Natura &Co Holding S.A.

Individual and Consolidated
Interim Accounting Information (ITR)
For the three and nine-month period ended
September 30, 2021 and
Independent Auditors' Report

(A free translation of the original in Portuguese)

Report on review of parent company and consolidated interim financial statements

To the Board of Directors and Stockholders
Natura &Co Holding S.A.

Introduction

We have reviewed the accompanying interim statement of financial position of Natura &Co Holding S.A. ("Company") as at 30 September 2021 and the related statements of income and comprehensive income for the quarter and nine-month period then ended, and the statements of changes in shareholders' equity and cash flows for the nine-month period then ended, as well as the accompanying consolidated interim statement of financial position of Natura &Co Holding S.A. and its subsidiaries ("Consolidated") as at 30 September 2021 and the related consolidated statements of income and comprehensive income for the quarter and nine-month period then ended, and the consolidated statements of changes in shareholders' equity and cash flows for the nine-month period then ended, and explanatory notes.

Management is responsible for the preparation and fair presentation of these parent company and consolidated interim financial statements in accordance with the accounting standard CPC 21, Interim Financial Reporting, of the Brazilian Accounting Pronouncements Committee (CPC), and International Accounting Standard (IAS) 34 - Interim Financial Reporting, of the International Accounting Standards Board (IASB). Our responsibility is to express a conclusion on these interim financial statements based on our review.

Scope of review

We conducted our review in accordance with Brazilian and International Standards on Reviews of Interim Financial Information (NBC TR 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of interim information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Brazilian and International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion on the interim information

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements referred to above do not present fairly, in all material respects, the financial position of Natura &Co Holding S.A. and of Natura &Co Holding S.A. and its subsidiaries as at 30 September 20x1, and the parent company financial performance for the quarter and nine-month period then ended and its cash flows for the nine-month period then ended, as well as the consolidated financial performance for the quarter and nine-month period then ended and the consolidated cash flows for the nine-month period then ended, in accordance with CPC 21 and IAS 34.

Other matters

Statement of value added

The interim financial statements referred to above include the parent company and consolidated statements of value added for the nine-month period ended 30 September 20x1. These statements are the responsibility of the Company's management and are presented as supplementary information. These statements have been subjected to review procedures performed together with the review of the interim financial statements for the purpose concluding whether they are reconciled with the interim financial statements and accounting records, as applicable, and if their form and content are in accordance with the criteria defined in the accounting standard CPC 09 - "Statement of Value Added". Based on our review, nothing has come to our attention that causes us to believe that these statements of value added have not been properly prepared, in all material respects, in accordance with the criteria established in this accounting standard, and that they are consistent with the parent company and consolidated interim financial statements taken as a whole.

São Paulo, 11 November 2021

PricewaterhouseCoopers
Auditores Independentes Ltda.
CRC 2SP000160/O-5

Leandro Mauro Ardito
Contador CRC 1SP188307/O-0

NATURA &CO HOLDING S.A.

BALANÇOS PATRIMONIAIS LEVANTADOS EM 30 DE SETEMBRO DE 2021 E 31 DE DEZEMBRO DE 2020
(Em milhares de reais - R$)

ATIVOS	Nota explicativa	Controladora 09/2021	Controladora 12/2020	Consolidado 09/2021	Consolidado 12/2020
CIRCULANTES					
Caixa e equivalentes de caixa	6	3.903	505.699	3.054.398	5.821.672
Títulos e valores mobiliários	7	379.314	340.999	2.304.549	2.520.648
Contas a receber de clientes	8	-	-	3.246.542	3.597.535
Contas a receber de clientes - partes relacionadas	32.1	7.410	115.952	-	-
Estoques	9	-	-	5.947.953	4.544.270
Impostos a recuperar	10	27.313	23.637	1.008.015	1.071.349
Imposto de renda e contribuição social		-	-	530.263	242.091
Instrumentos financeiros derivativos		-	-	95.477	139.856
Outros ativos circulantes	14	2.794	1.979	823.648	616.120
		420.734	988.266	17.010.845	18.553.541
Ativos não circulantes mantidos para venda	13	-	-	69.586	181.279
Total dos ativos circulantes		420.734	988.266	17.080.431	18.734.820
NÃO CIRCULANTES					
Impostos a recuperar	10	-	-	1.279.232	932.212
Imposto de renda e contribuição social		-	-	10.783	478.524
Imposto de renda e contribuição social diferidos	11	-	-	2.750.833	1.339.725
Depósitos judiciais	12	13	-	570.771	566.190
Instrumentos financeiros derivativos		-	-	565.235	1.768.122
Títulos e valores mobiliários	7	-	-	32.561	16.104
Outros ativos não circulantes	14	876	148	1.376.336	1.527.668
Total dos ativos não circulantes		889	148	6.585.751	6.628.545
Investimentos	15	27.447.081	26.944.279	-	-
Imobilizado	16	-	-	5.156.183	5.235.057
Intangível	17	1.312	-	26.777.252	26.917.128
Arrendamentos	18	-	-	3.035.659	3.402.047
Total dos ativos não circulantes		27.449.282	26.944.427	41.554.845	42.182.777
TOTAL DOS ATIVOS		27.870.016	27.932.693	58.635.276	60.917.597

PASSIVOS E PATRIMÔNIO LÍQUIDO	Nota explicativa	Controladora 09/2021	Controladora 12/2020	Consolidado 09/2021	Consolidado 12/2020
CIRCULANTES					
Empréstimos, financiamentos e debêntures	19	-	515.966	1.155.701	3.805.649
Passivo de Arrendamento	18	-	-	981.191	1.059.661
Fornecedores e operações de "risco sacado"	20	5.992	9.693	6.301.066	6.774.205
Fornecedores - partes relacionadas	32.1	197	7.194	-	-
Salários, participações nos resultados e encargos sociais		10.617	20.153	1.342.367	1.340.683
Obrigações tributárias	21	466	13.153	592.672	785.367
Imposto de renda e contribuição social		-	-	378.998	441.253
Instrumentos financeiros derivativos		-	-	253.898	61.201
Provisão para riscos tributários, cíveis e trabalhistas	22	-	-	65.616	58.756
Outros passivos circulantes	23	5	71	1.675.547	1.832.811
Total dos passivos circulantes		17.277	566.230	12.747.056	16.159.586
NÃO CIRCULANTES					
Empréstimos, financiamentos e debêntures	19	-	-	11.538.120	10.017.264
Passivo de Arrendamento	18	-	-	2.514.604	2.798.794
Salários, participações nos resultados e encargos sociais		2.134	2.136	43.761	43.763
Obrigações tributárias	21	-	-	111.459	109.454
Imposto de renda e contribuição social diferidos	11	-	-	932.710	1.288.045
Provisão para riscos tributários, cíveis e trabalhistas	22	-	-	1.886.772	2.000.444
Outros passivos não circulantes	23	716	-	996.235	1.113.139
Total dos passivos não circulantes		2.850	2.136	18.023.661	17.370.903
TOTAL DOS PASSIVOS		20.127	568.366	30.770.717	33.530.489
PATRIMÔNIO LÍQUIDO					
Capital social		12.480.420	12.377.999	12.480.420	12.377.999
Ações em tesouraria	24.1	(9.319)	(11.667)	(9.319)	(11.667)
Reservas de capital		10.507.184	11.052.135	10.507.184	11.052.135
Reservas de lucros		13.754	120.166	13.754	120.166
Lucros (prejuízos) acumulados		356.105	(759.937)	356.105	(759.937)
Ajustes de avaliação patrimonial		4.501.745	4.585.631	4.501.745	4.585.631
Patrimônio líquido atribuído aos acionistas controladores da Companh		27.849.889	27.364.327	27.849.889	27.364.327
Participação dos acionistas não controladores no Patrimônio líquido da		-	-	14.670	22.781
Total do patrimônio líquido		27.849.889	27.364.327	27.864.559	27.387.108
TOTAL DOS PASSIVOS E PATRIMÔNIO LÍQUIDO		27.870.016	27.932.693	58.635.276	60.917.597

* As notas explicativas são parte integrante das demonstrações contábeis intermediárias.

NATURA &CO HOLDING S.A.

DEMONSTRAÇÃO DOS RESULTADOS
PARA OS PERÍODOS DE TRÊS E NOVE MESES FINDOS EM 30 DE SETEMBRO DE 2021 E DE 2020
(Em milhares de reais - R$, exceto o lucro líquido do período por ação)

	Nota explicativa	Controladora		Controladora		Consolidado		Consolidado	
		01/07/2021 a 30/09/2021	01/07/2020 a 30/09/2020	01/01/2021 a 30/09/2021	01/01/2020 a 30/09/2020	01/07/2021 a 30/09/2021	01/07/2020 a 30/09/2020	01/01/2021 a 30/09/2021	01/01/2020 a 30/09/2020
RECEITA LÍQUIDA	26	-	-	-	-	9.549.225	10.419.530	28.521.464	24.924.704
Custo dos produtos vendidos	27	-	-	-	-	(3.313.070)	(3.695.440)	(9.953.824)	(8.949.669)
LUCRO BRUTO		-	-	-	-	6.236.155	6.724.090	18.567.640	15.975.035
(DESPESAS) RECEITAS OPERACIONAIS									
Despesas com Vendas, Marketing e Logística	27	-	-	-	-	(4.068.015)	(4.162.391)	(12.120.851)	(10.611.388)
Despesas Administrativas, P&D, TI e Projetos	27	(38.764)	(21.615)	(96.945)	(45.585)	(1.790.778)	(1.567.189)	(5.234.795)	(4.170.824)
Perda por redução ao valor recuperável de contas a receber de clientes		-	-	-	-	(220.335)	(119.353)	(670.536)	(572.299)
Resultado de equivalência patrimonial	15	297.938	317.961	439.072	(818.691)	-	-	-	-
Outras receitas (despesas) operacionais, líquidas	30	-	8.639	-	(169.209)	132.505	(129.305)	(188.144)	(407.179)
LUCRO (PREJUÍZO) OPERACIONAL ANTES DO RESULTADO FINANCEIRO		259.174	304.985	342.127	(1.033.485)	289.532	745.852	353.314	213.345
Receitas financeiras	29	19.598	153.167	30.781	219.051	874.568	1.328.788	3.138.965	3.554.510
Despesas financeiras	29	(5.903)	(140.070)	(20.364)	(148.648)	(1.167.583)	(1.619.141)	(3.865.387)	(4.340.999)
LUCRO (PREJUÍZO) ANTES DO IMPOSTO DE RENDA E DA CONTRIBUIÇÃO SOCIAL		272.869	318.082	352.544	(963.082)	(3.483)	455.499	(373.108)	(573.144)
Imposto de renda e contribuição social	11	-	63.624	-	135.492	311.984	(53.105)	749.330	(192.761)
LUCRO LÍQUIDO (PREJUÍZO) DO PERÍODO CONTINUADAS		272.869	381.706	352.544	(827.590)	308.501	402.394	376.222	(765.905)
OPERAÇÕES DESCONTINUADAS									
PREJUÍZO DAS OPERAÇÕES DESCONTINUADAS	23	-	-	-	-	(38.897)	(24.712)	(30.932)	(73.435)
LUCRO LÍQUIDO (PREJUÍZO) DO PERÍODO		272.869	381.706	352.544	(827.590)	269.604	377.682	345.290	(839.340)
ATRIBUÍVEL A									
Acionistas controladores da Companhia		272.869	381.706	352.544	(827.590)	272.869	381.706	352.544	(827.590)
Não controladores		-	-	-	-	(3.265)	(4.024)	(7.254)	(11.750)
		272.869	381.706	352.544	(827.590)	269.604	377.682	345.290	(839.340)
LUCRO LÍQUIDO (PREJUÍZO) DO PERÍODO POR AÇÃO - R$									
Básico		0,1981	0,3344	0,2560	(0,6846)	0,1981	0,3344	0,2560	(0,6846)
Diluído		0,1963	0,3314	0,2537	(0,6787)	0,1963	0,3314	0,2537	(0,6787)

* As notas explicativas são parte integrante das demonstrações contábeis intermediárias.

NATURA &CO HOLDING S.A.

DEMONSTRAÇÃO DOS RESULTADOS ABRANGENTE
PARA OS PERÍODOS DE TRÊS E NOVE MESES FINDOS EM 30 DE SETEMBRO DE 2021 E DE 2020
(Em milhares de reais - R$)

	Nota explicativa	Controladora		Controladora		Consolidado		Consolidado	
		01/07/2021 a 30/09/2021	01/07/2020 a 30/07/2020	01/01/2021 a 30/09/2021	01/01/2020 a 30/09/2020	01/07/2021 a 30/09/2021	01/07/2020 a 30/07/2020	01/01/2021 a 30/09/2021	01/01/2020 a 30/09/2020
LUCRO LÍQUIDO (PREJUÍZO) DO PERÍODO		272.869	381.706	352.544	(827.590)	269.604	377.680	345.290	(839.342)
Outros resultados abrangentes a serem reclassificados para o resultado do período em períodos subsequentes:									
Conversão das demonstrações financeiras de controladas no exterior		1.251.810	893.802	210.564	6.534.288	1.252.296	895.589	209.707	6.544.104
Perdas não realizadas na reavaliação dos saldos entre as empresas	15	(44.957)	-	(154.605)	-	(44.957)	-	(154.605)	-
Efeito cambial na conversão de economia hiperinflacionária	15	(11.030)	2.326	(9.452)	(1.921)	(11.030)	2.326	(9.452)	(1.921)
Ganho (perda) em operações de hedge de fluxo de caixa	5.2	-	-	-	-	44.579	(10.198)	(198.765)	218.758
Efeitos tributários de (perda) ganho em operação de hedge de fluxo de caixa	11	-	-	-	-	(14.619)	2.171	68.372	(73.671)
Equivalência sobre ganho (perda) em operação de hedge de fluxo de caixa		44.579	(10.198)	(198.765)	218.758	-	-	-	-
Equivalência sobre os efeitos tributários de (perda) ganho em operação de hedge de fluxo de caixa		(14.619)	2.171	68.372	(73.671)	-	-	-	-
Resultado abrangente para o período, líquido dos efeitos tributários		1.498.652	1.269.807	268.658	5.849.864	1.495.873	1.267.568	260.547	5.847.928
ATRIBUÍVEL A									
Acionistas controladores da Companhia		1.498.652	1.269.807	268.658	5.849.864	1.498.652	1.269.807	268.658	5.849.864
Não controladores		-	-	-	-	(2.779)	(2.239)	(8.111)	(1.936)
		1.498.652	1.269.807	268.658	5.849.864	1.495.873	1.267.568	260.547	5.847.928

* As notas explicativas são parte integrante das demonstrações contábeis intermediárias.

NATURA &CO HOLDING S.A.

DEMONSTRAÇÃO DAS MUTAÇÕES DO PATRIMÔNIO LÍQUIDO
PARA OS PERÍODOS DE NOVE MESES FINDOS EM 30 DE SETEMBRO DE 2021 E DE 2020
(Em milhares de reais - R$)

			Reservas de capital				Reservas de lucros			Ajustes de avaliação patrimonial			
	Capital social	Ações em tesouraria	Ágio na emissão/venda de ações	Reserva especial	Capital adicional integralizado	Resultado de operações com acionistas não controladores	Incentivos fiscais	Retenção de lucros	Lucros (prejuízos) acumulados	Outros resultados abrangentes	Patrimônio líquido atribuído aos acionistas controladores	Não Controladores	Patrimônio líquido total
SALDOS EM 31 DE DEZEMBRO DE 2019	1.485.436	-	1.096.398	206.592	-	(92.066)	-	(149.020)	-	815.006	3.362.346	-	3.362.346
Prejuízo do período	-	-	-	-	-	-	-	-	(827.590)	-	(827.590)	(11.750)	(839.340)
Efeito cambial na conversão de economia hiperinflacionária	-	-	-	-	-	-	-	-	-	(1.921)	(1.921)	-	(1.921)
Outros resultados abrangentes	-	-	-	-	-	-	-	-	-	6.679.375	6.679.375	9.814	6.689.189
Total do resultado abrangente do período	-	-	-	-	-	-	-	-	(827.590)	6.677.454	5.849.864	(1.936)	5.847.928
Absorção de prejuízos	-	-	-	(147.592)	-	-	-	147.592	-	-	-	-	-
Subscrição de ações através da Reunião do conselho de Administração realizada em 03 de janeiro de 2020	3.397.746	-	9.877.148	-	-	-	-	-	-	-	13.274.894	27.555	13.302.449
Subscrição de ações através da Reunião do conselho de Administração realizada em 30 de junho de 2020	2.000.000	-	1.118	-	-	-	-	-	-	-	2.001.118	-	2.001.118
Subscrição de ações através da Reunião do conselho de Administração realizada em 27 de julho de 2020	14.723	-	-	-	-	-	-	-	-	-	14.723	-	14.723
Subscrição de ações através da Reunião do conselho de Administração realizada em 30 de setembro de 2020	18.863	-	-	-	-	-	-	-	-	-	18.863	-	18.863
Recompra de ações	-	(54.936)	-	-	-	-	-	-	-	-	(54.936)	-	(54.936)
Gastos na emissão de valores patrimoniais	(30.537)										(30.537)		(30.537)
Movimentação dos planos de opção de compra de ações e ações restritas:											-		-
Provisão com planos de outorga de opções de compra de ações e ações restritas	55.460	-	-	-	44.940	-	-	-	-	-	100.400	-	100.400
Exercício de planos de outorga de opções de compra de ações e ações restritas	-	40.981	-	-	(28.512)	-	-	-	-	-	12.469	-	12.469
Efeito ajuste economia hiperinflacionária	-	-	-	-	42.931	-	-	6.092	-	-	49.023	-	49.023
SALDOS EM 30 DE SETEMBRO DE 2020	6.941.691	(13.955)	10.974.664	59.000	59.359	(92.066)	-	4.664	(827.590)	7.492.460	24.598.227	25.619	24.623.846
SALDOS EM 31 DE DEZEMBRO DE 2020	12.377.999	(11.667)	10.974.664	59.000	110.537	(92.066)	113.302	6.864	(759.937)	4.585.631	27.364.327	22.781	27.387.108
Lucro líquido do período	-	-	-	-	-	-	-	-	352.544	-	352.544	(7.254)	345.290
Efeito cambial na conversão de economia hiperinflacionária	-	-	-	-	-	-	-	-	-	11.377	11.377	-	11.377
Outros resultados abrangentes	-	-	-	-	-	-	-	-	-	(95.263)	(95.263)	(857)	(96.120)
Total do resultado abrangente do período	-	-	-	-	-	-	-	-	352.544	(83.886)	268.658	(8.111)	260.547
Recompra de ações	-	(32.090)	-	-	-	-	-	-	-	-	(32.090)	-	(32.090)
Absorção de prejuízos	-	-	-	-	(650.196)	-	-	-	650.196	-	-	-	-
Movimentação dos planos de opção de compra de ações e ações restritas:		-	-	-	-	-	-	-	-	-	-	-	-
Provisão com planos de outorga de opções de compra de ações e ações restritas	-	-	-	-	205.030	-	-	(37.977)	-	-	167.053	-	167.053
Exercício de planos de outorga de opções de compra de ações e ações restritas	102.421	34.438	-	-	(172.209)	-	-	22.469	-	-	(12.881)	-	(12.881)
Reclassificação reserva de subvenção - Natura Cosméticos	-	-	-	-	-	-	(113.302)	-	113.302	-	-	-	-
Efeito ajuste economia hiperinflacionária	-	-	-	-	72.424	-	-	22.398	-	-	94.822	-	94.822
SALDOS EM 30 DE SETEMBRO DE 2021	12.480.420	(9.319)	10.974.664	59.000	(434.414)	(92.066)	-	13.754	356.105	4.501.745	27.849.889	14.670	27.864.559

* As notas explicativas são parte integrante das demonstrações contábeis intermediárias.

NATURA &CO HOLDING S.A.

DEMONSTRAÇÃO DOS FLUXOS DE CAIXA
PARA OS PERÍODOS DE NOVE MESES FINDOS EM 30 DE SETEMBRO DE 2021 E DE 2020
(Em milhares de reais - R$)

	Nota explicativa	Controladora		Consolidado	
		30/09/2021	30/09/2020	30/09/2021	30/09/2020
FLUXO DE CAIXA DAS ATIVIDADES OPERACIONAIS					
Lucro líquido (prejuízo) do período		352.544	(827.590)	345.290	(839.340)
Ajustes para reconciliar o lucro líquido do período (prejuízo) com o caixa líquido gerado pelas (utilizado nas) atividades operacionais:					
Depreciações e amortizações	16, 17 e 18	120	-	2.051.692	2.040.852
Juros e variação cambial sobre aplicações e títulos de valores mobiliários		(15.759)	(17.489)	(149.834)	(67.319)
Reversão decorrente dos contratos de operações com derivativos "swap" e "forward"		-	-	(400.762)	(1.224.353)
Provisão (reversão) para riscos tributários, cíveis e trabalhistas		-	-	(63.979)	178.437
Atualização monetária de depósitos judiciais		-	-	(8.793)	(9.302)
Atualização monetária de contingências	22	-	-	39.194	12.417
Imposto de renda e contribuição social diferidos		-	(135.491)	(1.716.734)	192.761
Resultado na venda e baixa de ativo imobilizado, intangível, arrendamento e ativos não circulantes mantidos para venda	16 , 17 e 13	-	-	211.535	18.492
Resultado de equivalência patrimonial	15	(439.072)	818.691	-	-
Juros e variação cambial sobre arrendamento		-	-	151.310	180.381
Juros e variação cambial sobre empréstimos e financiamentos	19	7.918	51.078	612.617	2.141.691
Atualização e variação cambial sobre outros ativos e passivos		(550)	(146.133)	23.820	6.557
Provisão para perdas com imobilizado, intangível e arrendamento	16 e 17	-	-	4.050	18.944
Provisão (reversão de provisão) de planos de outorga de opções de compra de ações		36.176	(33.191)	205.030	(25.270)
Provisão para perdas com clientes, líquidas de reversões	8	-	-	670.536	494.534
Provisão para perdas nos estoques líquidas	9	-	-	275.350	233.961
Reversão de provisão para créditos de carbono	28	-	-	(6.449)	(7.968)
Efeito de economia hiperinflacionária		-	-	(43.392)	41.111
Outros ajustes para reconciliar o lucro (prejuízo) líquido		-	-	(54)	(114.286)
		(58.623)	(290.125)	2.200.427	3.272.300
REDUÇÃO (AUMENTO) DOS ATIVOS					
Contas a receber de clientes e partes relacionadas		109.114	(277.218)	(563.201)	(880.345)
Estoques		-	-	(1.627.628)	(1.304.413)
Impostos a recuperar		(3.676)	(861)	(240.764)	(362.269)
Outros ativos		(69.271)	(7.065)	171.533	376.477
Subtotal		36.167	(285.144)	(2.260.060)	(2.170.550)
(REDUÇÃO) AUMENTO DOS PASSIVOS					
Fornecedores nacionais e estrangeiros e partes relacionadas		(10.720)	12.524	(445.651)	108.553
Salários, participações nos resultados e encargos sociais, líquidos		(9.538)	9.034	1.860	519.824
Obrigações tributárias		(12.687)	(615)	(183.743)	458.302
Outros passivos		118.646	-	45.887	(688.286)
Subtotal		85.701	20.943	(581.647)	398.393
CAIXA LÍQUIDO GERADO PELAS (UTILIZADO NAS) ATIVIDADES OPERACIONAIS		63.245	(554.326)	(641.280)	1.500.143
OUTROS FLUXOS DE CAIXA DAS ATIVIDADES OPERACIONAIS					
Pagamentos de imposto de renda e contribuição social		(3.676)	(198.670)	(425.904)	(374.005)
Depósitos judiciais realizados líquidos de levantamentos		(13)	-	4.039	27.940
Pagamentos relacionados a processos tributários, cíveis e trabalhistas	22	-	-	(50.902)	(108.343)
Pagamentos (recebimentos) de recursos por liquidação de operações com derivativos		-	-	91.638	(31.452)
Pagamento de juros sobre arrendamento	18 b	-	-	(159.803)	(187.649)
Pagamento de juros sobre empréstimos, financiamentos e debêntures	19	(26.005)	(21.678)	(657.049)	(1.148.385)
CAIXA GERADO PELAS (UTILIZADO NAS) ATIVIDADES OPERACIONAIS		33.551	(774.674)	(1.839.261)	(321.751)
FLUXO DE CAIXA DAS ATIVIDADES DE INVESTIMENTO					
Caixa advindo de aquisição de controlada		-	-	-	2.636.108
Adições de imobilizado, intangível e direito de uso		(1.432)	-	(883.358)	(467.678)
Recebimento pela venda de ativo imobilizado, intangível e ativos não circulantes mantidos para venda		-	-	98.023	101.249
Aplicação em títulos e valores mobiliários		(584.460)	(1.978.778)	(8.679.745)	(8.160.275)
Resgate de títulos e valores mobiliários		542.879	1.356.408	8.867.105	6.447.077
Resgate de juros sobre aplicações e títulos de valores mobiliários		19.025	9.172	100.803	37.113
Recebimento de dividendos de controladas	15	168.610	-	-	-
Investimentos em controladas		(150.000)	(300.000)	-	-
CAIXA LÍQUIDO (UTILIZADO NAS) GERADOS PELAS ATIVIDADES DE INVESTIMENTO		(5.378)	(913.198)	(497.172)	593.594
FLUXO DE CAIXA DAS ATIVIDADES DE FINANCIAMENTO					
Amortização de arrendamento - principal	18 b	-	-	(850.424)	(574.000)
Amortização de empréstimos, financiamentos e debêntures - principal	19	(497.879)	(2.323.776)	(7.609.157)	(2.815.881)
Captações de empréstimos, financiamentos e debêntures	19	-	500.000	6.323.642	1.356.643
Compra de ações em tesouraria, líquido de recebimento do preço de exercício de opções		(32.090)	(54.936)	(32.090)	(11.667)
Pagamento de dividendos e juros sobre capital próprio referentes ao exercício anterior		-	-	-	(133.937)
Recebimento de recursos por liquidação de operações com derivativos		-	-	1.566.160	96.372
Obrigação da adquirida incorrida pela adquirente		-	(370.791)	-	(370.791)
Aumento de Capital		-	2.059.627	-	2.059.627
CAIXA LÍQUIDO UTILIZADOS PELAS ATIVIDADES DE FINANCIAMENTO		(529.969)	(189.876)	(601.869)	(393.634)
Efeito de variação cambial sobre o caixa e equivalentes de caixa		-	-	171.028	668.077
(REDUÇÃO) AUMENTO NO CAIXA E EQUIVALENTES DE CAIXA		(501.796)	(1.877.748)	(2.767.274)	546.286
Saldo inicial do caixa e equivalentes de caixa	6	505.699	2.380.800	5.821.672	4.513.582
Saldo final do caixa e equivalentes de caixa	6	3.903	503.052	3.054.398	5.059.868
(REDUÇÃO) AUMENTO NO CAIXA E EQUIVALENTES DE CAIXA		(501.796)	(1.877.748)	(2.767.274)	546.286

* As notas explicativas são parte integrante das demonstrações contábeis intermediárias.

NATURA &CO HOLDING S.A.

