

COTY
SINCE 1904



**BEAUTY
THAT LASTS**

FY23 SUSTAINABILITY REPORT

This report provides a narrative update on Coty’s Beauty That Lasts sustainability framework for our Fiscal Year 2023 (FY23). This report is for stakeholders who would like to explore how we are working towards our goal to become an industry leader in a more sustainable and inclusive world. It focuses on **milestones achieved and examples of where we have taken practical action.** Our FY23 ESG Index is for stakeholders who would like a comprehensive overview of our approach, policies, and data.

Selected data provided has been independently assured by KPMG. Verified data is indicated with the symbol ✓.

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LETTER FROM OUR CEO

As a global beauty company, we believe Coty has a profound responsibility to adapt our ways of working to meet the needs of today's world. We believe that sustainability is not an option but an imperative. And we believe that sustainability is the ultimate driver for true innovation and growth.

In this spirit, I am excited to share the achievements and progress that Coty has made over the past year towards its Beauty That Lasts sustainability objectives. This year, we launched **#UndefineBeauty**, a global campaign to change the outdated and binary dictionary definitions of beauty, and we have worked to put **equity at the heart of our benefits ecosystem**. We have surpassed our Science Based Targets initiative-approved scope 1 and 2 emissions reduction target, achieving an **82%¹ reduction** compared to our 50% target. The complexity of global value chains makes scope 3 emissions the hardest to tackle, and so we are putting concerted effort and resources towards this commitment. And we have continued to drive sustainable innovation, launching our first fragrance manufactured using **100% carbon-captured alcohol**.

These accomplishments are a point of pride for all of us at Coty. However, they merely serve as stepping stones towards the larger and more ambitious goals we continue to set for ourselves. There is still much more to be done, and we accept the challenge wholeheartedly.

Coty's journey is one of continuous learning and evolution, driven by our unwavering commitment to the beauty of our People, Products, and Planet. I would like to thank all my colleagues at Coty who have supported me in this effort – and who, no doubt, will make sure we continue to adapt our business to meet the needs of tomorrow.

Sue Nabi
Chief Executive Officer



"In my second year at Coty, my sense of duty to create meaningful change has only grown, and that's why I'm excited to share this report, showcasing the change that is already happening across the company. When I look back at our progress over the past year, I instantly recognize the trademark ambition, enthusiasm, and innovation that makes Coty what it is today!"

Dr Shimei Fan,
Chief Scientific & Sustainability Officer

¹ Coty is using a market-based accounting approach to track progress against this target, in line with SBTi criteria.

BEAUTY THAT LASTS

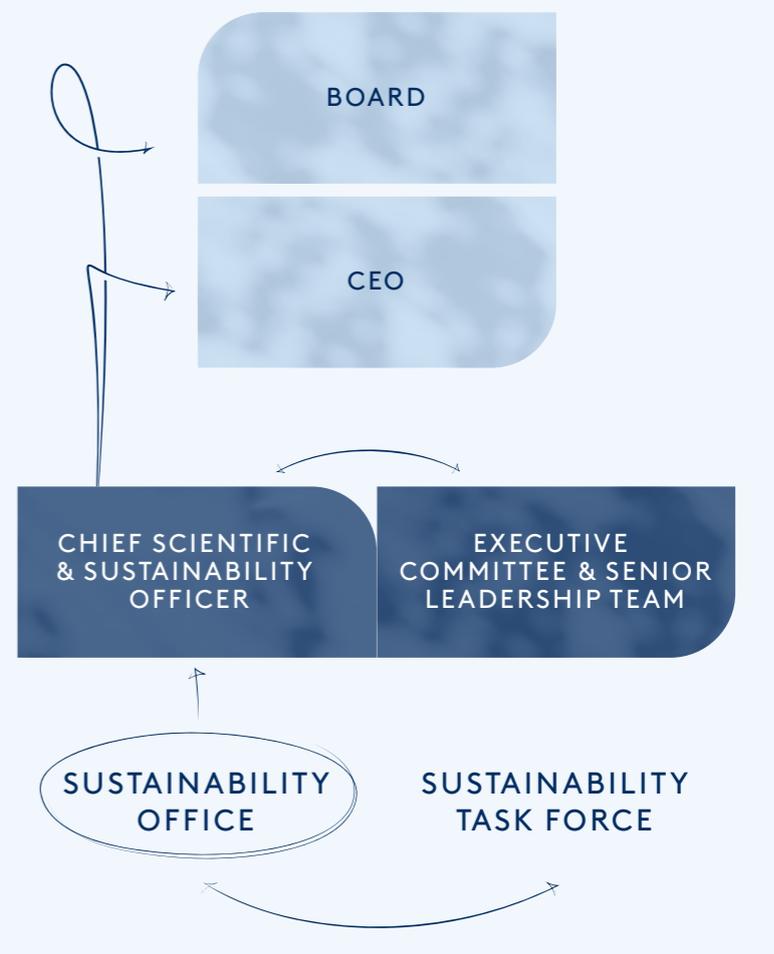


Our strategic framework, Beauty That Lasts, sets out our path to deliver a more sustainable and inclusive world, with sustainability as our ultimate driver of innovation and one of the company's six strategic pillars.

Launched in February 2020, Beauty That Lasts is structured around three pillars – Planet, Product and People – with time-bound targets for each. Through Beauty That Lasts, we develop and implement programs that will advance Coty's Environmental, Social and Governance (ESG) agenda.

GOVERNANCE

In FY23, we strengthened our ESG governance and invested in our team. We established the Head of Sustainability Office position, reporting into Coty's Chief Scientific and Sustainability Officer, with a dotted reporting line into Coty's Chief Brands Officer. More information on our governance is available in our [ESG Index](#).



