **1,050,809** | **256,229** | **(18,741)** | **(35,250)** | **1,517** | **(246,533)** | **34,931** | **1,042,962** |

(Amounts in thousands of Reais - R$, except as mentioned otherwise)

| | Consolidated | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | Useful life range (in years)[(a)] | 2022 | Additions | Write-offs | Transfer to asset held for sale | Write-off due to sale of subsidiary | Translation adjustments | 2023 |
| **Cost:** | | | | | | | | |
| Vehicles | 3 | 164,661 | 73,708 | (68,871) | - | (1,883) | (8,446) | 159,169 |
| Machinery and equipment | 3 to 10 | 31,216 | 19,850 | (2,155) | - | (7,515) | (3,515) | 37,881 |
| Buildings | 3 to 10 | 1,570,088 | 224,800 | (80,185) | - | (160,049) | (79,839) | 1,500,669 |
| IT equipment | 10 | 29,052 | 3,891 | (6,299) | - | (1,702) | 146 | 25,088 |
| Retail stores | 3 to 10 | 3,361,432 | 344,870 | (299,934) | (1,388,973) | (1,790,631) | (79,770) | 146,994 |
| Software | 3 to 4 | 13,527 | 5,566 | - | - | - | 37 | 19,130 |
| Tools and accessories | 3 | 498 | - | (415) | - | (76) | (7) | - |
| **Total cost** | | **5,170,474** | **672,685** | **(457,859)** | **(1,388,973)** | **(1,961,856)** | **(171,394)** | **1,888,931** |
| **Depreciation value:** | | | | | | | | |
| Vehicles | | (105,457) | (45,378) | 66,122 | - | 1,109 | 7,117 | (76,487) |
| Machinery and equipment | | (13,787) | (11,535) | 1,996 | - | 6,120 | 3,762 | (13,444) |
| Buildings | | (556,655) | (235,874) | 61,748 | - | 54,968 | 48,061 | (627,752) |
| IT equipment | | (23,957) | (5,645) | 6,299 | - | 1,028 | 3,672 | (18,603) |
| Retail stores | | (1,525,308) | (390,499) | 235,125 | 563,908 | 994,062 | 31,908 | (90,804) |
| Software | | (3,121) | (5,772) | - | - | - | (61) | (8,954) |
| Tools and accessories | | (302) | (132) | 300 | - | - | (1,944) | (2,078) |
| Total accrued depreciation | | **(2,228,587)** | **(694,835)** | **371,590** | **563,908** | **1,057,287** | **92,515** | **(838,122)** |
| **Net total** | | **2,941,887** | **(22,150)** | **(86,269)** | **(825,065)** | **(904,569)** | **(78,879)** | **1,050,809** |

(Amounts in thousands of Reais - R$, except as mentioned otherwise)

a) The useful lives applied refer to the terms of the contracts in which the Company is sure that it will use the assets underlying the lease contracts according to the contractual terms.

| | Consolidated | |
|---|---|---|
| | 2024 | 2023 |
| **Amounts recognized in the statement of income and losses:** | | |
| Financial expense on lease | 88,047 | 65,853 |
| Amortization of right of use | 227,889 | 176,825 |
| Appropriation in the result of variable lease installments not included in the measurement of lease liabilities | 1,355 | 3 |
| Short-term lease expenses and low-value assets | 1,130 | 4,538 |
| Others rental-related expenses | 1,719 | - |
| Adjustment to recoverable value of right-of-use assets - impairment | - | (635) |
| **Total** | **320,140** | **246,584** |
| **Amounts recognized in the financing activities in the cash flow statement:** | | |
| Lease payments (principal) | 219,462 | 143,023 |
| **Amounts recognized in the operating activities in the cash flow statement:** | | |
| Lease payments (interest) | 86,507 | 56,084 |
| Variable lease payments, not included in the measurement of lease liabilities | 1,355 | 3 |
| **Total** | **307,324** | **199,110** |

## b) Lease liability

| | Consolidated | |
|---|---|---|
| | 2024 | 2023 |
| Current | 207,245 | 298,600 |
| Non-current | 769,587 | 851,840 |
| **Total** | **976,832** | **1,150,440** |

Below are the changes in lease liability balances for the year ended December 31, 2024 and 2023:

| | Consolidated |
|---|---|
| **Balance as of December 31, 2022** | **3,270,737** |
| Transfer to held for sale | (891,098) |
| New agreements and modifications | 779,049 |
| Payments (principal amount) | (828,538) |
| Payments (interest) | (183,409) |
| Appropriation of financial charges | 187,410 |
| Write-offs [(a)] | (43,877) |
| Write-off due to sale of subsidiary [(b)] | (1,025,898) |
| Translation adjustment | (113,936) |
| **Balance as of December 31, 2023** | **1,150,440** |
| New agreements and modifications | 191,127 |
| Payments (principal) | (219,462) |
| Payments (interest) | (86,507) |
| Appropriation of financial charges | 88,047 |
| Write-offs [(a)] | (52,035) |
| Acquisition of subsidiary ACL | 287,285 |
| Loss of control of former subsidiary API | (419,483) |
| Exchange rate variation | 37,420 |
| **Balance as of December 31, 2024** | **976,832** |

a) Refers primarily to the termination of contracts related to lease agreements for stores.

b) Refers to the write-off of lease liabilities associated with the disposal of the former controlled entities Aesop and The Body Shop.

(Amounts in thousands of Reais - R$, except as mentioned otherwise)

The table below set forth the rates applied, according to the lease terms:

The amount of lease liability payments, considering the interests payments, and corresponding maturities, are disclosed in note no. 5.3.3.

As described in note no. 3.13, the Company applied its incremental borrowing rate as the discount rate on lease liabilities. Considering that the Company's lease contracts are substantially contracts with payment flows indexed by inflation indexes and, also considering the disclosure suggestions published in CVM Circular Letter no. 02/19, the Company presents below additional information on the characteristics of the lease contracts so that users of the financial statements may, at its discretion, carry out projections of future payment flows indexed to inflation.

| | | Contractual payments - consolidated | | | | | |
|---|---|---|---|---|---|---|---|
| Maturity | Average discount rate | 2025 | 2026 | 2027 | 2028 | 2029 | Onwards 2030 |
| 2025-2026 | 5.5% to 16.3% | 66,472 | 164,326 | - | - | - | - |
| 2027-2029 | 5.4% to 18.7% | 67,032 | 67,188 | 73,209 | 40,994 | 12,156 | - |
| 2030-2036 | 7.3% to 20.5% | 105,350 | 146,819 | 153,856 | 43,512 | 23,945 | 136.268 |
| **Total** | | **238,854** | **378,333** | **227,066** | **84,506** | **36,102** | **136,268** |
| **Projected inflation [1]** | | **5%** | **3%** | **3%** | **3%** | **3%** | **3%** |

[1] Rates obtained through future prices of DI coupons versus National Consumer Price Index (IPCA) observed in B3, applied to Brazilian contracts.

The amount of lease liability payments, including interest payments due to maturity, is as follows:

| | Consolidated | |
|---|---|---|
| | 2024 | 2023 |
| Less than a year | 351,965 | 401,217 |
| One to five years | 711,809 | 912,529 |
| More than five years | 149,062 | 135,207 |
| **Total expected cash flow** | **1,212,836** | **1,448,953** |
| Interest to be incurred | (236,004) | (298,513) |
| **Total balance** | **976,832** | **1,150,440** |

## 18.1. Leaseback transaction

Interlagos Manufacturing Unit

In December 2023, the subsidiary Natura Cosméticos sold and leased back the Interlagos manufacturing unit in Brazil, for receiving approximately R$272,000. As part of the lease terms, the Company recognized the right of use in the amount of R$62,197. The lease liability, initially recognized at the present value of non-cancelable considerations for the contractual term of 3 years, totaled R$62,197.

Since the sale was made in an amount equal to the accounting cost of the asset, the transaction did not generate gains in profit or loss (the respective asset was already measured at fair value deducted from sales costs, as part of its reclassification to assets held for sale in 2023, with a loss due to impairment in the amount of R$14,150 having been recognized at the time).
There were no modifications to the sale-and-leaseback contract that resulted in the remeasurement of the right-of-use asset and lease liability for the year ended December 31, 2024.

(Amounts in thousands of Reais - R$, except as mentioned otherwise)

## 20. BORROWING, FINANCING AND DEBENTURES

| | Ref. | Consolidated 2024 | Consolidated 2023 |
|---|---|---|---|
| **Raised in local currency** | | | |
| Financing Agency for Studies and Projects ("FINEP") | | 3,944 | 3,546 |
| Debentures | A | 2,385,455 | 1,962,188 |
| Commercial Notes | B | - | 517,534 |
| Working capital – ACL | | 626 | 1,832 |
| Debt securities ("Notes") and others – ACL | D | 2,883 | 129,535 |
| | | **2,392,908** | **2,614,635** |
| **Raised in foreign currency** | | | |
| Debt securities ("Notes") – Lux | C | 4,449,777 | 3,497,067 |
| **Grand total** | | 6,842,685 | 6,111,702 |
| **Current** | | 55,890 | 163,844 |
| **Non-current** | | 6,786,795 | 5,947,858 |
| Debentures | | | |
| **Current** | | 32,401 | 68,189 |
| **Non-current** | | 2,353,054 | 1,852,699 |

| Ref. | Currency | Maturity | Charges | Effective interest rate | Guarantees |
|---|---|---|---|---|---|
| A | Brazilian Real | September 2027 to September 2032 | CDI + 0.8% to 1.6% with semi-annual payments. | CDI + 0.8%, CDI + 1.35% and CDI + 1.60% | Personal guarantee from Natura &Co Holding S.A |
| B | Brazilian Real | September 2025 | CDI interest + 1.55% with bi-annual payments. | CDI + 1.55% | Guarantee of Natura &Co Holding S.A. |
| C | US Dollar | May 2028 | Interest of 4.125% p.a. with bi-annual payments | 4.125% | Guarantee of Natura &Co Holding S.A. |
| D | US Dollar | March 2043 | Interest of 8.45% of p.a. with bi-annual payments | 8.45% p.a. | None |

(Amounts in thousands of Reais - R$, except as mentioned otherwise)

Follow below the movement balances of borrowing, financing and debentures for the years ended December 31, 2024 and 2023 are as follows:

| | Consolidated |
|---|---|
| **Balance as of December 31, 2022** | **13,592,286** |
| Captures [a] | 1,494,101 |
| Amortizations [b] | (8,057,650) |
| Gain on Borrowing and financing prepayment | (206,228) |
| Appropriation of financial charges, net of costs of new borrowing and financing [e] | 839,580 |
| Financial charges payment | (842,719) |
| Exchange rate variation | (322,049) |
| Translation adjustment | (385,619) |
| **Balance as of December 31, 2023** | **6,111,702** |
| Captures | 1,475,561 |
| Write-off of loans with third parties from the former subsidiary API [d] | (126,342) |
| Amortizations | (1,470,472) |
| Allocation of financial charges and funding costs | 402,988 |
| Payment of financial charges | (520,674) |
| Translation adjustments (others comprehensive income) | 969,922 |
| **Balance as of December 31, 2024** | **6,842,685** |

a) The movement occurred in the year ended December 31, 2023 is substantially due to the use of a revolving credit line obtained by the subsidiary Natura &Co Luxembourg during the year, which was fully liquidated during the third quarter with funds from the sale of the former subsidiary Aesop.

b) The movement of amortizations in the period occurred in 2023 is substantially due to the debt rebalancing process initiated in the third quarter, where the Company executed and settled (i) an offer to the holders of the debt securities of Avon to repurchase approximately 90% of the securities issued for R$ 1,156,743 (comprising R$ 934,742 of principal, R$ 193,086 of premium, and R$ 28,915 of accrued interest); and (ii) an offer to the holders of the debt securities of Natura &Co Luxembourg (maturing in 2028 and 2029) to repurchase approximately 55% of the securities issued for R$ 4,142,906 (comprising R$ 4,049,329 of principal, R$ 5,800 of premium, and R$ 87,778 of accrued interest). Other amortizations in the year also include the payment of working capital debt amounts at Natura &Co Luxembourg in the total amount of R$ 2,402,790 (of which R$ 1,283,025 refer to the settlement of the open position in the credit line mentioned in a) above.

c) The movement refers to the use of temporary credit lines for working capital, which were used and liquidated in the year ended December 31, 2024.

d) Effect of the derecognition of loans from third parties of the former subsidiary API, after deconsolidation due to loss of control on August 12, 2024.

The maturities of non-current portion of borrowing, financing and debentures recorded as non-current liabilities are as follows:

| | Consolidated | |
|---|---|---|
| | 2024 | 2023 |
| 2025 | - | 494,677 |
| 2026 | - | - |
| 2027 | 228,940 | 1,072,566 |
| 2028 onwards | 6,557,855 | 4,380,615 |
| **Total** | **6,786,795** | **5,947,858** |

### i) Debentures

On July 5, 2024, the Company concluded the 13th issuance of simple debentures, not convertible into shares, of the unsecured type, in a single series, in the amount of R$1,326,000, maturing in July 2029. The debentures have sustainability goals, with a focus on the development of bio-ingredients from Amazon socio-biodiversity, and are linked to the fulfillment of the other goals of Vision 2030, also known as the "Commitment to Life."

(Amounts in thousands of Reais - R$, except as mentioned otherwise)

A total of 1,326,000 (one million, three hundred and twenty-six thousand) debentures were issued, all nominative and book-entry, without the issuance of certificates or warrants, with a unit nominal value of R$1,000.00 (one thousand reais), maturing on June 15, 2029, and remuneration corresponding to 100% of the accumulated variation of the daily average rates of Interbank Deposits - DI plus 1.20%.

The appropriation of costs related to the issuance of debentures in the year ended December 31, 2024, was R$6,700 (R$4,987 as of December 31, 2023), accounted for monthly in the financial expenses line item according to the effective interest rate method. The balance of issuance costs to be appropriated as of December 31, 2024, is R$22,334 (R$29,034 as of December 31, 2023).

#### ii) Commercial Notes

On July 3, 2024, the Company finalized a process of repurchasing commercial papers related to its 1st issuance, in the total amount of R$500,000, with original maturity in September 2025

### 20.1 Covenants

As of December 31, 2024, and 2023, the Company and its subsidiaries no longer have the obligation to calculate and disclose restrictive clauses (covenants), which establish the maintenance of minimum financial indicators resulting from the quotient of dividing the net debt of treasury by the EBITDA of the last 12 months, function the maturity and early settlement of the 9th and 10th series of debentures in December 2023.

The Company also has covenants related to non-financial indicators according to each contract. The Company is in compliance with such covenants as of December 31, 2024, and 2023.

## 21. TRADE ACCOUNTS PAYABLE AND REVERSE FACTORING OPERATIONS

| | Parent | | Consolidated | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| Domestic trade accounts payable | 28,848 | 23,307 | 5,800,285 | 4,713,793 |
| Foreign trade accounts payable [(a)] | 15,462 | 7,726 | 541,498 | 588,685 |
| **Subtotal** | **44,310** | **31,033** | **6,341,783** | **5,302,478** |

a) Refers to imports denominated primarily in US dollars, euros and pounds.

The Company has contracts with top-tier financial institutions, mainly Banco Itaú Unibanco S.A., to directly structure supplier financing agreements with its main suppliers. For further details of these transactions, please refer to explanatory footnote 3.14.

Details of the amounts that are part of this structure are shown below:

| | Consolidado |
|---|---|
| | 2024 |
| Carrying value of obligations under supplier financing agreements | 1,317,416 |
| Amount at which suppliers received payment from financiers | 694,391 |
| | |
| **Expiration date (after the invoice date) for:** | |
| Obligations under the Supplier Finance Agreement | 100 days |
| Obligations not under the Supplier Finance Agreement | 77 days |

(Amounts in thousands of Reais - R$, except as mentioned otherwise)

## 22. TAX LIABILITES

| | Parent | | Consolidated | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| ICMS (ordinary) | - | - | 252,064 | 216,882 |
| ICMS-ST provision [(a)] | - | - | 65,792 | 63,722 |
| Taxes on invoicing abroad [(b)] | - | - | 234,708 | 150,706 |
| Withholding tax [(b)] | 27,947 | - | 225,290 | 118,133 |
| Other taxes payable - foreign subsidiaries [(b)] | - | - | 37,936 | 102,537 |
| Income tax | 462 | 23,084 | 462 | 23,084 |
| PIS and COFINS payable | 16,504 | 60,678 | 16,504 | 60,678 |
| INSS and service tax payable (ISS) | 35 | - | 8,650 | 5,603 |
| Others | - | - | 9,761 | 20,609 |
| **Total** | **44,948** | **83,762** | **851,167** | **761,954** |
| | | | | |
| **Current** | 44,948 | 83,762 | 674,354 | 634,760 |
| **Non-current** | - | - | 176,813 | 127,194 |

a) The Company is discussing the illegality of changes in state legislation for charging ICMS-ST. Part of the amount recorded as taxes to be collected but not yet collected is being discussed in court by the Company, and in some cases, the amounts are deposited in court, as mentioned in explanatory footnote no. 12.

(Amounts in thousands of Reais - R$, except as mentioned otherwise)

# 23. PROVISION FOR TAX, CIVIL AND LABOR RISKS

## 23.1 Contingencies with risk of loss assessed as probable

The Company and its subsidiaries are parties to judicial and administrative proceedings of a tax, civil, labor, and other nature.

The Company's Management believes, supported by the opinion of its legal advisors, and based on the information available up to the date of publication of these financial statements, that the provisions for tax, civil, labor, and other administrative and judicial risks are sufficient to cover any potential losses, as shown below:

| | Consolidated | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Tax | | Civil | | Labor | | Contingent liabilities (business combination) [c] | | Total | |
| | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 |
| **Balance at the beginning of the years** | 166,722 | 187,052 | 626,582 | 557,675 | 187,307 | 186,118 | 385,981 | 406,428 | 1,366,592 | 1,337,273 |
| Additions | 28,964 | 42,055 | 59,809 | 446,554 | 170,400 | 122,846 | - | 4,204 | 259,173 | 615,659 |
| Reversals [a] | (56,629) | (18,136) | (29,175) | (10,172) | (23,637) | (57,530) | (28,762) | (29,971) | (138,202) | (115,809) |
| Payments/utilization of judicial deposits [b] | (28,821) | (53,143) | (13,649) | (357,633) | (103,705) | (47,512) | - | - | (146,175) | (458,288) |
| Inflation adjustment [b] | 13,293 | 12,852 | 17,184 | 29,439 | 23,871 | 5,884 | 22,480 | 24,836 | 76,829 | 73,011 |
| Exchange rate variation | 755 | (3,958) | 1,016 | (38,836) | 1,008 | (21,799) | 5,893 | (19,516) | 8,672 | (84,109) |
| Loss of control of the former subsidiary API | (12,071) | - | (470,941) | - | (36,326) | - | (7,760) | - | (527,098) | - |
| Acquisition of the subsidiary ACL [c] | 14,364 | - | 3,299 | - | 53,811 | - | 42,635 | - | 114,109 | - |
| Sale of former subsidiary TBS | - | - | - | (445) | - | (700) | - | - | - | (1,145) |
| **Balance at the end of the years** | **126,577** | **166,722** | **194,125** | **626,582** | **272,729** | **187,307** | **420,467** | **385,981** | **1,013,900** | **1,366,592** |
| | | | | | | | | | | |
| Current | | | | | | | | | 19,950 | 491,301 |
| Non-current | | | | | | | | | 993,950 | 875,291 |

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a) The tax reversals originate from the subsidiary Natura Cosméticos relating to (i) cases of social security contributions levied on labor payments, due to the decision of the Superior Court of Justice that modulated the effects of the unfavorable merit decision for taxpayers who did not file a lawsuit until September 2020. Considering that the Company meets the requirements for the modulation of effects, the previously constituted provision was reversed, and the loss prognosis changed to possible, in the amount of R$35,000; and (ii) adherence to the amnesty program "Tax Transaction - Paulista Agreement," related to the judicial process of ICMS credits on goods given as bonuses. For this reason, the previously constituted provision was reversed, in the amount of R$10,000, to reflect the amount actually paid due to adherence.

The main tax reversals are composed of principal and penalty amounts totaling R$36,359, plus interest of R$20,229 in the subsidiary Natura Cosméticos Consolidado, and R$22,093 of principal, plus interest of R$2,136, relating to contingent liabilities from business combinations regarding ICMS tax proceedings whose outcome was favorable to the Company; and R$42 in the other subsidiaries of the Group. The total net effect of the additions and reversals of principal and penalties of tax contingencies was recorded in Other Operating Expenses, net (explanatory note No. 31), totaling R$29,531 in the Consolidated.

The net effect of monetary updates of all contingencies and reversals of interest on tax contingencies was recorded in Financial Result (explanatory note No. 31), totaling R$(54,464) in the Consolidated.

b) Tax payments mainly refer to the agreement of the subsidiary Natura Cosméticos with the State of Paraíba regarding the judicial process of increasing the margin of added value ("MVA") in the calculation basis of ICMS-ST, which resulted in the termination of the process through the use of judicial deposits (R$17,177 recovered in favor of the Company and R$11,470 used in the settlement of the process).

Labor payments mainly refer to the terminations of lawsuits filed by former employees and service providers of the subsidiary Natura Cosméticos. None of these processes is individually relevant.

c) As of December 31, 2024, the amounts of contingent liabilities arising from the business combination with the subsidiary Avon Latam refer to tax proceedings, in the amount of R$376,854.

On December 4, 2024, the Company reacquired the operational assets of Avon outside the United States, as part of the Chapter 11 process initiated by API on August 12, 2024. Thus, on the date of the business combination, the amounts of contingent liabilities reflect the fair values originating from the new business combination with the subsidiary ACL, totaling R$42,635, of which R$24,475 refer to tax proceedings and R$18,160 to civil proceedings. As of December 31, 2024, these amounts were adjusted by the exchange rate variation, totaling R$43,613. The total value of the liabilities assumed on the date of the business combination with ACL was R$114,109.

(Amounts in thousands of Reais - R$, except as mentioned otherwise)

### 23.1.1 Taxes

Tax contingencies classified as probable losses mainly involve the subsidiary Natura Cosméticos regarding discussions on the illegality of changes in state legislation for ICMS collection. Part of the uncollected amount is being disputed judicially, and, in some cases, the amounts are deposited in court, as mentioned in explanatory footnote no. 12. The provisioned amount also includes legal fees for the sponsorship of tax proceedings, when applicable.

### 23.1.2 Civil

The Company and its subsidiaries are parties to actions and proceedings of a civil, commercial, and other nature, mainly related to requests for indemnification.

