



SUSTAINABILITY REPORT

2025



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INTRODUCTION

(GRI 2-1, 2-2, 2-3)

Elfa Group is a for-profit corporation headquartered in São Paulo, Brazil, operating in an integrated way across the entire healthcare distribution chain. This Report highlights the key events, results, and progress achieved between January 1 and December 31, 2025, along with our strategic outlook for the years ahead.

In 2025, we made further progress in strengthening our organizational identity and reinforcing governance. Our corporate culture was reaffirmed through the values that guide our decisions and relationships: integrity, credibility, high energy paired with collaboration, operational excellence, and a strong focus on results.

We moved further in integrating our operations by standardizing processes and increasing management transparency. We also expanded the structured use of artificial intelligence to support commercial decisions, enhance the customer experience, and boost the efficiency of our business.

We stayed disciplined in our ESG agenda, with goals tracked by leadership and socio-environmental indicators integrated and monitored through the Governance Index. We also made progress

in diversity, climate-risk management, energy efficiency, and the consolidation of health and safety practices—reinforcing the alignment between growth, responsibility, and long-term resilience.

In the pages that follow, we transparently show how we have structured our work to ensure safe, efficient, and sustainable access to healthcare—strengthening our ability to create value for employees, customers, partners, and society.

For questions about this report, as well as Grupo Elfa's ESG strategy, please contact us at esg@grupoelfa.com.br or visit grupoelfa.com.br/esg






2025 HIGHLIGHTS

 **1.876** team members
 nationwide presence across 3,435 hospitals, 126,734 clinics, and 412 health plan operators, plus business relationships with another 1,277 distributors and retailers.

 GROSS MARGIN
17,9%
 (+1.7 pp compared with 2024)

NET OPERATING REVENUE
 **R\$4.558.538MM**


 **MERLIN**
 an agent designed to anticipate customer needs, analyze purchase history, and support commercial decision-making

 RENEWABLE ENERGY
68%
 of sites using

 RECYCLED WASTE
53,6%
 of the waste generated was recycled

 NET PROMOTER SCORE (NPS)
85,4%
 customers' satisfaction level and likelihood to recommend the company

 Adjusted EBITDA
R\$407,4MM

 EMISSIONS REDUCTION
-10%
 reduction across Scopes 1, 2, and 3 (base year 2025 vs. 2022)

 **-13,8%**
 reduction in operating expenses (2025 vs. 2024)

 **CotAI**
 Artificial intelligence applied to pricing via CotAI and order processing

MESSAGE FROM THE PRESIDENCY

We closed out 2025 by solidifying a cycle that began in 2023, with a clear focus on efficiency, profitability, and disciplined execution. We moved from a period of rapid expansion to a more integrated, productive model geared toward creating long-term value.

This progress reflects the capture of synergies, the strengthening of our structures, and the intensive use of technology—especially artificial intelligence applications to optimize processes.

On the business front, we advanced key strategic initiatives. We signed a Memorandum of Understanding with NUPCO in Saudi Arabia, paving the way for technology collaboration and the international expansion of our Descarpack private-label brand. We also established a partnership with Siemens Healthineers as Master Dealer for the distribution of ultrasound equipment, strengthening our presence in medical devices and expanding access to high-precision diagnostics.

We continue to connect industry to the healthcare system across Brazil. In 2025, we served 3,435 hospitals, 126,734 clinics, and 412 health plan operators, supported by 1,876 employees. Our role is to ensure that medicines and hospital supplies arrive efficiently, safely, and with full traceability.

In sustainability, we moved forward by further embedding our ESG agenda into our business strategy. We remained committed to integrity, strong governance, responsible value-chain management, and environmental efficiency. We believe consistent financial performance goes hand in hand with social and environmental responsibility.

We will stay focused on expanding access to healthcare, strengthening strategic partnerships, and creating value for our shareholders, customers, employees, and society.

We thank our teams, partners, and investors for their trust and dedication throughout 2025. We will continue delivering on our purpose—opening more pathways to bring healthcare to millions of lives—with discipline, responsibility, and a results-driven mindset.

“We enter 2026 on a stronger foundation, with a financial structure aligned to our scale and a more efficient operating model.”





WE ARE ELFA

In this chapter

- Who we are and how we operate >
- Recent milestones and achievements of the group >
- Certifications and Recognitions >
- Strategy and Business Model >
- Commercial Intelligence and Systems Integration >
- Beyond Borders >
- Customer Experience and Service Level >
- Logistics and Operations Structure >
- Business Verticals >



WHO WE ARE AND HOW WE OPERATE

(GRI 2-1 | 2-2 | 2-6 | 2-7)

We are among Brazil's leading healthcare logistics and distribution networks, with more than 30 years of experience in the sector. We connect the pharmaceutical industry with hospitals, clinics, health plan operators, and other providers—ensuring access to products and solutions across the entire country.

We operate as a publicly traded corporation, with our corporate headquarters in São Paulo (SP). Since 2014, our controlling interest has been held by funds managed by Pátria Investimentos. Over this period, we executed a structured strategy of organic and inorganic growth that led to the integration of 21 companies and the expansion of our nationwide presence.

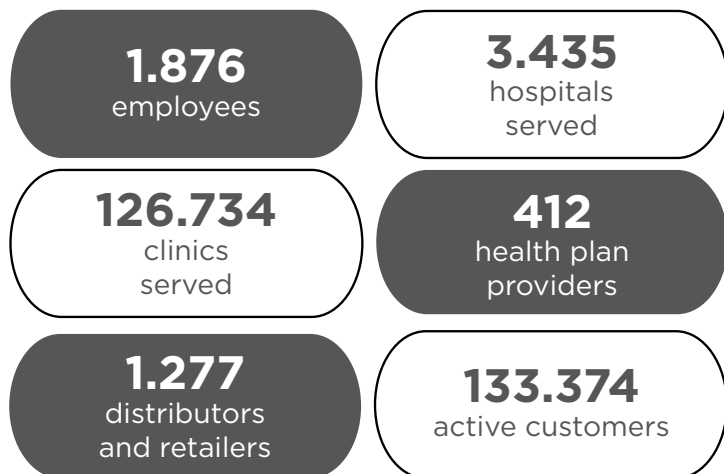
In recent years, we have moved from a cycle of expansion to a phase focused on consolidation and efficiency gains. We unified systems, standardized processes, and strengthened our corporate governance. Today, we operate as an integrated organization, with shared operational and cultural guidelines across all subsidiaries.

Our operations are organized into specialized verticals, Pharma, Medical and Medtech, Services, and Access, enabling dedicated technical and commercial support for different segments of healthcare. This structure is complemented by services that expand our value proposition, such as

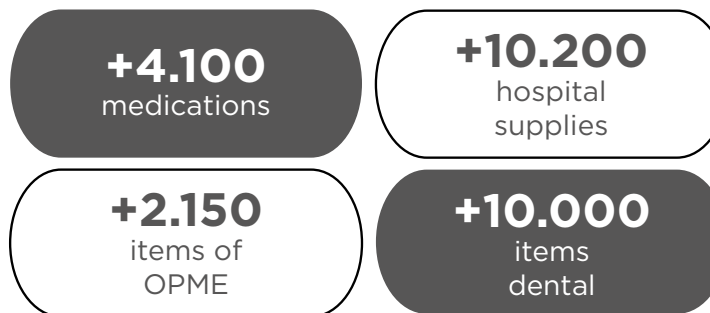
integrated management of hospital inventories and digital solutions powered by artificial intelligence—strengthening operational efficiency and strategic support for clients.

We guide our decisions with the purpose of opening more pathways to bring healthcare to millions of lives. Our work is grounded in integrity, credibility, collaboration, and a focus on results—pursuing operational efficiency and long-term value creation.

Our reach in 2025:



Portfolio including:

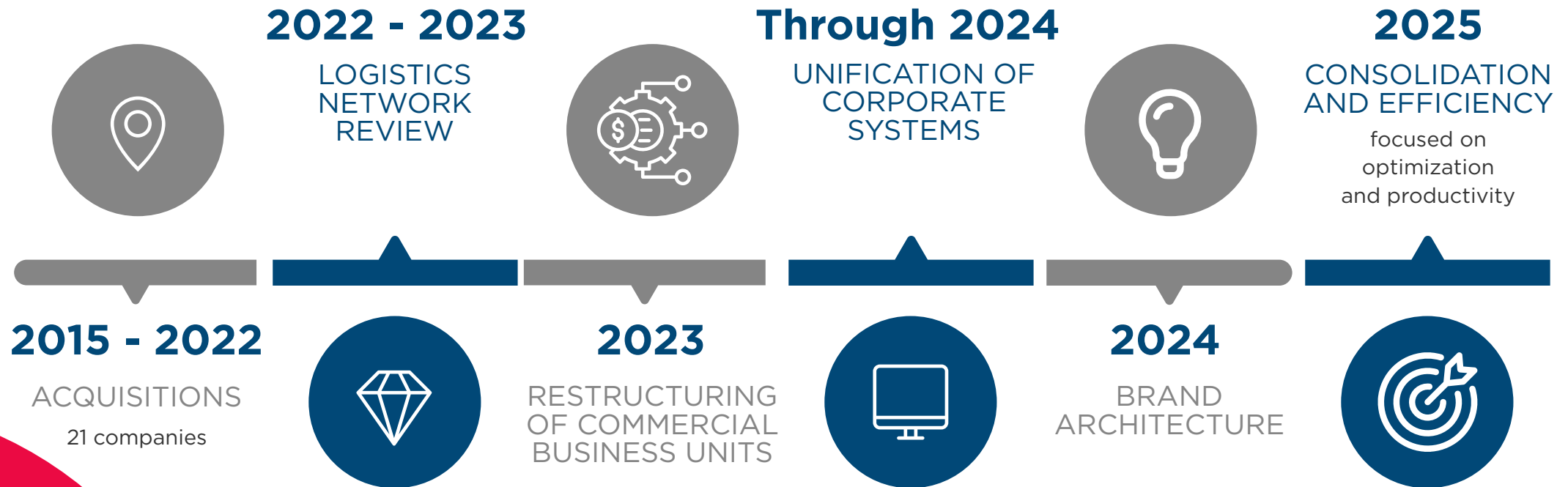




RECENT GROUP MILESTONES & ACHIEVEMENTS

(GRI 2-6 | 2-22)

The timeline below highlights the key milestones in Elfa Group's recent transformation, with a focus on the foundational initiatives of the past few years.





CERTIFICATIONS AND RECOGNITION

(GRI 2-5 | 2-16)

Throughout 2025, the Elfa Group received external recognition reflecting advances in governance, innovation capability, and operational efficiency—driven by stronger internal processes and greater strategic and organizational maturity.

These achievements highlight our operational discipline and the integration of innovation, efficiency, and social and environmental responsibility that guide and strengthen our work.



Finance & Law Summit and Awards 2026 Finalist



Award AEVO - Transformational Innovation



Época Negócios 360º Yearbook



Exame: Best and Biggest of 2025



Valor 1000



Valor Innovation Brazil 2025



Finalist in the Leaders League Compliance Awards



Smart Customer Award 2025



Danone Master Award



STRATEGY AND BUSINESS MODEL

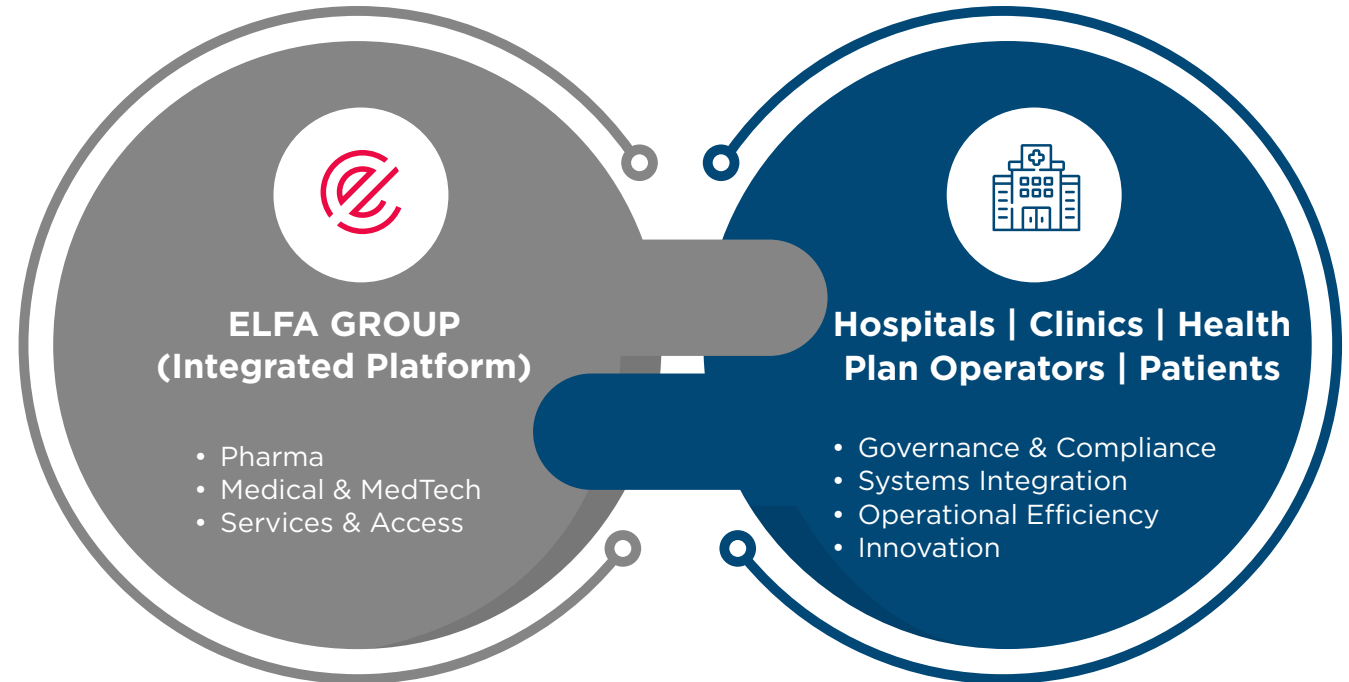
(GRI 2-6 | 2-22 | 3-3)

Elfa Group operates with an integrated, scalable business model designed to consistently create value across the healthcare value chain. We serve as a strategic link between manufacturers, healthcare providers, and patients—bringing together distribution, specialized services, and technology solutions on a nationwide, integrated platform. We have built a company grounded in capital discipline, rigorous governance, and an ongoing focus on operational efficiency and sustainable growth.

