

São Paulo, March 9, 2022.

## Q4-21: Strong margin expansion despite increasing costs and continued pressure in key markets

*Net income reached R\$695 million in Q4 and R\$1.0 billion in FY21  
Avon fundamentals improving, with synergies ahead of plan*

- **Q4 consolidated net revenue** totalled R\$11.6 billion, -3.0% vs Q4-20 in BRL and -5.3% at CC, over a very strong comparable base in 2020. Against Q4-19, revenue was up by a solid +20.6%<sup>1</sup> (-0.2% at CC), despite an expected challenging quarter impacted by the economic environment in Brazil and pandemic effects in key Avon and The Body Shop markets prior to Christmas. FY21 net revenue grew 8.8% (+3.8% at CC), driven by growth in Hispanic Latam as well as Aēsop
- **Q4 adjusted EBITDA** reached R\$1.5 billion with margin of 13.3% (+90 bps); margin improvement supported by financial discipline, structural changes primarily at Avon International, and synergies in Latin America ahead of plan, despite continued cost pressure
- **Synergies ahead of plan**, of US\$59 million in the quarter, across procurement, logistics and administrative functions. In the year, total synergies reached US\$197 million, close to 50% of plan, exceeding guidance of 40% run rate in 2021
- **Strong net income** of R\$695.4 million in Q4 and R\$1 billion in the year (reversing a R\$650.2 million loss in FY20), mainly driven by new gains from the Avon integration, related to corporate structure optimization, enabled by the prepayment of Avon's 2022 bonds, which eliminated some restrictive covenants
- **Strong year-end cash position of R\$6 billion**, with net debt-to-EBITDA of 1.52x in Q4, vs. 1.83x in Q3-21. Strong cash position enables proposal of R\$180 million in dividends for FY21, on top of a share buyback of R\$140 million (4.7 mn. shares) through Dec-21
- **Product innovation:** Enhanced holiday gifting across all brands, such as Advent calendar at The Body Shop and at Natura for the first time (Tododia brand), a successful gifting campaign for Avon International and Aēsop gift kits linked to charitable organizations

Consolidated Financial Results (R\$ million)	Q4-21	Q4-20	Δ	FY-21	FY-20	Δ
<b>Net Revenue</b>	<b>11,643.2</b>	<b>11,997.3</b>	<b>-3.0%</b>	<b>40,164.7</b>	<b>36,922.0</b>	<b>8.8%</b>
Constant Currency Change			-5.3%			3.8%
<b>Gross Profit</b>	<b>7,585.5</b>	<b>7,717.2</b>	<b>-1.7%</b>	<b>26,153.2</b>	<b>23,692.3</b>	<b>10.4%</b>
Gross Margin	65.1%	64.3%	80 bps	65.1%	64.2%	90 bps
<b>Reported EBITDA</b>	<b>1,496.8</b>	<b>1,254.3</b>	<b>19.3%</b>	<b>3,909.7</b>	<b>3,508.5</b>	<b>11.4%</b>
Reported EBITDA Margin	12.9%	10.5%	240 bps	9.7%	9.5%	20 bps
<b>Adjusted EBITDA</b>	<b>1,543.0</b>	<b>1,485.7</b>	<b>3.9%</b>	<b>4,137.3</b>	<b>4,219.5</b>	<b>-1.9%</b>
Adjusted EBITDA Margin	13.3%	12.4%	90 bps	10.3%	11.4%	-110 bps
<b>Net Income (loss) attributable to controlling shareholders</b>	<b>695.4</b>	<b>177.4</b>	<b>292.0%</b>	<b>1,048.0</b>	<b>(650.2)</b>	<b>-261.2%</b>
Net Margin	6.0%	1.5%	450 bps	2.6%	-1.8%	440 bps

### Roberto Marques, Group CEO and Executive Chairman of Natura &Co, declared:

"At a time when war is again impacting millions of people, our thoughts are with our teams in Ukraine and Russia. More than ever at Natura &Co, in the face of violence, we believe in dialogue and in the power of the collective to restore peace. The Group has donated more than R\$3 million to relief organizations, as well as personal care products to refugees. The Body Shop and Aēsop are suspending the delivery of products to their franchisees in Russia. Avon has suspended exports from Russia and is assessing shipments to the market. Our local plant continues to support the social selling operations of our representatives to provide them with the means to sustain their financial independence. We will continuously assess the situation.

The geopolitical situation adds new challenges to our businesses, beyond headwinds in supply chain, rising inflation, new pandemic restrictions and weak consumption in Brazil that has a strong effect on the CFT market. However, our focus on costs and continued transformational changes allowed us to significantly expand our EBITDA margin and net income in the quarter. In the full year, we posted net sales growth and net income above R\$1 billion and finished the year with a strong cash position, even after executing through end of February 2022, R\$140 million of the share repurchase program announced in mid-November, allowing us to distribute dividends of R\$180 million until the end of this calendar year.

This performance reflects the remarkable mobilization of our teams to focus on profitability, but also the strength of our omnichannel model and the depth of the reinvention of the social-selling model we are implementing. At Natura &Co Latam, the Natura brand outperformed the CFT markets, with strong growth in Hispanic markets in the fourth quarter that helped offset a tough environment in Brazil, and Avon's new commercial model showed initial positive signs in some markets, with higher productivity, retention and activity. Avon International delivered strong gains in EBITDA margin in Q4 as it accelerates the streamlining of its operating model and benefitted from year-end seasonality. The total Avon brand performance posted nearly stable sales in the year even with the headwinds in Brazil, marking the best revenue trend in three years, reinforcing our confidence in its turnaround plan. The Body Shop demonstrated its ability to adapt through an enhanced multi-channel offer and the brand's growing appeal. And Aēsop continues to post double-digit growth year-after-year, outperforming global luxury brands. And all this was supported by the continued expansion of digitally-enabled sales.

As we expect to face continuing challenges especially in the first half of 2022, we are focused on delivering our priorities, implementing several key initiatives to drive sustainable profitable growth this year and beyond."

<sup>1</sup> For comparison purposes, 2019 figures include Avon Products Inc, on an aggregated basis in IFRS

## Key Financial Results per Business Unit

	Q4-21 vs. Q4-20					FY21 vs. FY20				
	Net Revenue (R\$ million)	Δ % Reported Currency	Δ % CC	Adj. EBITDA Margin	Δ Adj. EBITDA	Net Revenue (R\$ million)	Δ % Reported Currency	Δ % CC	Adj. EBITDA Margin	Δ Adj. EBITDA
<b>Consolidated</b>	<b>11,643.2</b>	<b>-3.0%</b>	<b>-5.3%</b>	<b>13.3%</b>	<b>90 bps</b>	<b>40,164.7</b>	<b>8.8%</b>	<b>3.8%</b>	<b>10.3%</b>	<b>-110 bps</b>
Natura &Co Latam	6,142.3	-2.8%	-5.7%	12.1%	-10 bps	22,413.4	9.1%	6.3%	11.2%	-70 bps
Avon International	2,708.1	-5.6%	-7.4%	10.7%	660 bps	9,329.3	2.5%	-4.3%	6.0%	80 bps
The Body Shop	1,893.9	-8.8%	-10.3%	22.2%	-150 bps	5,821.8	9.2%	0.7%	17.6%	-260 bps
Aesop	898.9	22.8%	20.8%	26.7%	-1040 bps	2,600.2	33.4%	25.1%	24.0%	-710 bps

- **Natura &Co Latam:** Hispanic markets reached 52% of net revenue in the region in Q4-21 (vs. 47% in Q4-20), and 53% in the year (vs. 46% in FY20), representing the majority of the region's revenue for the first time, highlighting the broad, diversified footprint in Latin America, which strengthens our resilience to volatility in a given market.

**Natura brand in Latam:** +3.5% revenue growth in Q4-21 in BRL, and +10.5% in the year, driven by Hispanic markets. **In Brazil,** net revenue was -6.4% in Q4-21 (+8.8% vs. Q4-19), still outperforming the CFT market (-12.5%<sup>2</sup>) and despite a strong comparable in Q4-20. Sales accelerated sequentially, improving continuously since Q3. **In Hispanic markets,** net revenue was +22.4% in Q4-21 in BRL (+13.3% at CC), supported by growth across all markets and an increase in the number of consultants and productivity.

**Avon brand in Latam:** Revenue was down -12.3% in Q4-21 in BRL, but up +6.6% in the year, driven by a strong performance in Hispanic markets in the first nine months, offsetting the impact of the new commercial model implementation in Brazil and lower Fashion and Home sales. Revenue grew in the full year (+2.5% at CC) for the first time in five years. **In Brazil,** net revenue was down -27.2% in Q4-21 in BRL, traced to an 18.0% decline in representatives, still reflecting the adjustments of the new commercial model. Recent measures adopted in October resulted in increased recruitment and activity, leading to a nearly stable average number of representatives at quarter-end and improving since then. **In Hispanic markets,** net revenue was -3.7% in Q4-21 in BRL (-6.2% at CC), reflecting a strong comparable base in Q4-20 and a decline in Fashion and Home sales.

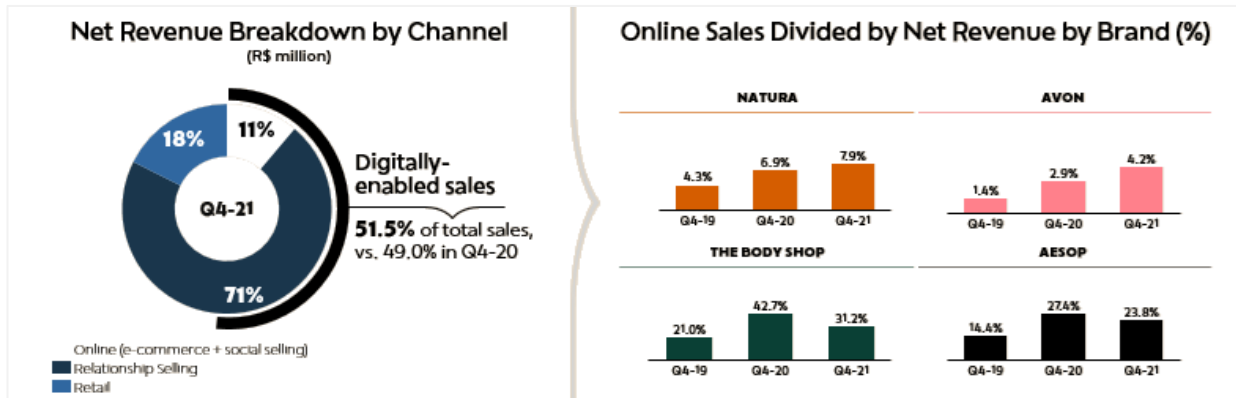
- **Natura &Co Latam's Q4 adjusted EBITDA margin** was 12.1%, -10 bps compared to Q4-20, with synergies, revenue management and strict financial discipline significantly offsetting the impact of sales deleverage, raw material inflation and FX headwinds.
- **Avon International**
  - **Q4 net revenue** was down -5.6% in BRL (-7.4% at CC), showing steady progression quarter over quarter since Q1-20, but as expected, still impacted by a lower number of representatives. This was partially offset by higher representative productivity and activity, as a result of some structural changes in the new commercial model that were fully implemented in Q4 in the top 9 markets.
  - **Q4 adjusted EBITDA margin** reached a strong 10.7%, +660 bps vs Q4-20. The strong margin was driven by normal seasonality in Q4, gross margin improvement from revenue management and synergies, strict financial discipline, structural savings from the simplification of the operating model, despite continued impacts from inflation and higher investments in digital and IT to accelerate growth. Short-term cost pressure and now further impacts in Central and Eastern Europe (CEE) are ongoing concerns, while we stabilize and adjust the new commercial model and further invest in capabilities, digital and in the brand
- **The Body Shop**
  - **Q4 net revenue** declined -8.8% in BRL (-10.3% at CC), impacted by the Omicron's wave effect on retail sales in the holiday season, mainly in the UK, the brand's largest market. Compared to Q4-19, net revenue was +35.4% (-1.5% at CC), linked to growth in At Home and e-commerce despite continued pandemic pressures and absence of government support unlike in Q4-20
  - **Q4 adjusted EBITDA margin** was 22.2%, -150 bps vs Q4-20, mainly due to sales deleverage and channel mix effect
- **Aesop**
  - **Q4 net revenue increased** +22.8% in BRL (+20.8% at CC), accelerating compared to Q3-21. Growth was driven by retail channels particularly in North America, Asia and Australia. Aesop consistently posted superior revenue growth relative to global luxury brands
  - **Q4 adjusted EBITDA margin** of 26.7%, -1,040 bps compared to Q4-20, mainly due to planned higher investments in digital, categories and geographies to drive future sustainable growth and absence of government support, unlike in Q4-20

<sup>2</sup> Target CFT market of -12.5% in Q4-21 and -6.2% in FY21, extracted from ABIHPEC's reported figures for the total CFT market of -7.6% in Q4-21 and -2.8% in FY21. Target CFT market, as adjusted by the Company, excludes diapers, toilet paper, insect repellants toothpaste, paper towel, napkins and other personal care items.

## Digital Sales

**Digitally-enabled sales**, which include online sales (e-commerce + social selling) and relationship selling using our main digital apps reached 51.5% of total revenue, compared to 49.0% in Q4-20, and to 35.4% pre-pandemic (Q4-19), driven by continued growth at Natura and Avon.

**Relationship selling using apps:** At Avon International, adoption of the Avon On app has posted consistent and sustained growth over the last 8 quarters, reaching 15%, or 3x pre-pandemic levels. At Natura in Latam, the average number of consultants sharing content increased by 13% vs Q4-20 and was nearly 4x higher than pre-pandemic levels (Q4-19). Orders through the 1.5 million+ consultant online stores (vs. 1.0 million in Q4-20) increased by 42% in the region and stood at 2x above their Q4-19 level.



**&Co Pay at Natura in Brazil** posted strong growth in both number of accounts, reaching approximately 340,000, and Total Payment Volume ("TPV") of R\$6.5 billion in FY21, well ahead of the R\$4 billion estimate for the year. Performance was supported by continued accelerated adoption of the instant payment service (Pix) launched in Q2 and the processing of all sales to consultants via credit card, initiated in Q3, contributing increased revenue to the business and reducing bad debt among adopters.

## Subsequent Events

### Update on Ukraine and Russia situation

As a global Group, with operations in Russia and Ukraine, our utmost priority is the safety and wellbeing of all our associates, representatives, partners, suppliers, and customers. We are in close contact with the Avon associates based in Ukraine and Russia and The Body Shop franchisee partners in Ukraine, supporting them in any way they need. A crisis management team is closely monitoring events as this crisis unfolds and our thoughts are with everyone affected by this situation.

