

The Omnichannel Journey

Developing omnichannel capabilities

Amongst the priorities of the Regenerate and Prosper strategic planning cycle is the strengthening of the path towards omnichannel capabilities. Our aim is to interconnect the sales channels and create an attractive brand experience in each of them; one in which the customer can choose the path which is most convenient for their needs.



"All of this has helped to transform our store into a space that is much more structured, professional and connected with what is truly important: people."

Livia Colín
Natura franchisee consultant

"Our business began as a consulting space, but it was through the franchise that we expanded our presence and started working with other channels. Over time, we realized that the consumer was changing as well - looking for flexibility, more options and new ways of relating to the brand. And we started learning how to respond to this. WhatsApp is now active in all the stores and we have been selling a lot through this channel. We also level the prices with those on the site, which helps us to remain competitive and ensure customer loyalty at the physical store. Each channel plays its part. There are people who prefer to settle everything with

messages. There are those who prefer to go to the store, try things out, and put together a present. And then there are those who start out buying online, but then gradually become a faithful store customer. This awareness, which comes from the consultancy days, is still our biggest differential. Natura has always encouraged us to pay attention to our own growth. We use Emaná Pay, which charges a lower fee, does not charge for rental of the card machine, and has a specific service team exclusively for franchisees. We also have courses, learning targets, management tools and digital and financial literacy content. These courses involve far more than just the product: they address emotional health, financial education and service, and now form an integral part of our team's routine. **All of this has helped to transform our store into a space that is much more structured, professional and connected with what is truly important: people."**

As such, we are looking for a means of getting our brands closer to the consumer, offering an integrated and personalized experience in each of the channels: in the Relationship Selling, the physical stores, marketplaces and online. A true Well-Being-Well Ecosystem.

This is designed to strengthen the business of the Beauty Consultants, who receive innovative tools and training that allow them to digitalize their work and improve the fluidity and connection in their relations with their customers.

Relationship **Selling**

Relationship selling is a powerful driver of prosperity for millions of people, in particular, women. The Beauty Consultants lie at the heart of this business model, since they nurture relations with our end consumers and deliver the products to them through direct sales. In 2024, this working model celebrated its 50th anniversary.

In Latin America, we have **3.1 million** Beauty Consultants.

We currently have 3.1 million Beauty Consultants, including those who work under the integrated model and those working in Argentina and Mexico.

This is an activity based upon entrepreneurship, creating opportunities for the creation of income and providing autonomy for thousands of women, whilst allowing them to strengthen their relations with the neighbors.

Over recent years, Relationship Selling has been driven by digital relationship channels and the commercialization of products. As such, it has been possible to increase and strengthen contacts with the consumers, customize offers, and personalize the strategies.

We have begun offering online versions of the magazines that present the brand portfolios, as well as ready-made advertising materials that can be shared through social media. These materials are developed using analyses of consumer interests and artificial intelligence tools to personalize promotions.

*The productivity of the Beauty Consultants **improved 50%**, on average, in the countries where the Natura/Avon combined model has been implemented, bringing together the brands' sales forces.*

The digitization of our business inserts the Beauty Consultants into all of the company's other sales channels. They can, for example, create their own digital stores. In 2024, there were more than 1.3 digital million digital spaces, 75.2% of which are in Brazil.

Wellbeing **for the consultants**

We base our relationship with the Beauty Consultants on the commitments to creating a decent salary and human development, by means of a value proposal guided by the pillars of prosperity, purpose and belonging. The Beauty Consultants' Development Index (HDI-BC) was developed in 2014, and based upon the methodology of the HDI of the United Nations' Development Program (Pnud), which is designed to gauge the quality of life in different countries regarding aspects that go beyond economic performance. This gauging is structured around three areas:



Hispanic America
compared to 2022.

1. Knowledge, including analysis of financial education, digital inclusion and the exercising of citizenship;
2. Health, including access to healthcare services and lifestyle; and
3. Work, which, as well as demographic data, includes positive and negative experiences and their impacts.