### 23.1.3 Labor

The Company and its subsidiaries are parties to labor claims filed by former employees and service providers, mainly related to the payment of severance pay, overtime, salary premiums, and amounts due due to subsidiary liability and discussion about the recognition of a possible employment relationship. None of these processes is individually relevant.

## 23.2 Contingencies liabilities assessed as possible

The Company maintains administrative and judicial discussions related to certain tax positions adopted in the calculation of IRPJ (Corporate Income Tax) and CSLL (Social Contribution on Net Profit), whose current loss prognosis analysis, based on Management's assessment, is that they will probably be accepted in decisions of higher courts of last resort, in line with the provisions of ICPC 22/IFRIC 23 - Uncertainty over Income Tax Treatments.

The Company has administrative and judicial contingencies whose expectation of loss, assessed by the Company's Management and supported by legal advisors, is classified as possible, and therefore, no provision was constituted.

As of December 31, 2024, the contingencies classified with a probability of possible loss totaled R$12,009,427 (R$10,875,139 as of December 31, 2023).

| | Consolidated | |
|---|---|---|
| | 2024 | 2023 |
| Tax | 11,315,782 | 10,459,176 |
| Civil | 382,728 | 246,500 |
| Labor | 310,917 | 169,463 |
| **Total contingent liabilities** | 12,009,427 | 10,875,139 |

The increase in the balance of tax contingencies is basically associated with the subsidiary Natura Cosméticos: (i) monetary variation of existing processes, and (ii) lawsuits relating to the exclusion of PIS and COFINS from the calculation basis itself and tax assessments related to the denial of PIS and COFINS credits on inputs, as well as the collection of IPI and ICMS-ST. Additionally, in the second quarter of 2024, the Company obtained a favorable judgment regarding the tax assessment that required the collection of ICMS-ST on the distributor establishment, partially offsetting the increases mentioned above.

On December 4, 2024, as a result of the reacquisition of the subsidiary ACL, the total balance of contingent liabilities showed an increase in the amount of R$326,283 (R$48,393 tax, R$253,572 civil, and R$24,318 labor).

(Amounts in thousands of Reais - R$, except as mentioned otherwise)

### 23.2.1 Taxes

The most relevant contingencies, classified with a probability of possible loss, are the responsibility of the subsidiary Natura Cosméticos, net of the contingent liabilities accounted for in the context of the business combination, and refer to the following matters:

a) Lawsuits discussing the industrial equivalency provided for in Decree No. 8,393/2015, which began to require IPI on outbound transactions carried out by interdependent wholesale establishments of the products mentioned in that legal provision. As of December 31, 2024, the amount under discussion is R$2,637,228 (R$2,456,695 as of December 31, 2023).

b) Administrative and judicial proceedings discussing the illegality of changes in state legislation for the collection of ICMS and ICMS-ST. As of December 31, 2024, the total amount under discussion classified as a possible loss is R$1,620,581 (R$1,640,391 as of December 31, 2023).

c) Tax assessments in which the Federal Revenue Service of Brazil demands tax debts of IRPJ and CSLL, to question the tax deductibility of goodwill amortization generated in the context of a corporate reorganization between related parties. Currently, the legality of the administrative decisions that rejected the 1 declaratory appeals, presented to question the denied special appeals, is being discussed in court. As of December 31, 2024, the total amount under discussion classified as a possible loss is R$1,671,041 (R$1,598,213 as of December 31, 2023)

d) Tax assessments in which the Federal Revenue Service of Brazil and the State Treasury Secretariats demand tax debts of IPI and/or ICMS for disagreeing with the tax classification adopted for some products. In some Avon Industrial processes, there is also a charge of PIS, COFINS, and Import Tax. The judgment of the proceedings is awaited. As of December 31, 2024, the total amount under discussion classified as a possible loss is R$3,117,490 (R$2,199,853 as of December 31, 2023).

## 24. OTHER LIABILITIES

| | Parent | | Consolidated [a] | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| Pension and post-employment health care plans [a] | - | - | 822,619 | 515,901 |
| Deferred revenue from performance obligations to customers [b] | - | - | 152,531 | 131,113 |
| Incentive provision for consultants | - | - | 141,396 | 153,692 |
| Provision for operating expenses (marketing/technology, etc.) [c] | - | - | 424,339 | 482,287 |
| *"Crer Para Ver"* [d] | - | - | 30,607 | 47,571 |
| Rent provisions | - | - | - | - |
| Restructuring provisions | 268 | 15,682 | 34,013 | 113,440 |
| Provisions for benefit sharing and partnerships payable | - | - | 17,811 | - |
| Insurance payable | 18,205 | 19,719 | 47,391 | 84,032 |
| Other liabilities | 101 | 660 | 112,501 | 128,976 |
| **Total** | **18,574** | **36,061** | **1,783,208** | **1,657,012** |
| Current | 18,318 | 31,984 | 901,281 | 970,479 |
| Non-current | 256 | 4,077 | 881,927 | 686,533 |

a) Refers to post-employment assistence from Natura Cosméticos and Natura&Co International subsidiaries.

(Amounts in thousands of Reais - R$, except as mentioned otherwise)

b) Refere-se to deferred revenue due performance obligations related to loyalty programs based in reward points, gift-cards not converted in products and programs and events to recognize direct sale consultants.
c) Refers to Company operating provisions mainly related to technology, marketing and publicity services.
d) Support to social programs to improve education quality.

## Post-employment health care and Pension plan

### a) Defined benefit pension (Avon)

The subsidiary ACL maintains contributory and non-contributory defined benefit retirement plans for substantially all of its employees. The benefits under these plans are generally based on the employee's length of service and average compensation near retirement, with some plans having vesting requirements. The plans are funded based on legal requirements and cash flow.

The largest defined benefit pension 1 plan is in the United Kingdom. The United Kingdom defined benefit pension plan was frozen for future accruals as of April 1, 2013.

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation was performed on December 31, 2024. The present value of the defined benefit obligation and the respective current service cost and past service cost were measured using the projected unit credit method.

The change in actuarial liabilities for the years ended December 31, 2024 and 2023 are shown below:

| | Pension plan | |
|---|---|---|
| | 2024 | 2023 |
| **Balance at the beginning of the year** | 324,362 | 334,251 |
| Cost of services current | 18,453 | 21,871 |
| Interest cost – recognized in the statement of profit or loss | 18,291 | 21,542 |
| Administrative costs | - | 4,046 |
| Company contributions | (6,562) | (6,004) |
| Benefits paid | (10,962) | (30,896) |
| Actuarial loss in OCI | (63,920) | (2,096) |
| Reclassifications | - | 832 |
| Loss of control of former subsidiary Avon | (271,921) | - |
| ACL acquisition | 644,277 | - |
| Others | - | 7,082 |
| Translation adjustment | 10,874 | 26,266 |
| **Balance at end of year** | **662,892** | **324,362** |

(Amounts in thousands of Reais - R$, except as mentioned otherwise)

The significant actuarial assumptions for the determination of the actuarial liability are discount rate and rate of compensation increase. The details of the assumptions are as follows:

| | 2024 | 2023 |
|---|---|---|
| Discount rate | 1.60% to 11.00% | 1.20% to 11.60% |
| Rate of compensation increase | 2.00% to 5.50% | 2.15% to 5.50% |

The fair values of each major class of pension plan assets are presented below:

| | Consolidated | |
|---|---|---|
| | 2024 | 2023 |
| Cash and cash equivalente | 206,623 | 46,957 |
| Equity instruments of other entities | 184,287 | 486,511 |
| Government bonds | 1,201,174 | 1,481,317 |
| Corporate bonds | 893,017 | 1,219,908 |
| Real estate | - | 8,714 |
| Other | (10,285) | (525,722) |
| **Total** | **2,474,816** | **2,717,685** |

### b) Post-employment health care plan (Natura Cosmeticos)

Post-employment health care plan as detailed in footnote no. 3.18.4. The post-employment healthcare benefit is close to new employees' inclusion. As of December 31, 2024 and 2023, the obligation weighted average duration is around 21.9 and 20.0 years, respectively, and its actuarial calculation base is as follows

- 1.003 (2023: 842) empregados ativos da Companhia e das controladas Natura Indústria e Avon Industrial;
- 705 (2023: 614) aposentados e dependentes da Companhia e das controladas Natura Indústria e Avon Industrial.

The actuarial liability was calculated, as of December 31, 2024 and 2023, considering the following main assumptions:

| | 2024 | 2023 |
|---|---|---|
| Discount rate | 10.97% | 9.69% |
| Initial growth rate of medical cost | 4.25% | 4.25% |
| Inflation rate | 4.00% | 4.00% |
| Final growth rate of medical cost | 8.42% | 8.42% |
| Growth rate of medical costs due to aging – costs | Per age range 1.25% a 4.75% a.a. | Per age range 1.25% a 4.75% a.a. |
| Growth rate of medical costs by aging – contributions | 0.00% | 0.00% |
| Percentage of adherence to the plan in retirement | Bradesco Plan 58.00% / Unimed Plan 85.00% | Bradesco Plan 58.00% / Unimed Plan 85.00% |
| Schedule of disabled mortality | *Mercer Disability* | *Mercer Disability* |
| Schedule of mortality | AT-2000 softened in 10% | AT-2000 softened in 10% |
| Schedule of turnover | Proportional calculation at the time of service | Proportional calculation at the time of service |

The reduction in the annual discount rate from 9,69% to 10.97% generated R$49,340 in gains in other comprehensive income.

The table below sets forth the medical inflation rate and the discount rate sensitivity analysis, and their respective effect on the balance (present value of the obligation, or "PVO") accounted as on the actuarial liabilities (maintaining the other assumptions):

(Amounts in thousands of Reais - R$, except as mentioned otherwise)

| | Rate | Chance | PVO |
|---|---|---|---|
| Discount rate | 9.69% | 1% increase | 172,718 |
| Discount rate | 9.69% | 1% decrease | 133,550 |
| Rate of compensation | 8.42% | 1% increase | 172,043 |
| Rate of compensation | 8.42% | 1% decrease | 133,801 |

The changes of actuarial liabilities for the years ended December 31, 2024 and 2023, is set forth in the table below:

| | Consolidated | |
|---|---|---|
| | 2024 | 2023 |
| **Balance at the beginning of the year** | 209,288 | 129,697 |
| Cost of the current service of subsidiary Natura Cosmeticos | (14,099) | 983 |
| Cost of interest | 21,517 | 13,314 |
| Expenses paid | (7,640) | (4,021) |
| Actuarial gains in OCI | (44,918) | 51,566 |
| Others | (4,421) | - |
| **Balance as of the end of the year** | **159,727** | **191,539** |

## 25. SHAREHOLDERS' EQUITY

### 25.1 Share capital

On December 31, 2024 and 2023, the Company share capital is R$12,484,515, composed per 1,386,848,066 registered common shares without par value.

### 25.2 Dividends payment policy

The shareholders are entitled to receive every year a mandatory minimum dividend of 30% of net income, considering principally the following adjustments:

- Increase in the amounts resulting from the reversal, in the period, of previously recognized reserves for contingencies.
- Decrease in the amounts intended for the recognition, in the period, of the legal reserve and reserve for contingencies.
- Decrease of cumulative losses and income tax provision (article 189 of Law No. 6,404/76).
- Whenever the amount of the minimum mandatory dividend exceeds the realized portion of net income for the year, management may propose, and the General Meeting approves, allocate the excess to the constitution of the unrealized profit reserve (article 197 of Law No. 6404/76); accumulated losses and tax will be deducted from net income, prior to distribution (article 189 of Law No. 6.404/76).

#### Distribution of additional dividends to the mandatory minimum

On March 11, 2024, the Company's Board of Directors approved the distribution of additional dividends to the mandatory minimum, related to the year ended December 31, 2023, in the total amount of R$685,190, corresponding to the estimated value of R$0.4940 per share, excluding treasury shares. These dividends were settled on April 19, 2024.

### Interest on Equity related to the 2024 fiscal year

On March 28, 2024, the Company's Board of Directors approved the distribution of interest on equity in the amount of R$44,853, corresponding to an estimated gross amount of R$0.0324 per share (excluding treasury shares), with a 15% (fifteen percent) withholding income tax, resulting in interest on equity in the net amount of R$38,125, corresponding to an estimated net amount of R$0.0275 per share (excluding treasury shares), except for legal entities shareholders with proven immunity or exemption from such withholding.

The payment of interest on equity was made during the 2024 fiscal year.

### 25.3 Treasury shares

As of December 31, 2024 and 2023, item "Treasury shares" has the following composition:

| | Number of shares | R$ (in thousands) | Average price per share – R$ |
|---|---|---|---|
| **Balance as of December 31, 2022** | **9,913,855** | **262,360** | **26.46** |
| Used | (3,709,807) | (98,124) | 26.45 |
| **Balance as of December 31, 2023** | **6,204,048** | **164,236** | **26.47** |
| Used | (5,448,525) | (144,245) | 26.47 |
| **Balance as of December 31, 2024** | **755,523** | **19,991** | **26.46** |

There was no minimum and maximum cost of the balance of treasury shares on during the 2024, considering that there was no new acquisition in exercise

### 25.4 Capital reverse

On the year ended December 31, 2024, there was an increase of R$77,311 (R$74,384 on December 31, 2023) related to changes in stock option plans and restricted shares.

The capital reserve as of December 31, 2024 totalized R$10,481,256 (R$10,558,567 as of December 31, 2023).

### 25.5 Cumulative translation adjustment – Other comprehensive income

The Company recognizes in this equity item the exchange rate variation effect from investments in foreign subsidiaries, including exchange rate variations in a hyperinflationary economy, actuarial gains and losses arising from the employee benefit plan, and the effect from cash flow hedge operations. For exchange rate variation, the cumulative effect will be reversed to statement of profit or loss as a gain or loss only in the event of disposal or write-off of the investment. For actuarial losses and gains, the amounts will be recognized when the actuarial liability is remeasured. The cash flow hedge transactions are transferred to the statement of profit or loss in case an ineffective portion is identified or when the hedge relationship is terminated.

## 26. INFORMATION ON SEGMENTS

With the disposal of the operations of the former indirect subsidiaries The Body Shop and Aesop, which substantially represented the respective operating segments, the balances of the respective subsidiaries were not included in the consolidated balance sheet as of December 31, 2023, therefore the results from these segments were classified as discontinued operations in the income statements for the year ended December 31, 2023.

Additionally, with the loss of control of the former subsidiary API, on August 12, 2024, the results obtained by this segment were also classified as discontinued operations in the income statements for the years ended December 31, 2024 and 2023.

(Amounts in thousands of Reais - R$, except as mentioned otherwise)

Regarding the Natura &Co Latam segment, there is a reclassification of R$31,520 (R$48,054 for the year ended December 31, 2023) related to the negative result of some Avon entities in Central America, which societally are part of the structure of the former subsidiary API, and had their results reclassified to discontinued operations in the Natura &Co Latam segment.

As disclosed in explanatory note No. 1.2, on December 4, 2024, as a result of the approval and implementation of the Chapter 11 process of the former subsidiary API, the Company reacquired the operational assets of Avon outside the United States, through its indirect subsidiary Natura &Co UK (direct subsidiary of Natura &Co International), therefore, as of December 31, 2024, the operating segments consist of the operations of Avon International and Natura &Co Latin America.

The other operating segments did not undergo any changes in their composition and information by geographic area in relation to that disclosed in the financial statements for the year ended December 31, 2023.

Net revenue by segment is as follows for the year ended December 31, 2024 and 2023:

- Natura &Co Latam – 97.2% and 76.5%, respectively; and
- Avon International – 2.7% and 23.5% respectively.

The amounts presents as corporate expenses are substantially associated to debt incurred by Natura &Co Luxembourg, the Entity that centralizes the financing operations for the Group. The accounting policies for each segment are applied uniformly as described in footnote no. 3.

The following tables provide summarized financial information related to the segments and geographic distribution of the Company's commercial operations for December 31, 2024 and 2023.

## 26.1 Operational segments

| | 2024 | | | | | | |
|---|---|---|---|---|---|---|---|
| | | | Reconciliation to net income (loss) for the period | | | | |
| | Net revenue | Performance assessed by the company | Depreciation and Amortization | Discontinued operations | Financial results | Income tax | Net income (loss) for the period |
| Natura &Co Latam | 23,424,929 | 2,770,099 | (942,691) | (28,922) | (546,040) | (106,903) | 1,145,543 |
| Avon International ACL | 656,748 | 31,530 | (25,196) | (980,534) | (147,152) | (7,364) | (1,128,716) |
| Corporate expenses | 8,127 | (924,748) | (923) | (7,178,116) | 383 | (843,103) | (8,946,507) |
| **Consolidated** | **24,089,804** | **1,876,881** | **(968,810)** | **(8,187,572)** | **(692,809)** | **(957,370)** | **(8,929,680)** |

| | 2023 | | | | | | |
|---|---|---|---|---|---|---|---|
| | | | Reconciliation to loss for the period | | | | |
| | Net revenue | Performance assessed by the company | Depreciation and Amortization | Discontinued operations | Financial results | Income tax | Loss for the period |
| Natura &Co Latam | 19,821,372 | 2,215,545 | (901,292) | 6,268,922 | (2,228,420) | 625,413 | 5,980,168 |
| Avon International | - | - | - | (2,770,238) | - | - | (2,770,238) |
| The Body Shop | - | - | - | (302,529) | - | - | (302,529) |
| Aesop | - | - | - | (3,576) | - | - | (3,576) |
| Corporate expenses | 9,672 | (313,786) | - | 11,116 | 590,958 | (217,603) | 70,685 |
| **Consolidated** | **19,831,044** | **1,901,759** | **(901,292)** | **3,203,695** | **(1,637,462)** | **407,810** | **2,974,510** |

(Amounts in thousands of Reais - R$, except as mentioned otherwise)

| | 2024 | | | | 2023 | | | |
|---|---|---|---|---|---|---|---|---|
| | Non-current assets | Total assets | Current liabilities | Non-current liabilities | Non-current assets | Total assets | Current liabilities | Non-current liabilities |
| Natura &Co Latam | 16,811,601 | 29,172,391 | 7,885,288 | 5,086,379 | 17,944,983 | 27,857,666 | 7,572,451 | 4,710,590 |
| Avon International | 4,697,473 | 6,974,369 | 1,446,667 | 1,926,808 | 8,051,371 | 10,577,396 | 2,718,169 | 977,003 |
| Corporate balances | 484,802 | 986,663 | 275,534 | 4,841,160 | 763,439 | 4,311,953 | 122,879 | 3,525,458 |
| **Consolidated** | **21,993,876** | **37,133,423** | **9,607,489** | **11,854,347** | **26,759,793** | **42,747,015** | **10,413,499** | **9,213,051** |

## 26.2 Net revenue and non-current assets by geographic region

| | Net revenue | | Non-current assets | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| **Asia** | **348,394** | **12,688** | **788,651** | **572,168** |
| **North America** | **3,374,627** | **3,299,371** | **4,307,126** | **3,956,986** |
| Mexico | 3,356,893 | 3,284,608 | 3,979,990 | 3,883,804 |
| Others | 17,735 | 14,763 | 327,135 | 73,182 |
| **South America** | **20,135,443** | **16,481,018** | **12,492,987** | **14,015,695** |
| Brazil | 13,286,948 | 12,004,994 | 10,139,946 | 10,933,917 |
| Argentina | 3,790,847 | 1,711,783 | 644,987 | 261,155 |
| Others | 3,057,648 | 2,764,241 | 1,708,054 | 2,820,623 |
| **Europe, Middle East and Africa (EMEA)** | **231,340** | **37,967** | **4,405,112** | **8,214,944** |
| UK | 37,417 | - | 1,317,804 | 5,132,107 |
| Others | 193,923 | 37,967 | 3,087,308 | 3,082,837 |
| **Consolidated** | **24,089,804** | **19,831,044** | **21,993,876** | **26,759,793** |

No individual or aggregate customer (economic group) represents more than 10% of the Company's net revenue.

# 27. REVENUE

| | Consolidated | |
|---|---|---|
| Gross revenue: | 2024 | 2023 |
| Direct selling | 28,639,905 | 24,267,000 |
| Retail | 1,348,300 | 527,639 |
| Online | 1,289,860 | 981,320 |
| Other sales | 773,476 | 727,563 |
| **Subtotal** | **32,051,541** | **26,503,522** |
| Returns and cancellations | (373,399) | (349,391) |
| Commercial discounts and rebates | (11,222) | (11,610) |
| Taxes on sales | (7,577,116) | (6,311,477) |
| **Subtotal** | **(7,961,737)** | **(6,672,478)** |
| **Total net revenue** | **24,089,804** | **19,831,044** |

(Amounts in thousands of Reais - R$, except as mentioned otherwise)

## 28. OPERATING EXPENSES AND COST OF SALES

| | Parent | | Consolidated | |
|---|---|---|---|---|
| **Classified by function** | 2024 | 2023 | 2024 | 2023 |
| Cost of sales | - | - | 8,372,597 | 7,123,421 |
| Selling, marketing and logistics expenses | - | - | 9,968,893 | 8,103,601 |
| Administrative, R&D, IT, and project expenses | 270,474 | 188,615 | 3,358,347 | 2,726,629 |
| **Total** | **270,474** | **188,615** | **21,699,837** | **17,953,651** |
| | | | | |
| **Classified by nature** | | | | |
| **Cost of sales** | **-** | **-** | **8,372,597** | **7,123,421** |
| Raw material/packaging material/resale | - | - | 7,358,071 | 6,158,646 |
| Employee benefits expense (note no. 29) | - | - | 436,241 | 415,470 |
| Depreciation and amortization | - | - | 117,793 | 104,143 |
| Others | - | - | 460,492 | 445,162 |
| | | | | |
| **Selling, marketing and logistics expenses** | **-** | **-** | **9,968,893** | **8,103,601** |
| Logistics costs | - | - | 1,465,271 | 1,182,547 |
| Personnel expenses (note no. 29) | - | - | 2,155,394 | 1,932,120 |
| Marketing, sales force and other selling expenses | - | - | 5,939,056 | 4,665,822 |
| Depreciation and amortization | - | - | 409,172 | 323,112 |
| | | | | |
| **Administrative, R&D, IT and project expenses** | **270,474** | **188,615** | **3,358,347** | **2,726,629** |
| Innovation expenses | - | - | 197,007 | 112,719 |
| Personnel expenses (note no. 29) | 95,237 | **53,053** | 1,303,640 | 1,438,047 |
| Restructuring expenses | (14,401) | 730 | (14,401) | 730 |
| Others administrative expenses | 189,221 | 133,062 | 1,430,256 | 701,096 |
| Depreciation and amortization | 417 | 1,770 | 441,845 | 474,037 |
| | | | | |
| **Total** | **270,474** | **188,615** | **21,699,837** | **17,953,651** |

## 29. EMPLOYEE BENEFITS

| | Parent | | Consolidated | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| Payroll, profit sharing and bonuses | 56,682 | 28,448 | 2,562,010 | 2,563,867 |
| Pension Plan | - | - | 47,862 | 31,042 |
| Share-based payments, net of charges | (812) | 13,304 | 96,806 | 92,903 |
| Health care, food and other benefits | 30,552 | 1,667 | 620,235 | 512,166 |
| Charges, taxes and social contributions | 867 | 962 | 279,747 | 343,532 |
| INSS | 7,948 | 8,672 | 288,615 | 242,127 |
| **Total** | **95,237** | **53,053** | **3,895,275** | **3,785,637** |

### 29.1 Share-based payments

Natura &Co offers long-term incentives to senior executives and employees responsible for implementing its long-term strategy.

