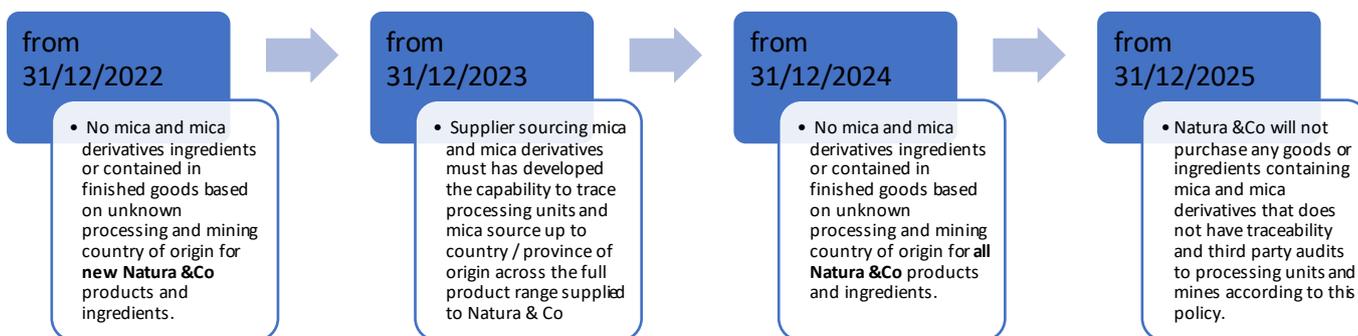


Natura &Co *Sustainable Mica* Procurement Policy for Suppliers

Approved in November 2022

1. Introduction

- At Natura &Co, our sustainability vision calls for an approach to business that gives back more than it takes, including in our procurement activities. As part of our [Commitment to Life](#), we recognise that some materials we use have significant social or environmental concerns. Therefore, we aim for full traceability and/or certification of our critical supply chains (palm, soya, ethanol, mica, cotton, and paper) by 2025. By 2025, Natura &Co aims to have all procured mica, mica derivatives, and related products adhere to this policy.
- **Key social risks:** Natura &Co considers mined mica as a high sustainability risk material particularly from a social perspective. Key risks are illegal mining, forced and child labour, and poor health and safety in mica mines and processing sites. Risks are particularly acute in mica originating in the Indian states of Jharkhand and Bihar; however, they can also occur in other countries where mica is mined and processed.
- **Scope:** Natura &Co uses mica primarily as an ingredient in cosmetic products. All natural mica supplied as a cosmetic ingredient or part of finished cosmetic goods to Natura &Co must meet the sustainability requirements set out below. These requirements will be applied in the Natura &Co tender and material approval processes, whether manufactured internally or by third parties.
- **Traceability and third-party audit requirements:** All Natura &Co Suppliers whose products are in scope of this policy must provide accurate information on primary mica processing sites and mica mines according to the traceability section under Detailed Requirements. All Natura &Co Suppliers sourcing mica and mica derivatives will be requested to present an independent third-party audit against the [“Global Workplace Standard for Mica Processors”](#) from the [Responsible Mica Initiative](#) or equivalent from its mica primary processing facilities by the end of 2024, and from your mine sources by the end of 2025 according to details providing in Appendix 2.
- **Supplier milestones:**



2. Detailed Requirements

Traceability

All Natura &Co Suppliers of mica derived ingredients and finished goods in scope must provide accurate information on the mica country of mine origin by the end of 2022.

All Natura &Co Suppliers sourcing mica from India must provide information about processing units and mica mining source country/province location by the end of 2023.

Should we find that any purchased materials do not meet these requirements, we will engage the Supplier to change practices and/or reevaluate our relationship with them.

Third-party audits

All Natura &Co Suppliers sourcing mica and mica derivatives from India must provide an independent third-party audit against the [Global Workplace Standard for Mica Processors](#) (Responsible Mica Initiative) from all primary mica processing facilities at least on an annual basis by the end of 2024.

All Natura &Co Suppliers sourcing mica and mica derivatives from other countries must provide an independent third-party audit against an equivalent to the RMI Global Workplace Standard for Mica Processors, such as the following: [SA8000](#) or [SMETA](#). The evaluation and benchmark details can be found on the RMI [website](#).

Suppliers are required to provide Natura &Co with any information, certification, and/or documentation as requested to assess adherence to this policy. If a non-compliance situation is identified by an audit, Natura &Co may require the Supplier to implement a Corrective Plan or Remediation plan, which may be prepared in collaboration with Natura &Co and should include a reasonable implementation timeline. The Supplier, when part of a Corrective Plan, will carry out its own necessary remediation efforts. If the Supplier fails to meet the terms defined in the Corrective Plan, Natura &Co may curtail or terminate the business relationship.

