

Instituto Natura

Financial Statements for the Year
Ended December 31, 2025, and
Independent Auditor's Report

Deloitte Touche Tohmatsu Auditores Independentes Ltda.

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS

To the Directors of Instituto
Natura
São Paulo - SP

Opinion

We have audited the financial statements of Instituto Natura (“Entity”), which comprise the balance sheet as of December 31, 2025, and the related statements of surplus, comprehensive income, changes in equity, and cash flows for the year then ended, as well as the accompanying notes, including a summary of significant accounting policies.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Instituto Natura as of December 31, 2025, the results of its operations, and its cash flows for the year then ended, in accordance with accounting practices adopted in Brazil and with Interpretation ITG 2002 (R1)—Nonprofit Entity.

Basis for the opinion

Our audit was conducted in accordance with Brazilian and international auditing standards. Our responsibilities under those standards are described in the following section titled “The Auditor’s responsibilities for the audit of the financial statements.” We are independent of the Entity in accordance with the relevant ethical principles set forth in the Code of Professional Ethics for Accountants and the professional standards issued by the Federal Accounting Council (CFC), and we comply with all other ethical responsibilities in accordance with those standards. We believe that the audit evidence obtained is sufficient and appropriate to support our opinion.

Other matters

Financial statements for the prior fiscal year reviewed by another independent auditor

The Company’s financial statements for the fiscal year ended December 31, 2024, were reviewed by another independent auditor, who issued a report on April 28, 2025, expressing an unqualified opinion on those financial statements.

Management’s Responsibilities for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting practices adopted in Brazil, as well as with Technical Interpretation ITG 2002 (R1), and for the internal controls it has determined are necessary to enable the preparation of financial statements free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity’s ability to continue as a going concern and disclosing, where applicable, matters related to its going concern and the use of this accounting basis in the preparation of the financial statements, unless Management intends to liquidate the Entity or cease its operations, or has no realistic alternative to avoid the cessation of operations.

Deloitte refers to one or more of the member firms of Deloitte Touche Tohmatsu Limited (“DTTL”), its global network of member firms, and their related entities (collectively, the “Deloitte organization”). DTTL (also referred to as “Deloitte Global”) and each of its member firms and related entities are legally separate and independent entities that cannot bind or be bound by one another in relation to third parties. DTTL, each DTTL member firm, and each related entity are liable only for their own acts and omissions, and not for one another. DTTL does not provide services to clients. Please visit www.deloitte.com/about for more information.

Deloitte provides cutting-edge professional services to nearly 90% of the companies listed on the Fortune Global 500® and thousands of other organizations. Our people deliver measurable, lasting results that help strengthen public confidence in capital markets and enable our clients to transform and thrive. With a history spanning 180 years, Deloitte now operates in more than 150 countries and territories. Find out how Deloitte’s approximately 460,000 professionals across the globe are making a difference that matters at www.deloitte.com.

The Auditor's responsibilities for the audit of the financial statements

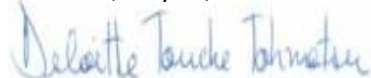
Our objectives are to obtain reasonable assurance that the financial statements, taken as a whole, are free from material misstatement, whether due to fraud or error, and to issue an audit report containing our opinion. Reasonable assurance is a high level of assurance, but it does not guarantee that an audit conducted in accordance with Brazilian and international auditing standards will always detect any material misstatements that may exist. Misstatements may result from fraud or error and are considered material when, individually or in the aggregate, they could reasonably influence the economic decisions of users made on the basis of those financial statements.

As part of an audit conducted in accordance with Brazilian and international auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. In addition:

- We identify and assess the risks of material misstatement in the financial statements, whether due to fraud or error; we plan and perform audit procedures in response to those risks; and we obtain audit evidence that is sufficient and appropriate to support our opinion. The risk of failing to detect material misstatements resulting from fraud is greater than that arising from error, since fraud may involve circumventing internal controls, collusion, forgery, omission, or intentional misrepresentations.
- We obtained an understanding of the internal controls relevant to the audit in order to plan audit procedures appropriate to the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal controls.
- We assessed the appropriateness of the accounting policies used and the reasonableness of the accounting estimates and related disclosures made by Management.
- We have concluded on the appropriateness of the use, by Management, of the operational continuity accounting basis and, based on the audit evidence obtained, whether there is material uncertainty regarding events or conditions that could raise significant doubt regarding the Entity's ability to continue as a going concern. If we conclude that there is material uncertainty, we must draw attention in our audit report to the related disclosures in the financial statements or issue a qualified opinion if the disclosures are inadequate. Our conclusions are based on the audit evidence obtained as of the date of our report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- We evaluated the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner consistent with the objective of fair presentation.

We communicate with management regarding, among other matters, the planned scope, the timing of the audit, and significant audit findings, including any material weaknesses in internal controls that we identify during our work.

