

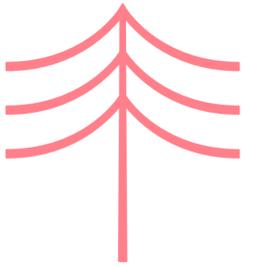
2023 Advocacy Report

Engaging in System Change

Natura & CO



Why advocacy is a key part of our business philosophy at Natura &Co.



Foreword by Ana Costa

The world around us is transforming in front of our eyes and Natura &Co is deeply committed to being an active advocate and a champion of positive change.

We know that the challenges facing people and our planet are connected - and so acting alone is not going to manifest meaningful solutions. As a company that is based on relationships, we at Natura &Co we understand the need to focus on partnerships and relationships to drive true system change. This is the essential philosophy that underpins our advocacy work.

The movement of beauty consultants and the communities we work with in the Amazon are at the heart of our business. We've learned many important lessons from our experience building these connections - and we have many questions and innovation pathways we continue to explore. Our global relationships are critical to help enable an information exchange where we can share what we've learned with others and, importantly, learn from others and

find friends we can journey alongside on our Regeneration Mission.

The journey so far...

This first Global Advocacy Report builds on important work from the start of the advocacy journey in 2022. This strategy was refined in 2023 in line with a series of organisational and strategic shifts across the business.

As we look towards 2024, we are excited by what is on the horizon and we are preparing for many significant moments in Latin America. From the G20 to COP16 (the biodiversity COP) to COP30 (the climate COP) in 2025, we are looking forward to working with partners from around the world.

Our promise

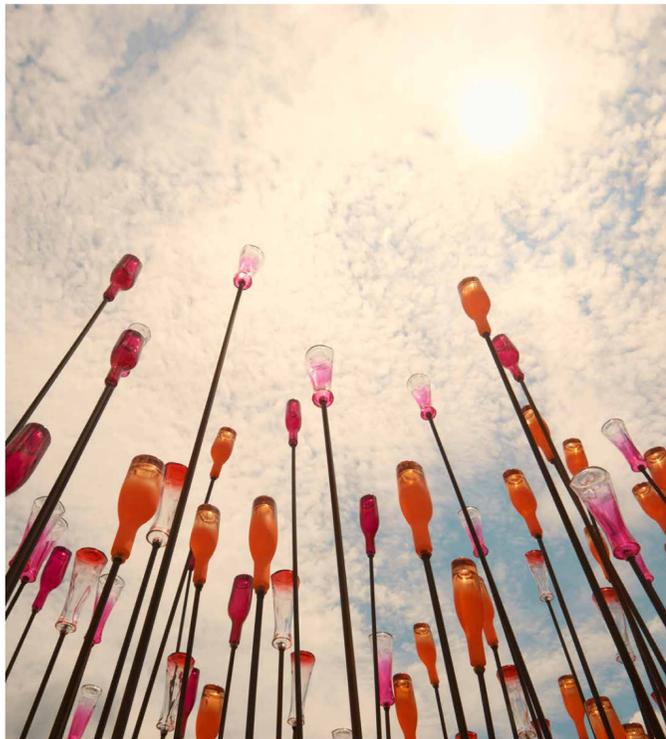
As we travel the road ahead, we are committed to continuous improvement as we learn with others on this journey. We are grateful for all our partnerships - our friends and fellow travellers - on the path to system change.

Ana Beatriz
Macedo da Costa
VP, General Counsel
at Natura &Co



Advocacy at Natura &Co

In this decisive decade, as we grapple with the challenges presented by threats to nature, climate change, injustice and inequality, we remain firmly committed to the belief that people around the world can unite and harness their collective power as a force for good.



Recognizing the urgency of this moment in history, we are focused on addressing sustainability within our own business operations, and also actively advocating for system-level change.

What is Advocacy?

Corporate Affairs? Activism? Government Relations? Stakeholder Engagement? The truth is, advocacy is a business function that is still evolving.

After two years of exploring, testing, and refining our approach, one thing is clear: advocacy is about system change, and system change involves altering the rules of the game at both policy and cultural levels.

Key Activities

What does advocacy look like in practice?

1. Taking a Stand. Using our Voice and Influence.

- Mapping key issues for our business where we can engage authentically and bring expertise and ambition
- Developing briefs for key events
- Sharing the Natura &Co story at key events and in the media

2. Mobilising People. Building Awareness and Agency.

- Supporting opportunities for people in our wider stakeholder community (beauty consultants, suppliers, consumers) to learn and engage in our areas of focus through citizenship engagement
- Designing internal training programmes and engagement opportunities around global events for Natura &Co LatAm team members

3. Joining Forces. Changing Systems through Policy and Culture.

- Leading partnership engagement strategy – managing working groups / board roles
- Deciding on campaigns to back and ensuring meaningful impact
- Making connections with NGOs, academics, social movements and other businesses

Principles which underpin our strategy

To help us use our power and our voice to push for system change we have adopted five principles to guide our advocacy strategy:

Authenticity → Building a strategy based on clarity of where we've come from and where we are right now, embracing transparency.

Ambition → Setting stretch goals based on what is needed rather than being limited by what feels possible and being held accountable to those goals.

Agency → Supporting employees, customers, and supply chain partners to understand the issues and find ways to do something about them.

Activism → Engaging with social movements.

Allyship → Partnering through alliances and amplifying the voices of others through our platform, especially those who would not otherwise be heard.

To learn more about these principles, you can review the HBR article '[Designing a Climate Advocacy Strategy](#)' which we co-authored with friends at Patagonia and Ecosia.

Taking a Stand in 2023 Establishing our Priorities

In 2023 we focussed on three priorities which are underpinned by our foundational belief that people in business have power – and that by working together we can use this power as a force for good.



Nature and Climate

As a business with roots in the Amazon, Natura &Co deeply understands the interconnectivity between climate and nature. In 2023 we continued to champion The Kunming-Montreal Global Biodiversity Framework and partnered with Business for Nature, Taskforce for Nature-related Financial Disclosures (TNFD), Zero Hour and many others who are focused on the importance of taking action on nature. We use Science-Based Targets to accelerate the race to Net Zero. We engage in discussions on the future of offsetting linked to nature-based solutions, and actively support initiatives like The Earthshot Prize.

Inclusion and Allyship

'No conversation about us without us!' At Natura &Co we know how important it is to make sure diverse voices are provided with both a platform to share their perspectives and that their ideas, insights and reflections are heard. In 2023 we championed stakeholder governance with our partners at B Lab and we advocated for gender equality alongside our partners at UN Women and She Changes Climate.

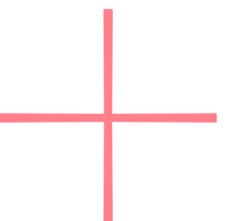
Future of the Beauty Industry

We directly engaged in industry initiatives focused on building a positive future for the beauty sector. We are members of the B Corp Beauty Coalition, EcoBeauty Score Consortium

and Cosmetics Europe. We also believe in the importance of building regenerative business models and have supported the work of UEBT (Union for Ethical Bio Trade) and the development of their regeneration certification.

People using their Power as a Force for Good

Our work in advocacy is based on our foundational belief that people in business have power and in this moment that matters we must channel this power to create positive impact.





Measurement of Impact

Measuring system change is not a straightforward forward process. Where does change begin? Where does it end? How can we consider the proximity of interventions to wider, longer term impact? To guide our advocacy strategy in 2023, Natura &Co has established **five key objectives** and reviews its work annually based on these goals.

