
Third-Quarter 2021 Results

November 12, 2021

AVON



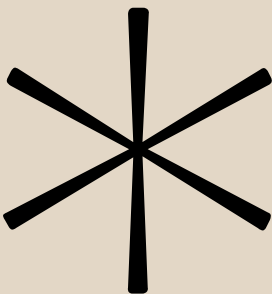
THE BODY SHOP

Aēsop.

natura & co

This presentation may contain forward-looking statements.

Such statements are not statements of historical fact and reflect the beliefs and expectations of Natura &Co's management.



The words "anticipates," "wishes," "expects," "estimates," "intends," "forecasts," "plans," "predicts," "projects," "targets" and similar words are intended to identify these statements, which necessarily involve known and unknown risks and uncertainties.

Known risks and uncertainties include, but are not limited to, the impact of competitive products and pricing, market acceptance of products, product transitions by the Company and its competitors, regulatory approval, currency fluctuations, production and supply difficulties, changes in product sales mix, and other risks.

This presentation also may include pro-forma and adjusted information prepared by the Company for information and reference purposes only, which has not been audited. Forward-looking statements speak only as of the date they are made, and the Company does not undertake any obligation to update them in light of new information or future developments.

<https://ri.naturaeco.com/en/>

Q3 and 9M-21 Highlights

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

Solid underlying performance...

- Net revenue: -4.2%¹ in Q3, +14.4% in 9M and +20.7% vs Q3 2019:
- Adjusted EBITDA: Margin of 8.6%, -620bps, sequentially higher than in Q2
- Net Income: R\$272 million in Q3; R\$352.6 million in 9M vs a loss of R\$827.6 million in 9M20

...in a challenging operating environment

- Inflationary pressures and foreign currency effects had a 530bps effect on adjusted EBITDA; offset by synergies and revenue management
- Supply chain and freight issues
- Uneven recovery from Covid-19 pandemic

Continued market outperformance

- Outperformed CFT peers in the last 9 months and since the start of 2020 (pre-pandemic)

Acceleration in Avon integration

- Total Avon sales (Latam + International) in 9M showed growth +10.7% in BRL (+3.4% at CC) for the first time in five years
- Synergies on track

Share repurchase and possible NYSE listing

- R\$1.5 billion share repurchase program
- Evaluating a primary listing on NYSE, with BDRs in Brazil:
 - Global profile
 - +70% revenues outside Brazil
 - Amplify its 2030 Sustainability agenda
 - Optimize its corporate structure

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)

Accelerated Avon Latam integration and synergies on track

Avon's integration in Latin America is on track, with important progress in procurement, customer and financial services, distribution and digital.

Brand Power

Significant increase in Avon brand's power vs Q3-20

Progress in digitalization and advances in social selling adoption

+19% of reps using the Avon On platform (+5 pp vs Q3-20)

+86% registrations in digital channels

Representative Satisfaction

Highest satisfaction ever achieved in Brazil and Hispanic Latam (67% vs. 54% Q3-20)

Continued market share gains

Direct sales channel: Fragrances & Make-up



Wave 1

Fixing fundamentals

New commercial model
20% reduction in SKUs

Wave 2

Building on overlap to capture growth opportunities

- Launch of the "Mira de Nuevo" (Watch Me Now) in Chile, Peru and Ecuador
- #3 in Merco reputation ranking in Argentina and Colombia



Progress on Synergies

On track to capture 40% in 2021

Major progress in Avon International transformation

Brand Rejuvenation

Watch me Now

Global platform now in 70 countries

TikTok: 4.5bi views, #liftlockpop challenge

Bigger and Better Innovation



New commercial Model & Campaign cycle standardization

New commercial model being implemented across **top 9 markets**

Significant advances in streamlining the operational model

Synergies

- Run rate savings of over \$100 million, included in our guidance.
- Manufacturing Synergies:
 - US\$ 50 million (TBS body butter in Poland Plant)

Digital – Avon On

- Social selling adoption at 15% vs. 3% pre pandemic
- Single Platform to be scaled up in 2022.

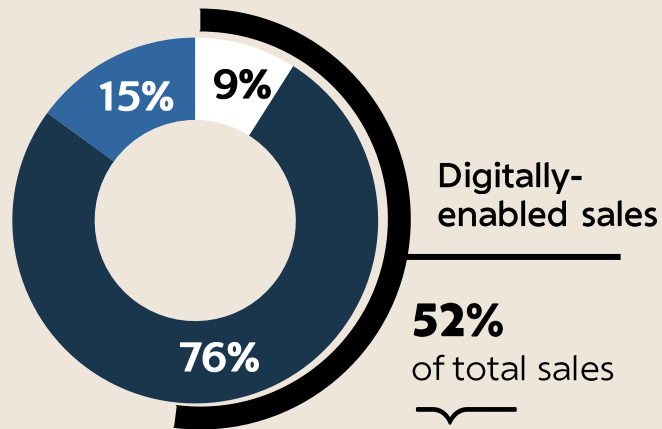
Market Share Gains

- UK
- South Africa
- Philippines



Continued strong momentum in digital

Q3-21



Digitally-enabled sales

52%
of total sales

+6.0 pp vs. Q3-20
+15.0 pp vs Q3-19

- Retail
- Online (e-commerce + social selling)
- Relationship Selling

1. &Co Pay

- Natura in Brazil: ~300,000 accounts
- Total Payment Value ("TPV"), ahead of estimate

2. Avon

- 100% growth in reps using Avon On
- 12% sharing e-brochure
- 7x growth of online stores
- Online sales at Avon International +19% vs Q3-20

3. The Body Shop

- E-commerce at 2x above pre-pandemic levels
- TBS At Home at 2.5x above pre-pandemic levels

4. Aesop

- Apple pay
- WeChat mini app
- Online sales 2x above pre-pandemic levels



5. Natura

- Consultant Sales Brochure 100% Digital in Brazil
- New interactive e-brochure Argentina
- Online sales in Latam +13% vs Q3-20

Continued strong pipeline of innovative products

AVON



Aēsop.

Anew Renewal Power Serum

Containing its exclusive Protinol* technology to smoothen lines and firm skin



Chronos Super Sérum Wrinke Reducer

Combining Brazilian biodiversity prebiotics



Vegan Silk Protein

Hair repair line powered by new Vegan Silk Protein



Parsley Seed Anti-Oxidant Intense Serum

To hydrate and fortify the skin, with natural ingredients such as Red Algae and Tara Gum



*Protinol: Edison Innovation Award 2021

Sustainability: Call to action at COP26



Call to action by Natura &Co at COP26: 'Amazonia is the way to our future'.

- Call for the creation of an **agreement on nature**, in order to reverse nature and biodiversity loss by the end of this decade.