São Paulo, May 19, 2026



DELOITTE TOUCHE TOHMATSU
Auditores Independentes Ltda.
CRC [Brazilian Regional Accounting Council] no. 2 SP 011609/O-8



Ricardo Estrella Salvia
Accountant
CRC no. 1 SP 253391/O-2

INSTITUTO NATURA

BALANCE SHEETS AS OF DECEMBER 31, 2025 AND 2024
(In thousands of Brazilian reais - R\$)

ASSETS	Explanatory note	2025	2024	LIABILITIES AND NET EQUITY	Explanatory note	2025	2024
CURRENT				CURRENT			
Cash and cash equivalents	5	406	605	Leasing	8	624	785
Securities	6	2,918	14,065	Suppliers and provisions	9	4,400	9,841
Other assets		532	426	Labor and tax obligations	10	3,463	3,616
Total current assets		<u>3,856</u>	<u>15,096</u>	Project-related obligations	11	719	-
				Total current liabilities		<u>9,206</u>	<u>14,242</u>
NON-CURRENT				NON-CURRENT			
Fixed assets	7	4	5	Leasing	8	741	1,159
Right of use	8	878	1,124				
Total non-current assets		<u>882</u>	<u>1,129</u>	Total non-current liabilities		<u>741</u>	<u>1,159</u>
				NET EQUITY			
				Social Equity	12	162	162
				Cumulative (deficit)/surplus	12	(5,371)	662
				Total net equity		<u>(5,209)</u>	<u>824</u>
TOTAL ASSETS		<u>4,738</u>	<u>16,225</u>	TOTAL LIABILITIES AND NET EQUITY		<u>4,738</u>	<u>16,225</u>

The notes to the financial statements are an integral part of the financial statements.

INSTITUTO NATURA

STATEMENTS OF SURPLUS (DEFICIT)
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(In thousands of Brazilian reais - R\$)

	<u>Note</u>	<u>2025</u>	<u>2024</u>
SOCIAL REVENUE			
Natura Donations	13	56,838	70,714
Volunteer Work	13	291	233
Restricted Donations	13	6,337	-
Other Donations	13	138	1,594
SOCIAL REVENUE		<u>63,604</u>	<u>72,541</u>
SOCIAL COSTS AND EXPENSES			
General and Administrative	14	(3,884)	(3,695)
Volunteer Work With Projects	14	(291)	(233)
	14	<u>(66,651)</u>	<u>(55,577)</u>
		(70,826)	(59,505)
(DEFICIT) / SURPLUS BEFORE FINANCIAL RESULT		<u>(7,222)</u>	<u>13,036</u>
Financial income	15	1478	1051
Financial expenses	15	(289)	(1,019)
(DEFICIT) / SURPLUS FOR THE FISCAL YEAR		<u>(6,033)</u>	<u>13,068</u>

The notes to the financial statements are an integral part of the financial statements.

INSTITUTO NATURA

COMPREHENSIVE INCOME STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(In thousands of Brazilian reais - R\$)

	<u>2025</u>	<u>2024</u>
(DEFICIT) / SURPLUS FOR THE FISCAL YEAR	<u>(6,033)</u>	<u>13,068</u>
Other comprehensive income	-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u><u>(6,033)</u></u>	<u><u>13,068</u></u>

The notes to the financial statements are an integral part of the financial statements.

INSTITUTO NATURA

STATEMENT OF CHANGES IN SOCIAL EQUITY (OVERDRAFT LIABILITIES)

FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

(In thousands of Brazilian reais - R\$)

	<u>Social Equity</u>	<u>Accumulated (Deficit)</u>	<u>Social Equity (Liabilities in Excess of Assets) Total</u>
Balances as of December 31, 2023	-	<u>(11,102)</u>	-
	<u>162</u>	<u>(11,102)</u>	<u>(10,940)</u>
Accumulated Deficit – Incorporation	-	(1,304)	(1,304)
Net surplus for the fiscal year	-	13,068	13,068
Balances as of December 31, 2024	<u>162</u>	<u>662</u>	<u>824</u>
Deficit for the fiscal year	-	(6,033)	(6,033)
Balances as of December 31, 2025	<u>162</u>	<u>(5,371)</u>	<u>(5,209)</u>

The notes to the financial statements are an integral part of the financial statements.

INSTITUTO NATURA**CASH FLOW STATEMENT**

FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

(In thousands of Brazilian reais - R\$)

	Explanatory note	2025	2024
CASH FLOW FROM OPERATING ACTIVITIES			
(Deficit) / Surplus for the period	12	<u>(6,033)</u>	<u>13,068</u>
Non-cash adjustments to revenue and expenses:			
Interest on investments and securities	15	(1,478)	(1,051)
Depreciation and Amortization (Fixed Assets and Intangible Assets)	7	1	2
Depreciation and Amortization (Right-of-Use)	8	498	826
Disposal of Fixed Assets/Intangible Assets/Right-of-Use Assets	8	(118)	(62)
Interest and exchange rate fluctuations on leases		-	(784)
Interest and exchange rate fluctuations on loans and financing		-	
INCREASE/(DECREASE) IN ASSETS AND LIABILITIES			
Other assets		(106)	(85)
Suppliers and provisions		(5,441)	9,056
Labor and tax obligations		(153)	1,519
Project-related obligations		719	-
CASH (USED) / GENERATED FROM OPERATING ACTIVITIES		<u>(12,111)</u>	<u>21,522</u>
Payment of interest on lease	8	118	62
NET CASH (USED) / GENERATED FROM OPERATING ACTIVITIES		<u>(11,993)</u>	<u>21,584</u>
CASH USED FOR INVESTMENT ACTIVITIES			
Investment in securities		(85,711)	(129,965)
Redemption of securities		96,918	123,866
Recovery of interest on investments and securities		1,418	78
CASH (USED) / GENERATED FROM INVESTMENT ACTIVITIES		<u>12,625</u>	<u>(6,021)</u>
CASH FLOW FROM FINANCING ACTIVITIES			
Lease amortization - principal	8	(831)	(571)
Payment of loans and financing		-	(14,216)
Interest paid on loans and financing		-	(409)
CASH USED FOR FINANCING ACTIVITIES		<u>(831)</u>	<u>(15,196)</u>
DECREASE IN CASH AND CASH EQUIVALENTS		<u>(199)</u>	<u>367</u>
Opening balance of cash and cash equivalents		605	238
Ending balance of cash and cash equivalents		406	605
DECREASE IN CASH AND CASH EQUIVALENTS		<u>(199)</u>	<u>367</u>

The notes to the financial statements are an integral part of the financial statements.

