



# Message from the Board

The hottest year in the planet's history, 2023 was also one of the most violent since World War II. While the global average temperature rose to the point of putting us on the brink of the climate abyss, reaching 1.48°C above pre-industrial levels, the war between Russia and Ukraine, the outbreak of war between Israel and Hamas, and several other armed conflicts involving non-state actors made the world a much more unstable, divided, and dangerous place.

*Our raison d'être, conceived over 30 years ago, resonates more profoundly with us today than ever before.*

## **Luiz Seabra, Guilherme Leal, and Pedro Passos, in the name of the Board of Directors**

The humanitarian crisis resulting from these events is overwhelming and horrifies us all. We also coexist with the deepening erosion of democracy in vast portions of the globe, which further distances us from the ideal of a more balanced, just, and inclusive society.

Faced with these challenges, we reaffirm our confidence in our beliefs and purpose to guide us. We hold steadfast to our entrepreneurial vision, crafting a brighter world through the rich tapestry of connections we nurture in our expansive network, where business becomes a catalyst for positive transformation. We are committed to addressing the most urgent problems of our time: climate change and social inequalities.

In 2022, at Natura &Co, we made a strategic decision to decentralize our model, simplifying the group's structure. This shift aimed to provide each business unit with enhanced autonomy and agility, empowering them to attain their outcomes. In 2023, a significant milestone in this strategy was reached with the successful completion of the sale of Aesop and The Body Shop.

While our boldness was evident in creating the Natura &Co group and pursuing global market potential, it also required courage to streamline operations and consolidate our business around our core competencies. We are convinced that simplification strengthens us and revitalizes the health of the business and we also believe that this positions us optimally to address the present challenges of the world, offering a pathway to fortify the foundations upon which these companies were established.

We face 2024 in solid financial conditions, with consistent resource allocation and capital structure, which will enable our businesses to advance in the commitment to generate positive impact on society.

The climate crisis is worsening living conditions on the planet, especially for the more than 44 thousand species threatened with extinction - about 2 thousand more than last year. The world is in need of regeneration in various aspects: in the restoration of ecosystems, the reinstatement of balanced conditions for life in its diverse forms, and the revival of dialogue, respect, and love as the foundations of human relationships.

By embracing regeneration as the cornerstone of Natura's business strategy in 2023, we initiated a fresh phase of our dedication to people and the planet, strengthening our business approach and redefining the essence of Natura.

Our *raison d'être*, conceived over 30 years ago, resonates more profoundly with us today than ever before. It embodies the symbiotic bond between individuals, each other, and nature. We believe that within this nexus lies the catalyst for fostering peace, solidarity, and the full richness of life's expressions. Well-being-well prevails.