

2025 Sustainability Report



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About the report

GRI 2-1, 2-2, 2-3

This is the 2025 Sustainability Report of LEROY MERLIN Companhia Brasileira de Bricolagem¹. Published annually alongside the financial report, this document presents the results of the company's main initiatives carried out between January 1 and December 31, 2025, covering its entire operation in Brazil, including administrative offices, the logistics center, 46 large-format stores, six express stores, and one compact store located across 13 states and the Federal District. The company is controlled by the ADEO Group, a French holding company whose operations are not covered in this report or in the financial statements.

Based on LEROY MERLIN Brasil's materiality matrix, this report presents our initiatives across the three ESG pillars—environmental, social, and corporate governance—in line with the principles of We Make It Positive, the ADEO Group's global sustainability strategy, of which we are a part. The report has been prepared in accordance with the Global Reporting Initiative (GRI) standards, the United Nations (UN) Sustainable Development Goals (SDGs), and the integrated reporting guidelines of the International Financial Reporting Standards (IFRS).

¹ Referred to herein as "LEROY MERLIN Brasil" or simply "LEROY MERLIN"



Jardim Botânico Store – E6 Images

► We welcome questions, complaints, compliments, suggestions, and comments regarding this report, as well as LEROY MERLIN's sustainability strategy, management approach, and ESG practices. E-mail us at sustentabilidade@leroymerlin.com.br



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Message from management

GRI 2-22

The year 2025 represented a **period of transition** and deep transformation for LEROY MERLIN Brasil.

As I take on the presidency of the company after a 13-year career within the organization that began in the Trainee Program, my appointment as CEO represents not only a personal milestone but also a clear sign of institutional maturity and the ADEO Group's confidence in Brazilian talent. This transition comes at a time of stability, following an administration that made significant investments in technology, development, and modernization. The legacy we have inherited enables us to ensure that our current direction is not an abrupt change, but an accelerated continuation that reinforces our organizational culture and firmly places the customer at the center of every decision we make.

To support this approach, we opened two stores designed to test new ways of engaging with consumers. We launched our first compact-format store in Bauru (SP), bringing a full product assortment to a smaller footprint while exploring the potential of mid-sized cities, and also opened the Jardim Botânico store in Brasília. We established a New Business division to consolidate our service offerings and deliver solutions throughout the customer journey—from product selection to home installation—including architectural support for renovation projects. The area is also responsible for strengthening relationships with professional customers and companies while enhancing customer service.



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Our strategy for the near future is built on clear priorities focused on removing friction from the customer journey. We identified product availability and price perception as the main reasons customers turn away, and we responded by making our offerings more accessible while further strengthening our product portfolio to serve everything from basic needs to high-end projects. At the same time, we are transforming our supply chain to improve visibility and efficiency, with the goal of meeting daily delivery targets and enhancing tracking tools, contributing to a better customer experience.

Our sustainability agenda continued to advance in a consistent and integrated manner throughout 2025, guided by circularity, and we made progress across all pillars, reinforcing our commitment to generating a positive impact through our business model.

Throughout 2025, we operated in a challenging macroeconomic environment marked by high interest rates and pressure on the retail sector, requiring resilience to sustain sales growth. Despite the challenges affecting the sector, we closed the year with healthy cash flow and a solid financial position, providing the foundation to sustain our ecosystem of values and collaboration.

LEROY MERLIN Brasil continues to believe in the extraordinary potential of the Brazilian market and in the value of hyper-local autonomy, which enables us to adapt our product offerings and practices to the specific needs of each region, from the Northeast to the South. Supported by a dedicated team and a brand committed to helping make the dreams of millions of Brazilians a reality, we are entering a new phase focused on simplifying the customer experience and ensuring the long-term sustainability of the results that support our mission to improve the human habitat.

RICARDO DINELLI,
CEO of LEROY MERLIN Brasil

► Our **sustainability agenda** has been implemented in a consistent and integrated manner, achieving the goal of having **a positive impact** through our business model

Jardim Botânico Store – E6 Images



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2025 Highlights

Governance

29%

of women on the Executive Committee, including the first two female regional directors in the company's history, representing the **strengthening of diversity in our senior management.**

95%

cyber maturity milestones achieved, positioning the Brazilian operation as the highest-scoring unit within the ADEO Group worldwide.

Environment

83.1%

landfill diversion rate at the units, with the total surpassing the initial target of 80%.

398 t

of post-consumer waste collected by LM Recicla through collection bins installed at 46 stores, as well as one at the distribution center and one at the administrative office.

Operations

75%

of the trucks' physical space occupied by the optimization of the cross-docking model. These results have confirmed that Brazil has the highest cargo load factor within the ADEO group worldwide.

57%

reduction in scopes 1 and 2 GHG emissions compared to the 2021 baseline year.

More than BRL 170 million in revenue from **energy-efficiency products.**

84%

units powered by **renewable energy.**

Social

More than 1,200

hours devoted to **corporate volunteer activities** that benefited more than **1,400 people.**

BRL 3 million

earmarked for **social projects** through incentive laws, directly benefiting more than **17,000 people.**

93%

of our employees have joined ADEO Group's shareholder program.



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LEROY MERLIN

Brasil

GRI 2-1

We are LEROY MERLIN Brasil, a privately held company operating in the home improvement retail sector, offering comprehensive solutions for every stage of the home journey. Guided by our mission to help create more welcoming, healthier, and more sustainable spaces where people can thrive, we provide products and services that support our customers from planning through completion. Our goal is to be the leading platform for Brazilian homes by delivering outstanding shopping experiences through a broad portfolio designed to meet a wide range of needs, projects, and customer profiles. We are part of a network of qualified suppliers with whom we maintain close partnerships, fostering the continuous development of products that generate a positive impact.

We operate through an omnichannel strategy, with a presence in 13 Brazilian states and the Federal District, including 46 high-volume physical stores, six express stores, one compact store, and digital channels such as e-commerce, telesales, WhatsApp, and our mobile app.

To support this operation, we maintain a distribution center and three regional logistics hubs dedicated to home deliveries. Our headquarters are located in São Paulo (SP), where our history in Brazil began 28 years ago with the opening of the country's first LEROY MERLIN store in the Interlagos district in 1998.



► We strive to be the **home platform for Brazilian households** and aim to provide the best shopping experiences



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Jardim Botânico Store – E6 Images

We offer customers a broad and integrated shopping experience, with more than 1 million products available across our sales channels and organized into 15 departments, ranging from basic construction materials, lumber, and electrical supplies to home décor, lighting, and kitchen products. In addition, we offer 15 exclusive brands focused on quality and comfort, along with benefits such as the *LEROY MERLIN Com Você* loyalty program, which provides exclusive discounts, benefits, and cashback, and LEROY MERLIN Pay, a financial solution with installment payment options.



28 years
operating in Brazil

Our stores also provide convenient services such as wood cutting, the Color Factory, drive-thru, lockers, and Click & Collect. To support customers throughout every stage of their home projects, LEROY MERLIN Installations and Renovations connects them with qualified professionals who provide 154 types of services, covering design, finishing, and landscaping.

These initiatives are supported by a team of 9,769 direct employees at the end of 2025 and a network of more than 1,000 partner suppliers.

LEROY MERLIN Brasil is part of ADEO, a France-based group that ranks among the global leaders in the home improvement sector. The group operates more than 1,000 retail locations and has a presence not only in Brazil, but also in France, South Africa, Cyprus, Spain, Greece, Italy, Portugal, Poland, Romania, and Ukraine.



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Our value chain



9,769

direct **employees**



More than 1,000

suppliers



More than 3,900

certified **installers**



1,883

partners on the marketplace



1,106,321

producers on the marketplace



Bauru Store — E6 Images

New stores

In 2025, we opened two new stores featuring distinct business models. In Bauru (SP), we launched our first compact-format store, offering our full product assortment in a smaller, optimized space. At the same time, we opened the Jardim Botânico store in Brasília, designed specifically to serve the project segment. The store features a dedicated mezzanine for welcoming and assisting architecture professionals, creating a seamless connection between the retail environment and personalized customer service.



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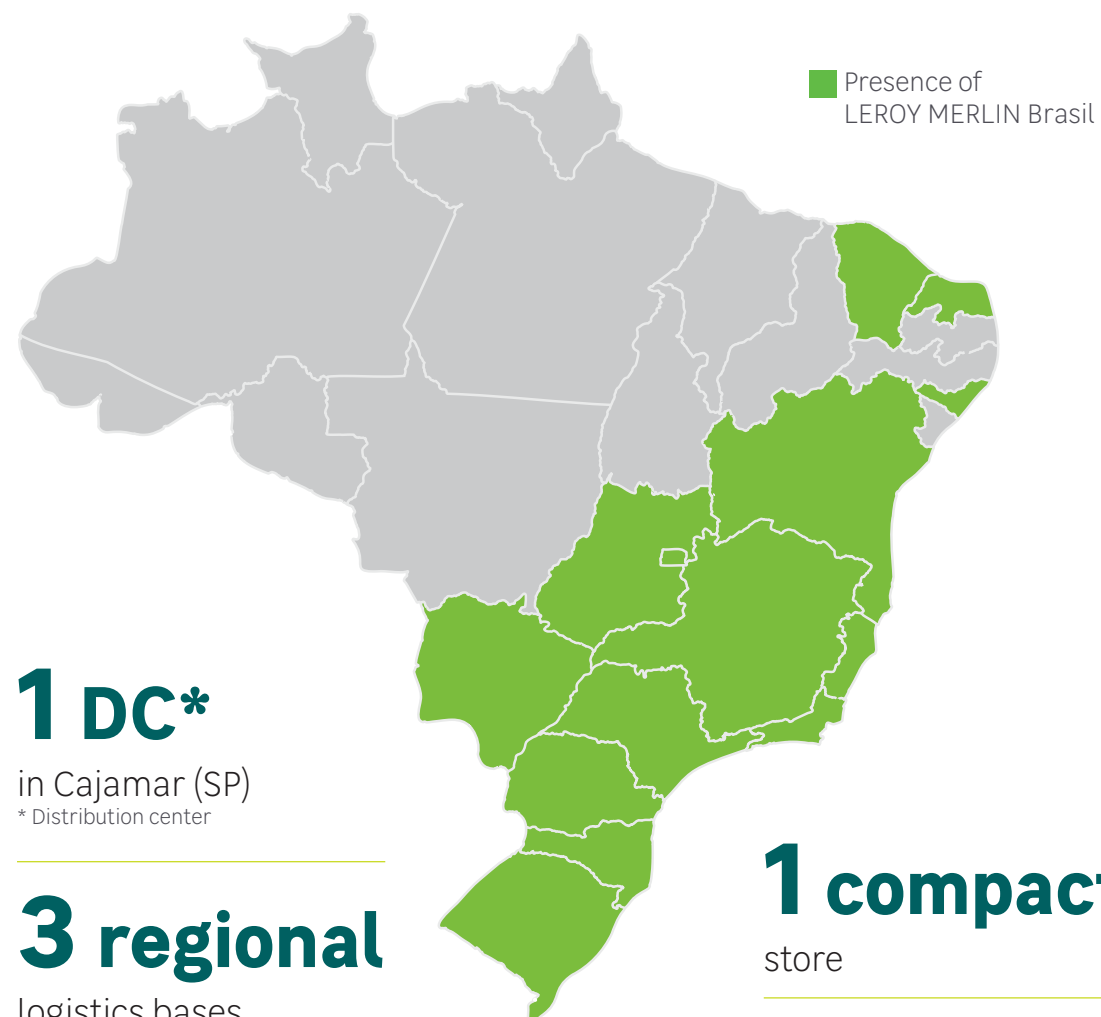
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Our structure



1 DC*

in Cajamar (SP)
* Distribution center

3 regional

logistics bases

6 express

stores

1 compact

store

46 large

stores in 13 states and
the Federal District

Our stores

ALAGOAS

→ Maceió

BAHIA

→ Salvador

CEARÁ

→ Fortaleza

FEDERAL DISTRICT

→ South Brasília, North Brasília,
Jardim Botânico

ESPÍRITO SANTO

→ Vitória

GOIÁS

→ Goiânia

MATO GROSSO DO SUL

→ Campo Grande

MINAS GERAIS

→ South BH, North BH, Contagem,
Uberlândia, BH São Pedro Express

PARANÁ

→ South Curitiba, Atuba Curitiba, Londrina

RIO DE JANEIRO

→ Niterói, Rio Barra, Rio Del
Castilho, Rio Leblon Express

RIO GRANDE DO NORTE

→ Natal

RIO GRANDE DO SUL

→ São Leopoldo, Porto Alegre,
Pontal Estaleiro

SANTA CATARINA

→ São José, Joinville

SÃO PAULO CAPITAL AND ABC METROPOLITAN REGION

→ Marginal Tietê, Interlagos, Ricardo
Jafet, Raposo Tavares, Morumbi, Lar
Center, Villa Lobos, Anália Franco,
São Caetano, São Bernardo, Tamboré,
Guarulhos, Alto da Boa Vista Express,
Campo Belo Express, Pompeia Express,
Vila Nova Conceição Express

INTERIOR AND COASTAL AREAS

→ Campinas Dom Pedro, Campinas
Anhanguera, Jundiaí, Ribeirão Preto,
Santos, São José dos Campos,
São José do Rio Preto, Sorocaba,
Taubaté, Bauru (compact)

Note: in April 2026, operations were terminated at the
Naterial and Express stores in Florianópolis (SC).



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Our portfolio

01 DECOR WORLD



Decor, lighting, and painting

02 DESIGN WORLD



Bathrooms, kitchens, organization, and flooring

03 TECHNICAL WORLD



Tools, hardware, electrical supplies, and plumbing supplies

04 CONSTRUCTION WORLD



Materials, wood, and garden



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15 exclusive brands



Porcelain floor and wall tiles, laminate and vinyl flooring, doors, baseboards, and wall coverings. Durable, easy-to-install finishes and coverings for decorating the home, compatible with every style.



Power tools and hand tools, personal protective equipment, tape, paint brushes and rollers. High-performance tools that are easy to use and comfortable for projects of all sizes.



Rugs, pillows, curtains, wallpaper, ceiling fans, and lighting. Inspiring decor that promotes comfort and well-being for personalized and cozy spaces.



Mortar, waterproofing products, sealants, grouts, adhesives, and pool care products. Essential construction products that are efficient and easy to use at every stage of a construction or renovation project.



Heaters, fans, range hoods, air conditioners, pipes, water pressurizers, and water filters. Efficient and quiet air and water heating and treatment equipment that deliver comfort.



Frames for doors and windows Specialized opening and closing solutions that ensure safety and comfort for homes.



Faucets, valves, sinks and basins, trash cans, and kitchen accessories. Functional appliances that are easy to clean, durable, and designed to fit into kitchens and enhance their appeal.



Pots, gardening tools, hoses, potting blends, and fertilizers. Tools and accessories for convenient plant care.



Light bulbs, outlets and switches, extension leads, surge protectors, cables and wires, and distribution (junction) boxes. Efficient, durable, and safe electrical equipment for all types of applications.



Interior and exterior paints, rubberized and floor paints, wood treatments, enamel paints and varnishes. Paints available in a wide range of colors and finishes, offering excellent coverage and high yield while being safe for both people and the environment.



Bathroom fixtures, faucets, showers, cabinetry, mirrors, and accessories. Products to equip the bathroom with style. Built to last, with a functional and easy-to-install design.



Fixing hardware and accessories, padlocks, loading trolleys, safes, and child-safety solutions. Practical and smart hardware solutions that offer safety and reliability for everyday life.



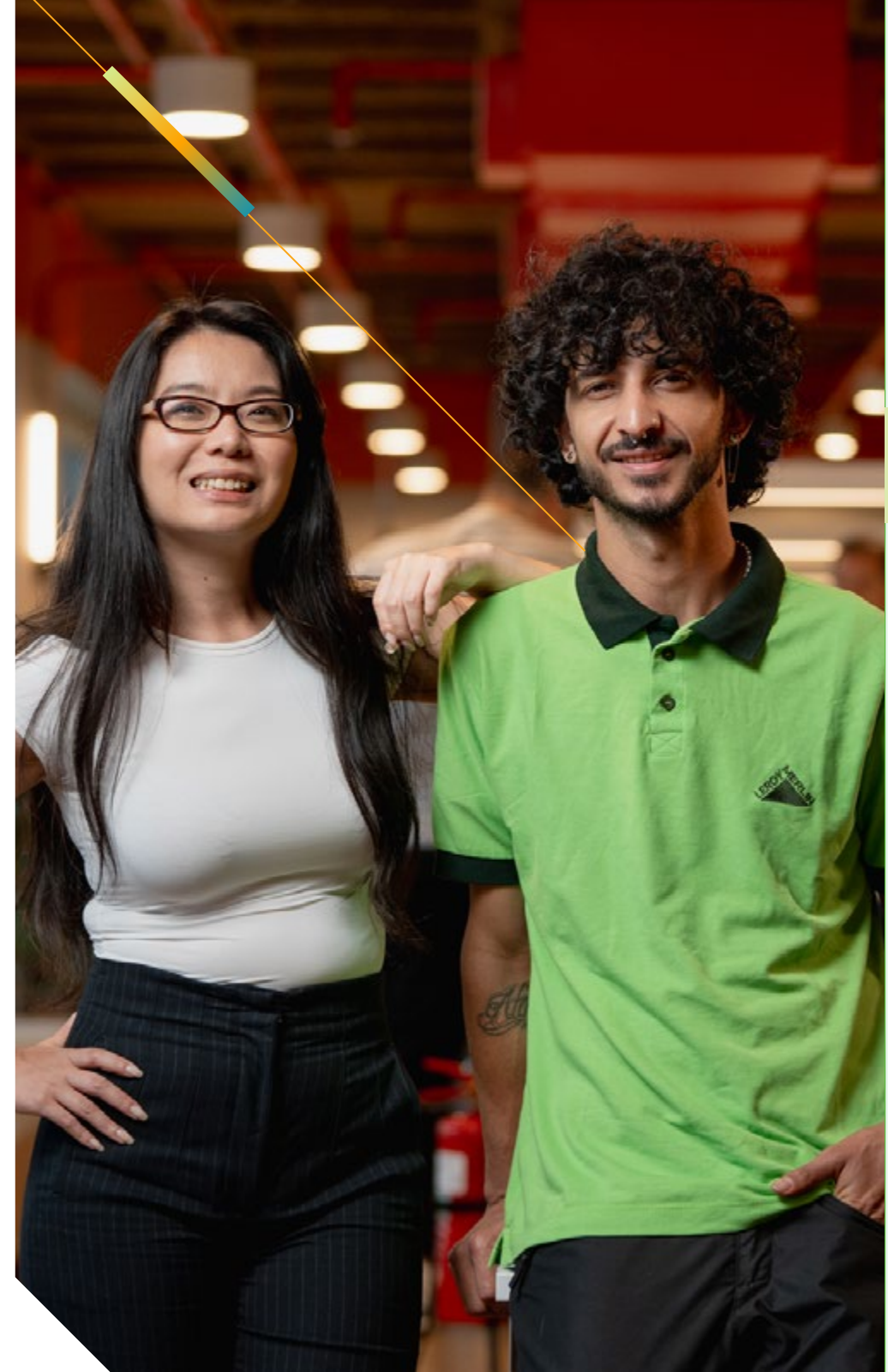
Barbecue grills, outdoor furniture, pergolas and parasols, cushions, decking, and artificial grass Comfortable, durable outdoor decor with exclusive design for the joy of outdoor living.



Modular furniture, shelves, bookcases, niches, shoe racks, hangers, and storage bins. Practical, customizable, and easy-to-install household storage and organization solutions.



Lawn mowers, grass trimmers, brush cutters, chainsaws, and leaf blowers. High-performance electric and gas-powered garden tools that make yard care simple and effective.