DEMONSTRAÇÃO DO VALOR ADICIONADO
PARA OS PERÍODOS DE NOVE MESES FINDOS EM 30 DE SETEMBRO DE 2021 E DE 2020
(Em milhares de reais - R$)

	Nota explicativa	Controladora		Consolidado	
		30/09/2021	30/09/2020	30/09/2021	30/09/2020
RECEITAS		-	(169.209)	34.659.951	27.331.568
Vendas de mercadorias, produtos e serviços		-	-	35.127.653	28.174.821
Constituição de provisão para créditos de liquidação duvidosa, líquida das rever:	8	-	-	(24.593)	(328.228)
Outras despesas operacionais, líquidas		-	(169.209)	(443.109)	(515.025)
INSUMOS ADQUIRIDOS DE TERCEIROS		(24.590)	(13.245)	(21.995.188)	(18.655.625)
Custo dos produtos vendidos e dos serviços prestados		-	-	(10.406.739)	(10.114.315)
Materiais, energia, serviços de terceiros e outros		(24.590)	(13.245)	(11.588.449)	(8.541.310)
VALOR ADICIONADO BRUTO		(24.590)	(182.454)	12.664.763	8.675.943
RETENÇÕES		-	-	(2.051.691)	(2.040.852)
Depreciações e amortizações	16, 17 e 18	-	-	(2.051.691)	(2.040.852)
VALOR ADICIONADO PRODUZIDO PELA SOCIEDADE		(24.590)	(182.454)	10.613.072	6.635.091
VALOR ADICIONADO RECEBIDO EM TRANSFERÊNCIA		469.853	(599.640)	3.138.965	3.554.510
Resultado de equivalência patrimonial	15	439.072	(818.691)	-	-
Receitas financeiras - incluem variações monetárias e cambiais	29	30.781	219.051	3.138.965	3.554.510
VALOR ADICIONADO TOTAL A DISTRIBUIR		445.263	(782.094)	13.752.037	10.189.600
DISTRIBUIÇÃO DO VALOR ADICIONADO		445.263	(782.094)	13.752.037	10.189.600
Pessoal e encargos sociais	28	77.445	32.340	5.864.665	5.040.472
Impostos, taxas e contribuições		-	(135.492)	3.669.666	1.629.223
Despesas financeiras e aluguéis		15.274	148.648	3.872.416	4.359.247
Prejuízos acumulados		352.544	(827.590)	352.544	(827.590)
Participação dos não controladores nos lucros retidos		-	-	(7.254)	(11.752)

* As notas explicativas são parte integrante das demonstrações contábeis intermediárias.

INDEX OF EXPLANATORY NOTES

1. GENERAL INFORMATION

NATURA &CO HOLDING S.A. ("Company" or "Natura &Co") was incorporated on January 21, 2019, with the purpose of holding interests in other companies, as partner or shareholder, whose main business is in the cosmetics, fragrance and personal hygiene segments, through the manufacturing, distribution, and sale of their products. Natura &Co and its subsidiaries are hereinafter referred to as "Company".

Brands managed by the Company include "Natura", "Avon", "The Body Shop" and "Aesop". In addition to using the retail market, e-commerce, business-to-business (B2B) and franchises as sales channels for the products, the subsidiaries highlight the performance of the direct sales channel carried out by the Natura, The Body Shop and Avon Consultant(s).

2. MANAGEMENT STATEMENT AND BASIS OF PRESENTATION OF THE INTERIM ACCOUNTING INFORMATION

Statement of compliance

The Company's interim accounting information, included in the Quarterly Information Form - ITR for the nine-month period ended September 30, 2021, includes the individual and consolidated interim accounting information prepared pursuant to Technical Pronouncement "CPC 21 (R1) - Interim Statements", approved by the Brazilian Accounting Committee ("CPC") equivalent to "IAS 34 - Interim Financial Reporting".

The individual and consolidated interim accounting information shows all the relevant information specific to the interim accounting information, and only them, which are consistent with those used by the Board in its management.

Presentation basis

The individual and consolidated interim accounting information were prepared based on historical cost, except for derivative instruments, short-term investments recognized in other current and non-current assets and carbon credits recognized in other liabilities that were measured at fair value and are expressed in thousands of Reais ("R$"), rounded to the nearest thousand, as well as the disclosure of amounts in other currencies, when necessary, also made in thousands. The items disclosed in other currencies are duly identified, whenever applicable.

The Company's individual and consolidated interim accounting information was approved by the Board of Directors and authorized for issuance on the meeting held on November 10, 2021.

(Amounts in thousands of Reais - R$, except as mentioned otherwise)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The main accounting policies applied in the preparation of this individual and consolidated interim accounting information are consistent with those applied and disclosed in note 3 to the Company's financial statements for the year ended December 31, 2020, except for the rules and changes effective as of January 1, 2021, which has not entailed any significant changes on the individual and consolidated interim accounting information of the Company issued on March 4, 2021. Therefore, this interim accounting information, individual and consolidated, should be read in conjunction with the last annual financial statement.

The same accounting policies apply for the comparative nine-month period ended September 30, 2020.

4. CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

The areas that require a higher level of judgment and have greater complexity, as well as the areas in which assumptions and estimates are significant for the interim accounting information, were presented in note 5 of the Company's financial statements for the year ended December 31, 2020.

The estimates and assumptions used in the preparation of the interim accounting information for the nine-month period ended September 30, 2021 have not changed significantly.

5. FINANCIAL RISK MANAGEMENT

The information regarding the general considerations and polices of the Company was presented in note 6.1 of the Company's financial statements for the year ended December 31, 2020 and did not have any changes for the nine-month period ended September 30, 2021.

5.1 Market risks including foreign exchange risk and interest rate

To hedge the current balance sheet positions of the Company against market risks, the following derivative instruments are used and consist of the balances in the following table, as of September 30, 2021 and December 31, 2020:

Description	Consolidated	
	September 30, 2021	December 31, 2020
Financial derivatives	410,931	1,857,869
Operating derivatives	(4,117)	(11,092)
Total	406,814	1,846,777

(Amounts in thousands of Reais - R$, except as mentioned otherwise)

As of September 30, 2021 and December 31, 2020, the financial derivatives balances are composed as follows:

	Consolidated					
	Principal (Notional) amount		Fair value		Gains (losses) of fair value adjustment	
Description	September 30, 2021	December 31, 2020	September 30, 2021	December 31, 2020	September 30, 2021	December 31, 2020
Swap agreements[(a)]						
Asset portion:						
Dollar purchased position	**5,426,320**	2,576,890	**6,842,955**	4,683,900	**1,023,393**	421,897
Liability portion:						
Post-fixed CDI Rate:	**(5,426,320)**	(2,576,890)	**(6,444,974)**	(2,803,797)	**(855,342)**	(172,885)
Position sold in CDI						
NDF and forward contracts						
Net position	**1,239,460**	1,409,102	**12,950**	(22,234)	**14,775**	(16,778)
Total Financial Derivative Instruments, net:	**1,239,460**	1,409,102	**410,931**	1,857,869	**182,826**	232,234

a) Swap operations consist of exchanging the exchange rate variation for a correction related to a percentage of the variation of the Certificate of Bank Deposits – post-fixed CDI – in the case of Brazil.

5.2 Financial derivative instruments designated for hedge accounting

The Company designated the derivative instruments (forward swap) acquired in May 2021 for the hedge accountancy aiming to protect against the variability of cash flow attributable to the Company's ESG Notes issued on such date (see note 19.1).

The positions of derivative instruments designated as outstanding cash flow hedge on September 30, 2021 are set out below.

	Consolidated					
	Subject to hedging	Notional currency	Notional value	Fair value	Accumulated gains (losses)	Gains (losses) for the 9-month period
Currency Swap – US$/R$	**Currency**	**BRL**	**5,426,320**	**397,981**	**45,481**	**(203,540)**
Forward agreements (The Body Shop)	**Currency**	**BRL**	**482,687**	**(2,266)**	**(2,266)**	**2,773**
Forward agreements (Natura)	**Currency**	**BRL**	**40,768**	**1,318**	**1,318**	**2,020**
Currency Swap – US$/R$ (Avon)	**Currency**	**BRL**	**55,001**	**4,744**	**(18)**	**(18)**
Total			**6,004,776**	**401,777**	**44,515**	**(198,765)**

5.3 "Operating" derivatives - Consolidated

As of September 30, 2021 and December 31, 2020, the Company maintains forward derivative instruments, with the purpose of hedging the foreign exchange risk of operating cash flows (such as import and export transactions):

Description	Principal (Notional) amount		Fair value	
	September 30, 2021	December 31, 2020	**September 30, 2021**	December 31, 2020
The Body Shop position	**661,248**	1,585,280	**(2,682)**	(7,670)
Natura Position	**227,772**	165,830	**(1,435)**	(3,422)
Total financial derivative instruments, net	**889,020**	1,751,110	**(4,117)**	(11,092)

5.4 Impacts of Covid-19

The Company's Management is continuously monitoring the evolution of the Covid-19 pandemic in the markets it operates, acting to minimize impacts on the operations and on the equity and financial position implementing appropriate measures to guarantee the continuity of operations, protect cash, improve liquidity and promote the health and safety of all.

In view of this scenario, the Company's Management reviews the recoverability expectations of its financial and non-financial assets in the preparation of this interim accounting information, considering the most recent information available and reflected in the Company's business plans. During the nine-month period ended September 30, 2021, there was no deterioration identified with respect to the Company's liquidity, its cash position or leverage that could impact compliance with financial covenants and short-term commitments of the Company.

Additionally, the Company's Management has revised its projections of future results since the end of the year ended December 31, 2020, not identifying material deviations from these projections or in the market assumptions associated with the impairment test carried out on December 31, 2020 that would indicate the need to carry out an additional impairment test of goodwill and other non-current assets.

5.5 Capital Management

The Company's objectives in managing its capital are to safeguard the Company's ability to continue to provide returns to shareholders and benefits to other stakeholders, in addition to maintaining an ideal capital structure to reduce this cost.

The Company monitors capital based on the financial leverage ratios. This ratio corresponds to the net debt divided by the EBITDA. The net debt corresponds to total borrowing and financing (including short and long-term borrowing and financing, as shown in the consolidated balance sheet), deducted from cash and cash equivalents and short-term investments (except for "Crer para Ver" funds) and Dynamo Beauty Ventures Ltd. Fund.

5.6 Fair value estimate

The Company's financial assets and liabilities substantially encompass assets and liabilities classified as level 2 in the fair value estimate hierarchy, the assessment of which is based on techniques that use, other than the prices quoted in level 1, other pieces of information adopted by the market in a direct (i.e., as prices) or indirect (i.e., resulting from prices) manner. To measure the fair value, the carrying amount represents an amount that is reasonably near to the fair value, as described below:

(i) the balances of cash and cash equivalents, trade accounts receivables, accounts payable to suppliers and other current liabilities are equivalent to their carrying amounts, mainly due to the short-term maturities of these instruments.

(ii) the balances of the short-term investments measured at amortized cost approximate their fair values as a result of the transactions to be conducted at floating interest rates; and b) measured at fair value through profit or loss based on the rates agreed with the financial institutions considering the agreed rates among the parties, including market information that allows for such calculation.

(iii) the carrying amounts of borrowing, financing and debentures are measured at their amortized cost and disclosed at fair value, which does not differ materially from the carrying amounts as the agreed interest rates are consistent with current market rates; and

(Amounts in thousands of Reais - R$, except as mentioned otherwise)

(iv) the fair value of exchange rate derivatives (swap and forwards) is determined based on the future exchange rates at the dates of the balance sheets, with the resulting amount being discounted at present value.

There was no transfer between measurement levels in the fair value hierarchy in the nine-month period ended September 30, 2021 for these assets and liabilities.

6. CASH AND CASH EQUIVALENTS

	Company		Consolidated	
	September 30, 2021	December 31, 2020	September 30, 2021	December 31, 2020
Cash and banks	**3,903**	1,501	**2,803,696**	4,436,576
Certificate of Bank Deposits	**-**	504,198	**26,029**	808,988
Repurchase operations [(a)]	**-**	-	**224,673**	576,108
	3,903	505,699	**3,054,398**	5,821,672

a) Repurchase operations are securities issued by banks with a commitment by the own issuing banks to repurchase them, and by the client to resell them, at defined rates and within predetermined terms, backed by public or private securities, depending on bank availabilities and registered with the Central Agency for Custody and Financial Settlement of Securities ("CETIP"). These securities are short term and liquid assets. On September 30, 2021, repurchase operations are remunerated at an average rate of 100.0% of CDI (100.0% of the CDI on December 31, 2020).

7. SHORT-TERM INVESTMENTS

	Company		Consolidated	
	September 30, 2021	December 31, 2020	September 30, 2021	December 31, 2020
Exclusive investment funds [(a)]	379,314	340,999	-	-
Mutual investment funds [(b)]	-	-	923,148	817,253
Certificate of Bank Deposits	-	-	-	292,878
Treasury bills [(c)]	-	-	731,848	505,152
Government securities (LFT) [(d)]	-	-	649,511	864,940
Dynamo Beauty Ventures Ltd. Fund	-	-	32,561	16,104
Restricted cash	-	-	42	40,425
	379,314	340,999	2,337,110	2,536,752
Current	379,314	340,999	2,304,549	2,520,648
Non-Current	-	-	32,561	16,104

a) The Company concentrate most of its investments in an exclusive investment fund, which holds interest in shares of the Essential Investment Fund.

The value of the shares held by the Company is disclosed under "Exclusive Investment Fund" in the Company financial statements. The financial statements of the Exclusive Investment Fund, in which the group has an exclusive interest (100% of the shares), were consolidated, except for the shares of Instituto Natura, and the values of its portfolio were segregated by type of investment and classified as cash equivalents or short-term investments, according to the accounting practices adopted by the Company. The balance as of September 30, 2021, related to the Instituto Natura share ("Crer para Ver" line) within the exclusive fund is R$87,993 (R$57,609 as of December 31, 2020).

b) Mutual investment funds refer to the investments of Natura América Hispanic entities concentrated in Argentina, Chile, Colombia and Mexico.

c) As of September 30, 2021, investments in Treasury bills are remunerated at an average rate of 119.9% of the CDI (136.6% as of December 31, 2020).

(Amounts in thousands of Reais - R$, except as mentioned otherwise)

d) On September 30, 2021, investments in Government securities (LFT) are remunerated at an average rate of 102.8% of CDI (105.9% of the CDI on December 31, 2020).

The breakdown of securities constituting the Essential Investment Fund portfolio, regarding which the Company holds 100% interest, on September 30, 2021 and December 31, 2020 is as follows:

	Consolidated	
	September 30, 2021	December 31, 2020
Certificate of bank deposits	-	292.878
Repurchase operations (cash and cash equivalents)	180,268	576,108
Treasury bills	731,848	505,152
Government securities (LFT)	649,511	864,940
	1,561,627	2,239,078

8. TRADE ACCOUNTS RECEIVABLES

	Consolidated	
	September 30, 2021	December 31, 2020
Trade accounts receivables	3,703,243	4,029,643
Allowance for expected credit losses	(456,701)	(432,108)
	3,246,542	3,597,535

The changes in the allowance for expected credit losses for the nine-month periods ended September 30, 2021 and 2020 are as follows:

	Consolidated
Balance as of December 31, 2019	(107,995)
Additions, net of reversals	(494,534)
Write-offs [(a)]	233,665
Exchange rate variation	(67,359)
Balance as of September 30, 2020	(436,223)
Balance as of December 31, 2020	(432,108)
Additions, net of reversals	(670,536)
Write-offs [(a)]	643,706
Exchange rate variation	2,237
Balance as of September 30, 2021	(456,701)

a) Refers to accounts overdue for more than 180 days, which are written off when the Company has no expectation of recovering the trade accounts receivables and sales of customer portfolio.

Find below the balances of trade accounts receivables per exposure to allowance for expected credit losses on September 30, 2021 and December 31, 2020:

	Consolidated			
	September 30, 2021		December 31, 2020	
	Trade accounts receivables	Allowance for expected credit losses	Trade accounts receivables	Allowance for expected credit losses
To become due	2,296,475	(76,026)	1,988,583	(53,352)
Past due:				
Up to 30 days	908,002	(63,074)	1,506,460	(76,848)
31 to 60 days	133,565	(55,937)	173,121	(56,124)
61 to 90 days	87,669	(49,353)	111,735	(54,172)
91 to 180 days	277,532	(212,311)	249,744	(191,612)
	3,703,243	(456,701)	4,029,643	(432,108)

(Amounts in thousands of Reais - R$, except as mentioned otherwise)

9. INVENTORIES

	Consolidated	
	September 30, 2021	December 31, 2020
Finished products	4,899,135	3,925,215
Raw materials and packaging	1,368,239	1,015,156
Auxiliary materials	217,990	170,188
Products in progress	43,966	36,025
Provision for inventory losses	(581,377)	(602,314)
	5,947,953	4,544,270

Changes in the provision for inventory losses for the nine-month periods ended September 30, 2021 and 2020 are as follows:

	Consolidated
Balance as of December 31, 2019	**(185,232)**
Net additions [(a)]	**(566,312)**
Write-offs [(b)]	**223,304**
Exchange rate variation	**(112,785)**
Balance as of September 30, 2020	**(641,025)**
Balance as of December 31, 2020	**(602,314)**
Net additions [(a)]	(275,350)
Write-offs [(b)]	292,745
Exchange rate variation	3,542
Balance as of September 30, 2021	**(581,377)**

a) It refers to the recognition of net allowance for losses due to discontinuation, expiration and quality, to cover expected losses on the realization of inventories, pursuant to the policy of the Company.

b) It consists of write-offs of products for which there already had an allowance for losses, where the Company has no expectation of sales/realization.

10. RECOVERABLE TAXES

	Company		Consolidated	
	September 30, 2021	December 31, 2020	September 30, 2021	December 31, 2020
ICMS on purchase of goods [(a)]	-	-	750,113	681,147
Taxes on purchase of goods – foreign subsidiaries	-	-	279,297	230,260
ICMS on purchase of property, plant and equipment	-	-	10,613	9,578
PIS and COFINS on purchase of property, plant and equipment and purchase of goods [(b)]	-	-	949,548	780,841
Withholding income tax	27,313	23,637	27,313	23,637
PIS, COFINS and CSLL – withheld at source	-	-	1,673	1,669
Tax on Manufactured Goods – IPI [(c)]	-	-	103,542	77,096
Other	-	-	165,148	199,334
	27,313	23,637	2,287,247	2,003,561
Current	27,313	23,637	1,008,015	1,071,349
Non-Current	-	-	1,279,232	932,212

a) Tax credits related to the accumulated Brazilian tax on the circulation of goods, interstate and inter-municipal transport and communication services ("ICMS") were generated mainly by purchases, whose tax rate is higher than the average sales and by the increase in exports. The Company expects to use these credits in the normal course of the business through offsetting with sales operations in the domestic market.

b) The accumulated tax credits of PIS and COFINS basically arise from credits on purchases of raw materials used in production, from purchase of property, plant and equipment and credits arising from the exclusion of ICMS from the PIS/COFINS calculation basis. The Company expects to compensate these in the normal course of the business, mainly through offsetting with sales operations in the domestic market.

c) The balance will be used to IPI payable in future operations of the Company's subsidiaries.

11. INCOME TAX AND SOCIAL CONTRIBUTION

The effective rate calculated by the Company for the nine-month period ended September 30, 2021 was 200.8%. This percentage is based on a loss before tax of R$373,108 and an income tax credit of R$749,330. The main component that causes the effective rate to deviate from the nominal income tax rate of 34% are i) the recognition of deferred tax assets referring to tax losses from previous years at Avon Luxembourg subsidiary considering a new scenario of recoverability of the balance, (more information in Note 11.1.), ii) the recognition of tax benefits in Brazil at Avon and Natura subsidiaries related to investment grants of R$228,872, reversal of deferred income taxes liabilities on derivative transactions in the amount of R$554,500, other than the additional recognition of deferred income tax liability arising from the announcement made by the Government of England that the nominal rate will increase from 19% to 25% and iii) impact of deferred liability income taxes recognition previously recorded on derivative transactions settled in the period.

The effective rate calculated by the Company for nine-month period ended September 30, 2020 was negative by 33.6%. This percentage is based on a loss before tax of R$573,144 and an income tax expense of R$192,761. The main components that cause the effective rate to deviate from the nominal income tax rate of 34% are the tax losses of certain jurisdictions that cannot benefit from the deferred income tax asset, permanent effects related to the income tax withheld at source originated in transactions between the group companies that cannot be used and the additional recognition of deferred income tax liability arising from the announcement made by the Government of England that the nominal rate would not be reduced from 19% to 17%..

11.1 Deferred income tax - Avon Luxembourg

As of December 31, 2020, the Company had balances of deferred income tax asset on tax losses in the amount of R$13.3 billion, which do not expire and had not been recognized in accounting books due to historical analyses of recoverability in the respective operations. Of these amounts, R$8.2 billion are from the subsidiary Natura &Co Luxembourg Holdings S.á.r.l (previously known as "Avon Luxembourg").

During the nine-month period ended September 30, 2021, the Company approved and initiated a restructuring plan of its operations, including the establishment of Avon Luxembourg as a financial subsidiary (FINCO), for the other entities of the Group. From this restructuring, a deferred income tax asset amounting to approximately R$823 million was recognized, based on the Management's conclusion that recoverability of these amounts is probable in the regular course of Natura &Co Luxembourg's activities, and which should occur within a period not exceeding 20 years.

Changes in the deferred income tax and social contribution of assets and liabilities, for the nine-month periods ended September 30, 2020 and 2021, are as follows:

(Amounts in thousands of Reais - R$, except as mentioned otherwise)

	Assets		Liabilities
	Company	Consolidated	Consolidated
Balance as of December 31, 2019	-	374,448	(450,561)
Effect on statement of income	135,491	7,438	15,270
Acquisition of subsidiary	-	667,034	(728,274)
Reserve for grant of options and restricted shares	-	41,696	-
Effect on other comprehensive income	-	(73,671)	-
Exchange rate variation		57,594	(327,137)
Balance as of September 30, 2020	135,491	1,074,539	(1,490,702)
Balance as of December 31, 2020	-	1,339,725	(1,288,045)
Effect on statement of income (a)	-	1,427,635	289,099
Reserve for grant of options and restricted shares	-	(37,977)	-
Effect on other comprehensive income	-	68,372	-
Exchange rate variation	-	(46,922)	66,236
Balance as of September 30, 2021	-	2,750,833	(932,710)

(a) It refers mainly to the deferred tax of Avon Luxembourg, as mentioned above, and realization of the deferred income tax liability on derivative transactions and registration of deferred taxes on investment granting.

11.2 Non-levy of taxes on profit on adjustment by Selic in the return of taxes unduly paid (tax undues)

On September 24, 2021, the Federal Supreme Court (STF), in a judgment with general repercussion, ruled for the unconstitutionality of the incidence of income tax and social contribution over Selic levied on tax undues, concluding that the Selic is a mere indemnity for late payment of debt and not an equity increase (which is the triggering event for the taxation of those taxes).

Based on the STF decision, as well as the legal grounds presented in the Supreme Court decision, the Company concludes that there has been a change in the facts and circumstances on which this decision is based and, as required by ICPC 22 (IFRIC 23), reassessed the expectation of gaining the right in relation to tax indebtedness, considering it is probable that the tax treatment will be accepted.

Therefore, the amounts of estimated credits, not recorded up to the date of the STF decision, are being reviewed by the Company's Management. Based on preliminary surveys, the credits to be recognized based on this decision are not material for the interim accounting information.

12. JUDICIAL DEPOSITS

The judicial deposits of the Company as of September 30, 2021 and December 31, 2020 and December 31, 2020 are as follows:

	Consolidated	
	September 30, 2021	December 31, 2020
Unprovisioned tax proceedings [(a)]	263,756	262,654
Accrued tax proceedings[(b)]	264,312	252,961
Unprovisioned civil proceedings	6,744	9,671
Accrued civil proceedings	2,355	2,189
Unprovisioned labor proceedings	11,925	14,166
Accrued labor proceedings	21,679	24,549
Total judicial deposits	570,771	566,190

a) The tax proceedings related to these judicial deposits basically refer to ICMS - ST, highlighted in note 22.2 - contingent liability - possible risk of loss.

(Amounts in thousands of Reais - R$, except as mentioned otherwise)

b) The tax proceedings related to these judicial deposits basically refer to the sum of amounts disclosed in note 22.1.1 and the amount accrued as explained in the note 21.

The changes in balance of judicial deposits for the nine-month periods ended September 30, 2021 and 2020 are as follows:

	Consolidated
Balance as of December 31, 2019	**337,255**
Acquisition of subsidiary	283,885
New deposits	13,333
Redemptions	(23,701)
Monetary inflation and interest	9,302
Write-offs	(17,572)
Balance as of September 30, 2020	**602,502**
Balance as of December 31, 2020	**566,190**
New deposits	**27,975**
Redemptions	**(21,101)**
Monetary inflation and interest	**8,793**
Write offs	**(10,913)**
Exchange rate variation	**(173)**
Balance as of September 30, 2021	**570,771**

In addition to judicial deposits, the Company has contracted insurance policies for certain lawsuits. Details on these Company's insurance policies are presented in note 34.

13. NON-CURRENT ASSETS HELD FOR SALE

The assets classified as held for sale were acquired in the acquisition process of its subsidiary Avon. The changes in the balance for the nine-month periods ended September 30, 2021 and 2020 is as follows:

	Consolidated
Avon acquisition on January 3, 2020	186,518
Transfer to Property, Plant and Equipment	(82,735)
Transfer from Property, Plant and Equipment	65,596
Sale	(64,933)
Exchange rate variation	48,880
Balance as of September 30, 2020	153,326
Balance as of December 31, 2020	181,279
Transfers from PP&E	9,294
Transfers from assets and liabilities	156
Transfer to property, plant and equipment [(a)]	(1,528)
Transfer to assets and liabilities [(a)]	(18,253)
Sale[(b)]	(83,106)
Exchange rate variation	(18,256)
Balance as of September 30, 2021 [(b)]	69,586

a) During the nine-month period ended September 30, 2021, transfers occurred due to the resumption of activities in the Saudi Arabia unit.

b) The Avon subsidiary operational assets in Spain were sold in September 2021.

The balance as of September 30, 2021 is composed of assets located in Brazil and India (as of December 31, 2020 it was composed of Saudi Arabia, Brazil and Spain).

(Amounts in thousands of Reais - R$, except as mentioned otherwise)

14. OTHER CURRENT AND NON-CURRENT ASSETS

	Company		Consolidated	
	September 30, 2021	December 31, 2020	September 30, 2021	December 31, 2020
Marketing and advertising advances	-	-	101,814	42,233
Supplier advances	-	-	289,418	257,099
Employee advances	-	-	27,419	65,180
Rent advances and guarantee deposit [(a)]	-	-	170,888	169,958
Advance insurance expenses	-	-	128,975	200,074
Overfunded pension plan [(b)]	-	-	694,064	683,425
Customs broker advances - Import taxes	-	-	50,808	34,016
Sublease receivables [(c)]	-	-	353,933	357,538
Carbon credits	-	-	6,004	4,097
Receivables from service providers[(d)]	-	-	150,341	135,030
Other	3,670	2,127	226,320	195,138
	3,670	2,127	2,199,984	2,143,788
Current	2,794	1,979	823,648	616,120
Non-Current	876	148	1,376,336	1,527,668

a) Mainly related to: (i) advances of lease agreements that were not included in the initial measurement of lease liabilities / right of use of the subsidiary The Body Shop, in accordance with the exemptions on CPC 06 (R2) - *Arredamentos* (IFRS 16 – Leases) and (ii) security deposits for the rental of certain stores of the subsidiaries The Body Shop and Aesop, which will be returned by the lessor at the end of the lease agreements.
b) Pension plan arising from the acquisition of Avon.
c) Refers to the sublease receivables from the office that the subsidiary Avon had in New York, USA.
d) Refers to receivables mainly arising from damage that occurred with carriers and insurance companies.

