



Integrated Report

2024



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In 2024, we presented the **tenth edition** of TOTVS' Integrated Report, in which we disclose to our stakeholders how we have advanced our business and generated shared value through our governance and sustainability processes. This achievement reinforces our commitment to active communication and transparent accountability, which are core elements of our identity. The Integrated Report, released yearly, facilitates communication and dialogue among all stakeholders associated with the Company, including clients, customers, shareholders/ investors, business partners, employees, suppliers, outsourced business, associations, the public sector, the community, and the technology ecosystem.

The publication of the Integrated Report reaffirms the Company's commitment to transparency and

sustainability. The Integrated Report reaffirms the company's commitment to transparency and sustainability. The Integrated Report was produced under the coordination of the Sustainability team, and validated by the Executive Vice President of Finance and Administration. This involved significant engagement from numerous company areas responsible for managing sustainability indicators and that take part in the annual data collection and editorial processes. Its approval process encompasses the recommendation stage, involving the participation of the Statutory Audit Committee (CAE) and the Governance and Nomination Committee (CGI), both of which are advisory bodies to the governance structure. The approval stage follows, during which the Board of Directors (CA) ratifies the document for market release. [GRI 2-14](#)

This document details activities and operations conducted from January 1 to December 31, 2024, consistent

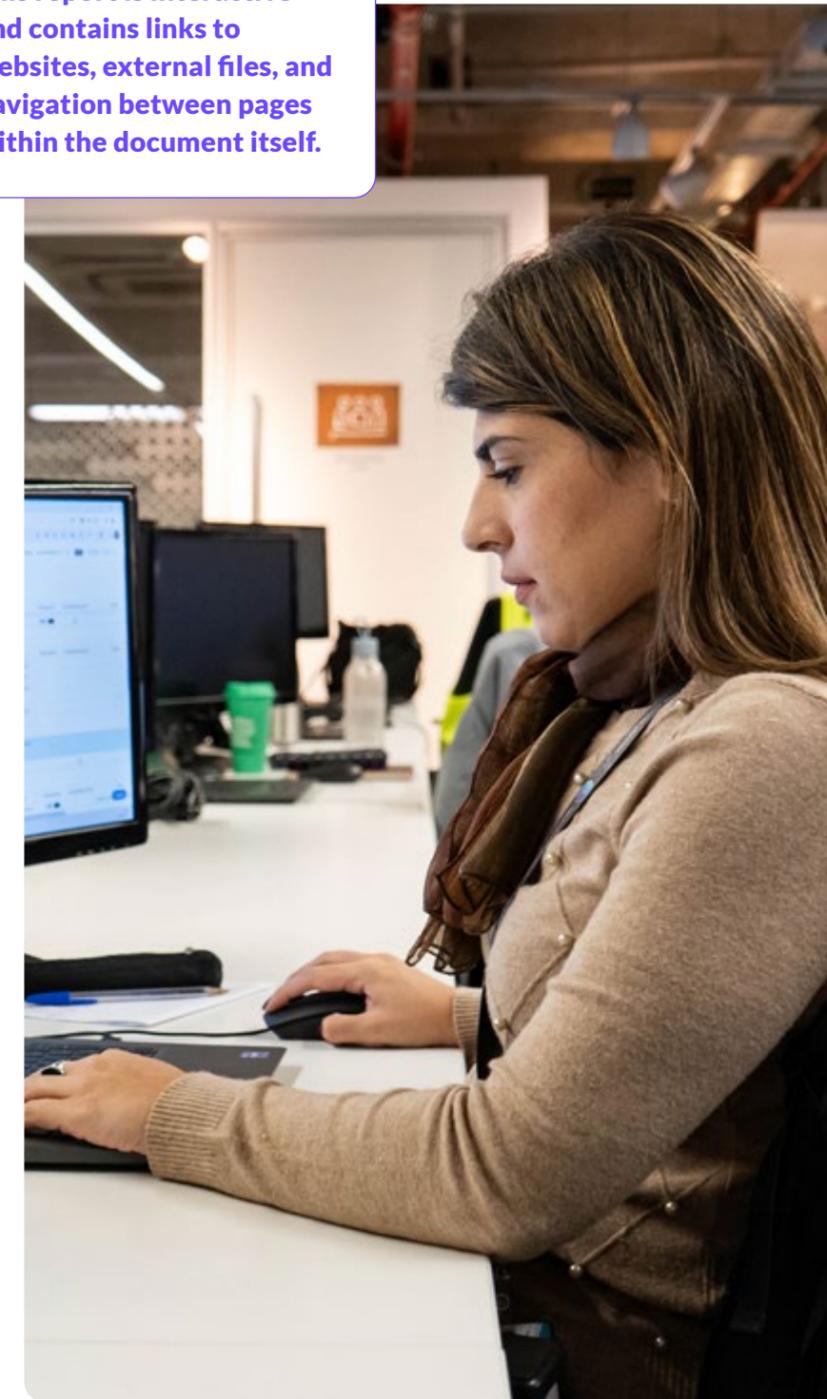
with the reporting period used for the consolidated financial statements. To guarantee a comprehensive report representing the entire economic group, this cycle utilized a structured production approach. This involved focal points of the acquired companies and their subsidiaries, which clearly reflects the operations and the impact of the acquisitions on the Company's overall performance. The document gathers the information of all companies that are part of TOTVS S.A. (a corporation), governed by its Bylaws and the applicable legislation, encompassing merged entities until the end of December 2024.



Section 1.2 of the [Reference Form](#), provides details regarding the merged entities; and the results can be consulted in the Financial Statements.



This report is interactive and contains links to websites, external files, and navigation between pages within the document itself.



The content's structure reflects the material topics identified as crucial for our business's sustainability, following the 2024 Materiality Matrix revision.

[Further details regarding this topic can be found starting from page 26.](#)

The Report underwent external assurance by KPMG for the fourth consecutive year, assessing compliance with the GRI and SASB Standards, as well as Guideline CPC 09 (Integrated Reporting), correlated with IIRC's Basic Conceptual Framework for Integrated Reporting. This assurance is further substantiated by NBC TO 3000 (Assurance Engagements Other Than

Audits or Reviews), promulgated by the Brazilian Federal Accounting Council (CFC), which is comparable to the international standard ISAE 3000.

[GRI 2-5](#)

On February 12, 2025, TOTVS released its financial statements for the fiscal year ending December 31, 2024, also audited by KPMG. Independent audits are crucial for objective and impartial document evaluation, fostering trust and credibility among management, shareholders, and stakeholders.



Should you wish to provide any comments, questions, suggestions, or contributions to our Integrated Report, please contact us at

✉ sustentabilidade@totvs.com.br. For financial information, please contact ✉ ri@totvs.com.br.



Standards and references we use

This Integrated Report adheres to the guidelines established by leading global reporting standards:



International Integrated Reporting Council (IIRC)



SASB (Sustainability Accounting Standards Board)

For technology companies, specifically the software and information technology industry



Global Reporting Initiative (GRI)



Global Compact

A UN initiative that engages companies and organizations in implementing ten principles related to human rights, labor, environment, and anti-corruption

Message from the Board

GRI 2-22

As TOTVS believes in Brazil and in technology's transformative power to boost its development, we have completed another cycle committed to business and economic expansion. In our rapidly evolving world, technology is a core element for business competitiveness and sustainability. At present, we are emphasizing the opportunity of contributing, through our work, to the balance that society has been seeking.

Just as Artificial Intelligence (AI) is one of the major drivers of this transformation, creating new possibilities to automate tasks, expand analytical capacity, and optimize decision-making. The challenge is to naturally transform data into information, knowledge, and strategy.

We believe that a sustainable ecosystem is fundamental to the success of companies and the country. Therefore, our strategy integrates sustainability across all areas, encompassing operational efficiency, education, digital inclusion, job creation, and improved corporate governance. This vision guides us from the development of our solutions to the way we relate to our clients, customers, suppliers, and partners. Our actions are aimed at building a sustainable, ethical, resilient, and responsibly growing company that fosters a structured and prosperous market.

As Brazil's largest technology company, our position gives us a responsibility that goes beyond our financial results. It's about positively impacting our customers, creating opportunities, boosting market efficiency, and leading the way for a more inclusive digital future. Our commitment to social development is also reflected in the

Institute of Social Opportunity (IOS), which for over 25 years has been training vulnerable young people for the labor market. In addition, we invest in strengthening our team, promoting an environment that values diversity, professional growth, and innovation. Being recognized in the Great Place to Work (GPTW) ranking for 5 years in a row confirms the culture of teamwork and excellence we have built together.

Our focus is on leading transformations, not just following trends. We will focus investments on advancing AI, digitalizing the market, and improving our platforms to ensure TOTVS remains synonymous with innovation and efficiency. But we will do so with a close look at the impacts of these changes. We look to the future with confidence, certain that TOTVS will remain a catalyst for transformation in Brazil. We remain firm in our purpose of driving business success and build a more digital, efficient, and sustainable market.



Laércio Cosentino
Founder and Chairman of the
Board of Director

Message from the CEO GRI 2-22

We celebrated another year of great results, which reaffirm TOTVS's position as the trusted advisor to thousands of companies and keeps us in a leading position. We believe that our success hinges on our customers' success, and this is shown in our continuous development. We meticulously cultivate lasting customer relationships using specialized regional services and highly experienced professionals in the segments they operate, always with the principle of helping companies overcome their challenges.

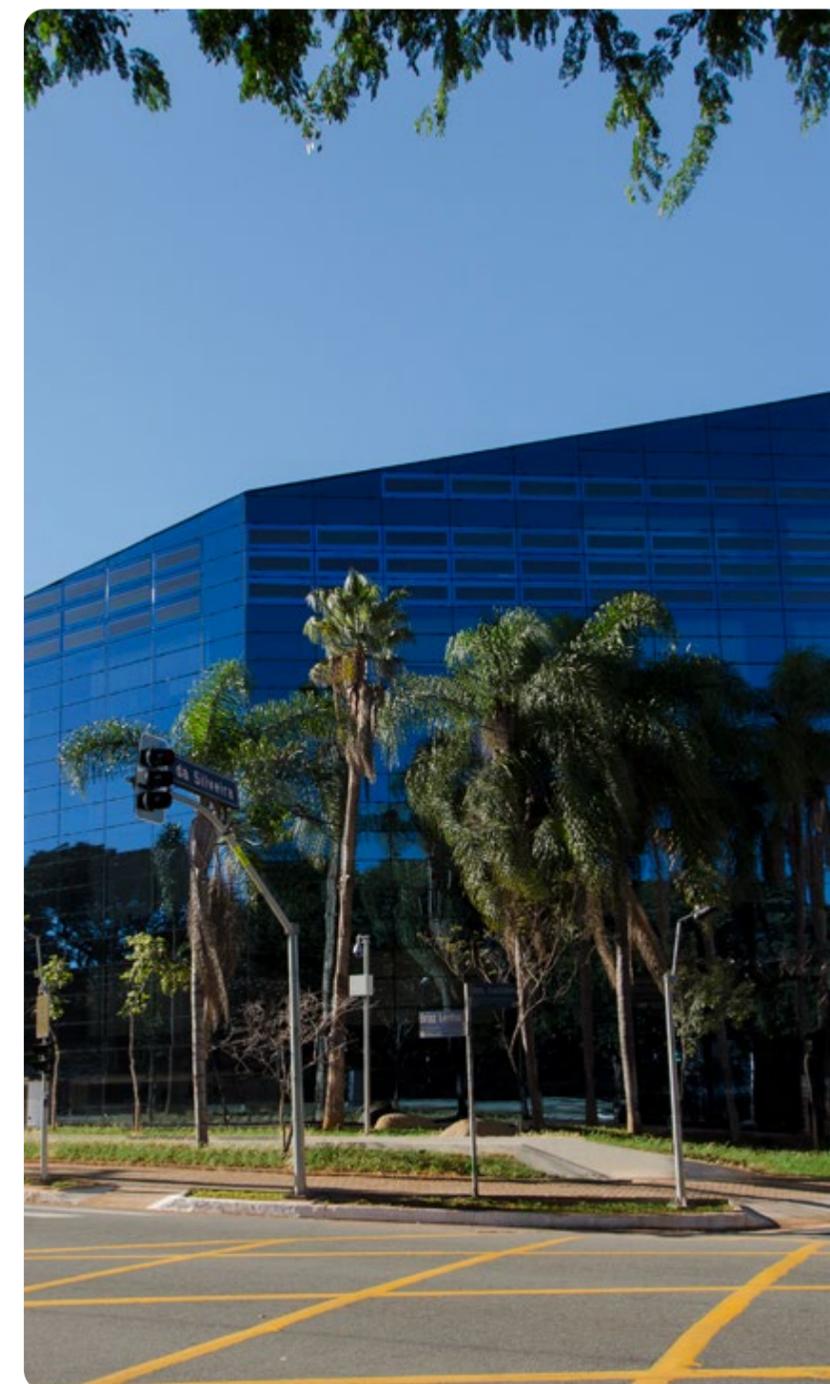
We ended 2024 on an upward curve of growth and profitability across all business units. This means that we are speeding up simultaneously on all our fronts, and there are still opportunities to go further. The growth of cloud and AI technologies is rapidly expanding our addressable

market, particularly within the SMB market, leading to increased cross-selling and upselling opportunities and thus greater market share.

Our M&A strategy, along with its synergy-creation capabilities, continues to deliver strong results, setting us apart. Expanding our portfolio through mergers and integrating our three business units gives us a huge advantage. As for Management, the cloud service has been responsible for much of the growth and should continue to grow, with rapid absorption. The addressable market for this BU is far from mature, as evidenced by the fourth quarter's financial data. Our Company's size allows for significant investment in innovation, while our extensive commercial network keeps us close to our customers, driving further progress.

Our focus at Techfin is on developing the world's first ERP Banking system, starting in Brazil. We achieve this by expanding our financial solutions, creating integrated customer journeys with management software, and consistently striving to understand and meet the needs of our varied clientele.

As for RD Station, the shift to a multi-product, multi-channel, multi-interlocutor, and multi-client model highlights execution as a core challenge; it involves adapting SaaS solutions to handle multiple products across sales, marketing, and customer success. Integrating WhatsApp into our business and service processes as a conversational marketing tool is another key area of growth in this business unit, which has also been showing its growth power and profitability, with large margin gains.



The 2025 challenge will be to maintain the high growth rate already achieved so far. We will continue our search for continuous evolution, focusing on our sales structure, the expanding portfolio, and enhancing the quality of our solutions. In terms of innovation, AI should continue to gain momentum, applied both to TOTVS's products and internal processes, which will require improvements in data governance.

The continued acknowledgement of our good practices, alongside our progress, is something we celebrate too. In the Great Place to Work (GPTW) survey, in addition to rising in position, positive feedback of the collaborating people shows how we have been building a lightweight and thriving work environment and a people-centric organizational culture that benefits both employees and the nation. Believing in a Brazil that gets things

done by getting things done through TOTVS remains our maxim, and all our efforts converge on this purpose.

The new commitments we have made to the UN Global Compact's Mind in Focus and Educate 2030 Movements reflect this stance. Our approach to governance and sustainability remains consistent this cycle, reflecting our enduring vision and business model, avoiding fads. Significantly, IOS management saw increased representation in 2024, realizing the company's goal of including more maintainers and advisors from outside TOTVS.

I'm grateful for a fantastic year and wish you all great health and success in 2025.



Dennis Herszkowicz
CEO

“

What is behind our investments, whether in innovation or in sustaining what we already do, is to continue increasing our relevance for customers.



Highlights of the year

R\$5.2 billion
of Net Revenue

More integrated AI
as part of our processes and products with the publication of the Artificial Intelligence Use Policy

We have joined the UN Global Compacts
Education 2030 and Mind In Focus Movements

R\$1.2 billion
of Adjusted EBITDA

Maturity
new affinity group focused on generations

84% of our electricity
comes from renewable sources

R\$735.4 million
of Adjusted Net Income

43% of our hires
were women

Over 7,000 tons
of recycled materials in the TOTVS Universe

Listed on B3
in ICO2, IBrX-50, IGPTW and IDIVERSA indexes

Over 200 hours
of training for our teams in 2024

Over than 10,000 tons
became Waste Derived Fuel (WDF)



Awards and recognition/



ANEFAC Transparency Trophy

Recognized for the fourth year in a row

2024 Valor Inovação Brazil

We occupy 33rd place in the ranking of the 150 most innovative companies and 5th place in the Information Technology category

Kantar BrandZ

Recognized as one of the most valuable brands in Brazil, TOTVS was included in the 2024 ranking as the only representative of the B2B model

Think Work Innovations Award

Universidade em Rede was the winner of the the largest HR innovation award in Brazil, in the Professional Development category

Racial Equality Seal

Recognized by the City Hall of São Paulo

GPTW seal

For the fifth consecutive year, we have been included in the ranking of the 175 best large companies to work for, as well as in three other categories

Recognition by RD Station

In its first appearance in the large company category, RD Station secured the 44th position among Brazil's best companies to work for, also retaining its 10th place ranking among technology companies

Quality of Life Award

For the fourth consecutive year, we were awarded by ABQV (Brazilian Association of Quality of Life)

Best Internship Experiences

We are ranked among the top three companies for internships in Brazil

Empresa Amiga do Estagiário Seal

We were awarded for the second year in a row

Marco Maciel Award

Our Citizen Education track initiative earned us recognition in the category “Institutional and Governmental Relations in a private or mixed organization”, promoted by the Brazilian Association of Institutional and Governmental Relations (ABRIG)

Employers For Youth Brazil

In the overall ranking, we were elected as the best company for young professionals up to 35 years of age in the country

TOTVS, the largest technology company in Brazil



Who we are GRI 2-6

We are TOTVS, the largest technology company in Brazil that ranks among the top software developers worldwide. Over our more than 40 years of experience, we have developed a complete ecosystem of products and services for the digitalization of business, capable of serving companies of different sizes and profiles. In addition to our broad ERP portfolio, we offer marketing, sales and e-commerce solutions, as well as financial services incorporated into our management systems, following a one-stop shop model: with TOTVS, customers have everything they need in a single company.

With a culture of innovation combined with a strong entrepreneurial vision and a robust growth strategy, we believe in the Brazil that gets things done—and we know that the Brazil that gets things done, gets things done through TOTVS. We aim to leverage

the growth of companies through technology to boost more productivity, efficiency, profitability, growth, and competitiveness in their operations.

Our business, initially spanning Brazil from north to south and also in Latin America, has achieved worldwide success, garnering numerous accolades and a solid market reputation. With our range of integrated solutions, we took on the position of trusted advisor to our clients—the trusted partner that thousands of companies rely on to guide their entire digitalization, effectiveness, and productivity journeys. Therefore, we can assert: TOTVS can be found in everything.



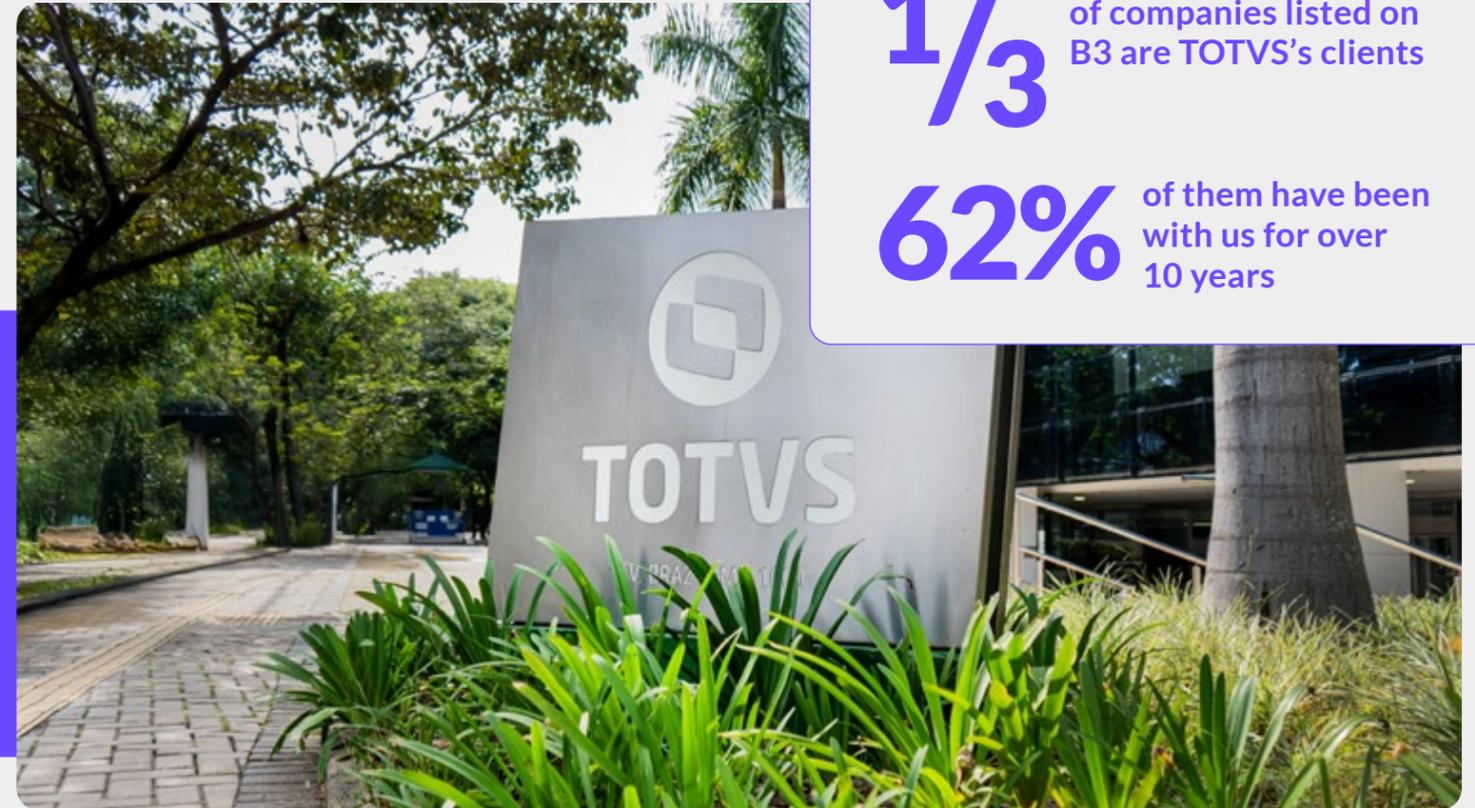
Our name, meaning "everything, everyone, totality" in Latin, embodies the essence of what we propose to do in the universe of technology: everything.

Our belief

Here at TOTVS, we believe that everyone can grow, and we work together to achieve so.

Our value proposition

Improving companies' results. Through technology, TOTVS helps leverage businesses, boost business profitability and operational growth.



55% market share in Brazil, undisputed leader in ERP

+ than **35%** market share in Latin America (Gartner)

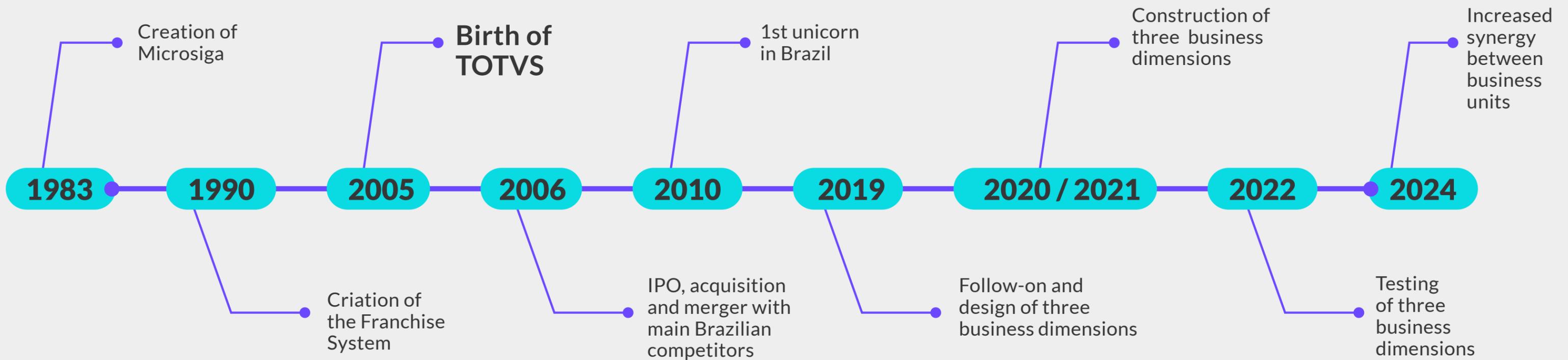
12 specialized segments in a unique portfolio in the market

+ than **1/3** of companies listed on B3 are TOTVS's clients

62% of them have been with us for over 10 years

Our journey

TOTVS's history, marked by integrated management solutions and a transformational approach that positions us as a trusted advisor of our clients, showcases our belief that our clients' success is our own.

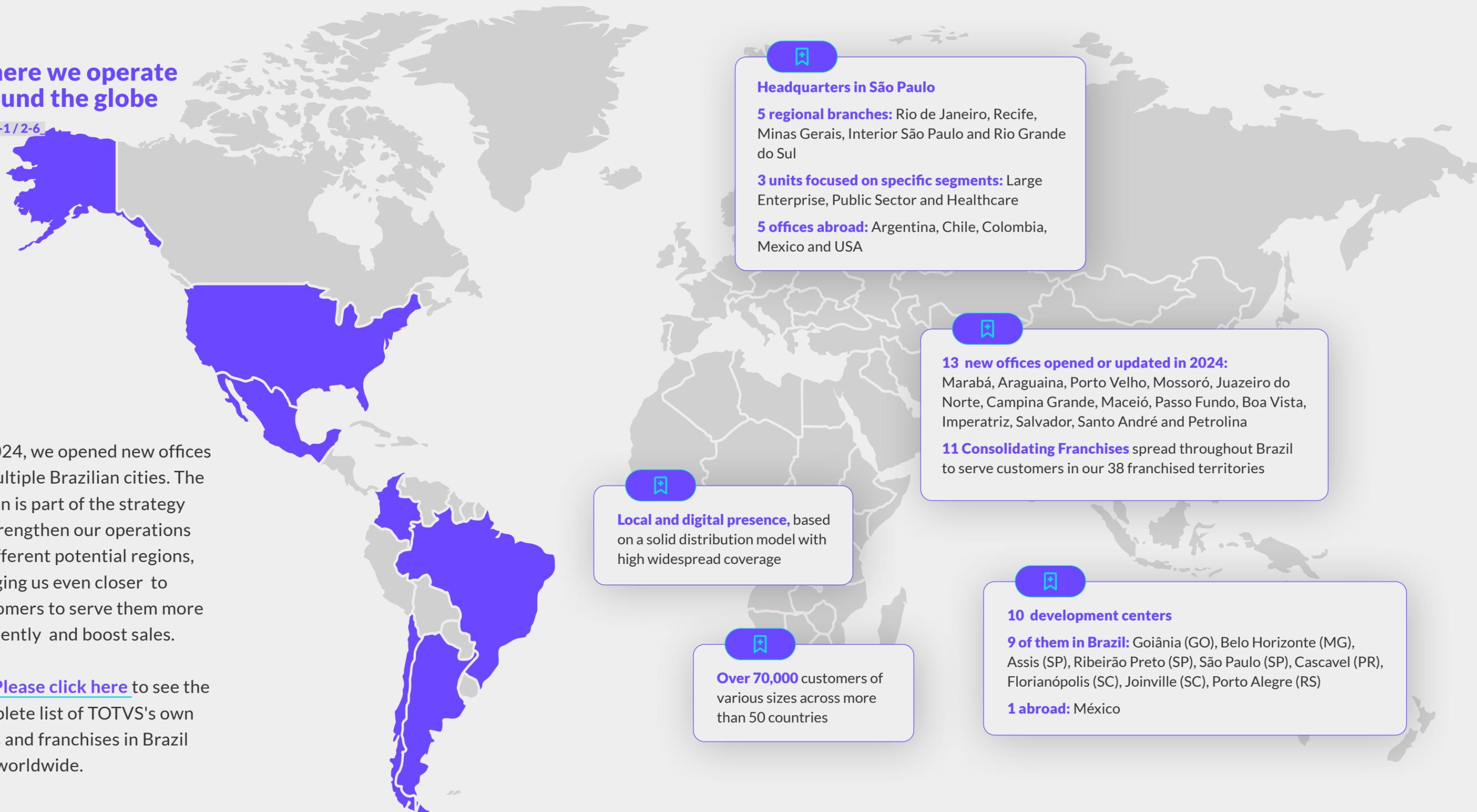


Where we operate around the globe

GRI 2-1 / 2-6

In 2024, we opened new offices in multiple Brazilian cities. The action is part of the strategy to strengthen our operations in different potential regions, bringing us even closer to customers to serve them more efficiently and boost sales.

 [Please click here](#) to see the complete list of TOTVS's own units and franchises in Brazil and worldwide.



Headquarters in São Paulo

5 regional branches: Rio de Janeiro, Recife, Minas Gerais, Interior São Paulo and Rio Grande do Sul

3 units focused on specific segments: Large Enterprise, Public Sector and Healthcare

5 offices abroad: Argentina, Chile, Colombia, Mexico and USA

13 new offices opened or updated in 2024:

Marabá, Araguaína, Porto Velho, Mossoró, Juazeiro do Norte, Campina Grande, Maceió, Passo Fundo, Boa Vista, Imperatriz, Salvador, Santo André and Petrolina

11 Consolidating Franchises spread throughout Brazil to serve customers in our 38 franchised territories

Local and digital presence, based on a solid distribution model with high widespread coverage

Over 70,000 customers of various sizes across more than 50 countries

10 development centers

9 of them in Brazil: Goiânia (GO), Belo Horizonte (MG), Assis (SP), Ribeirão Preto (SP), São Paulo (SP), Cascavel (PR), Florianópolis (SC), Joinville (SC), Porto Alegre (RS)

1 abroad: México



A complete ecosystem of solutions/

GRI 2-6

The success and credibility of our management software development has opened up a large market niche for us to expand our value proposition. Since 2019, we have been adopting a pioneering and innovative strategy to expand our products and services based on three interconnected and interdependent business units that make up our ecosystem: Management, Techfin, and RD Station. This model has been helping us to significantly expand the size of our addressable market, opening up a wide range of new possibilities for our operations and transforming the competitive landscape.