	OUR TARGETS	OUR PROGRESS IN FY23
BEAUTY OF OUR PLANET	Reduce absolute scopes 1 and 2 GHG emissions 50% from a calendar year 2019 base year by 2030 (SBTi-approved target) ² .	In FY23, we surpassed our target achieving an 82% reduction in scope 1 and 2 emissions against our baseline ³ .
	Reduce absolute scope 3 ⁴ GHG emissions 28% from a calendar year 2019 base year by 2030 (SBTi-approved target).	Reporting to commence in FY25.
	Increase annual sourcing of renewable electricity from 5% in calendar year 2019 to 100% by 2030 (SBTi-approved target).	In FY23, 94% ✓ of our electricity was sourced from renewable sources.
	Reduce energy consumption by 20% by 2030 compared to our base year of calendar year 2019.	In FY23, we achieved a 23% reduction against our baseline.
	Send zero waste to landfill from Coty factories and distribution centers by 2030. Recycle 80% of waste generated by Coty factories and distribution centers by 2030.	In FY23, we achieved our target and sent zero waste to landfill ✓. In FY23, we surpassed our target, achieving a recycling rate of 84% ✓.
BEAUTY OF OUR PRODUCT	By 2030, achieve a 20% reduction in packaging against our calendar year 2019 baseline ⁵ .	Targets set in November 2022, reporting to commence in FY24.
	By 2025, ensure that 100% of our folding box boards are made with FSC- or PEFC-certified material.	
	By 2030, increase our use of post-consumer recycled materials to at least 30%.	In FY23, 98% of our new products went through our Beauty That Lasts Index ⁶ .
	As of 2020, include sustainability criteria in the conception of all new products.	
	As of 2020, share progress on our High Profile Ingredients and Materials management process annually.	
Improve responsible sourcing and transparency in our supply chain by:	We share updates on our High Profile Ingredients and Materials program through yearly sustainability disclosures. This year's disclosure can be found in our ESG Index .	
Purchasing 100% RSPO-certified palm oil for our production sites by 2024 (restated target) and our third-party manufacturers by 2025 (target under review) ⁷ .	In FY23, 88% of the palm oil purchases for our production sites were RSPO mass balance certified ⁸ . We have also initiated outreach to our third-party manufacturers and are analyzing palm oil data from these partners.	
Ensuring 100% of Indian mica is responsibly sourced by 2030.	88% of Indian mica ⁹ for our production sites is traced to mine level, and 100% of this is sourced from Responsible Mica Initiative members.	
BEAUTY OF OUR PEOPLE	Achieve gender balance in leadership positions by 2025 ¹⁰ .	In FY23, women represented 47% ✓ of our leadership positions. Our Executive Committee and our Board of Directors are both majority female.
	From 2022, continue to pay equitably for similar roles and performance, regardless of gender ¹¹ .	After closing the FY23 employee review cycle in October 2023, we have successfully maintained a gender pay equity gap of less than 2% across all our global management categories.
	Roll out diversity, equity and inclusion training for all associates by 2025.	Our 'Change the Conversation' DE&I curriculum is available for all associates who have access to a laptop, via Coty Academy. In FY23, 95% of associates also completed our Beauty That Lasts training, including three DE&I modules.
FUNDAMENTALS OF RESPONSIBILITY	95% of associates to complete annual compliance training by 2025.	In FY23, 97% ✓ of in-scope ¹² employees trained in one of more compliance module.

² Scope 1 and 2 target boundary: The target boundary includes biogenic emissions and removals from bioenergy feedstocks.

³ Coty is using a market-based accounting approach to track progress against this target, in line with SBTi criteria.

⁴ Scope 3 target base year: The base year for the target excludes Category 11 – Use of sold products - from the target as we do not have direct emissions in that category. This exclusion was done as part of the SBTi validation process.

⁵ Across Coty, an average of a 20% reduction in packaging gram per milliliter of product manufactured.

⁶ This data set excludes joint venture SKUs and giftsets.

⁷ Coty's previous target specified RSPO mass balance-certified sourcing, with a deadline for our production sites of 2022 and our third-party manufacturers by 2025. (i) As a result of supply challenges, we are restating our production site target to allow for sourcing via RSPO's different supply chain models and a new target deadline for end of calendar year 2024. (ii) Coty is currently analyzing data from third-party manufacturers and with a view to reassess and restate the 2025 target.

⁸ In FY22, we estimated our percentage based on RSPO material certification status in June FY22, applied to our actual 12-month volumes. We strengthened our reporting systems in FY23 ensuring this data is based on actual orders and quantities of RSPO certified materials received.

⁹ Indian mica represents 28% of our total mica sourcing.

¹⁰ A leadership position is defined as Senior Directors, VP and above.

¹¹ We determined that this target would be achieved when we achieved a gap of 2% or less. In FY22 we met this target, and it now becomes a rolling target. Our pay equity methodology is set out in our FY23 ESG Index. Our methodology was qualitatively reviewed by KPMG, who we engaged to provide limited assurance on selected data in this report.

¹² The scope includes all active employees, excluding employees who are on paid or unpaid leave and those who don't have access to a private computer.

BEAUTY OF OUR PLANET

Conserving and protecting
the natural environment
is our responsibility as a
business.

CLIMATE STRATEGY

OUR OPERATIONS

CLIMATE STRATEGY

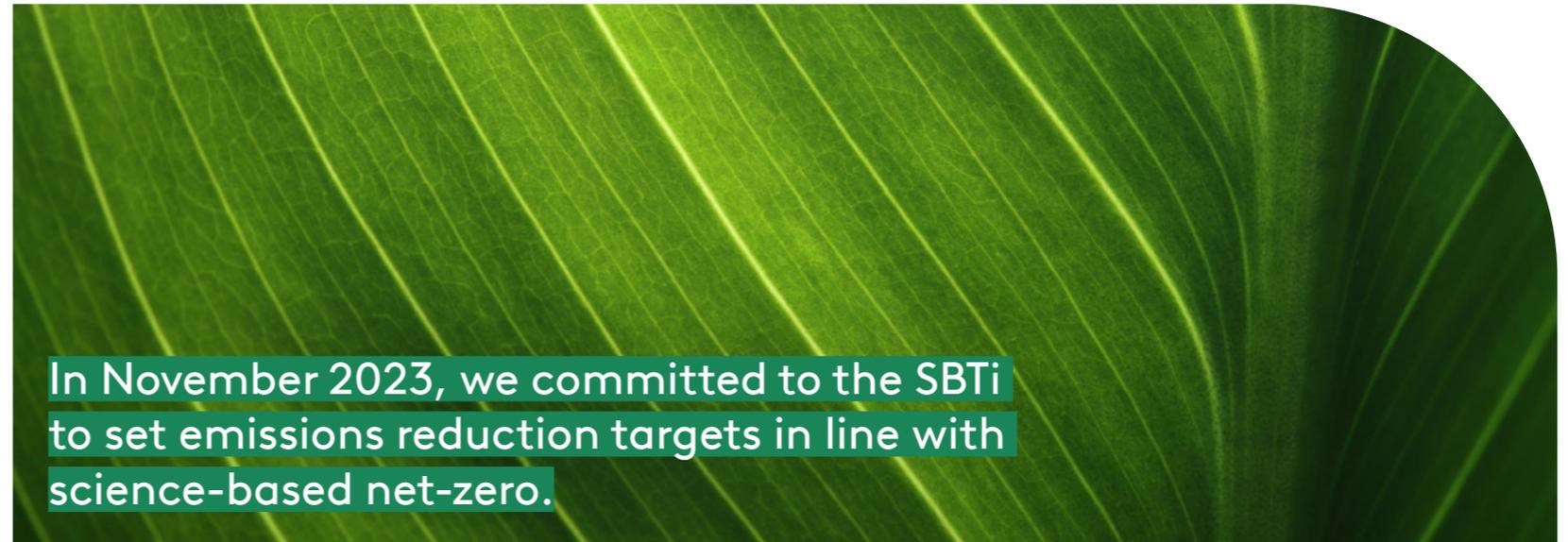
We have taken important steps forward to reduce the environmental impact of our business.