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Mission and Values

► Our purpose

We help to create more comfortable, sustainable and healthier homes, **where people feel happier.**

► Our mission

We want to give everyone the possibility of **improving their home.**

► Our values

→ Generosity

We seek to nurture self-esteem and team spirit. We share Knowledge, Capability and Empowerment.

→ Honesty

Our keywords are transparency, integrity, ethics, authenticity, and reliability.

→ Respect for others

We engage in active listening, consideration, humanism, local adjustments, and respect for differences.

→ Proximity

We seek proximity with people, products, customers and the reality of the store. We value empathy, personalized relationships, and providing quality service.

→ Coherence

LEROY MERLIN values clarity: we do what we say, and we say what we think.

→ Humbleness

We are always available, we seek exchange, coexistence, welcoming, and simplicity of communication.

→ A can-do spirit

Our day-to-day activities are marked by dynamism, perseverance, and initiative. We try to overcome obstacles and constantly evolve.



Business model

Resources

9,769 employees

179 new suppliers

BRL 9.6 billion in revenue

Partners, customers, **community**

Raw materials, **water resources** and energy resources

Connection to **100** initiatives related to **startups**

Local merchants, producers, and **150,000** leaders committed to **improving the habitat**

53 stores across Brazil, a distribution center, logistics centers, and e-commerce, marketplace, and the LEROY app, **in addition to NAV and LMCV**

Added value

62.130 categories of products and services for **all stages**, from construction, decoration, and finishing to remodeling and landscaping

15 exclusive brands

Personalized assistance with decorating, assembly, DIY projects, and other services



Value created

Emergence of **innovative projects** for homes

Support for **rebuilding homes** after natural disasters

Well-being, development, and **improvement of our employees' experience** in their day-to-day work

Supporting and encouraging **local suppliers**

84.64% of employees trained in **anti-corruption policies**

0 fatalities resulting from **work-related ill health** and zero in the case of reportable work-related ill health

More than 73 hours of training **per employee** throughout the year

Training for **more than 800** business-partner professionals through the **LEROY MERLIN Instala** service

84% of the units powered by **renewable energy**

83.1% recycling rate

44% of women in leadership positions, **33% of whom Black and brown**

North Star

LEROY MERLIN Brasil's North Star connects our 2030 Vision with **We Make It Positive**, the ADEO Group's environmental, social, and corporate governance (ESG) agenda, aligning our business objectives with our social and environmental commitments.

Accordingly, our strategic planning is focused on establishing the company as a home platform that generates positive social impact by valuing and developing our employees while placing people at the center of our decisions. Our goal is to deliver the most comprehensive, integrated, agile, and innovative customer journey, along with products that have a lower environmental impact and contribute to healthier homes. Together, these efforts support our vision of making every home a positive place to live.





As ADEO Group's global sustainability strategy, the We Make it Positive initiative is based on the belief that improving homes is also a commitment to improving the planet. To ensure these objectives are achieved, specific action plans were developed for each strategic pillar, and 13 indicators were established as part of the ADEO Positive Index (API), enabling annual performance to be monitored and progress toward the goals set for 2026 to be tracked. Each year, the Group discloses its Communication on Progress on the United Nations Global Compact website.

► 13 indicators
make up the **ADEO**
Positive Index

We Make It Positive pillars

01 RESPONSIBILITIES

Human development responsibilities

- Health and safety
- Ethics
- Diversity
- Support for employees facing hardship through the Solidarity Fund
- Employee well-being and engagement

Environmental responsibilities

- Selection of raw materials and suppliers with a focus on positive products
- Waste management
- Sustainable construction practices, low-carbon transportation, and responsible choices in the use of digital solutions
- Biodiversity
- Carbon footprint reduction

02 CONTRIBUTION

To maximize our impact, we focus our efforts on four areas of contribution:

- Local engagement
- Training and employability
- Education on healthy homes
- Access to positive solutions for the home



AXIS	INDICATOR	TARGET FOR 2025	COMPLETED IN 2025
HUMAN DEVELOPMENT	SAFETY Accident frequency rate	5.9	5.68
	HR Stability Index ¹	72%	75.4%
	HR Internal promotion rate	55%	58.9%
	TRAINING Hours of training/year/employee	61	74.7
	DIVERSITY Female officers and store managers	45%	48%
	EXI (Employee Experience Intelligence) Employee NPS	67	66
HOME IMPROVEMENT	RESPONSIBLE PROCUREMENT Suppliers who have signed the Responsible Procurement Code (NM, 1P & 3P)	95.8%	94.4%
	HOME INDEX Sales of products A, B, or C ²	10%	37.1%
	EMISSIONS MANAGEMENT Scopes 1 and 2 (kton CO ₂) ³	9.8	8.5
	EMISSIONS MANAGEMENT Scope 3 (kton CO ₂) ³	6,143	2,952
	EMISSIONS MANAGEMENT Sales of products that prevent carbon emissions (kton CO ₂) ⁴	-	-
	SUSTAINABLE SOLUTIONS GMV from Home Index A/B, Circular Economy, and Energy Renovation (M€)	104	119
	WASTE MANAGEMENT Waste sorting ⁵	Not established	88.9%

¹ Stability Index: measures employee retention by comparing the total number of permanent employees at the beginning of the reporting period with the number who remain employed at the end of the period.

² Sales of products A/B/C: % of products rated A, B, or C on the Home Index relative to total sales volume.

³ The API Index carbon indicators are calculated using European emission factors (ADEME, EIA, DEFRA, and Ecotransit) and therefore differ from the methodology audited in Brazil, which is based on local emission factors.

⁴ LEROY MERLIN Brasil does not currently monitor this indicator.

⁵ In previous reporting cycles, the disclosed indicator was the “landfill diversion rate.” Beginning with this reporting cycle, we are disclosing the waste sorting indicator to align with the metrics reported by the ADEO Group. Before this change, no target had been established for this indicator.



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Materiality

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To identify the topics most relevant to LEROY MERLIN Brasil and those affected by our operations, we use a materiality matrix. The matrix applies a double materiality approach, combining an impact assessment—which considers the company’s relationship with society and the environment—with a financial assessment that evaluates how external factors may affect the company’s value and economic performance.

The current matrix was developed in 2024 with the support of a specialized consulting firm through a review of the previous version, which had been in place since 2021. The process included stakeholder mapping, the identification of an initial set of priority topics, interviews with the company’s senior executives and a financial market analyst, and the collection of responses to online questionnaires completed by stakeholders. The Board of Directors monitored the entire process. Following the qualitative assessment, ten material topics were identified and validated by the company’s senior leadership. The company has not established a timeline for reviewing its materiality assessment.



Stakeholders consulted

01 Customers and/or consumers

02 Direct employees

03 Suppliers

04 Third-Sector Organizations

05 Service providers



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MATERIAL TOPIC	OUR APPROACH	RELATED SDG
Climate change and energy efficiency	Management of greenhouse gas (GHG) emissions and the combustion of fossil fuels for energy generation consumed in the operation of vehicles, facilities, and machinery throughout operations Management of physical and transition risks, as well as the opportunities associated with climate change.	7 13
Ethics, integrity and compliance	Accounting transparency, compliance with standards, laws and anti-corruption practices, promotion of the Code of Conduct and ethical attributes in organizational processes, and the fight against anti-competitive and anti-bribery practices.	16
Health and well-being	Ensuring the well-being and health of workers by managing the organizational environment and the mental and physical health of employees, third parties and their families. Guaranteed freedom of association and collective bargaining, and labor rights practices.	3
Recruitment, development, and retention of employees	Career development, recognition, compensation, benefits, engagement and employee training strategies, and efforts to reduce staff turnover. Performance of the company as an employer brand compared to the market.	5 8
Waste management	Implementation of robust management systems to reduce waste and byproduct generation, ensure recycling and proper disposal, and expand options for material recovery and environmentally sound disposal.	12 13 14 15
Circularity	Initiatives to promote the circular economy and reduce waste through reuse, remanufacturing, repair, improvements to distribution processes, and expanded recycling practices, with the goal of offering products that generate positive outcomes while minimizing environmental impacts throughout their life cycle, from raw material extraction to sale.	12 13 14 15
Cybersecurity and data privacy	Secure management of the collection, storage and processing of sensitive and confidential personal data, in accordance with the Brazilian General Data Protection Law (LGPD). Ensuring cybersecurity and privacy in the use of information.	9 16 17
Supply chain management	Requirements, controls, and monitoring processes for supplier quality standards, supported by policies and procedures that incorporate social and environmental criteria into the procurement of products and services.	9 16 17
Biodiversity and ecosystems	Protection, conservation, restoration, and regeneration of biodiversity and ecosystems, combined with environmental education initiatives. Traceability of the origin of raw materials used in marketed products.	2 13 14 15
Societal development	Strengthening dialogue channels; managing the economic and socio-environmental impacts of operations on society; supporting private social investment and initiatives focused on education and community development; promoting inclusive and participatory decision-making; and providing social support to employees and service providers during emergencies and situations of vulnerability.	1 4 8 10



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Circularity

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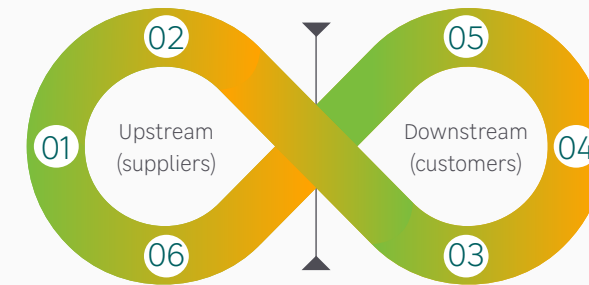
Our work is guided by We Make It Positive, our global sustainability strategy, which drives our efforts to create a positive impact through our business model. The efficient use of natural resources and the adoption of circular business models are central to this strategy, as more than 90% of our environmental impact is directly associated with the products we sell.

To address this challenge, we have developed initiatives that span the entire product life cycle, from designing a portfolio that prioritizes products with lower environmental impacts to actions that extend product life and transform materials previously considered waste into new raw materials, helping close production cycles and reduce pressure on natural resources.

In 2025, we strengthened these efforts by building on the success of pilot projects that test new circular business models, with the goal of offering customers solutions that meet their home improvement needs while encouraging more conscientious and sustainable consumption.

We monitor the effectiveness of these initiatives through key performance indicators, including recycling rates, reductions in waste sent to landfills, and volumes collected through reverse logistics. Results are consolidated periodically and measured against internal targets, generating insights that are incorporated into our operational policies and procedures.

CIRCULARITY – FROM END-TO-END



01 POSITIVE PRODUCTS
Design and/or select products using a circular approach

02 SECOND LIFE
Develop new business models that afford products a second life

03 REPAIRABILITY
Create solutions to promote the repair of damaged products, reducing disposals and providing customers with the best maintenance and repair experience

04 DONATIONS
Establish partnerships with associations to prevent product waste

05 WASTE MANAGEMENT
Reduce our waste generation, such as product breakages, returns, excess inventory, and post-sale waste

06 RECYCLING
Properly manage the waste generated by our operations, encourage the collection and recovery of customers' end-of-life products, and maximize the value of waste through strategic partnerships



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PRODUTOS
POSITIVOS

Positive Products

The Positive Products program reflects our mission to help create more welcoming, healthier, and more sustainable homes. Its initiatives are designed to ensure that our sales channels offer safe, efficient, and durable solutions produced by responsible suppliers with a lower carbon footprint.

Our private-label brands exemplify this approach, as suppliers must undergo social and environmental audits based on the European ICS standard and comply with ecodesign requirements before being authorized to manufacture exclusive products. In addition, in 2025, we also sought to eliminate critical packaging materials from 95% of our private-label products by phasing out the use of PVC and EPS. We further advanced our efforts to replace imported products by identifying items with strong demand in the Brazilian market and encouraging domestic suppliers to manufacture them locally, reducing logistics-related carbon emissions while strengthening Brazil’s industrial base within the company’s value chain. In 2025, we launched 288 private-label products developed in Brazil.

Our broader objective, however, is to improve the sustainability performance of our entire mix. The Home Index is the main initiative supporting this goal, providing objective criteria to assess the social and environmental impact of every product in our portfolio. Developed based on a global ADEO Group methodology, the index evaluates products throughout their life cycle, considering factors such as material composition and quantity, production methods, durability, and end-of-life characteristics. A major milestone in 2025 was the large-scale collection of information from direct suppliers, who contributed

data to the platform demonstrating their level of compliance with each of the index’s 31 assessment criteria. To ensure data integrity, suppliers are required to provide supporting documentation and certifications, including those related to the origin of wood and textiles. Supplier engagement reached 100% across the supply chain. By the end of the year, 90,000 products had been integrated into the platform with some level of information submitted, achieving a data completeness rate of 62%—approximately 620,000 data points—exceeding the initial target of 50%.

The next phase, scheduled for 2026, is to share the assessment results with suppliers to develop action plans that improve the social and environmental performance of products, whether those with lower ratings or those already performing well but with further opportunities for improvement. The long-term objective is for the Home Index to become a decision-making tool for portfolio development, enabling the progressive prioritization of products with more sustainable attributes while phasing out those with greater negative impacts. Ultimately, the project is intended to help customers make informed purchasing decisions by presenting, in a simple, transparent, and comparable way, how each product performs against the index’s criteria.



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SUSTAINABLE HOMES

Within our sustainable product offering, we provide integrated solutions that support customers in creating more sustainable homes, from the design and sale of photovoltaic solar systems and boilers to specialized installation and certification services. To promote energy efficiency and comfort, we offer thermal and acoustic insulation products, including doors, frames, and windows designed to improve sealing performance. Our portfolio also includes products with lower environmental impacts, such as high-performance mortars and products with high energy-efficiency ratings.

We also seek to expand access to smart home technologies, including motion sensors, temperature controls, and solutions for water reuse and water pressure balancing. In the lighting category, we no longer sell fluorescent bulbs and have established a target to discontinue the sale of halogen bulbs by 2029. Our installation and renovation services are designed not only to provide convenience but also to connect customers with qualified designers and skilled installers, helping ensure well-executed projects and preserve the useful life of the products installed.

► We offer **comprehensive solutions** to help customers transition to sustainable homes

Ceramic tiles with lower environmental impact

In 2025, we enhanced the Artens line of ceramic and porcelain tiles, an exclusive LEROY MERLIN Brasil brand. We reduced the thickness of the tiles from 9 mm to 7.4 mm, decreasing raw material consumption and waste generation without compromising mechanical strength or durability. The manufacturing process uses dry-process technology, which consumes less water and requires 30% less energy than the conventional wet-process method. These improvements resulted in a 14% reduction in the carbon footprint associated with tile production. The product line achieved strong customer acceptance, generating BRL 40 million in sales and establishing the initiative as a benchmark for future projects focused on operational efficiency and lower environmental impact.



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Key principles guiding the development of positive product

01 Made from sustainable sources



Verifies that the product contains recycled raw materials, is recyclable, or is sourced from renewable inputs, as evidenced by certifications aligned with this driver.

03 Safe for the planet



Includes measures to eliminate or reduce non-recyclable inputs (e.g., certain plastics), encourage the use of recyclable and recycled materials, and foster the development of reusable packaging.

05 Made with sustainable materials and features



Prioritizes items with functional benefits that generate positive impacts or mitigate negative ones, such as water or energy savings.

02 Made from responsible production practices



Assesses manufacturing facilities, working conditions, and production processes.

04 Safe for people



Focuses on developing and marketing products that are safe for both people and the environment.

06 Built to last



Promotes product durability to reduce the need for frequent replacement.

Second life

We are committed to returning products and materials to the consumption cycle, transforming what was once considered waste into new business opportunities and positive environmental outcomes. To ensure these initiatives are carried out with full legal certainty, all second-life projects undergo rigorous compliance reviews to ensure adherence to consumer protection requirements and applicable regulations.

The Almost Perfect program is our flagship initiative in this area, giving a new purpose to products that, despite cosmetic or functional imperfections, remain as safe as new. After a successful pilot launched at a single store in 2024, the program expanded in 2025, demonstrating measurable environmental benefits and supporting plans to extend the initiative to stores better suited to clearance sales throughout 2026.

Every product offered through Almost Perfect undergoes a rigorous technical assessment before being approved. This process ensures there is no risk to consumers while allowing high-value products to remain in circulation instead of being prematurely recycled or sent to landfills. Customers are fully informed that these are non-standard products, and discounts are applied according to the extent of the damage. The pricing strategy ranges

from modest discounts for barely noticeable imperfections to intermediate discounts for products with visible cosmetic defects but full functionality, and deeper discounts for items requiring repair. During the year, the program reduced product waste by an average of nearly 10%.



~10%

average reduction
in product waste as a
result of the Almost
Perfect program



► We have initiatives in place to **reintegrate products and materials that would otherwise be discarded** back into the consumption cycle



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Repairability

In 2025, we strengthened our repairability initiatives by establishing a dedicated reverse logistics department at our distribution center to manage products returned from home deliveries, including appliances, window frames, and ceramic materials.

We also established workflows with suppliers to manage these returns efficiently and prevent unnecessary waste. When nonconformities are limited to packaging, suppliers replace the packaging so products can quickly be returned to inventory. When returns are due to defects or malfunctions, products are sent back to the manufacturer for rework and repair. When products cannot be resold directly, we seek alternative channels, such as specialized auctions, to maximize their use before considering final disposal. In addition to delivering environmental benefits, feasibility studies showed that this approach is more cost-effective than sending materials to landfills.

As part of our efforts to improve repairability, we launched a technical assistance pilot program at one physical store in 2025, with completion expected in 2026. Focused on ceiling fans, the project is intended to reduce product replacement and disposal, helping extend product life while minimizing waste generation.

Donations

We donate materials to reduce waste generated by our operations while strengthening relationships with local communities. This practice ensures that products unsuitable for sale are put to beneficial use instead of being sent to landfills. To support partnerships with local NGOs and cooperatives, employees verify that the final destination complies with company policies and contractual requirements applicable to each facility.

One example from 2025 was the Morumbi store in São Paulo, which donated flooring and wall coverings that would otherwise have been discarded, enabling the creation of mosaics and public art installations on stairways in the Jardim Ibirapuera district. Led by a local social organization, the project used leftover ceramic materials to revitalize public spaces and preserve the community’s history through outdoor artwork, transforming waste into raw materials for socio-environmental initiatives. The project received an honorable mention from the ADEO Group and was recognized as a model for replication at other locations and in other countries.



Waste Management

GRI 3-3, 306-1, 306-2

We consider waste management a key component of our circularity strategy. After implementing measures to reduce waste generation across our operations, we focus on ensuring that all remaining waste is managed responsibly, prioritizing recycling and recovery to minimize landfill disposal. One example is Recycled Medium Sand, a product manufactured from recycled construction waste and sold in our stores.

Every two months, we meet with our facilities to review waste management performance, analyze waste generation data, and share best practices that highlight the environmental and economic benefits of responsible waste management. One initiative implemented in 2025 came from the Taubaté facility, which replaced the cost of disposing of unusable wooden pallets by identifying buyers for the material, establishing a pricing system, and reorganizing the storage of pallets unsuitable for resale to optimize dumpster use and reduce associated costs. The project reduced the facility’s wood disposal costs by 43% and was recognized by the ADEO Group as an international best practice.

All of our facilities operate under an Integrated Waste Management Program based on standardized guidelines. We have mapped our significant actual and potential impacts, covering material inputs such as packaging, chemicals, and hazardous substances, as well as outputs including defective products, obsolete equipment, and hazardous waste, with a focus on mitigating risks during storage, distribution, and sales.

Waste generated by our operations is managed by specialized service providers. Governance is centralized through *Plataforma Verde*, our primary waste management database, which is integrated with regulatory compliance processes and supports the preparation of the Solid Waste Management Plan (PGRS). The platform provides traceability and control throughout the waste management process by consolidating weighing and measurement data submitted by waste management companies. In 2025, we expanded the scope of information collected to include detailed monitoring of all maintenance service providers, improving traceability for waste streams such as grease trap cleaning residues.