Central and Eastern Europe is a relevant region for Avon, for which Russia is the largest market, while Ukraine is an important market. For the Group as a whole, revenues in these two markets represented under 5% of 2021 consolidated revenue, including The Body Shop operations via head franchisees, while contribution to EBITDA is approximately 3%.

At a time when war is raging in Europe, we stand in solidarity with all the victims and refugees caused by this shocking event. In addition to ensuring the safety and well-being of our teams, the Group and its constituent companies have donated more than R\$3 million to non-governmental organizations acting on the ground, mainly the Red Cross, and are also making product donations to refugees.

The Body Shop and Aesop are suspending the delivery of products to their franchisees in Russia. Avon has suspended exports from Russia and is assessing shipments to the market. We strive to provide our representatives with the means to sustain their financial independence, so our local plant will continue to supply their social selling operations. Avon's Russian manufacturing site predominantly produces for its local market. Avon's current fragrance portfolio produced in the Russian plant is common with Central & Western Europe markets and can be moved to our Poland facility.

Governments and authorities worldwide, including the United States and the European Union, have recently announced sanctions on certain industry sectors and parties in Russia. These and any additional sanctions, as well as any potential responses that may be provided by the governments of Russia or other jurisdictions, may adversely affect our business.

As of the date of the financial statements there are no material impacts from the above mentioned matter in the Company's consolidated financial statements. Management is continuously monitoring the developments to assess any potential future impacts that may arise as a result of the ongoing crisis.

### Update on Primary Listing on NYSE

The Group communicated in Material Fact, issued on November 11, 2021 that it was evaluating a potential migration of its primary listing to a major US stock exchange, while maintaining a dual listing by sponsoring a Brazilian Depositary Receipts (BDR) program listed on the B3.

The Group has come to the assessment that the relisting of Natura &Co in the US with BDRs in Brazil is the right strategy in the medium term, but our priority at this stage is to focus on delivering our business plan. Given all that is going on in the world, we will continue to assess the right timing and will provide further updates as warranted.

# 1. Results analysis

## The Group segmentation is composed of:

- Natura & Co Latam, which includes all the brands in Latin America: Natura, Avon, The Body Shop and Aesop
- Avon international, which includes all markets, excluding Latin America
- The Body Shop ex-Latin America, and
- Aesop ex-Latin America

In addition, results and analysis for the periods under comparison include the effects of the fair market value assessment as a result of the business combination with Avon as per the Purchase Price Allocation – PPA



R\$ million	Profit and Loss by Business														
	Consolidated <sup>a</sup>			Natura & Co Latam <sup>b</sup>			Avon International			The Body Shop			Aesop		
	Q4-21 <sup>c</sup>	Q4-20 <sup>c</sup>	Ch. %	Q4-21 <sup>c</sup>	Q4-20 <sup>c</sup>	Ch. %	Q4-21 <sup>c</sup>	Q4-20 <sup>c</sup>	Ch. %	Q4-21	Q4-20	Ch. %	Q4-21	Q4-20	Ch. %
Gross Revenue	15,023.0	15,260.7	(1.6)	8,079.1	8,294.7	(2.6)	3,248.4	3,406.2	(4.6)	2,677.8	2,741.7	(2.3)	1,017.7	818.2	24.4
<b>Net Revenue</b>	<b>11,643.2</b>	<b>11,997.3</b>	<b>(3.0)</b>	<b>6,142.3</b>	<b>6,320.6</b>	<b>(2.8)</b>	<b>2,708.1</b>	<b>2,868.5</b>	<b>(5.6)</b>	<b>1,893.9</b>	<b>2,075.9</b>	<b>(8.8)</b>	<b>898.9</b>	<b>732.3</b>	<b>22.8</b>
COGS	(4,057.7)	(4,280.0)	(5.2)	(2,449.7)	(2,452.2)	(0.1)	(1,115.5)	(1,284.0)	(13.1)	(404.1)	(471.7)	(14.3)	(88.3)	(72.1)	22.5
<b>Gross Profit</b>	<b>7,585.5</b>	<b>7,717.2</b>	<b>(1.7)</b>	<b>3,692.6</b>	<b>3,868.5</b>	<b>(4.5)</b>	<b>1,592.6</b>	<b>1,584.5</b>	<b>0.5</b>	<b>1,489.8</b>	<b>1,604.2</b>	<b>(7.1)</b>	<b>810.6</b>	<b>660.1</b>	<b>22.8</b>
Selling, Marketing and Logistics Expenses	(5,042.3)	(5,244.7)	(3.9)	(2,449.5)	(2,540.6)	(3.6)	(1,147.1)	(1,184.4)	(3.2)	(1,002.1)	(1,170.5)	(14.4)	(443.7)	(349.2)	27.0
Administrative, R&D, IT and Projects Expenses	(1,566.1)	(1,619.1)	(3.3)	(736.9)	(717.6)	2.7	(355.3)	(502.1)	(29.2)	(274.6)	(286.9)	(4.3)	(204.0)	(110.5)	84.5
Corporate Expenses <sup>d</sup>	(157.4)	(171.3)	(8.1)	-	-	-	-	-	-	-	-	-	-	-	-
Other Operating Income/ (Expenses), Net	34.9	(18.8)	(285.2)	45.2	(10.8)	(520.0)	5.0	(3.9)	(229.5)	(15.6)	(4.7)	230.6	(1.7)	(0.9)	91.6
Acquisition Related Expenses <sup>e</sup>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transformation / Integration Costs	(89.7)	(87.0)	3.1	(42.6)	(57.5)	(25.9)	(42.9)	(20.7)	107.4	-	-	-	-	-	-
Depreciation	731.9	678.0	7.9	233.5	174.6	33.7	195.7	224.9	(13.0)	223.5	206.3	8.4	79.2	72.1	9.8
<b>EBITDA</b>	<b>1,496.8</b>	<b>1,254.3</b>	<b>19.3</b>	<b>742.3</b>	<b>716.6</b>	<b>3.6</b>	<b>248.1</b>	<b>98.3</b>	<b>152.5</b>	<b>421.0</b>	<b>348.3</b>	<b>20.9</b>	<b>240.4</b>	<b>271.6</b>	<b>(11.5)</b>
Depreciation	(731.9)	(678.0)	7.9	-	-	-	-	-	-	-	-	-	-	-	-
Financial Income/(Expenses), Net	(300.6)	(248.9)	20.7	-	-	-	-	-	-	-	-	-	-	-	-
<b>Earnings Before Taxes</b>	<b>464.4</b>	<b>327.3</b>	<b>41.9</b>	-	-	-	-	-	-	-	-	-	-	-	-
Income Tax and Social Contribution	298.7	(82.0)	(464.3)	-	-	-	-	-	-	-	-	-	-	-	-
Discontinued operations <sup>f</sup>	(67.6)	(69.7)	(3.0)	-	-	-	-	-	-	-	-	-	-	-	-
<b>Consolidated Net Income</b>	<b>695.4</b>	<b>175.7</b>	<b>295.9</b>	-	-	-	-	-	-	-	-	-	-	-	-
Non-controlling Interest	0.0	1.7	(99.0)	-	-	-	-	-	-	-	-	-	-	-	-
<b>Net Income attributable to controlling shareholders</b>	<b>695.4</b>	<b>177.4</b>	<b>292.0</b>	-	-	-	-	-	-	-	-	-	-	-	-
<b>Gross Margin</b>	<b>65.1%</b>	<b>64.3%</b>	<b>80 bps</b>	<b>60.1%</b>	<b>61.2%</b>	<b>-110 bps</b>	<b>58.8%</b>	<b>55.2%</b>	<b>360 bps</b>	<b>78.7%</b>	<b>77.3%</b>	<b>140 bps</b>	<b>90.2%</b>	<b>90.2%</b>	<b>0 bps</b>
<b>Selling, Marketing and Logistics Exp./Net Revenue</b>	<b>43.3%</b>	<b>43.7%</b>	<b>-40 bps</b>	<b>39.9%</b>	<b>40.2%</b>	<b>-30 bps</b>	<b>42.4%</b>	<b>41.3%</b>	<b>110 bps</b>	<b>52.9%</b>	<b>56.4%</b>	<b>-350 bps</b>	<b>49.4%</b>	<b>47.7%</b>	<b>170 bps</b>
<b>Admin., R&amp;D, IT, and Projects Exp./Net Revenue</b>	<b>13.5%</b>	<b>13.5%</b>	<b>0 bps</b>	<b>12.0%</b>	<b>11.4%</b>	<b>60 bps</b>	<b>13.1%</b>	<b>17.5%</b>	<b>-440 bps</b>	<b>14.5%</b>	<b>13.8%</b>	<b>70 bps</b>	<b>22.7%</b>	<b>15.1%</b>	<b>760 bps</b>
<b>EBITDA Margin</b>	<b>12.9%</b>	<b>10.5%</b>	<b>240 bps</b>	<b>12.1%</b>	<b>11.3%</b>	<b>80 bps</b>	<b>9.2%</b>	<b>3.4%</b>	<b>580 bps</b>	<b>22.2%</b>	<b>16.8%</b>	<b>540 bps</b>	<b>26.7%</b>	<b>37.1%</b>	<b>-1040 bps</b>
<b>Net Margin</b>	<b>6.0%</b>	<b>1.5%</b>	<b>450 bps</b>	-	-	-	-	-	-	-	-	-	-	-	-

<sup>a</sup> Consolidated results include Natura & Co Latam, Avon International, The Body Shop and Aesop, as well as the Natura subsidiaries in the U.S., France and the Netherlands.

<sup>b</sup> Natura & Co Latam: includes Natura, Avon, TBS Brazil and Hispanic Latam and Aesop Brazil

<sup>c</sup> Includes PPA – Purchase Price Allocation effects

<sup>d</sup> Expenses related to the management and integration of the Natura & Co Group

<sup>e</sup> Avon-acquisition-related expenses

<sup>f</sup> Related to business separation at Avon North America

R\$ million	Profit and Loss by Business														
	Consolidated <sup>a</sup>			Natura & Co Latam <sup>b</sup>			Avon International			The Body Shop			Aesop		
	FY-21 <sup>c</sup>	FY-20 <sup>c</sup>	Ch. %	FY-21 <sup>c</sup>	FY-20 <sup>c</sup>	Ch. %	FY-21 <sup>c</sup>	FY-20 <sup>c</sup>	Ch. %	FY-21	FY-20	Ch. %	FY-21	FY-20	Ch. %
Gross Revenue	51,642.9	47,696.9	8.3	29,692.1	27,584.6	7.6	11,188.9	10,891.5	2.7	7,842.9	7,042.5	11.4	2,919.0	2,178.3	34.0
<b>Net Revenue</b>	<b>40,164.7</b>	<b>36,922.0</b>	<b>8.8</b>	<b>22,413.4</b>	<b>20,542.3</b>	<b>9.1</b>	<b>9,329.3</b>	<b>9,097.4</b>	<b>2.5</b>	<b>5,821.8</b>	<b>5,332.9</b>	<b>9.2</b>	<b>2,600.2</b>	<b>1,949.3</b>	<b>33.4</b>
COGS	(14,011.5)	(13,229.7)	5.9	(8,833.1)	(8,062.8)	9.6	(3,698.2)	(3,822.0)	(3.2)	(1,236.7)	(1,157.0)	6.9	(243.6)	(188.0)	29.6
<b>Gross Profit</b>	<b>26,153.2</b>	<b>23,692.3</b>	<b>10.4</b>	<b>13,580.3</b>	<b>12,479.6</b>	<b>8.8</b>	<b>5,631.1</b>	<b>5,275.4</b>	<b>6.7</b>	<b>4,585.1</b>	<b>4,175.9</b>	<b>9.8</b>	<b>2,356.6</b>	<b>1,761.4</b>	<b>33.8</b>
Selling, Marketing and Logistics Expenses	(17,837.0)	(16,426.0)	8.6	(9,062.8)	(8,331.8)	8.8	(4,162.7)	(3,949.8)	5.4	(3,259.1)	(3,144.0)	3.7	(1,352.4)	(1,000.4)	35.2
Administrative, R&D, IT and Projects Expenses	(6,399.5)	(5,583.9)	14.6	(2,906.1)	(2,607.0)	11.5	(1,734.8)	(1,710.0)	1.4	(1,064.7)	(837.9)	27.1	(676.6)	(425.2)	59.1
Corporate Expenses <sup>d</sup>	(559.4)	(379.7)	47.3	-	-	-	-	-	-	-	-	-	-	-	-
Other Operating Income/ (Expenses), Net	272.0	47.5	472.8	301.2	77.2	290.3	(2.4)	(13.8)	(82.7)	(33.4)	(20.0)	67.0	1.8	2.7	(33.6)
Acquisition Related Expenses <sup>e</sup>	-	(303.9)	-	-	-	-	-	-	-	-	-	-	-	-	-
Transformation / Integration Costs	(511.0)	(256.7)	99.1	(188.9)	(123.0)	53.6	(289.4)	(100.9)	186.7	-	-	-	-	-	-
Depreciation	2,791.5	2,718.9	2.7	872.0	874.6	(0.3)	830.9	814.7	2.0	795.1	761.2	4.5	293.5	268.1	9.5
<b>EBITDA</b>	<b>3,909.7</b>	<b>3,508.5</b>	<b>11.4</b>	<b>2,595.7</b>	<b>2,369.5</b>	<b>9.5</b>	<b>272.8</b>	<b>315.5</b>	<b>(13.5)</b>	<b>1,023.1</b>	<b>935.3</b>	<b>9.4</b>	<b>622.9</b>	<b>606.5</b>	<b>2.7</b>
Depreciation	(2,791.5)	(2,718.9)	2.7	-	-	-	-	-	-	-	-	-	-	-	-
Financial Income/(Expenses), Net	(1,027.0)	(1,035.4)	(0.8)	-	-	-	-	-	-	-	-	-	-	-	-
<b>Earnings Before Taxes</b>	<b>91.2</b>	<b>(245.8)</b>	<b>(137.1)</b>	-	-	-	-	-	-	-	-	-	-	-	-
Income Tax and Social Contribution	1,048.0	(274.7)	(481.4)	-	-	-	-	-	-	-	-	-	-	-	-
Discontinued operations <sup>f</sup>	(98.5)	(143.1)	(31.1)	-	-	-	-	-	-	-	-	-	-	-	-
<b>Consolidated Net Income</b>	<b>1,040.7</b>	<b>(663.7)</b>	<b>(256.8)</b>	-	-	-	-	-	-	-	-	-	-	-	-
Non-controlling Interest	7.3	13.5	(46.1)	-	-	-	-	-	-	-	-	-	-	-	-
<b>Net Income attributable to controlling shareholders</b>	<b>1,048.0</b>	<b>(650.2)</b>	<b>(261.2)</b>	-	-	-	-	-	-	-	-	-	-	-	-
<b>Gross Margin</b>	<b>65.1%</b>	<b>64.2%</b>	<b>90 bps</b>	<b>60.6%</b>	<b>60.8%</b>	<b>-20 bps</b>	<b>60.4%</b>	<b>58.0%</b>	<b>240 bps</b>	<b>78.3%</b>	<b>78.3%</b>	<b>50 bps</b>	<b>90.6%</b>	<b>90.4%</b>	<b>20 bps</b>
<b>Selling, Marketing and Logistics Exp./Net Revenue</b>	<b>44.4%</b>	<b>44.5%</b>	<b>-10 bps</b>	<b>40.4%</b>	<b>40.6%</b>	<b>-20 bps</b>	<b>44.6%</b>	<b>43.4%</b>	<b>120 bps</b>	<b>56.0%</b>	<b>59.0%</b>	<b>-300 bps</b>	<b>52.0%</b>	<b>51.3%</b>	<b>70 bps</b>
<b>Admin., R&amp;D, IT, and Projects Exp./Net Revenue</b>	<b>15.9%</b>	<b>15.1%</b>	<b>80 bps</b>	<b>13.0%</b>	<b>12.7%</b>	<b>30 bps</b>	<b>18.6%</b>	<b>18.8%</b>	<b>-20 bps</b>	<b>18.3%</b>	<b>15.7%</b>	<b>260 bps</b>	<b>26.0%</b>	<b>21.8%</b>	<b>420 bps</b>
<b>EBITDA Margin</b>	<b>9.7%</b>	<b>9.5%</b>	<b>20 bps</b>	<b>11.6%</b>	<b>11.5%</b>	<b>10 bps</b>	<b>2.9%</b>	<b>3.5%</b>	<b>-60 bps</b>	<b>17.6%</b>	<b>17.5%</b>	<b>10 bps</b>	<b>24.0%</b>	<b>31.1%</b>	<b>-710 bps</b>
<b>Net Margin</b>	<b>2.6%</b>	<b>(1.8)%</b>	<b>440 bps</b>	-	-	-	-	-	-	-	-	-	-	-	-

