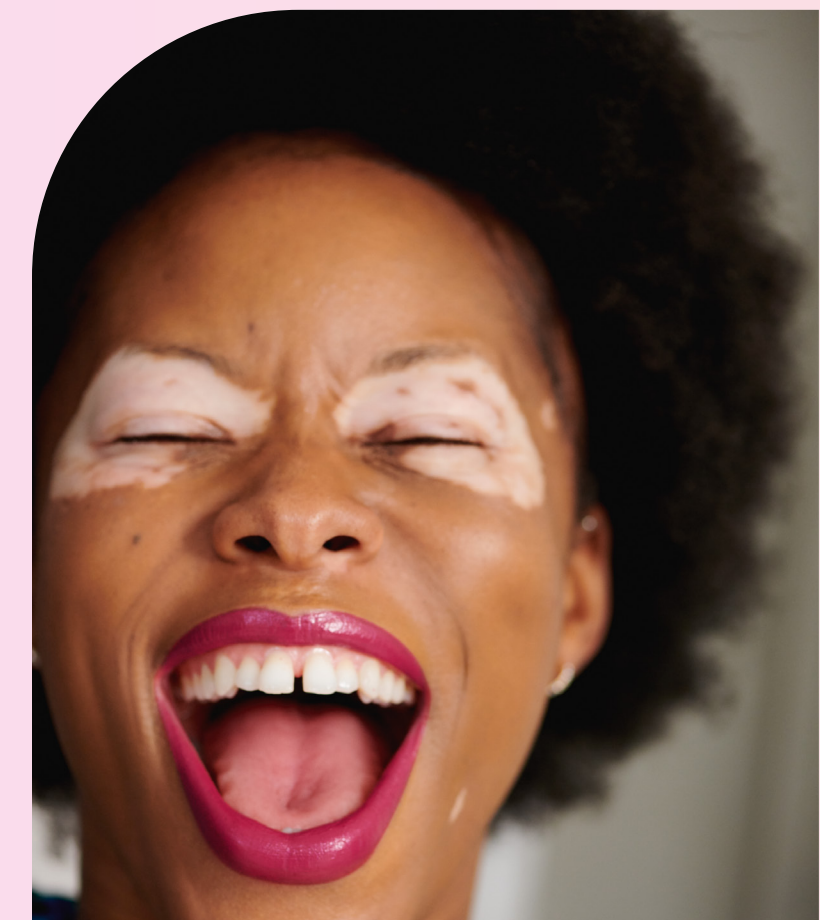


AVON

2021

# More than beauty: corporate responsibility report

[avonworldwide.com/responsible-business](https://avonworldwide.com/responsible-business) >





# A message from Angela Cretu

## CEO

**Since 1886, Avon has been doing beauty differently. Women are at the heart of our brand and our relationship-selling business model, and for 135 years we've created opportunities for our Representatives to earn and learn in their own way and on their own terms.**

Avon International is continuing this legacy, and today we have a network of millions of Representatives, largely women, whose needs and concerns are at the heart of our sustainability strategy.

As we evolve our business we remain committed to help create a better world for women, which is a better world for all. In addition to creating opportunities for women to earn, develop and grow through our business model, we've also continued to tackle issues that matter to them, such as gender-based violence and breast cancer. In 2021 to mark our 135th anniversary we announced a \$1.35m fund that's being distributed to NGOs helping women build better futures.

Our broader sustainability agenda has evolved significantly over the last year. With a refreshed and re-energised strategy, we're scaling up all of our efforts and integrating sustainability across every function. Building a sustainable business isn't the job of one individual, it's about changing our ways of working across our communities.

We're committed to helping our customers to buy from a sustainable business that helps people and our planet. Our goals reflect the scale of our ambition, and we're encouraging our Representatives, Associates and customers to join us in trying to manage our collective impact. We're on a journey and we're making progress on the circularity of our products, on how we safeguard and serve our communities, and how we manage the impact of our business operations on the planet.

With the outbreak of the war in Ukraine earlier this year, we continue to respond by supporting our communities in Ukraine and those seeking refuge in neighbouring countries. We call for an end to the senseless violence and we stand firmly with those affected, particularly with women, who bear an outsized burden.

As part of the Natura &Co Group we're proud to be part of a family of businesses that puts purpose at the heart of everything we do. In this year's *Who Cares, Who Does?* report from Kantar we were recognised as the top global brand when it comes to caring for society, with our sister brands The Body Shop and Natura also recognised.

There is still much to do, but we are proud of the progress we're making, and confident we can go further to make a positive contribution to our beautiful planet and its people. Join us on the journey.