► Our waste management strategy is primarily aimed at avoiding landfill disposal



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To ensure compliance and data reliability, we verify the documentation of all partners, including those operating in designated zones, and audit key records such as the Waste Transportation Manifest (MTR), Waste Disposal Certificate (WDC), and Waste Movement Declaration (DMR). In addition to external audits, including those conducted by ADEO in 2025 to strengthen controls and identify opportunities for continuous improvement, we introduced internal audits performed by a department independent from the waste management team, reinforcing the objectivity and robustness of the process.

We maintain close relationships with our waste management providers through monthly meetings to discuss challenges, identify opportunities, and develop action plans. During the year, we also strengthened our engagement with regional suppliers, supporting them in implementing the improvements needed to fully meet our requirements.

As a result of these initiatives, **we exceeded our landfill diversion target in 2025, achieving a diversion rate of 83.1%, above the target of 80%.** Our target for 2026 is to reach 85%.

► Landfill diversion rate



Recycling

We recognize that effective recycling begins with product design. For this reason, we work closely with our suppliers to prioritize the use of recycled raw materials in their manufacturing processes. Across our operations, all recyclable waste is collected and carefully sorted at our facilities.

To extend the impact of these efforts beyond our operations, we promote a culture of recycling among customers through *LM Recicla*, our flagship reverse logistics program, which provides a robust infrastructure for the regular disposal of recyclable waste across our store network. Our Voluntary Drop-off Points (VDPs) accept materials such as paper, cardboard, steel, aluminum, glass, plastics, electronics, batteries, and light bulbs. The VDPs are open to the public, including individuals who are not LEROY MERLIN customers. To encourage participation, the delivery of recyclable waste earns points¹ that can be exchanged for benefits, such as discounts on electricity bills, mobile phone top-ups, among others.

¹ Valid only for waste managed by Ambipar (paper, plastic, steel, aluminum, and glass).

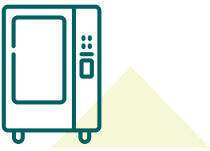


OUR JOURNEY TOWARD SUSTAINABILITY

The program achieved significant milestones in 2025. With the support of producer responsibility organizations and private partners, we operated 50 collection machines across 46 stores, as well as one at our distribution center and another at our administrative office. During 2025, we collected 398 metric tons of waste. This volume was more than five times higher than the 62 metric tons reported in 2024—a year focused on expanding the initiative to all large-format stores following the 2023 pilot—and reflects growing community participation in selective waste collection. Part of this increase also resulted from including light bulbs in the reported volume, whereas they had previously been measured by unit.

The initiative was incorporated into our bimonthly waste management forums, strengthening awareness among store teams of the legal and operational responsibilities associated with the program. During 2025, we conducted a structured assessment and stakeholder listening process that provided a deeper understanding of operations and identified opportunities to strengthen partner support, optimize equipment, and improve the community’s use experience.

Based on these findings, we are moving into 2026 with a more strategic and results-oriented approach, including a comprehensive redesign of the program. This movement will include a competitive partner selection process, detailed analyses of local regulations in each municipality where we operate, consideration of regional requirements, and technical studies to determine the optimal machine size and priority waste streams for each location.



50
machines installed in 46 stores



398 t
of waste collected

LM Recicla

► **BRL 2.4 million**
invested by LEROY MERLIN Brasil in 2025 through the initiative

24 <i>Deixaki</i>	Ecopoint in a container format, equipped with a drop-and-go system
18 <i>Retorna Machine</i>	Urban furniture with digitized, interactive screens
7 <i>Retorna Station</i>	Station composed of distinct modules with greater receiving capacity
1 <i>Recycling Station</i>	Facility equipped with distinct modules, offering the highest capacity among all the solutions

► **Total waste collected in 2025 (in metric tons)**

TYPE	AMOUNT
Electronics	178.4
Glass	60.7
Paper	23.8
Plastic	22.3
Batteries	4.9
Aluminum	4.1
Steel	4.7
Light bulbs	55.7
Waste	43.4
TOTAL	398



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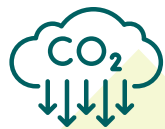
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Climate change, energy efficiency, and renewable energy

GRI 3-3, 302-4

Recognizing the global climate crisis and the growing frequency of extreme weather events, we are committed to leading decarbonization in the home improvement retail sector through a comprehensive climate resilience strategy. Our approach is structured around four pillars: operational efficiency (scopes 1 and 2), value chain decarbonization (scope 3), climate resilience, and avoided emissions, with a focus on creating value for customers through energy renovation solutions.



50%

reduction in total emissions to be achieved by 2035

The implementation of this strategy is guided by science-based targets established by the ADEO Group. In 2025, we strengthened our climate governance following our participation in the 2024 Science Based Targets initiative (SBTi), committing to reduce total emissions by 5% annually, achieve a 50% reduction by 2035 compared with 2021 levels, and reach carbon neutrality by 2050, subject to target validation. To support these commitments, we continuously monitor and improve key performance indicators, including Scope 1, 2, and 3 greenhouse gas emissions, energy efficiency, and product life cycle performance. We also apply methodologies such as EBIT After Carbon (EBITAC), which incorporates an internal carbon price into financial analyses, enabling climate-related risks to be integrated into business decisions.

► We integrate climate risks into **strategic decisions** for our businesses



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Climate strategy

Our decarbonization journey is built on four progressive pillars designed to drive positive impact and create value for the business

To reduce costs and risks

To increase the climate resilience of our business and employees

Reduction of direct emissions (scopes 1 and 2)

Reduction of emissions from the supply chain (Scope 3)

To achieve differentiation

To expand avoided emissions by making homes more water- and energy-efficient through decarbonization solutions



Climate risk plan – risk assessment across all facilities and development of mitigation plans



LEROY MERLIN Solidarity Fund – support for affected employees



Use of renewable energy in operations



Energy efficiency projects aimed at reducing consumption



Improvement of the insulation of facilities (stores, distribution centers) to optimize the use of air conditioning



High-efficiency air-conditioning units



Cements with a lower clinker content



Thinner flooring



LED Lighting



Solutions for efficient water use

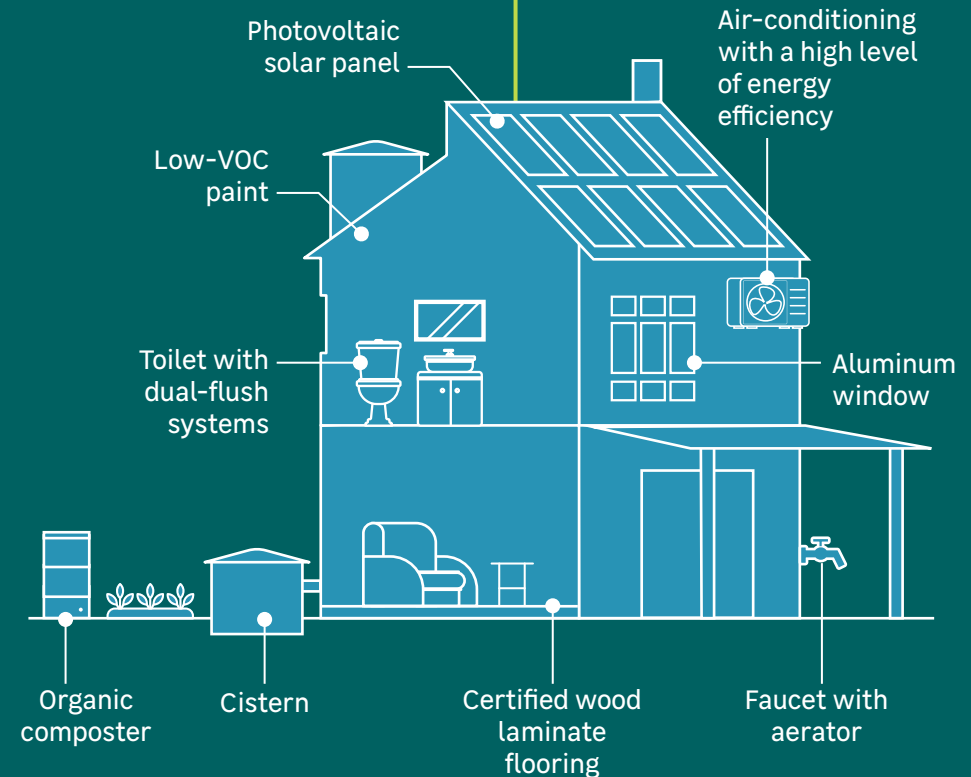


Home Index – promoting better social and environmental standards for products

Decarbonization of our supply chain by focusing on products with a smaller carbon footprint

To promote energy renewal with energy-efficient products

To encourage consumers to choose products with a lower socio-environmental impact (Home Index)



Emissions management

As part of **scopes 1 and 2**, we continue to prioritize operational efficiency and the energy transition. In 2025, Scope 1 emissions declined by 23% compared with 2024, driven by operational improvements such as replacing natural gas-powered equipment with high-efficiency chillers at the Interlagos facility. Regarding our energy mix, 84% of our stores purchase electricity through Brazil's Free Energy Market, while we continue to prioritize self-generation initiatives, including a feasibility study for a solar farm in the Northeast region. Despite the expansion of our store network, total energy consumption remained stable at 385,485.71 GJ, reflecting consistent efficiency gains and contributing to an 18% reduction in emissions compared with 2024. Across scopes 1 and 2, emissions were 57% lower than the 2021 baseline.



84%

of the units with
renewable energy

To further reduce energy consumption and associated emissions, we completed the implementation of an automated platform to monitor and control air conditioning and lighting systems across our facilities by the end of 2025, supporting greater energy efficiency. We also continued retrofitting air-conditioning systems, upgrading equipment at an additional 13 stores during the year.

Managing **scope 3** emissions and decarbonizing our value chain remain our greatest challenges, as more than 90% of our environmental impact is associated with the products we sell. To address this challenge, we have adopted a product life cycle approach, encouraging suppliers to reduce the carbon footprint of their products. Based on the decarbonization opportunities identified for the highest-emitting product categories, we are working with suppliers to develop lower-carbon product lines, focusing on the life cycle stages that generate the greatest impacts.



23%
reduction
of scope 1
emissions

-57%
emissions under scopes
1 and 2 compared
to the 2021 baseline year



A few of the solutions currently under development include: [air conditioner](#) units with high energy efficiency (exceeding a rating of 7.6 in IDRS—Seasonal Cooling Performance Index, equivalent to the European A++ standard), accelerated replacement of R410A with R-32 refrigerant—with a potential reduction of up to 67% in the carbon footprint—prioritization of [cement with lower clinker content](#), thinner flooring ([ceramic](#), laminate and vinyl) that maintains performance, as well as an almost complete transition to [LED lighting](#) and water-efficient solutions, such as [low-flow taps](#) and [dual-flush systems](#). This effort is linked to the Home Index, which will require rigorous tracking of the socio-environmental impact of each product developed for the client, including its carbon footprint (see [page 25](#)).



~75%

average truck capacity load factor

We pay particular attention to **product transportation**, seeking logistics strategies that improve operational efficiency while contributing to lower greenhouse gas emissions. In 2025, we achieved an average truck utilization of 51 m³ (approximately 75% of capacity), expanded partnerships for shared freight routes, and advanced pilot projects using alternative fuels, including natural gas. Recognizing that customer travel to our stores also contributes to our indirect carbon footprint, we began installing **electric vehicle charging stations** in 2025, starting with the Morumbi store, with the long-term objective of expanding this infrastructure to all of our stores.

In 2025, we also made significant improvements to the methodology used to calculate Scope 3 emissions. The purchased goods and services category was not reported while calculations were revised as part of the transition to a monetary value-based methodology, and downstream transportation emissions were recalculated, resulting in a 55% reduction after excluding shared freight previously attributed to the company. The changes reinforce improvements in the accuracy and management of emissions. Following these methodological adjustments, Scope 3 emissions totaled 141,820.46 tCO₂e.

Sustainable Buildings

As part of our efforts to improve environmental performance, we pay close attention to the design, construction, and operation of our facilities. We have implemented measures to reduce waste generation and emissions during construction while prioritizing projects that result in more sustainable buildings. The stores in Jundiaí and Salvador, for example, have earned the EDGE (Excellence in Design for Greater Efficiencies) certification, which recognizes environmentally efficient building projects. The certification evaluates criteria such as energy and water consumption, as well as the materials used during construction. Both stores achieved the EDGE Advanced certification, recognizing energy savings of at least 40%.

In our operations, 2025 marked the achievement of AQUA-HQE certification for all 46 large-format stores, with some locations obtaining recertification and others receiving the certification for the first time. The certification assesses compliance with 14 categories of environmental performance, covering key aspects such as energy, water, and waste management.

► We have adopted an approach that is based on the **product life cycle**, encouraging suppliers to reduce their carbon footprints



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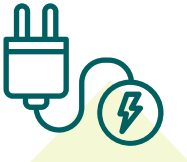
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Through our **Emissions Avoidance and Energy Renovation** initiatives, we help customers reduce their own environmental footprint by expanding access to more sustainable solutions. We go beyond product sales by offering integrated solutions that combine consulting, system design, installation, and performance monitoring, ensuring the quality and efficiency of every project. This approach is accelerating the adoption of technologies such as high-efficiency HVAC systems, solar energy generation, energy-efficient lighting, and home automation, helping create **homes that are more efficient, resilient**, and have a lower carbon footprint. In 2025, sales of energy-efficiency products generated more than BRL 170 million in revenue.



BRL 170 million+

in revenue from the sale of products related to energy renovation



100%

of the units mapped regarding the risk of extreme weather events

Alongside our mitigation initiatives and energy-efficiency solutions, we are also strengthening our focus on **climate adaptation**. In 2025, working with the Expansion team, SESMT, and an external consulting firm, we identified and mapped the risks affecting facilities exposed to extreme weather events, particularly flooding and storms. Based on this assessment, detailed evaluations were conducted at the four facilities facing the highest levels of risk, considering the short-term (2030) and long-term (2060) temperature projections published by the Intergovernmental Panel on Climate Change (IPCC). The findings supported the review of emergency procedures and response plans, as well as the development of site-specific climate adaptation plans for each of the facilities assessed.



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Biodiversity and ecosystems

GRI 3-3, 101-1, 101-2, 101-4

We are committed to protecting and conserving biodiversity and ecosystems, in line with the ADEO Group's guidelines for biome preservation and our Code of Ethical Conduct, which requires us to maintain environmental operating permits and promote the responsible use of natural resources and materials. We assess which of our operations have the greatest impacts on biodiversity by considering both historical and potential future impacts, as well as the products and services provided by our suppliers.

We are also committed to responsible forest management. Since 2015, we have partnered with the Forest Stewardship Council (FSC®) under a promotional license,¹ supporting the responsible sourcing of forest products, including wood. Beginning in 2017, FSC® certification became one of the criteria used to ensure the responsible sourcing of the wood incorporated into our products. As part of our efforts to strengthen our Timber Policy, this requirement has also been extended to suppliers whose products contain wood,² reinforcing our commitment to sustainable sourcing.

We implement environmental compensation measures, particularly in projects involving new store openings or activities in natural areas. These measures include planting native trees and restoring green areas in proportion to the impacts generated. In addition to complying fully with applicable legislation, we seek, whenever possible, to exceed

minimum legal requirements by increasing the number of seedlings planted and prioritizing species native to the local ecosystem, thereby supporting biodiversity, improving environmental quality, and creating long-term value in the communities where we operate. In 2025, we conducted our annual monitoring of environmental compensation areas, evaluating indicators such as sustainable maintenance, ecosystem renaturalization, land-use control, and light pollution mitigation. This structured assessment helps identify opportunities for improvement and supports decisions to expand sustainable practices integrated with biodiversity management.

No areas requiring restoration or rehabilitation as a result of our operations were identified during the year. However, we completed the planting of more than 4,500 trees as part of the restoration project in the Mata Santa Genebra forest in Campinas, São Paulo. The initiative formed part of the environmental compensation measures associated with the opening of the Campinas store and was carried out with the voluntary participation of our employees.

¹ LEROY MERLIN Brasil License Code: FSC-N003930.

² Does not include marketplace items sold by partners.

► We have adopted **strict requirements** for our suppliers aimed at combating illegal deforestation



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Our social initiatives

IN THIS CHAPTER

- People Management
- Social Development



People management

GRI 2-29

We believe the success of our business is directly linked to the engagement of the people who make our operations possible every day. For this reason, our people management approach is designed to ensure that every employee feels like an active participant in the business. Our initiatives are guided by the Culture of Sharing, which is built on four interconnected dimensions. To bring this philosophy to life, employees at our facilities help implement engagement initiatives that foster a sense of belonging and reinforce a focus on collective achievements.

To measure our progress, we conduct two employee engagement surveys each year. In 2025, we migrated the survey process to a new technology platform, providing more detailed responses and improving the analysis of results, making it easier to move from identifying improvement opportunities to implementing action plans. This monitoring is supported by monthly performance dashboards and the analysis of exit interviews, generating insights that are incorporated into our management routines to continuously strengthen employee engagement and retention practices. Our active listening

approach is complemented by initiatives such as Coffee with HR, Meet the Director, and employee service anniversary celebrations.

A major milestone in 2025 was the implementation of ALL ADEO, a program that grants company shares equally and free of charge to all employees. Participation reached 93% of employees, representing an investment of approximately BRL 30 million. Under the program, shares may only be redeemed after a three-year holding period, helping support employee retention. The initiative also strengthened our financial education programs by helping employees better understand personal financial management. In addition, our profit-sharing program now incorporates customer satisfaction, measured through Customer NPS, as one of the factors used to calculate employee bonuses. Alongside our financial and retention initiatives, we continuously review our people management practices to address work-life balance, ensuring that employee engagement is supported by well-being and clear career development opportunities.



BRL 30 million

invested to encourage employee participation in the initiative



Culture of Sharing

- 01

WILLINGNESS

A will to be an entrepreneur and take positive action
- 02

KNOWING

Deepen and share knowledge
- 03

EMPOWERMENT

Take the initiative and accept responsibility for actions and their impacts
- 04

HAVING

Creating human, environmental, and economic value



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Solidarity Fund

Managed by INSTITUTO LEROY MERLIN OBRAMAX, the Solidarity Fund is one of the company's main mechanisms for supporting employees during periods of extreme vulnerability. Its purpose is to provide financial and social assistance to employees facing critical situations beyond their control, including natural disasters, accidental fires, industrial accidents, violence against employees, traffic accidents, and pandemics. More than a source of financial support, the fund reflects our commitment to caring for the people who help build our history, reinforcing the belief that a healthy home begins with the well-being of our employees and their families. Since the beginning of 2021, more than 230 employees have received assistance through the program, with more than **BRL 1.6 million allocated to emergency support.**

In 2025, the program further strengthened its focus on situations of high social vulnerability. A key priority during the year was providing comprehensive support to female employees affected by domestic and gender-based violence. Through a dedicated support protocol involving Human Resources and social workers, the fund provides financial assistance for needs such as emergency relocation within or between states, transportation, rent, and essential household furnishings, helping women and their children rebuild their lives in safety and dignity.

A major milestone in 2025 was the expansion of our internal solidarity network. We introduced a new feature on the HR portal that enables employees to donate amounts starting at BRL 2 through payroll deductions to the Solidarity Fund. To maximize the impact of these contributions, LEROY MERLIN Brasil matches every real donated by employees.

More than BRL
123,000
distributed in 2025

230+
employees have
benefited since 2021

BRL **1.6** million
allocated for grants since 2021

Talent recruitment, retention, and development GRI 3-3, 404-2

We recognize that leading in the dynamic retail environment requires a strong commitment to our organizational values, making internal development one of our most important management priorities. This commitment is reflected in figures: **74% of leadership positions at LEROY MERLIN Brasil are filled through internal promotions**, demonstrating the effectiveness of our Internal Mobility Policy, which prioritizes the development of internal talent and career advancement.