#### NYSE Delisting

As a result of the approval for the secondary delisting from the New York Stock Exchange on January 18, 2024, the ADR plans were converted into the same quantities of B3 (Brazilian stock exchange) phantom shares. In practice, this means that the ADR holder will receive cash payment in the award vesting, which is determined by the B3 price on that date. Each ADR is equivalent to 2 B3 shares. All shares for which the vesting period had not been completed were adjusted in numbers to reflect this proportion, so that the value remained unchanged.

B3 phantom shares are considered share-based payments settled in cash. The modification of share-based payments (previously classified ADRs before delisting) to cash-settled results in the recognition of a liability that reflects the Company's obligation to make the payment at vesting. The initial measurement of the liability is based on the fair value of the underlying B3 shares and takes into account the extent of service provision up to the date.

(Amounts in thousands of Reais - R$, except as mentioned otherwise)

Fair value is generally determined using the Black-Scholes or Stochastic model, depending on the type of award. The Stochastic model is used to evaluate awards with market conditions, in order to incorporate a discount factor in the fair value for the probability of achieving the relevant targets. To evaluate awards that are not subject to a market-based performance condition and have a fixed term, the Black-Scholes valuation model is used.

There was no impact on the income statement as a result of the initial recognition of the liability, and the value of the liability was reclassified from equity. At each closing and, finally, on the settlement date, the fair value of the liability is remeasured. Remeasurements of the liability are recognized in the income statement.

### Overview of plans

Share-based payment programs granted before the corporate restructuring on December 18, 2019, were originally granted considering Natura Cosméticos shares that were traded on B3 S.A. - Brasil, Bolsa, Balcão ("B3", Brazilian Stock Exchange). As a result of the corporate restructuring, the originally granted Natura Cosméticos shares were replaced by the Company's shares.

Outstanding awards as of December 31, 2024, relate to various share-based plans, the terms of which are summarized in the tables below.

In 2024 and 2023, share purchase options, restricted shares, and performance shares were granted according to the "Co-investment Plan" or "Long-Term Incentive Plan".

In the "Co-investment Plan", eligible employees can invest part of their Profit Sharing Program remuneration purchasing Company shares. The Company grants shares ("Equivalent Shares") to match the shares purchased at a 1:1 ratio. The equivalent shares are vested in three equal tranches over three years, subject to continued employment with the Company.

In the "Long-Term Incentive Plan", Company shares are granted to eligible employees. Some shares under the "Long-Term Incentive Plan" are subject only to the requirement of continued employment in the Company during the vesting period. While the shares under the "Performance Shares" program are subject to both the requirement of continued employment with the Company during the vesting period and the fulfillment of certain performance conditions.

The variations in the number of outstanding share-based awards are presented below:

| | Stock option plan and Strategy Acceleration Plan | |
|---|---|---|
| | Weighted average strike price per option – R$ | Options (thousands) |
| **Balance as of December 31, 2023** | **18.74** | **17,030** |
| Expired/Cancelled | 20.69 | (5,962) |
| Exercised | 11.74 | (3,594) |
| **Balance as of December 31, 2024** | **18.76** | **7,474** |

(Amounts in thousands of Reais - R$, except as mentioned otherwise)

| | Restricted shares (thousands) | Performance shares (thousands) |
|---|---|---|
| **Balance as of December 31, 2023** | 6,302 | 10,496 |
| Granted | 8,646 | - |
| Expired/Cancelled | (2,079) | (2,242) |
| Released | (2,478) | (472) |
| **Balance as of December 31, 2024** | 10,391 | 7,782 |

The number of shares above and throughout this disclosure demonstrates that the quantity of performance shares disclosed considers the achievement of performance condition targets, while the expense recognized reflects the latest reassessment of the quantity of expected awards to be acquired.

The share-based payment expense recognized for the year ended December 31, 2024, was R$(812) in the parent company and R$96,806 in the consolidated (R$13,304 and R$126,987, respectively, for the year ended December 31, 2023), net of social charges.

The outstanding stock options, restricted shares and performance shares as of the end of the period have the following maturity dates, fair values and strike prices:

## As of December 31, 2024 – Stock options

| Grant date | Conditions for acquisition of right as of the grant date | Strike Price (R$) | Fair value at grant date (R$) | Existing shares (thousands) | Maximum remaining contractual life (years) | Exercisable options (thousands) |
|---|---|---|---|---|---|---|
| March 10, 2017 | From 2 to 4 years of service | 12.46 | 6.65 to 6.68 | 243 | 0.2 | 243 |
| March 10, 2017 (Strategy Acceleration) | From 4 to 5 years of service | 12.46 | 6.87 to 6.89 | 1,840 | 0.5 | 1,840 |
| March 12, 2018 | From 2 to 4 years of service | 16.83 | 7.96 to 8.21 | 1,168 | 1.2 | 1,168 |
| April 12, 2019 | From 2 to 4 years of service | 23.41 | 11.71 to 11.82 | 1,309 | 2.2 | 1,309 |
| December 17, 2021 | From 3 to 4 years of service | 27.28 | 13.85 to 18.16 | 1,727 | 7.0 | 869 |
| December 17, 2021 - Phantom Share | From 3 to 4 years of service | 13.88 | 2.79 to 2.97 | 828 | 7.0 | 430 |
| September 14, 2022 | From 3 to 4 years of service | 16.45 | 8.39 to 10.32 | 150 | 7.7 | - |
| September 14, 2022 - Phantom Share | From 3 to 4 years of service | 13.88 | 4.82 to 5.36 | 210 | 7.7 | - |
| | | | | 7,474 | | 5,859 |

## As of December 31, 2024 – Restricted shares

| Grant date | Conditions for acquisition of right as of the grant date | Existing shares (thousands) | Fair value at grant date (R$) | Maximum remaining contractual life (years) |
|---|---|---|---|---|
| April 14, 2022 | From 1 to 3 years of service | 201 | 24.91 to 24.99 | 0.33 |
| April 14, 2022 - Phantom Shares | From 1 to 3 years of service | 278 | 13.87 | 0.33 |
| May 5, 2023 | From 1 to 3 years of service | 1,363 | 11.20 | 1.33 |
| May 5, 2023 - Phantom Shares | From 1 to 3 years of service | 691 | 13.87 | 1.33 |
| March 26, 2024 | From 1 to 3 years of service | 4,567 | 18.62 | 2.33 |
| March 26, 2024 - Phantom Shares | From 1 to 3 years of service | 3,291 | 13.87 | 2.33 |
| | | 10,391 | | |

(Amounts in thousands of Reais - R$, except as mentioned otherwise)

### As of December 31, 2024 – Performed shares

| Grant date | Conditions for acquisition of right as of the grant date | Existing shares (thousands) | Fair value at grant date (R$) | Maximum remaining contractual life (years) |
|---|---|---|---|---|
| April 14, 2022 | Fulfillment of performance conditions, 3 years of service plus an additional period of 1 year for some actions. | 1,147 | 18.66 to 24.99 | 1.3 to 2.3 |
| April 14, 2022 – Phantom Share | Fulfillment of performance conditions, 3 years of service plus an additional period of 1 year for some actions. | 2,182 | 9.15 to 13.87 | 1.3 to 2.3 |
| May 5, 2023 | Fulfillment of performance conditions, 3 years of service plus an additional period of 1 year for some actions. | 2,291 | 11.20 to 11.55 | 2.3 to 3.3 |
| May 5, 2023 – Phantom Share | Fulfillment of performance conditions, 3 years of service plus an additional period of 1 year for some actions. | 2,162 | 13.87 to 20.29 | 2.3 to 3.3 |
| | | 7,782 | | |

### Assumptions

Valuation assumption ranges for new restricted and performance share grants as of December 31, 2024, are presented below. The valuation models used were Black-Scholes, Stochastic, and Finnerty, depending on the type of award.

| Assumptions | B3 shares |
|---|---|
| Share price (also used as strike price on Finnerty) | 18.62 |
| Strike price | 0.01 |
| Expected volatility | 40.12% to 51.62% |
| Expected term | 1 to 3 years |
| Expected dividend yield | 0% |
| Risk-free interest rate | 9.84% to 10.17% |

Volatility was calculated over the period consistent with the expected grant term (or over the remaining of the performance period, where applicable) immediately prior to the grant date. In the Finnerty model, volatility is calculated over the period proportional to the holding period immediately prior to the grant date.

As of December 31, 2024, the market price was R$12.76 (R$16.89 as of December 31, 2023) per share.

## 29.2 Benefit plans to employees

The Company and some of its subsidiaries grant defined contribution retirement plans to eligible employees and, through some of their foreign subsidiaries, grant defined benefit plans to employees that are eligible.

### Defined contribution plans

The Company, through its indirect subsidiary ACL, offers Avon employees in the United Kingdom a defined contribution plan that allows eligible participants to contribute eligible compensation through payroll deductions. The Company matched employee contributions up to the first 5% of eligible compensation, and therefore, the maximum level provided by it is 10% of eligible compensation. For the year ended December 31, 2024, the indirect subsidiary ACL made contributions to the United Kingdom defined contribution plan totaling R$32,200 (R$28,080 for the year ended December 31, 2023), which follow the same investment allocation that the participant selected for their own contributions.

(Amounts in thousands of Reais - R$, except as mentioned otherwise)

### Defined Benefit and Post-Retirement Plans

The Company, through its subsidiary Avon and certain indirect subsidiaries, has contributory and non-contributory defined benefit retirement plans for substantially all of its employees. The benefits under these plans are generally based on the employee's length of service and average compensation near retirement, with some plans having vesting requirements.

The actuarial liability for the Company's medical care plan relates to a post-employment benefit plan for employees and former employees who made fixed contributions to fund the health plan until April 30, 2010, when the health plan design was changed and fixed employee contributions were eliminated. For those who contributed to the medical plan for ten years or more, the right to maintain beneficiary status indefinitely (lifelong) is assured, while for those who contributed for a period of less than ten years, the right to maintain beneficiary status is assured at the rate of one year for each year of fixed contributions. This group of current employees, upon termination, may choose to remain in the plan as per applicable legislation, assuming payment of the monthly fee charged by health plan operators. However, this monthly fee does not necessarily represent the total user cost, which is assumed by the Company through the subsidy of the excess cost, as an additional benefit.

Regarding its subsidiary Avon, its largest defined benefit pension plan outside the US is in the United Kingdom, which was frozen for future accruals as of April 1, 2013. The US defined benefit pension plan, called the "Personal Retirement Account Plan" ("PRA"), is closed to employees hired on or after January 1, 2015, so that qualified retirement benefits for US-based employees hired on or after January 1, 2015, will be provided exclusively through [1] the PSA.

## 30. FINANCIAL RESULTS

| | Parent | | Consolidated | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| Finance expenses (debt interest) [(b)] | - | - | (500,714) | (766,989) |
| Financial short-term investments and others income | 10,624 | 4,352 | 341,488 | 895,049 |
| Exchange variations on financial activities, net | 34,829 | - | 117,219 | 327,062 |
| Gains (losses) on derivatives on exchange rate variations from financial activities, net [(a)] | (11,803) | - | 173,420 | (993,984) |
| Monetary adjustment of provision for tax, civil and labor risks, and tax liabilities | (57) | - | (54,464) | (73,011) |
| Leases expenses | (83) | (113) | (88,047) | (65,854) |
| Other finance expenses | (48,611) | (81,335) | (329,756) | (537,277) |
| Hyperinflationary economy adjustment | - | - | (265,347) | (119,490) |
| Other gains (losses) from exchange rate variation on operating activities | 6,732 | 3,977 | (86,608) | (302,968) |
| **Financial results** | **(8,369)** | **(73,119)** | **(692,809)** | **(1,637,462)** |

a) Substantially refer to exchange losses on investments in US dollars by the subsidiary Natura Argentina.
b) Debt interest includes, in addition to interest in the amount of R$402,988 (see note no. 20), the result determined from derivatives designated for fair value hedge accounting in the amount of R$97,726.

(Amounts in thousands of Reais - R$, except as mentioned otherwise)

## 31. OTHER OPERATING INCOME (EXPENSE), NET

| | Consolidated | |
|---|---|---|
| | 2024 | 2023 |
| Other operating income, net | | |
| Tax credits [(a)] | 168,261 | 195,780 |
| Reversal of provision for tax contingencies, labor and civil | 29,531 | 2,839 |
| Reversal of transportation losses | 43,351 | - |
| Deferred revenue with service charges | 10,406 | - |
| Fair value revaluation adjustment of investments | 28,108 | - |
| Reversal of provision for impairment | - | 31,076 |
| Revenue from sale of customer portfolio | 34,912 | 16,471 |
| Gain from bargain purchase, net of loss due to fair value of receivables | 994,553 | - |
| Other operating income | 77,591 | 23,924 |
| **Total other operating income** | 1,386,713 | **270,090** |
| Other operating expenses, net | | |
| Results on assets write-off | (47,953) | (30,831) |
| *Crer Para Ver* [(b)] | (62,990) | (20,115) |
| Provision for losses on property, plant and equipment, intangible assets and leases | - | (29,547) |
| Expenses with the sale of the customer portfolio | - | (8,168) |
| Transformation and integration plan [(c)] | (483,711) | (498,168) |
| Restructuring expenses | (14,764) | - |
| Loss due to impairment of receivables with related parties | (1,490,518) | - |
| Provision for tax, labor and civil contingencies | - | (58,148) |
| Other operating expenses | (288,491) | (3,398) |
| **Total other operating expenses** | **(2,388,427)** | **(648,375)** |
| **Other operating expenses, net** | **(1,001,714)** | **(378,285)** |

a) Refers mainly to PIS and COFINS credits.

b) Allocation of operating profits obtained from sales of the non-cosmetic product line called "*Crer Para Ver*" to the Natura Institute, specifically earmarked for social projects aimed at developing quality education.

c) Expenses related to the execution of the Natura &Co Latam integration plan ("ELO project") and integration of the subsidiary API.

d) Refers to receivables impairment losses from former subsidiary API and ACL (see details on footnote 5), payment settlement agreement and other obligations assumed as part of Chapter 11 process.

(Amounts in thousands of Reais - R$, except as mentioned otherwise)

## 32. EARNINGS PER SHARE

The basic result per share is calculated by dividing the profit or loss attributable to the Company's shareholders by the weighted average number of common shares in circulation, excluding common shares purchased by the Company and held as treasury shares.

| | 2024 | |
|---|---|---|
| | 2024 | 2023 |
| (Loss) profit attributable to the Company's controlling shareholders | (8,929,859) | 2,974,510 |
| Weighted average number of common shares issued | 1,385,675,623 | 1,385,675,623 |
| Weighted average treasury shares | (2,715,565) | (7,806,697) |
| Weighted average of the number of outstanding common shares | **1,382,960,058** | **1,377,868,926** |
| **Basic profit (loss) per share - R$** | **(6.4571)** | **2.1588** |

Diluted earnings per share are calculated by adjusting the weighted average number of outstanding common shares, assuming the conversion of all potential common shares that would cause dilution. The Company has stock options, restricted shares and strategy acceleration that would have a dilutive effect on any earnings per share. Considering the Company had loss on period ended on December 31, 2024, any effect will have antidilution effect, thus, the diluted earnings per share is equivalent to the basic earnings per share.

On December 31, 2023, the diluted net income per share is calculated adjusting to the weighted average number of common shares issued, considering the conversion of all potentially common shares that cause dilution.

| | Consolidated |
|---|---|
| | 2023 |
| Profit attributable to the Company's controlling shareholders | 2,974,510 |
| Weighted average number of common shares issued | 1,377,868,926 |
| Adjustment for stock options and restricted shares | 6,401,920 |
| Weighted average number of common shares for diluted earnings per share | **1,384,270,846** |
| **Diluted earnings per share - R$** | **2.1488** |

Net income (loss) per share for discontinued operations results for the years ended December 31, 2024 and 2023 is presented below:

| | Consolidated | |
|---|---|---|
| | 2024 | 2023 |
| Gain (loss) attributable to the Company's controlling shareholders | (8,187,572) | 3,203,695 |
| Weighted average of the number of issued common shares | 1,385,675,623 | 1,385,675,623 |
| Adjustment for stock options and restricted shares | (2,715,565) | (7,806,697) |
| **Weighted average number of common shares issued, net of treasured shares** | **1,382,960,058** | **1,377,868,926** |
| Basic profit (loss) per share – R$ | (5.9203) | 2.3251 |

The diluted earnings per share for the discontinued operations results for the year ended December 31, 2024 is presented below:

| | Consolidated |
|---|---|
| | 2023 |
| Gain attributable to the Company's controlling shareholders | 3,203,695 |
| Weighted average of the number of issued common shares issued, net of treasured shares | 1,377,868,926 |
| Weighted average number of treasury shares | 6,401,920 |
| **Weighted average number of common shares considered to diluted earnings per share** | **1,384,270,846** |
| Diluted earnings per share - R$ | 2.3144 |

(Amounts in thousands of Reais - R$, except as mentioned otherwise)

## 33. RELATED PARTY TRANSACTIONS

In the course of the Company's operations, rights and obligations are generated between related parties, arising from administrative expenses and provision of services.

### 33.1 Related party assets and liabilities balances

The Company has transactions with related parties, which are recognized as presented below. Transactions with API are no longer treated as transactions with related parties, due to the loss of control process on August 12, 2024 (see details in explanatory note no. 1.1). The transactions with ACL started to be treated as related party transactions due to the business combination occurred on December 4, 2024.

| | Parent | |
|---|---|---|
| | 2024 | 2023 |
| **Current assets:** | | |
| Natura Cosméticos S.A. [(b)] | 145,135 | 103,557 |
| Avon Products, Inc. [(a) / (d)] | - | 41,152 |
| Natura Cosméticos S.A. – Argentina [(a)] | - | 3,630 |
| Natura Cosméticos S.A. – Perú [(a)] | 594 | 465 |
| Avon Cosmetics Limited – ACL [(d)] | 126,992 | - |
| Natura Cosméticos S.A – Colômbia [(a)] | 119 | 365 |
| Indústria e Comércio de Cosméticos Natura Ltda. [(b)] | 27 | 96 |
| Natura &Co Luxembourg Holdings S.A.R.L. [(c)] | 1,550 | 1,550 |
| **Total current assets** | **274,417** | **150,815** |

| | Parent | |
|---|---|---|
| | 2024 | 2023 |
| **Current liabilities:** | | |
| Natura Cosméticos S.A. [(a) / (d)] | 51,074 | 52,543 |
| Indústria e Comércio de Cosméticos Natura Ltda. [(a)] | 1,265 | 605 |
| Natura Comercial [(a)] | - | 14 |
| Avon Cosmetics Limited – ACL [(b)] | 175,447 | 117,278 |
| Natura &Co Luxembourg S.a.r.L [(d)] | - | 162,676 |
| **Total current liabilities** | **227,786** | **333,116** |

a) Refers to the cost share related to share-based compensation (restricted shares).
b) Refers to the transfer of cost share.
c) Refers to reimbursement of bonds issuance expenses.
d) Refers to the loan conducted between the entities.

### 32.1. Uncontrolled and unconsolidated transaction with related parties

Instituto Natura is one of the quotaholders of the Essencial Investment Fund, and as of December 31, 2024, its balance was R$13,986 (R$6,994 as of December 31, 2023).

In the year ended December 31, 2024, the Company and its subsidiaries transferred to Instituto Natura, as a donation associated with the net sales revenue from the Natura Crer Para Ver product line, the amount of R$68,113 (R$49,800 as of December 31, 2023).

The Company has a policy for related party transactions, as well as an internal control structure to support the identification, monitoring, and approval of transactions between related parties.

(Amounts in thousands of Reais - R$, except as mentioned otherwise)

### 32.2. Key management personnel compensation

The total compensation of the key management personnel is as follows:

| | 2024 | | | | 2023 | |
|---|---|---|---|---|---|---|
| | Compensation | | | | Compensation | |
| | Fixed | Variable | Fixed | Variable | Fixed | Variable |
| Board of Directors | 7,814 | 5,318 | 13,132 | 8,212 | 11,660 | 19,872 |
| Executive Board | 23,936 | 70,289 | 94,225 | 27,991 | 200,529 | 228,520 |
| | **31,750** | **75,607** | **107,357** | **36,203** | **212,189** | **248,392** |

The totals in the table above include the employer's social security charges.

The amounts include increases and/or reversals of the cumulative expense recognized in the previous years due to reassessments of the number of awards expected to vest and remeasurement of the social security charges expected to be payable by the Company on vesting.

Amounts in the variable category for the twelve-month period ended December 31, 2023 include termination benefits for certain key management employees, related to the review process of the Company's corporate structure. Additionally, the share-based expense shown in the variable category includes the expense accelerations/reversals that were necessary to reflect the number of shares that terminated are entitled to keep.

## 34. COMMITMENTS

In the normal course of its business, the Company agreed long-term contracts for the supply of manufacturing, transportation, technology and electricity services (with effective physical delivery, to supply its manufacturing activities). The contracts provide for termination clauses for non-compliance with essential obligations. Generally, the minimum contractually agreed upon is acquired and for this reason there are no liabilities recorded in addition to the amount that is recognized on an accrual basis.