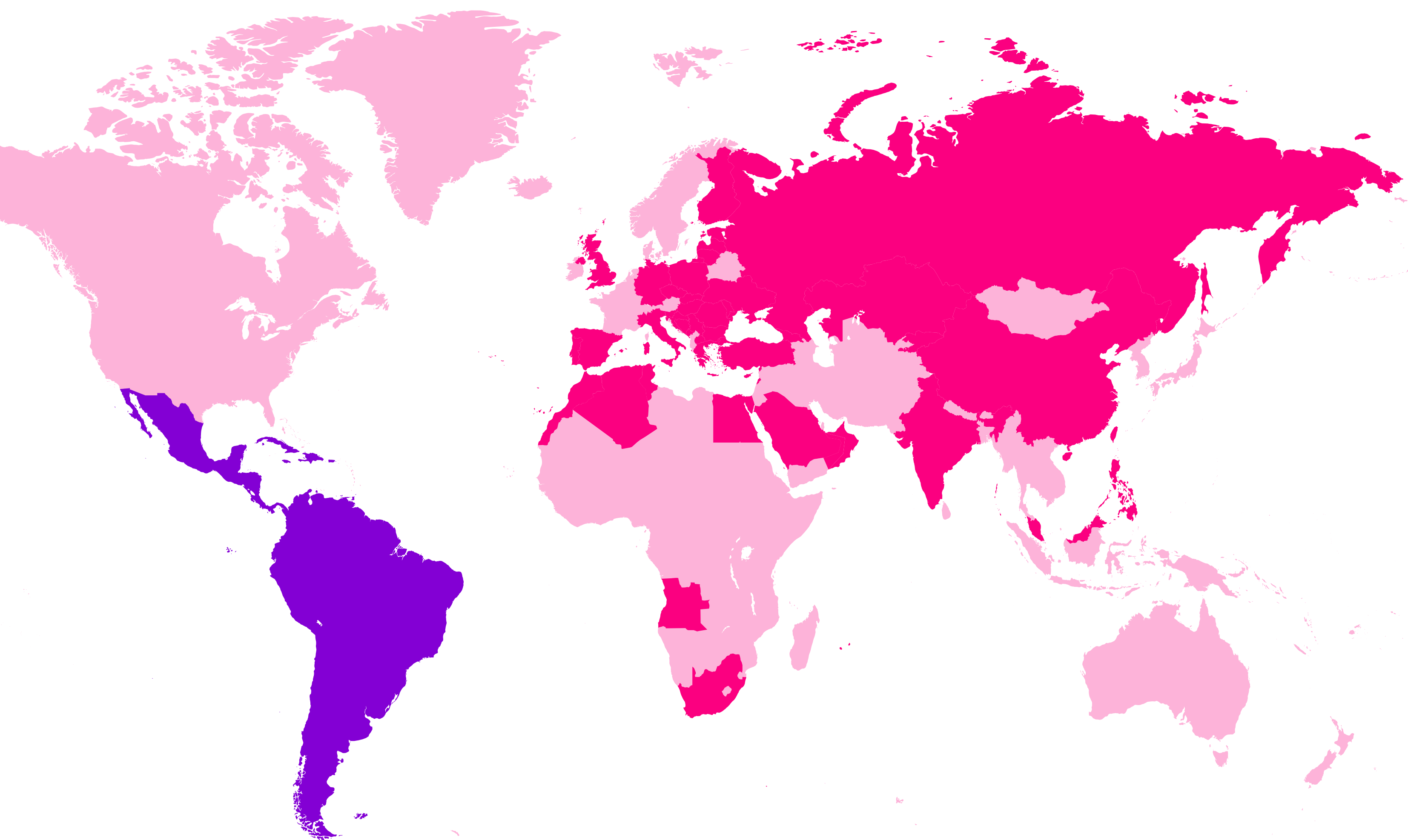


**Angela Cretu, CEO of Avon**





# About Avon and this Report



**For over 135 years, Avon has stood for women, providing innovative beauty products, which are primarily sold to women, by women.**

Our business model is built on opening up opportunities for economic participation. We have empowered generations of business owners to earn and learn in their own way, on their own terms, and we now support Representatives across the world to be successful beauty entrepreneurs – whatever that means for them. Avon has over five million independent sales Representatives globally.

Avon operates in over 100 countries. This report largely focuses on Avon International, which covers our operations in over 60 countries in Europe, Middle East & Africa and Asia Pacific region. Avon's operations in Latin America are now integrated with those of our sister company operation Natura &Co Latam and reported separately as part of Natura &Co Latam. Where information in this report relates to Avon globally this is indicated within the text.

This report covers **the year to 31st December 2021.**




# 2021 Highlights

**INT** Avon International's operations  
**GLO** Avon globally

Being Human-kind

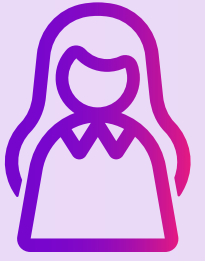
Being Planet-kind



Scope 1 and 2 emissions **reduced by 4.6%** year on year (target -3.5%)

**INT**





**52%** of our senior team members are now women

**GLO**



**406,000 women** were directly helped through grants and donations to NGOs tackling breast cancer


**GLO**



**80%** of our packaging is **reusable, recyclable or compostable**

**GLO**

**\$3.9m** donated to gender-based violence support services



**GLO**



**Additional \$1.35m grants** announced to celebrate our 135 year anniversary\*


**GLO**

Our total waste reduction in operations reached **11%**



**INT**






Our water intensity **decreased 12%** year on year

**INT**




Our waste to landfill in operations **decreased by 42%**



**INT**

**90%** of all our product ingredients are **biodegradable**



**GLO**



We have donated **\$9.8m** to NGOs adding to **\$1.1bn** raised and contributed to date\*

**GLO**



Our Carbon baseline is **complete** for scopes 1, 2 and 3 for 2020

**INT**



**271,000 women** were directly helped through grants and donations to NGOs tackling gender-based violence

**GLO**

**87%** of all our product ingredients are **natural**



**GLO**

\*Raised and donated by Avon and the Avon Foundation

Avon's operations in Latin America are now integrated with those of our sister company operation Natura &Co Latam and reported separately as part of Natura &Co Latam.



# Standing with our family in Ukraine

**In response to the war in Ukraine, our primary concern has been with the protection and safety of our associates and Representatives facing violence and loss.**

We are helping our people on the ground, and are working with organisations providing humanitarian relief such as the Red Cross and local NGOs by donating both funds and personal care products for refugees.

We have provided financial and logistical support to our associates, including maintaining salaries and providing additional hardship funds, and secured earnings for our Sales Leaders and Area Managers.

We provided access to a 24/7 free phone line, available to offer safety counselling and remote wellness support via a network of medical professionals.

Communities in neighbouring countries continue to take actions to help, such as offering shelter to refugees, getting supplies to the borders and participating in peaceful protests.

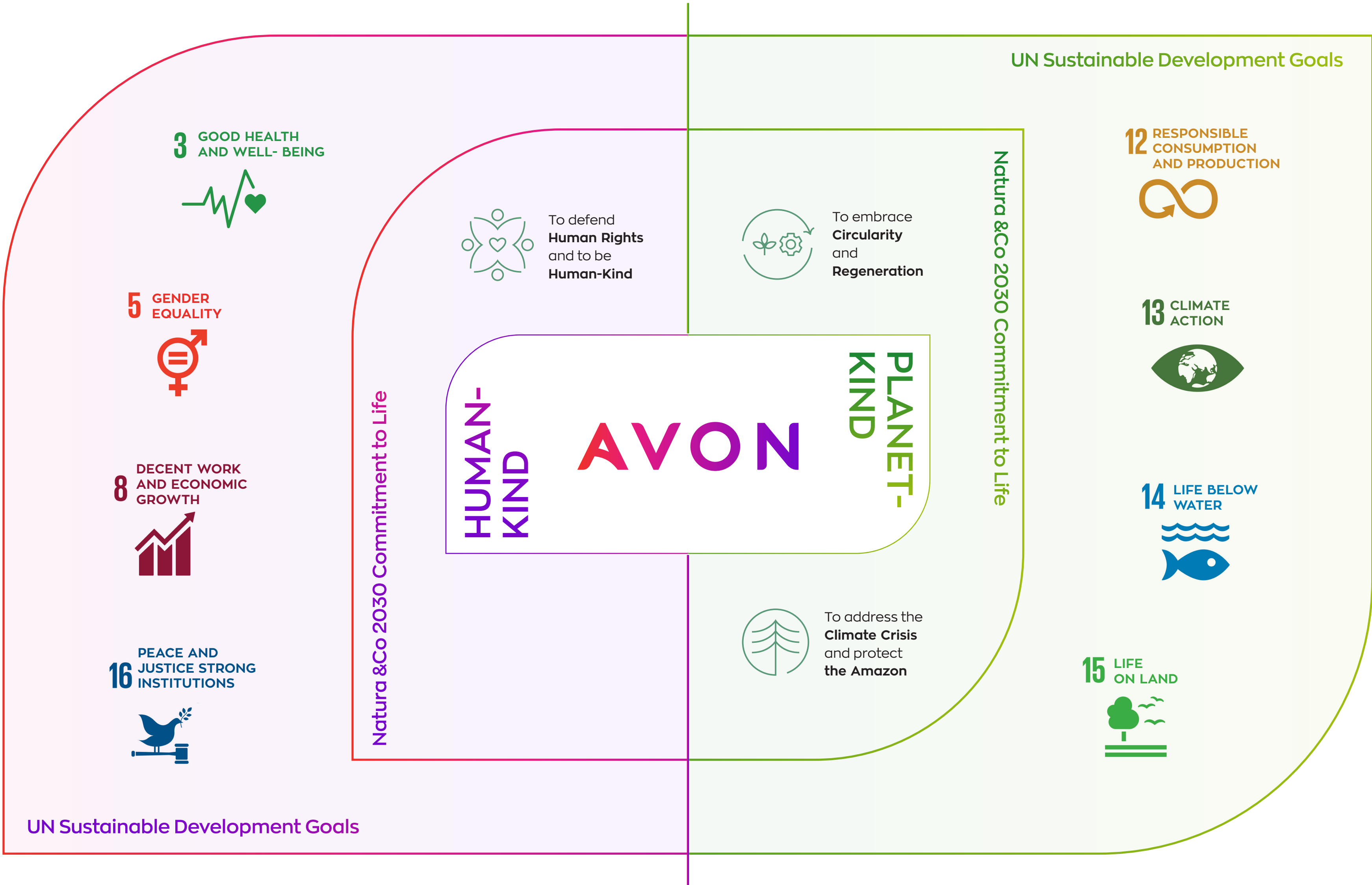
Following the initial suspension of operations, we have been able to start serving our Ukraine Representatives again, helping them to get their businesses up and running. Our direct selling model is crucial in times when economies are under strain and opens up opportunities for economic participation and connection for individuals and communities.