To ensure this growth is fair and inclusive, we begin with the recruitment process. Our Personnel Selection Policy establishes transparent and equitable hiring practices that comply with applicable legislation and ethical principles. We maintain a recruitment process free from discrimination, with hiring decisions based solely on objective criteria such as qualifications, experience, skills, and performance. Leaders receive specialized interview training designed to reduce unconscious biases and keep the focus on each candidate’s capabilities and potential.

We reinforce this approach through the *Eu Indico* (I Recommend) referral program, which encourages employees to recommend new talent, as well as targeted employer branding initiatives that help attract candidates aligned with our culture.

The effectiveness of these initiatives is measured through indicators such as Candidate NPS, time to fill, diversity targets, and Onboarding NPS, which is collected at different stages of the onboarding journey. These metrics support continuous improvement, more efficient recruitment processes, a better employee experience, greater diversity, and reduced risks related to attracting and retaining talent.

After joining the company, employees enter a structured development journey designed to prepare them for future career opportunities. Through the LEROY MERLIN Corporate University (UCLM), we offer accelerated development programs for employees identified as having high promotion potential.

► We have a **Recruitment Policy** featuring guidelines to ensure transparent and fair processes



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The **Velejar (Sail)** program prepares future store managers, while **Escalada (Climbing)** equips professionals to face the challenges of their first formal senior leadership positions. In 2025, we expanded this development pathway with the launch of **Jump**, a program designed to prepare managers for director-level positions.

Employees promoted to store manager and store director roles receive mentoring throughout their first year in their new positions. Mentors are selected from managers with more than two years of experience in their current roles and receive specialized training to support mentees in prioritizing actions and developing both technical and behavioral skills. Employees hired externally also participate in mentoring, receiving support to adapt to LEROY MERLIN's culture and internal processes. In 2025, 100 employees participated in the program as mentees, while 100 mentors completed the training.

1,900+
employees and dependents study English and/or Spanish through the platform that is provided

To complement these accelerated development programs, our learning framework is organized into seven academies: Sales, Leadership, Business Line, Supply Chain, Installation, Digital, and Performance. This structure provides specialized learning opportunities tailored to each area of the business. One highlight in 2025 was the Sales Facilitator Leader program, which trained more than 1,200 leaders and sales professionals in advanced customer service techniques designed to transform the sales process into a consultative customer experience.

Our commitment to development also includes formal education. Through our partnership with the Galena platform, we subsidize 30% of tuition costs for undergraduate programs such as Business Management, Digital Marketing, and Supply Chain Management, extending this benefit to employees' dependents and family members. In language development, more than 1,900 employees and their dependents studied English and/or Spanish during 2025 through the language platform provided by the company at no cost. In addition, our in-company MBA in Business Transformation, offered in partnership with ESPM, requires participants to develop capstone projects that address real business challenges faced by LEROY MERLIN Brasil, combining academic learning with practical business application.

A CULTURE OF FEEDBACK

Our feedback culture is built around structured performance management practices that include discussions with direct managers and feedback collected through team forums, all of which are recorded in our systems to build each employee's development history. Based on this feedback, employees are encouraged to prepare Individual Development Plans (IDPs) supported by both in-person and online learning opportunities.

Additionally, we also hold an annual values recognition campaign in which employees exchange feedback linked to the company's core values. The process concludes with leaders presenting recognition certificates to employees who demonstrated outstanding alignment with those values.



Casa Saudável
In 2025, we launched a pilot version of *Casa Saudável* (Healthy Home), an initiative aimed at improving employees' homes. The selection process was designed, and two structural reforms were completed throughout the year. The initiative was conducted by means of INSTITUTO LEROY MERLIN OBRAMAX.



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Diversity and Inclusion

In 2025, we made important progress in strengthening diversity across our organizational structure. One of the most significant milestones was the composition of our Executive Committee, which now includes four women. For the first time, two women were appointed as regional directors, taking on direct responsibility for the company’s core business and creating greater visibility for women aspiring to leadership positions across the organization. By the end of 2025, women held 44% of all leadership positions.

In terms of racial equity, Black representation in leadership reached 31%, an increase of three percentage points compared with 2024. To improve visibility for transgender and non-binary employees, we added a gender identity field to our employee records.

We also continued advancing disability inclusion, reaching 5.2% representation of employees with disabilities in our workforce, with a gradual target of 6% by 2027. Our approach emphasizes local realities rather than standardized models, with each location assessing inclusion opportunities based on the characteristics of the local community and the physical accessibility of the store, helping ensure long-term, sustainable inclusion. For employees with autism, we

apply the Supported Employment model, assigning a facilitator to provide support with day-to-day activities.

We also continued strengthening inclusive leadership, and by the end of 2025, 69% of leaders had completed diversity awareness and training initiatives.

Our cross-functional Diversity Committee, composed of representatives from different areas of the company, leads the diversity agenda by co-creating and implementing initiatives that promote a more diverse, equitable, and inclusive workplace. In 2025, we also launched a new initiative focused on intergenerational inclusion, beginning with an awareness session on ageism led by Tatiane Moreira, a social action analyst at SESC Minas Gerais and a specialist in social work with older adults.

31%
of leadership positions
are held by Black people



Diversity Month

Each June, we celebrate Diversity Month, a strategic initiative designed to raise awareness and strengthen employee engagement with diversity and inclusion. Throughout the month, we offer a series of lectures and accessible educational content covering a range of topics. In 2025, the program included nine online and hybrid sessions addressing racial diversity, gender equity, the inclusion of people with disabilities (PwDs), the LGBTQIAPN+ community, and issues affecting immigrants and refugees. These initiatives are intended to foster respect, broaden understanding, and reinforce a more inclusive organizational culture.

- Participant evaluation:**
- 85% felt represented at the meetings held
 - 97% considered the topics covered to be interesting
 - 94% said they had a better understanding of the diversity and inclusion strategy after participating in the activities



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Safe and healthy work environment

GRI 3-3, 403-1, 403-2, 403-4, 403-5, 403-7, 403-10

At LEROY MERLIN Brasil, safety is a non-negotiable value and a fundamental pillar of our operations. Our occupational health and safety management system covers 100% of employees across all facilities and corporate offices, with 49.32% of our workforce operating under a management system certified by an independent third party. Eighteen large-format stores, two express stores, and our headquarters are certified under ISO 45001, the international standard for occupational health and safety management, demonstrating the strength of our management systems.

Through our Risk Management Program (PGR), we identify hazards and assess occupational risks. These assessments support the continuous monitoring of working conditions and the implementation of preventive measures to address identified risks. The results are also used to evaluate and continuously improve our occupational health and safety management system, strengthen our safety culture, and reduce workplace incidents.

All employees have the right to refuse work they believe to be unsafe, with full protection against retaliation. We also provide a digital reporting system that enables employees to report unsafe conditions and behaviors, supporting the prompt identification and mitigation of risks. Our commitment to safety also extends to professionals who are not directly employed by the company but perform activities within our operations. We have identified the hazards and risks associated with the activities carried out by employees of our business partners and incorporated specific contractual provisions defining occupational health and safety responsibilities to help mitigate these risks.



20 units

and our headquarters
are ISO 45001 certified



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Employees actively participate in occupational health and safety management through formal consultation and participation mechanisms. Our workforce is represented on the Internal Commissions for Accident and Harassment Prevention (CIPAAs) at our stores, as well as on formal health and safety committees composed of both employee and company representatives. In addition to these committees, employees are encouraged to contribute through the Improvement QR Code, a channel for submitting suggestions, ideas, and opportunities to improve workplace safety. Employees also participate in reviewing the hazards and risks associated with their activities and in developing work instructions, reinforcing prevention, open dialogue, and shared responsibility for safety.

We view continuous training as essential to strengthening a preventive safety culture, keeping knowledge up to date, and promoting safe and healthy work practices. Accordingly, we provide a training program tailored to the specific risks and activities associated with our operations. Training covers topics such as the proper use of personal protective equipment (PPE), hazard and risk identification, accident prevention, and safe work practices. The program also includes training on applicable regulatory requirements, including electrical safety, working at heights, material handling, equipment operation, and other activities requiring specialized health and safety controls.



► We involve employees in the **review of risks** related to their activities, strengthening prevention and dialogue

Continuous progress in safety indicators

There were positive trends in key safety indicators for the second consecutive year. In 2025, we registered:

► **5.68** accident frequency rate, **8% lower** than in 2024

► **16% decrease** in the severity rate

► **13% decrease** in the total number of days lost



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CARING FOR HEALTH AND WELL-BEING GRI 3-3, 403-3, 403-6, 403-8, 403-10

At LEROY MERLIN Brasil, protecting the physical and mental health of our employees is a core element of our people strategy. We provide occupational health services that include the medical examinations required under the Occupational Health Medical Control Program (PCMSO), ongoing health monitoring, and measures focused on preventing and identifying work-related health conditions at an early stage. We also promote campaigns and initiatives that encourage health, well-being, and quality of life, reinforcing the importance of a holistic approach to employee care. In 2025, no occupational illnesses were recorded among our employees. All eligible employees were included in the processes for identifying, assessing, and managing occupational health hazards and risks, with no exclusions from the scope of monitoring.

To support employees and their dependents living with chronic conditions, such as diabetes, cardiovascular diseases, and respiratory illnesses, we offer the *Sempre Bem* (Always Well) Program. The *Viva Leve* (Live Lightly) Program promotes healthier lifestyles through nutritional guidance, group counseling, and initiatives that encourage physical activity. We also provide Executive Check-ups for managers and executives at no cost and without copayments, including physical examinations, laboratory tests, and diagnostic imaging. For pregnant employees, the *Amor de Mãe* (Mother’s Love) Program offers prenatal and postpartum support through remote monitoring.

Among our mental health initiatives, the Inner Strength Program helps employees and their dependents better understand emotional distress, its symptoms, and its effects, contributing to the prevention of psychological and emotional strain. In addition, the Psychological Support Program provides employees with access to a dedicated emotional support channel.



Strengthening mental health promotion

In September 2025, we held our first Mental Health Week. The program featured a series of live sessions designed to raise awareness about the importance of everyday health and well-being while encouraging reflection on self-care. Five live sessions were held, covering topics including: Breaking Taboos, Financial Literacy, Yellow September, Psychological Safety, and Emotional Management. Each session attracted an average of 150 participants.



Social development

GRI 3-3, 413-1

For us, social responsibility is not a standalone initiative but an extension of our Culture of Sharing within the communities where we operate. Our efforts are carried out through corporate volunteering, support for social initiatives funded through tax incentive programs, and the Solidarity Fund.

LEROY MERLIN views the planet as our home, and our culture and way of doing business reflect commitments to economic, environmental, and social development through initiatives that promote cultural awareness, expand access to rights, and celebrate Brazil's diversity.

Corporate volunteering is coordinated through the *Partilhando o Bem* (Sharing Good) program, which contributed more than 1,200 volunteer hours in 2025 and benefited more than 1,400 people. Through our *Bricoleiros de Coração* (DIYers at Heart) program, we organized five volunteer events during the year, mobilizing more than 180 employees in support of initiatives with significant social impact. Volunteers participated in activities that

included supporting shelters for transgender people experiencing homelessness, organizing sports activities at the High-Performance Center (NAR), and revitalizing educational facilities. One notable example took place in São Leopoldo (RS), where, following a project that funded graffiti murals at a local school, volunteers renovated the interior of the building, creating a renewed learning environment for students. In Joinville (SC), employees dedicated more than 90 volunteer hours to APADI (Para-sport Association for Intellectual Disability), supporting sports inclusion for young people with intellectual disabilities.

We also align volunteer activities with institutionally supported initiatives such as the Espro Program, which provides vocational training for young people in vulnerable situations. Throughout 2025, the program offered comprehensive training and, for the first time, included contributions from LEROY MERLIN employees, who shared their personal experiences and career guidance.



Two employees volunteered for this pilot initiative, leading four training sessions. In the 2025 cycle, Espro offered 300 places and enrolled 300 participants, with 265 successfully completing the program, demonstrating a high level of engagement and commitment. By the end of the year, 73 participants had secured employment, including 53 hired by LEROY MERLIN, demonstrating our commitment not only to training but also to creating employment opportunities. The program also contributed to improved household income, with participating families recording an average increase of 58% in per capita income.

We also provide free training for independent installers, enabling them to work with new products and technologies such as vinyl flooring and drywall systems. This initiative generates direct social benefits by increasing employability and household income while strengthening our network of qualified partners to deliver integrated solutions to customers. In 2025, 176 people participated in these training programs. In Natal (RN), after identifying that many female customers felt uncomfortable receiving male service providers in their homes, we partnered with Senai to train 40 women as certified professional installers. In São Leopoldo (RS), 136 women participated in a training program developed in partnership with the Instituto Mulher em Construção.



53 young

people hired by LEROY MERLIN
Brasil after completing the course
offered by the Espro Program



1,200+

hours of volunteer work
that benefited more than
1,400 people



INSTITUTO LEROY MERLIN OBRAMAX

We receive strategic support from INSTITUTO LEROY MERLIN OBRAMAX, which oversees the implementation of projects funded through tax incentive programs and facilitates donations and training initiatives. In 2025, the institute supported the delivery of two vocational training programs, monitored projects financed through incentive laws, and continued coordinating assistance for communities affected by the 2024 climate-related disaster in Rio Grande do Sul. By the end of the year, 42 of the 500 planned homes had been completed, and another 66 were in the final stages of construction. The institute also develops its own initiatives, including Viva Perifa, which revitalized six public schools in Rio Grande do Sul through urban art in 2025, benefiting approximately 20,000 people while creating employment opportunities in the cultural and audiovisual sectors.

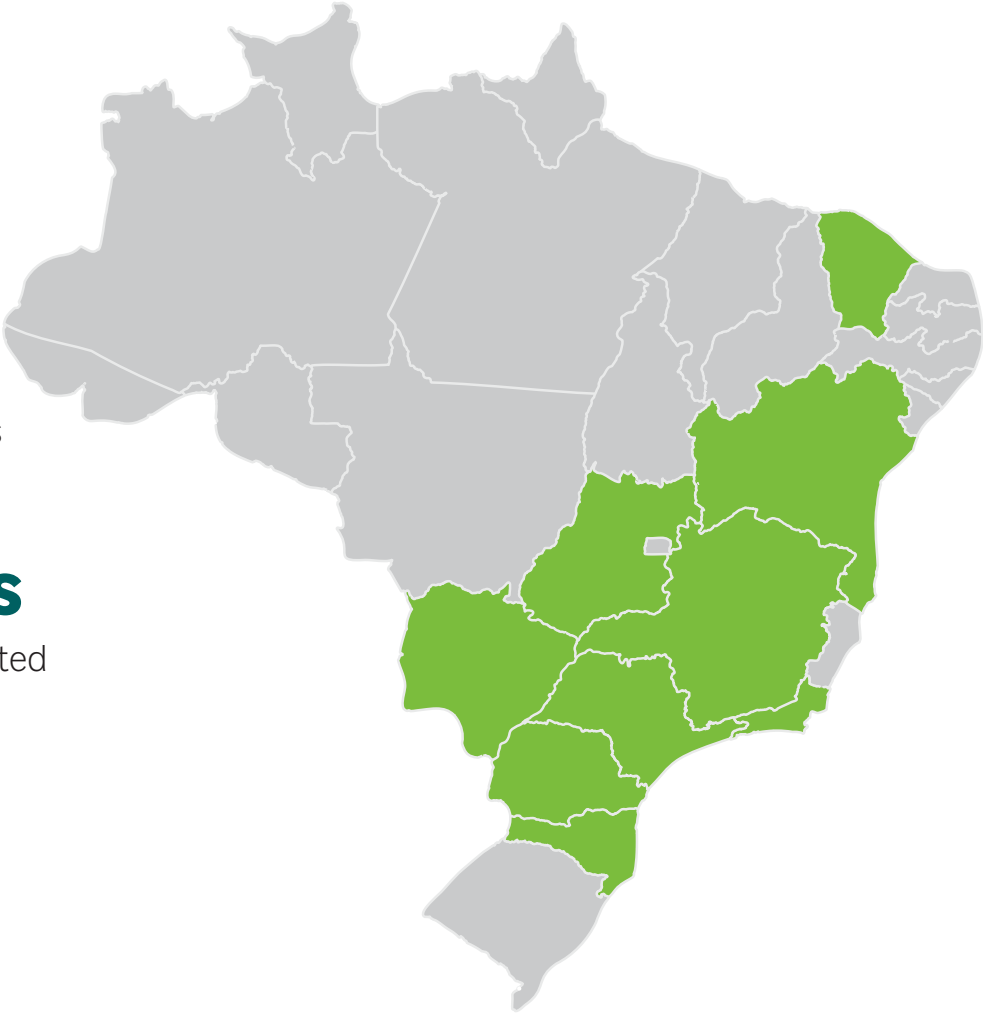
Funded projects

In 2025, we supported 13 social initiatives through the Elderly Fund, the Children and Adolescents Fund, the Sports Incentive Act, and the Culture Incentive Act. These initiatives helped expand opportunities for young people through education and vocational training, supported programs for older adults, promoted the development of athletes through Olympic and Paralympic initiatives, and increased access to culture and the arts in different regions of Brazil. In total, we invested BRL 3,055,424.24, directly benefiting more than 17,000 people across nine Brazilian states.

More than **3M**
allocation of public funds
for social impact

13 projects
and Rights Funds supported

9 states
affected



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Our governance

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- | Cybersecurity and Data Protection
- | Supplier Management
- | Customer Centricity



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Governance structure

GRI 2-9, 2-10

Our governance structure is guided by the ADEO Group's principles and supported by control mechanisms designed to ensure regulatory compliance and business continuity. The Board of Directors is the company's highest decision-making body, responsible for approving the strategic plan and overseeing internal policies. Board members are appointed through a selection process that evaluates stakeholder engagement, independence, expertise, and professional experience while promoting diversity and considering both internal candidates and external professionals.

Executive management is carried out by the Executive Committee, which underwent a significant restructuring in 2025 to align with the company's new operational cycle.

A key milestone during the year was the succession planning for the position of Chief Executive Officer (CEO), with Ricardo Dinelli appointed to lead the Brazilian operation effective January 1, 2026, succeeding Ignacio Sánchez. As the first Brazilian to assume the role, Dinelli brings 13 years of experience

within the company, having started his career as a trainee, reflecting our commitment to leadership development through internal succession. Ignacio Sánchez, who had led the Brazilian operation since 2020, will assume responsibility for LEROY MERLIN's operations in Italy.

The 2025 governance transformation also included changes to the composition of the Executive Committee. The new leadership team is made up of executives who, in line with our internal succession model, have built their careers within the company over the past decade. The committee also became more diverse, with four women now serving on the executive leadership team. Among the year's leadership appointments, the promotion of the first women to the positions of regional directors marked an important milestone.



► **Steering Committee**
came to include four
women in 2025



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COMPOSITION OF THE BOARD OF DIRECTORS

TERM: DECEMBER 31, 2025, TO DECEMBER 31, 2028

- **Alessandro Di Giovanni**
Obramax Board Member – Chairman of the Board of Directors; does not hold an executive position at LEROY MERLIN Brasil **GRI 2-11**
- **Franck Albert Marie Lely**
Obramax Board Member
- **Antonio Piñero Aguirre**
Obramax Board Member
- **Xavier Jacques Guy Mia Mulliez**
CEO of Voltalia Energia do Brasil and Obramax Board Member
- **Weber Niza**
Director of Human Resources, ADEO
- **Michael David Paul Reins**
Director of Obramax Brasil and Obramax Board Member
- **Ricardo Estácio Dinelli**
CEO of LEROY MERLIN Brasil and Obramax Board Member

All Board members hold executive positions within the company or occupy executive roles in other organizations or other units of the organization. All current members are male and represent a specific stakeholder group. The Board's mandate is a unified three-year term.