INSTITUTO NATURA
MANAGEMENT'S NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS
ENDED DECEMBER 31, 2025 AND 2024

(In thousands of Brazilian reais - R\$)

1 General information

1.1 Business purpose

Instituto Natura, hereinafter referred to simply as "Institute," is a nonprofit association established for non-economic purposes, with an indefinite term, headquartered in the city of São Paulo, State of São Paulo, at Av. Brigadeiro Faria Lima, no. 201, conjunto 171, Condomínio Edifício Faria Lima, and its business purpose is to transform society, focusing on promoting quality of life in its various dimensions, with an emphasis on education, the expansion of freedoms, the democratization of access to information, the advancement of social justice, and sustainability.

The Institute is a Civil Society Organization of Public Interest (OSCIP), a designation granted by the Brazilian Ministry of Justice to organizations that meet the requirements of Law No. 9,790 of March 23, 1999. The Institute has held this designation since January 31, 2011.

As of 2016, with the publication of Ministry of Justice Ordinance No. 362, dated March 1, 2016, annual renewal is no longer required, and the certification remains valid as long as the initial conditions for obtaining it are met.

1.2 Significant events during the fiscal year

During the 2025 fiscal year, the Institute reported:

- Overdraft liability of R\$ (5,209) (credit balance of R\$ 824, relating to 2024),
- Negative net working capital of R\$ (5,350) (positive R\$ 854 in 2024) and
- Net loss for the fiscal year of R\$ (6,033) (net gain of R\$ 11,764 in 2024).

The deficit in 2025 stems from a planned strategy to reduce transfers from the parent company, aimed at mitigating the income tax implications of donations that exceed the deductibility limit for the parent company's entities. The deficit was covered by drawing on cash reserves from previous years, ensuring full funding of accrued expenses and investments approved in the budget (Note 13).

The Institute's primary source of funding comes from its parent company, Natura Cosméticos S.A., and its subsidiaries, which allocate the net profits from the Crer Para Ver line (Natura brand) and Oferta do Bem products (Avon brand) to investments in social causes and the Institute's operations.

Management reiterates its assumption of operational continuity, based on the existence of remaining financial resources from these lines of credit, which remain invested with the sponsor and are transferred to the Institute as cash needs arise. As of December 31, 2025, this amount available for future donations totaled R\$ 28,689 (R\$ 35,328 in 2024), a balance considered sufficient to fully cover the Institute's operations and commitments, and from January 1, 2026, through February 28, 2026, the Institute received R\$ 8,000 in donations from its parent organization.

2 Summary of material accounting policies

The accounting policies applied in the preparation of these financial statements are set forth below. These policies were consistently applied in the financial years presented.

INSTITUTO NATURA
MANAGEMENT'S NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS
ENDED DECEMBER 31, 2025 AND 2024

(In thousands of Brazilian reais - R\$)

2.1 Preparation area

The financial statements were prepared in accordance with Brazilian Accounting Standards, as set forth in the technical pronouncements of the Accounting Pronouncements Committee (CPC) and in the provisions applicable to nonprofit organizations, ITG 2002 (R1) – Nonprofit Entity, both issued by the Federal Accounting Council (CFC), which aim to provide guidance on compliance with legal requirements regarding accounting procedures to be followed by private-law legal entities and nonprofit institutions. They were prepared using historical cost as the basis of value.

The preparation of financial statements in accordance with CPC requires the use of certain critical accounting estimates and the exercise of judgment by the Institute's management in the process of applying accounting policies. The areas that require a higher level of judgment and are more complex, as well as those whose assumptions and estimates are significant to the financial statements, are disclosed in note 3.

Finally, Management has assessed the Institute's ability to continue operating normally and is confident that it has sufficient resources to continue its operations in the future; furthermore, it is not aware of any material uncertainties that could cast significant doubt on its ability to continue as a going concern. Accordingly, these financial statements have been prepared on the assumption that the Institute's operations will continue.

2.2 Functional Currency

(a) Functional currency and presentation currency

The items included in the financial statements are measured in the currency of the primary economic environment in which the Institute operates ("functional currency"). The financial statements are presented in thousands of Brazilian reais, which is the Institute's functional currency and also its presentation currency.

(b) Transactions and balances

Foreign currency transactions are converted to the Institute's functional currency (R\$ - Brazilian reais) using the exchange rates in effect on the dates of the transactions. Balance sheet account balances are converted at the exchange rate in effect on the balance sheet dates. Foreign exchange gains and losses resulting from the settlement of these transactions and the translation of monetary assets and liabilities denominated in foreign currencies are recognized in net income for the year under the headings "Financial income" and "Financial expenses."

2.3 Cash and cash equivalents

These include cash, demand deposits, and financial investments that are due within 90 days of the original maturity date of the instrument, or that are considered immediately liquid or convertible into a known amount of cash, and that are subject to an insignificant risk of change in value. They are recorded at cost, plus any income earned through the balance sheet dates, which does not exceed their market or realizable value.

INSTITUTO NATURA
MANAGEMENT'S NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS
ENDED DECEMBER 31, 2025 AND 2024

(In thousands of Brazilian reais - R\$)

2.4 Financial instruments

Non-derivative financial assets

Financial instruments are recognized only as of the date on which the Institute becomes a party to the contractual provisions of the financial instruments.

