

## Ethical and responsible

### *sourcing* **GRI 2-23, 2-29**

Our relations with the supply chain are guided by our Biodiversity Policy (further information on page 141) and other internal standards such as the group's Declaration of Human Rights. Our target is to ensure the full certification and traceability of critical supply chains in Latin America by 2025. As expressed in our Commitment to Life, we want to ensure that these chains are free from deforestation and the conversion of native vegetation and to prevent, identify and mitigate human rights risks. The critical chains are: palm, paper, alcohol, mica, cotton and soy.

We have UEBT (Union for Ethical Biotrade) certification for the Ekos line, which was certified for the sixth consecutive year in 2023. The certification attests that the brand obtains ingredients from nature with respect for people and biodiversity, which involves the fair and equitable sharing of benefits and safe working conditions for the communities in its production chain. Natura has been a member of the UEBT since 2007, and the Ekos brand is one of the only ones in the world to receive this certification. **GRI 308-1**

All the communities directly supplying biodiversity ingredients are subject to annual audits that comply with UEBT certification standards and assess biodiversity conservation measures



and organizational management, such as good production practices and respect for human rights. Currently, the company maintains relations with 11,713 families, distributed throughout 51 communities all over Brazil and in Hispanic America. 44 of these are located in the Amazon region - and supply 44 Amazonian social biodiversity ingredients, also known as bioactives.

**GRI 308-1**

In the Natura Elos post-consumer recycled material reverse logistics program we guarantee respect for human rights and working conditions for the effective social inclusion of waste pickers and recyclable materials collectors. By means of full traceability and audits of each link in the supplier chains, we are able to influence and directly support the development and professionalization of more than 60 waste picker cooperatives in Brazil, benefiting over 2,000 people (Further information about the Natura Elos program on page 153).

We also keep track of global principles and legislations such as the Accountability Framework, focused on the protection of forests, natural systems, human rights and providing support for

*more than 11,700 families in 51 communities in Latin America are part of our social biodiversity ingredient supply chain*

forest conservation solutions in high conservation value areas. Additionally, for Latin America our ethical supply process sets forth guidelines for managing the carnaúba palm chain; the current volume used by the Natura brand is Fair Trade certified.

### **GRI 308-1**

## **Circularity and regeneration**

### **GRI 2-29, 305-1, 305-2, 305-3 and 3-3**

Nature's capacity to regenerate nature and produce actives and services vital for human beings is being significantly reduced over time. Cooperation is necessary to promote the transition to a low carbon, circular and regenerative economy that respects the Earth's ecological limits through robust initiatives.

In this respect, we are advancing with ever more natural formulations and the development of recycling chains for the use of post-consumer plastics, glass and paper in our packaging and support materials. For example, the Natura Ekos line moisturizers contain 96% ingredients of natural origin. Additionally, the bottles are made from 100% recycled PET.

In line with our Commitment to Life, we have the target of increasing formula and packaging circularity for the entire Natura &Co group by 2030 (see the detailed Commitment to Life targets on page 137).

## **Formulations**

The principles of circularity and regeneration underpin all our product choices, including formulas and packaging. The choice of the best ingredients from the origin to final disposal is monitored by means of indicators such as the percentage of natural/renewable origin inputs and the percentage biodegradability of rinsable products, which are based on global references such as ISO 16128 for natural origin and OECD 301 A-F for biodegradability. These are references that permit comparability and transparency while ensuring safety and technical rigor in our commitments.

In 2023, the natural origin or renewable rate for ingredients in the Natura product portfolio was 94.8%. Meanwhile the Natura vegan product rate reached 95%. Regarding the biodegradability of the ingredients in formulas, we achieved the target ahead of schedule in 2022. In 2023, the biodegradability rate of rinsable products for Natura and Avon rinsable products in Latin America was 97.1%.

**See the full table of indicators in  
the Databook Latin America.**