The minimum total payments associated with commitments, measured at nominal value, are:

| | Consolidated | |
|---|---|---|
| | 2024 | 2023 |
| Less than one year | 384,732 | 273,548 |
| One to five years | 410,818 | 486,961 |
| Above five years | - | 799 |
| **Total** | **795,550** | **761,308** |

(Amounts in thousands of Reais - R$, except as mentioned otherwise)

## 35. INSURANCE

The Company adopts an insurance policy that includes, mainly, the concentration of risks and their relevance, considering the nature of its activities and the guidance of its insurance consultants. Insurance coverage, as of December 31, 2024 and 2023, is as follow:

| Item | Coverage | Amount insured[a] | |
|---|---|---|---|
| | | 2024 | 2023 |
| Industrial complex and administrative sites | Any damage to buildings, facilities, inventories, machinery and equipment | 5,167,305 | 4,694,455 |
| Vehicles | Fire, theft and collision for the vehicles insured by the Company | 31,662 | 24,907 |
| Freight | Damage to products in transit | 96,900 | 81,328 |
| Civil liability | Protection against error or complaints in the exercise of professional activity that affect third parties | 1,058,217 | 886,720 |
| Environmental responsibility | Protection for environmental accidents that may raise complaints under environmental legislation | 30,000 | 30,000 |

## 36. ADDITIONAL INFORMATION RELATING TO THE CASH FLOWS STATEMENT

The following table presents the investing and financing transactions which do not involve the use of cash and cash equivalent, therefore, they are presented separately as additional information to the cash flows statement:

| | Parent | | Consolidated | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| Non-cash items | | | | |
| Dividends declared and not yet paid | - | (294,231) | (1,414) | (294,231) |
| Avon repurchase consideration | - | - | 1,982,367 | - |
| Net effect of acquisition of property, plant and equipment and intangible assets not yet paid | - | - | 131,857 | 27,900 |

## 37. DISCONTINUED OPERATIONS

### 37.1 Sale of former subsidiaries Aesop and The Body Shop

As mentioned in footnote 1.2, the Company concluded the sale of former subsidiaries Aesop and The Body Shop on August 30, 2023 and December 29, 2023, respectively.

The sale of the formerly subsdiary Aesop to L'Oreal occurred for a total consideration of R$12,429,175, after obtaining all relevant regulatory approvals. The total gain recognized on the derecognition of the subsidiary's assets and liabilities and recognized as a result of discontinued operations, net of income tax and social contribution, was R$7,377,768, which includes the reclassification of cumulative balance sheet translation gains recognized in other comprehensive income in the amount of R$115,168.

The sale of the formerly subsidiary The Body Shop to Aurelius Investment Advisory Limited occurred for an agreed consideration that includes the payment of two fixed installments, one upon completion of the sale and another in 2028, for a total undiscounted amount of £80,000 thousand, in addition to two variable installments (contingent considerations) to be paid in 2025 and 2026, the settlement of which will depend on the subsequent performance of the sold operation (up to a limit of £90,000 thousand, undiscounted).

The total loss recognized on the derecognition of the subsidiary's assets and liabilities and recognized as a result of discontinued operations, net of income tax and social contribution, was R$1,081,340, which includes the reclassification of cumulative balance sheet translation gains, recognized in other comprehensive income, in the amount of R$1,622,436, and the loss on impairment when reclassifying the respective operations to assets held for sale, in the amount of R$4,007,744.

In addition to the gain recognized from the settlement of assets and liabilities, certain costs involving legal advisors and incremental banking expenses related to the above mentioned transactions were also incurred and classified as part of discontinued operations in the year ended December 31, 2023.

### 37.2 Chapter 11 process of the formerly subsidiary API in the United States in 2024

As mentioned in footnote 1.1, on August 12, 2024, the Company's subsidiary and holding company of the beauty brand Avon, API, announced that it had initiated a voluntary Chapter 11 process, which resulted in the loss of operational control of the former subsidiary and consequent allocation of the effects associated with the loss of control and the results obtained until August 12, 2024 to the discontinued operations.

(Amounts in thousands of Reais - R$, except as mentioned otherwise)

### 37.3. Breakdown of discontinued operations amounts

The breakdown of results presented in discontinued operations in the income statement for the twelve-month period on December 31, 2024 and 2023 are presented below:

| | Parent | Consolidated | |
|---|---|---|---|
| | 2024 | 2024 | 2023 |
| **Aesop sale** | | | |
| Consideration received for the sale to the formerly subsidiary Aesop | - | - | 12,429,175 |
| Net assets of the formerly subsidiary Aesop, derecognized | - | - | (1,140,751) |
| Cumulative foreign exchange translation gains in other comprehensive income | - | - | 115,168 |
| Incremental transaction costs on sale | - | - | (289,686) |
| Income tax and social contribution | - | - | (3,736,138) |
| **Net gain on the sale of the formerly subsidiary Aesop** | **-** | **-** | **7,377,768** |
| **The Body Shop sale** | | | |
| Fair value of consideration receivable from the sale of the formerly subsidiary The Body Shop | - | - | - |
| Fixed amount receivable upon completion | - | - | 22,915 |
| Fixed amount receivable in 2028 | - | - | 320,153 |
| Contingent consideration | - | - | 486,429 |
| **Total fair value of the consideration** | **-** | **-** | **829,497** |
| Impairment loss recognized on reclass to assets held for sale | - | - | (4,007,744) |
| Assets derecognized | - | - | (762,272) |
| Assets fair value adjustments | - | - | (91,824) |
| Cumulative foreign exchange translation gains in other comprehensive income | - | - | 1,622,436 |
| Incremental transaction costs on sale | - | - | (64,288) |
| Income tax and social contribution | - | - | 1,392,855 |
| Net loss on the sale of the formerly subsidiary The Body Shop | **-** | **-** | **(1,081,340)** |
| **Net gain on the sale of subsidiaries** | **-** | **-** | **6,296,428** |
| Loss of API control | | | |
| Net assets of former subsidiary Avon, derecognized | 4,269,123 | 4,269,123 | - |
| Conversion gains and others accumulated in other comprehensive income | (187,215) | (187,215) | - |
| **Total net investment** | **4,081,908** | **4,081,908** | **-** |
| Exchange rate variations associated with debts designated as part of the net investment in foreign operations | - | (270,647) | - |
| **Net gains from the write-off of assets and liabilities of the former subsidiary API** | **4,081,908** | **3,811,261** | **-** |
| Incremental transaction costs | (74,579) | (211,032) | - |
| Losses incurred in measuring the fair value of pre-existing receivables from the former subsidiary API and the subsidiary ACL (explanatory note no. 6.2) | (111,570) | (10,709,495) | - |
| Income tax and social contribution | 63,291 | 173,468 | - |
| **Loss on the write-off of the former subsidiary API** | **3,959,050** | **(6,935,798)** | **-** |
| Loss before taxes from other discontinued operations | - | (1,204,268) | (2,898,660) |
| Income tax and social contribution | - | (47,506) | (194,073) |
| **Net result from discontinued operations** | **-** | **(1,251,774)** | **(3,092,733)** |
| **Total discontinued operations** | **3,959,050** | **(8,187,572)** | **3,203,695** |

(Amounts in thousands of Reais - R$, except as mentioned otherwise)

The results in discontinued operations, which includes the operational results of the former controlled subsidiaries Aesop, The Body Shop and Avon International Inc. for the years ended on December 31, 2024 and 2023 are presented below:

| | 2024 | 2023 |
|---|---|---|
| Net revenue | 3,856,476 | 12,482,886 |
| Cost of products sold | (1,471,631) | (3,688,138) |
| **Gross profit** | 2,384,845 | 8,794,748 |
| | | |
| Operating (expense) income | (3,561,702) | (10,694,371) |
| Selling, marketing and logistics expenses | (1,656,492) | (6,157,119) |
| Administrative, R&D, IT and projects expenses | (1,727,596) | (3,201,425) |
| Other operating expenses, net | (177,614) | (1,335,827) |
| | | |
| **Operating losses before financial results** | (1,176,857) | (1,899,623) |
| | | |
| Financial results | (27,411) | (999,037) |
| | | |
| **Losses before tax** | (1,204,268) | (2,898,660) |
| Income tax and social contribution | (47,506) | (194,073) |
| | | |
| **Net losses** | (1,251,774) | (3,092,733) |

The net cash flows incurred by the discontinued operations presented below:

| | 2024 | 2023 |
|---|---|---|
| Operating activities | 5,157,979 | (4,533,004) |
| Investing activities | (592,634) | 12,176,806 |
| Financing activities | - | (1,153,862) |
| **Net cash generated (consumed)** | 4,565,345 | 6,489,940 |

## 38. OBLIGATIONS TO NATURA PAY FIDC SENIOR SHAREHOLDERS

Natura Pay FIDC was established on October 31, 2024 with indefinite term, aims to acquire receivables rights originated per entities that Natura Cosméticos has shareholding, as well securities and financial instruments. During the period between the beginning of activities and December 31, 2024, quotes with the following subclasses fully paid-in: i) "senior 1", in the amount of 346,752 quotes, corresponding to R$350,000; and ii) subordinate, in the amount of 150,852 quotes, corresponding to R$152,000."

Its subsidiary, Natura Cosméticos, is the only holder of the subordinate quotas and, therefore, has the right to the entire residual value of the entity, holding the rights to its variable returns. Thus, the Fund is consolidated in the financial statements.

In the financial statements, the FIDC's senior quotas held by third parties are recorded as a financial liability under 'Obligations with senior quotaholders - Natura Pay FIDC', as it represents the contractual return on third-party paid-in capital in the Fund, and the remuneration paid to the senior quotaholders is recorded as a financial expense. The financial liability with the senior quotaholders is part of the Company's gross debt. As of December 31, 2024, the financing obligations due to senior quotaholders totaled R$353,489, with a remuneration of CDI + 1.35%.

# Top-line momentum remains strong in the quarter, while profitability is impacted by additional investments

*Revenues fueled by Natura brand performance that accelerated throughout the year; FY24 Latam recurring EBITDA margin improved 40 bps despite 100 bps investments accounted for as Opex (instead of Capex) and 20 bps of Royalties. Excluding these effects, margin was up +160 bps YoY. In Q4 these effects totaled 210 bps and explain the 200 bps YoY decrease in Latam recurring EBITDA margin*

| BRL million | Q4-24 Consolidated | YoY Ch. % | Natura &Co Latam[1] | YoY Ch. % | Holding | YoY Ch. % | Avon International[2] | YoY Ch. % |
|---|---|---|---|---|---|---|---|---|
| **Net revenue** | 7,747.4 | 63.1 | 7,090.6 | 49.8 | - | (100.0) | 656.7 | - |
| Constant Currency* | | 16.1% | | 16.1% | | | | - |
| **Gross profit** | 4,872.4 | 61.6 | 4,479.7 | 49.3 | - | (100.0) | 392.7 | - |
| Gross Margin | 62.9% | -50 bps | 63.2% | -20 bps | - | - | 59.8% | - |
| **Reported EBITDA** | (139.6) | (129.9) | 446.8 | (18.2) | (617.9) | 671.2 | 31.5 | - |
| Reported EBITDA margin | -1.8% | -1100 bps | 6.3% | -320 bps | - | - | 4.8% | - |
| **Recurring EBITDA** | 703.2 | 50.4 | 676.2 | 23.6 | (54.6) | (32.9) | 79.6 | - |
| Recurring EBITDA margin | 9.1% | -70 bps | 9.6% | -200 bps | - | - | 12.1% | - |
| **Net income (loss)** | (438.5) | (83.5) | - | - | - | - | - | - |

| BRL million | 2024 Consolidated | YoY Ch. % | Natura &Co Latam[1] | YoY Ch. % | Holding | YoY Ch. % | Avon International[2] | YoY Ch. % |
|---|---|---|---|---|---|---|---|---|
| **Net revenue** | 24,089.8 | 21.5 | 23,424.9 | 18.2 | 8.1 | - | 656.7 | - |
| Constant Currency* | | 12.4% | | 12.4% | | - | | - |
| **Gross profit** | 15,717.2 | 23.7 | 15,323.3 | 20.7 | 1.2 | - | 392.7 | - |
| Gross Margin | 65.2% | 110 bps | 65.4% | 140 bps | - | - | 59.8% | - |
| **Reported EBITDA** | 1,876.9 | (1.3) | 2,770.1 | 25.0 | (924.7) | 194.7 | 31.5 | - |
| Reported EBITDA margin | 7.8% | -180 bps | 11.8% | 60 bps | - | - | 4.8% | - |
| **Recurring EBITDA** | 2,935.7 | 32.0 | 3,097.6 | 22.1 | (241.7) | (22.4) | 79.6 | - |
| Recurring EBITDA margin | 12.2% | 100 bps | 13.2% | 40 bps | - | - | 12.1% | - |
| **Net income (loss)** | (8,929.9) | (400.2) | - | - | - | - | - | - |

** CC growth: Latam only since Avon International reconsolidation in December/24 impacts fair comparison*
*[1] Q4-23 Financial figures were impacted by Argentina's accounting revenues due to the quick and steep ARS depreciation booked at the end of 2023 in accordance with IAS 29 rules (hyperinflation accounting treatment)*
*[2] Avon International is accounted in 2024 as Discop to January, 1st to August 12th given API's Chapter 11 processo in the USA, and reconsolidated back from December 4th onwards. The business unit is accounted as Discop for the FY 2023*

01 **Consolidated Net Revenue of BRL 7.7 billion,** up 16.1% vs Q4-23 in constant currency (CC) (+11.4% ex-Argentina) and 63.1% in Brazilian Reais. Constant currency net revenue growth was fueled by the strong performance of Natura brand, which went up +21.1% in Brazil and mid-teens in Hispanic markets ex-Argentina, partially offset by Avon CFT's flattish top-line in Brazil and the continued declines in Avon Hispanic markets (ex-Argentina) and Home & Style Category. In BRL, growth was benefited by the low comparison base in Q4-23 (impacted by ARS quick and steep devaluation) and Avon International BRL 0.7 billion December[1] sales (see Appendix for Pro Forma)

02 **Recurring EBITDA of BRL 703 million,** with a 9.1% margin, down 70 basis points (bps) YoY, explained by:

- **Natura &Co Latam** recurring EBITDA margin of 9.6%, down -200 bps YoY, due to a -160 bps impact from system investments accounted for as Opex instead of Capex and -50 bps of Royalties, and additional marketing investments to fuel future growth. On top of that, the margin of the Wave-2 countries was impacted in the quarter by phasing of investments (concentrated towards the end of the year), though underlying margin improvement trend remains strong

- **Holding:** 36% YoY reduction on corporate expenses mainly driven by the ongoing efforts to streamline the Holding company structure (in line with previous earnings results)

- **Avon International:** BRL 80 million December[1] adjusted EBITDA, which was treated as discontinued operations in the same period in 2023

03 **Q4-24 Net loss of BRL 439 million** compared to a net loss of BRL 2.7 billion in the same period in 2023. The BRL 703 million of recurring EBITDA, was more than offset by non-operational adjustments of BRL -843 million, mostly related to Natura &Co's support to Avon Products Inc. voluntary Chapter 11 process in the U.S. and Wave 2 integration investments along with BRL -114 million from discontinued operations

04 **Q4-24 Net Debt was BRL 2.4 billion (from BRL 3.7 billion in Q3-24),** positively impacted by intercompany loans and Avon cash as a consequence of Avon's reconsolidation. Furthermore, positive underlying free cash flow in the quarter was partially offset by the previously announced ~BRL 450 million Natura &Co's support to Avon Products Inc. Chapter 11 process along with investments in Latam related to Wave 2 and IT systems. Finally, net debt does not include almost BRL 300 million of gains related to the hedge of principal USD debt

[1] Avon International is accounted in 2024 as discontinued operations from January 1st to August 12th, given API's voluntary Chapter 11 process in the United States, and reconsolidated back from December 4th onwards. The Business Unit is accounted as discontinued operations for the FY 2023

Natura &co

## Fábio Barbosa

*Group CEO of Natura &Co,* ***stated***

"2024 was another important year in the Group's simplification strategy announced in July 2022. Following the divestments of Aesop and TBS, the deleveraging process, and the launch of Natura and Avon integration in Latin America ("Wave 2") in 2023, 2024 was primarily marked by the successful completion of the Wave 2 in Brazil—our most important country—and the voluntary restructuring of API, which was concluded in December. Beyond these key initiatives, we continued to further streamline the Holding structure throughout the year.

In support of Avon Products Inc.'s voluntary Chapter 11, a cash payment of USD 34 million was made, as previously disclosed to the market. In addition, the Company acquired back Avon International entities outside the U.S. through a USD 125 million credit bid. On the operational side, Avon International continued to deliver a lackluster performance during the quarter, facing top-line headwinds that further impacted the profitability of the business unit.

Latam's fourth quarter results showed a healthy top-line trend following the first nine months of the year, further accelerated on the back of a strong year-end gifts campaign. On the other hand, profitability in the quarter was impacted by strong investments in structural projects, innovation, classification of IT investments as Opex, and marketing – all levers to support our future growth in the region. On the ESG front, for the $11^{th}$ consecutive year, Natura ranked $1^{st}$ as the company with the best reputation in Brazil, and it was also recognized by Reporting Matters Brazil, a CEBDS* initiative, for publishing one of the top 15 sustainability reports, further reinforcing our dedication to risk disclosure and accountability.

Looking at FY 2024, Wave 2 rolled-out countries stood out with strong revenue, profitability and cash generation performance, and we expect further improvements in 2025 in all these metrics. However, Brazilian macro uncertainty and the potential slowdown of the Beauty market could pose a challenge for top-line. In Hispanic Latam, the two largest markets —Mexico and Argentina— have started and will be undergoing the transformational Wave 2 process, and we are confident that the staggered implementation, along with insights gained from previously rolled-out countries, should help mitigate temporary risks and drive the expected margin improvement. All in all, we remain optimistic about the momentum of the Latam business, the results from the rolled-out Wave 2 markets, and the learnings we have had with the integration of Natura and Avon brand in the region.

On Avon International, we continue to study strategic alternatives for a potential separation/sale of the asset, while the team continues to work on an accelerated restructuring of the business and minimizing cash outflow in the short term.

In a nutshell, our goals remain the same. First, Latam continues to progress in improving margins and free cash flow while investing in strategic projects that will drive sustainable revenue growth. Second, we will keep simplifying the Company's corporate structure and resuming studies on strategic alternatives for Avon International. Finally, we remain laser-focus on capital allocation, striving for an optimal capital structure that supports ROIC-driven investments while delivering returns to shareholders."

** CEBDS is the Brazilian Business Council for Sustainable Development*

Natura &Co

# 01 Results Summary

| BRL million | Profit and Loss by Business | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Consolidated[a] | | | Natura &Co Latam[b] | | | Holding[c] | | | Avon International[d] | | |
| | Q4-24 | Q4-23 | Ch. % | Q4-24 | Q4-23 | Ch. % | Q4-24 | Q4-23 | Ch. % | Q4-24 | Q4-23 | Ch. % |
| Gross revenue | 10,140.3 | 6,415.8 | 58.1 | 9,369.6 | 6,398.7 | 46.4 | - | 17.1 | - | 770.7 | - | - |
| **Net revenue** | **7,747.4** | **4,751.3** | **63.1** | **7,090.6** | **4,734.2** | **49.8** | **0.0** | **17.1** | (100.0) | **656.7** | - | - |
| **Constant Currency** | | | **16.1%** | | | **16.1%** | | | | | | |
| COGS | (2,875.0) | (1,737.0) | 65.5 | (2,610.9) | (1,734.6) | 50.5 | 0.0 | (2.3) | (100.0) | (264.1) | - | - |
| **Gross profit** | **4,872.4** | **3,014.4** | **61.6** | **4,479.7** | **2,999.6** | **49.3** | **0.0** | **14.8** | (100.0) | **392.7** | - | - |
| Selling, marketing and logistics expenses | (3,423.7) | (2,272.1) | 50.7 | (3,188.2) | (2,274.2) | 40.2 | (0.0) | 2.1 | (100.0) | (235.5) | - | - |
| Administrative, R&D, IT and projects expenses | (995.5) | (341.0) | 191.9 | (863.5) | (336.8) | 156.4 | (29.6) | (4.2) | 599.1 | (102.3) | - | - |
| Corporate expenses | (60.4) | (94.8) | (36.3) | - | - | - | (60.4) | (94.8) | (36.3) | - | - | - |
| Other operating income / (expenses), net | (559.4) | 119.8 | (567.1) | 14.8 | 118.9 | (87.5) | (525.8) | 0.9 | (60,693.9) | (48.5) | - | - |
| Transformation / Integration / Group restructuring costs | (259.7) | (165.8) | 56.6 | (257.2) | (167.0) | 54.1 | (2.5) | 0.6 | (543.4) | - | - | - |
| **EBIT** | **(426.4)** | **260.4** | **(263.7)** | **185.6** | **340.6** | **(45.5)** | **(618.3)** | **(80.1)** | **671.7** | **6.3** | - | - |
| Depreciation | 286.8 | 205.5 | 39.5 | 261.2 | 205.5 | 27.1 | 0.4 | (0.0) | - | 25.2 | - | - |
| **EBITDA** | **(139.6)** | **466.0** | **(129.9)** | **446.8** | **546.1** | **(18.2)** | **(617.9)** | **(80.1)** | **671.2** | **31.5** | - | - |
| Non-recurring adjustments | 842.8 | 1.5 | 56,513.1 | 231.4 | 2.6 | 8,692.9 | 563.3 | (1.2) | (47,038.1) | 48.1 | - | - |
| **Recurring EBITDA** | **703.2** | **467.5** | **50.4** | **678.2** | **548.7** | **23.6** | **(54.6)** | **(81.3)** | **(32.9)** | **79.6** | - | - |
| **EBIT** | **(426.4)** | **260.4** | **(263.7)** | | | | | | | | | |
| Financial income / (expenses), net | (65.8) | (284.3) | (76.8) | | | | | | | | | |
| **Earnings before taxes** | **(492.2)** | **(23.8)** | **1,964.8** | | | | | | | | | |
| Income tax and social contribution | 168.0 | (397.9) | (142.2) | | | | | | | | | |
| **Net Income from continued operations** | **(324.2)** | **(421.8)** | **(23.1)** | | | | | | | | | |
| Discontinued operations[e] | (114.1) | (2,240.1) | (94.9) | | | | | | | | | |
| **Consolidated net (loss) income** | **(438.3)** | **(2,661.8)** | **(83.5)** | | | | | | | | | |
| Non-controlling interest | (0.2) | - | - | | | | | | | | | |
| **Net income (loss) attributable to controlling shareholders** | **(438.5)** | **(2,661.8)** | **(83.5)** | | | | | | | | | |
| Gross margin | 62.9% | 63.4% | -50 bps | 63.2% | 63.4% | -20 bps | - | - | - | 59.8% | - | - |
| Selling, marketing and logistics as % net revenue | (44.2)% | (47.8)% | 360 bps | (45.0)% | (48.0)% | 300 bps | - | - | - | (35.9)% | - | - |
| Admin., R&D, IT and projects exp. as % net revenue | (12.8)% | (7.2)% | -560 bps | (12.2)% | (7.1)% | -510 bps | - | - | - | (15.6)% | - | - |
| EBITDA margin | (1.8)% | 9.8% | -1160 bps | 6.3% | 11.5% | -520 bps | - | - | - | 4.8% | - | - |
| Recurring EBITDA margin | 9.1% | 9.8% | -70 bps | 9.6% | 11.6% | -200 bps | - | - | - | 12.1% | - | - |
| Net margin | (5.7)% | (56.0)% | 5030 bps | - | - | - | - | - | - | - | - | - |