Carbon Market

- Creation of a carbon market with effective mechanisms



Launch of **PlenaMata** portal

- Engage stakeholders to support the **fight against deforestation**, promote conservation, and support social progress.



Consolidated Financial Performance

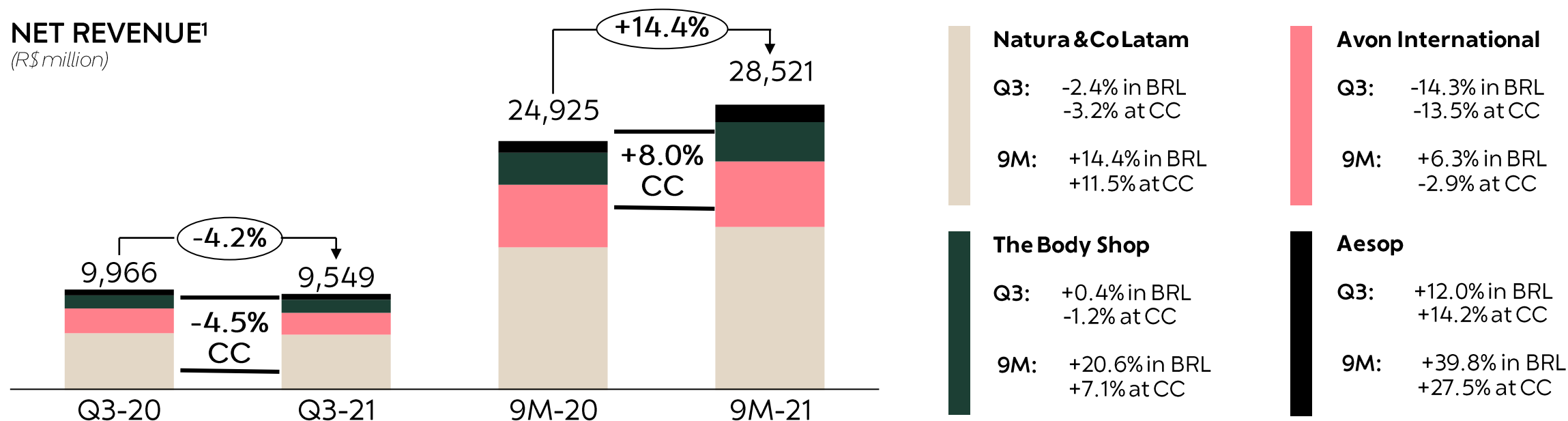
Guilherme Castellan, CFO



natura & co

Natura &Co revenue -4.2% vs. Q3-20 on highest-ever comparable, strong growth of +20.7% vs. Q3-19 (pre-Covid)

NET REVENUE¹
(R\$ million)



HIGHLIGHTS

Natura &Co Latam strong performance in Q3-21 vs Q3-19 (pre-pandemic): +18.2% (+7.9% at CC)

Avon International reflected continued pandemic effects in core markets. Q3-21 vs Q3-19: +2.4% (-22.1% at CC)

The Body Shop posted growth across most regions. Q3-21 vs Q3-19 (pre-pandemic): +52.5% (+7.1% at CC)

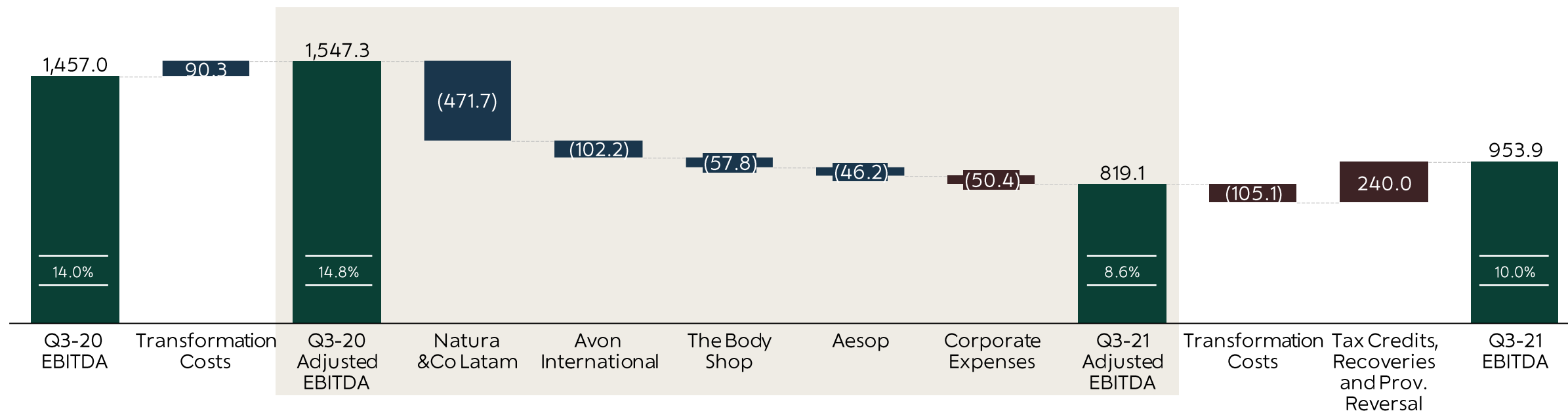
Aesop's robust growth driven by all regions (pre-pandemic): Q3-21 vs Q3-19: +87.3% (+36.8% at CC)