Partnership →

Managing partnerships for maximum impact - where are we able to add value based on our experience and share value with those working across our businesses.

1.

Influence →

Influencing change through external engagement / moments that matter - such as New York Climate Week, B20 meetings and COP28.

2.

Education →

Engaging people in advocacy, - developing regular updates and learning activities to build deeper awareness, understanding (content/skills), and pride.

3.

Action →

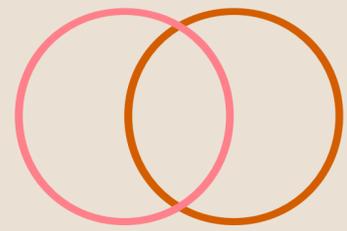
Inspiring agency and action inside and outside the business - supporting team engagement in external activities and working on campaigns which are aligned to the areas where we are taking a stand.

4.

Leadership →

Appreciating the recognition when our approach to business is a reference for others who want to use their power as a force for good - and knowing there is always more that we can do to improve.

5.



Advocacy at Natura &Co LatAm

Corporate Citizenship

Following the example of the Conscious Vote campaign held in Brazil in 2022, in 2023 we implemented the "Tu voto suma: Participar hace la Democracia" initiative in Argentina, in which we fostered Natura and Avon consultant and employee participation in the presidential elections held in October

Advocating for the Amazon

In 2023, Natura &Co LatAm advocated the need for harmonizing the rules on benefit sharing and access to Amazonian biodiversity with governments and civil society in at the level of Latin America. The goal was to establish normative frameworks that permit the development of transnational research and chains for the supply of Amazonian biodiversity actives, with transparent and fair rules that acknowledge the rights of the traditional peoples, recognize their knowledge and expand opportunities for development and income generation based on the standing forest bioeconomy. These activities were prominent during the Amazon Sum-

mit and its preparatory stages, with the subject addressed in the Belém Charter, published at the end of the event in August. The document was signed by the eight nations that make up the Amazon Cooperation Treaty Organization (ACTO): Brazil, Bolivia, Colombia, Ecuador, Guyana, Peru, Surinam and Venezuela.

Knowledge Sharing

Natura actively seeks to share the experience acquired in its more than 20 years of working in the region with Brazilian authorities. Natura has identified the more promising crops in terms of demand and has shared technical data and information about equipment and machinery that optimize production and improve product quality. Natura has also, as well as underscoring needs in research and development, agricultural assistance and, access to credit and infrastructure that national and state governments could work on to bring a positive-with effective impact on people and the environment. Documents such as Nova Indústria Brasil (New Industry Brazil) and the Ecological

Transition Plan incorporate positive advances in these areas in the public agenda for the coming years.



Regenerating Forests with the Territórios Sustentáveis Platform

The **Territórios Sustentáveis Platform** is an initiative from the Pará state government in Brazil, which Natura has joined. This policy supports projects that help the state to achieve public

targets to regenerate 7.4 million hectares of forest, become carbon neutral, generate income from the bioeconomy, monitor and accelerate high impact initiatives related to deforestation, as well as driving the restoration of degraded areas. This is an interconnected system of shared information between the public and private sectors to ensure that projects fulfil the region's priorities and are accelerated by means of specific projects and coordinated public administration activities.

Elo Verde Program

In 2023, Natura &Co LatAm formulated a public-private partnership with the local government of Cajamar, where the company's largest manufacturing facility in Brazil is located. This involves a reverse logistics initiative for recyclable materials. The program, called Elo Verde, promotes recycling by means of a connection with public schools, the selective waste collection infrastructure and support for waste pickers, incentivizing our suppliers to use waste as inputs for the production of new packaging. City residents are rewarded with Avon products for participating in the initiative.

To get the program started, Natura &Co Latin America donated BRL 4.7 million worth of Avon beauty products. The initiative will help Natura &Co Latin America to achieve its public target of employing 100% reusable, refillable, recyclable or compostable materials in its packaging by 2030.

Advocacy at Avon

Breast Cancer Awareness and Support

Around one in seven women will develop breast cancer at some point. But early detection saves lives. Avon has been at the forefront of breast cancer awareness since 1992, helping to educate 180 million women about the disease and funding over 20 million breast scans.

During Breast Cancer Awareness Month 2023 Avon'sour global #FeelTheBoobLove campaign encouraged women to check their breasts every month, as recognising their 'normal' makes it easier to spot any early signs of cancer. This campaign was based on Avon'sour international research, which found that 34% of women don't check their breasts every month.

Overall, 24% aren't confident that they could spot a sign of breast cancer (swelling, puckering, changes in size or shape, nipple discharge/encrustation, lumps or changes in colour). The Avon 'NormalForMe' campaign won a bronze #Effie award from the SAR (Marketing Communication Association) for its educational content

Avon International is dedicated to improving women's lives around the world. TheyWe do this by using skills, theirour global voice and by partnering with specialist organisations.

Action against Gender-Based Violence

1 in 3 women will experience gender-based violence (GBV), such as physical or sexual harm, coercive control or domestic violence. In 2023, Avon tackled this by raising awareness of the issue and where to get help, particularly through a partnership with the global charity NO MORE. Avon International also funds frontline services in multiple countries.

The GBV protocol helps direct any Avon associate who experiences or suspects GBV to confidential external support. All associates receive GBV training, and our GBV Ambassadors receive additional training to support colleagues.

Over three days in November, Avon, the Vital Voices Global Partnership and the Association for Liberty and Equality of Gender brought together 65 specialists to improve GBV support in Romania and Ukraine. Sessions covered topics including improving coordination between agencies. 100% of respondents said the event increased their knowledge, understanding

and confidence. During the 16 Days of Activism against GBV, Avon and NO MORE highlighted appearance-based domestic abuse, which often precedes physical violence. The Reverse Make-up Tutorial, the brand's powerful video based on women's real experiences, draws attention to this problem. The film features a man removing his partner's make-up while verbally abusing her. In each country, we worked with local NGO partners to publicise sources of support.

Mobilising People as a Force for Good: The People & Planet Hackathon

The Avon 2023 Hackathon involved over 1,000 associates who submitted over 70 sustainability ideas to a dedicated portal and voted on their favourites. Avon then held learning sessions and brainstorming breakouts on key themes arising from these ideas, and presented suggestions to itsitsour Sustainability Steering Committee. The Hackathon has led to introducing monthly sustainability webinars and newsletters, boosted volunteering numbers, and enhanced Avon'sour Representatives' engagement in sustainability.



The Reverse Make-up Tutorial film gained 4.7 million social media impressions and 136,000 engagements, including women sharing their own experiences. The campaign generated the highest engagement of all posts across NO MORE's channels during 16 days of Activism against GBV.



Scan the QR-code or [click here](#) to watch Avon's *The Reverse Make-up* film

Taking Action in 2023

To enable these priorities to come alive, we recognized the transformative potential of people's collective power and explored and experimented with events, classroom engagements, campaigns and media opportunities. By doing so, we positioned ourselves as a movement of people ready to join forces with others and advocate for change in places where our voice could truly make a difference.

Events

Taking a stand and using our voice at key events is an important part of the advocacy strategy.

In 2023 we actively participated in both London Climate Action Week and New York Climate Week. In New York, our CEO, Fabio Barbosa, demonstrated Natura &Co's commitment to the UN Sustainable Development Goals by discussing strategies to mobilise business ambition and investment. Another highlight of the New York Climate Week was the launch of the Task-force for Nature-related Financial Disclosures (TNFD) framework, which was a particularly important moment for Natura as an early adopter of TNFD and participants in its development.

