

# Commitment to Life: 2021 progress

In 2020, **Natura &Co** unveiled its Sustainability Vision, *Commitment to Life*, laying out goals and actions to tackle some of the world's most pressing issues.

- It focuses on addressing the climate crisis, defending human rights and shifting towards circularity and regeneration.
- Each year, we update on our progress and challenges against our goals. Here follows our 2021 update.

## To address the **Climate Crisis** and **Protect the Amazon**

Reduce our GHG emissions: become **Net Zero** by 2030.  
Amazon: **zero deforestation**.

**Science Based Targets** for Biodiversity; enforce the Nagoya Protocol.

## **Defend Human Rights** and be **Human-Kind**

For our associates: gender **equality**, inclusion of under represented groups, and living wage for all.

For our wider network: measured **increases in earnings**, education and health.

Intolerance to **human rights** infringement across our supply chain.

## **Embrace Circularity** and **Regeneration**

Full Packaging **Circularity**.  
95%+ **Renewable** or Natural ingredients.

95%+ **Biodegradable** formulas.  
Investments and collaborative action in **Regenerative Solutions**.

## About **Natura &Co**

**7.7+\***

million Consultants & Representatives

\*As of December 31, 2021.

**64**

sourcing communities

**3,700+**

stores & franchises

**35,000+**

employees & associates

**100+**

countries around the world

**40.16**

billion R\$ consolidated net revenue

**Our Aspiration:** *We will dare to innovate to promote positive economic, social and environmental impact – and become the best beauty company FOR the world.*

**Our Purpose:** *To nurture beauty and relationships for a better way of living and doing business.*

### **Natura**

Founded in 1969, CFT #1 in Brazil. Carbon neutral since 2007. Cruelty Free. 90% vegan. 1st public traded B Corp™ in 2014, 3rd certification in 2020. Natura's EKOS line certified by The Union for Ethical Bioproducts (UEBT).



### **Aesop**

Founded in 1987 in Australia, 247 stores in 27 markets, renowned for products created with meticulous attention to detail, and for refined aesthetics. Aesop became a B Corp™ certified company in 2020.



### **The Body Shop**

Founded by British entrepreneur Anita Roddick in 1976, The Body Shop champions change-making beauty and campaigns for social and environmental justice in more than 80 countries around the world.



### **Avon**

Founded in 1886 in NYC. 5.6 million Representatives, 65+ countries, donated over US\$ 1.1 billion to women's causes. Products of exceptional quality and most democratic beauty brands in the world.

# Address the Climate Crisis & Protect the Amazon

Goals are presented in **pink**

## Net Zero GHG emissions

Our partners include Transform to Net Zero, a cross-sector initiative to accelerate the transition to a Net Zero global economy by 2050 and UN Global Compact Climate Ambition Accelerator.

We hired an external consultant, Carbon Trust, to consolidate and calculate the organizational footprints for scopes 1, 2, and 3.

During 2021, we concluded our 2020 GHG inventory baseline for Natura &Co, as the first step to address our ambition to become Net Zero.

Become **Net Zero**, delivering 1.5°C 20 years ahead of the UN Commitment

2.4m tCO<sub>2</sub>eq  
(Excluding use phase)



2020

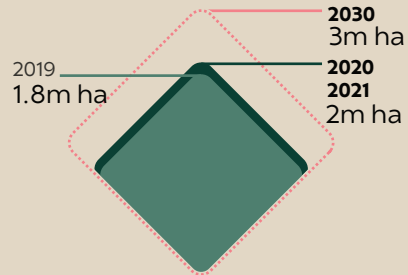
Science Based Targets Initiative (SBTi) **for all companies** scopes 1, 2, and 3

We will submit our science-based targets to SBTi by April 2022 and we expect to receive their approval in the coming months.

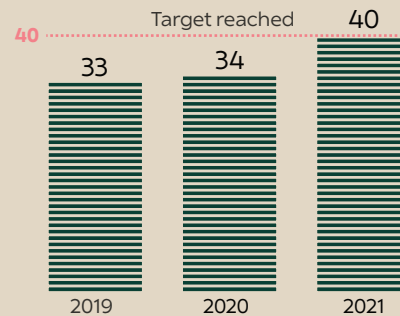
## Protect the Amazon

In 2021, Natura &Co and Natura joined forces with MapBiomas, InfoAmazonia and Hacklab to launch the PlenaMata portal, a unique platform that monitors deforestation in the Amazon in real time.