<sup>a</sup> Consolidated results include Natura & Co Latam, Avon International, The Body Shop and Aesop, as well as the Natura subsidiaries in the U.S., France and the Netherlands.

<sup>b</sup> Natura & Co Latam: includes Natura, Avon, TBS Brazil and Hispanic Latam and Aesop Brazil

<sup>c</sup> Includes PPA – Purchase Price Allocation effects

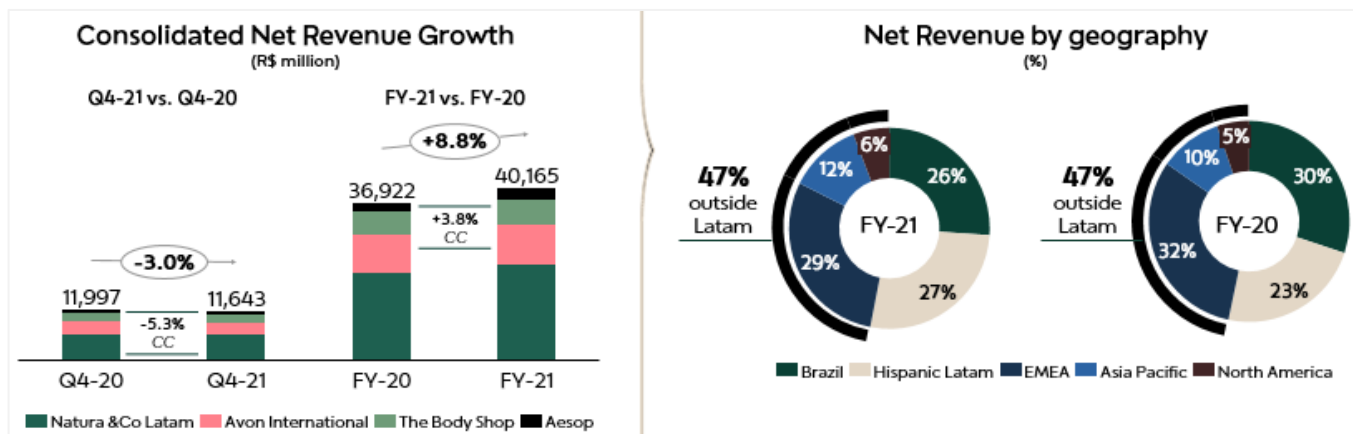
<sup>d</sup> Expenses related to the management and integration of the Natura & Co Group

<sup>e</sup> Avon-acquisition-related expenses

<sup>f</sup> Related to business separation at Avon North America

## Consolidated net revenue in Q4-21 and FY-21

- Q4-21 consolidated net revenue down -3.0% in BRL (-5.3% at CC), reflecting a persistently challenging environment in some of our key markets and a strong comparable base, as Q4-20 was up by 24.3%<sup>3</sup> (+6.4%<sup>3</sup> at CC)
- Compared to Q4-19 (pre-pandemic), Q4-21 net revenue was up a very strong 20.6%<sup>3</sup> (-0.2%<sup>3</sup> at CC)
- In FY21, net revenue was R\$40.2 billion, +8.8% vs. FY20 (+3.8% at CC), and 21.9%<sup>3</sup> vs. FY19 (+0.2%<sup>3</sup> at CC), ahead of the average of the global CFT market in reported currency



- In FY21, with operations in 100+ countries, over 47% of net revenue came from outside Latam. Revenue from G12 market currencies at CC totaled 22.4% in FY-21 vs 23.2% in FY-20 (G12 market currencies are: GBP, EUR, USD, AUD, YEN, CAD, SEK and CHF).

## Gross margin

- Consolidated gross margin in Q4-21 stood at 65.1%, +80 bps vs. Q4-20. FY21 gross margin reached 65.1%, +90 bps vs. FY20
- Excluding PPA effects on costs of goods sold (COGS), gross margin reached 65.2% in Q4-21, +70 bps vs Q4-20. In FY21, gross margin excluding PPA effects reached 65.2%, +60 bps vs. FY20
- Gross margin expansion was mainly driven by synergies and revenue management, while it was pressured by rising commodity and freight costs as well as foreign currency headwinds, mainly concentrated in Latin America. Commodities such as palm oil, plastic resins and pulp and paper have increased 54%, 55% and 65% respectively, while freight costs increased by 279% compared to Q4-20

### Q4-21: excluding PPA effects at Natura &Co Latam and Avon International

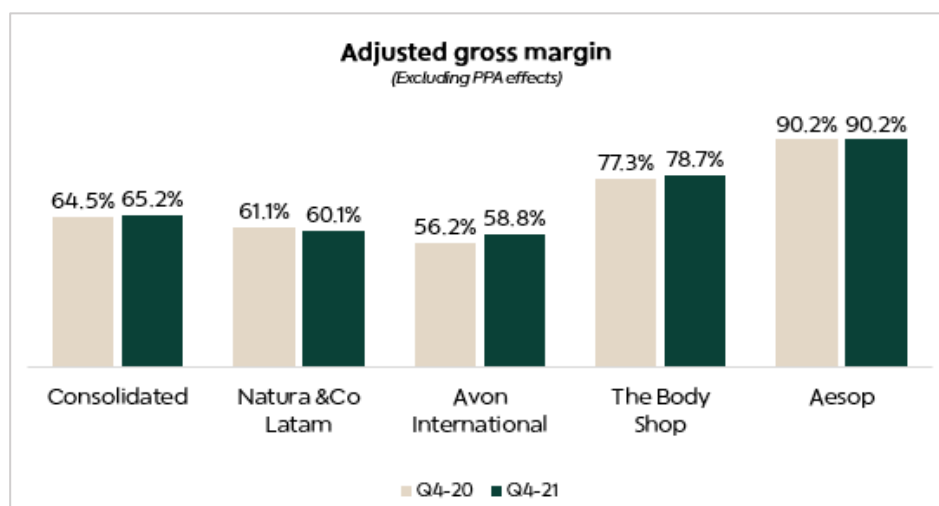
R\$ million	Consolidated			Natura &Co Latam			Avon International			The Body Shop			Aesop		
	Q4-21	Q4-20	Ch. %	Q4-21	Q4-20	Ch. %	Q4-21	Q4-20	Ch. %	Q4-21	Q4-20	Ch. %	Q4-21	Q4-20	Ch. %
Net Revenue	11,643.2	11,997.3	(3.0)	6,142.3	6,320.6	(2.8)	2,708.1	2,868.5	(5.6)	1,893.9	2,075.9	(8.8)	898.9	732.3	22.8
COGS	(4,057.7)	(4,280.0)	(5.2)	(2,449.7)	(2,452.2)	(0.1)	(1,115.5)	(1,284.0)	(13.1)	(404.1)	(471.7)	(14.3)	(88.3)	(72.1)	22.5
Gross Profit	7,585.5	7,717.2	(1.7)	3,692.6	3,868.5	(4.5)	1,592.6	1,584.5	0.5	1,489.8	1,604.2	(7.1)	810.6	660.1	22.8
Gross Margin	65.1%	64.3%	80 bps	60.1%	61.2%	-110 bps	58.8%	55.2%	360 bps	78.7%	77.3%	140 bps	90.2%	90.2%	0 bps
PPA effect on COGS	(1.3)	(23.2)	(94.4)	(0.9)	5.0	(118.7)	(0.4)	(28.2)	(98.7)	-	-	-	-	-	-
Gross Profit ex-PPA	7,586.8	7,740.4	(2.0)	3,693.5	3,863.5	(4.4)	1,592.9	1,612.6	(1.2)	1,489.8	1,604.2	(7.1)	810.6	660.1	22.8
Gross Margin ex-PPA	65.2%	64.5%	70 bps	60.1%	61.1%	-100 bps	58.8%	56.2%	260 bps	78.7%	77.3%	140 bps	90.2%	90.2%	0 bps

### FY-21: excluding PPA effects at Natura &Co Latam and Avon International

R\$ million	Consolidated			Natura &Co Latam			Avon International			The Body Shop			Aesop		
	FY-21	FY-20	Ch. %	FY-21	FY-20	Ch. %	FY-21	FY-20	Ch. %	FY-21	FY-20	Ch. %	FY-21	FY-20	Ch. %
Net Revenue	40,164.7	36,922.0	8.8	22,413.4	20,542.3	9.1	9,329.3	9,097.4	2.5	5,821.8	5,332.9	9.2	2,600.2	1,949.3	33.4
COGS	(14,011.5)	(13,229.7)	5.9	(8,833.1)	(8,062.8)	9.6	(3,698.2)	(3,822.0)	(3.2)	(1,236.7)	(1,157.0)	6.9	(243.6)	(188.0)	29.6
Gross Profit	26,153.2	23,692.3	10.4	13,580.3	12,479.6	8.8	5,631.1	5,275.4	6.7	4,585.1	4,175.9	9.8	2,356.6	1,761.4	33.8
Gross Margin	65.1%	64.2%	90 bps	60.6%	60.8%	-20 bps	60.4%	58.0%	240 bps	78.8%	78.3%	50 bps	90.6%	90.4%	20 bps
PPA effect on COGS	(24.6)	(147.4)	(83.3)	(10.4)	(64.3)	(83.9)	(14.2)	(83.1)	(82.9)	-	-	-	-	-	-
Gross Profit ex-PPA	26,177.7	23,839.7	9.8	13,590.7	12,543.9	8.3	5,645.3	5,358.5	5.4	4,585.1	4,175.9	9.8	2,356.6	1,761.4	33.8
Gross Margin ex-PPA	65.2%	64.6%	60 bps	60.6%	61.1%	-50 bps	60.5%	58.9%	160 bps	78.8%	78.3%	50 bps	90.6%	90.4%	20 bps

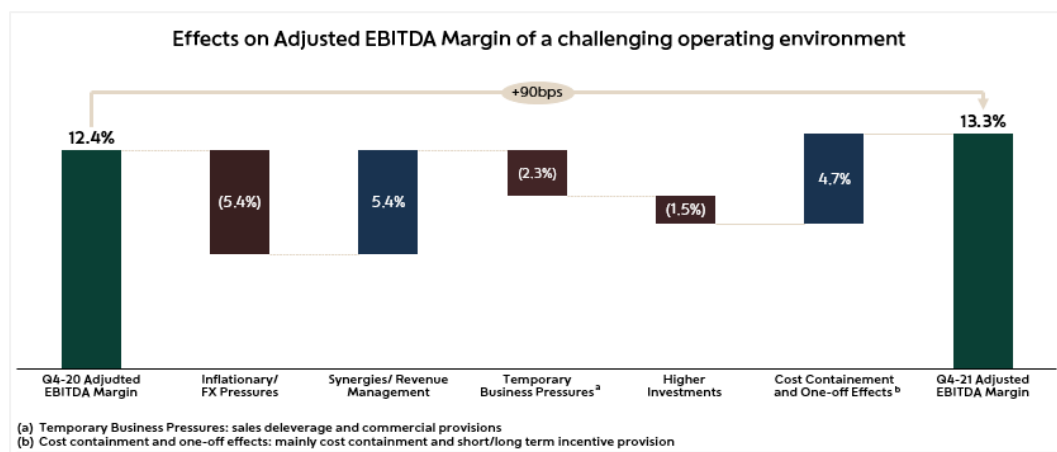
- Natura &Co Latam's** Q4-21 gross margin excluding PPA effects was 60.1% (-100 bps), impacted by raw material inflation pressure and foreign currency headwinds in Brazil, partially offset by revenue management and synergies
- Avon International's** Q4-21 gross margin excluding PPA effects was 58.8% (+260 bps) mainly driven by structural initiatives and revenue management, which offset higher supply chain costs
- The Body Shop's** Q4-21 gross margin stood at 78.7% (+140 bps), mainly due to lower discounts and sales mix
- Aesop's** Q4-21 gross margin was 90.2%, stable versus Q4-20

<sup>3</sup> For comparison purposes, 2019 figures include Avon Products Inc. on an aggregated basis in IFRS.