*[a] Consolidated results include Holding, Natura &Co Latam and Avon International (only december)*
*[b] Natura &Co Latam: includes all the brands in Latin America (including CARD only december), &Co Pay, as well as the Natura subsidiaries in the U.S., France and the Netherlands.*
*[c] Holding results include Natura &Co International (Luxembourg) and TBS Shangai*
*[d] Avon International is accounted in 2024 as Discop to January, 1st to August 12th given API's Chapter 11 processo in the USA, and reconsolidated back from December 4th onwards. The bussiness unit is accounted as Discop for the FY 2023*
*[e] Related to losses on receivables from API*

| BRL million | Profit and Loss by Business | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Consolidated[a] | | | Natura &Co Latam[b] | | | Holding[c] | | | Avon International[d] | | |
| | 2024 | 2023 | Ch. % | 2024 | 2023 | Ch. % | 2024 | 2023 | Ch. % | 2024 | 2023 | Ch. % |
| Gross revenue | 32,051.5 | 26,503.2 | 20.9 | 31,272.7 | 26,493.5 | 18.0 | 8.1 | 9.7 | (16.0) | 770.7 | - | - |
| **Net revenue** | **24,089.8** | **19,831.0** | **21.5** | **23,424.9** | **19,821.4** | **18.2** | **8.1** | **9.7** | (16.0) | **656.7** | - | - |
| **Constant Currency** | | | **12.4%** | | | **12.4%** | | | | | | |
| COGS | (8,372.6) | (7,123.3) | 17.5 | (8,101.6) | (7,130.5) | 13.6 | (6.9) | 7.1 | (197.3) | (264.1) | - | - |
| **Gross profit** | **15,717.2** | **12,707.7** | **23.7** | **15,323.3** | **12,690.8** | **20.7** | **1.2** | **16.8** | (92.8) | **392.7** | - | - |
| Selling, marketing and logistics expenses | (10,449.1) | (8,602.2) | 21.5 | (10,213.6) | (8,602.7) | 18.7 | (0.0) | 0.5 | (100.0) | (235.5) | - | - |
| Administrative, R&D, IT and projects expenses | (3,117.8) | (2,403.4) | 29.7 | (2,977.2) | (2,397.6) | 24.2 | (38.3) | (5.8) | 558.7 | (102.3) | - | - |
| Corporate expenses | (240.5) | (323.3) | (25.6) | - | - | - | (240.5) | (323.3) | (25.6) | - | - | - |
| Other operating income / (expenses), net | (503.2) | 121.2 | (515.3) | 178.6 | 121.9 | 46.5 | (633.3) | (0.7) | 91,099.5 | (48.5) | - | - |
| Transformation / Integration / Group restructuring costs | (498.5) | (499.5) | (0.2) | (483.7) | (498.2) | (2.9) | (14.8) | (1.3) | 1,036.2 | - | - | - |
| **EBIT** | **908.1** | **1,000.5** | **(9.2)** | **1,827.4** | **1,314.3** | **39.0** | **(925.7)** | **(313.8)** | 195.0 | **6.3** | - | - |
| Depreciation | 968.8 | 901.3 | 7.5 | 942.7 | 901.3 | 4.6 | 0.9 | (0.0) | - | 25.2 | - | - |
| **EBITDA** | **1,876.9** | **1,901.7** | **(1.3)** | **2,770.1** | **2,215.5** | **25.0** | **(924.7)** | **(313.8)** | **194.7** | **31.5** | - | - |
| Non-recurring adjustments | 1,058.8 | 322.4 | 228.4 | 327.5 | 321.1 | 2.0 | 683.1 | 2.3 | 29,606.6 | 48.1 | - | - |
| **Recurring EBITDA** | **2,935.7** | **2,224.1** | **32.0** | **3,097.6** | **2,536.6** | **22.1** | **(241.7)** | **(311.5)** | **(22.4)** | **79.6** | - | - |
| **EBIT** | **908.1** | **1,000.5** | **(9.2)** | | | | | | | | | |
| Financial income / (expenses), net | (692.8) | (1,637.5) | (57.7) | | | | | | | | | |
| **Earnings before taxes** | **215.3** | **(637.0)** | **(133.8)** | | | | | | | | | |
| Income tax and social contribution | (957.4) | 407.8 | (334.8) | | | | | | | | | |
| **Net Income from continued operations** | **(742.1)** | **(229.2)** | **223.8** | | | | | | | | | |
| Discontinued operations[e] | (8,187.6) | 3,203.7 | (355.6) | | | | | | | | | |
| **Consolidated net (loss) income** | **(8,929.7)** | **2,974.5** | **(400.2)** | | | | | | | | | |
| Non-controlling interest | (0.2) | - | - | | | | | | | | | |
| **Net income (loss) attributable to controlling shareholders** | **(8,929.9)** | **2,974.5** | **(400.2)** | | | | | | | | | |
| Gross margin | 65.2% | 64.1% | 110 bps | 65.4% | 64.0% | 140 bps | - | - | - | 59.8% | - | - |
| Selling, marketing and logistics as % net revenue | (43.4)% | (43.4)% | 0 bps | (43.6)% | (43.4)% | -20 bps | - | - | - | (35.9)% | - | - |
| Admin., R&D, IT and projects exp. as % net revenue | (12.9)% | (12.1)% | -80 bps | (12.7)% | (12.1)% | -60 bps | - | - | - | (15.6)% | - | - |
| EBITDA margin | 7.8% | 9.6% | -180 bps | 11.8% | 11.2% | 60 bps | - | - | - | 4.8% | - | - |
| Recurring EBITDA margin | 12.2% | 11.2% | 100 bps | 13.2% | 12.8% | 40 bps | - | - | - | 12.1% | - | - |
| Net margin | (37.1)% | 15.0% | -5210 bps | - | - | - | - | - | - | 0.0% | - | - |

*[a] Consolidated results include Holding, Natura &Co Latam and Avon International (only december)*
*[b] Natura &Co Latam: includes all the brands in Latin America (including CARD only december), &Co Pay, as well as the Natura subsidiaries in the U.S., France and the Netherlands.*
*[c] Holding results include Natura &Co International (Luxembourg) and TBS Shangai*
*[d] Avon International is accounted in 2024 as Discop to January, 1st to August 12th given API's Chapter 11 processo in the USA, and reconsolidated back from December 4th onwards. The bussiness unit is accounted as Discop for the FY 2023*
*[e] Related to API and Avon International results from january to August, 12 and losses on receivables from sale of subsidiaires*

# *02* Operating Highlights

## Channel Performance

- As per the company's strategy on consultants' productivity rather than channel growth, Q4-24 once again showed stability in the average available consultants on a quarter-over-quarter basis for both Brazil (-1.2% at 1.6 million) and Hispanic markets (-0.3%), leading to a Latam consolidated figure of -0.8%. On a year-over-year basis, the decrease was -10.6%, as expected

| Natura &Co Latam | Net revenue change (%) Q4-24 vs. Q4-23 | | | Operational KPIs change(%) Q4-24 vs. Q4-23 |
|---|---|---|---|---|
| | CFT Natura Δ% CC | CFT Avon Δ% CC | Home & Style Δ% CC | Beauty Consultant[a] Δ% |
| Brazil | 21.1% | -1.0% | -35.8% | -12.2% |
| Hispanic | 33.5% | 1.7% | -17.1% | -9.1% |
| **Total** | 24.2% | 0.2% | -24.6% | -10.6% |

[a] Considers the Average Available Beauty Consultants in the quarter

## Wave 2 Status

- **Hispanic Latam update** – Mexico continues to make progress in its staggered Wave 2 implementation with the discontinuation of Natura's multilevel commercial model announced in late Q4, replaced by the bilevel commercial model. The bilevel model is aligned with the rules of all other countries where the brand operates and was effective from early 2025 onwards. This was a crucial step towards the unification of Natura and Avon sales channels. It is worth noting that the Avon brand was already operating in Mexico as bilevel since early 2023
- In addition, Argentina kicked off the rollout process by closing the Avon Distribution Center and beginning the consolidation of the brands' logistics. Peru, Colombia and Chile showed positive YoY revenue growth and continuing efficiencies flowing through the P&L, which are being reinvested in structural projects and marketing
- **Brazil update** – The service level is back to pre-Wave 2 implementation and cross-sell continues to evolve for another quarter, both leveraged by the implementation of the single checkout of Natura and Avon (as mentioned in the previous quarter's earnings release) and the logistics consolidation implemented in Q3-24. Additional efficiencies from logistics are expected to flow through the country's P&L as the learning curve progresses throughout 2025. These efficiencies allowed the company to increase investments in the region and further accelerate Natura's market share gains

## Natura Brand in Latam

- **Natura Brazil** reported a 21.1% YoY revenue increase in the quarter, driven by productivity and volume gains mainly boosted by increased cross-selling, as well as marketing and innovation investments (as mentioned in Wave 2 Status section), boosted by a healthy beauty market trend in the region during Q4-24
- Q4-24 retail sales in Brazil showed robust growth, fueled by solid same-store sales especially from own stores and a still strong pace of store openings. The brand expanded to 145 own stores (+33 compared to Q4-23) and 863 franchised stores (+90 compared to Q4-23)
- Q4-24 digital sales were up by 19.7% YoY, still benefiting from the Q2-24 launch of the new digital platform on the brand's website ([www.natura.com.br](www.natura.com.br)) and the solid performance from Natura Friday
- **Natura Hispanic Latam** reported a 33.5% YoY revenue increase in CC in Q4-24. Ex-Argentina, the YoY increase was in the mid-teens, mainly reflecting an accelerated YoY revenue growth in Mexico coupled with improving trends in the Wave 2 rolled-out countries. That said, the 2025 staggered Wave 2 implementation in the two largest markets of the Hispanic region aims to mitigate potential risks embedded during the rollout. Temporary volatility in the channel and top-line trend may occur in both Mexico and Argentina, with different levels of complexity and challenges in each market

Natura &co

## Avon Brand in Latam (Beauty Category Only)

- **Avon Brazil** revenue trend landed at -1.0% YoY in Q4-24 from +14.4% YoY in Q3-24, with the deceleration trend explained by the comp base. On a full-year basis the brand showed YoY stability, with encouraging results from its core categories—make-up and skin care—and initial positive trends from fragrancies after the "Far Away" perfume relaunch in early Q4-24, but still highly depending on tactical commercial incentives (like promotions, marketing and product innovation initiatives)
- **Avon Hispanic Latam** revenue was up 1.7% YoY, but -16.5% YoY ex-Argentina. While the Wave 2 rolled-out countries showed a lesser decline compared to the decrease trend experienced in Q3-24, both Mexico and Argentina were impacted by the steps towards integration of Natura and Avon in those regions. In Argentina, activity was impacted by the closing of the distribution center, mentioned in the "Wave 2 Status" section, and Mexico by initial portfolio adjustments

## Home & Style in Latam

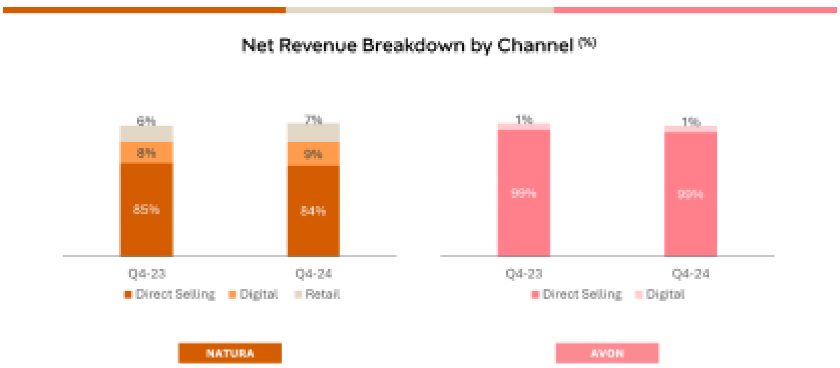
- Home & Style recorded a -24.6% YoY revenue decrease split between -35.8% in Brazil and -17.1% in the Hispanic market. However, on a QoQ basis, the category was broadly stable for the fourth consecutive quarter in Brazil and the other Wave 2 rolled-out countries
- The YoY decrease is on the back of the planned portfolio reduction amid the Natura and Avon consolidation in the region and is expected to carry the same temporary potential risk during the Wave 2 implementation in Argentina and Mexico in 2025. The impact should be particularly notable in Mexico, where this category represents a higher share of total revenues compared to other countries

## Emana Pay

- The platform has secured nearly 1,092,000 accounts since its inception, and a 32% YoY growth in TPV, reaching BRL 17 billion in Q4-24. Strong growth in the credit portfolio reaching at the end of the year BRL 570 million brought increased productivity to consultants through better commercial and credit conditions. Consistent cash in growth (+40%), leveraged by the consultants' receivables tools and accounts bearing interests
- In addition to the credit rights investment fund ("FIDC") issuance of BRL 250 million (with BRL 175 million impacting the cash inflow for the Company) in October/24, Emana Pay concluded another FIDC issuance in December/24 of additional BRL 250 million with an inflow of BRL 175 million from senior investors and BRL 75 million from Natura Cosméticos S.A. as subordinated investor

## Distribution Channel Breakdown

- Digital sales, which include online sales and social selling, accelerated slightly again in this quarter. Natura reported a 1 percentage point (p.p.) increase to 9% of total sales, which, combined with the solid retail channel performance of 7% of total sales, brings non-direct selling channels to represent 16% of the brand revenues in Q4-24. Worth noting that the strong gift seasonality in Q4 boosts Digital + Retail exposure as a percentage of total revenues in the quarter-over-quarter analysis, up from 12% in Q3-24. The penetration of digital tools in the consultant base for Natura &Co Latam reached 81.8% in Q4-24 from 73.9% in Q4-23 and remained flat on a QoQ basis



Natura &Co

# *03* Results Analysis

## Net Revenues

- Latam Revenue was up 16.0% YoY in CC (+11.4% ex-Argentina) in Q4-24, driven by the strong performance of Natura Latam, with solid trends from both Brazil and Hispanic markets, and a flattish Avon Brazil top-line trend. This performance was partially offset by Avon Hispanic and Home & Style adjustments across the region
- Consolidated reported revenue was up +63.1% YoY in BRL, mostly benefiting from the low comp base in Q4-23, when Latam's top-line was negatively impacted by Argentina's accounting revenues due to the quick and steep ARS depreciation booked at the end of 2023 in accordance with IAS 29 rules (hyperinflation accounting treatment). The BRL 7.7 billion consolidated net revenue in Q4-24 also includes Avon International December[1] sales of BRL 657 million, which was treated as discontinued operations in the same period in 2023

## Gross Margin

- Latam gross margin landed at 63.2% in Q4-24, -20 bps YoY. The favorable mix of countries and brands, and improvements from the Wave 2 rolled-out countries, were more than offset by the strong performance from the gifts category for both Natura and Avon, which structurally carries lower gross margins. Additionally, commercial tactical efforts during this key seasonal period, particularly from promotional investments, further impacted margins. To these effects were added non-recurring impacts of BRL 36 million (-50 bps) from Argentina, where other factors also impacted gross margin. Ex-Argentina gross margin increased in Q4 on a YoY basis
- Wave 2 roll-out in 2025, tactical price increases, and a better mix of brands should continue to drive gross margins higher moving forward, even if partially offset by FX and inflation headwinds
- Consolidated gross profit and margin also includes a BRL 393 million December[1] gross profit from Avon International, which was treated as discontinued operations in the same period in 2023

**Q4-24 Gross Margin**

| BRL million | Consolidated | | | Natura &Co Latam | | | Holding | | | Avon International | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Q4-24 | Q4-23 | Ch. % | Q4-24 | Q4-23 | Ch. % | Q4-24 | Q4-23 | Ch. % | Q4-24 | Q4-23 | Ch. % |
| Net revenue | 7,747.4 | 4,751.3 | 63.1 | 7,090.6 | 4,734.2 | 49.8 | 0.0 | 17.1 | - | 656.7 | - | - |
| COGS | (2,875.0) | (1,737.0) | 65.5 | (2,610.9) | (1,734.6) | 50.5 | 0.0 | (2.3) | - | (264.1) | - | - |
| **Gross profit** | **4,872.4** | **3,014.4** | **61.6** | **4,479.7** | **2,999.6** | **49.3** | **0.0** | **14.8** | - | **392.7** | - | - |
| **Gross margin** | **62.9%** | **63.4%** | **-50 bps** | **63.2%** | **63.4%** | **-20 bps** | - | - | - | **59.8%** | - | - |

**2024 Gross Margin**

| BRL million | Consolidated | | | Natura &Co Latam | | | Holding | | | Avon International | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 2024 | 2023 | Ch. % | 2024 | 2023 | Ch. % | 2024 | 2023 | Ch. % | 2024 | 2023 | Ch. % |
| Net revenue | 24,089.8 | 19,831.0 | 21.5 | 23,424.9 | 19,821.4 | 18.2 | 8.1 | 9.7 | - | 656.7 | - | - |
| COGS | (8,372.6) | (7,123.3) | 17.5 | (8,101.6) | (7,130.5) | 13.6 | (6.9) | 7.1 | - | (264.1) | - | - |
| **Gross profit** | **15,717.2** | **12,707.7** | **23.7** | **15,323.3** | **12,690.8** | **20.7** | **1.2** | **16.8** | - | **392.7** | - | - |
| **Gross margin** | **65.2%** | **64.1%** | **110 bps** | **65.4%** | **64.0%** | **140 bps** | - | - | - | **59.8%** | - | - |

## Operating Expenses

- **Latam selling, marketing and logistics expenses** landed at 45.0% of net revenues in Q4-24, improving 300 bps YoY. Logistics, along with credit and collection, decreased as a percentage of sales compared to Q4-23 amid the Wave 2 integration, enabling another quarter of increased marketing investments, which translated into a healthy top-line trend. Hyperinflation accounting negatively impacted the Q4-23 base, thereby benefiting the YoY change. In addition, selling expenses were also impacted this quarter by BRL -37 million (-50 bps) of royalties from the Avon brand distribution agreement in Latin America
- **Latam G&A expenses** rose to 12.2% of net revenues in Q4-24, up 510 bps YoY. As noted in the last earnings release, IT and systems investments under "as-a-service" contracts have been primarily booked as Opex rather than Capex, in accordance with IAS 38, impacting SG&A. This reclassification resulted in impacts of BRL -217 million for the FY (-100 bps) and BRL -108 million (-160 bps) in Q4-24, and it will keep affecting the base in Q1 and Q2 of 2025. In addition, Hyperinflation accounting benefited the Q4-23



[1]Avon International is accounted as discontinued operations in 2024 from January 1st to August 12th , given API's voluntary Chapter 11 process in the United States, and reconsolidated back from December 4th onwards. The Business Unit is accounted as discontinued operations the FY 2023

base and unlike selling expenses, had a significantly negative impact on the YoY variation. Q4-24 was also negatively affected by the phasing of structural investments concentrated towards the end of the year, particularly focused on the omnichannel lever, along with increased R&D investments

- The Wave 2 rollout in Mexico and Argentina and ongoing improvement in logistics learning curve in Brazil should further drive efficiencies in selling, logistics and G&A (ex-IT and systems investments) which are expected to be partially reinvested in marketing and structural investments (such as systems and IT), pending macro conditions
- **Corporate expenses** reached BRL 60 million in Q4-24, down 36% YoY, mainly explained by the ongoing efforts to streamline the Holding company structure, offset by the phasing of operating expenses on a quarter-over-quarter basis, as mentioned in the Q3-24 earnings release. We will continue to deliver on Corporate savings in 2025 with our mapped initiatives
- **Other operating income/expenses** were an expense of BRL 559 million in Q4-24, compared to a revenue of BRL 120 million in Q4-23. The BRL 526 million of expenses at the Holding level is split between BRL 472 million expense from the API Chapter 11 process, and the remaining related to one-off non-cash impact from Avon International reconsolidation
- **Transformation / integration / Group restructuring costs** were BRL 260 million in the quarter, amid the closing of DC in Argentina and the announcement of Natura's new commercial model in Mexico, with ~40% related to severance, ~25% systems/IT investments, ~10% logistics investments and the remaining related to legal and other integration expenses. This line will continue to be impacted in 2025 by Natura and Avon integration in Mexico in Argentina, the completion of Interlagos industry plant move to Cajamar, and IT & Systems necessary investments that are now accounted for as Opex instead of capitalized

### Q4-24 Operating Expenses

| BRL million | Consolidated | | | Natura &Co Latam | | | Holding | | | Avon International | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Q4-24 | Q4-23 | Ch. % | Q4-24 | Q4-23 | Ch. % | Q4-24 | Q4-23 | Ch. % | Q4-24 | Q4-23 | Ch. % |
| Selling, marketing and logistics expenses | (3,423.7) | (2,272.1) | 50.7 | (3,188.2) | (2,274.2) | 40.2 | (0.0) | 2.1 | (100.0) | (235.5) | - | - |
| Administrative, R&D, IT and project expenses | (995.5) | (341.0) | 191.9 | (863.5) | (336.8) | 156.4 | (29.6) | (4.2) | 599.1 | (102.3) | - | - |
| Corporate expenses | (60.4) | (94.8) | (36.3) | - | - | - | (60.4) | (94.8) | (36.3) | - | - | - |
| Other operating income / (expenses), net | (559.4) | 119.8 | (567.1) | 14.8 | 118.9 | (87.5) | (525.8) | 0.9 | (60,693.9) | (48.5) | - | - |
| Transformation / integration / group reestructuring costs | (259.7) | (165.8) | 56.6 | (257.2) | (167.0) | 54.1 | (2.5) | 1.1 | (317.6) | 0.0 | - | - |
| **Operating expenses** | **(5,298.7)** | **(2,753.9)** | **92.4** | **(4,294.1)** | **(2,659.0)** | **61.5** | **(618.3)** | **(94.9)** | **551.4** | **(386.3)** | - | - |
| Selling, marketing and logistics expenses (% NR) | (44.2)% | (47.8)% | 360 bps | (45.0)% | (48.0)% | 300 bps | - | - | - | (35.9)% | - | - |
| Administrative, R&D, IT and project expenses (% NR) | (12.8)% | (7.2)% | -560 bps | (12.2)% | (7.1)% | -510 bps | - | - | - | (15.6)% | - | - |
| Corporate expenses (% NR) | (0.8)% | (2.0)% | 120 bps | - | - | - | - | - | - | - | - | - |
| Other operating income / (expenses), net (% NR) | (7.2)% | 2.5% | -970 bps | 0.2% | 2.5% | -230 bps | - | - | - | (7.4)% | - | - |
| Transformation/integration/group reestructuring costs (% NR) | (3.4)% | (3.5)% | 10 bps | (3.6)% | (3.5)% | -10 bps | - | - | - | 0.0% | - | - |
| Operating expenses (% NR) | (68.4)% | (58.0)% | -1040 bps | (60.6)% | (56.2)% | -440 bps | - | - | - | (58.8)% | - | - |