The classification of financial assets upon initial recognition depends on the characteristics of the financial asset's contractual cash flows and the Institute's business model for managing these financial assets. The Institute initially measures a financial asset at its fair value plus transaction costs, in the case of a financial asset not measured at fair value through profit or loss. Subsequent measurement takes place at each balance sheet date in accordance with the rules established for each category of financial assets and liabilities.

The Institute's financial instruments are classified as:

(i) Amortized cost

When the following conditions are met and the item is not designated as measured at fair value through profit or loss:

- it is held within a business model whose objective is to hold financial assets to collect contractual cash flows; and
- its contractual terms generate cash flows on specific dates that relate solely to the payment of principal and interest on the outstanding principal balance.

They are subsequently measured using the effective interest method and are subject to impairment. Gains or losses are recognized in income when the asset is written off, modified, or impaired.

(ii) Fair value through profit or loss

When not classified as amortized cost, they are presented on the balance sheet at fair value, with net changes in fair value recognized in the income statement. This category includes marketable securities and cash equivalents.

Non-derivative financial liabilities

The Institute's financial liabilities are classified, upon initial recognition, as financial liabilities at fair value through profit or loss, financial liabilities at amortized cost, or as derivatives designated as hedging instruments in an effective hedge, when applicable.

All financial liabilities are initially measured at fair value, plus or minus, in the case of financial liabilities not at fair value through profit or loss, the transaction costs directly attributable to the issuance of the financial liability.

INSTITUTO NATURA
MANAGEMENT'S NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS
ENDED DECEMBER 31, 2025 AND 2024

(In thousands of Brazilian reais - R\$)

Subsequent measurement

For the purposes of subsequent measurement, financial liabilities are classified into two categories:

- Financial liabilities at fair value through profit or loss; and
- Financial liabilities at amortized cost.

Financial liabilities at fair value through profit or loss

These include financial liabilities held for trading and financial liabilities designated upon initial recognition at fair value through profit or loss. They are classified as held for trading if they are acquired for the purpose of resale in the short term. This category also includes derivative financial instruments that are not designated as hedging instruments in the hedging relationships defined by CPC 48. Separate embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains and losses on trading liabilities are recognized in the income statement.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated on the date of initial recognition, and only if the criteria of CPC 48 are met. In the financial statements presented, the Institute had no financial liabilities classified in this category.

Financial liabilities at amortized cost (loans and financing, and trade payables)

After initial recognition, interest-bearing loans and financing received and granted are subsequently measured at amortized cost using the effective interest method. Gains and losses are recognized in income when the liabilities are written off, as well as through the amortization of the effective interest rate.

Amortized cost is calculated by taking into account any discount or premium on the acquisition, as well as fees or costs that are an integral part of the effective interest method. Amortization using the effective interest method is recognized as a financial expense in the income statement.

This category applies to loans and financing granted and received, as well as accounts payable, all of which bear interest.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged, that is, when the obligation specified in the contract is settled, canceled, or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference between the respective carrying amounts is recognized in the income statement.

INSTITUTO NATURA
MANAGEMENT'S NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS
ENDED DECEMBER 31, 2025 AND 2024

(In thousands of Brazilian reais - R\$)

2.5 Fixed assets

Fixed assets are stated at historical cost less accumulated depreciation and any accumulated allowance for impairment losses. Historical cost includes the directly attributable expenses necessary to prepare the asset for its intended use, excluding financing costs.

Depreciation is calculated using the straight-line method, based on the cost less the residual value and the remaining useful life. The estimated useful lives are shown below:

- . Furniture and household goods - 5 - 8 years (12.5% per annum to 20% per annum)
- . Computer equipment - 15 - 20 years (5% per annum to 6.67% per annum)
- . Improvements to third-party properties – 20 years (5% per annum)

The residual values, useful lives, and depreciation methods of assets are reviewed and adjusted whenever there is an indication of a significant change since the last balance sheet date.

The carrying amount of an asset is immediately written down to its recoverable amount if the carrying amount of the asset exceeds its estimated recoverable amount (Note 6).

Gains and losses on disposals are determined by comparing the sales price with the carrying amount and are recognized in "Other gains/(losses), net" in the income statement.

2.6 Leasing

The Institute assesses, as of the contract's effective date, whether the contract is, or contains, a lease. A contract is, or contains, a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

For these transactions, the Institute applies a single model for recognition and measurement:

Right-of-Use Asset: Recognized at the lease commencement date at cost, comprising the initial amount of the liability, any prepayments, and initial direct costs, net of incentives received. Depreciation is calculated using the straight-line method over the shorter of the asset's estimated useful life or the term of the contract.

Lease Liability: Measured by the present value of future payments, discounted at the interest rate implicit in the lease or, if that rate cannot be determined, at the Institute's incremental borrowing rate. Interest is recognized in income over the term of the contract.

Details regarding the composition of balances, additions, depreciation, and the maturity schedule for lease liabilities are provided in Note 8.

INSTITUTO NATURA
MANAGEMENT'S NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS
ENDED DECEMBER 31, 2025 AND 2024

(In thousands of Brazilian reais - R\$)

2.7 Suppliers

Accounts payable to suppliers are initially recognized at fair value and subsequently measured at amortized cost using the effective interest method.

2.8 Provisions

Provisions are recognized when: (i) the Institute has a present or unformalized obligation arising from past events; (ii) it is probable that an outflow of resources will be required to settle the obligation; and (iii) the amount can be estimated reliably.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation, using a discount rate that includes the effects of income taxes and reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the liability due to the passage of time is recognized as a financial expense.

Provisions for restructuring include penalties for terminating lease agreements and severance payments. No provisions are recognized for future operating losses.