In 2023 we engaged in many B Corp connected events including B for Good Leaders, B Beauty Coalition meetings and Encuentro +B (a gathering organised by Sistema B). We also brought our 'For Nature' art blocks on the road to the World Business Council for Sustainable Development (WBCSD) Liaison Delegate Meeting where we provided an opportunity for people to stamp their clothing, bringing a creative energy to the meetings.

Natura &Co was also an active voice at the B20 meetings in India where Marcelo Behar, VP of Sustainability and Group Affairs, brought a private sector perspective to discussions focussed on ESG and shared examples of sustainability in global supply chains.



During COP 28 in Dubai, we stood alongside a diverse, growing coalition of global leaders calling on Sultan Al Jaber and all parties to deliver a 1.5C aligned outcome in response to the Global Stocktake. We also used COP 28's stage to present Natura's 2050 Vision whose fundamental principle is the search for regeneration and positive impact, the idea that a company must regenerate systems, society and the environment. Natura believes the concept of sustainability is no longer sufficient to address the restoration of what has already been degraded by human action.

Classroom Engagement

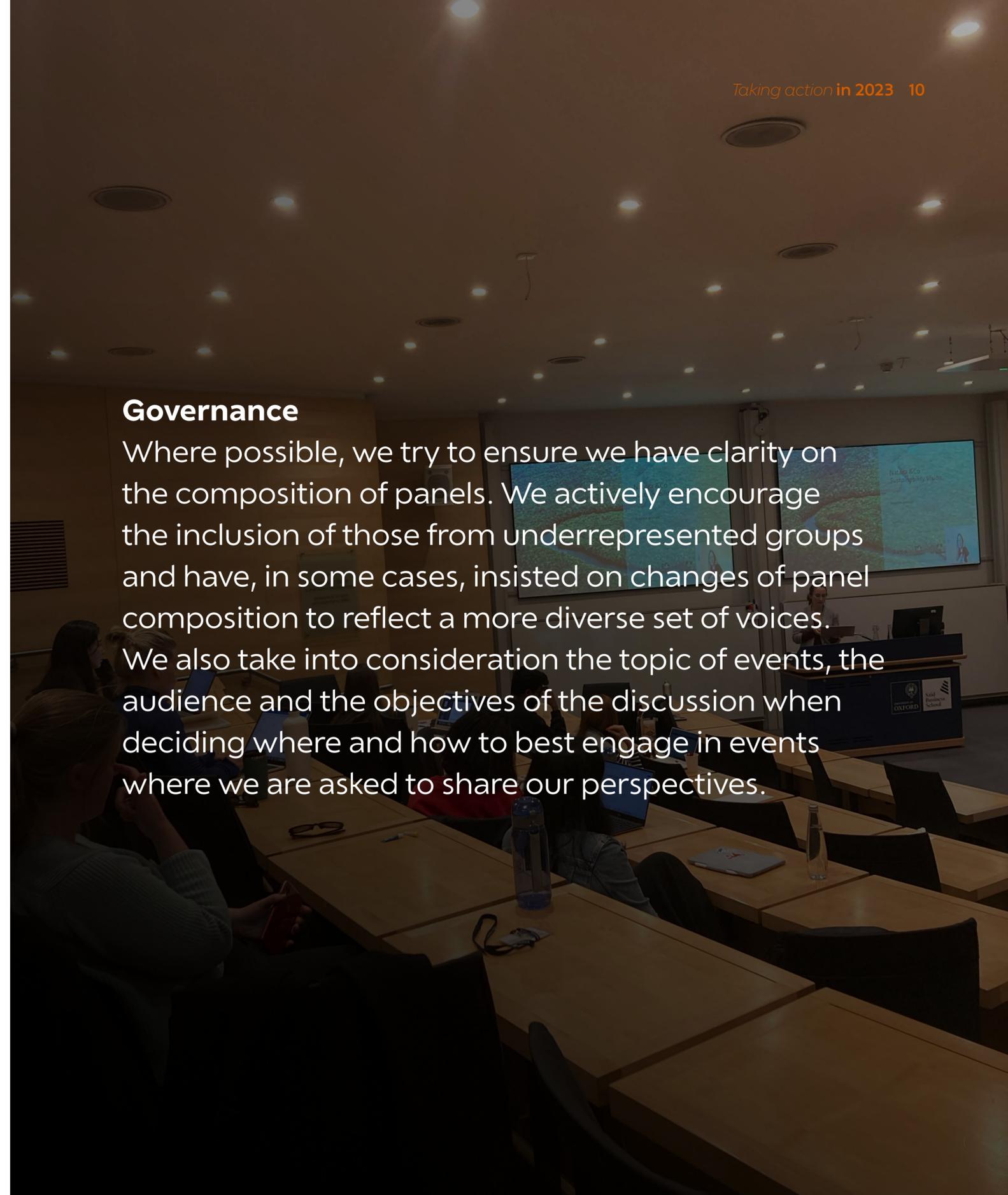
Beyond traditional events, we also see classrooms as key spaces for culture change as it provides the opportunity to both share our own experience with current and future business leaders, while also listening and absorbing feedback from the discussions with those who have a range of views on our priority topics.

We provided guest lectures at many global institutions including **Schumacher College, University of Oxford, University of Cambridge and Hamburg University.**



Governance

Where possible, we try to ensure we have clarity on the composition of panels. We actively encourage the inclusion of those from underrepresented groups and have, in some cases, insisted on changes of panel composition to reflect a more diverse set of voices. We also take into consideration the topic of events, the audience and the objectives of the discussion when deciding where and how to best engage in events where we are asked to share our perspectives.



Campaigns

In 2023, we joined forces with businesses around the world to support a range of campaigns designed to drive system level change.

They include:

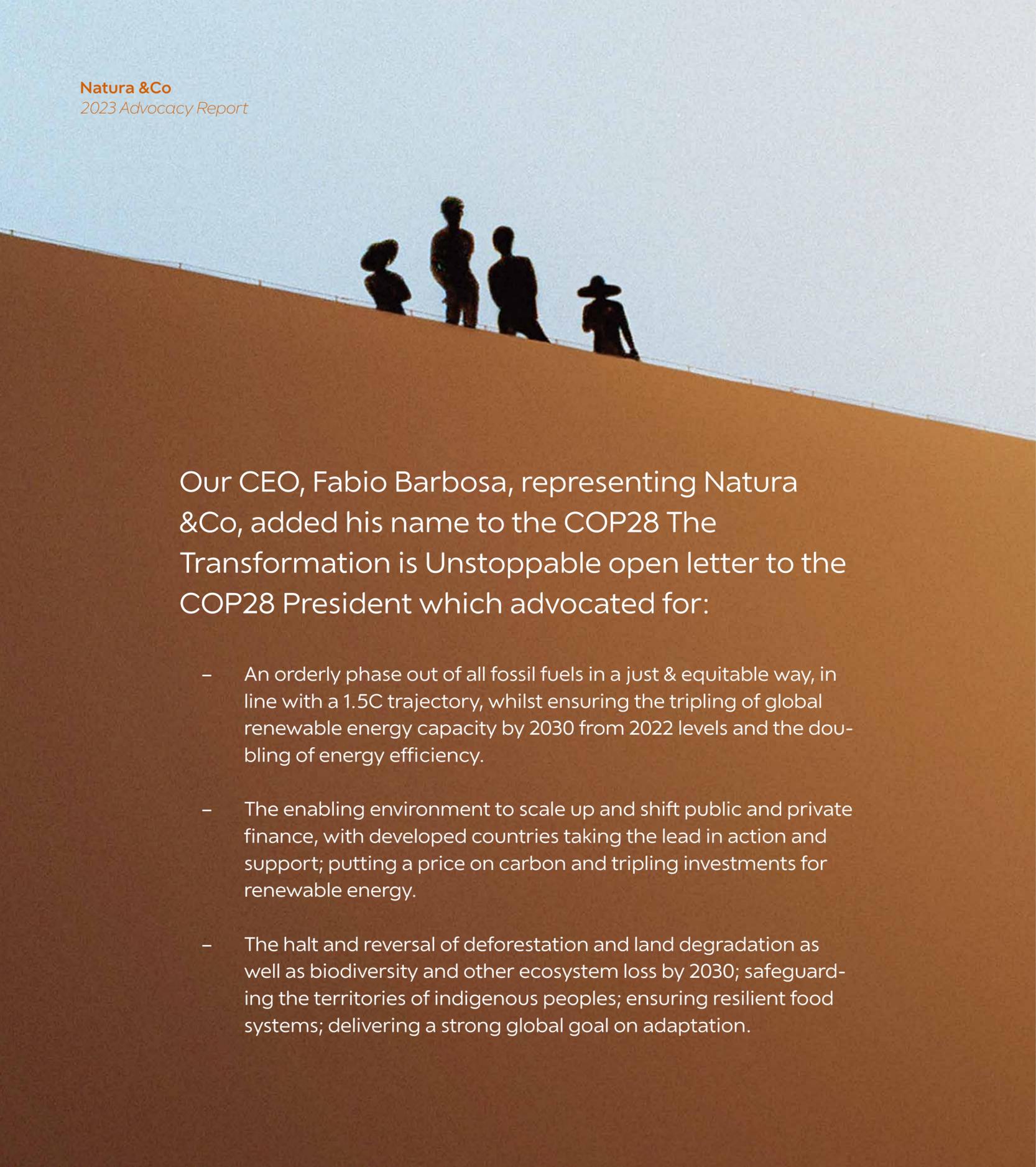
- The Fossil to Clean campaign.
- The Zero Hour Climate and Nature Bill campaign.
- B Lab Stakeholder Governance campaigns (including the UK Better Business Act, EU Interdependence Coalition and the Global B Movement Builders Stakeholder Governance campaigns).
- Natura &Co team members joined Queue for Climate and Nature in London organised by Business Declares and Businesses Stand Up.

We also signed letters backing the International Sustainability Standards Board.

Ana Costa, VP of Reputation, Sustainability, Legal and Corporate Affairs at Natura &Co Latin America, Angela Pinhati, Head of Sustainability at Natura &Co, Natalie Deacon Executive Director of Sustainability and Purpose at Avon International and Char Love, Global Director of Advocacy at Natura &Co all signed a letter organised by We Mean Business, calling on the COP29 host to include women in its organisation committee.

Governance

Each campaign we publicly back follows a clearly defined governance process. Each campaign is assessed based on a consistent framework and internal topic specialists are consulted for risk and alignment. Agreement to progress with the campaign is required by representatives of each business unit. Input by the legal team is at the discretion of the VP who has the final sign off on the campaign.



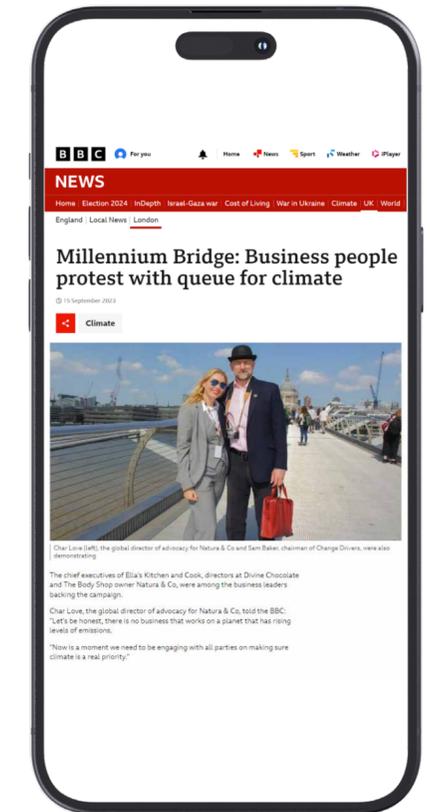
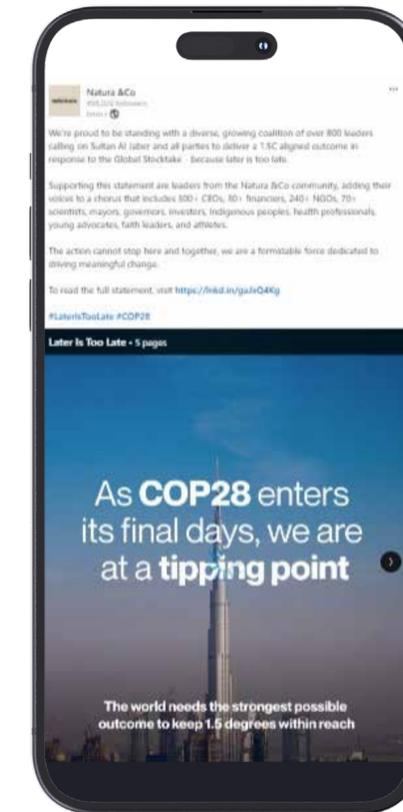
Our CEO, Fabio Barbosa, representing Natura &Co, added his name to the COP28 The Transformation is Unstoppable open letter to the COP28 President which advocated for:

- An orderly phase out of all fossil fuels in a just & equitable way, in line with a 1.5C trajectory, whilst ensuring the tripling of global renewable energy capacity by 2030 from 2022 levels and the doubling of energy efficiency.
- The enabling environment to scale up and shift public and private finance, with developed countries taking the lead in action and support; putting a price on carbon and tripling investments for renewable energy.
- The halt and reversal of deforestation and land degradation as well as biodiversity and other ecosystem loss by 2030; safeguarding the territories of indigenous peoples; ensuring resilient food systems; delivering a strong global goal on adaptation.

Media

Another tool of advocacy is media engagement. Natura &Co has contributed to a series of articles which share our insights and reflections with a wider audience. In 2023 we contributed a thought piece to Harvard Business Review with Patagonia and Ecosia on How to Design a Climate Advocacy Strategy.

We also engage directly with the media, where appropriate. For example, Natura &Co's involvement in the Queue for Climate campaign was covered in the BBC.



Internal Engagement **Internal Advocacy**

Recognizing advocacy's focus on systems-level change, our strategy is based on working in partnership both internally and externally to create a critical mass for widespread change.

Internally, we've streamlined processes to enhance collective action through information-sharing systems such as regular news updates, presentations on Natura &Co team-wide Town Halls and 'Ask Me Anything' sessions with our partners.

Natura &Co's 'Ask Me Anything' sessions are designed to create a warm and friendly virtual space where team members from the UK and Brazil can come together and ignite their curiosity in areas where our business is actively engaged. In 2023 we invited partners such as those from Zero Hour and UEFT to talk about nature and biodiversity, colleagues from The Body Shop to discuss pride, partners from She Changes Climate to discuss why we need equal representation in climate negotiations and academic experts from Oxford Net Zero to discuss COP28 and how businesses are taking action on climate.