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

Adjusted EBITDA margin evolution

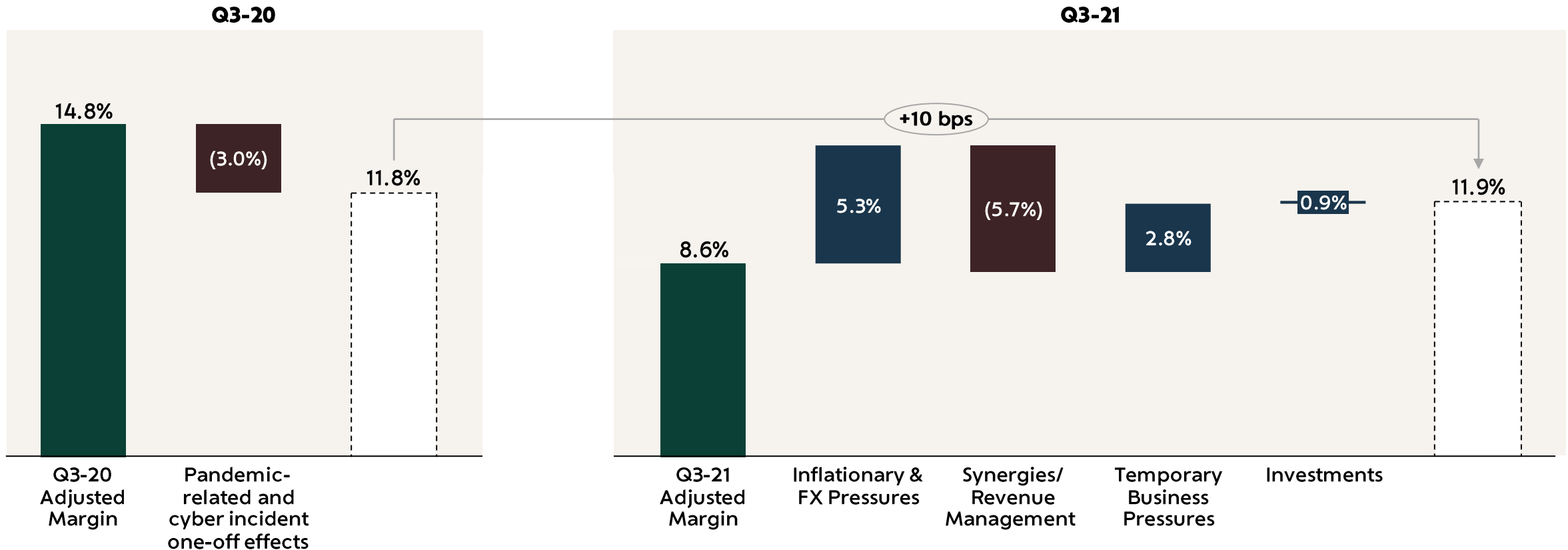
Q3-21 CONSOLIDATED EBITDA

(R\$ million)



- Adjusted EBITDA margin of 8.6% (-620 bps) in Q3 and 9.1% in 9M-21 (-190 bps)
- Reported EBITDA margin of 10.0% (-400 bps) in Q3 and 8.5% in 9M-21 (-50 bps)

2021 and 2020 margins reflect several impacts related to a challenging operating environment



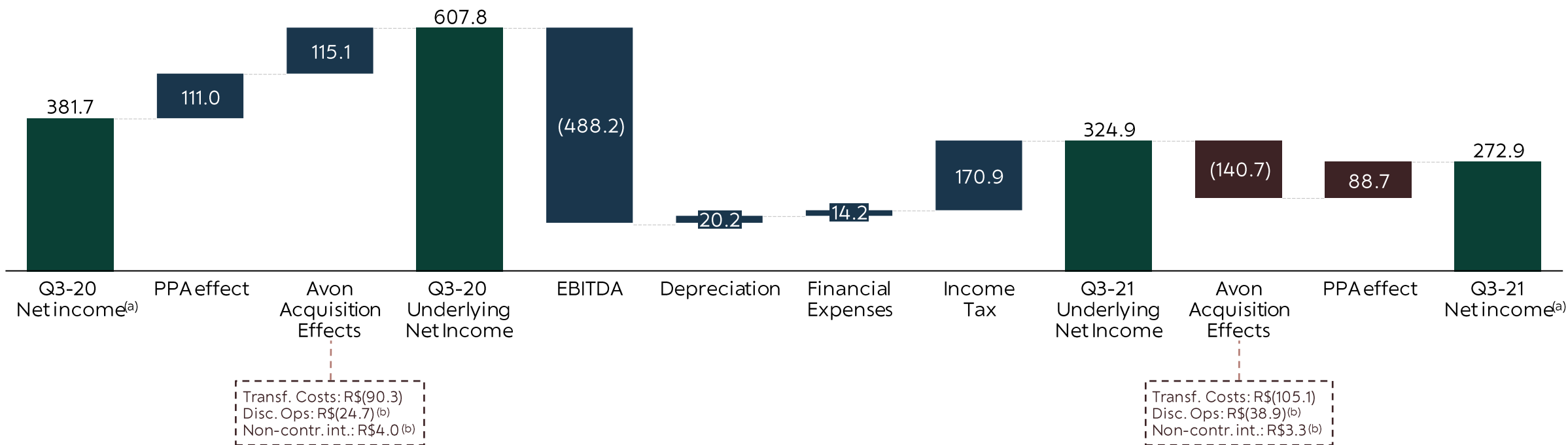
Synergies and revenue management more than offset 530 bps of inflationary impacts and FX pressures

Underlying Net Income evolution

UNI mainly impacted by lower EBITDA, partially offset by positive income tax resulting from non-recurring tax credits in Brazil

Q3-21 UNI¹

(R\$ million)



(a) Net income attributable to controlling shareholders

(b) In Q3-20, reported UNI was R\$587.1 million vs. R\$607.8 million, because it included R\$(20.7) million of non-controlling interest and discontinued operations, which are now reallocated to Avon Acquisition Effects

- 9M-21 UNI of R\$867.3 million vs. R\$153.1 in Q3-20;
- 9M-21 reported net income of R\$352.6 million vs. a net loss of R\$(827.6) in 9M-20

¹Underlying Net Income

Enhancing liquidity profile aiming at achieving investment grade

Q3-21

US\$625 million

New Credit Facility to enhance liquidity ("RCF")