### 2024 Operating Expenses

| BRL million | Consolidated | | | Natura &Co Latam | | | Holding | | | Avon International | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 2024 | 2023 | Ch. % | 2024 | 2023 | Ch. % | 2024 | 2023 | Ch. % | 2024 | 2023 | Ch. % |
| Selling, marketing and logistics expenses | (10,449.1) | (8,602.2) | 21.5 | (10,213.6) | (8,602.7) | 18.7 | (0.0) | 0.5 | (100.0) | (235.5) | - | - |
| Administrative, R&D, IT and project expenses | (3,117.8) | (2,403.4) | 29.7 | (2,977.2) | (2,397.6) | 24.2 | (38.3) | (5.8) | 558.7 | (102.3) | - | - |
| Corporate expenses | (240.5) | (323.3) | (25.6) | - | - | - | (240.5) | (323.3) | (25.6) | - | - | - |
| Other operating income / (expenses), net | (503.2) | 121.2 | (515.3) | 178.6 | 121.9 | 46.5 | (633.3) | (0.7) | 91,099.5 | (48.5) | - | - |
| Transformation / integration / group reestructuring costs | (498.5) | (499.5) | (0.2) | (483.7) | (498.2) | (2.9) | (14.8) | (1.3) | 1,036.2 | 0.0 | - | - |
| **Operating expenses** | **(14,809.1)** | **(11,707.2)** | **26.5** | **(13,495.9)** | **(11,376.6)** | **18.6** | **(926.9)** | **(330.6)** | **180.4** | **(386.3)** | - | - |
| Selling, marketing and logistics expenses (% NR) | (43.4)% | (43.4)% | 0 bps | (43.6)% | (43.4)% | -20 bps | - | - | - | (35.9)% | - | - |
| Administrative, R&D, IT and project expenses (% NR) | (12.9)% | (12.1)% | -80 bps | (12.7)% | (12.1)% | -60 bps | - | - | - | (15.6)% | - | - |
| Corporate expenses (% NR) | (1.0)% | (1.6)% | 60 bps | - | - | - | - | - | - | - | - | - |
| Other operating income / (expenses), net (% NR) | (2.1)% | 0.6% | -270 bps | 0.8% | 0.6% | 20 bps | - | - | - | (7.4)% | - | - |
| Transformation/integration/group reestructuring costs (% NR) | (2.1)% | (2.5)% | 40 bps | (2.1)% | (2.5)% | 40 bps | - | - | - | 0.0% | - | - |
| Operating expenses (% NR) | (61.5)% | (59.0)% | -250 bps | (57.6)% | (57.4)% | -20 bps | - | - | - | (58.8)% | - | - |

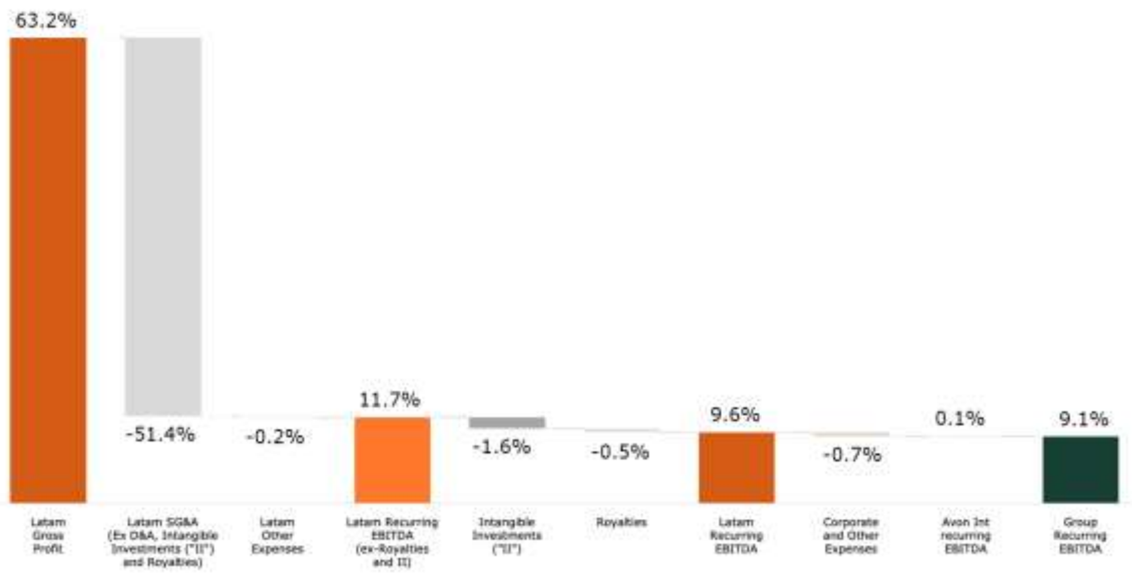
## Recurring and Consolidated EBITDA

Q4-24 Recurring EBITDA was BRL 703 million, up 50% from BRL 468 million in Q4-23, with a recurring EBITDA margin of 9.1% (-70 bps YoY). Q4-23 recurring EBITDA and margin were negatively impacted by Argentina's accounting revenues, reflecting the quick and sharp ARS depreciation booked at year-end 2023 under IAS 29 (hyperinflation accounting treatment). Q4-24 margin reflected:

- Latam recurring EBITDA margin of 9.6%, down -200 bps YoY, due to a -160 bps of system investments accounted for as Opex instead of Capex and -50 bps of Royalties. Excluding such effects, recurring EBITDA margin was flattish YoY, reverting the strong expansion trend showed in the last seven consecutive quarters on the back of negative category mix (strong gift performance in the quarter), marketing investments, commercial tactical efforts, and further investments to G&A mostly related to the omnichannel and R&D, which are levers to sustainable growth

- A 36% YoY reduction in corporate expenses
- BRL 80 million from Avon International December[1] recurring EBITDA, which was treated as discontinued operations in the same period in 2023

## Latam Gross Profit to Group Recurring EBITDA Bridge – Q4-24




### Q4-24 Recurring EBITDA

| BRL million | Consolidated | | | Natura &Co Latam | | | Holding | | | Avon International | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Q4-24 | Q4-23 | Ch. % | Q4-24 | Q4-23 | Ch. % | Q4-24 | Q4-23 | Ch. % | Q4-24 | Q4-23 | Ch. % |
| **Consolidated EBITDA** | **(139.6)** | **466.0** | **(129.9)** | **446.8** | **546.1** | **(18.2)** | **(617.9)** | **(80.1)** | **671.2** | **31.5** | - | - |
| Transformation / Integration / Group Reestructuring costs | 259.7 | 165.8 | 56.6 | 257.2 | 167.0 | 54.1 | 2.5 | (1.1) | (317.6) | 0.0 | - | - |
| Net non-recurring other (income) / expenses[1] | 583.0 | (164.3) | (454.8) | (25.9) | (164.3) | (84.3) | 560.8 | (0.1) | - | 48.1 | - | - |
| **Recurring EBITDA** | **703.2** | **467.5** | **50.4** | **678.2** | **548.7** | **23.6** | **(54.6)** | **(81.3)** | **(32.9)** | **79.6** | - | - |
| Recurring EBITDA margin % | 9.1% | 9.8% | -70 bps | 9.6% | 11.6% | -200 bps | - | - | - | 12.1% | - | - |

### 2024 Recurring EBITDA

| BRL million | Consolidated | | | Natura &Co Latam | | | Holding | | | Avon International | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 2024 | 2023 | Ch. % | 2024 | 2023 | Ch. % | 2024 | 2023 | Ch. % | 2024 | 2023 | Ch. % |
| **Consolidated EBITDA** | **1,876.9** | **1,901.7** | **(1.3)** | **2,770.1** | **2,215.5** | **25.0** | **(924.7)** | **(313.8)** | **194.7** | **31.5** | - | - |
| Transformation/Integration/Group reestructuring costs | 498.5 | 499.5 | (0.2) | 483.7 | 498.2 | (2.9) | 14.8 | 1.3 | 1,036.2 | 0.0 | - | - |
| Net non-recurring other (income) / expenses[1] | 560.4 | (177.1) | (416.4) | (156.2) | (177.1) | (11.8) | 668.3 | 1.0 | - | 48.1 | - | - |
| **Recurring EBITDA** | **2,935.7** | **2,224.1** | **32.0** | **3,097.6** | **2,536.6** | **22.1** | **(241.7)** | **(311.5)** | **(22.4)** | **79.6** | - | - |
| Recurring EBITDA margin % | 12.2% | 11.2% | 100 bps | 13.2% | 12.8% | 40 bps | - | - | - | 12.1% | - | - |

1 Net non-recurring other (income)/expenses: related to non-operational expenses from portfolio adjustments of Natura &Co Latam, expenses related to strategic projects and legal fees from the Holding company and from Avon International

[1]Avon International is accounted as discontinued operations in 2024 from January 1st to August 12th , given API's voluntary Chapter 11 process in the United States, and reconsolidated back from December 4th onwards. The Business Unit is accounted as discontinued operations the FY 2023

## Financial Income and Expenses

The table below details the main changes in financial income and expenses:

| BRL million | Q4-24 | Q4-23 | Ch. % | 2024 | 2023 | Ch. % |
|---|---|---|---|---|---|---|
| **1. Financing, short-term investments and derivatives gains (losses)** | **223.3** | **326.6** | **(31.6)** | **131.4** | **(538.9)** | **(124.4)** |
| 1.1 Financial expenses | (128.4) | (131.0) | (2.0) | (500.7) | (767.0) | (34.7) |
| 1.2 Financial income | 68.6 | 311.9 | (78.0) | 341.5 | 895.0 | (61.8) |
| 1.3 Foreign exchange variations from financing activities, net | 127.5 | 71.2 | 79.1 | 117.2 | 327.1 | (64.2) |
| 1.4 Gain (losses) on foreign exchange derivatives from financing activities, net | 155.6 | 74.5 | 108.9 | 173.4 | (994.0) | (117.4) |
| **2. Judicial contingencies** | **(35.9)** | **(14.5)** | **147.6** | **(54.5)** | **(73.0)** | **(25.3)** |
| **3. Other financial income and (expenses)** | **(253.3)** | **(596.4)** | **(57.5)** | **(769.7)** | **(1,025.7)** | **(25.0)** |
| 3.1 Lease expenses | (19.0) | (22.1) | (14.0) | (88.0) | (65.9) | 33.5 |
| 3.2 Other | (185.6) | (255.9) | (27.5) | (329.8) | (537.3) | (38.6) |
| 3.3 Other gains (losses) from exchange rate variation | 32.2 | (306.6) | (68.4) | (86.6) | (303.0) | (50.6) |
| 3.4 Hyperinflation gains (losses) | (80.9) | (11.8) | 1,472.9 | (265.3) | (119.5) | 176.0 |
| **Financial income and expenses, net** | **(65.9)** | **(284.3)** | **(76.8)** | **(692.8)** | **(1,637.6)** | **(57.7)** |

Total net financial expenses were BRL -66 million in Q4-24, compared to BRL -284 million in Q4-23, mostly reflecting the items **1.1 Financial expenses** and **1.2 Financial income**. Worth noting that this quarter **FX and derivatives gains from financing activities** more than offset the **other financial and income expenses.** The main drivers this quarter were:

- **Item 1.1 Financial expenses** and **Item 1.2 Financial income** of BRL -60 million (BRL-128 million + BRL+69 million) from a net debt of BRL 2.4 billion in Q4-24 compared to BRL +181 million from a net cash position in the same period last year

- **Item 1.3 Foreign exchange variations from financing activities, net** and **Item 1.4 Gain (losses) on foreign exchange derivatives from financing activities, net** of BRL +283 million (BRL 128 million + BRL 156 million) given gains on the intercompany loans with Avon subsidiaries on the back of the BRL depreciation during the quarter, as well as gains on derivatives purchased to protect the principal of the 2028 and 2029 USD bonds held by Natura &Co Luxembourg

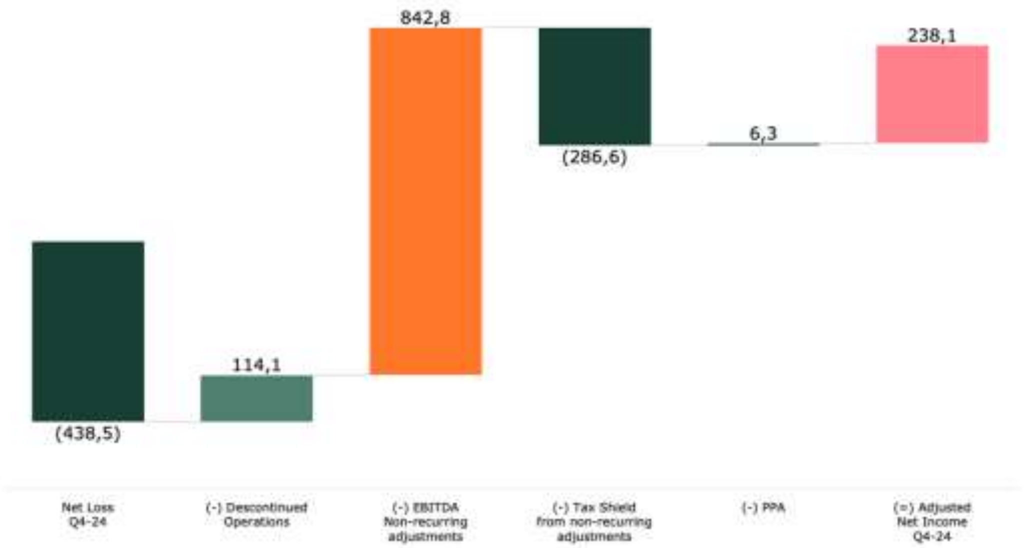
- **Item 3.2. Other** which this quarter was BRL -186 million mainly explained by BRL -53 million of IOF and PIS/Cofins taxes and BRL -35 million from Avon International cash pool, and the remaining related to bank fees and other expense

- **Item 3.4. Hyperinflation gains (losses)** of BRL -81 million related to increased net asset position in Argentina on the back of strong seasonal period

## Adjusted Net Income and Net Income

- Q4-24 reported net loss was BRL -439 million, compared to a net loss of BRL -2,663 million in Q4-23. This was mainly driven by the EBITDA non-recurring adjustments of BRL -843 million, mostly related to Natura &Co's support to Avon Products Inc. voluntary Chapter 11 process in the U.S. along with BRL -114 million from discontinued operations
- Excluding this and other non-operating impacts, Q4-24 adjusted net income was BRL +238 million, compared to a pro forma of BRL -421 million in same period last year (or BRL -506 million reported in Q4-23) explained by (i) the BRL +236 million recurring EBITDA YoY improvement (with BRL 80 million from Avon International December[1] recurring EBITDA), (ii) BRL 219 million YoY net financials improvement and the remaining from (iii) better income tax and social contribution (even excluding the tax shield from non-recurring adjustment portion – please see chart below)

### Reported Net Loss to Adjusted Net Income Bridge




[1]Avon International is accounted as discontinued operations in 2024 from January 1st to August 12th , given API's voluntary Chapter 11 process in the United States, and reconsolidated back from December 4th onwards. The Business Unit is accounted as discontinued operations the FY 2023

Natura &co

## Free Cash Flow and Indebtedness Ratios

The table below details the main changes in cash position:

| R$ million | Q4-24 | Q4-23 | Ch. % | 2024 | 2023 | Ch. % |
|---|---|---|---|---|---|---|
| **Net income (loss)** | **(438.3)** | **(2,661.8)** | **(83.5)** | **(8,929.9)** | **2,974.5** | **(400.2)** |
| Depreciation and amortization | 286.8 | 205.5 | 39.5 | 968.8 | 901.3 | 7.5 |
| Non-cash adjustments to net income | 212.9 | 748.7 | (71.6) | 2,910.5 | 2,480.0 | 17.4 |
| Discountinued Operations Results | 114.1 | 2,240.1 | (94.9) | 8,187.6 | (3,203.7) | (355.6) |
| **Adjusted net income** | **175.5** | **532.5** | **(67.0)** | **3,137.0** | **3,152.1** | **(0.5)** |
| Decrease / (increase) in working capital | 433.9 | 69.3 | 526.1 | (1,086.2) | (1,144.3) | (5.1) |
| Inventories | 788.9 | 353.1 | 123.4 | (318.2) | (219.7) | 44.8 |
| Accounts receivable | (548.2) | (478.3) | 14.6 | (2,043.2) | (1,056.0) | 93.5 |
| Accounts payable | (63.8) | 196.0 | (132.6) | 727.8 | (107.0) | (780.1) |
| Other assets and liabilities | 257.0 | (1.5) | (16,920.2) | 547.4 | 238.5 | 129.6 |
| Income tax and social contribution | (301.1) | (122.2) | 146.4 | (718.2) | (381.5) | 88.3 |
| Interest on debt and derivative settlement | (212.3) | (23.6) | 800.5 | (585.1) | (2,397.3) | (75.6) |
| Lease payments | (68.9) | (52.6) | 31.0 | (306.0) | (220.4) | 38.8 |
| Other operating activities | (68.5) | (5.2) | 1,214.5 | (184.9) | 8.7 | (2,222.7) |
| **Cash from continuing operations** | **(41.4)** | **398.2** | **(110.4)** | **256.7** | **(982.6)** | **(126.1)** |
| Capex | (257.8) | (168.3) | 53.2 | (547.6) | (638.7) | (14.3) |
| Sale of assets | 26.5 | 309.7 | (91.4) | 26.5 | 326.4 | (91.9) |
| Exchange rate variation on cash balance | 87.0 | (425.3) | (120.5) | 138.2 | (461.6) | (129.9) |
| **Free cash flow - continuing operations** | **(185.7)** | **114.3** | **(262.4)** | **(126.2)** | **(1,756.6)** | **(92.8)** |
| Other financing and investing activities | 1,493.6 | (395.7) | (477.5) | 2,639.0 | (9,535.7) | (127.7) |
| Operating activities - discontinued operations | 115.7 | 549.9 | (79.0) | (3,029.6) | (1,329.3) | 127.9 |
| Capex - discontinued operations | - | 193.5 | - | - | 12,176.8 | - |
| Cash and cash equivalents - discop | - | - | - | (592.6) | - | - |
| **Cash balance variations** | **1,423.6** | **462.1** | **208.1** | **(1,109.4)** | **(444.8)** | **149.4** |

Free cash flow from continuing operations reached BRL -126 million in FY24 (impacted by the cash costs related to voluntary Chapter 11 of Avon Products Inc), as compared to BRL- 1.8 billion in FY23, when it was impacted by the non-underlying cash outflow of BRL -1.5 billion related to liability management.

Interest on debt and derivative settlement, combined with Exchange rate variation on cash balance, amounted to BRL -447 million in 2024 vs. underlying BRL -1,360 million in 2023. Therefore, Free Cash Flow to Firm in FY24 was BRL +321 million vs. BRL +1,102 million in 2023.

The 2023 base benefited from the one-off cash inflow of BRL +326 million from the sale of assets, while the 2024 base was impacted by BRL -610 million of Holding expenses related to API's voluntary Chapter 11 process and other strategic projects. Excluding such effects, the underlying cash flow in 2024 landed at BRL +931 million, while in 2023 it reached BRL +776 million, improving BRL +155 million YoY on an underlying basis.

The main drivers of the underlying improvement during the period were:

- Adjusted net income, which was flattish YoY but up BRL +595 million YoY when excluding one-off expenses from the Holding related to strategic projects. This YoY improvement came from better full-year profitability, even after including the BRL -217 million in investments in digital and systems that were booked as Opex (as explained in the "Operating Expenses" section); and
- Lower Capex, which was down BRL -91 million, landing at BRL -548 million given the same BRL -217 million in investments mentioned in the bullet above

Partially offset by:

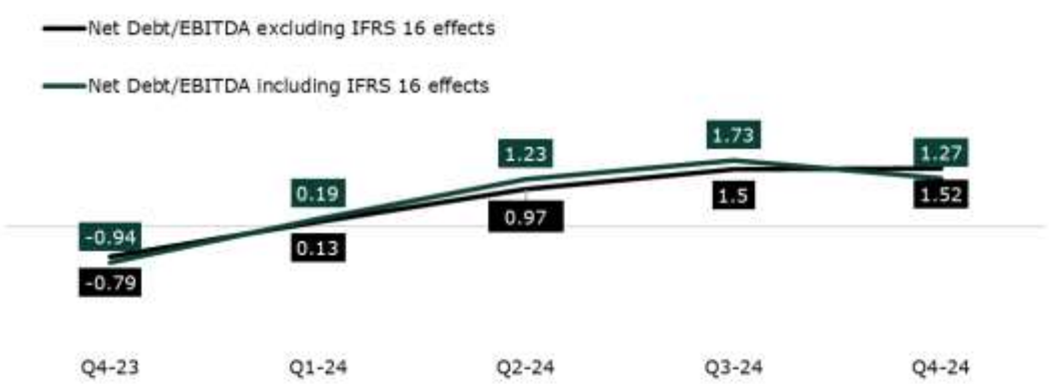
- Operational working capital (which includes inventories, accounts receivables and accounts payables) cash consumption of BRL 1.6 billion in 2024 (vs. BRL 1.4 billion in 2023), with the BRL -2.0 billion from accounts receivables partially offset by the improvement in accounts payable; and
- Higher income taxes that landed on the back of lower IoC

## Indebtedness Ratios at both Natura &Co Holding and Natura Cosméticos

| R$ million | Natura Cosméticos S.A. Q4-24 | Natura Cosméticos S.A. Q4-23[e] | Natura &Co Holding S.A. Q4-24 | Natura &Co Holding S.A. Q4-23[e] |
|---|---|---|---|---|
| Short-Term | 36.3 | 158.7 | 55.9 | 163.8 |
| Long-Term | 2,353.1 | 2,353.6 | 6,786.8 | 5,947.9 |
| Obligations with senior shareholders Natura Pay FIDC | 353.0 | - | 353.0 | - |
| **(=) Total funding liabilities** | **2,742.4** | **2,512.3** | **7,195.7** | **6,111.7** |
| (-) Obligations with senior shareholders Natura Pay FIDC | (353.0) | - | (353.0) | - |
| **Gross Debt[a]** | **2,389.4** | **2,512.3** | **6,842.7** | **6,111.7** |
| Foreign currency and/or Interest hedging (Swaps)[b] | 4.9 | (52.3) | 4.9 | 5.7 |
| **Total Gross Debt** | **2,394.3** | **2,460.0** | **6,847.6** | **6,117.4** |
| (-) Cash, Cash Equivalents and Short-Term Investment[c] | (3,408.0) | (3,214.1) | (4,458.1) | (7,775.0) |
| **(=) Net Debt** | **(1,013.7)** | **(754.2)** | **2,389.4** | **(1,657.6)** |
| **Indebtedness ratio excluding IFRS 16 effects[d]** | | | | |
| Net Debt/EBITDA | -0.39x | -0.32x | 1.52x | -0.94x |
| Total Debt/EBITDA | 0.93x | 1.03x | 4.35x | 3.47x |
| **Indebtedness ratio including IFRS 16 effects[d]** | | | | |
| Net Debt/EBITDA | -0.36x | -0.30x | 1.27x | -0.79x |
| Total Debt/EBITDA | 0.86x | 0.97x | 3.65x | 2.92x |

[a] *Gross debt excludes PPA impacts of R$22 million in Q4-23 and exclude lease agreements*
[b] *Exchange rate and interest rate hedging instruments*
[c] *Short-Term Investments excludes non current balances*
[d] *Historical values*

The graph below shows the indebtedness quarterly trajectory since Q4-23.