We continue to **support and stand by our Communities in Ukraine** as the situation unfolds.





# Sustainability at Avon



We don't just want to be the best beauty company in the world, we want to be the best beauty company for the world. We're embedding an approach to sustainable business that delivers on our Commitment to Life as part of Natura &Co. From tackling the climate crisis to addressing social issues such as equality and inclusion, our vision is to be both planet-kind and human-kind, addressing the urgent needs of both climate and communities.





Our commitment to life

As part of Natura &Co we have made an ambitious ‘Commitment To Life’, a set of bold targets to step up our actions and tackle some of the world’s most pressing issues: addressing the climate crisis and protecting the Amazon, ensuring equality and inclusion, and shifting our business towards circularity and regeneration.

The principle behind this vision is to provide business solutions for the main socio-environmental problems the world is facing, generating positive impact.

COMMITMENT TO LIFE GOALS	2021 SNAPSHOT	GOAL
Gender balance: 50% women on board/senior team	52% female	50% by 2023
Equitable pay, closing the gender gap	-1.3% gap	0% gap by 2023
Living wage (or above) for all employees	99% paid at living wage	100% by 2023
Full traceability and/or certification for critical supply chains: Palm Oil, Mica, Paper, Alcohol, Soy, Cotton	Making progress	100% traceability and/or certification by 2025
Increase investments in key causes (mainly in communities, breast cancer awareness, domestic violence and education)	\$9.8M donated (globally)	20% increase to \$600M (across Natura &Co) by 2030
Work towards inclusion, in management, of under-represented groups – racial or ethnic, sexual diversity and gender identity (LGBTI), socio economically disadvantaged, physical or mental disability	Baseline underway	30% Inclusion by 2030
Packaging material: Reusable or Recyclable or Compostable	80% globally, 79% Avon International	100% by 2030
Renewable or Natural Ingredients	87% globally, 88% Avon International	90%+ by 2030
Biodegradable formulas	90% globally, 91% International	95%+ by 2030
Net Zero Green House Gas emissions	Baseline Complete	Net zero by 2030

Avon’s operations in Latin America are now integrated with those of our sister company operation Natura &Co Latam and reported separately as part of Natura &Co Latam.



# Working together to achieve our goals

Everyone across the Avon community plays a part in our sustainability journey. Progress will come from strong partnerships and collaboration with other brands in the Natura &Co family as we deliver the Commitment to Life.



OUR SUSTAINABILITY JOURNEY ↗

## OUR REPRESENTATIVES:

A network of five million beauty entrepreneurs running their businesses in their own way, on their own terms, each supporting and bringing our purpose to life.



## OUR ASSOCIATES:

Our people across the world working to support our Representatives and put purpose at the heart of their businesses.



### Corporate Responsibility Steering group:

Senior executives from across the business reporting into Avon International's CEO and Natura &Co's Chief Sustainable Growth Officer. This group meets monthly to review the progress of key performance indicators, discuss emerging issues, agree resource allocation and prioritisation, and ensure corporate responsibility is integrated throughout our business.



### Gender-based Violence Ambassadors:

Trained Associates who act as a safeguarding contact for survivors at Avon who may be experiencing abuse or violence in any form by a former or current partner. They provide support through our gender-based violence policy which offers leave of allowance alongside other support mechanisms for survivors. They can make referrals to local NGOs and support line managers where needed.



### Associate Resource Groups (ARGs):

Four ARGs at Avon raise awareness of underrepresented groups of society: the Beauty in Colour ARG, Avon Pride ARG, PossAbility ARG and the Women's Network.



### Corporate Social Responsibility Leads:

Associates in market roles with responsibility for activating our sustainability strategy.



### Purpose Champions:

Associates in each country who support and promote Avon's local social and environmental initiatives, each with a personal passion for sustainability.



# Being Human-kind





# Our Representatives

**Empowering and equipping women to earn and learn has been integral to our business model since we were founded 135 years ago. We want to show and celebrate what women can achieve when they have access to opportunities to earn, study, and develop skills.**

Since the outbreak of Covid 19 in 2020 we've seen numerous reports about the disproportionately negative impact on women, particularly female participation in the economy. By providing an accessible, flexible earning opportunity, Avon is part of the solution, removing barriers to economic participation.

Anyone can become an Avon Representative, and we're proud to see the impact that being an Avon Representative has on women's lives, including becoming financially self-sufficient, building skills and confidence and expanding their social network.



A friend told me about Avon. I had never worked before, so I thought I couldn't do it. I went out with samples to the mobile markets where I live and introduced Avon to women who were shopping. Each day that passed I was earning more and more. Years passed, I had my children educated, I bought my house and I became the breadwinner instead of my husband. I was even able to travel, I went to Hong Kong and Bangkok. Before then I'd never even been on a plane. Now I'm 60 years old and still selling, I will never quit Avon."

**Nurşen Ataseven, Representative Turkey**

[For more Representative's stories, click here. >](#)

**51%** of Representatives in **Romania** and

have **changed their views of what women can achieve** since they began to sell Avon products

**54%** of Representatives in **South Africa**

say that they have **higher levels of self-esteem** than in the past

**72%** of Representatives in **Colombia**

now **believe in their potential** to achieve great things

**44%** of Representatives in **the UK**

believe that joining Avon has **allowed them to expand their network** of friends and acquaintances

**53%** of Representatives in **Brazil**

say their **ambitions and expectations of life are higher now** than in the past

\*This online study was conducted by Ipsos at the request of Avon in July 2021. Interviews were conducted with 9,276 Avon Representatives aged 18 and over from 13 countries in Europe, Latam, and Africa. Sample sizes ranged from 120 to 1457 per country, with 1457 completes from Brazil. Margin of sampling error is 2.6 p.p. for this group.