Our wider engagement with teams in Latin America included 'Sustainability Day' which is an event designed to share the work we do with our suppliers and other companies interested in learning about our journey. The Natura &Co Lat Am team also run the 'Sustainability Academy' - an internal programme open to all employees to engage in topics including the IP&L (integrated profit and loss), our approach to carbon and the journey of our consultants from different backgrounds.

Natura &Co also relaunched its Commitment to Life goals in 2023, and created a virtual event for our people and partners to tune in and learn about our targets across three pillars:

1. *Address the Climate Crisis
and Protect the Amazon*

2. *Defend Human Rights
and Be Human Kind*

3. *Embrace Circularity
and Regeneration*



We were also proud to cheer on the team at Natura &Co Latin America as they relaunched their Commitment to Life targets.

In September, the Advocacy team used our new office launch as another opportunity to engage people in the business on our priorities by creating an 'Advocacy Action Room'. Team members were invited to enter a specially kitted out meeting room where they could learn how to identify and engage with their Member of Parliament, write a Letter to the Earth and get a little bit messy by block printing slogans onto clothing and notebooks.

To help our UK people feel connected to each other and our innovative spirit, the advocacy team supported a team trip to the Elvis & Kresse farm where they learned about regenerative agriculture, helped manage the vineyard with some hands-on activities and enjoyed lunch in the circular economy workshop.

We also know that when Natura &Co backs a campaign and when letters are signed by our CEO Fabio Barbosa, he is signing on behalf of the company. As mentioned in our campaign section, Natura &Co was proud to back the COP28: The Transformation is Unstoppable. But we didn't stop there... Fabio Barbosa invited the entire Natura &Co team to review the commitments to the letter and sign their own name to an internal version of the letter so that all team members could feel they had the agency and opportunity to back this important campaign.



Partnerships

Externally, we engage in system change through strategic partnerships which link to opportunities to advocate for positive change in policy and culture. Connecting with policymakers, trade associations, and NGOs helps drive the necessary regulatory shifts, while sharing our views in the media contributes to the amplification of new norms, raises awareness, educates consumers, and guides meaningful engagement for cultural change.

Below are overviews of our main Global Advocacy Partnerships, selected based on membership fee amounts and level of active engagement by members of the team.



Organisation	B Lab	B Team	Business for Nature
Overview	<p>Natura &Co and Natura are certified B Corps. Natura has been certified since 2014 and was the first publicly traded B Corp. Certification signals verified, high social and environmental performance. Being part of the 'B Corp' community enables us to connect with and learn from other leading ethical and sustainable businesses.</p>	<p>Guilherme Leal is a co-founder of the B Team and has been a Leader since 2013. As part of this global collective, Natura &Co supports the creation of new norms of corporate leadership, has access to valuable information, and collaborates with other companies and civil society leaders on key campaigns.</p>	<p>Business for Nature presents opportunities to showcase leadership and engage in important advocacy initiatives, most recently around the Post-2020 Global Biodiversity Framework.</p>
Engagement	<ul style="list-style-type: none"> - Board Member of the B Beauty Coalition(Char Love) - Member of B Movement Building (Char Love, Thais Espildora) - Backed the B Lab Global Stakeholder Governance campaign - Joined the Better Business Act campaign - Joined the Interdependence Coalition campaign 	<ul style="list-style-type: none"> - Marcelo Behar (former) spoke at an event organised by The B Team, Confederation of Indian Industry (CII) and Genpact on 'Convergence and Standardization of Global ESG Reporting Guidelines Roundtable' - Attended meeting focused on environmental defenders as part of New York Climate Week - Joined COP28 Transformation is Unstoppable campaign through our connection with B Team - Supported COP28 ISSB letter through our network with B Team 	<ul style="list-style-type: none"> - Spoke at the Now for Nature campaign launch - Attended and actively contributed to the 2023 strategy meetings (and brought art blocks)
Fees paid	<p>318,000 GBP in 2023</p> <p>Note – this includes certification fees for Aesop, The Body Shop, Natura and Natura &Co, verification fees for Natura, Avon and The Body Shop and site review expenses.</p>	<p>111,000 GBP in 2023</p>	

Organisation	Cosmetics Europe	The Earthshot Prize	EcoBeautyScore Consortium
Overview	<p>Participation in this organization enhances Natura &Co's early awareness of EU policy developments for the cosmetics industry, on topics such as ingredient restrictions, product safety, labelling requirements, and sustainability. In addition, Cosmetics Europe provides access to the latest research and collaboration with other industry experts.</p>	<p>In Natura &Co's capacity as a nominator for The Earthshot Prize, we work to raise the profile of entrepreneurial initiatives. As part of the Global Alliance, we have the chance to work with Finalists and Winners of the Prize, who constitute some of the world's most talented eco-innovators.</p>	<p>Through this partnership, Natura &Co is collaborating with others in the beauty industry at a pre-competitive level in pursuit of circularity. The EcoBeautyScore Consortium is developing an environmental impact assessment and scoring system for cosmetic products, using science-based methodology.</p>
Engagement	<ul style="list-style-type: none"> - Natura &Co is involved in over 20 working groups and expert teams covering topics that include: Science for Essentiality & Science for Sustainability, International issues, Ingredient defence, Advocacy, Consumer Information (including green claims) and Chemical Policy. 	<ul style="list-style-type: none"> - Nominator for the 2023 Earthshot Prize 	<ul style="list-style-type: none"> - Char Love co-presented the EcoBeautyScore Consortium at the European edition of the Sustainable Cosmetics Summit. - Char Love co-presented the EcoBeautyScore Consortium at an event at New York Climate Week - Louise Scott and Iguatemi Costa presented on EBS on the IFRA member-only webinar
Fees paid	220,000 GBP in 2023		107,000 GBP in 2023

Organisation	ICC	Taskforce on Nature-related Financial Disclosures (TNFD)	Transform to Net Zero (TONZ)
Overview	<p>Natura &Co participates in the ICC in order to input into the agenda on environment and energy commission, in addition to biodiversity (ABS and DIS). Further, at key events such as the CBD meetings in Geneva and Nairobi, COP28. ICC provides informative policy updates and a platform for Natura &Co to tell its story.</p>	<p>As part of the Taskforce on Nature-related Financial Disclosures (TNFD), Natura &Co works with a network of experts to input into future risk management and disclosure standards for nature. Through this partnership Natura &Co has an advanced view of potential incoming reporting requirements.</p>	<p>Forum for cross-sector collaboration, through which Natura &Co interacts with other companies leading in the sustainability field and demonstrates business support for a net-zero economy. Membership presents opportunities for thought leadership and exchange of expertise.</p>
Engagement	<p>Keyvan Macedo was appointed as Vice Chair of the ICC Global Environment & Energy commission, which discusses topics including climate negotiation, carbon pricing, plastic ABS and DIS on biodiversity.</p>	<ul style="list-style-type: none"> - Fabio Barbosa spoke at the launch of the TNFD at New York Climate Week. - Natura Cosmetics is an Early Adopter of the TNFD - Natura &Co continues to serve as a Task Force member helping in the development and communication of the standards. 	<ul style="list-style-type: none"> - Engaged in events organised by TONZ at global climate events - Presented to members on nature strategy in monthly TONZ meeting
Fees paid			29,500 GBP in 2023