Net Debt / EBITDA landed at 1.27x by the end of 2024. Gross Debt was BRL 6,848 million compared to BRL 7,032 million in Q3-24, benefited by the BRL 681 million of Debt with Avon subsidiaries, which are now eliminated as intercompany transactions.

On the other hand, the Company was impacted by the BRL depreciation on its USD 720 million debt held by Natura &Co Luxembourg Holdings. According to our Global Treasury Policy, debt exposure to currencies other than BRL has to be carefully managed, hence by December 31st of 2024 the Company held USD 420 million of hedging derivatives to mitigate its exposure. The Company derivative position resulted in a positive effect of BRL+286 million.

On top of that, recurring EBITDA was also impacted by BRL -560 million of holding expenses related mostly to API's Chapter 11 process and non-cash impacts from Avon reconsolidation. Such effects are not contemplated in the Company's Net Debt / EBITDA, however if we were to adjust, the ration would land at 0.86x at the end of 2024.

Natura &Co

# *04* Social and Environmental *Performance*

Natura &Co closed the year with decisive action in transparency, decarbonization, and circularity, reinforcing our position as a business built for long-term value creation.

## Natura &Co Latin America

Natura was recognized among Brazil's top 11 companies for corporate transparency by earning the Reporting Matters seal from CEBDS, reinforcing our commitment to risk disclosure and accountability.

At COP 16 on Biodiversity, we advocated for expanded conservation financing for Amazonian communities, reinforcing biodiversity as a key driver of both sustainability and economic opportunity. At COP 29, we co-hosted a panel with the University of Oxford and announced the revision of our Vision 2050, accelerating our transformation into a fully regenerative business. Our Sustainability Director, Angela Pinhati, was invited by UN Secretary-General António Guterres to discuss corporate integrity in net-zero commitments, further strengthening Natura's influence in global climate policy.

Advancing industrial decarbonization, we partnered with Ultragaz to replace fossil fuels with biomethane at our Cajamar industrial complex. Operations will begin in May 2025, cutting 20% of industrial emissions while reducing long-term energy costs, positioning Natura at the forefront of the low-carbon economy.

At the Alliances for Climate event with Salesforce and ICC Brasil, we led discussions on carbon pricing and the Brazilian System for Trading Emissions (SBCE) implementation. Our CEO, João Paulo Ferreira, underscored that structured carbon markets are not just a climate solution but an economic catalyst for Brazil.

Strengthening our leadership in the circular economy, we launched Benevides Recicla, a waste collection and recycling program in partnership with the city's municipal government, in the state of Pará. In its first year, the program recycled 58.3 tons of waste and prevented 98.7 tons of carbon emissions. With support from over 10 organizations engaged, this initiative promotes sustainable behaviors at scale through education, infrastructure, and incentives.

# *05* Capital Markets *and Stock Performance*

NTCO3 share price on the Brazilian Stock Exchange (B3) reached BRL 12.76 at the end of Q4-24, -9.12% in the quarter. Average Daily Trading Volume (ADTV) for the quarter was BRL 142.9 million, -7.8% vs Q4-23.

On December 31, 2024, the Company's market capitalization was BRL 17.7 billion, and the Company's capital was comprised of 1,386,848,066 common shares.

On December 9, 2024, the Board of Directors approved the Company's deregistration from the U.S. Securities and Exchange Commission (SEC). The company filed a Form 15F on the same date to cancel its registration and terminate its disclosure obligations under the U.S. Securities Exchange Act of 1934. Upon filing, the reporting obligations were immediately suspended, with full termination effective on March 10, 2025.

Natura &co

# *06* Fixed *Income*

The table below details all public debt instruments outstanding per issuer as of December 31, 2024:

| Issuer | Type | Issuance | Maturity | Principal (million) | Nominal Cost (per year) |
|---|---|---|---|---|---|
| Natura Cosméticos S.A. | Debenture - 12th issue | 10/06/2022 | 09/15/2027 | BRL 255.9 million | DI + 0.8 per year |
| | | 10/06/2022 | 09/15/2029 | BRL 487.2 million | IPCA + 6.80% |
| | | 10/06/2022 | 09/15/2032 | BRL 306.9 million | IPCA + 6.90% |
| Natura Cosméticos S.A. | Debenture - 13th issue | 06/15/2024 | 06/15/2029 | BRL 1.326 million | DI + 1.20 per year |
| Natura &Co Luxemburg Holding (Natura Lux) | Bond - 2nd issue (Sustainability Linked Bond) | 05/03/2021 | 05/03/2028 | US$ 450.0 million | 4.125% per year |
| Natura &Co Luxemburg Holding (Natura Lux) | Bonds | 04/19/2022 | 04/19/2029 | US$ 270.0 million | 6.00% |

## Ratings

| Natura &Co Holding S.A. | | | |
|---|---|---|---|
| Agency | Global Scale | National Scale | Outlook |
| Fitch Ratings | BB+ | AAA | Stable |
| Moody's | Ba3 | - | Negative |
| Standard & Poor's | BB | AAA | Stable |

| Natura &Co Cosméticos S.A. | | | |
|---|---|---|---|
| Agency | Global Scale | National Scale | Outlook |
| Fitch Ratings | BB+ | AAA | Stable |
| Moody's | Ba2 | - | Negative |
| Standard & Poor's | BB | AAA | Stable |

Natura &Co

# 07 Appendix

## Performance Pro Forma including Avon International

| BRL million | Consolidated[a] | | | Holding[b] | | | Natura &Co Latam[c] | | | Avon International | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Q4-24[d] | Q4-23[d] | Ch. % | Q4-24[d] | Q4-23[d] | Ch. % | Q4-24[d] | Q4-23[d] | Ch. % | Q4-24[d] | Q4-23[d] | Ch. % |
| Gross revenue | 11,626.6 | 8,627.0 | 34.9 | - | 17.1 | - | 9,454.9 | 6,571.3 | 43.9 | 2,181.7 | 2,038.6 | 7.0 |
| **Net revenue** | **9,005.6** | **6,613.4** | **36.2** | - | **17.1** | - | **7,160.1** | **4,882.2** | **46.7** | **1,845.5** | **1,714.1** | **7.7** |
| COGS | (3,371.8) | (2,444.8) | 37.9 | - | (2.3) | - | (2,623.2) | (1,797.4) | 45.9 | (748.6) | (645.0) | 16.1 |
| **Gross profit** | **5,633.8** | **4,168.6** | **35.1** | - | **14.8** | - | **4,536.9** | **3,084.8** | **47.1** | **1,096.9** | **1,069.1** | **2.6** |
| Selling, marketing and logistics expenses | (3,973.2) | (3,023.2) | 31.4 | - | 2.1 | - | (3,236.7) | (2,341.7) | 38.2 | (736.5) | (683.6) | 7.7 |
| Administrative, R&D, IT and projects expenses | (1,314.5) | (699.0) | 88.1 | (30.2) | (4.2) | 614.0 | (863.7) | (349.9) | 146.8 | (420.6) | (344.9) | 22.0 |
| Corporate expenses | (60.4) | (94.8) | (36.3) | (60.4) | (94.8) | (36.3) | - | - | - | - | - | - |
| Other operating income / (expenses), net | (436.0) | (544.8) | (20.0) | (434.0) | 1.0 | - | 14.8 | 118.2 | (87.4) | (16.8) | (664.0) | (97.5) |
| Transformation / Integration / Group restructuring costs | (263.6) | (226.8) | 16.2 | - | 1.1 | - | (257.2) | (167.0) | 54.1 | (3.8) | (60.9) | (93.7) |
| **EBIT** | **(413.8)** | **(420.0)** | **(1.5)** | **(527.1)** | **(80.0)** | **558.7** | **194.1** | **344.4** | **(43.6)** | **(80.8)** | **(684.4)** | (88.2) |
| Depreciation | 456.5 | 364.4 | 25.3 | - | - | - | 261.2 | 210.3 | 24.2 | 195.3 | 154.0 | 26.8 |
| **EBITDA** | **42.7** | **(55.6)** | **(176.8)** | **(527.1)** | **(80.0)** | **558.7** | **455.3** | **554.7** | **(17.9)** | **114.5** | **(530.3)** | **(121.6)** |
| Gross margin | 62.6% | 63.0% | -40 bps | 63.4% | 63.2% | 20 bps | 63.4% | 63.2% | 20 bps | 59.4% | 62.4% | -300 bps |
| Selling, marketing and logistics as % net revenue | (44.1)% | (45.7)% | 160 bps | (45.2)% | (48.0)% | 280 bps | (45.2)% | (48.0)% | 280 bps | (39.9)% | (39.9)% | 0 bps |
| Admin., R&D, IT and projects exp. as % net revenue | (14.6)% | (10.6)% | -400 bps | (12.1)% | (7.2)% | -490 bps | (12.1)% | (7.2)% | -490 bps | (22.8)% | (20.1)% | -270 bps |
| EBITDA margin | 0.5% | (0.8)% | 130 bps | 6.4% | 11.4% | -500 bps | 6.4% | 11.4% | -500 bps | 6.2% | (30.9)% | 3710 bps |

*[a] Consolidated results include Holding, Natura &Co Latam and Avon International*
*[b] Holding results include Natura &Co International (Luxembourg) and TBS Shanghai*
*[c] Natura &Co Latam: includes all the brands in Latin America, Emana Pay, as well as the Natura subsidiaries in the U.S., France and the Netherlands.*
*[d] Includes PPA – Purchase Price Allocation effects*
*[e] Related to losses on receivables from API*

| BRL million | Consolidated[a] | | | Holding[b] | | | Natura &Co Latam[c] | | | Avon International | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 2024[d] | 2023[d] | Ch. % | 2024[d] | 2023[d] | Ch. % | 2024[d] | 2023[d] | Ch. % | 2024[d] | 2023[d] | Ch. % |
| Gross revenue | 39,157.7 | 34,715.9 | 12.8 | 8.1 | 9.7 | (16.0) | 31,817.4 | 27,218.1 | 16.9 | 7,332.2 | 7,488.1 | (2.1) |
| **Net revenue** | **30,056.3** | **26,734.9** | **12.4** | 8.1 | **9.7** | (16.0) | **23,883.5** | **20,438.5** | **16.9** | **6,164.7** | **6,286.8** | **(1.9)** |
| COGS | (10,644.8) | (9,674.4) | 10.0 | - | 7.1 | - | (8,266.9) | (7,394.2) | 11.8 | (2,371.0) | (2,287.3) | 3.7 |
| **Gross profit** | **19,411.5** | **17,060.5** | **13.8** | - | **16.8** | - | **15,616.6** | **13,044.3** | **19.7** | **3,793.7** | **3,999.5** | **(5.1)** |
| Selling, marketing and logistics expenses | (13,162.4) | (11,620.2) | 13.3 | - | 0.5 | - | (10,466.1) | (8,882.6) | 17.8 | (2,696.4) | (2,738.1) | (1.5) |
| Administrative, R&D, IT and projects expenses | (4,557.9) | (3,910.5) | 16.6 | (38.2) | (16.3) | 134.5 | (2,993.9) | (2,455.2) | 21.9 | (1,525.9) | (1,439.0) | 6.0 |
| Corporate expenses | (240.5) | (323.3) | (25.6) | (240.5) | (323.3) | (25.6) | - | - | - | - | - | - |
| Other operating income / (expenses), net | (471.8) | (599.5) | (21.3) | (541.1) | (0.2) | - | 178.6 | 111.7 | 59.8 | (109.3) | (711.0) | (84.6) |
| Transformation / Integration / Group restructuring costs | (666.8) | (770.1) | (13.4) | - | (1.3) | - | (483.7) | (498.2) | (2.9) | (168.3) | (270.7) | (37.8) |
| **EBIT** | **312.0** | **(163.0)** | **(291.4)** | **(833.4)** | **(323.8)** | **157.4** | **1,051.5** | **1,320.0** | **40.3** | **(706.2)** | **(1,159.2)** | (39.1) |
| Depreciation | 1,669.3 | 1,586.8 | 5.2 | 1.5 | - | - | 958.9 | 921.1 | 4.1 | 708.9 | 665.8 | 6.5 |
| **EBITDA** | **1,981.3** | **1,423.8** | **39.2** | **(831.9)** | **-323.823** | **156.9** | **2,810.4** | **2,241.1** | **25.4** | **2.8** | **(493.5)** | **(100.6)** |
| Gross margin | 64.6% | 63.8% | 80 bps | - | - | - | 65.4% | 63.8% | 160 bps | 61.5% | 63.6% | -210 bps |
| Selling, marketing and logistics as % net revenue | (43.8)% | (43.5)% | -30 bps | - | - | - | (43.8)% | (43.5)% | -30 bps | (43.7)% | (43.6)% | -10 bps |
| Admin., R&D, IT and projects exp. as % net revenue | (15.2)% | (14.6)% | -60 bps | - | - | - | (12.5)% | (12.0)% | -50 bps | (24.8)% | (22.9)% | -190 bps |
| EBITDA margin | 6.6% | 5.3% | 130 bps | - | - | - | 11.8% | 11.0% | 80 bps | 0.0% | (7.8)% | 780 bps |

*[a] Consolidated results include Holding, Natura &Co Latam and Avon International*
*[b] Holding results include Natura &Co International (Luxembourg) and TBS Shanghai*
*[c] Natura &Co Latam: includes all the brands in Latin America, Emana Pay, as well as the Natura subsidiaries in the U.S., France and the Netherlands.*
*[d] Includes PPA – Purchase Price Allocation effects*
*[e] Losses on receivables from sale of subsidiaries*

- Avon International Q4-24 results showed a -10% decrease in net revenues in CC, particularly from Russia's weak performance. The business unit had an unexpected headwind when setting up IT transitions in record time for the operations in Russia to comply with new sanctions on the country. The top-line decline impacted the business unit profitability, as expense deleverage and costs related to Chapter 11 agreements more than offset ongoing SG&A savings amid the transformational process.

*These unaudited pro forma condensed income statements have been prepared solely to illustrate the impact of the Avon International segment's results on the company, assuming the segment had not been deconsolidated between August 13 and December [4], 2024. They have not been prepared in accordance with Technical Guideline OCPC 06 – "Presentation of Pro Forma Financial Information," issued by the Accounting Pronouncements Committee (CPC) and approved by the Brazilian Securities Commission (CVM).*

## Natura &Co Latam Revenue Breakdown

| Natura &Co Latam | Net Revenue change (%) Q4-24 vs. Q4-23 | |
|---|---|---|
| | Reported (R$) | Constant Currency |
| Natura Latam[a] | 49.2% | 24.2% |
| Natura Brazil | 21.1% | 21.1% |
| Natura Hispanic | 138.4% | 33.5% |
| Avon Beauty + Home & Style | 36.1% | -6.5% |
| Avon Brazil | -8.3% | -8.3% |
| Avon Hispanic | 90.3% | -4.6% |

[a] Natura Latam includes Natura Brazil, Hispanic and others

Natura &Co

## Free Cash Flow Reconciliation

The correspondence between Free Cash Flow and Statements of Cash Flow is shown below:

| R$ million | | Free Cash Flow Reconciliation |
|---|---|---|
| **CASH FLOW FROM OPERATING ACTIVITIES** | | |
| **Net (loss) income for the period** | (a) | Net income |
| Adjustments to reconciliate net (loss) income for the period with net cash used in operating activities: | | |
| Depreciation and amortization | (b) | Depreciation/amortization |
| Interest and exchange variation on short-term investments | (c) | Non-cash adjustments to net income |
| Loss from swap and forward derivative contracts | (c) | |
| Increse (reversion) of provision for tax, civil and labor risks | (c) | |
| Monetary adjustment of judicial deposits | (c) | |
| Monetary adjustment of provision for tax, civil and labor risks | (c) | |
| Income tax and social contribution | (c) | |
| Income from sale and writeoff of property, plant and equipment and intagible | (c) | |
| Interest and exchange rate variation on leases | (c) | |
| Interest and exchange rate variation on borrowings, financing and debentures, net of acquisition costs | (c) | |
| Adjustment and exchange rate variation on other assets and liabilities | (c) | |
| Provision (reversal) for losses on property, plant and equipment, intangible assets and leases | (c) | |
| Provision for impairment | (c) | |
| Increase (reversion) of provision for stock option plans | (c) | |
| Provision for losses with trade accounts receivables, net of reversals | (c) | |
| Provision for inventory losses, net of reversals | (c) | |
| Provision for carbon credits | (c) | |
| Effect from hyperinflationary economy | (c) | |
| Reversal of fair value recognized in business combinations | (c) | |
| **Increase (Decrease) in:** | | |
| Trade accounts receivable and related parties | (d2) | Accounts receivable |
| Inventories | (d1) | Inventories |
| Recoverable taxes | (d4) | Other Assets and Liabilities |
| Other assets | (d4) | Other Assets and Liabilities |
| Domestic and foreign trade accounts payable and related parties | (d3) | Accounts payable |
| Payroll, profit sharing and social charges, net | (d4) | Other Assets and Liabilities |
| Tax liabilities | (d4) | Other Assets and Liabilities |
| Other liabilities | (d4) | Other Assets and Liabilities |
| **OTHER CASH FLOWS FROM OPERATING ACTIVITIES** | | |
| Payment of income tax and social contribution | (e) | Income Tax and Social Contribuion |
| Release of judicial deposits | (h) | Other Operating Activities |
| Payments related to tax, civil and labor law suits | (h) | |
| (Payments) proceeds due to settlement of derivatise transactions | (f) | Interest on Debt and derivative settlement |
| Payment of interest on lease | (g) | Lease Payments |
| Payment of interest on borrowings, financing and debentures | (f) | Interest on Debt and derivative settlement |
| Operating Activities Discontinued Operations | (m) | Operating activities - discontinued operations |
| **NET CASH (USED IN) OPERATING ACTIVITIES** | | |
| **CASH FLOW FROM INVESTING ACTIVITIES** | | |
| Additions of property, plant and equipment and intangible | (j) | Capex |
| Proceeds from sale of property, plant and equipment and intangible | (i) | Capex |
| Short-term acquisition | (j) | Sale of Assets |
| Redemption of short-term investments | (l) | Other financing and investing activities |
| Redemption of interest on short-term investments | (l) | |
| Investing activities - discontinued operations | (o) & (l) | Capex - discountinued operations & Other financing and investing activities |
| **NET CASH GENERATED BY (USED IN) INVESTING ACTIVITIES** | | |
| **CASH FLOW FROM FINANCING ACTIVITIES** | | |
| Repayment of lease - principal | (g) | Lease payments |
| Repayment of borrowings, financing and debentures – principal | (l) | Other financing and investing activities |
| New borrowings, financing, and debentures | (l) | |
| Acquisition of treasury shares, net of receipt of option strike price | (l) | |
| Payment of dividends and interest on equity | (l) | |
| Receipt (payment) of funds due to settlement of derivative transactions | (l) | |
| Capital Increase | (l) | |
| Financing activities - discontinued operations | (n) | Payment of lease - discountinued operations |
| **NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES** | | |
| Effect of exchange rate variation on cash and cash equivalents | (k) | Exchange Rate Effect |
| **DECREASE IN CASH AND CASH EQUIVALENTS** | | |
| Opening balance of cash and cash equivalents | | |
| Closing balance of cash and cash equivalents | | |
| **DECREASE IN CASH AND CASH EQUIVALENTS** | | |

| Free Cash Flow | Cash Flow Reconciliation |
|---|---|
| Net income (loss) | (a) |
| Depreciation and amortization | (b) |
| Non-cash Adjustments to Net Income | (c) |
| Operating activities - discontinued operations | (m) |
| Adjusted Net income | |
| Decrease / (Increase) in Working Capital | (d) |
| Inventories | (d1) |
| Accounts receivable | (d2) |
| Accounts payable | (d3) |
| Other assets and liabilities | (d4) |
| Income tax and social contribution | (e) |
| Interest on debt and derivative settlement | (f) |
| Lease payments | (g) |
| Other operating activities | (h) |
| Cash from Operations | |
| Capex | (j) |
| Sale of Assets | (i) |
| Exchange rate variation | (k) |
| Free Cash Flow | |
| Other financing and investing activities | (l) |
| Payment of lease - principal discountinued operation | (n) |
| Capex - discountinued operation | (o) |
| Cash Balance Variation | |