COMPOSITION OF THE BRAZIL EXECUTIVE COMMITTEE

- | | |
|--|---|
| → Ricardo Estácio Dinelli
Chief Executive Officer | → Vicente Fernandes Sanz
Director of New Business |
| → Julien Gaston Andre Gazier
Administrative, Financial, and Development Director | → José Emilson Ferreira
Supply Chain Director |
| → Maximiliano Salve
Director of Economic Performance | → Talita Moreira Farias
São Paulo Regional Office Director |
| → Michelle Dapper
Director of Human Resources | → Roberto Alves Uyeda
Southeast Regional Office Director |
| → Carolina Coelho Braune Alves
Marketing Director | → Matheus de Souza Moraes
Southern Regional Office Director |
| → Bruno Tosi Pelosi
Director of Central Purchasing | → Paloma Fonseca Rodrigues
Central-Northeast Regional Office Director |
| → Glauco Roberto Cunha
Chief Technology Officer | → Carlos Eduardo Dias de Oliveira
São Paulo Interior Regional Office Director |



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ESG Governance

GRI 2-12, 2-13, 2-17

The management of environmental, social, and governance (ESG) matters is fully integrated into our business strategy through We Make It Positive, our global sustainability framework. The Board of Directors is responsible for establishing the company's annual strategic direction, updating sustainable development objectives, and overseeing the company's impacts on the economy, the environment, and society. To support effective oversight, we continuously invest in the development of Board members through training and educational initiatives. Board members have access to current information, knowledge-sharing opportunities, and specialized committees and working groups.

The Board delegates responsibility for managing ESG impacts to an executive responsible for implementing the strategy, engaging stakeholders, and integrating sustainability into operational processes. Performance reports are submitted annually to the Board of Directors and quarterly to the Positive Impact Council.

In addition to supporting the ADEO Group's ESG agenda, we participate in several initiatives that promote sustainable development:

- **United Nations (UN) Global Compact**
Supports progress toward the Sustainable Development Goals (SDGs).
- **Brazil Pact for Business Integrity**
Encourages companies to publicly commit to ethics and transparency through effective anti-corruption measures.
- **Brazilian GHG Protocol Program**
Promotes corporate greenhouse gas emissions inventories in Brazil to strengthen organizational climate action.
- **Net Zero Ambition – Global Compact**
Encourages companies to adopt science-based climate targets aimed at achieving net-zero greenhouse gas emissions by 2050.

- **Circular Connection Movement**
Brings together companies and value chains to eliminate waste and restore natural systems.
- **Educa 2030 Movement**
Engages the private sector in strengthening basic and vocational education.
- **They Lead 2030 Movement**
Promotes gender equity and increases women's representation in senior leadership.
- **Raça é Prioridade Movement**
Promotes racial equity by increasing Black representation in leadership positions.



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Ethics, integrity and compliance

GRI 2-15, 3-3, 205-1, 205-3

Integrity is one of our core values, and we are committed to conducting our business with transparency, ethics, and accountability. To uphold these principles across our workforce and business relationships, we maintain a comprehensive Compliance Program. The program covers all operations and stakeholder interactions and is continuously enhanced to strengthen governance.

In 2025, we reinforced controls over higher-risk areas, including donations and payments to international suppliers. We also introduced a new Assisted Sales Policy establishing clear rules for interactions between physical stores and our digital ecosystem to prevent conflicts of interest. In addition, integrity became an eligibility requirement for commercial and incentive campaigns: employees must acknowledge the Code of Ethics, complete mandatory training, and submit a conflict-of-interest questionnaire to qualify for participation and awards.

These processes are supported by Service Now, which enables the Compliance team to manage inquiries efficiently and ensure the consistent application of company policies. Our culture of compliance is further strengthened through global monitoring tools. In 2025, we achieved distinction among ADEO group units for our use of the Act Ethics platform—used for the transparent reporting of invitations, gifts, and courtesies—demonstrating that our employees recognize the importance of disclosure and transparency in their professional interactions.

We conduct corruption risk assessments across our operations, with 77.79% of operations assessed to date. Integrity due diligence is supported by two complementary tools: one evaluates 100% of active suppliers for tax, labor, social, environmental, and anti-corruption compliance, while the global Check Ethics platform focuses on suppliers associated with the Development and Expansion Department. The principal integrity risks identified through supplier assessments include involvement in public scandals, links to owners of companies previously sanctioned for fraud, and relationships with politically exposed persons (PEPs), all of which require enhanced due diligence to prevent conflicts of interest.

In 2025, no incidents of corruption involving LEROY MERLIN Brasil or its employees were recorded. To address actual impacts, we maintain a multidisciplinary Crisis Committee responsible for defining corrective measures and identifying lessons learned that are incorporated into our policies and procedures.



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2nd Legal and Compliance Week

In August 2025, LEROY MERLIN Brasil and Obramax held the second edition of Legal & Compliance Week, an event designed to strengthen collaboration between the legal function and the business. Opening the event, Rodrigo Kalil Ribeiro, Director of Legal and Compliance for both brands, highlighted the evolving role of legal departments from advisory functions to strategic business partners, emphasizing capabilities beyond legal expertise, including business acumen, effective communication, and data-driven decision-making.

The three-day program included lectures, live sessions, and panel discussions covering topics such as the practical application of artificial intelligence in legal activities, reputation management in polarized environments, legal risk management in circular economy initiatives, working time regulations in retail, and the new NR-1 standard, which will require companies to strengthen the management of psychosocial and mental health risks beginning in 2026.



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Ethics Hotline

GRI 2-25, 2-26

Our Ethics Hotline enables employees, customers, suppliers, and other stakeholders to report conduct that may violate the Code of Ethical Conduct or internal policies. The channel operates 24/7, in both Portuguese and English, ensuring confidentiality and allowing anonymous reporting. We protect individuals who report concerns in good faith through a non-retaliation policy, regardless of the outcome of the investigation. After a report is received, it undergoes an initial assessment and is referred to the Compliance, Human Resources, or Internal Audit teams, which present their findings to the Ethics Committee for decisions regarding disciplinary measures or corrective action plans. Reporting parties receive updates confirming receipt of the report, the progress of its review, and its conclusion. However, the specific actions taken remain confidential to protect those involved and comply with applicable data privacy requirements.

In addition to the Ethics Hotline, we provide confidential advisory services, manuals, training, and e-learning resources to support the implementation of our policies. To address concerns effectively, we maintain formal escalation procedures and reporting mechanisms for suspected noncompliance with laws and regulations. Together with internal governance forums and anti-corruption guidelines, these mechanisms enable ethical concerns to be addressed safely, consistently, and proactively. Our governance framework includes the monitoring and analysis of reports, with periodic reviews presented to both the Channel Governance Committee and the Ethics Committee. We also engage stakeholders in the design, review, operation, and continuous improvement of these mechanisms, in line with ADEO Group initiatives to strengthen policies and procedures.



► We guarantee **confidentiality and protection from retaliation** for all reports submitted, regardless of the outcome



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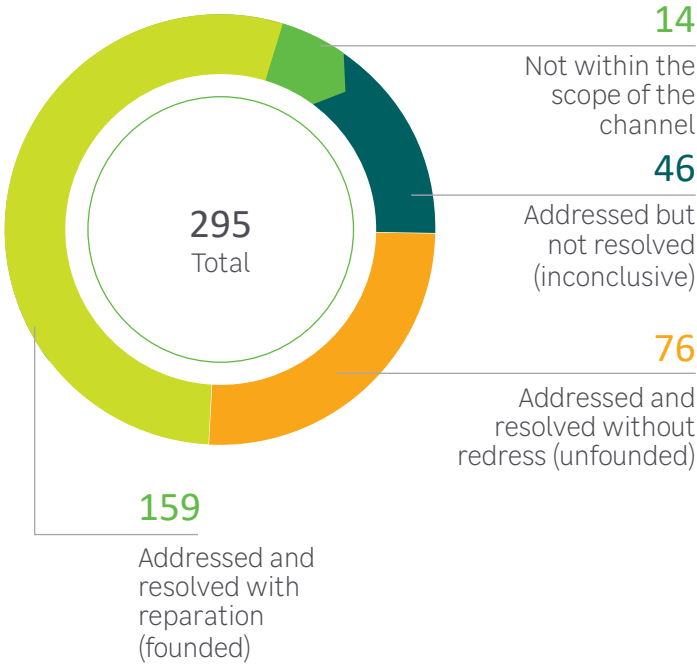
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In 2025, we received 295 reports related to corruption, conflicts of interest, security, fraud, and human resources matters. This represented a 10% decrease compared with the previous year, primarily due to in-person training delivered to more than 6,000 employees across all locations, which clarified the distinction between compliance matters and routine operational questions. As a result, the quality of reports improved, with submissions containing more complete supporting information and evidence, facilitating investigations while reducing the use of the channel for routine HR-related inquiries.

In line with our commitment to the UN Global Compact’s 100% Transparency initiative, we have enhanced indicator disclosure, making them available on [our website](#) in the section dedicated to compliance issues, the total number of reports by hierarchical level, region, and type of alert, as well as the ratio of anonymous to identified reports.

That same year, the company joined the Brazil Pact for Corporate Integrity, an initiative of the Office of the Comptroller General (CGU) that encourages companies and private entities operating in the country to voluntarily make a public commitment to corporate integrity.

► **Total number of reported complaints**



0

was the number of complaints that were not addressed



Ethics Hotline

Available 24/7

FOR EMPLOYEES

FOR PARTNERS, SUPPLIERS, AND CUSTOMERS



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Risk management

Risk management at LEROY MERLIN Brasil is aligned with the ADEO Group’s global standards and guidelines and encompasses areas such as corruption, compliance, conflicts of interest, occupational health and safety, and supply chain management. The process also covers environmental, labor, human rights, financial, and operational risks. Risks are identified, assessed according to their level of criticality, and monitored through periodic reporting to senior management and the Audit Committee.

We adopt a structured approach to mitigating infrastructure and operational risks, as well as integrity risks associated with third parties. To ensure our facilities meet legal and operational requirements, we use an Operational License Risk Matrix that enables continuous monitoring of critical documentation.

In addition to strengthening technical compliance, 2025 marked an important advance in our risk management maturity with the development of a corruption risk map. Based on a broad series of interviews with stakeholders, we created a heat map that classifies risks as high, medium, or low. Beginning in 2026, action plans will be implemented to address the highest-priority risks while progressively mitigating the remaining identified risks.

The continued strengthening of these control processes has also expanded our ability to assess risks in new business areas. We introduced a dedicated risk assessment methodology for the B2B business and for large-scale renovation service providers, recognizing that these activities involve different risk profiles than standard residential installations.



Cybersecurity and data protection

GRI 3-3, 418-1

Protecting the integrity and privacy of information belonging to our customers, employees, and business partners is not only a legal obligation but also a core element of our ethical commitments. In 2025, cybersecurity and data protection reached an important milestone as the Brazilian operation achieved the highest cybersecurity maturity score among all ADEO Group business units worldwide, increasing its rating from 92% to 95%, while also becoming the first retailer in Brazil to obtain ISO 27001 certification.

Our digital governance framework is supported by rigorous policies and controls. The use of information assets is governed by strict confidentiality and transparency requirements, and any sharing of data with third parties must be approved through a two-stage review conducted by the Legal and Cybersecurity teams.

We also seek to empower employees as active contributors to cybersecurity. To support this approach, we have replaced a culture based on fear with one based on trust, fostering psychological safety so employees can report incidents—such as accidentally accessing suspicious links—without fear of punishment, enabling the Security team to respond quickly and effectively. We apply structured continuous improvement methodologies to ensure that lessons learned from tests and audits are systematically incorporated into our policies and training programs.



95%

achieved in the **cyber maturity** index



► We are the first retail company in Brazil to secure the **ISO 27001 international certification**



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As cyber threats become increasingly sophisticated, including the use of artificial intelligence in social engineering attacks, we have strengthened our resilience by incorporating AI into our cybersecurity capabilities. These technologies automate monitoring, accelerate incident response, and enable rapid data recovery in critical situations, reducing potential operational impacts. We have also strengthened oversight of our supply chain by requiring strategic suppliers and cloud service providers to maintain robust business continuity plans. The same level of rigor applies to new internal technologies, with the Cybersecurity team evaluating and restricting the use of emerging AI tools that could create risks related to data leakage or the exposure of sensitive information.

► We have improved our control over the supply chain, ensuring that there are **robust business continuity plans** in place for strategic suppliers and cloud providers

In an innovative step, cybersecurity has been incorporated into the company's positive impact objectives through two complementary initiatives. Within the social pillar, the team actively removes fraudulent websites impersonating LEROY MERLIN and monitors the Internet for compromised customer credentials, helping protect consumers against financial fraud. Within the environmental pillar, we implemented automatic computer hibernation and data cleanup initiatives that reduce server processing requirements and energy consumption, contributing directly to the decarbonization of our operations.

In 2025, we recorded no incidents involving personal data breaches and received no substantiated complaints related to privacy violations or the loss of customer information.



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Supplier management

GRI 2-29, 3-3, 204-1, 308-1, 308-2, 414-1, 414-2

We consider our suppliers to be strategic partners, as they play a fundamental role in delivering our commitment to offer customers a broad portfolio of durable, sustainable products manufactured in an ethical and responsible manner. In 2025, we invested BRL 5.2 billion in purchases from resale suppliers, with 96.5% of this amount directed to the domestic market, increasing the share of spending with local suppliers.

We maintain close partnerships focused on identifying shared opportunities for growth and continuous improvement, generating value for both our business and Brazil's industrial sector. One example is our Positive Products initiative, which encourages suppliers to achieve higher sustainability standards (see [page 25](#)). We also encourage private-label suppliers to review their product portfolios to identify opportunities to better align their products with evolving consumer preferences. In 2025, we strengthened this process by using artificial intelligence to analyze consumer product reviews across multiple websites, identifying the attributes customers value most and generating insights to support the development of products that offer stronger competitive advantages and better meet customer needs.



Bauru Store – E6 Images

We apply rigorous criteria when selecting suppliers to join our value chain. Our supplier management approach integrates compliance requirements and environmental, social, and governance (ESG) criteria into procurement decisions. New suppliers are evaluated against environmental criteria, while private-label suppliers undergo social and environmental audits based on the European ICS standard, covering aspects such as environmental compliance, waste management, supply chain traceability, and environmental performance history. In 2025, these audits covered 100% of private-label suppliers. Other suppliers complete a self-assessment questionnaire, which is subsequently reviewed by the company.



BRL 5.2B

spent on purchases of products from resellers

96.5%

of the amounts allocated to purchases went to domestic suppliers



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Supplier approval is a mandatory step before establishing any commercial relationship and requires compliance with both technical and ethical standards before contracts are executed. This governance framework is supported by due diligence procedures that, in 2025, reviewed the background of 100% of active suppliers and their shareholders. The identification of international sanctions, a history of corruption, environmental crimes, or human rights violations results in the immediate termination of the business relationship. We also assess suppliers for social impacts. In 2025, four suppliers were identified as causing or potentially contributing to negative social impacts, including gender discrimination and failure to meet the FGTS retirement fund obligations. In these cases, corrective action plans were established, and all suppliers successfully implemented the required improvements, achieving approval in subsequent audits without the need to terminate any contracts.

Within our financial processes, transaction security follows the ADEO Group’s global RMF standard, requiring strict alignment between the contracting entity, the invoice issuer, and the holder of the receiving bank account. Acceptance of the Supplier Code of Ethical Conduct is a mandatory requirement for supplier approval, with no exceptions granted for commercial reasons.



100%
of our active suppliers
have undergone a
background check



100%
of the suppliers of private-
label products underwent
an audit of social and
environmental aspects



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Customer centricity

We seek to transform the shopping journey into a seamless and integrated experience, positioning LEROY MERLIN as a comprehensive home platform that offers everything from products to highly personalized solutions. This approach is supported by a robust omnichannel strategy that connects our physical stores with a digital ecosystem comprising e-commerce, our mobile app, and remote sales channels, ensuring convenience and inspiration at every customer touchpoint.

Our operations are structured to support every stage of the customer relationship. We strive to make our offerings more accessible by maintaining a product portfolio designed to meet a wide range of budgets, positioning LEROY MERLIN as the preferred choice for different customer profiles and home improvement projects. As part of our services and solutions, we offer financing options, loyalty programs with exclusive benefits, and a network of qualified installation and renovation professionals. For added convenience, customers can choose to collect online purchases at our physical stores. At our São Paulo locations, we also offer same-day

delivery for lightweight products purchased through our online channels by 2:00 p.m., a service we plan to expand to additional markets in the future.

Our relationship with customers is guided by the Code of Ethical Conduct, which requires respectful treatment, full compliance with the Consumer Protection Code, and transparency in the handling of complaints. We also encourage customers to participate in our sustainability journey through initiatives such as Almost Perfect, our second-life product program, LM Recicla, our reverse logistics program, and solutions that help create more sustainable homes (see [page 26](#)).

New Business

In 2025, we took an important step in strengthening our customer offering with the creation of the New Business area. The new area was established to consolidate our end-to-end solutions, enhance our renovation, maintenance, and repair services, provide more specialized support to professional customers—including masons, plumbers, painters, architects, and engineers—as well as businesses, and expand our operations to serve real estate developers.

During the reporting period, we posted strong results, with growth of:

- ▶ **39%** in the Pro segment
- ▶ **12%** in the B2B segment
- ▶ **15%** in services and renovations
- ▶ **NPS of 86** in the evaluation of services provided for installation and renovations, the highest recorded among ADEO Group locations.

CUSTOMER SERVICE CHANNELS

CALM This is LEROY MERLIN Brasil's Customer Service Center, which can be reached through various channels.

LIA LIA is the chatbot available on LEROY MERLIN Brasil's e-commerce site.

PHONES

Capitals
4020-5376

Other regions
0800-020-5376

WhatsApp
+55 11 4007-1380



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These disclosures supplement the information featured in the previous chapters by providing detailed information on specific aspects and quantitative data in line with the Global Reporting Initiative (GRI). The GRI is one of the world's leading sustainability reporting frameworks, providing standardized guidelines that enable companies and organizations to disclose their environmental, social, and economic performance in a transparent and comparable manner.

As is the case throughout this report, the topics and indicators presented in this section were defined based on LEROY MERLIN Brasil's materiality matrix (*see [page 21](#)*). The content is presented in the same order as the chapters in the report.

About Us

LEROY MERLIN Brasil

ACTIVITIES, VALUE CHAIN, AND OTHER BUSINESS RELATIONSHIPS GRI 2-6

The following are part of LEROY MERLIN Brasil's value chain:

- Inbound and outbound logistics
- Operations
- Marketing and sales
- Services
- Infrastructure
- Technology development
- Human resources management
- Procurement
- Suppliers
- Distribution
- Use of the product or service
- End of life for a product or service

Activities carried out are:

- Provision of services
- Sales and marketing
- Logistics and supply chain
- Research and Development (R&D)
- Finance and accounting
- Human resources
- Information technology (IT)
- Customer service
- Strategy and planning
- Procurement and supplies
- Quality management
- Corporate social responsibility
- Legal and compliance
- Digital marketing and online presence
- Development of partnerships and alliances

Our Journey Toward Sustainability

MATERIALS USED BY WEIGHT OR VOLUME; RECYCLED MATERIALS; RECLAIMED MATERIALS GRI 301-1, 301-2, 301-3

LEROY MERLIN Brasil only sells products. It does not operate its own manufacturing facilities.