(Amounts in thousands of Reais - R$, except as mentioned otherwise)

15. INVESTMENTS

Information and changes of the balances for the nine-month period ended September 30, 2021 and for the fiscal year ended December 31, 2020:

	September 30, 2021			
	Natura Cosméticos S.A	Avon Products, Inc.	Natura &Co International S.à r.l.	Total
Interest Percentage	100,00%	100,00%	100,00%	
Shareholders' equity of the subsidiaries	7,187,700	(4,908,242)	6,156,330	8,435,788
Shareholders' equity interest	7,187,700	(4,908,242)	6,156,330	8,435,788
Fair value adjustment of acquired assets and liabilities	-	5,514,164	-	5,514,164
Goodwill	-	13,497,129	-	13,497,129
Total	**7,187,700**	**14,103,051**	**6,156,330**	**27,447,081**
Net income (loss) for the period of subsidiaries	**311,647**	**(853,551)**	**980,976**	**439,072**
Balances as of December 31, 2020	**6,929,074**	**14,373,448**	**5,641,757**	**26,944,279**
Share of profit (loss) of equity investees	311,647	(853,551)	980,976	439,072
Exchange rate variation and other adjustments in the conversion of investments of the foreign subsidiaries	65,279	727,436	(591,603)	201,112
Capital increase - Investment by the Company	-	-	150,000	150,000
Unrealized losses on conversion of intercompany balances in foreign currency	-	(129,805)	(24,800)	(154,605)
Effect of Hyperinflationary economy adjustment	115,651	(20,829)	-	94,822
Contribution by the controlling company for purchase options plans granted to executive officers of the subsidiaries and other reserves net of tax effects	65,034	-	-	65,034
Hedge accounting net of tax effects	(130,375)	(18)	-	(130,393)
Dividends paid	(168,610)	-	-	(168,610)
Other movement	-	6,370	-	6,370
Balances as of September 30, 2021	**7,187,700**	**14,103,051**	**6,156,330**	**27,447,081**

(Amounts in thousands of Reais - R$, except as mentioned otherwise)

	September 30, 2020			
	Natura Cosméticos S.A. (1)	Avon Products, Inc.	Natura &Co International S.à r.l.	Total
Interest Percentage	100,00%	100,00%	100,00%	
Shareholders' equity of the subsidiaries	6,864,260	(5,325,937)	(14,013)	1,524,310
Shareholders' equity interest	6,864,260	(5,325,937)	(14,013)	1,524,310
Fair value adjustment of acquired assets and liabilities	-	10,416,482	-	10,416,482
Goodwill	-	11,027,510	-	11,027,510
Total	6,864,260	16,118,055	(14,013)	22,968,302
Net Income/(Loss) for the period of subsidiaries	698,331	(1,505,126)	(11,896)	818,691
Balances as of December 31, 2019	3,392,677	-	-	3,392,677
Share of profit (loss) of equity investees	698,331	(1,505,126)	(11,896)	(818,691)
Exchange rate variation and other adjustments in the conversion of investments of the foreign subsidiaries	2,186,255	4,348,287	(2,174)	6,532,368
Effect of Hyperinflationary economy adjustment	49,023	-	-	49,023
Contribution by the controlling company for purchase options plans granted to executive officers of the subsidiaries and other reserves net of tax effects	92,887	-	-	92,887
Hedge accounting net of tax effects	145,087	-	-	145,087
Capital increase	300,000	-	-	300,000
Acquisition price	-	13,274,894	57	13,274,951
Balances as of September 30, 2020	6,864,260	16,118,055	(14,013)	22,968,302

(Amounts in thousands of Reais - R$, except as mentioned otherwise)

16. PROPERTY, PLANT AND EQUIPMENT

	Consolidated							
	Useful life range (years)	December 31, 2020	Additions	Write-offs	Impairment	Transfers	Other changes including exchange rate variation	September 30, 2021
Cost value:								
Vehicles	2 to 5	79,227	4,907	(36,576)	-	6,694	3,023	57,276
Tooling	3	187,852	360	-	-	168	(88)	188,292
Tools and accessories	3 to 20	85,678	15,224	(2,685)	-	3,762	(2,634)	99,345
Facilities	3 to 60	293,471	207	(3,283)	-	11,773	979	303,147
Machinery and accessories	3 to 15	1,819,693	19,700	(75,833)	-	60,029	57,285	1,880,874
Leasehold improvements	2 to 20	963,957	40,122	(32,705)	(4,050)	51,346	6,076	1,024,746
Buildings	14 to 60	1,899,176	6,816	(13,401)	-	(6,162)	48,150	1,934,579
Furniture and fixture	2 to 25	566,548	58,258	(23,030)	-	11,198	(642)	612,332
Lands	-	661,613	-	(1,203)	-	(2,259)	(18,357)	639,794
IT equipment	3 to 15	543,772	34,882	(30,833)	-	61,058	8,823	617,702
Other assets	-	36,687	-	(1,915)	-	-	(30)	34,742
Projects in progress	-	408,385	352,557	(19,887)	-	(293,739)	(777)	446,539
Total cost		7,546,059	533,033	(241,351)	(4,050)	(96,132)	101,808	7,839,368
Accumulated depreciation:								
Vehicles		(33,042)	(14,457)	27,428	-	(5,735)	1,813	(23,993)
Tooling		(166,536)	(6,036)	-	-	-	38	(172,534)
Tools and accessories		(39,159)	(25,311)	663	-	3,109	4,905	(55,793)
Facilities		(176,726)	(12,325)	3,247	-	(2,661)	(18)	(188,483)
Machinery and accessories		(578,762)	(145,656)	72,913	-	9,150	(20,957)	(663,312)
Leasehold improvements		(480,554)	(101,541)	25,652	-	(5,499)	(2,654)	(564,596)
Buildings		(179,729)	(62,205)	12,732	-	2,768	(24,394)	(250,828)
Furniture and fixture		(318,611)	(64,315)	13,627	-	(347)	13,408	(356,238)
IT equipment		(311,856)	(82,538)	29,782	-	(8,679)	(3,532)	(376,823)
Other assets		(26,027)	(14,778)	-	-	-	10,221	(30,585)
Total accumulated depreciation		(2,311,002)	(529,162)	186,044	-	(7,894)	(21,170)	(2,683,185)
Net total		5,235,057	3,871	(55,307)	(4,050)	(104,026)	80,638	5,156,183

NATURA &CO HOLDING S.A.

NOTES TO THE INDIVIDUAL AND CONSOLIDATED INTERIM ACCOUNTING INFORMATION FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2021

(Amounts in thousands of Reais - R$, except as mentioned otherwise)

	Consolidated								
	Useful life range (years)	December 31, 2019	Control acquisition	Additions	Write-offs	Impairment	Transfers	Other changes including exchange rate variation	September 30, 2020
Cost value:									
Vehicles	2 to 5	45,578	25,789	696	(8,270)	-	2,173	11,024	76,990
Tooling	3	192,556	-	202	(19,713)	-	5,140	8,081	186,266
Tools and accessories	3 to 20	11,974	52,410	9,351	(163)	-	2,784	7,280	83,636
Facilities	3 to 60	309,772	1,431	61	(3,663)	-	8,223	(20,362)	295,462
Machinery and accessories	3 to 15	866,451	746,734	9,650	(1,903)	-	67,846	163,052	1,851,830
Leasehold improvements	2 to 20	615,103	58,548	16,040	(3,453)	(8,416)	33,772	232,326	943,920
Buildings	14 to 60	386,957	1,168,837	5,464	-	330	29,159	325,941	1,916,688
Furniture and fixture	2 to 25	397,727	32,566	17,181	(4,576)	(7,802)	6,413	129,165	570,674
Lands	-	35,157	568,470	57	75	-	4,186	214,867	822,812
IT equipment	3 to 15	297,228	112,369	9,632	(4,783)	-	19,177	92,019	525,642
Other assets		-	40,090	-	-	-	-	15,716	55,806
Projects in progress	-	156,011	78,965	151,399	(867)	-	(148,461)	44,447	281,494
Total cost		**3,314,514**	2,886,209	219,733	(47,316)	(15,888)	30,412	1,223,556	7,611,220
Accumulated depreciation:									
Vehicles		(16,924)	-	(18,962)	3,580	-	(2,093)	(1,640)	(36,039)
Tooling		(175,938)	-	(7,557)	19,684	-	-	(187)	(163,998)
Tools and accessories		(3,255)	-	(31,527)	-	-	10	4,515	(30,257)
Facilities		(167,362)	-	(15,835)	285	-	1,096	7,549	(174,267)
Machinery and accessories		(416,736)	-	(149,164)	176	-	(1,267)	28,502	(538,489)
Leasehold improvements		(267,371)	-	(94,976)	2,663	(4,892)	(4,013)	(96,884)	(465,473)
Buildings		(101,785)	-	(78,578)	-	-	-	4,736	(175,627)
Furniture and fixture		(193,973)	-	(67,538)	3,716	(20)	4,012	(66,995)	(320,798)
IT equipment		(197,281)	-	(72,726)	3,971	(34)	-	(30,873)	(296,943)
Other assets		-	-	(10,579)	-	-	-	(1,179)	(11,758)
Total accumulated depreciation		**(1,540,625)**	-	(547,442)	34,075	(4,946)	(2,255)	(152,456)	(2,213,649)
Net total		**1,773,889**	2,886,209	(327,709)	(13,241)	(20,834)	28,157	1,071,100	5,397,571

(Amounts in thousands of Reais - R$, except as mentioned otherwise)

17. INTANGIBLE ASSETS

The information and changes in the intangible balances for the nine-month periods ended September 30, 2021 and 2020 are as follows:

	Consolidated						
	Useful life range (years)	December 31, 2020	Additions	Write-offs	Transfers	Other changes including exchange rate variation	September 30, 2021
Cost value:							
Software	2.5 to 10	2,059,149	33,236	(28,649)	164.591	101,426	2,329,753
Trademarks and patents (Definite useful life)	20 to 25	894,578	-	-	-	(12,016)	882,562
Trademarks and patents (Indefinite useful life)	-	5,747,057	-	-	-	5,691	5,803,748
Goodwill Avon	-	13,299,850	-	-	-	197,305	13,497,155
Goodwill Emeis Brazil Pty Ltd.	-	142,090	-	-	-	(2,896)	139,194
Goodwill The Body Shop	-	1,946,741	-	-	-	64,563	2,011,304
Goodwill acquisition of The Body Shop stores	-	1,456	-	-	-	-	1,456
Relationship with retail clients	10	2,785	-	-	-	(2)	2,783
Key money (indefinite useful life)	-	24,718	-	-	-	(82)	24,636
Key money (Definite useful life)	3 to 18	12,911	2,500	-	(5,555)	8,957	18,813
Relationship with franchisees and sub franchisees and sales representative	14 to 15	2,959,519	-	(444)	-	28,428	2,987,503
Technology developed (by acquired subsidiary)	-	1,595,041	-	-	-	(19,907)	1,575,134
Other intangible assets	-	108,275	181,764	(511)	(72,126)	(41,030)	176,372
Total cost		28,794,170	217,500	(29,604)	86,910	381,437	29,450,413
Accumulated amortization:							
Software		(1,022,498)	(275,973)	27,335	3,796	(52,966)	(1,320,306)
Trademarks and patents		(100,042)	(35,052)	-	-	4,484	(130,610)
Key money		(8,871)	(185)	(5,960)	1,667	(455)	(13,804)
Relationship with retail clients		(2,839)	(214)	-	-	2	(3,051)
Relationship with franchisees and sub franchisees		(419,056)	(230,949)	444	-	(3,065)	(652,626)
Technology developed		(319,008)	(240,368)	-	-	8,079	(551,297)
Other intangible assets		(4,728)	(745)	511	-	3,495	(1,467)
Total accumulated amortization		(1,877,042)	(783,486)	22,330	5,463	(40,426)	(2,673,161)
Net total		26,917,128	(565,986)	(7,274)	92,373	341,011	26,777,252

(Amounts in thousands of Reais - R$, except as mentioned otherwise)

	Consolidated								
	Useful life range (years)	December 31, 2019	Control acquisition	Additions	Write-offs	Reversal (provision) of impairment	Transfers	Other changes including exchange rate variation	September 30, 2020
Cost value:									
Software	2.5 to 10	1,313,090	291,239	113,964	(6,934)	-	153,412	176,825	2,041,596
Trademarks and patents (Definite useful life)	24 to 25	116,805	517,592	-	-	-	-	252,370	886,767
Trademarks and patents (Indefinite useful life)	-	2,171,585	1,893,224	-	-	-	-	1,540,997	5,605,806
Goodwill Avon	-	-	11,027,510	-	-	-	-	4,301,703	15,329,213
Goodwill Emeis Brazil Pty Ltd.	-	100,237	-	-	-	-	-	42,752	142,989
Goodwill The Body Shop	-	1,434,369	-	8,155	-	-	-	528,477	1,971,001
Goodwill acquisition of The Body Shop stores	-	1,456	-	-	-	-	-	-	1,456
Relationship with retail clients	10	1,987	-	-	-	-	-	832	2,819
Key money (indefinite useful life)	-	17,801	-	-	-	1,890	7,293	2,873	29,857
Key money (Definite useful life)	3 to 18	12,447	-	-	-	-	(3,559)	4,098	12,986
Relationship with franchisees and sub franchisees and sales representative	14 to 15	602,958	1,876,169	-	-	-	-	956,504	3,435,631
Technology developed (by acquired subsidiary)	-	-	1,131,573	-	-	-	-	443,587	1,575,160
Other intangible assets	2 to 10	110,288	-	66,631	(15,020)	-	(149,472)	16,705	29,132
Total cost		**5,883,023**	16,737,307	188,750	(21,954)	1,890	7,674	8,267,723	31,064,413
Accumulated amortization:									
Software		(649,347)	-	(270,355)	43	-	(3,643)	(32,816)	(956,118)
Trademarks and patents		(44,108)	-	(28,436)	-	-	-	(16,945)	(89,489)
Key money		(2,197)	-	(387)	-	-	(750)	(2,735)	(6,069)
Relationship with retail clients		(1,939)	-	(183)	-	-	-	(679)	(2,801)
Relationship with franchisees and sub franchisees		(95,772)	-	(229,200)	-	-	-	(60,613)	(385,585)
Technology developed		-	-	(212,416)	-	-	-	(23,647)	(236,063)
Other intangible assets		(13,159)	-	(6,021)	15,020	-	-	(4,094)	(8,254)
Total accumulated amortization		**(806,522)**	-	(746,998)	15,063	-	(4,393)	(141,529)	(1,684,379)
Net total		**5,076,501**	16,737,307	(558,248)	(6,891)	1,890	3,281	8,126,194	29,380,034

(Amounts in thousands of Reais - R$, except as mentioned otherwise)

18. LEASE

a) Right of use

	Consolidated						
	Useful life range (years) (a)	December 31, 2020	Additions	Write-offs	Transfers (b)	Other changes including exchange rate variation	September 30, 2021
Cost value:							
Vehicles	3	157,867	26,883	(22,264)	-	(2,195)	160,291
Machinery and equipment	3 to 10	53,048	3,669	(22,376)	-	589	34,930
Buildings	3 to 10	1,616,833	176,085	(360,386)	3,082	(23,058)	1,412,556
IT equipment	10	30,000	3,527	(1,939)	-	2,593	34,181
Retail stores	3 to 10	3,338,104	344,538	(419,702)	3,888	45,724	3,312,552
Tools and accessories	3	3,187	255	(2,532)	-	119	1,029
Total cost		5,199,039	554,957	(829,199)	6,970	23,772	4,955,539
Accumulated depreciation:							
Vehicles		(63,422)	(42,214)	19,830	-	1,515	(84,291)
Machinery and equipment		(21,045)	(9,434)	13,488	-	126	(16,865)
Buildings		(399,765)	(209,593)	145,082	(3,082)	9,821	(457,537)
IT equipment		(19,161)	(6,506)	1,898	-	(515)	(24,284)
Retail stores		(1.291,346)	(470,749)	407,065	-	18,568	(1,336,462)
Tools and accessories		(2,253)	(548)	2,448	-	(88)	(441)
Total accumulated depreciation		(1,796,992)	(739,044)	589,811	(3,082)	29,427	(1,919,880)
Net total		3,402,047	(184,087)	(239,388)	3,888	53,199	3,035,659

(Amounts in thousands of Reais - R$, except as mentioned otherwise)

	Consolidated							
	Useful life range (years) (a)	December 31, 2019	Subsidiary Acquisition	Additions	Write-offs	Transfers (b)	Other changes including rate variation(c)	September 30, 2020
Cost value:								
Vehicles	3	40,018	42,467	58,340	(431)	-	12,835	153,229
Machinery and equipment	3 to 10	15,578	14,034	3,199	-	-	11,236	44,047
Buildings	3 to 10	784,900	489,739	112,121	(12,811)	-	263,951	1,637,900
IT equipment	10	283	18,429	5,187	-	-	7,147	31,046
Retail stores	3 to 10	2,350,377	-	267,458	(8,660)	(3,734)	945,525	3,550,966
Tools and accessories	3	2,803	-	-	-	-	1,032	3,835
Total cost		**3,193,959**	564,669	446,305	(21,902)	(3,734)	1,241,726	5,421,023
Accumulated depreciation:								
Vehicles		(8,109)	-	(39,409)	188	-	(3,774)	(51,104)
Machinery and equipment		(4,317)	-	(10,733)	-	-	(2,943)	(17,993)
Buildings		(97,190)	-	(217,238)	11,283	-	(39,648)	(342,793)
IT equipment		(214)	-	(15,820)	-	-	(1,859)	(17,893)
Retail stores		(463,332)	-	(462,510)	4,213	759	(221,919)	(1,142,789)
Tools and accessories		(936)	-	(702)	-	-	(437)	(2,075)
Total accumulated depreciation		**(574,098)**	-	(746,412)	15,684	759	(270,580)	(1,574,647)
Net total		**2,619,861**	564,669	(300,107)	(6,218)	(2,975)	971,146	3,846,376

a) The useful lives applied refer to the term of the contracts in which the Company is sure that it will use the assets underlying the lease agreements according to the contractual terms.
b) Refers to key money related to store rentals. This amount is transferred from right of use to intangible assets when a new commercial agreement with the lessor is not yet signed, until the conclusion of the negotiations.
c) Regarding the amounts that resulted from the changes in the lease agreements previously entered, such as term, amounts and fees.

(Amounts in thousands of Reais - R$, except as mentioned otherwise)

	Consolidated	
	September 30, 2021	September 30, 2020
Amounts recognized in the statement of income for the nine-month periods ended September 30, 2021 and 2020:		
Financial expense on lease	151,310	178,939
Amortization of right of use	739,044	746,412
Recognition in the result of variable lease installments not included in the measurement of lease liabilities	45,816	27,727
Sublease revenue	(22,850)	(24,516)
Short-term lease expenses and low-value assets	62,116	68,355
Benefits granted by lessor related to Covid-19	(59,576)	(35,097)
Other expenses related to lease	42,815	27,660
Total	958,675	989,480
Amounts recognized in the financing cash flow statement activities:		
Lease payment (principal amount)	850,424	574,000
Values recognized in the operating cash flow statement activities:		
Lease payment (interest)	159,803	187,649
Variable lease payments not included in the measurement of lease liabilities	28,888	7,674
Short-term lease and low-value assets payments	52,582	56,402
Other lease-related payments	67,856	32,242
Total	1,159,553	857,967

b) Lease liabilities

	Consolidated	
	September 30, 2021	December 31, 2020
Current	981,192	1,059,661
Non-Current	2,514,603	2,798,794
Total	3,495,795	3,858,455

Below are the changes in lease liability balances for the nine-month periods ended September 30, 2021 and 2020:

	Consolidated
Balance as of December 31, 2019	2,517,565
New agreements	430,263
Acquisition of subsidiary	777,200
Payments (principal amount)	(574,000)
Payments (interest)	(187,649)
Recognition of financial charges	178,939
Write-offs [(a)]	(4,776)
Exchange rate variation	1,044,297
Balance as of September 30, 2020	4,181,839
Balance as of December 31, 2020	3,858,455
New agreements	518,834
Payments (principal amount)	(850,424)
Payments (interest)	(159,803)
Recognition of financial charges	151,310
Write-offs [(a)]	(90,434)
Exchange rate variation	(67,857)
Balance as of September 30, 2021	3,495,795

a) Mainly related to termination of agreements related to lease of stores.

(Amounts in thousands of Reais - R$, except as mentioned otherwise)

The maturities of the balance of non-current lease liabilities are shown below:

	Consolidated	
	September 30, 2021	December 31, 2020
2022	436,428	419,240
2023	655,951	408,977
2024 onwards (as of December 31, 2020)	534,252	406,572
2025 onwards	887,972	1,564,005
Total	2,514,603	2,798,794

19. BORROWING, FINANCING AND DEBENTURES

	Re.:	Company		Consolidated	
		September 30, 2021	December 31, 2020	September 30, 2021	December 31, 2020
Raised in local currency					
Financing Agency for Studies and Projects (FINEP)		-	-	51,462	73,076
Debentures	A	-	-	1,882,149	4,042,515
The Brazilian Development Bank (BNDES)		-	-	-	7,789
BNDES – Special Agency for Industrial Financing (FINAME)		-	-	-	15
Promissory Notes [1]		-	515,966	-	773,949
Working capital – Mexico Operation		-	-	5,820	14,453
Working capital – The Body Shop Operation	E	-	-	741,805	500,835
Working capital – Avon Operation		-	-	204,767	145,495
Notes – Avon [2]	B	-	-	4,100,833	4,033,682
Total in local currency		-	515,966	6,986,836	9,591,809
Raised in foreign currency		-			
The Brazilian Development Bank (BNDES)		-	-	-	1,639
Notes	C	-	-	5,433,713	3,969,226
Resolution No. 4131/62	D	-	-	273,272	260,239
Total in foreign currency		-	-	5,706,985	4,231,104
Grand total		-	515,966	12,693,821	13,822,913
Current		-	515,966	1,155,701	3,805,649
Non-Current		-	-	11,538,120	10,017,264

[1] On April 15, 2021, the Company and its subsidiary Natura Cosméticos redeemed the total principal amount due under their respective promissory notes, equivalent to R$500,000 of the Company and R$250,000 of the subsidiary Natura Cosméticos.

[2] Balances recorded for their estimated fair value resulting from business combination with the subsidiary Avon.

(Amounts in thousands of Reais - R$, except as mentioned otherwise)

Reference:	Currency	Maturity	Charges	Effective interest rate	Guarantees
A	Real	August 2024	Interest of 110.5% to 112% of the CDI, and 1.75% + CDI, 1.00% + CDI and 1.15% + CDI, with maturities in September 2021, September 2022 and August 2024.	113.8% - 113.9% CDI+1.15% - CDI+1.79%	None.
B	Dollar	March 2023 and March 2043	Interest of 6.45% p.a. and Interest of 8.45% p.a.	Interest of 6.45% p.a. and Interest of 8.45% p.a.	None.
C	Dollar	May 2028	Interest of 4.125% per annum	5.79%	Natura &Co Holding Approval
D	Dollar	May 2022	Libor + interests of 1.1% per annum	Libor + interest of 1.1% per annum	Guarantee from the subsidiary Indústria e Comércio de Cosméticos Natura Ltda..
E	Pounds	April 2024	Libor + interest of 2.9% per annum	Libor + interest of 2.9% per annum	Guarantee from the subsidiary Natura Cosméticos S.A. until December 2021 and Guarantee from the Company from January 2022 on.

Below are the changes in the balances of borrowing, financing and debentures for the nine-month periods ended September 30, 2021 and 2020:

	Company	Consolidated
Balance as of December 31, 2019	**2,883,382**	**10,786,374**
Acquisition of subsidiary	-	7,250,735
New borrowing and financing	500,000	1,356,643
Payment [(a)]	(2,323,777)	(2,815,881)
Recognition of financial charges	51,078	824,394
Financial charges payment	(21,678)	(1,153,705)
Exchange rate variation (unrealized)	-	1,317,297
Exchange rate variation (realized)	-	5,320
Translation effects (other comprehensive income)	-	2,946,860
Balance as of September 30, 2020	1,089,005	20,518,037
Balance as of December 31, 2020	**515,966**	13,822,913
New borrowing and financing [(b)]	-	6,323,642
Payment [(c)]	(497,879)	(7,609,157)
Recognition of financial charges	7,918	481,861
Financial charges payment	(26,005)	(657,049)
Exchange rate variation (unrealized)	-	130,756
Translation effects (other comprehensive income)	-	200,855
Balance as of September 30, 2021	-	12,693,821

a) It mainly refers to the partial optional early redemption of the First Series Commercial Papers in the amount of R$1,830 million on January 14, 2020.

b) New borrowing and financing raised within the nine-month period ended September 30, 2021 basically refer to the offer carried out by subsidiary Natura Cosméticos S.A. of the notes linked to the sustainability goals in the approximate amount of US$1 billion (see note 19.1.v) and the new credit facility in the amount of up to £100 million (one hundred million pounds) obtained by subsidiary The Body Shop (see note 19.1.i).

c) The repayment made in the nine-month period ended September 30, 2021 mainly refer to the early redemption of Notes of subsidiary Natura Cosméticos S.A.in the amount of US$750,000, carried out in May 2021 (see note 19.1.ii), and the settlements of the 2nd series of the 7th issue of debentures in the amount of R$1,827 million and the 2nd series of the 9th issue of debentures in the amount of R$308 million, both carried out in September 2021.

(Amounts in thousands of Reais - R$, except as mentioned otherwise)

The maturities of the non-current portion of borrowing, financing and debentures liabilities are as follows:

	Consolidated	
	September 30, 2021	December 31, 2020
2022	2,989	586,002
2023	2,746,365	6,306,782
2024 onwards (as of December 31, 2020)	3,413,414	3,124,480
2025 onwards	5,375,352	-
Total	11,538,120	10,017,264

19.1 Description of the main changes in bank borrowing and financing

i) Working capital – The Body Shop

On June 30, 2021, subsidiary The Body Shop had a credit facility of up to £70 million (seventy million pounds), corresponding to R$694,004 (R$500,835 as of December 31, 2020), guaranteed by subsidiary Natura Cosméticos S.A., which could be withdrawn in installments to meet subsidiary The Body Shop's short-term financing needs. This facility was used by the subsidiary during the first quarter of 2021, to reinforce its working capital and liquidity needs (with annual interest payment of Libor + 2%). This facility was paid in March 2021.

On April 23, 2021, subsidiary The Body Shop International Limited contracted a facility agreement with UK Export Finance and HSBC Bank PLC in the amount of £100 million (one hundred million pounds) with guarantee from the Company and its subsidiary (Natura Cosméticos S.A.), which was fully used by September 30, 2020. This facility agreement will be increased at the Libor rate + 2.9% per annum, with maturity dates for payment of principal and interest in December 2021, April 2023 and April 2024.

ii) Notes (debt securities)

On May 21, 2021, the full optional early redemption of the Company's Notes occurred, which were issued in 2018 by subsidiary Natura Cosméticos S.A. in the amount of US$750,000, and the derivative instruments used for covering the respective risks were settled.

iii) ESG Notes

On May 4, 2021, Natura Cosméticos concluded the offer of the notes linked to the sustainability goals of 4.125% with maturity on May 3, 2028 ("ESG Notes") in the total principal amount of US$1.0 billion, and these are guaranteed by the Company. For this offer of notes, derivative instruments were contracted for foreign exchange hedging purposes.