## Consolidated EBITDA

- Q4 Adjusted EBITDA was R\$1,543.0 million, with an adjusted margin of 13.3% (+90 bps)
- Q4 margin reflected several impacts related to a challenging operating environment:
  - 540 bps from inflationary and foreign currency pressure, offset by synergies and revenue management
  - Other temporary business pressures, notably sales deleverage, reduced margin by -230 bps
  - Higher investments to accelerate growth lowered margin by a further -150 bps, consistent with our business plan
  - Cost containment and one-offs of +470 bps
- In FY21, adjusted EBITDA was R\$4,137.3 million with margin of 10.3% (-110 bps)



## Q4-21: Adjusted EBITDA

R\$ million	Consolidated EBITDA			Natura & Co Latam			Avon International			The Body Shop			Aesop		
	Q4-21	Q4-20	Ch. %	Q4-21	Q4-20	Ch. %	Q4-21	Q4-20	Ch. %	Q4-21	Q4-20	Ch. %	Q4-21	Q4-20	Ch. %
Consolidated EBITDA	1,496.8	1,254.3	19.3	742.3	716.6	3.6	248.1	98.3	152.5	421.0	348.3	20.9	240.4	271.6	(11.5)
Transformation / Integration Costs (1)	89.7	87.0	3.1	42.6	57.5	(25.9)	42.9	20.7	107.4	-	-	-	-	-	-
(i) Transformation costs	44.2	26.6	66.0	-	-	-	42.9	20.7	107.4	-	-	-	-	-	-
(ii) Integration costs	45.5	60.4	(24.7)	42.6	57.5	(25.9)	-	-	-	-	-	-	-	-	-
Avon acquisition-related expenses (2)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Tax credits, recoveries and provision reversal (3)	(43.5)	-	-	(43.5)	-	-	-	-	-	-	-	-	-	-	-
Impairment loss on assets and other Items (4)	-	144.5	(100.0)	-	-	-	-	-	-	144.5	(100.0)	-	-	-	-
<b>Adjusted EBITDA</b>	<b>1,543.0</b>	<b>1,485.7</b>	<b>3.9</b>	<b>741.4</b>	<b>774.1</b>	<b>(4.2)</b>	<b>291.0</b>	<b>118.9</b>	<b>144.6</b>	<b>421.0</b>	<b>492.8</b>	<b>(14.6)</b>	<b>240.4</b>	<b>271.6</b>	<b>(11.5)</b>
Adjusted EBITDA Margin	13.3%	12.4%	90 bps	12.1%	12.2%	-10 bps	10.7%	4.1%	660 bps	22.2%	23.7%	-150 bps	26.7%	37.1%	-1040 bps

## FY-21: Adjusted EBITDA

R\$ million	Consolidated EBITDA			Natura & Co Latam			Avon International			The Body Shop			Aesop		
	FY-21	FY-20	Ch. %	FY-21	FY-20	Ch. %	FY-21	FY-20	Ch. %	FY-21	FY-20	Ch. %	FY-21	FY-20	Ch. %
Consolidated EBITDA	3,909.7	3,508.5	11.4	2,595.7	2,369.5	9.5	272.8	315.5	(13.5)	1,023.1	935.3	9.4	622.9	606.5	2.7
Transformation / Integration Costs (1)	511.0	256.7	99.1	188.9	123.0	53.6	289.4	100.9	186.7	-	-	-	-	-	-
(i) Transformation costs	296.5	98.5	201.0	-	-	-	289.4	70.1	312.7	-	-	-	-	-	-
(ii) Integration costs	214.5	158.2	35.6	188.9	123.0	53.6	-	30.8	(100.0)	-	-	-	-	-	-
Avon acquisition-related expenses (2)	-	303.9	(100.0)	-	-	-	-	-	-	-	-	-	-	-	-
Tax credits, recoveries and provision reversal (3)	(283.5)	(97.0)	192.2	(283.5)	(97.0)	192.2	-	-	-	-	-	-	-	-	-
Impairment loss on assets and other Items (4)	-	144.5	(100.0)	-	-	-	-	-	-	144.5	(100.0)	-	-	-	-
Non-recurring PPA impacts on EBITDA (5)	-	102.9	(100.0)	-	42.3	(100.0)	-	60.6	(100.0)	-	-	-	-	-	-
<b>Adjusted EBITDA</b>	<b>4,137.3</b>	<b>4,219.5</b>	<b>(1.9)</b>	<b>2,501.1</b>	<b>2,437.8</b>	<b>2.6</b>	<b>562.2</b>	<b>477.1</b>	<b>17.8</b>	<b>1,023.1</b>	<b>1,079.8</b>	<b>(5.2)</b>	<b>622.9</b>	<b>606.5</b>	<b>2.7</b>
Adjusted EBITDA Margin	10.3%	11.4%	-110 bps	11.2%	11.9%	-70 bps	6.0%	5.2%	80 bps	17.6%	20.2%	-260 bps	24.0%	31.1%	-710 bps

- Transformation Costs and Costs to Achieve Synergies ("CTA")** of R\$89.7 million in Q4-21 and R\$511.0 million in FY21 include:
  - Transformation costs** in Q4-21 of R\$44.2 million, of which R\$42.9 million at Avon International and R\$1.3 million at corporate level. In FY21, these costs reached R\$296.5 million, of which R\$289.4 million at Avon International and R\$7.1 million at corporate level.
  - Integration costs (CTA)** in Q4-21 of R\$45.5 million, of which R\$42.6 million at Natura &Co Latam and R\$2.9 million at corporate level. In FY21, these costs stood at R\$214.5 million, of which R\$188.9 million at Natura &Co Latam and R\$25.6 million at corporate level.
- Avon acquisition-related expenses: Non-recurring costs associated with the Avon acquisition incurred in FY20.
- Tax credits, recoveries and provision reversal: R\$43.5 million in Q4-21 due to non-recurring tax recoveries from previous years, related to ICMS taxes applied on the base of Pis and Cofins taxes, tax amnesty and tax subsidies in Brazil.
- Impairment loss on assets and other items: R\$144.5 million in Q4-20 and FY20 in impairment loss at The Body Shop, related to loss-making legacy stores predominantly in the USA, that were previously included in the store closure plan and were further impacted by pandemic effects.
- Non-recurring inventory PPA impacts in FY20: R\$102.9 million in non-cash, non-recurring inventory PPA impact, resulting from a step-up in inventory value (in the cost of goods sold), at both Natura &Co Latam and Avon International.

## SG&A expenses

- Excluding PPA effects, consolidated **Selling, Marketing & Logistics expenses** reached 42.7% of net revenue (-70 bps vs. Q4-20)
- Excluding PPA effects, consolidated **Administrative, R&D, IT and Project expenses** reached 13.2% of net revenue, (+20 bps vs Q4-20)
- The 3.7% reduction in SG&A in Q4-21 compared to Q4-20 (ex-PPA) is mainly driven by financial discipline across all businesses to improve efficiency and the simplification of Avon International's operating model, including:
  - Reduction and standardization of campaign cycles
  - Optimized resource allocation with key markets serving as hubs, and
  - Strategic reduction of 20% of SKUs

The above initiatives combined are generating a run rate of approximately US\$100 million, as included in our long-term guidance. These offset the impacts of sales deleverage, inflation, higher freight costs, foreign currency headwinds and higher investments to accelerate growth at Natura &Co Latam and Avon International, as well as higher investments in digital, product categories and geographic expansion to accelerate growth at Aesop.

### Q4-21: excluding PPA effects at Natura &Co Latam and Avon International

SG&A Expenses (R\$ million)	Consolidated			Natura &Co Latam			Avon International			The Body Shop			Aesop		
	Q4-21	Q4-20	Ch. %	Q4-21	Q4-20	Ch. %	Q4-21	Q4-20	Ch. %	Q4-21	Q4-20	Ch. %	Q4-21	Q4-20	Ch. %
Selling, Marketing and Logistics Expenses	(5,042.3)	(5,244.7)	(3.9)	(2,449.5)	(2,540.6)	(3.6)	(1,147.1)	(1,184.4)	(3.2)	(1,002.1)	(1,170.5)	(14.4)	(443.7)	(349.2)	27.0
Administrative, R&D, IT and Projects Expenses	(1,566.1)	(1,619.1)	(3.3)	(736.9)	(717.6)	2.7	(355.3)	(502.1)	(29.2)	(274.6)	(286.9)	(4.3)	(204.0)	(110.5)	84.5
<b>SG&amp;A Expenses</b>	<b>(6,608.4)</b>	<b>(6,863.8)</b>	<b>(3.7)</b>	<b>(3,186.4)</b>	<b>(3,258.2)</b>	<b>(2.2)</b>	<b>(1,502.4)</b>	<b>(1,686.5)</b>	<b>(10.9)</b>	<b>(1,276.6)</b>	<b>(1,457.4)</b>	<b>(12.4)</b>	<b>(647.6)</b>	<b>(459.8)</b>	<b>40.9</b>
<i>Selling, Marketing and Logistics (% of Net Revenue)</i>	<i>43.3%</i>	<i>43.7%</i>	<i>-40 bps</i>	<i>39.9%</i>	<i>40.2%</i>	<i>-30 bps</i>	<i>42.4%</i>	<i>41.3%</i>	<i>110 bps</i>	<i>52.9%</i>	<i>56.4%</i>	<i>-350 bps</i>	<i>49.4%</i>	<i>47.7%</i>	<i>170 bps</i>
<i>Admin., R&amp;D, IT, and Projects Exp. (% of Net Revenue)</i>	<i>13.5%</i>	<i>13.5%</i>	<i>0 bps</i>	<i>12.0%</i>	<i>11.4%</i>	<i>60 bps</i>	<i>13.1%</i>	<i>17.5%</i>	<i>-440 bps</i>	<i>14.5%</i>	<i>13.8%</i>	<i>70 bps</i>	<i>22.7%</i>	<i>15.1%</i>	<i>760 bps</i>
<b>SG&amp;A Expenses ex-PPA</b>	<b>(6,505.4)</b>	<b>(6,758.0)</b>	<b>(3.7)</b>	<b>(3,195.3)</b>	<b>(3,260.0)</b>	<b>(2.0)</b>	<b>(1,390.5)</b>	<b>(1,578.9)</b>	<b>(11.9)</b>	<b>(1,276.6)</b>	<b>(1,457.4)</b>	<b>(12.4)</b>	<b>(647.6)</b>	<b>(459.8)</b>	<b>40.9</b>
<i>Selling, Marketing and Logistics ex-PPA (% of Net Revenue)</i>	<i>42.7%</i>	<i>43.4%</i>	<i>-70 bps</i>	<i>39.3%</i>	<i>39.9%</i>	<i>-60 bps</i>	<i>41.0%</i>	<i>40.4%</i>	<i>60 bps</i>	<i>52.9%</i>	<i>56.4%</i>	<i>-350 bps</i>	<i>49.4%</i>	<i>47.7%</i>	<i>170 bps</i>
<i>Admin., R&amp;D, IT, and Projects Exp. ex-PPA (% of Net Revenue)</i>	<i>13.2%</i>	<i>13.0%</i>	<i>20 bps</i>	<i>12.7%</i>	<i>11.6%</i>	<i>110 bps</i>	<i>10.4%</i>	<i>14.6%</i>	<i>-420 bps</i>	<i>14.5%</i>	<i>13.8%</i>	<i>70 bps</i>	<i>22.7%</i>	<i>15.1%</i>	<i>760 bps</i>

### FY-21: excluding PPA effects at Natura &Co Latam and Avon International

SG&A Expenses (R\$ million)	Consolidated			Natura &Co Latam			Avon International			The Body Shop			Aesop		
	FY-21	FY-20	Ch. %	FY-21	FY-20	Ch. %	FY-21	FY-20	Ch. %	FY-21	FY-20	Ch. %	FY-21	FY-20	Ch. %
Selling, Marketing and Logistics Expenses	(17,837.0)	(16,426.0)	8.6	(9,062.8)	(8,331.8)	8.8	(4,162.7)	(3,949.8)	5.4	(3,259.1)	(3,144.0)	3.7	(1,352.4)	(1,000.4)	35.2
Administrative, R&D, IT and Projects Expenses	(6,399.5)	(5,583.9)	14.6	(2,906.1)	(2,607.0)	11.5	(1,734.8)	(1,710.0)	1.4	(1,064.7)	(837.9)	27.1	(676.6)	(425.2)	59.1
<b>SG&amp;A Expenses</b>	<b>(24,236.6)</b>	<b>(22,009.9)</b>	<b>10.1</b>	<b>(11,968.9)</b>	<b>(10,938.9)</b>	<b>9.4</b>	<b>(5,897.5)</b>	<b>(5,659.8)</b>	<b>4.2</b>	<b>(4,323.8)</b>	<b>(3,981.9)</b>	<b>8.6</b>	<b>(2,028.9)</b>	<b>(1,425.6)</b>	<b>42.3</b>
<i>Selling, Marketing and Logistics (% of Net Revenue)</i>	<i>44.4%</i>	<i>44.5%</i>	<i>-10 bps</i>	<i>40.4%</i>	<i>40.6%</i>	<i>-20 bps</i>	<i>44.6%</i>	<i>43.4%</i>	<i>120 bps</i>	<i>56.0%</i>	<i>59.0%</i>	<i>-300 bps</i>	<i>52.0%</i>	<i>51.3%</i>	<i>70 bps</i>
<i>Admin., R&amp;D, IT, and Projects Exp. (% of Net Revenue)</i>	<i>15.9%</i>	<i>15.1%</i>	<i>80 bps</i>	<i>13.0%</i>	<i>12.7%</i>	<i>30 bps</i>	<i>18.6%</i>	<i>18.8%</i>	<i>-20 bps</i>	<i>18.3%</i>	<i>15.7%</i>	<i>260 bps</i>	<i>26.0%</i>	<i>21.8%</i>	<i>420 bps</i>
<b>SG&amp;A Expenses ex-PPA</b>	<b>(23,684.6)</b>	<b>(21,489.4)</b>	<b>10.2</b>	<b>(11,892.7)</b>	<b>(10,849.9)</b>	<b>9.6</b>	<b>(5,421.8)</b>	<b>(5,228.2)</b>	<b>3.7</b>	<b>(4,323.8)</b>	<b>(3,981.9)</b>	<b>8.6</b>	<b>(2,028.9)</b>	<b>(1,425.6)</b>	<b>42.3</b>
<i>Selling, Marketing and Logistics ex-PPA (% of Net Revenue)</i>	<i>43.7%</i>	<i>43.8%</i>	<i>-10 bps</i>	<i>39.9%</i>	<i>39.9%</i>	<i>0 bps</i>	<i>42.9%</i>	<i>42.0%</i>	<i>90 bps</i>	<i>56.0%</i>	<i>59.0%</i>	<i>-300 bps</i>	<i>52.0%</i>	<i>51.3%</i>	<i>70 bps</i>
<i>Admin., R&amp;D, IT, and Projects Exp. ex-PPA (% of Net Revenue)</i>	<i>15.3%</i>	<i>14.4%</i>	<i>90 bps</i>	<i>13.2%</i>	<i>12.9%</i>	<i>30 bps</i>	<i>15.2%</i>	<i>15.5%</i>	<i>-30 bps</i>	<i>18.3%</i>	<i>15.7%</i>	<i>260 bps</i>	<i>26.0%</i>	<i>21.8%</i>	<i>420 bps</i>