Provision for contingencies

Provisions for contingencies are recognized when the Institute has a present or contingent obligation resulting from past events, it being probable that an outflow of resources will be required to settle the obligation, and that the amount can be reliably estimated.

2.9 Social equity

As of December 31, 2025, the cumulative total of allocations to the equity fund classified as social equity was R\$ 162 (R\$ 162 in 2024).

2.10 Calculation of the surplus/deficit - revenues and expenses

Donations with no restrictions on their use for specific projects or initiatives are recorded based on supporting documentation at the time the funds are actually received (cash basis). Expenses related to these investments, as well as other operating expenses, are strictly recorded on an accrual basis.

For funds received from impact investors and/or partners with restrictions on use for specific commitments and initiatives, the Institute complies with the agreed contractual terms and milestones for execution and the corresponding accountability and reporting. Management monitors the use of these funds to ensure that the performance requirements and specific objectives of each project are fully met, regardless of when the funds are received.

INSTITUTO NATURA
MANAGEMENT'S NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS
ENDED DECEMBER 31, 2025 AND 2024

(In thousands of Brazilian reais - R\$)

In fiscal year 2025, the recorded deficit reflects the strategic management of cash flow from unrestricted funds (provided by the sponsoring entity) and is offset by accumulated surpluses. This strategy did not affect the integrity of the restricted funds, whose investment schedules and commitments to partners remain unchanged in accordance with the current work plans.

2.11 Volunteer work

Revenue from volunteer work is measured at fair value, taking into account the amounts the Institute would have to pay if it were to contract for such services in a similar market. As set forth in ITG 2002 (R1) – Nonprofit Entities (“ITG 2002”), the Institute recognizes revenue from volunteer work, including that performed by members of its governing bodies in the course of their duties.

Revenue from volunteer services is recognized in the statement of income as social revenue from other donations (note 13), with a corresponding entry in social personnel expenses (note 14).

3 Critical accounting estimates and judgments

The Institute makes estimates and establishes assumptions regarding the future based on historical experience and other factors, including expectations of future events. By definition, the resulting accounting estimates will rarely match the actual results. The estimates and assumptions that present a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities for the next fiscal year refer to – the useful lives of fixed assets, disclosed in Note 2.5 and reviewed at each fiscal year-end, and the fair value of volunteer work, where the entity measures the fair value of the volunteer work performed by each board member based on the hours worked by each member, as if both were employees of Instituto Natura, in accordance with Note 14.

4 Adoption of the new and revised CPCs

New and amended standards and interpretations effective for the current fiscal year

For the current fiscal year, the CPC accounting pronouncements listed below are mandatory for accounting periods beginning on or after January 1, 2025.

Its adoption had no material impact on the Institute’s financial statements.

<u>Pronouncement</u>	<u>Description</u>
Amendments to CPC 02 (R2)	The amendments specify how to assess whether a currency is convertible and how to determine the exchange rate when it is not.
OCPC 10 - Carbon Credits (tCO2e), Emission Allowances, and Decarbonization Credits (CBIO)	This technical guidance is intended to provide guidance on the accounting treatment of carbon credits (tCO2e), emission allowances, and decarbonization credits (CBIO) for entities operating in the Brazilian market.

INSTITUTO NATURA
MANAGEMENT'S NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS
ENDED DECEMBER 31, 2025 AND 2024

(In thousands of Brazilian reais - R\$)

New and revised standards and interpretations that have already been issued but have not yet been adopted

Although early adoption is permitted, the Institute has not adopted the new CPCs listed below:

<u>Pronouncement</u>	<u>Description</u>
CPC 51	Presentation and Disclosures in the Financial Statements.
IFRS 19	Subsidiaries Without Public Accountability: Disclosures.
Amendments to CPC 48 and CPC 40	Changes to the Classification and Measurement of Financial Instruments.
Amendments to CPC 48 and CPC 40	Contracts that refer to electricity whose generation depends on natural conditions.
Annual Improvements to Accounting Standards	Amendments to CPC 37 (R1), CPC 40 (R1), CPC 48, CPC 36 (R3) and CPC 03 (R2).

The Institute does not expect the adoption of the standards listed above to have a material impact on the financial statements in future periods.

5 Cash and cash equivalents

	Instituto Natura	
	12/31/2025	12/31/2024
Cash and banks	406	605
	<u>406</u>	<u>605</u>

6 Securities

	Instituto Natura	
	12/31/2025	12/31/2024
Investment fund - Without restrictions	2,199	14,065
Investment fund - With restrictions	719	-
	<u>2,918</u>	<u>14,065</u>

This is the Essencial Investment Fund – exclusive to the Natura Group – which is a multi-market private credit investment fund managed, administered, and held in custody by Itaú Unibanco Asset Management. The eligible assets included in the portfolio are: government bonds, bank deposit certificates (CDBs), commercial paper, and repurchase agreements. There is no lock-up period for redeeming shares, which can be redeemed with returns at any time. Payments are made at an average rate of 13% of the CDI, rising to 14.5% in 2025 (11.5% in 2024).

INSTITUTO NATURA
MANAGEMENT'S NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS
ENDED DECEMBER 31, 2025 AND 2024

(In thousands of Brazilian reais - R\$)

The balance of financial investments at the end of 2025 was R\$ 2,918 (R\$ 14,065 in 2024). The decrease of R\$ 11,147 is due to:

- **Balance Adjustment (R\$ 7,446):** Adjustment of an atypical transfer from the sponsoring entity received in December 2024 and returned on the first business day of 2025.
- **Cash Management:** Use of internal funds to cover the costs of activities in 2025, with the aim of reducing the need for new donations during the fiscal year and, consequently, minimizing the income tax burden on surplus transfers. This strategy sought to optimize the resources available for social investment, as approved in the budget.