In FY23, Coty set ambitious new SBTi-approved short-term greenhouse gas emissions reduction targets for our scopes 1, 2 and 3 emissions. We are now focused on making these targets a reality, while also looking beyond 2030 to analyze what a net-zero economy would mean for Coty. In November 2023, we committed to the SBTi to set emissions reduction targets in line with science-based net-zero¹³.

We have made tremendous progress on our scope 1 and 2 emissions and already surpassed our goal, achieving an 82% reduction compared to our target of 50%¹⁴.

On scope 3, we have made significant progress in establishing a plan for reductions and engaging with our brands to drive action. In FY24, we will be introducing launch acceptance criteria for product innovation, helping to accelerate scope 3 reductions.

We publicly report on our climate strategy annually through CDP.



Our Targets	Our Progress in FY23
Reduce absolute scopes 1 and 2 GHG emissions 50% from a calendar year 2019 base year by 2030 (SBTi-approved target) ¹⁵ .	In FY23, we surpassed our target achieving an 82% reduction in scope 1 and 2 emissions against our baseline ¹⁴ .
Reduce absolute scope 3 GHG emissions 28% from a calendar year 2019 base year by 2030 (SBTi-approved target) ¹⁶ .	Reporting to commence in FY25.
Increase annual sourcing of renewable electricity from 5% in calendar year 2019 to 100% by 2030 (SBTi-approved target).	In FY23, 94%✓ of our electricity was sourced from renewable sources.

¹³ Per SBTi target setting process, targets will be set within 24 months of November 2023.

¹⁴ Coty is using a market-based accounting approach to track progress against this target, in line with SBTi criteria.

¹⁵ The target boundary includes biogenic emissions and removals from bioenergy feedstocks.

¹⁶ The base year for the target excludes Category 11 – Use of sold products from the target – as we do not have direct emissions in that category. This exclusion was done as part of the SBTi validation process.

Our climate strategy focuses on three key emissions hotspots:

PRODUCT EMISSIONS

Our product packaging and formulations represent the greatest contributors to our scope 3 carbon footprint.

To drive emissions reductions, in FY23 we began building a roadmap for our product development strategy identifying the top three emissions-intensive brands and ten priority focus areas for emissions reductions across our products, with a majority focus on base business renovation. We have engaged the three brands and mapped their full product portfolio to align emissions reductions with their product strategies.

We have already taken significant steps to reduce the impact of two key ingredients within our formulas:

Replacing D5 silicone (Cyclopentasiloxane) in some of our consumer beauty formulas and integrating innovative carbon-captured alcohol into our fragrances.

Read more in the [Product](#) section of this report.



TRANSPORT EMISSIONS

Emissions associated with transporting our products represent another key component of our carbon footprint.

Since FY21, we have used the EcoTransIT tool to monitor our transport emissions, enabling us to identify key emissions hotspots and areas for reduction, such as air freight. In FY23, we initiated a three-year glide path focused on reducing and avoiding air freight. For land-based shipments, we have improved vehicle occupancy rates and distribution network design to maximize efficiency.



Since 2022, Coty has been an active member of Shippers' Coalition for Low Carbon Maritime Transport, a collaboration betting on wind power to reduce the carbon emissions of shipping by up to 50%. In FY23, the group successfully selected a shipbuilder. We are excited that in the coming years Coty products could be transported using this low carbon approach.

OPERATIONAL EMISSIONS

In FY23, we far exceeded our target for reducing our scope 1 and 2 emissions.

This is the result of energy reduction efforts and a transition to fully renewable electricity consumption within our factories and distribution centers.

Three of our factories and our Amsterdam Headquarters office are now carbon neutral for scope 1 and 2 emissions.

This was achieved through a transition to renewable electricity, reducing remaining emissions as much as possible, and offsetting the remaining emissions (primarily refrigerants) from two sites, using high quality credits from Verified Carbon Standard (VCS) and Climate, Community & Biodiversity Standards (CCB Standards) certified carbon removal projects.

We are building on these hotspots to analyze what net-zero would mean for Coty.



OUR OPERATIONS

Reducing the environmental impact of our operations means placing particular focus on managing our energy consumption, waste generation, water use, and impact on the natural environment across our facilities. We made impressive progress against our ambitions in FY23.

We surpassed our 2030 targets on waste and recycling, as well as our energy and scope 1 and 2 emissions targets, and aim to continue these reductions in FY24.

Our energy strategy is centered around reduction and efficiency, transitioning to renewable electricity sources, and implementing on-site energy generation where possible. We are a member of RE100, a global initiative of companies dedicated to 100% renewable electricity. Our factories and distribution centers already use 100% renewable electricity, and we have started the transition for some of our offices.

Across our operations, we are continuously focused on responsibly managing our waste and water consumption¹⁷, and improving how we manage our impact on biodiversity.

Our Targets

Increase annual sourcing of renewable electricity from 5% in calendar year 2019 to 100% by 2030 (SBTi-approved target).

Reduce energy consumption by 20% by 2030 compared to our base year of calendar year 2019.

Send zero waste to landfill from Coty factories and distribution centers by 2030.

Recycle 80% of waste generated by Coty factories and distribution centers by 2030.