# Our Representatives



I'm a very sunny person, but I often thought it would have been better to stand in a corner, because I did not feel able to take flight. Four years ago, I took up the opportunity to create and manage a team of Representatives and it turned my life around. I feel appreciated for my qualities and the relationships we have built in the team are a winning weapon. My goal has always been to grow and improve myself, to show all the people who believed in me, in this job, that I could make a difference"

**Mariangela Bertassello, Zone Manager Italy**



Avon On is one of the best apps Avon provides. It has good marketing tools and most of my new Reps love it as it's not complicated. Even when the Covid-19 lockdown happened I could continue posting my Avon products as usual"

**Rudzani Mukheli, Representative and Beauty Entrepreneur South Africa**



I just love Avon Rewards! From both a Rep and a Sales Leader point of view, they are great. It doesn't matter if you have been with Avon for years or just started, everyone feels valued and special."

**Katie Joynson, Representative UK**

Our Representatives need digital and mobile-first tools to fully unlock potential earning and learning power. In 2021 we upgraded the Avon On app which allows Representatives to sell products online. The changes improved the mobile user experience, making it even easier for Representatives to connect with customers, sell their products and manage orders. With the Avon Brochure now fully digital, Representatives can provide personalised links to the brochure for their customers. Avon On is not only about growing their digital businesses. It's also a platform where Representatives can access exclusive training courses tailored to them and their needs.

## Rewards and Benefits

In 2021 we also launched Avon Rewards in 14 markets, a new reward and recognition system designed to deliver a more modern, profitable, and attractive value proposition to Representatives. Initial feedback has been very positive.



# Our Causes

We proudly support issues that matter most to our communities across the world, focusing on raising funds for organisations that promote breast cancer awareness and ending gender-based violence.

We support NGOs who operate in communities across our all of our markets. This year alongside our continuing focus on breast cancer and gender-based violence causes we also donated funds to causes such as poverty alleviation, victims of natural disasters and supporting people with visible differences.



BREAST  
CANCER  
PROMISE



END  
VIOLENCE  
AGAINST  
WOMEN

FUNDS DONATED	BREAST CANCER PROMISE	END VIOLENCE AGAINST WOMEN
2021	\$4.8M	\$3.9M
To date	\$947M	\$88M

Some of Our NGO Partners

## Gender-based Violence



TEARS Foundation (South Africa)  
**\$21,942** donated in 2021



Women's Aid (UK) **\$689,135**  
donated in 2021



Telefono Rosa (Italy) **\$30,546**  
donated in 2021

## Breast Cancer



Look Good Feel Better UK (UK)  
**\$346,813** donated in 2021



Liga Portuguesa Contra O Cancro (Portugal)  
**\$79,402** donated in 2021



Amazonki Warsaw-Centre Association (Poland)  
**\$100,270** donated in 2021



# Breast Cancer Support and Awareness

We have been raising breast cancer awareness and helping to fund breast cancer support, self-checking drives and screening initiatives for almost 30 years. In that time, we have raised \$947m for breast cancer causes and funded 16.6m breast cancer screenings globally.

## Raising Awareness

We developed an online Boob Portal for Breast Cancer Awareness Month 2021 that serves as a hub of information and resources, including real-life stories, essential guidance on breast health and self-checking from healthcare professionals and NGOs.



Avon's Boob Portal is a great guide on breast health and really helps people to understand how important it is to get things checked out. When you know what normal feels like for you and when you know how to take action, it could help to save your life! It really helps us to support our customers – not only as Representatives but as part of a larger community of women."

**Becky Elloway, Avon Representative, UK**



FROM **THEIR STORIES**  
TO **YOUR SUPPORT**



AVON



# Breast Cancer Support and Awareness

Avon’s **Day for U** campaign, initially rolled out by Avon Poland, encourages women to dedicate one day in the year for a breast ultrasound and encourages companies to give women a day off to undergo a health check. The campaign was such a resounding success, that it has since been rolled out in several other markets including Russia, Romania, Hungary, Bulgaria, Moldova, Macedonia, Albania, Montenegro, Serbia, Croatia and Kazakhstan.

We provided training modules for our Representatives, equipping them with vital knowledge about the signs of breast cancer and what to look out for. It is accessible via their online store and the Avon On app. It also provides training on how to normalise and stimulate discussion around the disease, to help raise awareness and, ultimately, save lives.

## Fundraising

To mark Breast Cancer Awareness Month 2021, we launched a range of fundraising products to raise money for our breast cancer charity partners around the world to fund equipment and services such as mammogram machines and free breast screenings.



“Early detection saves lives” and this is possible with regular health checks and screenings. At this point, we would like to thank the Avon family, on behalf of all our women, who stood by our association and provided free breast screening to thousands of women. We are happy to affiliate with Avon in the fight against cancer.”

**Turkish Cancer Society**



With Avon’s donation we have created series of educational lectures on Avon social media channels. With prominent doctors talking about breast cancer this was our way to reach as many people during this pandemic period and to raise awareness. It is critical to talk to larger public but in the restriction period this was the best solution to talk about breast cancer. Avon has been our partner for more than 10 years and support and donations that we receive are making a difference in our local communities.”