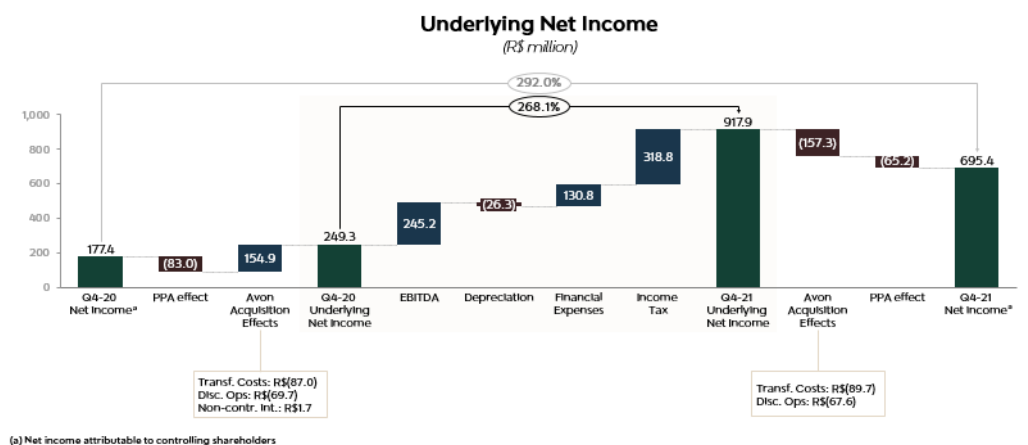
## Financial income and expenses

- Net financial expenses were R\$300.6 million in Q4-21, up 20.7% vs. Q4-20, due to:
  - Higher financial expenses due to increased interest rates in Brazil (CDI index) in Q4-21, as well as positive PPA effects in Q4-20 as a result of the prepayment of Avon's 2022 bonds, in the amount of US\$900 million
  - Higher expenses with swap and forward transactions, due to higher notional value of our bonds which include the recent sustainability-linked issue maturing in 2028, and significant increase in the CDI index in Brazil
- The above effects were partially offset by lower other expenses in Q4-21 (item 3.2) as Q4-20 saw one-off expenses from Avon's 2022 bond prepayment.

The following table details the main changes in our financial income and expenses:

R\$ million	Q4-21	Q4-20	Ch. %	FY-21	FY-20	Ch. %
<b>1. Financing, Short-Term Investments and Derivatives Gains/Losses</b>	<b>(191.3)</b>	<b>55.2</b>	<b>(446.6)</b>	<b>(340.7)</b>	<b>(521.1)</b>	<b>(34.6)</b>
1.1 Financial Expenses	(152.3)	(5.7)	2,571.9	(634.2)	(709.3)	(10.6)
1.2 Financial Income	65.7	48.3	36.0	264.8	168.0	57.6
1.3 Monetary and Exchange Variations, Net	(150.1)	314.1	(147.8)	(252.2)	(950.4)	(73.5)
1.4 Swap and Forward Transactions Variation, Net	137.0	(313.4)	(143.7)	258.0	940.3	(72.6)
1.5 Income (Expenses) with swap and forward transactions	(91.6)	11.9	(869.7)	22.9	30.3	(24.4)
<b>2. Judicial Contingencies</b>	<b>25.4</b>	<b>(35.5)</b>	<b>(171.5)</b>	<b>(25.7)</b>	<b>(5.6)</b>	<b>358.9</b>
<b>3. Other Financial Income and Expenses</b>	<b>(134.7)</b>	<b>(268.6)</b>	<b>(49.9)</b>	<b>(660.6)</b>	<b>(508.7)</b>	<b>29.9</b>
3.1 Lease Interest Expenses	(59.4)	(50.6)	17.4	(210.7)	(229.5)	(8.2)
3.2 Other	(75.3)	(218.0)	(65.5)	(449.9)	(279.2)	61.1
<b>Financial Income and Expenses, Net</b>	<b>(300.6)</b>	<b>(248.9)</b>	<b>20.7</b>	<b>(1,027.0)</b>	<b>(1,035.4)</b>	<b>(0.8)</b>

## Underlying net income (UNI) and net income



**Q4-21 Underlying Net Income was R\$917.9 million**, up from R\$249.3 million in Q4-20, before PPA effects of R\$(65.2) million and Avon acquisition-related effects of R\$(157.3) million, which include:

- i) Transformation/integration costs of R\$(89.7) million, and
- ii) Discontinued operations of R\$(67.6) million

**Q4-21 reported net income was R\$695.4 million**, a sharp increase from R\$177.4 million in Q4-20, mainly driven by increased EBITDA and positive income tax effects, mainly from the recognition of deferred income tax resulting from corporate structure simplification in Latam resulting from Avon integration.

The Group posted solid **net income of R\$1.0 billion in FY21**, reversing a R\$650.2 million loss in the previous year, which enables dividend distribution based on realized profits in the amount of R\$180 million as part of the value creation for shareholders, in addition to the R\$140 million share repurchase program (4.7 million shares) executed through December 31, 2021. The dividend proposal will be submitted for approval at the April 20 General Shareholder Meeting.

## Free cash flow and cash position

In an effort to increase transparency, we have aligned our methodology for free cash flow to better reconcile with our financial statements. Main differences relate to the allocation of exchange rate variations and financial expenses. For more details, please refer to our appendix section.

In Q4-21, free cash flow generation of R\$936.5 million was mainly related to:

- i) Increase in cash from operations due to higher adjusted earnings and positive working capital, mainly due to inventories
- ii) This was partially offset by:
  - a. Increase in income tax payments associated with derivative transactions and higher earnings in specific markets
  - b. Increase in Capex to deliver our strategic plan, supporting long-term growth and margin expansion

In FY21, free cash flow consumption of R\$2,359.6 million was mainly related to:

- i) Increase in working capital from higher inventories, mainly coming from the slowdown in some key markets (such as Latam and EMEA) in H2 and change in category dynamics. On top of that, we saw inventories increasing in all our retail businesses in H2 due to supply chain disruptions. Receivables also increased in Latam as a consequence of the challenging macro environment
- ii) Higher lease and tax payments in 2021 as several markets benefited from waivers and deferrals in 2020
- iii) Increase in Capex to deliver our strategic plan, supporting long-term growth and margin expansion
- iv) One-off outflows, including cash payment associated with the sustainability-linked bond issued in Q2



Management is strongly focused on optimizing cash conversion in the short and medium term. On working capital, we are addressing key levers in the next few quarters, on top of simplifying our portfolio structure and planning to deliver more savings in the medium term. Other priorities include optimization of capex and cash tax.

R\$ million	Q4-21	Q4-20	Ch. %	FY-21	FY-20	Ch. %
Net income (loss)	695.4	175.7	295.9	1,040.7	(663.7)	(256.8)
Depreciation and amortization	731.9	678.0	7.9	2,791.5	2,718.9	2.7
Non-cash Adjustments to Net Income	496.6	495.0	0.3	300.1	2,565.8	(88.3)
Adjusted Net income	1,923.9	1,348.6	42.7	4,132.3	4,620.9	(10.6)
Decrease / (Increase) in Working Capital	721.0	445.4	61.9	(2,120.7)	(1,326.7)	59.8
Inventories	510.0	(140.3)	(463.6)	(1,117.7)	(1,444.7)	(22.6)
Accounts receivable	(82.0)	(427.7)	(80.8)	(645.2)	(1,308.0)	(50.7)
Accounts payable	913.2	895.7	2.0	467.5	1,004.2	(53.4)
Other assets and liabilities	(620.2)	117.7	(626.8)	(825.4)	421.8	(295.7)
Cash from Operations	2,644.9	1,794.1	47.4	2,011.6	3,294.2	(38.9)
Income tax and social contribution	(550.6)	42.6	(1,393.9)	(976.5)	(331.5)	194.6
Interest on debt	(126.9)	(109.3)	16.1	(783.9)	(1,257.7)	(37.7)
Lease payments	(287.0)	(307.1)	(6.6)	(1,297.2)	(1,068.8)	21.4
Other operating activities	(190.5)	(82.2)	131.7	(145.7)	(194.1)	(24.9)
Capex	(595.9)	(206.5)	188.5	(1,479.2)	(674.2)	119.4
Sale of Assets	16.5	3.0	456.7	114.5	104.2	9.9
Exchange rate variation	25.9	(547.1)	(104.7)	197.0	121.0	62.8
Free Cash Flow	936.5	587.4	59.4	(2,359.6)	(6.7)	35,110.8
Other financing and investing activities	8.4	174.4	(95.2)	545.1	1,314.8	(58.5)
Cash Balance Variation	944.9	761.8	24.0	(1,814.4)	1,308.1	(238.7)

On November 11, 2021, the Board of Directors approved the launch of a share repurchase program. At the end of 2021, the Company had repurchased 4.7 million shares or 13% of the total program. As of February 28, 2022, repurchased shares totaled more than 10.0 million, reaching approximately 27% of the total program.

## Indebtedness ratios at both Natura &Co Holding and Natura Cosméticos

- Natura &Co Holding's consolidated net debt-to-EBITDA ratio, including IFRS16 effects, was 1.52x in Q4-21 vs. 0.97x in Q4-20 and 1.83x in Q3-21. (Excluding IFRS-16: 2.19x in Q4-21 vs. 1.44x in Q4-20 and 2.74x in Q3-21). The indebtedness ratio showed a sequential improvement, reflecting strong cash generation in the quarter, but is higher than prior year due to lower cash generation in 9M21. This was partially offset by higher EBITDA and lower foreign currency hedging benefits compared to 2020, driven by the refinancing earlier in the year which extended debt maturity to 2028.
- Natura Cosméticos' net debt-to-EBITDA ratio, including IFRS16 effects, was 0.90x in Q4-21 vs. 0.68x in Q4-20 and 1.32x in Q3-21. (Excluding IFRS-16: 1.21x in Q4-21 vs. 0.89x in Q4-20 and 1.84x in Q3-21).

R\$ million	Natura Cosméticos S.A.		Natura &Co Holding S.A.	
	Q4-21	Q4-20	Q4-21	Q4-20
Short-Term	681.5	3,062.5	945.1	3,805.6
Long-Term	7,614.9	6,065.3	11,380.8	9,567.6
Gross Debt <sup>a</sup>	8,296.4	9,127.8	12,325.9	13,373.2
Foreign currency hedging (Swaps) <sup>b</sup>	(379.1)	(1,625.8)	(379.1)	(1,625.8)
Total Gross Debt	7,917.3	7,501.9	11,946.8	11,747.4
(-) Cash, Cash Equivalents and Short-Term Investment	(4,669.4)	(5,151.0)	(5,986.0)	(8,342.3)
(=) Net Debt	3,247.9	2,350.9	5,960.8	3,405.0

### Indebtedness ratio excluding IFRS 16 effects

Net Debt/EBITDA	1.21x	0.90x	2.19x	1.44x <sup>c</sup>
Total Debt/EBITDA	2.95x	2.86x	4.40x	4.96x <sup>c</sup>

### Indebtedness ratio including IFRS 16 effects

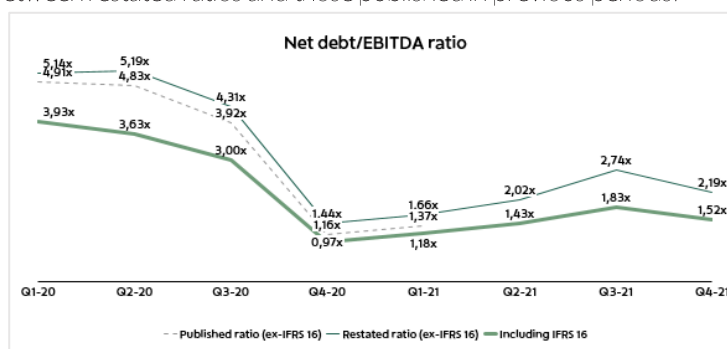
Net Debt/EBITDA	0.90x	0.68x	1.52x	0.97x
Total Debt/EBITDA	2.18x	2.17x	3.06x	3.35x

<sup>a</sup> Gross debt excludes PPA impacts of R\$390.9 million in Q4-21 and R\$449.7 million in Q4-20, and excludes lease agreements

<sup>b</sup> Foreign currency debt hedging instruments, excluding mark-to-market effects

<sup>c</sup> Restated ratio

Indebtedness ratios **excluding IFRS 16 effects** in 2020 and Q1-21 for Natura &Co Holding were restated as of Q2. This has no impact on Natura Cosméticos' ratios or on reported ratios (which include the effects of IFRS 16). The graph below demonstrates the deleverage trajectory with the difference between restated ratios and those published in previous periods.