1.83x

Group net-debt to EBITDA ratio

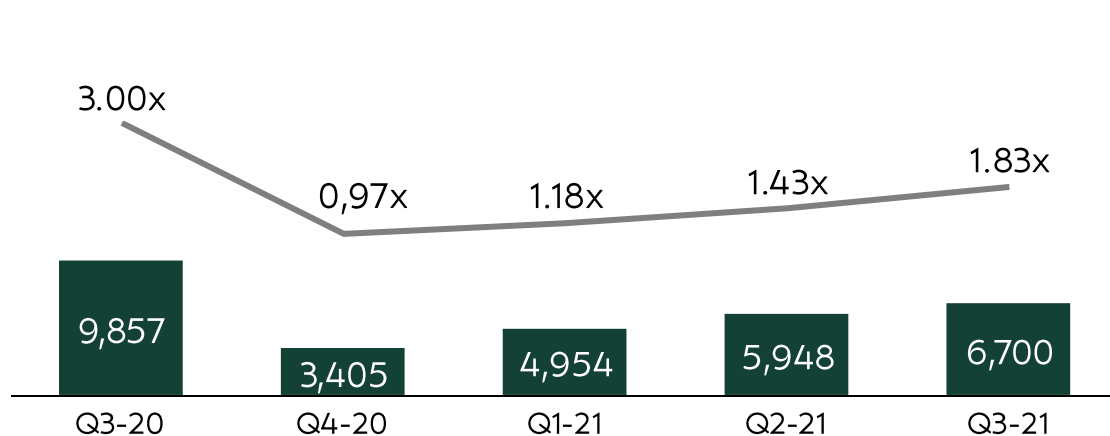
R\$5.4 bn

Cash at quarter-end

NET DEBT AND NET DEBT-TO-EBITDA RATIO

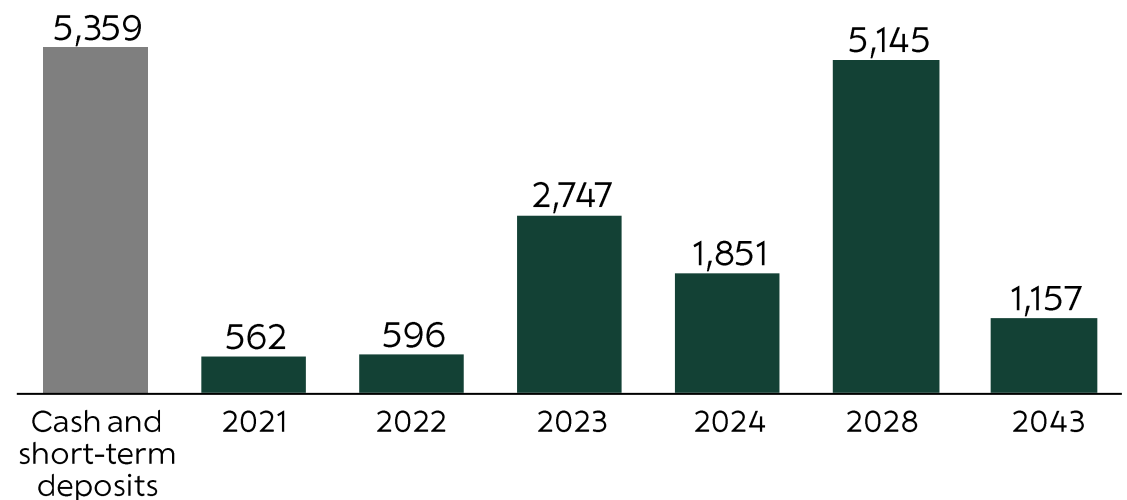
(R\$ million)

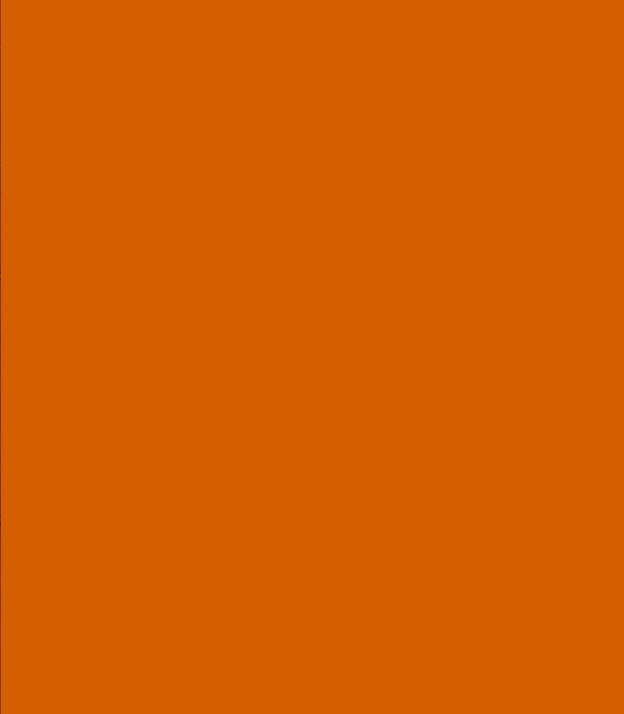
— Net-Debt-To-EbitdaRatio ■ Net Debt



AMORTIZATION SCHEDULE

(R\$ million)





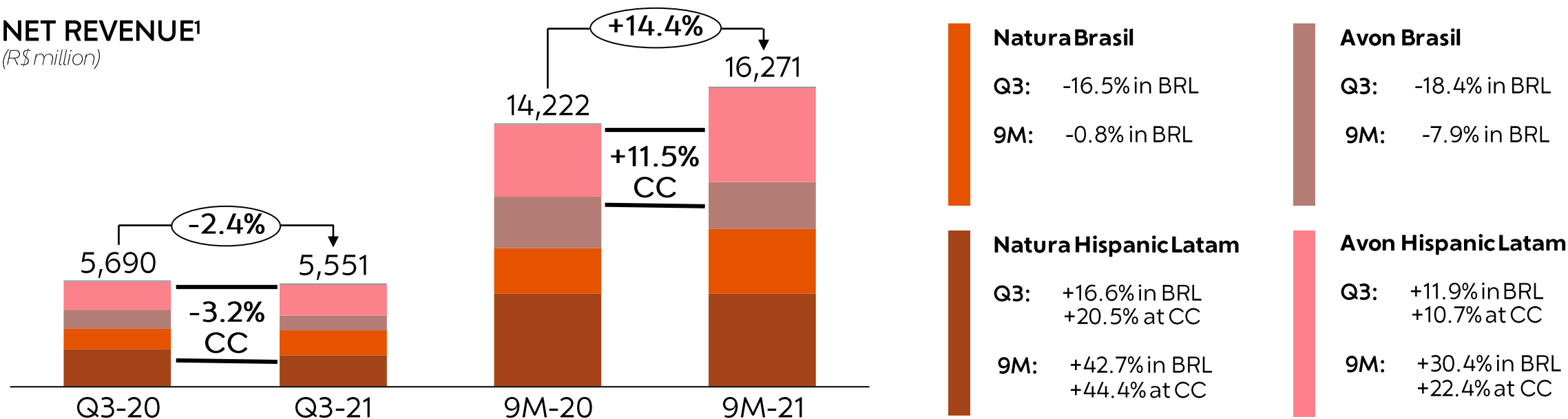
Natura &Co Latam

*Financial
Performance*

natura &co
Latin
America

Natura &Co Latam: Net revenue down in Q3 on strong comparable but solid rise in 9M

NET REVENUE¹
(R\$ million)