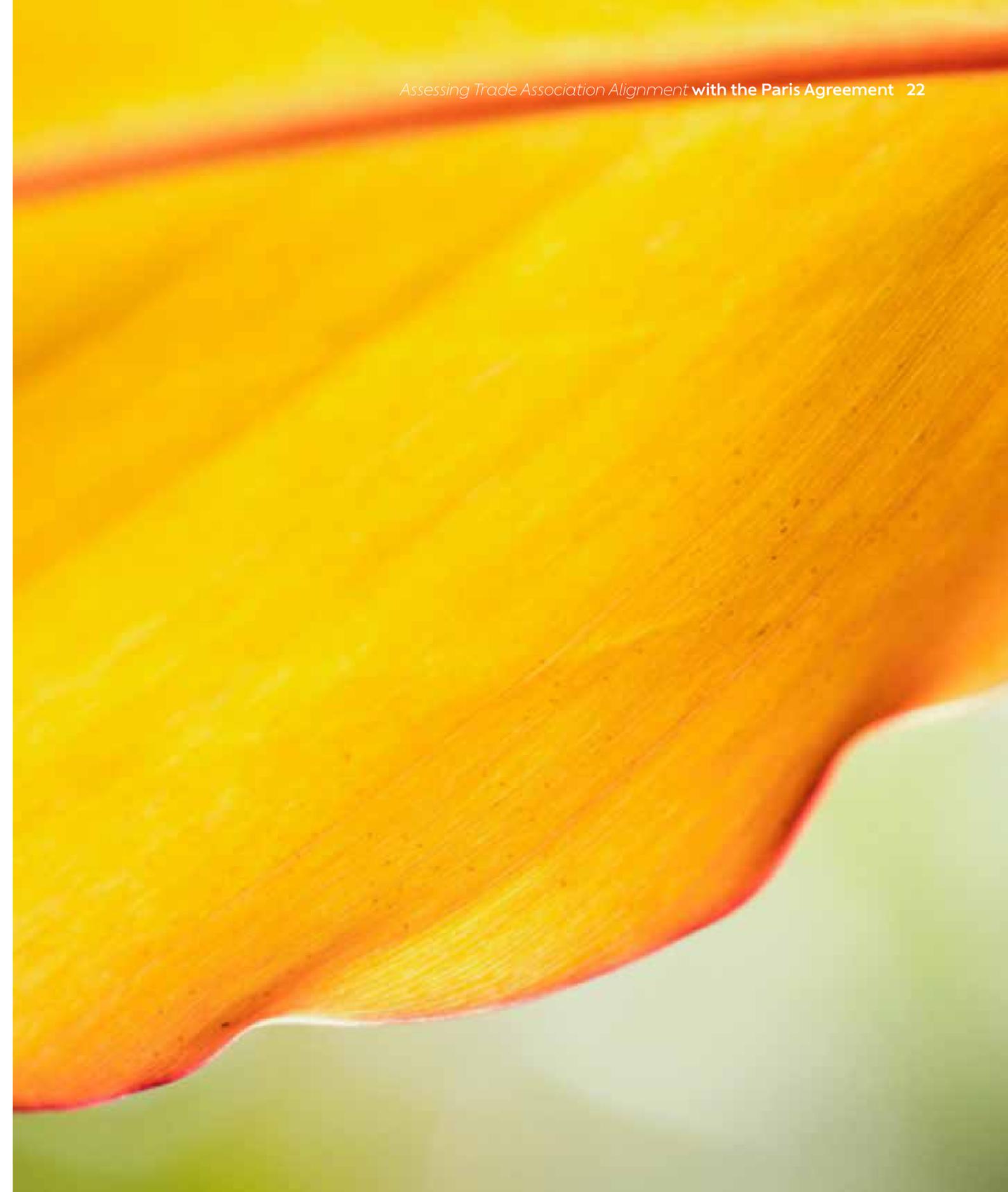
Organisation	UEBT	UN Global Compact (UNGC)	UN Women
Overview	<p>Natura &Co demonstrates business leadership through partnership with UEBT, particularly around regeneration and sourcing with respect to biodiversity. Natura &Co worked in partnership with UEBT to develop the Regeneration certification.</p>	<p>Natura is a founding member of the UN Global Compact, and Natura &Co continues to benefit from involvement in the world's largest corporate sustainability initiative.</p>	<p>Engagement in the UN Women's Generation Equality Forum validates Natura &Co as a champion of gender equality. Through participation in the Action Coalition on Economic Justice and Rights, Natura &Co demonstrated its commitment to play a role in ensuring the full realization of women's and girl's economic rights.</p>
Engagement	<ul style="list-style-type: none"> - UEBT team members presented to Natura &Co colleagues at an internal 'Ask Me Anything' event to celebrate World Biodiversity Day - Angela Pinhati, Oscar Muzilli and Roberta Roesler presented at the UEBT Sourcing with Respect Conference - Biodiversity in Product Environmental Footprints. - Natura's EKOS like is provided with the Sourcing with Respect certification from UEBT 	<ul style="list-style-type: none"> - Natura &Co joined the Forward Faster Initiative with Commitments in the following areas: 1. Set corporate science-based net-zero emissions reductions targets in line with a 1.5°C pathway, with the goal of halving global emissions by 2030 and reaching net-zero by 2050 at the latest. 2. 100% of employees across the organization earn a living wage by 2030. - Natura &Co CEO Fabio Barbosa spoke at the UN Private Sector Forum - Mobilizing Business Ambition and Investments towards the Sustainable Development Goals - Natura &Co Latin America CEO João Paulo Ferreira spoke at the UN Global Compact Brazil – Fórum Ambição 2030 - Char Love spoke at the UNGC UK UNGC 'Embedding Nature into Climate Transition Plans' event - Char Love spoke at the 'UN Global Compact Network UK – Business-related outcomes of COP15' 	<ul style="list-style-type: none"> - Attended UN Generation Equality event in New York Climate Week - Mobilised the Natura &Co team to complete the Climate Justice Challenge by collectively exercising the distance between UK and Brazil
Fees paid	81,000 GBP in 2023	in 2023: 14,000 GBP Note – this fee was paid by Natura &Co LatAm for membership in the Brazilian network Pacto Globo	

