## Coty Deforestation Policy & Program



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At Coty, we strive to create Beauty That Lasts, and we see the world's forests as a critical source of lasting beauty, essential to conserving biodiversity, tackling climate change, and protecting our global ecosystem.

We want to see a deforestation free Coty value chain and, as such, we are committed to the development of programs that tackle deforestation both in our owned operations and throughout our supply chain.

We comply with all applicable legal requirements in the countries we operate in and source from, and recognize this responsibility extends to ensuring our suppliers do the same. Our <u>Code of Conduct for Business Partners</u> sets out that our business partners must proactively work to prevent, minimize and remedy adverse environmental impacts from their activities, including deforestation.

We conduct third-party risk assessments of our business partners against CSR indicators, with a specific risk indicator for deforestation. Within our EcoVadis scorecards we assess deforestation under the criteria of biodiversity and supplier environmental practices, including certifications, supply policies, actions and progress.

As part of our Responsible Sourcing Program, we pay particular attention to materials that face the highest risk of deforestation by working with certifiers and sector-wide collaborations. We are also committed to developing and implementing traceability systems for such materials, to ensure we have visibility and improve understanding of our deforestation risks.

Our most significant impact on the protection of forests is through our sourcing of raw materials, including palm oil, as well as paper and wood-based products for our packaging.

Recognizing the impact of the palm oil supply chain on deforestation among other sustainability impacts, we joined the Roundtable for Sustainable Palm Oil in 2017 and have made purchasing palm oil derivatives from RSPO certified sources a key part of our sustainability strategy. Coty's ambition is to achieve RSPO Mass Balance certification for 100% of our palm oil and palm kernel oil derivatives used in our factories by the end of 2022, and our third-party manufacturers by 2025. We are multi-site Supply Chain certified by RSPO for our production sites in 2021, and in the audit process for 2022. For paper and wood-based packaging, we strive to work with suppliers who are Forest Stewardship Council (FSC) or Programme for the Endorsement of Forest Certification (PEFC) certified.

We are committed to playing our part in protecting the world's forests. We will continue to build on our policies, programs, risk assessment, and monitoring to ensure the protection of the forests our operations touch.

shimei Fan

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