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TOTAL WEIGHT OF HAZARDOUS WASTE GENERATED (IN TONS) GRI 306-3			
	2023	2024	2025
Paints and similar products	156.08	232.40	211.63
TOTAL	156.08	232.40	211.63
TOTAL WEIGHT OF NON-HAZARDOUS WASTE GENERATED (IN TONS) GRI 306-3			
	2023	2024	2025
Paper/cardboard	2,252.86	2,263.37	2,020.11
Plastic	660.54	681.10	708.08
Metal/scrap	306.61	245.49	218.67
Glass	49.76	61.02	29.19
Wood	8,676.68	8,506.45	8,782.83
Debris	9,704.82	11,533.13	12,058.13
Non-recyclables	3,116.30	-	-
Waste	-	3,160.06	3,077.15
Uniforms and PPE	13.61	14.66	10.41
Electronics	56.67	61.49	36.94
Organic materials	13.11	38.84	76.76
Mixed recyclables	-	8.13	1.30
WWTP sludge	-	-	5.83
TOTAL	24,850.96	26,573.74	27,025.40
TOTAL WEIGHT OF WASTE GENERATED (IN TONS) GRI 306-3			
	2023	2024	2025
Hazardous waste	156.08	232.40	211.63
Non-hazardous waste	24,850.96	26,573.74	27,025.40
TOTAL	25,007.04	26,806.14	27,237.03

TOTAL WEIGHT OF NON-HAZARDOUS WASTE DIVERTED FROM DISPOSAL BY RECOVERY OPERATION (IN TONS) GRI 306-4			
	2023	2024	2025
Paper/cardboard	3,269.77	2,263.37	2,020.11
Plastic	-	681.10	708.08
Wood	8,621.90	8,445.28	8,641.48
Metal/scrap	-	245.49	218.67
Debris	6,298.74	8,249.72	10,471.07
Glass	-	61.02	29.19
Uniforms and PPE	13.61	14.66	10.41
Organic materials	13.11	38.84	76.76
Electronics	56.67	61.49	36.94
Waste	-	189.56	217.17
Mixed recyclables	-	8.13	1.30
TOTAL	18,273.80	20,258.66	22,572.53

TOTAL WEIGHT OF WASTE DIVERTED FROM DISPOSAL BY RECOVERY OPERATION (IN TONS) GRI 306-4			
	2023	2024	2025
Paints and similar products	152.11	6.16	200.58
TOTAL	152.11	6.16	200.58

TOTAL WEIGHT OF NON-HAZARDOUS WASTE DIVERTED FROM DISPOSAL BY RECOVERY OPERATION (IN TONS) GRI 306-4			
	2023	2024	2025
Preparation for reuse	0.0	0.0	0.0
Recycling	18,273.80	20,258.66	22,572.53
TOTAL	18,273.80	20,258.66	22,572.53



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TOTAL WEIGHT OF HAZARDOUS WASTE DIVERTED FROM DISPOSAL BY RECOVERY OPERATION (IN TONS) GRI 306-4

	2023	2024	2025
Preparation for reuse	152.11	0.0	0.0
Recycling	0.0	226.24	200.58
TOTAL	152.11	226.24	200.58

TOTAL WEIGHT OF NON-HAZARDOUS WASTE DIRECTED TO DISPOSAL (IN TONS) GRI 306-5

	2023	2024	2025
Debris	3,406.08	3,283.41	1,587.06
Wood	54.77	61.17	141.35
Waste	3,116.29	2,970.5	2,859.99
TOTAL	6,577.14	6,315.08	4,588.40

TOTAL WEIGHT OF HAZARDOUS WASTE DIRECTED TO DISPOSAL (IN TONS) GRI 306-5

	2023	2024	2025
Paints and similar products	3.96	6.16	11.05
TOTAL	3.96	6.16	11.05

Climate change, energy efficiency, and renewable energy

FINANCIAL IMPLICATIONS AND OTHER RISKS AND OPPORTUNITIES DUE TO CLIMATE CHANGE GRI 201-2

LEROY MERLIN maps climate-related risks and opportunities that could have a significant impact on its operations, revenues, and expenses, including their identification, classification, financial implications, and management approaches. The main physical risks include the increase in extreme weather events, such as heavy rainfall and flooding, which may damage

stores and distribution centers, disrupt operations, and generate repair costs. These impacts are mitigated through infrastructure adaptations and investments in construction and preventive maintenance. Another significant physical risk is the rise in average temperatures, which increases demand for air conditioning and energy consumption, thereby affecting costs. This risk is managed through energy efficiency initiatives, such as LED lighting and automation, as well as the use of renewable energy.

From a regulatory perspective, carbon pricing represents a risk that directly affects operating costs and may increase expenses

through carbon taxes or carbon markets. This risk can be mitigated through decarbonization strategies, energy efficiency, the use of renewable energy sources, and engagement with the value chain.

With regard to transition risks, reliance on carbon-intensive suppliers may lead to higher costs and potential supply shortages. This issue is addressed through supplier engagement, diversification of the supplier base, and the incorporation of ESG criteria, supported by investments in partner development and auditing.

TOTAL WEIGHT OF HAZARDOUS WASTE DIRECTED TO DISPOSAL BY DISPOSAL OPERATION (IN TONS) GRI 306-5

	2023	2024	2025
Incineration (with energy recovery)	0.0	226.24	0.0
Landfilling	3.96	6.16	11.05
TOTAL	3.96	232.40	11.05

TOTAL WEIGHT OF NON-HAZARDOUS WASTE DIRECTED TO DISPOSAL, BY DISPOSAL OPERATION GRI 306-5

	2023	2024	2025
Landfill containment	6,577.15	6,315.08	4,588.40
TOTAL	6,577.15	6,315.08	4,588.40



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On the other hand, significant opportunities include changes in consumer behavior, which may drive demand for sustainable products and increase revenue and market share. These opportunities are being captured through portfolio expansion and targeted communication. Energy efficiency in operations also represents an opportunity, as it enables reductions in energy consumption and operating costs over time through efficiency programs, automation, and the use of renewable energy. The adoption of circular economy models—such as reuse, rental, and repair—creates new revenue streams and reduces waste-related costs, requiring investments in infrastructure and operations.

ENERGY CONSUMPTION WITHIN THE ORGANIZATION (IN GJ) GRI 302-1			
	2023	2024	2025
	AMOUNT (GIGAJOULES)		
Electricity	374,000.07	395,191.40	385,485.71
TOTAL	374,000.07	395,191.40	385,485.71

ENERGY CONSUMPTION WITHIN THE ORGANIZATION (IN GJ) GRI 302-1			
	2023	2024	2025
Non-renewable fuels consumed	8,820.27	13,516.50	12,424.6
Renewable fuels consumed	228.48	871.93	696.75
Electricity, heating, cooling and steam purchased for consumption	374,000.07	395,191.40	385,485.71
TOTAL	383,048.82	409,579.83	397,910.31

We do not sell surplus electricity, heat, cooling, or self-generated steam.

ENERGY INTENSITY GRI 302-3		
2023	2024	2025
114.30	0.51	0.49

DIRECT (SCOPE 1) GHG EMISSIONS (tCO ₂ eq) GRI 305-1			
	2023	2024	2025
Generation of electricity, heat, or steam	417.30	845.92	527.51
Transportation of materials, products, waste, employees, and passengers	450.30	410.93	435.11
Fugitive emissions	87.33	-	-
TOTAL	956.20	1,256.85	962.62

Note: In 2025, we recorded 65.09 metric tons of biogenic emissions. The greenhouse gases included in the calculation were carbon dioxide (CO₂), methane (CH₄), and nitrous oxide (N₂O). The base year for LEROY MERLIN Brasil's emissions reduction target is 2021. Total Scope 1 emissions in the base year amounted to 1,907 tCO₂e. Reference used for emission factors: IPCC – INTERGOVERNMENTAL PANEL ON CLIMATE CHANGE. Emissions were calculated using the operational control consolidation approach in accordance with the GHG Protocol.

ENERGY INDIRECT (SCOPE 2) GHG EMISSIONS (tCO ₂ eq) GRI 305-2		
2023	2024	2025
3,973.28	5,816.932	4,787.67

Note: The gas included in the calculation is carbon dioxide (CO₂). The base year for LEROY MERLIN Brasil's emissions reduction target is 2021. Total Scope 2 emissions in the base year amounted to 11,407.47 tCO₂e. Reference used for emission factors: National Interconnected System. Emissions were calculated using the operational control consolidation approach in accordance with the GHG Protocol.

OTHER INDIRECT (SCOPE 3) GHG EMISSIONS GRI 305-3		
2023	2024	2025
296,671.50	297,931.65	141,820.46*

Note: in 2025, our biogenic emissions added up to 30,083.73 tCO₂eq. The gases included in the calculation are carbon dioxide (CO₂), methane (CH₄), and nitrous oxide (N₂O). The base year for LEROY MERLIN Brasil's emissions reduction target is 2021. Total Scope 3 emissions in the base year were 584,150 tCO₂eq. Reference used for emission factors: IPCC – INTERGOVERNMENTAL PANEL ON CLIMATE CHANGE and ADEME for capital goods. Emissions were calculated using the operational control consolidation approach in accordance with the GHG Protocol. * The reduction in Scope 3 emissions reported in 2025 reflects methodological improvements to the inventory. The Purchased Goods and Services category was not reported due to a revision of the calculation methodology. In addition, emissions from downstream transportation were lower as a result of refined accounting criteria, which excluded shared cargo not attributable to the company.



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SUMMARY – EMISSIONS (tCO₂eq) GRI 305-1, 305-2, 305-3

	2023	2024	2025
Scope 1 (direct emissions)	956.20	1,256.85	962.62
Scope 2 (indirect – energy)	3,973.28	5,816.93	4,787.67
Scope 3 (other emissions)	296,671.50	297,931.65	141,820.46

GHG EMISSIONS INTENSITY GRI 305-4*

	2023	2024	2025
Calculation of emission intensity	0.0	0.0	0.00

TOTAL GHG EMISSIONS (tCO₂ EQUIVALENT)¹	301,600.98	305,005.43	147,570.75
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The greenhouse gases included in the calculation of emissions intensity are carbon dioxide (CO₂), methane (CH₄), and nitrous oxide (N₂O). The metric (denominator) used for the calculation was industrial production (product units), with a total value of 179,781,225.00.

¹The main change relates to Scope 3 emissions. The Purchased Goods and Services category was not included due to a revision of the calculation methodology. In addition, downstream transportation emissions decreased significantly (-55%), primarily as a result of improvements to the methodology used to calculate deliveries shared with other partners, which had previously been accounted for by LEROY MERLIN.

REDUCTION OF GHG EMISSIONS GRI 305-5

	SCOPE 1	SCOPE 2	SCOPE 3 ¹
Emissions in the reporting year	962.62	4,787.67	141,820.42
Emissions in the base year	1,907.28	11,507.47	584,150.11
Difference in emissions compared to the base year	944.66	6,719.80	442,329.69

In 2024, we achieved a reduction of 503,947.64 tCO₂eq. In 2023, this reduction amounted to 745.84 tCO₂eq. The gases included in the calculation are carbon dioxide (CO₂), methane (CH₄), and nitrous oxide (N₂O). The base year for LEROY MERLIN Brasil's emissions reduction target is 2021. Reference used for emission factors: purchased goods. Methodology used: GHG Protocol.

¹The reduction in Scope 3 emissions reported in 2025 reflects methodological improvements to the inventory. The Purchased Goods and Services category was not reported following a revision of the calculation methodology. In addition, emissions from downstream transportation were reduced as a result of refined accounting criteria, which excluded shared cargo not attributable to the company.

EMISSIONS OF OZONE-DEPLETING SUBSTANCES (ODS) GRI 305-6

In 2025, LEROY MERLIN Brazil did not carry out activities or processes, nor did it maintain equipment that resulted in the production, importation, or exportation of ODS.

NITROGEN OXIDES (NOX), SULFUR OXIDES (SOX), AND OTHER SIGNIFICANT AIR EMISSIONS GRI 305-7

LEROY MERLIN does not produce emissions of these substances.

Biodiversity and ecosystems

ACCESS AND BENEFIT-SHARING GRI 101-3

LEROY MERLIN is not subject to any regulations or measures regarding access to and distribution of benefits.

DIRECT DRIVERS OF BIODIVERSITY LOSS GRI 101-6

LEROY MERLIN Brasil does not have any operations that involve or could involve the exploitation of natural resources.



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Our social initiatives

People management

EMPLOYEES, BY REGION AND GENDER GRI 2-7									
	2023			2024			2025		
	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL
Internal services	546	597	1,143	644	693	1,337	561	681	1,242
Southern Regional Office	701	625	1,326	760	665	1,425	694	651	1,345
Coastal Regional Office	1,086	799	1,885	934	678	1,612	915	648	1,563
São Paulo Regional Office	1,249	945	2,194	1,201	920	2,121	1,195	999	2,194
Central Regional Office	888	643	1,531	778	625	1,403	751	624	1,375
Distribution center	50	33	83	75	53	128	109	73	182
Interior of São Paulo Regional Office	979	761	1,740	969	839	1,808	985	883	1,868
TOTAL	5,499	4,403	9,902	5,361	4,473	9,834	5,210	4,559	9,769

TOTAL NUMBER OF EMPLOYEES BY TYPE OF CONTRACT AND GENDER GRI 2-7									
	2023			2024			2025		
	INDEFINITE TERM	FIXED TERM	TOTAL	INDEFINITE TERM	FIXED TERM	TOTAL	INDEFINITE TERM	FIXED TERM	TOTAL
Men	5,485	14	5,499	5,294	67	5,361	5,175	35	5,210
Women	4,368	35	4,403	4,392	81	4,473	4,531	28	4,559
TOTAL	9,853	49	9,902	9,686	148	9,834	9,706	63	9,769



EMPLOYEES BY TYPE OF CONTRACT AND REGION GRI 2-7

	2023			2024			2025		
	INDEFINITE TERM	FIXED TERM	TOTAL	INDEFINITE TERM	FIXED TERM	TOTAL	INDEFINITE TERM	FIXED TERM	TOTAL
Internal services	1,140	3	1,143	1,336	1	1,337	1,234	8	1,242
Southern Regional Office	1,323	3	1,326	1,370	55	1,425	1,332	13	1,345
Coastal Regional Office	1,867	18	1,885	1,568	44	1,612	1,546	17	1,563
São Paulo Regional Office	2,188	6	2,194	2,109	12	2,121	2,190	4	2,194
Central Regional Office	1,520	11	1,531	1,382	21	1,403	1,361	14	1,375
Distribution center	83	0	83	128	0	128	182	0	182
Interior of São Paulo Regional Office	1,732	8	1,740	1,793	15	1,808	1,861	7	1,868
TOTAL	9,853	49	9,902	9,686	148	9,834	9,706	63	9,769

TOTAL NUMBER OF EMPLOYEES BY TYPE OF EMPLOYMENT AND GENDER GRI 2-7

	2023			2024			2025		
	FULL-TIME	PART-TIME	TOTAL	FULL-TIME	PART-TIME	TOTAL	FULL-TIME	PART-TIME	TOTAL
Men	5,463	36	5,499	5,353	8	5,361	5,208	2	5,210
Women	4,288	115	4,403	4,434	39	4,473	4,536	23	4,559
TOTAL	9,751	151	9,902	9,787	47	9,834	9,744	25	9,769



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TOTAL NUMBER OF EMPLOYEES BY TYPE OF EMPLOYMENT AND REGION GRI 2-7

	2023			2024			2025		
	FULL-TIME	PART-TIME	TOTAL	FULL-TIME	PART-TIME	TOTAL	FULL-TIME	PART-TIME	TOTAL
Internal services	1,143	0	1,143	1,337	0	1,337	1,242	0	1,242
Southern Regional Office	1,320	6	1,326	1,422	3	1,425	1,340	5	1,345
Coastal Regional Office	1,872	13	1,885	1,609	3	1,612	1,562	1	1,563
São Paulo Regional Office	2,114	80	2,194	2,101	20	2,121	2,186	8	2,194
Central Regional Office	1,500	31	1,531	1,394	9	1,403	1,372	3	1,375
Distribution center	83	0	83	128	0	128	182	0	182
Interior of São Paulo Regional Office	1,719	21	1,740	1,796	12	1,808	1,860	8	1,868
TOTAL	9,751	151	9,902	9,787	47	9,834	9,744	25	9,769

Note: we do not have employees without guaranteed working hours. Data were retrieved from SAP PP6 and ECC (ECP) and consolidated in Excel. The methodology used to count the total number of employees was direct counting. The total number of employees is based on the data available at the end of the reporting period.

WORKERS WHO ARE NOT EMPLOYEES GRI 2-8

CONTRACTUAL RELATIONSHIP	2023	2024	2025
Interns	69	42	70
Apprentices	504	569	608
TOTAL	573	611	573

The methodology used to count the total number of employees was direct counting. The total number of employees is based on the data available at the end of the reporting period.

REMUNERATION POLICIES GRI 2-19

The remuneration strategy adopted by LEROY MERLIN Brasil is designed to attract, retain, and motivate employees through a globally recognized methodology applied across the ADEO Group. The remuneration policies currently in effect at LEROY MERLIN Brasil link fixed and variable compensation to the company's economic, social, and management strategies and objectives, rewarding eligible employees based on the achievement of these performance indicators.

PROCESS TO DETERMINE REMUNERATION GRI 2-20

The process for developing remuneration policies encompasses setting objectives and a remuneration philosophy, conducting market analyses, designing remuneration packages, and performing periodic reviews. Remuneration decisions involve consulting stakeholders, including shareholders. Remuneration policies are validated at the global level to ensure fairness and alignment with the ADEO Group's culture and policies.

COLLECTIVE BARGAINING AGREEMENTS GRI 2-30

All employees (100%) at LEROY MERLIN Brasil are covered by collective bargaining agreements.



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DEFINED BENEFIT PLAN OBLIGATIONS AND OTHER RETIREMENT PLANS GRI 201-3

LEROY MERLIN Brasil offers employees the option to continue their health insurance coverage, as provided for under Law No. 9.656/1998. Employees who have contributed to the company health plan for less than ten years are entitled to maintain the benefit for a period equivalent to their contribution period, up to a maximum of two years. Retirees who have contributed for ten years or more may retain their health plan for life. In both cases, former employees are fully responsible for the cost of the plan, with payments made directly to the service provider. The company also offers voluntary retirement plans available to employees throughout Brazil.

RATIO OF THE TOTAL ANNUAL REMUNERATION OF THE ORGANIZATION’S HIGHEST-PAID INDIVIDUAL TO THE MEDIAN TOTAL ANNUAL COMPENSATION FOR ALL EMPLOYEES (EXCLUDING THE HIGHEST-PAID INDIVIDUAL) GRI 2-21		
2024	2025	
38.70	43.17	

RATIO OF THE PERCENTAGE INCREASE IN ANNUAL TOTAL COMPENSATION FOR THE ORGANIZATION’S HIGHEST-PAID INDIVIDUAL TO THE MEDIAN PERCENTAGE INCREASE IN ANNUAL TOTAL COMPENSATION FOR ALL EMPLOYEES (EXCLUDING THE HIGHEST-PAID INDIVIDUAL) GRI 2-21		
	2024	2025
Percentage increase in the highest remuneration paid (%)	1.51	18.56
Percentage increase in average total remuneration (%)	20.06	4.72
Ratio of the percentage increase in the highest salary paid to the percentage increase in the average total salary	0.08	3.94

RATIOS OF STANDARD ENTRY LEVEL WAGE BY GENDER COMPARED TO LOCAL MINIMUM WAGE GRI 202-1			
	2023	2024	2025
Lowest salary paid by the organization to women	1,350.00	1,518.00	1,531.06
Lowest salary paid by the organization to men	1,350.00	1,518.00	1,531.06
Minimum wage determined by legislation or union	1,350.00	1,518.00	1,531.06
Percentage Breakdown – Men (%)	100	100	100
Percentage Breakdown – Women (%)	100	100	100

The organization uses the statutory minimum wage as the basis for its compensation policy. The lowest wage paid by the organization, for both men and women across all operating units, is the local minimum wage of BRL 1,531.06.

PERCENTAGE OF SENIOR MANAGEMENT AT SIGNIFICANT LOCATIONS OF OPERATION THAT ARE HIRED FROM THE LOCAL COMMUNITY GRI 202-2			
	2023	2024	2025
	92.50	4.17	5.61

The company's definition of senior management refers to area and business unit executives. For the purposes of this disclosure, the geographic definition of location is the country, encompassing all operating units.