The goals to be met until 2026 include the reduction of greenhouse gases by 13% and the use of recycled plastic in products packing at least 25% of which there are no current indicators of non-compliance.

Accrued costs related to the issuance of the Company's debt securities ("notes") for the period ended September 30, 2021 was R$ 6,063, recorded monthly in the financial expenses item in accordance with the term of the respective issues. The balance of issue costs to be appropriated on June 30, 2021 is R$ 97,307.

19.2 Contractual covenants

The contractual covenants associated with the debt contracts of the Company establish the maintenance of minimum financial indicators resulting from the ratio of the division of the net treasury debt by the EBITDA of the last 12 months, as well as non-financial indicators according to each contract. As of September 30, 2021, and December 31, 2020, the Company was in compliance with such covenants.

(Amounts in thousands of Reais - R$, except as mentioned otherwise)

20. TRADE ACCOUNTS PAYABLES AND REVERSE FACTORING OPERATIONS

	Company		Consolidated	
	September 30, 2021	December 31, 2020	September 30, 2021	December 31, 2020
Domestic trade accounts payables	3,598	4,748	5,124,079	5,462,377
Foreign trade accounts payables [(a)]	2,394	4,945	883,797	1,014,356
Subtotal	5,992	9,693	6,007,876	6,476,733
Reverse factoring operations [(b)]	-	-	293,190	297,472
Total	5,992	9,693	6,301,066	6,774,205

a) Refer to imports mainly denominated in US dollar, Euro and pounds.

b) The Company has contracts signed with Banco Itaú Unibanco S.A. to directly structure a reverse factoring operation with the Company's main suppliers. Further details on these operations are included in note 3.16 of the financial statements of the Company for the year ended December 31, 2020.

21. TAX LIABILITIES

	Company		Consolidated	
	September 30, 2021	December 31, 2020	September 30, 2021	December 31, 2020
ICMS (ordinary)	-	-	89,846	134,165
ICMS-ST provision [(a)]	-	-	57,642	61,521
Taxes on invoicing – foreign subsidiaries[(b)]	-	-	268,576	364,291
Withholding tax (IRRF)	-	828	118,269	131,368
Other taxes payable - foreign subsidiaries[(c)]	-	-	109,968	48,365
Income tax on financial transactions	229	468	16,627	15,943
PIS and COFINS payable	237	11,857	237	11,857
INSS (Brazilian Social Security Institute) and ISS (Tax on Services)	-	-	35,551	32,954
Other	-	-	7,415	94,357
Total	466	13,153	704,131	894,821
Current	466	13,153	592,672	785,367
Non-Current	-	-	111,459	109,454

a) The Company's subsidiaries have been discussing the illegality of changes in the state legislation for the payment of ICMS - ST. Part of the amount recorded as tax payable but not yet paid is being discussed in court by the Company's subsidiaries, and in some cases, the amounts are deposited in court, as mentioned in note 12.

b) Relates to foreign subsidiaries sales taxes

c) Relates to foreign subsidiaries taxes other than sales taxes

(Amounts in thousands of Reais - R$, except as mentioned otherwise)

22. PROVISION FOR TAX, CIVIL AND LABOR RISKS

22.1 Contingencies with risk of loss assessed as probable

The changes in tax, civil and labor risks and contingent liabilities is presented below:

	Consolidated									
	Tax		Civil		Labor		Business Combination		Total	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Balance on January 1st	931,771	127,842	78,397	30,653	251,339	61,571	797,693	-	2,059,200	220,066
Acquisition of subsidiary [(1)]	-	657,647	-	51,263	-	164,091	-		-	873,001
Additions	82,193	93,352	63,265	168,794	60,585	32,710	1,587	-	207,630	294,856
Reversals [(2)]	(77,240)	(46,203)	(17,817)	(26,292)	(23,365)	1,853	(153,187)	-	(271,609)	(70,642)
Payments	(9,537)	(53,890)	(8,709)	(15,681)	(32,656)	(38,772)	-	-	(50,902)	(108,343)
Inflation adjustment	5,669	3,508	677	3,799	5,959	5,110	26,889	-	39,194	12,417
Exchange rate variation	(22,611)	102,379	(1,132)	26,109	2,530	30,669	(9,179)	-	(30,392)	159,157
Transfers [(3)]	(12,439)	(336)	12,976	(30)	(1,270)	1,641	-	-	(733)	1,275
Balance on September 30th	897,806	884,299	127,657	238,615	263,122	258,873	663,803	-	1,952,388	1,381,787
Current									65,616	183,021
Non-Current									1,886,772	1,198,766

(1) Balances recorded at estimated fair value resulting from business combinations with subsidiary Avon.

(2) On September 30, 2021, we had reversals of contingent liabilities of subsidiary Avon Brasil, arising from the business combination, due to adherence to tax amnesty processes in some states in Brazil.

(3) Balance arising from other obligations of subsidiary Avon, related to reclassifications of processes previously recognized as contingent liabilities to other accounts payable.

22.1.1 Collection Action (Flora Medicinal)

The collection action aims at the payment of additional amount (earn-out) resulting from the acquisition of the share control at Flora Medicinal and the payment of contractual fine of 10% of the total transaction amount. Although the Company assesses that there was no non-compliance, the action was granted in the higher court. Natura's appeal is pending judgment.

As a result of this decision and according to the prognosis made by the external counsel, the Company recognized a provision for civil contingencies in the amount of R$27,630 during the quarter ended September 30, 2021.

22.1.2 Civil and other

Talc-related disputes

Subsidiary Avon International was included as a defendant (jointly with other manufacturers of cosmetics and other products that, opposite to those manufactured by Avon, were produced with asbestos) in personal injury proceedings filed in the courts of the United States. As of September 30, 2021, there were 152 individual cases pending against Avon International. During the nine-month period ended September 30, 2021, 33 cases were shelved and 10 were dismissed or settled. The value of the settlements was not material, either individually or in the aggregate, to the Company's or subsidiary Avon International operational results.

As of September 30, 2021, the Company is party to civil, commercial, and other actions and proceedings, mainly related to indemnity claims. Provisions are periodically reviewed based on the evolution of proceedings and the evolution of case law to reflect the best estimate.

(Amounts in thousands of Reais - R$, except as mentioned otherwise)

22.1.3 Labor

On September 30, 2021, the Company's subsidiaries are parties to labor claims filed by former employees and service providers, mainly related to the payment of severance pay, overtime, additional salary and amounts due to subsidiary liability and discussion about the recognition of a possible employment relationship. None of these processes is relevant in isolation. Provisions are periodically reviewed based on the evolution of lawsuits and the history of losses from labor claims to reflect the best estimate.

22.2 Contingent liabilities for which a probability of loss is assessed as possible

The contingent liabilities for which the probability of disbursing funds that incorporate economic benefits is assessed as possible are presented below:

	Consolidated	
	September 30, 2021	December 31, 2020
Tax	9,300,041	9,205,601
Civil	143,157	133,302
Labor	235,249	220,648
Total contingent liabilities	9,678,447	9,559,551

22.3 Shareholder disputes

On February 14, 2019, a shareholder's class action complaint was filed in the United States District Court for the Southern District of New York against Avon and certain former executive officers of Avon. The claim alleges violations of Sections 10 (b) and 20 (a) of the 1934 Securities Exchange Act based on statements that are allegedly false or misleading. During 2020, the parties reached an agreement on a settlement of this class action, including the payment of R$75,352, of which R$10,393 were paid by Avon International and the remainder of the settlement was paid by the insurance companies contracted by Avon International. On August 31, 2020, the court granted a preliminary approval of the settlement, and on February 3, 2021, the court entered an order and judgment granting final approval of the settlement. This is a final decision.

22.4 ICMS on PIS and COFINS base

On May 13, 2021, the Brazilian Federal Supreme Court partially granted the motion to clarify filed by the Federal Government (Extraordinary Appeal No. 574.706/PR), aiming at restricting the effects of the decision, with general repercussion, that the ICMS does not integrate the tax base for purposes of assessment of the Profit Participation Program (PIS) and of the Contribution for the Financing of the Social Security (COFINS) and also determining that (i) the decision should produce effects as of March 15, 2017 (merit judgment), except for the court actions and administrative proceedings filed until such date; and (ii) the ICMS to be excluded from the PIS and COFINS base is the one indicated in the invoices.

As a result of this decision, which settled any doubts regarding the merit, the Company recognized, during the current fiscal year, the credits arising from such discussion in the amount of R$135,297.

(Amounts in thousands of Reais - R$, except as mentioned otherwise)

23. OTHER LIABILITIES

	Consolidated	
	September 30, 2021	December 31, 2020
Pension and post-retirement benefits and post-employment healthcare plans [a]	751,998	783,184
Deferred revenue from performance obligations with customers [b]	305,753	422,353
Provisions for incentives to consultants	259,032	292,034
Provisions for operating expenses (marketing/technology, etc.) [c]	602,729	535,276
Discontinued operations [d]	205,139	153,140
Provision for store renovation	27,561	99,702
Crer Para Ver [e]	84,020	75,508
Provisions for lease [f]	70,713	70,598
Provision for restructuring [g]	130,680	68,954
Long-term incentives [h]	40,457	52,745
Provision for apportionment of benefits and partnerships payable	6,366	10,005
Other provisions [i]	173,614	373,891
Carbon credits	12,521	5,560
Exclusivity contract	1,199	3,000
Total	2,671,782	2,945,950
Current	1,675,547	1,832,811
Non-Current	996,235	1,113,139

a) As of September 30, 2021, subsidiary Avon International pension plans amounts to R$540,805 and Natura Cosméticos' post-employment healthcare plans amounts to RR141,893 (R$648,990 and R$134,194, respectively, as of December 31, 2020).
b) It refers to the deferred revenue related performance obligations of loyalty programs based on points, sale of gift cards not yet converted into products and programs and events to honor direct selling consultants.
c) It refers to the Company's operating provisions mainly due to expenses with technology services, marketing and advertising etc., to comply with the accrual basis.
d) On December 17, 2015, subsidiary Avon International entered into agreements resulting in the splitting of operations in the United States, Canada and Puerto Rico. These operations were terminated on March 1, 2016. As of this date, the contingent liabilities prior to this operation will be treated as discontinued operations.
e) Social program contribution for developing the quality of education.
f) Refers to the grace period granted by lessors to begin paying the lease of certain retail stores, for lease agreements that were not included in the initial measurement of lease liabilities/right of use of subsidiary The Body Shop, in accordance with the exceptions permitted under CPC 06 (R2) / IFRS 16.
g) Provision for costs directly related to the plan for changes in the organizational structure, mainly of subsidiaries Avon International and The Body Shop.
h) Refers substantially to the variable compensation plans for the executive officers of subsidiary Avon International.
i) Refers to provisions for insurance coverage, indemnities, and long-term contractual obligations.

Post-employment healthcare and pension plans

a) Defined benefit pension and post-retirement plans (Avon)

The actuarial valuation of defined benefit pension and post-retirement plans is updated annually. The most recent valuation of the plan assets and the present value of the defined benefit obligation was performed on December 31, 2020. The significant information and assumptions used in the most recent valuation were presented in note 24 of the Company's financial statements for the year ended December 31, 2020.

b) Post-employment healthcare plan (Natura Cosméticos)

The actuarial valuation of the post-employment healthcare plan is updated annually. The information regarding the most recent evaluation of the post-employment healthcare plan, as well as its significant assumptions and sensitivity analysis, were detailed in the Company's financial statements for the year ended December 31, 2020 in note 24.

24. SHAREHOLDERS' EQUITY

24.1 Treasury shares

On September 30, 2021, item "Treasury shares" has the following composition:

	Number of shares	R$ (in thousands)	Average price per share - R$
Balance as of December 31, 2020	316,701	11,667	38.04
Used	(754,719)	(34,438)	45.63
Acquired	631,358	32,091	50.83
Balance as of September 30, 2021	193,340	9,320	48.21

The minimum and maximum cost of the balance of treasury shares on September 30, 2021 are R$25.00 and R$52.44, respectively.

25. INFORMATION ON SEGMENTS

There was no change in the composition of the operating segments and information by geographic area in relation to that disclosed in the financial statements for the year ended December 31, 2020.

Net revenue by segment is as follows in the nine-month period ended September 30, 2021:

- Natura &Co Latam – 57%
- Avon International – 23%
- TBS International – 14%
- Aesop International – 6%

The following tables summarizes the financial information related to the nine-month periods ended September 30, 2021 and 2020 and the year ended December 31, 2020.

25.1 Operating segments

	September 30, 2021						
		Reconciliation to net income (loss) for the period					
	Net Revenue	Performance assessed by the company	Depreciation and amortization	Financial income	Financial expense	Income tax	Net income (loss)
Natura &Co Latam	16,271,104	1,833,439	(638,504)	2,745,357	(3,236,076)	(95,244)	620,643
Avon International [1]	6,621,199	(6,465)	(635,225)	310,631	(448,591)	121,022	(658,628)
The Body Shop [1]	3,927,882	625,205	(571,614)	27,930	(90,800)	(201,566)	(222,519)
Aesop International [1]	1,701,279	382,524	(214,298)	11,334	(37,549)	(43,053)	98,958
Corporate expenses	-	(452.676)	-	43,713	(52,371)	968,171	506,836
Consolidated	**28,521,464**	**2,382,027**	**(2,059,641)**	**3,138,965**	**(3,865,387)**	**749,330**	**345,290**

(Amounts in thousands of Reais - R$, except as mentioned otherwise)

	September 30, 2020						
	Reconciliation to net income (loss) for the period						
	Net Revenue	Performance assessed by the company	Depreciation and amortization	Financial income	Financial expense	Income tax	Net income (loss)
Natura &Co Latam	14,221,703	1,652,906	(699,979)	2,631,285	(2,958,353)	(305,532)	320,329
Avon International [1]	6,228,871	155,604	(589,821)	628,130	(1,063,566)	(12,807)	(882,460)
The Body Shop [1]	3,257,045	586,927	(554,948)	51,953	(104,981)	(70,912)	(91,961)
Aesop International [1]	1,217,085	334,984	(95,996)	18,323	(49,603)	(30,248)	77,460
Corporate expenses	-	(549,660)	(109)	224,819	(164,496)	226,738	(262,708)
Consolidated	24,924,704	2,180,761	(2,040,853)	3,554,510	(4,340,999)	(192,761)	(839,340)

	September 30, 2021				December 31, 2020			
	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Non-current assets	Total assets	Current liabilities	Non-current liabilities
Natura &Co Latam	**18,329,649**	27,421,054	7,907,172	8,991,554	20,228,016	30,706,123	9,349,461	9,060,600
Avon International [1]	**14,013,531**	17,161,763	2,516,399	5,286,197	12,486,733	16,036,743	3,467,099	5,625,774
The Body Shop [1]	**7,863,584**	10,431,431	1,751,078	2,410,394	7,821,884	10,474,191	2,291,459	1,812,991
Aesop International [1]	**1,420,445**	2,291,388	540,712	619,227	1,395,628	2,148,869	488,662	618,531
Corporate expenses	**(72,364)**	1,329,640	31,695	716,289	250,516	1,551,671	562,905	253,007
Consolidated	**41,554,845**	**58,635,276**	**12,747,056**	**18,023,661**	42,182,777	60,917,597	16,159,586	17,370,903

[1] The operations of these segments located in Latin American countries (Latam) are presented in the Natura &Co Latam segment.

25.2 Net revenue and non-current assets by geographic region

	Net revenue		Non-current assets	
	September 30, 2021	September 30, 2020	September 30, 2021	December 31, 2020
Asia	2,632,429	1,871,652	911,972	768,878
North America	4,501,868	3,412,825	7,343,458	5,939,728
Mexico	2,914,665	2,218,252	4,477,434	3,263,833
Other	1,587,204	1,194,573	2,866,024	2,675,896
South America	12,564,682	11,432,118	13,714,694	14,810,020
Brazil	7,574,369	7,790,994	11,597,409	12,159,245
Argentina	2,049,476	1,378,877	979,169	1,041,392
Other	2,940,837	2,262,247	1,138,116	1,609,383
Europe, Middle East and Africa (EMEA)	8,298,193	7,761,848	18,564,222	19,615,198
United Kingdom	3,060,763	2,688,076	11,855,328	17,059,017
Other	5,237,430	5,073,772	6,708,894	2,556,181
Oceania	524,292	446,261	1,020,499	1,048,953
Consolidated	28,521,464	24,924,704	41,554,845	42,182,777

No individual or aggregate customer (economic group) represents more than 10% of the Company's net revenue.

(Amounts in thousands of Reais - R$, except as mentioned otherwise)

26. REVENUE

	Consolidated	
Taxable gross revenue:	**September 30, 2021**	September 30, 2020
Domestic market	10,227,208	10,930,396
Foreign market	25,643,415	21,125,942
Other sales	419,380	378,969
Subtotal	**36,290,003**	**32,435,307**
Returns and cancellations	(421,889)	(440,856)
Commercial discounts and rebates	(740,461)	(659,446)
Taxes on sales	(6,606,189)	(6,410,301)
Subtotal	**(7,768,539)**	**(7,510,603)**
Total revenue	**28,521,464**	**24,924,704**

(Amounts in thousands of Reais - R$, except as mentioned otherwise)

27. OPERATING EXPENSES AND COST OF SALES

	Company		Consolidated	
Breakdown by function	September 30, 2021	September 30, 2020	September 30, 2021	September 30, 2020
Cost of sales	-	-	9,953,824	8,949,669
Selling, marketing and logistics expenses	-	-	12,120,851	10,611,388
Administrative, R&D, IT and project expenses	96,946	45,585	5,234,795	4,170,824
Total	96,946	45,585	27,309,470	23,731,881
Breakdown by nature				
Cost of sales	-	-	9,953,824	8,949,669
Raw material/packaging material/resale	-	-	8,987,747	7,519,977
Employee benefits expense (note 28)	-	-	421,890	459,755
Depreciation and amortization	-	-	170,768	151,185
Other	-	-	373,419	818,752
Selling, marketing and logistics expenses	-	-	12,120,851	10,611,388
Logistics costs	-	-	1,929,901	1,758,479
Employee benefits expense (note 28)	-	-	3,346,570	2,953,759
Marketing, sales force and other selling expenses	-	-	5,853,846	4,916,482
Depreciation and amortization	-	-	990,534	982,668
Administrative, R&D, IT and project expenses	96,946	45,585	5,234,795	4,170,824
Innovation expenses		-	190,812	179,138
Employee benefits expense (note 28)	84,005	37,103	2,245,682	1,767,369
Other administrative expenses	12,820	8,482	1,907,912	1,317,317
Depreciation and amortization	120	-	890,389	907,000
				-
Total	96,946	45,585	27,309,470	23,731,881

28. EMPLOYEE BENEFITS

	Company		Consolidated	
	September 30, 2021	September 30, 2020	September 30, 2021	September 30, 2020
Payroll, profit sharing and bonuses	20,111	19,691	4,388,799	3,826,718
Supplementary pension plan	-	-	186,157	143,185
Share-based payments	36,176	8,263	205,030	104,865
Charges on restricted shares	18,310	4,242	31,063	49,182
Healthcare, food, and other benefits	1,216	-	524,765	456,457
Charges, taxes and social contributions	1,632	144	528,851	460,065
INSS	6,560	4,763	149,477	140,411
Total	84,005	37,103	6,014,142	5,180,883

28.1 Share-based payments

The information regarding the Company's share-based payments was presented in note 29 of the Company's financial statements for the year ended December 31, 2020.

The variations in the number of outstanding share purchase options and their related weighted-average prices for the year, as well as variations in the number of restricted shares are as follows:

(Amounts in thousands of Reais - R$, except as mentioned otherwise)

	Purchase Options and Strategy Acceleration Plan
	Options (thousands)
Balance as of December 31, 2020	**17,245**
Granted	1,100
Canceled / Exercised	(3,747)
Balance as of September 30, 2021	14,598

	Restricted share (thousands)	Performance shares (thousands)
Balance as of December 31, 2020	**6,960**	**3,808**
Granted	3,358	3,365
Canceled / Exercised	(4,598)	(1,773)
Balance as of September 30, 2021	5,720	5,400

The expense related to the fair value of the options and restricted shares, including the charges related to the restricted shares, recognized in the nine-month period ended September 30, 2021, according to the period elapsed for the acquisition of the right to exercise the options and restricted shares, amounted to R$36,176 and R$205,030 at the Company and consolidated (R$8,263 and R$104,865 as of September 30, 2020), respectively.

The options to purchase outstanding shares and restricted shares at the end of the nine-month period ended September 30, 2021 have the following maturity dates and strike prices:

As of September 30, 2021 - Stock option

Grant date	Conditions for acquisition of right as of the grant date	Strike price (R$)	Fair value (R$)	Existing options (thousands)	Remaining contractual life (years)	Exercisable options (thousands)
March 17, 2014	2 to 4 years of service	27.14	4.27	82	0.7	82
March 16, 2015	2 to 4 years of service	13.47	4.85 to 5.29	104	1.7	104
July 28, 2015 (Strategy acceleration)	4 to 5 years of service	12.77	6.20 to 6.23	495	2.1	495
March 15, 2016	2 to 4 years of service	12.71	7.16 to 7.43	93	2.7	93
July 11, 2016 (Strategy acceleration)	4 to 5 years of service	11.28	6.84 to 6.89	1,650	3.1	1,650
March 10, 2017	2 to 4 years of service	12.46	6.65 to 6.68	378	3.7	378
March 10, 2017 (Strategy acceleration)	4 to 5 years of service	12.46	6.87 to 6.89	2,000	3.7	895
March 12, 2018	2 to 4 years of service	16.83	7.96 to 8.21	1,565	4.8	953
March 12, 2018 (Strategy acceleration)	3 to 5 years of service	12.04 a 16.83	8.21 to 9,67	3,800	4.8	950
April 12, 2019	3 to 4 years of service	23.41	11.71 to 11,82	1,431	5.9	411
April 12, 2019 (Strategy acceleration)	4 to 5 years of service	23.41	11.51 to 11.71	1,900	5.9	-
March 31, 2021	4 to 5 years of service	48.98	29.45	1,100	9.9	-
				14,598		**6,011**

As of September 30, 2021 - Restricted shares

Grant date	Conditions for acquisition of right as of the grant date	Existing shares (thousands)	Fair value (R$)	Remaining contractual life (years)
March 12, 2018 – Plan I	2 to 4 years of service	236	15.18 a 15.9	0.7
August 13, 2018 – Extraordinary Plan VI	2 to 4 years of service	25	12.24 a 13.13	1.1
April 12, 2019 – Plan I	2 to 4 years of service	596	21.62 a 22.53	1.8
April 12, 2019 – Plan II	1 to 3 years of service	156	22.14 a 22.85	1.8
March 27, 2020 – Co-Investment Plan	1 to 3 years of service	1,368	29.00	1.8
March 31, 2021	1 to 3 years of service	3,339	49.89	2.8
		5,720		

(Amounts in thousands of Reais - R$, except as mentioned otherwise)

As of September 30, 2021 – Performance shares

Grant date	Conditions for acquisition of right	Existing shares (thousands) [1]	Fair value (R$)	Remaining contractual life (years)	Shares not delivered (thousands)
May 21, 2019	3 to 4 years of service as of the grant date and the date on which the performance conditions are met	584	23.10 a 45.70	1.7	584
September 29, 2020	3 to 4 years of service	1,494	73.46	3.3	1,494
March 31, 2021	3 to 4 years of service	3,322	50.89	3.8	3,322
		5,400			5,400

As of September 30, 2021, the market price was R$45.57 (R$51.12 as of September 30, 2020) per share.

29. FINANCE INCOME (EXPENSES)

	Company		Consolidated	
	September 30, 2021	September 30, 2020	September 30, 2021	September 30, 2020
FINANCE INCOME:				
Interest on short-term investments	15,759	21,220	199,149	119,652
Gains on monetary and exchange rate variations [(a)]	3,640	7,576	1,452,753	912,609
Gains on swap and forward transactions [(c)]	-	-	1,385,452	2,218,768
Gains on market value adjustment of swap and forward derivatives	-	-	12,308	3,821
Reversal of the monetary inflation of the provision for tax risks and tax liabilities	-	-	-	42,378
Hyperinflationary economy adjustment (Argentina)	-	-	58,070	32,429
Debt structuring revenue for acquisition of Avon	-	186,511	-	186,511
Other finance income	11,382	3,744	31,233	38,342
Subtotal	30,781	219,051	3,138,965	3,554,510
FINANCE EXPENSES:				
Interest on financing (*)	(7,918)	(11,549)	(481,861)	(703,605)
Interest on lease	-	-	(151,310)	(178,939)
Losses on monetary and exchange rate variations (*) (b)	(333)	(7,617)	(1,566,810)	(2,192,236)
Losses on swap and forward transactions (d)	-	-	(1,149,871)	(952,904)
Losses on market value adjustment of swap and forward derivatives	-	-	(20,182)	(9,389)
Adjustment of provision for tax, civil and labor risks and tax liabilities	-	-	(51,057)	(12,487)
Recognition of new borrowing and financing costs (Debentures/Notes)	-	-	(22,872)	(8,452)
Interest on pension plan	-	-	(7,334)	(22,973)
Hyperinflationary economy adjustment (Argentina)	-	-	(65,133)	(9,116)
Debt structuring expense for Avon acquisition	-	(112,277)	-	(112,277)
Other finance expenses	(12,113)	(17,205)	(348,956)	(138,621)
Subtotal	(20,364)	(148,648)	(3,865,387)	(4,340,999)
Finance income (expenses), net	10,417	70,403	(726,422)	(786,489)

(*) From the original amounts presented as of September 30, 2020, R$153,824 from finance expenses and R$32,429 from finance income were reclassified between lines to give a better disclosure in the respective groups. Note that this reclassification does not impact the subtotal amount originally presented as finance income/expenses.

(Amounts in thousands of Reais - R$, except as mentioned otherwise)

The purpose of the breakdowns below is to explain more clearly the foreign exchange hedging transactions contracted by the Company and the related balancing items recorded in the income statement shown in the previous table:

	Company		Consolidated	
	September 30, 2021	September 30, 2020	September 30, 2021	September 30, 2020
(a) Gains on monetary and exchange rate variations	3,640	7,576	1,452,753	912,609
Gains on exchange rate variation on borrowings	-	-	767,395	259,963
Exchange rate variation on imports	-	-	28,306	23,998
Exchange rate variation on export receivables	-	-	80,544	60,884
Exchange rate variation on accounts payable in foreign subsidiaries	3,640	7,576	257,400	290,188
Exchange rate variations on bank accounts in foreign currency	-	-	319,108	277,576
(b) Losses on monetary and exchange rate variations	(333)	(7,617)	(1,566,810)	(2,192,236)
Losses on exchange rate variation on borrowings (i)	-	-	(869,464)	(1,524,471)
Exchange rate variation on imports	-	-	(26,648)	(53,345)
Exchange rate variation on export receivables	-	-	(103,743)	(20,264)
Exchange rate variation on accounts payable in foreign subsidiaries	(333)	(7,617)	(228,544)	(286,557)
Monetary variations on financing	-	-	(338,411)	(307,599)
(c) Gains on swap and forward transactions	-	-	1,385,452	2,218,768
Revenue from swap exchange coupons (*ii*)	-	-	498,183	352,581
Gains on exchange rate variations on swap instruments (*ii*)	-	-	887,269	1,866,187
(d) Losses on swap and forward transactions	-	-	(1,149,871)	(952,904)
Losses from exchange rate variation on swap instruments (*ii*)	-	-	(766,233)	(612,503)
Financial costs of swap instruments (*ii*)	-	-	(383,638)	(334,181)
Losses with exchange rate variation of forward instruments	-	-	-	(6,220)

(i) See comment on finance expenses reclassification in the previous table.