Our model is structured around three major fronts—Pharma; Medical and Medtech; and Services and Access—enabling technical specialization, commercial efficiency, and the capture of synergies. Our established presence in the dental segment, integrated with the other verticals, expands our reach and supports revenue diversification, strengthening our competitive edge in Brazil’s medical-hospital sector.

Our strategy execution is supported by nationwide scale, end-to-end systems integration, and centralized governance. Standardized processes, a single corporate data foundation, and technology integration provide predictability, traceability, and control across the value chain. This model balances growth and profitability, reinforcing our ability to adapt across different economic and regulatory cycles.

The strategy also includes higher value-added solutions, expanding our role beyond traditional distribution. Initiatives such as Elfa Care and the delivery of structured logistics services position the Group as a strategic partner to manufacturers and institutional customers, extending our presence throughout the care journey.





SALES INTELLIGENCE AND SYSTEM INTEGRATION

(GRI 3-3)

In 2025, we strengthened our Commercial Strategy Office, expanding our scope beyond data analysis to include commercial governance, sales force effectiveness, and a structured approach to variable compensation management.

Our digital strategy focused on boosting the sales team’s productivity by reducing operational tasks and reinforcing a consultative approach with customers. In 2025, digital solutions played major role in strengthening our sales performance. AI tools began automatically interpreting orders, optimizing quotes, and recommending commercial opportunities based on consumption history—bringing greater speed and scalability.

In addition, structured sales training programs and the strategic use of data helped ensure consistent execution across the country.

Commercial campaigns were run with financial discipline and clear return metrics. Incentive

programs for the sales team were designed with objective criteria, ensuring alignment between business growth and results delivered.

We closed the year with an integrated, data-driven commercial structure, supported by strong governance and a focus on profitability. Advancing commercial excellence reinforces our commitment to sustainable growth, financial discipline, and consistent value creation for customers, partners, and shareholders.

DIGITALIZATION

20% of sales
through digital solutions

R\$670MM
Digital Revenue

CAMPAIGNS

R\$200MM
FLD Generated

R\$178MM
New Agreements



COMMERCIAL INTELLIGENCE AND SYSTEMS INTEGRATION

(GRI 3-3)



Bringing together our corporate systems—ERP, CRM, and logistics platforms—removed duplication and created a single, unified data foundation for customers, products, and suppliers. The rollout of the corporate data lake established robust data governance with traceability, integrity, and standardization, enabling decisions based on consistent, auditable information. Master data management moved from a distributed approach across units to a centralized, controlled model.

This integration enabled foundational automation and reduced manual work in critical activities. Commercial financial, and logistics flows began operating under standardized

system rules, with segregation of duties and built-in audit trails.

The environment became more secure, more predictable, and better aligned with the healthcare sector’s regulatory requirements.

In 2025, we operate as a fully integrated company from both an operational and technology standpoint. This consolidated architecture makes it possible to adopt new digital solutions faster and with less risk, supporting scalability, control, and continuous innovation.



BEYOND BORDERS

(GRI 3-3)

Consolidation and Efficiency Across Brazil

In 2025, we focused our expansion strategy on operational efficiency and capturing synergies. After a cycle of inorganic growth, we prioritized structural simplification, reorganizing our Business Units, and consolidating our portfolio. We reshaped our operations around three core fronts (Pharma, Medical & Medtech, and Services & Access), strengthening technical expertise, profitability focus, and operational integration.

We also moved forward with a more targeted expansion of our portfolio, highlighted by our strategic partnership with Siemens Healthineers, which named us the brand's master dealer for distributing ultrasound equipment in Brazil. In the dental segment, we expanded our reach across the Southeast with the opening of Surya Dental's Distribution Center in Alphaville (SP), boosting regional competitiveness and shortening delivery times.

Global Frontiers: International Expansion Underway

2025 marked the start of a major agenda for the company. We signed a Memorandum of Understanding (MoU - Memorandum of Understanding) with the National Unified Procurement Company (NUPCO) of Saudi Arabia, effective for two years, providing for technical exchange and joint development of solutions for the Saudi supply chain. The agreement lays the groundwork for potential orders starting in 2026 and positions Elfa Group as a meaningful partner in the agenda for logistics efficiency and operational governance.

Our expansion, however, goes beyond geography—it also strengthens the solutions and services we deliver. Initiatives like Elfa Care reinforce our differentiation by bringing together logistics, technology, and in-home care, extending our role across the patient journey and solidifying Elfa Group as an integrated healthcare solutions platform.

DIMENSION	2025 INITIATIVE	STRATEGIC OBJECTIVE
Portfolio	<i>Master Dealer for Siemens Healthineers diagnostic medical equipment</i>	Technical differentiation
Dental	Memorandum of Understanding in the Middle East	Greater regional reach
International	Memorandum of Understanding in the Middle East	Entry into a new market
National	Patient Support Program (PSP) - Elfa Care	Expanded access to treatment and support throughout the patient journey





CUSTOMER EXPERIENCE AND SERVICE LEVEL

(GRI 2-6, 303)

Customer experience is a strategic priority for the Elfa Group and is directly tied to operational performance and the governance of the services we deliver. In 2025, we strengthened an integrated approach to managing the customer journey, bringing together perception indicators and operational metrics to ensure alignment between service quality and delivery execution efficiency.

The primary perception indicator is the Net Promoter Score (NPS), a global metric that measures how likely customers are to recommend the company. **In 2025, we posted an annual average of 85.4 points**, beating both the 2024 result (78.6) and the target set for the period (73.0), with more than 25,000 respondents throughout the year. Leadership reviews the indicator monthly and cascades it to operational and commercial teams, engaging the areas that most directly shape the customer journey—such as transportation, sales, e-commerce, and finance.

Customer experience management is structured around three complementary fronts: commercial relationships, experience governance and after-sales, and retention and value-creation initiatives. In 2025, we reinforced the shift to a structured, data-driven model, analyzing feedback by region, customer profile, and root cause.

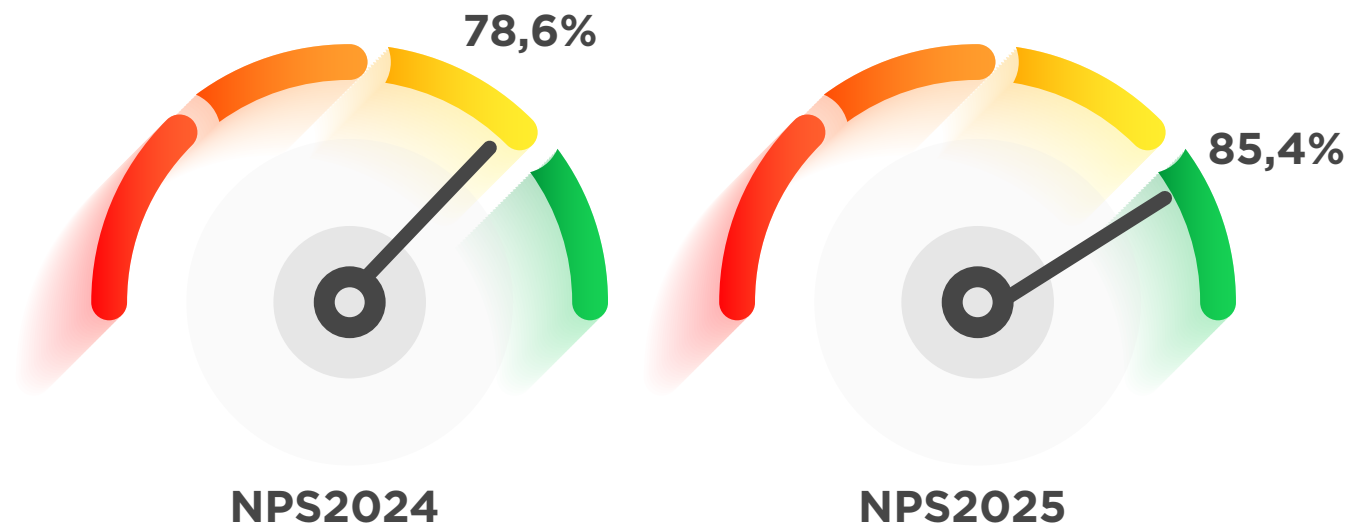
Results by operating model remained above the established targets. **Delivery operations recorded an NPS of 95.2 points, the dental segment reached 86.1 points, and the medical supplies and pharmaceuticals area achieved 79.4 points.** Active listening highlighted meaningful patterns: in the corporate market, relationship stability and breadth of portfolio stand out; in direct-to-consumer sales, speed and the convenience of e-commerce are the most valued factors.

To complement perception indicators, the Elfa Group tracks operational metrics that reflect the quality of service delivered. **The on-time delivery indicator (OTD - On Time Delivery) closed 2025 at 89.5%**, an increase of 1 percentage point versus 2024. Over the year, more than 164,000 invoices were monitored, using standardized measurement and monthly validation of results.

Internal operating performance reached 91.48%, while transportation posted 93.52% on-time performance. By region, the South (91.77%) and Central-West (91.01%) regions stood out. With

18 Distribution Centers supported by a logistics control tower, the structure enables continuous delivery monitoring and proactive action to address any potential deviations.

By bringing together perception indicators and operational performance, Elfa Group reinforces a model in which the customer experience is shaped by the combination of strong relationships, logistics efficiency, and reliable service delivery to the healthcare system.





LOGISTICS & OPERATIONS STRUCTURE

(GRI 2-6 | 303)

We closed out 2025 with a well-established logistics footprint, shaped by a cycle of integration and streamlining. Between 2023 and 2024, we optimized our network from 40 to 22 Distribution Centers and, in 2025, moved further to 18 sites. This reorganization removed redundancies, increased operating density, and lowered cost-to-serve—while preserving nationwide coverage and maintaining delivery lead times of D+1 in state capitals and D+2 across the country’s other regions.

Standardization across our Distribution Centers was implemented through the Operational Excellence Program (PEO), which set a single leadership model, performance monitoring routines, and recurring internal audits.

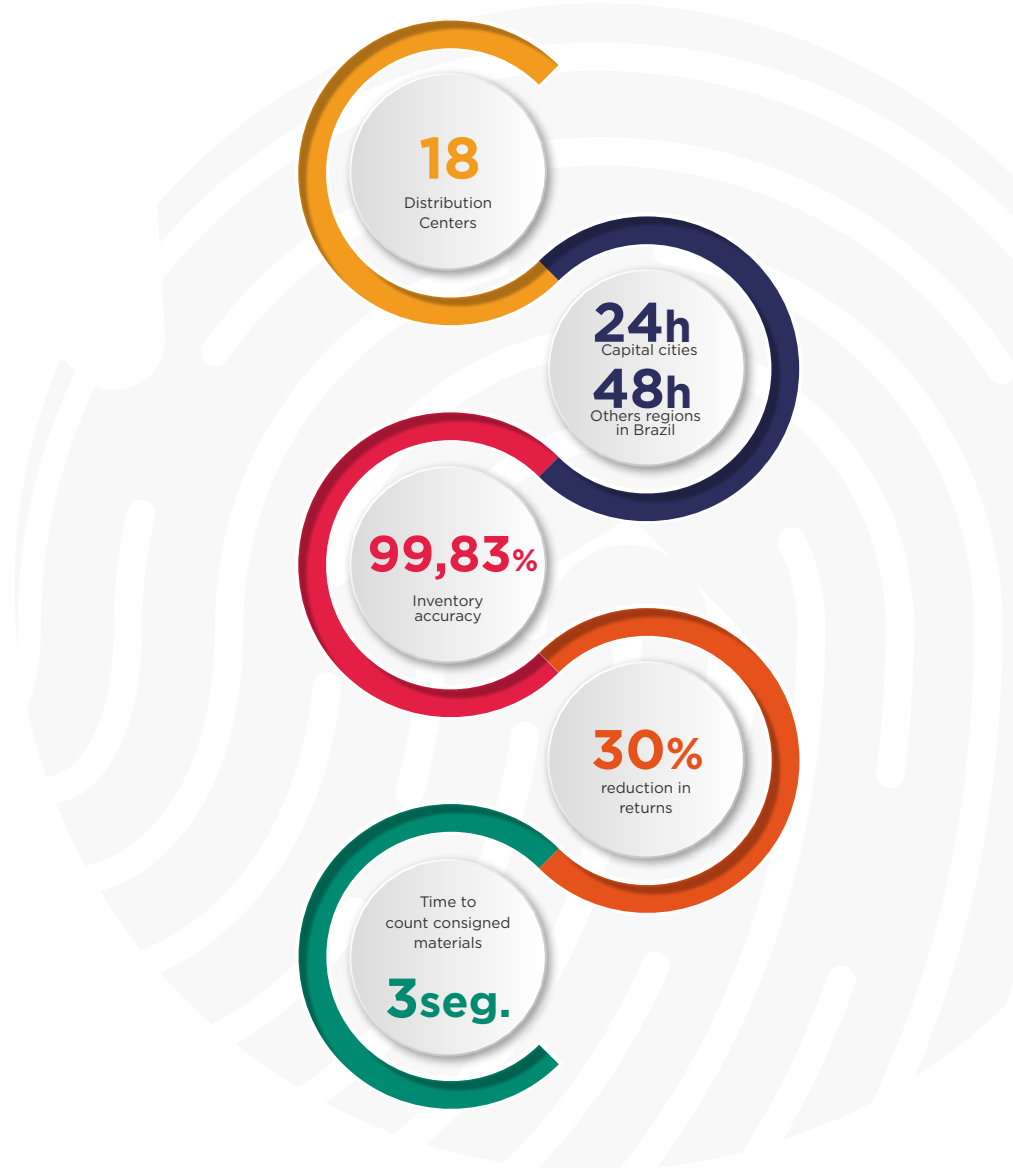
Inventory accuracy reached 99.83%, reflecting strong operating discipline and the continued consolidation of corporate system integration completed in recent years. In transportation, we ran two structured bid processes to select logistics partners, reducing the supplier base and raising the technical and contractual standards of our operations.

We also formally put in place the integrated sales and operations planning process, linking commercial forecasts, purchasing, and inventory management.

Indirect procurement was centralized to gain scale and strengthen oversight, while direct procurement was reorganized by business unit, with clearer criteria for margin, turnover, and inventory levels.