**Maja Memić, president NGO Novi Pogled Mostar, Bosnia & Herzegovina**

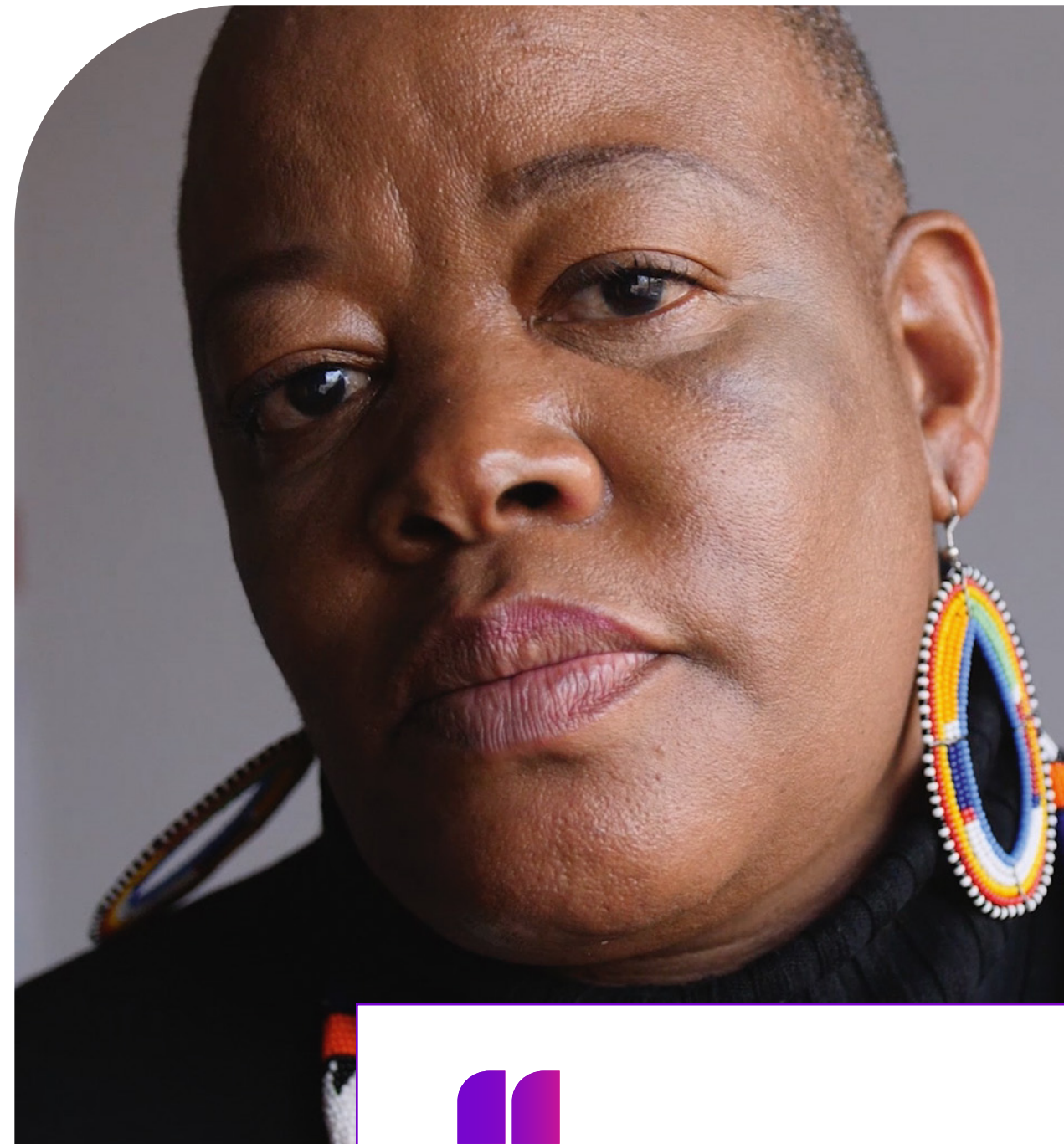


Avon’s support is incredibly beautiful. Every day you lend a helping hand to women who are going through difficult times. Thank you for your generosity and your involvement!”

**Andreea Constantin, M.A.M.E. Association, Romania**



# Action Against Gender-based Violence



**We've been speaking up and speaking out about violence against women and girls for almost two decades. Since 2008, Avon has contributed \$88m to causes ending violence against women and girls and helped 14.8m women through donations to NGOs around the world. Our work to end violence against women and girls aims to break down the wall of silence around gender-based violence, raising awareness of different types of abuse and highlighting where people can access support if they are affected.**



This year we received a donation from Avon that came at critical time. Women are struggling with many additional unfavourable circumstances as a result of the Covid-19 pandemic such as social isolation, financial insecurity and extreme uncertainty. Women are the ones working in lower paid jobs, shouldering the burden of childcare and are forced to suffer various forms of male violence. It is important to show them that they are valuable, that they can and should be strong, that we teach them to fight for themselves and not allow verbal oppression.”

**Anamarija Matanović, Project Manager, Udruga Brod, Croatia**

## 16 Days of Activism

To mark the UN's 16 Days of Activism Against gender-based violence campaign in 2021, we partnered with the NO MORE Foundation to launch a campaign to help everyone recognise verbal abuse and its role in coercive control, domestic violence, and intimate partner violence. We called for customers and Representatives in each community to sign our pledge and speak out to say No More verbal abuse.

Avon and NO MORE conducted global research to understand the extent of verbal abuse and the impact of this form of abuse on survivors. The results of the research reinforced the importance of raising awareness around verbal abuse in relation to gender-based violence.

- 1/5** women feel their partner constantly subjects them to verbal abuse
- 1/10** women have tolerated verbal abuse due to not knowing where to turn
- 1/4** women have changed an aspect of themselves because of negative comments made by an intimate partner



# Action Against Gender-based Violence

Working with NO MORE and local NGO-partners in each market we launched an online portal to provide crucial information about the signs of verbal abuse, support on assisting someone in an abusive relationship and where to go for help. The portal also included a collection of inspiring stories from survivors.

We provided training for our Representatives and associates including downloadable toolkits with resources on how to help a friend, be an active bystander, and how have a conversation with others about gender-based violence. Our audiences could also access organisations that offer support and advice related to gender-based violence that they could share with their communities via the NO MORE Directory.

## Gender-based Violence and Ambassador Network

Our gender-based violence (GBV) protocol provides support and guidance for any employees experiencing domestic violence. This gives them access to support from our specially-trained GBV-ambassadors, flexible working and additional paid leave to handle issues arising from their situation, and signposts them to local services.

In 2021 we provided additional training and support to our GBV-ambassadors, a network of associates across our markets who including virtual workshops with NO MORE to increase their knowledge and ability to address these challenging issues.



For me gender- based violence isn't just something physical. It's about feeling too frightened to say 'no', it's about being isolated from all your friends, it's having your self-worth destroyed, it's believing everything is your fault, it's being constantly invalidated, it's looking in the mirror and being unable to recognise yourself. However, most importantly it's knowing that with all this, that's not how your story ends. This is what I'd really like our associates to know, to know the signs of domestic abuse for themselves and for them to have the willingness to help others where help is needed."

**Nkgokeng Phetla, GBV-ambassador for South Africa**



Verbal abuse is a serious, prevalent issue that takes a huge and often long-lasting toll on the self-esteem and confidence of those who experience it. It also can be a precursor of and escalate to physical violence. Therefore, it is critical to increase awareness and ensure that verbal abuse is not overlooked, trivialised nor tolerated. We're proud to partner with Avon to promote an online portal providing crucial information and tools to learn to recognise the signs of verbal abuse, find help if needed, and become inspired by courageous survivors' stories."

**Pamela Zaballa, Global Executive Director, NO MORE Foundation**



# Raising funds and awareness



Being a Patron for Women's Aid is beyond important to me. I experienced a decade of emotional abuse and coercive control which almost broke me and I'm still dealing with issues rising from that even today. Every time I am contacted by other women who are going through this and any other form of abuse or domestic violence it is heart-breaking for me. I am proud to be lending my support for Avon's coin purse, that will not only help to raise lifesaving funds for Women's Aid, but that has a QR code inside which leads straight to support information."

**Melanie Brown, Women's Aid Patron MBE**

We also launched a special range of products with all funds going to NGOs that support women overcoming abuse. In March 2021, Avon UK launched a coin purse with a hidden message and QR code directing people to the Women's Aid Live Chat service, so that those in need could access expert support and advice in a discreet way. Women's Aid patron Melonie Brown supported the launch of the product to raise awareness for women experiencing abuse in an any form.

## **\$1.35 for 135 Fund**

To mark our 135th anniversary year, we're donating \$1.35 million in grants to NGOs around the world to help more women overcome abuse. From 2022, the grants will support projects for life after abuse helping women to gain opportunities and learn through up-skilling, mentoring and financial independence and literacy.





# Diversity and Inclusion

**We are proud to be an inclusive, welcoming business and brand, and believe in being open to all. We welcome everyone into our Avon global community, regardless of age, gender identity, sexual orientation, race, religion or disability. We strive to foster an inclusive culture and support equality through the way we do business – from how we talk about and present images of beauty to how we support our employees.**



 Michelle D, Avon Representative

Michelle has a passion for Avon – and tackling discrimination against the LGBTQIA+ community. Describing herself as “a woman born in the wrong – in my case male – body”, she is committed to raising awareness of transgender people. Michelle came out as a transgender woman in 2017. Having already encountered Avon previously, she was excited to join as a Representative in 2018. “Since I’ve always been passionate about cosmetics and make-up, it was easy to return to Avon as Michelle. My favourite thing about Avon is the diversity and great support,”. She is proud to share tips with other trans women on how to contour their faces to emphasise their femininity.