(ii) The original amounts presented in these lines as of September 30, 2020 were reclassified to give a better disclosure in the respective gains (R$ 202,005) and losses (R$ 380,990) on swaps and forward transactions groups. This reclassification does not impact the subtotal amounts of the respective groups or any line presented in the finance income/expenses tables originally presented and included in the previous table.

(Amounts in thousands of Reais - R$, except as mentioned otherwise)

30. OTHER OPERATING INCOME (EXPENSES), NET

	Company		Consolidated	
	September 30, 2021	September 30, 2020	September 30, 2021	September 30, 2020
Other operating income, net				
Result on write-off of property, plant and equipment	-	-	17,584	9,911
ICMS-ST [(a)]	-	-	-	16,156
Tax credits	-	-	-	101,473
PIS/COFINS tax credits [(b)]	-	-	201,417	-
Tax benefit from amnesty program [(c)]	-	-	66,333	-
Other operating income	-	-	3,204	8,231
Total other operating income	-	-	288,538	135,771
	-	-		
Other operating expenses, net				
Crer para Ver [(d)]	-	-	(34,008)	(36,829)
Expenses with sale of customer portfolio	-	-	(1,627)	(5,838)
Expenses related to the Avon acquisition	-	(168,486)	-	(303,916)
Transformation and integration plan [(e)]	-	-	(420,498)	(169,719)
Tax contingencies	-		(3,910)	(11,181)
Other operating expenses	-	(723)	(16,639))	(15,467)
Total other operating expenses	-	(169,209)	(476,682)	(542,950)
Other operating income (expenses), net	-	(169,209)	(188,144)	(407,179)

a) Refers to the requirement of ICMS tax substitution by different Brazilian States (details in note 22). During the fiscal year of 2020, provisions were reversed due to the revision of the likelihood of loss of certain States.

b) Refers mainly to PIS and COFINS credits recognized related to the exclusion of the ICMS from the PIS and COFINS basis for calculation (R$ 104,650) and tax credits from investment subsidies (R$ 96,767).

c) Refers to tax benefits in Brazil from the inclusion on some states tax amnesty programs by the subsidiary Avon Cosmeticos Ltda.

d) Allocation of operating profit from sales of "Crer para Ver" line of non-cosmetic products to Instituto Natura, specifically directed to social projects for developing the quality of education.

e) Expenses related to the implementation of the transformation plan of subsidiary The Body Shop and the integration of subsidiary Avon Products Inc., which is supported by five pillars, namely: (1) making the brand younger; (2) optimizing the retail and direct sale operations; (3) improving the omni-channel; (4) improving operational efficiency; and (5) redesigning the organization.

31. EARNINGS PER SHARE

The basic earnings per share are calculated by dividing the profit (loss) attributable to the Company's shareholders by the weighted average number of outstanding common shares, excluding common shares purchased by the Company and held as treasury shares.

	Consolidated
	September 30, 2021
Net income attributable to the Company's controlling shareholders	352,544
Weighted average of the number of issued common shares	1,377,337,254
Weighted average of the number of outstanding common shares	1,376,902,888
Basic earnings per share – R$	0.2560

	Consolidated
	September 30, 2021
Net income attributable to the Company's controlling shareholders	352,544
Weighted average of the number of issued common shares	1,376,902,888
Weighted average of the number of outstanding common shares	1,389,515,465
Diluted earnings per share – R$	0.2537

(Amounts in thousands of Reais - R$, except as mentioned otherwise)

32. TRANSACTIONS WITH RELATED PARTIES

In the course of the Company's operations, rights and obligations are generated between related parties, arising from administrative expenses and provision of services.

32.1. Receivables and payables with related parties

The Company had transactions with related parties recognized as presented below:

	Company	
	September 30, 2021	December 31, 2020
Current Assets:		
Natura Cosméticos S.A. [a]	-	108,953
Natura Cosméticos S.A. – Argentina [b]	1,957	1,870
Body Shop Brasil Franquias Ltda.	83	-
The Body Shop International [b]	2,606	2,490
Aesop HK [b]	315	300
Aesop UK [b]	2,003	1,913
Aesop USA [b]	289	276
Emeis Cosmetics [b]	157	150
Total current assets	7,410	115,952
Current Liabilities:		
Natura Cosméticos S.A. [b]	6	5,673
Indústria e Comércio de Cosméticos Natura Ltda. [b]	191	1,521
Total current liabilities	197	7,194

a) Refers to interest on net equity.
b) Refers to the allocation of expenses related to the purchase options and restricted shares plans.

32.2. Transactions with related parties

In the year ended December 31, 2020, the Company reimbursed the amount of R$148,274 of expenses regarding the transaction costs for the acquisition of subsidiary Avon Products Inc., paid by its subsidiary Natura Cosméticos. This reimbursement had an impact on item "Other operating expenses, net". For the other transactions, they were not carried forward as income statement, as they refer to the allocation of expenses related to purchase options and restricted shares plans. In the nine-month period ended September 30, 2021, there were no additional reimbursements.

The Company has a structure of internal controls to support the identification, monitoring and approval of transactions between Related Parties.

32.3. Uncontrolled and unconsolidated transactions with related parties

Instituto Natura is one of the shareholders of the Essential Investment Fund and, as of September 30, 2021, its balance corresponded to R$5,030 (R$3,414 as of December 31, 2020).

On June 5, 2012, an agreement was entered into between Indústria e Comércio de Cosméticos Natura Ltda. and Bres Itupeva Empreendimentos Imobiliários Ltda., ("Bres Itupeva"), for the construction and lease of a merchandise processing, storage and distribution center (HUB) in the city of Itupeva, State of Sao Paulo. In 2019, Bres Itupeva assigned its credits to BRC Securitizadora S/A, to which the Company makes monthly payments. Messrs. Antônio Luiz da Cunha Seabra, Guilherme Peirão Leal and Pedro Luiz Barreiros Passos, members of the Company's controlling group, indirectly control Bres Itupeva. The amount involved in the transaction was recorded under item "Right of Use" of "Buildings", the netbook value was R$ 63,249 in the nine-month period ended September 30, 2021 (R$39,346 under item "Buildings" of Property, Plant and Equipment, as of December

(Amounts in thousands of Reais - R$, except as mentioned otherwise)

31, 2020) and in the nine-month period ended September 30, 2021, the amount paid as lease was R$10,583 (R$13,086 for the year ended December 31, 2020).

The Company and Raia Drogasil S.A. entered into a sale and purchase agreement and other covenants to allow the sale of products in the Raia and Drogasil chain. Messrs. Guilherme Peirão Leal and Pedro Luiz Barreiros Passos, Co-Chairmen of the Board of Directors of the Company and shareholders members of the controlling group of Natura &Co Holding S.A., the Company's parent, indirectly hold an equity interest in Raia Drogasil S.A. This agreement was finalized during the year of 2020.

In the nine-month period ended September 30, 2021, the Company transferred to Instituto Natura, as a donation associated with the net result of sales of the Natura Crer Para Ver product line, the amount of R$30,627 (R$29,714 as of September 30, 2020).

On January 8, 2021, a related-party transaction was carried out between the Company, as lessee and owner, the subsidiary Indústria e Comércio de Cosméticos Natura Ltda. and Natura &Co Holding S.A., as guarantors, and a special purpose company (Bresco IX) indirectly held by Messrs. Antônio Luiz da Cunha Seabra, Guilherme Peirão Leal and Pedro Luiz Barreiros Passos, as lessor and surface-right owner (Co-Chairmen of the Board of Directors of the Company and shareholders members of the controlling group parent Company). This transaction was entered into with the purpose of expanding the Company's distribution network and increasing its logistical efficiency through the installation of a new distribution hub in the State of Alagoas.

On May 12, 2021, a transaction was entered between the Company, as lessee, and Bresco Logística Fundo de Investimento Imobiliário, as lessor, indirectly held by Messrs. Antônio Luiz da Cunha Seabra, Guilherme Peirão Leal and Pedro Luiz Barreiros Passos. (Co-Chairmen of the Board of Directors of the Company and shareholders members of the controlling group of the Company). This transaction had the purpose of keeping the Company's distribution hub activities in the city of Canoas, State of Rio Grande do Sul.

The Company has a structure of internal controls to support the identification, monitoring and approval of transactions between Related Parties.

32.4. Compensation of key management personnel

The total compensation of the key personnel of the Company's Management is as follows:

	September 30, 2021			September 30, 2020		
	Compensation			Compensation		
	Fixed (a)	Variable (b)	Total	Fixed (a)	Variable (b)	Total
Board of Directors	**11,244**	**56,395**	**67,639**	11,379	35,260	46,639
Executive Board	**38,714**	**65,430**	**104,143**	32,485	66,393	98,878
	49,958	**121,825**	**171,782**	43,864	101,653	145,517

a) Under item "Executive board", in the nine-month period ended September 30, 2020, the amount of R$ 510 was amortized, which was related to the Private Instrument of Non-Disclosure and Non-Compete Agreement ("Agreement"). There was no amortization in the nine-month period ended September 30, 2021, considering the end of the balance in 2020.

b) Refers to profit sharing, the Restricted Share Program and Strategy Acceleration Program, including charges, as applicable, to be determined in the year. The amounts include additions to and/or reversals of provisions made in the previous year, due to final assessment of the targets determined to board members and officers, statutory and non-statutory, in relation to profit sharing.

(Amounts in thousands of Reais - R$, except as mentioned otherwise)

33. COMMITMENTS

In the regular course of their business, the Company entered into agreements with third parties for the acquisition of raw materials, production goods, transportation and storage services and electricity to provide for their operating activities.

The commitments assumed as of September 30, 2021 and December 31, 2020, according to the agreements entered into, are shown below:

	Consolidated	
	September 30, 2021	December 31, 2020
Up to one year	997,987	1,413,904
One to five years	520,406	872,767
Above five years	10,962	13,223
Total	1,529,355	2,299,894

34. INSURANCE

The Company and its subsidiaries have an insurance policy that mainly considers risk concentration and its materiality, taking into account the nature of their activities and the guidance of their insurance advisors. As of September 30, 2021 and December 30, 2020, insurance coverage is as follows:

Item	Type of coverage	Amount insured	
		September 30, 2021	December 31, 2020
Industrial complex and administrative sites	Any material damages to buildings, facilities, inventories, and machinery and equipment	5,844,927	5,658,558
Vehicles	Fire, theft and collision for vehicles insured by the Company	255,146	258,416
Loss of profits	Loss of profits due to material damages to facilities, buildings and production machinery and equipment	1,894,813	1,894,813
Transportation	Damages to products in transit.	101,290	97,934
Civil liability	Protection against errors or complaints in the exercise of professional activity that affect third parties	2,382,694	2,326,621
Environmental liability	Protection against environmental accidents that may result in complaints under the environmental laws	30,000	30,000

35. ADDITIONAL INFORMATION TO THE CASH FLOW STATEMENTS

The following table presents the investment and financing transactions which do not involve the use of cash and cash equivalents and, therefore, are presented separately as additional information to the cash flow statement:

	Company		Consolidated	
	September 30, 2021	September 30, 2020	September 30, 2021	September 30, 2020
Non-cash items				
Hedge accounting, net of tax effects	-	-	(130,393)	145,087
Net effect of the additions to property, plant and equipment/intangible assets not yet paid	-	-	132,825	59,195
Consideration for acquisition of subsidiary	-	13,366	-	-

36. SUBSEQUENT EVENTS

36.1 Natura &Co share repurchase program

On November 10, 2021, the Board of Directors approved the launch of the Company's share repurchase program. The purpose of the Repurchase Program is to maximize the creation of value for the Company's shareholders through an efficient management of its capital structure, by means of the acquisition of common shares of its own issuance, which may be held in treasury, used for bonuses purposes or subsequently sold in the market, cancelled, without any capital stock reduction, in accordance with the first paragraph of the article 30, of the Corporations Law and the rules set forth in the CVM's Rule 567 and also can be used for purposes of backing the exercise of the incentives granted in accordance with the restricted shares and stock option programs of the Company.

The maximum term for the purchases is of twelve (12) months, beginning on the November 12, 2021 and ending on November 11, 2022.

The Company may, at its sole discretion and under the terms of the Share Repurchase Program, purchase up to 37,500,000 common, registered, book-entry shares, with no par value, issued by the Company, corresponding to up to 2.72% of the total shares issued by the Company and up to 4.44% of its Floating Shares.

The Company may, at its sole discretion and under the terms of the Share Repurchase Program, purchase up to 844,611,316 common, registered, book-entry shares, with no par value, issued by the Company, corresponding to up to 2.72% of the total shares issued by the Company and up to 1.5% of its Outstanding Shares.

36.2 Natura &Co Luxembourg Holdings revolving credit facility

Natura & Co Holding contracted a revolving credit facility ("RCF") through its subsidiary Natura &Co Luxembourg Holdings, in the amount of up to USD 625 million for a period of 3 years, with the option to extend for one additional year. The RCF is guaranteed by the Company and its subsidiary Natura Cosméticos S.A.

The credit line represents an additional source of liquidity, allowing the Company and its subsidiaries a more efficient cash management. No disbursement from this credit line was made as of November 11, 2021.

AVON natura THE BODY SHOP Aēsop

natura &co

São Paulo, November 11, 2021.

Q3-21: Natura &Co reports revenue of -4.2%[1] vs. Q3-20, its highest-ever comparable, and strong growth of +20.7%[2] vs. Q3-19 (pre-pandemic)

Despite market headwinds, Avon's integration has been accelerated and synergies remain on track

Natura &Co launches a share repurchase program of up to R$1.5 billion and evaluates a primary listing on NYSE

- Natura **&Co's** Q3 consolidated net revenue was R$9.5 billion, -4.2%[1] vs. Q3-20 in BRL (-4.5%[1] at constant currency "CC") compared to a record-high Q3-20, which was up by 26.0%[1,2] (+6.7%[1,2] at CC), and reflecting a challenging external environment in many of our key markets. Compared to Q3-19 (pre-pandemic), Q3-21 net revenue was up a very strong 20.7%[2] (+0.7%[2] at CC), accelerating in relation to Q2 over the same period. In the first 9 months, in line with our guidance, net revenue was R$28.5 billion, +14.4% vs. 9M20 (+8.0% at CC), and 22.5%[2] vs. 9M19 (+0.4%[2] at CC), ahead of the average of the global CFT[3] market, resulting in market share gains in key markets.

  - **Natura &Co Latam's Q3** net revenue was -2.4%[1] vs. Q3-20 (-3.2%[1] at CC). Compared to Q3-19 (pre-pandemic), net revenue was up by a strong 18.2%[2] (+7.9%[2] at CC). In 9M21, net revenue was up +14.4% vs. 9M20 (+11.5% at CC) and +20.3%[2] vs. 9M19 (+10.0%[2] at CC). Market share in the region remained slightly positive year-to-date, despite significant gains last year (+0.7 pp), notably in Brazil. In the quarter, Natura's brand power reached its highest level, while the Avon brand continued to advance and was above its Q3-20 level. Consultant/representative loyalty and satisfaction at both brands also reached their highest-ever levels. At Natura, the number of consultants now actively using social selling tools reached 52%[4] (vs 32% pre-pandemic, Jan-20), while Avon's e-commerce platform continued to be extended to the Hispanic markets. Avon's new commercial model, a key pillar of its turnaround, has been fully implemented in Brazil. Adjustments to the model are still underway, similar to what Natura experienced in 2017; in Q3, the model was implemented in Ecuador, with Colombia and Central America scheduled for early 2022. This should enable acceleration of revenue synergies through Wave 2 of cross-selling and up-selling of Natura and Avon.

  - **Avon International's Q3** net revenue was -14.3%[1] vs. Q3-20 (-13.5%[1] at CC). Compared to Q3-19 (pre-pandemic), net revenue was +2.4%[2] (-22.1%[2] at CC). In 9M21, net revenue was up by +6.3% vs. 9M20 (-2.9% at CC) and +5.4%[2] vs. 9M19 (-23.1%[2] at CC). Key markets such as the UK, South Africa and the Philippines gained market share this quarter and in the first nine months, showing better relative performance despite overall consumption contraction due to uneven Covid recovery. The new commercial model, mirroring Natura's segmentation approach, is now being implemented across Avon International's top 9 markets, after successful pilots in South Africa and the Nordics. Investments in digital made since the acquisition are supporting the increase in adoption of social selling at Avon International, already reaching 15% vs. 3% pre-pandemic, which will converge into one single platform, Avon On, to be scaled up in 2022. Online sales were up by +19% vs. Q3-20. To enable both initiatives, significant progress was made in streamlining the operational model across all markets: standardization of campaign cycles, optimized resource allocation with key markets serving as hubs and an approximately 20% reduction of non-strategic SKUs, generating a run rate in savings of over $100 million, as included in our long-term guidance. Further focus on the Avon brand, cult products and gifting will be reinforced in 2022. Avon total sales (Latam + International) were up +10.7% in 9M21 vs 9M20 (+3.4% at CC), thus making this the first cumulative 9-month period of growth for the Avon brand over the last 5 years, highlighting the first positive steps of its turnaround plan.

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[1] Excludes the phasing effect of the cyber incident that increased Q3-20 consolidated net revenue by R$ 454 million (R$393 million at Natura &Co Latam and R$ 61 million at Avon International)

[2] For comparison purposes,2019 figures include Avon Products, Inc, on an aggregated basis in IFRS.

[3] Cosmetics, Fragrance and Toiletries market performance: Company estimate based on global peers' average net revenue vs prior year of approx. +9.9% in 9M-21 (in reported FX), as reported by the companies or estimates published on Bloomberg for those who have not yet reported.

[4] Consultants who used social selling tools in the last 120 days

- The Body **Shop's** Q3 net revenue grew +0.4% vs. Q3-20 (-1.2% at CC). Compared to Q3-19 (pre-pandemic), net revenue was up by a strong +52.5% (+7.1% at CC). In 9M21, net revenue was up by 20.6% vs. 9M20 (+7.1% at CC), and +49.4% vs. 9M19 (+1.9% at CC). The quarter saw continued channel rebalancing with the reopening of retail stores, online and At-Home channels are still double pre-pandemic levels, despite supply-chain challenges in certain markets. Deployment of the new store concept resumed, with 100 stores expected to be renovated by year-end. Stores converted into the new concept see a sales uplift of over 10% compared with the rest of the stores. The head franchisee channel is gradually picking up and September posted the highest revenue since January 2020. The ESG agenda is advancing with the continued roll-out of refill stations in stores across the world, with over 300 expected to be in place by year-end, and the relaunch of the iconic Body Butter line with 100% vegan formulation, with a new, more premium price positioning and sustainable packaging (100% recycled plastic and aluminum). Building on the cross-sell and upsell opportunity between our brands, we are developing a plan to launch The Body Shop At Home in Russia, leveraging Avon's presence in that market.

- **Aesop's Q3** net revenue increased +12.0% (+14.2% at CC). Compared to Q3-19 (pre-pandemic), net revenue was up by a very strong +87.3% (+36.8% at CC). In 9M21, net revenue was +39.8% (+27.5% at CC), and +100.6% vs. Q3-19 (+40.4% at CC). Aesop continues to show strong momentum, posting revenue growth against a tough comp in Q3-20, despite supply-chain challenges in certain markets. Aesop's omnichannel model was further consolidated with the continued growth of online sales, up + 174.4% vs Q3-19 (down -7.1% vs. a very hard comp in Q3-20) and the launch of new signature stores in Hong Kong, Seoul, Edinburgh and Taipei. Steady progress has been made on the China entry plan with brand activation scheduled and go-to-market scheduled by H2-2022. Product registration is ongoing, while a Good Manufacturing Practice (GMP) certificate has been awarded to plants in Victoria, Australia and investments in digital are being stepped up for the omnichannel entry strategy.

- Natura &Co's digital sales grew sequentially in the quarter. Digitally-enabled sales, which include online sales (e-commerce + social selling) and relationship selling using our main digital apps, reached 52% of total revenue, compared to 46% in Q3-20, when all non-digital channels shut down, and to 37% pre-pandemic (Q3-19).
  - Online sales accounted for 9.4% of total sales in Q3-21, compared to 10.2% in Q3-20, resulting from the partial reopening of the global economy and customers returning to traditional channels. However, the share of online sales is 3x above pre-pandemic levels. At Natura, online sales grew 13.3%, while at Avon globally, they were up by +14.0% compared to last year. Aesop's total online sales reached 20% of net revenue, down from 22% in Q3-20 but twice above their Q3-19 level (pre-pandemic), and The Body Shop's online and At-Home channels accounted for 31% of total sales, down from 44% in Q3-20, but 2.1x above Q3-19 level. As expected, the quarter showed a rebalancing of channels, with retail regaining momentum.
  - Relationship selling using apps: At Avon International, adoption of the Avon On app has posted consistent and sustained growth over the last 7 quarters, reaching 15% of total representatives, or 5x pre-pandemic levels. At Natura in Latam, the average number of consultants sharing content increased by 21% vs. Q3-20 when strict lockdowns were in place and was nearly 4x higher than pre-pandemic levels (Q3-19). Orders through the 1.5 million+ consultant online stores (vs. 1 million+ in Q3-20) in the region stood at 2x above their Q3-19 level.
  - &Co Pay at Natura in Brazil posted above-target growth in both number of accounts, reaching approximately 300,000, and Total Payment Volume ("TPV") is ahead of the R$4 billion annualized estimate, supported by accelerated adoption of the instant payment service (Pix) launched in Q2 and the processing of all sales to consultants via credit card, initiated this quarter.

- Product Innovation: Important launches in the quarter include technological skin care breakthroughs across most brands: Chronos Super Sérum Wrinkle Reducer by the Natura brand, combining Brazilian biodiversity prebiotics. Avon introduced the Anew Renewal Power Serum, containing its exclusive Protinol technology to smoothen lines and firm skin. Aesop launched Parsley Seed Anti-Oxidant Intense Serum, to hydrate and fortify the skin, with natural ingredients such as Red Algae and Tara Gum. The Body Shop launched a new hair repair line powered by new Vegan Silk Protein, leveraging Natura's R&D, with over 90% natural ingredients and 100% recycled packaging.

- **Natura &Co's Q3 consolidated adjusted EBITDA was R$**819.1 million, with margin of 8.6% (-620 bps), sequentially higher than Q2-21 (R$811.2 million and 8.5% margin). Both 2021 and 2020 margins reflected several impacts related to a challenging operating environment. In Q3-21, 570 bps in synergies and revenue management gains fully offset a 530 bps impact from inflationary and foreign currency pressure. Other temporary business pressures, notably sales deleverage, reduced margin by an additional 280 bps and higher investments to accelerate growth lowered margin by a further 90 bps, consistent with our business plan. In addition, Q3-20 adjusted EBITDA margin benefited from 300 bps from pandemic-related one-off effects of cost containment and government support, as well as the phasing of sales from the cyber incident. Excluding the effects from the challenging operating environment in both years, adjusted EBITDA margin would have increased by 10 bps this quarter. Reported EBITDA was R$953.9 million, with margin of 10.0% (-400 bps). In 9M21, adjusted EBITDA margin stood at 9.1% (-190 bps) and reported EBITDA margin was 8.5% (-50 bps).

- **Natura &Co Latam's Q3** adjusted EBITDA margin was 9.6% (-690 bps). 750 bps of gains from synergies and revenue management nearly offset an 830 bps impact from raw material inflation and foreign currency headwinds. Other temporary business pressures, notably sales deleverage, reduced margin by an additional 390 bps and higher investments to accelerate growth lowered margin by a further 140 bps, consistent with our business plan. In addition, Q3-20 adjusted EBITDA margin benefited from phased sales from the cyber incident (160 bps), which partially offset one-off costs (90 bps). Excluding this effect in Q3-20, adjusted EBITDA margin would have decreased by 10 bps this quarter. In 9M21, adjusted EBITDA margin stood at 10.8% (-90 bps).
- **Avon International's** Q3 adjusted EBITDA margin was 3.9% (-350 bps) as a 590 bps benefit from synergies and revenue management gains fully offset a 570 bps impact from inflation, foreign currency pressures and sales deleverage. Another 230 bps in higher investments in digital and IT to accelerate growth, consistent with our business plan, were fully offset by 230 bps in temporary cost savings. In addition, Q3-20 adjusted EBITDA margin benefited from pandemic-related one-off effects of cost containment and phased sales from the cyber incident (380 bps). Excluding the one-off effects in Q3-20, adjusted EBITDA margin would have increased by 10 bps this quarter. In 9M21, adjusted EBITDA margin stood at 4.1% (-160 bps).
- **The Body Shop's Q3** EBITDA margin was 18.0% (-430 bps), including 310 bps in one-off cost savings, which offset 60 bps of higher investments to accelerate growth, consistent with our business plan. In addition, Q3-20 adjusted EBITDA margin benefited from one-off pandemic-related effects, such as cost containment and government support (570 bps), and also from the Japan business buyback (100 bps). Excluding these effects, EBITDA margin would have decreased by 10 bps this quarter. In 9M21, EBITDA margin was 15.3% (-270 bps).
- **Aesop's Q3** EBITDA margin was 19.6% (-1,170 bps), impacted by planned higher investments in digital, categories and geographic expansion to accelerate growth (-680 bps), consistent with our business plan, and other business pressures for 170 bps, partially offset by 600 bps in sales leverage. In addition, Q3-20 EBITDA margin benefited from pandemic-related effects such as cost containment and government support (910 bps). Excluding these effects, EBITDA margin would have been stable this quarter. In 9M21, EBITDA margin was 22.5% (-500 bps).

- Net income was R$272.9 million in Q3, compared to R$381.7 million in Q3-20. Underlying net income was R$324.9 million, compared to R$607.8 million in Q3-20. In 9M21, net income reached R$352.6 million, compared to a loss of R$827.6 million in 9M20, while underlying net income reached R$867.3 million, up from R$153.1 million in 9M20.

- Synergies captured in Q3 accelerated to US$ 61 million, helping to partially offset raw material inflation pressure and foreign currency headwinds. Synergies were driven by administrative, cost reduction and procurement. Costs to achieve of US$13 million in Q3. In 9M21, synergies captured totaled US$138 million, incurring costs of US$54 million, on track with estimates for the year.

- Robust cash position of R$5.4 billion and continued deleveraging, aiming to achieve investment grade rating. Consolidated net debt-to-EBITDA ratio of 1.83x, down from 3.0x in Q3-20. In October, the Company entered into a revolving credit facility ("RCF") in the amount of up to US$625 million for 3 years, enhancing its liquidity profile, another important step toward investment grade.

- Natura &Co is launching a share repurchase program of up to R$1.5 billion, underscoring its commitment to returning value to shareholders. It is also evaluating switching to a primary listing on NYSE, maintaining its current dual listing with BDRs in Brazil, to underscore its increasingly global profile with more than 70% of revenue now coming from outside of Brazil, amplify its 2030 Sustainability Agenda and optimize its corporate structure.

