



Commitment to Life

GRI 2-23, 2-24, 2-25

In 2023, we celebrated the third year of our Commitment to Life sustainability vision, launched in 2020, which aimed at tackling some of the world's most urgent challenges.

During the last three years we have made significant progress in our commitments and it is rewarding to see that they remain steadfast: aligning with the urgent needs of our planet and its people by addressing the climate crisis, protecting human rights, and building a circular and more regenerative economy.

Taking into consideration the targets we have already achieved and the changing landscape, in 2023 we reviewed our Commitment to Life targets, keeping in line with our materiality assessment.



Year 3 results

Starting from 2023, the reported data now encompasses the consolidated performance of both Natura &Co Latin America and Avon International. For further information on Business Unit specific goals, performance and initiatives, refer to the Natura &Co Latin America and Avon International chapters of the Annual Report.

| Goals | Commitment to Life Target | Target deadline | Natura &Co 2023 status |
|--------------------|---|-----------------|--|
| Climate Transition | Become Net Zero, delivering 1.5°C in line with SBTi criteria | 2050 | We have been working on our Climate Transition Action Plan (CTAP) which has six workstreams to address the decarbonization of our business. For scopes 1 and 2, we are implementing action plans across one workstream: operations. Regarding Scope 3 emissions, our climate transition plan encompasses five workstreams: packaging materials, home and style (applicable only for the Avon brand), distribution and transportation, raw ingredients, and Consultants' materials. For further information, click here . |
| | Deliver our Science Based Targets for scopes 1, 2 and 3 | 2030 | In May 2023, the Science Based Target Initiative (SBTi) approved our near-term target, committing to reduce our absolute scope 1 and 2 GHG emissions to 42% by 2030 from a 2020 base year, and to reduce our absolute scope 3 GHG emissions from purchased goods and services, upstream transportation and distribution, and end-of-life treatment of sold products to 42% by 2030 from a 2020 base year, aligning with the Paris Agreement 1.5°C trajectory. For further information, click here . |
| Protect the Amazon | Contribute to the protection and/or regeneration of 3 million ha of Amazon forest (from 2 million ha in 2020) | 2030 | 2.2 million ha. |
| | Increase to 45 agro-extractivist sourcing communities (from 34 in 2020) | 2030 | 44 communities |
| | Contribute to the bioeconomy using innovation to develop 55 Amazonian ingredients from biodiversity) (from 39 in 2020) | 2030 | 44 ingredients |
| | Increase spending on raw ingredients from Amazonian socio-bioeconomy fourfold (baseline 2020) | 2030 | R\$ 35.31 million in spend with Amazon ingredient suppliers |
| | Double the value shared with our communities (baseline 2020) | 2030 | R\$ 42.82 million in shared value |
| | Engage 20 million people annually in the Living Amazon Cause (Causa Amazônia Viva) | 2030 | 62 million people |
| Biodiversity | Assess and report our global biodiversity impacts and dependencies by 2025 | 2025 | In 2023, Natura &Co Latin America started its journey to map and report on the risks and dependencies of its business in relation to nature, following the Task Force on Nature-Related Financial Disclosures (TNFD) methodology. For further information, click here . |
| | Achieve verified deforestation- and conversion-free critical supply chains by 2030 | 2030 | This target will complement the actions of the critical materials traceability and/or certification targets which extend until 2025. The metric and methodology will be further defined in 2024. |
| Our People | Maintain 50% women at Natura &Co senior leadership population from end of 2023 | - | 49.3% |
| | Equitable pay, no unexplained gender pay gap from 2023 | - | -0.74% ¹ |
| | 30% inclusion, of management to be from under-represented communities | 2030 | In 2023, both Business Units ran their second diversity and inclusion surveys and data mapping began to define underrepresented communities which will include race and ethnicity, LGBTQIAP+, people with disabilities. Considering their key markets, both Natura &Co Latin America and Avon International are defining suitable targets to address what 'underrepresented' means in a local context. For further information, click here . |
| | At least living wage for all from 2023 | - | 100% ² |
| Human Rights | Advance process to identify, prevent and mitigate human rights risks across our supply chain and operations by 2027; making sure to engage with potentially affected stakeholders, promote access to remedy, and use our leverage for positive impact | 2027 | Building upon this foundation of our Human Rights statement, in 2023, we embarked on a journey to enhance our approach, aligned with the United Nations Guiding Principles of Human Rights. Central to the new ambitious target is active engagement with stakeholders, fostering access to remedy, and leveraging our influence for positive change. To bolster our efforts, we are developing dynamic in-house risk mapping and targeted assessments of identified blind spots. For further information, click here . |
| | Full traceability and/or certification – Palm Oil | 2025 | Certification - 87.9% |
| | Full traceability and / or certification – Mica 1 | 2025 | Traceability - 99.6% |
| | Full traceability and / or certification – Paper | 2025 | Certification - 81.2% |
| | Full traceability and / or certification – Alcohol | 2025 | Certification - 68.8% |

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|-----------------------|---|------|---|
| | Full traceability and / or certification – Soy | 2025 | Traceability - 86.7% |
| | Full traceability and / or certification – Cotton | 2025 | Traceability 97.6% |
| Packaging Circularity | 50% recycled content for all plastic used (in weight) | 2030 | 10.9% |
| | 100% reusable, recyclable or compostable packaging material | 2030 | 86.2% |
| | Enable collection schemes in key markets, where suitable recycling infrastructure does not exist | 2030 | In 2023 Natura &Co started a partnership with Veolia/CIRCPACK to improve the data and knowledge on the global recycling infrastructure maturity for its key markets. This decision has enabled us to design better packaging by combining in-depth knowledge and operational know-how, bringing the best expertise on packaging recycling data and methodologies. |
| Formula Circularity | 95%+ biodegradable formulas | 2030 | 96.1% |
| | 100% of new formulas to have lower environmental footprints, measured by life cycle analysis (LCA) | 2030 | In the last two years, we have invested resources to foster an eco-design culture within our business and the first step was to develop our internal LCA tool to enable formulators to make smart decisions during the design phase of our products. During 2023, we concluded a test and learn phase which delivered an improved and refined database, specially to consider local value chains within different geographies and their respective impacts on carbon, land use, water and others. For further information, click here . |
| Regeneration | Work in partnership to build awareness, capability and regenerative solutions which transform systems and deliver positive environmental and social impact, enabling life to thrive | 2030 | Going beyond a "no harm" or "zero harm" mindset, we seek to generate measurable, positive impacts for society. In 2023, we concluded a regenerative pilot assessment on six of Natura &Co's ingredients against UEBT's ethical and regenerative standards, including income and living wage evaluation in five countries (Brazil, Ghana, Namibia, Peru and Switzerland), five native species, two production systems and 14,000 farmers and wild collectors and over 200,000 acres of land. For further information, click here . |
| | 30% of key ingredients to be produced using regenerative practises (verified/certified by external third party) | 2030 | |
| | 100% of communities/small producers to adopt ethical biotrade and regenerative practices to produce our key ingredients | 2030 | |

Footnotes

¹ Data reflects the results of our annual pay equity study.

² The parameter encompasses the income required for individuals to meet fundamental needs such as food, rent, health, and education, among others. This calculation considers guaranteed payments and food vouchers. All employees with regular contracts in the base year 2023 are included, excluding interns and young apprentices.