7 Fixed assets

Instituto Natura					
	Useful life in years	12/31/2024	Additions	Disposals	12/31/2025
Cost value:					
(+) Improvements to the property of third parties	5	214	-	-	214
(+) Furniture and fixtures	10	193	-	-	193
(+) Computer equipment	5	12	-	-	12
Total cost		419	-	-	419
Depreciation					
(-) Improvements to the property of third parties		(214)	-	-	(214)
(-) Furniture and fixtures		(188)	(1)	-	(189)
(-) Computer equipment		(12)	-	-	(12)
Total depreciation		(414)	(1)	-	(415)
Net total		5	(1)	-	4

INSTITUTO NATURA
MANAGEMENT'S NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS
ENDED DECEMBER 31, 2025 AND 2024

(In thousands of Brazilian reais - R\$)

	Instituto Natura				
	Useful life in years	12/31/2023	Additions	Disposals	12/31/2024
Cost value:					
(+) Improvements to the property of third parties	5	214	-	-	214
(+) Furniture and fixtures	10	193	-	-	193
(+) Computer equipment	5	12	-	-	12
Total cost		419	-	-	419
Depreciation					
(-) Improvements to the property of third parties		(214)	-	-	(214)
(-) Furniture and fixtures		(186)	(2)	-	(188)
(-) Computer equipment		(12)	-	-	(12)
Total depreciation		(412)	(2)	-	(414)
Net total		7	(2)	-	5

8 Right of use

	Instituto Natura				
	Useful life in years	12/31/2024	Additions	Disposals	12/31/2025
Cost value:					
(+) Furniture	4	3,097	-	(1,858)	1,239
(+) Vehicles	3	375	252	(269)	358
Total cost		3,472	252	(2,127)	1,597
Depreciation					
(-) Real Estate		(2,120)	(333)	1,858	(595)
(-) Vehicles		(228)	(165)	269	(124)
Total depreciation		(2,348)	(498)	2,127	(719)
Net total		1,124	(246)	-	878

INSTITUTO NATURA
MANAGEMENT'S NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS
ENDED DECEMBER 31, 2025 AND 2024

(In thousands of Brazilian reais - R\$)

	Instituto Natura				
	Useful life in years	12/31/2023	Additions	Disposals	12/31/2024
Cost value:					
(+) Furniture	4	2,947	1,239	(1,087)	3,099
(+) Vehicles	3	270	105	(1)	374
Total cost		3,217	1,344	(1,088)	3,473
Depreciation					
(-) Real Estate		(1,416)	(705)	-	(2,121)
(-) Vehicles		(107)	(121)	-	(228)
Total depreciation		(1,523)	(826)	-	(2,349)
Net total		1,694	518	(1,088)	1,124

Lease obligations

The property itself serves as security for the landlord, since, in the event of nonpayment, the leased property reverts to the landlord.

The 8th amendment was executed ratifying the extension of the term of the lease agreement for the commercial unit (June 2023 to June 2028) and establishing a rental charge of one hundred and thirty reais per square meter, calculated based on the BOMA area of 383.03 m². In 2025, the rent was adjusted for inflation based on the IGPM index (as specified in the contract) of 8.44%. In addition, the Institute uses a discount rate of 9.31% for real estate contracts and an average rate of 16.10% for vehicle contracts.

The stated useful lives refer to the periods during which the Institute is certain that it will use the assets covered by the operating leases in accordance with the contractual terms. As of January 1, 2024, this corresponded to the remaining term of the leases in effect as of the date of the transition to the new lease standard.

	Instituto Natura	
	12/31/2025	12/31/2024
Amounts recognized in the income statement		
Financial expense related to leasing	118	62
Amortization of right-of-use assets	498	826
Total	616	888
Amounts recognized in the cash flow statement		
Lease payment (principal)	831	509
Lease payment (interest)	118	62
Total	949	571

INSTITUTO NATURA
MANAGEMENT'S NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS
ENDED DECEMBER 31, 2025 AND 2024

(In thousands of Brazilian reais - R\$)

a) Lease liability

	Instituto Natura	
	12/31/2025	12/31/2024
Current	624	785
Non-current	741	1159
Total	1,365	1,944

The following table shows the changes in the balance of lease liabilities for the fiscal year ended December 31, 2025.

	12/31/2025	12/31/2024
Balance at the beginning of the fiscal year	1,944	865
New contracts	252	1,588
Payments - principal	(831)	(509)
Payments - interest	(118)	(62)
Recognition of financial charges	118	62
Total	1,366	1,944

The maturity dates for the balance of non-current leases are as follows:

	12/31/2025	12/31/2024
2026	624	785
2027	656	578
2028	85	533
2029 onward	-	48
Total	1365	1944

9 Suppliers and provisions

	Instituto Natura	
	12/31/2025	12/31/2024
Domestic suppliers (I)	(3,763)	(2,198)
Provisions for accounts payable (II)	(637)	(7,643)
	(4,400)	(9,841)

INSTITUTO NATURA
MANAGEMENT'S NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS
ENDED DECEMBER 31, 2025 AND 2024

(In thousands of Brazilian reais - R\$)

(i) Domestic suppliers

The accounts payable balance as of December 31, 2025, totals R\$ 3,763 (R\$ 2,198 in 2024). The increase observed is primarily due to a revision of the Institute's payment policy, which extended the average payment period from 15 to 30 days during the fiscal year, with the aim of optimizing operational and cash flow. Of the total balance, R\$ 273 (R\$ 34 in 2024) relates to obligations to Natura Cosméticos S.A. arising from a cost-sharing agreement. This amount covers reimbursement for administrative and technical support services (accounting, financial, legal, and information technology) provided by shared service units, in accordance with the Institute's governance guidelines.