TOTAL NUMBER AND RATE OF NEW EMPLOYEE HIRES AND EMPLOYEE TURNOVER, BY AGE GROUP GRI 401-1

	2023				2024				2025			
	HIRES	RATE OF NEW HIRES	TERMI-NATIONS	TURNOVER RATE	HIRES	RATE OF NEW HIRES	TERMI-NATIONS	TURNOVER RATE	HIRES	RATE OF NEW HIRES	TERMI-NATIONS	TURNOVER RATE
Under 30 years old	1,223	34	1,338	36	1,737	51	1,515	48	1,609	50	1,406	47
30-50 years old	957	17	1,664	24	1,648	30	1,830	32	1,470	27	1,681	29
Over 50 years old	75	9	207	17	167	18	198	20	205	19	206	19
TOTAL	2,255	23	3,209	28	3,552	36	3,543	36	3,284	34	3,293	34

TOTAL NUMBER AND RATE OF NEW EMPLOYEE HIRES AND EMPLOYEE TURNOVER, BY GENDER GRI 401-1

GENDER	2023				2024				2025			
	HIRES	RATE OF NEW HIRES	TERMI-NATIONS	TURNOVER RATE	HIRES	RATE OF NEW HIRES	TERMI-NATIONS	TURNOVER RATE	HIRES	RATE OF NEW HIRES	TERMI-NATIONS	TURNOVER RATE
Men	1,203	22.08	1,820	27.74	1,948	36.34	2,037	37.17	1,722	33.05	1,836	34.15
Women	1,052	23.89	1,389	27.72	1,604	35.86	1,506	34.76	1,562	34.26	1,457	33.11
TOTAL	2,255	22.89	3,209	27.73	3,552	36.12	3,543	36.07	3,284	33.62	3,293	33.66

TOTAL NUMBER AND RATE OF NEW EMPLOYEE HIRES AND EMPLOYEE TURNOVER BY REGION GRI 401-1

REGION	2023				2024				2025			
	HIRES	RATE OF NEW HIRES	TERMI-NATIONS	TURNOVER RATE	HIRES	RATE OF NEW HIRES	TERMI-NATIONS	TURNOVER RATE	HIRES	RATE OF NEW HIRES	TERMI-NATIONS	TURNOVER RATE
Internal services	243	21.26	296	23.58	370	27.67	335	26.36	312	25.12	320	25.44
Southern Regional Office	351	26.47	502	32.16	717	50.32	584	45.65	461	34.28	575	38.51
Coastal Regional Office	491	26.05	594	28.78	469	29.09	694	36.07	401	25.66	445	27.06
São Paulo Regional Office	423	19.28	666	24.82	659	31.07	642	30.67	701	31.95	614	29.97
Central Regional Office	330	21.55	537	28.31	507	36.14	591	39.13	513	37.31	551	38.69
Distribution center	17	20.48	14	18.67	7	56.25	29	39.45	128	70.33	70	54.40
Interior of São Paulo Regional Office	400	22.99	600	28.74	758	41.92	668	39.44	768	41.11	718	39.78
TOTAL	2,255	22.77	3,209	27.59	3,552	36.12	3,543	36.07	3,284	33.62	3,293	33.66



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BENEFITS PROVIDED TO FULL-TIME EMPLOYEES THAT ARE NOT PROVIDED TO TEMPORARY OR PART-TIME EMPLOYEES GRI 401-2

LEROY MERLIN Brasil provides life insurance, dental insurance, health insurance, disability and incapacity benefits, and maternity and paternity leave to full-time, part-time, and temporary employees across all of its operating units.

PARENTAL LEAVE GRI 401-3			
	2023	2024	2025
TOTAL NUMBER OF EMPLOYEES THAT WERE ENTITLED TO PARENTAL LEAVE			
Men	5,499	173	220
Women	4,403	218	220
TOTAL NUMBER OF EMPLOYEES THAT TOOK PARENTAL LEAVE IN THE REPORTING PERIOD			
Men	193	166	188
Women	146	222	173
TOTAL NUMBER OF EMPLOYEES EXPECTED TO RETURN IN THE CURRENT YEAR			
Men	189	166	189
Women	158	232	162
TOTAL NUMBER OF EMPLOYEES THAT RETURNED TO WORK IN THE REPORTING PERIOD AFTER PARENTAL LEAVE ENDED			
Men	189	166	183
Women	156	232	144
TOTAL NUMBER OF EMPLOYEES THAT RETURNED TO WORK AFTER PARENTAL LEAVE ENDED THAT WERE STILL EMPLOYED 12 MONTHS AFTER THEIR RETURN TO WORK			
Men	144	128	160
Women	132	138	149
RATE OF RETURN			
Men	100	100	96.83
Women	98.73	100	88.89

PARENTAL LEAVE GRI 401-3			
	2023	2024	2025
RATE OF RETENTION			
Men	81.36	79.01	26.7
Women	79.04	92	82.8

For this indicator, we do not use only data from the current year. As a result, the figures may differ from other indicators, since we include leave periods that began in the previous year and ended in the current year.

MINIMUM NOTICE PERIODS REGARDING OPERATIONAL CHANGES GRI 402-1

LEROY MERLIN establishes a minimum notice period of four weeks to inform employees of significant operational changes, ensuring compliance with legal requirements and best practices for transparency. To support this communication, working groups are formed and negotiations are conducted with unions, ensuring that changes are aligned in advance with the parties involved.

In addition, the company has entered into collective bargaining agreements that specify minimum notice periods for changes, generally ranging from 12 to 24 months. To support consultations and negotiations, the GRTS digital platform is used, making all collective bargaining agreements and conventions available and ensuring transparency and access to information.

AVERAGE HOURS OF TRAINING THAT THE ORGANIZATION’S EMPLOYEES HAVE UNDERTAKEN DURING THE REPORTING PERIOD, BY GENDER GRI 404-1			
	2023	2024	2025
AVERAGE HOURS OF TRAINING			
Men	15.57	61.31	72.83
Women	15.23	59.31	75.05
TOTAL	15.40	60.41	73.87



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PERCENTAGE OF EMPLOYEES RECEIVING REGULAR PERFORMANCE AND CAREER DEVELOPMENT REVIEWS, BY EMPLOYEE CATEGORY 404-3

	2023			2024			2025		
	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL
Executive Board	81.25	75.76	79.65	100	78.26	91.80	100	78.26	91.80
Management	95.16	89.19	92.62	98.31	96.54	97.52	98.31	96.54	97.52
Coordination	96.67	93.67	95.64	84.69	85.47	84.98	84.69	85.47	84.98
Supervision	83.72	90.97	87.03	94.89	88.31	91.82	94.89	88.31	91.82
Administrative	92.77	90.41	91.85	85.38	88.82	87.28	85.38	88.82	87.28
Operational	93.54	92.90	93.26	88.15	87.49	87.86	88.15	87.49	87.86
TOTAL	93.31	92.27	92.86	88.75	88.06	88.44	88.75	88.06	88.44

There is a difference of 22 people compared to the total number of employees reported for indicator GRI 2-7, because the basis used is the number of employees reported in January 2026 compared to 2025.

OPERATIONS AND SUPPLIERS IN WHICH THE RIGHT TO FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING MAY BE AT RISK GRI 407-1

LEROY MERLIN Brasil has no operations and/or suppliers that pose a risk of violating workers' rights to freedom of association or collective bargaining. All direct employees are free to join their respective unions, and the company strives to maintain a good relationship with the employees' labor unions. There is no information regarding a lack of freedom of association among supplier employees.

OPERATIONS AND SUPPLIERS AT SIGNIFICANT RISK FOR INCIDENTS OF CHILD LABOR GRI 408-1

No operations posing a risk of child labor were reported in 2025. LEROY MERLIN Brasil has a zero-tolerance policy toward this practice, as explicitly stated in the Code of Ethical Conduct for Suppliers.

OPERATIONS AND SUPPLIERS AT SIGNIFICANT RISK FOR INCIDENTS OF FORCED OR COMPULSORY LABOR GRI 409-1

No operations posing a risk of forced or slave-like labor were reported in 2025. LEROY MERLIN Brasil has a zero-tolerance policy toward this practice, as explicitly stated in the Code of Ethical Conduct for Suppliers.

INCIDENTS OF VIOLATIONS INVOLVING RIGHTS OF INDIGENOUS PEOPLES GRI 411-1

There were no cases of violations of indigenous peoples' rights.



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RATIO OF BASIC SALARY AND REMUNERATION OF WOMEN TO MEN GRI 405-2

	2023		2024		2025	
	BASIC SALARY (BRL)	REMUNERATION (BRL)	BASIC SALARY (BRL)	REMUNERATION (BRL)	BASIC SALARY (BRL)	REMUNERATION (BRL)
Executive Board	0.85	0.78	0.82	0.74	0.83	0.81
Management	0.95	0.96	0.94	0.92	0.96	0.95
Coordination	1.05	1.04	1.03	0.91	0.99	0.98
Supervision	0.86	0.80	0.82	0.79	0.91	0.91
Administrative	0.84	0.84	0.94	0.99	0.94	0.92
Operational	0.96	0.97	0.96	0.93	0.98	0.98

The calculation considers all operating units.

PERCENTAGE OF MEMBERS OF GOVERNANCE BODIES BY GENDER GRI 405-1

2023			2024			2025		
MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL
85.71	14.29	100	86.67	13.33	100	78.57	21.43	100

PERCENTAGE OF INDIVIDUALS WITHIN THE ORGANIZATION’S GOVERNANCE BODIES, BY AGE GROUP GRI 405-1

	2023	2024	2025
Under 30 years old	0.0	0.0	0.0
30-50 years old	85.71	93.33	92.86
Over 50 years old	14.29	6.67	7.14
TOTAL	100	100	100



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PERCENTAGE OF EMPLOYEES, BY EMPLOYEE CATEGORY AND GENDER GRI 405-1									
	2023			2024			2025		
	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL
Executive Board	65	35	100	58.68	41.32	100	55.65	44.35	100
Management	55.61	44.39	100	53.47	46.53	100	55.48	44.52	100
Coordination	63.30	36.70	100	60.66	39.34	100	57.27	42.73	100
Supervision	54.08	45.92	100	55.06	44.94	100	55.37	44.63	100
Administrative	54.79	45.21	100	52.77	47.23	100	51.16	48.84	100
Operational	54.84	45.16	100	54.19	45.81	100	53.11	46.89	100
TOTAL	55.53	44.47	100	54.51	45.49	100	53.33	46.67	100

PERCENTAGE OF EMPLOYEES, BY EMPLOYEE CATEGORY AND AGE GROUP GRI 405-1			
	2023	2024	2025
EXECUTIVE BOARD			
Under 30 years old	1	1	2
30-50 years old	85	86	85
Over 50 years old	14	13	13
TOTAL	100	100	100
MANAGEMENT			
Under 30 years old	17	15	15
30-50 years old	76	77	76
Over 50 years old	7	7	9
TOTAL	100	100	100
COORDINATION			
Under 30 years old	23	24	20
30-50 years old	71	72	75
Over 50 years old	5	4	5
TOTAL	100	100	100

PERCENTAGE OF EMPLOYEES, BY EMPLOYEE CATEGORY AND AGE GROUP GRI 405-1			
	2023	2024	2025
SUPERVISION			
Under 30 years old	16	18	16
30-50 years old	81	79	82
Over 50 years old	2	3	3
TOTAL	100	100	100
ADMINISTRATIVE			
Under 30 years old	31	31	40
30-50 years old	64	62	55
Over 50 years old	6	6	6
TOTAL	100	100	100
OPERATIONAL			
Under 30 years old	40	38	36
30-50 years old	51	51	51
Over 50 years old	9	10	13
TOTAL	100	100	100



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PERCENTAGE OF EMPLOYEES, BY EMPLOYEE CATEGORY AND AGE GROUP GRI 405-1			
	2023	2024	2025
TOTAL			
Under 30 years old	36	35	33
30-50 years old	56	56	56
Over 50 years old	8	9	11
TOTAL	100	100	100

PERCENTAGE OF EMPLOYEES FROM MINORITY AND/OR VULNERABLE GROUPS, BY EMPLOYEE CATEGORY GRI 405-1			
	2023	2024	2025
BLACK			
Executive Board	14.00	16.00	14.52
Management	26.00	27.00	32.88
Coordination	33.00	36.00	50.09
Supervision	41.00	45.00	43.50
Administrative	29.00	31.00	16.86
Operational	49.00	51.00	59.14
TOTAL	45.00	47.00	49.94
PwDs			
Executive Board	1.67	1.65	1.61
Management	0.99	1.35	2.02
Coordination	3.02	2.60	2.51
Supervision	0.16	0.56	1.69
Administrative	1.44	2.99	4.72
Operational	5.69	5.97	6.15
TOTAL	4.64	5.04	5.27

INCIDENTS OF DISCRIMINATION AND CORRECTIVE ACTIONS TAKEN GRI 406-1

LEROY MERLIN received four reports of discrimination during 2025. All of them were reviewed, and one of them was ruled out as discrimination. The remaining cases were addressed and resolved.

WORK-RELATED INJURIES GRI 403-9			
	2023	2024	2025
Number of hours worked	19,813,433.8	19,034,030.95	19,185,807.52
Number of hours worked (200,000 or 1,000,000)	1,000,000.00	1,000,000.00	1,000,000.00
Number of fatalities as a result of work-related injury	0.0	0.0	0.0
Rate of fatalities as a result of work-related injuries	0.0	0.0	0.0
The number of high-consequence work-related injuries (excluding fatalities)	127	118	109
Rate of high-consequence work-related injuries (excluding fatalities)	6.41	6.20	5.68
Number of recordable work-related injuries (including fatalities)	178	170	172
Rate of recordable work-related injuries (includes fatalities)	8.98	8.93	8.96



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The types of work-related injuries that have occurred include cuts and bruises. To eliminate these hazards and minimize the risk of accidents—excluding those with serious consequences—the company has implemented measures such as awareness campaigns, procedural improvements, accident investigations, and action plans designed to prevent recurrences.

No workers were excluded from the reported data, ensuring the completeness and integrity of the information. Work-related injury data is compiled through a computerized occupational health and safety management system, ensuring greater reliability, consistency, and traceability of the records.

With regard to its occupational health and safety management system, the organization maintains ongoing programs and practices aimed at preventing accidents and promoting a safe work environment. Compared with 2024, these efforts resulted in significant improvements in key safety indicators, including an 8% reduction in the accident frequency rate, a 16% reduction in the severity rate, an 8% reduction in the number of lost-time accidents, and a 13% reduction in days lost due to workplace accidents.

SECURITY PERSONNEL TRAINED IN HUMAN RIGHTS POLICIES OR PROCEDURES GRI 410-1

We do not employ our own security personnel and relies exclusively on third-party service providers. Accordingly, the company does not provide training to these personnel. Previous responses referred to occupational health and safety technicians and engineers. We therefore reiterate that the company does not maintain its own security staff.

GRI 2-4 - Information for 2022 and 2023 has been revised to enhance transparency and ensure methodological alignment with the updated reporting criteria.

Social development

OPERATIONS WITH SIGNIFICANT ACTUAL AND POTENTIAL NEGATIVE IMPACTS ON LOCAL COMMUNITIES GRI 413-2

LEROY MERLIN Brasil does not have operations that cause significant negative impacts on local communities. The opening of a LEROY MERLIN store generally has positive effects on the surrounding community. The strategic selection of locations with adequate infrastructure helps minimize potential impacts, such as increased traffic. In addition, the presence of a store stimulates the local economy by creating direct and indirect jobs, supporting local businesses, and strengthening partnerships with social and environmental initiatives, thereby contributing to the region's sustainable development.

Our governance

Governance structure

EVALUATION OF THE PERFORMANCE OF THE HIGHEST GOVERNANCE BODY GRI 2-18

LEROY MERLIN Brasil evaluates the performance of its highest governance body in overseeing impacts on the economy, the environment, and people through a structured process that includes self-assessments by members, peer evaluations, assessments by other stakeholders, performance reviews conducted during meetings, the development of Individual Development Plans, and decisions on corrective actions based on the results obtained. The assessment is not conducted independently.

Based on the results of these assessments, the company may implement measures such as changes to the composition of the highest governance body, revisions to organizational practices, the creation of specialized committees, updates to organizational policies and strategies, the implementation of training and development programs, and adjustments to compensation and incentive systems.

With respect to changes in the composition of the highest governance body, an analysis of each member's impact and performance in relation to the body's mission is conducted after each evaluation cycle. When a need for changes is identified, the findings are discussed with the relevant leaders. Changes to organizational practices are guided by a continuous improvement approach. At the end of each cycle, a comprehensive review is conducted to enhance the employee experience and expand the process's contribution to career development.



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POLICY COMMITMENTS GRI 2-23

LEROY MERLIN Brasil has established policies and other documents aligned with responsible business conduct, including the Employee Code of Ethical Conduct, the Supplier Code of Ethical Conduct (for retail and indirect suppliers), the Code of Ethical Conduct for Donations and Sponsorships, the Anti-Corruption Policy, and the Community Relations Policy.

These commitments are aligned with internationally recognized intergovernmental initiatives, including the United Nations Global Compact, the Sustainable Development Goals (SDGs), the Women's Empowerment Principles (WEPs), and the International Labour Organization's Global Business and Disability Network. At the national level, the company is also a signatory to the Business Coalition to End Violence Against Women and Girls, the Business Network for Social Inclusion (REIS), and the "Vem, Tú Podes!" initiatives.

With regard to its commitment to respecting human rights, the company operates in accordance with international pacts, agreements, treaties, and conventions applicable to its activities, including the Universal Declaration of Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, and the United Nations Guiding Principles on Business and Human Rights.

The documents outlining these commitments are publicly available at: <https://www.leroymerlin.com.br/compliance>

Commitments to responsible business conduct apply to all of the organization's activities and business relationships. They are communicated to employees, business partners, and other relevant parties through contractual provisions—including anti-corruption clauses, prohibitions against forced

and child labor, and requirements to comply with applicable laws—as well as through formal acknowledgment of the Employee and Supplier Codes of Ethical Conduct.

EMBEDDING POLICY COMMITMENTS GRI 2-24

At LEROY MERLIN Brasil, the CEO is responsible for overseeing the implementation of these commitments at the highest level. The company delegates responsibility for implementing these commitments across different organizational levels by establishing clear goals and commitments, identifying the hierarchical levels involved, assigning responsibilities based on roles and competencies, defining authority and accountability, communicating responsibilities effectively, and promoting collaboration and teamwork. The company provides training to support the implementation of its commitments. Training on the API Index and the e-learning course on the Code of Ethical Conduct are mandatory for all employees.

MEMBERSHIP ASSOCIATIONS GRI 2-28

LEROY MERLIN Brasil participates in and partners with several national and international associations and organizations considered strategic to its business, including IBAMA (Brazilian Institute of the Environment and Renewable Natural Resources), the France-Brazil Chamber of Commerce (CCFB), Fecomercio, the Getulio Vargas Foundation (FGV), the São Paulo School of Business Administration (EAESP), the Science Based Targets initiative (SBTi), Cetesb (São Paulo State Environmental Company), the Institute for Retail Development (IDV), the Center for the Study of Labor Relations and Inequalities (CEERT), the Brazilian Association of Business Communication (Aberje), and the Corporate Network for the Social Inclusion

of People with Disabilities (REIS). The company also maintains strategic partnerships with organizations such as Espro (Social and Vocational Education), Specialisterne, and Égalité.

Ethics, integrity and compliance

COMMUNICATION OF CRUCIAL CONCERNS GRI 2-16

Crucial concerns are communicated to the highest governing body through formal Executive Board meetings, regular updates provided by senior management, and crisis and emergency communications. Currently, we have a report of a crucial concern regarding our brand image.

