

NATURA &CO HOLDING S.A.
Publicly-Held Company
CNPJ/ME No. 32.785.497/0001-97

MATERIAL FACT

Assessment of potential separation of Natura &Co Latam and Avon

Natura &Co Holding S.A. (“Natura &Co” or the “Company”) announces that its Board of Directors has authorized its management to assess a possible separation of Natura &Co Latam and Avon into two independent publicly traded beauty companies in order to unlock further shareholder value.

The possible separation is consistent with Natura &Co’s ongoing strategy of simplifying its corporate structure while providing increased autonomy to its business units and follows the recent divestments of Aesop and The Body Shop.

This separation would aim to unlock the potential of both companies, which have distinct geographical footprints, serve different beauty consultants and consumers, and together offer limited synergy value under the current structure.

The structure of the potential transaction is still being assessed but it is expected that it would result in two separate, standalone entities (Natura and Avon) with unique business plans, independent governance and management teams better equipped to pursue more tailored strategies to drive long-term shareholder value:

- Natura: a leading beauty company with a historically clear focus on sustainability, owning and operating the Natura brand worldwide and with the right to operate the Avon brand in Latin America and;
- Avon: the owner of the Avon brand, operating a geographically diversified business with a strong innovation heritage in beauty and personal care and driven by an intrinsic purpose of creating a better world for women.

Natura would continue to operate with both brands in the region, so the potential separation would not impact the integration of the brands in Latin America. In turn, Avon would indirectly benefit from the sales in Latin America through a commercial arrangement with Natura, while continuing its operations in other markets outside Latin America.

The potential separation would also afford shareholders greater visibility into the financial performance, structure, growth prospects, and investment theses of the respective companies.

There can be no assurance that any separation will ultimately be recommended by the Board of Directors. Completion of a separation would be subject to various conditions, including, among others, final approval from the Board of Directors and consent from the majority of shareholders.

While Natura & Co's management conducts the strategic assessment, the Company continues to implement Avon's turnaround strategy and to integrate the businesses of Natura and Avon in Latin America.

São Paulo, February 5, 2024.

Guilherme Castellan
CFO and Investor Relations Officer
Natura & Co Holding S.A.

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