

Natura &Co Group Human Rights Statement

Unanimously approved by the Board in November 2021

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What we stand for: to defend Human Rights and to be Human-Kind

Respecting human rights is a big part of what Natura &Co is about. Avon, Natura, The Body Shop and Aesop share common principles, and for different reasons throughout their histories, human rights have always been important to all. In 2020, we launched our Commitment to Life, which reinforces our pledge to respect and defend Human Rights, as defined by the UN Guiding Principles on Business and Human Rights. It is our responsibility to be more Human-Kind; not only as a corporation, but collectively, and we commit to respecting the human principles of empathy and solidarity.

At Natura &Co we have built a comprehensive vision to step up and address some of the world’s most pressing issues. We commit to respect internationally recognized human rights as defined by the International Bill of Human Rights and the International Labour Organization (ILO) Declaration on Fundamental Rights at Work and the ILO Declaration on Multinational Enterprises. We are signatories of the UN Global Compact, the UN Women’s Empowerment Principles, and are certified or aspiring B Corporations.

We will embed this commitment in our operations and value chain and conduct human rights due diligence and provide access to effective remedy. We know we cannot do this alone, so beyond our engagement with our employees, we will rely on our business partners and stakeholders to help us identify human rights risks, prevent abuses, and mitigate harm when it occurs.

Through the ‘Defend Human Rights and Be Human-Kind’ pillar of our Commitment to Life, we are already pursuing initiatives to improve gender balance in our management team; closing the gender pay gap in our own business; creating a living wage for associates; working towards inclusion in management of under-

represented groups; creating measurable gains for Consultants, Representatives and sourcing communities in earnings, education, health and digital inclusion. We are pursuing full traceability and/or certification for critical raw materials supply chains such as palm oil, paper, mica, ethanol, soy and cotton.

The two other pillars in the Commitment to Life are 'Address the Climate Crisis and Protect the Amazon' and 'Embrace Circularity and Regeneration'. We know that ecosystem's health is definitively intertwined with well-being of people – whether they be customers, employees, or local communities that touch our products. We are committed to respecting the right to a healthy environment and will take action to ensure the balanced protection of human rights and protection of the planet, by reducing the impact of climate change through the protection of forests and biodiversity and investing in regenerative solutions.

Finding ways for business to create positive change is a must: drawing from our existing efforts, we will build even stronger foundations to credibly manage human rights risks. Our approach will be informed by the perspectives of external stakeholders as well as potentially affected rightsholders.

The Statement: whose rights we defend

This human rights statement applies to us all. To over 35,000 of our employees, to our 8 million Representatives and Consultants from across the four iconic beauty companies which form us: Avon, Natura, The Body Shop and Aēsop. It applies to people working in more than 110 countries: to the employees, Consultants/Representatives that sell our products, to our customers, contractors, temporary workers, franchisees, retailers and retail workers, suppliers and supply chain workers, and to the local and traditional communities where ingredients and minerals are sourced.

This means we respect the rights of all people connected to our business, brands, products and services, with whom we promote positive business impact and opportunities.

Focus on potentially vulnerable populations

Women are an essential driver of our business model, and this inspires us to have a commitment to ensure the rights of women, of gender equality and economic empowerment. Upholding the UN Convention on the Elimination of All Forms of Discrimination against Women is important to us and our employees, Consultants/Representatives, retail workers that sell our products, persons throughout our extended value chain, members of local communities as well as our customers. It relates to women and anyone who identifies as female or transgender, including those who may be particularly vulnerable.

We recognize the equal rights of all, regardless of race, colour, sex, age, disability, language, religion, political or other opinion, national or social origin, caste, wealth,

birth or the international status of the country or territory to which a person belongs. We have a specific focus on supporting the equality of people who are potentially politically, economically and socially disadvantaged, including all under-represented groups: racial and ethnic, of all sexual diversities and gender identities (LGBTI), all socio-economically disadvantaged people and those with physical or mental disabilities. Natura &Co is already working to include these groups in at least 30% of our management as part of our targets for 2030.

For years, our brands have implemented ethical sourcing programs and community-building activities in our supply chains that create economic benefits for indigenous populations and other producer communities. These actions are aligned with the UN Declaration on the Rights of Indigenous Peoples.

Finally, we are committed to engaging and defending affected stakeholders, including women, traditional communities, all under-represented groups and human rights and environmental defenders. This is how our brands can help to build a bridge to a better reality: to bring voice and agency into our business decisions, and advocacy to connect stakeholders' experiences to customers around the world.