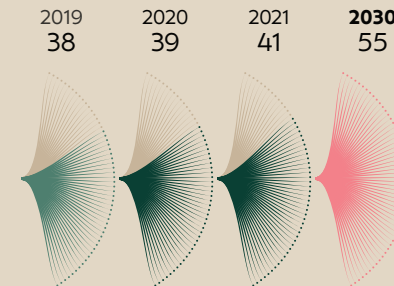
Amazon preservation from 1.8m to **3m ha**



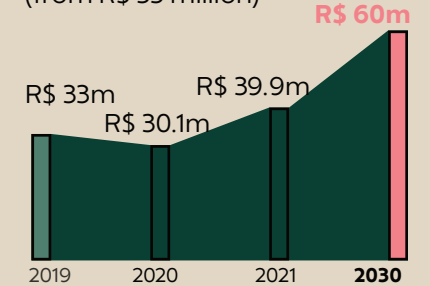
33 to **40** communities



Increase revenue streams with **55** bio-ingredients (from 38)



Share at least **R\$ 60 million** in value with communities (from R\$ 33 million)



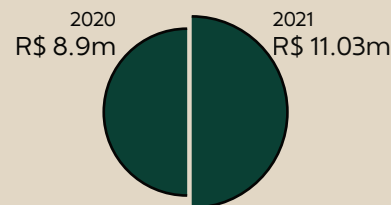
## Biodiversity

To halt and reverse biodiversity loss, we are partnered with Science Based Targets Network (SBTN), Business for Nature, and are co-chairs of WEF's Champions for Nature.

Help **create targets** with a network of partnerships (UEBT, SBTN, BfN, WEF)

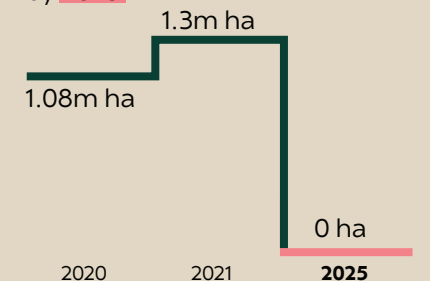
We are part of the corporate engagement for Science Based Target Network (SBTN). To help the construction of the SBTN methodology, we are piloting the methodology specifically with our Natura Ekos line and fulfilled Step 1 of 5.

**Expand** from Natura's 16 year payment of ABS (access and benefit sharing) to the Group by **2025**



PlenaMata data shows 2021 had the highest deforestation rates in the Amazon since 2006

Foster collective efforts towards **zero deforestation** by **2025**

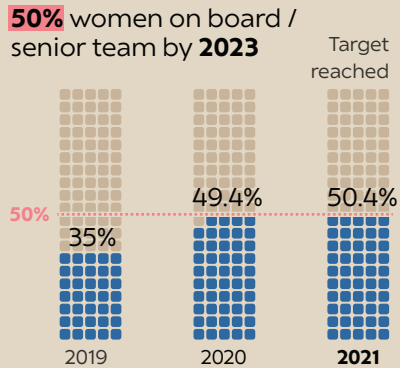


# Defend Human Rights & be Human-Kind

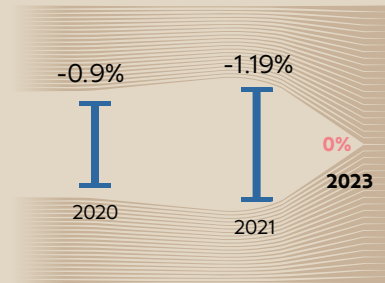
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## Our People

We sit on the Board of UN Global Compact and are patrons of Target Gender Equality, its accelerator program for companies to set and reach ambitious targets for women's representation.