Innovation became a direct driver of operational efficiency. We implemented RFID (radio-frequency identification) technology to manage consigned materials, cutting count time from 30 minutes to three seconds. Through partnerships, we strengthened our transportation control tower, expanding delivery visibility and predictability. Projects using artificial intelligence began supporting the prevention of inventory discrepancies and the real-time identification of operating patterns.

This cycle enabled us to end the year with a leaner, more integrated structure, stronger governance, and consolidated metrics—guided by quality, safety, and continuous improvement—reinforcing the Elfa Group’s logistics operation as a competitive advantage for value creation.





LOGISTICS AND OPERATIONS STRUCTURE

(GRI 2-6 | 303)

Northeast Region:

- Cabo de Santo Agostinho - PE 🏠
- Fortaleza - CE 🏠
- João Pessoa - PB 🏠 🚚 🏢
- Maracanaú - CE 🏠
- Simões Filho - BA 🏠
- Teresina - PI 🏠

Central-West Region:

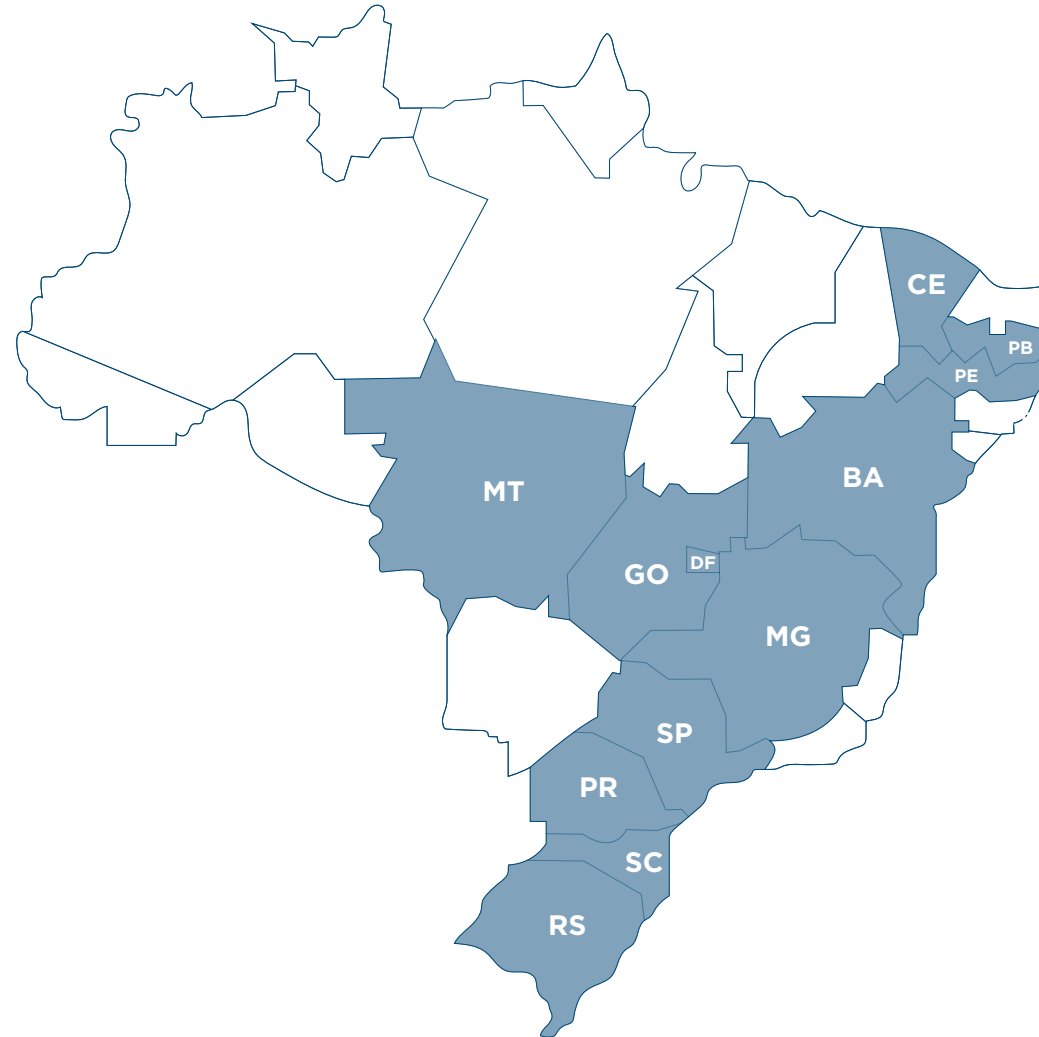
- Brasília - DF 🏠 🚚
- Cuiabá - MT 🏠 🚚
- Goiânia - GO 🏠 🚚

Southeast Region:

- Belo Horizonte - MG 🏠
- Contagem - MG 🏠
- Embu das Artes - SP 🏠
- Ribeirão Preto - SP 🏠
- Santana de Parnaíba - SP 🏠
- São Paulo - SP 🏠 🚚 🏢
- Sumaré - SP 🏠

Southern Region:

- Chapecó - SC 🏠
- Curitiba - PR 🚚
- Ilhota - SC 🏠
- Londrina - PR 🚚
- Maringá - PR 🏠 🚚
- Palhoça - SC 🏠
- Pinhais - PR 🏠
- Porto Alegre - RS 🏠
- Florianópolis - SC 🚚





BUSINESS VERTICALS

(GRI 3-3)

Pharma

In 2025, medication distribution remained Elfa Group’s core business, accounting for approximately 75% of revenue and 60% of the company’s gross profit. Throughout the year, we reinforced our strategic decision to prioritize revenue quality and profitability over volume. We reviewed contracts, refined our portfolio, and allocated capital toward higher-return sales, strengthening our commitment to be Brazil’s leading healthcare distributor.

We serve hospitals, clinics, health insurers, the public sector, and specialized channels, in addition to our home-access model. In 2025, we expanded this service so that, for certain therapies, medications can be administered with assistance in the patient’s home. This advancement helps prevent treatment interruptions, reduces unnecessary travel, and links logistics efficiency with effective patient care—especially in oncology and chronic diseases.

Commercial digitalization moved forward in a tangible way. Most sales now rely on artificial intelligence to read orders, structure quotes, and support pricing. Using agents such as CotAI increased the speed of processing requests received via email, spreadsheets, and other digital formats, while also supporting credit checks and logistics availability. As a result, among other benefits, we saw higher productivity in the sales team, less rework, and greater consistency in margin formation.

We maintained strict discipline over invested capital, especially inventory. We strengthened routines to monitor turnover, expiration dates, and exposure to regulatory risk, achieving an approximately 30% improvement in internal inventory-quality indicators over the period, enhancing return on invested capital (ROIC - Return on Invested Capital) which continues to be closely monitored.

We closed 2025 with a more integrated commercial organization, more automated processes, and greater operational predictability. For 2026, we will prioritize disciplined, high-quality portfolio expansion, while maintaining financial rigor and a focus on efficiency. Medication distribution remains the primary way we connect manufacturers and the healthcare system, ensuring that medicines—especially high-complexity therapies—reach different parts of the country safely, with traceability and consistent supply.





BUSINESS VERTICALS

Medical & Medtech

In 2025, our materials and equipment distribution vertical strengthened its position as a high-value strategic pillar for the Elfa Group. More than a distribution operation, it serves as an integrated solutions platform connecting manufacturers with Brazilian hospitals and patients. For the company, this business delivers strong margins, boosting profitability and expanding diversification across the corporate portfolio.

Our proprietary brand, Descarpack, reinforced its leadership in the hospital disposables market, averaging 150 containers moved per month and supplying an estimated -20% of the procedure gloves used in Brazil. The operation combines scale, technical accountability, and rigorous quality control, including certifications and an in-house testing lab. Its public-health relevance is significant, helping protect both healthcare professionals and patients.

In high-complexity care, the business relies on specialists working directly in the field—inside operating rooms—providing real-time technical support for procedures ranging from general surgery to advanced specialties. The consignment model ensures immediate availability of critical supplies, reducing the risk of cancellations and delays. Partnerships with the market’s leading players position the Elfa Group as a key distributor in Brazil, while we continue to expand nationwide through the sale of high-technology equipment.

The vertical also moved forward with operational innovation. Expanding the use of RFID in consignment management enabled end-to-end traceability, reduced manual counts, and accelerated billing. In Clinical Nutrition, the Allergy Program in Ceará—where we are a partner—made it possible to ensure continuous access to essential nutritional formulas for children with severe dietary restrictions, strengthening the operation’s social impact.





BUSINESS VERTICALS



Descarpack

(GRI 3-3 | 2-6 | 416-1 | 306-2 | 308-2)

The model is primarily import-based, with in-house production of select items in Santa Catarina. The operation moves about 150 containers per month and supplies roughly 20% of the procedure gloves used in Brazil—underscoring its public-health importance and nationwide scale.

Quality is a core pillar of the strategy. The business maintains a technical structure dedicated to testing and qualification, supported by strict statistical controls and strong document governance. Descarpack has no record of regulatory restrictions, reinforcing consistency and trust in the hospital market.

We closed 2025 fully integrated, preserving brand identity while boosting efficiency under unified governance. For 2026, the strategy calls for new product launches and double-digit growth.

Surya Dental

(GRI 3-3 | 2-6 | 203-2)

Surya Dental operates in a highly fragmented dental market, serving clinics nationwide with a portfolio of more than 28,000 SKUs. This scale demands sophisticated inventory management and strong systems integration to ensure product availability and reliable forecasting.

In 2025, the company solidified its position as the country’s largest dental products e-commerce platform and took a major step forward with the opening of its Distribution Center in Alphaville (SP). It became the first major player in the segment with a fully structured base in the state, cutting delivery times to D+1 in the Southeast and D+3/D+4 in other regions—boosting competitiveness and strengthening service levels nationwide.

The digital strategy also gained momentum, with e-commerce accounting for about 25% of sales and the Dental Sales Force app integrating real-time information to drive greater efficiency.

For 2026, the strategy calls for expanding Surya’s presence in the South and Southeast and reinforcing national leadership in disposables and hospital technical solutions.



BUSINESS VERTICALS



Services & Access (GRI 2-6 | 303 | 302-4)

The Services business, which includes Access, represents for Elfa Group an evolution of how we operate: we've moved beyond being only distributors to becoming providers of high value-added services in the healthcare sector. Backed by a modern, nationwide logistics network with extensive reach, we reinforce our mission to bring treatment closer and closer to patients—expanding impact and improving efficiency across the healthcare chain.

Throughout the year, we organized our deliveries around a few core pillars. The first, through Elfa Services and Logistics, enabled us to bring to the market the operational excellence we've built over decades. Through tailored solutions, we directly support pharmaceutical manufacturers and health

plan operators, offering a broad range of inventory, warehousing, and storeroom management services—ensuring efficiency and compliance with local regulations.

At the same time, our Access offering reinforces the company's purpose: expanding pathways to bring healthcare to millions of lives—and a belief we stand by: logistics is also care. Through home delivery of complex medications, we provide comfort, safety, and dignity for patients who no longer need to make long trips to pick up their medication.



BUSINESS VERTICALS

Elfa Care

(GRI 3-3 | 2-6 | 416-1)

Elfa Care is Elfa Group’s Patient Support Program (PSP), representing the next step beyond the traditional delivery-and-mediation model between health plans and patients—toward a structured, home-based care solution. Integrated into Elfa Group’s Services business, the program brings together health insurers, the pharmaceutical industry, specialized logistics, and care professionals in a coordinated, Fully traceable care journey.

The model goes beyond dispensing medications. Elfa Care provides home delivery with handling supported by qualified nursing professionals, ensuring clinical safety, treatment adherence, and fewer unnecessary trips—especially for oncology patients and people living with rare, chronic conditions. This human-centered, personalized approach strengthens the patient experience and supports better treatment outcomes.

The operation is supported by integrated systems—including ERP, WMS, and CRM—enabling end-to-end traceability from picking at the Distribution Center through the moment of administration. This integration ensures regulatory oversight, operational accuracy, and visibility for every link in the care chain.

Elfa Care has been steadily establishing itself as a strategic bridge between Elfa Group’s B2B model and direct care for the end patient. By bringing together technology, logistics, and clinical support, the program strengthens the company’s role as an active driver of expanded access to healthcare—delivered with safety, efficiency, and a patient-first focus.





GOVERNANCE

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- Operational Resilience & Business Continuity >
- Supplier Management >
- Quality Management: Care at Every Step >
- Cybersecurity >





COMMITTEES

(GRI 2-9 | 2-10 | 2-11 | 2-12 | 2-13 | 2-18)



Audit Committee

Oversees financial statements, internal controls, and regulatory compliance. Reports directly to the Board and monitors internal and external audits, ensuring the independence and reliability of information.

Ethics and Compliance

Strengthens the culture of integrity and oversees the Compliance Program. Reviews and decides on critical cases reported through the Confidential Channel, updates conduct policies, and ensures compliance with anti-corruption laws. In 2025, it maintained ISO 37001 certification and further strengthened the function's credibility within the industry.

Risk Management and Compliance Committee

Leads the integrated management of corporate risks—operational, regulatory, financial, and reputational. Validates the risk matrix, tracks mitigation plans, and meets quarterly for structured reviews, with monthly monitoring.

People and Compensation Committee

Discusses strategies to attract, retain, and develop talent, while also validating policies for variable compensation, succession planning, and ESG initiatives. It also tracks diversity goals, culture, and long-term organizational performance.

Innovation and Digital Transformation Committee

Guides the company's technology strategy by evaluating investments in digitization, automation, and innovation, aiming to align technology with operational efficiency and the experience of customers and partners.



GOVERNANCE & LEADERSHIP STRUCTURE

(GRI 2-9 | 2-10 | 2-11)

Elfa Group’s corporate governance model is designed to ensure transparency, alignment, and efficient decision-making. The Board of Directors serves as the highest oversight body, setting strategic direction, approving corporate policies, and monitoring the execution of long-term plans.

The Board’s biennial self-assessment enables ongoing monitoring of its oversight of economic, environmental, and social impacts. To date, the assessments conducted have confirmed that the current structure is appropriate and effective.