The survey is conducted every two years, allowing us to evaluate challenges and recommend specific policies or ways of improving the business model that can positively impact the quality of life of those forming our network. Our target, in line with the Commitment to Life, is to improve the indicator by 10% by 2030.

In 2024, we recorded the highest ever HDI-BC. Brazil reached 0.653 (on a scale of 0 - 1), showing an increase of 3.3% in relation to 2022. The pillars which performed particularly well were: Health, especially in relation to lifestyle, which began improving again following a drop during the pandemic; Knowledge, which saw a significant rise in digital inclusion, a result of the migration to online sales; and Citizenship. The areas identified which require development and improvement were in relation to the work experience, with reflections on the perception of the work market as a whole, rather than solely on the quality of the work as a Beauty Consultant.

The HDI-BC also showed an improvement in the index in relation to Black and mixed race people, with an increase of 4.4%.

The Beauty Consultants' HDI in Hispanic America rose by 8.9% in relation to 2022, signifying the best score ever recorded. Deserving of special mention are the advances made in the areas of Health and Labor, which rose in all the countries, driven by the results concerning access to healthcare services and positive labor experiences. With respect to Knowledge, there was a notable increase in financial education in all the countries, digital inclusion in Chile, Peru, Mexico and in the Argentina, and the exercising of citizenship in Chile and Argentina.

Amongst the actions implemented in the areas with the best results are the consolidation of the health and wellbeing strategy, offering free access to telemedicine and psychological support services; expansion of the lines used for monitoring breast health in Chile, Peru and Colombia; and the progress of awareness-raising performed in all the countries. In the area of Knowledge, it is worth mentioning the personal finance and business training programs, the training sessions in the use of digital tools, and scholarships for the conclusion of secondary school and technical, technology and vocational courses.



Education

These include programs that encourage the self-care, socio-emotional development and self-esteem of those who form part of a business and impact network.

The Beauty Consultants have access to training, qualifications and full-time education initiatives, with the aim of ensuring them autonomy and a means of earning an income, combining personal and professional growth. The main themes of the courses offered are related to the technical aspects of their work, digitization, knowledge of the products, financial education and positioning, socio-emotional skills, and an understanding of the causes promoted by our brands. The actions designed to develop the Beauty Consultants are structured around four strategic pillars: training on sales techniques and management of the business; digitization and omnichannel capabilities, to ensure effective use of digital tools; an in-depth understanding of the Natura and Avon portfolio of products; and the development of leadership and communication skills. In the area of education and digital inclusion, we also have the "Planning My Future" program, in which we have invested in technological training for the Beauty Consultants' children. The training sessions are provided on the NaturAprende, and Natura and Avon School platforms, YouTube channels and initiatives distributed via WhatsApp. Each channel has specific gauging tools and metrics.

At NaturAprende the participation in events and courses, downloads of materials and certifications obtained are all analyzed. WhatsApp allows us to monitor the rate of conclusion of the courses sent out, whilst YouTube provides information on the views and engagement levels. In 2024, more than 380,000 consultants were trained in Latin America.¹ The rate of engagement is gauged by the users' evaluations of the content offered on the platform, using a scale of 1 to 5, with average ratings of 4.3 to 4.9.

In 2024, we recognized and appreciated those Beauty Consultants who worked as social mobilizers, strengthening the support networks and leading their communities in our Welcome - Together We Transform Program.

Health

The Health dimension grew in all the countries in which we operate in 2024. Amongst the actions implemented on this front, special mention should go to the consolidation of the Beauty Consultants' health and wellbeing strategy. These include programs that encourage the self-care, socio-emotional development and self-esteem of those who form part of a business and impact network. We provide a Social Support Center where social workers provide health services for the Consultants. The professionals assess the context and refer them to the free specialized services we offer: telemedicine, psychological counseling, as well as confidential support in the event of domestic violence, offering monitoring, legal advice and even financial assistance for food, and medical expenses. In relation specifically to the fight against breast cancer, the work focused on guidance and monitoring of breast health was extended to Chile, Peru and Colombia. Awareness-raising initiatives aimed at early detection were also undertaken in all the countries.