Organisation	We Mean Business	World Business Council for Sustainable Development (WBCSD)	Additional Advocacy Initiatives and Engagement
Overview	<p>We Mean Business is a global coalition of businesses which aims at taking action on climate change. They collaborate with a core group of seven business-focused climate nonprofit organizations to accelerate the transition to a just and climate resilient net zero economy. As part of our involvement in this group we are able to both share and learn from a wide range of partners on topics such as responsible policy engagement and also join forces with others on important campaigns that align with our values and advocacy strategy.</p>	<p>Membership brings opportunities to showcase the leadership profile of Natura &Co's work and for involvement in advocacy at key moments (e.g. New York Climate Week, COP28). Membership also grants Natura &Co access to reports and research materials, in addition to a space for learning and sharing with peers.</p>	<ul style="list-style-type: none"> - Zero Hour: Natura &Co backed the Zero Hour campaign for the UK's Climate and Nature Bill and invited members of the team to share insights on the bill in an 'Ask Me Anything' session for team members to celebrate World Biodiversity Day. - ISSB: Natura &Co backed the ISSB letter at COP28 by adding our support in championing the ISSB's Climate Global Baseline - B20: Marcelo Behar (former) engaged with the B20 as a speaker in New Delhi at the Confederation of Indian Industry (CII) B20 India Summit <ul style="list-style-type: none"> - Panel 'ESG for Business Resilience: A Revolutionary Approach' and at the Confederation of Indian Industry (CII) 18th Sustainability Summit on a panel on 'Sustainability in global value chains: Ambition and Action' (New Delhi) - She Changes Climate: Natura &Co continues to support the work of She Changes Climate which as a global movement advocating for inclusion and diversity at all levels of decision-making to address the climate crisis and shape a sustainable future for all. Natura &Co invited the She Changes Climate Founders to join an 'Ask Me Anything' session with members from across the Natura &Co team and followed-up with a screening of the She Changes Climate film.
Engagement	<ul style="list-style-type: none"> - Joined the Fossil to Clean campaign and Keyvan Macedo was a spokesperson at COP28 - Leaders from Natura &Co joined the COP29 call to include women in its organisational committee. In response to this campaign, COP29 host Azerbaijan has added 12 additional women and 2 additional men to the original 28-man committee. 	<ul style="list-style-type: none"> - Char Love attended the annual Liaison Delegate meeting and spoke on the 'Responsible Policy Engagement: what that means for WBCSD members' panel, 	
Fees paid		80,000 GBP in 2023	

We are reporting our partnership fees in a common currency of GBP – however in doing so there could be a small margin of error due to currency fluctuations across the year.

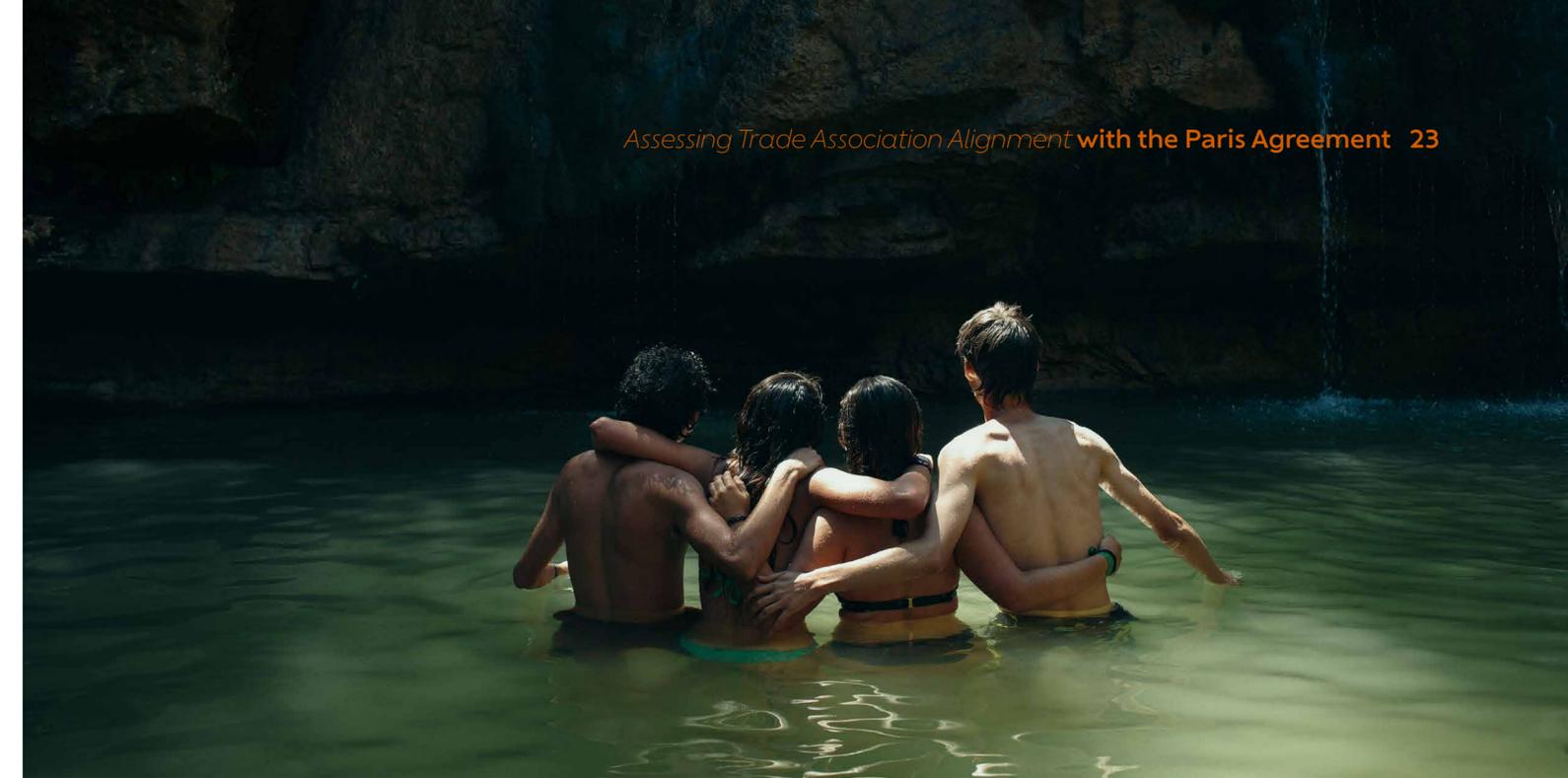
Assessing Trade Association Alignment **with the Paris Agreement**

Achieving the Paris agreement targets requires unprecedented, systems-level action. Companies and the trade organizations that convene and represent corporate interests have vital roles to play in instigating and focusing this action. Natura &Co is committed to actively leveraging the influence and resources of the trade associations it supports at the Holding Company level, to accelerate action to prevent dangerous climate change.



Alignment

Reflections on 2023. As outlined in our 2022 Sustainability Compendium, in 2023 we began exploring a process to check if our partnerships were operating and, where relevant, advocating in alignment with the Paris Agreement. We learned a lot from engaging in this process. With the insights we uncovered, paired with organisational changes in 2024, we have revisited both our partnership outreach process and approach to misalignment.



What we learned:

① Smaller partners did not have capacity to provide evidence - and some working in industries that do not actively take positions on climate were unclear what evidence we required.

What we changed for 2024:

We focused our engagement with Trade Associations and we explained more fully why we were engaged in this assessment process.

② Asking the questions can lead to new conversations; discussions with some of our partners to flag the issue brought this as an area to their attention.

What we changed for 2024:

We will continue to engage with partners and in cases where specific expertise is needed, ensure we include members of the wider team.

③ Our ongoing engagement, even in situations where there is silence or misalignment to the Paris Agreement, could have more power to drive change.

What we changed for 2024:

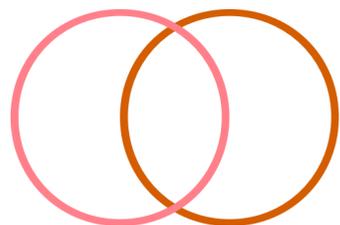
We created a step by step process on what to do in the case of silence on the issue or misalignment.

2024 Assessment Process

We assessed our alignment with the Paris Agreement by reviewing the trade associations of which we are members. These were selected as a representation of key institutions in which we are engaged and align with our direct industry areas of focus; Cosmetics and Direct Sales.

These trade associations include: **Cosmetics Europe, ICCS, WFDSA, SELDIA.**

As part of our approach to positive advocacy, we are committed to working closely with these important trade associations to leverage their influence on the critical issue of addressing climate change.