## Inclusive Workplace

We are constantly working towards creating a more inclusive workplace where our colleagues feel free to bring their whole selves to work. We held our first official Avon Pride month in June 2021 with all-associate events to both educate and celebrate with our associates.

In 2021 we embarked on two new diversity focused external partnerships: Stonewall as part of our LGBTQIA+ diversity champions programme, and Purplespace to support our disability network. We also developed a partnership with National Autistic Society UK who assisted us in a pilot for an inclusive hiring scheme for neurodiverse individuals. The scheme involved hiring one neurodiverse individual to one of our tech teams. The team was trained and supported in creating an environment where a neurodiverse colleague could thrive. We will continue to build on this scheme throughout 2022.

We have also launched our women’s network pillars, a range of resource groups that our associates from across Avon can join to help support their career development and have an impact on the biggest issues that women face in the workplace.

The development of these pillars was informed by research we conducted with our associates across the world. The results were the development of four different resource groups, in which associates could network, benefit from mentor sessions and join together to raise awareness of the issues they care about.



# Diversity and Inclusion



For me, Avon has always been the company for women. Growing up at Avon, I never felt women weren't equal as many of our leaders were women. A women's voice was always heard. I wanted to join and support the women's network to make sure that this is the same around the Avon world and to support other women in their goals"

**Lisa Porco, Director, Group and AI Tech Planning and Women's Network Lead**



WOMEN IN THE WORKFORCE	2019	2020	2021
Vice Presidents and above	29%	42%	40%
Leaders	49%	55%	54%
Managers	63%	67%	67%
Total Workforce	69%	67%	66%

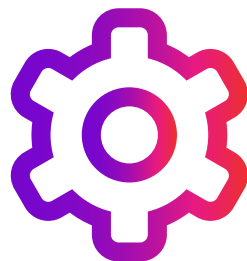
## OUR WOMEN'S NETWORK PILLARS:



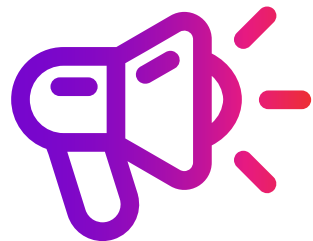
**Career Development:** Be a trusted resource for Associates to come together, network, provide career advice, inspiration and mentorship.



**Culture:** Surface and champion for change against gender bias embedded in our culture and policies.



**STEM:** Champion women in underrepresented job functions, including Digital, Science, Engineering etc.



**Activism:** Combat violence against women wherever it is found in our communities.



# My Story Matters

**For International Women’s Day 2021 we launched My Story Matters, a global story and image gallery to celebrate women’s achievements and inspire them to fulfil their potential. Stories were gathered across Avon communities worldwide – from Representatives, associates, customers, partners and NGO contacts.**

The digital platform created an opportunity for people to share their stories of personal achievements, obstacles they had overcome and their inner strength.



The My Story Matters campaign is especially important because, now more than ever, women need to hear each other’s stories, to find inspiration, and help respond to the challenges we face. Everyone has their own story to tell in life and Avon’s gallery offers a safe place for women to post their inspirational stories and read about others experiences too. I am proud of the barriers I have broken down throughout my career and in sharing my story, I believe I can give other women hopes of achieving what they want in life. Never give up following your dreams.”

**Ellie Goldstein, Model and Ambassador for My Story Matters**





# Human-kind and Planet-kind Sourcing

## Tracing our critical materials

We are aiming for full traceability and/or certification of our critical supply chains by 2025. This includes the supply chains for the palm oil, mica, paper, alcohol, soy and cotton that we source. Every critical ingredient within our products will have been certified as sustainably produced and/or ethically sourced against a credible third-party standard.

In 2021, we put in place the foundations to achieve traceability and/or certification of these six critical materials. To achieve this, we have been building a global team of specialists for Natura &Co, developing baseline data and drafting policies that will cover the entire business. In 2022 we expect to agree group-wide policies and an action plan for each of these six materials.

In 2021 we transition Avon’s membership of the Roundtable on Sustainable Palm Oil (RSPO) to Natura &Co. In 2021, 100% of our palm oil was sustainably sourced, with a mix of 50% RSPO Mass Balance weight of palm oil derivatives and 50% weight covered with RSPO credits.

In 2021 Avon also joined Action for Sustainable Derivatives to improve traceability and take collective action on human rights and environmental risks in our palm oil supply chains. We also became a member of the Responsible Mica Initiative (RMI), committed to eradicating child labour in Indian mica supply chains.

## Code of Conduct

Through our Code of Conduct, we hold our suppliers accountable for the standards that they apply, and we actively monitor our suppliers and third-party production facilities to ensure they adhere to our procedures on ethical sourcing of materials and working conditions.

## Commitment to Human Rights

Our Commitment to Life includes intolerance to human rights infringement across our supply chain. As part of Natura &Co we committed to adopt robust Human Rights policy in line with UN Guiding Principles, and our new [Human Rights statement](#) was unanimously approved by the Board of Directors in 2021.

### HerRespect

As part of our action against gender-based violence, in 2021 we launched a programme aimed at tackling violence against women by addressing root causes of violence in the workplace.

HerRespect is based in two factories in India and Bangladesh that produce our fashion and homeware products. The programme focuses on building capacity in tackling gender norms in the workplace and strengthening management systems. Alongside awareness campaigns, HerRespect uses training sessions with workers and management to develop policies and processes to address workplace violence.



### Responsible Recruitment Toolkit

Our parent company Natura &Co became a sponsor of the Responsible Recruitment Toolkit (RRT) in November 2021 to support businesses in our supply chain to embed ethical and professional recruitment and labour supply practices. Through the RRT, suppliers can access a wide range of responsible recruitment guidance, resources, training and a self-assessment tool.

We have joined this initiative as a sponsor in recognition of the identified risks of modern slavery and labour exploitation particularly in relation to recruitment and the supply of temporary, contract and seasonal labour. We ran two introductory webinars to the toolkit in February this year, starting with labour providers supplying directly to our distribution centres in EMEA for Avon.





# Maintaining a Safe Working Environment



As always, we strive to ensure the safety of those working in our manufacturing sites and distribution centres.