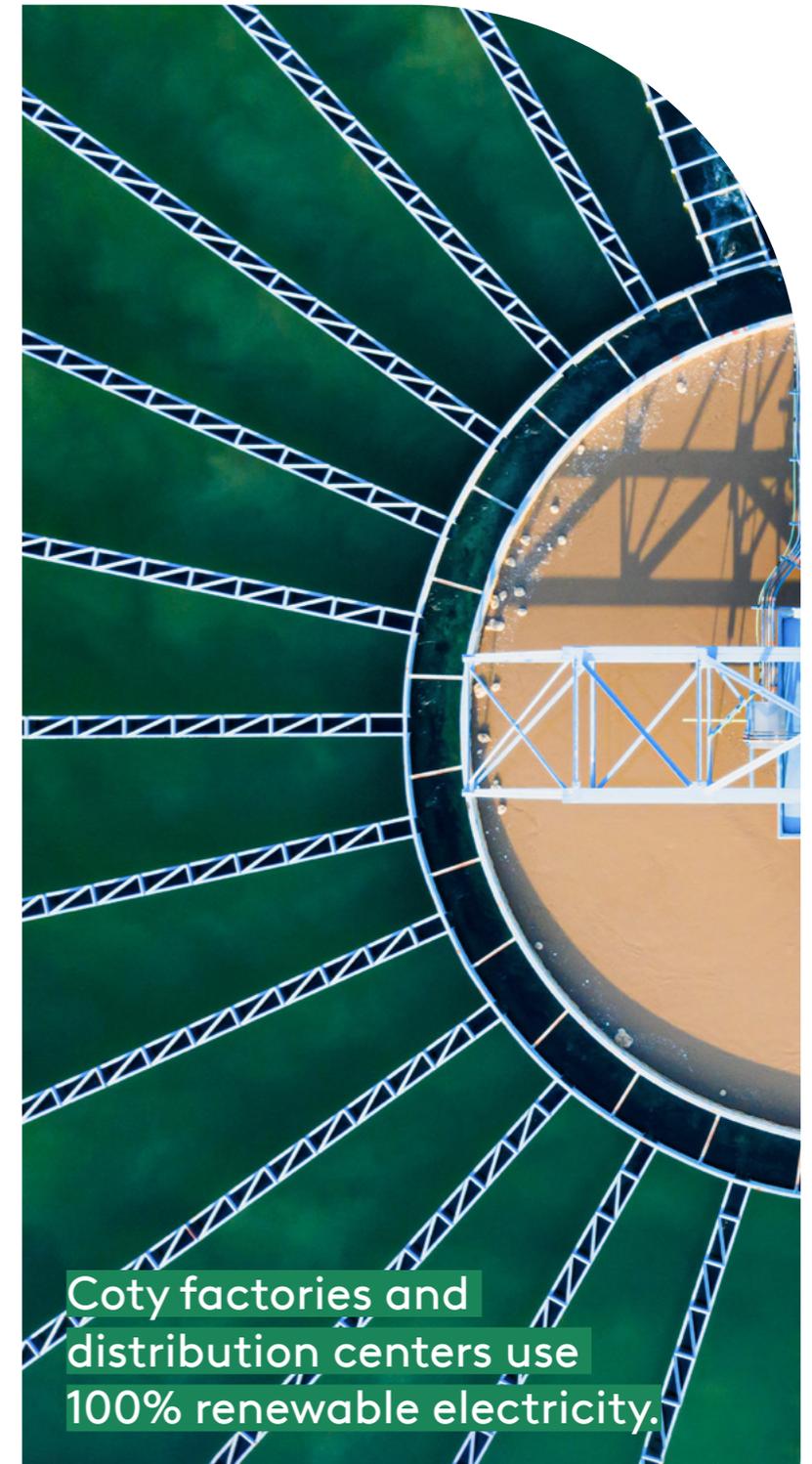
Our Progress in FY23

In FY23, 94%✓ of our electricity was sourced from renewable sources.

In FY23, we achieved a 23% reduction against our baseline.

In FY23, we achieved our target and sent zero waste to landfill✓.

In FY23, we surpassed our target, achieving a recycling rate of 84%✓.



Coty factories and distribution centers use 100% renewable electricity.

¹⁷Water consumption, as defined here by Coty, refers to intake of water by the business.

ON SITE RENEWABLES

We generate our own renewable energy across many of our sites.

We have solar arrays operating, or in development, across four factories and distribution centers, with further sites currently under feasibility review. These solar installation projects aim to meet between **10-20%** of the sites' electricity needs.



Solar array at our Granollers site.



At our Senador Canedo site, we continue to operate a biomass boiler powered by old and damaged wood pallets.

REDUCING ENERGY CONSUMPTION

We place a particular focus on managing our energy consumption across our factories and distribution centers.

In FY23, we achieved significant energy reductions at our Bournemouth facility through a targeted heating strategy: 'Heat the People, Not the Facility'. As a result, we reduced natural gas consumption in the building by **53%**.

This year, we upgraded our R&D lab in Suzhou, China. We improved energy efficiency by introducing a ventilation system that utilizes cold air drawn from outside, instead of air conditioning to cool the lab, which reaches high temperatures due to oven heat.

At our Monaco site, we source our electricity from local hydroelectric installations. On our on-site energy control systems also automatically switch off unnecessary electricity where needed, leading to a significant reduction in electricity consumption compared to the site average.

We are decreasing our reliance on natural gas at our facilities. In our Granollers factory we converted one heating system from natural gas to renewable electricity, reducing our CO2e emissions by **45 metric tons**.

IMPROVING RECYCLING AND WASTE

We are proud that across our factories and distribution centers we send zero waste to landfill and have a recycling rate of over 80%.

At our Monaco facility, we implemented new waste collection processes in FY23, creating new recycling channels, and conducting waste stream mapping and audits. This helped us improve our recycling rate at the site from 51% in FY22 to **70.3%** in FY23.

In FY23, our Hunt Valley site purchased a new plastic baler, allowing us to compact and recycle all our plastic flex film packaging, removing it from the waste stream.

See our ESG Index for more on our Planet strategy.



BEAUTY OF OUR PRODUCT

At Coty, sustainability
is our ultimate driver of
innovation.

ECO-DESIGN

RESPONSIBLE SOURCING

ECO-DESIGN

We are changing the way we design, formulate, and manufacture, creating innovative products that delight our consumers and deliver improved sustainability performance.

As the greatest contributors to our scope 3 emissions, our products are a key focus for us in reducing Coty's carbon footprint. We evaluate the sustainability profile of new products using our internal qualitative tool, the Beauty That Lasts Index, which integrates sustainability criteria into the packaging and formula development process.

In FY24, we will also introduce carbon-based launch acceptance criteria for new innovations.

Our Targets

By 2030, achieve a 20% reduction in packaging against our calendar year 2019 baseline¹⁸.

By 2025, ensure that 100% of our folding box boards are made with FSC- or PEFC-certified material.

By 2030, increase our use of post-consumer recycled materials to at least 30%.

As of 2020, include sustainability criteria in the conception of all new products.

As of 2020, share progress on our High Profile Ingredients and Materials management process annually.

Our Progress in FY23

Targets set in November 2022, reporting to commence in FY24.

In FY23, 98% of our new products went through our Beauty That Lasts Index¹⁹.

We share updates on our High Profile Ingredients and Materials program through yearly sustainability disclosures. This year's disclosure can be found in our [ESG Index](#).

Our products are a key lever in reducing Coty's carbon footprint.



¹⁸ Across Coty, an average of a 20% reduction in packaging gram per milliliter of product manufactured.

¹⁹ This data set excludes joint venture SKUs and giftsets.

Green Science

In our formulas, we strive to leverage the best that nature and science have to offer.

Green Science enables us to use the latest innovation and technology to minimize the pressure of our products on natural resources.

The application of its key pillars, Green Chemistry, Biotechnology and Biomimicry, and Green Extraction, continues to become more central to our innovation process. Biotechnology, for instance, enables us to create skincare ingredients in a laboratory that are largely identical to their natural state, and even adapt them to create a more potent active ingredient.



HOW ORVEDA PRIORITIZES BIOTECHNOLOGY

A key priority in FY23 has been integrating Orveda, the French green biotech brand, into our portfolio, following the licensing agreement Coty entered with the brand in FY22.