In our operations, we seek to continuously articulate these business units, exploring convergences between products and services and their cross-sell potential—something

that, although challenging, offers splendid opportunities for growth and customer engagement. In the broader context, this diversification has also been important to protect the Company against sector-specific risks. Our strategy includes developing **the customer journey**, focusing on providing the best shopping experience and increasing sales. [Learn more on page 19.](#)

The results achieved so far show TOTVS's success in building its technology ecosystem. In 2024, we continued to launch relevant products, with evolutions that cover functional aspects, technological modernizations and new features, with positive customer feedback and a growing satisfaction index, marked by a 4 point increase in NPS (Net Promoter Score) versus 2023.



12 strategic industries of the economy to serve customers of all sizes and profiles:

- Agribusiness
- Construction
- Distribution
- Education
- Financial Services
- Hospitality
- Legal
- Logistics
- Manufacturing
- Service Providers
- Health
- Retail



MANAGEMENT UNIT

Systems and platforms to automate and digitalize administrative and operational management, boosting productivity, efficiency, control, and improving governance to companies. In addition to management software, our portfolio includes solutions for the HR area, from payroll to human capital management, and vertical solutions for the various market segments.

EXEMPLES

- **ERP & suite de RH:** ERP / Back office management systems HR HXM / solutions for human capital, payroll and routines, electronic time-card and working time

- **Platforms:** Business Intelligence (Analytics), AI and Data Platform TOTVS Fluig (Productivity & Collaboration)
- **Services:** Consulting Cloud Training programs
- **Vertical Solutions (per segment):** Legal software for companies and educational logistics

With a nationwide sales structure and an ever-expanding product range, we're able to stay close to our customers and effectively address their evolving needs. Given that new customers account for approximately 30% of SaaS hires, there's still room for market growth.



TECHFIN UNIT

Technology that expand, simplify, and democratize access to financial services, credit, and payment processes, with offers based on data intelligence that positively impact direct customers and the entire supply chain and employees, bringing profitability and liquidity to companies.

EXEMPLES

- **TOTVS More Businesses**
- **TOTVS Antecipates**
- **TOTVS Extended Term**
- **TOTVS Payroll Loan**
- **TOTVS Instant Payment**
- **TOTVS Working Capital**

In this unit, our current focus is on the creation of new integrated products, such as the expansion of credit access solutions and the development of solutions connected to management software, which generates a virtuous cycle across different units.



RD STATION UNIT

Solutions to increase customer performance in their business, leverage sales and relationship with their stakeholders, through marketing, sales, and e-commerce platforms, which allow them to increase competitiveness and sales performance.

Our 2024 breakthrough redesigned this unit's business model to encompass multiple products, distribution channels, and customer profiles.

EXEMPLES

- **RD Station Marketing:** Digital Marketing Automation and Management
- **RD Station MentorIA:** Virtual assistant

trained with custom data to qualify leads via integrated chat

- **RD Station CRM:** Service automation to increase sales
- **RD Station Conversas (conversation):** Service automation to increase sales
- **Exact Sales (by RD Station):** Increase sales efficiency
- **Lexos:** Control of sales made by virtual stores and marketplaces
- **Shopify:** Full platform to manage and expand virtual stores

Innovation and integration across units

Management and Techfin

TOTVS and Itaú's joint venture, TOTVS TECHFIN, is developing ERP Banking, a new product that uses management software data to provide user-friendly digital financial solutions, including cash management credit, fully integrated within the ERP system. This integrates financial product and service contracting into the natural usage workflow of the management software.

Management and RD Station

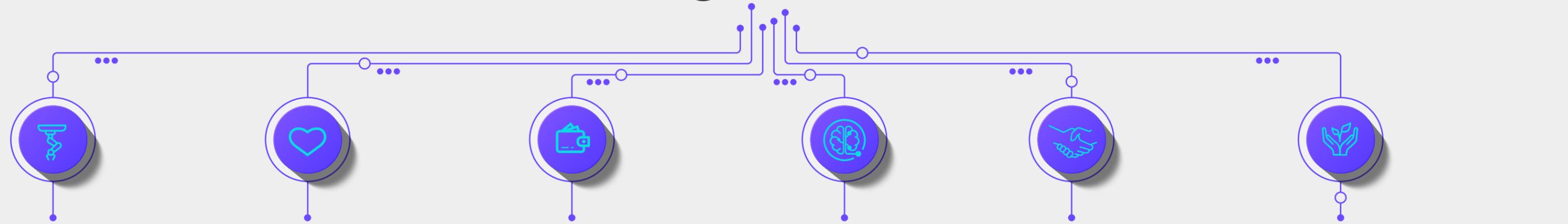
The iPaaS solution, which integrates the back-office system with the RD Station, allows users to interact with the company in an articulated way with other platforms. In the healthcare segment, for example, this allows beneficiaries of a health plan to authorize procedures via WhatsApp using RD Conversas (RD Conversations).



Our strategic differential features GRI 2-6

Our solutions are tailored to the needs of our customers in each region, leveraging synergies throughout the TOTVS ecosystem. We differentiate ourselves through an integrated sales and distribution system of company-owned and franchised locations, enabling close customer contact and an agile, highly responsive, efficient service across the entire customer lifecycle. Our sales operation is based on a multichannel structure, with 70% of leads generated through digital channels. The same is true for over 90% of implementation processes and over 85% of support processes. On our [Legal Updates](#) page, we also offer free monitoring of legislation for the entire tax portfolio served by our product lines, helping our clients to remain in compliance.

How we generated value in 2024



Our assets and/or processes

Manufactured Capital	Human Capital	Financial Capital	Intellectual Capital	Social and Relationship Capital	Natural Capital
<p>Robust distribution platform with widespread business reach</p> <p>11 Consolidating Franchises spread throughout Brazil to serve our clients in the 38 franchised territories</p> <p>50+ offices throughout Brazil and Latin America</p>	<p>Over 12,000 people in our own units in Brazil and abroad</p> <p>A global, plural, and diverse company: our human capital comprises professional from 19 different nationalities, including generation Y(60%), generation X (17%) generation Z (22%) and baby boomers (1%)</p>	<p>Capital Stock of over R\$2.9 billion</p> <p>Over 3 billion invested in R&D over the last 5 years</p>	<p>Development centers in Brazil, Mexico, and the United States, specialized in 12 strategic sectors of the economy</p> <p>Far beyond ERP: our B2B technology ecosystem based on 3 business units, focused on integrated solutions for cross-sell and up-sell, and opportunities driven by artificial intelligence (AI).</p>	<p>70+ thousand customers between micro, small, medium, and large companies</p>	<p>Purchase of carbon credits to offset 400 tons of carbon related to the RD Summit event.</p> <p>We allocated R\$ 5.00 per ton of GHG emitted at the RD Summit to reforestation projects in Brazil, enabling the planting of 67 trees.</p> <p>Adoption of sustainable architecture principles</p>

Drivers

- Sustainable growth based on **3 business units**: Management, RD Station and Techfin
- **M&A Strategy**
- **Users' experience and need** is the major premise of innovation
- **Focus on the technology** that leverages our clients' businesses
- **TOTVS, a trusted advisor** for its clientes
- **Presence and proximity** at all stages of the client journey
- **Building trusting and long-term relationships** with our stakeholders
- **Social investment** in line with the business strategy: productive inclusion and income generation

Investments, impact, and shared value generation

<p>13 new offices opened or renovated across four regions of the country</p>	<p>R\$ 2,380.010 billion in value generated from Human Capital (salaries, benefits, and social charges)</p> <p>Over 200 thousand hours of training in 2024</p>	<p>Undisputed leader in ERP with 55% market share in Brazil and over 35% market share in Latin America (Gartner)</p> <p>Consolidated Net Revenue of R\$5.4 billion, an increase of 17.5% over 2023</p>	<p>33rd place in ranking of 150 most innovative companies by Valor Inovação Brasil 2024 and fifth place in Information Technology category</p>	<p>R\$7.6 million in donations to the Institute for Social Opportunity (IOS), contributing to the professional qualification of 1,800 young people</p> <p>+ 60% increase in family income of students trained by the IOS</p> <p>R\$ 882,811 million distributed as municipal, state, and federal taxes, fees, and contributions</p>	<p>Over 84% of the electricity consumed by our operations comes from renewable</p> <p>Disposal of 35.4 tons of waste for recycling</p>
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Distribution channels local and digital

How we relate with our customers



Management

Multichannel

Distribution model through partners from a multichannel base that provides TOTVS with unmatched penetration across all regions in Brazil.

38 franchised territories and 5 branches

Franchised territories according to industry sector. Local knowledge for SMB customers.

Large enterprise division

Own team with qualified and specialized staff by industry, offering personalized service and consulting support.



Techfin

Franchises and Branches

Sales specialists fully-integrated in franchises and branches, still at the beginning of our journey and with large room to grow.

Affiliates

Credit distribution through our suppliers' affiliates.

Cross-selling

Cross-selling solutions through Management Dimension clients.

Complete service

Sales, implementation, maintenance, and after-sales support structured by business units, regions, and industry segments, delivered through both physical and digital platforms and distribution channels.

Continuous support

Comprehensive assistance provided by a highly specialized team fully dedicated to TOTVS.



Business performance

Digital commerce

Fully-integrated digital commerce and omnichannel sales specialists present in franchises and branches.

Partners

Vibrant partner ecosystem in marketing automation.

PLG (Product-Led Growth)

Up-sell driven by PLG (Product Led Growth).

The customer journey as part of our strategy

The synergy between the three business units is a key factor for TOTVS's success, and one of the potentials of this model is cross-selling. The aim is to streamline the sales process so the sales team can sell products from all three units using a unified interface and customer journey. Likewise, the after-sales team is encouraged to actively cross-sell and up-sell to existing clients. This allows us to achieve growth based on productivity gains, without increasing costs or teams.

“

I witness firsthand each day our company's commitment to its customers, which shows how much it values the quality, trust, and overall satisfaction of everyone who trusts its services.

The "Fala, Gente Boa" ("Talk, good people!") survey 

Progresses achieved in 2024

- TOTVS's Customer Center is a digital platform that manages customer relationships, providing onboarding, support, and access to strategic information. Through it, it is possible to follow product updates, open tickets, access legislation, consult roadmaps, download releases, and access tutorials. Reformulated in 2024, this Customer Center was optimized to quickly meet different user profiles, promoting more autonomy and efficiency in using TOTVS solutions.
- We have streamlined our after-sales service, support, and infrastructure for a more seamless customer experience.
- We conducted a six-month research project, including over 40 interviews with TOTVS's clients and teams, and the gathering of quantitative and internal data, through which we mapped and simplified TOTVS's sales journey.
- We created two large internal projects focused on improving process efficiency that are expected to take shape in 2025.
 - The aim of the Digital Sales Project ("Projeto Venda Digital") is to re-examine the digital sales process, focusing on upselling, additional purchase of licenses, and onboarding more companies and users. Currently, customers need to restart the process in these cases.
 - This project also aims to automate the licensing process for both Intera Limited and Unlimited licenses and digitalize payments for customers regardless of where they are located.
- The Marketplace Project aims to unify the business journeys of the three business units onto one single platform, with expected gains in productivity (expense reduction), scalability (raising revenue), and compliance (lowering risk). A primary priority is to automate currently manual processes to boost sales.
- The area has been acting in a transversal way, as a platform that gives options for the business to decide how to proceed, promoting collaboration between teams and articulating all areas involved in the decision-making processes.

Partnerships and M&As GRI 2-6

At TOTVS, growing steadily and focused on sustainability is part of our essence. Our development combines continuous investment in R&D (Research and Development) with strategic partnerships and mergers, which strengthen our core business, expand the portfolio of solutions, and position us increasingly as trusted partners of our clients. Over almost 20 years, we have completed more than 50 successful mergers, integrating businesses that match our strategy and offer significant potential for complementing and enhancing our technology ecosystem—generating value for customers, shareholders, and employees.

The integration of these companies follows a gradual approach, respecting cultural, operational, and financial aspects. In 2024, we strengthened

our commitment to this principle by establishing a dedicated change management division that puts people at the core of the adaptation phase. Cases such as RM, Datasul, and RD Station are emblematic examples of mergers that transformed TOTVS at different times of our trajectory.

Completed mergers, acquisitions, and partnerships

Our M&A strategy in recent years has centered on acquiring new products that generate synergies, primarily boosting sales and a great deal of cross-selling opportunities. The merger of Ahgora, Brazil's leading HR Tech company (100% SaaS), boosting greater intelligence, automation, and productivity to the industry's routines, begun in 2023 and was completed in 2024.

In 2024, we purchased Varejonline, a company specializing in management solutions for the retail sector, to bolster our presence in this segment. Operating nationwide from its Joinville (SC) headquarters, the company serves over 450 customers and about 3,000 POSs (Points of Sale) of various sizes, positioning itself as a young player, with modern, cloud-native technology.

We also had the merger of Quiver by Dimensa, a company resulting from a partnership between TOTVS and B3. In the market for over 30 years, Quiver serves the main insurers, brokers, and banks for policy sales and management in Brazil, totaling approximately 2,500 customers; the company processes about 36% of the premiums produced by insurance brokers in the country.



Business landscape and outlook for 2025/

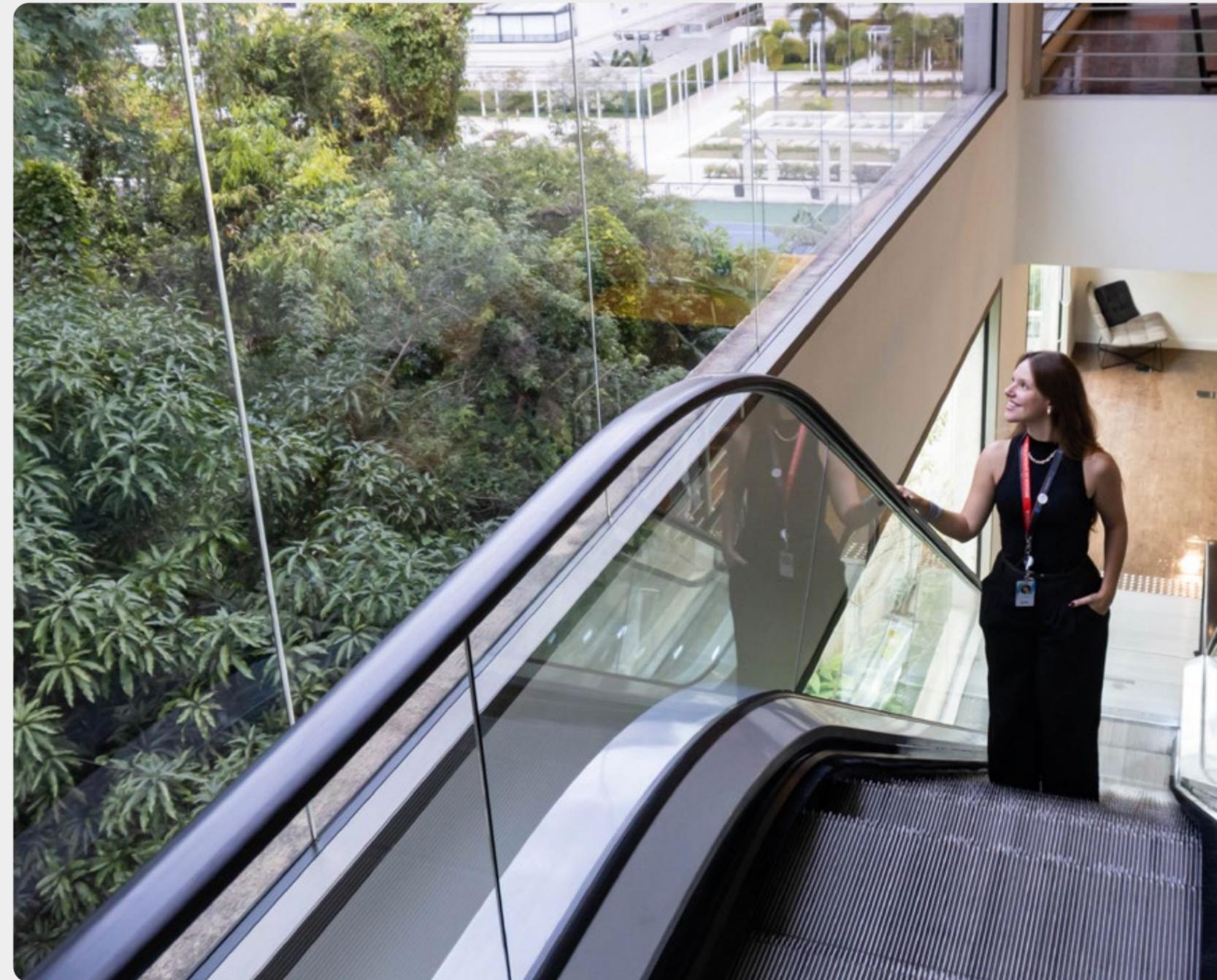
Continued growth in 2025 requires ongoing investment in business unit expansion and integration. While maintaining a high growth rate is challenging, we see Brazil's lower-than-average technology adoption versus other countries as a key opportunity for expansion and a great untapped potential in the sector.

One of the fronts on which we will continue to work is the development of ERP Banking, focusing on intelligent, scalable, and automated solutions that companies do not find in banks. Our future objective is for TOTVS financial products to achieve the same level of user-friendliness as existing management software.

The 2025 focus is on executing existing projects to boost sales team efficiency and productivity. We will

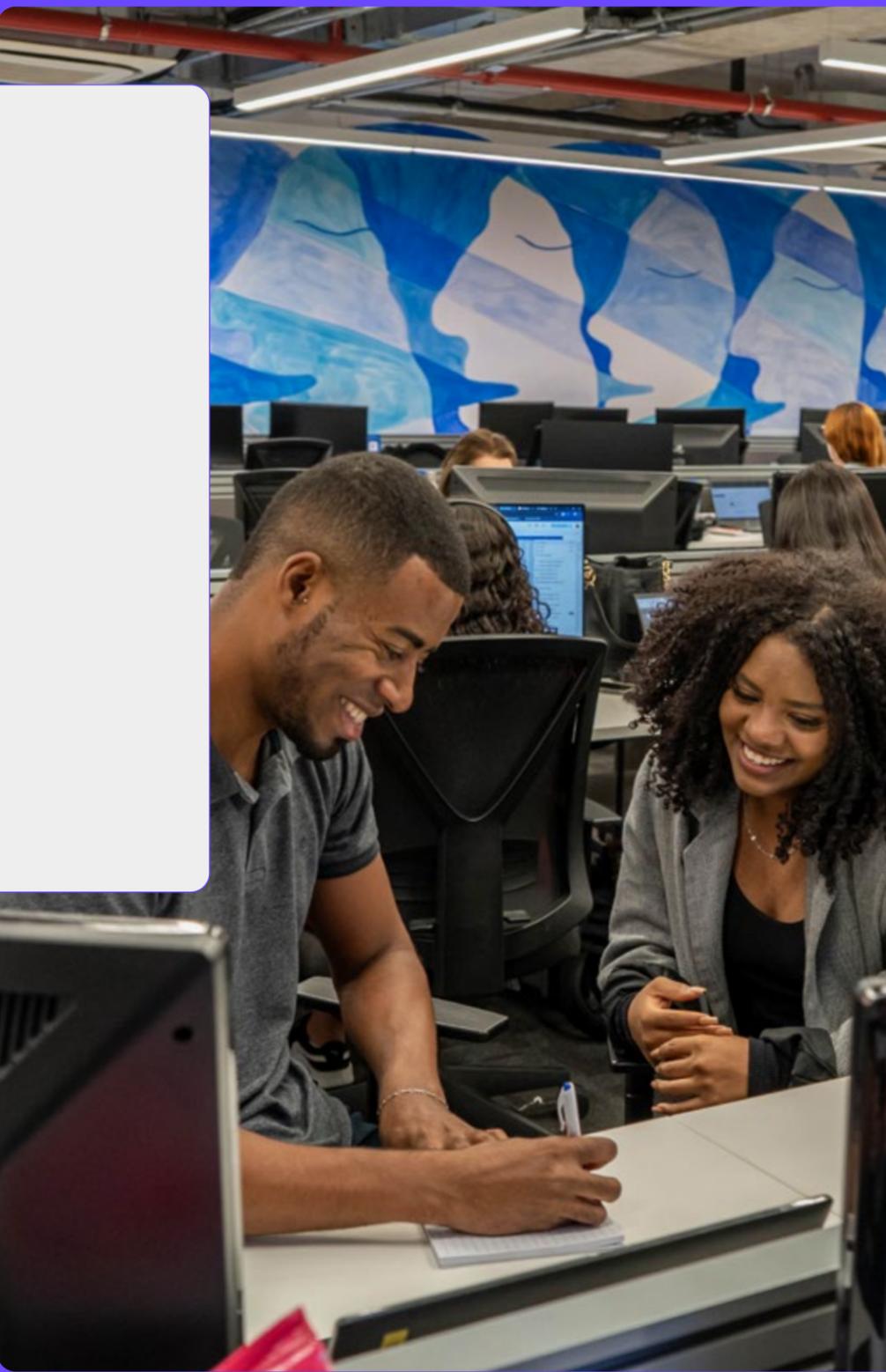
also continue to pursue faster AI innovation, prioritizing responsible and ethical development of IA under human control and adapting to varied customer needs and maturity levels.

We continue to position ourselves as our clients' trusted advisor to enhance personal and corporate growth, with a view to building lasting relationships nationwide through specialized products and services across 12 segments. The country's potential is something we strongly believe in, and this conviction shapes our relationships with all stakeholders. Internally, we will keep investing in developing new leaders and innovative people management strategies, along with commitments to sustainable development of our entire ecosystem, always in line with our purpose.





**We build
relationships
of trust**



“

Sustainability in society and business: the foundation for a sustainable world.

Laércio Cosentino

Chairman of the Board of Directors and Founder



Sustainability management

TOTVS's sustainability strategy has been constantly evolving to address the challenges and opportunities of today's scenario. Our goal exceeds integrating good practices; we want a sustainable ecosystem that strengthens businesses, drives innovation, and enhances efficiency throughout the chain.

We believe that sustainability is directly linked to business longevity and resilience. Therefore, we seek to anticipate trends and proactively respond to changes that impact the economy and society. Our focus is on the analysis of risks and opportunities and the creation of innovative solutions that make companies more efficient and competitive, while contributing to sustainable development.

As a Brazilian technology company, we see enormous potential for Brazil to become a reference in sustainable innovation. The country has the ability to lead the development of solutions that balance economic growth, inclusion, and environmental impact mitigation. TOTVS seeks to actively drive this transformation, enabling businesses across all sectors to digitalize their processes, optimize

resources, and reduce environmental impact through technology.

We are supported by our [Code of Ethics and Conduct](#) and our [Sustainability and ESG Policy](#), launched in 2021 and revised in 2023, which reflects TOTVS's purpose and vision in business strategy and value creation for our customers. Our governance in Data & AI expanded, emphasizing safe innovation and a focus on practical solutions.

Sustainability management, guided by our highest governance standards, directs all our actions and decisions as a transversal agenda. Discussions on this subject are carried out by the Governance and Nomination Committee (CGI), through the "Report on Sustainability Actions" agenda, included in four out of the five

meetings held by the body council in 2024. The Committee coordinator reports to the Board of Directors (CA), which is responsible for evaluating, approving, and ensuring the resources for implementing the Sustainability and ESG strategy and policy, as well as for deciding on public commitments and targets assumed on the subject, in addition to endorsing sustainability indicators and priority aspects for their management, identified in the Materiality Matrix. The Board also defines and updates TOTVS Group's strategic objectives for this agenda and approves performance reports. The Board's decisions also consider the contributions of the Strategy Committee (CE) and the Executive Vice President of Finance and Administration and Investor Relations Officer (CFO). [GRI 2-9 / 2-12 / 2-13 / 2-17](#)



Learn more about our governance structure on [page 29](#)

We believe in a business model with less impact. Renewable sources provide 84% of all our units' electricity, placing us in the B3 Carbon Efficient Index (ICO2) for a third year, ranking among the lowest-emitting 75% companies (coefficient: 0.000775). In 2024, we developed our 4th inventory of greenhouse gas emissions based on the GHG Protocol model, deepening the mapping of scope 3 emissions.

[Learn about our environmental stewardship initiatives on page 85.](#)

Because we value Brazil's diversity, we created a long-term diversity, equity and inclusion plan (2022-2030). Our program brings together over 1,000 employees volunteers, being structured into five affinity groups:



- Gender (*Elas na TOTVS*)
- LGBTQIAP+ (*Cores na TOTVS*)
- People with Disabilities (*Inclusão na TOTVS*)
- Race & Ethnicity (*Pertencimento na TOTVS*)
- 50+ people (*Maturidade na TOTVS*)

[Learn more about these initiatives on page 60.](#)

Our private social investment largely goes towards maintaining the Institute of Social Opportunity (IOS), where we play a leading role. Since its foundation in 1998, IOS has trained over 46,000 students and supported the employability of over 36,000. In 2024, the young people employed through the institute saw a 59% increase in their household income, demonstrating the direct impact of training on improving socioeconomic conditions.

We see in technology opportunities to provide greater predictability, resilience, and continuity in companies and to empower people and

communities for a more sustainable and equitable future. With over 300 solutions, our portfolio ensures greater data control and centralization, directly supporting the best governance performance of companies.

As an evolution of this strategy, in 2023, we invested in the Brazilian startup Deep ESG, a platform focused on the automated calculation of

greenhouse gas emissions, which generates reports and action plans. This product has been well-received and has achieved strong market penetration across all segments. In 2024, we also made progress in mapping the Company's own sustainability through Deep ESG's Advanced reporting module. [PG1TOTVS](#)



Progress made in 2024

In 2024, we continued to advance in building a sustainable ecosystem that, besides reflecting our values, improves our innovative capacity and builds resilience for future challenges. Our principles— transparency, inclusion, and accountability — are more alive than ever, guiding our decisions and actions across all levels of the organization.

Internally, we remain focused on creating an increasingly inclusive and diverse environment, because we understand that true innovation comes from the diversity of ideas and experiences. The creation of the *Maturidade na TOTVS* affinity group for veteran team members, as part of our Diversity and Inclusion Program, reflects this commitment.

In the scope of Private Social Investment, we focus on IOS, expanding our partnership, bringing more external people to compose the Board, which now consists of 60% women. This change aims to expand the Institute's representativeness, making it stronger and with greater reach. Our sustained IOS support reflects our belief that the transformative power of education and social inclusion are crucial to building fairer and more prosperous Brazil.

Our investment in employee training, through programs such as Universidade TOTVS, goes beyond simple professional training—it is a reflection of our belief that a sustainable ecosystem is also built by constantly strengthening those who bring our company to life. Partnerships with external institutions amplify this impact, promoting continuous development in line with the demands of an increasingly digital and inclusive future.

Good sustainability practices at our events

Selective waste collection has been strategically rolled out across Universo TOTVS. With the support of Deep ESG, we also prepared an impact report on the event's GHG emissions. Efficient waste management in 2024 recycled 7,782 tons of materials and converted 10,028 tons into Waste Derived Fuel (WDF). [PS03TOTVS](#)

At the RD Summit, we adhered to and partnered with Expo Center Norte's Zero Landfill Project, implementing on-site waste sorting (recyclable/organic) to ensure more materials were correctly diverted. Water stations provided free, environmentally friendly glasses for public use. In addition to efforts to neutralize carbon emissions, initiatives were introduced to foster inclusivity, such as family-

friendly spaces, accommodations for neurodiverse audiences, hosting lectures with Libras sign language interpretation, and supplying wheelchairs. [PS09TOTVS](#)



Materiality GRI 3-1

At TOTVS, the management of material topics is done through policies, practices, and management systems, in order to ensure that each one of them is treated in a transparent and effective way. In 2024, we completed the review of our Materiality Matrix, which identified the priority topics for sustainability management in 2024 and 2025. This was achieved through a robust process of engagement with stakeholders, considering the most relevant economic, environmental, and social impacts. By using a double materiality approach, we gained a comprehensive and integrated understanding of all risks and opportunities impacting the company's financial and non-financial performance. The material topics identified reflect TOTVS's responsibility and commitment to sustainable development and long-term value creation.

Our material topics are

GRI 3-2



Attraction, retention, and development of people



Sustainable growth



Diversity, inclusion, and elimination of discrimination



Management of environmental impact and climate change



Ethical and responsible governance



People's health and wellbeing



Information security, data protection and privacy



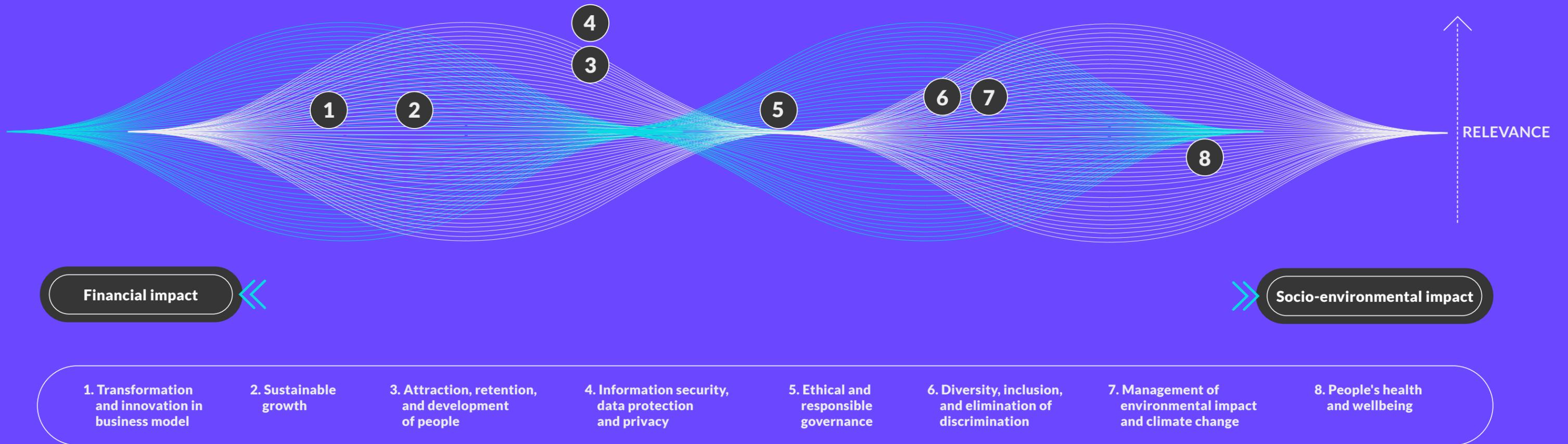
Transformation and innovation in business model

TOTVS Materiality

GRI 3-2

In this representation of TOTVS' materiality, the topics on the left are those with the greatest financial impact, while those on the right represent the greatest socio-environmental impact. In the center are the topics with both a financial and socio-environmental impact.

