

Commitment to Life

*Natura &Co
Latin America*

Natura &CO
América
Latina



Compromissos

Natura &Co

América Latina



In 2020, the Natura &Co group committed to its 2030 Sustainability Vision, also known as "Commitment to Life", which includes a series of commitments and actions – within a period of 10 years – to address some of the world's most pressing issues: tackling the climate crisis and protecting the Amazon, ensuring equality and inclusion, and shifting our business towards circularity and regeneration.

Three years after launch and with advances on all fronts, Natura &Co expresses the need to review the original goals established for 2030. In this period, we experienced a challenging context as a society, with the Covid-19 pandemic and the War in Ukraine, whose impacts have deeply affected humanity. In addition, we are undergoing a restructuring of our own business. The review of the Commitment to Life intends to account for these transformations and, at the same time, the changes that occurred internally in the company.

In this relaunch, we look at Latin America, reinforcing the power that the region represents for business, especially after the arrival of Avon. Currently, the operations of the group's brands are in 15 Latin countries. By the end of 2022, they involved more than 4 million Beauty Consultants selling products through direct sales, around 900 own and franchised stores, 16,000 employees, five factories and 19 distribution centers.



Our targets,
by pillar

Targets

Address the **Climate Crisis** and Protect **Biodiversity**

Climate Transition

- Achieve **net zero emissions in our own facilities (scopes 1 and 2)** by 2030
- **Reduce GHG emissions by 42% across our value chain (scope 3)**, enhancing engagement with our suppliers and consumers
- Continue **offsetting 100% of Natura&Co Latin America's remaining emissions**, purchasing at least **50% of the carbon credits from projects located in the Amazon**, prioritizing our partner communities

Protect the Amazon

- Contribute to the protection and/or regeneration of **3 million ha of Amazon forest** (from 2 million ha in 2020), and increase to 45 agroextractivist sourcing communities (from 34 in 2020)
- Contribute to the bioeconomy using innovation to develop **55 Amazonian ingredients** from biodiversity (from 39 in 2020)
- Increase **spending** on raw ingredients from Amazonian sociobioeconomy **fourfold** (baseline 2020)
- **Double the value shared** with our communities (baseline 2020)
- Engage **20 million people** annually in the Living Amazon Cause (*Causa Amazônia Viva*)

Protect Biodiversity

- Call for national cooperation to establish **harmonized rules for access and benefit sharing**, prioritizing local people and communities
- **Report our global impacts and dependencies on biodiversity** by 2025, adhering to internationally recognized standards
- Achieve **100% verified deforestation - and conversion - free critical supply chains** for:
 - The direct purchase of palm oil, soy, paper and alcohol by 2025
 - The indirect purchase of palm oil, soy, paper, alcohol, mica and cotton by 2030

Targets

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

Our People

- Maintain **50% women in senior leadership positions** at Natura &Co Latin America from 2023
- Equitable pay, **no unexplained gender and racial pay gap** from 2023
- Minimum of **30% of under represented communities** (black e indigenous, LGBTQ+, people with disabilities and others, in line with the local demographics)
 - In Brazil: **25% of management positions to be of Black People** by 2025; and 30% by 2030

Living wage (or above) for all employees by 2023

Our Wider Network: consultants and communities

- **Increase the consultants' human development index by 10% and improve the social progress of agroextractivist communities**, generating measurable impacts on living income, health and well-being, education and citizenship - based on gender and racial equity
- Encourage and facilitate **citizen participation** in our network, primarily around the **Amazon, education, women's health and violence against women and girls**
- **Promote the human rights of our agroextractivist communities**, including indigenous and traditional peoples

Intolerance to Human Rights Infringement

- **Full traceability and/or certification for critical supply chains:**
 - By 2025: palm oil, mica, paper, alcohol, soy and cotton
 - By 2030: critical chains in Latin America (including deforestation and conversion-free)
- **Identify, prevent and mitigate human rights risks across our value chain by 2027**; Promoting access to remedy, and using our leverage for positive impact

Targets

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

Full Packaging Circularity

- **50% recycled content** for all plastic used (in weight)
- **100% reusable, refillable, recyclable or compostable** packaging material
- **Responsible disposal** by enabling collection schemes in key markets where suitable recycling infrastructure does not exist

Formula Circularity

- **95%+ renewable or natural ingredients** for Natura
- **95%+ biodegradable formulas**
- **100% of new formulas to have lower environmental footprints**, measured by life cycle analysis (LCA)

Regenerative Solutions

- **Work in partnership to build awareness, capability and regenerative solutions** which transform systems and deliver positive environmental and social impact, enabling life to thrive
- Ensure that **100% of the volume** of at least **two of the main commodities** in our business are produced with **regenerative practices**
- Produce **30% of key ingredients supplied by communities/smallholders using regenerative practices** (verified/certified by external third party)
- **100% of communities/small producers to adopt ethical biotrade and regenerative practices** to produce our key ingredients
- **Generate measurable, positive socio-environmental impact of US\$4 for every US\$1** of reported revenue

**Urgent
challenges require**
*more ambitious
commitments*