The Company’s Board is made up of seven members, elected through the next Annual General Meeting. Among them,

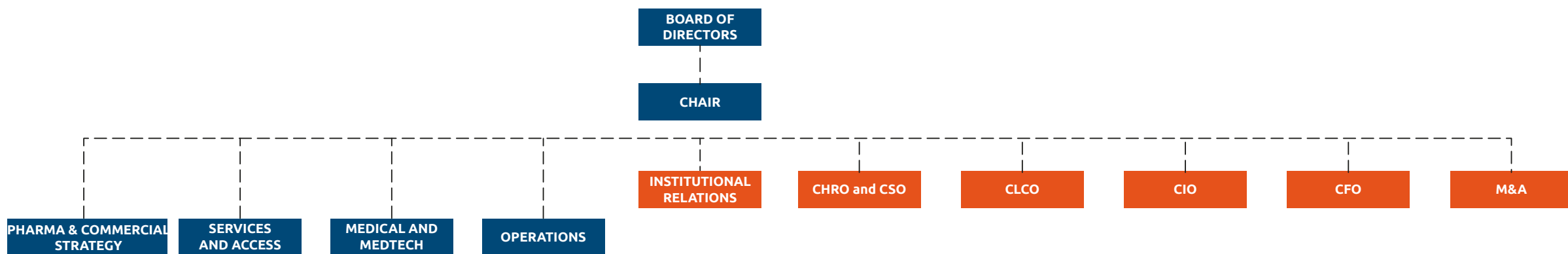
two are independent, supporting greater balance and impartiality in deliberations. The Board also includes two women, reinforcing its commitment to diversity.

The Board Chair is held by a professional who does not perform an executive role. With a two-year term, their leadership is shaped by extensive experience at major companies in the healthcare sector.

Board members are nominated by shareholders and elected at the General Meeting, in accordance with the Shareholders’ Agreement. Committee members, in turn, are nominated by the Directors themselves and formally appointed by the Board of

Directors. Key selection criteria include: technical expertise that is relevant, the ability to actively contribute to decisions, and a strong commitment to fulfilling responsibilities. In situations involving a potential conflict with the controlling shareholder, matters are deliberated exclusively by the independent members.

The executive structure, led by Elfa Group’s CEO, turns strategic direction into coordinated execution. This integrated approach helps balance financial performance, compliance, organizational culture, digital transformation, and sustainability.





ETHICS AND CONDUCT

(GRI 2-25 | 2-26 | 2-27)

At Elfa Group, ethics are treated as an everyday practice and a non-negotiable business requirement. The value “Integrity in Relationships” guides decisions and behavior, ensuring that every interaction with the market and the healthcare value chain is carried out with responsibility, respect, and transparency—without compromising people’s access to treatment.

The Code of Conduct sets clear standards of behavior for employees and third parties, including preventing conflicts of interest, fighting fraud and corruption, complying with applicable laws and industry regulations, and maintaining zero tolerance for harassment and discrimination. These principles are reinforced through ongoing communication and training, supporting consistent adoption and day-to-day application.

The Confidential Channel, operated by an independent company, ensures anonymity, protection against retaliation, and impartial handling of all reports received. Cases are reviewed through a structured process, with referrals and disciplinary actions when applicable, strengthening the system’s credibility and employees’ trust.

Ethical conduct also extends across the value chain. Suppliers and partners are guided by formal integrity requirements and specific guidelines, reinforcing Elfa Group’s commitment to responsible relationships and consistent standards throughout its operations.





COMPLIANCE

(GRI 2-15 | 3-3 | 205-1 | 205-2 | 205-3 | 2-25)

The Compliance culture at Elfa Group is seen as a direct expression of the value “Integrity in Relationships” and as a competitive differentiator. This commitment guides ethical, responsible decision-making at every stage of the Group’s work—especially given its role in the healthcare value chain and the direct impact its operations have on quality of care and patients’ lives.

The coordinated work of the Ethics, Risk, People and Compensation, and Audit committees—reporting to the Board of Directors and supported by independent members—strengthens transparency in decision-making.

Elfa Group maintained its ISO 37001 certification— Anti-Bribery Management System—reinforcing controls and a culture focused on preventing unlawful practices.

Internally, our culture of integrity was strengthened through education and communication initiatives, driving strong participation across the Compliance learning path. Practical content, such as the web series based

on anonymized real-life cases and themed forums, reinforced each employee’s ownership in preventing misconduct and in building a safe environment.

Integrity efforts also extended across the value chain. Through the supplier management platform, more than 1,200 suppliers went through qualification and due diligence, reducing reputational and compliance risks. Ongoing monitoring reviewed samples of critical processes and enabled preventive corrections. In 2025, data protection governance advanced with the integration of the LGPD into the Compliance leadership team and the strengthening of Data Loss Prevention controls, raising security levels and privacy protection.

“In 2025, the function’s credibility was also reflected in external recognition, with a spot among the finalists of the Leaders League in the Healthcare segment, reinforcing our institutional positioning.”





RISK MANAGEMENT & GOVERNANCE

(GRI 2-12 | 2-13 | 2-16 | 2-24 | 2-25 | 2-26 | 205-1)

At Elfa Group, managing risk means protecting lives. In a vital field like healthcare, anticipating scenarios, setting clear boundaries, and building rapid-response plans are part of our commitment to patients, partners, and society. In 2025, the company cemented its shift from a traditional control model to an integrated strategic risk management approach, positioning risk management as direct support for decision-making.

Oversight takes place at the highest level of governance. The Board of Directors plays a central role in defining Risk Appetite and monitoring compliance with established guidelines. The Strategic Risk Committee—made up of independent members and company executives—serves as a standing advisory body, assessing reputational, financial, operational, and compliance exposures.

One of the year’s key milestones was the consolidation of the **“Living Risk Matrix,”** a dynamic tool that enables continuous monitoring, prioritization, and a structured review of action plans. The 2025 cycle began with approximately 200 risks mapped and concluded with 56 active risks, reflecting the disciplined work of risk owners and the systematic tracking of critical indicators.

The approval of the Risk Appetite Policy further strengthened governance by setting objective criteria to classify risks as intolerable, risk-averse, transferable, or tolerable. This framework balances growth with prudence, ensuring strategic decisions align with the company’s best interests, long-term business continuity, and reputational protection.

Recurring internal and external audits, monitoring of key metrics, and structured reporting to the Board reinforce a culture where risk is not treated as an exception, but as a permanent part of the strategy.

RISK CLASSIFICATION & ACTIONS





OPERATIONAL RESILIENCE AND BUSINESS CONTINUITY

(GRI 2-12 | 2-13 | 2-16 | 2-24 | 201-2 | 205-1)

In healthcare, business continuity is more than efficiency—it’s a responsibility to protect lives. In 2025, Elfa Group strengthened mechanisms that ensure operational stability, crisis-response readiness, and the safeguarding of its institutional reputation.

The Crisis Management Policy was reviewed and enhanced, establishing clear protocols to identify, escalate, and address operational, reputational, regulatory, and compliance incidents. The framework defines responsibilities, activation levels, and a structured communication flow with senior leadership and the Board of Directors, ensuring timely decisions aligned with corporate governance.

The Crisis Management Committee works in a coordinated manner, conducting drills, carrying out periodic reviews, and tracking action plans. This approach ensures that potential critical events are handled with technical rigor, transparency, and a focus on reducing financial, operational, and reputational impacts.

Within the strategic risk framework, external events that could affect logistics chains, infrastructure, regulation, and market dynamics are monitored on an ongoing basis. Among these factors, risks tied to regulatory and environmental shifts have been formally added to the corporate radar

and are assessed through a strategic and financial impact lens. The technical deep dive into these areas is addressed specifically within the company’s environmental agenda.

Operational strength is also supported by regular internal and external audits, maintaining insurance coverage appropriate to the operations, and monitoring indicators that can flag deviations before they turn into structural crises. Events with potentially significant impact are reported directly to the Board, reinforcing accountability and a culture of transparency.

With this continuity structure now firmly in place, Elfa Group underscores that sustained growth depends on predictability, disciplined execution, and ongoing readiness for adverse scenarios—reinforcing its commitment to all stakeholders.





SUPPLIER MANAGEMENT

(GRI2-6, 3-3, 308-1)

Elfa Group operates a supply chain supported by strategic partners in Asia and major multinational pharmaceutical and materials manufacturers. This structure calls for technical rigor, strong governance, and ongoing monitoring to ensure every link meets the highest standards of quality, ethics, and health safety. Supplier management is treated as a cornerstone of long-term business continuity and the protection of the company's reputation.

New partners are onboarded through structured qualification criteria, including document, tax, financial, and compliance reviews. The qualification platform automates key steps and ensures consistency, while strategic suppliers undergo detailed due diligence. Each year, more than a thousand partners are assessed, strengthening the resilience and transparency of the supply chain.

Business relationships are guided by the Supplier Code of Conduct, which sets clear commitments on human rights, and prohibits child labor or any practices comparable to forced labor, as well as requiring anti-corruption measures and

environmental responsibility. Formal acceptance is mandatory and built into contractual documents. In 2025, engagement with the partner ecosystem was expanded through dedicated initiatives, strengthening cultural alignment and the sharing of best practices.

Supply-chain risk management is supported by a supplier diversification policy for critical items, reducing purchasing concentration and lowering the risk of shortages. Category-based purchasing planning increases predictability and sets strategies, while ongoing supplier monitoring applies ESG criteria that are now consistently integrated into third-party assessments. In doing so, Elfa Group reinforces a resilient, ethical supply chain ready to support responsible growth.



QUALITY MANAGEMENT: CARE AT EVERY STEP

(GRI 3-3)

In a sector where mistakes aren't an option, quality is inseparable from Elfa Group's commitment to life. In 2025, the Quality Management System served as the backbone of operations, ensuring that medicines, medical devices, and hospital supplies were stored, transported, and distributed with technical rigor, full traceability, and regulatory compliance. Quality is not only a legal requirement—it's an operational value.

Operations are guided by the Good Practices Manual for Storage, Distribution, and Transportation, aligned with current health regulations and applicable certifications. Temperature and humidity control for thermosensitive items, together with traceability, protect product integrity through final delivery. Nonconformity management is structured through corrective and preventive action plans (CAPA), strengthening continuous improvement and preventing repeat issues.

In the Descarpack business, quality plays an even more strategic role. With two in-house labs operating for over 15 years, the company runs its own tests even when products arrive with manufacturers' reports. Equipment comparable to what leading laboratories use provides an extra layer of performance verification, structured statistical sampling, and a fast response to requests from Customer Service—a model that makes quality a competitive advantage.

The approval process for international suppliers follows rigorous technical criteria, including document review, lab testing, inspections, and, when needed, on-site visits. Products subject to mandatory certifications are monitored periodically based on criticality. In parallel, annual internal audits begin with self-inspections and are then validated by an independent Quality team, ensuring objectivity and adherence to corporate standards.

People development underpins the entire process. Initiatives such as Quality Week and the Operational Excellence Program strengthen standardization, discipline, and a culture of continuous improvement across all sites. The external recognition received in 2025 confirms that operational excellence is embedded in the regulatory responsibility that defines Elfa Group.





CYBERSECURITY

(GRI 3-3, 418-1)



In an increasingly digital, connected, and autonomous world, protecting data is essential. In 2025, Elfa Group strengthened safeguards across its environment to maintain the trust of patients/customers, partners, and employees—bringing together governance, technology, and culture as the core pillars of information security.

Privacy governance became more robust with the integration of the LGPD workstream into the Legal and Compliance Directorate, strengthening coordination between regulatory compliance and technical security. The data protection officer’s work, together with a multidisciplinary committee, ensured structured routines for prevention, response, and continuous improvement—maintaining a consistent focus on risk, accountability, and transparency.

Throughout 2025, a significant number of blocked intrusion attempts and reviewed security events were recorded, highlighting stronger capabilities for threat detection, response, and proactive mitigation. These initiatives had no direct operational impact on the business, yet they meaningfully reduced exposure to cyber risk and increased the maturity of security controls and standardized information-protection best practices.

Maturity advanced with the adoption of recognized frameworks for risk management in cloud computing environments and security controls, supported by internal targets tracked annually. For practical validation, a cycle of security testing—known as controlled intrusion testing (penetration tests)—was conducted, with defined targets and severity ratings, and full mitigation of the remediation plan recorded in internal controls.

Awareness campaigns, mandatory training, and simulations reinforced secure day-to-day behaviors. **As a result, Elfa Group reported zero data leaks in 2025**, strengthening trust among clients, partners, and employees and supporting the planned evolution, such as the gradual adoption of the security model known as Zero Trust, based on the principle of “never automatically trust and always verify.”

ESG STRATEGY

In this chapter:

ESG Strategy and Impact Governance ▶

Materiality ▶

ESG Governance and Reporting Process ▶



ESG STRATEGY AND IMPACT GOVERNANCE

(GRI 2-13, 2-29)

Elfa Group’s ESG agenda is managed as a value-creation strategy—not as a set of stand-alone initiatives. The company has a robust governance structure, with regular tracking of critical indicators, public ambitions for 2030, and direct engagement with senior leadership and investors. Oversight takes place at both the executive and Board levels, ensuring alignment across ambition, execution, and accountability.

The strategy is built on clear long-term goals, linked to the Sustainable Development Goals (SDGs) and translated into KPIs that are tracked on a recurring basis. Monitoring covers social, environmental, and governance indicators, consolidated into executive dashboards that

provide an integrated view of performance, risk, and impact.

In the Social pillar, key foundational goals include increasing women’s representation in leadership roles (45% target by 2030), supported by detailed indicators spanning hiring, development, internal moves, promotions, and racial diversity. The maturity of the monitoring enables analysis by role, region, age group, and month-over-month progress— ensuring data-driven decisions.

In the Environmental pillar, indicators cover the energy transition, emissions neutralization, fleet decarbonization, the GHG Protocol

inventory, and waste management. This enables the company to already operate with 68% of sites using renewable energy, keep 100% of Scope 1 and 2 emissions offset annually, and significantly reduce direct fleet emissions. Monitoring is continuous and integrated into financial planning.

In the Governance pillar, indicators include the rate of substantiated reports (0.05% in 2025, below the 1% target), the integration of ESG goals into leadership variable compensation and the maintenance of certifications and seals. Management demonstrates discipline, control, and traceability of the reported data.

This structure reflects an advanced level of maturity: formalized goals, auditable indicators, dashboards for executives, integration with variable compensation, and systematic leadership oversight. Elfa Group’s ESG agenda is institutionalized and tied to the corporate strategy—an essential condition to deliver real, lasting impact through 2030.