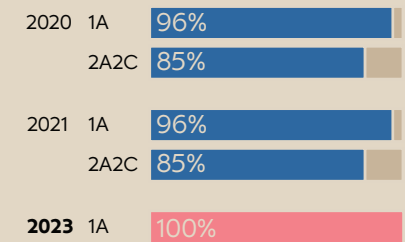
**Equitable pay**, closing the gender gap by **2023**



Work towards **30%** inclusion, in management, of under-represented groups

Throughout 2021 we reviewed various solutions to assess D&I data as we faced data privacy and legislative issues in many of the markets in which Natura &Co operates. With the support of an external consultancy, an online survey tool will be used to anonymously gather data from our employees to support the establishment of our baseline.

Living wage (or above) **for all** by **2023**



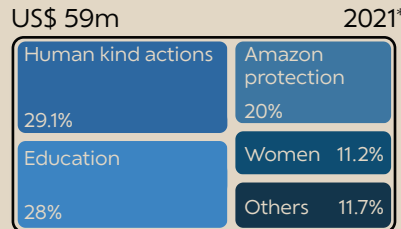
## Our Wider Network

Our network reflects the omnichannel nature of our business. We work with the World Federation of Direct Selling (WFDSA) and Seldia (The European Direct Selling Association).

**Measurable gains** for Consultants/Representatives and sourcing communities

In 2021 we completed an initial pilot project to measure the socio-economic impact that our Natura &Co direct selling companies have on the lives of Consultants / Representatives in our network.

Increase investments in key causes by 20% to **US\$ 600 million**



\*Data only reflects 2021 result. 2020 figure to be reviewed with new methodology.

**Promote** our trusted and reliable model for the future of direct sales, health and digital inclusion

As the Chair of the WFDSA Ethics Committee, Natura is leading activities to promote ethics beyond compliance, continuously raising WFDSA and DSAs' self-regulatory standards ("The Code") above local legislation/regulation.

Our costs have increased slightly since 2020 by approximately 23%, however this is mainly due to the increase in the Living Wage Rates.

Our 2020 figures were re-calculated based on new and more robust certification criteria. Palm Oil, Paper, Alcohol, Soy and Cotton values reflect certification %. Mica value reflects traceability % as there is no global certification standard available for Mica.

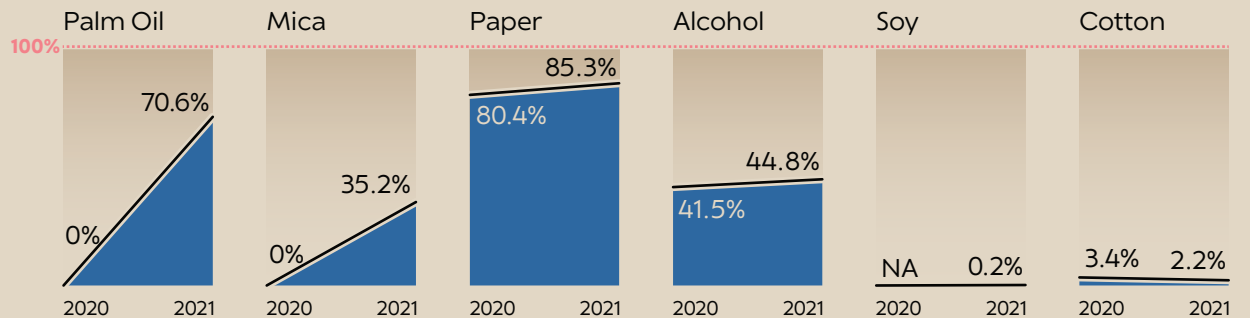
## Human Rights & Supply Chain

We support the UN Working Group developing the UN Guiding Principles on Business and Human Rights in their work to undertake a decade of action on business and human rights.

**Adopt** robust Human Rights policy in line with UN Guiding Principles by **2023**

Natura &Co's new Human Rights statement was unanimously approved by its Board of Directors in 2021.