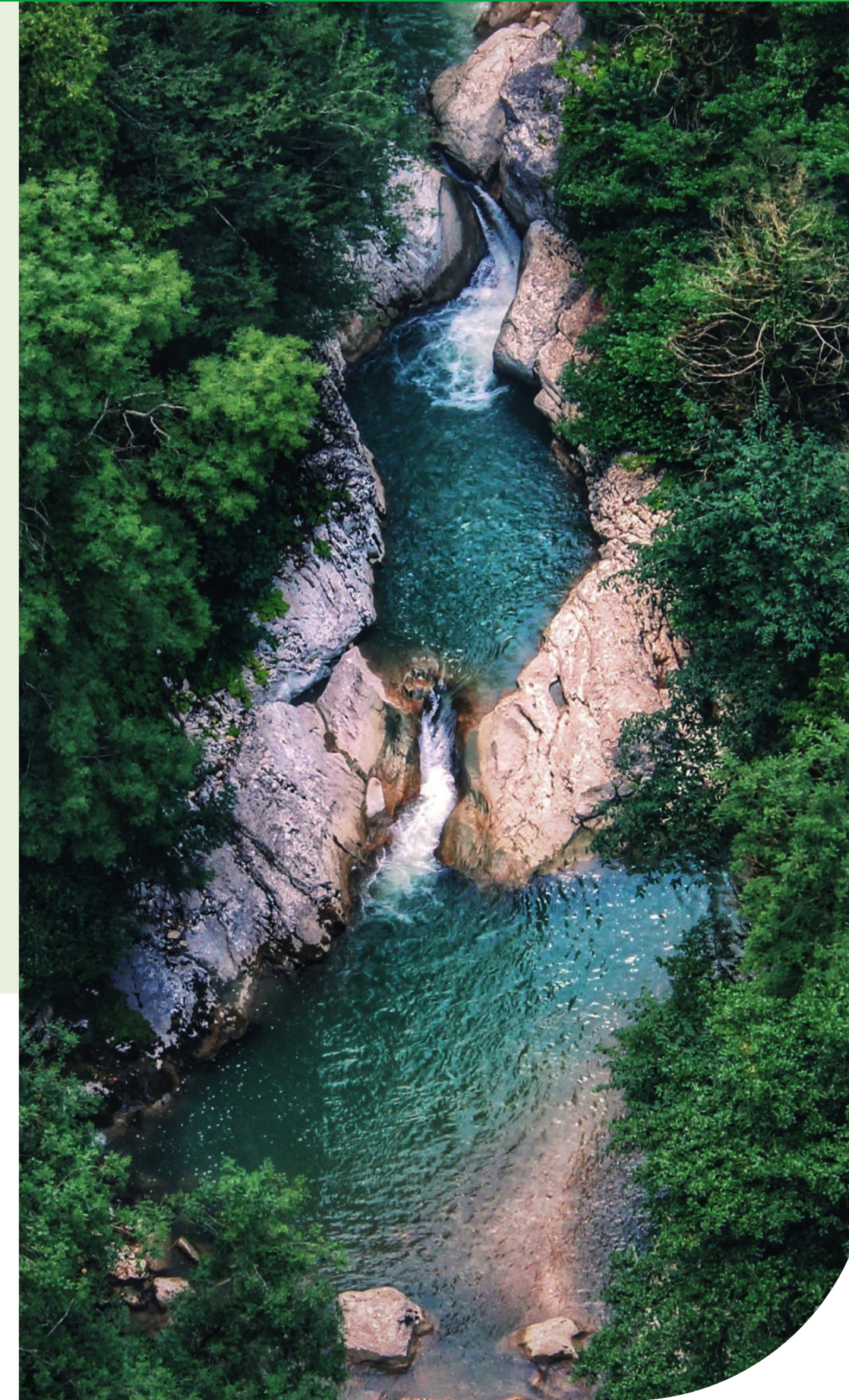
Where appropriate we are continuing to uphold our Covid-19 enhanced safety measures to protect those working across our facilities.

We monitor accident rates across all Avon-owned locations, which we disclose and track in our quarterly global safety reports. Safety is our utmost priority, and we are proud to see how the number of workplace accidents has fallen from last year.

HEALTH AND SAFETY: WORK RELATED INJURIES AND FATALITIES	2020	2021
Avon Recordable Causes	12	8
Total Recordable Case (per 100 full time employees)	0.30	0.22
Fatalities	0	0



# Being Planet-kind







**We're working hard to make sure that the ingredients in our products and the packaging we use are designed with the health of our planet and communities in mind.**

We are developing a circular approach to the design and development of products. Every product currently going through development will have sustainability engineered in from the outset.

We want to have more conversations with our customers and our Representatives about the importance of sustainability and the journey we are on. In 2021, there was a 100% increase in sustainability messaging in our brochures and we're working to help our customers understand how to recycle and dispose of our products responsibly.

Embedding sustainability credentials across all our products in many of the countries where we sell is a challenging process. We are prioritising progress over perfection. We aim to be transparent about where we are now while clearly setting out where we want to be.





# Sustainable Packaging

**We know that packaging can cause serious harm to our planet – to biodiversity, and to our forests and our oceans. That’s why we’re developing more sustainable packaging that has minimal environmental impact across its whole life cycle, from design to disposal and beyond. We are reducing the amount of packaging we use in and for our products and increasing the use of recycled and recyclable materials.**

By the end of 2021 we were able to make 79% of our packaging for Avon International reusable, recyclable or compostable globally, a significant increase from the level of 68% which is where we started the year.

We’ve already reduced plastic content in our Care and Senses brands and products in our Distillery range are packaged in compostable cello-wrap. We are also making positive progress with our Clearskin range. Clearskin products now have reduced plastic packaging and less packaging overall with products such as our cleanser moving to a solid bar format.



**Avon Senses**  
Brand Relaunch

In 2021 we transformed our Senses brand, uniting the three sub-brands under one Senses mega-brand, and, leveraging a single, modernised bottle with reduced plastic content resulting in an annual reduction of 195 tonnes of plastic.

Waste and recycling infrastructure varies across the globe and it’s not always easy to dispose of packaging in a sustainable way. Therefore, we are developing enhanced labelling to help enable our customers easily and responsibly dispose of our packaging, wherever they are. We are also starting to implement “collection and reuse” programmes to reach 100% responsible disposal in places where a recycling infrastructure is not available.

Avon Philippines launched such a campaign in conjunction with PLAF (Partnership with the Plastic Flamingo), a women-led social enterprise advocating for positive environmental and social impact. We started collecting empty containers from selected branches across the country that will be recycled as eco lumber to build shelters for those at risk. Branches were also encouraged to create their own DIY bins to inspire Representatives and consumers to drop-off empty containers.

## PARTNERSHIPS



**SPICE:**  
We are members of the Sustainable Packaging Initiative for Cosmetics (SPICE) and helped develop the SPICE Life Cycle Analysis tool to calculate and minimise the environmental footprint of packaging in all stages of its journey.



**RecyClass, SUEZ circpack:**  
We have partnered with these organisations to assess and improve the recyclability of our packaging .

**Eco-Beauty Consortium:**  
Natura &Co is part of an industry-wide consortium developing an environmental impact assessment and scoring system for cosmetics products. The aim is to co-design an approach that is brand-agnostic, and which provides consumers with clear, transparent and comparable environmental impact information, based on a common science-based methodology.



# Sustainable Formulas

**We are committed to helping ensure the sustainability of our planet in all aspects of our business, and that includes the ingredients we use and how we source them. As part of the Natura &Co family of companies, the Commitment to Life means helping protect our planet's biodiversity, preventing deforestation and protecting the Amazon, and embracing circularity and regeneration.**

## Natural and Regenerative Ingredients

87% of all our product ingredients are natural and 90% of all our rinse-off product ingredients are biodegradable. We're putting measures in place to increase that figure, and we have committed to using at least 95% renewable or natural ingredients, and 95% biodegradable formulas across all our products by 2030.



distillery

Distillery combines high-performance, vegan-friendly ingredients with beautiful textures, environmentally-conscious packaging and an ethical mindset to create a range of skincare and make-up products that delivers nature's potency at its fullest, including several waterless formulas.