Income

In 2024, we recorded a 38% increase in the consultants' income in Hispanic America, the result mainly, of the gains in productivity obtained in Mexico and Peru. There was a 22.9% rise in Brazil, compared to 2023 - significantly higher than the country's official rate of inflation (IPCA), which was 4.83%. These actions confirm the real gains and measurable impacts achieved in the lives of the consultants.

FIND OUT MORE

about the indicators relating to our impact on the Beauty Consultants in the [ESG Scorecard](#)

Retail

The growth of the retail operations continued to accelerate in line with what had been seen in previous years. In 2024, we saw an increase of 15.4% in the Natura store base, reaching a total of 1,076. Of these, 1,008 are in Brazil, 145 being own stores and 863 franchises. In the other Latin American countries, we have 68 Natura own stores, with 40 of them in Chile and the others in Argentina, Colombia, Mexico and Peru.

The expansion of the retail area is a branch of the omnichannel strategy. In addition to being spaces where the customers can be served and have an experience, the stores can operate as a location where the customers can pick up their online purchases by means of the "click and collect" option. It is also possible to undertake "ship from store" operations, in which the customer makes a purchase on the e-commerce channel and the closest store sends the product out, thereby reducing the time spent waiting for the delivery.

In 2024, we saw good results in customer satisfaction in those stores evaluated by the retail Net Promoter Score (NPS), obtaining 93 points, meaning an increase of 2.2% in relation to 2023.

Launch of retail channel in Colombia

In 2024, we inaugurated our first three physical stores in Colombia. The stores are located in shopping centers with a lot of movement in Bogotá. The aim is to continue advancing

to establish a network of units in the biggest cities in the country, introducing more Colombians to the Well-Being-Well experience.

The third store, located in the Fontanar Shopping Center, was developed for the customers to enjoy unique rituals; in a special space, customers are presented with the concepts of care, connection and respect for the Amazon region.

Avon enters beauty store retail

In a groundbreaking act for the brand in Brazil, Avon entered into partnerships with Soneda Casa de Beleza and Bel Cosméticos for the sale of its products in physical stores. These partnerships make facial, body and hair care products available, as well as makeup, from the Power Stay, Color Trend, Avon Care, Renew and Advanced Techniques lines.

E-commerce

We strengthened our e-commerce in 2024, with growth of 19.7% Y/Y in 4Q24, also benefiting from the launch of the new digital platform on the brand's website in Brazil in 2Q24 and the strong performance of Natura Friday.

