



THE BODY SHOP

The Body Shop International Limited Corporate Governance Statement

As a very large private company under the Companies (Miscellaneous Reporting) Regulations 2018, throughout 2022, The Body Shop International Limited has continued aligning its risk and governance structure to sit within the governance structure of the Natura &Co Group. The Company has not formally adopted a Corporate Governance Code for 2022 but it is in the process of aligning its practices to those of Natura &Co Holding S.A. which are set out under the Brazilian Corporate Governance Institute (IBGC), the Brazilian Corporate Governance Code (BCGC) and the B3 listing requirements for the New Market segment on the Brazilian Stock Exchange. Furthermore, following the listing of Natura &Co Holding S.A. on the New York Stock Exchange, the Sarbanes-Oxley Act as well as related rules of the U.S. Securities and Exchange Commission, require compliance with additional corporate governance practices.

The Company operates within the Natura &Co Holding S.A. ("Natura &Co Holding") governance structure. The Board of directors of the Natura &Co Holding S.A. is the decision-making body responsible for, among other things, determining the strategy and direction for Natura &Co Holding S.A. which includes the Company, overseeing the portfolio of businesses and allocating resources. Such Board also supervises the Company's executive officers and monitors their performance. The Board of Natura &Co Holding S.A. is further advised by committees, including the Audit, Risk Management and Finance Committee, the People Committee, the Strategy Committee and the Corporate Governance Committee, which are responsible for assisting the Board in their management activities. The Audit, Risk Management and Finance Committee oversees, amongst other things, the implementation of a robust controls framework including policies and guidelines related to integrity and ethics.

The Natura &Co main executive officer leads the definition and implementation of the Natura &Co Holding S.A.'s strategy, conducts supervision and oversight of each Company in Natura &Co Holding, and supports the Natura &Co Holding S.A. Board in defining and managing its governance, agenda and cadence of meetings. The Natura &Co main executive officer is supported by four Business Unit Executives being the CEOs of each Business Unit of the Natura &Co Holding S.A. including the Company, and by four Holding executives: the Chief Legal & Compliance Officer, Chief Financial Officer, VP of People and Reward, and VP of Sustainability & Group Affairs.

The Company's corporate governance sits squarely within the Natura &Co Holding S.A. governance structure. All three members of the Company's Board of directors are Business Unit or Holding executives, and representatives of key areas of the business in Natura &Co Holding S.A.. The Company Board reviews and approves key "company-level" decisions and reserves the right to analyse and approve any topics from the Company. Execution of the Company's Board decisions and strategy, as well as day-to-day management of the Company's business is delegated to Company's Executive Leadership Team which comprises key representatives from the Company's businesses and support functions.

The management of the Company's subsidiaries also operates through local management committees in each business cluster. These management committees report in to the Executive Leadership Team. The basis for remuneration of the Company executives is set through the Organisation and People Committee of Natura &Co Group. The Company has an Ethics Committee which manages issues raised by employees and others the Company through the Natura &Co Holding S.A. Ethics Portal and hotline. The Company also has a Risk and Governance Committee reporting in to the Company's Executive Leadership Team and working with the Natura &Co Holding S.A.'s Audit, Risk Management and Finance Committee to align policies, controls and risk reporting for the Natura &Co Holding S.A.. Long term opportunities and risks for the Natura &Co Holding S.A. are raised at annual strategy sessions held by concerning the Company CEO and Natura &Co Holding S.A. Board. These opportunities and risks are then documented using an enterprise-wide risk management approach. The Board of directors of the Company engaged with employees, customers and suppliers, and has had regard to stakeholder interests, through a variety of mechanisms which are described in the Strategic Report of its Annual Report.