Unacceptable sources of mica and mica derivatives

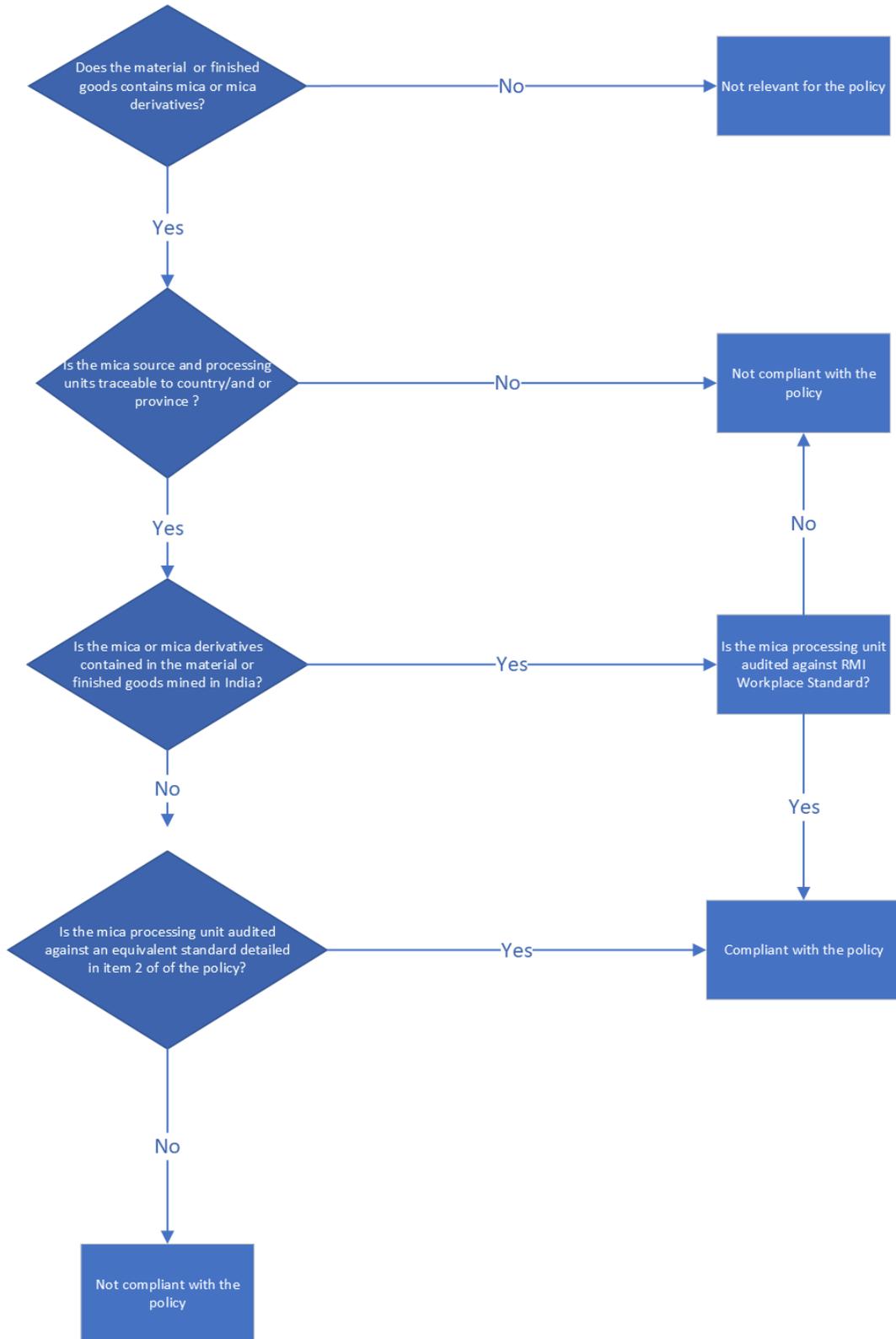
Suppliers with no capability to deliver commercially viable traceable mica ingredients and finished goods, as per the requirements of this policy, will not be used to supply mica derivatives ingredients or finished goods to Natura &Co after 31/12/2025. Any Suppliers found to be involved in human rights violations, environmentally destructive practices specially deforestation, or otherwise violating the Natura &Co Supplier [Code of Conduct](#) may be exited.

3. Collaboration and contact

Above and beyond our requirements, we encourage you and your Suppliers to participate in and support collaborations such as the [Responsible Mica Initiative](#) to ensure that labour exploitation, dangerous working conditions as well as environmental damage are eliminated from the sector. We further encourage Suppliers to come forward with proposals for fully traceable, responsible mica materials we can use in our business.

For further information on this policy, possible exceptions, and Natura &Co plans to achieve 100% traceable Mica by 2025, please contact rafaelmilantonio@natura.net.

Flow chart – requirements for Mica and mica derivatives ingredients and finished goods



Appendix 2

Acceptable certification for ingredients supplier to Natura &Co business units

With immediate effect no later than 31/12/2025 for the ingredients containing mica supplied to Avon, Natura, The Body Shop and Aesop must provide an independent third-party audit against at least one of the third-party standards below.

Standard Name	Standard Abbreviation	Standard description
Responsible Mica Initiative	RMI	The Responsible Mica Initiative is a Coalition for Action committed to operating according to five principles which reflect our mission, goal-oriented programs, and partnership-based approach to enabling a responsible and sustainable mica supply chain in India free of child labour.
SEDEX Members Ethical Trade Audit	SMETA	SMETA is SEDEX's social auditing methodology, enabling businesses to assess their sites and suppliers to understand working conditions in their supply chain.
Social Accountability International	SAI800	The SA8000 Standard is the world's leading social certification program. The SA8000 Standard and Certification System provide a framework for organizations of all types, in any industry, and in any country to conduct business in a way that is fair and decent for workers and to demonstrate their adherence to the highest social standards.

Additional third-party standards may be added to this list if they provide acceptable levels of traceability, social and environmental sustainability assurance in mica supply chains.

Use of waivers

In limited situations, for example, where mica is a residual component in a complex finished cosmetic ingredient, where the supplier demonstrates there are no available third-party audits for the mica supplied, and the supplier has a plan in place to achieve third-party audits for mica within an acceptable timeframe, Natura &co may consider a temporary waiver of the third-party audit requirement.