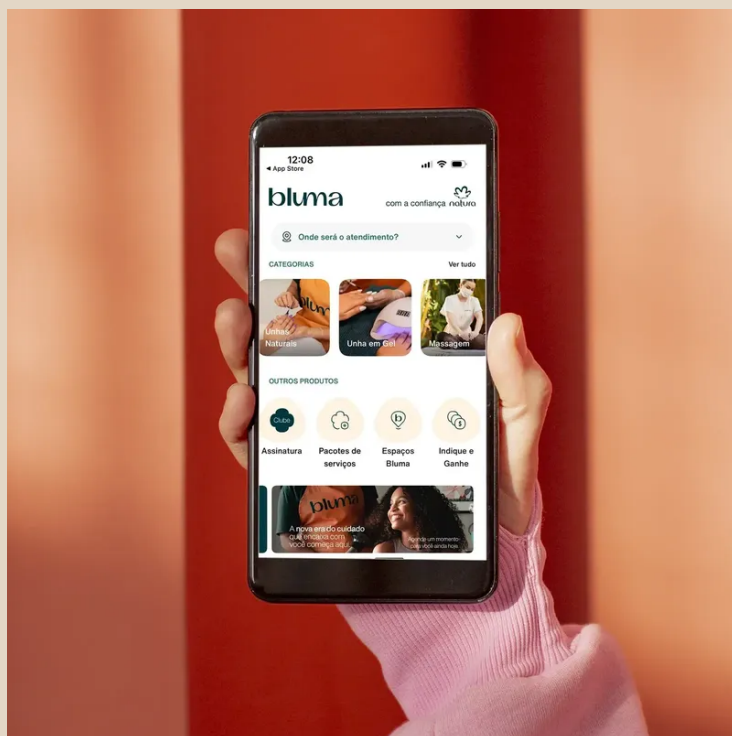
The acceleration of the digital transformation in Latin America was in part due to the presentation of a new experience on the online sales channel, with more information on the product and easier navigation. The new platform also provided sales integration solutions both in the area of e-commerce and on social media, as well as improved connection with the Beauty Consultants. We use a modular and scalable digital architecture, which is capable of easily personalizing page components which enrich the digital experience, based upon artificial intelligence.

Presence in marketplaces

With a strategy designed to complement our own e-commerce, the presence of the Natura and Avon brands in marketplaces in 2024 increased the customer's omnichannel experience. In January, Natura opened a pilot store for the Chilean market on Mercado Livre, the biggest electronic trading platform in Latin America. The experience was replicated in Brazil in October, and this was followed by the opening of an Avon brand store in December.

WhatsApp sales in Argentina

Natura launched its first online sales channel on WhatsApp for mass consumption in Argentina, a country where the app has around 35 million users. This tool operates as an personalized assistant, developed using AI, allowing consultants to advise and accompany the end consumer over the course of the purchase. The operation is performed entirely within the app.



Bluma

In 2024, we launched a beauty and wellbeing services platform for consumers and companies: Bluma. This is a pioneering initiative amongst cosmetics brands in Brazil and is already available in Greater São Paulo, Rio de Janeiro (RJ), Belo Horizonte (MG) and Brasília (DF). Customers can access this new feature by means of an app, which can be downloaded through the App Store or Play Store.

Bluma connects our consumers to specialists in beauty and wellbeing services. The app allows customers to book nail, hair, massage, makeup, waxing and beauty services

sessions. The professional visits the location chosen by the customer. The cities of São Paulo and Rio de Janeiro also have spaces called 'Casa das Artistas' which offer training and spaces where the consultants can relax, recharge their mobile devices and sterilize their equipment.

By means of Bluma, we are prioritizing our customers as well as the generation of value for the specialists, as the professionals registered on the platform are referred to, promoting professional development, generation of income, standardization of the services, and bio-security.



*Emana Pay was implemented in **100%** of Natura's own stores and in **60%** of the franchises.*

Emana Pay GRI 3-3

The financial services platform, Emana Pay, was fully established in 2024 as a tool which the Beauty Consultants can use to increase their productivity and profitability. The digital account offers services such as bill payment, cellular phone top-ups, tracking and management of orders placed, purchase vouchers for customers, as well as financial education tools.

Emana Pay enables the management of payments for sales, by means of Pix or TED services, and creates a link for payment in up to 12 installments, with rates that are below the market average. We ended 2024 with more than one million active accounts and a TPV (Total Payment Volume) of more than BRL 60 million. More than 31 million Pix instant payment transactions have already been made by means of the platform. Currently only available in Brazil, Emana Pay has been implemented in 100% of Natura's own stores in the country, and 60% of the franchises managed by Beauty Consultants.

The impact for the Beauty Consultants is very positive. Those who make use of the platform have an average of 20% more sales than those who prefer other methods of payment. Furthermore, more than 80% of the accounts show a constant increase in revenue.

Footnotes

¹ The data do not include those countries which have not undergone the business integration process (ELO).