HIGHLIGHTS

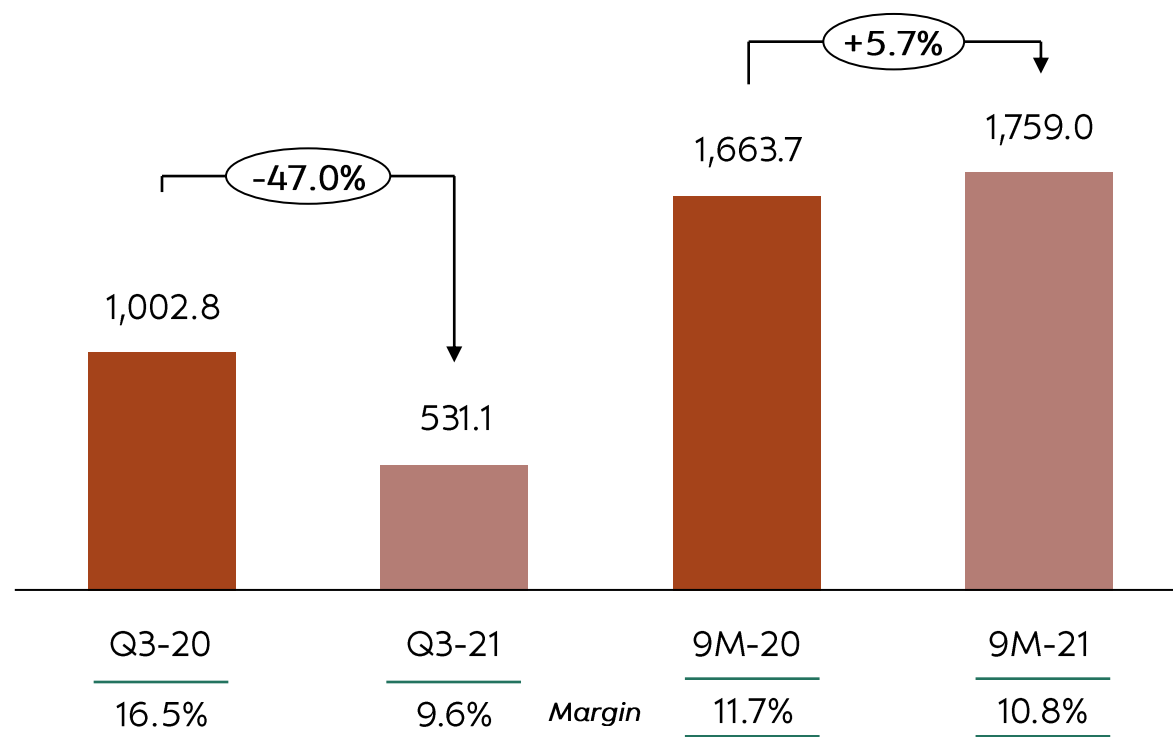
- Natura's **brand power reached its highest level**, while the **Avon brand continued to gain strength** and was above Q3-20 level;
- Avon brand posted growth** driven by markets such as Central America, Chile and Argentina, and core categories such as make up, body care and fragrances
- Natura &Co Latam's** net revenue grew 7.9% at CC compared to Q3-19, with strong performance by Natura and Avon brands
- Avon's** integration in Latin America is on track, with important progress in procurement, customer and financial services, distribution and digital

¹ Excluding cyber incident effects which shifted R\$454 million of Avon sales to Q3 I (R\$179 million in Brazil and R\$214 million in Hispanic Latam)

Headwinds in the quarter and higher investments to accelerate growth

ADJUSTED EBITDA¹ AND ADJUSTED EBITDA MARGIN

(R\$ million)



Q3-21 HIGHLIGHTS

- 750 bps of **gains from synergies and revenue management** nearly offset 830 bps impact from raw material inflation and FX headwinds
- Temporary business pressures reduced margin by 390 bps and higher **investments to accelerate growth** by a further 140 bps, consistent with our business plan
- 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, Q3-21 would have decreased by 10 bps this quarter**

¹ Excluding effects that are not considered recurring nor comparable between the periods under analysis, such as: Transformation costs and costs-to-achieve synergies



Avon International

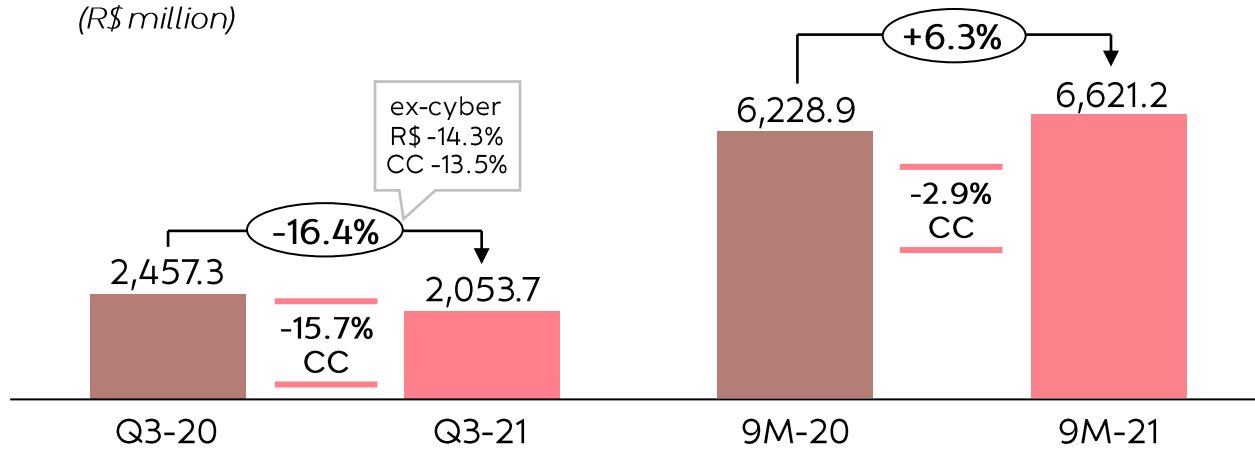
*Financial
Performance*

AVON

New commercial model being implemented across top 9 markets

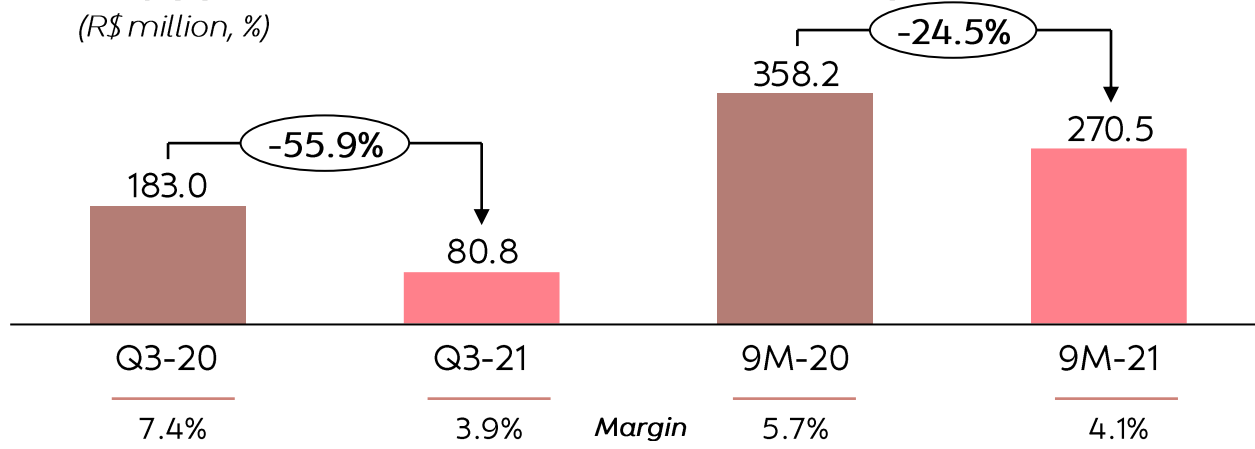
NET REVENUE

(R\$ million)