ESG GOALS AND COMMITMENTS									
Dimension	Ambition Description – SDGs	KPI 2024	2030 Target	2024 Target	YTD	KPI 2025	2030 Target	2025 Target	YTD
Environmental	Meet 100% of electricity demand with renewable sources by 2030 Migrate sites to	Migrate sites to the deregulated energy market	100%	100%	100%	% of sites with electricity demand met by renewable sources	100%	72%	68%
	Neutralize Scope 1 and 2 CO ₂ emissions by 2030 and further expand analysis of Scope 3	Purchase I-RECs to offset Scope 2	100%	100%	100%	Purchase I-RECs to offset Scope 2	100%	100%	100%
Social	Reach at least 45% women in leadership by 2030	% of women in leadership roles	45%	41%	48%	% of women in leadership roles – Strategic Level	-	20%	20%
Governance	Link ESG metrics to executive bonuses and profit-sharing (PLR) by 2023	Define ESG metrics as a Collective Target	100%	100%	100%	Define ESG metrics as a Collective Target	100%	100%	100%





MATERIALITY

(GRI 2-14, 3-1)

At Elfa Group, we believe sustainability is built on a clear understanding of the impacts we create and on strategically prioritizing the topics that most influence our business and society. Materiality is the tool that guides this journey, ensuring our decisions stay connected to the most relevant risks, opportunities, and responsibilities tied to our role in the healthcare value chain.

The structured process to identify material topics was carried out in prior cycles through interviews, workshops and consultations with different stakeholder groups, including employees, customers, suppliers, investors, and senior leadership. The methodology followed an impact materiality approach, prioritizing topics with the greatest potential to generate environmental, social, economic, and governance effects. The final list was validated by the Board of Directors, ensuring strategic alignment.

For the 2025 reporting cycle, no new field research was conducted. Our internal assessment indicated that the material topics previously identified remain aligned with the current business context, the regulatory environment, and stakeholders' expectations. This decision preserves historical consistency and enables comparison of indicators over time.

What we did in 2025 was a strategic prioritization exercise within the already defined set of material topics, placing greater focus on those with a direct impact on the company's current strategy. This prioritization reflects the period's cultural consolidation, stronger governance, and accelerated technology adoption experienced by Elfa Group.

MATERIAL TOPICS	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
Affordable healthcare for all			●														
Human rights, diversity, and inclusion					●					●							●
Employee engagement and development				●				●									
Greenhouse gas emissions and climate change							●						●				
Energy management							●					●	●				
Waste management and product life cycle											●	●		●	●		
Anti-corruption, compliance and ethics																	●
Supplier chain management								●				●					●
Data security and privacy									●								●
Business model resilience and innovation							●	●					●				

These topics shape the chapters of this report and guide goals, indicators, and public commitments through 2030.

Elfa Group is already planning the methodological evolution of the next materiality cycle, taking into account regulatory trends, emerging international standards, and changes in the healthcare sector landscape.



ESG GOVERNANCE AND REPORTING PROCESS

(GRI 2-12 | 2-13 | 2-14 | 2-18)

Our sustainability ambitions and targets are embedded in Elfa Group’s strategy and were shaped with support from specialized advisors and senior executive leadership. In 2025, the Board of Directors formally approved this agenda within the corporate governance framework, strengthening the organization’s commitment to environmental, social, and governance (ESG) priorities.

Ongoing, active engagement with stakeholders directly informs how this agenda evolves. Insights gathered throughout the year are reviewed and built into action plans, keeping us aligned with the expectations of the market, customers, and society. Twice a year, executives present the Board with updates on ESG initiatives and their operational impacts.

The Board also regularly monitors the previously validated material topics, receiving periodic updates on indicators and ongoing projects. Before publication, the Sustainability Report goes through

a formal governance review process. The ESG team coordinates data collection and technical validation, ensuring alignment with the GRI Standards. Responsible areas validate metrics and appendices, Corporate Communications conducts the editorial review, the People & Management and ESG Executive Office (CSO/CHRO) leads executive validation, and, finally, the Board of Directors reviews and approves the final version. Only after this decision is the report authorized for public release.

This structured process ensures the integrity, consistency, and transparency of the information reported.



RESULTS

In this chapter:

- Focus on profitability and cash generation ▶
- Technology and innovation: smart solutions for greater efficiency ▶
- Internal innovation: Elfa Ideas ▶



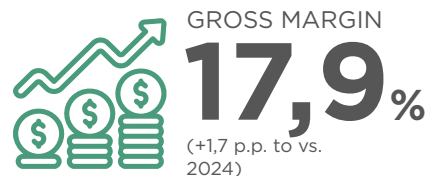
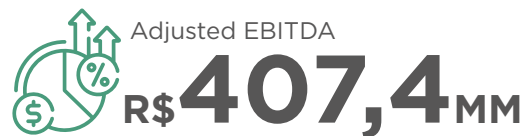


FOCUS ON PROFITABILITY AND CASH GENERATION

(GRI2-6, 3-3, 308-1)

Throughout 2025, we prioritized growth with a clear focus on profitability. We closed the year with **Net Operating Revenue of R\$ 4.558 billion** — an 18% decrease versus the prior period—while the **gross margin reached 17.9%**, up 1.7 p.p. compared to 2024, reflecting solid structural gains built over recent cycles.

Adjusted EBITDA totaled R\$ 407.4 million, up 0.5% despite lower revenue. This performance highlights stronger operating profit and reinforces the group’s strong operating efficiency, which continues to stand as a core pillar of our strategy.





Technology & Innovation: Intelligence driving efficiency

(GRI 3-3)

In 2025, Elfa Group cemented Artificial Intelligence as a strategic driver of efficiency, revenue, and competitive differentiation. Technology moved beyond operational support to directly create value, connecting front office, back office and distribution centers in an integrated way.

On the commercial side, proprietary solutions reshaped how the company processes data and engages with the market. The Quote Bot automated critical steps in pricing and network planning, boosting productivity and enabling the sales team to focus on customer relationships. CotAI, an in-house Generative AI tool, began interpreting orders received in multiple formats and automatically logging them in the CRM, increasing speed and standardization. Merlin, in turn, used clustering models to recommend tailored portfolios, strengthening cross-selling and e-commerce.

Innovation also reached logistics operations. The ongoing rollout of traceability across distribution centers drastically reduced material count times. Internal processes were digitized through automated document reading and the use of corporate virtual assistants, driving standardization, speed, and governance.

Together, these initiatives position business-aligned technology as a direct lever for growth and operational efficiency—supporting scale with control and reinforcing Elfa Group’s value proposition in the healthcare sector.



BUSINESS INTELLIGENCE APPLIED TO CUSTOMER RELATIONSHIPS

INITIATIVE	STRATEGIC OBJECTIVE	APPLICATION	IMPACT DELIVERED
Quote Bot	Automate pricing and logistics decisions	Quote portals	60% of sales through automated quotes; higher sales productivity
CotAI	Digitize and speed up order intake	WhatsApp, PDF, email, and Salesforce	Reduced time in the front office; standardization and less rework
Merlin	Boost sales with smart recommendations	Clustering and historical analysis	Expanded cross-selling and e-commerce; meaningful revenue generation



AUTOMATION AND OPERATIONAL EFFICIENCY

INITIATIVE	STRATEGIC OBJECTIVE	APPLICATION	IMPACT DELIVERED
RFID	Improve logistics control and traceability	Management of consignment inventory	Count time cut from 30 minutes to 3 seconds
Automation and Certificates	Streamline document workflows	AI-powered automated document reading	Immediate screening and instant notifications
MandAI	Standardize internal communication	<i>Chatbot in Microsoft Teams</i>	Fast answers on HR topics, general policies, and compliance



INTERNAL INNOVATION: ELFA IDEAS

(GRI 3-3)

Elfa Ideas is Elfa Group’s structured internal innovation program. Designed to encourage employees to take an active role in the company’s continuous improvement, it enables professionals from different areas to propose solutions focused on operational efficiency, cost reduction, risk mitigation, and a better customer experience.

Ideas are submitted through a dedicated digital platform and move through technical review and feasibility stages. Finalist projects are presented on Pitch Day, an event where proposers present their solutions to a panel of leaders and executives. The model blends objective evaluation criteria with formal recognition for participants, including awards and gamification features that celebrate internal ownership and initiative.



Strategic Direction

To connect creativity with business priorities, the program runs themed cycles throughout the year. In 2025, priority challenges included energy efficiency, process simplification, and practical applications of artificial intelligence. This approach ensures contributions stay aligned with the company’s operational and digital agendas.

The program’s impact is measurable. In prior cycles, implemented ideas delivered meaningful cost savings and productivity gains—showing that internal innovation isn’t just a creative exercise, but a core part of the company’s management model.

Governance and Ongoing Support

Leadership plays an active role in promoting the program. The Elfa Ideas Manager Handbook guides leaders on how to motivate teams, support the development of proposals, and track the rollout of approved solutions. This support strengthens the link between innovation and day-to-day operations.

Elfa Ideas closes out 2025 firmly established as a practical tool for structured listening and internal transformation—expanding employee participation in building improvements and reinforcing a culture of shared accountability for results.





PEOPLE

In this chapter:

- Culture and values in action >
- Culture commitments and ranking >
- Compensation policy >
- Occupational Health & Safety and Risk Prevention >
- Health and Well-Being >
- Benefits >
- Growth and Training >
- Leadership >
- Leadership and Management Rituals >
- Talent attraction, mobility, and retention >
- Internal communications and engagement >
- Diversity, equity, and inclusion >
- Social investment and community engagement >





CULTURE AND VALUES IN ACTION

(GRI 2-23 | 2-24 | 2-28)

Elfa Group’s culture guides how the company makes decisions, runs its operations, and connects with customers, partners, employees, and society. More than an institutional compass, culture shows up in day-to-day routines, management practices, and the way different teams work together to deliver results.

Our purpose—expanding pathways to bring health to millions of lives—connects business units, corporate teams, and strategic initiatives, ensuring alignment across growth, efficiency, and accountability.

This direction comes to life in five core values that guide how the company operates and serve as a shared reference for decisions and behaviors across the entire organization.

Throughout the year, we strengthened our culture through development initiatives, leadership programs, learning journeys, and active-listening forums. These efforts help deepen alignment across teams and reinforce a sense of belonging to one company.

It’s through these everyday experiences that we solidify the identity of “Our Beloved Elfa”—an organization that is increasingly integrated, data-driven, and committed to sustainable results.

OUR VALUES

-  Integrity in our relationships
-  Credibility with our partners
-  Together, with intensity
-  Operational excellence
-  Results focus



OUR MISSION

To grow and sustain our business through a portfolio of products and services that creates value—delivered with efficiency, integrity, and best practices in healthcare distribution in Brazil.

OUR VISION

Be recognized by our suppliers and customers as the best business partner in our market, expanding access to healthcare and increasing returns for our shareholders and employees.



COMMITMENTS AND CULTURE RANKING

(GRI 2-7 | 3-3)

Culture Ranking

One of the initiatives that helps bring Elfa Group’s values to life is the Culture Ranking, an in-house peer-recognition program that highlights employees whose day-to-day actions reflect the company’s cultural pillars.

The process is collaborative: employees nominate colleagues who, through their decisions and deliverables, show alignment with the organization’s values. Nominations are submitted through online voting, broadening team participation and strengthening the credibility of the recognition.

The program is not tied to job titles or tenure. The core criterion is consistency between observed behavior and stated values, encouraging individual accountability in shaping the organizational culture.

With quarterly cycles, the ranking ensures different areas and business units are represented throughout the year, fostering the exchange of experiences across teams. Recognized professionals share stories about challenges faced, decisions made, and lessons learned in the course of their roles.

In 2025, employee participation and the quality of nominations underscored how engaged teams are with the company’s culture. The ranking became an ongoing tool for recognizing the behaviors that support Elfa Group’s growth and long-term strength.

Commitments (GRI 2-23 | 2-24)

Our commitments: Expand access to healthcare with meaningful social impact; advance diversity, equity, and inclusion with clear representation targets and zero tolerance for discrimination; actively support communities through volunteering and donations; care for our employees’ overall well-being through physical and mental health initiatives; and innovate in patient care by bringing treatments into people’s homes to make care more human and improve adherence—creating sustainable value for society and for the business.



Learn more about our commitments on the [Compliance website](#) and [Human Rights Policy](#)



COMPENSATION POLICY

(GRI 2-19, 2-20)



Elfa Group's compensation policy is grounded in meritocracy, transparency, and fairness, serving as a tool to attract, retain, and engage talent. The model balances external market competitiveness with internal equity, ensuring alignment with corporate values and guidelines.

Governance is led by the People and Compensation Committee, which reports to the Board of Directors and oversees adherence to leading market practices.

Total compensation consists of fixed and variable components. Fixed pay follows structured job, salary, and career-path policies. For variable pay, the primary criterion is: achievement of targets.

The sales team operates under specific commission models and incentive campaigns, continuously monitored to ensure targets are met and to prevent performance distortions.

The company also offers employees a Profit Sharing and Results Program (PLR), contingent on meeting a minimum financial threshold as well as individual and team goals. The program strengthens shared accountability for outcomes and links financial performance to value creation.

Since 2023, the model has incorporated ESG indicators, adding targets related to diversity, environmental

metrics, compliance and cybersecurity. For executives, a portion of the PLR is directly tied to achieving these ESG targets.

To further reinforce an ethical culture, PLR eligibility is contingent on compliance with the Code of Conduct. Employees involved in ethical violations become ineligible, ensuring alignment between performance and integrity.

The executive compensation policy follows the models and metrics established by the company's controlling shareholders, ensuring strategic alignment, strong governance, and consistency in the practices adopted.

Lastly, the compensation strategy is complemented by a benefits package focused on overall well-being and professional development, including, for example, incentives for continuing education.



OCCUPATIONAL HEALTH & SAFETY AND RISK PREVENTION

(GRI 3-3 | 403-1 | 403-2 | 403-3 | 403-4 | 403-5 | 403-6 | 403-7 | 403-8 | 403-9 | 403-10)

At Elfa Group, Occupational Safety management covers logistics, transportation, and administrative operations, reaching 100% of both employees and third-party staff working at the company's sites.

This area manages legal and regulatory compliance, based on the Regulatory Standards applicable to the business. The approach treats legal requirements as a minimum baseline and adds further controls by observing operational variables and identifying opportunities to strengthen preventive layers of management.

The Group's operations involve risks such as load handling, internal traffic, forklift operation, structural compliance, mechanical hazards, ergonomics, and travel on public roads. These settings are addressed through structured programs, including:

- PGR – Risk Management Program
- PCMSO – Occupational Health Medical Monitoring Program
- LTCAT and technical reports
- Ergonomic Work Analysis ASO and additional exams required under NR-7

Hazards and risks are identified and mitigated through a systematic process, supported by specialized consulting. The reports and programs

are reviewed regularly, ensuring compliance with labor and social security requirements and updates in line with operational changes.