COMPLIANCE WITH LAWS AND REGULATIONS GRI 2-27

During 2025, LEROY MERLIN Brazil was issued nine fines for regulatory non-compliances, amounting to BRL 70,699.88 in total. The company did not receive any non-monetary sanctions during the reporting period.

For LEROY MERLIN Brasil, significant cases of non-compliance are those that may have a material impact on the company based on criteria such as severity (including high financial impact, abusive practices, or repeat offenses), reputational impact (the potential for adverse media coverage or effects on sensitive sectors), scale (affecting a large number of consumers or strategic operations), and legal risk (the potential to result in litigation).



TOTAL NUMBER AND PERCENTAGE OF GOVERNANCE BODY MEMBERS THAT THE ORGANIZATION'S ANTICORRUPTION POLICIES AND PROCEDURES HAVE BEEN COMMUNICATED TO GRI 205-2

	2023		2024		2025	
	COMMUNICATED	TRAINED	COMMUNICATED	TRAINED	COMMUNICATED	TRAINED
INTERNAL SERVICES						
Total number of team members in the year	8	8	8	8	9	9
Total number of team members notified/trained	8	8	8	8	9	9
Percentage of members communicated/trained (%)	100	100	100	100	100	100
SOUTHERN REGIONAL OFFICE						
Total number of team members in the year	1	1	1	1	1	1
Total number of team members notified/trained	1	1	1	1	1	1
Percentage of members communicated/trained (%)	100	100	100	100	100	100
COASTAL REGIONAL OFFICE						
Total number of team members in the year	1	1	1	1	1	1
Total number of team members notified/trained	1	1	1	1	1	1
Percentage of members communicated/trained (%)	100	100	100	100	100	100
SÃO PAULO REGIONAL OFFICE						
Total number of team members in the year	1	1	1	1	1	1
Total number of team members notified/trained	1	1	1	1	1	1
Percentage of members communicated/trained (%)	100	100	100	100	100	100
CENTRAL REGIONAL OFFICE						
Total number of team members in the year	1	1	1	1	1	1
Total number of team members notified/trained	1	1	1	1	1	1
Percentage of members communicated/trained (%)	100	100	100	100	100	100
DISTRIBUTION CENTER						
Total number of team members in the year	1	1	1	1	1	1
Total number of team members notified/trained	1	1	1	1	1	1
Percentage of members communicated/trained (%)	100	100	100	100	100	100
INTERIOR OF SÃO PAULO REGIONAL OFFICE						
Total number of team members in the year	1	1	1	1	1	1



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TOTAL NUMBER AND PERCENTAGE OF GOVERNANCE BODY MEMBERS THAT THE ORGANIZATION'S ANTICORRUPTION POLICIES AND PROCEDURES HAVE BEEN COMMUNICATED TO GRI 205-2

	2023		2024		2025	
	COMMUNICATED	TRAINED	COMMUNICATED	TRAINED	COMMUNICATED	TRAINED
Total number of team members notified/trained	1	1	1	1	1	1
Percentage of members communicated/trained (%)	100	100	100	100	100	100
TOTAL						
Total number of team members in the year	14	14	14	14	15	15
Total number of team members notified/trained	14	14	14	14	15	15
Percentage of members communicated/trained (%)	100	100	100	100	100	100

NUMBER AND PERCENTAGE OF EMPLOYEES WHO HAVE BEEN COMMUNICATED AND TRAINED ON ANTI-CORRUPTION POLICIES AND PROCEDURES, BY REGION GRI 205-2

	2023		2024		2025	
	COMMUNICATED	TRAINED	COMMUNICATED	TRAINED	COMMUNICATED	TRAINED
INTERNAL SERVICES						
Total number of team members in the year	1,311	1,311	1,214	1,214	1,245	1,245
Total number of team members notified/trained	1,311	1,206	1,214	1,119	1,245	1,053
Percentage of members communicated/trained (%)	100	91.99	100	92.17	100	84.58
SOUTHERN REGIONAL OFFICE						
Total number of team members in the year	1,249	1,249	1,370	1,370	1,342	1,342
Total number of team members notified/trained	1,249	1,231	1,370	1,351	1,342	1,146
Percentage of members communicated/trained (%)	100	98.56	100	98.61	100	85.39
COASTAL REGIONAL OFFICE						
Total number of team members in the year	1,812	1,812	1,557	1,557	1,572	1,572
Total number of team members notified/trained	1,812	1,793	1,557	1,496	1,572	1,308
Percentage of members communicated/trained (%)	100	98.95	100	96.08	100	83.21
SÃO PAULO REGIONAL OFFICE						
Total number of team members in the year	2,185	2,185	2,093	2,093	2,198	2,198
Total number of team members notified/trained	2,185	2,154	2,093	2,040	2,198	1,826
Percentage of members communicated/trained (%)	100	98.58	100	97.47	100	83.08



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NUMBER AND PERCENTAGE OF EMPLOYEES WHO HAVE BEEN COMMUNICATED AND TRAINED ON ANTI-CORRUPTION POLICIES AND PROCEDURES, BY REGION GRI 205-2

	2023		2024		2025	
	COMMUNICATED	TRAINED	COMMUNICATED	TRAINED	COMMUNICATED	TRAINED
CENTRAL REGIONAL OFFICE						
Total number of team members in the year	1,465	1,465	1,358	1,358	1,375	1,375
Total number of team members notified/trained	1,465	1,456	1,358	1,336	1,375	1,214
Percentage of members communicated/trained (%)	100	99.39	100	98.38	100	88.29
DISTRIBUTION CENTER						
Total number of team members in the year	97	97	109	109	182	182
Total number of team members notified/trained	97	96	109	85	182	135
Percentage of members communicated/trained (%)	100	98.97	100	77.98	100	74.18
INTERIOR OF SÃO PAULO REGIONAL OFFICE						
Total number of team members in the year	1,772	1,772	1,774	1,774	1,855	1,855
Total number of team members notified/trained	1,772	1,758	1,774	1,710	1,855	1,586
Percentage of members communicated/trained (%)	100	99.21	100	96.39	100	85.50
TOTAL						
Total number of team members in the year	9,891	9,891	9,475	9,475	9,769	9,769
Total number of team members notified/trained	9,891	9,694	9,475	9,137	9,769	8,269
Percentage of members communicated/trained (%)	100	98.01	100	96.43	100	84.65

TOTAL NUMBER AND PERCENTAGE OF EMPLOYEES THAT THE ORGANIZATION'S ANTI-CORRUPTION POLICIES AND PROCEDURES HAVE BEEN COMMUNICATED TO, BY EMPLOYEE CATEGORY GRI 205-2

	2023		2024		2025	
	COMMUNICATED	TRAINED	COMMUNICATED	TRAINED	COMMUNICATED	TRAINED
EXECUTIVE BOARD						
Total number of employees	120	120	118	118	121	121
Total number of employees communicated/trained	120	105	118	109	121	99
Percentage of employees communicated/trained (%)	100	87.50	100	92.37	100	81.82
MANAGEMENT						
Total number of employees	606	606	580	580	594	594
Total number of employees communicated/trained	606	582	580	551	594	513
Percentage of employees communicated/trained (%)	100	96.04	100	95	100	86.36



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TOTAL NUMBER AND PERCENTAGE OF EMPLOYEES THAT THE ORGANIZATION’S ANTI-CORRUPTION POLICIES AND PROCEDURES HAVE BEEN COMMUNICATED TO, BY EMPLOYEE CATEGORY GRI 205-2

	2023		2024		2025	
	COMMUNICATED	TRAINED	COMMUNICATED	TRAINED	COMMUNICATED	TRAINED
COORDINATION						
Total number of employees	643	643	561	561	557	557
Total number of employees communicated/trained	643	631	561	550	557	473
Percentage of employees communicated/trained (%)	100	98.13	100	98.04	100	84.92
SUPERVISION						
Total number of employees	331	331	350	350	354	354
Total number of employees communicated/trained	0	303	350	334	354	319
Percentage of employees communicated/trained (%)	0	91.54	100	95.43	100	90.11
ADMINISTRATIVE						
Total number of employees	626	626	975	975	850	850
Total number of employees communicated/trained	626	608	975	877	850	705
Percentage of employees communicated/trained (%)	100	97.12	100	89.95	100	82.94
OPERATIONAL						
Total number of employees	7,565	7,565	6,891	6,891	7,293	7,293
Total number of employees communicated/trained	7,565	6,626	6,891	6,716	7,293	6,160
Percentage of employees communicated/trained (%)	100	87.59	100	97.46	100	84.46
TOTAL						
Total number of employees	9,891	9,891	9,475	9,475	9,769	9,769
Total number of employees communicated/trained	9,560	8,855	9,475	9,137	9,769	8,269
Percentage of employees communicated/trained (%)	96.65	89.53	100	96.43	100	84.65

LEGAL ACTIONS FOR ANTI-COMPETITIVE BEHAVIOR, ANTI-TRUST, AND MONOPOLY PRACTICES GRI 206-1

The organization did not record any pending or concluded legal proceedings related to anti-competitive behavior during the reporting period.



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GRI CONTENT INDEX

Supplier management

NEW SUPPLIERS THAT WERE SCREENED USING ENVIRONMENTAL CRITERIA GRI 308-1			
DESCRIPTION	2023	2024	2025
New suppliers hired	179	148	44
New suppliers hired using environmental criteria	3	2	3
Percentage	14.80	1.35	0.07

NEGATIVE ENVIRONMENTAL IMPACTS IN THE SUPPLY CHAIN AND ACTIONS TAKEN GRI 308-2			
	2023	2024	2025
Total number of suppliers assessed in relation to negative environmental impacts	588	146	123
Total number of suppliers identified as causing negative environmental impacts	42	16	1
Total number of suppliers identified as having negative environmental impacts with which improvements were agreed upon as a result of the assessment	42	16	1
Percentage of suppliers identified as causing negative environmental impacts with which improvements were agreed as a result of the assessment carried out	100	100	100
Number of suppliers identified as causing negative environmental impacts, with which the organization terminated business relationships as a result of the assessment	0	0	0
Percentage of suppliers identified as causing negative environmental impacts, with which the organization terminated business relationships as a result of the assessment	0	0	0

The main negative impacts identified in the supply chain are environmental in nature. These are primarily classified as actual impacts and are assessed regularly through audit processes. Among the most significant are impacts related to biodiversity, water pollution, improper waste disposal, and inadequate effluent discharge associated with suppliers' operations, products, and services. Historical cases of non-compliance have been identified and subsequently addressed with suppliers that remained in the company's supplier database.

In addition, energy consumption from non-renewable sources is monitored but is not used as a criterion for audit approval. Similarly, greenhouse gas (GHG) emissions are not used as a compliance criterion; they are assessed solely to measure environmental impacts.



GRI Content Index

Statement of Use	LEROY MERLIN reported in accordance with the GRI Standards for the period ranging from January 1, 2025, to December 31, 2025.
GRI 1 used	GRI 1: Fundamentals 2021

GRI STANDARD / OTHER SOURCE	CONTENTS	LOCATION	OMISSION			SDGS
			OMITTED REQUIREMENTS	REASON	EXPLANATION	
GENERAL CONTENT						
THE ORGANIZATION AND ITS REPORTING PRACTICES						
GRI 2: General disclosures 2021	2-1 Organizational details	4 and 9				
	2-2 Entities included in the organization's sustainability reporting	4				
	2-3 Reporting period, frequency and contact point	4				
	2-4 Restatements of information	82				
ACTIVITIES AND WORKERS						
GRI 2: General disclosures 2021	2-6 Activities, value chain and other business relationships	67				
	2-7 Employees	72, 73, and 74				8, 10
	2-8 Workers who are not employees	74				8
GOVERNANCE						
GRI 2: General disclosures 2021	2-9 Governance structure and composition	53				5, 16
GRI 2: General disclosures 2021	2-10 Nomination and selection of the highest governance body	53				5, 16
	2-11 Chair of the highest governance body	54				16
	2-12 Role of the highest governance body in overseeing the management of impacts	55				16
	2-13 Delegation of responsibility for managing impacts	55				
	2-14 Role of the highest governance body in sustainability reporting	21				
	2-15 Conflicts of interest	56				16



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			OMITTED REQUIREMENTS	REASON	EXPLANATION	
GRI 2: General disclosures 2021	2-16 Communication of crucial concerns	83				
	2-17 Collective knowledge of the highest governance body	55				
	2-18 Evaluation of the performance of the highest governance body	82				
	2-19 Remuneration policies	74				
	2-20 Process to determine remuneration	74				
	2-21 Annual total remuneration ratio	75				
STRATEGY, POLICIES AND PRACTICES						
GRI 2: General disclosures 2021	2-22 Statement on the sustainable development strategy	5				
	2-23 Policy commitments	83				16
	2-24 Embedding policy commitments	83				
	2-25 Processes to remediate negative impacts	58				
	2-26 Mechanisms for seeking advice and raising concerns	58				16
	2-27 Compliance with laws and regulations	83				
	2-28 Membership associations	83				
STAKEHOLDER ENGAGEMENT						
GRI 2: General disclosures 2021	2-29 Approach to stakeholder engagement	41 and 63				
	2-30 Collective bargaining agreements	74				8
MATERIAL TOPICS						
GRI 3: Material topics 2021	3-1 Process to determine material topics	21				
	3-2 List of material topics	21				
CLIMATE CHANGE AND ENERGY EFFICIENCY						
GRI 3: Material topics 2021	3-3 Management of material topics	34				
GRI 201: Economic Performance 2016	201-2 Financial implications and other risks and opportunities due to climate change	69				13
GRI 302: Energy 2016	302-1 Energy consumption within the organization	70				7, 8, 12, 13
	302-3 Energy intensity	70				7, 8, 12, 13
	302-4 Reduction of energy consumption	34				7, 8, 12, 13

GRI STANDARD / OTHER SOURCE	CONTENTS	LOCATION	OMISSION			SDGS
			OMITTED REQUIREMENTS	REASON	EXPLANATION	
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	70 and 71				
	305-2 Energy indirect (Scope 2) GHG emissions	70 and 71				
	305-3 Other indirect (Scope 3) GHG emissions	70 and 71				
	305-4 GHG emissions intensity	71				
	305-5 Reduction of GHG emissions	71				
	305-6 Emissions of ozone-depleting substances (ODS)	71				
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	71				
ETHICS, INTEGRITY AND COMPLIANCE						
GRI 3: Material topics 2021	3-3 Management of material topics	56				
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Reason for omission – Confidential information				8.9
GRI 204: Procurement Practices 2016	204-1 Proportion of spending with local suppliers	63				8
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	56				16
	205-2 Communication and training about anti-corruption policies and procedures	84, 85, 86, and 87				16
	205-3 Confirmed incidents of corruption and measures taken	56				16
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	87				16
HEALTH AND WELL-BEING						
GRI 3: Material topics 2021	3-3 Management of material topics	46 and 48				
GRI 403: Occupational health and safety 2018	403-1 Occupational health and safety management system	46				8
	403-2 Hazard identification, risk assessment and incident investigation	46				8
	403-3 Occupational health services	48				8
	403-4 Worker participation, consultation and communication on occupational health and safety	46				8, 16
	403-5 Worker training on occupational health and safety	46				9
	403-6 Promotion of worker health	48				3

GRI STANDARD / OTHER SOURCE	CONTENTS	LOCATION	OMISSION			SDGS
			OMITTED REQUIREMENTS	REASON	EXPLANATION	
GRI 403: Occupational health and safety 2018	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	46				8
	403-8 Workers covered by an occupational health and safety management system	48				8
	403-9 Work-related injuries	81				3, 8, 16
	403-10 Work-related ill health	46 and 48				3, 8, 16
RECRUITMENT, DEVELOPMENT, AND RETENTION OF EMPLOYEES						
GRI 3: Material topics 2021	3-3 Management of material topics	43				
GRI 201: Economic Performance 2016	201-3 Defined benefit plan obligations and other retirement plans	75				
GRI 202: Market presence 2016	202-1 - Ratios of standard entry level wage by gender compared to local minimum wage	75				5.8
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	76				4, 5, 8, 10
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	77				3, 5, 8
	401-3 Parental leave	77				5, 8
GRI 404: Training and education 2016	404-1 Average hours of training per year, per employee	77				4, 5, 8, 10
	404-2 Programs for upgrading employee skills and transition assistance programs	43				8
	404-3 Percent of employees receiving regular performance and career development reviews	78				5, 8, 10
GRI 405: Diversity and equal opportunity 2016	405-1 Diversity of governance bodies and employees	79, 80, and 81				5.8
	405-2 Ratio of basic salary and remuneration of women to men	79				5.8.10
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	81				5, 8
GRI 410: Security practices 2016	410-1 Security personnel trained in human rights policies or procedures	82				16
WASTE MANAGEMENT						
GRI 3: Material topics 2021	3-3 Management of material topics	30				
GRI 301: Materials 2016	301-1 Materials used by weight or volume	67				8, 12

GRI STANDARD / OTHER SOURCE	CONTENTS	LOCATION	OMISSION			SDGS
			OMITTED REQUIREMENTS	REASON	EXPLANATION	
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	30				3, 6, 11, 12
	306-2 Management of significant waste-related impacts	30				3, 6, 8, 11, 12
	306-3 Waste generated	68				3, 12, 15
	306-4 Waste diverted from disposal	68 and 69				3, 11, 12
	306-5 Waste directed to disposal	69				3, 6, 11, 12, 15
CIRCULARITY						
GRI 3: Material topics 2021	3-3 Management of material topics	24				
GRI 301: Materials 2016	301-2 Raw materials or recycled materials used	67				8, 12
	301-3 Reclaimed products and their packaging materials	67				8, 12
SUPPLY CHAIN MANAGEMENT						
GRI 3: Material topics 2021	3-3 Management of material topics	63				
GRI 308: Supplier environmental assessment 2016	308-1 New suppliers that were screened using environmental criteria	63 and 88				
	308-2 Negative environmental impacts in the supply chain and actions taken	63 and 88				
GRI 402: Labor/Management Relations 2016	402-1 Minimum notice period regarding operational changes	77				8
GRI 407: Freedom of association and collective bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	78				8
GRI 408: Child labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	78				5, 8, 16
GRI 409: Forced or compulsory labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	78				5, 8
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	63				5, 8, 16
	414-2 Negative social impacts in the supply chain and actions taken	63				5, 8, 16
CYBERSECURITY AND DATA PRIVACY						
GRI 3: Material topics 2021	3-3 Management of material topics	61				
GRI 418: Customer privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	61				16
BIODIVERSITY AND ECOSYSTEMS						
GRI 3: Material topics 2021	3-3 Management of material topics	39				

GRI STANDARD / OTHER SOURCE	CONTENTS	LOCATION	OMISSION			SDGS
			OMITTED REQUIREMENTS	REASON	EXPLANATION	
GRI 101: Biodiversity	101-1 Policies to halt and reverse biodiversity loss	39				
	101-2 Management of biodiversity impacts	39				
	101-3 Access and benefit-sharing	71				
GRI 101: Biodiversity	101-4 Identification of biodiversity impacts	39				
	101-5 Locations with biodiversity impacts	Reason for omission – Not applicable				
	101-6 Direct drivers of biodiversity loss	71				
	101-7 Changes to the state of biodiversity	Reason for omission – Not applicable				
	101-8 Ecosystem services	Reason for omission – Not applicable				
SOCIETAL DEVELOPMENT						
GRI 3: Material topics 2021	3-3 Management of material topics	49				
GRI 202: Market presence 2016	202-2 Proportion of senior management hired from the local community	75				8
GRI 411: Rights of indigenous peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples	78				2
GRI 413: Local communities 2016	413-1 Operations with local community engagement, impact assessment and development programs	49				
	413-2 Operations with significant actual or potential negative impacts on local communities	82				1, 2



Credits

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Materiality

Group Report

Project management, Indicator consulting, Content, Graphic design and layout

Group Report

Indicator collection

Central Report

Translation

Grupo Report

Proofreading

Darrell Champlin

Photos

LEROY MERLIN Image Library