Stakeholder engagement and grievance mechanisms

How we will do that? By asking for internal and external input from potentially affected stakeholders and their credible representatives, such as worker organizations. These activities include seeking inputs in our risk assessment process and in tracking the effectiveness of actions taken to prevent, mitigate and address negative human rights impacts. We will ask for feedback from our stakeholders and any partners we work with directly, as well as reach out to representatives of these groups, to understand the impacts of our business operations and of business partners

We believe, as a group, that everybody should feel safe to speak up. Employees and third parties have access to the [Natura &Co Ethics Line](#) and our [Global Code of Conduct](#) for employees and the [Global Supplier Code of Conduct](#) provide rules that relate to human rights issues in practice and emphasize the importance of raising concerns and seeking guidance related to business ethics and integrity as a critical component of our values. The Natura &Co Global Whistle-blower Policy is also publicly available to employees and third parties and shows how to report a concern and the process that will be undertaken to investigate such a concern to ensure that any concern is addressed on a timely basis. We do not tolerate any form of retaliation.

Priority human rights for our Group

As a Group, we need to set our priorities connected to our business activities and the activities of our business partners and based on input from our stakeholders' groups. The below prioritised Human Rights risks list has been defined based on where the most severe risks exist. It will guide us in focusing our resources and attention to

address or remedy adverse human rights impacts. During 2022, it will be further refined and updated according to internal discussion and ongoing risk identification.

- Harrassment
- Forced labour
- Gender equality
- Discrimination
- Privacy and integrity
- Decent & Safe Working Conditions including freedom of association and collective bargaining
- Minorities & Communities' Rights
- Land rights
- Fair wages & economic empowerment
- Child labour
- Right to a Healthy Environment

Defining priority Human Rights for our Group were made respecting the relationship between human rights and environment, according to our Commitment to Life. We are in the process of completing a formal exercise to determine main human rights risks that can be connected to our business activities, products, and services by mapping the severity and likelihood of such risks. We commit in our strategies and programs to focus on these salient priority human rights issues through risk mitigation and prevention and will consider opportunities to take positive action that benefits and supports rightsholders. This will become an ongoing process, continually assessing risks and emerging issues to identify potential changes to our salient human rights risks, and will be shared in our sustainability communications.

How to take action: scope & implementation

This human rights statement applies to all of us: to our own operations, as well as our business partners. We expect all Group and brand employees, contractors, franchisees, retailers, suppliers and other business partners to understand this and to be in compliance with domestic law wherever we and they operate and adhere to international human rights standards. Where domestic and national law may not be aligned with international human rights standards, we commit to the higher standard.

It is only working together that we will make the progress that we wish for. Every business partner will be required to comply with our updated guidelines. Suppliers will be expected to follow Global Supplier Code of Conduct to demonstrate and implement the shared commitment to respecting human rights, and expect they take this commitment to respect human rights to their own business relationships. We will also update our policy and procedures for collaboration with franchisees, Consultants/Representatives, wider community partners or investors.

Implementation: how to make it real

To take action and implement this statement, business leaders in our Legal and Compliance, Human Resources, Procurement, Retail, Franchisee, Logistics, Marketing, Direct Sales, Risk Management, Internal Audit, Group Affairs, Communications and other functions will integrate human rights management into our standard planning, operating, and performance measurement procedures, programs that seek to achieve positive impact for all stakeholders, and all other regular business activities. This includes responsible marketing and setting expectations for Consultants/Representatives that sell our products directly to customers.

We are committed to conducting formal human rights due diligence, which includes:

- Assessing human rights risks on an ongoing basis, for our own business and across the value chain including for new markets, products, ingredients and minerals
- Integrating risks identified into our management decisions and actions
- Preventing, mitigating and managing human rights risks, while also creating positive change for our people, our wider network, and our partners in the value chain
- Using a data-driven approach to inform decision-making and track progress for effective remediation
- Communicating the outcomes of putting our human rights policy into practice, including continuous review of the effectiveness of our processes and regular and transparent reporting to internal and external stakeholders.

Governance

The Natura &Co Group human rights statement is approved and overseen by our Board of Directors and signed off by our Group CEO. The Audit, Risk Management and Finance Committee of the Board has specific responsibility to review human rights risks on a regular basis, including utilization of a defined escalation process to identify negative human rights impacts and potential and actual emerging risks. A Human Rights Steering Committee has responsibility for strategic direction and decision-making on human rights, including being the starting point for escalating human rights issues to the Audit, Risk Management and Finance Committee.

The Board is supported by the Group Operating Committee (GOC) and by the group and business units' leadership in delivering on our commitments aligned with the UN Guiding Principles, and expectations to be more Human-Kind, aligned with the Commitment to Life. This means the GOC members and their leadership teams instruct and supervise activities to operationalize the commitments made in this statement, including regarding human rights due diligence throughout our business activities and activities of our business partners. Our Director of Human Rights is responsible for the Natura &Co Group's implementation of human rights risk management throughout our business activities and value chain, and reports into the Group Chief HR Officer, a member of the GOC. In turn, the Group Chief HR Officer will regularly report on respect for human rights to the Audit, Risk Management and Finance Committee and to the Board.