This integration included the launch of The Omnipotent Concentrate, Orveda's most powerful serum ever, inspired by a major discovery on senescent cells, also known as zombie cells.

The serum prioritizes the use of biotechnologies to develop its active ingredients sustainably, while augmenting their efficacy.



THE ULTIMATE UPCYCLING

In FY23, we launched the world's first globally distributed fragrance manufactured using 100% carbon-captured alcohol, Where My Heart Beats Eau de Parfum from Gucci's The Alchemist's Garden collection. Carbon emissions which would typically be released into the atmosphere are recycled into alcohol for fine fragrances using technology from our partner, LanzaTech. Across our wider product portfolio, we are on track to produce the majority of our fragrance portfolio using carbon-captured ethanol by the end of Calendar 2023²⁰.

Coty won the Sustainability in Beauty Award from WWD Beauty Inc. in recognition of the transformative nature of our LanzaTech partnership.



²⁰ 60% of units produced globally will contain at least 30% mass balanced carbon captured alcohol.

Packaging

Our strategy to minimize the environmental impact of our packaging focuses on four 'Rs' – Reduce, Recycled, Recyclable, Reuse/Refill. All new innovations are reviewed against this strategy, while we also deploy the Sustainable Packaging Initiative for Cosmetics (SPICE) Life Cycle Assessment Tool for embedding sustainability into the packaging design. In November 2022, we announced new packaging targets to guide our progress.

CIRCULAR REFILL SOLUTIONS

Circularity will be key to achieving our emissions reduction targets. Coty launched its first refillable solutions in early FY23, including the Adidas new Active Skin & Mind shower gels range, and Chloé Naturelle Intense Eau de Parfum. Following these successes, we have introduced a refill solution for the Maison's signature fragrance, Chloé Signature Eau de Parfum. Burberry's first refillable solution, Burberry Goddess Eau de Parfum, also launched in July 2023.

REDUCING UNNECESSARY PLASTIC

Reducing the amount of virgin plastic we use is a key priority. We have been working to remove plastic from our gift sets and have now replaced most plastic vacuum formed trays and dust lids with board and paper materials. In June 2023, we also switched from a plastic blister pack to a new paperboard outer pack for all our Bourjois color cosmetics in France, avoiding approximately three metric tons of plastic. We aim to expand this initiative beyond Bourjois in the future.



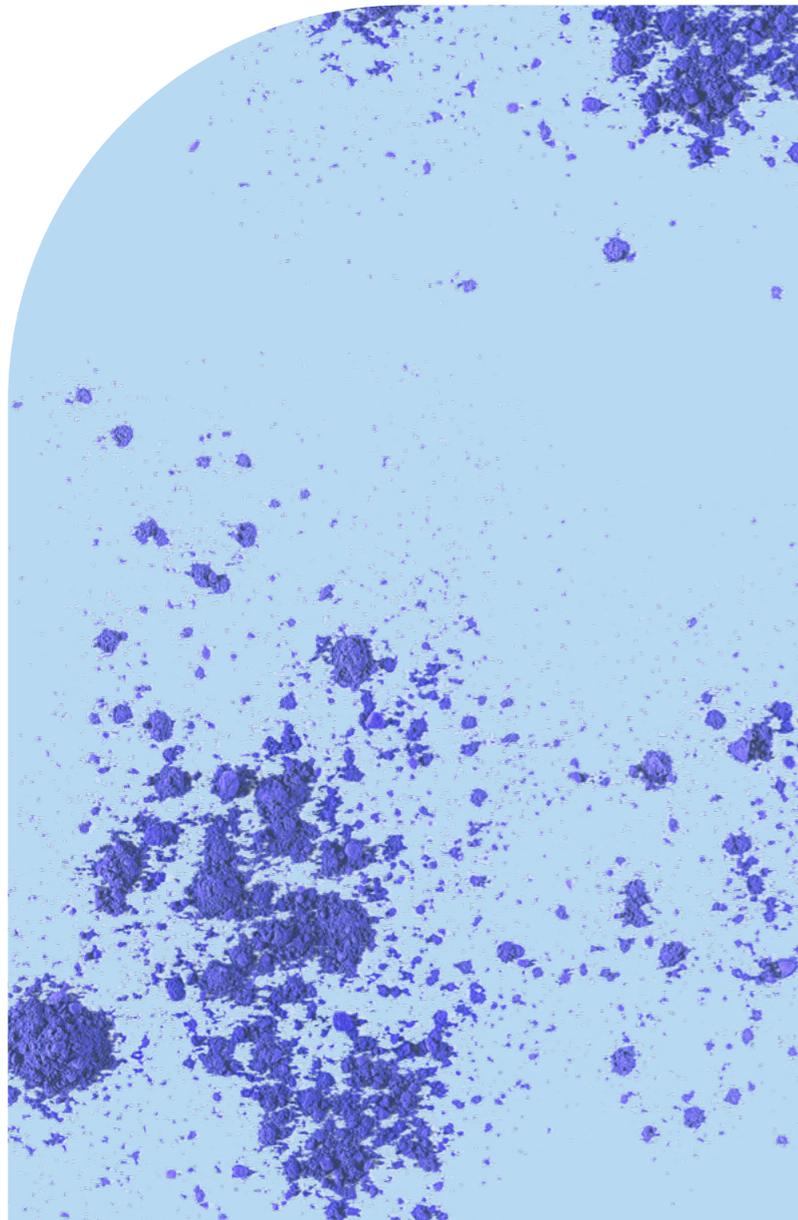
Chloé Rose Naturelle Intense Eau de Parfum won the CEW UK Responsible Beauty Award thanks to its reduced environmental impact and Silver Level 1 Cradle to Cradle Products Innovation Institute Material Health Certificate™.



Sally Hansen and WestRock won 'Best In Class for Inclusive Design' at the 2023 PAC Global Awards. The paperboard pack eliminated the need for plastic and highlighted a message of self-expression with partners GLAAD.

High Profile Ingredients & Materials Management

Coty's ingredients choices are governed by our internal ingredient standards, which are how we proactively manage ingredients used in Coty products to ensure regulatory compliance and anticipate emerging regulatory topics.



COVERGIRL'S FIRST PLANT-POWERED MASCARA

FY23 saw the launch of COVERGIRL's first plant-powered mascara, Lash Blast CLEANTOPIA. The formula is infused with 100% Cellulose plant fibers and made with 72% natural origin ingredients. The tube and outer cap are also made with 49% post-consumer recycled material.

REMOVAL OF D5 FROM KEY BRANDS AHEAD OF REGULATION

In FY23, we successfully reformulated our Adidas aerosol portfolio to remove D5 silicone (Cyclopentasiloxane), commonly used in beauty products but determined by regulators to have persistent and bioaccumulative properties. We also began the reformulation of other key products, including removing D5 from our popular Bourjois Healthy Mix Foundation.