- ESG agenda: Natura &Co led a call to action to world leaders at the COP26 summit to address not just climate change, but also nature. Natura &Co is strongly pushing for the creation of a carbon market with effective mechanisms put in place, and for an Agreement on Nature similar in scope and significance to the Paris Agreement on climate change, and also launched the PlenaMata platform, aiming to mobilize people, businesses, institutions and communities to work together for forest conservation and ending deforestation in the Amazon. Further progress was made on our 2030 Commitment to Life targets, reaching our target on full gender balance in senior leadership ahead of the 2023 deadline.

1. Management *commentary*

"Natura &Co's third-quarter performance, as expected, reflects the record-high comparable base we faced in the same period last year and a tough external environment, with continuing and uneven effects from the pandemic in key markets, rising inflation and localized supply chain and freight disruption. But with double-digit sales growth both over nine months and on a two-year stack, Natura &Co has outperformed the global CFT market and gained market share over the period, demonstrating the underlying strength of the business. Over nine months, Natura &Co also posted robust net income and continued deleveraging.

Despite this challenging environment, Natura &Co continued in the quarter to make major advances on key strategic initiatives that will fuel future growth. A key highlight is the progress made on Avon's turnaround, with the start of the implementation of the new commercial model and an acceleration in digital tools. For the first time in 5 years, total sales of the Avon brand, encompassing both operations in Latin America and in international markets, showed growth of 10.7% (3.4% in constant currency) in the first nine months of the year vs the same period last year, underscoring initial gains from the transformation plan. Planned synergies are fully on track, with 40% of the overall target already achieved by the end of this year, helping us offset raw material inflation and foreign currency headwinds.

The Group's digitalization also continued to make major headway. Digitally-enabled sales are now more than half of the Group's total sales, even as we observe a rebalancing between channels as store activity picks up post-lockdown. Our digital payments system, &Co Pay, posted above-target growth in both number of accounts, reaching nearly 300,000, and Total Payment Volume, ahead of the R$4 billion annualized estimate, paving the way for accelerated roll-out in Latin America next year.

Natura &Co and its brands and businesses will continue building on these initiatives in 2022. Avon's commercial model will be further rolled out and enhanced both in Latin America and in international markets, enabling acceleration of cross-selling and up-selling across the Natura and Avon brands, further boosting loyalty and satisfaction indices. Beyond Latam, this opportunity will be tested in Russia with The Body Shop At Home, leveraging Avon's strong relationship selling presence. The Body Shop will continue to roll out its new store concept and refill stations across stores, while Aesop is making important headway on its China entry plan, with brand activation and go-to-market planned for the second half of 2022.

Underscoring our strong cash position and capital allocation policy that aims to balance investments for growth and return to shareholders, we are launching a share repurchase program of up to 1.5 billion Reais. And to emphasize its increasingly global profile with operations in over 100 countries, Natura &Co is also evaluating a switch to a primary listing on NYSE, while maintaining the current dual listing in Brazil through a BDR program. Among other benefits, this will notably allow Natura &Co to reinforce its position as a global company, amplify its sustainability agenda while accessing a broader investor base and increasing liquidity of its shares.

In line with its strong environmental commitment, Natura &Co led a call to action to world leaders at the COP26 summit to address not just climate change, but also nature, recognizing that without the Amazon and other forests, we will not reach net zero emissions or achieve the goals of the historic climate agreement. We are strongly pushing for the creation of an effective carbon market and for an Agreement on Nature similar in scope and significance to the Paris Agreement on climate change. To back up our words with action, we launched the PlenaMata platform, which aims to mobilize people, businesses, institutions, and communities to work together for forest conservation and end deforestation in the Amazon.

After recent business updates, we remain confident about our top line guidance of high-single digit growth, which is expected to be above the CFT market. Synergies remain on track, but some are now being used to offset the impacts of a challenging and unforeseen operating environment, such as inflationary pressure, supply chain disruption and further FX impacts. We will continue to see EBITDA margin progression over time, achieving mid-teens by 2024 at group level (vs 2023 initially), as per the updated guidance disclosed. This will also better align with our synergy's timeline and our guidance for Avon International, which remains on track for 2024.

With key initiatives underway both on the business and environmental front, Natura &Co is again demonstrating its purpose-driven approach to create value for all stakeholders."

2.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 third quarter of 2021, certain Natura &Co markets continued to be impacted by the pandemic, with several remaining in or re-entering lockdowns. Online sales accounted for 9% of total sales, compared to 10% in Q3-20, resulting from the return of customers to traditional channels, as the global economy gradually normalizes. However, the share of online channels remains over three times above pre-pandemic levels.

- Natura &Co Latam: Most 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, impacted disposable income and discretionary spending.

- Avon International: Certain key markets in Central Eastern Europe, notably Russia and Poland, and South Africa continued to be impacted by Covid-19. Avon International gained market share in certain markets compared to Q3-20.

- The Body Shop: Retail sales were impacted in important markets by mandatory store closures, especially in Australia, resulting in 9% in lost store days. As expected, the quarter showed a rebalancing of channels, with retail regaining momentum.

- Aesop: The company was also impacted by partially closed markets, such as Australia, Japan, Germany and Malaysia, resulting in about 15% lost store days. However, sales expanded significantly with an expected rebalancing of channels, with retail regaining momentum.

3. **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	Consolidated [a]			Profit and Loss by Business: Natura &Co Latam [b]			Avon International			The Body Shop			Aesop		
	Q3-21[c]	Q3-20[c]	Ch. %	Q3-21[c]	Q3-20[c]	Ch. %	Q3-21[c]	Q3-20[c]	Ch. %	Q3-21	Q3-20	Ch. %	Q3-21	Q3-20	Ch. %
Gross Revenue	12,329.2	13,601.3	(9.4)	7,409.2	8,275.9	(10.5)	2,460.0	2,958.2	(16.8)	1,841.5	1,815.0	1.5	618.4	552.2	12.0
Net Revenue	9,549.2	10,419.5	(8.4)	5,551.5	6,083.6	(8.7)	2,053.7	2,457.3	(16.4)	1,390.6	1,384.6	0.4	553.4	494.0	12.0
COGS	(3,313.1)	(3,695.4)	(10.3)	(2,158.9)	(2,384.0)	(9.4)	(794.3)	(978.2)	(18.8)	(309.5)	(285.1)	8.6	(50.4)	(48.2)	4.7
Gross Profit	6,236.2	6,724.1	(7.3)	3,392.6	3,699.6	(8.3)	1,259.5	1,479.2	(14.9)	1,081.1	1,099.6	(1.7)	503.0	445.8	12.8
Selling, Marketing and Logistics Expenses	(4,288.3)	(4,280.3)	0.2	(2,293.7)	(2,216.2)	3.5	(945.9)	(1,039.4)	(9.0)	(737.2)	(783.1)	(5.9)	(311.6)	(241.6)	28.9
Administrative, R&D, IT and Projects Expenses	(1,655.4)	(1,469.2)	12.7	(784.9)	(695.7)	12.8	(420.1)	(457.4)	(8.2)	(287.3)	(194.0)	48.1	(152.3)	(120.6)	26.3
Corporate Expenses [d]	(142.3)	(99.8)	42.6	-	-	-	-	-	-	-	-	-	-	-	-
Other Operating Income/ (Expenses), Net	244.6	(38.6)	(734.0)	247.7	(26.1)	(1,049.6)	(7.4)	1.7	(540.1)	2.7	(12.8)	(121.1)	0.1	(1.3)	(107.5)
Acquisition Related Expenses [e]	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transformation Expenses / CTA[f]	(105.1)	(90.3)	16.4	(51.7)	(30.7)	68.5	(44.1)	(47.1)	(6.3)	-	-	-	-	-	-
Depreciation	664.4	711.1	(6.6)	209.3	241.1	(13.2)	194.7	199.0	(2.1)	191.3	198.8	(3.7)	69.0	72.2	(4.4)
EBITDA	953.9	1,457.0	(34.5)	719.4	972.1	(26.0)	36.7	135.9	(73.0)	250.6	308.3	(18.7)	108.2	154.4	(29.9)
Depreciation	(664.4)	(711.1)	(6.6)												
Financial Income/(Expenses), Net	(293.0)	(290.4)	0.9	77.72	0.8%								37.63	0.39%	
Earnings Before Taxes	(3.5)	455.5	(100.8)										0.4%		
Income Tax and Social Contribution	312.0	(53.1)	(687.5)												
Discontinued operations [g]	(38.9)	(24.7)	57.4												
Consolidated Net Income	269.6	377.7	(28.6)												
Non-controlling Interest	3.3	4.0	(18.7)												
Net Income attributable to controlling shareholders	272.9	381.7	(28.5)												
Gross Margin	65.3%	64.5%	80 bps	61.1%	60.8%	30 bps	61.3%	60.2%	110 bps	77.7%	79.4%	-170 bps	90.9%	90.2%	70 bps
Selling, Marketing and Logistics Exp./Net Revenue	44.9%	41.1%	380 bps	41.3%	36.4%	490 bps	46.1%	42.3%	380 bps	53.0%	56.6%	-360 bps	56.3%	48.9%	740 bps
Admin., R&D, IT, and Projects Exp./Net Revenue	17.3%	14.1%	320 bps	14.1%	11.4%	270 bps	20.5%	18.6%	190 bps	20.7%	14.0%	670 bps	27.5%	24.4%	310 bps
EBITDA Margin	10.0%	14.0%	-400 bps	13.0%	16.0%	-300 bps	1.8%	5.5%	-370 bps	18.0%	22.3%	-430 bps	19.6%	31.3%	-1170 bps
Net Margin	2.8%	3.6%	-80 bps	-	-	-	-	-	-	-	-	-	-	-	-

[a] *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.*
[b] *Natura &Co Latam: includes Natura, Avon, TBS Brazil and Hispanic Latam and Aesop Brazil*
[c] *Includes PPA – Purchase Price Allocation effects*
[d] *Expenses related to the management and integration of the Natura &Co Group*
[e] *Avon-acquisition-related expenses*
[f] *Costs to Achieve Synergies*
[g] *Related to business separation at Avon North America*

R$ million	Consolidated [a]			Profit and Loss by Business: Natura &Co Latam [b]			Avon International			The Body Shop			Aesop		
	9M-21[c]	9M-20[c]	Ch. %	9M-21[c]	9M-20[c]	Ch. %	9M-21[c]	9M-20[c]	Ch. %	9M-21	9M-20	Ch. %	9M-21	9M-20	Ch. %
Gross Revenue	36,619.9	32,436.2	12.9	21,612.9	19,289.9	12.0	7,940.5	7,485.3	6.1	5,165.1	4,300.9	20.1	1,901.4	1,360.1	39.8
Net Revenue	28,521.5	24,924.7	14.4	16,271.1	14,221.7	14.4	6,621.2	6,228.9	6.3	3,927.9	3,257.0	20.6	1,701.3	1,217.1	39.8
COGS	(9,953.8)	(8,949.7)	11.2	(6,383.4)	(5,610.6)	13.8	(2,582.7)	(2,537.9)	1.8	(832.6)	(685.3)	21.5	(155.2)	(115.8)	34.0
Gross Profit	18,567.6	15,975.0	16.2	9,887.7	8,611.1	14.8	4,038.5	3,691.0	9.4	3,095.3	2,571.7	20.4	1,546.1	1,101.3	40.4
Selling, Marketing and Logistics Expenses	(12,791.4)	(11,181.3)	14.4	(6,610.0)	(5,791.2)	14.1	(3,015.6)	(2,765.4)	9.1	(2,257.0)	(1,973.5)	14.4	(908.7)	(651.2)	39.5
Administrative, R&D, IT and Projects Expenses	(4,832.9)	(3,964.8)	21.9	(2,169.0)	(1,889.4)	14.8	(1,379.5)	(1,207.9)	14.2	(790.3)	(551.0)	43.4	(472.6)	(314.6)	50.2
Corporate Expenses [d]	(401.9)	(208.3)	92.9	-	-	-	-	-	-	-	-	-	-	-	-
Other Operating Income/ (Expenses), Net	232.4	66.3	250.4	251.7	88.0	186.2	(8.2)	(9.9)	(17.6)	(17.7)	(15.2)	16.3	3.5	3.5	(2.4)
Acquisition Related Expenses [e]	-	(303.9)	-	-	-	-	-	0.0	-	-	-	-	-	-	-
Transformation Expenses / CTA[f]	(420.5)	(169.7)	147.8	(145.5)	(65.5)	122.0	(246.5)	(80.2)	207.2	-	-	-	-	-	-
Depreciation	2,059.6	2,040.9	0.9	638.5	700.0	(8.8)	635.2	589.8	7.7	571.6	554.9	3.0	214.3	196.0	9.3
EBITDA	2,413.0	2,254.2	7.0	1,853.6	1,652.9	12.1	24.0	217.3	(89.0)	601.9	586.9	2.5	382.5	335.0	14.2
Depreciation	(2,059.6)	(2,040.9)	0.9												
Financial Income/(Expenses), Net	(726.4)	(786.5)	(7.6)												
Earnings Before Taxes	(373.1)	(573.1)	(34.9)												
Income Tax and Social Contribution	749.3	(192.8)	(488.7)												
Discontinued operations [g]	(30.9)	(73.4)	(57.9)												
Consolidated Net Income	345.3	(839.3)	(141.1)												
Non-controlling Interest	7.3	11.8	(38.2)												
Net Income attributable to controlling shareholders	352.6	(827.6)	(142.6)												
Gross Margin	65.1%	64.1%	100 bps	60.8%	60.5%	30 bps	61.0%	59.3%	170 bps	78.8%	79.0%	-20 bps	90.9%	90.5%	40 bps
Selling, Marketing and Logistics Exp./Net Revenue	44.8%	44.9%	-10 bps	40.6%	40.7%	-10 bps	45.5%	44.4%	110 bps	57.5%	60.6%	-310 bps	53.4%	53.5%	-10 bps
Admin., R&D, IT, and Projects Exp./Net Revenue	16.9%	15.9%	100 bps	13.3%	13.3%	0 bps	20.8%	19.4%	140 bps	20.1%	16.9%	320 bps	27.8%	25.9%	190 bps
EBITDA Margin	8.5%	9.0%	-50 bps	11.4%	11.6%	-20 bps	0.4%	3.5%	-310 bps	15.3%	18.0%	-270 bps	22.5%	27.5%	-500 bps
Net Margin	1.2%	(3.4)%	460 bps	-	-	-	-	-	-	-	-	-	-	-	-

[a] *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.*
[b] *Natura &Co Latam: includes Natura, Avon, TBS Brazil and Hispanic Latam and Aesop Brazil*
[c] *Includes PPA – Purchase Price Allocation effects*
[d] *Expenses related to the management and integration of the Natura &Co Group*
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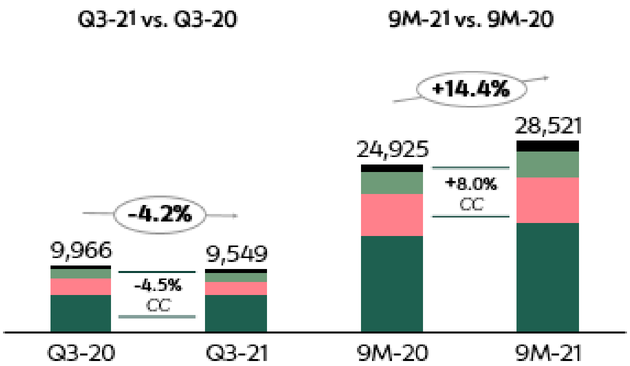
[g] *Related to business separation at Avon North America*

CONSOLIDATED NET REVENUE IN Q3-21 AND 9M-21

Q3-21 consolidated net revenue decreased by 4.2% year-on-year in BRL (-4.5%at CC) excluding cyber effects in Q3-20, reflecting a challenging external environment in many of our key markets and a record-high comparable base, as Q3-20 was up by 26.0%[5] ex-cyber effects (+11.6%[5] at CC). Compared to Q3-19 (pre-pandemic), Q3-21 net revenue was up a very strong 20.7%[5] (+0.7%[5] at CC), accelerating in relation to Q2 over the same period.

In the first 9 months, in line with our guidance, net revenue was R$28.5 billion, +14.4% vs. 9M20 (+8.0% at CC), and 22.5%[5] vs. 9M19 (+0.4%[5] at CC), ahead of the average of the global CFT market, resulting in market share gains in key markets.

Consolidated Net Revenue[1] Growth
(R$ million)



(1) Exclude cyber effects on Natura &Co Latam and Avon International in Q3-20.

Net Revenue[1] Growth by Segment

	NATURA &CO LATAM	AVON INTERNATIONAL	THE BODY SHOP	AESOP
	Q3-21 vs. Q3-20			
R$	-2.4%	-14.3%	+0.4%	+12.0%
CC	-3.2%	-13.5%	-1.2%	+14.2%
	9M-21 vs. 9M-20			
R$	+14.4%	+6.3%	+20.6%	+39.8%
CC	+11.5%	-2.9%	+7.1%	+27.5%

Over 70% of our net revenue is in currencies outside Brazil, including developed markets currencies (G-10). Net revenue breakdown by currency is set out below:

Net Revenue Breakdown by Currency		
Currency	Q3-21	9M-21
G-10 Currencies[1]	21%	21%
Brazilian Real	29%	29%
Other Latam Currencies	30%	29%
Emerging Markets Currencies	20%	21%

[1] *Includes: USD, EUR, GBP, JPY,AUD, NZD, CAD, CHF, NOK and SEK*

GROSS MARGIN

Consolidated gross margin in Q3-21 stood at 65.3%, +80 bps vs. Q3-20. 9M-21 gross margin reached 65.1%, +100 bps vs. Q3-20.

Excluding PPA effects on costs of goods sold (COGS) of R$0.4 million in Q3-21 and R$9.2 million in Q3-20, gross margin stood at 65.3% in Q3-21, +70 bps vs Q3-20. In 9M-21, gross margin excluding PPA effects reached 65.2%, +60 bps vs. 9M-20.

Q3-21: excluding PPA effects at Natura &Co Latam and Avon International

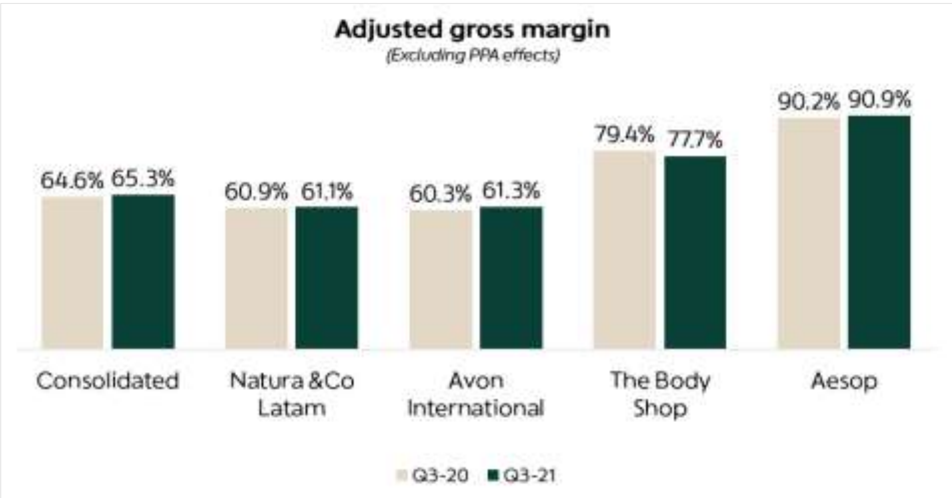
R$ million	Consolidated			Natura &Co Latam			Avon International			The Body Shop			Aesop		
	Q3-21	Q3-20	*Ch. %*	Q3-21	Q3-20	Ch. %	Q3-21	Q3-20	Ch. %	Q3-21	Q3-20	Ch. %	Q3-21	Q3-20	Ch. %
Net Revenue	9,549.2	10,419.5	*(8.4)*	5,551.5	6,083.6	*(8.7)*	2,053.7	2,457.3	*(16.4)*	1,390.6	1,384.6	*0.4*	553.4	494.0	*12.0*
COGS	(3,313.1)	(3,695.4)	*(10.3)*	(2,158.9)	(2,384.0)	*(9.4)*	(794.3)	(978.2)	*(18.8)*	(309.5)	(285.1)	*8.6*	(50.4)	(48.2)	*4.7*
Gross Profit	6,236.2	6,724.1	*(7.3)*	3,392.6	3,699.6	*(8.3)*	1,259.5	1,479.2	*(14.9)*	1,081.1	1,099.6	*(1.7)*	503.0	445.8	*12.8*
Gross Margin	*65.3%*	*64.5%*	*80 bps*	*61.1%*	*60.8%*	*30 bps*	*61.3%*	*60.2%*	*110 bps*	*77.7%*	*79.4%*	*-170 bps*	*90.9%*	*90.2%*	*70 bps*
PPA effect on COGS	(0.4)	(9.2)	*(96.0)*	(0.4)	(7.3)	*(95.1)*	(0.0)	(1.9)	*(99.7)*	-	-	-	-	-	-
Gross Profit ex-PPA	6,236.5	6,733.2	*(7.4)*	3,392.9	3,706.9	*(8.5)*	1,259.5	1,481.0	*(15.0)*	1,081.1	1,099.6	*(1.7)*	503.0	445.8	*12.8*
Gross Margin ex-PPA	*65.3%*	*64.6%*	*70 bps*	*61.1%*	*60.9%*	*20 bps*	*61.3%*	*60.3%*	*100 bps*	*77.7%*	*79.4%*	*-170 bps*	*90.9%*	*90.2%*	*70 bps*

[5] For comparison purposes, 2019 figures include Avon Products, Inc, on an aggregated basis in IFRS.

9M-21: excluding PPA effects at Natura &Co Latam and Avon International

R$ million	Consolidated			Natura &Co Latam			Avon International			The Body Shop			Aesop		
	9M-21	9M-20	*Ch. %*	9M-21	9M-20	Ch. %	9M-21	9M-20	Ch. %	9M-21	9M-20	Ch. %	9M-21	9M-20	Ch. %
Net Revenue	28,521.5	24,924.7	*14.4*	16,271.1	14,221.7	*14.4*	6,621.2	6,228.9	*6.3*	3,927.9	3,257.0	*20.6*	1,701.3	1,217.1	*39.8*
COGS	(9,953.8)	(8,949.7)	*11.2*	(6,383.4)	(5,610.6)	*13.8*	(2,582.7)	(2,537.9)	*1.8*	(832.6)	(685.3)	*21.5*	(155.2)	(115.8)	*34.0*
Gross Profit	18,567.6	15,975.0	*16.2*	9,887.7	8,611.1	*14.8*	4,038.5	3,691.0	*9.4*	3,095.3	2,571.7	*20.4*	1,546.1	1,101.3	*40.4*
Gross Margin	*65.1%*	*64.1%*	*100 bps*	*60.8%*	*60.5%*	*30 bps*	*61.0%*	*59.3%*	*170 bps*	*78.8%*	*79.0%*	*-20 bps*	*90.9%*	*90.5%*	*40 bps*
PPA effect on COGS	(23.3)	(124.2)	*(81.3)*	(9.4)	(69.3)	*(86.4)*	(13.9)	(54.9)	*(74.8)*	-	-	-	-	-	-
Gross Profit ex-PPA	18,590.9	16,099.3	*15.5*	9,897.2	8,680.4	*14.0*	4,052.4	3,745.9	*8.2*	3,095.3	2,571.7	*20.4*	1,546.1	1,101.3	*40.4*
Gross Margin ex-PPA	*65.2%*	*64.6%*	*60 bps*	*60.8%*	*61.0%*	*-20 bps*	*61.2%*	*60.1%*	*110 bps*	*78.8%*	*79.0%*	*-20 bps*	*90.9%*	*90.5%*	*40 bps*

- Natura &Co Latam's Q3-21 gross margin excluding PPA effects was 61.1% (+20 bps), as pricing/sales mix and synergies more than offset raw material inflation pressure and foreign currency headwinds in Brazil.
- Avon International's Q3-21 gross margin excluding PPA effects was 61.3% (+100 bps) as the favorable pricing/sales mix offset higher supply chain costs.
- The Body **Shop's** Q3-21 gross margin stood at 77.7% (-170 bps), mainly due to raw material inflation pressure and supply chain disruptions effects.
- Aesop's Q3-21 gross margin was 90.9% in Q3-21, +70 bps compared to Q3-20, driven by channel rebalancing, notably retail reopening.

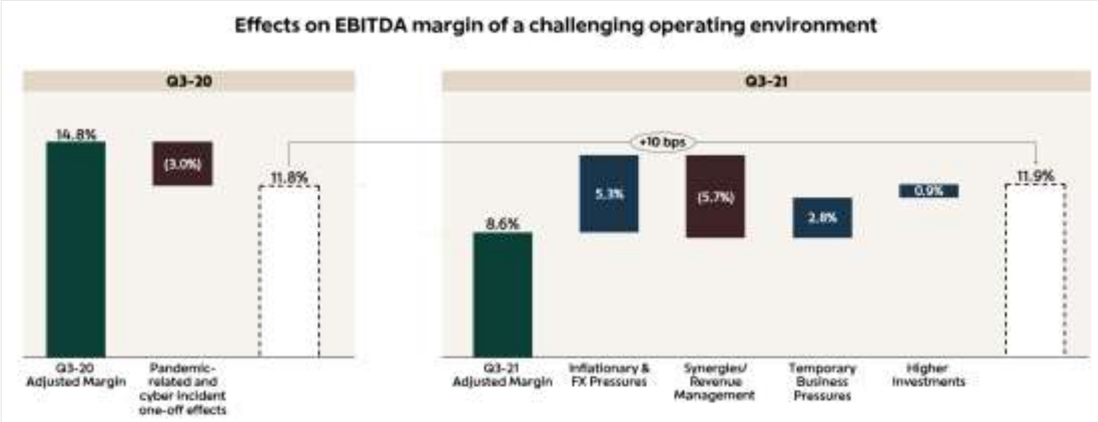


Gross margin was pressured by rising commodity and freight costs as well as foreign currency headwinds, mainly concentrated in Latin America. Commodities such as palm oil, plastic resins and pulp and paper have increased 55%, 65% and 94% respectively, while maritime freight costs increased by 370% compared to Q3-20.

CONSOLIDATED EBITDA

Both 2021 and 2020 margins reflected several impacts related to a challenging operating environment. In Q3-21, 570 bps in synergies and revenue management gains fully offset a 530 bps impact from inflationary and foreign currency pressure. Other temporary business pressures, notably sales deleverage, reduced margin by an additional 280 bps and higher investments to accelerate growth lowered margin by a further 90 bps, consistent with our business plan. In addition, Q3-20 adjusted EBITDA margin benefited from 300 bps from pandemic-related one-off effects of cost containment and government support, as well as the phasing of sales from the cyber incident.

Excluding the effects from the challenging operating environment in both years, adjusted EBITDA margin would have increased by 10 bps this quarter, as demonstrated in the chart below:



Reported EBITDA was R$953.9 million in Q3-21 with margin of 10.0% (-400 bps vs. Q3-20). Adjusted EBITDA was R$819.1 million, with an adjusted margin of 8.6% (-620 bps).