(ii) Provisions for accounts payable

The balance of provisions payable amounted to R\$ 637 at the end of fiscal year 2025 (R\$ 7,642 in 2024). The significant decrease of R\$ 7,005 is due to the normalization of the balance following the settlement of a non-recurring event recorded in December 2024. As detailed in the financial statements for the prior fiscal year, the 2024 balance included an extraordinary provision for the repayment of a loan to Natura Cosméticos S.A., which was paid and settled on the first business day of 2025. Thus, the current balance for 2025 strictly reflects the operating provisions for miscellaneous expenses required to comply with the accrual basis of accounting.

10 Labor and tax obligations

	Instituto Natura	
	12/31/2025	12/31/2024
Labor obligations:		
Wages Payable	(1,973)	(2,089)
Payroll taxes and social charges	(241)	(194)
Provision for vacation pay and related charges	(1,017)	(1,032)
	(3,231)	(3,315)

	Instituto Natura	
	12/31/2025	12/31/2024
Tax obligations:		
Social security contributions (INSS)	(1)	(6)
Withholding income tax (IRRF)	(214)	(243)
Municipal service tax (ISS)	-	-
Other	(17)	(52)
	(232)	(301)

11 Project-related obligations

Project-related obligations arise from the receipt of restricted donations from Grant Makers, institutes, and foundations, which are earmarked for initiatives coordinated by the Natura Institute to fund the activities in which we are involved.

INSTITUTO NATURA
MANAGEMENT'S NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS
ENDED DECEMBER 31, 2025 AND 2024

(In thousands of Brazilian reais - R\$)

Projects with restrictions:	Instituto Natura			
	12/31/2024	Fund-raising	Project expenses	12/31/2025
Regional Literacy Commitment	-	4,126	3,407	719
Expansion and consolidation of public policies for full-time secondary education in the state of Rio Grande do Sul	-	500	500	-
Promoting educational equity in Brazil through the implementation of the national policy on full-time high school education	-	530	530	-
Comprehensive Education in the States of Pará and Bahia	-	1,500	1,500	-
Comprehensive State Policy for Breast Cancer Screening in the State of Goiás	-	400	400	-
Total	-	7,056	6,337	719

12 Social equity

	Social equity	Cumulative surplus (deficit)	Total
On January 1, 2025	162	662	824
Deficit for the fiscal year	-	(6,033)	(6,033)
On December 31, 2025 (i)	162	(5,371)	(5,209)

(i) The deficit in 2025 stems from a planned strategy to reduce transfers from the parent company, aimed at mitigating the income tax implications of donations that exceed the deductibility limit for the parent company's entities. The deficit was covered by drawing on cash reserves from previous years.

13 Social revenue

	Instituto Natura	
	12/31/2025	12/31/2024
Natura Donations (i)	56,838	70,714
Volunteer work (iii)	291	233
Donations with restrictions (ii)	6,337	-
Other donations	138	1,594
SOCIAL REVENUE	63,604	72,541

INSTITUTO NATURA
MANAGEMENT'S NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS
ENDED DECEMBER 31, 2025 AND 2024

(In thousands of Brazilian reais - R\$)

- (i) A donation from Natura Cosméticos S.A. and its subsidiaries in Brazil, consisting of the transfer of net proceeds from sales of the Natura Crer Para Ver product line and Ofertas do Bem products (Avon brand), plus executive compensation expenses, with no restrictions.
- (ii) Restricted donations received from Grant Makers, Institutes, and Foundations for allocation to initiatives coordinated by the Natura Institute for investment in the activities in which we are involved, previously included under "other donations"; however, given the increase in the volume of transactions of this nature, see Note 11, the balance was segregated in 2025.
- (iii) Volunteer work by members of the Board of Directors. The volunteer work and services provided did not result in any cash outlay for Instituto Natura and relate to the fees paid to the board of directors. If a cash disbursement were necessary for this purpose, Instituto Natura estimates that it would have disbursed approximately R\$ 291 (R\$ 233 in 2024).

Fees	12/31/2025		12/31/2024	
	Amount/Hour	Total Amount	Amount/Hour	Total Amount
Board of Directors	5,491	291	4,205	233

14 Social Costs and Expenses

	Instituto Natura	
	12/31/2025	12/31/2024
General and administrative		
Personnel	2,934	2,761
Volunteer Work	291	233
Consulting and intellectual services	172	205
Maintenance and upkeep	733	672
Other expenses	45	48
Communications and events	-	9
	4,175	3,928
Projects - Without restrictions		
Consulting and intellectual services (i)	22,513	19,843
Donations made (iii)	16,421	18,575
Personnel	13,827	11,653
Other expenses	484	717
Other Income	-	(1,267)
Communications and events (i)	6,003	4,748
Logistics expenses	1,067	1,308
	60,315	55,577

INSTITUTO NATURA
MANAGEMENT'S NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS
ENDED DECEMBER 31, 2025 AND 2024

(In thousands of Brazilian reais - R\$)

Projects - With restrictions

Consulting and intellectual services (i)	2,774	-
Donations made (iii)	3,563	-
	6,337	-

Total	70,827	59,505
--------------	---------------	---------------

- (i) Specialized consulting services contracted to improve our approach to handling our cases and mitigate potential labor risks.
- (ii) Communication and event expenses related to the implementation of our strategies and campaigns.
- (iii) The donations made by the Institute are directed to partner organizations and those that implement our commitments.