ADJUSTED EBITDA¹ AND EBITDA MARGIN

(R\$ million, %)



Q3-21 HIGHLIGHTS

- Revenue in Q3 reflected continued pandemic **effects**, especially in Central and Eastern Europe (**mostly Russia and Poland**)
- **Market share gains** in key markets such as Philippines, South Africa and UK, **driven by key categories**
- New commercial model **implemented** in top **9 markets** after **successful pilots**
- **Improved representative satisfaction** with leaders and digital tools
- 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**

¹Excluding effects that are not considered recurring nor comparable between the periods under analysis, such as: Transformation costs and costs-to-achieve synergies, Avon acquisition related expenses and tax credits and provisions reversals



The Body Shop

*Financial
Performance*



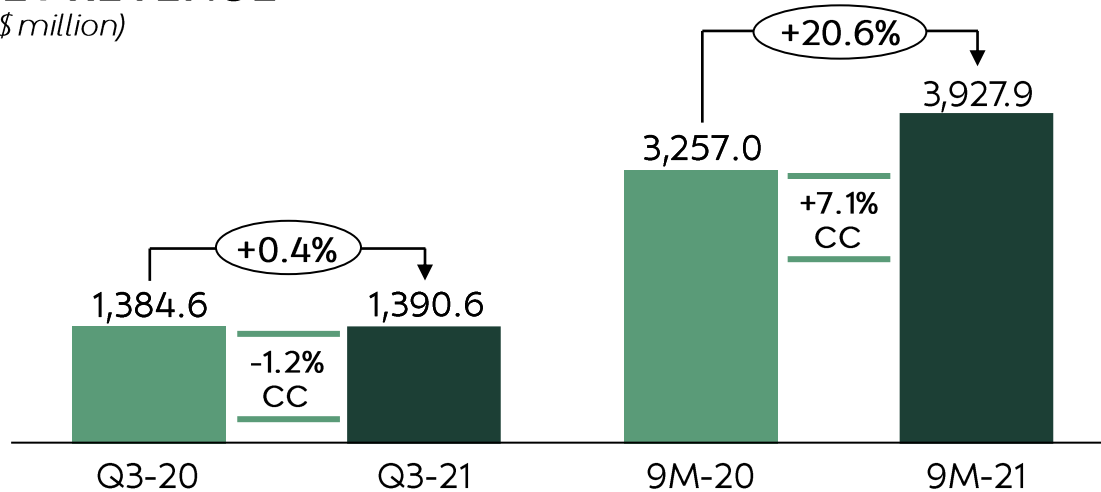
THE BODY SHOP

Store reopenings driving growth



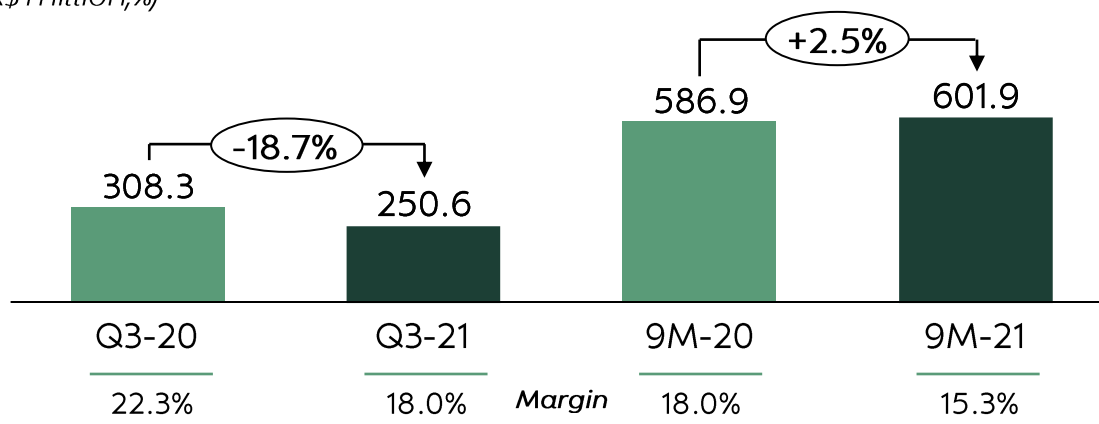
NET REVENUE

(R\$ million)



EBITDA AND EBITDA MARGIN

(R\$ million, %)



Q3-21 HIGHLIGHTS

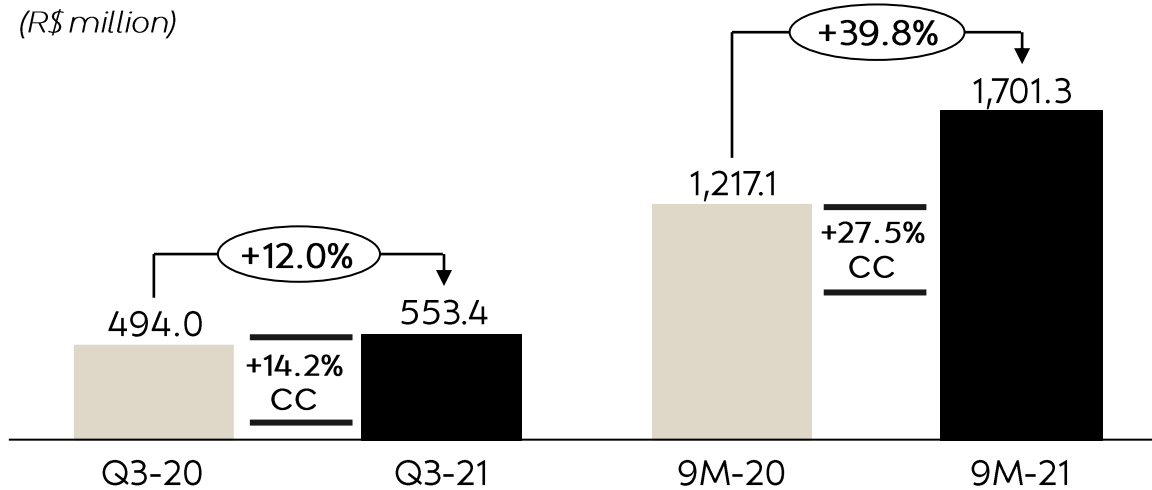
- Continued growth across most regions as retail channels reopened (40% of sales vs. 36% in 3Q20)
- E-commerce and The Body Shop at Home sales are double and 2.5-times pre-pandemic levels, respectively.
- Own stores accounted for 40% of sales in Q3-21, vs. 30% in Q3-20
- New store concept and refill stations being deployed across markets)
- Excluding one-off effects of cost containment and government support in Q3-20 EBITDA as a result of the pandemic, adjusted EBITDA margin this quarter would have decreased by 10 bps this quarter