COMMITTED TO CRUELTY FREE BEAUTY

Our skincare brand philosophy, and in August 2023, Brazilian body care leaders Monange joined COVERGIRL, Rimmel, Manhattan and Risqué in achieving Leaping Bunny approval by Cruelty Free International. Coty also joined the newly formed International Collaboration on Cosmetics Safety (ICCS) coalition, focused on advancing the adoption of animal-free safety science for cosmetics and their ingredients.

See our [ESG Index](#) for more on our eco-design and HPIM approach.

philosophy®

monange



Cruelty Free INTERNATIONAL

RESPONSIBLE SOURCING

Our products are made with ingredients sourced from all over the world, so our impact extends beyond our own operations.

We require our suppliers to comply with our Code of Conduct for Business Partners and to demonstrate their responsible sourcing practices through their own due diligence process, third party assessments and audits. We pay particular attention to ingredients and sourcing origins that face greater sustainability risks, such as palm oil and mica, and have dedicated action plans in place for these materials.



We pay particular attention to ingredients that face greater sustainability risks, such as palm oil and mica.

Our Targets

Improve responsible sourcing and transparency in our supply chain by:

Purchasing 100% RSPO-certified palm oil for our production sites by 2024 (restated target) and our third-party manufacturers by 2025 (target under review)²¹.

Ensuring 100% of Indian mica is responsibly sourced by 2030.

Our Progress in FY23

In FY23, 88% of palm oil purchases for Coty production sites were RSPO mass balance certified²². We have also initiated outreach to our third-party manufacturers and are analyzing palm oil data from these partners.

88% of Indian mica²³ for our production sites is traced to mine level and 100% of this is sourced from Responsible Mica Initiative members.

PALM OIL

We made significant progress increasing RSPO mass balance-certified palm oil sourcing for our production sites from 78% to 88% in FY23²⁴.

With the current scarcity of the palm kernel oil supply chain (RSPO, 2023), we expect to achieve at least 95%+ mass balance-certified sourcing for our production sites in FY24. To support market growth, we will top up the remaining percentage with direct support to smallholder farmers (via RSPO Independent Smallholder Credits). We are currently analyzing data from our third-party manufacturers and are reassessing our 2025 third party manufacturer target.

To go beyond certification, we joined the Action for Sustainable Derivatives (ASD). ASD is an industry-led collaboration that aims to increase transparency, monitor risks, and generate on-the-ground impacts. We are partnering to map our palm oil derivatives supply chain.

See our [ESG Index](#) for more on our Responsible Sourcing strategy.

²¹ Coty's previous target specified RSPO mass balance-certified sourcing, with a deadline for our production sites of 2022 and our third-party manufacturers by 2025. (i) As a result of supply challenges, we are restating our production site target to allow for sourcing via RSPO's different supply chain models and a new target deadline for end of calendar year 2024. (ii) Coty is currently analyzing data from third-party manufacturers and with a view to reassess and restate the 2025 target. ²² In FY22, we estimated our percentage based on RSPO material certification status in June FY22, applied to our actual 12-month volumes. We strengthened our reporting systems in FY23 ensuring this data is based on actual orders and quantities of RSPO-certified materials received. ²³ Indian mica represents 28% of our total mica sourcing. ²⁴ Coty produces some products on behalf of another company. This is a standalone company, and the products are produced in line with that company's strategy. Therefore, in FY23 we have excluded the palm oil volumes we purchase for the products we manufacture on their behalf and we recast the FY22 data for consistency.

BEAUTY OF OUR PEOPLE

Coty is committed to creating a more inclusive business and society. We believe that no one can control or dictate what is beautiful.

DIVERSITY, EQUITY AND INCLUSION

DEVELOPING OUR PEOPLE

DIVERSITY, EQUITY AND INCLUSION (DE&I)

We strive to use our recruitment practices to build a more diverse talent base. We seek to embed inclusive policies and practices to create an equitable workplace. We educate and raise awareness among associates so that we foster a culture of inclusion. We use our reach to showcase and represent our values externally.

Our Targets

Achieve gender balance in leadership positions by 2025²⁵.

From 2022, continue to pay equitably for similar roles and performance, regardless of gender²⁶.

Roll out diversity, equity and inclusion training for all associates by 2025.

Our Progress in FY23

In FY23, women represented 47%✓ of our leadership positions. Our Executive Committee and our Board of Directors are both majority female.

After closing the FY23 employee review cycle in October 2023, we have successfully maintained a gender pay equity gap of less than 2% across all our global management categories.

Our 'Change the Conversation' DE&I curriculum is available for all associates who have access to a laptop, via Coty Academy. In FY23, 95% of associates also completed our Beauty That Lasts training, including three DE&I modules.



Coty joined the Stonewall Global Diversity Champions program to help us assess and address LGBTQIA+ inclusivity within our policy ecosystem.



Coty UK & Ireland is recognized as one of the best places to work.

²⁵ A leadership position is defined as Senior Directors, VP and above.

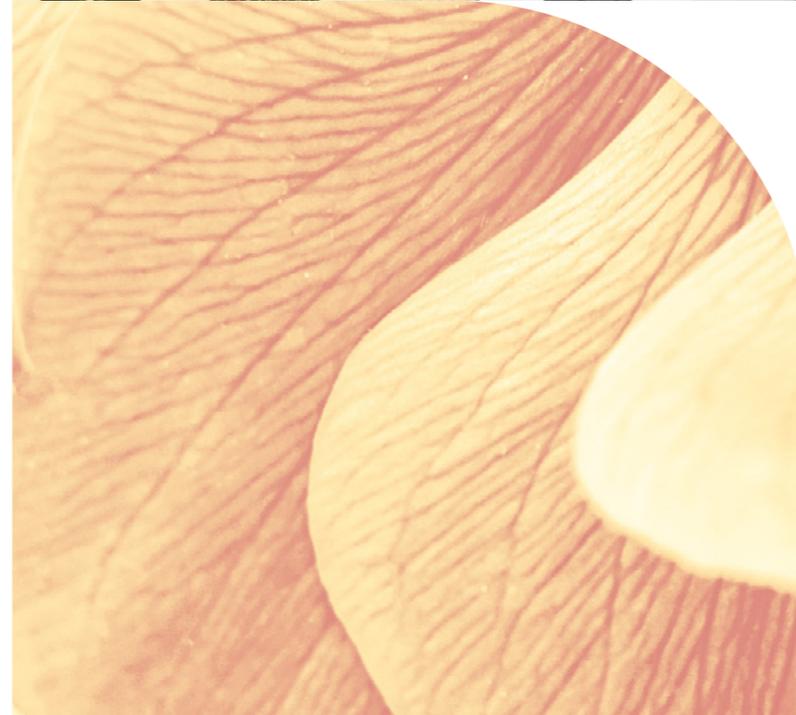
²⁶ We determined that this target would be achieved when we achieved a gap of 2% or less. In FY22 we met this target, and it now becomes a rolling target. Our pay equity methodology is set out in our FY23 ESG Index. Our methodology was qualitatively reviewed by KPMG, who we engaged to provide limited assurance on selected data in this report.