## 2. Performance by segment

### NATURA &Co LATAM

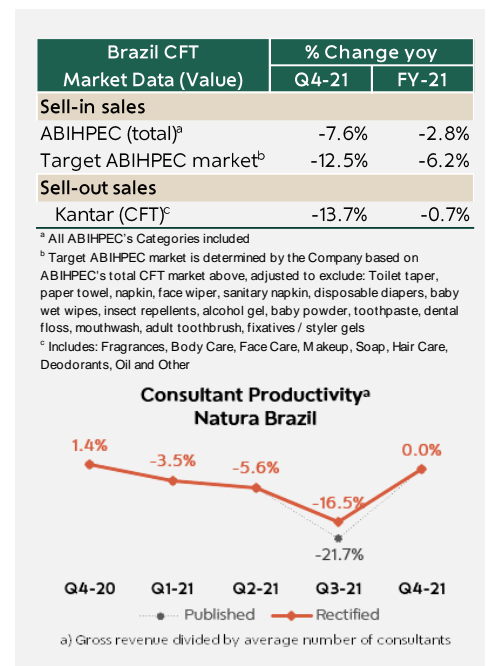
Natura &Co Latam	Net Revenue change (%)				Operational KPIs change (%)
	Q4-21 vs. Q4-20		FY-21 vs. FY-20		Q4-21 vs. Q4-20
	Reported (R\$)	Constant Currency	Reported (R\$)	Constant Currency	Consultants / Representatives <sup>b</sup>
<b>Natura Latam<sup>a</sup></b>	<b>3.5%</b>	<b>-0.1%</b>	<b>10.5%</b>	<b>8.8%</b>	<b>-1.4%</b>
Natura Brazil	-6.4%	-6.4%	-2.5%	-2.5%	-6.4%
Natura Hispanic	22.4%	13.3%	36.2%	34.3%	6.1%
<b>Avon Latam</b>	<b>-12.3%</b>	<b>-14.9%</b>	<b>6.6%</b>	<b>2.5%</b>	<b>-13.8%</b>
Avon Brazil	-27.2%	-27.2%	-13.2%	-13.2%	-18.0%
Avon Hispanic	-3.7%	-6.2%	19.7%	13.9%	-9.7%

<sup>a</sup> Natura Latam includes Natura, Avon, TBS Brazil and Hispanic Latam and Aesop Brazil  
<sup>b</sup> Considers the Average Available Consultants / Representatives in the quarter

### NATURA BRAND IN LATAM

#### Natura Brand in Brazil

- Q4 net revenue was impacted by a strong comparable base, as Q4-20 was up by +16.2%, and by continued erosion of disposable income caused by high inflation and significantly lower government income support. Compared to 2019, net revenue was up by +8.8% in Q4
- The quarter saw a continued change in consumer behavior in favor of more affordable products in beauty categories (trade-down), as well as a shift to personal care categories mostly in mass retail channels
- The Natura brand outperformed the target CFT market by 6.1pp in the quarter (target CFT-12.5% in Q4), thus maintaining its leadership position in CFT in Brazil.
- Gifting strategy of more affordable products in beauty and personal care categories supported the Christmas campaign
- Personal care categories such as deodorants, soaps and shampoos increased in relevance in the quarter
- Consultant productivity in the quarter was stable, as both revenue and the consultant base moved in lockstep, showing a significant sequential improvement from Q3 and a normalizing trend. This was mainly driven by a productivity increase in the top tier levels
- The average available consultant base reached 1.14 million in Q4, -6.4% vs. Q4-20, which had benefited from a 17% step-up in H2-20 in average available consultants
- Consultant loyalty continued at its highest level since its peak in Q2-21, thus ending 2021 above 2020 level, attesting to our strong value proposition
- The Innovation index stood at 66.3% in FY21, supported by launches in core categories. Compared to FY20, which was the highest level of the last 5 years, the index was down 0.7 pp
- Underscoring our sustainability-oriented innovation, Natura launched BiÔme, a natural tech zero-plastic personal care brand in solid bars. It uses natural and vegan formulations with recycled and post-consumption recyclable packaging. Its ingredients are produced in sustainable agroforestry pioneering systems and the packaging accessories include a bio resin that captures methane gas from the environment, thus contributing to our net zero ambition



#### Natura Brand in Hispanic Latam

- Despite a slowdown in the beauty sector, notably in Mexico and Argentina in H2-21, the Natura Brand outperformed the CFT market in all countries in the quarter
- In FY21, net revenue was +36.2% in BRL (+34.3% at CC), also driven by growth across all markets, notably Mexico, Argentina and Chile, ahead of the CFT sector in these markets, gaining market share in the year
- The average available consultant base reached 0.86 million in Q4 (+6.1% vs. Q4-20), and productivity increased compared to Q4-20
- The year ended with higher Consultant Loyalty index

## AVON BRAND IN LATAM

### Avon Brand in Brazil

- Q4 net revenue decline was related to a lower representative base, a contracting CFT market in Brazil and lower Fashion and Home sales
- The measures adopted in October (the lowest point in number of active representatives) showed effect at the end of the quarter, when the average number of representatives nearly stabilized and has been consistently recovering since then. These measures included: i) recalibration of leader representatives' compensation; ii) stimulus for member-gets-member, and iii) digital assets for automated self-recruitment
- In addition, as part of Wave 2 of the transformation plan, we took the first steps in cross-recruitment of new representatives from the Natura consultant base and are sponsoring the 2022 Big Brother show, with initial activation geared to stimulate recruitment and increase brand equity
- Representative satisfaction improved year-over-year and ahead of target for the full year
- In FY21, net revenue was -13.2%, mainly due to the implementation of the changes to the commercial model, which reduced the number of representatives more than expected, combined with lower Fashion and Home sales and a contracting CFT market in Brazil
- Avon gained market share slightly in the year in CFT, supported by a stronger H1 and driven by fragrance and successful gifting campaigns

### Avon Brand in Hispanic Latam

- Deployment of the new commercial model in Ecuador, Central America (5 markets) and more recently in Colombia benefitted from learnings in Brazil
- Ecuador, the first market to implement the new model, has reported initial positive signs: i) double-digit improvement in representative activity even compared to 2019 ii) increased retention iii) higher productivity and iv) double-digit reduction in churn ratio. The representative base has stabilized and is continuously recovering. The positive initial results in Ecuador make us confident that the new commercial model is a strong value proposition and adjustments being made in Brazil are on the right track to stabilize the model in the short term
- In FY21, net revenue was up by +19.7% in BRL (+13.9% at CC), driven by markets such as Central America, Chile and Argentina

## AVON INTERNATIONAL

Avon International	Net Revenue change (%)				Operational KPIs change (%)
	Q4-21 vs. Q4-20		FY-21 vs. FY-20		Q4-21 vs. Q4-20
	Reported (R\$)	Constant Currency	Reported (R\$)	Constant Currency	Representatives
Avon International	-5.6%	-7.4%	2.5%	-4.3%	-9.3%

- Compared to Q4-19, Q4 net revenue was +5.8% (-18.2% at CC). In FY21, net revenue was +2.5% in BRL (-4.3% at CC)
- Overall representative satisfaction showed positive momentum compared to the previous year on the back of record service level rates and the new commercial model
- Successful gifting campaign driven by gift sets which include Advent calendars, expanding the product range to higher-value products, posting growth in more developed markets
- Social selling adoption increased to 15% in Q4-21 vs. 5% pre-pandemic, thanks to the relaunch of Avon On
- In Q4, the UK recorded stable market share vs. last year, with gains in color and skin care, offset by fragrances. In FY21, UK and South Africa saw market share gains in color, fragrance and skincare
- Avon is the #1 Global Fragrance Brand in volume, according to Global Data Retail
- One million units of Anew Renewal Power Serum with Protinol technology were sold globally since launch in Q3-21.



- The Watch Me Now brand campaign focused on the Anew Renewal Power Serum, leveraging celebrity and beauty influencers to showcase the efficacy of Protinol
- Launch of a new fragrance in the quarter, for him and for her, called Maxime and Maxima Icon,
- Net revenue of the Avon brand (Avon International + Latam) was nearly stable in FY-21 vs FY20 (-0.9% at CC), the best revenue trend in three years

## THE BODY SHOP

The Body Shop	Net Revenue change (%)				Operational KPIs				
	Q4-21 vs. Q4-20		FY-21 vs. FY-20		Q4-21	Q3-21	Q4-20	Change vs. Q3-21	Change vs. Q4-20
	Reported (R\$)	Constant Currency	Reported (R\$)	Constant Currency					
<b>The Body Shop (Total)</b>	<b>-8.8%</b>	<b>-10.3%</b>	<b>9.2%</b>	<b>0.7%</b>	<b>2,545</b>	<b>2,556</b>	<b>2,639</b>	<b>(11)</b>	<b>(94)</b>
Own Stores					997	1,009	1,049	(12)	(52)
Franchise Stores					1,548	1,547	1,590	1	(42)

- Net revenue was impacted by the Omicron wave in several markets, mainly in the UK, the brand's largest market, resulting in lower retail store traffic, partially offset by double-digit growth in conversion and average basket value compared to Q4-19
- Christmas products posted strong growth of 12% vs. 2019, thanks to +163% growth of Advent calendars, despite supply chain disruptions that resulted in the late delivery of 22% of Christmas products, notably in North America
- The quarter saw continued channel rebalancing, as expected. The reopening of retail resulted in a slowdown in e-commerce and at The Body Shop At Home, on a tough comparable base



in Q4-20, when all non-digital channels were closed. E-commerce and At-Home are currently at 1.5x above pre-pandemic levels



- Deployment of the new store concept across the existing portfolio has resumed, resulting in a like-for-like sales uplift of approximately 10%, with 100 stores already renovated by year-end
- Steady progress on ESG: The Body Shop continued the roll-out of 500 refill stations in stores across the world, having reached 480 in 2021, and is also continuing its activist stance, supporting different causes
- Launch of the first Advent calendar with reusable packaging for other purposes, in line with our sustainability practices
- The quarter ended with 997 own stores and 1,548 franchise stores (a total of 2,545 stores) with 94 net store closures (own and franchise) since Q4-20

## AESOP

Aesop	Net Revenue change (%)				Operational KPIs				
	Q4-21 vs. Q4-20		FY-21 vs. FY-20		Q4-21	Q3-21	Q4-20	Change vs. Q3-21	Change vs. Q4-20
	Reported (R\$)	Constant Currency	Reported (R\$)	Constant Currency					
<b>Aesop (Total)</b>	<b>22.8%</b>	<b>20.8%</b>	<b>33.4%</b>	<b>25.1%</b>	<b>367</b>	<b>352</b>	<b>338</b>	<b>15</b>	<b>29</b>
Signature Stores					269	256	247	13	22
Department Stores					98	96	91	2	7



- Another quarter of double-digit growth was driven by Asia (+26%) and the Americas (+28%), which combined account for 68% of the group's sales. The Americas overcame emerging supply issues and posted a strong quarter
- Q4-21 started with Australia and New Zealand in extended lockdowns, but most retail doors had reopened by the beginning of November. The European Union continued to be impacted by uncertainties related to the new Omicron wave
- Retail channels accounted for 72% of sales in the quarter, with signature stores sales up 31% at CC vs. Q4-20. In the quarter, Aesop continued to invest in store expansion, opening 13 new signature stores, 6 of which in ANZ and

launched the brand in Spain

- Total online sales reached 24% of net revenue, down from 27% in Q4-20, reflecting the reopening of retail after an extended lockdown, but they remain 1.5x above Q4-19 level (pre-pandemic)
- Steady progress was made on the China entry plan with successful activation events, and product registration advances, with the first physical store in Shanghai planned for 2022
- In the quarter, Aesop launched gift kits, "Anatomy of Generosity". Each kit is tied to a chosen charity that receives AU\$100,000 from the Aesop Foundation and is named after acts of selflessness: The Forager, The Advocate, The Protector, The Mentor and The Listener
- Aesop also launched its first circular refill trial at Aesop South Yarra, Melbourne. In 2022, the pilot program will expand to other locations as part of our goal to make all Aesop packaging recyclable, reusable or compostable by 2025
- Signature stores totaled 269 in Q4, including net +13 doors in the quarter



### 3. Social and environmental performance

*(all actions refer to Natura &Co Group, unless stated otherwise)*

Through our participation in the COP26 summit, Natura &Co advanced its agenda with institutions that are connecting finance and nature, such as the Science Based Targets Initiative for Biodiversity and the Task-Force for Nature Disclosure (TNFD).

As a parallel event to COP26, we sponsored Sebastião Salgado's exhibition, *Amazônia*, at the Science Museum in London. One of the most important and respected photographers in the world, Mr. Salgado spent years visiting the Amazon and documenting the forest and its people, capturing audiences with his powerful images. We are proud to continue our sponsorship of *Amazônia* at the SESC in São Paulo currently and at the Museu do Amanhã in Rio de Janeiro in July 2022.

Leveraging the momentum built at COP26, Natura &Co continues to pursue the 31 targets set out in our Sustainability Vision 2030: Commitment to Life:

#### To address the Climate Crisis and protect the Amazon

- **Amazon:** In Q4-21 PlenaMata (DETER/INPE), which tracks deforestation in the Amazon in real time, measured approximately 69 million trees taken down in the Brazilian Amazon rainforest, 11% lower than in Q4 2020. However, the official deforestation rate for 2021 (PRODES/INPE – August-20 to July-21) detected approximately 1.3 million deforested hectares, an increase of 22% compared to the same period in the previous year. These figures continue to demonstrate the importance of preserving this precious natural resource
- **Net Zero:** Another momentous achievement for the group in Q4 was defining the baseline for the carbon emissions of all four brands, on scopes 1,2 and 3, representing a significant step forward that will enable the group to define a clear path towards its net zero future. In partnership with environmental consultancy Carbon Trust, we calculated our greenhouse gas inventory, considering 2020 as our baseline, at 2.402M tCO<sub>2</sub>eq excluding the use phase. If we consider the use phase it accounts for 5.756M tCO<sub>2</sub>eq. Whilst this is a strong place to start, we know there is more work to be done. We will submit our science-based target in few weeks, and we expect to receive approval from SBTi in coming months

#### To defend Human Rights and be Human-Kind

- **Human Rights:** In December 2021 our Board of Directors approved our Group Human Rights policy in line with the UN Guiding Principles, one year ahead of schedule, and we plan on rolling out the policy this year across the Group and our four brands
- **Investment in key causes:** We have created a common structure across all our brands for how our causes should be classified. The new framework enables Natura &Co to amplify brand level initiatives and unite as a Group on key causes such as our #IsolatedNotAlone campaign and actions related to COVID-19. In Q4, two Aesop stores in the UK were devoted to the pursuit of amplifying queer voices and stories. The Aesop Queer Library consisted of queer literature chosen by Aesop's retail and office teams. Avon International invested further in its work to tackle gender-based violence, with awareness campaigns and a new partnership with global NGO No More. It also continued to promote breast health awareness peaking with a campaign across all of its markets in breast cancer awareness month (October). The consolidation of the Natura Institute's activities in Hispanic Latin America and the expansion of operations in Brazil allowed us to end 2021 providing support for transformative public education policies to 2.4 million youths and children in the countries in which we operate. These figures not only represent one-off benefits, they mean systemic changes in schools and education systems that will also benefit millions of other youths and children over the next few years

#### To embrace Circularity and Regeneration

- We have reached 10.2% of recycled plastic content in all plastic used (cumulative through Q4 21).
- **Packaging:**
  - In recognition of the importance of sustainable packaging, Natura &Co has developed a Group functional strategy for R&D. Led by the R&D Heads across our four brands, in partnership with the Innovation Network of Excellence (INex), the initiative brings together R&D experts across the Group to form a Sustainable Packaging Hub. Launching in 2022, this hub will be tasked with delivering new technology platforms, new innovation approaches, and the partnerships needed to achieve our goals.