The topics at the top of the graph are those prioritized by relevance.



Corporate governance

GRI 3-3 » ETHICAL AND RESPONSIBLE GOVERNANCE

Listed on the *Novo Mercado* of B3, TOTVS is considered one of the companies with the highest level of governance in Brazil. We also follow the Code of Best Corporate Governance Practices of the Brazilian Institute of Corporate Governance (IBGC), demonstrating a solid commitment and responsibility to society and its shareholders. Since going public in 2006, we have been recognized for the excellence of our corporate governance practices and for our contribution to the country's growth. In a journey also marked by pioneering spirit, we were the first company in the IT sector in Latin America and the first Brazilian software company to go public on the stock exchange.

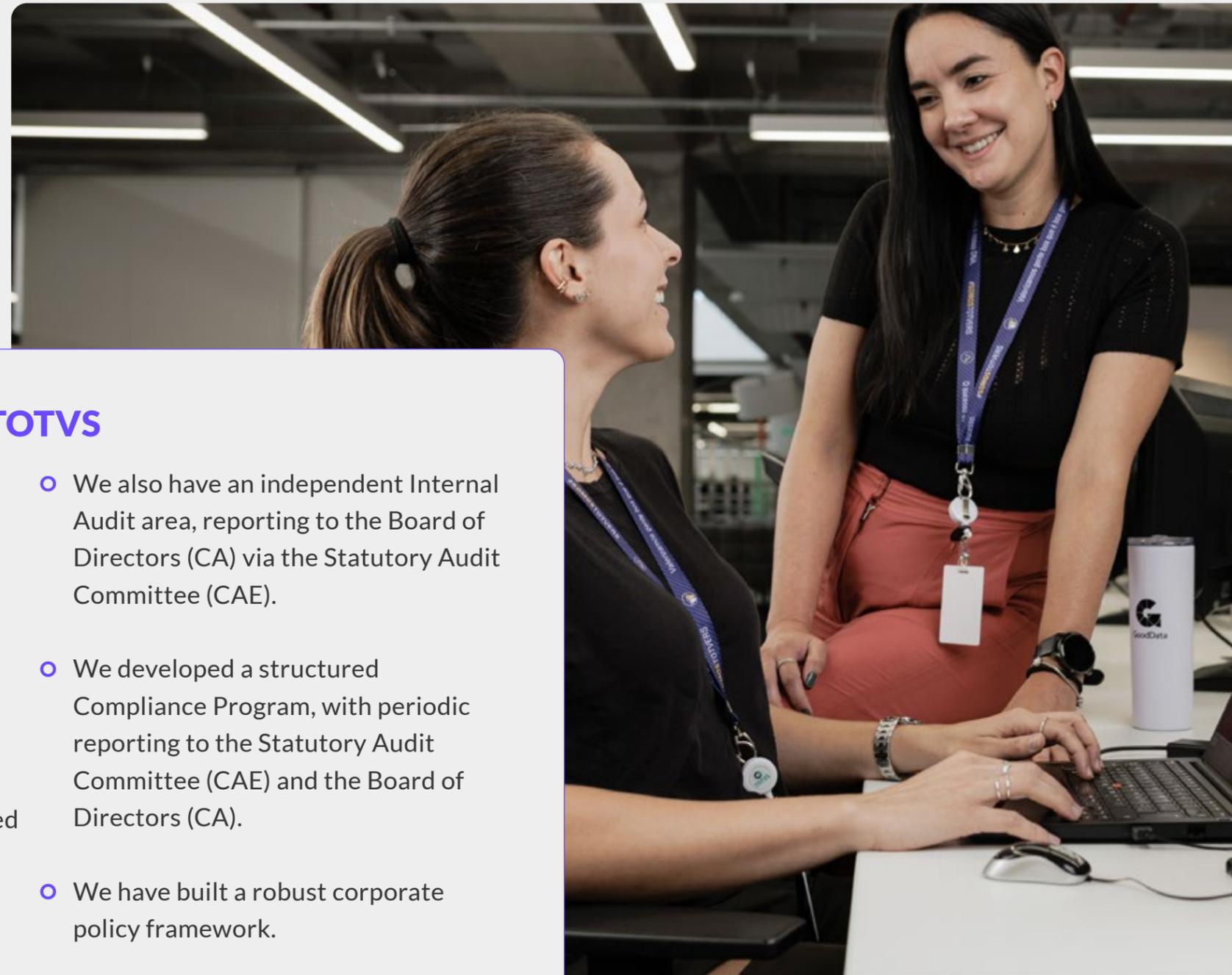
TOTVS's achievements solidify its position as a leading company that

continues to make progress; its presence on prominent Brazilian market indices — Ibovespa, B3's IBrX-50, IGPTW, IDIVERSA, and ICO2 — demonstrates its success in stock exchange performance, sustainability, and governance.



Outstanding practices of TOTVS

- Our Code of Ethics and Conduct is adhered to by 100% of employees and management members.
- We provide an Ethics and Conduct Channel operated by an external and independent entity.
- We count on a Statutory Audit Committee (CAE) that is 100% composed of independent members.
- We have an Internal Controls, Risks, and Compliance Area that reports directly to the CEO.
- We also have an independent Internal Audit area, reporting to the Board of Directors (CA) via the Statutory Audit Committee (CAE).
- We developed a structured Compliance Program, with periodic reporting to the Statutory Audit Committee (CAE) and the Board of Directors (CA).
- We have built a robust corporate policy framework.



Governance structure

GRI 2-9 / 2-12

We have a four-tiered governance model with separate deliberative and executive components. The highest decision-making and corporate governance body is the Board of Directors (CA), which has the support of four Advisory Committees: Statutory Audit (CAE), People and Compensation (CGR), Governance and Nomination (CGI), and Strategy (CE), the first three being statutory in nature. At the executive level, we have a Statutory Board of Executive Officers composed of seven Vice Presidents, in addition to the CEO. The fourth tier

corresponds to the Fiscal Council (aka Supervisory Board), which operates on a non-permanent basis. Established upon resolution of the company's shareholders, it operates to protect the Company's assets and interests, supervising and requesting information and clarification from the management bodies connected to its function.

The selection of governance members follows the guidelines in our [Nomination Policy](#), which complies with our bylaws, TOTVS's charter, and current regulations in force.



Board of Directors

GRI 2-9 / 2-10 / 2-11

- It is responsible for the general guidance of the Company's businesses, for defining strategies and monitoring their implementation, and for monitoring the execution of plans and policies.
- It is formed by at least five and at most seven members.
- The positions of Chairperson of the Board and Chief Executive Officer cannot be held by the same person.
- The term of office of the members is two years, who are allowed to be reelected.

The Governance and Nomination Committee (CGI) is responsible for overseeing the selection and appointment of members. They evaluate candidates based on their

compliance with job requirements and the applicable legal requirements. After the initial analysis by the Committee, the selected profiles are submitted for deliberation/election by the competent area. The process also involves engaging with shareholders, who can discuss and make nominations. Furthermore, the Nomination Policy uses the performance reviews of the Board of Directors (CA) and Committees to guide the selection and appointment of new board members.

Board composition considers diversity, independence, professional background, strategic vision, expertise in areas like finance and sustainability, and other relevant organizational competencies.



Current profile

7 members, all of Brazilian origin and committed to the development of the country and the technology sector

86% are independent members

43% are women

Average time of about **6** years of dedication to TOTVS's Board of Directors (CA)

59 is the average age years old

100% are non-executive members in the Company

Members of the Board of Directors (Conselho de Administração "CA")

- Chairman
Laércio José de Lucena Cosentino
- Vice President and Independent Member
Maria Letícia de Freitas Costa
- Independent Members
Edson Georges Nassar
Gilberto Mifano
Guilherme Stocco Filho
Ana Claudia Reis
Tania Sztamfater Chocolat

Section 7.3 of our [Reference Form](#) details the experiences and other important positions and commitments of the Board members.

Advisory Committees

[GRI 2-9/2-10/2-12/2-13/2-19/2-20](#)

The Committees are organized considering strategic topics for the Company. Each has a unique set of attributions, detailed in their charter and approved by the Board. They are composed by a coordinator and two other members, whose election is also in charge of the directors. With the exception of the Statutory Audit Committee, the Advisory Committees are fully formed by members of the Board of Directors. External members follow the same rules as the Board, considering relevant competencies, diversity, and the Company's impact to ensure diverse business strategies and decision-making processes. The female composition of three out of four of the Company's Advisory Committees is 33%.



Statutory Audit Committee (Comitê de Auditoria e Estratégia "CAE")

It monitors the quality and compliance of financial statements and information, risk management and internal controls, including policies on the subject. It reviews

related-party transactions. It oversees compliance with laws, standards, Company's regulations and internal policies. It periodically reviews the compliance policies and procedures, providing opinions on matters submitted by the Board.



People and Compensation Committee (Comitê Gente e Remuneração "CGR")

It reviews the proposal for management members' compensation, including share-based plans. It follows up the preparation of the succession plan and the annual assessment process of the Company's executive officers, based on the financial and non-financial performance targets in line with the Company's values and ethical principles, including environmental, social, and governance aspects. It recommends and monitors the Company's social practices from a sustainability viewpoint.



Governance and Nomination Committee (Comitê de Governança e Indicação "CGI")

It selects and appoints members to the Board and its Advisory Committees, as well as assesses their independence. In addition, it recommends and monitors the adoption of good governance and sustainability practices, as well as its action plans, providing opinions on the definition of targets and their implementation. It is also in charge of facilitating stakeholder engagement and consultation. It reviews regulatory documents, discusses them in meetings, and then reports to the board.



Strategy Committee (Comitê de Estratégia "CE")

It analyzes and discusses the major guidelines of the Strategic Planning and topics that enable the construction of the Company's vision of the future, including M&A projects and aspects of Environment, Social and Governance ("ESG" and/or Sustainability). In addition, it analyzes the Company's budget, recommending its submission to the Board for analysis and deliberation.

Once a year, the Board of Directors (CA) and its Committees evaluate their performance through self-assessment by members and peer evaluations. The Chairman of the Board leads the process, with the assistance of the Corporate Governance area and recommendations from the Governance and Nomination Committee (CGI). In alternate years, the Board of Directors may determine that this process be carried out with the support of an external consultant.

Based on the results, the Board discusses strategies to improve or establish new practices for the bodies.

[GRI 2-18](#)

Board of Executive Officers

It is composed of eight members, all of them elected by the Board of Directors (CA), being one Chief Executive Officer (CEO) and seven Vice President Officers, who are the legal representatives of TOTVS.

Their primary responsibility is to oversee the company's management and enforce the general policies and guidelines set by the Board of Directors (CA).

Its members are appointed for a joint term of office of two consecutive years, with the option of reelection and the authority for the Board of Directors (CA) to terminate their position as necessary.

Composition of the Board of Executive Officers¹

- Chief Executive Officer
Dennis Herszkowicz
- Executive VP of Customer Service and Relationship
Alexandre Haddad Apendino
- Executive VP of Finance and Administration, and Investor Relations Officer
Gilsomar Maia Sebastião
- Executive VP of Platforms
Gustavo Dutra Bastos
- Executive VP of Business for Segments
Marcelo Eduardo Sant'anna Cosentino
- Executive VP Chief Human Relations and Marketing Officer
Vivian Broge

¹ Composition of the Board of Executive Officers in December 2024.

² Juliano Tubino left TOTVS on January 17, 2025.

- Executive VP Business Performance Officer
Juliano Tubino²
- Executive VP Customer Journey Officer
Gustavo Avelar



Percentage of Composition of the Board of Executive Officers¹ [GRI 2-9](#)

By gender	2022	2023	2024
Men	86%	87.5%	87.5%
Women	14%	12.5%	12.5%
By age group	2022	2023	2024
Under 30	-	-	-
From 30 to 50 years	100%	100%	100%
Over 50 years	-	-	-

¹ It considers the compositions of the Board of Executive Officers on December 31, 2022, 2023, and 2024.



Risk management/ [GRI 3-3 »](#)

[ETHICAL AND RESPONSIBLE GOVERNANCE / 2-16](#)

Risk management is a key element throughout our entire operations and decision-making process. We have adopted a [Risk Management, Internal Controls, and Compliance Policy](#), which sets forth the principles, guidelines, and responsibilities related to the topic, as well as all stages of the risk management cycle. They include setting the context and identifying, analyzing, assessing, treating, monitoring, and reporting corporate risks. We acknowledge that they can originate from a range of sources, encompassing both internal and external factors, which we classify into five major categories:

- Operating risks
- Information technology risks
- Financial risks
- Strategic risks
- Regulatory/compliance risks

Our methodology, supported by the components of the Committee of Sponsoring Organizations of the Treadway Commission–Enterprise Risk Management Framework (COSO ERM) and the guidelines of the ISO 31000 Standard, also includes the preparation of a Risk Matrix, Key Risk Indicators (KRIs), and action plans to mitigate them. The Matrix encompasses a total of 14 risks considered as priorities, which are monitored through periodic reports made by the Internal Controls, Risks, and Compliance area.

In 2024, the Risk Matrix was updated considering the behavior and evolution of risks in the 2023 cycle, as well as the assessment of the risk scenario in relation to the Company's planning and strategic goals for the year. This process aims to ensure that the Matrix reflects the most current scenario and the most appropriate treatment for each identified risk and its corresponding factors.

The Board of Directors (CA), as the highest decision-making body, also assumes an essential role in managing the organization's economic, environmental, and social impacts and in the risk management cycle. In addition to validating the Risk Management, Internal Controls and Compliance Policy, the Board approves the annual review of the Risk Matrix and monitors the implementation status of the actions defined for its mitigation in the action plans, as well as the progress of the KRIs, upon prior evaluation and recommendation of the CEO, the executive VPs, and the Statutory Audit Committee (CAE). [GRI 2-12 / 2-16](#)



Ethics and compliance

GRI 3-3» ETHICAL AND RESPONSIBLE

GOVERNANCE / 2-23/ 2-24 / 2-25 / 2-26 / 2-27

At TOTVS, we have a firm commitment to ethics and compliance, which is present in the relationships with all our stakeholders. Our Code of Ethics and Conduct applies to all directors, executive officers, shareholders, employees, service providers, franchisees, suppliers, and partners.

The Code is part of our Compliance Program led by the Internal Controls, Risks, and Compliance area. This program reflects our commitment to ethical conduct, transparency, and the prevention of corruption. Structured on five pillars, it aims to ensure that all employees know and comply with the applicable laws and regulations, as well as the guidelines and rules of conduct of the TOTVS Group, in addition to promoting ethical principles among our third-party associates.

The Compliance Program methodology, structured with five guiding principles, is focused on preventing, detecting, and addressing irregular and unethical conduct:

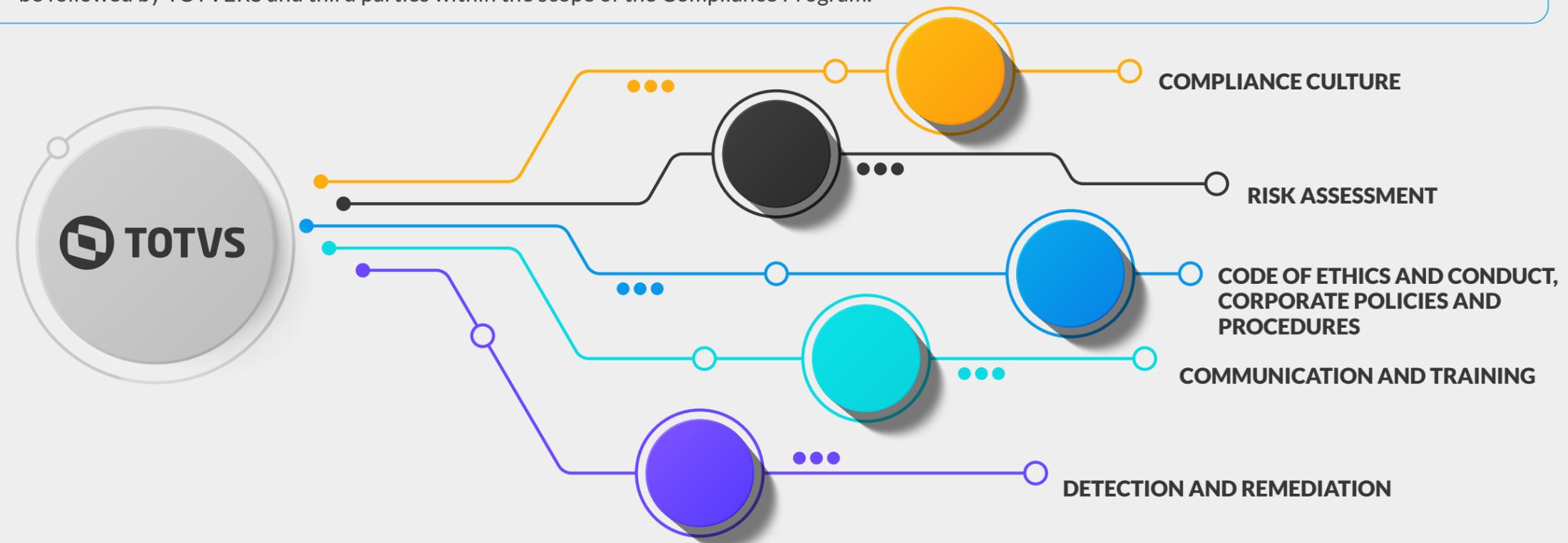
1 Compliance culture
By strengthening the ethical and compliance culture through the constant engagement and support of the Company's key leaders.

2 Risk assessment
By identifying, assessing, and addressing the major compliance and anticorruption risks to which TOTVS is exposed in the conduct of its activities.

3 Code of Ethics and Conduct, corporate policies and procedures
establishment and formalization of internal guidelines, standards, and procedures that must be followed by TOTVERS and third parties within the scope of the Compliance Program.

4 Communication and training
Permanent awareness-raising initiatives so that everyone knows the guidelines, rules, and responsibilities to be met within the scope of the Compliance Program.

5 Detection and remediation
Identification of any conduct that violates the applicable legislation and regulations and the company's internal standards. As a result, it secures the discontinuation of any unethical actions and the enforcement of disciplinary measures for those actions.



The Internal Controls, Risks, and Compliance area is also responsible for updating the Code of Ethics and Conduct within the scope of the Program. Its indicators are periodically reported to the CEO and Executive Vice Presidents, as well as to the Statutory Audit Committee (CAE) and the Board of Directors (CA). The Program is periodically audited and undergoes an annual evaluation aimed at identifying improvements in its actions and processes.

To analyze possible violations of the Code, other internal guidelines or current laws and determine the appropriate disciplinary measures when any occurrence is identified, we have an Ethics and Conduct Committee, consisting of employees appointed by

the CEO and approved by the Board of Directors (CA). A new Committee was appointed in 2024 to serve a term of office lasting until 2026. The rules and criteria for the application of disciplinary or legal measures in the face of infractions are given by our Company's Standards of Disciplinary Management.

To report Code of Conduct violations, internal regulation breaches, or any illegal activity, use our independent Ethics and Conduct Channel, which is operated by an independent specialized company. Our service is accessible to all— anonymously or otherwise—in Portuguese, English, and Spanish, via the following channels:



Website

www.canalconfidencial.com.br/totvs/

Telephone

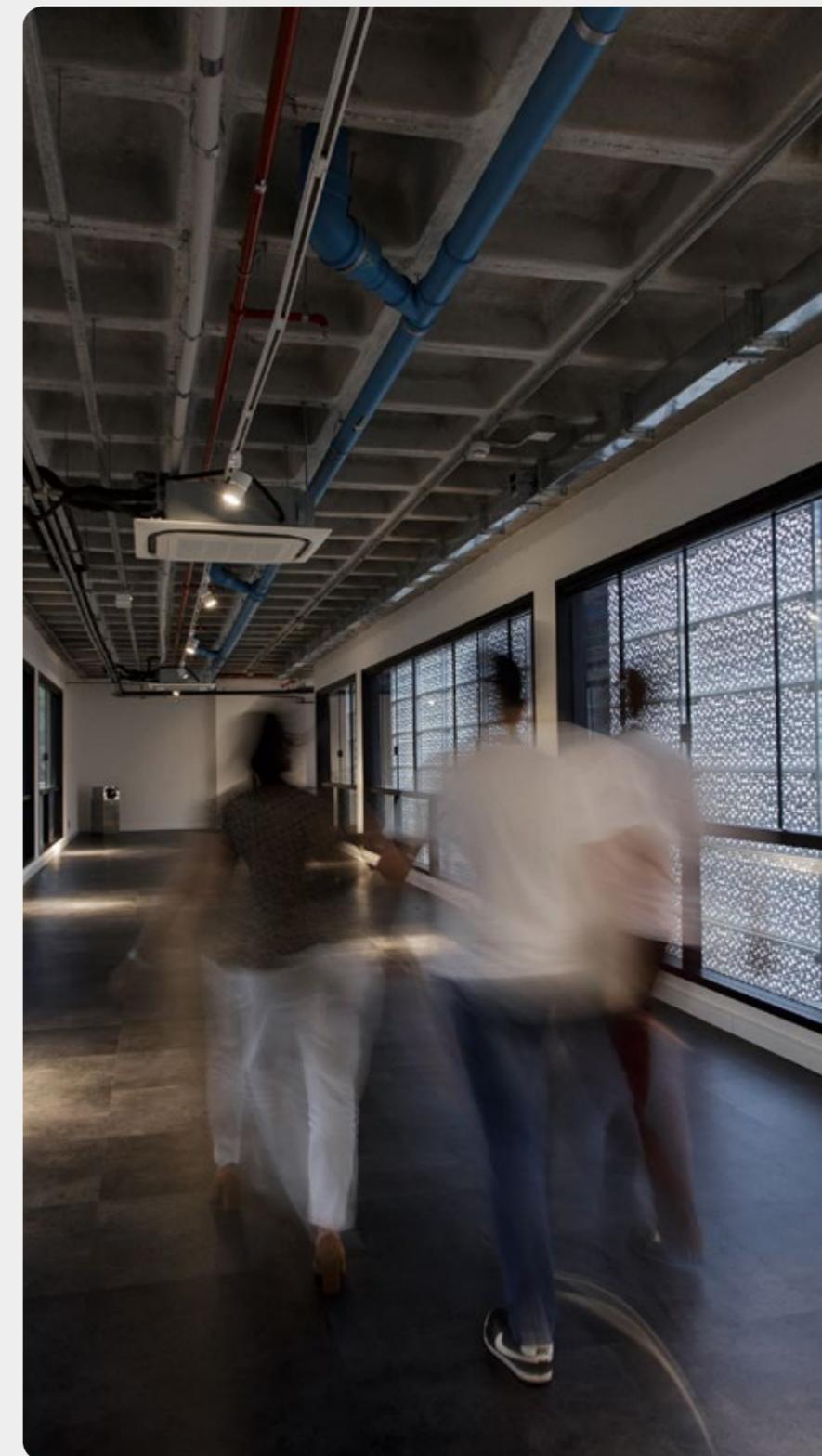
In Brazil: 0800-721-5966

Other locations: +55 11 3232-0766



In 2024, we received 298 reports on the Ethics and Conduct Channel of the TOTVS Group, all of which were properly analyzed and addressed. There was no record of complaints that required review actions in addition to those already provided for in the Code. Local communities did not report any whistleblowing either. **GRI 413-1**

The Board of Directors (CA) receives periodic reports from the Statutory Audit Committee (CAE) on the Ethics and Conduct Committee's response to channel reports and major complaints.



Anti-corruption

We have established a legitimate Anti-Corruption Standard applicable to all TOTVS employees and management members. This standard outlines the guidelines and minimum criteria for preventing corruption and bribery.

In 2024, the maps of risks related to compliance and corruption/fraud in the purchasing process were updated, as well as in the Public Sector area, regarding TOTVS's participation in bidding processes. The objective was to identify the major risks to which the Company is exposed in these processes, as well as to map existing controls and identify any measures to mitigate risks. In addition, in the priority risk matrix approved by the Board of Directors (CA), there is a specific risk factor for fraud and corruption. In 2024, 100% of operations were assessed for corruption-related risks. [_GRI 205-1_](#)

In 2024, there were no confirmed cases of corruption. TOTVS was not subject to any legal proceeding (i.e., ongoing public investigations, lawsuits, or closed cases) related to corruption against the organization, its employees, or business partners. In addition, there was no record of any significant case of non-compliance with laws and regulations that led to fines and/or lawsuits.

[_GRI 2-27 / 205-3_](#)



TOTVS's public commitments to eliminate corruption [_GRI 2-23_](#)

- UN Global Compact
- Ethos Institute's Business Pact for Compliance and Anti-corruption

Recognitions earned for good ethics and compliance practices

- 2022-2023 Pro-Ethics Seal awarded by the Office of the Comptroller General of the Union (CGU)



How we engage our employees [_GRI 205-2_](#)

We invest in constant training and awareness to disseminate our policies and procedures to both internal and external audiences, through the intranet, accessible to 100% of our employees, and through our institutional and Investor Relations website. All our policies are

approved by the Board of Directors (CA), after recommendation by the Statutory Audit Committee (CAE) and/or the other Advisory Committees, and apply to the entire Company, observing the scope and particularities of each subject.

In 2024 saw the celebration of our 5th Compliance Week, themed "The role of Compliance and Ethics in a

contemporary world". The event was attended by renowned speakers and an audience of over 1,700 people, addressing topics such as harassment prevention. It is worth mentioning the increase in the number of consultations with the Compliance area, which shows the engagement of employees with the topic. We also ran the "Compliance at Play" initiative, an employee game testing knowledge of our Code of Ethics and Conduct. We conducted workshops for new employees and leaders, as well as specialized training, such as mandatory training on the Relationship with Public Entities Policy for teams working with government agencies. [GRI 2-24](#)

In 2024, 100% of members of the Board of Directors (CA) received anti-corruption training. [Learn more about our performance on this indicator on page 93.](#) [GRI 205-2](#)

Conflict of Interest

[GRI 2-15 / 2-23 / 2-24](#)

Our Code of Ethics and Conduct establishes guidelines to ensure absolute transparency, integrity, and compliance in the relationship with public entities and in any situations between related parties that may involve a conflict of interest, as well as our Charter and the Company's Bylaws. The rules and procedures on these topics are contained in our Policies for Business and Institutional Relationship with Public Entities, Related-Party Transactions, and Contributions, Donations, and Sponsorships, as well as in our Anti-Corruption Standard.

We also have a Conflict of Interest Standard that addresses aspects such as the appointment and hiring of employees, suppliers and service providers, relationships with public agents, political activities, and the

participation of key members of our management in external boards and committees, among others. We emphasize that TOTVS has a third-party due diligence procedure to identify compliance risks and that our shareholders do not have cross-ownership in other management bodies, as well as do not have cross-

ownership with suppliers and other stakeholders. The Company does not have controlling shareholders.

[Please click here](#) for our conflict of interest policies. Further information on related-party transactions is also available in section 11 of our [Reference Form](#).



Information security, data protection and privacy

GRI 3-3 » INFORMATION SECURITY, DATA PROTECTION AND PRIVACY _SASB TC-SI-220a.1 / SASB TC-SI-230a.2_

As a reference company in the technology sector, TOTVS has a robust Information Security and Data Protection and Privacy system for all stakeholders, which includes clients, customers, former employees, collaborators, partners and suppliers, which is constantly being updated and improved.

Our comprehensive management approach leverages the breadth of our in-house expertise and resources, drawing on industry-standard security best practices defined by market frameworks, such as the following ones:



- International Organization for Standardization (ISO), 27001 (Information Security Management System – ISMS) e 27701 (Privacy Information Management System – PIMS);
- National Institute of Standards and Technology (NIST), Cybersecurity Framework (CSF) e Secure Software Development Framework (SSDF);
- Center of Internet Security (CIS);
- International Standard for Assurance Engagements (ISAE) 3402;
- American Institute of Certified Public Accountants (AICPA) Service Organization Controls (SOC).

A significant security incident occurred in 2024, but it was successfully resolved without operational disruption, customer impact, or financial loss.

The introduction of a CDO (Chief Data Officer) to lead the Company's data

strategy was a key development this year, especially important with the increased use of artificial intelligence (AI). Through the three pillars of data processing, responsible platform use, and governance, TOTVS addresses this issue integratively, ensuring all data handling is compliant and responsible.





We have also developed our Artificial Intelligence Use Policy, released internally in August 2024. We have also been investing in training customers and employees on this topic. For companies, we developed a guide on the use of AI, highlighting its potential to bring opportunities for innovation, besides a material describing the steps to start an AI project. Internally, we have produced a booklet of principles and good practices for the use of AI platforms in the TOTVS Group. This content became a required part of the Data and AI Academy at TOTVS



University, offering accessible and educational materials for all employees. This initiative aims to democratize learning and empower the workforce to address current and future challenges related to the application of AI and the use of data.

The effectiveness of actions and policies related to information security, data privacy and use of AI is progressively monitored and is in the process of being structured. At TOTVS and RD Station, we are consistently improving our methods for identifying and reducing risks related to these issues.

At TOTVS, our year-end results showed no user data misuse for secondary purposes. In addition, in 2024, we had 4 requests for user information by local government authorities and agencies.

[_SASB TC-SI-220a.2 / TC-SI-220a.4_](#)



One of the major initiatives created in 2024 is the Data Driven indicator, which will be implemented throughout 2025. This index enables TOTVS to monitor its data and AI maturity level, charting progress across the practices at different hierarchical levels within the Company.

[Please see here](#) our major guidelines for LGPD (General Data Protection Law of Brazil). [Click here](#) to learn about our policies on the subject and [access our Data Protection and Privacy page here](#), where you can find further information about guarantees and rights regarding personal data in the TOTVS Group.

[_SASB TC-SI-220a.4_](#)



**People
who make
a difference**



People management

GRI 3-3 » ATTRACTION, RETENTION AND DEVELOPMENT OF PEOPLE

People are one of the strengths of our business. For us, it is very important to invest in those who build with us the Brazil that gets things done and contributes, every day, to the success of our clients and customers. Our organizational culture values the construction of a harmonious, inclusive, productive, healthy, and reliable work environment, with respect for diversity and encouragement of cooperation and innovation, in line with our Code of Ethics and Conduct.

We believe that everyone can grow, and we seek to create the best conditions for the well-being and professional development of our people. In line with the Company's values and culture, our people management process adheres to the meritocracy concept of ARCO (Attitude, Result, and Consequence) and

is structured on three pillars: Attraction, Development, and Engagement

Our culture

Five drivers define what it means to be on our team:

We value good people who have a good character 

People who make things happen. Good people, who know that ethics are non-negotiable. People who radiate positive energy and exude good vibes. People who make a commitment and deliver what they promise.