Q3-21: Adjusted EBITDA

R$ million	Consolidated EBITDA			Natura &Co Latam			Avon International			The Body Shop			Aesop		
	Q3-21	Q3-20	*Ch. %*	Q3-21	Q3-20	*Ch. %*	Q3-21	Q3-20	*Ch. %*	Q3-21	Q3-20	*Ch. %*	Q3-21	Q3-20	*Ch. %*
Consolidated EBITDA	953.9	1,457.0	*(34.5)*	719.4	972.1	*(26.0)*	36.7	135.9	*(73.0)*	250.6	308.3	*(18.7)*	108.2	154.4	*(29.9)*
Transformation Expenses / CTA (1)	105.1	90.3	*16.4*	51.7	30.7	*68.5*	44.1	47.1	*(6.3)*	-	-	-	-	-	-
(i) Transformation costs	*47.6*	*35.3*	*34.8*	-	-	-	*44.1*	*24.3*	*81.3*	-	-	-	-	-	-
(ii) Costs to achieve synergies	*57.5*	*54.9*	*4.6*	*51.7*	*30.7*	*68.5*	-	*22.8*	*(100.0)*	-	-	-	-	-	-
Avon acquisition-related expenses (2)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Tax credits, recoveries and provision reversal (3)	(240.0)	-	-	(240.0)	-	-	-	-	-	-	-	-	-	-	-
Adjusted EBITDA	819.1	1,547.3	*(47.1)*	531.1	1,002.8	*(47.0)*	80.8	183.0	*(55.9)*	250.6	308.3	*(18.7)*	108.2	154.4	*(29.9)*
Adjusted EBITDA Margin	*8.6%*	*14.8%*	*-620 bps*	*9.6%*	*16.5%*	*-690 bps*	*3.9%*	*7.4%*	*-350 bps*	*18.0%*	*22.3%*	*-430 bps*	*19.6%*	*31.3%*	*-1170 bps*

9M-21: Adjusted EBITDA

R$ million	Consolidated EBITDA			Natura &Co Latam			Avon International			The Body Shop			Aesop		
	9M-21	9M-20	*Ch. %*	9M-21	9M-20	*Ch. %*	9M-21	9M-20	*Ch. %*	9M-21	9M-20	*Ch. %*	9M-21	9M-20	*Ch. %*
Consolidated EBITDA	2,413.0	2,254.2	*7.0*	1,853.6	1,652.9	*12.1*	24.0	217.3	*(89.0)*	601.9	586.9	*2.5*	382.5	335.0	*14.2*
Transformation Expenses / CTA (1)	420.5	169.7	*147.8*	145.5	65.5	*122.0*	246.5	80.2	*207.2*	-	-	-	-	-	-
(i) Transformation costs	*252.4*	*71.9*	*251.2*	-	-	-	*246.5*	*49.4*	*398.5*	-	-	-	-	-	-
(ii) Integration costs	*168.1*	*97.8*	*71.9*	*145.5*	*65.5*	*122.0*	-	*30.8*	*(100.0)*	-	-	-	-	-	-
Avon acquisition-related expenses (2)	-	303.9	-	-	-	-	-	-	-	-	-	-	-	-	-
Tax credits, recoveries and provision reversal (3)	(240.0)	(97.0)	-	(240.0)	(97.0)	-	-	-	-	-	-	-	-	-	-
Non-recurring PPA impacts on EBITDA (4)	-	102.9	-	-	42.3	-	-	60.6	-	-	-	-	-	-	-
Adjusted EBITDA	2,593.5	2,733.7	*(5.1)*	1,759.0	1,663.7	*5.7*	270.5	358.2	*(24.5)*	601.9	586.9	*2.5*	382.5	335.0	*14.2*
Adjusted EBITDA Margin	*9.1%*	*11.0%*	*-190 bps*	*10.8%*	*11.7%*	*-90 bps*	*4.1%*	*5.7%*	*-160 bps*	*15.3%*	*18.0%*	*-270 bps*	*22.5%*	*27.5%*	*-500 bps*

1. Transformation Costs and Costs to Achieve Synergies (CTA) of R$105.1 million in Q3 and R$420.5 million in 9M include:
    I. Transformation costs in Q3-21 of R$44.1 million at Avon International and R$3.6 million at corporate level. In 9M-21, they reached R$246.5 million at Avon International and R$5.9 million at corporate level.
    II. Costs to achieve synergies in Q3-21 of R$51.7 million at Natura &Co Latam and R$5.8 million at corporate level. In 9M-21, they stood at R$145.5 million at Natura &Co Latam and R$22.7 million at corporate level.
2. Avon acquisition-related expenses: Non-recurring costs associated with the Avon acquisition incurred in 9M-20.
3. Tax credits, recoveries and provision reversal: 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.
4. Non-recurring inventory PPA impacts in 9M-20: 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 on SG&A expenses, consolidated Selling, Marketing & Logistics expenses reached 44.2% of net revenue (+390 bps vs. Q3-20), while Administrative, R&D, IT and Project expenses reached 16.6% of net revenue, (+280 bps vs Q3-20).

The increase in SG&A in Q3-21 is due to sales deleverage, inflationary impacts, higher freight costs, foreign currency headwinds and higher investments to accelerate growth at Natura &Co Latam and Avon International, and higher investments in digital, categories and geographic expansion to accelerate growth at Aesop. In addition, Q3-20 benefited from 140 bps from pandemic-related one-off effects of cost containment and government support.

Q3-21: 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		
	Q3-21	Q3-20	Ch. %	Q3-21	Q3-20	Ch. %	Q3-21	Q3-20	Ch. %	Q3-21	Q3-20	Ch. %	Q3-21	Q3-20	Ch. %
Selling, Marketing and Logistics Expenses	(4,288.3)	(4,280.3)	*0.2*	(2,293.7)	(2,216.2)	*3.5*	(945.9)	(1,039.4)	*(9.0)*	(737.2)	(783.1)	*(5.9)*	(311.6)	(241.6)	*28.9*
Administrative, R&D, IT and Projects Expenses	(1,655.4)	(1,469.2)	*12.7*	(784.9)	(695.7)	*12.8*	(420.1)	(457.4)	*(8.2)*	(287.3)	(194.0)	*48.1*	(152.3)	(120.6)	*26.3*
SG&A Expenses	(5,943.8)	(5,749.5)	*3.4*	(3,078.6)	(2,911.9)	*5.7*	(1,366.0)	(1,496.8)	*(8.7)*	(1,024.5)	(977.1)	*4.9*	(463.9)	(362.2)	*28.1*
Selling, Marketing and Logistics (% of Net Revenue)	*44.9%*	*41.1%*	*380 bps*	*41.3%*	*36.4%*	*490 bps*	*46.1%*	*42.3%*	*380 bps*	*53.0%*	*56.6%*	*-360 bps*	*56.3%*	*48.9%*	*740 bps*
Admin., R&D, IT, and Projects Exp. (% of Net Revenue)	*17.3%*	*14.1%*	*320 bps*	*14.1%*	*11.4%*	*270 bps*	*20.5%*	*18.6%*	*190 bps*	*20.7%*	*14.0%*	*670 bps*	*27.5%*	*24.4%*	*310 bps*
SG&A Expenses ex-PPA	(5,807.5)	(5,638.0)	*3.0*	(3,057.6)	(2,914.8)	*4.9*	(1,250.8)	(1,382.3)	*(9.5)*	(1,024.5)	(977.1)	*4.9*	(463.9)	(362.2)	*28.1*
Selling, Marketing and Logistics ex-PPA (% of Net Revenue)	*44.2%*	*40.3%*	*390 bps*	*40.7%*	*35.8%*	*490 bps*	*44.3%*	*40.7%*	*360 bps*	*53.0%*	*56.6%*	*-360 bps*	*56.3%*	*48.9%*	*740 bps*
Admin., R&D, IT, and Projects Exp. ex-PPA (% of Net Revenue)	*16.6%*	*13.8%*	*280 bps*	*14.3%*	*12.1%*	*220 bps*	*16.6%*	*15.5%*	*110 bps*	*20.7%*	*14.0%*	*670 bps*	*27.5%*	*24.4%*	*310 bps*

9M-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		
	9M-21	9M-20	Ch. %	9M-21	9M-20	Ch. %	9M-21	9M-20	Ch. %	9M-21	9M-20	Ch. %	9M-21	9M-20	Ch. %
Selling, Marketing and Logistics Expenses	(12,791.4)	(11,181.3)	*14.4*	(6,610.0)	(5,791.2)	*14.1*	(3,015.6)	(2,765.4)	*9.1*	(2,257.0)	(1,973.5)	*14.4*	(908.7)	(651.2)	*39.5*
Administrative, R&D, IT and Projects Expenses	(4,832.9)	(3,964.8)	*21.9*	(2,169.0)	(1,889.4)	*14.8*	(1,379.5)	(1,207.9)	*14.2*	(790.3)	(551.0)	*43.4*	(472.6)	(314.6)	*50.2*
SG&A Expenses	(17,624.3)	(15,146.1)	*16.4*	(8,779.0)	(7,680.6)	*14.3*	(4,395.1)	(3,973.3)	*10.6*	(3,047.4)	(2,524.5)	*20.7*	(1,381.3)	(965.8)	*43.0*
Selling, Marketing and Logistics (% of Net Revenue)	*44.8%*	*44.9%*	*-10 bps*	*40.6%*	*40.7%*	*-10 bps*	*45.5%*	*44.4%*	*110 bps*	*57.5%*	*60.6%*	*-310 bps*	*53.4%*	*53.5%*	*-10 bps*
Admin., R&D, IT, and Projects Exp. (% of Net Revenue)	*16.9%*	*15.9%*	*100 bps*	*13.3%*	*13.3%*	*0 bps*	*20.8%*	*19.4%*	*140 bps*	*20.1%*	*16.9%*	*320 bps*	*27.8%*	*25.9%*	*190 bps*
SG&A Expenses ex-PPA	(17,175.3)	(14,731.4)	*16.6*	(8,693.8)	(7,589.9)	*14.5*	(4,031.2)	(3,649.3)	*10.5*	(3,047.4)	(2,524.5)	*20.7*	(1,381.3)	(965.8)	*43.0*
Selling, Marketing and Logistics ex-PPA (% of Net Revenue)	*44.1%*	*44.0%*	*10 bps*	*40.0%*	*40.0%*	*0 bps*	*43.7%*	*42.7%*	*100 bps*	*57.5%*	*60.6%*	*-310 bps*	*53.4%*	*53.5%*	*-10 bps*
Admin., R&D, IT, and Projects Exp. ex-PPA (% of Net Revenue)	*16.1%*	*15.1%*	*100 bps*	*13.4%*	*13.4%*	*0 bps*	*17.2%*	*15.9%*	*130 bps*	*20.1%*	*16.9%*	*320 bps*	*27.8%*	*25.9%*	*190 bps*

FINANCIAL INCOME AND EXPENSES

Net financial expenses were R$293.0 million in Q3-21, relatively stable vs. Q3-20, due to lower interest expenses from liability management and higher financial income from the increase in interest rate in Brazil, partially offset by the negative effects of devaluation of the Brazilian Real in the quarter.

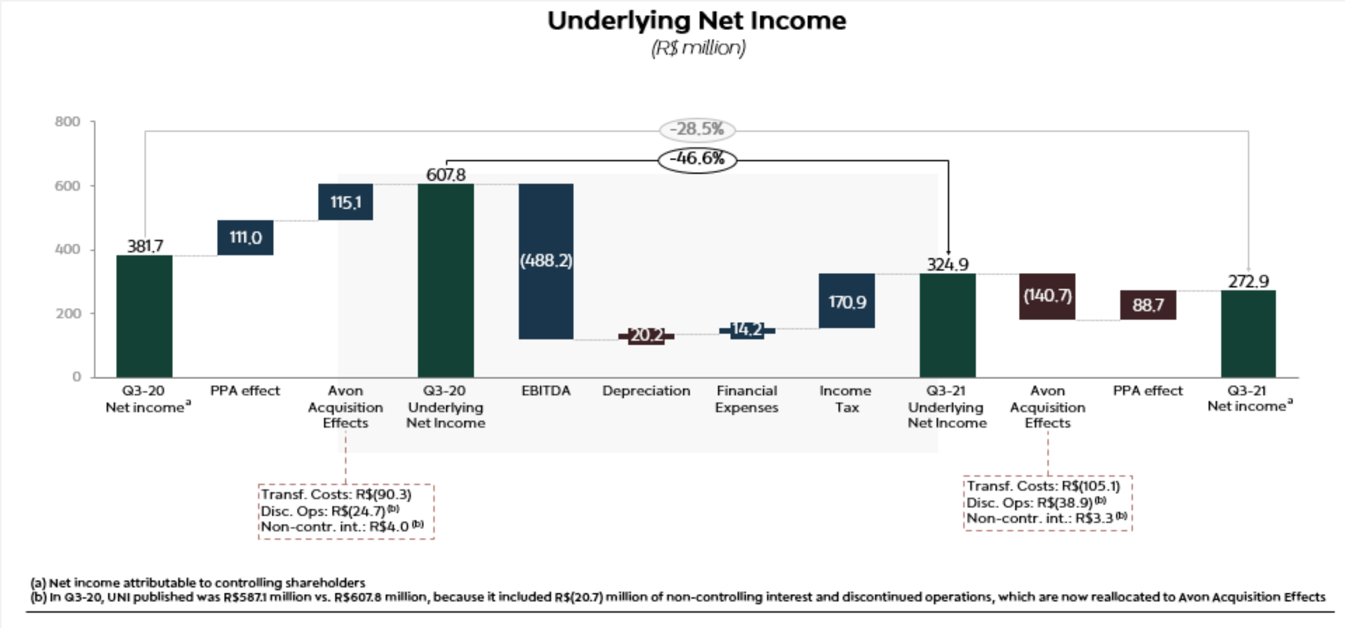
The following table details the main changes in our financial income and expenses:

R$ million	Q3-21	Q3-20	*Ch. %*	9M-21	9M-20	*Ch. %*
1. Financing, Short-Term Investments and Derivatives Gains/Losses	(115.0)	(224.3)	*(48.7)*	(149.2)	(576.4)	*(74.1)*
1.1 Financial Expenses	(170.2)	(239.8)	*(29.0)*	(481.9)	(703.6)	*(31.5)*
1.2 Financial Income	101.8	45.3	*124.5*	199.1	119.7	*66.4*
1.3 Monetary and Exchange Variations, Net	(456.0)	(98.5)	*362.7*	(102.1)	(1,264.5)	*(91.9)*
1.4 Swap and Forward Transactions Variation, Net	460.1	62.8	*633.1*	121.0	1,253.7	*(90.3)*
1.5 Income/Expenses with swap and forward transactions	(50.7)	5.9	*(956.5)*	114.5	18.4	*522.5*
2. Judicial Contingencies	(25.2)	(6.1)	*314.6*	(51.1)	29.9	*(270.8)*
3. Other Financial Income and Expenses	(152.8)	(59.9)	*155.0*	(526.2)	(240.0)	*119.2*
3.1 Lease Interest Expenses	(45.3)	(59.5)	*(24.0)*	(151.3)	(178.9)	*(15.4)*
3.2 Other	(107.6)	(0.4)	*27,132.4*	(374.9)	(61.1)	*513.9*
Financial Income and Expenses, Net	(293.0)	(290.4)	*0.9*	(726.4)	(786.5)	*(7.6)*

UNDERLYING NET INCOME (UNI) AND NET INCOME

Q3-21 Underlying Net Income was R$324.9 million, down from a positive R$607.8 million in Q3-20, before PPA effects of R$88.7 million and Avon acquisition-related effects of R$(140.7) million, which include: i) transformation expenses/CTA of R$(105.1) million, ii) discontinued operations of R$(38.9) million and positive non-controlling interests of R$3.3 million.

Q3-21 reported net income was R$272.9 million, a decrease from R$381.7 million in Q3-20, mainly impacted by lower EBITDA, largely offset by lower income tax expense and one-time tax benefits, including tax credit recoveries in Brazil.



FREE CASH FLOW AND CASH POSITION

Cash flow was an outflow of R$672.9 million in Q3-21, as expected, due to a challenging operating environment and continued and uneven Covid-19 impacts. Consumption in Q3 was mainly related to higher: i) working capital investments, primarily related to an increase in inventory, partially offset by extended payables; ii) Capex, due to a resumption of investments across the businesses.

R$ million	Q3-21	Q3-20	Ch. %	9M-21	9M-20	Ch. %
Net Income (Loss) Reported [a]	272.9	381.7	*(28.5)*	352.6	(827.6)	*(142.6)*
Depreciation and Amortization	664.4	711.1	*(6.6)*	2,059.6	2,040.9	*0.9*
Non-Cash/Others [b]	(820.1)	(398.8)	*105.6*	(2,448.9)	(686.8)	*256.5*
Internal Cash Generation	117.2	694.1	*(83.1)*	(36.7)	526.4	*(107.0)*
Working Capital Decrease / (Increase)	(480.2)	(722.0)	*(33.5)*	(2,217.0)	(1,111.4)	*99.5*
Cash Generation (Use) Before Capex	(363.0)	(28.0)	*1,198.0*	(2,253.6)	(585.0)	*285.2*
Capex	(310.0)	(166.7)	*85.9*	(755.5)	(414.3)	*82.4*
Free Cash Flow	(672.9)	(194.7)	*245.6*	(3,009.2)	(999.3)	*201.1*

[a] *Attributable to the controlling shareholders*

[b] *Includes the effects of deferred income tax, fixed and intangible assets write-offs, FX on translation of working capital, fixed assets, etc.*

CAPITAL STRUCTURE AND LIABILITY MANAGEMENT

In October, the Company entered into a revolving credit facility ("RCF") through its subsidiary Natura &Co Luxembourg Holdings, in the amount of up to US$625 million for a period of 3 years, with the option to extend for one additional year. The RCF is guaranteed by the Company and its subsidiary Natura Cosméticos. The credit line represents an additional source of liquidity, allowing the Company and its subsidiaries more efficient cash management while enhancing the Company's liquidity profile.

STRONG DELEVERAGING AT BOTH NATURA &CO HOLDING AND NATURA COSMÉTICOS

Natura &Co Holding's consolidated net debt-to-EBITDA ratio stood at 1.83x in Q3-21, significantly down from 3.00x in Q3-20, including the effects of IFRS-16 (excluding IFRS-16: 2.74x in Q3-21 vs. 4.31x in Q3-20).

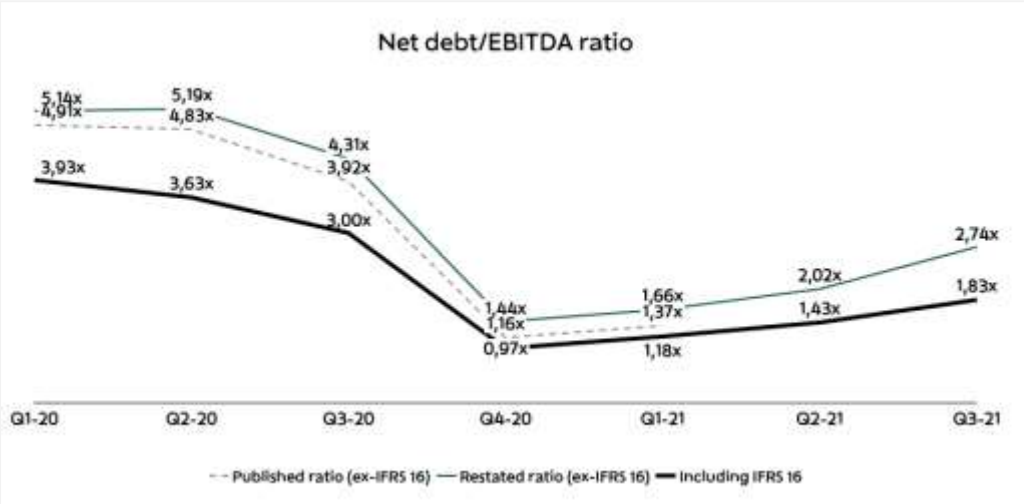
Natura Cosméticos' net debt-to-EBITDA ratio stood at 1.32x in Q3-21 vs. 1.03x in Q3-20, including the effects of IFRS-16 (excluding IFRS-16: 1.84x in Q3-21 vs. 1.33x in Q3-20).

In the quarter, the Company paid the total amount of R$2,135.6 million related to the settlement of Natura Cosméticos' debentures, of which i) R$1,827.3 million referred to the 7th issuance, and ii) R$308.3 million referred to the 9th issuance, both maturing in September.

R$ million	Natura Cosméticos S.A.		Natura &Co Holding S.A.	
	Q3-21	Q3-20	Q3-21	Q3-20
Short-Term	924.6	3,213.6	1,155.7	4,535.6
Long-Term	7,463.6	6,431.6	11,133.1	15,261.7
Gross Debt [a]	8,388.2	9,645.1	12,288.8	19,797.4
Foreign currency hedging (Swaps) [b]	(229.9)	(1,990.0)	(229.9)	(1,990.0)
Total Gross Debt	8,158.3	7,655.1	12,058.8	17,807.4
(-)Cash, Cash Equivalents and Short-Term Investment	(3,737.6)	(4,263.9)	(5,358.9)	(7,950.8)
(=) Net Debt	4,420.7	3,391.3	6,699.9	9,856.5
Indebtedness ratio excluding IFRS 16 effects				
Net Debt/EBITDA	1.84x	1.33x	2.74x	4.31x [c]
Total Debt/EBITDA	3.40x	3.01x	4.94x	7.79x [c]
Indebtedness ratio including IFRS 16 effects				
Net Debt/EBITDA	1.32x	1.03x	1.83x	3.00x
Total Debt/EBITDA	2.43x	2.32x	3.29x	5.42x

[a] *Gross debt excludes PPA impacts of R$405.0 million and excludes lease agreements*
[b] *Foreign currency debt hedging instruments, excluding mark-to-market effects*
[c] *Restated ratio*

Indebtedness ratios excluding IFRS 16 effects in 2020 and Q1-21 for Natura &Co Holding were restated. 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.



4. Performance by segment

NATURA &CO LATAM: **Higher "brand power" for both brands**

Q3 net revenue: -2.4%[6] in BRL vs. Q3-20 (-3.2%[6] at CC), against a very strong comparable, when net revenue was up by 21.2%[6,7] (+12.6%[6,7] at CC). Compared to Q3-19 (pre-pandemic), net revenue was up by a strong 18.2%[7] (+7.9%[7] at CC), driven by a very strong performance by the Natura and Avon brands, notably in Hispanic Latam, resulting in market share gains in the nine months compared to the previous year in the region. 9M21 net revenue: +14.4% in BRL vs. 9M20 (+11.5% at CC), and +20.3%[7] compared to 9M19 (+10.0%[7] at CC).

Avon's integration in Latin America is on track, with important progress in administrative, cost reduction and procurement.

The Natura brand's revenue in Brazil this quarter was -16.5%, on the back of the toughest comparable ever in Q3-20 (+30.5%). Compared to Q3-19, revenue was up by 8.9%, outperforming the CFT market. The quarter saw a continued increase in Brand Power, reaching the highest-ever level and strengthening its number one position in CFT in Brazil. The brand also recorded market share gains in the year.

a) Gross revenue divided by average number of consultants

Productivity per consultant was down 21.7% in the quarter, heavily impacted by the exceptionally tough comp of +30.5% revenue growth in Q3-20, when productivity was up by +13.8%. However, productivity of Silver, Gold and Diamond consultants combined, representing the largest part of total sales, increased by +8.7% compared to Q3-19, demonstrating the sustainable health of this group. The number of consultants is stable compared to the year-ago period, attesting to our strong value proposition. These consultants are gradually building up their activity and are expected to progress in productivity over time, and the consultant loyalty index in Brazil remained at the highest-ever level achieved in Q2.

Important launches in the period include Chronos Super Sérum Wrinkle Reducer, which was sold-out at its launch event. It is a powerful triple action treatment that restructures the skin and visibly reduces all types of wrinkles. The exclusive technology combines Brazilian biodiversity prebiotics (Jatobá and Casearia) with a potent probiotic, to stimulate the production of collagen, elastin and hyaluronic acid. Continuing the successful relaunch of the Ekos brand, Natura launched a fragrance featuring for the first time Ishpink, a bio-active from the Equatorial Amazon forest. Ishpink leaves are harvested twice a year by producers supported by the Chankuap Resources for the Future Foundation, who fight along with Natura to regenerate the forest.

In Hispanic Latam, **the Natura brand's 16.6%** strong growth (+20.5% at CC) was on top of an even stronger +65.7% growth in Q3-20 (+32.7% in CC), and was supported by all markets, notably Argentina, Chile and Mexico and all categories, notably fragrances and body care. Productivity per consultant increased and the consultant base expanded +12.4%, reaching 853,000. The quarter ended with a significantly higher consultant loyalty index.

Online sales (e-commerce + social selling): At the Natura brand in Latin America (Brazil and Hispanic Latam), online sales were up 13% vs Q3-20, notably driven by consultants' online stores and stronger growth in Brazil. Natura launched an interactive platform in Brazil whereby consultants can watch the live Christmas launch events online and shop exclusive offers without leaving the screen, and a live shopping platform is being tested, which also allows customers to shop online on the same screen on which they watch the live events presented by our social media influencer consultants.

[6] Excluding the phasing effect of the cyber incident that increased Q3-20 net revenue by R$393 million in Latam (R$214 million in Brazil and R$179 million in Hispanic Latam).

[7] For comparison purposes, 2019 figures include Avon Products, Inc, on an aggregated basis in IFRS.

In Brazil, the sales brochure named Minha Natura, which is a cyclical magazine dedicated to consultants only with special promotions, has been discontinued in paper format and has become a digital brochure. This allows for individualization of offers and reduces the time-to-market of our campaigns, in addition to savings in printing and reduced carbon emissions. In Argentina we took a step further and the customer brochure has become 100% digital, with immediate increased conversion rates. Approximately 75% of the consultants in Argentina share content via the Natura app, producing around 400,000 content items each month.

The &Co Pay platform significantly expanded the number of accounts, reaching nearly 300,000, and total payment volume in 9M is ahead of the R$4 billion annualized estimate, supported by accelerated adoption of the instant payment service (Pix) launched in Q2, and the processing of all sales to consultants via credit card, initiated this quarter.

In the retail channel we reached 767 owned and franchised stores (+94 stores vs. Q3-20), including Natura and The Body Shop, which reported strong growth compared to Q3-20.

The Avon brand in Brazil posted Q3 net revenue of -18.4%8[8] vs. Q3-20, when its revenue grew +6.1%[9]vs. the year before. Compared to Q3-19 (pre-pandemic), net revenue was -13.3%[9]. The new commercial model implemented in late Q1 is still in its adjustments period and in May we significantly reduced the number of beauty leaders and introduced important changes to their remuneration, with a greater focus on the business activity of their groups rather than recruitment. This resulted in improved leader earnings but caused a decline in recruitment levels, leading to a further 16.4% reduction in available representatives, similar to what we experienced at Natura in the past. As we evolve in the model implementation, new measures have recently been introduced to balance recruitment. Initial signs have been positive, and we are confident the new commercial model will stabilize in the short-term.

The Avon brand's power increased significantly compared to Q3-20, driven by its attributes as a top-of-mind brand and differentiation. Representative satisfaction reached a new record-high, driven mainly by: i) higher satisfaction with the digital tools thanks to recent improvements to the orders website, mobile app and digital brochure; ii) enhanced perceptions of the beauty leaders' role, who are seen as more available, better informed and helpful in providing orientation about products and sales strategies; iii) higher attendance at sales events; iv) improved call center; and v) higher satisfaction with make-up, face care and home portfolio, the highest among local peers.