Employee participation is encouraged through CIPA – the Internal Accident Prevention Committee. Its role goes beyond simply investigating incidents: it conducts inspections and observes workplaces and behaviors, tracks preventive actions, and hosts the annual SIPAT – Internal Workplace Accident Prevention Week. Training covers critical activities such as operating mobile equipment, working at heights, and structural and maintenance services, providing formal guidance for identifying and reporting risk situations.

INDICATORS

2025

19 accidents	263 days lost	63 days without accidents	6 workplace accidents	13 commuting accidents
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2024

25 accidents	237 days lost	64 days without accidents	9 workplace accidents	16 commuting accidents
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Indicators are monitored continuously, with root-cause analysis, reviews of preventive measures, and leadership engagement focused on strengthening prevention through an ongoing improvement process. The goal is to steadily reduce vulnerabilities and reinforce safe behaviors across operations. Improved incident rates will naturally follow from these efforts.



HEALTH AND WELL-BEING

(GRI 3-3 | 403-2 | 403-6)



In 2025, our Health and Well-Being initiatives advanced toward a whole-person care approach, emphasizing prevention for both physical and mental health, supported by data and ongoing, systematic monitoring.

The Conte Comigo channel expanded access to qualified listening and confidential guidance provided by occupational health nursing. Partnerships enabled affordable telepsychology, making remote care easier to access by reducing barriers. This support network strengthens prevention and fosters a psychologically safe environment.

We also launched the 2025 Care Pathway, built on the health mapping conducted during SIPAT. Telemedicine and telenutrition offered through a third-party platform enable regular follow-up, with up to four free monthly appointments and no cost-sharing. In addition, a follow-up program for employees undergoing cancer treatment provides ongoing support and integrates care in a personalized way.

In November 2025, a platform was implemented for employees to submit medical certificates and statements. Process automation using artificial intelligence increased

the speed of case management and improved the quality of information for preventive action, ensuring greater traceability, data security, and faster review and analysis.

Campaigns promoting healthy living reinforced our culture of care, including waived cost-sharing for preventive exams during Pink October and Blue November campaigns, as well as flu vaccination for employees and dependents. Access to physical activity was maintained through partnerships with specialized platforms.

From an ESG perspective, the program contributes to:

- Mitigating psychosocial risks
- Potential reduction in leave of absence
- More efficient use of the care network
- Protecting human capital

For 2026, planned enhancements include population health dashboards, monitoring by risk groups, and expanded predictive analytics for leaves of absence.

HOLISTIC HEALTH

Physical + Mental + Preventive



BENEFITS

(GRI 401-2)

Elfa Group's benefits policy is designed to provide essential protection and support the well-being of full-time employees. The approach reflects regional differences and the specific realities of each operating unit, while maintaining clear eligibility criteria.

Key benefits include life insurance and a health plan with nationwide or regional coverage, depending on the location of operations. Medical coverage is fully subsidized for the employee, with the option to add dependents in line with internal policy. A dental plan is also available under the same eligibility rules. For maternity leave, employees may choose the extended leave option under the Empresa Cidadã program, increasing the legally required period.

The benefits package is rounded out with meal or food vouchers, transit assistance, and access to programs focused on health and quality of life. Some benefits are optional, accommodating different profiles and needs.



LIFE INSURANCE



EXTENDED MATERNITY LEAVE



TRANSIT PASS



HEALTH PLAN



PATERNITY LEAVE



WELLNESS PROGRAMS



DENTAL PLAN



MEAL VOUCHER OR FOOD ALLOWANCE



TUITION ASSISTANCE



Access to 200+ sports and thousands of gyms and studios



24/7 medical support, including up to 4 free monthly visits with a primary care doctor, plus teletherapy and tele-nutrition



Online workouts, video classes, and wellness tips through the Dr. Alper app



Affordable health plan options for pets



Specialized guidance and support for oncology care

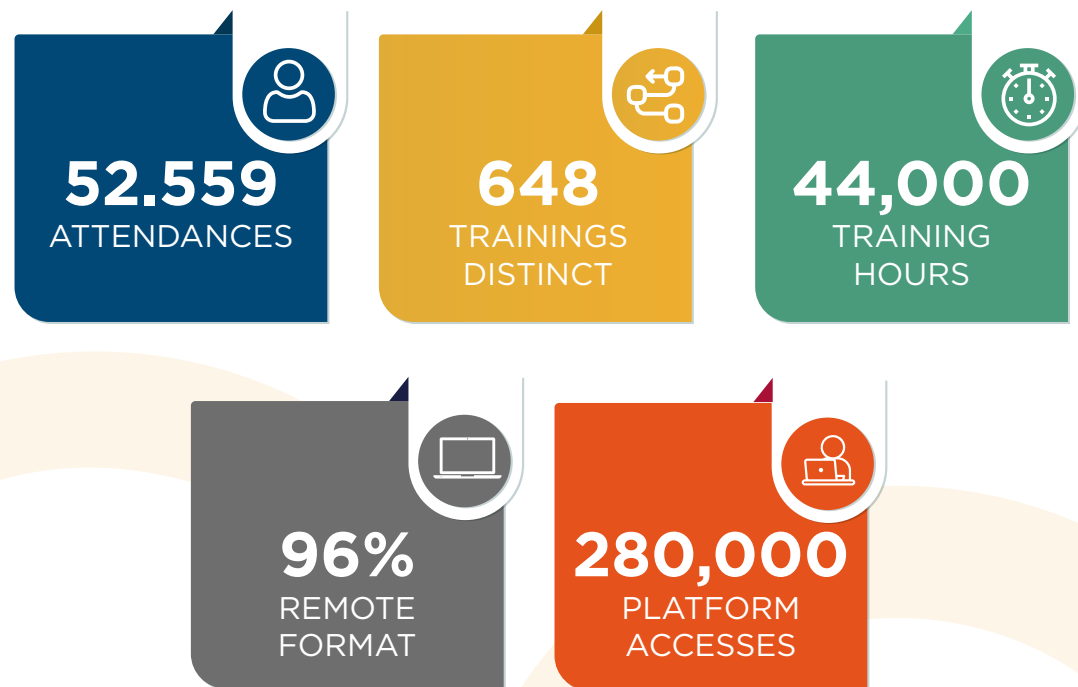


Discount platform for entertainment, education, travel, and wellness



DEVELOPMENT & TRAINING

(GRI 404-1 | 404-2 | 404-3)



Professional development is a foundational pillar of people management at Elfa Group. This comes after strengthening practices in attraction, mobility, retention, and technical and behavioral leadership development through Unielfa, Elfa Group’s corporate university.

Unielfa links employee development to the company’s purpose, helping teams operate ethically and safely, and with operational excellence in the mission of bringing health to millions of lives.

In 2025, the corporate university marked its 10th anniversary and continued to play a central role in team development. Throughout the year, 52,559 training attendances were recorded across 648 distinct initiatives, totaling more than 44,000 hours of training. The annual average was about 27 trainings per employee, highlighting the strength of the learning ecosystem.



DEVELOPMENT & TRAINING

(GRI 404-1 | 404-2 | 404-3)

SALES ACADEMY



The Sales Academy launched the same year Unielfa celebrated its 10th anniversary—an important strategic step to strengthen the growth of our sales team. The initiative reinforces the “Elfa Way of Selling,” a standardized, customer-first approach that guides our commercial work with greater efficiency and a sharper focus on results.

To set the program up for success from day one, our commercial onboarding was completely redesigned. New hires take part in a five-day immersion dedicated to the Sales Academy, following a learning path that covers our business units, the sales journey and model, day-to-day sales routines, internal workflows, and system usage. The process is further strengthened by the Program the

Commercial Champions Program, made up of standout professionals from across the business lines who support onboarding and help spread best practices.

The launch of the Sales Academy also included engagement and gamification initiatives, such as quizzes, awards, and incentive campaigns tied to completing the learning path. More than a training platform, this capability-building effort has become a strategic lever for the Elfa Group—ensuring the sales team is better prepared to serve Brazil's healthcare market.



DEVELOPMENT AND TRAINING

(GRI 404-1 | 404-2 | 404-3)



Scholarship Program: Education, as Tool of development, and equity

The Scholarship Program is designed to support the personal and professional growth of Elfa Group employees.

What it offers: Financial assistance (full or partial) to help cover tuition costs.

Eligible programs: Undergraduate degrees, graduate programs (MBA), technical courses, language study, and role-specific training aligned with the Group's goals.

Who can apply: Employees with at least 1 year at the company, a strong Performance Review rating, and all required trainings completed and up to date.

Duration: The scholarship is awarded for a 1-year term. In 2025, 54 employees took part in the program; 70% identified as Black or Brown, reinforcing the policy's focus on expanding equitable access to education.



In 2025, the Leaders Academy reached more than 200 leaders and was organized into stages aligned with the leadership pipeline:

Leadership Fundamentals (First-Time Leaders): An exclusive journey for newly promoted or newly hired coordinators.

Management Leadership: Development actions designed specifically for the company's managers.

Executive Leadership: Initiatives focused on the challenges faced by executive managers and corporate directors.

One of the year's biggest highlights was completing the Leadership Fundamentals track. The program reached more than 120 leaders (coordinators) through in-person immersions held in São Paulo and João Pessoa.

The curriculum was designed to connect technical skills (such as leading high-performing teams, feedback tools, and Individual Development Plans - IDPs) with behavioral skills, reinforcing above all the leader's role as a steward of Elfa Culture. Strong engagement was recognized with certification badges awarded to participants.

STRUCTURED DEVELOPMENT PATHWAYS

Unielfa organizes learning into pathways aligned with the business strategy.



LEADERSHIP

(GRI 404-1, 404-2, 404-3, 405-1)

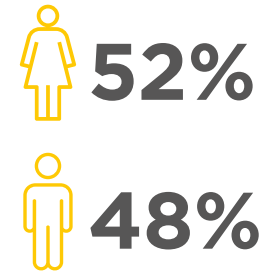
Leadership plays a central role in executing strategy and strengthening Elfa Group's organizational culture. In an environment defined by high operational complexity, rapid growth, and digital transformation, preparing managers to lead teams and make critical decisions has become a business priority.

The leadership structure includes 261 professionals across strategic and tactical levels. This makeup shows meaningful progress in our diversity agenda.

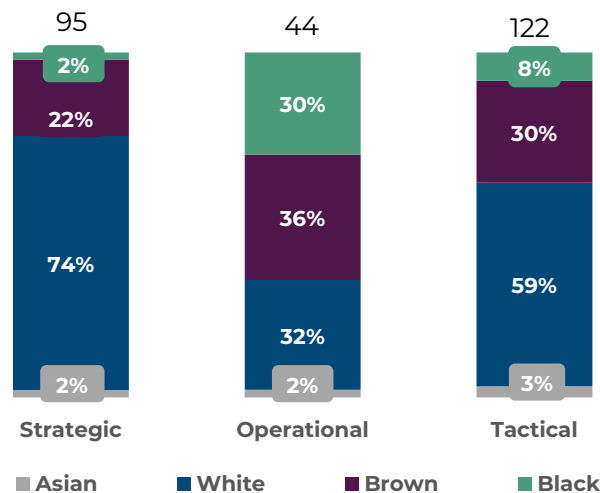
Women hold 68% of leadership positions, exceeding the goal set for 2030. By race, 37.5% of leaders are Black (including those who identify as Black and Brown), signaling steady progress in representation in management roles.

Generational diversity also shapes how the organization operates. Most managers are under 50, blending accumulated experience with the ability to adapt in a context of ongoing transformation.

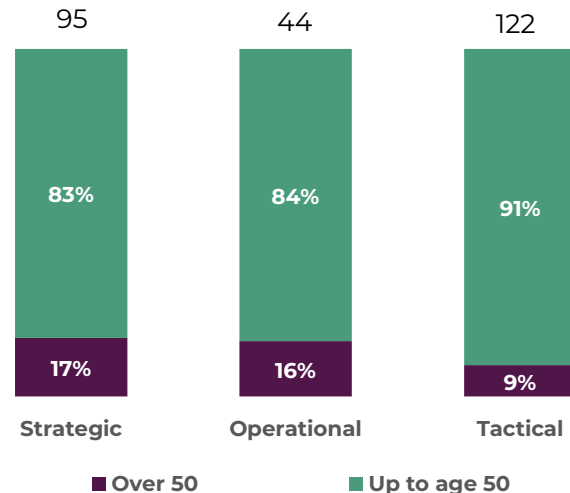
Men x Women in Leadership



Race x Leadership Level



Age Group x Leadership Level





LEADERSHIP AND MANAGEMENT RITUALS

(GRI 404-1, 404-2, 404-3, 405-1)

Leadership's work is supported by management rituals focused on strategic alignment, transparent communication, and staying close to teams.

Companywide meetings led by the CEO continue to serve as the formal forum for sharing results, priorities, and corporate direction. These sessions help clarify organizational goals and ensure business decisions are communicated consistently across the company.

"Leadership Meetings" have expanded directors' presence in regional locations, with sessions held at different sites across the country. In-person conversations strengthen active listening, help surface local operational challenges, and encourage closer collaboration across teams. For interns, dedicated meetings with the C-Level broaden the exchange of perspectives and provide greater visibility into career paths.

The manager's role is also embedded in the People Cycle, which structures the organization's core people-management processes. Leaders are responsible for leading onboarding within their area, monitoring the first 90 days, delivering structured feedback through

the annual performance cycle, and supporting the development of Individual Development Plans (IDPs). Clearly defining these responsibilities drives greater consistency and predictability in team management.

Internal communication indicators and employee climate survey results are used as inputs for any needed adjustments.

Strengthening and standardizing these routines reinforces people governance and helps develop managers who are prepared for complex, results-driven operating environments.





TALENT ATTRACTION, INTERNAL MOBILITY, AND RETENTION

(GRI 401-1 | 402-2 | 403-3)

At Elfa Group, people management spans the entire employee journey—from attracting talent to developing and retaining it. In 2025, the company sustained a strong pace of hiring, reflecting operational consolidation and the expansion of its business fronts. In line with the assumptions and analyses of the GRI Standard, the workforce at the end of the period totaled 1,876 full-time employees and 27 apprentices.