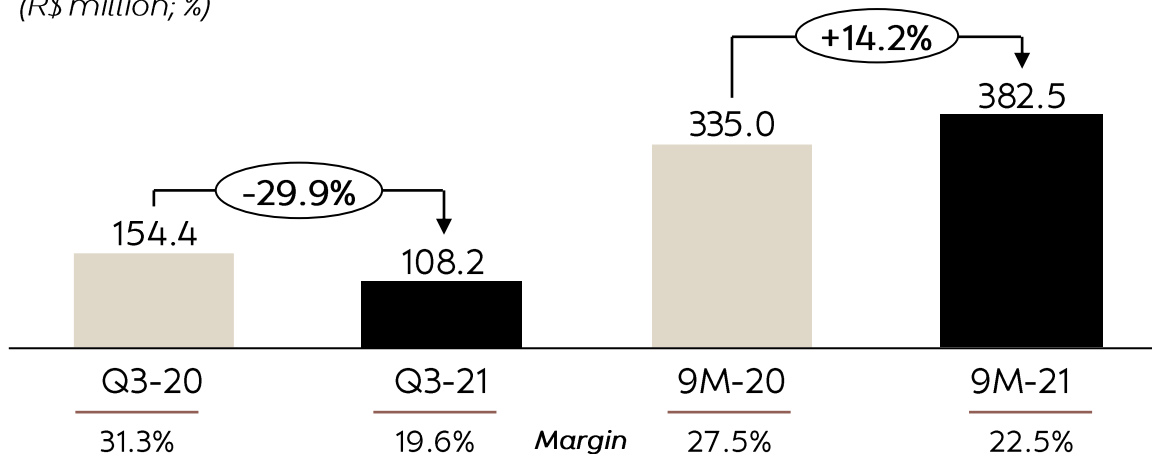
Aesop
*Financial
Performance*

Continued strong growth with advance in omnichannel model

NET REVENUE (R\$ million)



EBITDA AND EBITDA MARGIN (R\$ million; %)



Q3-21 HIGHLIGHTS

- **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**
- Ongoing challenges from COVID-19: About 15% lost store days due to full or partial store closures
- **Retail accounted for 80% of sales** in the quarter, with **store sales up 26%** at CC vs Q3-20
- **EBITDA margin reflected** high investment in digital, categories and geographic expansion to **accelerate growth**
- Excluding one-off effects of cost containment and government support in Q3-20 EBITDA as a result of the pandemic, adjusted EBITDA margin this quarter **would have been flat this quarter**

Closing Remarks

Roberto Marques

AVON   Aēsop.

natura & co

Major Initiatives to drive growth 2022

Natura &Co Latam

- Further roll-out of new Avon commercial model in Hispanic Latam
- Wave 2 of cross-selling and upselling of Natura and Avon
- Roll-out of Natura social-selling tools (e-brochures, live shopping, interactive launch events)
- &Co Pay roll out to Avon Brazil and Natura Latam



Aesop

- Preparing for China entry
- Fragrance focus
- Digital investments

The Body Shop

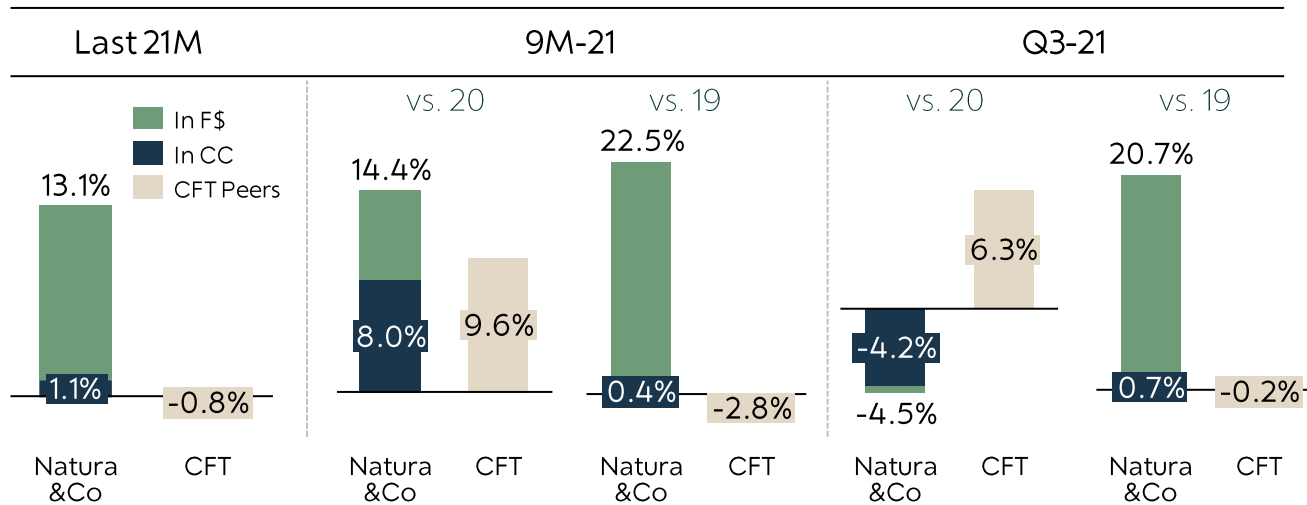
- Continued roll-out of new store concept & Refill stations
- Japan transformation
- Launch The Body Shop At Home in Russia, leveraging Avon presence

Avon International

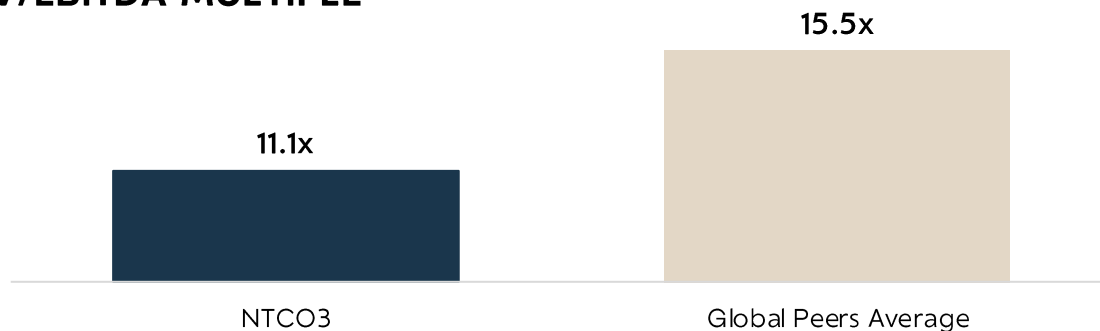
- Roll out of new commercial model, based on segmentation approach
- Avon On app consolidation and scale up
- Brand investment with focus on cult products and gifting

Creating value: Assessing a potential re-listing on NYSE

NATURA HAS CONSISTENTLY OUTPERFORMED ITS KEY GLOBAL PEERS



EV/EBITDA MULTIPLE



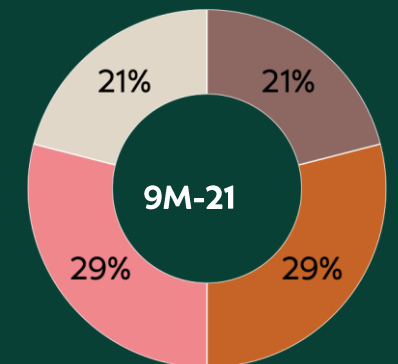
A potential re-listing is part of the Group's strategy to access global markets and investors while remaining committed to the markets where our Business Units and Affiliates operate.

