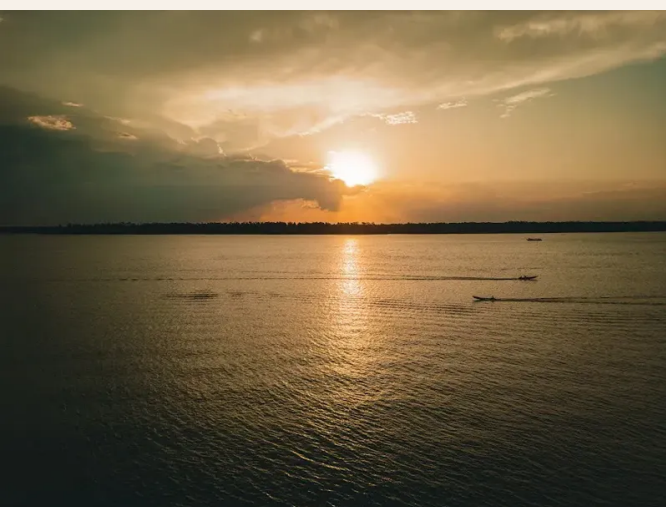


# From sustainability to regeneration

GRI 2-22, 3-3



In 2024, for every R\$ 1 in revenue obtained, R\$ 2.5 was generated in positive socio-environmental impact.

We began 2024 with the challenge of designing a plan for the transformation of our businesses, connecting economic success with increased ambitions in sustainability. We have arrived at a point where the world's resources are reaching exhaustion, and it is no longer possible to operate simply to support nature, the climate and the wellbeing of communities. That is our belief. Due to the wide range of changes that humanity has imposed upon the planet, these systems have lost their intrinsic capacity for constant self-renewal and consequently, the ability to guarantee their own stability for future generations. This is why we needed to take a step forward and incorporate the concept of regeneration. For Natura, being a regenerative business means promoting life amongst individuals, communities and nature, as well as the relationships between each of them. This is an expression of Well-Being-Well.

One action provides the foundation for the other. Our understanding is that regeneration is only possible when the positive impact results from the business itself, going beyond simply compensatory measures. This change increases the importance of gauging the impact of the businesses, which is currently performed by means of the Integrated Profit and Loss (IP&L). By attributing a monetary value to the impacts we have, we can make more assertive decisions, with financial results and value for humanity and the planet.

Our proposal is to evolve from the compensatory logic of sustainability and move towards the systemic operation of regeneration. The source of the revenue and profit should be the same source of regeneration. Only in this way can the ability to regenerate and prosper be the exact same size as the business or enterprise. This means making every activity undertaken, and each aspect and location impacted, regenerative, with no exceptions.

We believe that the source of the revenue and profit should be the same source of regeneration. Only in this way can the ability to regenerate and prosper be the exact same size as the business or enterprise. This means making each action undertaken, and each aspect and location impacted, regenerative, with no exceptions. This is a proposal that begins with the offsetting logic of sustainability and moves towards the systemic logic of regeneration.

In practice, doing this is an enormous challenge, since it not only involves simply calculating the value of life in order to guide the decision making. It is a challenge that we accepted many years ago, ever since we adopted the Integrated Profit and Loss (IP&L) method in our day-to-day operations.