#### Recognitions for Natura &Co

- **Dow Jones Sustainability Index:** For the 8<sup>th</sup> consecutive year Natura &Co has been included in the Dow Jones Sustainability Index (DJSI), the world's first global index to evaluate the sustainability performance of large companies. Natura &Co was ranked 5<sup>th</sup> in the first edition of the B3 Corporate Sustainability Index (ISE) and is the only cosmetics company included.
- Natura &Co was nominated for the first time as a group in Ethisphere's 2022 World's Most Ethical Companies® ranking. This distinction is reserved for a select number of companies with exceptional programs and a commitment to advancing business integrity
- Natura &Co was listed in Corporate Knights 2022 Top 100 which is based on public data relating to 24 key performance indicators including products and services aligned with sustainable goals, diversity and salaries, emissions and consumption

## 4. Capital Markets and Stock Performance

NTCO3 shares traded at R\$25.43 at the end of Q4-21 on the B3 stock exchange, -44.2% in the quarter. Average Daily Trading Volume (ADTV) for the quarter was R\$339.1 million, -10.2% vs Q4-20. NTCO traded at US\$9.27 at the end of Q4-21 on NYSE, -44.3% in the quarter.

In 2021, NTCO3 depreciated -51.6%, with ADTV of R\$340.5 million, +4.6% vs 2020. NTCO depreciated -53.7% in the year.

On December 31, 2021, the Company's market capitalization was R\$35.1 billion, and the Company's capital was comprised of 1,379,584,737 common shares.

## 5. Fixed income

Below is a table with details of all public debt instruments outstanding per issuer as of December 31, 2021:

Issuer	Type	Issuance	Maturity	Principal (million)	Nominal Cost (per year)
Natura Cosméticos S.A.	Bond - 2nd issue (Sustainability Linked Bond)	03/05/2021	03/05/2028	US\$ 1,000.0 <sup>(1)</sup>	4.125%
Natura Cosméticos S.A.	Debenture - 9th issue	09/21/2018	09/21/2022	BRL 302.7	112% DI tax
		08/28/2019	08/26/2024	BRL 400.0	DI + 1.00 per year
Natura Cosméticos S.A.	Debenture - 10th issue 1st series	08/29/2019	08/26/2024	BRL 95.7	DI + 1.15 per year
				BRL 686.2	DI + 1.15 per year
				BRL 394.5	DI + 1.15 per year
Avon Products, Inc.	Unsecured Bonds	03/12/2013	03/15/2023	US\$ 461.9	6.500% <sup>(2)</sup>
Avon Products, Inc.	Unsecured Bonds	03/12/2013	03/15/2043	US\$ 216.1	8.450% <sup>(2)</sup>

<sup>(1)</sup> Principal and interests fully hedged (swapped to BRL). For more information, see the explanatory notes to the Company's financial statements.

<sup>(2)</sup> Coupon based on current credit ratings, governed by interest rate adjustment clause

## Ratings

Below is a table with our current credit ratings:

Natura &Co Holding S.A.			
Agency	Global Scale	National Scale	Outlook
Standard & Poor's	BB	AAA	Stable
Fitch Ratings	BB	AA+	Positive
Moody's	Ba3	-	Stable
Natura Cosméticos S.A.			
Agency	Global Scale	National Scale	Outlook
Standard & Poor's	BB	AAA	Stable
Fitch Ratings	BB	AA+	Positive
Moody's	Ba2	-	Stable
Avon International			
Agency	Global Scale	National Scale	Outlook
Standard & Poor's	BB-	-	Stable
Fitch Ratings	BB	-	Positive
Moody's	Ba3	-	Stable

## 6. Covid-19 update

The Company continues to closely monitor the evolution of the Covid-19 pandemic worldwide, particularly in key markets in which it operates. The Crisis Committee created in Q2-20 continuously analyzes the situation and acts to minimize impacts, ensure continuity of operations, protect cash and improve liquidity. Natura &Co also continues to be attentive to the health and safety of its employees, consultants and representatives and customers.

### Key impacts on the business

Lockdown restrictions: In the fourth quarter of 2021, certain Natura &Co markets continued to be impacted by the pandemic (including the Omicron wave), with several remaining in or re-entering lockdowns. Online sales accounted for 11% of total sales, compared to 7% pre-pandemic (Q4-19).

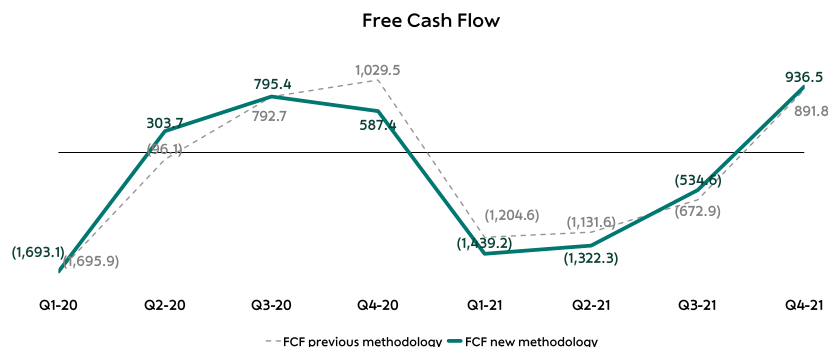
- **Natura &Co Latam:** Stores were open in the quarter, albeit operating with certain restrictions. The adoption of digital assets by consultants continued to drive their performance. In Brazil, government aid payments only resumed in April and were significantly reduced compared to 2020, which combined with rising inflation, significantly impacted disposable income and discretionary spending, causing a contraction in the CFT market and impacting our results. The target CFT market declined -12.5% in the quarter in Brazil, and the Natura brand outperformed it by 6.1 pp
- **Avon International:** Covid-19 continued to impact certain key markets in Central Eastern Europe, notably Russia and Poland, as well as South Africa and the UK (Omicron wave). Avon International recorded stable market share in the UK compared to Q4-20
- **The Body Shop:** Retail sales were impacted by the Omicron wave in important markets, mainly the UK, the brand's largest market, resulting in lower store traffic. Supply chain disruptions resulted in late delivery of 22% of Christmas products, notably in North America. As expected, the quarter showed a continued rebalancing of channels, with a slowdown in e-commerce and at The Body Shop At-Home as retail reopened
- **Aesop:** The quarter started with Australia and New Zealand in extended lockdowns, but most retail doors had reopened by the beginning of November. European markets continued to be impacted by uncertainties related to the Omicron wave. Retail regained momentum, accounting for 72% of sales in the quarter, while online sales receded against Q4-20, reflecting the reopening of retail after an extended lockdown, but they remain twice above Q4-19 level (pre-pandemic)



# 8. Appendices

## FREE CASH FLOW RECONCILIATION

The graph below demonstrates the cash flow trajectory under the previous methodology and the new methodology:



The correspondence between Free Cash Flow and Statements of Cash Flow is shown below:

Statement of Cash Flows	Free Cash Flow Reconciliation	Cash Flow Reconciliation
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net (loss) income for the year	(a) Net Income	(a) Net Income
Adjustments to reconcile net income (loss) for the period with net cash generated by (used in) operating activities:		
Depreciation and amortization	(b) Depreciation/amortization	(b) Depreciation and amortization
Interest and exchange variation on short-term investments	(c)	(c) Non-cash Adjustments to Net Income
Earnings from swap and forward derivative contracts	(c)	
Provision (reversal) for tax, civil and labor risks	(c)	
Inflation adjustment of judicial deposits	(c)	
Inflation adjustment of provision for tax, civil and labor risks	(c)	
Differed income tax and social contribution	(c)	
Income from sale and write-off of property, plant and equipment, lease and non-current assets held for sale	(c)	
Interest and exchange rate variation on leases	(c)	
Interest and exchange rate variation on borrowings, financing and debentures, net of acquisition costs	(c)	
Inflation adjustment and exchange rate variation on other assets and liabilities	(c)	
Provision for losses from property, plant and equipment, intangible and leases	(c)	
Provision (reversal of provision) for stock option plans	(c)	
Provision for losses with trade accounts receivables, net of reversals	(c)	
Provision for inventory losses, net of reversals	(c)	
Reversal for the provision for carbon credits	(c)	
Effect from hyperinflationary economy	(c)	
Other adjustments to reconcile net (loss) profit	(c)	
Increase (Decrease) in:		
Trade accounts receivable and related parties	(d1) Decrease (Increase) in Working Capital	(d) Decrease / (Increase) in Working Capital
Inventories	(d1)	(d1) Inventories
Recoverable taxes	(d4)	(d2) Accounts receivable
Other assets	(d4)	(d3) Accounts payable
Domestic and foreign trade accounts payable and related parties	(d4)	(d4) Other assets and liabilities
Payroll, profit sharing and social charges, net	(d4)	
Tax liabilities	(d4)	
Other liabilities	(d4)	
<b>OTHER CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Payment of income tax and social contribution	(e) Income Tax and Social Contribution	(e) Cash from Operations
Release of judicial deposits	(f) Other Operating Activities	(e) Income tax and social contribution
Payments related to tax, civil and labor lawsuits	(f)	(f) Interest on debt
Proceeds (payments) due to settlement of derivative transactions	(f)	(g) Lease payments
Payment of interest on lease	(g) Lease Payments	(h) Other operating activities
Payment of interest on borrowings, financing and debentures	(f) Interest on Debt	(i) Capex
<b>NET CASH GENERATED BY (USED IN) OPERATING ACTIVITIES</b>		(j) Sale of Assets
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		(k) Other financing/ investing activities
Cash from acquisition of subsidiary	(f) Other financing/ investing activities	(k) Capex
Additions of property, plant and equipment and intangible	(f) Capex	(k) Sale of Assets
Proceeds from sale of property, plant and equipment, intangible and non-current assets held for sale	(f) Sale of Assets	(k) Other financing/ investing activities
Acquisition of short-term investments	(f)	
Redemption of short-term investments	(f)	
Redemption of interest on short-term investments	(f)	
Investments in subsidiaries	(f)	
<b>NET CASH GENERATED BY (USED IN) BY INVESTING ACTIVITIES</b>		
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Repayment of lease - principal	(g) Lease Payments	
Repayment of borrowings, financing and debentures - principal	(f) Other financing/ investing activities	
New borrowings, financing, and debentures	(f)	
Acquisition of treasury shares, net of receipt of option strike price	(f)	
Payment of dividends and interest on equity for the previous period	(f)	
Receipt of funds due to settlement of derivative transactions	(f)	
Acquired company's liability incurred by acquirer	(f)	
Capital Increase	(f)	
<b>NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES</b>		
Effect of exchange rate variation on cash and cash equivalents	(k) Exchange Rate Effect	
<b>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>		
Opening balance of cash and cash equivalents		
Closing balance of cash and cash equivalents		
<b>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>		

## CONSOLIDATED BALANCE SHEET

ASSETS (R\$ million)	Dec-21	Dec-20	LIABILITIES AND SHAREHOLDER'S EQUITY (R\$ million)	Dec-21	Dec-20
<b>CURRENT ASSETS</b>			<b>CURRENT LIABILITIES</b>		
Cash and cash equivalents	4,007.3	5,821.7	Borrowings, financing and debentures	945.1	3,805.6
Short-term investments	1,978.7	2,520.6	Lease	1,005.5	1,059.7
Trade accounts receivable	3,476.4	3,597.5	Trade accounts payable and reverse factoring operations	6,770.6	6,774.2
Inventories	5,403.5	4,544.3	Dividends and interest on shareholders' equity payable	180.8	0.0
Recoverable taxes	1,029.6	1,071.3	Payroll, profit sharing and social charges	1,255.3	1,340.7
Income tax and social contribution	508.1	242.1	Tax liabilities	766.4	785.4
Derivative financial instruments	81.2	139.9	Income tax and social contribution	365.5	441.3
Other current assets	912.2	616.1	Derivative financial instruments	458.5	61.2
Assets held for sale	52.9	181.3	Provision for tax, civil and labor risks	230.1	199.7
<b>Total current assets</b>	<b>17,449.9</b>	<b>18,734.8</b>	Other current liabilities	1,716.1	1,691.8
<b>NON CURRENT ASSETS</b>			<b>Total current liabilities</b>	<b>13,693.9</b>	<b>16,159.6</b>
Recoverable taxes	1,349.6	932.2	<b>NON CURRENT LIABILITIES</b>		
Income tax and social contribution	84.7	478.5	Borrowings, financing and debentures	11,771.8	10,017.3
Deferred income tax and social contribution	2,954.1	1,339.7	Lease	2,542.3	2,798.8
Judicial deposits	585.3	566.2	Payroll, profit sharing and social charges	53.7	43.8
Derivative financial instruments	894.0	1,768.1	Tax liabilities	114.8	109.5
Short-term investments	36.9	16.1	Deferred income tax and social contribution	994.0	1,288.0
Other non-current assets	1,763.1	1,527.7	Provision for tax, civil and labor risks	1,768.7	2,000.4
<b>Total long term assets</b>	<b>7,667.7</b>	<b>6,628.5</b>	Other non-current liabilities	942.5	1,113.1
Property, plant and equipment	5,377.4	5,235.1	<b>Total non-current liabilities</b>	<b>18,187.9</b>	<b>17,370.9</b>
Intangible	26,857.6	26,917.1	<b>SHAREHOLDERS' EQUITY</b>		
Right of use	3,096.0	3,402.0	Capital stock	12,481.7	12,378.0
<b>Total non-current assets</b>	<b>42,998.6</b>	<b>42,182.8</b>	Treasury shares	(151.3)	(11.7)
			Capital reserves	10,478.8	11,052.1
			Legal profit reserve	1,073.9	120.2
			Retained (losses) income	0.0	(759.9)
			Other comprehensive income	4,662.5	4,585.6
			<b>Equity attributable to owners of the Company</b>	<b>28,545.6</b>	<b>27,364.3</b>
			Non-controlling interest in shareholders' equity of subsidiaries	21.2	22.8
<b>TOTAL ASSETS</b>	<b>60,448.5</b>	<b>60,917.6</b>	<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>60,448.5</b>	<b>60,917.6</b>