We are driven by results 

We know that results pave the way for the present and the future. We deliver results with excellence, not at any price. We seek sustainable growth. Our mindset is one of continuous self-improvement, driven by ambition and a nonconformist spirit.

We build long-term relationships with our clients 

For us, every client matters. We build long-term partnerships. We are always available to our clients. We take care of our clients throughout their entire journey with TOTVS.

We invest in the technology that makes things possible 

Technology is our business. We innovate based on our clients' needs. Every time we look outside, we learn something new. We focus on the technology that leverages our clients' businesses.

When we collaborate, we get stronger 

We are curious and learn from each other. We build relationships of trust. We are open to help and ask for help. We encourage diversity—of people, ideas and opinions.

“ *I consider TOTVS a great company to work for, because of multiple reasons. A welcoming workplace with excellent working conditions, great opportunities for growth and learning, in addition to its serious, accountable and appropriate attitude towards everyone.*

"Fala, Gente Boa" ("Talk, good people!") survey 

Internal audience

We are proud to have a team of diverse people who work together to build long-term relationships with our clients. Driven by curiosity and passion for technology, we strive for ethical, innovative, and sustainable growth.



Total number of employees per gender and type of employment contract^{1,2,3} GRI 2-7

	2022			2023			2024		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
For an indefinite period	6,416	3,792	10,208	7,159	4,490	11,649	7,506	4,770	12,276

1 All merged companies were considered.

2 Statutory personnel, trainees, apprentices, and directors were not considered.

3 TOTVS does not have fixed-term employment contracts.

Total number of employees per gender and type of working time^{1,2} GRI 2-7

	2022			2023			2024		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Full time	6,404	3,777	10,181	7,149	4,474	11,623	7,495	4,756	12,251
Part-time	12	15	27	10	16	26	11	14	25
Total	6,416	3,792	10,208	7,159	4,490	11,649	7,506	4,770	12,276

1 All merged companies were considered.

2 Statutory personnel, trainees, apprentices, and directors were not considered.

Workers who are not employees, per region¹ GRI 2-8

Region	2023			2024		
	Men	Women	Total	Men	Women	Total
South Region	20	45	65	16	38	54
Southeast Region	98	71	169	96	76	172
Midwest Region	4	2	6	3	4	7
Northeast Region	1	2	3	1	2	3
North Region	0	0	0	0	0	0
Total	123	120	243	116	120	236

1 The data includes the units: TOTVS and RD Station



Profile of our internal audience

Our workforce exceeds

12k employees

19 nationalities in our team

Most of us are Generation Y, **60%**

followed by Generation X, **17%**

Generation Z **22%**

and baby boomers **1%**

More than **30%** of our workforce is dedicated to research and development (R&D)

Currently, **39%** of our team is composed of women and **27%** are non-white people: black, mixed-race, indigenous, and of Asian descent

People attraction and retention/

GRI 3-3 » ATTRACTION, RETENTION AND DEVELOPMENT OF PEOPLE

We operate in one of the most competitive sectors of the economy, which requires a highly specialized and high-value professionals. Attracting and retaining talent is key to our success. We continue to invest in strengthening our employer brand, with relationship initiatives with the labor market and internal and external recruitment processes. We also focus on increasing the representativeness of the various social groups in our teams, joining efforts with some of our Diversity and Inclusion initiatives. This is the case of the talent bank known as *Elas na TOTVS*, which encourages people who identify themselves with the female gender to enter the tech market, and *Inclusão na TOTVS*, aimed at people with disabilities, in addition to our new initiative *Maturidade na TOTVS*, which provides targets for hiring 50+ people.

We enhanced our talent acquisition tools in 2024, optimizing the entire process, from initial attraction to onboarding, by using the same solutions we offer clients. This is the case of the *Feedz* platform, used to assess performance, climate, and indicators, which is being implemented internally.

An important update is that we are now handling the recruitment and selection processes internally on our platform, *TOTVS RH Atração de Talentos*, instead of using *VAGAS.com*. The solution, also offered to the market, is a new *ATS* (Applicant Tracking System) based on artificial intelligence (AI), focusing on algorithmic diversity. This demonstrates our firm belief in our product and enables us to provide valuable insights to enhance its strength and competitiveness.

Inclusive recruitment

Our selection policy mandates that women make up 50% of the applicants in the final stage of our selection processes. *TOTVS* upholds inclusive recruitment practices, refraining from any form of discrimination based on factors such as race, culture, age, religion, gender, sexual orientation, or any other characteristic.

Talent Pool

We have over **1.195.000** *résumés* on LinkedIn and on our recruiting and selection platform, *TOTVS HR Talent Attraction* ("*TOTVS RH Atração de Talentos*").

Talent retention

We kept/reached **the rate of 18,85%** in 2024.

Engagement

Our company's average length of stay is still above the big tech industry average, at **6 years**, a **20%** increase from last year.

Employer Brand Reputation

Our Glassdoor rating remains a strong **4.3 out of 5**.



Engagement survey

GRI 2-29_SASB TC-SI-330a.2

Every six months, we carry out the "Fala, Gente Boa" ("Talk, good people!") survey to monitor the internal level of satisfaction with aspects such as compensation, benefits, training and development, diversity and culture, perception of Senior Leaders, culture, and pride of working at TOTVS and work formats, in addition to measuring the e-NPS (Employee Net Promoter Score), which reflects the employee engagement index with the Company. In the survey, there are affirmative and multiple-choice questions, and it involves quantitative and qualitative analysis. Our surveys are conducted by an external consultant to maintain confidentiality in responses. In its 10th edition, the survey had over 8,000 participants, covering 89.4% of our internal audience. Please see below the most important findings.



say they have a good work-life balance.



say they identify with our culture.



believe that our leaders know where we are going and how to get there.



have the perception we can uphold an inclusive and diverse work environment.



consider that there is collaboration between the areas.



are proud to be part of the Company.



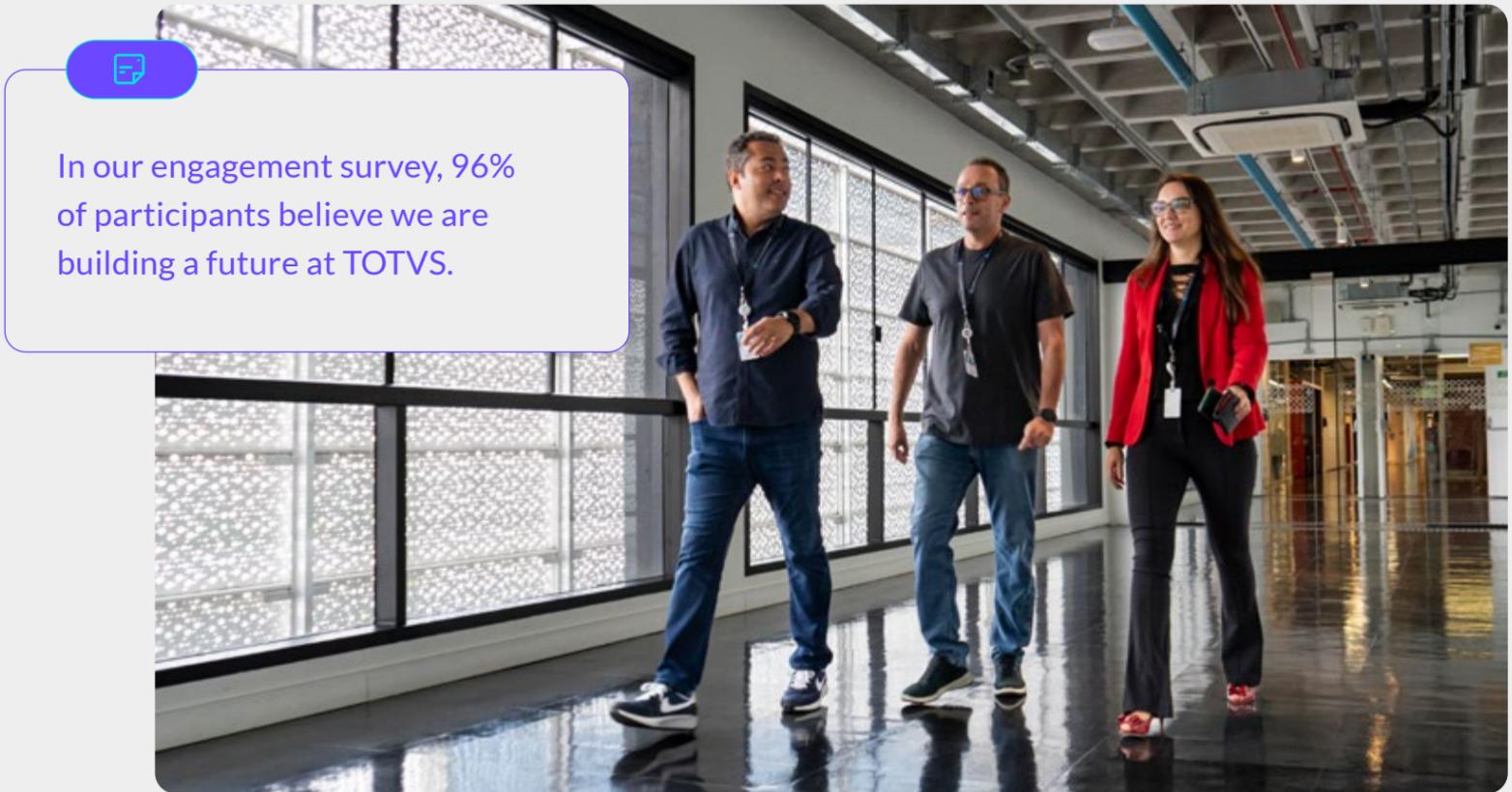
rate their deliveries as relevant.



of participants believe we are building a promising future with TOTVS.

Our e-NPS index remained favorable, despite a year-on-year decrease. In 2024, we scored **70 points**, compared to 74 in 2023.

The analysis of these results serves as a basis for creating action plans and customized initiatives for each area of the company, which are identified with the seal known as "Fala, Gente Boa!" (Speak Up, Good People!). With this, we move forward in building an increasingly better work environment for all the people who work with us.





Engagement actions

[GRI 2-29_SASB TC-SI-330a2](#)

In 2024, we continued to promote a series of activities and events to strengthen our culture and engagement within the Company.

Towel Day: our internal event that celebrates the geek culture counted on the **AI Hackathon**, with the development of **11 projects**. In the face-to-face activities at the Headquarters, there were over **1,500 participants**.

Children's Day: we received the visit of more than **1,500 children**

in all our branches, with special activities to celebrate their day, and collected **1,145 toys** for donation to IOS partner institutions.

Citizen education: In November, we held an unprecedented event on citizenship, bringing concepts to create, educate, and improve our critical awareness. In addition, we included a learning trail on the topic at TOTVS University.

Gente que faz: In 2024, we held two awards for the "Gente que Faz" ("People Who Get Things Done"), in this second edition that had over **195 cases**, reaching 26 elected people, 13 of whom were elected with group cases.

Compensation [GRI 2-19](#)

We believe fair and competitive pay attracts top talent and rewards each employee's contribution to TOTVS's success. Our compensation strategy is based on salary surveys and specific studies with the support of specialized independent consultants in Brazil and abroad, considering the complexity and skills required for each career level, in accordance with best practices and market trends.

Compensation composition is structured according to meritocratic criteria and labor laws. In addition to fixed compensation and a set of benefits that contribute to the health and well-being of employees, we offer two types of variable compensation:

- **Short-Term Incentive (ICP):** performance-based semiannual bonuses, determined by global, individual, and business-unit performance metrics.

- **Long-Term Incentive (LTI):** a plan to grant Company's shares to eligible participants, based on the performance assessment carried out annually by all our employees through the 9-Box method. By making TOTVS employees partners through this incentive, the Company aims to retain talent and ensure their long-term commitment to the Company and the sustainability of the business. The program has two variants for specific audiences: LTI Performance, aimed at the upper Executive Management members, and ILP Master, exclusively for Senior Management.

The variable compensation portion is pegged to the Company's financial and operating results, besides the fulfillment of corporate and individual targets.

In 2024, the ratio of the annual total compensation of the highest paid individual in the organization

to the average annual total compensation of all employees (excluding the highest paid) was 125.85. The percentage increase in the annual total compensation of the highest-paid individual in the organization was 4.36%, while the average percentage increase in the annual total compensation of all employees (excluding the highest-paid professional) was 3.23%. [GRI 2-21/1-14](#)

Compensation of the Board of Directors and Board of Executive Officers [GRI 2-19 / 2-20](#)

The compensation of Board of Directors' members is predominantly composed of the fixed model. Since May 2023, 20% of its total fixed compensation (except that of the Chairman) has been paid in shares restricted to professionals, following the terms of the Share-Based Incentive Plan approved by the Meeting held on April 20, 2021 and amended on April 19, 2023. The Chairman's

compensation is also composed of benefits and, since 2019, has a variable portion, referring to the long-term incentive based on performance, under the terms and conditions set forth in the Share-Based Incentive and Retention Plan in force.

Elements of the Board of Directors' compensation structure

Chairman of the Board of Directors
Short-term fixed compensation, long-term variable compensation, and benefits.

Other Board members
Short-term fixed compensation and long-term fixed compensation.

In the case of the Executive Board of Officers and other eligible career levels, the global compensation is proposed by the Management itself, with the support of the People and Compensation Committee (CGR), and approved annually at the General Meeting of Shareholders. The criteria and methodology applied to establish the individual compensation of the Board of Executive Officers consider annual studies and surveys carried out by consultants specialized in the market, based on a group of companies that represent a balanced profile of characteristics, such as:

- Be of relevant representativeness in its operating segments, including the technology market;
- Be mostly domestic and publicly traded in the new market;
- Have a size similar to or greater than that of TOTVS, regarding billing, headcount, and market value.

- Be a potential competitor with TOTVS in the acquisition of talent in the job market.



Elements of the Board of Executive Officers' compensation structure

Officers of the Statutory and Non-Statutory Board of Executive Officers

Fixed base salary, benefits, and short, medium, and long-term variable incentives, all pegged to performance. Long-term variable compensation is granted strictly under the terms and conditions set forth in the current Share-Based Incentive and Retention Plan approved by the Extraordinary General Meeting held on April 19, 2023, considering the ILP Performance and ILP Master programs.

The set of benefits offered to executives includes medical and dental care, meal voucher, private pension, life insurance, car, and fuel voucher. The benefits are the same for all, however, there may be differences in their amounts, depending on the position and the region in which the officer works.

Compensation per gender GRI 202-1

In 2024, the difference between the lowest salary paid by TOTVS compared with the local minimum wage was 22.17% more for men and 9.93% more for women. In the context of RD

Station, the difference was 32.65% more for both men and women.

TOTVS respects Brazilian labor legislation and ensures that all employees receive compensation equal to or greater than the minimum wage

determined by law. We based our calculation on the amount of R\$1,412, which was the minimum wage in Brazil in 2024. The lowest salary paid by the company considers all employees, except apprentices and trainees. For apprentices, we apply the national minimum wage proportionally to the number of hours worked and adjust the amounts annually, according to the minimum wage update in January.

Ratio of basic salary of women to that of men per job category (%)^{1, 2, 3, 4} GRI 405-2

Job category	2022	2023	2024
Executive Officers and Managers	-4%	1%	-6%
Managers	-8%	-7%	-7%
Coordinators	-11%	-13%	-11%
Experts	-10%	-8%	-12%
Analysts	-14%	-13%	-12%
Technicians and Assistants	-10%	-12%	-8%

1 Statutory personnel, trainees, apprentices, and directors were not considered.

2 Employees of TOTVS, RD Station, Exact Sales, Dimensa and Lexos were considered.

3 The data omits other merged companies and the international market because the job title and salary harmonization process is ongoing.

4 The way this indicator is calculated does not consider the different areas and specificities of the business, for example, comparing the salaries of people in the technology area with the corporate area. As a result, significant salary differences between genders appear at certain job levels, such as that of an analyst.



Please [click here](#) to learn about our Human Relations and Compensation Policy and the Share-Based Compensation Plan.

Benefits GRI 401-2

As part of our attraction and retention strategy, TOTVS's benefits package aims to provide access to the health and well-being of employees, in line with market practices¹. The following benefits were integrated into the 2024 package:

- **life Insurance;**
- **health care;**
- **disability assistance**, only the one granted by Social Security;
- **maternity/paternity leave**, as a participant in the federal government's *Empresa Cidadã* (Citizen Company) program, which allows employees to extend maternity leave by two months and reach six months of leave in total. Through the program, paternity leave is also extended to 20 days, and TOTVS offers an additional 20 days, with a total of 40 days;
- **private pension fund;**
- **transportation vouchers;**
- **dental care;**
- **meal voucher.**

¹ The benefits offered to TOTVERS and/or dependents do not include RJ Consultores, RD Station, Feedz, and franchises.



Parental leave ^{1,2} GRI 401-3

Return to work and retention rates after maternity/ paternity leave, by gender

	Gender	2022	2023	2024
Total employees on parental leave	Men	182	222	203
	Women	154	95	191
Total number of employees who returned from parental leave	Men	182	222	183
	Women	153	95	171
Total number of employees who returned to work after the end of maternity/paternity leave and remained employed 12 months after their return	Men	158	216	180
	Women	128	90	159
Retention rate of employees who returned to work after the end of the leave (%)	Men	100%	100%	89%
	Women	99%	100%	83%

1 All companies of the TOTVS Group were considered, except RD Station and the International Market.

2 The rules for adhering to this benefit were disclosed to TOTVERS, and the request was made through a proper form on Fluig, with the specificity of deadlines and rules established in the legislation and the Citizen Company ("Empresa Cidadã") program.

Pension Plans GRI 201-3

Employees have access to two types of Pension plans: PGBL (Free Benefit Generating Plan) and VGBL (Free Benefit Generating Life). We do not have a defined benefit plan, and contributions made by TOTVS on behalf of the participant are always credited to the PGBL plan. Participation in said plans is voluntary; however, we recommend that everyone join them, thus guaranteeing a future benefit at the time of retirement.

Basic monthly contribution with a counterpart of 100%

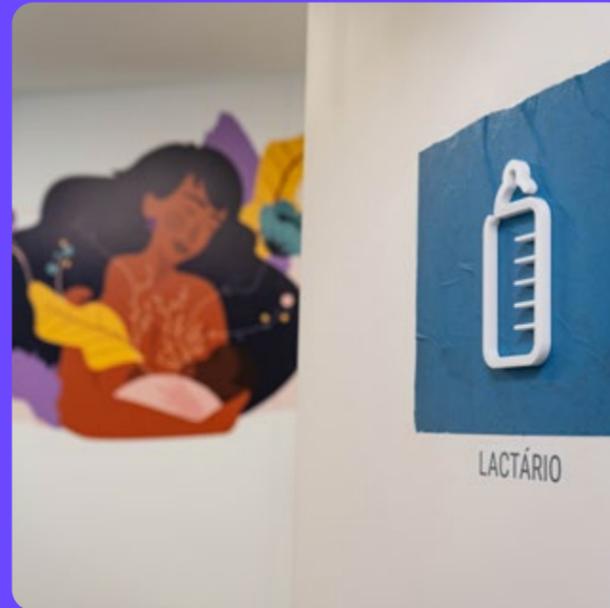
GROUP I: CEO, executive VPs, and officers: contribution from 2% to 5% of the gross fixed salary, as determined by each employee (it does not affect the 13th Salary).

GROUP II: Other positions: contribution of 2% of the gross fixed salary, as determined by each employee (it does not affect the 13th Salary).

Voluntary contribution without a counterpart from TOTVS:

Monthly: every employee contributes monthly with the basic contribution and can make voluntary contributions of up to 10% of their gross base salary, respecting the minimum amount of R\$30.00 (thirty *Reais*).

Sporadic: The employee contributes monthly with the basic contribution and can also make contributions in the minimum amount of R\$50.00 (fifty *Reais*).



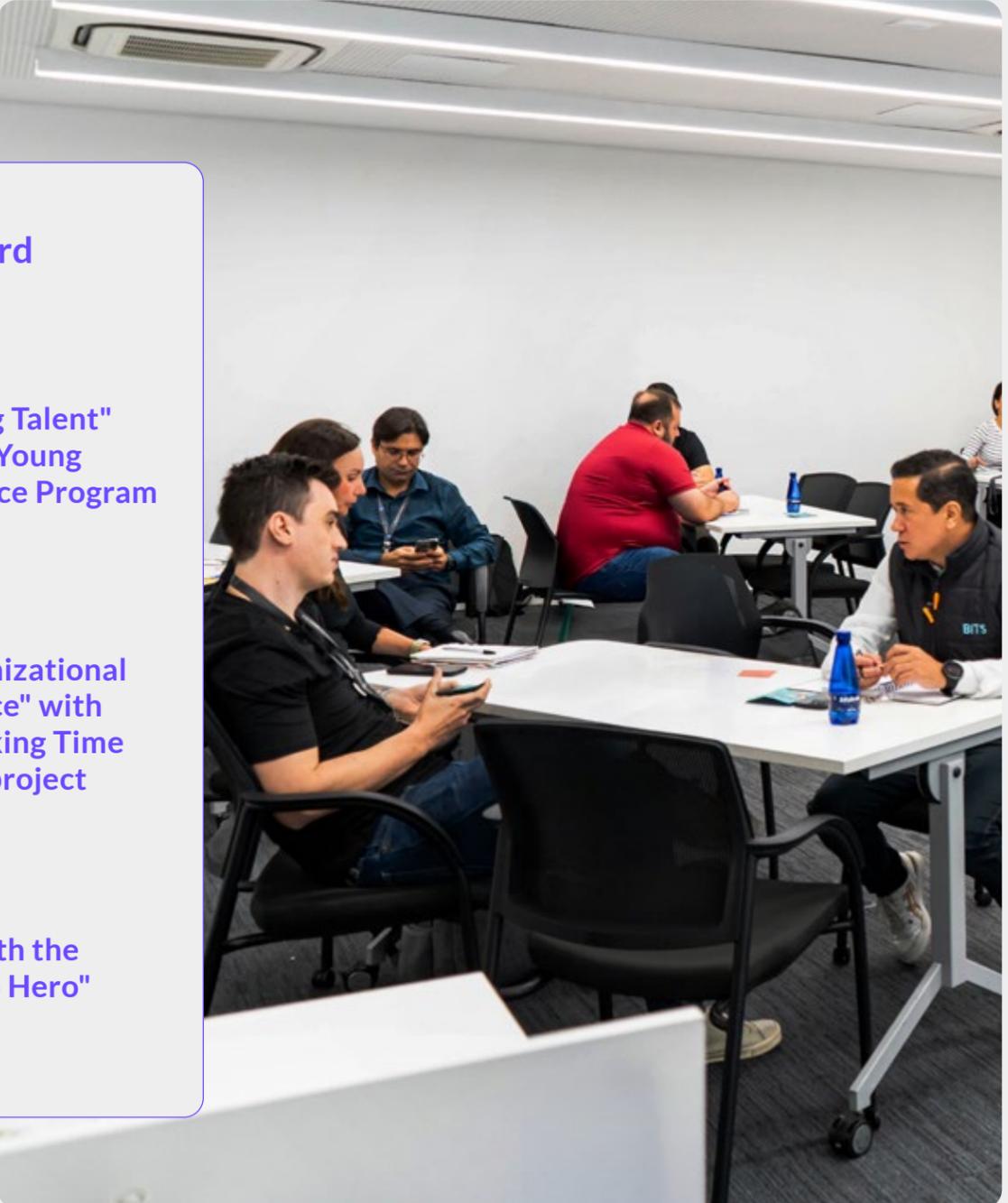
Union relations and collective bargaining agreements GRI 2-30

In compliance with the requirements of the Brazilian labor legislation, 100% of employees are covered by collective agreements or conventions, negotiated with 16 different unions, according to the end activity of each location. Our Labor Relations area actively takes part in negotiating roundtables with the major employers' associations, which represent 93% of our workforce and conducts negotiations directly with the unions through Collective Bargaining Agreements with the ultimate goal of meeting the company's and employees' needs.

In 2024, we conducted negotiations directly with the unions that resulted in an increase in the amount of the meal voucher at the units in São Paulo, TOTVS CRM-Cascavel, and TOTVS Maringá-PR. Furthermore, all employees received an extra Christmas credit on their meal vouchers.

In our Working Time Control Project, we made a diagnosis of the breaks during and between shifts and identified that our practices fully comply with the legislation. We also promoted a communication campaign on the subject, addressing topics such as breaks during and between shifts, overtime, and bank of hours. The project was among the finalists of the Human Being Award ("Prêmio Ser Humano") promoted and granted by the Brazilian Association of Human Resources of São Paulo (ABRH), in the Operational Excellence category.

For the second year in a row, TOTVS was the only company recognized in three categories of the Human Being Award of ABRH-SP 2024: 2nd place in "Young Talent" with the Young Apprentice Program, 3rd place in "Organizational Excellence" with the Working Time Control project, and Top 5 in ESG with the "Speed to Hero" program. This award recognizes innovative practices with relevant results and impact on the market.



Human Being Award of ABRH-SP 2024

2nd place in "Young Talent" with the Young Apprentice Program

3rd place in "Organizational Excellence" with the Working Time Control project

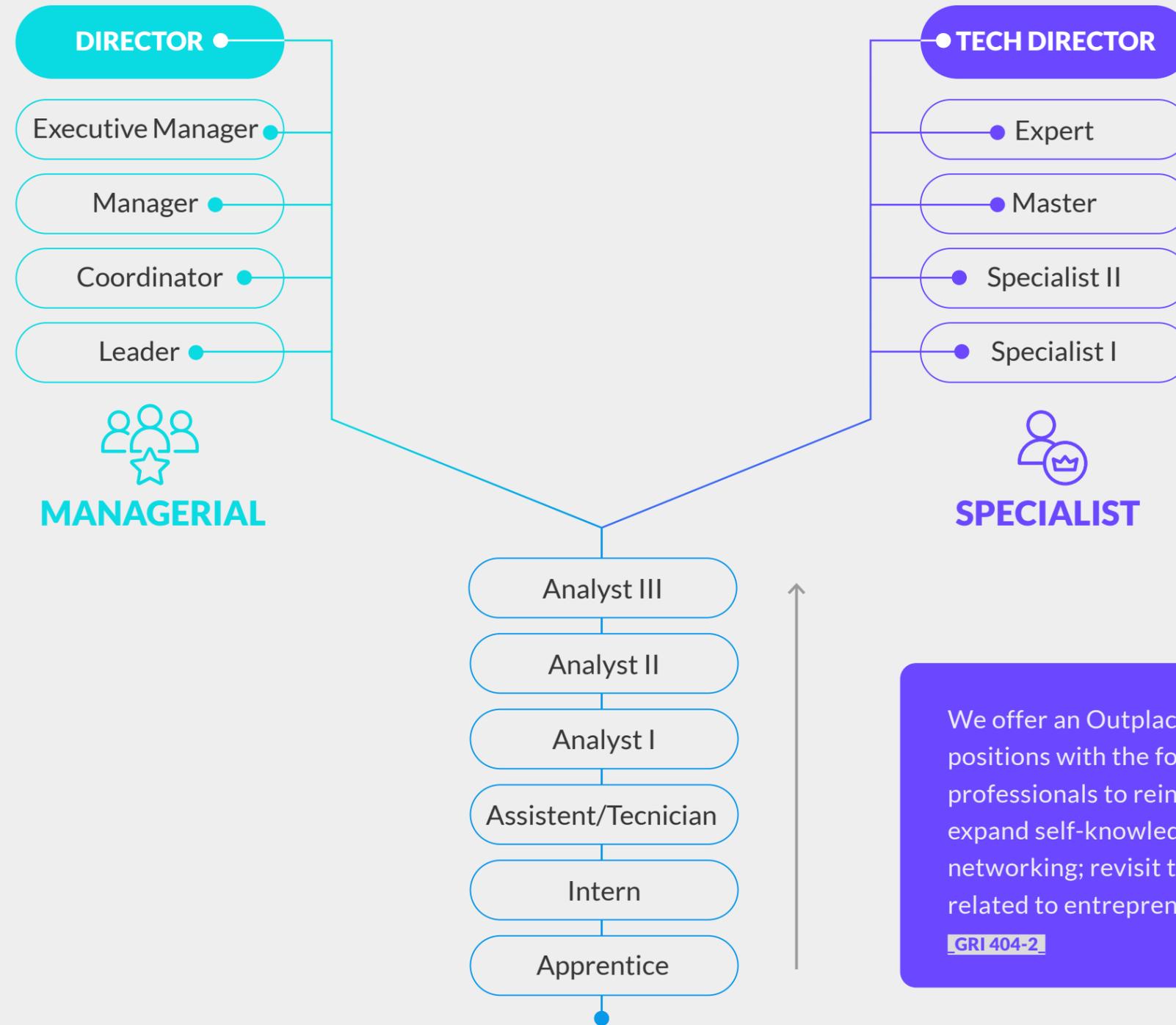
top 5 in ESG with the "Speed to Hero" program

Professional development and training

GRI 3-3 » ATTRACTION, RETENTION, AND DEVELOPMENT OF PEOPLE

At TOTVS, we seek to combine the Company's growth with the achievement of the professional goals of our employees. We use various tools and programs that allow us to highlight everyone's current knowledge and skills, as well as to identify what each person needs to develop to achieve their targets. This vision also guides our way of integrating the teams of the companies acquired by TOTVS, opening up a new range of opportunities for them.

Career tracks



We offer an Outplacement Program for executive positions with the following goals: prepare professionals to reintegrate into the job market; expand self-knowledge; identify the key skills; expand networking; revisit the career and consider positions related to entrepreneurship, consulting, among others.

GRI 404-2



Career progression/ Performance cycle

For career progression analysis, we use TOTVS's Performance Cycle, which comprises the following stages: referral of peers and internal clients, performance assessment, team assessment, feedback, and checkpoint. In addition, there is the IDP - Individual Development Plan, as well as Career Conversations continuously throughout the year. For career levels through Analyst II, we use 90° assessment. The assessment model is 270° for Analysts III and specialists, and 360° for leaders. The Cycle is premised on meritocracy, with transparent and impartial recognition for differentiated deliveries in line with our culture. All employees are eligible for the process, at any career level.

We also encourage the practice of continuous and spontaneous feedback, in recognition of the work of clients and internal partners. In 2024,

reinforcing the confidence we have in our products, we started to carry out the performance assessment with one of our HR solutions, the Feedz platform, which offers an area where employees can record their comments.