15 Financial income (expenses)

	Instituto Natura	
	12/31/2025	12/31/2024
<u>Financial income</u>		
Interest on financial investments	1,441	1,042
Other income	37	9
	1,478	1,051
<u>Financial expenses</u>		
Interest on loans	-	(375)
Interest on leases	(118)	(341)
Other financial expenses	(171)	(303)
	(289)	(1,019)
<u>Net income</u>	1,189	32

INSTITUTO NATURA
MANAGEMENT'S NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS
ENDED DECEMBER 31, 2025 AND 2024

(In thousands of Brazilian reais - R\$)

16 Management compensation

As provided for in the Institute's Bylaws, the Institute's Board of Directors, through a General Meeting, is responsible for establishing the compensation for the Institute's officers, pursuant to Law No. 9,790/99, who are actively involved in executive management. The members of the Institute's Board of Directors are not compensated for their statutory duties, and their time commitment is accounted for as described in Note 3.11, "Volunteer Work." The Board of Directors is responsible for setting the compensation for the Institute's other executives, in accordance with Law No. 9,790/99, who are actively involved in executive management.

17 Tax waiver

The Institute is subject to certain taxes that are eligible for tax waiver for the fiscal years ending December 31, 2025, and 2024. In the Administration's view, for the purposes of complying with the disclosures required by ITG 2002(R1), the tax waiver includes the Tax on Transfers Causa Mortis and Donations of Any Assets or Rights (ITCMD), Corporate Income Tax – IRPJ, and the Social Contribution on Net Income – CSLL, Social Integration Program (PIS), and Contribution for the Financing of Social Security (COFINS).

The ITCMD is provided for in Article 155, Item I, of the Federal Constitution. The Natura Institute is exempt from this requirement under Law No. 10,705/2000 of the State of São Paulo, as it is a nonprofit organization whose mission is linked to the promotion of human rights.

18 Financial Instruments

The Company engages in transactions involving non-derivative financial instruments; the results of these transactions are in line with management's expectations, and transactions involving financial instruments are recognized in income. The Company does not have specific policies or strategies for managing financial instruments, as management believes there is no significant risk of loss associated with these instruments. The Company does not engage in speculative investments in derivatives or any other risky assets.

Risk management framework

The Entity's risk management policies are established to identify and analyze the risks it faces, to define appropriate risk limits and controls, and to monitor risks and compliance with those limits. Risk management policies and systems are reviewed frequently to reflect changes in market conditions and the Entity's activities.

Based on its characteristics and mode of operation, as well as its financial position as of December 31, 2025 and 2024, the Entity is subject to the following factors:

INSTITUTO NATURA
MANAGEMENT'S NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS
ENDED DECEMBER 31, 2025 AND 2024

(In thousands of Brazilian reais - R\$)

Credit risk

Credit risk is the risk of financial loss to the Entity if a counterparty or a financial institution holding investment funds fails to meet its contractual obligations, which arise primarily from receivables from donations and investment securities.

In order to minimize credit risks associated with financial institutions, Management seeks to centralize its operations with a top-tier institution.

Liquidity risk

Liquidity risk is the risk that the Entity will encounter difficulties in meeting the obligations associated with its financial liabilities that are settled through cash payments or other financial assets. The Company's approach to liquidity management is to ensure, to the greatest extent possible, that it always has sufficient liquidity to meet its obligations as they fall due, under both normal and stressed conditions, without causing unacceptable losses or risking damage to the Company's reputation.

In addition, we periodically review mechanisms and tools designed to raise funds in order to address situations that could adversely affect our liquidity.

Market risk

The Company's risk management policies include, among other things, the development of economic and financial studies and analyses that assess the impact of different scenarios on market positions, as well as reports that monitor the risks to which we are exposed.

The Company continuously monitors risks, threats, and opportunities based on projected scenarios and their impact on the Company's results.

Capital management

With a view to the long-term sustainability and future growth of the business, the Company's management maintains a robust capital policy, thereby ensuring the confidence of the market, creditors, and other stakeholders.

The Management's policy prioritizes a balance between: optimized return on investment, a sustainable competitive advantage that preserves the Entity's profile, and the assurance of security through a strong capital position

Based on the following calculation, it appears that the Entity has a negative liquidity ratio for the period of 2025, however, as discussed in notes 1.2 and 21, management reaffirms the going concern assumption, based on the existence of remaining financial resources that remain invested in the parent organization and are transferred to the Institute as cash needs arise.

Description	2025	2024
Cash and cash equivalents	406	605
Securities	2,918	14,065
(-) Total Current Liabilities	(9,206)	(14,242)
Immediate liquidity	= <u>0.36</u>	= <u>1.03</u>

**INSTITUTO NATURA
MANAGEMENT'S NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS
ENDED DECEMBER 31, 2025 AND 2024**

(In thousands of Brazilian reais - R\$)

19 Group Life Insurance

The Institute maintains a group life insurance policy for all its employees and administrators.

20 Non-cash transactions

Transactions with no cash impact	2025	2024
Additions to Leasehold Property	252	1,344

21 Subsequent events

As of February 28, 2026, the Natura Institute had received R\$8,000 in donations from proceeds generated by sales of products (Crer Para Ver and Ofertas do Bem) from its parent company, Natura.

22 Approval for the issuance of the Financial Statements

These financial statements were approved for publication by the Institute's Board of Directors at a meeting held on May 19, 2026.

Executive Board

CEO

David Saad

Senior Manager of Corporate Affairs and Data Intelligence

Rodolfo Luque Simões

Technical Manager

Paula Teshima

RTR Manager

CRC: 1SP212964

Controller

Alessandra Segatelli

Latam Financial Controller

* * *