## FAR AWAY BEYOND

From our best-selling Far Away fragrance brand comes a sustainable upgrade – an eau de parfum created using 100% upcycled vanilla beans that would have otherwise gone to waste.





# Climate Impact



## Energy and Emissions

As part of the Natura &Co family, we've committed to net zero carbon emissions by 2030. In support of this, we are reducing our GHG (greenhouse gas) emissions and increasing the use of renewable energy to reduce our carbon footprint. We still have a lot of work to do to achieve net zero and we're working on giving back more than we take – for a more sustainable, more beautiful future.

Since setting a baseline in 2005 we've been reducing our scope 1 and 2 emissions. We surpassed our 2020 target of a 20% reduction in scope 1 and 2 carbon emissions (our direct emissions) and achieved over 30% reduction from our 2005 baseline. In 2021 we reduced scope 1 and 2 carbon emissions further by 4.6%, saving over a thousand metric tonnes of carbon from being released into the atmosphere.

To further reduce our direct emissions, we are installing energy efficient equipment in our company facilities where possible. This includes replacing gas boilers with electrical heating, installing smart meters and moving towards renewable energy sources like solar power. To support these measures, we've also made changes to manufacturing sites such as upgrading building insulation, attaching roof coatings that reflect heat, and installing LED lighting.

In 2021 we worked with the Carbon Trust to calculate our carbon footprint for scopes 1, 2, and 3 to set our inventory baseline, as the first step to address our ambition to become Net Zero. We have been working on developing our Science Based Targets, as part of the Natura &Co Group, which will be submitted in 2022.

Completing our carbon inventory baseline has given us insights into where we need to focus to reduce scope 3 emissions. The carbon footprint is informing our carbon reduction strategy and projects as we plan towards our 2030 goal.



# Climate Impact

## Energy Efficient Equipment

### Turkey:

Introduced LED lighting to replace fluorescent and halogen in shipping area and outdoor areas in manufacturing site. Saving 7.9t of carbon emissions in 2021.

### Ukraine:

Started process of replacing current gas metering system in the Avon complex with a smart system, allowing the reduction of energy use per unit of goods shipped.

### Poland:

- Implemented electronic invoicing system to replace paper invoices on all orders, this saved 18m paper sheets which is the equivalent of 81t of CO<sub>2</sub>.
- Planning a large-scale installation of a combined heat and power (CHP) unit at our biggest manufacturing site in Poland to generate on-site electricity, which will deliver 20% reduction in the site’s carbon emissions.

### Philippines:

- Completion of 100% roof insulation.
- Started on replacement of non-sustainable refrigerant with sustainable refrigerant which will not damage the Ozone Layer. 1005 units completed in 2021.
- Avon’s first biomass boiler is under installation which will heat the premises without using fossil fuels .

By the end of 2022 we will have reduced GHG factory emissions in the Avon Philippines sites by 1200MT





# Climate Impact



## GHG EMISSIONS

Location-based scope 1 and 2 emissions

	2018	2019	2020	2021
Total <small>metric tonnes CO<sub>2</sub> equivalents</small>	44,445	33,218	29,086	26,310

## GHG EMISSIONS

Market-based scope 1 and 2 emissions

	2018	2019	2020	2021
Total <small>metric tonnes CO<sub>2</sub> equivalents</small>	44,445	33,218	7,970	28,856

Data shows carbon emissions from Avon International Operations. In 2021 we changed to reporting location-based emissions in place of market-based emissions, to align with the Natura &Co Group. We have included both metrics here. In 2020 we purchased location-specific I-RECs to match our electricity consumption, resulting in comparatively lower market-based emissions.





# Waste and Recycling

We are making significant efforts to reduce waste in the manufacture and distribution of our products.

In 2021 we achieved a 42% reduction in the waste we sent to landfill compared to our target. In 2021 we had a total of four months in which we sent no waste to landfill. We've also worked on reducing landfill and increasing recyclability of our tertiary packaging. For example, in South Africa we've replaced all plastic padding in our shipping with paper.

## WASTE MANAGEMENT

WASTE DISPOSED	FY 2020 metric tonnes		FY 2021 metric tonnes	
Total waste recycled/reused	13625		12247	
Total waste disposed	554		321	
Waste disposed in landfill	401.7		205.7	
Waste disposed by incineration without energy recovery	153.6		115.3	





# Water Stewardship

Across our sites we’re implementing measures to reduce water usage and increase efficiency.

We were able to reduce our water consumption in our factory in Russia by recovering the wastewater from the first stage of purification to be used in another round of purification.



## WATER USAGE IN MANUFACTURING

WATER CONSUMPTION	FY 2020 Million cubic meters	FY 2021 Million cubic meters
Withdrawal: Total municipal water supplies (or from other water utilities)	0.221	0.195
Withdrawal: Fresh groundwater	0.164	0.148
Discharge: Water returned to the source of extraction at similar or higher quality as raw water extracted	0.258	0.232
TOTAL NET FRESH WATER CONSUMPTION	0.127	0.110

In our factory in the Philippines we have been working on increasing the amount of water recycling and have been developing a zero liquid discharge system which will be ready for implementation in 2022. Zero liquid discharge (ZLD) is a strategic wastewater management system that ensures that there will be no discharge of industrial wastewater into the environment. It is achieved by treating wastewater through recycling and then recovery and reuse for industrial purpose.

These measures are set to reduce around 42,000 megatons of freshwater usage in the factory, which according to figures from 2020 would account for almost 50% of the water usage at this site.



# Animal Welfare

**We do not test products or ingredients on animals anywhere in the world and we’ve been working for acceptance on non-animal methods for three decades.**

We’ve worked with organisations to drive for positive change on animal testing for 30 years, and have partnerships including the Institute for In Vitro Sciences , FRAME and Humane Society International.

In recognition of our ongoing commitment to promoting the development, validation and regulatory acceptance of non-animal methods People for the Ethical Treatment of Animals (PETA) includes us on their list of companies that are ‘Working for Regulatory Change’.

In 2021 we worked alongside Dove, The Body Shop, PETA UK, CrueltyFreeEU, HSEurope, Act4animalsEU and the European Coalition to End Animal Experiments on the Save Cruelty Free Cosmetics campaign. We wanted to take action when we heard that the European Chemicals Agency (ECHA) is calling for new animal testing for ingredients already known to be safe. Millions of animals could be subjected to cruel and unnecessary tests unless we act now to stop this.

We have also been working with the Humane Society through the Animal-Free Safety Assessment Collaboration to secure stronger policy alignment and provide training in modern, non-animal approaches to cosmetic safety assessment. With this partnership we aim to build capacity across the global industry, and gain recognition by regulatory authorities.



## Save Ralph

In 2021 the Humane Society launched their Save Ralph campaign which called for an end to cosmetic testing on animals around the world through a powerful stop-motion animated short film. We lent our support by promoting Save Ralph across our social media platforms, to help get this message to the widest possible audience.





# AVON

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For more information, please visit:

[avonworldwide.com/responsible-business](https://avonworldwide.com/responsible-business)