BUILDING A MORE INCLUSIVE POLICY ECOSYSTEM

At the start of FY23, we launched a global gender-neutral Parental Leave Policy, meaning all employees can access the same number of fully paid weeks of parental leave available in their local region. In FY24, we are introducing a 14-week global minimum to this policy.

Every Coty employee, regardless of gender or location, will receive a minimum of 14 weeks of fully paid leave when starting or expanding their family, including through adoption and surrogacy.

This policy will be launched in a phased approach, with all countries offering a minimum of 14 weeks by the end of FY24.



UNDEFINE BEAUTY

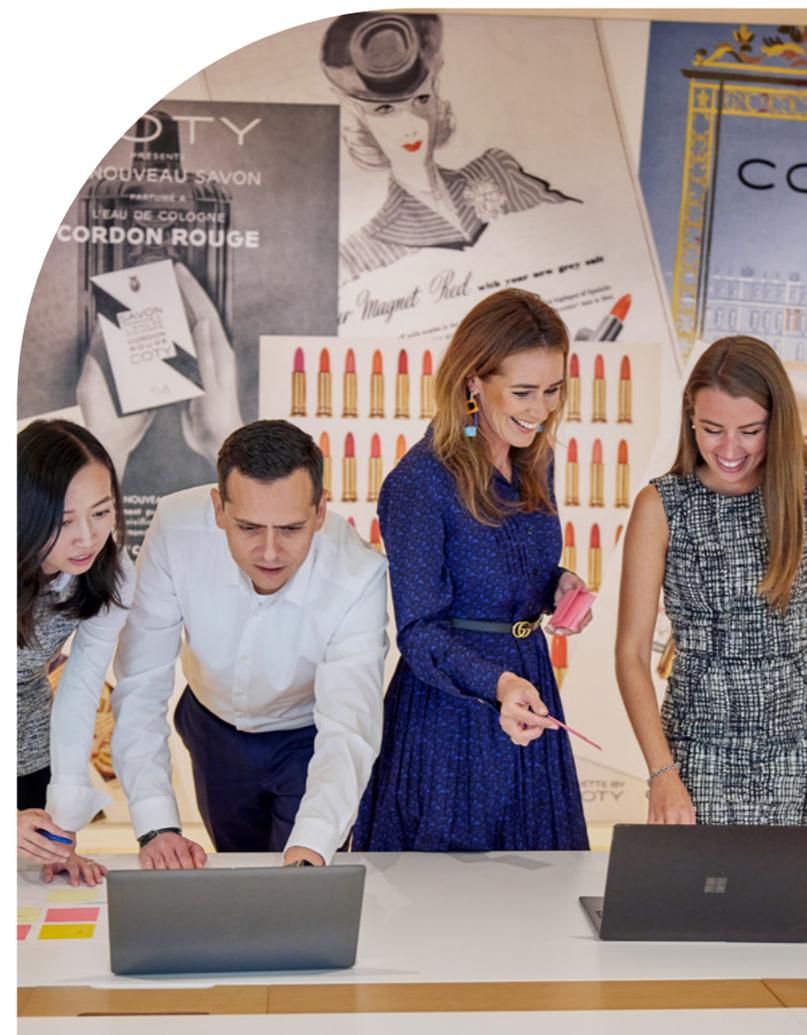
In FY23, we launched #UndefineBeauty, a global campaign to change the dictionary definitions of beauty.

The #UndefineBeauty campaign and petition recognize that the current examples cited under the definitions of 'beauty' in leading English dictionaries are outdated, and no longer reflect the values of today's society.

Join us, [sign the petition](#)

SUSTAINED PROGRESS ON WOMEN'S EQUALITY

This year, we have increased the proportion of women in leadership to **47%✓** and successfully maintained our 2022 achievement to pay equitably for similar roles and performance, regardless of gender²⁷. The pay equity gap remains at **2% or less** across every level of our global management categories after closing the FY23 employee review cycle in October 2023.



In our Amsterdam HQ we have a total of 48 different citizenships represented.

ASSOCIATE DIVERSITY

We form partnerships to attract a diverse candidate pool. In FY23, we extended our partnership with Vox Populi in France, a charity focused on youth employability, which helps diversify our intern talent.

In addition, we partner with Emprega Comunidades in Brazil, a specialist recruitment organization that works with underprivileged communities. Coty Brazil offers placements including professional training and workplace skills development. Coty UK & Ireland also partners with Brixton Finishing School, an organization helping people from underrepresented communities enter the marketing, advertising and communications industries.

In the US, we are building partnerships with local New York colleges with diverse student populations.



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USING OUR REACH

We look to support initiatives where Coty can create societal value in the communities we operate in.

In FY23, to mark International Women's Day, Coty announced a two-year partnership between Max Factor UK and UNICEF in support of the Skills4Girls programme.

Skills4Girls provides girls with the STEM, digital and life skills they need to become successful leaders, entrepreneurs and change-makers.

Through our partnership with Agence du Don en Nature, in FY23 we also donated over **47,900 products** to 184 non-profit organizations across France fighting exclusion and poverty.

²⁷We determined that this target would be achieved when we achieved a gap of 2% or less.

DEVELOPING OUR PEOPLE

We strive to attract and retain the best talent by creating opportunities for our people to develop and grow. We focus on building the knowledge, skills and behaviors, for now and the future, through training, mentoring and stretching our people in their role.



PROGRESSING OUR LEARNING AGENDA

FY23 was a year of significant progress for our learning agenda. We introduced Learning Festivals in most of our largest offices.

Our Learning Festivals focused on building the capabilities to deliver on Coty's global and local strategic priorities.

We have also expanded the training offering available through our learning platform (Coty Academy, on which our people averaged over 5hrs of training in FY23), leveraging our internal experts to double the number of new facilitator-led courses and significantly expanding our network of internal trainers from our business. We also started the journey of educating our people on sustainability.

We launched an e-learning module explaining our Beauty That Lasts sustainability framework, completed by 95% of associates.

| See our [ESG Index](#) for more on our People pillar.



This report has focused on Coty's FY23 milestones supported by in practice examples. Our [FY23 ESG Index](#) is for stakeholders who would like a comprehensive overview of our approach, policies, and data.

METHODOLOGICAL NOTES

This is our fourth sustainability report under our Beauty That Lasts strategy, covering our Fiscal Year 2023 (July 1, 2022 to June 30, 2023).