Over the year, 62,541 applications were submitted for open roles, including 40,858 newly registered candidates and an average of 193 applications per day. During the period, 835 positions were posted, resulting in 697 new hires, in addition to the onboarding of 27 apprentices. Hiring occurred primarily in the Southeast and South regions, consistent with the distribution of the company’s logistics network.

The hiring process blends digital channels with in-person initiatives. Key tools include a recruiting platform, an internal referral program, participation in career fairs, and the internship program. This mix of channels expands geographic reach and helps attract profiles aligned with the Group’s different operating verticals.

Internal mobility remains a key pillar of the development strategy. In 2025, 15% of filled roles were staffed through internal recruiting, totaling 99 moves via the internal selection process. This indicator reinforces the priority placed on growing

talent from within and recognizing employees already embedded in the culture and day-to-day processes.

In addition to formal internal selections, additional moves were recorded through promotions and transfers across areas and units, strengthening integration among regions and business verticals.

The mobility policy supports the retention of institutional knowledge and broadens employees technical capabilities.

Retention and Turnover

In 2025, turnover year-to-date was down 9 percentage points versus 2024, signaling greater stability following the logistics consolidation cycle and process standardization. This decline reflects a more mature people-management approach, a stronger **onboarding** program, and better alignment between leadership expectations and teams.

Of all separations during the period, just over half were employee-initiated, largely due to personal reasons. The highest concentration occurred in operational roles, which is consistent with the company’s structure.





INTERNAL COMMUNICATIONS AND ENGAGEMENT

(GRI 3-3)



Internal communication is one of Elfa Group’s key tools for organizational alignment. In 2025, the **ElfaNews** remained the company’s official weekly bulletin, connecting sites, leadership teams, and Distribution Centers through a standardized, recurring editorial format.

The bulletin serves two main purposes: sharing results and strategic decisions, and reinforcing cultural guidelines, internal policies, and compliance topics. The consistent publication cadence and the use of fixed sections support predictability, clarity, and fewer communication gaps when sharing corporate information.

Format Evolution and Accessibility

Throughout 2025, ElfaNews broadened its reach by adding new formats. An audio edition, developed with the support of Artificial Intelligence technology, made it easier and more accessible for employees (especially those in operational roles) to keep up with updates.

In addition to the weekly editions, themed issues were published to dive deeper into topics such as health and well-being, social responsibility, and changes to the organizational structure. Communications also expanded to external audiences with ElfaNews Partners, a newsletter published quarterly for customers and suppliers.



Elfacast is the official videocast of Elfa Group, released monthly for employees and hosted by CEO J. R. Ferraz. The program has become a key communication space, helping bring leadership closer to teams.

For Elfa Group, Elfacast is an important tool for transparency and internal alignment: it keeps employees up to date on the company’s top news, shares results, sets expectations, and announces incentive campaigns—while also increasing directors’ participation in corporate communications.

The videocast also plays a meaningful role in the company’s cultural transformation and is officially recognized as one of the ways employees take part in and engage with the New Elfa Culture. Although it is an internal-only channel, Elfacast indirectly supports the Group’s purpose in society. By strengthening team alignment and engagement, it helps the company advance its mission of opening more pathways to bring health to millions of lives.



DIVERSITY, EQUITY, AND INCLUSION

(GRI 2-7, 2-8 | 3-3)

Elfa Group’s Diversity, Equity, and Inclusion (DE&I) agenda is treated as an integral part of our people strategy and our business. We operate in a sector that demands trust, accountability, and open dialogue. That’s why building a diverse, safe environment grounded in equitable opportunity is an institutional commitment.

In 2025, we moved forward in strengthening a culture that recognizes diversity as an organizational asset. Our Diversity Handbook was launched as the official guide for conduct and awareness-building, reinforcing principles related to gender, race, sexual orientation, people with disabilities, generations, and the fight against any form of discrimination. More than a formal document, the handbook now guides leadership practices, management decisions, and development programs.

The results achieved throughout the year show steady progress, in line with GRI metrics. Women make up 56.3% of our total workforce of employees and 52%

of leadership roles—already surpassing the goal set for 2030. From a racial equity standpoint, 51% of the workforce self-identifies as Black (Black and Brown), with 32.4% in leadership positions. This progress is supported by initiatives such as the Affirmative Internship Program, targeted mentoring, and development forums focused on equity.

We also strengthened protection mechanisms and psychological safety. Our Zero Tolerance for Harassment policy was reinforced through training, active communications, and ongoing monitoring of reporting channels. In 2025, the rate of substantiated reports remained below 1%, reflecting maturity in both prevention and incident response.



WOMEN

Elfa Group

56,3%

↑1,6% increase

Leadership

52%

20% Strategic

↑2,6% increase

RACE

Leadership - PN

32,4%

20% target ODS 10 - ONU

↑0,70% increase

Leadership – Black

5,33%

↑0,17% increase

*BP - Black People

EMPOWER

+1100

employees trained Diversity Journey participants

+230

Coffee with her in 12 sessions

10

Black leaders mentored



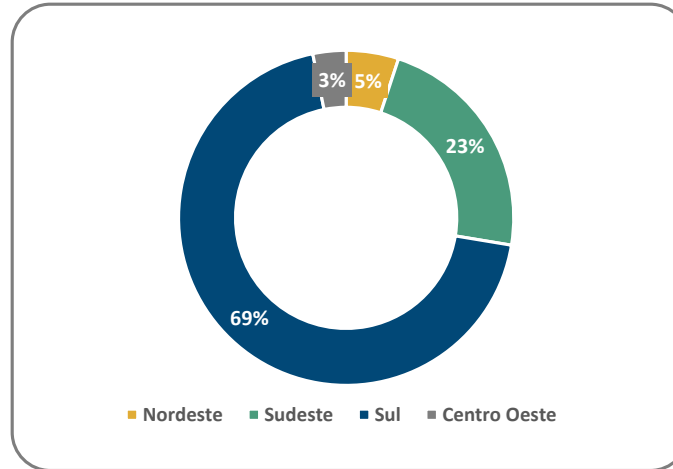


DIVERSITY, EQUITY, AND INCLUSION

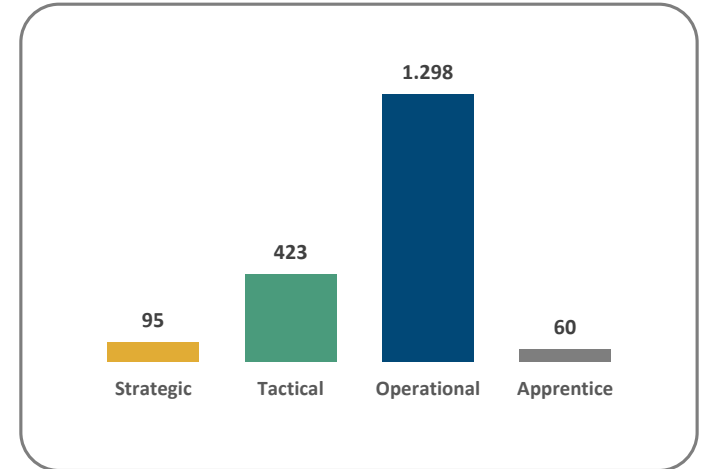
(GRI 2-7, 2-8 | 3-3)

The charts below show the makeup of the Elfa team in 2025, highlighting steady progress in inclusion and diversity across our workforce. This information reinforces our commitment to an ethical, inclusive culture focused on continuous growth.

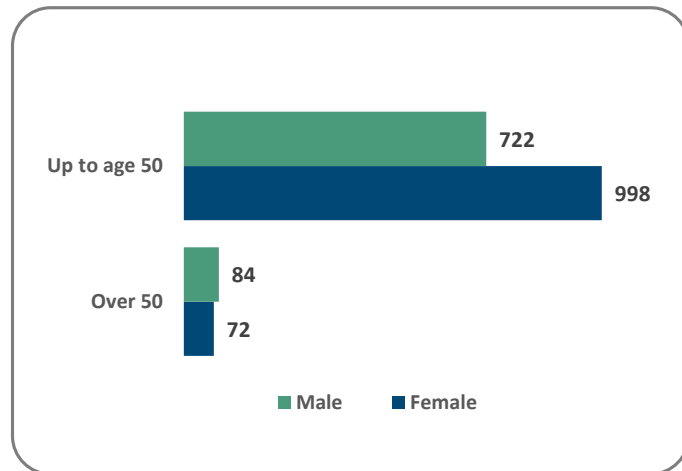
Employee Representation by Region



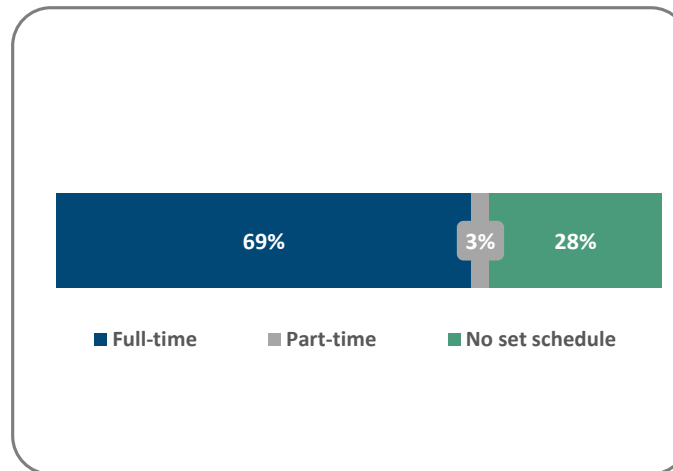
Employees by Level



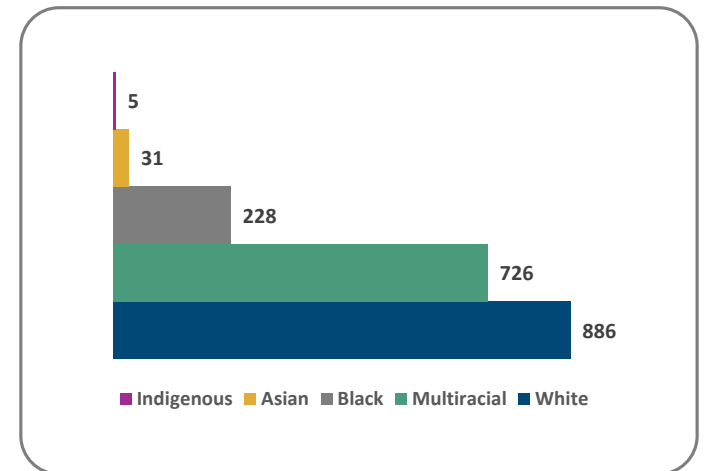
Breakdown by Gender and Age Group



Work Arrangement



Racial Breakdown



SOCIAL INVESTMENT AND COMMUNITY ENGAGEMENT

(GRI 3-3 | 203-1 | 413-1)



Employability - Instituto Constelação.PE

Elfa Group continued its structured social investment agenda through the Elfa Communities program, with initiatives designed to promote dignity, inclusion, and the development of communities in vulnerable situations. The efforts combined emergency assistance, volunteer mobilization, and projects focused on education and employability.

Throughout the year, sponsored initiatives reached 3,365 people, with 74 volunteers participating and more than 500 hygiene and nutrition items collected.

The actions took place in São Paulo, João Pessoa, and other locations where the company operates.

In addition to the sponsored initiatives, the company also made contributions through incentive laws (Senior Citizen Law, Sports Law, Child and Adolescent Law, and the Rouanet Law), reaching more than 2,000 lives.

Key projects included:

- **Menstrual Dignity (SP):** distribution of 250+ kits to women in vulnerable situations, in partnership with Instituto TPM.
- **Solidarity Easter (SP and PB):** donation of chocolates and food to children, teens, and older adults supported by partner organizations such as Gerando Falcões and Centro Helena Holanda.
- **Solidarity São João (PB):** community drive that donated 310+ food baskets, 320+ June Festival kits, and 500+ collected items, helping bring São João to children and teens at Casa Pequeno Davi.
- **Children's Day (PB):** Renovation of Casa Pequeno Davi's music room.
- **Employability Programs:** training for youth ages 16 to 21 to enter the job market, carried out in São Paulo and Pernambuco.
- **School Support (PE, SP, and PR):** Delivery of school supplies to 3 institutions that run youth apprenticeship development programs.



SOCIAL INVESTMENT AND COMMUNITY ENGAGEMENT

(GRI 3-3 | 203-1 | 413-1)

The social agenda is built around three dimensions:

- 1.Immediate support through donations and seasonal drives;
- 2.Investment focused on education, culture, and employability;
- 3.Internal mobilization, encouraging corporate volunteering and workforce engagement.

From an ESG perspective, social investments strengthen the Social pillar by expanding access to opportunities and deepening ties with the communities where the company operates. They also help reduce reputational risk and reinforce the company's social license to operate.





ENVIRON- MENT

In this chapter:

- Environmental strategy and climate governance >
- Energy transition and operational efficiency >
- Emissions and climate change >
- Sustainable logistics >
- Waste management and the circular economy >
- Water and Wastewater >



ENVIRONMENTAL STRATEGY AND CLIMATE GOVERNANCE

(GRI 3-3 | 203-1 | 413-1)



In 2025, we positioned our environmental agenda as an integrated part of our corporate strategy, connecting operational efficiency, risk management, and financial discipline. We operate with the understanding that sustainability is directly tied to access to healthcare and the resilience of our business model.

Governance of this agenda is shared across senior leadership, executive forums, and technical teams responsible for implementing initiatives. Strategic guidelines are reviewed through regular routines that include decisions on the logistics network, inventory management, energy efficiency, and operational performance.

Over the year, we conducted a gap assessment to align with the IFRS S2 international standards, launching a structured mapping of climate-related risks and opportunities tied to our distribution centers, transportation, and supply chain. This work positions the company to incorporate climate considerations into the corporate risk matrix in the future.

We remained committed to the quality and transparency of the information we report. Consolidating environmental indicators over recent cycles has also improved year-over-year comparability and strengthened decision-making support.

Our environmental strategy is guided by medium and long-term goals, with a focus on the energy transition, lowering emissions, and strengthening how we manage waste and natural resources. In 2025, we expanded our use of renewable energy, reduced emissions tied to electricity consumption, and reinforced logistics-efficiency practices that prevent waste and unnecessary travel. Each area is tracked through indicators reviewed regularly by executive leadership.

Integrating planning, operations, and monitoring has enabled steady progress without compromising the regulatory and health safeguards that define our industry. We continue to mature our processes, improve the quality of our metrics, and strengthen the link between environmental management, corporate governance, and long-term strategy.