Full **(100%)** traceability and/or certification for critical supply chains by **2025**



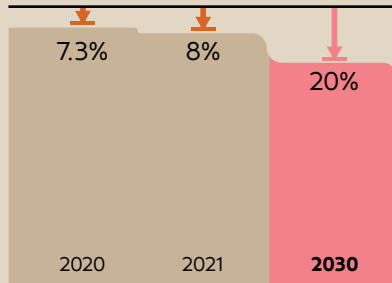
# Embrace Circularity & Regeneration

Goals are presented in **pink**

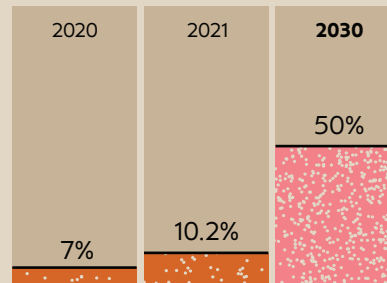
## Packaging Circularity

We are a signatory to The Ellen MacArthur Foundation's New Plastics Economy Global Commitment, united with 1,000 organizations across the plastic packaging value chain, progressing towards a circular economy.

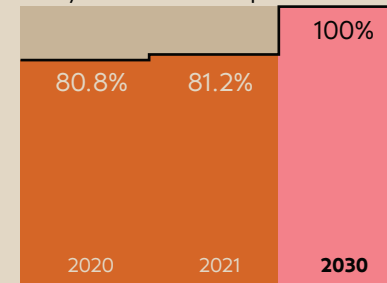
**20%** (or more) less packaging material (in weight)



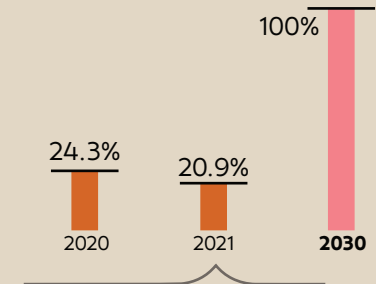
**50%** of all plastic used to be of recycled content (in weight)



**100%** of all packaging material: Reusable or Recyclable or Compostable



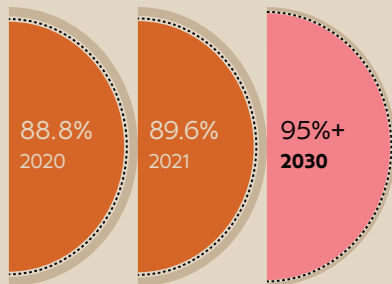
Offset through "collection and reuse" programs to reach **100%** responsible disposal where recycling infrastructure not available



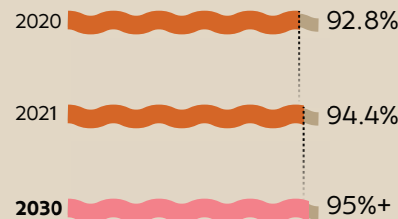
## Formula Circularity

Alongside Henkel, L'Oreal, LVMH, P&G, and Unilever, Natura &Co is a founding member of the EcoBeautyScore Consortium, created to meet consumer demand for greater transparency about the environmental impact of cosmetic products.

**95%+** renewable or natural ingredients



**95%+** biodegradable formulas



**100%** of new formulas will have lower environmental footprint, measured by life cycle analysis (LCA) by **2025**

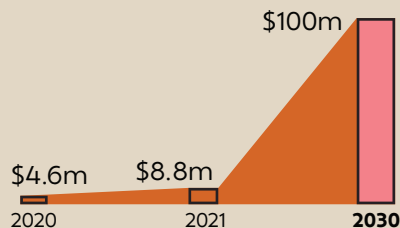
In 2021, a team with components from all the companies of the Group was defined, a consulting firm was hired (Quantis), and the scope of the tool construction was defined in line with the EcoBeautyScore Consortium.

Reduction in numbers reported by Natura &Co LATAM, especially Natura Cosméticos (from 56.1% to 47.4% in weight).

## Regeneration

Natura is a founding member of the Union for Ethical BioTrade (UEBT), and together we work with others to engage companies on the journey to regenerate nature and protect people through the ethical sourcing of biodiversity ingredients.

Invest **US\$100 million** (or more) in developing regenerative solutions, such as: biotechnology e.g. from waste to ingredients, plastics, etc.



Find out more in our Natura &Co annual report 2021