It covers the parts of our business in which we have operational control during the period, and does not include joint ventures or outsourced operations, except where noted. This report is supplemented by sustainability disclosures available on the Coty website and in our standalone [FY23 ESG Index](#), where we share ESG data, policies and practices.

As a signatory of the UN Global Compact (UNGC), we are adopting the new Communication on Progress (CoP) Questionnaire. Our annual submission will be available on the [UNGC website](#) after the UNGC reporting period closes.

TARGETS AND COMMITMENTS

Where we have set target or commitment deadlines, these are always against calendar year, unless otherwise stated.

ASSURANCE

We engaged KPMG to provide limited assurance on selected data in this report and our [ESG Index](#), using the International Standard on Assurance Engagement (ISAE) 3000. Data assured in FY23 is indicated with the symbol ✓. See previous sustainability reports for information on the scope of audit in previous years.

METHODOLOGIES AND STANDARDS

We are committed, and adhere, to numerous international standards relevant to sustainability and ethical business conduct, including:

- The United Nations' Universal Declaration of Human Rights
- The fundamental rights set out in the International Labor Organization's Declaration on Fundamental Principles and Rights at Work
- The OECD Guidelines for Multinational Enterprises

Across our reporting, we strive to follow consistent methodologies year-on-year. From time-to-time, we may need to update our methodologies as reporting standards evolve or we refine processes to improve data accuracy.

Our reporting on greenhouse gas emissions follows the GHG Reporting Protocol. The emissions declared in this report and our [ESG Index](#) are linked to our direct operations over which we have control. This covers our factories and distribution centers managed by Coty, and our corporate offices (14 factories and distribution centers, and 40+ offices and R&D centers) and excludes third-party operated factories and distribution centers. The same scope is covered for our energy and water consumption. The scope for our waste reporting is our factories and distribution centers.

Our reporting for scope 1 relates to the combustion of fuels from controlled sources and fugitive gases. Our reporting for scope 2 relates to emissions from the generation of purchased electricity or heat. Scope 2 emissions factors are extracted from the International Energy Agency for location-based emissions and used as a default if we do not have supplier-specific data.

From FY22, our methodology includes residual emissions factors for market-based scope 2 emissions (REDISS and AIB European Residual Mixes 2020). Our baseline-year was calculated using residual emissions factors, to ensure comparability.

Some of our FY23 office emissions, energy and water data was estimated based on historical trends, or energy performance per m²/FTE at similar locations, representing 2% of total Coty location-based scope 1 and 2 emissions, 4.7% of total water consumption and 2% of total energy use.

As part of this report, scope 3 emissions data is limited to indirect emissions from the following, with remaining scope 3 emissions reported through CDP:

- **Category 3** (Fuel- and Energy-related activities)
- **Category 5** (Waste from our factories and distribution centers)
- **Category 6** (Business travel)
- Selected emissions from water purchases in **Category 1** (Purchased goods and services)

Our sourcing data reported for mica and palm oil relates to direct sourcing for Coty factories, and excludes materials sourced by our third-party manufacturers.

Employee-related disclosures are based on Coty's global headcount data, which covers all full-time employees within the parts of the business in which we had operational control during the period. However, in some instances noted in footnotes, data within this data set has been excluded because it is not relevant to the indicator, or data is unavailable.

CAUTIONARY NOTE REGARDING DIVERSITY AND SUSTAINABILITY INFORMATION

This Beauty That Lasts Sustainability Report, [ESG Index](#), and our website “Coty.com” contain information about our social impact and sustainability goals, targets, initiatives, commitments, and activities. These efforts involve certain risks and uncertainties, such as changes in our business (e.g., acquisitions, divestitures, or new manufacturing or distribution locations), the standards by which achievement is measured, the assumptions underlying a particular goal or matter, and our ability to accurately report particular information. Actual results could differ materially from our stated goals or the results we expect. Changing circumstances, including evolving expectations for social impact and sustainability generally or to specific focus areas or changes in standards or the way progress or achievement is measured, may lead to adjustments in, or the discontinuation of, our pursuit of, certain goals, commitments, or initiatives. Moreover, the standards by which social impact and sustainability efforts and related matters are measured are developing and evolving, and certain areas are based on assumptions. The standards and assumptions could change over time. The selection by management of alternative acceptable measurements could have resulted in materially different amounts or sustainability metrics reported by the Company. In addition, statements made about our company, business, or efforts may not apply to all business units (e.g., ones that were more recently acquired) or joint ventures and strategic partnerships.

Our disclosure concerning these matters, including this Beauty That Lasts Sustainability Report and other disclosures on these topics, may use certain terms that third parties refer to as “material” in connection with certain social impact and sustainability matters.

Used in the context of our disclosure and our Beauty That Lasts Sustainability Report, however, these terms are distinct from, and should not be confused with, the terms “material” and “materiality” as defined by, or construed in accordance with, securities or other laws and regulations. Therefore, matters considered to be material for purposes of our Beauty That Lasts Sustainability Report may not be considered material in the context of our financial statements, reports with the U.S. Securities and Exchange Commission (“SEC”), or our other public statements, and the inclusion of information on our website or in our Beauty That Lasts Sustainability Report is not an indication that such information is necessarily material to the Company in those contexts.

Our disclosure concerning these matters, including our Beauty That Lasts Sustainability Report, includes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including statements regarding our social impact and sustainability goals, targets, initiatives, commitments, and activities, as well as our future operations and long-term strategy.

Although we believe that our expectations are based on reasonable assumptions within the bounds of our knowledge of our business and operations, we cannot assure that actual results or outcomes will not differ materially from any future results or outcomes expressed or implied by such forward-looking statements relating to sustainability. Forward-looking statements relating to sustainability include all statements that do not relate solely to historical or current facts and involve a number of known and unknown risks, uncertainties, and other important factors such as those described under the heading

“Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in our Annual Report on Form 10-K and other periodic reports we have filed and may file with the SEC from time to time.

These forward-looking statements relating to sustainability are made only as of the date of this document, and we do not undertake any obligation, other than as may be required by applicable law, to update or revise any forward-looking or cautionary statements to reflect changes in assumptions, the occurrence of events, unanticipated or otherwise, or changes in future operating results over time or otherwise. In addition, we assume no responsibility to update the information contained on our website or in our Beauty That Lasts Sustainability Report or to continue to report any information.

AVAILABILITY OF INFORMATION

We use our website as a channel for routine distribution of important information, including news releases, presentations, and financial information. We have also posted on our website our: (i) Principles of Corporate Governance; (ii) Code of Conduct (and any amendments or waivers); (iii) Code of Conduct for Business Partners; (iv) Charters for the Audit and Finance Committee and Remuneration and Nomination Committee; and (v) sustainability information, including information on our sustainability strategy, Beauty That Lasts, our diversity, equity and inclusion strategy, and certain Company policies. The information on our website is not, and will not be deemed to be, a part of or incorporated into this Beauty That Lasts Sustainability Report.

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