68%

of sites using renewable energy



ENERGY TRANSITION AND OPERATIONAL EFFICIENCY

(GRI 3-3 | 302-1 | 302-2 | 302-4)

2025

We reduced total electricity use by 8.5% versus the prior year, based on kWh consumption measured across all Elfa sites.

Energy management is a key pillar of our environmental strategy, especially given the logistics-driven nature of our operations, which include temperature-controlled distribution centers, automated systems, and around-the-clock activity. In 2025, we focused on two complementary fronts: shifting to renewable sources and improving energy efficiency. We rolled out energy-efficiency projects in 4 DCs and achieved 37% savings compared to energy expenses at those sites.

We continued moving our sites to Brazil's Free Energy Market and to Distributed Generation models, prioritizing renewable sources and improving cost predictability. We closed the period with 68% of operations supplied through clean-energy models, staying on track to reach 100% renewable coverage by 2030.

Alongside changes to our energy mix, we strengthened consumption control through smart monitoring technology applied across operations. Real-time tracking enabled fine-tuning of thermal and HVAC systems, correction of deviations, and improved operational efficiency.

ENERGY CONSUMPTION (MJ)

Energy type	2023	2024	2025
Total energy consumption within the organization	50.100.000	21.245.085	44.028.600
Total energy consumption outside the organization	112.054.260	115.668.251	119.038.329

RENEWABLE FUELS (MJ)

	2023	2024	2025
Electricity (supplied by the utility)	22.518.000	22.085.000	25.505.000
Hydrated Ethanol	2.066.000	15.627.000	13.523.000
Total	24.584.000	37.712.000	39.028.000

NON-RENEWABLE FUELS (MJ)

	2023	2024	2025
GLP	2.695.000	404.000	291.000
Diesel Fuel	3.473.000	3.348.000	3.518.798
Automotive Gasoline	19.552.000	1.844.000	1.190.802
Total	25.720.000	5.596.000	5.000.600

SAVINGS %

37%

SAVINGS R\$

R\$300k

ENERGY SAVINGS

200.000kWh

Preventing GEE emissions and waste

EMISSIONS AND CLIMATE CHANGE

(GRI 3-3 | 305-1 | 305-2 | 305-3)

Emissions management is directly tied to our logistics operations, energy use, and network planning. In 2025, we continued to strengthen our greenhouse gas inventory as a management tool— not just a reporting requirement. This is the 4th consecutive inventory to undergo independent verification. Ongoing emissions tracking helps pinpoint priority sources, guide operational decisions, and support midand long-term decarbonization goals.

The inventory covers Scope 1 and Scope 2 emissions and continues to expand the level of detail for Scope 3 —especially in categories linked to logistics and transportation.

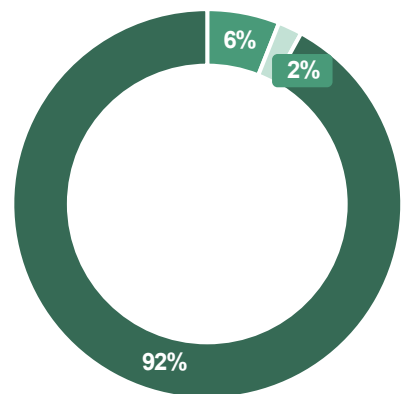
Our decarbonization work moved forward on two main fronts. The first— focused on our electricity mix— is directly connected to our shift to the Free Contracting Market and to distributed generation, as described in the previous chapter. The second involves logistics and operational choices that cut unnecessary travel and optimize fuel use.

Prioritizing ethanol in our owned fleet helped deliver a meaningful emissions reduction. We also expanded our electric truck fleet on

specific routes, further strengthening our technology mix.

In addition to direct reductions, we maintained the neutralization of residual Scope 1 and Scope 2 emissions through the purchase of carbon credits and renewable energy certificates (I-REC). This approach ensures full compensation of our direct operational emissions while we continue to structurally reduce emission sources.

Emissions management remains connected to our energy strategy, logistics efficiency, and continuous monitoring of operational indicators. We continue improving data quality, expanding Scope 3 detail, and strengthening the link between environmental performance and strategic decision-making.



■ Scope 1 ■ Scope 2 ■ Scope 3

33,7% REDUCTION

In 2025, we recorded a 33.7% reduction in Scope 2 emissions, driven mainly by energy efficiency projects and consumption tracking targets.

EMISSIONS IN METRIC TONS OF CO2 EQUIVALENT (tCO2 e)				
	2022	2023	2024	2025
Scope 1	2.132	1.325	739	512
<i>Change (%)</i>	-	-37,90%	-44,20%	-30,70%
Scope 2	268	238	326	216
<i>Change (%)</i>	-	-11,20%	37,00%	-33,70%
Scope 3	7.301	7.629	7.593	8.013
<i>Change (%)</i>	-	4,50%	-0,50%	5,50%
Total emissions	9.703	9.192	8.658	8.741



SUSTAINABLE LOGISTICS

(GRI 3-3)

Our logistics operations account for a significant share of the environmental impacts tied to transporting and handling medicines and materials between distribution centers and customers. In 2025, we focused on making better use of routes, reducing returns, and improving order-flow efficiency—embedding sustainability into operational discipline.

The planning process (S&OP) and the network and inventory executive committees played a central role in this progress. Order consolidation, advance route analysis, and prioritizing more efficient moves began to guide logistics decisions.

This approach helped cut unnecessary trips, improve load utilization, and reduce the volume of internal transfers.

Beyond route optimization, the Zero Loss Project helped drive a more than 30% reduction in returns compared to 2024. Improvements in receiving, expiration-date controls, and shipping processes prevented extra product handling and reduced operational waste.

Integrating demand planning, inventory management, and transportation reduced the need for urgent adjustments,

strengthening operational predictability. By improving the efficiency of our logistics flow, we reduced indirect impacts tied to fuel use.

Logistics efficiency remains closely linked to our climate agenda and cost management. We continue to enhance analytical tools and monitoring routines to expand structural gains across the network and strengthen the connection between environmental performance and operational strategy.





SUSTAINABLE LOGISTICS

(GRI 3-3)

To further strengthen an increasingly sustainable logistics operation, we use two types of packaging in our operations that can help reduce waste generation:

- Shield box: designed to ensure integrity, temperature control, and impact protection during the transport of certain medications;
- Returnable box: reusable boxes made with more durable materials that circulate multiple times between supplier and customer.
- In addition to reducing waste, these initiatives also help lower operating costs and environmental impacts through greater logistics efficiency.

SHIELD OPERATION

Efficiency and Value Creation

24,5k

opportunities identified

17,4k

shipments completed

71,3%

operational utilization

21k

volumes shipped

In 2025, the returnable packaging operation achieved a 71.32% utilization rate, with 17,467 shipments made from operational units and a total of 24,490 opportunities identified. This performance delivered an estimated savings of about 10%, highlighting cost reductions tied to the use of returnable boxes, while also directly helping cut the consumption of disposable materials, waste generation, and the environmental footprint of Grupo Elfa's logistics operation.

OPERATIONAL EFFICIENCY

- Steady growth in shipments throughout the year;
- Branch performance reaching up to 97% utilization;
- Average return SLA of about 2.6 days, ensuring logistics agility;
- High concentration of opportunities in strategic hubs (e.g., +6,000 in Santana).



WASTE MANAGEMENT AND THE CIRCULAR ECONOMY

(GRI 3-3 | 306-1 | 306-2 | 306-3 | 306-4 | 306-5)



In 2025, we moved forward in strengthening waste management as a structured process built on traceability, standardization, and continuous monitoring across all operations. Our business can generate different types of waste, including recyclables, hazardous waste, and materials subject to reverse logistics. This year's focus centered on our largest operations, expanding oversight, reinforcing proper disposal, reducing landfill shipments, and selling waste to duly approved vendors.

Waste management is carried out through internal controls supported by an external platform, which ensures proper segregation, safe storage, and final disposal in compliance with current environmental and public health regulations. The main types of waste generated by our operations include

cardboard, plastic, wood, and electronic waste, medicines and healthcare products, nutrition products, cells and batteries, as well as paper and office supplies.

Monitoring is performed by tracking waste shipments from all branches, including distribution centers and delivery units, making it possible to follow volumes, categorize by type, and ensure traceability. In 2025, Elfa Group significantly expanded its management structure by scaling up the project launched as a pilot at the Brasília/DF operation in 2024. Based on detailed waste mapping and risk analysis, we advanced the centralization of management in large and mid-sized distribution centers, strengthening oversight of waste classified as hazardous and non-hazardous, in line with environmental regulations.



WASTE MANAGEMENT AND THE CIRCULAR ECONOMY

(GRI 3-3 | 306-1 | 306-2 | 306-3 | 306-4 | 306-5)

In 2025, total waste generated reached 616.12 metric tons—71% classified as non-hazardous and 29% as hazardous. More than half was sent for recycling, while the remaining streams were directed to appropriate routes such as sanitary landfill, incineration, and co-processing, depending on the nature of each material. Expanding recycling destinations helped reduce environmental impacts associated with final disposal.

The Brasília Pilot Project marked a major step forward in standardizing integrated management. The site achieved 100% waste traceability and significantly increased its recycling rate, cementing practices that now serve as a benchmark for other operations. Progress on this agenda also included strengthening internal capabilities. A dedicated training program for operations teams was rolled out, reaching 93% participation and later incorporated into the company’s official development platform. In parallel, we established a corporate policy to control recyclable materials with added value, setting handling rules and training operations leaders.

Today, all distribution centers and delivery units are monitored, ensuring the reported data covers 100% of operations. This progress strengthens data reliability and reflects the continued maturity of the company’s environmental governance.

Waste transport and final disposition are handled by pre-approved third-party providers. The contracting process includes reviews by Compliance, Procurement, Finance, and ESG teams, along with verification of required legal documentation.

We continue to prioritize expanding recycling, strengthening control of waste documentation, and standardizing segregation at our largest sites. Waste management remains embedded in the company’s environmental agenda, helping reduce impacts, improve operational control, and ensure regulatory compliance.

INDICATOR	2022	2023	2024	2025
Total volume generated	562,9	277	633	616,12
Non-hazardous waste	69%	38%	77%	71%
Hazardous waste	31%	62%	23%	29%

BREAKDOWN OF WASTE GENERATED 2025		
Composition	Tons	Share
Recycling	331,30 T	53,7%
Landfill	125,1 T	20,3%
Incineration	114,98 T	20,31%
Co-processing	38,1 T	6,1%
Reverse Logistics	6,1 T	1%





WATER AND EFFLUENTS

(GRI 3-3 | 303-1 | 303-3 | 303-5)

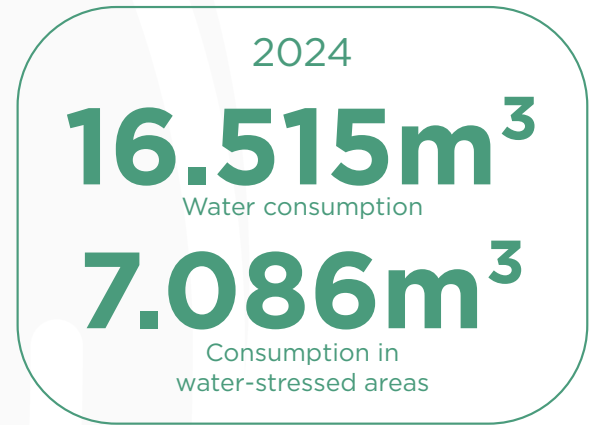
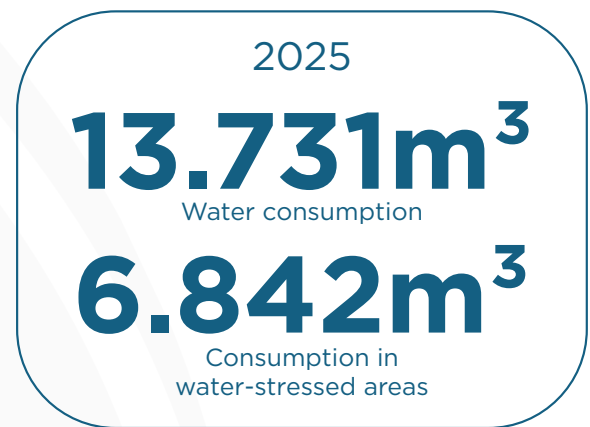
Our interaction with water resources is primarily tied to administrative and sanitary use at our operating sites. As a distributor of medical and hospital supplies, we do not use water in intensive industrial manufacturing processes, nor do we directly withdraw water from surface or groundwater sources.

In 2025, our consolidated total water consumption was 13,805 m³. Of this amount, 6,842 m³ relates to sites located in areas classified as experiencing some level of water stress, based on international criteria. Consumption is tracked monthly using utility bills, enabling trend analysis over time and the identification of meaningful changes.

All effluents generated at our administrative and logistics sites are fully routed to the public sanitary sewer system, which provides appropriate treatment. We do not discharge directly into bodies of water and we have not identified any significant impacts related to runoff or changes in water quality.

At the Descarpack site, where laboratory activities take place, we follow specific environmental standards. The operation maintains an up-to-date environmental license and conducts periodic testing to ensure compliance with applicable regulatory requirements.

While this topic is not material in terms of volume or direct impact, we keep water management integrated into the company's environmental governance, with a focus on legal compliance, ongoing monitoring, and responsible use of this resource.





GRI APPEN- DICES

In this chapter

Indicator Workbook ▶

GRI Summary ▶





GRI INDICATORS INDEX

(GRI 3-3 | 303-1 | 303-3 | 303-5)

GRI STANDARD	CONTENT DESCRIPTION	PAGES WITH RELATED CONTENT	OMISSION
GRI 2-1	Organizational details	3, 7	No
GRI 2-2	Entities included in the report	3, 7	No
GRI 2-3	Reporting period, frequency, and contact	3	No
GRI 2-4	Restatement of information	3	No
GRI 2-5	External assurance This report has not undergone external assurance	This report has not undergone external assurance	No
GRI 2-6	Activities, value chain, and business relationships	7, 8, 10, 14, 15, 16, 19, 20, 21, 29, 37	No
GRI 2-7	Employees	7, 42, 54, 55	No
GRI 2-8	Non-employee workers	44, 54, 55	No
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GRI 203-1	Investments in infrastructure and services	56, 57, 59	No
GRI 203-2	Significant indirect economic impacts	19	No
GRI 205-1	Operations assessed for corruption risks	26, 27, 28	No
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GRI 303-1	Water interactions	66	No
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