Our outreach letters to trade associations

As you may recall from our exchange last year, Natura &Co. is committed to ensuring that its actions and positions, and those of the associations that we support, are aligned with the Paris Agreement. To this end, we have established a reviewing and monitoring process to assess that the actions and positions of the organisations we partner with are aligned with the Paris Agreement goal of limiting global warming to 1.5°C above pre-industrial levels.

On this basis, we ask that you kindly confirm that << trade association >> has considered and affirmed its support for the Paris Agreement and has not knowingly taken any actions that go against the Paris Agreement. We would further ask you to share evidence demonstrating that the organisation's positions and actions are aligned with the Paris Agreement temperature goal, as specified above, by << date >>.

This evidence could include, but not be limited to, a clear public statement or commitment, documents submitted in response to policy consultations, climate leadership commitments undertaken by member companies under the organisation's auspices, or advocacy and educational programs designed to accelerate the transition to a low-carbon economy.

Should << trade association >> not have any such evidence, please explain the rationale and any plans for instigating Paris-aligned positions and actions in the near future.

Natura &Co. carefully selects trade association partners for both market expertise and strength in effecting meaningful change. We look forward to working closely with you to leverage these strengths in the service of building a safe, just and inclusive net zero economy.

Thank you in advance, and I look forward to hearing from you by << date>>.

Sincerely,

Char Love

Global Director of Advocacy, Natura &Co

2024 Approach to Misalignment

With support from BSR, we have revisited our approach to both assessment and our actions in the case of misalignment. Thanks to many other businesses who are also on this journey and open to sharing lessons learned.

Working with BSR, we developed a four-step set of actions in the case of addressing misalignment.

We continue to adhere to many of the key elements of the escalation process for addressing misalignment as outlined in our 2023 approach. This involves notifying the Natura &Co VP of Reputation, Sustainability, Legal, and Government Affairs and directly engaging with the organization to communicate our concerns regarding any misalignment. Additionally, we will leverage our influence within these organizations by advocating for policy reviews during board meetings and publicly emphasizing the importance of assessing trade association positions and taking corrective action when necessary.

Natura &Co's engagement with trade associations is principles-based, action-oriented and systems-focused, and the company is eager to work with other companies with similar corporate commitments.

Political Contributions

Advocacy & Policy Influence Contributions

Natura &Co does not make contributions to campaigns, parties and/or candidates during or outside electoral processes according to internal policy. The rule is valid for all operations. However, Natura &Co believes in encouraging political discussions and debates to strengthen democratic institutions and support the evolution of society as a whole. Natura &Co Latin America moved forward with its corporate social activism in the form of contributions to causes and initiatives such as the "Pra Ser Justo" movement (tax reform) spearheaded by Endeavor Brasil.



Step 1. Analyze.

Identify areas of alignment and misalignment, along with the underlying causes within the Trade Association's stance. In cases where there is silence on Paris Agreement issues, pinpoint the most critical areas related to the agreement where the trade association could potentially engage (e.g., key points of leverage).

Step 3. Support.

Work with the trade association's team and other members to propose and support the development of policies and programmes which promote Paris Agreement goals in a defined period of time.

Step 2: Engage.

Raise examples of alignment and misalignment with the trade association's team and other members and propose suggested actions to remedy the position and/or create a new Paris Agreement aligned position.

Step 4. Act.

In the case of meaningful progress, continue to offer support and celebrate progress. In the case of an ongoing misalignment and lack of action, discuss with the trade association and internally if there is the possibility of an exit of membership and public statement.

2024 - Looking Forward

Change is always in the air. In 2024 we reaffirmed our global advocacy objectives which include a focus on regeneration and system level change.

We also reaffirmed the key areas where we want to take a stand as a business in 2024.

- *Regeneration: The Climate x Nature X People Nexus*
- *Inclusion and Allyship*
- *The Future of the Beauty Industry*
- *People Using their Power as a Force for Good*

We have also identified five areas of focus which represent what we call the 'Southern Cross' of Advocacy - five stars that, together, help us navigate our journey forward and help us ensure we stay on track.

We have also identified five areas of focus which represent what we call the 'Southern Cross' of Advocacy - five stars that, together, help us navigate our journey forward and help us ensure we stay on track.

1. **Regenerative Practices.** Advocating for the adoption of regenerative practices - with a focus on socio biodiversity.
2. **Measurement.** Advocating for the widespread adoption of Natura's Integrated Profit and Loss (IP&L) tool which is designed to value social, human and environmental impact.
3. **Financing.** Advocating for financing the growth of the bioeconomy through blended investment models such as the Living Amazon Mechanism.
4. **Power.** Advocating for women by supporting initiatives designed to help them embrace their economic and political power
5. **Justice.** Advocating for climate justice by identifying climate and nature risks, and co-creating resiliency and adaptation initiatives through the Climate Vulnerability Index.

Roadshows

Some additional tools that we are bringing into the advocacy toolkit in 2024 include the organization of roadshows which aim to introduce some of the innovations and initiatives being developed in Brazil to the rest of the world, and create a platform for both relationship development, idea exchanges and partnership building.

The IP&L Roadshow (May 2024) provides a chance to deepen relationships by presenting and discussing Natura's IP&L methodology to businesses and institutions to grow awareness and interest in adopting it as a key step to building overall scale and momentum in the UK and Europe.

The Human Rights Roadshow (June 2024) provides an opportunity to build global bridges by

presenting the Climate Vulnerability Index to businesses, universities, NGOs and other institutions to grow awareness and interest in joining a partnership which aims to develop the index. It is also an opportunity to learn and engage more directly in the development of the Taskforce for Inequality and Social-Related Financial Disclosures (TISFD) - a complement to the TCFD and TNFD - and explore opportunities to develop and deepen our Citizenship strategy with leading academics and thought leaders.

Agency

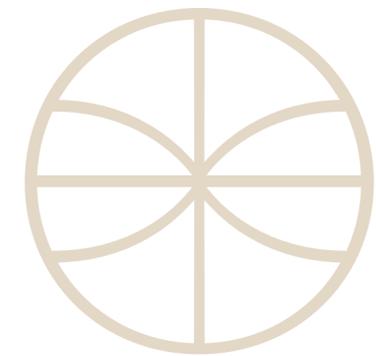
With half of the world's population going to the polls in 2024, we also know political engagement is a key topic in 2024. To support our people to understand their political agency, we are organising workshops such as 'How to use your political power as a force for good' for our

team. We also are engaging in external events on this topic, such as participating on a panel on 'Can Business Save Democracy?'. All the work at Natura &Co on this topic is being developed in partnership with the Ethics and Compliance team.

COP16 and COP30

We are actively preparing for two important global meetings in 2024 and 2025 - COP16 and COP30. We will be sharing more details on our plans for these important meetings throughout the year.

2024 will be a big year - and we are ready for it. This is a moment for regeneration and system change, and Natura &Co's global advocacy team is taking action to support the necessary changes in both policy and culture.



Thanks / Obrigada

Special thanks to members of the extended Natura & Co, Natura and Avon teams who contributed to this report:

Angela Pinhati
Keyvan Macedo
Emila Lebron
Natalie Deacon
Paulo Dallari
Thais Espildora

Thanks to our thought partners in developing this report from BSR.

Rachel Fleishman
Ariela Levy

And thank you to our design partners at [Danki](#).

David Pino
David Wadström