Relisting objectives:

- Amplifies our 2030 Commitment to Life sustainability agenda
- Increases access to a broader investor base and analyst coverage
- Underscores our truly global profile: 70% revenues coming from outside Brazil, while keeping the dual listing in BR via BDR program
- Increases share liquidity and access new sources of financing

Net Revenue Breakdown by Currency

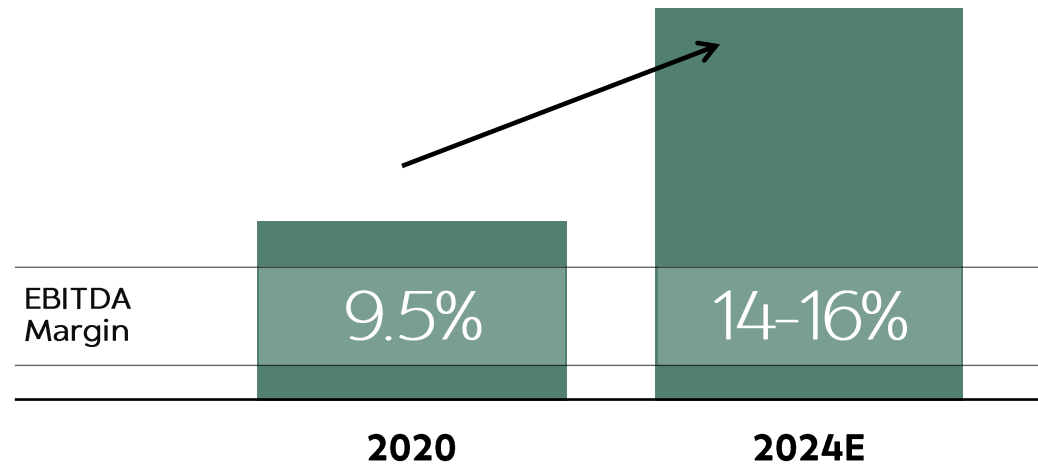
- G-10 Currencies
- Brazilian Real
- Other Latam Currencies
- Emergin Markets Currencies



Updated Guidance

Natura & Co

EBITDA MARGIN (%)



- EBITDA margin progression over time, achieving mid-teens by 2024 at group level (vs 2023 initially), aligned with synergies timeline and Avon International's guidance, which remains on track for 2024

Key Takeaways

1.

Focused on execution while navigating in a challenging operating environment

2.

Avon turnaround gaining traction

3.

Multiple initiatives in 2022 to drive future growth

4.

Share repurchase plan and potential relisting to drive value creation

5.

On track to achieve top-line high-single digit CAGR by 2024; adjusted EBITDA margin to reach mid-teens in 2024

Creating the best beauty group *FOR* the world

Thank You

AVON



Aēsop

natura & co

Apendix

Q3-21

AVON   Aēsop.

natura & co

Adjusted figures exclude the following non-operational effects

1.

Avon acquisition costs

Non-recurring costs associated with Avon acquisition, in 9M-21

2.

Transformation/Integration costs

Includes:

- (i) Transformation Plan costs + Open-Up and Grow at Avon International*
- (ii) Integration costs (costs to achieve synergies)*

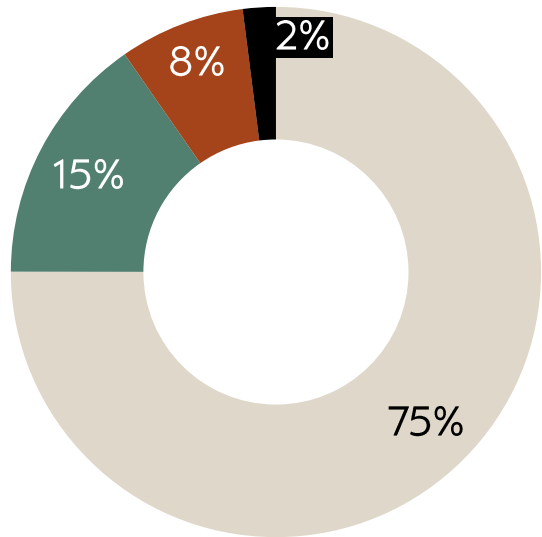
3.

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.

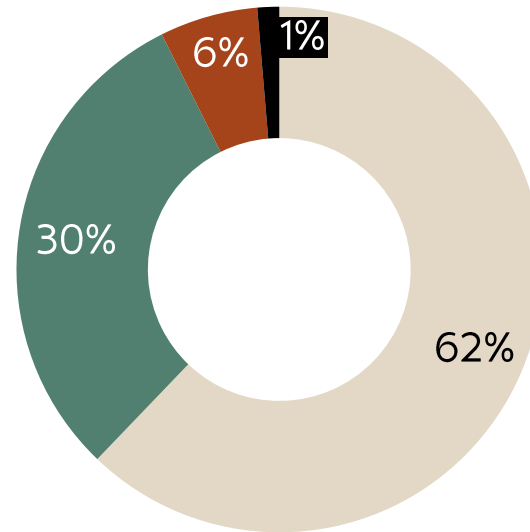
Debt profile

Q3-21 BY TYPE



■ Bonds ■ Working Capital
■ Debentures ■ Other

Q3-21 BY CURRENCY





■ BRL ■ USD ■ GBP ■ Other

Breakdown of global net revenue by brand

NET REVENUE BY BRAND

(R\$ million)

Brand	Q3-21	Q3-20	% (R\$)	% (CC)	9M-21	9M-20	% (R\$)	% (CC)
 natura	3,015	3,165	-4.7%		8,570	7,535	+13.7%	
AVON	4,551	5,358	-15.1%		14,240	12,869	+10.7%	
 THE BODY SHOP	1,417	1,402	+1.0%		3,996	3,303	+21.0%	
Aēsop.	554	495	+12.1%		1,704	1,218	+39.8%	
Total net revenue	9,538	10,420	-8.5%		28,510	24,925	+14.4%	

NET REVENUE BREAKDOWN (BY BRAND)

(%)