Succession program

As a result of the Performance Cycle process, we engage in succession and contingency mapping for leadership positions each year, covering Management positions and above. To this end, as a preliminary step, we also map out critical positions, which allows assessing priorities for identifying and developing potential successors. For 83% of executive positions, successors are mapped out; 98% have contingency plans. For managerial positions, 85% of positions have mapped successors and 95% have contingency plans.

☰ Average hours of training per year, per employee and per gender^{1,2} GRI 404-1

	2022		2023		2024	
	Hours	Hours per employee	Hours	Hours per employee	Hours	Hours per employee
General	290,950	34.00	247,009	26.49	204,922	17.68
Men	179,557	32.86	144,146	24.66	120,875	17.27
Women	111,392	36.01	102,863	29.55	84,047	18.30

1 The units considered include Brazil, Mexico, USA, Argentina and Colombia, as well as RD Station, considered in the 2024 calculation.
 2 The units not considered include Chile, Portugal, Bematech, Feedz and Gesplan, as well as Franchises and Channels.

☰ Percentage of total employees who had performance and career development assessed (%)^{1,2,3} GRI 404-3

	2022		2023		2024	
	Men	Women	Men	Women	Men	Women
Total employees	5,912	3,216	5,992	3,608	6,822	3,994
Number of employees who underwent performance and career development assessment	5,238	2,848	5,364	3,060	6,097	3,507
% per gender	89%	89%	90%	85%	89%	88%
% leadership positions	87%	84%	87%	81%	94%	92%
% other positions	89%	89%	90%	85%	89%	87%
Total	89%		88%		89%	

1 The units considered include Brazil, Mexico, USA, Argentina and Colombia, as well as RD Station, considered in the 2024 calculation.
 2 The units not considered include Chile, Portugal, Bematech, Feedz and Gesplan, as well as Franchises and Channels.
 3 For the functional category "leadership", the career levels of: leaders, managers, executive managers, officers, executive VPs, and CEO are considered. For "non-leaders", the following career levels are considered: assistants (Apprentice, Assistant, and Intern), technicians, analysts, and specialists.

Performance Assessment

We conduct yearly Performance Assessments to monitor employee performance against TOTVS's cultural drivers; these assessments use varying complexity levels based on position. For this, we utilize the 9-Box method, plotting employee behaviors (X-axis) against their results (Y-axis). The evaluated person's position and classification are determined by inputting the obtained parameter into the 9-Box Matrix. In this methodology, the "how" carries as much weight as the "what," highlighting our focus on both results and the way we achieve them.

These assessments determine our meritocratic decisions, including potential assessments focused on Individual Development Plans (IDPs). Among them are: salary

actions, promotions, participation in recognition programs, follow-up, support for performance recovery, and severance strategy. In 2024, 89% of employees were assessed, which corresponds to 89% of all men and 88% of all women.

Training and qualification

We work together so that everyone can grow—and our training actions also reflect this stance. We strive to help each person reach their maximum potential, jointly identifying the paths to achieve the required skills and abilities, whether they are technical or behavioral. This applies from the career base levels, which count on our actions to include and develop new talents, in line with TOTVS's commitment to building a diverse and inclusive workplace.

Networked University ("Universidade em Rede") GRI 404-2

In this cycle, we continue to invest in the training of our employees through TOTVS University, with a belief in a networked and continuous education as one of the keys to the development of people and knowledge management. In our collaborative educational platform, called UNIT, users generate content from their own knowledge and disseminate their learning. Their participation is arranged in a ranking that allows to measure the volume of content shared and learned through indicators that value who teaches and who learns.



In 2024, **Networked University ("Universidade em Rede")** was the winner of the **Think Work Innovations Award**, HR innovation award in Brazil, in the Professional Development category.

With over **3,000 educational resources** available, the platform generated **1,575 hits** and a remarkable **90 average NPS score** throughout the year.

In this cycle, the **Mandatory Tracks** included training on the use of AI platforms in the TOTVS Group, **a topic that we consider a priority for the training of all teams**, given the growing use of this technology in our internal processes and in the solutions we offer to our customers.

Impacts in 2024

> The completion rate of the **mandatory tracks was 85%**

> **9.841 registrations** were made and 8,365 certificates were issued.

Other training actions we carry out PS06TOTVS

Sales Academy

a learning hub to train TOTVS's Sales Force, through which we continue to work to speed up the total capacity of employees in their roles and leverage talent to expand the succession pipeline.

Achievements in 2024

> **+200 hours attended** and **270 training courses** carried out
> **NPS of 90**

Training in Libras (Brazilian Sign Language)

developed with the purpose of facilitating communication between hearing people and people with hearing impairment, reducing the dependence on external interpreters. In 2024, we launched the Libras training web series,



which anticipates basic knowledge to establish initial communication.

Achievements in 2024

> **10 participants** graduated from the pilot class
> **NPS of 98**

Acceleration of HCT (TOTVS Approval and Certification)

It supports knowledge management and people development through professional certifications.

Achievements in 2024

- > **37 certifications** developed
- > **1.815 registrations** were made with **1.244 certificates** awarded

We also finance participation in external training courses and strategic events that significantly contribute to professional development, such as TDC (The Developer's Conference), Certification in Change Management by Prosci, CS Academy Immersion, AI and Data for Business, among others. In total, over R\$290,000 was invested in this learning process.

Data Academy ("Academia de Dados")

Initiative focused on training employees in strategic competencies, such as data analysis and AI, promoting a data-driven culture and supporting more informed decision-making. By enhancing the application of data daily, the Academy drives innovation and accelerates the company's digital transformation.

Achievements in 2024

- > **10,000** hits
- > **NPS of 76** and average **satisfaction of 4,6/5**
- > **6,500+** hours of training

Investments in training young professionals _PS07TOTVS_

Our actions to develop early-career professionals seek to create new educational opportunities for society, employability, and career building at TOTVS. In 2024, we continued to focus on talent training with our two gateway initiatives.

We have also invested in initiatives to support the education, employability, and inclusion of young talents from socially vulnerable backgrounds in the tech market, such as the Start Tech Program.

Internship Program

Participants have access to a training journey focused on the achievement of both soft and hard skills, with monitoring and mentoring from experienced managers and employees. Upon arrival, the trainees undergo an immersion in TOTVS's culture and values, as well as a technical immersion, in which they receive training on the major methodologies and technologies for their practical performance.

Achievements in 2024

- > **118 admissions**, with a 60% rate of them becoming employees
- > **4,600 hours** of training
- > **NPS of 98**
- > The Best Internship Experiences study ranked TOTVS among **the top three companies in Brazil for internships**
- > We were awarded the "Empresa Amiga do Estagiário" Seal for **the second year in a row**

Young Apprentice Program

Young people hired also go through a training journey, accompanied by tutors and managers, who provide continuous feedback with a focus on their evolution. The topics covered are creativity and innovation, planning and organization at work, and diversity and inclusion.

Achievements in 2024

> **79 admissions**, with a **45% rate** of them becoming employees

> **3,400 hours** of training supplementary to the training provided by the learning institution

> **NPS of 91**

Start Tech Program

Carried out since 2022, it seeks to speed up the career of people in situations of social vulnerability already trained in IOS courses to find a position in the technology area. Participants go through a hybrid training journey of about four months, which combines theoretical and practical classes offered by the TOTVS University and an unpaid internship, accompanied by godparents and monitors. Graduates who haven't found jobs yet are featured in a talent showcase for TOTVS and the broader market, highlighting their acquired skills. In 2024, the program had a specific edition for women aligned with the goals of the Educa 2030 Movement, of which we are signatories.

Achievements in 2024

> **460 hours** of training with an **NPS of 87**

> Out of the 54 registered students, **34 completed the program** and **12 were hired** by TOTVS

> The program has successfully **employed 65.4% of its young participants** since its inception.

Among the new public commitments established in this cycle, our adherence to the UN Global Compact's Education 2030 Movement also reiterates our position for building a more equitable and inclusive labor market. Through this initiative, we will seek to increase the number of women in science and technology careers, with an emphasis on the Start Tech program.



Training for leaders

For us, leaders have a key role in building teams of excellence and engaged with our culture, and investing in their development is part of our strategy to always seek the best results. At TOTVS University, we promote specific programs for this audience through our Next hub, which includes managers at different career levels. The goal is to speed up and enhance leadership skills and behaviors, in line with the Company's own evolution demands.

In 2024, we invested in topics such as ethics and governance, including the three business units, with the participation of professionals from various areas. Learn more about each program and its advancements below.



Next I am a Manager, and Now?:

it is aimed at preparing new leaders who take over, for the first time, the management of a team at TOTVS. In 2024, **341 people** underwent the training.

Next Talent: its purpose is to speed up the development of talents in key competencies for the future of the organization. In this cycle, **12 managers** took part in the program, of which **4 executive officers** and **8 executive managers**.

Next Building: it is directed to the design of tailor-made programs, by the leaders, to build high-performance teams, according to the needs of the team itself. In 2024, **3,178 hours of training** were provided by the program, which had **448 participants**.

Next Mentoring: through voluntary participation, the program aims to develop managers across all career levels by facilitating the exchange of experiences between mentors and mentees. This program has training

for mentors, follow-up sessions, and an exclusive training for mentors of women. A total of **42 mentors** and **64 mentees** took part in activities throughout the year.

Next Develops: it is offered as a customized approach to structure and monitor the individual development plan (IDP) of executive officers. In the period, **23 assessments, 7 coaching processes,** and **8 external trainings** were carried out in business schools, with an average participation of **90% and NPS of 100**.

Next 2024: an annual program that addresses strategic and organizational challenges at all levels of leadership, involving groups of Executive Officers, Officers, Executive Managers, Managers, and Coordinators. The program in this cycle included 4 or 5 modules and trained **a total of 1,290 people**. The topics covered were leadership, communication, innovation, business, and diversity.

Diversity, equity and inclusion

GRI 3-3 » DIVERSITY,
INCLUSION AND ELIMINATION OF DISCRIMINATION

We understand that, as the largest technology company in Brazil, we have an important role in building a more equitable labor market. We strive to offer opportunities for everyone, valuing the unique contributions each person makes to our company's culture and success. We have a Diversity and Inclusion Policy, which directs our 2030 Strategy for this topic, structured in four cycles. Since 2020, we have been adhering to the Women's Empowerment Principles (WEPs), promoted by UN Women and the UN Global Compact.



Our Diversity and Inclusion Committee, comprised of top TOTVS leaders from various departments, supports this agenda by collaboratively developing cross-functional strategies and projects that address already mapped needs and challenges.

As of 2024, we started to conduct our diversity and inclusion survey on an annual basis, which was attended by

57% of employees. Among the results, 90% of the participants said they believe it is very important for the Company to work on this topic, and 78% said that this increases their pride in working at TOTVS.

We also developed a Diversity and Inclusion Program that leverages projects and initiatives aimed at the following minority groups:

women, people with disabilities, LGBTQIAPN+, black, non-white, and indigenous people, and 50+ people. With five axes of action, i.e., Attraction, Selection and Employer Branding, Training and Development, Governance, Communication and Accessibility, and Psychological Safety, it unfolds into five affinity groups. Learn more about them below.

Diversity and Inclusion Program

Axes of action



Attraction, selection, and employer branding

Strategies for attracting talent, with internal targets for hiring minority groups and a monthly follow-up. We also take part in and sponsor events to work with the employer branding with these audiences.



Training and development

Since 2023, diversity and inclusion training is mandatory for all our teams. We promote training on the topic since the onboarding and we have continuing education modules at TOTVS University. We addressed this topic throughout the year in our institution's calendar.



Governance

We have a dashboard to track KPIs related to minority groups, such as admission rate, salary equity, and turnover, with monthly monitoring. The results support the definition of the Program's strategies, in line with the Company's sustainability strategy and the UN 2030 Agenda. In addition, we report the indicators, actions, and progress made on the subject in a transparent and continuous manner.



Communication and accessibility

Through events and our internal communication, we disseminate the actions of the Program in the various branches and structures of TOTVS and disseminate knowledge to make our products and tools physically and digitally accessible.



Psychological safety

We strive to create an inclusive culture where individuals are not discriminated against based on their gender identity, race/ethnicity, religion, physical condition, disability or sexual orientation. This involves providing safe spaces for open dialogue and listening.



Affinity groups [_PS01TOTVS_](#)

Our affinity groups aim to generate open dialogues, welcoming, and reflection on the actions that should be taken at TOTVS to create an even more inclusive and equitable atmosphere, increasing the engagement of all people with this theme.





ELAS NA TOTVS (WOMEN AT TOTVS)

Focused on gender equity, it seeks to attract, develop, and strengthen the performance of women in our teams. Currently, there are over 540 volunteers. Here are some of our recent accomplishments on this agenda:

- Encouragement and support to the training of women professionals in the tech market through IOS, which had over 53% of women students in 2024. [_PS02TOTVS_](#)
- Holding live sessions and events on gender equity throughout the year,

such as "Café com elas", a moment with TOTVS's executive women to discuss opportunities and challenges in promoting gender equity.

- Offering a track on equity and gender at TOTVS University and training to prevent sexual harassment.
- In May 2024, TOTVS became a signatory of the Education 2030 Movement, a commitment to the productive inclusion of young people and the increase of women in STEM (science, technology, engineering and mathematics) careers).



PERTENCIMENTO NA TOTVS (BELONGING AT TOTVS)

Focused on the search for racial equity, it aims to strengthen the sense of identity and belonging and promote an anti-racism culture at TOTVS. At present, the group has over 170 members. In November, we also welcomed the new ambassador of the group. Our work on this agenda involves the following initiatives:

- Free training of people from social vulnerability backgrounds in administrative and technology courses through IOS.
- Working with the attraction and selection team in order to increase the hiring of black people.



CORES NA TOTVS (COLORS AT TOTVS)

Focused on welcoming and including the LGBTQIAPN+ community, it promotes respect, visibility, and cultural transformation at TOTVS, bringing together more than 180 participants. Our progress so far includes advancements in these areas:

- Support for clarifying doubts on the subject, such as access to benefits and changing the company name.
- Inclusion of a specific LGBTQIAPN+ themed track at TOTVS University.



INCLUSÃO NA TOTVS (INCLUSION AT TOTVS)

Focused on the inclusion of people with disabilities, it promotes awareness of the topic inside and outside the work environments. In all, there over 170 members. Our advancements on this agenda include:

- Monthly meetings between deaf people working at TOTVS and the Diversity & Inclusion team, with the support of specialist areas, to exchange information on actions and benefits available, among other topics.
- Adoption of physical structures and technologies for accessibility, including Libras interpreters available for any employee activity.
- Awareness raising and support for people with neurodivergences. In 2024, in the People with Disabilities' Month, we had a week of meetings and conversations on topics related to neurodiversity, such as Autism.
- We also started to offer a new benefit aimed at this public for employees and their dependents who have a health plan with Bradesco Saúde: the Reception Program, which aims to facilitate the diagnosis of ASD and referrals for personalized and complete care.



MATURIDADE NA TOTVS (MATURITY AT TOTVS)

A new group created in 2024 focused on the challenges of 50+ professionals, and already has more than 70 participants. It seeks to generate a welcoming and inclusive environment for all people in this age group, as well as to increase the awareness of all employees to eliminate ageism and any type of prejudice against this audience.

In this cycle, our first four affinity groups completed three years. Another milestone of the celebration was the launch of the fifth group, MATURIDADE NA TOTVS, as a vanguard initiative that comes to address the ageism topic and the hiring

of 50+ talents, which was the subject of an [article in Exame Magazine](#). One of the actions promoted by the new group, in partnership with #ELASNATOTVS, was a conversation circle about menopause and its impacts on women's productivity, as part of our Pink October program.



Our numbers in 2024

- We continue to make progress in attracting people with a focus on diversity and inclusion. In the period, 43% of TOTVS's hires were women, an **increase of 10%** versus 2020.
- In the training of professionals, we also contribute to increasing inclusion. Out of the **1,800 young people** trained by IOS, **56% were black** (black and non-white), and about **20% identified as LGBTQIAPN+**. [_PS02TOTVS_](#) In the continuity of our Speed to Hero program focused on people with disabilities, the 48 people hired have completed their training.
- The diversity within our community is expanding. TOTVS



had **3,114 black employees** in the period, i.e., 64.96% more than in December 2020.

- In leadership positions, we have **+600 women, +200 black people** and **16 people with disabilities** (mostly women). [_PS01TOTVS_](#)

Health, wellness, and safety

GRI 3-3 » PEOPLE'S HEALTH AND WELLNESS / 403-3 / 403-6

TOTVS's commitment to people's well-being is materialized in a set of actions aimed at the physical, mental, and financial health of all employees, through the *+Saudáveis* (Healthier) Program. In line with the guidelines of the World Health Organization (WHO), the program is divided into six pillars: +ActiveLife, +Care, +Balance, +Light, +Advantages, and +Connection. Through it, employees and their dependents have free access to primary health care services consisting of Telemedicine, Einstein Hospital Clinics, digital emergency room, and tele psychology. Another benefit offered to employees is the Gift Days and Reset Days, which provide additional days off for length of service. The Program also has Wellness Multipliers, which encourage

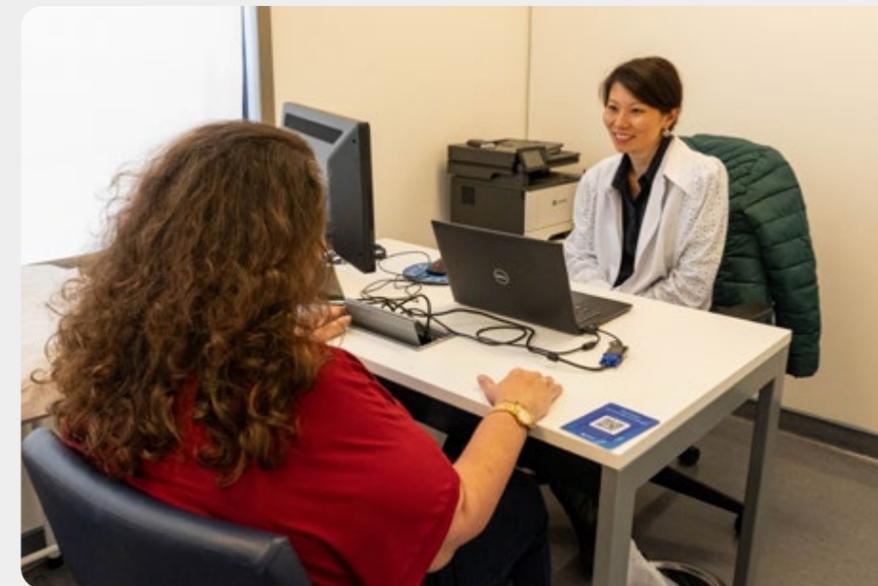
colleagues to adopt daily care habits in the Company's various units.

In addition, the team responsible for the Specialized Services in Safety and Occupational Medicine (SESMT), based on the Risk Management Program, prepares the Occupational Health Medical Control Program (PCMSO), in which the needs for specific examinations are identified and take into account the nature of the risk to which our employees are exposed, as well as the frequency of occupational examinations. This information is disseminated at the meeting of the Internal Committee for Accident Prevention (CIPA), made available to workers who request access to them ([📄 learn more on page 65](#)).

We strictly follow the General Data Protection Law, including the processing of the health data of employees and their dependents. This



clause is included in every contract we have with our suppliers. Thus, we receive only the information compiled and not nominally. Using these indicators, we create action and improvement plans to boost our company's health. All information related to workers' health is in internal systems and accesses are made through a personal password, released only to health professionals.



Pillars of the +Saudáveis (Healthier) Program

+ActiveLife (+VidaAtiva)

Initiatives aimed at physical health, with the objective of encouraging and facilitating the regular practice of physical exercises in the search for more willingness, prevention of diseases, and improvement of quality of life.



+Care (+Cuidado)

Actions aimed at maintaining comprehensive health, based on the concept of primary care – prevention, treatment, and care.

+Lighter (+Leve)

Actions that aim to contribute to the good shape and balance of the body, through a healthy and balanced diet that is appropriate to the needs and characteristics of each individual. In 2024, we expanded this pillar by diversifying care service, reaching employees from different units and their dependents through the professional support program (EAP) that provides information by telephone for cases of decreased or increased weight, pregnancy, and breastfeeding, among others.

+Balance (+Equilíbrio)

Initiatives aimed at mental health care as a foundation for all the appropriate functioning of life, whether in the professional, family, or affective sphere.

+Benefits (+Vantagens)

Action and products for self-management of finances, a pillar that influences the balance of quality of life, according to the recommendations of the World Health Organization (WHO).

+Connection (+Conexão)

Actions to promote more interaction between employees inside and outside the workplace, such as sports and outdoor activities, for example.

To plan our actions, we periodically monitor the health indicators in the Company, which are analyzed by specific committees. In this cycle, we again achieved important results, which show TOTVS's care for people. For the fourth consecutive year, we were awarded the Quality of Life Award from ABQV (Brazilian Association of Quality of Life), which recognizes the best and most consistent practices in promoting health and quality of life in corporate environments.

In 2024, we also held the **3rd edition of the Benefits Day** with immersive in-person experiences in 5 units and over **9,000 participants in lectures and activations** with a **95% satisfaction rate**.

Cases of occupational diseases GRI 403-10

As in 2023, we did not have cases of deaths from occupational diseases. This management is done through a periodic analysis of pathological groups of the medical certificates submitted, which prevail diagnoses that are not directly related to work.

Occupational safety GRI 403-1 / 403-2 / 403-7

We comply with all legal requirements (labor and social security) applicable to the SESMT (OH&S management system) through programs and reports,

guided by procedures, training, and constant communications, which cover almost all the Company's offices (except the International Market) and include the activities developed therein.

Considering the scope of activities, our Occupational Safety structure identifies, classifies, evaluates, and consolidates the inherent risks through an inventory, which is part of the Risk Management Program (PGR). In this survey, no dangerous risk was identified that could contribute to the occurrence of serious hazards. Existing risks can be mitigated through preventive measures and safe behaviors of employees.

SESMT collects data on all occupational hazards that occur on TOTVS premises, customers' facilities, or even in the external area, if it is a commuting accident. All information about the event is recorded in a specific form (Occupational Incident Investigation Form). Every typical incident is analyzed in order to identify the generating causes and put in place mitigation actions in order to eliminate and/or minimize the risk that generated the hazard. The effectiveness of the proposed actions is also monitored by the Company.

The major (ergonomic) risk can be mitigated by providing ergonomic accessories to adapt the workstation, whether in the company's activities or in the home office. In order to ensure that employees working from home have suitable work environments, SESMT has introduced remote

ergonomic analysis in collaboration with external consultants. The purpose of this action is to provide employees with guidance on maintaining a workplace and postures that are ergonomically appropriate for their activities. For employees in a predominant remote or special hybrid work model who need adaptations in their environments, we offer support with the loan of ergonomic chairs, meeting the legal requirements.

Occupational injuries GRI 403-9

Over the course of 2024, we recorded four incidents, all of which were typical, as outlined in the following chart. The total volume of hours worked in 2024 was 26,066,029.92 WMH compared to 16,268,864.98 WMH in 2023.

 Number of occupational disease cases ^{1,2,3} GRI 403-10

Accidents at work with mandatory reporting	2022	2023	2024
	0	0	1

1 Only workers under the CLT system were considered.

2 We do not perform occupational incident control for third parties and service providers.

3 There were no deaths from occupational diseases in 2024.

Safety training

GRI 403-5 / 403-4

Upon integrating new employees, we present all our SESMT (OH&S management system) processes and procedures, including the area responsible for the topic, the main related risks, and the guidelines for adapting the workstations.

We also make available, through TOTVS University, the Work Safety Trail, which is mandatory, and the Prevention Trail, with diverse content about prevention both in the professional environment and outside it—when commuting to work, at the client's and at our employees' homes.

We also have the Internal Committee to prevent Occupational Hazards and Harassment (CIPA), established as provided for in current legislation (NR 05), with members chosen by the employer and employees, through an

electoral process. This Committee is responsible for carrying out actions to prevent occupational incidents and diseases and reduce risks.

Total occupational incidents^{1, 2, 3, 4} GRI 403-9

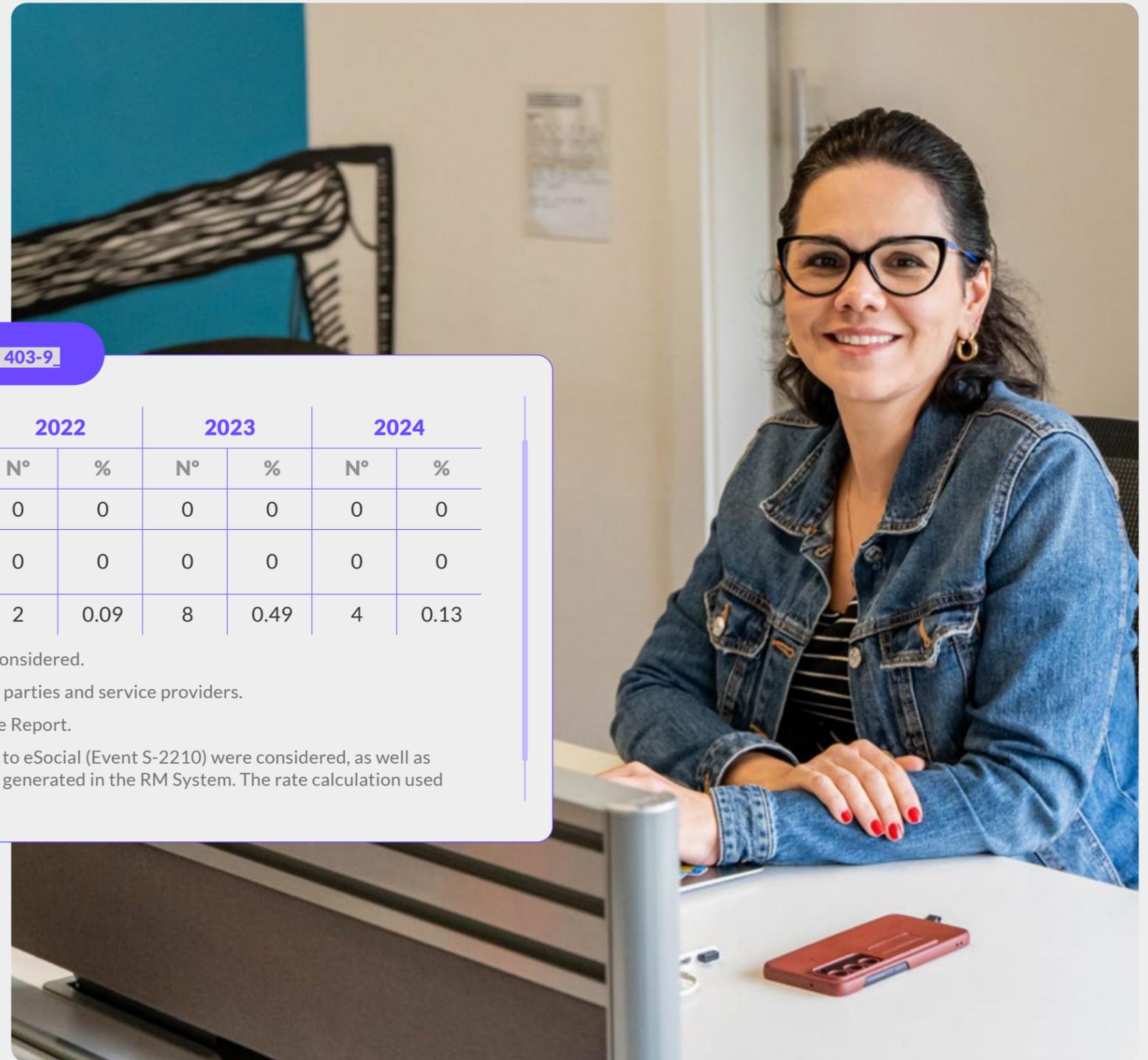
	2022		2023		2024	
	Nº	%	Nº	%	Nº	%
Deaths resulting from accidents at work	0	0	0	0	0	0
Accidents at work with serious consequences (except deaths)	0	0	0	0	0	0
Accidents at work with mandatory reporting	2	0.09	8	0.49	4	0.13

1 Only workers under the CLT system for RD Station were considered.

2 We do not perform occupational incident control for third parties and service providers.

3 There were no cases of deaths in the period covered by the Report.

4 In the calculations, all typical work incidents/hazards sent to eSocial (Event S-2210) were considered, as well as the number of worked man hours, extracted from a report generated in the RM System. The rate calculation used 1,000,000 hours worked as its base.



Achievements that reflect our care for people

In 2024, we were among the finalists of the Think Work Innovations award, which recognizes the best practices and the most innovative initiatives in people management in the country. TOTVS was again named one of the 175 Best Companies to Work for in Brazil (5th year in a row) according to the ranking of Great Place to Work (GPTW), thanks to employees expressing feelings of belonging and appreciation for working at TOTVS. Besides climbing higher in the rankings from last year, we also shared this achievement with RD Station in this accomplishment, as they too made it onto the list

We were ranked the best company in Brazil for young professionals (under 35) by Employer For Youth

Brazil (EFY), improving on our 2023 6th-place ranking. Our CEO, Dennis Herszkowicz, was named the country's most admired CEO in 2024 by the HR Management Group, and our Executive VP of Human Relations and Marketing, Vivian Broge, was named HR of the Year, recognizing our strong practices in another milestone.

We attribute these results to a valuable combination of factors that TOTVS provides: we are a successful company with a very clear purpose deeply tied to the country's development. Additionally, the light and autonomous work environment we've built encourages personal growth, reflected in our employees' high satisfaction levels.



In the international context, we had the opportunity to represent the country at the UN Human Rights and Business Forum in Geneva, talking about algorithmic diversity and its impacts on vulnerable populations, and were also present at the SDGs in Brazil event held by the UN Global Compact in New York.



**Collaboration
that makes us
stronger**



Stakeholder relations

GRI 2-6, 2-29

TOTVS values strong relationships and seeks mutually beneficial, long-lasting collaborations. We recognize the importance of maintaining an open and continuous dialogue with all our stakeholders, seeking to understand their expectations and needs and continuously improve our processes and practices, in line with our values of innovation, responsibility, collaboration, ethics, and sustainability.

Through our communication platforms and products, we produce content of value to the technology industry, such as the TOTVS Blog and our "Antes Tech do que Nunca" (i.e., Better Tech than Never, a pun) podcast. We have also established ourselves as an authority on strategic studies, such as the IPT-Technological Productivity Index and similar contemporary research on current topics. Our research validates

our technological expertise, offering comprehensive market trend analyses.

 [Click here](#) to learn about our blog and access the podcast  [episodes here](#).