## CONSOLIDATED INCOME STATEMENT- INCLUDING PURCHASE PRICE ALLOCATION (PPA) AMORTIZATION

R\$ million	Q4-21	Q4-20	FY-21	FY-20
<b>NET REVENUE</b>	<b>11,643.2</b>	<b>11,997.3</b>	<b>40,164.7</b>	<b>36,922.0</b>
Cost of Products Sold	(4,057.7)	(4,280.0)	(14,011.5)	(13,229.7)
<b>GROSS PROFIT</b>	<b>7,585.5</b>	<b>7,717.2</b>	<b>26,153.2</b>	<b>23,692.3</b>
<b>OPERATING (EXPENSES) INCOME</b>				
Selling, Marketing and Logistics Expenses	(4,878.4)	(5,091.4)	(16,999.2)	(15,702.8)
Administrative, R&D, IT and Project Expenses	(1,724.1)	(1,785.2)	(6,958.9)	(5,956.0)
Impairment losses on trade receivables	(167.3)	(155.4)	(837.8)	(727.7)
Other Operating Income (Expenses), Net	(50.9)	(109.0)	(239.0)	(516.2)
<b>INCOME (LOSS) FROM OPERATIONS BEFORE FINANCIAL RESULT</b>	<b>764.9</b>	<b>576.3</b>	<b>1,118.2</b>	<b>789.6</b>
Financial Income	867.6	1,183.9	4,006.6	4,738.4
Financial Expenses	(1,168.2)	(1,432.8)	(5,033.5)	(5,773.8)
<b>INCOME (LOSS) BEFORE INCOME TAX AND SOCIAL CONTRIBUTION</b>	<b>464.4</b>	<b>327.3</b>	<b>91.3</b>	<b>(245.8)</b>
Income Tax and Social Contribution	298.7	(82.0)	1,048.0	(274.7)
<b>INCOME (LOSS) FROM CONTINUED OPERATIONS</b>	<b>763.0</b>	<b>245.3</b>	<b>1,139.2</b>	<b>(520.6)</b>
Income (Loss) from discontinued operations	(67.6)	(69.7)	(98.6)	(143.1)
<b>NET INCOME (LOSS) FOR THE PERIOD</b>	<b>695.4</b>	<b>175.7</b>	<b>1,040.7</b>	<b>(663.7)</b>
Attributable to controlling shareholders	695.4	177.4	1,048.0	(650.2)
Attributable to non-controlling shareholders	(0.0)	(1.7)	(7.3)	(13.5)

## PURCHASE PRICE ALLOCATION (PPA) AMORTIZATION

R\$ million	Q4-21	Q4-20	FY-21	FY-20
<b>Net Revenue</b>	-	-	-	-
Cost of Products Sold	(1.3)	(23.2)	(24.6)	(147.4)
<b>Gross Profit</b>	<b>(1.3)</b>	<b>(23.2)</b>	<b>(24.6)</b>	<b>(147.4)</b>
Selling, Marketing and Logistics Expenses	(70.3)	(42.0)	(290.1)	(259.3)
Administrative, R&D, IT and Project Expenses	(32.6)	(63.8)	(261.9)	(261.2)
Other Operating Income (Expenses), Net	16.2	(0.7)	105.0	(10.8)
Financial Income/(Expenses), net	27.0	209.4	72.0	363.2
Income Tax and Social Contribution	63.3	(1.5)	439.3	80.1
Discontinued operations	-	-	-	-
<b>INCOME (LOSS) FROM CONTINUED OPERATIONS</b>	<b>2.2</b>	<b>78.3</b>	<b>39.7</b>	<b>(235.3)</b>
Depreciation impact	(155.5)	(127.9)	(647.0)	(622.5)

## CONSOLIDATED STATEMENT OF CASH FLOW

	R\$ million	2021	2020
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Net (loss) income for the year		1,040.7	(663.7)
Adjustments to reconcile net income (loss) for the period with net cash generated by (used in) operating activities:			
Depreciation and amortization		2,791.5	2,718.9
Interest and exchange variation on short-term investments		(264.8)	(103.3)
Earnings from swap and forward derivative contracts		(441.6)	(1,090.3)
Provision (reversal) for tax, civil and labor risks		(66.9)	347.6
Inflation adjustment of judicial deposits		(15.2)	(11.2)
Inflation adjustment of provision for tax, civil and labor risks		25.7	38.0
Differed income tax and social contribution		(1,971.5)	274.7
Income from sale and write-off of property, plant and equipment, lease and non-current assets held for sale		232.0	35.6
Interest and exchange rate variation on leases		210.7	62.3
Interest and exchange rate variation on borrowings, financing and debentures, net of acquisition costs		913.6	2,003.1
Inflation adjustment and exchange rate variation on other assets and liabilities		2.2	(72.0)
Provision for losses from property, plant and equipment, intangible and leases		3.0	155.5
Provision (reversal of provision) for stock option plans		275.6	(44.1)
Provision for losses with trade accounts receivables, net of reversals		837.8	640.7
Provision for inventory losses, net of reversals		407.2	341.8
Reversal for the provision for carbon credits		(13.6)	46.6
Effect from hyperinflationary economy		165.8	55.3
Other adjustments to reconcile net (loss) profit		(0.1)	(114.3)
		<b>4,132.3</b>	<b>4,620.9</b>
Increase (Decrease) in:			
Trade accounts receivable and related parties		(645.2)	(1,308.0)
Inventories		(1,117.7)	(1,444.7)
Recoverable taxes		(315.5)	(770.1)
Other assets		(299.8)	152.8
Domestic and foreign trade accounts payable and related parties		467.5	1,004.2
Payroll, profit sharing and social charges, net		(42.3)	749.6
Tax liabilities		(13.2)	382.7
Other liabilities		(154.7)	(93.3)
<b>OTHER CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Payment of income tax and social contribution		(976.5)	(331.5)
Release of judicial deposits		(3.9)	66.2
Payments related to tax, civil and labor lawsuits		(132.8)	(221.4)
Proceeds (payments) due to settlement of derivative transactions		(9.0)	(38.8)
Payment of interest on lease		(219.6)	(225.4)
Payment of interest on borrowings, financing and debentures		(783.9)	(1,257.7)
<b>NET CASH GENERATED BY (USED IN) OPERATING ACTIVITIES</b>		<b>(114.2)</b>	<b>1,285.6</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Cash from acquisition of subsidiary		-	2,661.9
Additions of property, plant and equipment and intangible		(1,479.2)	(674.2)
Proceeds from sale of property, plant and equipment, intangible and non-current assets held for sale		114.5	104.2
Acquisition of short-term investments		(11,739.9)	(10,371.5)
Redemption of short-term investments		12,325.2	9,008.9
Redemption of interest on short-term investments		127.4	52.7
Investments in subsidiaries		-	(102.9)
<b>NET CASH GENERATED BY (USED IN) BY INVESTING ACTIVITIES</b>		<b>(652.0)</b>	<b>679.1</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Repayment of lease - principal		(1,077.6)	(843.3)
Repayment of borrowings, financing and debentures - principal		(7,989.6)	(8,483.9)
New borrowings, financing, and debentures		6,425.6	1,354.8
Acquisition of treasury shares, net of receipt of option strike price		(174.1)	51.1
Payment of dividends and interest on equity for the previous period		-	(133.9)
Receipt of funds due to settlement of derivative transactions		1,570.6	211.7
Acquired company's liability incurred by acquiror		-	(370.8)
Capital Increase		-	7,436.7
<b>NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES</b>		<b>(1,245.2)</b>	<b>(777.6)</b>
Effect of exchange rate variation on cash and cash equivalents		197.0	121.0
<b>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>		<b>(1,814.4)</b>	<b>1,308.1</b>
Opening balance of cash and cash equivalents		5,821.7	4,513.6
Closing balance of cash and cash equivalents		4,007.3	5,821.7
<b>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>		<b>(1,814.4)</b>	<b>1,308.1</b>

## 9. Conference call *and* webcast

**Natura &Co**

**Natura &Co** (B3: NTCO3 / NYSE: NTCO) is pleased to invite you to join its **Q4-21 Earnings Conference Call:**

Thursday, March 10<sup>th</sup>, 2022

- **08:00 a.m. NY time**
- **10:00 a.m. Brasília Time**
- **13:00 p.m. London Time**

The call will be held in English with simultaneous translation into Portuguese

**To connect to the conference call:**


**U.S.:** Toll free +1 844 204-8942 / Dial in: +1 412 717-9627

**Brazil:** +55 11 3181-8565 / Dial in: +55 11 4090-1621

**U.K.:** +44 20 3795 9972

**Conference call ID:** *Natura*

To access the **webcast**, [Click here](#)



**Q4-21 Results will be available on March 09<sup>th</sup>, Thursday, after B3 trading hours at the website: <http://ri.naturaeco.com/en>**

In line with the best corporate governance practices, the Company informs that it will be in quiet period from February 23, 2022, until the results are disclosed.

Natura &Co IR Team | [ri@natura.net](mailto:ri@natura.net)



## 10. Glossary

**Abihpec:** Brazilian Association of the Personal Hygiene, Perfumery and Cosmetics Industry

**ADR:** An American Depositary Receipt is a negotiable certificate issued by a U.S. depository bank representing a specified number of shares of a non-U.S. company stock.

**ADS:** The individual issuance of shares in a U.S. stock exchange by a non-U.S. company is referred to as American Depositary Shares (ADS)

**Adjusted EBITDA:** Excludes effects that are not considered usual, recurring or not-comparable between the periods under analysis

**APAC:** Asia and Pacific

**Avon representatives:** Self-employed resellers who do not have a formal labor relationship with Avon

**B3:** Brazilian Stock Exchange

**Benefit Sharing:** In accordance with Natura's Policy for the Sustainable Use of Biodiversity and Associated Traditional Knowledge, benefits are shared whenever we perceive various forms of value in the access gained. Therefore, one of the practices that defines the way in which these resources are divided is to associate payments with the number of raw materials produced from each plant as well as the commercial success of the products in which these raw materials are used

**BPS:** Basis Points; a basis points is equivalent to one percentage point \* 100

**Brand Power:** A methodology used by Natura &Co to measure how its brands are perceived by consumers, based on metrics of significance, differentiation and relevance.

**BRL:** Brazilian Reais

**CDI:** The overnight rate for interbank deposits

**CEE:** Central and Eastern Europe

**CFT:** Cosmetics, Fragrances and Toiletries Market (CFT = Fragrances, Body Care and Oil Moisture, Make-up (without Nails), Face Care, Hair Care (without Colorants), Soaps, Deodorants, Men's Grooming (without Razors) and Sun Protection

**COGS:** Costs of Goods Sold

**Constant currency ("CC) or constant exchange rates:** when exchange rates used to convert financial figures into a reporting currency are the same for the years under comparison, excluding foreign currency fluctuation effects

**CO2e:** Carbon dioxide equivalent; for any quantity and type of greenhouse gas, CO2e signifies the amount of CO2 which would have the equivalent global warming impact.

**EBITDA:** Earnings Before Interests, Tax, Depreciation and Amortization

**EMEA:** Europe, Middle East and Africa

**EP&L:** Environmental Profit & Loss

**Foreign currency translation:** conversion of figures from a foreign currency into the currency of the reporting entity

**G&A:** General and administrative expenses

**GHG:** Greenhouse gases

**ICON:** Consumer Stock Index of the B3 stock exchange, designed to track changes in the prices of the more actively traded and better representative cyclical and non-cyclical consumer stocks

**Innovation Index:** Share in the last 12 months of the sale of products launched in the last 24 months

**IBOV:** Ibovespa Index is the main performance indicator of the stocks traded in B3 and lists major companies in the Brazilian capital market

**IFRS** – International Financial Reporting Standards

**Kantar:** Data, insights and consulting company with global presence

**Hispanic Latam:** Often used to refer to the countries in Latin America, excluding Brazil

**LFL:** Like-for-Like, applicable to measure comparable growth

**Natura Consultant:** Self-employed resellers who do not have a formal labor relationship with Natura

**Natura Crer Para Ver Program (CPV):** Special line of non-cosmetic products whose profits are transferred to the Natura Institute, in Brazil, and invested by Natura in social initiatives in the other countries where we operate. Our consultants promote these sales to benefit society and do not obtain any gains.

**Natura Institute:** Is a nonprofit organization created in 2010 to strengthen and expand our Private Social Investment initiatives. The institute has enabled us to leverage our efforts and investments in actions that contribute to the quality of public education

**NYSE:** New York Stock Exchange

**P&L:** Profit and loss

**PP:** Percentage point

**PPA:** Purchase Price Allocation - effects of the fair market value assessment as a result of a business combination

**Profit Sharing:** The share of profit allocated to employees under the profit-sharing program

**SEC:** The U.S. Securities and Exchange Commission (SEC) is an independent federal government regulatory agency responsible for protecting investors, maintaining fair and orderly functioning of the securities markets, and facilitating capital formation

**SG&A:** Selling, general and administrative expenses

**SM&L:** Selling, marketing and logistics expenses

**SLB:** Sustainability Linked Bond

**SPT:** Sustainability Performance Targets

**SSS:** Same-Store-Sales

**Supplier Communities:** The communities of people involved in small-scale farming and extraction activities in a variety of locations in Brazil, especially in the Amazon Region, who extract the inputs used in our products from the social and biodiversity. We form production chains with these communities that are based on fair prices, the sharing of benefits gained from access to the genetic heritage and associated traditional knowledge and support for local sustainable development projects. This business model has proven effective in generating social, economic and environmental value for Natura and for the communities.

**Synergies:** Synergy is the concept that the value and performance of two companies combined will be greater than the sum of the separate individual parts.

**TBS:** The Body Shop.

**UNI:** Underlying Net Income.

---

## 11. Disclaimer

EBITDA is not a measure under BR GAAP and does not represent cash flow for the periods presented. EBITDA should not be considered an alternative to net income as an indicator of operating performance or an alternative to cash flow as an indicator of liquidity. EBITDA does not have a standardized meaning and the definition of EBITDA used by Natura may not be comparable with that used by other companies. Although EBITDA does not provide under BR GAAP a measure of cash flow, Management has adopted its use to measure the Company's operating performance. Natura also believes that certain investors and financial analysts use EBITDA as an indicator of performance of its operations and/or its cash flow.

This report contains forward-looking statements. These forward-looking statements are not historical fact, but rather reflect the wishes and expectations of Natura's management. Words such as "anticipate," "wish," "expect," "foresee," "intend," "plan," "predict," "project," "desire" and similar terms identify statements that necessarily involve known and unknown risks. Known risks include uncertainties that are not limited to the impact of price and product competitiveness, the acceptance of products by the market, the transitions of the Company's products and those of its competitors, regulatory approval, currency fluctuations, supply and production difficulties and changes in product sales, among other risks. This report also contains certain pro forma data, which are prepared by the Company exclusively for informational and reference purposes and as such are unaudited. This report is updated up to the present date and Natura does not undertake to update it in the event of new information and/or future events.

### **Investor Relations Team**

**Tel.: +55 (11) 4389-7881**

**ri@natura.net**