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## Consolidated Balance Sheet

| ASSETS (R$ million) | Dec-24 | Dec-23 |
|---|---|---|
| **CURRENT ASSETS** | | |
| Cash and cash equivalents | 2.642 | 3.751 |
| Short-term investments | 1.816 | 4.024 |
| Trade accounts receivable | 5.281 | 3.524 |
| Accounts receivable - sale of subsidiary | - | 23 |
| Inventories | 3.378 | 3.087 |
| Recoverable taxes | 661 | 609 |
| Income tax and social contribution | 374 | 176 |
| Derivative financial instruments | 343 | 189 |
| Other current assets | 645 | 604 |
| Assets held for sale | - | - |
| **Total current assets** | **15.140** | **15.987** |
| **NON CURRENT ASSETS** | | |
| Accounts receivable - sale of subsidiary | 428 | 807 |
| Recoverable taxes | 717 | 1.112 |
| Deferred income tax and social contribution | 1.905 | 2.201 |
| Judicial deposits | 476 | 408 |
| Derivative financial instruments | 46 | 89 |
| Short-term investments | 29 | 37 |
| Other non-current assets | 1.378 | 1.028 |
| **Total long term assets** | **4.978** | **5.682** |
| Property, plant and equipment | 3.494 | 3.458 |
| Intangible | 12.479 | 16.570 |
| Right of use | 1.043 | 1.051 |
| **Total non-current assets** | **21.994** | **26.760** |
| TOTAL ASSETS | 37.133 | 42.747 |

| LIABILITIES AND SHAREHOLDER'S EQUITY (R$ million) | Dec-24 | Dec-23 |
|---|---|---|
| **CURRENT LIABILITIES** | | |
| Borrowings, financing and debentures | 56 | 164 |
| Lease | 207 | 299 |
| Trade accounts payable and reverse factoring operations | 6.342 | 5.302 |
| Dividends and interest on shareholders' equity payable | 1 | 294 |
| Payroll, profit sharing and social charges | 1.201 | 1.020 |
| Tax liabilities | 674 | 635 |
| Income tax and social contribution | 57 | 908 |
| Derivative financial instruments | 147 | 330 |
| Provision for tax, civil and labor risks | 20 | 491 |
| Other current liabilities | 901 | 970 |
| **Total current liabilities** | **9.607** | **10.413** |
| **NON CURRENT LIABILITIES** | | |
| Borrowings, financing and debentures | 6.787 | 5.948 |
| Obligations with senior shareholders in Natura Pay FIDC | 353 | - |
| Lease | 770 | 852 |
| Payroll, profit sharing and social charges | 118 | 16 |
| Tax liabilities | 177 | 127 |
| Deferred income tax and social contribution | 1.356 | 328 |
| Provision for tax, civil and labor risks | 1.411 | 1.255 |
| Other non-current liabilities | 882 | 687 |
| **Total non-current liabilities** | **11.854** | **9.213** |
| **SHAREHOLDERS' EQUITY** | | |
| Capital stock | 12.485 | 12.485 |
| Treasury shares | (20,0) | (164,2) |
| Capital reserves | 10.481 | 10.559 |
| Profit Reserves | - | 780 |
| Accumulated Losses | (8.879,6) | - |
| Other comprehensive income | 1.605 | (555,9) |
| **Equity attributable to owners of the Company** | **15.671** | **23.103** |
| Non-controlling interest in shareholders' equity of subsidiaries | 0 | 17 |
| TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY | 37.133 | 42.747 |

## Consolidated Income Statement- Including Purchase Price Allocation (PPA) Amortization

| R$ million | Q4-24 | Q4-23 | Ch. % | 2024 | 2023 | Ch. % |
|---|---|---|---|---|---|---|
| **NET REVENUE** | **7.747,4** | **4.751,3** | **63,1** | **24.089,8** | **19.831,0** | **21,5** |
| Cost of Products Sold | (2.875,0) | (1.737,0) | 65,5 | (8.372,6) | (7.123,4) | 17,5 |
| **GROSS PROFIT** | **4.872,4** | **3.014,4** | **61,6** | **15.717,2** | **12.707,6** | **23,7** |
| **OPERATING EXPENSES** | | | | | | |
| Selling, Marketing and Logistics Expenses | (3.423,7) | (2.272,1) | 50,7 | (9.968,9) | (8.103,6) | 23,0 |
| Administrative, R&D, IT and Project Expenses | (1.055,9) | (435,8) | 142,3 | (3.358,3) | (2.726,6) | 23,2 |
| Impairment losses on trade receivables | - | - | - | (480,2) | (498,6) | (3,7) |
| Other Operating Expenses, Net | (819,2) | (46,1) | 1.678,9 | (1.001,7) | (378,3) | 164,8 |
| **NET INCOME FROM OPERATIONS BEFORE FINANCIAL RESULT** | **(426,4)** | **260,4** | **(263,7)** | **908,1** | **1.000,5** | **(9,2)** |
| Net Financials | (65,8) | (284,3) | (76,8) | (692,8) | (1.637,5) | (57,7) |
| **NET INCOME (LOSS) BEFORE INCOME TAX AND SOCIAL CONTRIB** | **(492,2)** | **(23,8)** | **1.964,7** | **215,3** | **(637,0)** | **(133,8)** |
| Income Tax and Social Contribution | 168,0 | (397,9) | (142,2) | (957,4) | 407,8 | (334,8) |
| **LOSS FROM CONTINUED OPERATIONS** | **(324,2)** | **(421,8)** | **(23,1)** | **(742,1)** | **(229,2)** | **223,8** |
| Income (Loss) from discontinued operations | (114,1) | (2.240,1) | (94,9) | (8.187,6) | 3.203,7 | (355,6) |
| **LOSS FOR THE PERIOD** | **(438,3)** | **(2.661,8)** | **(83,5)** | **(8.929,7)** | **2.974,5** | **(400,2)** |
| Attributable to controlling shareholders | (438,4) | (2.661,8) | (83,5) | (8.929,9) | 2.974,5 | (400,2) |
| Attributable to non-controlling shareholders | 0,2 | - | - | 0,2 | - | - |

## Purchase Price Allocation (PPA) Amortization

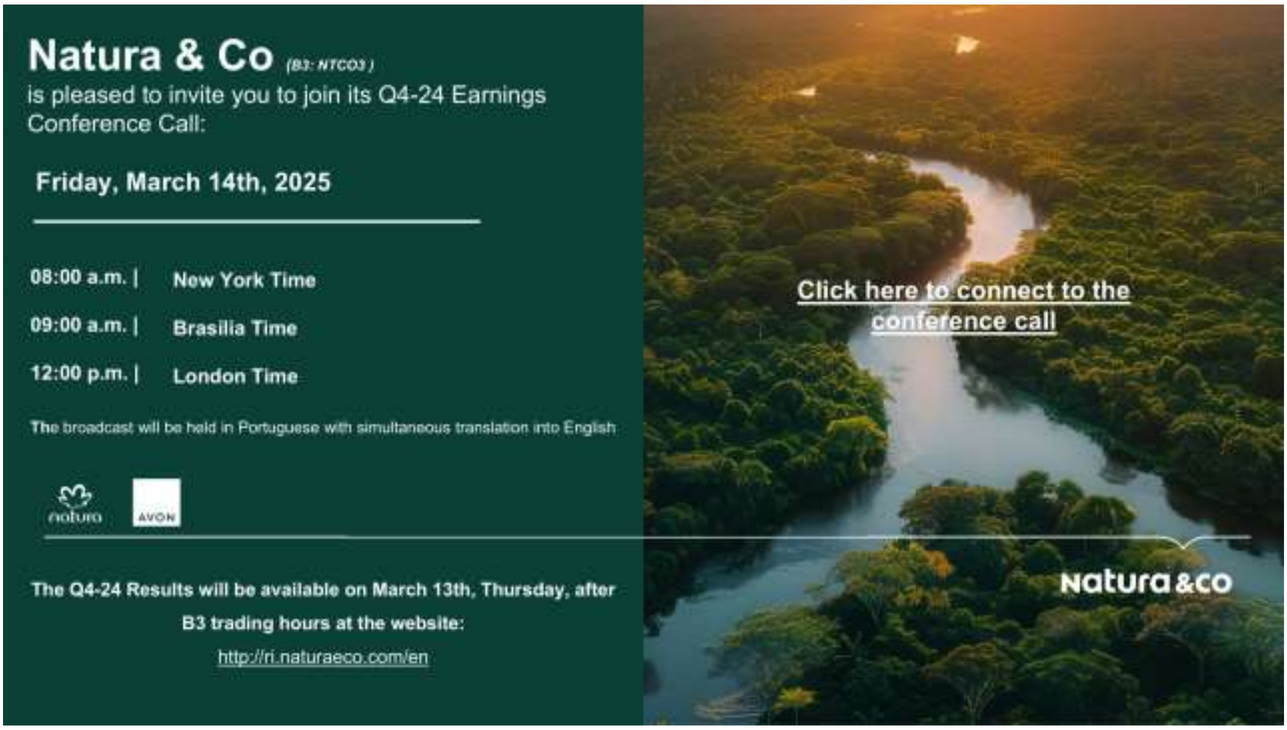
| | Consolidated | | Natura &Co Latam | | Avon International | |
|---|---|---|---|---|---|---|
| **R$ million** | **Q4-24** | **Q4-23** | **Q4-24** | **Q4-23** | **Q4-24** | **Q4-23** |
| **Net Revenue** | **-** | **-** | **-** | **-** | **-** | **-** |
| Cost of Products Sold | (5,9) | (1,0) | (5,9) | (1,0) | - | - |
| **Gross Profit** | **(5,9)** | **(1,0)** | **(5,9)** | **(1,0)** | **-** | **-** |
| Selling, Marketing and Logistics Expenses | (33,7) | (32,5) | (33,7) | (32,5) | - | - |
| Administrative, R&D, IT and Project Expense | (1,2) | (1,2) | (1,2) | (1,2) | - | - |
| Other Operating Income (Expenses), Net | 23,6 | (177,2) | 23,6 | (177,2) | - | - |
| Financial Income/(Expenses), net | (2,1) | (5,9) | (2,1) | (5,9) | - | - |
| Income Tax and Social Contribution | 36,3 | 92,5 | 36,3 | 92,5 | - | - |
| **LOSS FROM CONTINUED OPERATIONS** | **16,9** | **(125,3)** | **16,9** | **(125,3)** | **-** | **-** |
| Depreciation | (40,8) | (34,6) | (40,8) | (34,6) | - | - |

Natura &Co

# Consolidated Statement of Cash Flow

| R$ milhões | Dez - 24 | Dez - 23 | | Reconciliação Fluxo de Caixa Livre |
|---|---|---|---|---|
| **FLUXO DE CAIXA DAS ATIVIDADES OPERACIONAIS** | | | | |
| (Prejuízo) lucro líquido do período | (8.929,7) | 2.974,5 | (a) | Lucro (Prejuízo) Líquido |
| Ajustes para reconciliar o (prejuízo) lucro líquido do período com o caixa líquido utilizado nas atividades operacionais: | | | | |
| Depreciações e amortizações | 968,8 | 901,3 | (b) | Depreciação/Amortização |
| Ganho com juros e variação cambial sobre títulos de valores mobiliários | (380,8) | (977,2) | (c) | Ajustes Não-Caixa ao Lucro Líquido |
| Perda decorrente de operações com derivativos "swap" e "forward" | (15,1) | 1.791,9 | (c) | |
| Aumento de provisão para riscos tributários, cíveis e trabalhistas | 121,0 | 9,1 | (c) | |
| Atualização monetária de depósitos judiciais | (29,0) | (28,5) | (c) | |
| Atualização monetária da provisão para riscos tributários, cíveis e trabalhistas | 76,8 | 72,3 | (c) | |
| Imposto de renda e contribuição social | 957,4 | (262,8) | (c) | |
| Resultado na venda e baixa de ativo imobilizado e intangível | 67,7 | 146,2 | (c) | |
| Juros e variação cambial sobre arrendamentos | 88,0 | 146,3 | (c) | |
| Juros, variação cambial sobre empréstimos, financiamentos e debêntures, líquido dos custos de captação | 403,0 | 411,7 | (c) | |
| Atualização e variação cambial sobre outros ativos e passivos | 0,0 | 2,8 | (c) | |
| Provisão para perdas com imobilizado, intangível e arrendamentos | 0,0 | 11,6 | (c) | |
| Aumento (provisão) de reversão de planos de outorga de opções de compra de ações | 67,8 | 118,9 | (c) | |
| Perdas de crédito esperadas, líquido de reversões | 480,2 | 546,0 | (c) | |
| Perdas na realização dos estoques, líquido de reversões | 303,8 | 386,6 | (c) | |
| Reversão de provisão para créditos de carbono | 2,0 | (12,5) | (c) | |
| Efeito de economia hiperinflacionária | 643,1 | 117,6 | (c) | |
| Ganho por compra vantajosa | (987,5) | 0,0 | (c) | |
| Ajuste ao valor justo de recebíveis associado a perda de controle coligada | 1.082,8 | 0,0 | (c) | |
| Perda de créditos tributários não realizáveis | 29,3 | 0,0 | (c) | |
| **Variações em:** | | | | |
| Contas a receber de clientes e partes relacionadas | (2.043,2) | (1.056,0) | (d2) | Contas a Receber |
| Estoques | (318,2) | (219,7) | (d1) | Estoques |
| Impostos a recuperar | 384,1 | 473,3 | (d4) | Outros Ativos e Passivos |
| Outros ativos | 106,1 | (377,2) | (d4) | Outros Ativos e Passivos |
| Fornecedores, operações de "risco sacado" e partes relacionadas | 727,8 | (107,0) | (d3) | Contas a Receber |
| Salários, participações nos resultados e encargos sociais, líquidos | 168,3 | 11,5 | (d4) | Outros Ativos e Passivos |
| Obrigações tributárias | 58,0 | (10,3) | (d4) | Outros Ativos e Passivos |
| Outros passivos | (169,2) | 141,1 | (d4) | Outros Ativos e Passivos |
| **OUTROS FLUXOS DE CAIXA DAS ATIVIDADES OPERACIONAIS** | | | | |
| Pagamentos de imposto de renda e contribuição social | (718,2) | (381,5) | (e) | Imposto de Renda e Contribuição Social |
| Depósitos judiciais realizados líquidos de levantamentos | (89,3) | 21,7 | (h) | Outras atividades operacionais |
| Pagamentos relacionados a processos tributários, cíveis e trabalhistas | (95,6) | (13,0) | (h) | |
| (Pagamento) recebimento de recursos por liquidação de operações com derivativos | (64,4) | (1.487,1) | (f) | Juros sobre dívida e derivativos |
| Pagamento de juros sobre arrendamentos | (86,5) | (83,4) | (g) | Pagamentos de lease |
| Pagamento de juros sobre empréstimos, financiamentos e debêntures | (520,7) | (910,2) | (f) | Juros sobre dívida e derivatibos |
| Atividades Operacionais - Operações Descontinuadas | 5.158,0 | (4.533,0) | (m) | Atividades Oper. - Operações descontinuadas |
| **CAIXA (UTILIZADO NAS) GERADO PELAS ATIVIDADES OPERACIONAIS** | **(2.553,3)** | **(2.174,9)** | | |
| Caixa advindo de aquisição de controlada | 747,1 | 0,0 | (m) | Operações descontinuadas |
| Adições de imobilizado e intangível | (547,6) | (638,7) | (j) | Capex |
| Recebimento pela venda de ativo imobilizado, intangível e ativos não circulantes mantidos para venda | 26,5 | 326,4 | (i) | Capex |
| Aplicação em títulos e valores mobiliários | (28.300,7) | (18.867,6) | (l) | Venda de Ativos |
| Resgate de títulos e valores mobiliários | 30.716,4 | 16.744,7 | (l) | Outras atividades de investimento e financiamento |
| Resgate de juros sobre títulos de valores mobiliários | 226,2 | 212,0 | (l) | |
| Investimentos em controladas - operações descontinuadas | (592,6) | 12.176,8 | (o) & (l) | Capex - Operações descontinuadas & Outras atividades de investimento e financiamento |
| **CAIXA LÍQUIDO GERADO PELAS ATIVIDADES DE INVESTIMENTO** | **2.275,4** | **9.953,6** | | |
| **FLUXO DE CAIXA DAS ATIVIDADES DE FINANCIAMENTO** | | | | |
| Amortização de passivo de arrendamentos - principal | (219,5) | (137,0) | (g) | Pagamentos de lease |
| Amortização de empréstimos, financiamentos e debêntures - principal | (1.470,5) | (7.654,2) | (l) | Outras atividades de investimento e financiamento |
| Captações de empréstimos, financiamentos e debêntures | 1.475,6 | 1.494,1 | (l) | |
| Pagamento de dividendos e juros sobre capital próprio referentes ao exercício anterior | (1.022,9) | 0,0 | (l) | |
| (Pagamento) recebimento de recursos por liquidação de operações com derivativos financeiras | (85,8) | (310,9) | (l) | |
| Captação FIDC | | | | |
| Atividades de Financiamento - operações descontinuadas | 0,0 | (1.153,9) | (n) | Pagamentos de lease - Operações Descontinuadas |
| **CAIXA LÍQUIDO GERADO PELAS (UTILIZADO NAS) ATIVIDADES DE FINANCIAMENTO** | **(969,6)** | **(7.761,9)** | | |
| Efeito de variação cambial sobre o caixa e equivalentes de caixa | 138,2 | (461,6) | (k) | Variação da taxa de câmbio |
| **REDUÇÃO NO CAIXA E EQUIVALENTES DE CAIXA** | **(1.109,3)** | **(444,9)** | | |
| Saldo inicial do caixa e equivalentes de caixa | 3.750,9 | 4.195,7 | | |
| Saldo final do caixa e equivalentes de caixa | 2.641,7 | 3.750,9 | | |
| **REDUÇÃO NO CAIXA E EQUIVALENTES DE CAIXA** | **(1.109,3)** | **(444,9)** | | |

## *08* Conference Call *and Webcast*



# 09 Glossary

**APAC:** Asia and Pacific
**ARS:** the foreign exchange market symbol for the Argentine peso
**Avon representatives:** Self-employed resellers who do not have a formal labor relationship with Avon
**B3:** Brazilian Stock Exchange
**BPS:** Basis Points; a basis point is equivalent to one percentage point * 100
**Brand Power:** A methodology used by Natura &Co to measure how its brands are perceived by consumers, based on metrics of significance, differentiation and relevance.
**BRL**: Brazilian Reais
**CDI**: The overnight rate for interbank deposits
**CEE: Central and Eastern Europe**
**CFT**: Cosmetics, Fragrances and Toiletries Market (CFT = Fragrances, Body Care and Oil Moisture, Make-up (without Nails), Face Care, Hair Care (without Colorants), Soaps, Deodorants, Men's Grooming (without Razors) and Sun Protection
**COGS**: Costs of Goods Sold
**Constant currency ("CC") or constant exchange rates:** when exchange rates used to convert financial figures into a reporting currency are the same for the years under comparison, excluding foreign currency fluctuation effects
**CO2e:** Carbon dioxide equivalent; for any quantity and type of greenhouse gas, CO2e signifies the amount of CO2 which would have the equivalent global warming impact.
**EBITDA:** Earnings Before Interests, Tax, Depreciation and Amortization
**EMEA:** Europe, Middle East and Africa
**EP&L**: Environmental Profit & Loss
**Foreign currency translation**: conversion of figures from a foreign currency into the currency of the reporting entity
**FX:** foreign exchange
**FY:** fiscal year
**G&A**: General and administrative expenses
**IAS 29:** "Financial Reporting in Hyperinflationary Economies' requires the financial statements of any entity whose functional currency is the currency of a hyperinflationary economy to be restated for changes in the general purchasing power of that currency so that the financial information provided is more meaningful
**IBOV:** Ibovespa Index is the main performance indicator of the stocks traded in B3 and lists major companies in the Brazilian capital market
**IFRS –** International Financial Reporting Standards
**Hispanic Latam:** Often used to refer to the countries in Latin America, excluding Brazil
**P&L:** Profit and loss
**PP:** Percentage point
**PPA:** Purchase Price Allocation - effects of the fair market value assessment as a result of a business combination
**Profit Sharing**: The share of profit allocated to employees under the profit-sharing program
**Quarter on quarter ("QoQ"):** is a measuring technique that calculates the change between one fiscal quarter and the previous fiscal quarter
**Recurring EBITDA:** Excludes effects that are not considered usual, recurring or not comparable between the periods under analysis
**SG&A:** Selling, general and administrative expenses
**TBS**: The Body Shop.
**Task Force on Climate-Related Financial Disclosures ("TCFD"):** climate-related disclosure recommendations enable stakeholders to understand carbon-related assets and their exposures to climate-related risks
**Task force on Nature-related Financial Disclosures ("TNFD"):** The TNFD Framework seeks to provide organisations and financial institutions with a risk management and disclosure framework to identify, assess, manage and report on nature-related dependencies, impacts, risks and opportunities ("nature-related issues"), encouraging organisations to integrate nature into strategic and capital allocation decision making
**TPV:** Total Payment Volume
**Year-over-year ("YOY"):** is a financial term used to compare data for a specific period of time with the corresponding period from the previous year. It is a way to analyze and assess the growth or decline of a particular variable over a twelve-month period
**Year to date ("YTD"):** refers to the period of time beginning the first day of the current calendar year or fiscal year up to the current date. YTD information is useful for analyzing business trends over time or comparing performance data to competitors or peers in the same industry

# 10 Disclaimer

EBITDA is not a measure under IFRS and does not represent cash flow for the periods presented. EBITDA should not be considered an alternative to net income as an indicator of operating performance or an alternative to cash flow as an indicator of liquidity. EBITDA does not have a standardized meaning and the definition of EBITDA used by Natura may not be comparable with that used by other companies. Although EBITDA does not provide under IFRS a measure of cash flow, Management has adopted its use to measure the Company's operating performance. Natura also believes that certain investors and financial analysts use EBITDA as an indicator of performance of its operations and/or its cash flow.

This report contains forward-looking statements. These forward-looking statements are not historical fact, but rather reflect the wishes and expectations of Natura's management. Words such as "anticipate," "wish," "expect," "foresee," "intend," "plan," "predict," "project," "desire" and similar terms identify statements that necessarily involve known and unknown risks. Known risks include uncertainties that are not limited to the impact of price and product competitiveness, the acceptance of products by the market, the transitions of the Company's products and those of its competitors, regulatory approval, currency fluctuations, supply and production difficulties and changes in product sales, among other risks. This report also contains certain pro forma data, which are prepared by the Company exclusively for informational and reference purposes and as such are unaudited. This report is updated up to the present date and Natura does not undertake to update it in the event of new information and/or future events.

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