Our engagement stance encompasses the regular and consistent analysis of our priority stakeholders for our agendas, with the following steps:

Initial mapping

Identification of groups that have a direct or indirect impact on our operations

Relevance analysis

Assessment of the level of influence and interest of each group in TOTVS's operations

Inquiry and dialogue

Satisfaction surveys, discussion forums, meetings, and other feedback channels are used to gather feedback and engage in dialogues

In 2024, we continued to believe in the strength of our technology community and how much people want to engage with genuine and real companies. Our collaborations with influencers have brought clarity on the path we are taking as a trusted advisor, not only

to our clients, but also to the entire dev community. In the comments and suggestions made in our posts, we are always attentive to what our audience has to teach us, which allows us to refine our strategy and get to where we are today with TOTVS's social media.



Social media presence

PS04TOTVS

+1 million followers on LinkedIn

+300K subscribers on YouTube, between our TOTVS and TOTVS Solutions channels

+150K followers on Instagram

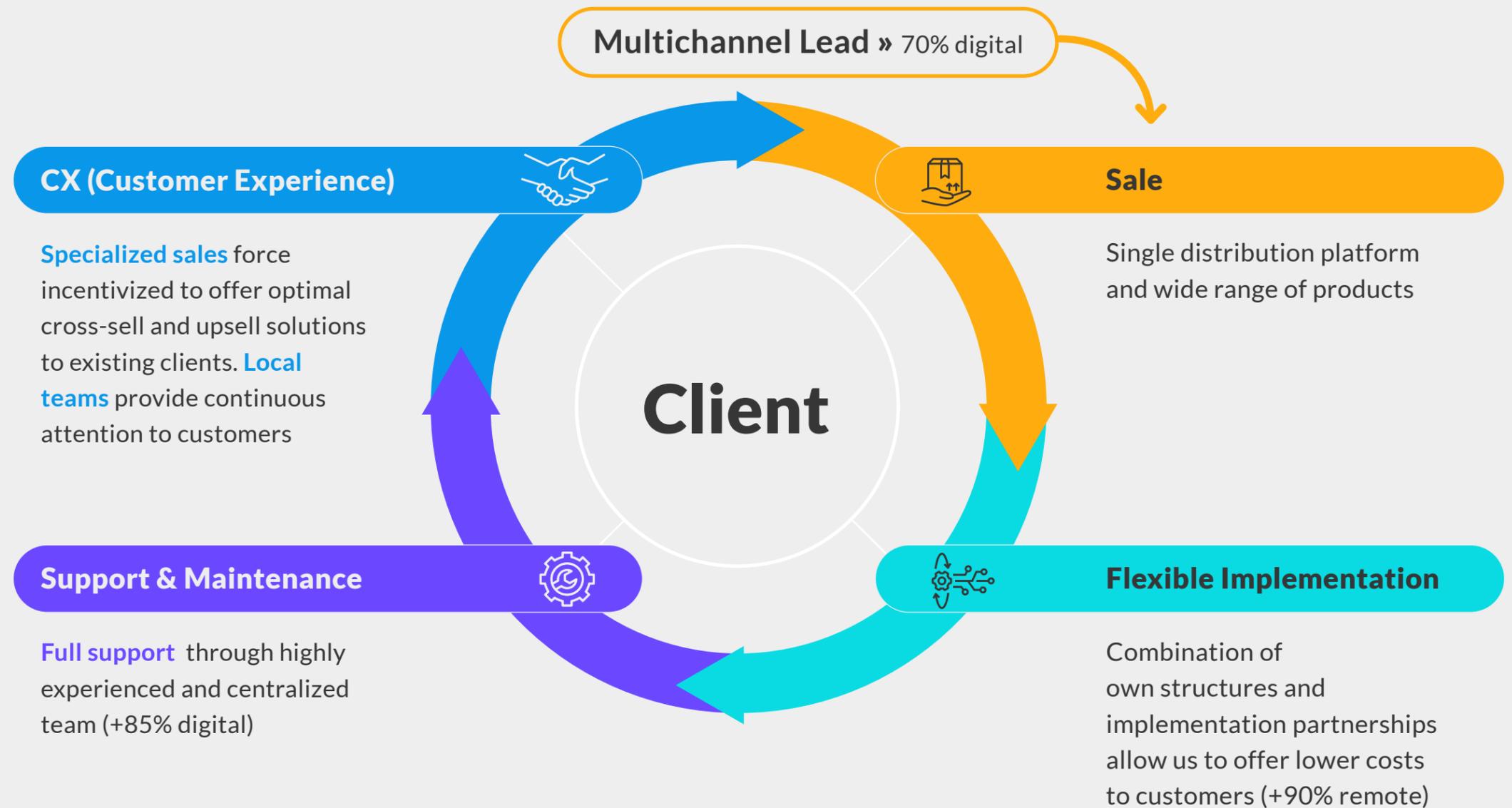
TOTVS also shows solidarity toward external factors influencing stakeholders. In response to the 2024 Rio Grande do Sul floods, a multidisciplinary crisis commission was formed to aid affected employees, IOS students, and the local economy through the procurement of our holiday gifts from their local producers. We also grant a payment exemption for up to six months. To affected companies who have requested this support, demonstrating empathy and commitment to the reality of our customers and helping them overcome this challenging period. **GRI 3-3 »**

TRANSFORMATION AND INNOVATION IN BUSINESS MODEL

Customers GRI 2-29

We seek to provide the best service to the more than 70 thousand companies that choose us as trusted advisor in their digitalization journey. Our relationship structure allows us to be present to customers very closely at all stages, from lead to after-sales, with continuous attention to their needs.

As a result, over the course of TOTVS's history, we have witnessed the emergence and expansion of innovative and competitive firms, alongside the evolution of industry sectors and technological progress in the country. We see our customers' successes as our own, and we also celebrate their achievements.



TOTVS "Brasil que Faz" Award

Every year, we hold the TOTVS "Brasil que Faz" Award, an initiative that seeks to recognize the efforts of the digitalization and innovation journey of TOTVS's customers, which has established itself as an important award for the technology sector.

Evaluation criteria: digitalization, innovation, operational gain, financial impact, and ESG.

Categories: Segments, HR Special, Company of the Year, and Innovation Special - Lei do Bem, launched in 2024, which includes the most innovative projects of our customers using this promotion mechanism.

Path of this Award in 2024:

670+ entries,
75+ finalist projects
and 16 recognized companies.

[Click here](#) to see the best moments of 2024 and testimonials from some of the award-winning customers.

We also launched the advertising campaign "O Brasil que faz, faz com TOTVS", which emphasizes the long-term relationships, respect and transparency that we maintain with the more than 70 thousand companies that choose us as partners. One of the materials created was an [advertising film](#) based on the concept "Tem TOTVS em Tudo" (TOTVS can be found in everything), which shows our presence in various segments of the economy throughout the country. The campaign sought to increase brand awareness and had positive results in terms of views and lead generation.

[PS05TOTVS](#)



Suppliers and outsourced partners [GRI 2-6](#)

TOTVS relies on the Procurement and Contract Management areas to manage suppliers. Our chain is composed of software deployment and development companies and databases and technological platforms that we use or resell to clients, as well as marketing, telecom, audit, consulting, and infrastructure services for buildings (such as cleaning, security, and maintenance) and various supply vendors (such as office supplies, hygiene, and consumption).

The hiring of suppliers and service providers is carried out under TOTVS's Procedures for the Procurement of Products and Services and Administration of Supplier Contracts, in compliance with our Code of Ethics and Conduct.

In 2024, **98.71% of new suppliers were screened using social criteria.** Of the total of 3,088 suppliers in the contract base, **3,027 are eligible**—and the 61 that are ineligible refer to public entities or public service concessionaires that are not subject to replacement and/or are single suppliers (for example, for the concession of energy, water, among others) or companies of the TOTVS Group. Among those eligible, we identified due diligence procedures for **2,988 suppliers** (98.71%). For another 39 suppliers (2.02%), no due diligence procedures were identified. TOTVS's current compliance due diligence doesn't include the suppliers of Techfin, Dimensa, and RD Station, as each company handles this independently. [GRI 414-1](#)

In the period, the proportion of TOTVS's expenses with local suppliers¹ in important operating units was 81.13%. This percentage considers the unit that concentrates most (80.63%) of the Company's contracting of goods and services, in this case the headquarters, located in the capital city of São Paulo. As for RD Station's operations, located in the State of Santa Catarina, the proportion of expenses with local suppliers² in important operating units was 18.73% [GRI 204-1](#)



¹ Local suppliers are deemed as those located in the same state as the operating unit of our headquarters (SP).

² Local suppliers are those located in the same state as the operating unit of RD Station (SC).

³ Tallos and Lexos offices, and Supplier's unit, are excluded from the data.

TOTVS's suppliers, per region, in %¹ [GRI 204-1](#)

	2022	2023	2024
São Paulo	54.47%	53.66%	52.17%
Minas Gerais	7.94%	8.18%	7.45%
Paraná	6.69%	5.83%	4.92%
Santa Catarina	8.61%	10.11%	10.38%
Rio de Janeiro	7.53%	6.99%	6.75%
Rio Grande do Sul	4.77%	4.83%	8.55%
Goiás	3.05%	3.23%	3.21%
Others	-	-	0%

¹ It does not include Supplier, InovaMind, Mobile2You, RBM, and RD Station

RD Station's suppliers, per region, in % [GRI 204-1](#)

	2024
São Paulo	33%
Minas Gerais	3%
Paraná	4%
Santa Catarina	22%
Rio de Janeiro	3%
Rio Grande do Sul	3%
Goiás	1%
Others	31%

Relationship between the supply chain and third parties [GRI 408-1 / 409-1](#)

At TOTVS, we do not have operations or suppliers that could pose significant risks of child labor, forced labor, or slavery-like labor. All suppliers must undergo a background check during the approval process to verify any related issues. If any issues are found, the supplier is automatically disqualified from entering into any business relationship. In our supply and service contracts, we have clearly defined obligations regarding labor law compliance, which include ensuring the absence of child, forced, and slave-like labor.

At RD Station, there are four categories of attention regarding the hiring

of suppliers to prevent the risk of occurrence of cases of child, forced, or slave-like labor, namely: equipment and supplies; leasing of space and equipment; maintenance, cleaning, and safety; and production of events. Contracts with these suppliers already include clauses designed to prevent these practices.

In addition, our security team is trained in procedures related to human rights, both through internal training offered to our own employees, and through training carried out by the contracted/outsourced companies responsible for managing workers who are not employees³. [GRI 410-1](#)

Shareholders/Investors

Our relationship with shareholders and investors is built on ethics and transparency guidelines, under existing laws and regulations, strictly complying with legislation governing corporate affairs and the stock market. We honor the rights of every shareholder, no matter the size of their stake in the company. TOTVS implements a corporate structure that grants voting rights to all shareholders, while avoiding any form of management compensation that may potentially harm the legitimate interests of both majority and minority shareholders. [As provided for in our Relevant Information Disclosure and Securities Trading Policy](#), which is governed by the Securities and Exchange Commission, reported to B3, and published on the TOTVS website, we ensure that all stakeholders have

access to our periodic information or material facts released.

In 2024, we improved our communication to more clearly state the calculation of adjusted profit and free cash flow, detailing the adjustments and the importance of these metrics. The goal is to facilitate understanding of converting income into cash flow—a more objective measure than profit, which better illustrates the Company’s financial health. This emphasis is vital for TOTVS, a company known for frequent and many acquisitions. Following market trends, we are also preparing to adhere to new regulations, such as Resolution No. 193 of the Brazilian Securities and Exchange Commission (“CVM”), and new formats for releasing financial results, which require, for example, a better integration of financial and sustainability data.

ICO2 B3

IDIVERSA B3

IGPTWB3

IBRX50 B3



Shareholding structure in 2024

Capital stock of approximately
R\$2,962,584,687.27

599,401,581 common shares

90% of the capital stock as outstanding (free float) shares

89.6% of foreign investors

10.4% of domestic investors

Investor Day PS03TOTVS

Our main investor relationship event, which takes place annually within the Universo TOTVS program, brought together 76 participants in 2024, 12 of which were sell sides and 64 were buy sides. With speeches from our CEO and Executive VPs, the discussions were directed to the Company's long-term strategy, bringing an insight into each business unit and the major innovations that TOTVS has been investing in, such as artificial intelligence (AI) technologies.

Please see [here](#) the speeches of our executives on Investor Day 2024 and access [here](#) the full presentation.



Community GRI 413-1

As the largest technology company in Brazil, we recognize our potential to promote significant transformations in the industry sector in which we operate and in society. Among the various social and environmental responsibility initiatives we promote, one highlight is the Institute of Social Opportunity (IOS), a non-profit institution founded by TOTVS and supported by the private sector. We use this to support programs that broaden access to education for youth and improve their employment prospects, promoting their inclusion in the job market. Beyond that, we view iOS as a means of fostering citizens who can positively impact their lives and develop promising tech-based careers.

Institute of Social Opportunity (IOS) GRI 203-1 / 203-2 PS02TOTVS

There is a growing demand for skilled individuals and youth prepared to work

as tech professionals. Considering the present circumstances, iOS offers complimentary vocational training for young people (ages 15-29) from disadvantaged backgrounds and those with disabilities seeking employment aligned with industry needs in the future's economy. Through partnerships with educational institutions and employing companies, the Institute also seeks to promote the continuity of studies and the placement of young people who can already take a position, supporting compliance with the Apprenticeship Law and the Quotas Law for People with Disabilities.

In addition to technical training, IOS aims to foster a culture of teamwork among students, with an innovative mindset, care for relationships, and respect for differences. This provides a great differential for learning, since the concepts studied become tangible in practice. In the year 2024, a total of 1,800 young individuals graduated from IOS without incurring any costs, while

more than 1,400 students commenced employment in entry-level roles within administration and technology.

IOS also intensified psychosocial care with a multidisciplinary team (psychologists, social workers, and psychopedagogues). The services (both online and in person) are carried out through welcoming, guidance, monitoring and/or referrals to social assistance networks, assisting in extra-course issues that can impact the student's performance throughout their training.

Since the foundation of IOS by TOTVS's volunteers in 1998, the Company has expanded its partnerships and today acts as one of its major maintainers. We ended the year with a new strategic planning for the next three years, bringing more external people to compose the Institute's Board and, with this, expand its representativeness and reach.





Over the course of its history, IOS has transformed many

14 units with face-to-face **classes** in **3 regions of Brazil**, in the states of São Paulo, Rio de Janeiro, Minas Gerais, Rio Grande do Sul, and Pernambuco.

46k+ students graduated

A yearly average of

2k+ students are serviced

13k+ students with access to formal job opportunities

130+ employer partners and sponsoring companies

60% Admitted young adults saw their family income rise by more than

TOTVS invested **R\$ 7,6 milhões** in IOS throughout 2024.

PS02TOTVS



Students' profile

According to data from the psychosocial questionnaire, answered by **over 89%** of students for the IOS annual report, they identify themselves as:

 **64%** Black people

 **53%** Women

 **3%** People with disabilities

 **2%** Trans people



We develop incentive campaigns for employees to leverage their investment in IOS. An example is the Gente que Acredita (People Who Believe) campaign, in which all the money raised is directed at the purchase of snack kits and transportation vouchers. Moreover, each WUP snack purchased triggers a donation of an equivalent unit to IOS as part of a social responsibility program. In 2024, we raised more than R\$350,000 and had 104 volunteer employees, who dedicated about 280 hours of activities to the Institute.





Please [click here](#) for the full Policy

Institutional and public sector relationship [_GRI 2-29_](#)

For TOTVS, dialogue with the public sector and civil society is fundamental in building knowledge that contributes to the country's development. We establish different channels of exchange and relationship to engage with governments, associations, and universities, seeking to contribute to create effective public policies and generate innovations that benefit the entire society. These channels include:

- Collaborative thematic working groups assess the impact of institutional and governmental actions to develop unified sector positions for targeted agendas.
- Rounds of discussions and meetings for sectoral discussions between companies, associations, and governments.

- Participation in public consultations and hearings organized by the government and the third sector.
- Technical and institutional visits.
- Individual meetings (TOTVS leadership) and sectoral meetings (with associations) with government representatives and other entities.
- Sponsorship of events that guide and reinforce the importance of technology and innovation in the country.
- Discussions and design of sectoral proposals.
- Development of projects of public interest and institutional support.

Our business and institutional interactions follow structured processes as outlined in our Policy for Business and Institutional Relationship with Public Entities. [_GRI 2-23_](#)

Featured initiatives in 2024

Institutional Agenda

Board for Sustainable Economic and Social Development (CDESS):

in 2024, TOTVS continued its participation in this Board, represented by Laércio Cosentino, who kept being the coordinator of the Technology, Innovation, and Digital Transformation Committee, one of the most engaged



for the country's development, and participation in the Plenaries. In addition, the Interministerial Committee for Digital Transformation was established, which advises the government in preparing and implementing public policies on this agenda, within the scope of the Brasil Digital 2030+ Plan. We see this achievement as a gain for society and the productive sector, as it promotes the continuous improvement of Brazil's business environment and the sustainable growth of GDP, among other factors.

Citizen Education Trail: to strengthen social participation in politics, we provided a learning trail on this topic at TOTVS University, which addresses more than 22 concepts about life in society. With this project, we were winners of the 7th edition of the Marco Maciel Award, in the category "Institutional and Governmental Relations in a private or mixed organization", promoted by the Brazilian Association of Institutional and Governmental Relations (ABRIG).

Innovation & AI agenda

ANPEI Conference: We sponsor the Innovation Conference of the National Association for Research and Development of Innovative Companies (ANPEI), Brazil's leading forum focused on research, development, and innovation. TOTVS took part in the panel on AI, with the subject "5 things you need to know about AI today".

Lei do Bem: we see this legislation (that grants tax benefits for companies investing in R&D for innovative technology) as an important instrument to encourage innovation in the country and we engage in several forums for debate on this subject.

Tax matters agenda

Tax Reform: in the second phase of discussions on updating the tax system in Congress, TOTVS worked with BRASSCOM, ABES, and MBC to submit proposals to improve and enhance its wording. Some of the claims were

partially accepted and incorporated into the Law.

Payroll Reinstatement: In view of the Provisional Measure that extinguished the Payroll Reinstatement, TOTVS worked with BRASSCOM to promote the maintenance of this benefit with parliamentarians. With the matter approved at the end of 2024, the commencement of reinstatement was deferred to 2025, with subsequent postponements continuing until 2027.

Privacy Agenda

Data protection: through sectoral associations, TOTVS engaged in the process of inspection and implementation of the General Personal Data Protection Law (LGPD) and AI, through public consultations and subsidies opened by the National Data Protection Authority (ANPD).

Institutional and sectoral associations GRI 2-28 / 2-29

Our participation in entities representing the technology industry sector takes place through engagement in debates and technical discussion forums. We strive to aim our efforts on common agendas of the industry sector and propose important initiatives for TOTVS, in addition to strengthening our status as a benchmark company in building an ecosystem of growth and innovation in Brazil. Being present in the discussions of the technology sector and the business units in which we operate helps us to be well positioned in the face of market demands, aligned with new practices and legislative and regulatory changes.

Meet a few of the institutional associations we are involved with and have seats in

BRASSCOM – Brazilian Association of Information and Communication Technology Companies: Chairman of the Board of Directors (CA), leader of the Talent Training GTT, and Vice-Leader in the Labor GTT to work on the Human Capital development agenda and best labor practices.

ABES – Brazilian Association of Software Companies: Leadership of the Future of Work Committee, the Task Force on "Lei do Bem" Law (a law granting tax benefits for companies investing in R&D for innovative technology), and the Labor Relations WG to work on the Human Capital, Innovation, and Labor Relations agendas.

ANPEI – National Association for Research and Development of Innovative Companies: Leading role

in the Development Committee to work on the Digital Transformation and Innovation agenda.

ABRASCA – Brazilian Association of Publicly Held Companies: Member of the Board of Directors 2023-2026 for the development of the Business Environment agenda.

IRELGOV – Institute of Government Relations: Leadership in the Careers Board for improvements in the relationship of the private sector with public entities.

In addition, we take part in the technical groups of the following sector entities

MBC – Competitive Brazil Movement

Ethos Institute of Business and Social Responsibility

The UN Global Compact – Brazil Network

Through Brasscom, ABES, and MBC, we actively contributed to the debates on the regulatory framework for the development and use of artificial intelligence (AI) systems in Brazil, referring to Bill No. 2.338/2023, approved by the Federal Senate in 2024. This initiative will proceed in 2025, coinciding with the project's subsequent parliamentary review in the National Congress, given its significance and impact to TOTVS operations.



Technology ecosystem

GRI 3-3 » TRANSFORMATION AND INNOVATION
IN BUSINESS MODEL

Innovating is in our DNA—whether for the evolution of our core business or in our business strategy. In addition to investing heavily in Research & Development, TOTVS works very closely with entities that foster innovation, such as CNI (National Confederation of Industry), ANPEI (National Association for Research and Development of Innovative Companies), and ABII (Brazilian Association of Industrial Internet), among others.

In 2021, we created CV iDEXO, a CVC (corporate venture capital) fund for investing in startups. The R\$300 million fund is managed by Citrino Ventures and makes investments in startups with great growth potential and innovation capacity by purchasing minority interests. The fund is another strategic and financial investment option for TOTVS, different from the M&A model in which it already operates. To date, CV iDEXO has invested in 10 startups with great potential in the market.com grande potencial no mercado.



Facts and data that show our intellectual capital and innovative capabilities

- We are the only Brazilian IT company present in global innovation rankings.
 - **2024 Valor Inovação Brazil:** 33rd place in the ranking of the 150 most innovative companies and 5th place in the Information Technology category.
 - **Brazil's Leading Lawyers Awards 2024:** TOTVS is one of the finalists in the categories "Corporate and Operations", "Intellectual Property, Innovation and Technology", and "Legal Ops".
 - **100 Most Influential in Agribusiness 2024:** TOTVS Segment
- Officer Fabrício Orrigo won the award in the "Technology, Research and Innovation" category.
- Over the past 5 years, we have **invested R\$3 billion** in research and development to redefine the future of business.
 - AI is already a reality at TOTVS and is embedded in several solutions in our portfolio.
 - We have **11 development centers in Brazil**, Mexico, and the United States.
 - Our innovations are driven by client needs, with projects tailored to the challenges faced by **each of the 12 economic sectors** we serve.

Our events/

We see opportunities to meet with our various stakeholders as valuable channels to exchange knowledge, disseminate our actions and solutions, gather feedback, and contribute to building a thriving market for technology. We hosted in-person and online events, focusing on TOTVS and RD Station's market-driven meetings, which significantly improved integration between our business units. Each year, we seek to continuously evolve to offer the best experiences to the public, which include caring for people and adopting good governance and sustainability practices.



Universo TOTVS ("TOTVS Universe")

In 2024, TOTVS's largest event was held on June 18 and 19, bringing together the top Company experts and market leaders for a true immersion in the worlds of technology and business. The two-day event showcased nearly 300 content pieces, attracting 16,000 attendees and 108 partner brands. The program included lectures, panels, masterclasses, demonstrations, and practical and theoretical classes to support the evolution of companies and professionals working in the sector. A standout presentation was given by Mônica Sousa, Mauricio de Sousa's daughter, focusing on inspiration and reinvention within the technological universe. At the end, the audience was presented with [Guardiões do Amanhã magazine](#), a story by Turma da Mônica designed especially for the Universo TOTVS, with the message of taking care of the planet through

sustainable technologies. The event also included the Investor Day 2024, with presentations by our CEO and Executive VPs, which had 76 participants, as well as the "TOTVS Brasil que Faz" Award ceremony ([learn more on page 73](#)). [_PS03TOTVS](#)



RD Summit

In its 10th edition, the RD Summit, the largest marketing, sales, and e-commerce event in Latin America, took place from November 6 to 8, with the participation of over 300 reference names in the market and an audience of 20,000 people per day, in a program that combined thematic stages, content trails, and a complete business fair. 60% of attendees were leaders.



Certifications

The technical certifications attest to the excellence of TOTVS and the high quality of our software and services, being also tools that encourage us to seek continuous improvement in our management of processes and controls and in the satisfaction of clients, customers, and employees. Independent, unbiased organizations issue our certifications; these include:



TIER III: it assesses effectively the Data Centers' structure in terms of business requirements, availability, and operation.

ISO 9001: a certificate related to quality management, which specifies a set of requirements to guide companies in standards that allow them to satisfy customers, seek continuous improvement, and ensure business competitiveness and quality.

ISO 27001: this international standard establishes requirements to implement an Information Security Management System (ISMS), protecting data through the guarantee of three pillars: confidentiality, integrity, and availability. It promotes regulatory compliance, risk management, as well as the implementation of good practices, which results in more robust layers of protection.

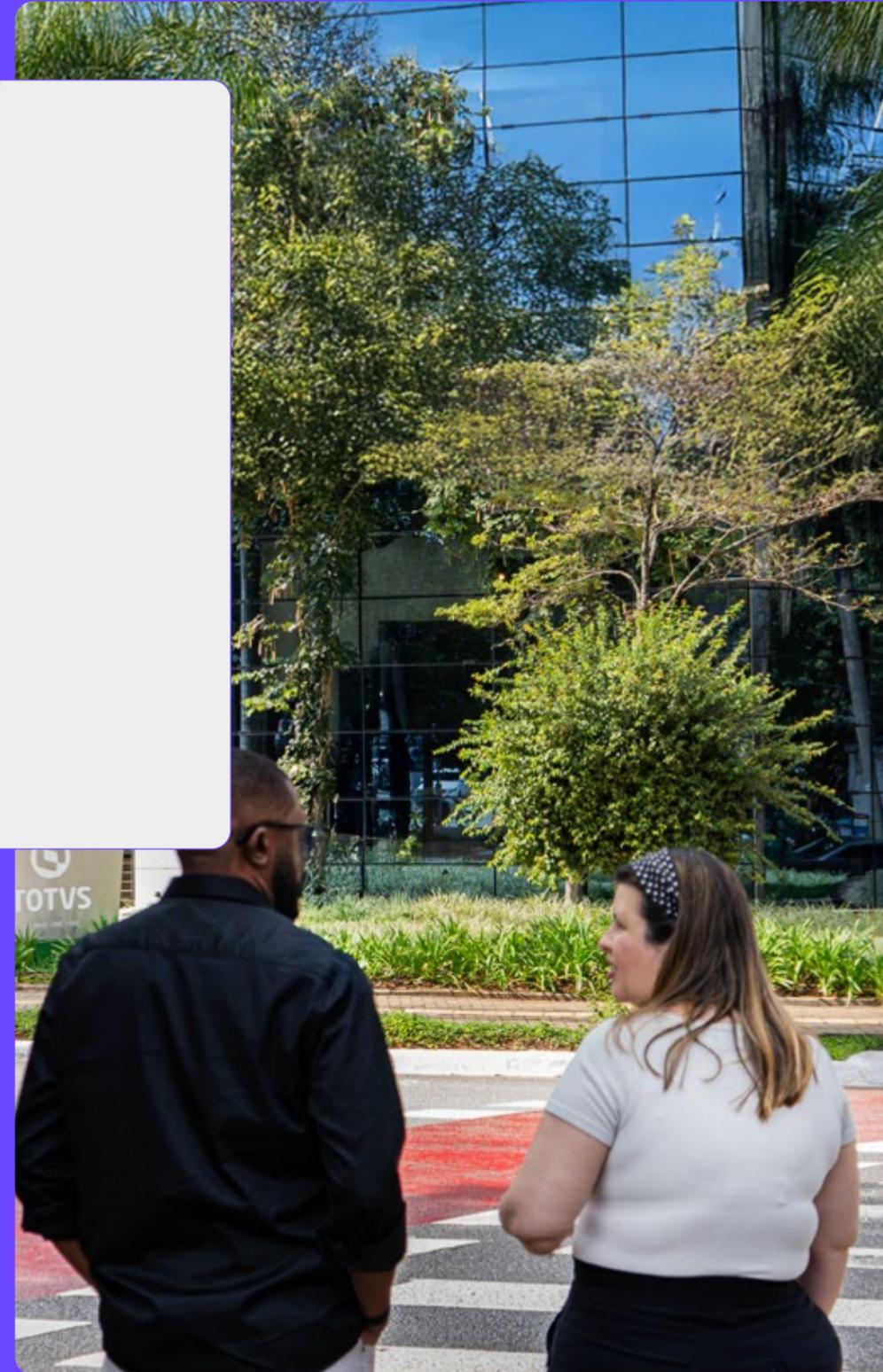
ISO 27701: international standard aimed at validating adherence to the specific practices of an Information Privacy Management System, which attests to compliance with requirements and controls related to data protection and privacy.

ISO 27017: international standard that provides specific guidelines for information security in cloud services.

ISO 27018: international standard that establishes guidelines for protecting cloud services to those who act as operators.

ISAE 3402: it is a formal report used by service providers and prepared by independent auditors. It aims to describe the implementation and operational effectiveness of the organization's activities, ensuring the quality and control of the services provided and mitigating risks to clients and customers.

Environmental Management



Environmental management guidelines/

[GRI 3-3 » MANAGEMENT OF ENVIRONMENTAL IMPACT AND CLIMATE CHANGE](#)

We understand that the scope of our operations goes far beyond technology, with the potential to promote several positive impacts on socio-environmental aspects, in an integrated manner with our Sustainability Policy.

The management of environmental indicators is carried out by the Facilities team, which plays a crucial role in consolidating data and implementing sustainable practices. This team collaborates closely with the regional teams of the group's companies, ensuring that data management reflects local realities. Through this coordinated effort, we reinforce our commitment to sustainability, incorporating responsible environmental practices into all our operations.

Climate change and consumption of natural resources/

[GRI 3-3 » MANAGEMENT OF ENVIRONMENTAL IMPACT AND CLIMATE CHANGE / 201-2](#)

In 2024, we revised our Sustainability Strategy and started a review of our risks and opportunities related to climate change, considering the materiality of our business. This review covers both physical and regulatory risks, with a direct impact on our operations. These aspects are managed by the Risk Management area, which applies its own methodologies to identify, assess, and mitigate risks throughout the organization ([📄 learn more on page 33](#)).

Climate change can also affect working conditions, both in the office and outdoors, requiring new investments in air conditioning, protective equipment, or adjustments to meet new health and well-being



needs. Extreme weather events have become increasingly common and we identified the financial impacts of flooding in the Southern Region of the country in 2024. Considering the repairs and adjustments made at the time, the impacts were not material, as they did not substantially affect the organization's finances or operations.