In Hispanic Latam, the Avon brand posted +11.9%[8] net revenue growth in Q3-21 (+10.7%[8] at CC), and +13.2%[9] (-4.8%[9] at CC) compared to Q3-19, driven by markets such as Central America, Chile and Argentina, and core categories such as make up, body care and fragrances. Representative productivity was higher compared to last year (at CC) and the average number of representatives was stable compared to Q3-20.

Digitalization of the business progressed and the number of representatives using the Avon On platform improved by 5pp relative to Q3-20, reaching 19%. Recently introduced tools for digital appointments are yielding positive results, showing an increase of 86% in self-made registrations in core markets such as Mexico, Colombia and Argentina.

We made significant strides in Avon's transformation in the region. We have just completed the implementation of the new commercial model in Ecuador, leveraging learnings from the Avon Brazil model, and initial results have shown an increase in representative appointments. We are preparing to start implementation in Central America and Colombia by early 2022. This should enable acceleration of Wave 2 of the transformation plan across the region. The "Mira de Nuevo" (Watch Me Now) brand campaign was launched in Chile, Peru and Ecuador as part of the most important fashion event in Latin America, Colombia Moda, achieving a social media reach 280% higher than last year.

Attesting to the brand's strengthening reputation in the region, the Merco ranking ranked Avon as number 3 in reputation and corporate governance, in Colombia and Argentina, respectively, improving significantly from a year ago.

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[8] Excluding the phasing effect of the cyber incident that increased Q3-20 net revenue by R$214 million in Brazil.

[9] For comparison purposes, 2019 figures include Avon Products, Inc, on an aggregated basis in IFRS.

AVON INTERNATIONAL:

New commercial model being implemented across top 9 markets

Avon International posted net revenue of R$2,053.7, -14.3%[10] vs. Q3-20 (-13.5%[10] at CC). Compared to Q3-19 (pre-pandemic), net revenue was +2.4%[11] (-22.1%[11] at CC). In 9M21, net revenue was up by +6.3% vs. 9M20 (-2.9% at CC) and +5.4%[11] vs. 9M19 (-23.1%[11] at CC).

Avon's revenue in the quarter reflected continued pandemic effects, especially in Central and Eastern Europe (most notably in Russia and Poland). The average number of representatives in the quarter was down 10.8% compared to Q3-20.

Avon celebrated its 135th anniversary, achieving unprecedented social media reach, and a Kantar report recognized Avon and Natura as number one brands in social impact.

Key markets such as the UK, South Africa and the Philippines gained market share this quarter and in the first nine months of the year, driven by key CFS categories (color, fragrances, and skin care), showing better relative performance despite overall consumption contraction due to uneven Covid recovery. Overall representative satisfaction showed positive momentum vs. 2020 and 2019, driven by South Africa, Poland and the UK and supported by best-ever service levels in order fill rate.

The new commercial model, mirroring Natura's segmentation approach, is being implemented across Avon International's top 9 markets, after successful pilots in the Nordics and South Africa. Significant progress was made in streamlining the operational model across all markets: standardization of campaign cycles, optimized resource allocation with key markets serving as hubs, and approximately 20% reduction of non-strategic SKUs generating a run rate in savings of over $100 million, as included in our guidance.

Online sales at Avon International, which include e-commerce and social selling, accounted for 6% of sales, up by +19.0% compared to last year and 3.0x higher than pre-pandemic levels (Q3-19). Investments in digital made since the acquisition are supporting the increase in social selling adoption at Avon International, which has already reached 15% vs. 3% pre pandemic, and which will converge into one single platform, Avon On, to be scaled up in 2022.

Launches in the quarter included the Anew Renewal Power Serum, containing its exclusive Protinol technology. The product aims to smooth lines and firm skin, giving a better-quality collagen boost, and niacinamide, which protects collagen and helps renew skin at the surface. Furthermore, Avon bestselling beauty Advent calendar is back for 2021, packaged with beauty and make-up essentials.

Further focus on the Avon brand, cult products and gifting will be reinforced in 2022. Net revenue of the Avon brand (Avon International + Latam), grew by 10.7% in BRL in 9M-21 (+3.4% at CC), thus becoming the first cumulative 9-month period of growth for the Avon brand in the last 5 years, highlighting the initial positive steps of its turnaround.

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[10] Excluding the phasing effect of the cyber incident that increased Q3-20 net revenue by R$61 million at Avon International.

[11] For comparison purposes, 2019 figures include Avon Products, Inc, on an aggregated basis in IFRS.

THE BODY SHOP: Store reopenings driving growth

The Body Shop posted net revenue of R$1,390.6 million in Q3-21, up by 0.4% in BRL (-1.2% at CC). Compared to Q3-19 (pre-pandemic), net revenue was up by a strong +52.5% (+7.1% at CC). In 9M21, net revenue was up by 20.6% vs. 9M20 (+7.1% at CC), and +49.4% vs. 9M19 (+1.9% at CC).

The Body Shop posted strong growth across most regions, driven by own stores that represented 40% of sales (vs 36% in 3Q20), and head franchisees also posting strong growth vs previous year. Stores have seen a strong recovery in 2021 as they re-open but remaining restrictions in many markets globally have resulted in lower footfall levels vs 2019. As Covid restrictions ease in Western markets, we continue to see challenging trading conditions notably in the APAC region, with markets such as India, Indonesia as well as Australia experiencing prolonged pandemic-related impacts. In addition, The Body Shop has undergone supply chain disruptions in specific markets such as the USA. The Body Shop lost 9% of own-store trading days in Q3-21 versus 10% in Q3-20.

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 expected to be renovated by year-end.

The quarter saw continued channel rebalancing, as expected, with a slowdown in e-commerce and in The Body Shop At Home, reflecting the retail re-opening and strong comparison base in Q3-20, when all non-digital channels were closed. However, e-commerce is currently at 2x above pre-pandemic levels, while At-Home is at 2.5x.

We saw positive signs of sales momentum from the Japan head franchisee buyback in Q3-20. Under new management, we have been optimizing the store footprint, while also opening 3 stores with the new store concept. In addition, as part of our initiatives to drive cross-sell and up-sell opportunities between our brands, we are planning to launch The Body Shop At Home in Russia, leveraging Avon's presence in that market.

In Q3-21, The Body Shop launched the new hair line called Vegan Silk Protein. With over 90% natural-origin ingredients for all hair types. Vegan silk cleverly replicates the chemical structure of natural silk and is fully plant-based, leveraging Natura's R&D. The haircare is registered by the British Vegan Society and distributed in 100% recycled & recyclable bottles & jars.

We have seen positive results from the early release to the market in September of our Advent Calendars, with a broader assortment, notably in the At Home channel.

The Body Shop made further advances on its ESG agenda with: (i) the continued roll-out of 500 refill stations in stores across the world, having reached almost 300 to date. We have observed over 30% product growth in stores that have refill stations compared to the same products in non-refill station stores. (ii) the relaunch of iconic body butter with 100% vegan formulation with a new, more premium price positioning and sustainable packaging (100% recycled plastic and aluminum). The Body Shop's Body Butter line is currently 100% produced by Avon's Good Manufacturing Practices certified plant in Poland, on track to yield US$ 50 million in recurring annual synergies.

The quarter ended with 1,009 own stores and 1,547 franchise stores (a total of 2,556 stores) with 138 net store closures (own and franchise) since Q3-20. The increase in own stores compared to the same period last year is mainly explained by the Japan business buyback. The chart below shows the store count evolution:

Store	The Body Shop store count				
	Q3-21	Q2-21	Q3-20	*Change vs. Q2-21*	*Change vs. Q3-20*
Own	1.009	1.013	973	*(4)*	*36*
Franchise	1.547	1.558	1.721	*(11)*	*(174)*
Total	2.556	2.571	2.694	*(15)*	*(138)*

AESOP: Continued strong growth with advance in omnichannel model

Aesop posted another quarter of solid growth, with net revenue of R$553.4 million in Q3-21, up by 12.0% in BRL (14.2% at CC). Compared to Q3-19 (pre-pandemic), net revenue was up by a very strong +87.3% (+36.8% at CC). In 9M21, net revenue was +39.8% (+27.5% at CC), and +100.6% vs. Q3-19 (+40.4% at CC).

Revenue growth was particularly strong in Asia (+18%), with North Asia alone contributing for 80% of the group's incremental sales growth, and the Americas posting +17% growth.

Despite strong growth, the quarter presented a challenging operating environment. Many markets around the world remain significantly affected by the pandemic, such as Australia, New Zealand and the European Union, resulting in about 15% lost store days due to store closures. In addition, the business experienced logistics and supply chain disruptions in certain markets.

Retail channels accounted for 80% of sales in the quarter, with stores sales up 26% at CC vs. Q3-20. In the quarter, Aesop continued to invest in store expansion and launched 7 new signature stores in Hong Kong, Seoul, Taipei and Jeju Island (South Korea), New Jersey and Edinburgh. Total online sales reached 20% of net revenue, down from 22% in Q3-20, as expected, and remain 2x above their Q3-19 level (pre-pandemic). In August, Apple Pay was launched as a payment option through Aesop.com as 77% of customers use Apple devices to browse on the website.

In the quarter Aesop launched a new skincare product, Parsley Seed Anti-Oxidant Intense Serum, within the Parsley Seed line, an intensified version of the original serum, that works to hydrate the skin while protecting it from airborne pollutants. It contains antioxidant-rich ingredients such as grapeseed, green tea and parsley seed extracts.

Steady progress was made on the China entry plan with brand activation and go-to-market scheduled by H2-22. As part of the entry plan, we are advancing in product registration and in obtaining Good Manufacturing Practice (GMP) certificate which is required by authorities. Our manufacturers' plants in Victoria, Australia have recently been certifed and will be sourcing part of the products into China. Investments in digital platforms and CRM are being stepped up for the omnichannel entry strategy.

Aesop made further advances on it ESG agenda: (i) it set emissions reduction targets for its direct emissions (scopes 1 & 2), in accordance with SBTi; and (ii) it is preparing for refill testing to be used by customers in stores with the receipt of 'Forever' Glass Vessel units. The launch is expected for Aesop South Yarra, Melbourne later this year.

Signature stores totaled 256 in Q3, including net +5 doors in the quarter. A store count table is provided below:

Aesop

Doors	Aesop door count				
	Q3-21	Q2-21	Q3-20	Change vs. Q2-21	Change vs. Q3-20
Signature stores	256	253	245	3	11
Department	96	94	90	2	6
Total	**352**	**347**	**335**	5	17

5. Social and environmental *performance*

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

COMMITMENT TO LIFE – ONE YEAR ON

One of the key pillars of our 2030 sustainability goals, our "Commitment to Life," focuses on shifting our business towards net zero as well as increasing our efforts to protect the Amazon. Our CEO addressed these themes during Climate Week in New York, the COP15 conference on Biodiversity in Kunming, attended by President Xi Jinping in China and the United Nations Conference of Parties COP26 which allowed the Group to provide its perspective and position.

COP26 in Glasgow is a defining moment for the future of our planet. Natura &Co was out in force, with our top executives across all our businesses, spreading our key message that we should build the global carbon market and that "Amazonia is the way to our future". In over 30 events, Natura &Co´s spokespeople raised awareness that without the Amazon, the goals of the Paris Agreement cannot be reached. As part of our presence at COP26, we called for an acceleration to create an agreement on nature similar to the Paris Agreement on climate change, in order to reverse nature and biodiversity loss by the end of this decade. Conservation and restoration play a role in mitigating climate change that is equal to that of advanced fossil fuel substitution and carbon sequestration technologies.

In line with our Amazon commitments, Natura &Co has partnered with the Science Museum in October in the UK to sponsor the Sebastião Salgado "Amazônia" exhibition, exemplifying the connection between climate and nature on beautiful imagens of the Amazon whilst raising awareness of the living conditions of traditional people that are true guardians of the forest.

As part of our commitment to embrace circularity, Natura &Co is a signatory of The Ellen MacArthur Foundation's New Plastics Economy Global Commitment. This initiative unites more than 1,000 organizations across the plastic packaging value chain to change global flows of plastic packaging material by 2025. As part of our 2030 Commitment to Life targets we committed ourselves to have 100% of materials being either reusable, recyclable or compostable.

COMMITMENT TO LIFE HIGHLIGHTS

To Address the Climate Crisis:

- Since the beginning of 2021, we have shared R$ 29.8 million with the Amazon communities we work with. We continue to allocate resources to community supply chains, improving their structure, by adding value to bio-ingredients and raw materials they sell to Natura &Co, guaranteeing higher product quality while improving their local economy.
- Natura &Co launched a new monitoring tool called PlenaMata (https://plenamata.eco/en/), in partnership with Mapa Biomas and Info Amazonia, which provides a centralized database for information on the health of the Amazon to help to support future conservation and regeneration initiatives. In Q3-21, PlenaMata measured that approximately 187 million trees were taken down, compared to over 460 million since the start of 2021 in the Legal Amazon region.

To defend Human Rights and to be Human-Kind:

- The 50% gender balance target for the senior leadership team was reached in Q3-21, ahead of the original deadline in 2023.
- US$ 163 million were invested in causes (cumulative since 2020), considering an increase of over US$ 20 million since Q2-21. Our causes for Q3 include initiatives supporting the Amazon, increasing our activities in public education for Hispanic America and Save Cruelty Free Cosmetics campaign with Cruelty Free International, PETA and Dove.

To embrace Circularity and Regeneration:

- We have reached 8.8% of recycled plastic content of all plastic used (Q3 2021).
- We announced the launch of the EcoBeautyScore Consortium with L'Oreal, LVMH, Henkel and Unilever to create a common environmental impact assessment of cosmetics products.

Brand Actions

Natura &Co Latin America

Following its Anti-Racist Commitment, Avon Brazil launched project DIVA (Diversity+AVON) which includes several initiatives to reach its commitment goals. The first announcement from DIVA is a new talent platform, exclusively for black people and people of color who want to be AVON associates. This platform will facilitate the inclusion of black talent in every selection process, attracting and identifying suitable profiles

Avon International

Avon International remains engaged to help embrace circularity and partnered with The Plastic Flamingo (PLAF) in the Philippines for a plastic reuse project.

The Body Shop

On August 31, The Body Shop launched Save Cruelty Free Cosmetics, a campaign which, in an industry first, saw us partner with Dove to amplify the rallying call of Cruelty Free International, PETA, and over 100 animal rights NGOs, asking the European Commission to uphold the ban on animal testing for cosmetics in Europe. With activations in every EU country and pop-up activities in France, Belgium, Spain, Italy, and Sweden, we are confident we will gather 1 million statements of support on our European Citizens Initiative.

The Body Shop is rolling out its Refill stations across its stores, totaling almost 300 to date.

Aesop

Employee Resource Groups (ERG's) setup to cultivate belonging and inclusivity: PRISM (Aesop's LGBTQIA+), Women at Aesop (and Allies), Anti Racism Committee (ARC).

Awards and Recognitions:

Natura &Co

- Natura &Co was voted the top Latin American Company for its sustainability leadership by a GlobeScan sustainability survey, which ranks companies by regions in which they are headquartered. The survey highlights our efforts in integrating sustainability into our business strategy.
- To continue to raise awareness of our Commitment to Life 2030 Sustainability Vision, Natura &Co has partnered with WaterBear, an Academy Award winning groundbreaking interactive streaming platform dedicated to the future of our planet. Through our own dedicated channel on the platform, we will be able to share Natura &Co stories.
- As part of a global initiative of 50 businesses, Natura &Co was a signatory to a business statement calling for the recognition of the human right to a clean, healthy, and sustainable environment (HRH2HE) as a new international human right, which was voted by the Human Rights Council in October.
- Natura &Co was honored to be one of the first to be awarded the inaugural 2021 Terra Carta Seal, granted by HRH Prince of Wales, which recognizes global companies that are driving innovation and demonstrating their commitment to, and momentum towards, the creation of genuinely sustainable markets.
- Natura &Co joined The Earthshot Prize, HRH Prince William and The Royal Foundation of The Duke and Duchess of Cambridge in 2020, as a Global Alliance Member, a group of world-leading companies and brands operating on every continent who will support and scale ground-breaking solutions developed by The Earthshot Prize Finalists and Winners.

Natura

- Natura continued to lead the Merco Ranking in Brazil (Corporate Reputation Business Monitor), as one of the most responsible companies and with best corporate governance.
- Regarding Climate and Circularity, Natura through its Kaiak line, announced its partnership with the Schurmann Family, the first Latin American family to circumnavigate the world in a sailboat, in the "Voice of Oceans" (Voz dos Oceanos) expedition. The expedition seeks to raise awareness of ocean pollution and show that it is possible to foster the recycling chain and avoid the production of more waste that pollutes the waters.

6. Capital Markets *and Stock Performance*

NTCO3 shares traded at R$45.57 at the end of Q3-21 on the B3 stock exchange, -20.4% in the quarter. Average Daily Trading Volume (ADTV) for the quarter was R$327.0 million, +7.7% vs Q3-20. NTCO traded at US$16.65 at the end of Q3-21 on NYSE, -26.4% in the quarter.

On September 30, 2021, the Company's market capitalization was **R$62.9 billion**, and the Company's capital was comprised of 1,379,458,008 common shares.

7. Fixed *income*

Below is a table with details of all public debt instruments outstanding per issuer as of September 30, 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 [1]	4.125%
Natura Cosméticos S.A.	Debenture - 9th issue	09/21/2018	09/21/2022	BRL 302.7	112% DI tax
Natura Cosméticos S.A.	Debenture - 10th issue 1st series	08/28/2019	08/26/2024	BRL 400.0	DI + 1.00 per year
		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%[2]
Avon Products, Inc.	Unsecured Bonds	03/12/2013	03/15/2043	US$ 216.1	8.450%[2]

[1] *Principal and interests fully hedged (swapped to BRL). For more information, see the explanatory notes to the Company's financial statements.*
[2] *Coupon based on current credit ratings, governed by interest rate adjustment clause*

In the quarter, the Company settled R$2,135.6 million in debentures issued by Natura Cosméticos maturing in September, of which i) R$1,827.3 million related to the 7th issuance, and ii) R$308.3 million related to the 9th issuance.

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

8. Appendices

CONSOLIDATED BALANCE SHEET

ASSETS (R$ million)	Sep-21	Dec-20
CURRENT ASSETS		
Cash and cash equivalents	3,054.4	5,821.7
Securities	2,304.5	2,520.6
Trade receivables	3,246.5	3,597.5
Inventories	5,948.0	4,544.3
Recoverable taxes	1,008.0	1,071.3
Income tax and social contribution	530.3	242.1
Derivatives	95.5	139.9
Other current assets	823.6	616.1
Other non-current assets held for sale	69.6	181.3
Total current assets	**17,080.4**	**18,734.8**
NON CURRENT ASSETS		
Recoverable taxes	1,279.2	932.2
Income tax and social contribution	10.8	478.5
Deferred income tax and social contribution	2,750.8	1,339.7
Judicial deposits	570.8	566.2
Financial derivatives instruments	565.2	1,768.1
Securities	32.6	16.1
Other non-current assets	1,376.3	1,527.7
Total long term assets	**6,585.8**	**6,628.5**
Property, plant and equipment	5,156.2	5,235.1
Intangible assets	26,777.3	26,917.1
Right of Use	3,035.7	3,402.0
Total non-current assets	**41,554.8**	**42,182.8**
TOTAL ASSETS	58,635.3	60,917.6

LIABILITIES AND SHAREHOLDER'S EQUITY (R$ million)	Sep-21	Dec-20
CURRENT LIABILITIES		
Loans, financing and debentures	1,155.7	3,805.6
Leasing	981.2	1,059.7
Trade payables and forfait operations	6,301.1	6,774.2
Payroll, profit sharing and social changes	1,342.4	1,340.7
Tax liabilities	592.7	785.4
Income tax and social contribution	379.0	441.3
Derivative financial instruments	253.9	61.2
Provision for tax, civil and labor risks	65.6	58.8
Other current liabilities	1,675.5	1,832.8
Total current liabilities	**12,747.1**	**16,159.6**
NON CURRENT LIABILITIES		
Loans, financing and debentures	11,538.1	10,017.3
Leasing	2,514.6	2,798.8
Payroll, profit sharing and social changes	43.8	43.8
Tax liabilities	111.5	109.5
Deferred income tax and social contribution	932.7	1,288.0
Provision for tax, civil and labor risks	1,886.8	2,000.4
Other non-current liabilities	996.2	1,113.1
Total non-current liabilities	**18,023.7**	**17,370.9**
SHAREHOLDERS' EQUITY		
Capital stock	12,480.4	12,378.0
Treasury shares	(9.3)	(11.7)
Capital reserves	10,507.2	11,052.1
Retained earnings	13.8	120.2
Accumulated losses	356.1	(759.9)
Equity valuation adjustment	4,501.7	4,585.6
Equity attributable to owners of the Company	**27,849.9**	**27,364.3**
Non-controlling interest on subsidiaries' equity	14.7	22.8
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	58,635.3	60,917.6

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

R$ million	Q3-21	Q3-20	9M-21	9M-20
NET REVENUE	**9,549.2**	**10,419.5**	**28,521.5**	**24,924.7**
Cost of Products Sold	(3,313.1)	(3,695.4)	(9,953.8)	(8,949.7)
GROSS PROFIT	**6,236.2**	**6,724.1**	**18,567.6**	**15,975.0**
OPERATING (EXPENSES) INCOME				
Selling, Marketing and Logistics Expenses	(4,068.0)	(4,162.4)	(12,120.9)	(10,611.4)
Administrative, R&D, IT and Project Expenses	(1,790.8)	(1,567.2)	(5,234.8)	(4,170.8)
Impairment losses on trade receivables	(220.3)	(119.4)	(670.5)	(572.3)
Other Operating Income (Expenses), Net	132.5	(129.3)	(188.1)	(407.2)
INCOME (LOSS) FROM OPERATIONS BEFORE FINANCIAL RESULT	**289.5**	**745.9**	**353.3**	**213.3**
Financial Income	874.6	1,328.8	3,139.0	3,554.5
Financial Expenses	(1,167.6)	(1,619.1)	(3,865.4)	(4,341.0)
INCOME (LOSS) BEFORE INCOME TAX AND SOCIAL CONTRIBUTION	**(3.5)**	**455.5**	**(373.1)**	**(573.1)**
Income Tax and Social Contribution	312.0	(53.1)	749.3	(192.8)
INCOME (LOSS) FROM CONTINUED OPERATIONS	**308.5**	**402.4**	**376.2**	**(765.9)**
Income (Loss) from discontinued operations	(38.9)	(24.7)	(30.9)	(73.4)
NET INCOME (LOSS) FOR THE PERIOD	**269.6**	**377.7**	**345.3**	**(839.3)**
Attributable to controlling shareholders	272.9	381.7	352.5	(827.6)
Attributable to non-controlling shareholders	(3.3)	(4.0)	(7.3)	(11.8)

PURCHASE PRICE ALLOCATION (PPA) AMORTIZATION

R$ million	Q3-21	Q3-20	9M-21	9M-20
Net Revenue	-	-	-	-
Cost of Products Sold	(0.4)	(9.2)	(23.3)	(124.2)
Gross Profit	**(0.4)**	**(9.2)**	**(23.3)**	**(124.2)**
Selling, Marketing and Logistics Expenses	(68.9)	(76.8)	(219.8)	(217.3)
Administrative, R&D, IT and Project Expenses	(67.4)	(34.8)	(229.2)	(197.4)
Impairment losses on trade receivables	-	-	-	-
Other Operating Income (Expenses), Net	77.8	(12.0)	88.8	(8.8)
Transformation/Integration Costs	-	-	-	-
Financial Income/(Expenses), net	23.8	77.9	45.0	153.8
Income Tax and Social Contribution	213.2	20.8	376.0	81.6
Discontinued operations	-	-	-	-
INCOME (LOSS) FROM CONTINUED OPERATIONS	178.2	(34.0)	37.5	(312.3)
Depreciation impact	(148.2)	(174.8)	(491.5)	(494.6)

CONSOLIDATED STATEMENTS OF CASH FLOW

R$ million	9M-21	9M-20
CASH FLOW FROM OPERATING ACTIVITIES	**2,200.4**	**3,272.3**
Increase (Decrease) in:		
Trade receivables	(563.2)	(880.3)
Inventories	(1,627.6)	(1,304.4)
Recoverable taxes	(240.8)	(362.3)
Other assets	171.5	376.5
Domestic and foreign trade payables	(445.7)	108.6
Payroll, profit sharing and social charges, net	1.9	519.8
Tax liabilities	(183.7)	458.3
Other liabilites	45.9	(688.3)
OTHER CASH FLOWS FROM OPERATING ACTIVITIES		
Recovery (payment) of income tax and social contribution	(425.9)	(374.0)
Accruals (payments) of judicial deposits	4.0	27.9
Payments related to tax, civil and labor lawsuits	(50.9)	(108.3)
Payments due to settlement of derivative operations	91.6	(31.5)
Interest paid on lease	(159.8)	(187.6)
Payment of interest on borrowings, financing and debentures	(657.0)	(1,148.4)
NET CASH GENERATED BY (USED IN) OPERATING ACTIVITIES	**(1,839.3)**	**(321.8)**
CASH FLOW FROM INVESTING ACTIVITIES		
Cash from merger of subsidiary	-	2,636.1
Additions of property, plant and equipment and intangible assets	(883.4)	(467.7)
Proceeds from sale of property, plant and equipment and intangible assets	98.0	101.2
Investment in securities	(8,679.7)	(8,160.3)
Redemption of securities	8,867.1	6,447.1
Redemption of interest on investments and securities	100.8	37.1
NET CASH GENERATED BY (USED IN) BY INVESTING ACTIVITIES	**(497.2)**	**593.6**
CASH FLOW FROM FINANCING ACTIVITIES		
Amortization of lease - principal	(850.4)	(574.0)
Amortization of loans, financing and debentures – principal	(7,609.2)	(2,815.9)
New loans, financing and debentures	6,323.6	1,356.6
Acquisition of treasury shares, net of option strike price received	(32.1)	(11.7)
Payment of dividends and interest on capital for the previous year	-	(133.9)
Receipts (payments) to settle derivative operations	1,566.2	96.4
Obligation of the acquiree incurred by the acquirer	-	(370.8)
Capital Increase	-	2,059.6
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	**(601.9)**	**(393.6)**
Effect of exchange variation on cash and cash equivalents	171.0	668.1
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	**(2,767.3)**	**546.3**
Opening balance of cash and cash equivalents	5,821.7	4,513.6
Closing balance of cash and cash equivalents	3,054.4	5,059.9
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(2,767.3)	546.3

9. Conference call *and webcast*

natura &co

Natura &Co *(B3: NTCO3 / NYSE: NTCO)* is **pleased to invite you** *to join its* **Q3-21 Earnings Conference Call:**

Friday, November 12, 2021

- **07:00 a.m. NY time**
- **09:00 a.m. Brasília Time**
- **12:00 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 4210-1803 / Dial in: +55 11 4090-1621

U.K.: +44 20 3795 9972

Conference call ID: *Natura*

To access the ***webcast***: Click here

Q3-21 Results will be available on November 11, 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 October 28, 2021, until the results are disclosed.

Natura &Co IR Team | ri@natura.net

AVON natura THE BODY SHOP Aesop.

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
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 productsales, 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.

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