Our opportunities, on the other hand, are mainly related to our products and solutions and how we can significantly contribute to building a more sustainable ecosystem. By offering innovative tools, we help our clients achieve their own sustainability and regulatory compliance targets, helping them to make their businesses more resilient to future scenarios.

Emissions

While our industry's greenhouse gas (GHG) emissions are low, we're dedicated to tracking our performance, minimizing our environmental footprint, and finding areas for improvement.

In 2024, we developed our 4th inventory of GHG emissions based on the GHG Protocol model, deepening the mapping of scope 3 emissions. Changes to the CDP scoring system, specifically the inclusion of new management criteria that aren't fully implemented within the company, resulted in a downgrade to category D on the climate question. For the first time, we answered the question regarding water security, achieving a C score. We identified opportunities for improvement in the mapping of socio-environmental risks and will work to develop our impact management strategy. [PA03TOTVS](#)

Scope 1 considers direct emissions, including emissions from the internal fleet, fugitive emissions, generators, and fuels. In 2024, we recorded a total of 1,773.94 tCO₂e, an increase of 56% compared to 2023. Our biogenic emissions were 51.04 tCO₂e.

In Scope 2, we address indirect emissions associated with the purchase of electricity, both based on location and the purchase of subsidized energy in the market. In 2024, we recorded a 31% reduction in location-based emissions compared to the previous year, reaching a total of 765.37 tCO₂e. Market-based emissions were 153.50 tCO₂e in 2024, which shows an increase of 45%.

In 2024, we recorded a total of 7,744.89 tCO₂ in Scope 3, due to the inclusion of acquired companies in the calculation of air travel, home office employee data, and home-to-work commuting.

 Simplified table of emissions (in metric tons of CO₂)^{1, 2, 3, 4} [GRI 305-1 / 305-2 / 305-3](#)

Scope 1	2022	2023	2024
GHG emissions from internal fleet of vehicles, 2022 2023 fugitive emissions, power generators, and fuels	1,514.88	1,138.12	1,773.94
Biogenic emissions (Escopo 1) ²	122.26	43.25	51.24
Scope 2			
Indirect emissions (market basis)	178.54	102.35	153.50
Indirect emissions (location basis)	548.83	487.36	765.37
Scope 3		487.83	
Emissions related to corporate travel, employee commuting and solid waste ³	370.30	5,324.91	7,744.89

1 Gases included: CO₂, CH₄, N₂O, and R410a. Base year: 2024. Consolidation approach: operational control.

2 Associated with fossil fuels, related to fleet of vehicles and power generators.

3 Solid waste generated from our operations in São Paulo (SP), Joinville (SC), and RD Station (SC).

4 We expanded the scope of our emissions calculations by including newly acquired companies and, for the first time, submitted our Greenhouse Gas Emissions Inventory to an independent external verification, adding even more rigor and reliability.



Initiatives to mitigate emissions

We offset the entire carbon footprint of the 2024 RD Summit (scopes 1, 2, and 3) by buying carbon credits to compensate for 400 tons of emissions. This compensation covered the three days of the event, including all assembly and disassembly operations, as well as the displacement of staff, speakers, and suppliers. In addition, we allocated R\$5 per ton of GHG emitted to reforestation projects in Brazil, which enabled the planting of approximately 67 trees. The carbon credits acquired were used in the Jirau Project, aimed at generating renewable energy.

Energy

Total electricity consumption in 2024 reached 49,173 GJ, a 8% increase compared to 2023, primarily because of the inclusion of newly acquired companies in this indicator. In addition, throughout the year, we maintained a hybrid work model and observed greater use of the headquarters offices and branches in Rio de Janeiro, Caxias, and Goiânia, expanding the use of electricity.

About 84% of the electricity we consumed at the Company in 2024 came from renewable sources, and our largest units (São Paulo, Joinville, and Rio de Janeiro) buy energy from the Free Market and the Belo Horizonte branch has a consortium with a solar power plant.

Total electricity consumption (GJ)^{1, 2, 3, 4, 5, 6} [GRI 302-1_SASB TC-SI-130a.1](#)

Electricity consumption	2022	2023	2024
Electricity consumption ⁴	41,079	45,642	49,173
Diesel consumption ³	-	11,693	11,417
Grid electricity percentage ⁵	-	100%	100%
Percentage of renewable energy ⁶	-	85%	84%

1 In 2022, we changed our building structures at the Rio de Janeiro Unit.

2 The data include the operations of TOTVS S.A., RD Station, Supplier, Dimensa, RBM, Vadu, and International Market operations.

3 In 2024, we reviewed the indicator and included diesel fuel consumption, information that was not available in the previous report (2023). [GRI 2-4](#)

4 For the collection of this indicator, data reported in invoices (from utility providers and the free market) for all owned and acquired units up to December of 2022, 2023, and 2024 were considered.

5 For this indicator, only energy consumption from the grid was considered; therefore, the data for the year 2023 was corrected. [GRI 2-4](#)

6 Estimated value considering that energy is renewable in the largest units since it is purchased via the free energy market.



Water GRI 303-1

The water consumption in TOTVS's offices is related to administrative operations performed in common areas like restrooms and kitchens, besides the cleaning of all spaces. Since our offices are all in city condominiums, we get our water and sewage services from utility companies.

Total water consumption in 2024 reached 26,041 cubic meters, 23% higher than in 2023 due to the higher volume of daily use of corporate facilities and internal and external events.



Waste GRI 306-1 / 306-2

We have entered into a contract with a third-party company to manage waste collection and recycling activities at their headquarters in São Paulo and their Joinville unit, and we monitor key performance indicators throughout the company. The vast majority of waste we generate comes from administrative activities, which contribute to proper disposal, such as recycling and reuse, as well as public collection in smaller units.

In 2024, 103.59 tons of waste generated in our operations went to landfill, an increase of 132% compared to 2023. We also recorded a 6.5% growth in the volume of waste sent for recycling, totaling 35.39 tons. Increased daily use of corporate facilities, events, and the addition of RD Station account for these results.

During the year, 4.4 tons of equipment that were in stock at headquarters and offices were also sold. This volume generated a return of R\$385.7 for TOTVS.

Sustainability and reverse logistics practices are also present in our events. In the 2024 edition of the RD Summit, we made 24,000 eco-friendly glasses available to all attendees, including staff, sponsors, speakers, and suppliers. In addition, we implemented Water Stations: free and accessible water sources for all event attendees. With these initiatives, we avoided the generation of more than a ton of plastic and the consumption and disposal of 49,800 half-liter plastic bottles.

Water consumption per cubic meter ^{1,2,3,4} GRI 303-5 SASB TC-SI-130a.2

Supply from the public utility (m ³)	2022	2023	2024
Total	19.752	21.128	26.041

1 These data do not include operations of Tail, RBM in Juiz de Fora, and international operations.

3 TOTVS units with condominium management to which we do not report: BH, Cascavel, Recife, Maringá, Goiânia, and Porto Alegre.

4 For TOTVS, water consumption is equal to the total water collected in the supply network.

The RD Summit collaborated with Expo Center Norte on the Zero Landfill project, preventing any event waste from ending up in landfills. The woods were directed to Bio Energia, where they were recycled and converted into wood chips. Non-recyclable waste was reused as an alternative fuel for industries that use this technology to replace fossil fuels, generating

energy mass. The recyclables finally went to Flacipel for sorting and sale.

Considering the assembly, the three days of the event and the disassembly, 35,200 kg of waste were generated, all correctly treated, avoiding its final destination in landfills and reinforcing the commitment of RD Summit and the TOTVS Group to sustainability.

 Volume of waste generated and destination^{1,2,3} [GRI 306-3 / 306-4 / 306-5](#)

Total weight of waste, per type and method of disposal (t)	2022	2023	2024
Landfill	28.40	44.56	103.59
Recycling	28.17	33.23	35.39
Total (ton)	56.57	77.79	138.98

1 As of 2022, we started to account for the Joinville unit, in addition to our headquarters in São Paulo. In 2024, we expanded the report to RD Station.

2 Materials sent for recycling are mostly paper, glass, plastics, and electronic waste

3. In the case of electronics, we considered equipment sent from other TOTVS units to São Paulo and Joinville.

Quality and safety in the management of data centers/

[SASB TC-SI-130a.3](#)

We understand that a company's success is measured not only by its financial results, but also by its commitment to society and the future of the planet. Our Data Centers are developed to offer the best cloud experience to customers, ensuring that TOTVS and its partners follow the best practices in socio-environmental and governance terms. From the design of these units, we evaluated all the impacts of the operation, such as energy and water consumption, waste generation, and social factors of the local context in which they operate.

Our structure comprises five main Data Centers, we have two backup edges and three expansions dedicated to Cloud customers, all managed by a

specialized and dedicated team, with internal and outsourced professionals. They are responsible for the essential actions to keep these structures intact, such as maintenance, contract management with third parties, energy efficiency studies, access control, asset security, and capacity management.

We have a complete infrastructure to control environmental factors, including generators, UPSs, firefighting centers, smoke detectors, and the Novec 1230 agent for critical mission areas. Common areas have CO₂ and dry chemical powder fire extinguishers. In addition, the structure has redundant and segregated power panels, raised floors, structured cabling, chilled water plants for temperature control, reinforced walls, fire doors, lighting, emergency exits, and humidity and temperature sensors, which are managed with the supervisory Battery Monitoring System (BMS).

Data center areas' security mandates that smoking, eating, drinking, bringing bags or backpacks, and taking photos or videos are prohibited. Only authorized personnel may enter, and surveillance cameras monitor all entrances to maintain building security and integrity.

Sustainable architecture _PA02TOTVS_

Since opening in 2017, our headquarters has prioritized sustainable architecture design, focusing on environmental responsibility by reducing impact, resource efficiency, and improved quality of life.

Gradually, we have been implementing these principles in other structures. RBM's office in Leopoldina (MG), for example, already has a high-performance air conditioning system and 100% LED lighting. RD Station, Exact Sales, and Feedz all provide decompression spaces with access to green areas and the outdoors for their workforce. At the Joinville (SC) unit, as well as at their headquarters, waste collection is carried out by a

specialized and certified company. Each of our units provides separate bins for different types of waste to encourage selective waste collection.

At the Headquarters, we also started to adopt new practices for sustainability, such as energy savings. During periods of low traffic, such as on low-flow days, escalators are shut down, and staff concentrate their efforts on a single area or floor.

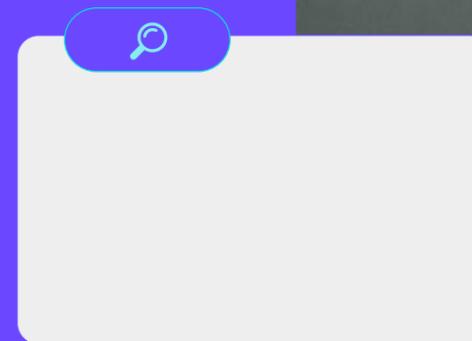


Our headquarters structure includes elements such as:

- Use of natural light and solar panels to complement energy supply.
- 100% LED lighting systems.
- Air conditioning equipment with high energy efficiency and CO₂ compensation.
- Biophilic design areas, which promote a strong connection to the natural world.
- Internal areas planned to favor joint and collaborative work, without distinguishing between jobs by positions and functions.



Financial performance



Economic and Financial Management

GRI 3-3 » SUSTAINABLE GROWTH

In 2024, we maintained our unique capacity for reinvention and continued to turn risks into opportunities. Maintaining the intense pace of growth allowed us to exceed market expectations, with the net addition of ARR (Annual Recurring Revenue) remaining at high levels, driven by the volume of this addition, which continued to grow.

We performed well in all business units, both in growth and profitability. One of the biggest drivers of this result is our NPS (Net Promoter Score), which has been continuously increasing and closed 2024 with 4 points higher than in 2023, reflecting the daily effort to continuously improve the quality of our solutions and our service.

Another highlight is the maintenance of TOTVS's high percentage of outstanding shares, of which approximately 90% are held by foreign institutional investors. Despite Brazilian market volatility, this demonstrates the Company's high perceived quality.

Please check out our 2024 key financial and operational highlights:

- Consolidated Net Revenue grew **17.6%** compared to 2023, reaching **R\$5.2 billion**.
- The Adjusted EBITDA Margin reached 24.7% in the 4th quarter of 2024, which is 340 basis points above the same period of the previous year, a gain driven by the increase in the margin in the three business units. Adjusted EBITDA **reached R\$1.2 billion, an 18.4% increase** compared with the same period of the previous year.
- Adjusted Net Income ended the year at **R\$735.4 million**.

Statement of added value GRI 201-1

In 2024, our distribution of wealth totaled R\$4.333 billion, which means 9.1% above the total distributed in the previous year. The sum was broken down as:

54.9% with employees¹

17.0% with shareholders

20.4% with government

7.7% with interest and leases

¹ On September 16, 2024, Federal Law No. 14.973/ 2024 was published, providing for the maintenance of payroll exemption until December 31, 2024 with the payment of the CPRB social contribution to replace the Employer's Social Security Contribution (CPP). On the other hand, in the period from 2025 to 2027, there will be a gradual transition from the payroll reinstatement, with a gradual reduction in the CPRB rate, until its complete extinction in 2028. Consequently, there will be a gradual increase in the CPP rate. The partial reinstatement of the payroll generated an impact on the Company's financial income of R\$15,479 in the consolidated financial statements as of December 31, 2024.

GRI 2-4 Distribution of Value Added^{1,2} (in thousands of R\$)

	2024
Direct economic value generated	6,101,554
Distributed economic value	5,649,748
Retained economic value	451,806

¹ 100% of the TOTVS S.A. group released financial information at the base date of December 31, 2024, according to the Company's Financial Statements.

² **GRI 2-4** The data were updated during this period due to a revision in the calculation methodology.



Appendix



GRI and SASB tables

GRI 2-7 Number of employees per gender and region¹

	2022			2023			2024		
	Men	Women	RR*	Men	Women	RR*	Men	Women	RR*
South Region	1,447	1,059	24.6%	1,899	1,465	28.9%	2,160	1,776	31.6%
Southeast region	4,390	2,450	67.0%	4,614	2,686	62.7%	4,777	2,735	59.3%
Midwest region	217	106	3.2%	230	102	2.9%	250	87	2.7%
Northeast Region	168	78	1.6%	221	125	3.0%	126	59	1.4%
North Region	1	0	0.0%	0	0	0.0%	6	4	0.0%
International Market	193	99	2.9%	195	112	2.6%	187	109	2.4%
Total per gender	6,416	3,792	100.0%	7,159	4,490	100.0%	7,506	4,770	100.0%
Total employees	10,208			11,649			12,276		

¹ All merged companies were considered.

² Statutory personnel, trainees, apprentices, and directors were not considered.

* RR = Representativeness per region.

GRI 205-2 Communication and training in anti-corruption policies and procedures Employees: International Market

	Notified	%	Trained	%
Argentina	171	100%	164	96%
Colômbia	23	100%	23	100%
México	98	100%	93	95%
Chile	1	100%	1	100%
Estados Unidos	4	100%	4	100%
Total	297	100%	285	96%

GRI 205-2 Communication and training in anti-corruption policies and procedures o | Employees: Brazil

	South				Southeast				Midwest				Northeast			
	Provided with notice	%	Trained	%	Provided with notice	%	Trained	%	Provided with notice	%	Trained	%	Provided with notice	%	Trained	%
Executive Officers and Managers	18	100%	18	100%	143	100%	140	98%	1	100%	1	100%	2	100%	2	100%
Managers	56	100%	56	100%	275	100%	273	99%	7	100%	7	100%	4	100%	4	100%
Coordinators	126	100%	126	100%	463	100%	460	99%	20	100%	20	100%	7	100%	7	100%
Experts	434	100%	431	99%	1,252	100%	1,241	99%	32	100%	32	100%	34	100%	34	100%
Analysts	1,241	100%	1,233	99%	3,676	100%	3,658	99.5%	204	100%	202	99%	81	100%	81	100%
Technicians and Assistants	155	100%	154	99%	838	100%	833	99%	13	100%	13	100%	27	100%	27	100%
Total	2,030	100%	2,018	99%	6,647	100%	6,605	99%	277	100%	275	99%	155	100%	155	100%

GRI 401-1 Turnover and hiring, per gender^{1,2}

Gender	2022	2023	2024		
	Turnover rate	Turnover rate	Turnover rate	New hires	Layoffs
Men	13.30%	18.74%	17.19%	1,255	1,324
Women	8.80%	21.87%	20.21%	969	961
Total	22.10%	19.95%	18.36%	2,224	2,285

1 It does not consider the USA.

2 Statutory members, trainees, apprentices, and directors were not considered.

GRI 401-1 Turnover and hiring, per age group^{1,2}

Age group	2022	2023	2024		
	Turnover rate	Turnover rate	Turnover rate	New hires	Layoffs
Under 30	8.71%	31.44%	26.48%	935	743
From 30 to 50 years	12.65%	15.97%	15.76%	1,192	1,377
Over 50 years	0.74%	12.68%	13.63%	97	165
Total	-	19.95%	18.36%	2,224	2,285

1 It does not consider the USA.

2 Statutory personnel, trainees, apprentices, and directors were not considered.

GRI 401-1 Turnover and hiring, per region^{1,2}

Region	2022	2023	2024		
	Turnover rate	Turnover rate	Turnover rate	New hires	Layoffs
South region	5.10%	19.90%	18.88%	782	704
Southeast Region	14.86%	19.98%	17.89%	1,272	1,416
Midwest Region	0.54%	12.35%	10.83%	30	43
Nordeste	0.82%	43.93%	48.11%	95	83
North Region	0.02%	-	-	3	1
International Market	0.62%	19.71%	13.51%	42	38

1 It does not consider the USA.

2 Statutory personnel, trainees, apprentices, and directors were not considered.

GRI 2-4 / 404-1 Average hours of training per year, per employee and job^{1,2}

Job category	2022		2023		2024	
	Hours	Hours per employee	Hours	Hours per employee	Hours	Hours per employee
Executive Officers and Managers	538	3.24	6,147	33.23	6,628	30.83
Men	496	4.07	4,426	32.54	4,559	28.67
Women	42	0.96	1,721	35.12	2,069	36.95
Managers	2,711	8.64	9,630	26.82	10,347	21.56
Men	1,834	8.49	6,348	26.56	6,428	19.90
Women	877	8.95	3,282	27.35	3,919	24.96
Coordinators	7,860	13.81	12,970	20.33	20,960	23.66
Men	5,777	16.18	7,571	19.41	10,854	21.84
Women	2,083	9.82	5,399	21.77	10,106	25.98
Experts	21,398	14.61	29,302	17.38	28,560	13.61
Men	16,512	15.82	19,610	16.37	18,926	12.81
Women	4,886	11.61	9,693	19.86	9,634	15.54
Analysts	188,596	37.39	142,882	26.55	104,446	15.71
Men	121,976	37.92	86,699	25.79	63,149	15.87
Women	66,620	36.46	56,182	27.83	41,297	15.48
Apprentices and interns	52,496	62.05	34,485	39.73	25,955	24.42
Men	22,288	52.20	14,201	33.49	13,499	28.24
Women	30,208	72.09	20,284	45.68	12,455	21.29
Aprendizes e Estagiários	17,085	110.94	11,037	55.19	7,971	43.56
Men	10,412	126.97	4,950	55.00	3,439	45.85
Women	6,673	92.68	6,088	55.34	4,532	41.97

1 The units considered include Brazil, Mexico, USA, Argentina and Colombia, as well as RD Station, considered in the 2024 calculation.

2 The units not considered include Chile, Portugal, Bematech, Feedz and Gesplan, as well as Franchises and Channels.

GRI 405-1 SASB TC-SI-330a.3 Employees by position and gender^{1,2}

	2022			2023			2024		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Executive Officers and Managers	75%	25%	196	75%	25%	206	74%	26%	218
Managers	68%	32%	398	66%	34%	463	67%	33%	501
Coordinators	59%	41%	921	57%	43%	887	56%	44%	952
Experts	75%	25%	1,533	72%	28%	1,977	71%	29%	2,275
Analysts	62%	38%	6,234	60%	40%	7,076	60%	40%	7,267
Technicians and Assistants	50%	50%	921	49%	51%	1,040	47%	53%	1,063
% per gender	63%	37%	100%	61.46%	38.54%	100%	61%	39%	100%
Total employees	6,411	3,792	10,203	7,159	4,490	11,649	7,506	4,770	12,276

1 All merged companies were considered.

2 Statutory personnel, trainees, apprentices, and directors were not considered.

GRI 405-1 Total women, per position^{1,2}

	2022	2023	2024
Executive Officers and Managers	49	51	57
Managers	127	159	163
Coordinators	381	379	415
Experts	390	558	651
Analysts	2,385	2,813	2,916
Technicians and Assistants	460	530	568
% per gender	37%	39%	39%
Total employees	3,792	4,490	4,770

1 All merged companies were considered.

2 Statutory personnel, trainees, apprentices, and directors were not considered.

GRI 405-1 Proportion of employees with disabilities, per position, in %^{1,2,3}

People with Disabilities %	2022			2023			2024		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Executive Officers and Managers	0.50%	1.00%	1.50%	0.74%	3.92%	1.46%	0.62%	5.26%	1.83%
Managers	0.00%	0.00%	0.00%	0.00%	1.26%	0.43%	0.30%	0.61%	0.40%
Coordinators	0.30%	0.30%	0.60%	1.24%	1.32%	1.24%	1.12%	1.69%	1.37%
Experts	0.50%	0.30%	0.80%	0.81%	0.90%	0.81%	0.80%	1.23%	0.92%
Analysts	1.30%	0.80%	2.10%	2.49%	2.70%	2.49%	2.67%	3.29%	2.92%
Technicians and Assistants	9.10%	8.30%	17.40%	23.20%	16.79%	19.42%	21.21%	20.07%	20.60%
% per gender	1.70%	1.30%	3%	3.20%	3.99%	3.52%	3.23%	4.80%	3.84%
Total employees	10,208			11,649			12,276		

1 All merged companies were considered.

2 Statutory personnel, trainees, apprentices, and directors were not considered.

3 In 2023, it does not consider the International Market.

GRI 405-1 Total men, per position^{1,2}

	2022	2023	2024
Executive Officers and Managers	147	135	161
Managers	271	282	338
Coordinators	540	482	537
Experts	1,143	1,355	1,624
Analysts	3,849	4,010	4,351
Technicians and Assistants	461	487	495
% per gender	63%	61%	61%
Total employees	6,411	6,751	7,506

1 All merged companies were considered.

2 Statutory personnel, trainees, apprentices, and directors were not considered.

GRI 405-1_SASB TC-SI-330a.3 Percentage of employees, per age group and gender^{1,2}

	2022			2023			2024		
	Under 30	Between 30 and 50	Over 50	Under 30	Between 30 and 50	Over 50	Under 30	Between 30 and 50	Over 50
Executive Officers and Managers	1.53%	85.71%	12.76%	0.49%	81.07%	18.45%	0.00%	78.44%	21.56%
Men	0.68%	87.07%	12.24%	0.65%	80.65%	18.71%	0.00%	77.02%	22.98%
Women	4.08%	81.63%	14.29%	0.00%	82.35%	17.65%	0.00%	82.46%	17.54%
Managers	2.26%	90.70%	7.04%	1.51%	88.98%	9.50%	1.20%	87.62%	11.18%
Men	2.58%	89.67%	7.75%	0.99%	87.83%	11.18%	0.59%	86.09%	13.31%
Women	1.57%	92.91%	5.51%	2.52%	91.19%	6.29%	2.45%	90.80%	6.75%
Coordinators	7.82%	86.43%	5.75%	9.58%	82.07%	8.34%	8.09%	83.30%	8.61%
Men	6.85%	87.59%	5.56%	7.48%	83.86%	8.66%	6.89%	83.24%	9.87%
Women	9.17%	84.78%	6.04%	12.40%	79.68%	7.92%	9.64%	83.37%	6.99%
Experts	6.72%	81.93%	11.35%	5.31%	80.32%	14.37%	5.01%	79.34%	15.65%
Men	6.21%	82.24%	11.55%	5.36%	79.77%	14.87%	4.80%	79.43%	15.76%
Women	8.21%	81.03%	10.77%	5.20%	81.72%	13.08%	5.53%	79.11%	15.36%
Analysts	32.21%	63.22%	4.57%	33.37%	61.62%	5.02%	32.27%	62.42%	5.31%
Men	32.32%	62.61%	5.07%	33.61%	60.99%	5.40%	32.82%	61.29%	5.88%
Women	32.03%	64.19%	3.77%	32.99%	62.57%	4.44%	31.52%	64.06%	4.42%
Technicians and Assistants	59.72%	37.46%	2.82%	58.85%	37.60%	3.56%	58.04%	38.29%	3.67%
Men	60.74%	37.09%	217.00%	55.88%	40.78%	3.33%	57.82%	37.23%	4.95%
Women	58.70%	37.83%	3.48%	61.70%	34.53%	3.77%	58.24%	39.25%	2.51%
Employees by age group	26.90%	67.30%	5.79%	27.22%	65.64%	7.14%	25.73%	66.40%	7.87%
Total employees		10,203			11,649			12,276	

1 All merged companies were considered.

2 Statutory personnel, trainees, apprentices, and directors were not considered.

GRI 405-1_SASB TC-SI-330a.3 Race and ethnicity of employees, per gender and position, in %^{1,2}

	2022		2023		2024	
	Men	Women	Men	Women	Men	Women
Executive Officers and Managers	74.87%	25.13%	75.24%	24.76%	73.85%	26.15%
White people	74.12%	25.88%	74.29%	25.71%	73.23%	26.77%
Black people	100.00%	0.00%	33.33%	66.67%	50.00%	50.00%
Mixed-race	77.78%	22.22%	80.00%	20.00%	77.78%	22.22%
Yellow people	100.00%	-	10.00%	-	100.00%	0.00%
Indigenous	-	-	-	-	-	-
Not stated	77.78%	22.22%	87.50%	12.50%	83.33%	16.67%
Managers	68.12%	31.88%	65.66%	34.34%	67.47%	32.53%
White people	66.90%	33.10%	64.22%	35.78%	65.66%	34.34%
Black people	66.67%	33.33%	60.00%	40.00%	61.54%	38.46%
Mixed-race	75.44%	24.56%	77.05%	22.95%	79.41%	20.59%
Yellow people	100.00%	0.00%	100.00%	-	100.00%	0.00%
Indigenous	-	-	-	-	-	-
Not stated	60.71%	39.29%	58.70%	41.30%	55.56%	44.44%
Coordinators	59.34%	40.66%	57.27%	42.73%	56.41%	43.59%
White people	56.63%	43.37%	56.12%	43.88%	55.63%	44.37%
Black people	60.00%	40.00%	48.72%	51.28%	50.00%	50.00%
Mixed-race	69.84%	30.16%	68.80%	31.20%	65.00%	35.00%
Yellow people	42.86%	57.14%	54.55%	45.45%	50.00%	50.00%
Indigenous	-	-	-	-	-	-
Not stated	54.84%	45.16%	48.72%	51.28%	48.89%	51.11%

	2022		2023		2024	
	Men	Women	Men	Women	Men	Women
Experts	75.15%	24.85%	71.78%	28.22%	71.32%	28.68%
White people	73.74%	26.26%	70.72%	29.28%	70.38%	29.62%
Black people	71.74%	28.26%	68.57%	31.43%	73.42%	26.58%
Mixed-race	81.45%	18.55%	78.61%	21.39%	78.26%	21.74%
Yellow people	67.86%	32.14%	65.52%	34.48%	62.50%	37.50%
Indigenous	75.00%	25.00%	66.67%	33.33%	55.56%	44.44%
Not stated	67.50%	32.50%	68.63%	31.37%	59.65%	40.35%
Analysts	61.64%	38.36%	60.25%	39.75%	59.83%	40.17%
White people	60.30%	39.70%	59.82%	40.18%	58.94%	41.06%
Black people	65.70%	34.30%	60.74%	39.26%	61.38%	38.62%
Mixed-race	64.77%	35.23%	62.52%	37.48%	62.32%	37.68%
Yellow people	52.63%	47.37%	48.35%	51.65%	55.56%	44.44%
Indigenous	40.00%	60.00%	40.00%	60.00%	44.44%	55.56%
Not stated	64.23%	35.77%	59.29%	40.71%	60.54%	39.46%
Technicians and Assistants	50.27%	49.73%	49.04%	50.96%	46.57%	53.43%
White people	51.33%	48.67%	50.96%	49.04%	48.16%	51.84%
Black people	51.19%	48.81%	45.26%	54.74%	37.61%	62.39%
Mixed-race	48.57%	51.43%	46.77%	53.23%	46.21%	53.79%
Yellow people	37.50%	62.50%	70.00%	30.00%	80.00%	20.00%
Indigenous	66.67%	33.33%	60.00%	40.00%	57.14%	42.86%
Not stated	46.94%	53.06%	44.79%	55.21%	28.57%	71.43%

1 All merged companies were considered.

2 Statutory personnel, trainees, apprentices, and directors were not considered.

 SASB TC-SI-330a.1 Employees who are foreign nationals and located abroad

TOTS GROUP CONSOLIDATED	2023			2024		
	Men	Women	Total	Men	Women	Total
Total employees	6,976	4,412	11,388	7,506	4,770	12,276
Number of employees who are foreign* (nationality)	238	130	368	230	124	354
Number of employees located abroad	196	112	308	188	108	296
Percentage of employees who are foreigners	3.41%	2.95%	3.23%	3.05%	2.62%	2.88%
Percentage of employees who are located abroad	0.09%	0.09%	0.09%	2.48%	2.26%	2.39%

GRI content index

Statement of use TOTVS has reported with reference to the GRI Standards for the period spanning from January to December, 2024.

GRI 1 standard
GRI 1: Foundation 2021

Applied GRI sectoral standards
Not applicable

GRI standard	Content	Location / Direct Response	Omission		
			Omission requirement	Reason	Explanation
GRI 2 / General Disclosures 2021					
GRI 2 The organization and its reporting practices	2-1 Organizational details	Pages 3 and 13 . TOTVS S.A. ("Company") is a Brazilian corporation governed by its Bylaws and the applicable legislation. The Company's headquarters and jurisdiction are in the Capital City of Sao Paulo, State of Sao Paulo, Brazil, and the Board of Directors is responsible for determining its precise location.	-	-	-
	2-2 Entities included in the organization's sustainability report	Page 3 .	-	-	-
	2-3 Reporting period, frequency, and point of contact	Page 3 .	-	-	-
	2-4 Restatements of information	Pages 86 , 91 and 94 . For the reporting of the GRI 2-21 indicator in this cycle, we adopted a new rationale for calculating the values presented. Previously, we used the median as the reference metric. However, after a methodological review and alignment with market best practices and the GRI standard itself, we chose to use the average for this edition of the report. This change aims to improve the accuracy and representativeness of the data, ensuring greater transparency and comparability of the reported information. For the reporting of the GRI 404-1 indicator in this cycle, we also adopted a new rationale for calculating the presented values. Accordingly, the data for 2022, 2023, and 2024 were revised.	-	-	-



GRI standard	Content	Location / Direct Response	Omission		
			Omission requirement	Reason	Explanation
GRI 2 Activities and workers	2-5 External assurance	<p>Pages 3, 4 and 115.</p> <p>Explanatory note: TOTVS has a Policy for Hiring and Engaging with Independent Auditors, aimed at ensuring that the hiring and engagement with independent auditors occur in an ethical, transparent manner and in compliance with regulatory standards, while preserving the independence and objectivity of these professionals.</p> <p>To ensure the effectiveness of this policy and enable external verification, the Board of Directors (CA) is responsible for its approval and updates, while the Statutory Audit Committee (CAE) plays a central role in supervising the relationship with auditors. The CAE is responsible for the prior approval of the services to be contracted, monitoring the execution of the work, safeguarding the independence of the audit, and maintaining updated records of contracts and activities performed.</p>	-	-	-
	2-6 Activities, value chain, and other business relationships	<p>Pages 11, 13, 14, 16, 20, 69 and 71.</p> <p>There were no significant changes in items 2-6-a, 2-6-b, and 2-6-c compared to the previous reporting period.</p>			
	2-7 Employees	Pages 42 and 93 .			
	2-8 Workers who are not employees	Page 42 .			
	2-9 Governance structure and composition	Pages 23 , 29 , 30 , 31 and 32 .			
	2-10 Appointment and selection to the highest governance body	Page 30 and 31 .			
GRI 2 Governance	2-11 Chairperson of the highest governance body	Page 30 .			
	2-12 Role played by the highest governance body in charge of overseeing impact management	Page 23 , 29 , 31 and 33 .			



GRI standard	Content	Location / Direct Response	Omission		
			Omission requirement	Reason	Explanation
GRI 2 Governance	2-13 Delegation of responsibility by the impact management area	Pages 23 and 31 .			
	2-14 Role played by the highest governance body in sustainability reporting	Page 3 .			
	2-15 Conflict of interest	Page 37 .			
	2-16 Reporting of critical concerns	Page 33 .			
	2-17 Collective knowledge of the highest governance body	Page 23 .			
	2-18 Evaluation of the performance of the highest governance body	Page 32 .			
	2-19 Remuneration policies	Pages 31 and 46 .			
	2-20 Process to determine remuneration	Pages 31 and 46 .			
	2-21 Annual total compensation ratio	Page 46 .			
GRI 2 Strategy, policies and practices	2-22 Statement on the sustainable development strategy	Pages 5 and 6 .			
	2-23 Policy commitments	Pages 34 , 36 , 37 and 76 .			
	2-24 Embedding policy commitments	Pages 34 and 37 .			
	2-25 Processes to remediate negative impacts	Page 34 .			
	2-26 Mechanisms for getting advice and reporting concerns	Page 34 .			



GRI standard	Content	Location / Direct Response	Omission		
			Omission requirement	Reason	Explanation
GRI 2 Strategy, policies and practices	2-27 Compliance with laws and regulations	Page 34 and 36 .			
	2-28 Membership associations	Page 78 .			
GRI 2 Stakeholder engagement	2-29 Approach to stakeholder engagement	Pages 3 , 44 , 45 , 69 , 70 , 76 and 78 .			
	2-30 Collective bargaining agreements	Page 50 .			
GRI 3 / Material themes 2021					
	3-1 Process of defining material topics	Page 26 .			
	3-2 List of material topics	Page 26 .			
Attraction, Retention, and Development of People					
GRI 3 Material themes 2021	3-3 Management of material topics	Pages 41 , 43 and 51 .			
GRI 401 Employment 2016	401-1 New employee hires and employee turnover	Page 94 .			
	401-2 Benefits offered to full-time employees that are not offered to temporary or part-time employees	Page 48 .			
	401-3 Parental leave	Page 49 .			
GRI 404 Training and education 2016	404-1 Average hours of training per year per employee	Pages 53 , 94 and 99 .			



GRI standard	Content	Location / Direct Response	Omission		
			Omission requirement	Reason	Explanation
GRI 404 Training and education 2016	404-2 Programs for upgrading employee skills and transition assistance	Pages 51 and 54 .			
	404-3 Percentage of employees receiving regular performance and career development reviews"	Page 53 .			
Sustainable Growth					
GRI 3 Material themes 2021	3-3 Management of material topics	Page 91 .			
GRI 201 Economic performance 2016	201-1 Direct economic value generated and distributed	Page 91 .			
	201-3 Defined benefit plan obligations and other retirement plans	Page 49 .			
	201-4 Financial assistance received from government	In 2024, the Company utilized the Research & Development Tax Incentive (Law 11.196/05), deducting BRL 33.95 million from its effective income tax and social contribution rate, with 100% of the amount applied in Brazil.			
GRI 203 Indirect economic Impacts 2016	203-2 Significant indirect economic impacts	Page 74 .			
Diversity, inclusion, and elimination of discrimination					
GRI 3 Material themes 2021	3-3 Management of material topics	Page 58 .			



GRI standard	Content	Location / Direct Response	Omission		
			Omission requirement	Reason	Explanation
GRI 405 Diversity and equal opportunities 2016	405-1 Diversity of governance bodies and employees	Pages 95 , 96 and 97 .			
	405-2 Ratio of basic salary and remuneration of women to men	Page 48 .			
Management of environmental impact and climate change					
GRI 3 Material themes 2021	3-3 Management of material topics	Page 84 .			
GRI 201 Economic performance 2016	201-2 Financial implications and other risks and opportunities due to climate change	Page 84 .			
GRI 302 Energy 2016	302-1 Energy consumption within the organization	Page 86 .			
	302-4 Reduction of energy consumption	No significant actions or controls for reducing energy consumption were implemented during 2024.			
GRI 305 Emissions 2016	305-1 Direct (Scope 1) greenhouse gas (GHG) emissions	Page 85 .			
	305-2 Energy indirect (Scope 2) greenhouse gas (GHG) emissions from energy acquisition	Page 85 .			
	305-3 Other indirect (Scope 3) greenhouse gas (GHG) emissions	Page 85 .			



GRI standard	Content	Location / Direct Response	Omission		
			Omission requirement	Reason	Explanation
Ethical and Responsible Governance					
GRI 3 Material themes 2021	3-3 Management of material topics	Pages 28 , 33 and 34 .			
GRI 205 Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Page 36 .			
	205-2 Communication and training in anti-corruption policies and procedures	Pages 36 , 37 and 93 .			
	205-3 Confirmed incidents of corruption and actions taken	Page 36 .			
People's Health and Wellbeing					
GRI 3 Material themes 2021	3-3 Management of material topics	Page 63 .			
GRI 403 Health and safety 2018	403-1 Occupational health and safety management system	Page 65 .			



GRI standard	Content	Location / Direct Response	Omission		
			Omission requirement	Reason	Explanation
GRI 403 Health and safety 2018	403-2 Hazard identification, risk assessment, and incident investigation	Page 65 .	403-2b	We do not have a formal process in place for employees to report hazardous and/or dangerous situations.	However, informally, employees report risk situations to area safety committee members or emergency brigade members, so they can be discussed in Occupational Safety and Health Committee (CIPA) meetings or brought to the Occupational Health and Safety Service (SESMT). If an employee chooses to file a complaint regarding the situation, they may use the Ethics and Conduct Channel.
	403-3 Occupational health services	Page 63 .			
	403-4 Worker participation, consultation, and communication on occupational health and safety	Page 66 .			
	403-5 Worker training on occupational health and safety	Page 66 .			
	403-6 Promotion of worker health	Page 63 .			
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Page 65 .			
	403-8 Workers covered by an occupational health and safety management system			Complete omission.	Not applicable.



GRI standard	Content	📄 Location / Direct Response	Omission		
			Omission requirement	Reason	Explanation
GRI 403 Health and safety 2018	403-9 Work-related injuries	Page 65 .			The company does not have an implemented occupational health and safety management system.
	403-10 Work-related ill health	Page 65 .			
Information Security, Data Protection and Privacy					
GRI 3 Material themes 2021	3-3 Management of material topics	Page 38 .			
GRI 418 Customer privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data		Complete omission.	Confidentiality restrictions.	TOTVS considers here complaints confirmed by the ANPD (Brazilian Data Protection Authority). In 2024, we had zero confirmed complaints.
Transformation and Innovation in Business Model					
GRI 3 Material themes 2021	3-3 Management of material topics	Pages 69 and 79 .			
Complementary indicators (non-material)					
GRI 202 Market presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	Page 48 .			



GRI standard	Content	Location / Direct Response	Omission		
			Omission requirement	Reason	Explanation
GRI 202 Market presence 2016	202-2 Proportion of senior management hired from the local community	We encourage the hiring of professionals from communities near our operations whenever possible. However, there is no formalized procedure that prioritizes the hiring of leaders from local communities for senior management positions. In 2024, however, 0% of our board members were hired from the local community.			
GRI 203 Indirect economic impacts 2016	203-1 Infrastructure investments and services supported	Page 74 .			
GRI 204 Purchase practices 2016	204-1 Proportion of spending on local suppliers	Page 72 .			
GRI 303 Water and effluents 2018	303-1 Interactions with water as a shared resource	Page 87 .			
	303-5 Water consumption	Page 87 .			
GRI 306 Waste 2020	306-1 Waste generation and significant impacts related to waste	Page 87 .			
	306-2 Management of significant waste-related impacts	Page 87 .			
	306-3 Waste generated	Page 88 .			
GRI 306 Waste 2020	306-4 Waste diverted from disposal	Page 88 .			
	306-5 Waste directed to disposal	Page 88 .			
GRI 408 Child labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	Page 72 .			



GRI standard	Content	📄 Location / Direct Response	Omission		
			Omission requirement	Reason	Explanation
GRI 409 Forced or compulsory labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Page 72 .			
GRI 410 Security practices 2016	410-1 Security personnel trained in human rights policies or procedures	Page 72 .			
GRI 413 Local communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Pages 35 and 74 .			
GRI 414 Supplier social assessment 2016	414-1 New suppliers selected based on social criteria	Page 71 .			

SASB content index

Theme	Indicator	Description	Location / Direct Response
Environmental Footprint of Hardware Infrastructure	TC-SI-130a.1	(1) Total energy consumed, (2) percentage grid electricity and (3) percentage renewable	Page 86 .
	TC-SI-130a.2	(1) Total water withdrawn, (2) total water consumed; percentage of each in regions with High or Extremely High Baseline Water Stress	Page 87 .
	TC-SI-130a.3	Discussion of the integration of environmental considerations into strategic planning for data centre needs	Page 88 .
Data Privacy	TC-SI-220a.1	Description of policies and practices relating to behavioural advertising and user privacy	Page 38 .
	TC-SI-220a.2	Number of users whose information is used for secondary purposes	Page 39 .
	TC-SI-220a.3	Total amount of monetary losses as a result of legal proceedings associated with user privacy	There were no monetary losses resulting from legal proceedings associated with user privacy during the period covered by the report.
	TC-SI-220a.4	(1) Number of law enforcement requests for user information, (2) number of users whose information was requested, (3) percentage resulting in disclosure	Page 39 .
	TC-SI-220a.5	List of countries where core products or services are subject to government-required monitoring, blocking, content filtering, or censoring	There are no countries where TOTVS or its products are censored, blocked, or banned due to legal or cultural issues.
Data Security	TC-SI-230a.1	(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of users affected	TOTVS considers here complaints confirmed by the ANPD (Brazilian Data Protection Authority). In 2024, we had zero confirmed complaints.
	TC-SI-230a.2	Description of approach to identifying and addressing data security risks, including use of third-party cybersecurity standards	Page 38 .
Recruiting & Managing a Global, Diverse & Skilled Workforce	TC-SI-330a.1	Percentage of employees that are (1) foreign nationals and (2) located offshore	Page 98 .
	TC-SI-330a.2	Employee engagement as a percentage	Page 44 .
	TC-SI-330a.3	Percentage of gender and racial/ethnic group representation for (1) management, (2) technical staff, and (3) all other employees	Pages 95 , 96 and 97 .

Description of material topics

Topics	Impacts	Importance for TOTVS	Correlation with GRI	Correlation with SASB
Attraction, Retention, and Development of People	<p>Positives</p> <ul style="list-style-type: none"> Our brand's attractiveness and the opportunities it offers to talents and newcomers entering the job market. Initiatives aimed at attracting diversity, including women, black people, people with disabilities, and LGBTQIAPN+, among other groups. Strengthening a strong corporate culture, with a diverse and multidisciplinary team. Securing steadfast engagement and retention of talent that exceeds industry standards. <p>Negatives</p> <ul style="list-style-type: none"> Challenges of increasing attractiveness for IT professionals. Difficulty in retaining talent in a highly churning industry sector. 	<p>TOTVS is actively seeking professionals who are well-suited to the company's opportunities, taking into consideration their potential, knowledge, and alignment with the culture (SOMOSTOTVERS, or WEARETOTVERS). We use people management practices to attract and retain talent, investing in the employer brand, offering competitive compensation and benefits, and promoting continuous professional development.</p> <p>TOTVS established the Networked University program to address the training needs in the technology sector. Employees actively contribute and exchange content through a collaborative platform. Moreover, the company actively encourages the professional development of newcomers in their markets. TOTVS provides training to young individuals facing social vulnerability through the Institute for Social Opportunity (IOS), with a focus on preparing them for the future's economy. In partnership with the Government of the State of São Paulo, TOTVS takes part in the My Chance ("Minha Chance") Program, training students from Etecs and Fatecs (technology-oriented secondary and university education schools).</p>	<p>3-3 Management of material topics</p> <p>401-1 New employee hires and employee turnover</p> <p>401-2 Benefits offered to full-time employees that are not offered to temporary or part-time employees</p> <p>401-3 Parental leave</p> <p>404-1 Average hours of training per year, per employee</p> <p>404-2 Programs for upgrading employee skills and transition assistance</p> <p>404-3 Percentage of employees receiving regular performance and career development evaluations</p>	<p>TC-SI-330a.2</p>
Sustainable Growth	<p>Positives</p> <ul style="list-style-type: none"> Strengthening the image of TOTVS as a company committed to responsible practices. Increased competitiveness in the market, attracting consumers and partners who value perennality. Opportunities for innovation and development of products and services that meet the demands of today's market and promote sustainable development. <p>Negatives</p> <ul style="list-style-type: none"> Challenges in implementing sustainable practices, especially in sectors traditionally less receptive to change. Need for awareness and engagement of employees and other stakeholders. 	<p>Sustainable growth involves balancing economic expansion with responsibility, influencing business decisions, and fostering resilience and innovation. The Company, with about 70 thousand clients and customers, stands out for the widespread reach of its distribution model, ensuring a solid presence and partnership. Our financial and operational resilience comes from the confidence we have in our business model and sustainable growth strategies.</p> <p>Our business model is focused on the customer, both in B2B and B2C, seeking to improve companies' results. This focus is directly linked to the essential factors to face challenges and ensure continuous and responsible growth.</p>	<p>3-3 Management of material topics</p> <p>201-1 Direct economic value generated and distributed</p> <p>201-3 Financial support received from the government</p> <p>201-4 Defined benefit plan obligations and other retirement plans</p> <p>203-2 Significant indirect economic impacts</p>	<p>TC-SI-130a.3</p>



Topics	Impacts	Importance for TOTVS	Correlation with GRI	Correlation with SASB
Diversity, inclusion, and elimination of discrimination	<p>Positives</p> <ul style="list-style-type: none"> ○ Increased attractiveness of the company for talented professionals from different backgrounds, identities, and experiences. ○ Greater retention rate resulting from an inclusive, respectful, and diverse environment. ○ Greater diversity of perspectives and skills in the team, favoring innovation and creativity. ○ Reduction of discrimination and promotion of equal opportunities within the company. ○ Strengthening ties with clients and partners who value companies committed to diversity and inclusion. <p>Negatives</p> <ul style="list-style-type: none"> ○ Challenges in promoting an inclusive culture in different areas and leadership. ○ Potential internal and external resistance to change, especially in sectors or regions with conservative traditions. ○ Risks of damage to the company's reputation in case of failures to implement diversity and inclusion initiatives. 	<p>Promoting human rights, diversity, and inclusion is essential to TOTVS's culture and values. The Company has a diversity and inclusion (D&I) program based on four guiding principles: gender, LGBTI+, people with disabilities, and race and ethnicity. We believe in a work environment and a culture focused on the inclusion of all people.</p> <p>TOTVS recognizes technology as a transformative agent and uses its influence to promote digital inclusion and reduce social inequalities in Brazil, empowering people to assume new roles in the future and contribute positively in their communities.</p> <p>As the largest technology company in Brazil, TOTVS is committed to developing this industry sector, especially among young people, training them for future careers and encouraging active citizenship. Part of this effort includes the Institute for Social Opportunity (IOS), founded and maintained by TOTVS, which promotes social and environmental responsibility initiatives.</p>	<p>3-3 Management of material topics</p> <p>202-1 Proportion of the lowest salary in relation to the local minimum salary by gender</p> <p>405-1 Diversity of governance bodies and employees</p> <p>405-2 Ratio of basic salary and remuneration of women to men</p>	<p>TC-SI-330a.1</p> <p>TC-SI-330a.3</p>
Management of Environmental Impact and Climate Change	<p>Positives</p> <ul style="list-style-type: none"> ○ Attraction of clients and partners who value companies engaged in reducing environmental impact. ○ Opportunities for innovation and development of sustainable products and services. ○ Reduction of the environmental impact of TOTVS operations, contributing to the preservation of the environment. ○ Compliance with environmental regulations and adherence to international sustainability standards. <p>Negatives</p> <ul style="list-style-type: none"> ○ Costs required to implement environmentally sustainable practices and technologies. ○ Need for awareness-raising initiatives, besides an active and constant engagement of the value chain to ensure the implementation of environmental initiatives. ○ Risks of unexpected or unmapped climatic adversities. 	<p>As a leader in the technology industry, we recognize our responsibility to reduce our environmental footprint and mitigate the effects of climate change. Investing in sustainable practices not only strengthens our culture and values but also fosters innovation and makes us more resilient in the face of global environmental challenges. In addition, by taking proactive measures to minimize our environmental impact, we are contributing to a more sustainable future for the next generations.</p>	<p>3-3 Management of material topics</p> <p>201-2 Financial implications and other risks and opportunities due to climate change</p> <p>302-1 Energy consumption within the organization</p> <p>305-1 Direct (Scope 1) GHG emissions</p> <p>305-2 Energy indirect (Scope 2) GHG emissions</p> <p>303-1 Water consumption as a shared resource</p> <p>303-5 Water consumption</p> <p>306-1 Waste generation and significant waste-related impacts</p> <p>306-2 Management of significant waste-related impacts</p> <p>306-3 Waste generated</p> <p>306-4 Waste diverted from disposal</p> <p>306-5 Waste directed to disposal</p>	<p>TC-SI-130a.1</p> <p>TC-SI-130a.2</p> <p>TC-SI-130a.3</p>



Topics	Impacts	Importance for TOTVS	Correlation with GRI	Correlation with SASB
Ethical and Responsible Governance	<p>Positives</p> <ul style="list-style-type: none"> Reinforcement of the reputation of TOTVS as a company committed to high ethical and responsible standards. Attraction of investors, clients, and partners who value companies having a solid and transparent governance. Strengthening ties of trust with stakeholders, including employees, clients, customers, shareholders, and local communities. Decreasing the risk of scandals and crises associated with ethical and governance matters. Improvement of the company's long-term financial and operational performance because of more efficient and transparent management. <p>Negatives</p> <ul style="list-style-type: none"> New market regulations and requirements. Challenges of rigidity and bureaucracy in internal processes. 	<p>At TOTVS, we have a corporate culture that goes beyond mere compliance with standards, prioritizing solid values of ethics, responsibility, and transparency in all our interactions with stakeholders. We understand that the effectiveness of our risk management is not just an operational issue, but rather a direct reflection of the soundness of our governance structure. We recognize the importance of a robust governance framework in making strategic decisions, ensuring alignment between our operations, core values, and stakeholder expectations. It is through this structure that we establish supervision and control mechanisms that allow us to anticipate, assess, and mitigate risks in all areas of our operations</p>	<p>3-3 Management of material topics</p> <p>205-1 Operations evaluated for risks related to corruption</p> <p>205-2 Communication and training in anti-corruption policies and procedures</p> <p>205-3 Cases of corruption confirmed and actions taken</p> <p>408-1 Operations and suppliers at significant risk for incidents of child labor</p> <p>409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor</p> <p>410-1 Security personnel trained in human rights policies or procedures</p>	<p>TC-SI-230a.2</p> <p>TC-SI-520a.1</p> <p>TC-SI-550a.1</p> <p>TC-SI-550a.2</p>
People's Health and Wellbeing	<p>Positives</p> <ul style="list-style-type: none"> Retention of professionals by providing a good and balanced quality of life. Increased employee engagement and efficiency because of a work atmosphere that promotes health. Reduction of the absence rate and improvement of job satisfaction, which contributes to operational stability. Fostering a positive and collaborative corporate culture based on care and mutual respect. <p>Negatives</p> <ul style="list-style-type: none"> Challenge of shaping programs and benefits to the needs of employees. 	<p>TOTVS recognizes that the well-being and quality of life of its professionals play a crucial role in their performance, both inside and outside the work environment. The company is committed to promoting the physical, mental, and emotional health of its employees.</p> <p>The introduction of innovative work models, like remote work or a combination of remote and in-office work, is now both essential and an opportunity to promote work-life balance.</p> <p>In addition, the company has invested in initiatives aimed at the emotional support and personal development of its employees, offering resources and programs that aim to strengthen their well-being through the one known as +Saudáveis (Healthier). By prioritizing the care of its employees, TOTVS reinforces its commitment to a people-centered organizational culture, and also contributes to the construction of more engaged, resilient, and productive teams.</p>	<p>3-3 Management of material topics</p> <p>403-1 Occupational health and safety management system</p> <p>403-2 Hazard identification, risk assessment, and incident investigation</p> <p>403-3 Occupational health services</p> <p>403-4 Worker participation, consultation, and communication on occupational health and safety</p> <p>403-5 Worker training on occupational health and safety</p> <p>403-6 Promotion of worker health</p> <p>403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships</p> <p>403-8 Workers covered by an occupational health and safety management system</p> <p>403-9 Work-related injuries</p> <p>403-10 Work-related ill health</p>	<p>TC-SI-330a.2</p>



Topics	Impacts	Importance for TOTVS	Correlation with GRI	Correlation with SASB
Information Security, Data Protection and Privacy	<p>Positives</p> <ul style="list-style-type: none"> ○ Strengthening stakeholder trust in TOTVS through a clear demonstration of the company's unwavering commitment to protecting information security and data privacy. ○ Improved operational efficiency due to robust information security systems and teams, minimizing the risk of data breaches and process disruptions. ○ Ensuring compliance with data protection regulations to prevent legal fines and penalties. ○ Strengthening the company's reputation in the market, projecting an image of being responsible and committed to information security. <p>Negatives</p> <ul style="list-style-type: none"> ○ Risk in case of data breaches, which can affect the trust of customers and partners. ○ Challenge of facing external pressures from stakeholders, such as regulating agencies and customers that could demand stricter standards for information security and data privacy. 	<p>TOTVS maintains a constant concern with security and confidentiality in information management, encompassing not only data protection and privacy but also information security for clients and their operations.</p> <p>The Company recognizes the vital importance of a continuous improvement of processes, policies, and control tools to ensure compliance with current legislation and, at the same time, protect its customers' sensitive data from digital threats. This proactive approach not only strengthens the company's trust and credibility with clients but also reinforces TOTVS's commitment to protecting digital assets and defending itself from digital attacks.</p>	<p>3-3 Management of material topics</p> <p>418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data</p>	<p>TC-SI-220a.1</p> <p>TC-SI-220a.2</p> <p>TC-SI-220a.3</p> <p>TC-SI-220a.4</p> <p>TC-SI-220a.5</p> <p>TC-SI-230a.1</p> <p>TC-SI-230a.2</p>
Transformation and Innovation in Business Model	<p>Positives</p> <ul style="list-style-type: none"> ○ Strengthening TOTVS's competitiveness by providing innovative and differentiated products and services. ○ Improved operational efficiency and agility in adapting to market changes, driving growth and profitability. ○ Expanding market reach and acquiring new customers by implementing disruptive, customer-centric business models. ○ Establishment of TOTVS as a reference in innovation, promoting a culture of creativity and disruption <p>Negatives</p> <ul style="list-style-type: none"> ○ Need for significant investments in research, development, and emerging technologies. ○ Risks of failures to implement innovative initiatives, leading to waste of resources and loss of opportunities. 	<p>TOTVS, a prominent market leader in Brazil and a key player in Latin America, invests in research and development, applying new technologies in 12 strategic sectors of the economy. This speeds up the development of solutions related to trends such as Big Data, Mobile, Social Media, Cloud, Artificial Intelligence, and others.</p> <p>Moreover, TOTVS prioritizes the training of highly qualified professionals, contributing to the advancement of innovative activity in the countries where it operates. We firmly believe in the transformative power of technology to solve present-day socio-environmental challenges.</p>	<p>3-3 Management of material topics</p>	

Independent auditors' limited assurance report

(A free translation of the original report issued in Portuguese)

To the Board of Directors and Shareholders of
TOTVS S.A.
São Paulo - SP

Independent auditors' limited assurance report on the environmental, social and governance (ESG) indicators included in the 2024 Integrated Report of TOTVS S.A. for the year ended December 31, 2024

Conclusion

We have carried out a limited assurance engagement related to the environmental, social and governance (ESG) indicators included in the "Integrated Report 2024" ("Report") of TOTVS S.A. ("the Company") for the year ended December 31, 2024 prepared based on the standards of Global Reporting Initiative (GRI) - GRI Standards, the Sustainability Accounting Standards Board (SASB) standards, with guideline CPC 09 – Integrated Reporting (which relates to the Basic Conceptual Framework for Integrated Reporting, prepared by the International Integrated Reporting Council – IIRC), and the Applicable Company's internal controls ("Criteria")."

According to the procedures applied and the evidence we obtained, we are not aware of any fact that leads us to believe that the environmental, social and governance (ESG) indicators included in the "Integrated Report 2024" of TOTVS S.A. for the year ended December 31, 2024 we were not prepared, in all material respects, based on the standards of Global Reporting Initiative (GRI) - GRI Standards, the Sustainability Accounting Standards Board (SASB) standards, with guideline CPC 09 – Integrated Reporting (which relates to the Basic Conceptual Framework for Integrated Reporting, prepared by the International Integrated Reporting Council – IIRC), and the Applicable Company's internal controls applicable.

Basis for conclusion

We conducted our engagement in accordance with NBC TO 3000 (reviewed) – Assurance Engagements other than Audits and Reviews and ISAE 3000 (reviewed) – Assurance engagements other than audits or reviews of historical financial information, issued by the Federal Association of Accountants (CFC) and the International Auditing and Assurance Standards Board (IAASB), respectively. Our responsibilities with respect to those standards are further described in the "Our responsibilities" section of the report.

We have followed the independence and other ethical requirements of the Accountant's Professional Code of Ethics and Professional Standards (including Independence Standards) issued by the Federal Association of Accountants (CFC) according to key principles of integrity, objectivity, professional competence and due zeal, confidentiality and professional behavior.

Our firm applies NBC PA 01 Quality Management to Independent Auditors' (legal entities) and *International Standard on Quality Management (ISQM) 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*, issued by CFC and IAASB, respectively. This standard requires the firm to prepare, implement and operate a quality management system, including policies or procedures related to compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

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

Responsibilities of the Company's Management for the Report

The Company's Management is responsible for:

- design, implementation and maintenance of internal controls relevant to the preparation of the information included in the Report that is free from material misstatement, whether due to fraud or error;
- selecting the appropriate criteria for preparing the information included in the Report and appropriate reference to the criteria applied or describing those criteria; and
- the proper preparation and presentation of the information included in the Report on the basis of the criteria.

Our Responsibilities

We are responsible for:

- plan and carry out the engagement to obtain limited assurance about whether the information included in the Company's report for the year ended December 31, 2024, prepared on the basis of the Criteria, is free from material misstatement, whether due to fraud or error;
- form an independent conclusion according to the procedures applied and the evidence obtained; and
- report our conclusion to the Company's Board of Directors and Shareholders.

Summary of the work we performed as basis for our conclusion

We exercise professional judgment and maintain professional skepticism throughout the work. We design and perform our procedures to obtain evidence about the non-financial information included in the Company's Report that is sufficient and appropriate to provide a basis for our conclusion. The procedures selected by our team depend on our understanding of the non-financial information included in the Company's Report and on other circumstances of the engagement, in addition to our consideration of the areas in which material misstatements are likely to occur. When carrying out the work, we:

- a. planned the engagement, considering the materiality of the issues to be addressed by the Company's activities, the relevance of the information disclosed by the Company, the amount of quantitative and qualitative information, as well as operating systems and internal controls that supported the preparation of the information included in the Report;
- b. obtained an understanding of the calculation method and the procedures followed to compile indicators by making inquiries and holding interviews with the managers in charge of gathering information;

- c. applied analytical procedures to quantitative information and inquiring about qualitative information and its correlation with the indicators disclosed in the information included in the Report;
- d. when non-financial data correlate with financial indicators, we compared these indicators with the financial statements and/or accounting records; and
- e. evaluated the procedures followed for preparing the Report and its structure and contents, according to the Criteria.

The procedures applied in a limited assurance engagement vary in terms of nature and timing, and their extent is restricted (less extensive) than in reasonable assurance engagements. Therefore, the security level obtained from a limited assurance engagement is substantially lower than the security that would have been obtained if a reasonable assurance engagement had been carried out.

São Paulo, May 30, 2025.

KPMG Auditores Independentes Ltda.
CRC 2SP-014428/O-6

Original report in Portuguese signed by

Wagner Bottino
Accountant CRC 1SP196907/O-7

Credits

Coordination and Review

Sustainability

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Support for Data collection and Management of indicators

Internal Working Group

Hub de Construção Relato Integrado

GRI and SASB Consultancy, content, graphic design and layout

Juntos | Approach Comunicação

www.approach.com.br

Proofreading

Catalisando Conteúdo

Images

777 Produtora Audiovisual

